

The Proposed Works

Scope

2.1 The proposal submitted by Defence involves the following elements:

- headquarters for No. 2 Squadron;
- hangar, apron and associated aircraft facilities for the new Boeing 737 AEW & C aircraft;
- AEW & C Support Centre;
- new and upgraded aviation fuel storage facilities;
- overlaying of existing runway and taxiways and widening of taxiways to facilitate movement of AEW & C Boeing 737 aircraft;
- replacement of airfield lighting and cabling;
- construction of a designated Ordnance Loading Complex;
- construction of new residential accommodation for up to 50 students and transit personnel;
- replacement and reconfiguration of existing sewage treatment works;
- upgrading of the Base power reticulation system; and

- upgrading of other engineering services, including water supply, stormwater drainage and communications infrastructure to service proposed new facilities.¹

Purpose and Suitability

- 2.2 The purpose of the proposed upgrades is to:
- provide facilities and infrastructure services in support of the AEW & C capability; and
 - establish a basis for future Base redevelopment².
- 2.3 RAAF Base Williamtown was selected as the home base for the AEW & C capability because it is central to fighter aircraft and navy training areas and because there are significant benefits to Defence in collocating the AEW & C aircraft with air defence and fighter training³.
- 2.4 It is anticipated that the establishment of the AEW & C capability will bring 350 additional personnel to RAAF Base Williamtown. Considerations of quality of life and community infrastructure for personnel and their families make RAAF Base Williamtown an attractive option for location of the new capability⁴.
- 2.5 RAAF Base Williamtown has sufficient reserved real estate to accommodate the AEW & C facilities and personnel. The Defence Reform Program requires maximum use of retained Defence assets. The proposed works promote increased effective use of RAAF Base Williamtown⁵.

Need

- 2.6 The need to further develop Australia's ability to surveil and command its air and maritime approaches was noted in both *Australia's Strategic Policy 1997* and the Defence White Paper, *Defence 2000 – Our Future Defence Force*.

1 Defence has provided comprehensive details of the scope, purpose and cost of the project in its Submission to the Committee, refer Appendix C, Submission No. 1

2 Appendix C, Submission No. 1, paragraph 22

3 Volume of Submissions, p.75

4 ib id

5 Appendix C, Submission No. 1, paragraph 21

The acquisition of an AEW & C system to provide this capability was accorded highest priority in Defence force structure development⁶.

- 2.7 The AEW & C system is a new capability for the Australian Defence Force and requires purpose-built facilities for support and maintenance of the aircraft, as well as training and accommodation facilities for personnel. Facilities associated with the AEW & C system include a training and support centre, hangars and associated facilities for AEW & C Boeing 737 aircraft, aircraft aprons for four AEW & C aircraft and headquarters for No. 2 Squadron.
- 2.8 In order to accommodate the AEW & C aircraft and personnel, it will be necessary to upgrade elements of existing Base infrastructure. These elements include fuel storage facilities, aircraft pavements, airfield lighting, ordnance loading facilities, student and transit accommodation, sewerage facilities, power reticulation, water and stormwater systems, and communications infrastructure. Such an upgrade is timely as many existing Base facilities are inappropriately sited or reaching the end of their useful economic life. The upgrades planned for Stage 1 of the RAAF Base Williamtown redevelopment will form the basis for future redevelopment to be executed under the Base Master Plan.

Cost

- 2.9 The cost of the proposed project is estimated at \$149 million. This figure includes management, design and construction costs, fittings and materials. Allowances have been included for contingency and escalation, and on-costs related to the geological conditions of the area have been factored into the estimate. Some \$19 million of the total project cost will be paid to the Boeing Company, which will deliver the AEW & C Support Centre as a turn-key project⁷.

Present and Prospective Public Value

- 2.10 Defence states that an average of 200 personnel will be directly employed on construction activities over the four-year construction phase of the proposed works. Defence also anticipates that further job opportunities

⁶ Appendix C, Submission No. 1, paragraphs 18-20

⁷ Appendix C, Submission No. 1, paragraph 112

will flow-on to the local area from the prefabrication of components and the supply of construction materials⁸.

2.11 Several submissions welcome the proposed works as a significant investment by the Government in the Hunter region. Specifically, the Hunter Valley Training Company Pty Ltd acknowledged the Defence proposal as:

an economic investment by the Government in the Hunter Region⁹,

whilst the Port Stephens Council acknowledged:

the positive economic impact the project will have on Port Stephens and the Hunter Region¹⁰.

8 Appendix C, Submission No. 1, paragraph 113

9 Volume of Submissions, p. 45

10 Volume of Submissions, p.53