



**COMMONWEALTH OF AUSTRALIA**

**JOINT PARLIAMENTARY  
COMMITTEE**

on

**PUBLIC WORKS**

**Reference: Lavarack Barracks redevelopment stage 2**

**TOWNSVILLE**

**Tuesday, 25 August 1998**

**OFFICIAL HANSARD REPORT**

**CANBERRA**

JOINT COMMITTEE ON PUBLIC WORKS

Members:

Mr Tuckey (Chair)

Senator Calvert  
Senator Ferguson  
Senator Murphy

Mr Richard Evans  
Mr Forrest  
Mr Ted Grace  
Mr Hatton  
Mr Hollis

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JOINT COMMITTEE ON PUBLIC WORKS

*Lavarack Barracks redevelopment stage 2*

TOWNSVILLE

Tuesday, 25 August 1998

Present

Mr Tuckey (Chair)

Mr Richard Evans

Mr Hollis

Committee met at 1.03 p.m.

Mr Tuckey took the chair.

**CHAIR**—I declare open this public hearing into the proposed Lavarack Barracks redevelopment stage 2 in Townsville. This project was referred to the Public Works Committee for consideration and report to parliament by the House of Representatives on 29 June 1998, at an estimated cost of \$139.3 million.

In accordance with subsection 17(3) of the Public Works Committee Act 1969, in considering and reporting on a public work, the committee shall have regard to:

- (a) the stated purpose of the work and its suitability for that purpose;
- (b) the necessity for, or the advisability of, carrying out the work;
- (c) the most effective use that can be made, in the carrying out of the work, of the moneys to be expended on the work;
- (d) where the work purports to be of a revenue-producing character, the amount of revenue that it may reasonably be expected to produce; and,
- (e) the present and prospective public value of the work.

This morning, the committee was briefed on the project by officers from the Department of Defence. The committee also undertook a thorough inspection of Lavarack Barracks, including the sites proposed for various components of the proposed works. Today, the committee will hear evidence from the Department of Defence and the Townsville City Council.

[1.05 p.m.]

**CALMY, Herve Mr, Principal Planner, Hames Sharley, 300 Rokeby Road, Subiaco, Western Australia 6008**

**KELLY, Brigadier Garry, Director General Project Delivery, Department of Defence, DGPD, CP3-3-03, Canberra, Australian Capital Territory 2600**

**LEAHY, Brigadier Peter, Commander 3rd Brigade, Department of Defence, HQ 3BDE, Lavarack Barracks, Queensland 4813**

**NICHOLSON, Wing Commander Allan, Project Director, Department of Defence, DGPD, CP3-3-24, Canberra, Australian Capital Territory 2600**

**CHAIR**—Thank you and welcome. The committee has received a submission from the Department of Defence dated July 1998. Does the department wish to propose any amendment thereto?

**Brig. Kelly**—Mr Chairman, I have minor changes to propose. Firstly, in paragraph 44 of the written evidence where it refers to an examination of ‘cook-chill’ technology in the second sentence, I would like to delete the word ‘trial’ and insert the word ‘study’. Although DSTO called it a trial, I think in the context of this committee it is more appropriate to refer to it as a study.

In annex D, figure 17, where it shows the BASB precinct, building 705 is incorrectly shown as planned for refurbishment. In fact, there will be no work undertaken on that building.

**CHAIR**—Thank you. It is proposed that the submission be received, taken as read and incorporated in the transcript of evidence. There being no objection, it is so ordered.

*The submission read as follows—*

**CHAIR**—Would a representative of the Department of Defence now read the summary statement to the committee, after which we will proceed to questions.

**Brig. Kelly**—The Department of Defence advocates the redevelopment of facilities at Lavarack Barracks in Townsville, Queensland. Lavarack Barracks is the home base of 3rd Brigade. The brigade is currently tasked as the land component of Defence's Ready Deployment Force. It is able to deploy at short notice, and many of its elements are air mobile. It is supported by a number of other Townsville based units, including the 5th Aviation Regiment and RAAF No. 35 Squadron. Some 3,500 military and 330 civilian personnel are based at Lavarack Barracks. The brigade is to retain its prescribed role for the present and is to remain at Lavarack Barracks.

The works now proposed are needed to overcome acute accommodation inadequacies, to improve efficiency and operational effectiveness, and to provide a sound infrastructure framework on which further development of the barracks can proceed. The need to improve living-in accommodation has been a dominant factor in determining the extent of the works encompassed in this stage of the barracks redevelopment. Other facilities and requirements have stemmed from the need to rationalise messing and catering services; to consolidate separated elements of single functional activities; to meet contemporary standards in working accommodation; to overcome shortcomings in environmental management arrangements; and to improve functional zoning and traffic flow between functional areas.

The works are in nine main components consisting of accommodation and messing, operational, logistics support and infrastructure development facilities. The out-turn cost of works is estimated at \$139.3 million, including construction and project delivery costs and a contingency provision.

Subject to parliamentary approval of this proposal, the work would be committed in late 1998 with the aim of having it completed by December 2001. Over the envisaged construction period, an average of about 200 personnel are likely to be directly employed in construction activities. Additional work opportunities would be generated off-site through fabrication of components and the manufacture and distribution of materials.

The proposed new facilities would enhance the overall operational effectiveness of Lavarack Barracks by raising the morale of personnel, improving efficiency of day-to-day activities, overcoming shortcomings in environmental management and providing an appropriate infrastructure for further development.

An environmental certificate of compliance has been issued. No direct adverse environmental effects are foreseen and no heritage implications are evident. Commonwealth, state and local government representatives and instrumentalities have been advised or consulted. That completes my opening statement, Mr Chairman.

**CHAIR**—Thank you, Brigadier Kelly. Do members of the committee have any questions based on the submission? Mr Evans?

**Mr RICHARD EVANS**—You mentioned that the project will be finished in three years. Will accommodation be available before then? Will you be using the facilities prior to total completion?

**Brig. Kelly**—We would expect that, if we let the managing contractor contract as soon as possible, the design would be complete about Christmas time and we would be into construction about February. We would then deliver the project in a phased way with some accommodation coming on line relatively early. It would be our intention to deliver some of the accommodation facilities as soon as possible. We would do this in consultation with the managing contractor who is the person ultimately responsible for delivering the project. I would expect to see some of the living-in accommodation coming on line about the middle of next year.

**Mr RICHARD EVANS**—Are you planning for about 1,100 units?

**Brig. Kelly**—Just over 1,000, yes.

**Wing Cmdr Nicholson**—Yes, 1,112 units are proposed.

**Mr RICHARD EVANS**—Is that based upon 60 per cent of the available force using it?

**Wing Cmdr Nicholson**—Yes. They look first at the numbers who are married and will be living off base in married quarters. They then separate out the single component and look at providing a percentage of that single component on the basis that a percentage of that single component would live off base.

**Mr RICHARD EVANS**—The percentage is derived by what means?

**Wing Cmdr Nicholson**—Historical data, largely.

**Brig. Kelly**—The percentages applied are actually 45 per cent for senior and junior officers being single or unaccompanied, about 20 per cent of senior NCOs and about 57 per cent of other ranks.

**Mr RICHARD EVANS**—Just looking through the accommodation process, if a soldier stays on base, does he or she pay accommodation fees?

**Brig. Kelly**—Yes, they do.

**Mr RICHARD EVANS**—How do they compare to normal rentals off base?



**Brig. Kelly**—It is fair to say that the rental at the moment is low, but the standard of accommodation that we are providing is also low. As a benchmark, I could explain that, from the middle of next year, in a phased approach, we will be going to a new user pays system whereby people will pay for the standard of the accommodation that they are given. The highest level, which is level five, which is what we will be building on base, will be costed from the point of view of rent at the average of 50 per cent of the cost of rental of a single bedroom unit in the capital cities of Australia.

**Mr RICHARD EVANS**—So is it reasonable to say that the 40 per cent you are not budgeting for to stay on base are off base because the accommodation is not to the standard that would be expected, or people would like?

**Brig. Kelly**—Even under the new arrangements, we will be assuming that 40 per cent will live off base. That is to allow some of them to exercise their right to have other means of accommodation.

**Mr RICHARD EVANS**—But is there a contingency plan if there is a greater demand? If you are going to build for 60 per cent on base and 40 per cent off base, what happens if 70 per cent want to be on base?

**Brig. Kelly**—If it appeared that that was a long-term requirement which we could justify, then we would come back with another proposal to the committee.

**CHAIR**—Does the 40 per cent include a fairly substantial number of married personnel?

**Brig. Kelly**—No, we assume that all married people are living off base, other than those who are unaccompanied.

**CHAIR**—So the 60:40 ratio is just for single people?

**Brig. Kelly**—Yes. We have assumed that, in this area, 60 per cent of people will be accommodated on base. That is a higher proportion than we propose in other parts of Australia but it is based on the operational need. It is based also on the historic trends that we have in this area.

**Mr RICHARD EVANS**—If the accommodation is going to be superior when you are finished and it costs 50 per cent of normal rentals, why would there not be a greater demand than 60 per cent?

**Brig. Leahy**—Some of this becomes a lifestyle choice for the soldiers. Many of them choose now to live out because they have lived out somewhere else and they have a large quantity of furniture that will not fit in, or they might have a girlfriend, or they do not want to be around other soldiers, or they might like to own a dog, or they are looking

for some relaxation away from the military environment. The figures have been fairly consistent over time.

**Mr RICHARD EVANS**—I accept all that, but I am asking whether there is a contingency plan in place if the demand is greater than 60 per cent.

**Brig. Kelly**—The short answer is no. We are only intending to build, as part of this project, 60 per cent of the potential liability. If the trend following the upgrade indicates that we need more then, as part of stage 3, we could always propose additional accommodation.

**Mr Calmy**—There is no special limitation on base to increase that number if it was deemed to be necessary.

**Mr RICHARD EVANS**—In regard to the fit-out of these units, obviously they are getting upgraded. They are getting kitchenettes and ensuites, but how does that go with the esprit de corps of the brigade, if you like, where they now can become self-contained and not leave their rooms? They will now be able to cook and fend for themselves in their rooms and not be part of the team, so to speak.

**Brig. Leahy**—At present, they are in single rooms, so that is a problem that we are confronted with now. How we overcome that is by having them in platoon and company groupings. So we see the distribution of soldiers through these new barracks being in those platoon and company groupings. They will, naturally, work and live together like that. We also see them being aligned with their work spaces so that soldiers will move from these accommodation areas where they are congregated to their work spaces.

**Mr RICHARD EVANS**—But, if they have got their own cooking facilities, that does not mean they will go into a group for eating meals; they could just exist in their own room, couldn't they?

**Brig. Leahy**—They can do that. Obviously, we cannot force them to live together. What we find is that they work in groups of such intensity and duration that they do naturally congregate together. Even now, when they live in single rooms, they congregate together in the hotels and in the recreational spaces.

**Mr RICHARD EVANS**—By supplying a kitchenette, you are not anticipating the problem that they would become cocooned in that and not participate in the way—

**Brig. Leahy**—I do not think it will be a significant problem, no.

**Mr RICHARD EVANS**—My last question relates to fit-out. What sort of standard of furniture are you planning in the units? What sort of furniture is it?

**Brig. Kelly**—We have not looked at specific brand types, or perhaps even the type of furniture that we will allocate. But, in general terms, for other projects, we provide furniture of a commercial standard which is comfortable and does not present too much of a regimental atmosphere. We want these rooms to feel like home, but we will be looking for something that is relatively robust, of course.

**Mr RICHARD EVANS**—In your drawings you have double beds. Are you planning to supply double or single beds?

**Brig. Kelly**—We are not planning to provide double beds, but it is something that we are prepared to talk about further. The current situation is that we put single beds in rooms and what happens is that one room on each floor ends up full of beds and all the other rooms are full of double beds that people bring in for themselves. So, if that is the way people live, there is a view that perhaps we should just provide a double bed in the first place. Of course, that is more expensive and it probably does exceed the requirement. Nevertheless, it reflects the common attitude today to have a double bed.

**Mr RICHARD EVANS**—Being height challenged as I am, I noticed in Corporal Mackay's room that he had a six-foot bed, but he was as tall as me. Are you planning to get the bigger beds in? I am just lobbying for the tall chaps.

**Brig. Kelly**—I cannot say what we have provided in other places, but the intent is to create a user group here to work out what the specific needs are for the layout and provision in each room. That is something we should look at.

**Mr RICHARD EVANS**—I would encourage a five-foot 10-inch soldier to sleep in a five-foot six-inch bed for a while, with the bedhead down the bottom at five-foot six, to give an indication of what it is like for a tall person. If you are going to get double beds, sure, but make them queen size.

**Brig. Kelly**—I think it is something that we have to look at further. Clearly, a single person has a requirement for a single bed. But the fact is that most of them now have doubles. We will undertake to look at that further, including having a good look at what we can afford under the current cost basis.

**Mr HOLLIS**—We are talking about how we are trying to make the accommodation and everything more user-friendly. We are talking about a lot of money, but by far and away the biggest component is the provision of live-in accommodation. I think Brigadier Kelly said that soldiers now want to have a dog and a girlfriend—I am not quite sure which comes first—but why don't we go all the way? Why are we providing this accommodation? There are very few jobs left that provide accommodation. We know people work long hours. As members of parliament, we work very long hours, but we have to provide our own accommodation in Canberra. We are on call 24 hours a day. Wouldn't it be better, if we were going to have the army here, if they either got their own

accommodation in town or wherever they want to live, and then they could have their girlfriend and their dog in the double bed, if they wanted to, or maybe we could provide accommodation in town? Why do we have to have this quite expensive accommodation all on base?

**Brig. Kelly**—The short answer is that we still see a need for this type of accommodation. I do not believe we are the only institution in the community that provides such accommodation. It is common in universities or in hospitals to still provide some accommodation similar to what we would call ‘on base’, at the workplace.

Nevertheless, we have taken account of the desire of some people to live off base, and that is taken account of generally by only aiming at providing 30 per cent of the liability on base in other places. Here, we are going for 60 per cent of the liability because we consider that 3rd Brigade has special requirements. Nevertheless, that will enable 40 per cent of people to live off base and be entitled to rental assistance to do so, provided that we do not have significant amounts of spare accommodation on the base.

Defence has been looking, for perhaps the last year or so, at providing some of its living accommodation off base. For example, in Western Australia, we are looking at providing some of the accommodation for HMAS *Stirling* in Fremantle or in Perth. So we believe that what is required is a balance.

**CHAIR**—I want to raise matters that I have raised in our briefings this morning which are not related so much to the actual accommodation, which I am convinced is excellent. Consequently, I believe that your proposal is taking the defence forces into the new century, but you are living somewhat in the past with the thought that meal services should basically be delivered in the traditional way, with one alteration—a centralised cook and chill facility. I think it will in fact be a cook and freeze facility, when one looks at the temperatures involved.

I have three concerns. Firstly, there is very substantial expenditure involved in this accommodation. Knowing the way that things move in this day and age, the way it is being located and the way it is designed, if there were a shift in years to come so that the demand for that accommodation did not exist, there is no way that it could be, for instance, rented or sold to the general public to recover the Commonwealth’s investment, notwithstanding that it has been located to give reasonably good views and things of that nature.

Secondly, from my personal experience, the idea of this cook-chill process of delivering meals will not be well received. Thirdly, there seems to be a move to privatise—if I can use that word—meal services. It is being done in the context of maintaining the institutionalised approach to that service. It is just a case of changing the managers and Defence hopefully getting a cheaper cost. It strikes me that, with the type of accommodation you are providing, and possibly with a more village type of approach, you

could provide a series of facilities to be rented to the general business community for the purpose of supplying food services according to your specification. That might range from a coffee shop, sandwich bar type of arrangement, to a cafeteria or an Italian restaurant in some part of the facility.

In questioning a couple of the soldiers today, they both admitted that they had difficulty with the institutionalised arrangements in terms of time. If their shift did not coincide with the meal hours, they literally missed out. They saw the kitchenette as being one of the answers to that problem, but they made mention of the fact that, if you did not have a car, accessing some of the in-town facilities of that nature was difficult.

A comment was also made that a McDonald's, or something like that—and I am not necessarily promoting that—would lack turnover, yet Defence has a major frontage to a major road called University Road. If you were to create provision for the construction of a food facility there with some variety, one would wonder whether it could be shared between the defence forces and the general public—it could be fenced in for that purpose—and whether that would save a very substantial amount of expenditure that you have indicated to us is required for the mess and chill-cook arrangements. Whilst I appreciate that I have only raised this matter with you this morning, I wonder if you want to comment on it to some degree or whether, in fact, as this development goes forward, you could give some of those thoughts further consideration.

**Brig. Kelly**—I think the primary responsibility we have to the soldiers is in fact the institutional requirement to feed them efficiently, but well, in a situation where we are controlling their daily activities to some extent. In a predeployment situation, we would certainly be using messes to their full capacity and very effectively to feed a lot of people in a short time. But, on a day-to-day basis, we still have hundreds of people going into a mess for lunchtime, and they need to be fed fairly quickly and fairly efficiently. I think the standard institutional approach, as you call it, is what is required for that. Nevertheless, the conceptual drawings that we have at this stage indicate that the main dining room can be divided up into a number of smaller facilities, and there is no reason why we could not use those smaller rooms to give a different environment to the dining experience.

In terms of having someone else do it for us, the catering at Lavarack Barracks will be commercialised in the next year or so, and that commercial operator will have a degree of flexibility in how he provides a service to the brigade. In particular, we still have to look at the requirements for a central business district in Lavarack. If one is required, we will build that during stage 3.

In Puckapunyal, for example, we have a shopping centre or a town centre. It has a food court with four small food outlets, which I think are the sorts of things that you are referring to. What we do find, however, is that it is not easy for them to make a living, so it is somewhat difficult to get people to come on base and set up a franchise for a food outlet. We have provided concession areas at Robertson Barracks in Darwin. Again, there

has been some difficulty in getting pizza or hamburger shops to come in and set up.

In terms of providing a facility that could accommodate the outside public driving past, I think that would present some difficulties for the brigade in terms of controlling the area in a predeployment situation. But, in any case, there are other opportunities being developed in the area—that is, in the commercial sense—across the road, and we are anticipating that soldiers will make use of that. Perhaps the brigade commander would like to add to that.

**Brig. Leahy**—We have looked at what might develop across the road, and I have had some discussions with the people who might go in there. We are very attracted to that. One of the concerns I have is the safety of soldiers getting across there without transport, so we would like to look at the possibilities of overpasses or underpasses so people could get there easily.

In terms of the commercial viability, I do not think that a commercial establishment in the base would be viable. For approximately six weeks of the year, we all take leave and the place empties, so there are only, say, 200 or 300 here. During the rest of the year, there are large numbers of people who deploy to the field, and again the number of patrons or prospective patrons decreases somewhat significantly. We could perhaps look at some form of controlled access to something that might be established along University Road. But I agree with Brigadier Kelly that we would have to make sure that that did not give us some problems of security.

**CHAIR**—If I can interrupt you, it need give you no more problems with security than what you have now if you put the same sort of fence behind it and your soldiers had access to it from the back of the base and the general customers had access from the front.

**Brig. Leahy**—It is a question of controlling access. If the soldiers can get access, I would probably have to have someone on the gate or some form of smart card system to keep the public out.

**Brig. Kelly**—I think the situation remains, though, that we still have to provide the institutional dining area so that we can feed a large number of people in an efficient time. But there are other options that we can look at in terms of providing that less formidable environment for people to dine in.

**CHAIR**—We lunched with you today, and I noticed that most of your people who were coming in had either brought lunch with them in a plastic box or were buying a ham roll at a little counter near the door. I think it is evidence of what people would really prefer at certain times of the day, compared with walking down a cafeteria line and selecting from no doubt good but probably larger meals than they would want in the middle of the day, but I do not want to press the matter now.

I can see that you have some sort of mobility benefits by having three locations for this new accommodation in terms of people getting to where they are expected to work without using a car and creating other problems, and I guess that is a fair reason. I believe otherwise—that the whole facility ought to be as one and have a more suburban aspect within the base. But these are decisions your planner has already considered, presumably. They are just issues that, as a layman, come into my thoughts. I am sure you could alter the cost dramatically of your catering arrangements if some of those other operations were to work. But they are issues that, in the overall planning and development, you might want to consider to some degree.

By the way, I would like to welcome the local federal member, Mr Lindsay, who has just arrived. He might wish to speak to us later. I will leave it at that. I just want something on the record with regard to that aspect of it, because I think there is quite an interesting opportunity there.

**Mr RICHARD EVANS**—In paragraph 47, on page 12 of your submission you say:

Benefits to be derived through the adoption of the ‘Cook-Chill’ food preparation process include:

I fail to see ‘taste good’ amongst that lot there.

**Wing Cmdr Nicholson**—We believe that the user should not experience a difference in the taste between—

**Mr RICHARD EVANS**—What? They should not experience good taste?

**Wing Cmdr Nicholson**—We are saying that, in changing to a cook-chill system, we should be able to provide the same good taste as we are providing with conventional methods at the moment.

**Mr RICHARD EVANS**—The examples that you use, though, of people using this process are hotels and hospitals and the like, which are short-term food usage. In other words, you go along to a hotel and you have this fantastic meal. It tastes okay; it does not taste like it does at home, but you are going to eat it anyway to be polite. What you are suggesting is that now you are going to be doing this for three meals a day, seven days a week. I wonder whether you have actually looked into this, whether a study has been done on ongoing usage of this process and what the reaction of the users has been. Coming back to my original point, would this in fact force people back into their kitchenettes because they do not like the food? If they are doing that, do you then have dietary problems associated with the troops?

**Mr Calmy**—Effectively, we have looked seriously at the delivery of food using that process, and one of the best examples we could find was of the Anglican Church in

Sydney, which, after many, many years managing some 13 retirement villages, came to the conclusion that this was the process that could deliver them what they needed. In that particular sense, the elderly are fed three times a day; they are quite specific in what they want. The dietary requirements of old people are very specific and are not uniform, so there is a need for flexibility and variety, and that has been achieved so much so that the central food production facility that the Anglican Church has invested in is now providing for 15 other organisations which are not associated with any retirement facilities. This, in fact, makes their investment even more viable today than it was—

**Mr RICHARD EVANS**—What are the other 15 organisations?

**Mr Calmy**—There are sports clubs and social clubs and others that have been latching on to it because they had that opportunity.

**Mr RICHARD EVANS**—This confirms what I am saying. When you talk to nursing residents—as I do—they complain that some of the food is cold when they finally get it. We are talking about the elite of Australia's forces requiring a good hearty meal. We are talking about—unless you have studies of this cook-chill process other than for nursing homes—feeding hearty people hearty meals on a seven days a week basis.

**Mr Calmy**—It is precisely because of that concern about meals not being warm and not being adequate that the Anglican Church led their strategy down that path—because they could effectively provide that service. We must remember that it is a two-stage approach to cooking a meal. It is one that takes the bulk of the economies of scale and hard preparation out of the equation so that the local receiving kitchen can finish it off and do whatever is necessary to make the meal attractive, tasty, warm and on time. We are looking at a system which, in fact, cuts very radically the preparation of food from the supply end, up to a point, and the delivery is taken separately. That delivery entails quality and all the things that the consumer is entitled to obtain.

In the model we have been looking at, we effectively have a central industrial type of approach to preparation of food because of the mass involved. In a predeployment situation, we could expect to have on base between 6,000 and 8,000 meals a day. That is a colossal amount to be produced, and you cannot rely on McDonald's or other facilitators to do it because it will never happen and they may not be ready on the day when the base needs to be ready as well. So it takes the heat out of that major problem. On the other side, you have the delivery, and the three messes with their three special kitchens will effectively achieve that.

**CHAIR**—How is this food going to arrive in the secondary kitchen? In a bucket or on a plate?

**Mr Calmy**—In a truck.



**CHAIR**—I am sure the truck will be there, but what is going to be in the truck? Is it going to be bulk quantities of precooked food that is to be served out, or is it a ready-prepared meal on a plate?

**Wing Cmdr Nicholson**—It is not individual serves. You can choose the container size to suit the demand, but it is not individual like Meals on Wheels serves. It will be much larger than that. It would then go into the finishing kitchen and be served on a plate.

**Mr Calmy**—You must remember that the food can be brought into the finishing kitchen three days in advance and stored there in bulk. That could still happen.

**Mr RICHARD EVANS**—You mentioned the Anglican Church in Sydney. Is any other military around the world using this technology?

**Mr Calmy**—There are German units using that system. The Germans are probably the most advanced in that field. They have a shelf life of up to 45 days for some of their products, which increases the flexibility for any operation. The planning of it is what Defence is looking for in that sense.

**Mr RICHARD EVANS**—Are you convinced the ‘taste good’ aspect, which is not listed here, would be okay?

**Mr Calmy**—It was so obvious that perhaps it has not been mentioned. Of course it has to taste good.

**Brig. Kelly**—I am advised that the Royal Navy also uses it in a widespread manner. I think there are other examples of the types of organisations that use it that are more applicable to here. The casinos in Sydney and Melbourne both use it, and Panthers Rugby League Club in Sydney uses it. I believe that is the biggest club in Australia. Those are organisations which have to produce a wide range of meals—from fine restaurant to bistro, to takeaway—and presumably do it fairly well.

**Mr RICHARD EVANS**—Have you eaten there?

**Brig. Kelly**—No, I have not.

**CHAIR**—Tell me then: how does a grilled steak turn up and/or do they ever get one?

**Mr Calmy**—That remains. Grilling a steak is a raw affair. It has to be done on-site. There will be barbecue areas in these dining areas where people can do them themselves to their taste. The cooking of some items definitely remains in the finishing kitchen area, or part of that parcel.

What we are looking for there is adapting what is definitely a modern technology. It is not something from the past at all. The research on cook-chill is, in fact, starting; it is not yet over by a long stretch of the imagination. Providing Defence with that particular tool at the front end of preparation of meals is certainly the way to go. There is already some potential for some of that to be used even in fuelled kitchens. It is not particularly appropriate for the barracks; it could, in fact, be applied further in combat situations as well. That is the starting point. The finishing kitchen remains available. They are there and they will be there, and whatever takes place in the finishing kitchen is, effectively, the sensitive area of food preparation. That can be studied to suit.

**Mr RICHARD EVANS**—Brigadier Leahy, you have got two things here: firstly, this new technology which all sounds great—and I am yet to be convinced that if people eat this for seven days they are going to feel really good about it—and, secondly, this new kitchenette arrangement which is new to the barracks as well. Can you see a possible problem? There may not be a problem but, if they do not like the food, they will start using their kitchenettes more, which means that they will start becoming room rats, as Brigadier Kelly said earlier, and they will become isolated.

Parliament House provides an example. My colleagues here, who are longstanding parliamentarians, were in the Old Parliament House and they said that there was more esprit de corps in that old house. In the new house we have our own ensuites and kitchenettes and we hardly ever see anybody else except when the division bells go. The problem with that is that people become isolated and are not being part of the team. If you have got this new technology which people reject and they move into their kitchenettes and start preparing their own meals, they become isolated. Have you got some contingency plan for this sort of possible problem?

**Brig. Leahy**—I do not have a contingency plan. I have not thought it through as fully as that. I acknowledge that there could be a problem, that some soldiers could become isolated, and in some instances we see it now in the facilities that we have for people, particularly for those who work shiftwork. They can tend to go into the rooms and not be part of it.

I note the layout of the accommodation, in that we are looking at modules of eight, which is about the size of a section. We would be looking at the management practices to make sure that we allocated a module to a section. When soldiers go to the field they live together in very close confines. When they are training in the barracks, again, they train together closely. I hope that that would take away some of the potential for people becoming isolated. I do not think the kitchenette is such a facility that we would see people able to cook good meals in there. I think that what we should be looking at providing from our kitchens is hearty, attractive food. Yes, we do have to go with modern tastes and, as long as we provide that, I think we will find that the soldiers will go down there.

**Mr RICHARD EVANS**—You are convinced that the cook-chill process will do that?

**Brig. Leahy**—I want to see a system that will provide modern, hearty food.

**Mr RICHARD EVANS**—That is not the question I asked. Are you convinced?

**Brig. Leahy**—I am not yet fully convinced. I am happy that we are going along a path that will provide us the potential for that.

**Mr RICHARD EVANS**—I have one last question regarding food and kitchenettes: all of these units are going to be airconditioned. You would not want massive cooking in those units because of the airconditioning, would you?

**Brig. Kelly**—The intention is not to encourage cooking in the rooms, because that would lead to other problems—hygiene and missing meals, which is not something that we want to occur. The intent is to provide a small refrigerator so that people can have cold drinks in their rooms—and probably a microwave. We have not provided a microwave in Darwin but we are looking at the potential to provide small microwaves here.

The intention is not to encourage people to cook in their rooms. The brigade commander intends to actively discourage it by appealing to them all and pointing out to them the value of eating in the mess. We do not see it as a huge problem. The fact is, if people want to snack, they will do it anyway; they do it now. What we are doing now is providing them with a part of their room which is actually designed for the preparation of food and for cleaning up so that we should actually reduce the problems with hygiene.

**CHAIR**—Is the kitchenette to have a sink?

**Brig. Kelly**—Yes.

**CHAIR**—But it will not have a little cooktop, or anything of that nature?

**Brig. Kelly**—No.

**CHAIR**—Just a microwave oven?

**Brig. Kelly**—Perhaps.

**Mr Calmy**—It was essentially in the design to prevent what sometimes could happen in the rooms where they are trying to have a kettle, or are trying to bring in things like that, but where there is no safe equipment and no standards.

**CHAIR**—Do you want to bet with me they are not going to do it!

**Brig. Kelly**—Well at least there they have got to have a little benchtop where it can be done in an orderly fashion.

**CHAIR**—They can buy those Vulcan things. You have got one person that has gone and bought their own airconditioner and put it in the unit, as they exist now. I think if you provide a kitchen, people will expect it to work, at least in some way, with a device that allows them to do that—they might go and get a frypan, I suppose, but I think you will find that people will want to do that. I applaud the fact that you are supplying that sort of facility, but I doubt you will get away with that in the context of just a sink and a fridge, or even a microwave. In fact, microwaves are possibly the worst choice in some regards because they will then be reheating frozen meals for themselves—that is for if dad rings up and says, ‘How’s my girl today?’ or whatever the ad says, ‘Are you looking after yourself?’

**Mr RICHARD EVANS**—They are doing that in the mess anyway.

**CHAIR**—The real question there is that the heating processes of microwaves can be quite debilitating, healthwise: they do not necessarily kill the germs. Anyway, that is getting into the technicalities. I think we have expressed a view that we applaud your progressive approach but that there are opportunities to look a bit harder at it in many regards.

**Mr HOLLIS**—How did the base cope with the floods earlier this year?

**Wing Cmdr Nicholson**—There was very minor flooding in one building, as I understand, even though the floods were exceptional. I understand one of the buildings that we looked in this morning had nearly half a metre of water through. Brigadier Leahy might correct me but, as a general rule, the base came through the floods quite well, with limited problems.

**Brig. Leahy**—We survived very well, Mr Hollis. It was a building in the transport squadron that had about half a metre through there. That was adjacent to that large watercourse that has already been identified. The access road through the entry gates had some water over it that caused some problem. But, apart from that, we survived very well in what was quite a monumental flood.

**Mr HOLLIS**—So any lessons that were learnt from that flood would have been incorporated into this project?

**Mr Calmy**—There had been a consideration at the planning level of flood issues long before that latest event in Townsville and the publicity that it attracted. All the grounds that have been selected for any future buildings have been selected on the basis of

previous and past experience on base. There are also, you will notice there, some drainage works that will continue to be exercised, in particular in the eastern residential section where we are introducing development areas beyond the traditional areas that have been occupied in the past. All the advice we have been provided with is showing that there will not be any difficulty at all there.

**Mr HOLLIS**—Okay. In the plans that we have here, there are some washing down facilities for vehicles et cetera. How are the pollutants from that dealt with?

**Mr Calmy**—You will notice on that plan I think you are referring to, plan 23, there is a provision for a below ground waste water treatment unit and a water recycling facility—that is on that side—and there will also be special bits for oil spills and the like. That has been located in the lower part of the wash facilities, so it is all gravity fed. It is part of the requirement, effectively, to address that.

**Wing Cmdr Nicholson**—A number of the current washes do not meet all the current standards. That is part of the reason for going to the one central wash and trying to close down the scattered ones throughout.

**Mr HOLLIS**—Do you ever have any complaints about noise or anything from any of the local residents?

**Brig. Leahy**—We had one last night: an alarm went off in one of the facilities, and the only person who heard it was a local resident of Wulguru. We do not get many. Occasionally, if we run aircraft or helicopters late into the night, we will get complaints, but they tend to be very limited. With complaints we had early last year I changed our practices—that is, we flew predominantly during daylight hours and stopped by 7 o'clock—and we have not had complaints of any substance since.

**Mr HOLLIS**—Going to the total out-turn costs of \$139 million, and I do not want to go into the detail of the confidential cost estimates but, having said that, this is one of the largest projects that this committee has been involved in for some time. We recently did the hearing on the National Museum of Australia, which was a very controversial project and involved us in four or five days of long, torturous hearings and endless letters. When I look at these plans, basically all we are talking about are a few buildings. The cost of \$139 million is not technical input in the buildings—whiz-bang computers or things like that—it is basically tin and mortar or whatever you are using to build it here. Why is it that, when we come to Defence projects, the cost always seems so high? It seems so much.

**Wing Cmdr Nicholson**—Certainly, we believe we are building to the minimum requirement.

**Mr HOLLIS**—Well, thank God you are not building to the maximum. If this \$139

million is a minimum, what would it be if there was a maximum?

**Wing Cmdr Nicholson**—Our estimates have been provided by industry estimators—quantity surveyors—so we believe the estimates to be reasonable.

**Mr HOLLIS**—You don't think there is a little fat in there anywhere? What if this committee suddenly said to you, 'Okay, we approve this project, but we think \$139 million is a little over the top. We want you to do it with \$115 million'? What would be your reaction?

**Wing Cmdr Nicholson**—It is likely that some items would possibly have to be shaved.

**Mr HOLLIS**—We have done that on buildings in Canberra and in other places. There have been buildings that were put up to us for about \$130 million, and we have said, 'We like the building, but we don't like the costs. Can you do it for \$115 million?' Miraculously, they could. Sometimes I have the suspicion that—and I would not say that this applied only to Defence—in the budgetary process a sum is allocated and the client, whether it be one of the departments or Defence, then comes to this committee with a project that immediately fits that amount. If, in appropriations, it had been \$115 million or \$100 million, we would probably get the same project with \$100 million. But, because it must have been appropriated at \$139 million, we are going to get it for \$139 million.

**Wing Cmdr Nicholson**—Our internal Defence committee process means that, in fact, each item has to be justified on its merits prior to reaching this stage. It is only then that the cost is determined for the project and it comes forward. The internal Defence process rigorously looks at these things. There was a facilities forum held at Lavarack last year, and they looked through the items in some detail. So it is not a case of plucking the figure out of the air.

**Mr HOLLIS**—I accept that. But I wonder why it is that, for the last 18 months, at every Defence project we have been to, we have been told that the project has come in six months early at X million dollars below cost. I am not criticising this; I think it is good. We are talking about taxpayers' money. Do you see why I am so suspicious? I think that somewhere along the way, somewhere, there is a certain amount of fat built in there—whether it is that magical word 'contingency'—when it does come in below budget, people can come to us and say, 'What a wonderful job Defence is doing, that they can produce these buildings early and under cost.' It may be that, if we realistically lop a few million off, we would still get the building and it would be at a more realistic cost than what was first proposed to the committee.

**Brig. Kelly**—I would make a couple of comments on that, I suppose.

**Mr HOLLIS**—I thought you might, Brigadier.

**Brig. Kelly**—I could give you some examples of projects that have come in over time and on budget—

**Mr HOLLIS**—Please do not, because you would shatter my illusions about Defence.

**Brig. Kelly**—But we would prefer not to do that in public, if it is not necessary. We are relatively confident that the prices for this project are right, for two reasons. Firstly, we have a live comparison with a very similar project at Robertson Barracks in Darwin at the moment where, for example, the living-in accommodation rooms are costing between \$60,000 and \$80,000 per person. We have gone for the lower end of the scale here. That price includes the component of the services, the infrastructure upgrade et cetera which leads to providing that bed space. So the evidence from a similar project in Darwin is that we are about right.

I do not believe that our design is over the top. This committee has had the opportunity to go back and look at projects we have completed and I do not believe I have ever heard feedback indicating that we have gone over the top in terms of lavishness of design. We are relatively confident that we get good value for our money because we bid competitively. We have fairly good processes in determining which acquisition strategy we should follow and then we bid competitively with some of the best contractors and consultants in the business. This means that we get a good outcome but it is also a very cost-effective outcome. The contingency allocated is 10 per cent. We would normally allocate a contingency between eight and 12 per cent and we have gone about middle range here because there are some unknowns in this project. Some of the infrastructure development going up some of those rocky hills might present us with some difficulties.

**CHAIR**—Can I follow the thought that Mr Hollis's remarks bring to my mind. I was just trying to do some figuring on the constructed cost of a typical four-bedroom standard residence without too many bells and whistles in terms of constructed cost here in Townsville. It is a very common practice these days for young people outside of the military establishment to rent a three- or four-bedroom house and share it amongst three or four, using the common kitchen facilities. In fact, I can quote my own daughter and say that they seem to be able to manage to divide up the electricity bill, the phone bill and everything else in that process. Considering that the finished product would be more marketable if there was a reason that the Commonwealth wanted to sell them, what is the cost ratio of that per soldier compared to the proposal we have before us with each individual room? In that situation they do share the bathroom and a couple of things but seem to manage to do that. Was any consideration given to that type of approach?

**Mr Calmy**—There are two sides there. In that first slice for the living accommodation, there is \$58 million allocated. That gives us roughly \$52,000 worth for each individual.

**CHAIR**—That is the cost.

**Mr Calmy**—Yes.

**CHAIR**—Mr Lindsay as the local member might be able to give us an indication of cost. I am not talking about the house on land because, outside of your development costs, you have got the land. By the sound of it, a four-bedroom house could probably be constructed here for \$100,000 and you get four people in it.

**Mr Calmy**—The idea behind the development is to have a reasonably uniform product. Individuality has been put forward as the most critical aspect of living in. The soldiers are eager more and more to in fact not share. Some would do it, and we have been through that esprit de corps exercise, but in reality you have got to take a decision at that point. Effectively, it was not considered as an option at the front end of the planning process.

**CHAIR**—So at no time was that option costed or considered; you went straight to the individual ensuite type units.

**Mr Calmy**—Yes, because that was deemed to be the initial requirement.

**Mr HOLLIS**—I have one final question to Brigadier Kelly or it may go to Brigadier Leahy. I notice in the papers that we have here that there is a letter from the Townsville Chamber of Commerce and one from the Australian Institute of Architects both of which appear to be somewhat critical of the policy of local content in the work. I know that we do go through a tendering process. I must say that I thought the Institute of Architects was drawing rather a long bow when it seemed to be saying that one of the reasons for the success of Pauline Hanson was that the local people were not getting contracts. You have obviously seen those two letters.

**Brig. Kelly**—Yes, we have.

**Mr HOLLIS**—Would you care to make any comment on them?

**Brig. Kelly**—When we go to the market, we have to take value for money as a primary concern although, within that broader policy framework, we have a requirement to make opportunities for small and medium enterprises where possible. On some projects we will break up into components that are better handled by small organisations, and the local estate organisation has plenty of ongoing work throughout the year that gives opportunity to local consultants and contractors.

Because we know this is an issue, we have in recent years asked our contractors and project managers to keep records of allocation of contracts. We have done that for a number of projects in Townsville over the last couple of years, and it has varied from a



worst case of about 62 per cent for one project up to a best case of 95 per cent by number of contracts and 96 per cent by value going to North Queensland contractors. In fact, if we look at the Townsville region only, it was 89 per cent by number of contracts and 86 per cent by value of contract. Most of that work comes from the flow-on to subcontractors and suppliers. Even though we might take on board a national supplier to run the project or as our primary contractor, most of the work is nevertheless done by local firms.

In terms of architects and consultants, again on the basis of value for money, it is quite common for us to commission a national consultant, but it is quite routine for them to execute the work through a local office of their organisation or through subconsultants that they bring on board. So I believe that the assertions that we do not look after local consultants or contractors are in fact quite incorrect.

**Mr HOLLIS**—Yes, and I accept that, but you know as well as I that everything is about perceptions. I recall some years back that a similar complaint came from, I think, the Master Builders on a project that we were looking at at Kapooka, and Defence—I thought as a good PR exercise—held a half-day seminar with local contractors. Because this is a project that, if approved, is going to have a lot of work and will employ a large number of people, has any thought been given to, say, holding a half-day seminar where local interested people from the building construction industry and other industries could come in and, if you like, be briefed on Defence requirements or indeed the way they go about breaking into Defence work?

**Brig. Kelly**—We did hold a briefing in 1996 for the projects that were coming up at that stage. We have not done so for this project yet, but there is no reason that we cannot have some sort of PR campaign to ensure that local subcontractors know what is going on.

**CHAIR**—I think the point of complaint that occurs outside of Defence is that government has tended to want to let very large contracts and that the local people, who just have not got the capacity to bid at that level, find themselves competing for—if I can say—the crumbs and, of course, often being told what they will get paid to do a certain task, rather than being able to bid for it directly. I am not sure which side that comes out on. When you look at the structures that you are talking about in the residential area, a local builder could bid for two or three blocks, couldn't they? But it is a question as to whether you would put the tender up in that nature.

**Brig. Kelly**—We have occasionally structured our projects to take account of the local capacity and the local style of work as a primary objective, but that is quite unusual. The project to establish the brigade in Darwin was done under traditional project management, with a very large team of project managers on site and literally many dozens of contracts between about \$4 million and \$10 million each, which is very inefficient from our point of view.

**Mr RICHARD EVANS**—I was looking at your design features on page 26, where item 88 says:

Building designs would incorporate the general design features outlined below.

There is no reference that I can see about fire, either smoke detection or fire facilities. I am sure you have got them there somewhere, but I have not been able to locate them. Is each of the units planned to have smoke detectors, for instance?

**Wing Cmdr Nicholson**—We have a para there, para 83, which points out that we do and we will continue to meet the Building Code of Australia requirements as well as the Defence manual of fire protection engineering, which has some other implications for us because it looks at it from a slightly different angle from the Building Code of Australia. We then require certification from qualified certifiers that both design and construction meet that Building Code of Australia.

**Mr RICHARD EVANS**—Does that mean that there probably will not be a sprinkler system but there will be smoke detectors?

**Wing Cmdr Nicholson**—It is most likely that there would not be sprinklers—I would need to double-check that. But we will build to the code requirements and whatever that code says we need.

**CHAIR**—I think most of the building codes now are demanding smoke detectors in residential establishments.

**Wing Cmdr Nicholson**—I think you are right.

**CHAIR**—But they would not want a sprinkler system.

**Wing Cmdr Nicholson**—No.

**Mr RICHARD EVANS**—Which will mean that smoke detection will depend on how touchy they are.

**Wing Cmdr Nicholson**—In the cooking area it can be a problem if you have very sensitive smoke detectors near the kitchenette—

**Mr RICHARD EVANS**—Cigarettes.

**Wing Cmdr Nicholson**—and that sort of thing, but we will certainly ensure we comply with the fire code.

**Mr HOLLIS**—If they have all those frypans going in the bedrooms that will set

off the smoke detectors!

**Mr RICHARD EVANS**—Or pipes. They will not do that. We were told this morning that most of the current barracks will be demolished, although you are keeping some. Is that correct?

**Wing Cmdr Nicholson**—Yes.

**Mr RICHARD EVANS**—If that is the case, there does not seem to me to be an obvious thing here about refurbishment. Are you planning to refurbish?

**Wing Cmdr Nicholson**—There is little in this stage that is to be refurbished, other than the very minor refurbishment of the areas for 3BASB Transport, the workshop. But in the follow-on stage, for example, a number of accommodation blocks will be refurbished for the high and medium density, and we believe we will also be doing some work for 11 Training Group, which will possibly go into refurbished facilities—

**Mr RICHARD EVANS**—So that will be additional to the bottom-line price?

**Wing Cmdr Nicholson**—No, it is not in this stage. What I was talking about there is stage 3—refurbishment works. There is some very minor refurbishment in this project. It is for 3BASB Transport going into some existing workshop areas down on that eastern side where we are trying to co-locate 3BASB. There is some minor refurbishment there, but the bulk of this project is not refurbishment.

**Mr RICHARD EVANS**—This morning, the briefing was that the parade ground at 3BASB is now going to be turned into a site for—

**Wing Cmdr Nicholson**—For buildings.

**Mr RICHARD EVANS**—What is going to happen to the parade ground?

**Mr Calmy**—That is one of the reasons for creating that instant deployment area. We were talking about the rock area on the left as we drove down. There are two issues out there. One is deployment and they have to bring trucks and everything there. On the other side, there is this parking issue that was looked at. There is a need for both—the deployment area on one side and the parking issue on the other—regardless of what happens in that area.

**Mr RICHARD EVANS**—Is that part of the costing structure?

**Mr Calmy**—That is included in the costing, absolutely.

**Mr RICHARD EVANS**—So the deployment area would be their new parade

grounds? Is that what you are saying?

**Wing Cmdr Nicholson**—Yes.

**CHAIR**—Thank you for that evidence. As is our practice, if during further evidence some matter were to arise which may not have occurred today, we will call you back, but I do not think that will be the case. Brigadier Kelly has drawn another couple of matters to our attention. I think it is our intention to deal with them at the close of the meeting.

[2.12 p.m.]

**BUNNELL, Councillor Ann, Deputy Mayor, Townsville City Council, PO Box 1268, Townsville, Queensland 4810**

**CHAIR**—I welcome Councillor Bunnell and, on behalf of the committee, I thank your council for making these facilities available to us today. The committee has received a submission from the Townsville City Council dated 14 August 1998. Do you wish to propose any amendment to that submission?

**Councillor Bunnell**—There are no amendments but I would like to make some comments if possible.

**CHAIR**—That is fine. Is it the wish of the committee that the document be incorporated in the transcript of evidence? There being no objection, it is so ordered.

*The submission read as follows—*

**CHAIR**—I now invite you, Councillor Bunnell, to make a short statement in support of your submission before we proceed to questions.

**Councillor Bunnell**—I would like to thank the parliamentary committee for the opportunity to comment on the stage 2 redevelopment of Lavarack Barracks. Obviously, the Townsville City Council is a keen observer and an interested party in this development. You will note in our submission that the council fully supports the redevelopment across a wide range of criteria. Firstly, I want to summarise, briefly, council's submission, if I have your leave.

**CHAIR**—Please, go ahead.

**Councillor Bunnell**—I would like to then comment on the social and economic benefits of the redevelopment, highlighting the very strong relationship Townsville has with the defence forces, past and present. In short, I believe this is an excellent opportunity to confirm our very strong support for the redevelopment and the involvement of the defence forces in our community.

Moving to the submission proper, I want to point out a number of areas of relevance to the Townsville City Council in our response. Council's environmental services department has had access to the environmental management plan for the redevelopment and is fully supportive of the goals and processes that it outlines. Indeed, we believe that the development of the environmental management plan demonstrates a far-sighted approach by the Australian defence forces and sets a benchmark for this sort of community development.

With regard to other planning issues, our planning and development services department has closely examined the relevant amenity issues and we do not believe that residents will be negatively impacted. Officers of the council commented to me that, through this process, the defence forces have once again demonstrated that they are committed to an open and honest dialogue. This has reinforced the good working relationships we have had with the defence forces, a relationship that has been especially close since the construction of the 10th Force Battalion at Ross Island.

The relocation of the 10 Terminal Regiment and the maritime wing and its amalgamation with second field logistics to form 10 Force Battalion was a significant move for the army and for Townsville. The Townsville City Council lobbied in support of the move.

We were especially pleased that we were involved in the construction of that facility, in particular building the Ross Island road. The construction of the road was based on a special environmental road management plan and its development provided a great example of how the defence forces and city councils can work together for the benefit of all. Council does not have any other comments about the redevelopment in relation to city

planning issues. In short, we are satisfied that the redevelopment has been official to Townsville. However, you will note we have highlighted a number of social and economic benefits in the submission. The remainder of my remarks will deal with these aspects of our submission.

The major development of North Queensland defence facilities will provide opportunities for closer links between the community and the Defence Force by improving employment prospects and injecting millions of dollars into economic expenditure into the community. As well as the 3rd Brigade and 11th Brigade, Townsville benefits from being home to the 5th Aviation Regiment, 10 Force Support Battalion, Operation Support Group RAAF and 35 Squadron RAAF. The total number of defence personnel, including regulation reserves and civilians, is 7,800, of which 5,700 are regular forces. In addition, children and spouses account for about 3,010 people in the Townsville region. Clearly, that is a significant increase since the first Townsville base was established in 1967 as part of the expansion of the army during the Vietnam conflict.

Even without the redevelopment, it is estimated that the defence forces contribute some \$500 million into Townsville's economy annually. Of course, stage 2 of the Lavarack Barracks redevelopment at \$133.4 million will give this further impetus. I understand that these improvements will create about 200 jobs during the construction of the new barracks facility, with additional work opportunities generated off site through fabrication of components and the manufacture and distribution of materials.

Moreover, I understand we can look forward to stage 3 of Lavarack Barracks redevelopment commencing in the year 2000 and in 2001, injecting a further \$150 million investment into the city. All this work is on top of the \$90 million being spent on the development of training areas and the 5th Aviation Regiment spending some \$22.13 million on the construction of environmental shelters for the Black Hawk and Chinook helicopter fleet. This project is big news for our community and forms part of a major economic contribution by the defence forces in this city.

Any discussion of the benefits delivered by the defence forces must also consider the social as well as the economic boost they provide to our city. While I will address the historic links at the conclusion, I want to highlight one case in particular which demonstrates how important the defence forces are to our community. In January this year, Townsville was hit by devastating flooding which resulted in loss of life and massive damage. Townsville and Thuringowa are deeply indebted to those soldiers and airmen who helped the community during and after the floods. About 170 troops, mainly from 2nd Battalion Australian Regiment, 3rd Combat Engineer Regiment, B Squadron, 3rd/4th Cavalry Regiment, 5th Aviation Regiment and RAAF's No. 1 Operation Support Unit took part in a wide range of flood relief activities from dawn to dusk over a period of five days. At the height of the floods, soldiers were evacuating people and assisting the Queensland ambulance services.

The ability of the Defence Force to rally to the aid of our community is a great example of how lucky our community is to have them here and we want to speak in support of them. I know that our community owes a great debt of gratitude to the men and women who helped so much at such a difficult time for Townsville and Thuringowa. Each of these cases attract national and international attention to our city and deliver long-lasting benefits. Townsville, more than other centres in the country, recognises the Australian Defence Force and the historic role it has played in the development of the nation. Our city and the defence forces are well entwined.

I would like to leave my comments there. I have more good things to say about the defence forces, Mr Chairman, but I think you know of them. I am trying to impart to your group that we welcome this redevelopment. It is very important to our community. We recognise and value highly the social and economic benefits. The Townsville City Council again confirms its support and we look forward to the project's commencement. Thank you.

**CHAIR**—Thank you very much. Do any members have any questions for Councillor Bunnell?

**Mr RICHARD EVANS**—I do. On the basis of perception, do you believe that the local community gets a fair share of the local content?

**Councillor Bunnell**—Yes. That is our impression. I know that there are occasional complaints about that but, from our point of view, we feel that the defence forces return a huge amount to our community and we are very satisfied with that.

**CHAIR**—I think Mr Evans may be concerned whether your local contractors would get adequate access when construction of this nature, in particular such a large project, takes place.

**Councillor Bunnell**—It was my understanding that they did. I have been promoting in many of my speeches to community and international guests the fact that the defence forces have a policy of buying locally. I believe that is not quite enshrined; I have only realised that in recent times. Looking at the development of the 10 Terminal Regiment, it seems to me that they did use a lot of local people. They used community people in terms of environmental issues and we were quite satisfied with that.

**CHAIR**—I believe they are now using local people in the maintenance of their boats.

**Councillor Bunnell**—Yes.

**CHAIR**—Thank you very much for finding the time to come here. I repeat our thanks for the use of your facilities.



**Councillor Bunnell**—Thank you very much.

**CHAIR**—Prior to closing the meeting I would like to give an opportunity to the federal member for Herbert, Mr Peter Lindsay, to address the committee.

[2.22 p.m.]

**LINDSAY, Mr Peter, Federal Member for Herbert, PO Box 226, Aitkenvale, Queensland 4814**

**Mr Lindsay**—Mr Chairman, I sat in that chair there for 11 years in this city council and it is great to be up here sitting in the deputy mayor's chair.

**CHAIR**—Yes, thank you. You are just giving us a brief statement, so we are not swearing you in. Is that the arrangement?

**Mr Lindsay**—Yes.

**CHAIR**—Thank you.

**Mr Lindsay**—Mr Chairman and colleagues, thanks for coming to Townsville today. You have seen today that this is the sharpest of the sharp ends of the ADF. We are talking about Australia's largest army base. It is very important to this nation and very important to this city. You have seen the appalling standard of facilities. You have seen the vision of the redevelopment that is proposed for central messing and so on and also the cost effectiveness of that. You have heard of all the technicalities. I want you to be aware of the practicalities.

Over the last 2½ years I have had many discussions with the men and women who use those facilities. I have heard how they are looking forward to the day when they can actually move 30 years ahead and get modern facilities. That is what the proposal before you today is all about. The soldiers themselves deserve much better facilities than they have.

I also bring you a message from the Minister for Defence Industry, Science and Personnel, whom I spoke to less than an hour ago about this matter. Probably about a year and a half ago, the minister and I visited these facilities. From that moment the minister became convinced that we, as a government, should do what we could to make sure that we provided modern facilities at Australia's largest army base.

A sister committee of the parliament—the defence, foreign affairs and trade committee—has made it very clear in its recommendations that the ADF is facing significant capital expenditure in the not too distant future on needed technical hardware. The committee also recognises that there needs to be significant expenditure in relation to the infrastructure of the ADF to enable us to have a modern and effective fighting force. This, of course, is stage 2 of the redevelopment of Lavarack. It leads into stage 3. It is the precursor of stage 3 and, of course, that involves in excess of \$150 million.

In relation to local content, I have had representations from the local architects in

relation to their special problem on how these processes are handled. I have had them meet the minister this morning. The minister has given certain undertakings in that regard, and that will move in a different direction as well. I can confirm the briefing that you have had that, in the last projects, at least 80 per cent of the dollars have gone back into the local community, and that is certainly very welcomed by Townsville.

Finally, Mr Chairman, I would like to say that I will be pleased to see you back in March of next year when I hope you will be approving some \$90 million for redevelopment of RAAF Townsville. Thank you.

**CHAIR**—Thank you, Mr Lindsay. We wish to deal with the concurrent documentation of two previous matters. The committee has previously lodged reports regarding the bases at Amberley and Williamtown. Brigadier Kelly has drawn to our attention this morning that there are some delays in that in the Minister for Finance and Administration's office, which I will draw to his attention tomorrow. On the basis that the committee has already reported on the works at RAAF bases Amberley and Williamtown, the committee would like to approve of concurrent documentation proceeding on those two matters. I think everybody is in agreement with that. It is a matter that we understood was in process so we will give that approval.

In regard to the one before us today, Brigadier Kelly has raised that issue again. I will arrange for that to be dealt with at our first private meeting, which I am anticipating will be in the program in the first week of sittings. I assume, Brigadier Kelly, that you did not wish to have any response to those other remarks?

**Brig. Kelly**—No, Mr Chairman.

**CHAIR**—As there are no further questions, it is proposed that the correspondence received that has been circulated to members of the committee be incorporated in the transcript of evidence. There being no objection, it is so ordered.

*The documents read as follows—*

**CHAIR**—Before closing, I would like to thank the witnesses who have appeared before the committee today and those who assisted our inspections yesterday afternoon. A special vote of thanks is due to the Townsville City Council for making this venue available for the public hearing. I would also like to thank the committee members and members of Hansard and the secretariat.

Resolved (on motion by **Mr Hollis**, seconded by **Mr Richard Evans**):

That, pursuant to the power conferred by section 2(2) of the Parliamentary Papers Act 1908, this committee authorises publication of the evidence and submissions given before it at public hearing this day.

**Committee adjourned at 2.28 p.m.**