

Agreement between the Government of Australia and the Government of the Republic of Singapore Concerning the Use of Shoalwater Bay Training Area and the Use of Associated Facilities in Australia

Background

- 7.1 The *Agreement between the Government of Australia and the Government of the Republic of Singapore Concerning the Use of Shoalwater Bay Training Area and the Use of Associated Facilities in Australia* (the Agreement) is an agreement concerning the use of Shoalwater Bay by the Singapore Armed Forces for training purposes.
- 7.2 The Agreement provides the Singapore Armed Forces with access to the Shoalwater Bay training area to conduct unilateral training activities, in particular Singapore's major annual exercise, Exercise Wallaby. The Singapore Armed Forces lack adequate training areas in Singapore, so the Shoalwater Bay training area allows Singapore to develop its capability as a modern military force. The Department of Defence argues that this benefits Australia by making Singapore a more effective defence partner and contributor to regional security.¹
- 7.3 Shoalwater Bay is an Australian Defence Force (ADF) facility on the mid north coast of Queensland, and is one of a number of ADF facilities used by the Singapore Armed Forces for training purposes. The Singapore

1 Brigadier Andrew Nikolic, *Transcript of Evidence*, 7 September 2009, p. 25.

armed Forces also regularly use ADF facilities at Oakley and Pearce in Western Australia.²

- 7.4 The Agreement is part of the Australian Government's broader policy to allow access to ADF facilities for the Singapore Armed Forces. This broader policy is intended to enhance Australia's bilateral defence relationship with Singapore.³

The extent of Exercise Wallaby

- 7.5 The Agreement requires Australia to provide access to the Shoalwater Bay facility for not more than 45 days between August and December each year to allow the Singapore Defence Force to conduct Exercise Wallaby.⁴
- 7.6 Singapore is permitted to deploy up to 6600 troops, 150 armoured vehicles, 150 soft skinned vehicles, 250 special purpose engineering vehicles, 70 motorcycles and 30 other vehicles as part of the exercises.⁵
- 7.7 The exercise is subject to a detailed concept of training plan each year that cannot be changed without written agreement from Australia.⁶ While being conducted, the exercise is presided over by an ADF liaison officer, who cannot intervene in the conduct of training, but can prohibit or stop training if it is necessary to do so for safety reasons.⁷
- 7.8 The Agreement also details the extent of Australia's legal jurisdiction in relation to the exercise. All associated facilities used by the Singapore Armed Forces will be subject to Australian legal and security requirements.⁸ In addition all Australian quarantine laws are to be complied with,⁹ and the Singapore Armed Forces are to advise the ADF whenever the training activities create the potential to introduce diseases into Australia.¹⁰

2 Brigadier Andrew Nikolic, *Transcript of Evidence*, 7 September 2009, p. 29.

3 National Interest Analysis (NIA), Para 5.

4 NIA, Para 12.

5 NIA, Para 12.

6 NIA, Para 13.

7 NIA, Para 15.

8 NIA, Para 18.

9 NIA, Para 21.

10 NIA, Para 21.

- 7.9 Finally, Singapore is required to pay all costs associated with the training on a full cost recovery basis.¹¹

Previous recommendations

- 7.10 The Agreement being considered here is the latest in a series of agreements with the Singapore Defence Force concerning the use of Shoalwater Bay, the first of which was negotiated in 1995. The previous version of the Agreement was reviewed by the Committee in 2005. At that time, the Department of Defence advised the Committee that it had implemented three previous recommendations by the Committee made as part of the 1999 review of the Agreement:

The first recommendation related to consultation with the local business community during preparation of any future agreements to ensure that its interests were incorporated where possible. Two other recommendations related to the environmental impact of major exercises and meetings and circulation of documents to the Environmental Advisory Committee.¹²

- 7.11 The Department remains committed to implementing these recommendations. In relation to incorporating the interests of the local business community, the current version of the Agreement contains the following obligations on the Singapore Armed Forces:

- its contractors must demonstrate a practical commitment to supporting Australian commercial enterprises. The Department of Defence will determine what companies constitute Australian commercial enterprises for the purposes of the Agreement;¹³
- it must, where practical, offer contract and subcontract opportunities to Central Queensland local industry providers as a priority;¹⁴ and
- it is obliged to outsource set minimum levels of maintenance of its vehicles and equipment to Australian commercial enterprises.¹⁵

- 7.12 The last time the economic impact of Exercise Wallaby was measured, in 2004, it was found that the Exercise injected approximately \$6 million into

11 NIA, Para 26.

12 Joint standing Committee on Treaties, *Report 66*, p. 43.

13 NIA, Para 24.

14 NIA, Para 24.

15 NIA, Para 24.

the local economy. The Department of Defence believes the financial benefits have increased in the intervening years.¹⁶

- 7.13 The Committee Chair held discussions with Mr Brian Smith, Chief Executive Officer, and Mr John Bryant, Director of Rocky's Own, a transport company based in Rockhampton that has been engaged by the Singapore Defence Force to provide logistic support to Exercise Wallaby.
- 7.14 Rocky's Own has benefited greatly from the Singapore presence. Having obtained an explosive transport licence about a decade ago in order to service the Singaporean exercises, Rocky's Own is now the biggest transferrer of high explosives in Australia. Rocky Regional Development Ltd has calculated the benefits of the Singaporean exercises to the local economy as \$30 to \$35 million.
- 7.15 Mr Smith and Mr Bryant were highly complimentary of the Singapore presence in the local community, saying that they worked hard to get along with the local people and that they were very polite and that there were no incidents of violence between the troops and the local people.
- 7.16 In relation to the environmental impact of the exercises, the Agreement requires the Singapore Armed Forces to undertake post exercise remediation, restoration and rehabilitation at their own cost. In addition, all training exercises are subject to environmental impact assessment, monitoring.¹⁷ The Department of Defence argued:
- Defence takes its custodianship of the Shoalwater Bay training area very seriously and the new agreement contains additional reference to Australia's environmental laws and the requirement for Singapore to adhere to those laws. The new agreement also extends Singapore's remediation responsibilities to include external public access roads to Shoalwater Bay training area if deemed necessary by the environmental monitoring group and the post-exercise damage inspection.¹⁸
- 7.17 The Committee notes that there is some degree of concern in the Shoalwater Bay community about the environmental impacts of the ADF use of the Bay.¹⁹ It seems unlikely that the use of live ammunition and heavy military vehicles does not damage the environment in some way. However, in relation to this Agreement, the Committee is pleased to see
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16 Brigadier Andrew Nikolic, *Transcript of Evidence*, 7 September 2009, p. 26.

17 NIA, Para 17.

18 Brigadier Andrew Nikolic, *Transcript of Evidence*, 7 September 2009, p. 26.

19 See for example the website of the Shoalwater Bay Action Group, <<http://www.shoalwaterbay.org/military.php>>, viewed on 11 October 2009.

that the Singapore Defence Force takes its responsibility to clean up after its exercises seriously.

- 7.18 The Committee Chair held discussions with Ms Leise Childs, of the Shoalwater Bay Environmental Advisory Committee, who has had over ten years' experience dealing with the environmental issues caused by the military exercises in Shoalwater Bay.
- 7.19 On the one hand, Ms Childs was very complimentary of the Department of Defence's environmental awareness and commitment to protecting Shoalwater Bay. On the other hand, she was very concerned about the impact of fire on the Shoalwater Bay Training Area.
- 7.20 Ms Childs told the Committee Chair that the fire issue was particularly relevant to Singapore's Exercise Wallaby, which always seems to be held at peak fire season. She said that each Singaporean exercise gave rise to one or more fires, and that the fires last year were the worst for some time, burning for weeks over tens of thousands of hectares and came close to the community of Byfield. Homes would have been threatened if the weather had not changed and the fire stopped by Defence, Forestry and National Parks staff.
- 7.21 Ms Childs expressed the view that these exercises should not be conducted at peak fire risk times. She also expressed concern about the nature of pre-emptive burning prior to the exercise, saying core wilderness areas, such as the Clinton Peninsula, were being burnt. Her impression is that in 2009 over 60 per cent of the area was burnt. If this level of control burning occurs on an annual basis, it leads to changes in the vegetation habitat of a character which makes the area more fire prone, creating an unfortunate cycle.
- 7.22 Ms Childs stated that the pre-emptive burn of Clinton Peninsula in 2009 was a very hot fire that had burned too much ground cover leaving the ground surface exposed to erosion. Such a fire was also very damaging to wildlife and had burned into mangroves and wetlands. Ms Childs believes that this fire was only lit because of demands by the Singaporean training group to use this area for large calibre helicopter firing when this activity could have been carried out on Townshend Island without the necessity to burn out such an environmentally sensitive area.
- 7.23 Ms Childs believes Singapore's Exercise Wallaby is one of the most intensive held each year, with continuous troop activity and live firing over a six week period. Because of this and the timing during peak fire season, Ms Childs was not in favour of an additional 20 days of training

being added to the existing exercise. She may not oppose an extended exercise if it were programmed at a different time of year.

- 7.24 Ms Childs said that the Environmental Advisory Committee had worked well, and she was supportive of Defence's continued management of the area. She said Shoalwater Bay was unique in the world, with whole catchments in a relatively undisturbed state, and of incredible environmental value.
- 7.25 Ms Childs expressed concern about the future capacity and commitment of Defence to maintain environmental standards. Budget cuts over recent years have seen the civil and environmental units contract in terms of funds and staff. Ms Childs is of the opinion that this has reduced the capacity of these units and their influence within the organisation of Defence. Local knowledge and committed permanent staff has been a great asset in environmental management of Shoalwater Bay. Ms Childs perceives the Defence department's shift towards contracting out a range of functions including environmental and range control services as a threat to the high standard of management that has been achieved in Shoalwater Bay Training Area in the past.

Conclusion

- 7.26 The Committee believes the proposed Agreement will continue to strengthen the Australia-Singapore bilateral defence relationship. More broadly, the Agreement will also promote Australia's policy of increasing regional security. The Committee also welcomes the implementation of the recommendations made by its predecessor. It would appear the Department of Defence needs to be very mindful of the risk of fire when scheduling exercises, and the impact of pre-emptive burning on native vegetation.

Recommendation 10

The Committee supports the *Agreement between the Government of Australia and the Government of the Republic of Singapore concerning the use of Shoalwater Bay Training Area and the use of associated facilities in Australia* and recommends that binding treaty action be taken.

Mr Kelvin Thomson MP

Committee Chair

