

Foreign Affairs, Defence and Trade References Committee

Inquiry into the impact of Defence training activities on rural and regional communities – 14 July 2017

ANSWER TO QUESTION ON NOTICE

Department of Defence

Topic: Precursory Regulatory Steps Prior to Notification of Compulsory Acquisition

Question reference number: 1

Senator: Gallacher

Type of question: asked on Friday, 14 July 2017, Hansard page 23

Date set by the committee for the return of answer: 31 August 2017

Question:

CHAIR: Thank you, Mr Grzeskowiak. I would like to put you on notice that the committee will require a briefing on the precursory regulatory steps that are undertaken by Defence prior to notification in the paper that there will be a compulsory acquisition. There should be regulations or legislation that govern that, and we would be extremely keen to see what the mechanism for community consultation is, in those steps. Is there a mechanism?

Brig. Bayliss: I should start with the letter that I sent out. I signed it and I take my responsibility seriously in that. I apologise for the hurt that occurred to the local community. The letter that I sent out initially was actually an invitation for the start of dialogue; it was not an initiation of a compulsory acquisition. It was a start to invite people to come and talk to us about potential land acquisitions and planned purchases. That was the initial part of the conversation. Compulsory acquisition was introduced by a third party—I'm not sure where. As we went through the discussion, it became necessary for us to advise government that our preference was strongly to only approach willing sellers. However, based on department advice the government decided to remove forcible acquisitions off the table in about February.

CHAIR: The committee are putting you on notice that we need to be taken through the steps that occurred. With hindsight, we want to look at what occurred and where we ended up. Clearly, a minister made one decision and then subsequently made another decision.

Mr Grzeskowiak: We will take that on notice to provide a chronology of events.

Answer:

The *Lands Acquisition Act 1989* sets out a series of steps for the Commonwealth to undertake compulsory acquisition of land. Under the Act, the process commences with the Minister for Finance issuing affected landowners with a pre-acquisition declaration, which states that the Minister is considering the acquisition of land by the Commonwealth for a public purpose.

This process was not initiated for the purpose of Defence acquiring land in support of the Australia-Singapore Military Training Initiative. Rather, Defence sought only to commence engagement with local communities on what options there might be to implement the Initiative. The chronology of events followed by Defence is as follows:

- On 6 May 2016, Australia and Singapore announced that they would jointly develop military training areas and facilities in Australia as part of the Joint Agreement on a Comprehensive Strategic Partnership. This included an agreement that Singapore would invest up to \$2.25 billion in the expansion of two of Australia's most important military training facilities; the Shoalwater Bay Training Area and the Townsville Field Training Area (the Initiative).
- On 13 October 2016, the Memorandum of Understanding governing the Australia-Singapore Military Training Initiative was signed. At this stage, Defence could confirm some land acquisition would be required and began the process of developing a detailed master plan to clarify precise requirements.
- Defence met with elected representatives and community leaders in Townsville and Rockhampton beginning in early October 2016.
- Landowners and lease holders were contacted in writing in the week beginning 20 November 2016. The letters were intended to start the dialogue with communities on how the Initiative could best be implemented. They were not intended to commence any process for acquisition under the *Lands Acquisition Act 1989*.
- In early and mid-December 2016, as part of initial engagement, Defence representatives hosted over 70 one-on-one consultations with landowners, lease holders and other members of the community affected by the proposed expansion.
- Defence continued consultation over December 2016 and January 2017 in both regions. The Minister for Defence held a meeting with Shoalwater Bay locals on 23 January 2017.
- As a result of the concerns raised by local communities during these consultations, the Minister for Defence announced on 7 February 2017 that there would be no forced sales of land in support of the Initiative. Instead, land will only be purchased from willing sellers.