

Senate Standing Committee on Foreign Affairs, Defence and Trade

Parliamentary inquiry into the impact of Defence training activities and facilities on rural and regional communities – 21 November 2017

ANSWER TO QUESTION ON NOTICE

Department of Defence

Topic: Impact on Bases

Question reference number: 12

Senator: Bridget McKenzie

Type of question: Spoken, Hansard pages 41-42

Date set by the committee for the return of answer: 15 December 2017

Question:

CHAIR: I accept that you don't measure the economic impact around bases—it's not part of your remit, so there's no criticism there—but is there any geographical location that would lend itself to an early and quick measurement? Is there a base where you know how much you spend, how much infrastructure you've put in, and there's a town or region that would lend itself to someone doing a thesis on the economic impact of that spend?

Ms Jones: I'm sure the answer is yes. I'm not sure which one I would choose.

CHAIR: Perhaps on notice if you could choose one, because I mean—

Senator McKENZIE: Choose three and tell us why you've picked each of the three.

CHAIR: Yes. As I say, there's no criticism here at all; we just want to join some dots together and see what makes the best economic sense in the region. So if there is an area which could be mapped and identified easily, we'd appreciate that information.

Answer:

Defence recently completed a study analysing the economic contribution of RAAF Base Amberley to Queensland. Defence engaged KPMG Australia Pty Ltd (KPMG) to analyse the economic contribution of RAAF Base Amberley to the local Ipswich, Greater Brisbane and Queensland's economy.

The 2017 study titled *Economic Contribution of RAAF Base Amberley* found that spending by Defence and its employees has substantial, positive benefits to the Queensland economy. In 2015-16, RAAF Base Amberley directly employed 3,450 military and civilian personnel and supported an additional 475 non-Defence jobs in local businesses. In the same period, the bases's contribution to Queensland's Gross State Product stood at \$614 million and is anticipated to rise to just over \$1.2 billion in 2019/20.

A copy of the RAAF Base Amberley study has been made available to the public at:

<http://www.defence.gov.au/id/>

Defence also engaged KPMG to complete a socio-economic impact assessment of the Australia-Singapore Military Training Initiative (ASMTI), to determine the benefits and impacts an increased Singaporean training presence may have for Central and North Queensland.

The assessment, released on 10 July 2017, found the ASMTI will deliver positive and enduring economic benefits to Queensland, including a net increase in Queensland's annual income and annual jobs as a result of both construction and operational phases.

Through the construction phase, scheduled from 2019-2026, Queensland could see the creation of up to 591 new jobs and a net increase of up to \$50 million in annual income across the State.

When facilities are fully operational, it is anticipated that the ASMTI could support up to 147 new and sustainable jobs with a net increase of up to \$20.5 million in annual income across the State.

A copy of the assessment has been made available to the public at:

<http://www.defence.gov.au/Initiatives/ASMTI/Assessment.asp>

In 2018, Defence will be commissioning further economic impact studies for RAAF Base Tindal, RAAF Base Williamtown, RAAF Base Edinburgh, Edinburgh Defence Precinct and HMAS Albatross.