

To: Parliamentary Standing Committee on Public Works

Date: 3rd April, 2020

Submission: RAAF Base Tindall Stage 6 Redevelopment and U.S. Force Posture Initiative Airfield Works

As a concerned citizen, I thank the Committee for the opportunity to make a submission.

In its submission the Defence Force indicates an estimated project cost of \$1.174 billion (excluding GST) with future sustainment costs of \$10.4 million (see below).

Given that Australia is already reeling from the monetary cost of droughts, bushfires and now the Covid-19 pandemic, the project cost of both, or either, of components 1 and 2, does not serve the people of Australia nor the Australian economy in such critical times. If we had that kind of money it should be spent on income producing infrastructure that benefits the economy, not for military purposes.

Australians have no appetite for investing in the industrial military complex to accommodate and wage wars based on lies. The U.S. is looking to Australia to increase its presence in the region and support its own force posturings with China, not for any peace time activities. Allowing significant quasi U.S. bases in Northern Australia is not in our interests.

#### Defence submission:-

##### "Project Costs

64. The estimated total capital out-turned cost of the project is \$1,174.0 million including Defence contingency. This estimate excludes Goods and Services Tax, except for the proposed living in accommodation project element. It includes project management, contract management and design fees; other professional services fees related to the design or construction activities; construction costs; active information and communications technology; furniture, fittings and equipment costs, and provisions for risk and escalation.

65. An increase in future sustainment costs of \$10.4 million is expected as a result of the proposed works. This is due to the additional maintenance, cleaning and utilities expenses that will be required in the proposed new and upgraded facilities and infrastructure."

#### Time to pay the piper?

I believe the U.S. component of this initiative is largely deemed to placate the U.S. as a result of a number of actions by Australia that the U.S. believed not in their interests. This includes dealings Australia has made with Chinese interests in 2015, as well as our non-acceptance of U.S. provisions in the Trans Pacific Partnership which saw the U.S. withdraw in 2016.

During this timeline, our current Prime Minister was the Treasurer. Details herewith:-.

#### October 2015 Sale of Port of Darwin to Chinese interests - Stupid decision - the U.S. were not impressed

In October 2015 the Northern Territory government granted a \$506 million 99 year lease of the Port of Darwin to a private Chinese company (Landbridge Australia).

The Foreign Investment Review Board chairman told a 2016 Senate committee he had become aware of the deal in late 2014 and asked for a response from Defence and intelligence agencies a few times

in 2015, but was repeatedly told that Defence had no issue with the deal. (though in June 2017 then-federal treasurer Scott Morrison stated at the office of NT News:- "They didn't tell us about it!")

As a result, from the end of March 2016 Federal Treasurer Scott Morrison announced a tightening of the nation's foreign investment rules in the wake of the controversial "sale" of the Port of Darwin to a Chinese company. The Foreign Investment Review Board will need to approve the sale of critical infrastructure belonging to the states and territories, such as airports and ports, to private companies. The rules will apply to any critical asset worth more than \$250 million.

#### December 2015 Australia-China Free Trade Agreement - the U.S. were not impressed

Dept of Foreign Affairs and Trade advised that on 20th December 2015 the agreement "paves the way for the next phase of Australia's economic relationship with China", whilst at the same time, U.S. provisions for a Trans Pacific Partnership failed.

#### February 2016 The U.S. pull out from the Trans-Pacific Partnership Agreement.

Australia and the remaining member countries proceeded with a new agreement (without the U.S.) excluding the 22 provisions which were a priority for the U.S. in the original agreement, and hence their withdrawal.