

The Proposed Works

Need

Introduction of Armed Reconnaissance Capability

- 2.1 The Defence policy White Paper *Defence 2000* confirmed the need to improve the firepower, protection and mobility of Australia's ground forces. To meet this requirement, Defence intends that two squadrons of Armed Reconnaissance Helicopters should be introduced into service by 2004-05.¹
- 2.2 The 22 *Tiger* helicopters to be procured under Project AIR87 will be a significant new capability for Defence. The restructuring and collocation of the 1st Aviation Regiment is necessary to optimise the combat power of this capability.²

Collocation of 1st Aviation Regiment Units

- 2.3 The acquisition of the new armed reconnaissance capability will necessitate the restructuring of the 1st Aviation Regiment.³

1 Appendix C, Submission No. 1, paragraph 25

2 ib id, paragraph 14

3 Appendix D, Official Transcript of Evidence, p. 2

2.4 The 1st Aviation Regiment currently comprises seven units located at four different military bases throughout Australia.⁴ Under the proposed new arrangements, the regiment will be reorganised into:

- Headquarters 1st Aviation Regiment;
- 161st Reconnaissance Squadron;
- 162nd Reconnaissance Squadron;
- Logistic Support Squadron; and
- Technical Support Squadron.⁵

All reconfigured units will be based at Robertson Barracks, Darwin, and will require working and living accommodation.

Purpose and Suitability

2.5 The proposed works are intended to provide new facilities for the:

- collocation of all 1st Aviation Regiment units to Robertson Barracks; and
- the equipping of the regiment for the introduction into service of the *Tiger* reconnaissance helicopters.

2.6 Defence examined four possible sites for the collocation of the 1st Aviation Regiment and the introduction of the *Tiger* reconnaissance helicopters. Robertson Barracks is the preferred option as it:

- provides ample development space;
- offers achievement of full combat potential through operational synergies with the 1st Brigade's ready deployment formation located at RAAF Base Darwin; and
- is located such that aircraft noise is less likely to impact upon on local residential areas.⁶

4 Appendix C, Submission No. 1, paragraphs 10 - 12

5 ib id, paragraphs 15 - 17

6 ib id, paragraphs 18 - 23

Scope

- 2.7 Works required to meet the Defence objective include:
- 1st Aviation Regiment Headquarters facilities;
 - logistics precinct;
 - aircraft repair and maintenance workshop;
 - vehicles and stores repair and maintenance workshop;
 - hangars and shelters for 17 aircraft;
 - training facilities, including a flight simulator;
 - associated engineering services; and
 - living-in accommodation for 110 personnel.⁷

Cost

- 2.8 The budget for the proposed work is capped at \$75 million. This figure includes:
- management costs,
 - design costs;
 - construction costs;
 - furniture and fittings;
 - aircraft wash and refuel equipment; and
 - contingency allowances.⁸

Present and Prospective Public Value

- 2.9 The proposed works will enable Defence to introduce, and maximise the use of, a new armed reconnaissance capability commensurate

7 Appendix C, Submission No. 1, paragraphs 32 – 62 and Appendix D, Official Transcript of Evidence, p. 2

8 Appendix C, Submission No. 1, paragraph 30 and Appendix D, Official Transcript of Evidence, p. 3

with requirements identified in the Defence policy documents *Australia's Strategic Policy 1997* and *Defence 2000*.⁹

- 2.10 It is anticipated that the works will be of immediate benefit to the local economy, providing opportunities for local contractors and employing some 150 personnel on-site during the two-year construction period. Further job opportunities may be generated off-site from the design, supply, manufacture and distribution of parts and materials.¹⁰
- 2.11 At the public hearing, Defence stated its intention to adopt a contracting methodology
- “...aimed to provide maximum opportunity for the local industry for small and medium enterprises to get involved in our project”.¹¹
- 2.12 Defence’s statements regarding the positive local impact of the proposed works were echoed in a submission made by the Northern Territory Government’s Department of Business, Industry and Resource Development, which described the project as:
- “...a substantial financial injection to the Northern Territory economy, creating employment in a range of industries, primarily construction.”¹²

9 Appendix C, Submission No. 1, paragraphs 24 - 25

10 *ib id*, paragraph 79

11 Appendix D, Official Transcript of Evidence, p. 4

12 Submission No. 2, p. 1