



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

JOINT COMMITTEE ON TREATIES

Reference: Agreement with Singapore for use of the Shoalwater Bay training area

FRIDAY 19 NOVEMBER 1999

ROCKHAMPTON

BY AUTHORITY OF THE PARLIAMENT

JOINT COMMITTEE ON TREATIES

Friday, 19 November 1999

Members: Mr Andrew Thomson (*Chair*), Senator Cooney (*Deputy Chair*), Senators Coonan, Ludwig, Mason, Schacht, Stott Despoja and Tchen and Mr Adams, Mr Baird, Mr Bartlett, Mrs Crosio, Mrs Elson, Mr Hardgrave, Mrs De-Anne Kelly and Mr Wilkie

Senators and members in attendance: Mr Andrew Thomson and Senators Cooney, Ludwig and Mason

Terms of reference for the inquiry:

Agreement with Singapore on the use of the Shoalwater Bay training area
and the associated use of storage facilities

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Committee met at 8.59 a.m.

CHAIR—I declare open the meeting of the Joint Committee on Treaties. Firstly, I will say on behalf of the committee how very pleased we are to be here in Rockhampton today to hold the hearing. The role of the

committee is to review and report to the parliament on all international agreements that Australia proposes to enter. This task requires the committee to advertise and seek people's written views as well as oral submissions in public hearings like the one we have today.

Today, as part of these ongoing reviews, the committee will be looking further at one of the proposed treaty actions—the proposed agreement with Singapore on the use of the Shoalwater Bay training area. The proposed agreement was tabled in both houses of parliament earlier this year on 12 October. This joint standing committee is just one of many parliamentary committees that are constantly reviewing their particular subject matter areas. They range from matters as diverse as economics, science, law and the arts. If any member of the public here today wishes to find out more about the Commonwealth parliament and its committees please feel free to take some of the information that is made available on the table near the door.

Resolved (on motion by **Senator Mason**, seconded by **Senator Ludwig**):

That this committee authorises the submissions and exhibits received as evidence and that they be authorised for publication in the committee's review of the treaty actions tabled on 12 October 1999.

CHAIR—Is it the wish of the committee that the other documents listed on the same papers be received as exhibits to the committee's review of the treaty actions tabled on 12 October 1999? There being no objection, it is so ordered.

[9.01 a.m.]

McRAE, Councillor James, Mayor, Rockhampton City Council

STEVENSON, Mr Gary John, Chief Executive Officer, Rockhampton City Council

CHAIR—Welcome. I would like to call Councillor Jim McRae, the Mayor of Rockhampton, to address the committee on the proposed agreement with Singapore on the use of the Shoalwater Bay training area.

Councillor McRae—Thank you, Mr Chairman, and thank you for the invitation to be here. It is an honour to be here to voice my thoughts on the proposed treaty between Australia and the Singapore government.

I am sure you people collectively have a greater knowledge about Singapore than I have. I refer back to maiden speeches to parliament by the Chairman, Andrew Thompson, and Brett Mason. I think you both mentioned Singapore quite prominently during your maiden speeches to parliament on 29 May 1995 and on 25 August this year. That is quite interesting. If I am stuck for a word I will know who to refer to.

The annual Singapore Armed Forces exercise certainly has economic benefits for this city and the immediate district. I will go through some details that I have on some spending into the local business community. A major asset that we have as owners of the Rockhampton airport is the regular visits by the Singapore Armed Forces. This year has been quite busy with the joint Australian and American Crocodile exercise. We, of course, look forward to the set annual exercise of 45 days with our friends that come from Singapore.

Our airport is playing a major role and that is one of the reasons that the Commonwealth government has assisted us with a \$7 million contribution to expand the extension of the runway. That is happening now. Unfortunately, it is not all in place for this major exercise, but it will be completed by February-March next year, with road realignments to be in place for the exercise next year. Our airport involvement requires the city council owned airport to enter into a licensed agreement on an annual basis with the Republic of Singapore air force so that they can conduct their annual deployments. This licensed agreement is vetted by the Australian Defence Force.

The old terminal building will shortly be renovated as an administration and training facility. The forces are using that as an administration centre at the moment. There are a lot of temporary structures in place, but the Commonwealth government has indicated that the building should be upgraded. That is planned for January next year, along with a major expansion of the 9,000 square metres of a hard stand area to accommodate jets. It is not just being done for the Singapore Armed Forces. It will be done for other future exercises that are deployed out of Rockhampton.

When we look at this particular exercise involving the Singapore Armed Forces, we do benefit quite financially. They pay us \$15,000 in landing fees and passenger service charges and there is approximately \$30,000 from the defence force aircraft. We have commercial flights coming direct in from Singapore. There will be something like 40,767 commercial operations direct from Singapore to Rockhampton during part of this exercise. Because of the pending increase in numbers in the exercise, we are all looking forward to bringing in larger aircraft and that is one of the reasons our capacity will take us to 747 wide-bodied aircraft. Up until now there have been restrictions on take-off capacity and what have you. It is commercial 767s that are coming direct from Singapore at this stage. This is certainly contributing via passenger service charges and landing fees to the viability of our operation.

We do have the added benefit of concrete tie-down pads which are available to all military exercises here. These are currently being used by Singapore for their helicopter deployment and are also available for local aircraft pending cyclone and storm activity. They are being funded by the Singapore Defence Force but are openly available to all military exercises, including the use by local light aircraft during concern about weather activity.

There is a substantial income locally even just in aviation fuel. It is surprising when you add it up. I could just look at some of the spending. They would spend about \$15,000 on laundry locally, \$70,000 on rubbish disposal, \$800,000 on rations, \$15,000 on gas, \$15,000 on office equipment, and \$150,000 on the hiring of local labour.

A lot of these figures are from about two exercises ago. This exercise is even a little bit bigger and other exercises are pending. This goes back a few years. If you require a written submission, we could give you more updated information on some more current figures which would substantially be greater than this.

Other spending would include hire of forklifts and generators at \$25,000; hiring of other vehicles at \$150,000; mobile toilets at \$20,000; construction of tents at \$50,000; aircon containers at \$352,000. They would spend \$5,000 alone to have the flexibility of use of a Phonecard. In the early days we used to sell out Phonecards in the first five days. Local business know what they want to buy, so we now have ample supplies of Phonecards, especially knowing they are going to buy \$5,000 worth in a matter of 45 days. They would spend \$5,000 on TVs, videos and welfare items and \$10,000 on airline tickets and pay out about \$60,000 to local cooks and \$20,000 in insurance costs. It totals about \$4½ million to \$5 million for that particular exercise. That does not include the figure I give you for out-of-pocket expenses on R&R, which each of them are participating in throughout the city, supporting motels and shops. They love shopping. The money is well and truly spread throughout the general community.

I must also mention that the importance placed on our local environment has been noticeable. We always hear how they are respecting the environment at Shoalwater Bay. I had the honour of flying through and over that area and it is certainly true that they look after our environment.

There are very few complaints locally about aircraft noise because they are quite aware that the airport is reasonably close to the city. We are very fortunate that the direction does not necessitate flights over the city. They approach over flood plains and also depart the same way. So Rockhampton's airport is located for good expansion and high usage. They recognise that they could be flying at unusual hours but they do not do so. It is never really early in the morning or late at night. If there is an exceptional night, it might be until 8 o'clock, and that is only for one night during the exercise. From my role and the point of view of our airport manager, very few problems are reported regarding aircraft noise.

Singapore Armed Forces have a small permanent residential base in Rockhampton. I think that is good for them to maintain the PR to the local community. It is not just for the initial exercise once a year. It is surprising how the local community often ask when the next exercise is in because the Singaporeans are a credit to their people on their behaviour and never ever do we have any sort of a problem that requires attention. I think that is one of the reasons why local people always feel safe or encourage them as friendly people. There is no worry to the local community. I think it is excellent that they do have a small local base. There might only be five or six here in Rockhampton, but it just keeps that presentation and they do involve themselves with the local community which is good to see. It is ongoing.

The question is raised here as to what the local Rockhampton community and business houses wish to achieve through such a treaty. I note that article 11 in the material that I have—the proposed agreement—states that Singapore agrees to display 'a practical commitment' to supporting 'Australian commercial

enterprises'. We question the wording 'practical commitment'. It refers to supporting 'Australian commercial enterprises', which is good, but I would refer more so to it supporting local enterprises. We are very much interested in the local economy and, if you heard me spell out what it does mean, I would say a long-term commitment that allows local business to be able to build on that. So I think we have, in some stronger way, to recognise the local interest. That is in article 11 and I just refer to it. Sure, it says 'Australian commercial enterprises' and we all do benefit, but in particular I would like the security of it reassuring that a local business interest is ongoing and secure. In your maiden speech, Brett, your comment was that, in facing the Asia-Pacific, Queensland faces Australia's future. That is interesting.

That more or less wraps up my overview of how we see the regular annual exercise here in Rockhampton. We have a very close ongoing relationship with the Singaporeans. Whenever they visit our country, they always make sure that they pay a visit to the town hall, normally to brief us and keep us advised of progress—if there are pending exercises or what their intentions would likely be—and I think over those years we have built up a good, friendly relationship with these people.

CHAIR—Thank you. Gary, are you going to make an oral submission this morning?

Mr Stevenson—I am here to support the mayor if there are any questions that he would like to refer to me, but the mayor is making the presentation.

Senator LUDWIG—Councillor McRae, you mentioned some of the expenditure that you understand has gone from the Singaporean defence force into the local community. You said the figures were some time ago and that you expected they had increased over time. Turning to the role of the mayor and the local council in the exercises, I am curious to know what processes you have put in place to ensure that both the business community and the local community are aware of the opportunities that you have mentioned and also about any complaint making processes that may have been put in place. If they are in place, perhaps you could give us a short explanation of those and what numbers have been involved in complaints or inquiries—those sorts of things.

Councillor McRae—We have our own council funded Rockhampton and District Promotion and Development Association. Part of its role under the heading of development is to ensure that commercial and trading interests are catered for. Knowing that the exercise is pending each year, we do a lot of the coordination with the people that have been granted the contracts for combination and for R&R in general, so we work with those people. Our manager of the Rockhampton and District Promotion and Development Association organises business meetings.

I believe the local business community is coordinated by a branch of a business unit of the city council. I am not sure if Rockhampton Enterprise is here, but Rockhampton Enterprise has been doing something similar in catering for the business community's needs, advising them of the opportunities to gear up and to let us have their needs catered for locally. That is basically how we all work together. Complaints-wise, to my knowledge the only complaints coming through would be from disappointed suppliers. That is always on: council calls for tenders and contracts for jobs and not everyone can be successful. The same would apply here: when Singapore goes out to tender for a particular contract, there will be winners and losers. But they are not formal complaints via me to the council at all.

Senator LUDWIG—What I was more interested in was the processes you might have put in place to ensure that there is a flow of information, both for complaints and inquiries, and at least a forum or an opportunity if people do have matters that they may want to raise or if schools might want to say, 'What is going on?'. It would be the process that is in place so that the information can both flow into your organisation, your council, and then you can have sufficient contact with the relevant federal government

authorities and the Singaporean defence force if necessary.

Councillor McRae—With our experience from working with these exercises over the years we now understand the importance of debriefing. That is why it has been picked up and why we will do it again this year. Our RDPDA will coordinate with the business community and those responsible for handling the contracts in generally a post-mortem. We will have the debriefing and will see how we could better handle it in future years.

The opportunity for the community to be involved and for any problems to be brought forward would be during open days, which I should have mentioned before. An open day is when the Singapore Armed Forces display their equipment and invite the community to come in. Usually we hold it at our airport and the community come and inspect everything from tanks to helicopters and military hardware. That has always proved very popular. It is making the link between the community and the armed forces in that way.

Senator MASON—Is that once a year?

Councillor McRae—We do that in conjunction with every exercise. We also did the same thing around the town hall with the recent American and Australian exercise. It is very popular.

Senator MASON—Senator Ludwig has touched on the economic benefits. You mentioned before that the Singaporeans were a credit to their country. Young men in towns on R&R and so forth potentially spell trouble. Are there any community problems at all with the Singapore Armed Forces?

Councillor McRae—No. And the feedback we get is the wish that our local similarly aged teenagers could behave themselves in a similar fashion. Whether they are instructed that they are not to stay out after a certain hour I do not know. I know they do not frequent the hotels as maybe the Australians would like to do. I do not know if they are banned from that, but they use the vital short period of R&R to take in the sights and do their shopping, and they are always in groups.

Never have I been told of a problem. If there has been a slight altercation, it would have been, I would have said, someone from our side provoking someone from that country—I do not know in what form. But certainly there have never been any complaints—not to my knowledge anyway.

Senator COONEY—I gather, from what you are saying about the commercial interests, that you are very happy with the commercial trade and business they bring in but that, like anything, you would always like a bit more, which I suppose is reasonable enough. I was just looking at article 11, which you were talking about, and it does talk in terms of 'Australian commercial enterprises'.

You would certainly like to say that there ought to be special consideration given to this area because it does a few things. For example, it establishes even better relationships between the Singaporeans and the locals—they have to live together in any event as they are on the doorstep. Is that a correct summing up of what you are saying?

Councillor McRae—We should build in that local element. I do not know if we can do it as a preference clause but somehow we should stress that it would be in their interests or would favour future agreements if—as they are already doing—they would shop locally. It would be nice if we had that spelt out in greater detail as a bit more security. I do not know how it could be done in great detail but it would certainly help.

Senator COONEY—Have you ever taken the matter up with the Australian Department of Defence?

The reason I ask that is if you look at article 11 at clause 6, for example, you will see that it says:

Where commercial support is to be contracted to Australian commercial enterprises pursuant to this Agreement, the prior written certification from the Head, Industry and Procurement Infrastructure Division (HIPI) of the ADOD, or such other person as is nominated in writing by HIPI, that any enterprise is considered at the time by the ADOD to be an Australian commercial enterprise, shall be obtained before the contract or sub-contract is placed.

Have you got any impression that non-Australians companies are in any way getting a piece of the action out there?

Councillor McRae—I do not think I could with any real conviction say yes. I could not clearly give you a definite statement on that.

Senator COONEY—Have you spoken to the Australian defence forces at all about what approval they might give?

Councillor McRae—Not in any structured official capacity. As part of the courtesy visits by the Singapore Armed Forces, we knew that these agreements were coming up and that they were not sure about their long-term arrangements for their operations—through the airport and the contract being through British Aerospace at this stage—and whether they were going to lease more buildings via British Aerospace. A lot of that, I felt, was up in the air, depending on the future agreements; but they were always speaking favourably and were quite confident that things would continue. But there was nothing in any formal way on the other side whereby the Australian Defence Force sat down and said, 'Look, are you in agreement with this?'—not in a structured way: a lot of it is through general discussions.

Senator COONEY—Do you know how much business comes to Australia and what percentage of that comes to Rockhampton?

Councillor McRae—When you say 'business', do you mean through Defence?

Senator COONEY—Yes; through the Singapore forces being here.

Councillor McRae—As I mentioned, the exercise is worth about \$5½ million to the local economy.

Senator COONEY—You do not know how much it is worth to the Australian economy as a whole?

Councillor McRae—On top of that, not really. Then of course, at some stages they would be flying in through Brisbane, and some of the operations would come across Gladstone Harbour. We are very fortunate in having Shoalwater Bay, as we have always been proudly saying that it would be the best military training ground in Australia—and some people would even say to me, as some of the American generals did in the last exercise, 'This is the best in the world. You can't carry out exercises anywhere else in the world in a place like this, where you can have deployment from the sea, from the air and from the ground, operating all at one stage. It is not like Western Australia, where we only start the war when the tide is in,'—and things like that. Shoalwater Bay is a great asset for Rockhampton City and the surrounding shires of Fitzroy and Livingstone.

Senator COONEY—What I was trying to get to, if I could, is that there is a certain amount of money spent by Singapore in Australia to support its training, and it would be interesting to know what percentage of

that money came to Rockhampton.

Councillor McRae—Yes, it would be. I have only got the breakdown on the local spending of laundry, food and so on; but yes, it would be very interesting and there would be some surprises, I am sure.

CHAIR—Many thanks, Councillor McRae and Mr Stevenson, for your evidence this morning.

[9.22 a.m.]

HINZ, Councillor Kevin, Deputy Mayor, Livingstone Shire Council, Councillor

WINDRESS, Mr Mark Gregory, Manager, Civil Operations, Livingstone Shire Council

CHAIR—Welcome. We are not going to require evidence to be given under oath this morning, but these proceedings are legal proceedings of the parliament and so they merit the same respect, and the giving of any false or misleading evidence is a serious matter. Would you like to make an opening statement, and then we will have some questions?

Councillor Hinz—As Deputy Mayor of Livingstone, I can say that we certainly welcome the Singaporean Armed Forces to the area. We have no problems at all in the use of the Shoalwater Bay area or anything like that.

In our submission, which you have probably got in front of you, we basically want to speak about the possibility of some compensation, I suppose you might call it, or contribution towards the use of the roads through the shire. We feel that the burden falls a little bit too much on the ratepayers, because of the fact that you get volumes of traffic at certain times which creates dust problems—or, if it is wet, creates problems for the road. As we are entering a new treaty, we feel this would be the time to discuss any possibility of funding towards those roads, as part of the treaty.

Mr Windress—For about the last 10 years or so we have had a maintenance agreement with the Defence Force regarding the roads of access. We had three main roads of access to the bay through Livingstone Shire. We are effectively back to using two now, on a full-time basis. The agreements were generally for maintenance and do not always take account of major exercises, such as these and the joint ones with the American forces as well.

The other issue that they do not necessarily take account of is the construction of the assets in the first place, in that the maintenance and running costs of repairing the roads and bridges mean that we will be up for potentially several million dollars worth of bridge and road construction because of the extra traffic that is there. Those costs cannot be recovered by maintenance: if, for example, we build new concrete bridges, they will not require maintenance for decades, effectively. So there is no cost recovery mechanism for that, as there would be under an asset or construction cost.

They are the issues that we have—they are predominantly to do with the roads. Whilst we have had a generally good rapport with the defence forces in the past for contributions, the situation has changed. Partly with the privatisation, as well, along the lines of British Aerospace and private contractors carting in, the Army then can take a back seat. It is not necessarily as recognisable as some people saying, 'This is Army carting in', and the Army saying, 'No, we've subcontracted that out,' and so the issue is then with the subcontractors.

From our point of view, the problem still comes back to us because they are our roads and our ratepayers. To some extent, people are not too worried about who causes the dust any more; it is a problem to them. If it can be pointed back to a defence exercise, then it comes back to us again to try and resolve. As the deputy mayor says, we have no issue with the exercises on the whole; there are just the specifics of the issues raised in our submission about dust and cost, effectively, to the council and ratepayers.

CHAIR—Thank you. I understand. The committee now has questions for you.

Senator LUDWIG—You say in your submission, as I understand it, that you have both financial and management arrangements with the Lands Department in relation to upkeep of roads. But you are now going on to something more about infrastructure cost, as I understand it. Have you spoken to the defence department about that? Have you raised the issue? I am curious about their response.

Mr Windress—We have done, and we are currently negotiating a new agreement. At this stage, we are almost at an agreement stage on the maintenance side and we have flagged the issue of the need to consider capital costs for construction of new assets. We have not even started really to resolve that at this stage.

Senator LUDWIG—Have you raised it with them on a more formal basis and sought their views about it?

Mr Windress—Yes, and the response has been, yes, they are prepared to talk about that along the lines of the maintenance agreement, once we get these things sorted out. It is not to say that it will not happen but, at this stage, it is unresolved. The impact of major exercises does determine what sorts of standards we need to upgrade to, as well.

Senator LUDWIG—Do you find the process that you are going through now satisfactory? If you have raised it here, are you satisfied with the process that you are currently undertaking with the Defence Force about the road and the proposal that you are trying to impress upon them for the capital costs? Or are you unhappy with the process that you have had with them and you are seeking to complain further and wider, I suspect, to gain support? Is that the direction from which you are coming? Or am I putting words into your mouth?

Mr Windress—No. To some extent, whilst we do not want to be complaining because we have generally—apart from the odd rocky patch that anyone would have with these negotiations with defence forces—been satisfied, it is only in recent years that things have changed, or that we have noticed a change. It has become, I guess, more a user-pays point of view by the Army. They are saying, 'This is the Singaporeans and this is another joint exercise', and we are saying, 'We need someone to pay rather than us.' To some extent, then, we are becoming a little frustrated with trying to resolve that entirely; but we saw this as a way of raising the awareness of the issue we have.

Senator LUDWIG—Thank you. You may not be able to do it at this point in time but, if you do not have those readily available, at some point I would be interested to understand the actual costs involved that you are talking about. Could you give us the costs that you say have been incurred and how the agreement that you previously have had has compensated you to the level of the cost outlays—more of a balance sheet approach—and what your projections of the likely costs are going to be, given the nature of the current treaty and agreement that you are negotiating with that frame of reference in mind? In addition, can you give us what you say the capital costs are likely to be and what amounts you are likely to be seeking to talk to the Department of Defence about—just so that we can have a look at where we are going and so that it makes it a bit more of a concrete proposal.

Mr Windress—That is understandable. I have got some previous figures here, but certainly we can make a formal submission with those figures.

Senator LUDWIG—It would be helpful to understand it, because obviously one of the issues is access, and certainly there is a heightened awareness of local community concerns about dust and the environment

and those sorts of things, and it is only quite right that you should raise it. But, if you are going to raise it, then we really need to look at the detail.

Mr Windress—Certainly we can provide the details. As a rough figure for your information at the moment, under the previous agreement Defence was supplying of the order of \$240,000 contribution towards three roads of access.

Senator COONEY—Is this for maintenance?

Mr Windress—For maintenance. And council was also providing money, on a cost-share basis. Because we are still in the throes of finalising the new formulae, I have not got those figures at hand; but certainly we can provide those as they currently stand and also the forward costs for capital works.

Senator MASON—Obviously the next question is what proportion you pay. How much does Defence pay?

Mr Windress—About \$240,000. It was different on different roads: that is how it was split up.

Senator LUDWIG—Obviously the roads are used by others, and obviously there is a certain requirement as a local shire to then upkeep roads to a certain standard and, because of the nature of the treaty and the nature of the new treaty—stop me if I am putting words into your mouth—you envisage there is likely to be increased traffic and you are concerned about both the wear and tear on existing roads, about the cost of the upkeep of the existing roads and about the future capital costs of maintaining those roads. We will then also need to establish what your share would be of normal operating costs under normal circumstances—if there can be such a thing—and what you then say is the added burden that is placed upon you, so we can then have something to test against. People may argue that that is not right or that it is undervalued.

Mr Windress—Yes. Certainly the previous agreements were agreed between officers of the council and the Defence Force. Recently, in the last 12 months, there has been an independent study, undertaken by the Australian Road Research Board and funded by the council and Defence Force, to try and establish exactly that—and that is where we are at the moment. They have come back with formulae to say how, on the traffic volumes, you would split up the maintenance costs. Whilst we have raised some issues with that, the general principle is generally sound: that is how you could look at it objectively to determine maintenance costs.

Senator LUDWIG—And that would be helpful to your view about that process, too—whether you agree with it and whether you are happy with the process that has been undertaken.

Mr Windress—It is. Unfortunately, some issues that it does not necessarily take into account are things like high densities of semitrailer movements during exercises and the impact on local traffic, school buses and things like that, given that these are not major highways. They are not of a low standard: they are gravel standard roads, predominantly, for their length, but they are not necessarily wide. So, when they start semitrailer movements continuously over a period, we end up with a significant dust problem and a traffic problem, from a local viewpoint, that may not necessarily be a problem on a higher standard sealed two-lane road. So there are other issues in there that are difficult to bring in, just on a pure traffic movement basis, from the maintenance side.

Senator LUDWIG—Yes, I understand that. That is what I was trying to tease out from you. I am familiar with dirt roads as I have lived out in the bush.

Councillor Hinz—The other obvious example is what happens when it rains. We have a lot of

semitrailers coming out and if we have had three inches of rain overnight, they still have to shift out because that is their contract. That does do a lot of damage. You cannot measure that. The Department of Defence people have been pretty good to deal with and they will look at that and possibly give us something extra if that happens, but we feel that as we are going into a new treaty we should look at those things now. We felt we should put our submission now to see if we cannot address those conditions and so forth in the treaty.

Senator MASON—Just to finish off where Senator Ludwig was, we might be able to ask the people from the Department of Defence whether there is any precedent for calculating the compensation you might want in that case. We will ask them a bit later on.

Mr Windress—I can only say that over the years, apart from a spot here and there, our relationship has been quite good.

Senator MASON—It has been pretty good?

Mr Windress—They have always been approachable about discussing the issues at hand.

Senator COONEY—How many ratepayers do we have in the Shire of Livingstone?

Mr Windress—The population is about 25,000. There are 11,000 properties, so there are probably about 12,000 ratepayers.

Senator COONEY—So your reservoir of money is fairly limited.

Mr Windress—In that area it is fairly limited because the properties tend to be on the larger side as far as a rate base is concerned. Another issue that irks our ratepayers is that as it is Commonwealth land there are no rates paid on the Shoalwater Bay property—there is no rates income from the Commonwealth. The Defence people have said, 'We are making a contribution for the roads,' and that is a fair point too. I guess one has compensated for the other. We are not after anything we do not believe is fair and reasonable but ratepayers can stand back and say, 'Hang on, nobody pays any rates here. We pay rates and yet we have other people coming in and wrecking the roads.'

Senator COONEY—Mayor McRae was talking about the natural desire anybody would have for more trade to be coming through Rockhampton. Have you got any comments about the Shire of Livingstone and whether or not more money could be spent there?

Councillor Hinz—We would always welcome more money. We are the seaside area and a certain percentage of the troops stopover at Yeppoon on their R&R. Obviously, we do not get as much as Rockhampton because that is the major base. We certainly welcome it, but we have no animosity with Rockhampton. We work pretty well together. I think we should look at the area and not at individual shires trying to take their share, or take some from someone else. I think we have to work for the benefit of Central Queensland.

CHAIR—So Yeppoon is the largest town within the Shire of Livingstone. It is where the shire council offices are and so forth.

Councillor Hinz—That's right, yes.

CHAIR—And there are some businesses there that support the resort and so forth. Do they derive any business from Shoalwater Bay?

Councillor Hinz—Yes, they would.

CHAIR—Food and beverage and so forth?

Councillor Hinz—I do not know about this year but quite often they have quite a lot of officers put up at the resort. Quite often they are down there. I think it depends a little bit on where they actually have their exercise and in which direction they are travelling in and out. If they go more to the eastern side then they use Yeppoon a lot more because that is on the access road, but if they head more up the northern part of it they head up the highway a bit. That seems to restrict the visitors to a certain amount, but we certainly get some visitors.

Senator COONEY—There is one other question I should ask in anticipation. I notice we have a local environment group roundtable later on. I do not think you will be in that from looking at the list of witnesses. Have you got any comments about the environmental impact of the military activities?

Councillor Hinz—We have a committee.

Mr Windress—Yes, I am on the committee.

Councillor Hinz—We sit with the Army. I think the environment people also have a seat on that committee. We discuss all the aspects. I personally have no real problem with the environmental side of it. I think they tend to look after it reasonably well. Obviously, when you start driving tanks around and firing artillery, you do have some impact. But I think that, generally speaking, the area is controlled reasonably well.

CHAIR—You could argue that vehicular traffic—tank traffic and so forth—would do to a particular part of the territory or land what bushfires and other kinds of natural phenomenon otherwise would do over years, in the sense that it helps the rejuvenation process. Damage in an environmental sense is not just a track being made and so forth. If you look at it in a greater sense, it could be doing some good for the place. That is for other experts to say. You are satisfied then as a shire that your environment is not being damaged by these exercises?

Councillor Hinz—I do not know of any major problems. Some of the water source comes from the Shoalwater Bay area. They have been very cooperative as far as not disturbing that water source and we have no complaints on that line. I have not been involved in any exercises, but I believe that when they do have armour there they do not always go to the same area, which allows it to regenerate to a certain extent. They have this area today and then somewhere else next time. I believe they have their management controls and manage them reasonably well.

CHAIR—Many thanks for your evidence this morning.

[9.42 a.m.]

Mr Bradley Noel, Director, State Development Centre, Rockhampton

CHAIR—Welcome. Do you have any comment to make on the capacity in which you appear today?

Mr Carter—I appear in the interests of business opportunities for Queensland based businesses.

CHAIR—We do not require evidence to be given on oath to this committee, but these are legal proceedings of the parliament and so the giving of any false or misleading evidence is a serious matter. You can make an opening statement and then we will proceed to some questions.

Mr Carter—My comment is mainly in relation to article 11 of the agreement where that tends to focus on maintenance requirements of vehicles and equipment. I believe that, with the nature in which the exercises are now conducted, there may be some inconsistencies there. There is perhaps a need to have referenced in that article a broader range of businesses and services to support the exercises, such as catering, recreation services and so forth, and some inclusion of a greater emphasis on the participation of Australia and, in particular, local businesses into that process. In addition, where local or Australian business capability is not perceived to be adequate there might be some consideration of the development of joint venture business opportunities between Singapore based businesses and Australian or locally based businesses. They are the main points to which I wanted to make reference.

Senator LUDWIG—When you say you wish to make reference, can you put some more concrete terms or at some point make a submission which highlights those sorts of things that you would see in the article and the benefits that would then derive? In other words, have you turned your mind not only to say which things you would like to see, such as joint venture arrangements and a broader number of articles, rather than simply saying that what is there should include catering and recreation? Have you then supported that with argument, together with a cost-benefit analysis of why you say it would work and how it would synthesise with an open tendering system? Would it then be compatible with that system as well? If you could either expand on that or address those points by written submission it would be helpful to our deliberations.

Mr Carter—I would prefer to make a formal submission in relation to those issues of the cost benefits of such a proposal and the economic argument for that.

Senator LUDWIG—Great.

Senator MASON—Mr Carter, you have no reason to believe, have you, that the Singaporean army is not following your obligations to outsource maintenance to Australian firms at present?

Mr Carter—I have nothing to suggest that that is not occurring; that is correct.

Senator MASON—But you want to ensure under the new treaty that it is not just maintenance that is being outsourced but also other activities?

Mr Carter—That is correct. It appears that the exercises have changed in nature and that there are now a greater number of troops and a greater requirement for Australian business support. Therefore, in the future, I think there is now a need—as opposed to when the exercises first started—for a greater reliance on that Australian business support. That may not have been adequately represented in the existing agreement or the modifications to it.

Senator MASON—That would often mean local businesses here in Rockhampton. Do you think they would be able to cope with catering for the Singaporean army and so forth—even in the nature of the food provided?

Mr Carter—Yes. I have absolute confidence that we have business capability in this region that can provide those sorts of services. If, for some strange reason, there is something unique or different about the services that need to be provided, that is why I would be suggesting that we need to be exploring or giving consideration to the development of joint venture business opportunities so that there is a transfer of skills, preferably from Singapore to Australian based businesses, to develop that capability.

Senator COONEY—What is your understanding of the use of the word 'maintenance' in article 11? It seems to me to be fairly comprehensive as it is.

Mr Carter—My understanding of the word 'maintenance' in that particular article is more in reference to physical assets as such. That is why I thought that it may need a better reference, that the services provided under those commercial arrangements perhaps need to have a broader reference to the recreation facilities and the catering facilities. I am not sure that I would determine 'maintenance' to mean the supply of food services. I see that as more than maintenance.

Senator COONEY—You might be right. I just thought that 'organisational level maintenance' seems to be fairly comprehensive. If it is not, you would like it clarified?

Mr Carter—That is one of my suggestions, yes.

Senator COONEY—Do you have any comments about clause 10, the commercial-in-confidence information? The reason I ask is that it might be fairly difficult to work out what is happening with that if it remains in there. That is article 11, clause 10.

Mr Carter—I do not have any problems with the reference in that particular clause. I think when there are government-to-government, defence force-to-defence force or business-to-business negotiations, if there are certain matters that have to be done commercial-in-confidence, that is normal practice.

Senator COONEY—It makes it difficult to work out exactly what is happening, I suppose.

Mr Carter—I do not quite understand the nature of your question.

Senator COONEY—You are saying, 'We want more of what is on offer,' which I think is a very reasonable position. As a committee, it has been difficult for us to work out what is happening, and I would have thought it would be difficult for you to work out what is happening if you have a clause like clause 11.

Mr Carter—I would have thought that the process of calling for tenders, for example, in terms of the provision of a range of services to support the exercises, was a very transparent, open process which gives Australian and local businesses the opportunity to participate. But within the provision of some of those particular services that might be negotiated and finalised through a tendering process, there may be commercial-in-confidence requirements. It is more the overall principle of being as transparent as possible with the commercial opportunities that are available to local business and to be able to access.

Senator COONEY—So you are happy with 10, 11 and 12, I suppose.

Mr Carter—At this stage, with my understanding of this agreement, yes, I am.

CHAIR—Are there any other types of businesses in Rockhampton that support not so much the maintenance of vehicles and so forth but the actual exercises that take place—for example, computer modelling of the terrain, provision of that sort of support? These days in these exercises there are some very sophisticated kinds of things that take place—the targeting of weapons and so forth. Is any of that done through local contractors or, as far as you know, is it all done within the defence forces themselves?

Mr Carter—I am not totally familiar with the specifications required for some of that technical work, but I would say that there is a growing technical capability in this particular region that is coming from a significant expansion of the University of Central Queensland and some significant research capabilities there. We are working with that organisation to look at commercialising some of those opportunities. We have the growth of a range of new industries in this part of the country which have a lot of technical expertise, consulting firms that have that expertise. It is my view that that expertise can reside in this region. I would like to think that these defence force exercises provide the opportunity where that expertise can be expanded and developed further.

CHAIR—Yes, that is a terrific opportunity. The other thing I want to ask is this: what is the prospect, as far as you know, for more countries to do what Singapore is doing here in Shoalwater Bay for training?

Mr Carter—From an economic rationalist's point of view and looking at developing this part of the world as part of a global economy, I think there are enormous opportunities. But I do respect and acknowledge that, in terms of the environmental issues at Shoalwater Bay and the requirements of the Australian Defence Force to determine what time they can allocate to another country, there are some limitations that do not make that an easy objective to achieve.

CHAIR—You do not have any New Zealand troops or other allies of that nature here training? There ought to be. If it is Singapore and the US there ought to be encouragement for more, we suppose. But there is no suggestion of other countries, that you know of, coming to train here?

Mr Carter—I am not that familiar with the military plans and what negotiations are taking place with those particular countries. I would like to think that the opportunities should be explored and developed from an economic benefit perspective for this region.

CHAIR—Yes, certainly. Many thanks for the evidence this morning.

[9.53 a.m.]

ARMSTRONG, Mr Robert Stanford Alexander, General Manager and Proprietor, AES Trade Services

BECKETT, Mr Colin Charles Haywood, Managing Director, AgTour Australia Pty Ltd

LARGE, Mr Barry Charles, Chief Executive Officer, Rockhampton Enterprise Ltd

PERKINS, Mr John Scott, Defence Supply Project Director, Rockhampton Enterprise Ltd

CHAIR—Welcome. I will ask Barry Large to make an opening statement and then other witnesses could add additional comments before we start questions and a dialogue.

Mr Large—Thank you, Mr Chairman. You have a copy of what we are talking about here and I know that other gentlemen at the table have made submissions to the committee. We have four points in particular that we wish to bring to the committee's attention. I will just run through them.

Firstly, we would submit that the agreement should be amended and a new article included which requires that all goods and services provided to the Singapore Armed Forces must be supplied from the local area wherever possible. Secondly, we would like to see similar treaties with other countries at different times to increase employment opportunities in Rockhampton and also help level out the peak created in this one-off treaty.

With respect to article 3, we would recommend that the 40-day period be extended. This would mean additional business activity and more jobs. We understand the 45-day restrictions are put on by the Australian Defence Force but we would request the committee to look closely at this to see if it could be extended to 60 days.

Our fourth point is the current cap on vehicle numbers imposed on the Singapore Armed Forces. It both restricts flexibility for the armed forces and provides logistical problems for local business. We recommend to the committee that article 10 should be amended to reflect not a cap on total vehicles but a cap on operational vehicle usage within the Shoalwater Bay training area. This would increase the amount of maintenance activity and, therefore, the number of jobs. That is the basis of our submission to the committee.

CHAIR—Thank you. Any there any further comments from the witnesses before we go to questions?

Mr Beckett—There are two issues that Barry has not touched on which were brought up in my short letter to you. I had three points. I endorse what Brad Carter said a few moments ago and Barry's opening comments about the local business opportunities. We had a contract last year with the Singapore defence forces and there were a couple of issues in that which I think the committee may like to observe.

One was the fact that, if a dispute had arisen under that contract, we would have had to fight it out in Singapore under Singapore law. If that can be an issue addressed in future contracts, I think it would be well worthwhile. The other point that I have made is the fact that I believe there is an issue of more transparency and things like this when you are dealing with Singapore in a business sense. I would like to answer questions on those issues.

Mr Armstrong—I would like to add support to the previous comments and to reiterate my overwhelming support for the agreement as such. My concerns are similar in the sense of knowing exactly who we are dealing with. If business opportunities come up, it is not so much a matter of being concerned about not winning the opportunity, but knowing we are on a level footing at the outset and working under Australian conditions, essentially to our regulations. I might add that I have been in the export business for over 30 years so I am very familiar with the cultural background and differences, but in this instance it is very specific to the local situation.

Senator LUDWIG—You might bear with me as we try to get through some of the issues you have raised generally. You have talked about contracts. Is there an adequate and transparent system in place that is explained to you about the process by the Singapore Armed Forces and, more particularly, the Australian Defence Force or the contracts person so that you are aware of all of the issues that you have raised? Those are employment, the way the tendering process goes on, vehicle maintenance and those other things which are lower order issues but are still, I suspect, very important to you.

Are you provided with a package or material about how you would then go about working through the process so that you understand the process if people come to you and say, 'How do we tender?' If I am a local businessperson in town and say, 'I would like to know how I get into this,' is there material so you can say, 'Here is a package of material as to how it works, with an overview of Singapore and their cultural and national heritage, an understanding of their business system and a brief understanding of their law'?

You can then make a reasoned view about whether or not you should be fighting an argument in Singapore or Australia. It may be more advantageous to fight it in Singapore in some instances, depending on the nature of their legal system. Then matters that go to the contract tendering process and the unusual requirements might be placed upon you. Is that available?

Mr Armstrong—I would say, in my instance, none whatsoever.

Mr Large—Senator, I think the answer to that is no and no. From the point of view of the ADF, initially there was no real communique or involvement with the local community. There was no liaison, and that is one of the reasons why Rockhampton Enterprise Ltd established our defence project. We have now overcome that at a local level. We have handled the problem locally.

Certainly from the national perspective, the big picture, there was nothing coming from the ADF where they were proactive about establishing databases on what local businesses were capable of or available to do. We are, in fact, in the process of doing that now ourselves to provide the ADF and the Americans with that sort of information.

As far as Rockhampton is concerned, we are a little fortunate that we have been proactive in these areas, and we are doing something about it. I cannot answer for the rest of Australia. I must say that the local ADF people were very helpful in this. I would go so far as to say that it was they who suggested it to us. They came to us and said, 'We need your help because we have no way of getting out there other than the *Yellow Pages* to find out what is around town.' That is what instigated our involvement.

As far as the Singaporeans are concerned, they have held some briefing sessions. We have attended those. But as for details such as the difference between litigation under Singaporean law as opposed to Australian law, we would not have a clue. That sort of information would be appreciated.

Senator LUDWIG—When you then go to the more particular, as we descend the ladder, if you look at

the AES submission and the mention in (i) local employment, you go on to say some interesting things. What I was curious about is: what evidence do you have that those negative aspects are occurring?

Mr Armstrong—At the moment there are eight to 10 employees of Singapore Food Industries working both in Rockhampton and at Shoalwater Bay.

Senator LUDWIG—When you then say visas should not be issued, on what basis do you say that?

Mr Armstrong—On the basis of looking at Australia as distinct from Rockhampton. Having spent most of my life in Melbourne and Sydney, I have had occasion to seek out skills, in this instance and specific to this contract, of Chinese chefs. I was aware that staff was available within Australia.

Senator LUDWIG—You make the statement that people with equal skills are available and they should be given first preference. Preference aside, I am interested in the basis for those statements and the evidence which you have gathered to be able to substantiate them. Have you been to the immigration officials to see on what basis those visas were issued in the first place to ensure that they did comply with the legislation? Having done that, did you seek to make a submission and say, 'We wish to object or we have a view that needs to be expressed'? That is what I am interested in hearing. It is interesting to have your general view but I need to know that you have actually exhausted all the possibilities and participated as much as you can.

Mr Armstrong—I saw this opportunity as being the beginning of that. In a broader sense, as a matter of principle, I would still make the statement, as I can demonstrate in this instance that people are available within Australia. I am surprised that it is not a requirement of the immigration department to ensure that that was carried out in the first instance. But I certainly see this as being the beginning of that process.

Senator LUDWIG—Thank you, that has been helpful.

Mr Large—I would like to make one point on that if I may, Mr Chairman. I think it is imperative here that we understand that small business in regional Queensland does not have the resources to do the sorts of things you were talking about—to intervene here and follow-up there and go to the immigration department. The Commonwealth government does not have an immigration office in Rockhampton so what do we do? Do we go to our local senator's office? The nearest one of those is in Brisbane.

Senator COONEY—I am going to have to stop this right now before it starts getting embarrassing.

Senator LUDWIG—There is one in Cairns.

Mr Large—I think if you knew your Queensland geography, you would know Cairns is further than Brisbane.

Senator LUDWIG—I was merely saying there was a choice.

Mr Large—Fair enough. I think it is important to understand this. We are talking about business in regional Queensland. We do not have the resources to do the sorts of things you were talking about. We are talking about a one-man show or a two-man show.

Senator LUDWIG—I can appreciate that. What I was trying to achieve was not so much an answer as to tease out those sorts of issues and to ensure that you do have an opportunity to say them succinctly and articulate them clearly so we can grasp all of the issues. Dealing with that matter, have you also raised with the state department, who appeared earlier, what assistance they can give small business? The Department of

State Development seems ably placed to be able to provide assistance. I want to make sure you know that there is an opportunity if you raise the level of awareness and start to search around, but it is helpful to hear from you about the processes and the issues that confront you. If you had tried some of those things and had been knocked back, I would like to have heard.

Mr Large—We would be delighted if your office was able to do that for us.

Senator LUDWIG—It is a matter I can hear from you about.

Senator MASON—With the past agreement, there is no suggestion, is there, that the Singaporeans have not kept up their end of the bargain in terms of maintenance? You are satisfied they have complied with the treaty?

Mr Large—Yes.

Senator MASON—What areas of the Singapore Armed Forces operations are not currently going to Australian companies—not local—that you think could go to Australian companies?

Mr Large—Do you want to start? Who wants to start?

Mr Beckett—I will start on that because—

Senator MASON—I will get to Rockhampton next—Australian first and then Rockhampton.

Mr Beckett—The coordination of what they call the ETP—educational tour program—this year has been awarded to a Singapore based company whereas we successfully operated the program last year. It was obviously a commercial decision that the Singapore Armed Forces made. All reports from the Singapore Armed Forces and local businesses tell us that we ran the best R&R program they have had when it was done by a local firm last year.

Senator MASON—My next question was going to be, 'What Rockhampton companies that have been excluded up to date might be able to contribute more?'

Mr Large—There is no suggestion here that there has been any deliberate exclusion. It is our position that Rockhampton companies could in fact do everything. We could organise the shipping of their tanks from Singapore to here. That is a maritime thing. An agency could do that. The embarkation of troops from Singapore is just a matter of chartering an aircraft. That could be handled here.

Senator MASON—Everything?

Mr Large—I do not see that there is anything that we or Australian companies could not handle.

Senator MASON—Okay. They are not Rockhampton; they would be Australian.

Mr Large—I am suggesting there would be an agency for a shipping company that could handle it. The shipping company may not be owned by locals but there would be an agency that could handle it.

Senator MASON—I heard an example last night at dinner. Apparently there had been some tents made very quickly. You would be aware of that.

Mr Large—I am aware of that.

Senator MASON—It was a Brisbane company, wasn't it?

Mr Large—Yes, that is right.

Senator MASON—Not everything could be done in Rockhampton per se.

Mr Large—No. I do not think that that is a suggestion.

Mr Armstrong—Quite a significant number of those tents were in fact made in Rockhampton.

Senator MASON—Sorry, I stand corrected.

Mr Large—That of course was due to the Timor situation.

Senator MASON—You want preference, in effect?

Mr Large—Yes. It is our position that that should be written into the treaty. Here is an opportunity for government to do something about regional unemployment. Lock it in.

Mr Perkins—If I may add to that, there appears to be an inconsistency. I think it was highlighted by the State Development submission that the ACE certification that is imposed upon vehicle maintenance needs to be considered across the entire range of the contracting. Should that be the case, you would find that the preference would automatically flow to local and Australian companies in areas such as the R&R tour, the shipping and the other items that have been mentioned already. I guess the core of the point that needs to be made here is that ACE provision should extend across the agreement rather than just part of it.

Senator COONEY—I notice the State Development submission had no problems at all about commercial-in-confidence and keeping things unrevealed. I notice in your submission that you would like to see things clear and above board and for Singapore to act in the way that business in Australia acts.

Mr Beckett—Our involvement in all of this is adjacent to what goes on at Shoalwater Bay. Last year we looked after the troops for three days after they came out of Shoalwater Bay and they had some fun and relaxation in the Capricorn region. I can only focus on that issue. We tendered for this year's program and at this point in time we have not been advised that we did not get the tender.

If I can just continue on, until we are advised of this it is very hard for me to go back and say, 'How can I improve my situation?' I believe that we gave them a lesser price this year than last year. We enhanced the program, so I want to know what more I need to do. That to me is just a normal commercial follow-on from being the losing bidder. But we have not been advised we have even lost it yet, and the other people are here doing the program now. So they are the sorts of issues that I would like to see strengthened in a more business-like way.

Senator COONEY—You said that all contracts should be based on Australian law. I thought that probably would be the case if they were made here. Have you got any evidence to say that—

Mr Beckett—Certainly. I brought them specifically in case that question was asked. I think it is section 42 of the contract we entered into.

Senator COONEY—It was put in the contract that you entered into?

Mr Beckett—Yes. I would be happy for a photocopy of that to be submitted, if you like.

Senator COONEY—All right. It is not a matter of that being in the treaty; it is a matter of that being in the agreement that Singapore tendered.

Mr Beckett—Yes. The R&R program was outside any agreements, treaties or anything else previously. As I understand it, it is all being encompassed in the new treaty that you are currently reviewing. So our activities and what we have done previously will be in future part of an overall package that you are reviewing. Previously it was completely outside. In fact, we tendered for this without any reference to the Australian Defence Force or anything else.

Senator COONEY—I think, Mr Armstrong, you support that in your letter—points 2 and 3, notification and transparency and contract participation. You would like to at least know what is going on and who has tendered and have some idea of whether you have been fairly treated.

Mr Armstrong—Yes, Senator. I might say that the point was made before about exclusion of Rockhampton in Australian companies. My concern is not at all with local businesses or in fact with joint ventures if they are appropriate. It is to do precisely with that issue of full notification and awareness. If you are working from an equal standpoint to start with and you do not win the business, that is the nature of commerce. But if indeed you find out later on that there have been other rules applied or other systems then that is different.

I might add that in this instance we were invited directly by the Singaporeans; I have no concern again whatsoever with the defence department. In fact, I have subsequently learned since my submission went in that they have provided great assistance, and I understand that these things are likely to change.

I might go back to the reference to immigration, that we are still in the same position technically where we do not know that we have in fact won the business. From a commercial point of view I am very reluctant to make waves with immigration. So it just happens that I now know that the event is on and what the facts are.

Senator MASON—It is all about transparent commercial processing.

Mr Armstrong—Exactly.

CHAIR—Thank you. I am very glad we came up here. We would never have heard these things with such force if we had just had the hearing in Canberra and had written submissions. It is well worth the time. Thank you. We will pursue these issues for you. It was very kind of you to make the time to give evidence. Before we go to the next session, we have an extra submission from the Wildlife Preservation Society of Queensland.

Resolved (on motion by **Senator Mason**, seconded by **Senator Ludwig**):

That submission No. 11 from Ms Leise Childs be received as evidence to the committee's inquiry into the use of Shoalwater Bay training area by the Singapore Armed Forces and be authorised for publication.

[10.20 a.m.]

ACFIELD, Mr Trevor Mark, Coordinator, Capricorn Conservation Council

CHILDS, Ms Leise Renee, Environmental Advisory Committee Representative and Member, Capricorn Branch, Wildlife Preservation Society of Queensland

O'BRIEN, Mr Patrick, President, Wildlife Protection Association of Australia Inc.

ACTING CHAIR (Senator Cooney)—Welcome, and thank you for coming along for what is in effect a roundtable discussion. We have some material from you already. Did you want to add some more, Mr O'Brien?

Mr O'Brien—I just want to read a short introduction to this new submission and then I will table it for your consideration later. We would like to table a supplementary submission to the committee. This submission includes some articles and letters relating to Shoalwater Bay. We have tabled these documents to demonstrate to you that our concerns about Shoalwater Bay have been an issue for some years. Shoalwater Bay is not just a big scrubby paddock where the military can play war games. It is well documented as one of the most important conservation sites on the east coast of Australia, perhaps in the whole country.

You people fly around Australia, you know how damaged most of the country is and, as Australia becomes more and more degraded through unsustainable agriculture and development, day by day Shoalwater Bay becomes more and more important as a species refuge and wildlife habitat. It is simply just not good enough for the military to say they are looking after the place; they also have to be accountable to the community, even if they don't like it. The only way to be publicly accountable is to have a good community consultation process in place.

I must say that the behaviour of the Australian Defence Force in the matter of community consultation has been nothing short of disgraceful. If the Australian Defence Force had deliberately set out to alienate the conservation movement, they could not possibly have done a better job of it. If we had known that the ADF would blatantly disregard the commission of inquiry recommendations, our support for the military to remain in the bay would have been much different. If we had known that the federal government would use Shoalwater Bay as a fundraiser, our support for the military to remain in the bay would also have been much different.

I can only speak for my organisation, but we will continue to oppose at every level any further escalation of military use of Shoalwater Bay, at least until an adequate, honest and properly constituted community consultation process is in place. When the three local conservation groups are saying similar things, it must be obvious to this committee that there is a serious problem here that needs to be addressed.

ACTING CHAIR—And there is some more material in that?

Mr O'Brien—Yes, there is more material here.

ACTING CHAIR—Which you would like to table?

Mr O'Brien—Yes.

ACTING CHAIR—Thank you, Mr O'Brien. Did you want to say anything, Ms Childs, before we go into discussion?

Ms Childs—I think my submission should speak for itself but I am happy to answer questions. As my submission points out, it turns on three areas: the consultation process, the lack of confidence in the environmental assessment process and, thirdly, the lack of resources for adequate monitoring and management at ground level.

ACTING CHAIR—Mr Acfield, did you want to make an opening statement?

Mr Acfield—There are five short points that I want to address, and I have not put anything in writing as yet. I have just been to hospital and had a knee reconstruction, actually, which has slowed me up a bit.

The first point I want to make is that effectively the environment groups and the Army formed a coalition in opposing sand mining here. And, following up on what Pat said, we were never told or we had no idea that the Army were going to expand out into the whole international thing with Singaporeans and so forth; we just thought it was more Australian Army was going to be there. So we feel a bit duped about that.

The second point is that, as Pat was saying, the area has immense biological diversity. It is basically a transition area between the tropics and the temperate areas and certainly needs protection. The third point is that while the Army may have intentions to manage the area and keep it pristine, how does the public know this is actually happening? It is an issue of accountability, and I think that needs to be looked at. Perhaps some independent audits could be looked at.

A fourth point is that there needs to be some indication, with all the groups that are coming in, as to how high is the bar, how many groups are coming in and how do we know, how do we measure and how do we decide the limit to growth of these groups? I do not have anything to do with the Army on a day-to-day basis, so I have no idea of how many negotiations are going on with nations around the globe. I guess it is the whole concern that it appears to have turned into a money making exercise, not just a training facility for Australian troops.

The last area of concern is our concern about the whole militarisation of the globe and how Shoalwater Bay may have something to do with militarisation of the whole globe and may not be just a training area. There are issues like the constant reminder that there are troops coming over, the impact of socialisation and of people seeing so many Army people here. Does this mean we have to start to think about increasing the size of our Army, especially when you combine it with Indonesia and what is happening up there? It is very easy to say, 'Well, we need to increase the size of our Army now'—and there is the whole impact that goes on with that—and so do they. It is that whole arms race scenario, I suppose. They were my points.

The last point I want to make—this is an extra—is about resources that we were talking before. Our organisation covers Central Queensland, but from the federal government we receive \$7,500, which is just impossible to operate with. When it comes to groups like this group receiving anywhere near the information, the expertise that we should get, there is something that gets missed out because of the incredible lack of funding for environment groups.

ACTING CHAIR—We have set up patterns, so we might as well stick with it.

Senator LUDWIG—What I was interested in, amongst other things, of course, is the consultation that you say is inadequate, as I understand it. What do you envisage as an adequate system of consultation? I do

not mind if we start with you first, Ms Childs, and we can go through and everyone can perhaps have a comment about that. If you then say the current consultation is not adequate, what do you envisage as an adequate system that will ensure that at least you would then become aware of what processes are in place and what is the environmental impact that is occurring?

Ms Childs—I think it is going to be multifaceted. The first thing I would say is that it needs to be more two-way. What has happened is that mostly information has been coming from Defence to members of the public and, being a representative on the Environmental Advisory Committee, I can deliver some information back the other way to Defence through that means.

Senator MASON—That is the current system, is it?

Ms Childs—That is the current system, but it is extremely limited in the way that two-way conversation can take place. Although Defence has taken up some issues with individual interest groups and delved into them more deeply, perhaps—Aboriginal heritage issues, for example, or business issues—we do not feel, at a conservation level, that that is really taking place for us as an interest group. They have not gone out of their way to engage us in a two-way conversation about issues of concern to us.

Senator MASON—Just very briefly, what actually happens at the moment in terms of—

Ms Childs—Presently we have got an Environmental Advisory Committee which is quite small. It consists of one representative for conservation interests, one for local government, one for heritage—as in an Aboriginal interest there—and one for the Great Barrier Reef Marine Park. That is nearly it. That meets only twice a year, and that is really more a chance for us to catch up with what the Army have been doing for the last six months and maybe get an inkling of what they might be doing in the next six months. But there are many, many issues which are not covered in that process and there are many times when I have attempted to foster ownership of that committee by stakeholders by saying, 'Well, okay, can we as a committee put out a report as a joint committee' or 'Can we have discussions about heritage issues at the EAC'—not just what the Army wants to discuss—and these things have been fairly well stifled in that process. And it feels very much that Defence has control of us.

We are a convenient way to justify their current environmental management system by saying we are there on their committee, but I think what Pat is saying as well identifies with the fact that the community are not really feeling as if they are getting value for money out of that in terms of feeling like they are in a dialogue about environmental issues.

Mr O'Brien—There is no doubt that we have been shut out from environmental discussions. Two or three years ago we invited the base commander and the environment officer down to our environment centre at Yeppoon—

Senator LUDWIG—I am happy to hear you on all of those issues, but the question—just to remind you—was to turn your mind to what processes you do envisage would be of assistance to you. That is what I would be very keen to get on the record. I understand the current system and I can ask Defence about it in more detail, but I want to know what you then say will address your concerns. How can we then say, or what can you then say—and if nothing can address it, fine, I am happy for you to say that as well—but if you were to say, 'But if they were to do X, Y, Z,' it would be very helpful.

Mr O'Brien—Okay. I believe that the EAC meeting should be at least four times a year. Our representative should be resourced. Our representative should be advised in advance of any agenda item so that she can discuss it in time with the other groups. We should have the opportunity to put our issues on the

agenda for discussion at that. As well as that, I believe that we should have a committee of the representatives of the three local conservation groups meeting more often than that—and with the local managers as well. None of those things would work unless the ADF makes a commitment to actually enter into consultation.

Senator LUDWIG—And it is fair to say that you have raised those with them and have not been able to get anywhere or—

Mr O'Brien—Yes. We have raised all sorts of options through the system that is currently in place.

Senator LUDWIG—And then going to the more specific, are there any other issues like Ms Childs mentioned, independent reports or being able to provide reports? Would you also agree with that?

Mr O'Brien—Yes, absolutely. At the moment we do not know what is happening up there at all. The military are saying they are looking after the place, and they may be, but we do not know, and that is the problem. We are not getting any information.

Mr Acfield—I want to just keep going on my lack of resources, really. We are just not going to play ball very much really; it is as simple as that. I am a 15-hour worker and that is it for Central Queensland for our group. It is difficult getting members to do a whole lot of work, so the amount of consultation to start with from us will be very limited.

Senator LUDWIG—Where do you say the resources should come from?

Mr Acfield—There are two bodies from which we get funding—one is federal and one is state. The federal money is \$1.6 million across the nation. That funds all the environment groups, ACF included. That amount has been dropping for a long time. From the state we get 12½. There are heaps of issues. We just maybe do a bit of a comment in the paper, play those sorts of greenie games.

Senator LUDWIG—You mentioned that there was a view that the training area is utilised by the federal government as a moneymaking exercise. Where is that view from?

Mr Acfield—There was no mention by anybody—

Senator LUDWIG—By the group here today.

Mr Acfield—There was no mention 10 years ago, when we were fighting the sandmining, that there were ever going to be any other groups come in, as far as I am aware. We are basically a small coalition that agreed to stop the sandmining. We certainly had no idea that there was going to be anywhere near the amount of people in the area.

Mr O'Brien—In the federal commission of inquiry, it said that the environment group they recommended be set up should be funded by the military. That was the intent of the finding of the commission of inquiry, but it has not happened.

Senator LUDWIG—I might come back to this area, but I will leave it at that for the moment.

Senator MASON—Senator Ludwig addressed the issues relating to the process of environmental management at Shoalwater Bay. Within the process, are there any concerns about actual damage or actual environment harm? Do you have any specific concerns?

Mr O'Brien—Underwater detonations in the marine park have always been an issue.

Senator MASON—Are there any other ones?

Mr O'Brien—Yes. There is forefront damage from landing equipment on the beaches. I guess they are the major concerns. The marine issues are the major concerns, but we are just not being told what is happening. When there is a major exercise up there in the marine areas the whole place is closed and no-one can get near it.

Senator MASON—That was my next question. You put your finger on it. What is the process for monitoring environmental damage at Shoalwater Bay?

Mr O'Brien—Leise could probably answer that because she is on the Environmental Advisory Committee. We do not know; we get told nothing.

Ms Childs—The process is that there are pre- and post-exercise inspections conducted by the environmental unit based here in Rockhampton, together with officers of the exercising force. That is a fairly effective way to pick up very obvious and immediate impacts in the major corridors—so erosion damage and creek bed damage can be picked up and some restoration put in place. There are cumulative impacts though, which is the issue that we are most concerned about.

Senator MASON—Do you believe that the monitoring criteria are not sufficiently broad? Is that your concern?

Ms Childs—It is being worked on because these are difficult areas. Cumulative impacts are difficult things to manage, and even to know if they are occurring. Some work has been going on with fire analysis, and in other areas we are trying to pick up cumulative change. I do not know that there is anything there currently that gives us a firm handle on that. Whether Defence is planning further research in that area or not, I am not sure. At the moment I do not think we really do have a firm handle on how to monitor cumulative impacts.

There are things such as the new North-South Road upgrade, which is a very significant upgrade for a section of that road. I am not aware of whether that long-term impact has been assessed. Is our monitoring simply accommodating our developments rather than slotting them into a procedure or a process for evaluation.

Senator MASON—You are concerned that the current consultation processes are not sufficiently adequate for you to be satisfied that the environmental impact, long term, is looked after?

Ms Childs—Consultation is important for transparency and also for accountability. Once the public are happy with what they are doing, it is a pretty good recommendation for them. But it is only one facet. The other facet is what is happening from the top down, what are the military masters requiring of this area, and is it feasible that we can environmentally manage what their requirements are. That is why I pointed in my submission to the need for them to define their user requirement very precisely and also to look at an infrastructure plan. Neither of these things are coming into the sustainability picture for Shoalwater Bay as yet.

Senator MASON—It seems to me from the very brief overview this morning that the problem is perhaps lack of information, because I was going to ask could we, in fact, have further operations and further military training there? I know you are against that. You say that is not so much because of the environmental

damage, it is because you do not know whether it will impact—in other words, it is ignorance of the situation rather than necessarily the environmental impact. Is that right?

Ms Childs—It is a significant component.

Mr Acfield—It is a trust issue, too, with all of that, because it is a hidden away place that you cannot get to, so it is trust as well as information.

Senator COONEY—Just to make sure I have got this clear, I understand that you cannot get out there as much as you would like but do you know of any damage done or have you got an impression of any damage done, or is the real problem you face the one that has already been dealt with—that is, a matter of being able to find out by proper process?

Mr O'Brien—I guess it is a lack of information, but also we are hearing reports of damage from fishermen. I did intend to bring a few photos in today of some of the damage that has occurred, but I forgot and I might table them later. I think it is a lack of information and because the area is so remote. There is also the issue of how much money is being spent on the environment there. The Woodward inquiry determined that military use and conservation were of equal and concurrent importance. So we would assume that equal amounts of money should be spent concurrently on both: as much as they are spending on military training they should be spending on the environment. But we do not know whether they are. It is our impression that the money that they are spending on the environment is merely patching up the damage that they have done, rather than real environmental initiatives like monitoring, surveys and so on.

Senator COONEY—Senator Ludwig and I went out there yesterday, but we did not go near the beachheads. Is it the beach that you are most worried about? I am not saying only worried about but most worried about.

Senator LUDWIG—Or the mangroves?

Senator COONEY—Or the forests?

Mr O'Brien—We are worried about the whole area, but we do have concerns about the beaches. There was a lot of damage done in one of the recent military exercises. They do try and contain their landing areas to two areas and we understand they do quite a bit of work there on monitoring damage and restricting vehicles and so on. They do try, we think. But, again, we do not know.

Senator COONEY—The Singaporeans showed us a little box, I suppose you would describe it, that they had at the side of their rifles to catch the shell cases. I think that is an indication that they are trying. It seemed from what you said earlier that it was the beach that you were worried about—not only the beach, but mainly the beach.

Mr O'Brien—It is also the sheer sizes of some of the exercises—the amount of people and the amount of equipment: hundreds of boats, hundreds of planes, thousands and thousands of troops. It is the sheer size and the impact of that on that area that is also a concern.

Senator COONEY—Are you concerned that the beaches will break up and the trees will be damaged? I do not necessarily need an answer to that now, but can you give us some concept later on of the sort of damage that you apprehend?

Mr O'Brien—Sure. I think there is something in that submission that I tabled.

CHAIR—Many thanks for your evidence this morning, it has been kind of you to come. It was a good contribution.

[10.50 a.m.]

BYRNE, Mr William Stephen, Area Manager, Defence Estate Organisation, Department of Defence

COX, Major Ian, Manager, Defence Corporate Support Office Rockhampton, Department of Defence

EDWARDS, Mr James Mackenzie, Shoalwater Bay Environmental Officer, Department of Defence

MORTENSEN, Major Pauline, Manager, Directed Activities and Special Events, Defence Corporate Support Office Brisbane, Department of Defence

SOUNESS, Mr Richard Anstey, Assistant Regional Director, Defence Acquisition Office Queensland, Department of Defence

WATSON, Mr Paul Thomas, Manager, Defence Corporate Support South Queensland, Department of Defence

CHAIR—Welcome. If one of you would like to make an opening statement, we will then go to questions.

Mr Watson—Thank you, Mr Chairman. I thought I might introduce the committee to the various functions within Defence represented here today. Essentially, this is the group that makes these treaties work on the ground in terms of the exercises themselves, so we have a very practical hands-on feel for what is happening in this environment.

Mr Byrne and Mr Edwards, both representatives of Defence Estate, are our environmental planners. Major Cox, as the manager of the office here in Rockhampton is the steward of all sorts of exercises: ADF, bilateral, trilateral and unilateral. Major Mortensen, as the senior ADF liaison officer, is the person on the ground that helps the Singaporean activity to work practically here at Shoalwater Bay. Mr Souness has been playing an increasing role in the commercial side and particularly interaction with the business community in this area. Individuals in the group have indicated that they would like to open with some points that perhaps have been raised in the written submissions or in the verbal ones we have heard this morning. With your permission, we will proceed to that.

CHAIR—Okay, we do not have a lot of time. We have about 25 minutes.

Senator LUDWIG—In terms of answering some of the questions that have already been aired today, you may want to take them on notice. You may then be able to gather further information in support of some of the matters that you may put that back to us in a written form. It may be more helpful in that respect if you want to.

CHAIR—We had better do our questions first.

Mr Watson—Okay.

Senator LUDWIG—I take it you will be able to do that. Is the treaty that was put in place a template from other treaties that we have? Have you examined the treaties that the Singapore Armed Forces may have

with New Zealand, South Africa and other countries to ensure that all the matters addressed in those treaties are similarly addressed in the treaty that you have entered into previously and now with the Singaporean Armed Forces, especially with the view to some of the matters that have been raised today? I suspect it is not the first time the Singapore Armed Forces have come to Australia. They have dealt with other countries. Have you turned your mind to examining data as to whether or not they have also dealt with them on the same or similar issues and the solutions that have been developed in other countries? Have you had a look at the experience and coming up with a way forward?

Mr Souness—Speaking from the aspects of the commercial support side of things, we have three treaties with the Singaporean government. The initial one started off in Pearce with the support of the S211 trainers over there for the RSAF, Republic of Singapore Air Force. The second one was this Shoalwater Bay exercise and the third one is the support of the Republic of Singapore Air Force Helicopter Squadron up at Oakey.

Speaking from the commercial support side of it, each one is individual. This one is a renewal of the original SAF Shoalwater Bay. There are enhancements in it which have taken notice of the shortcomings that appeared in some of the aspects of the previous one, particularly on support of Australian certified enterprises in relation to covering a bit more than just the maintenance side of things.

Senator LUDWIG—But, in respect of other countries, the short answer is no?

Mr Souness—I am not aware whether they used any templates or not.

Major Mortensen—We would have to get that information from Canberra.

Senator LUDWIG—Yes, you could take it on notice. It would seem logical—and I am certainly open to correction—that if the Singapore Armed Forces are trained in the order of 10 other countries, including ours, some of the issues that have been raised have been already dealt with or at least experienced and considered and perhaps answered in other countries or their agreements likewise reflect some of their thinking.

Senator COONEY—That information would be available in Canberra from Defence or Foreign Affairs. Do you know?

Senator LUDWIG—Perhaps you could come back to us and tell us. It might shorten the process. You have heard our question. I understand that it might have to be on notice. Listening to the people today has turned my mind to that sort of issue. I would like an answer in respect of it and I do understand it would be on notice.

Mr Watson—Certainly.

Senator MASON—There have been three issues raised today by witnesses. These include, first of all, preference clauses for local business; secondly, the issue from the Livingstone Shire Council about their roads; and, thirdly, the environmental concerns. I think all of those would warrant a series of questions but let me just take one. The previous witnesses spoke about their concerns for the Shoalwater Bay environment. That is the field of Mr Edwards and Mr Byrne. They felt that the process was inadequate in terms of consultation. I think they conceded in the end that they really did not have enough information about what was going on. Could you address those concerns?

Mr Byrne—I am sure I could. Naturally we would have a different view of those concerns being raised. I can use some case study examples quickly for Crocodile exercises just run and the Wallaby series which was bolted onto it. Our consultation process commenced in February regarding environmental issues associated

with these two exercises, but naturally focused more on Crocodile because of the US force involvement. Members of EAC and others were brought together specifically for an introductory brief by the environmental delegate for this exercise. There was an ongoing process leading up to August where there was another more formal environmental advisory committee that was preceded by a comprehensive brief on what the exercise constituted.

You would imagine that in January-February the detail of the exercise was not finished because the war fighters were still planning the exercise. We certainly mapped out how we intended to approach the environmental analysis of the exercise as well as compliance throughout. I am a little surprised that there is an issue there of non-visibility of what we are doing in our assessment processes. I think we have gone out of our way to engage the community and to bring up the speed of the information as it materialises.

Senator MASON—What about the long-term environmental impact? There were specific concerns about underwater detonations and landings but there were also concerns about long-term environmental impacts that perhaps were not being sufficiently well monitored. Mr Byrne, what do you say to that?

Mr Byrne—If you are talking about cumulative impacts, we have a system where because we have on-site permanently, where we are monitoring permanently, we are able to keep a view of what is happening in communities. For example, right now we have a program running with the Queensland Department of Environment where they are completing a three-year survey into our vegetation, which is a total survey of the entire area. When we overlay that with other layers of information we have that will provide if you like the finalisation of a baseline of information that we have been requiring for a period. Once you get that sort of information, it becomes much easier to look at cumulative impacts downstream. We have had other scientific programs running, none of which would reveal any cumulative impact whatsoever. Maybe Jim could talk more about that.

Mr Edwards—In my previous life I worked with CSIRO in the training area. We had sites throughout the training area. Some were actual impacted areas and we were looking at the recovery of those sites. Apart from the impact area on Townshend Island, which is a sort of sacrifice area, the rest of the training area recovers very quickly and there are really no concerns about any long-term effects of most of the military exercises.

Senator LUDWIG—Is there any tree logging, land clearing or use of trees such as cutting them down and using them in the exercises? Is there an approval system if that is deemed necessary?

Mr Edwards—Yes, there is a definite approval system. We produce environmental compliance certificates for each exercise. Prior to the certificate being issued the exercise has to produce a detailed plan of what they are going to do. All the impacts are addressed before the exercise and particular areas of impact are inspected. Those impacts are either approved or moved to an area which will accept the impact.

Senator LUDWIG—So there is no other commercial use put to the land?

Mr Edwards—No.

Senator MASON—I certainly cannot ask you questions about detailed environmental analysis because I know very little about it. But if one of the problems is lack of communication or perhaps ignorance of what is going on—Senator Ludwig whispered to me about this before—do you take members from environmental groups along with you on exercises and show them?

Mr Byrne—For this last series of exercises at the final Environmental Advisory Committee meeting in August we took those representatives who wished to attend on a daytrip to Shoalwater Bay. Within that we

showed them the infrastructure developments that had been flagged 12 months before—for example, a new computer range, rifle range, as well as a north-south road and the upgrades to the C130 strip at Williamson. They were flagged 12 months in advance as being infrastructure that was going in, and they were given an opportunity to go out and see the final result of those works.

There is always an opportunity there. If the various groups wish to go and look at a specific site or address a specific issue, then we facilitate that. For example, the pastoralists are very interested in how we deal with our dingos—that is a major issue for us. On that tour we were actually able to stop and have a chat with the Department of Natural Resources, the chief scientist who is running our survey, and see modelling of what is happening with the dingo population. We provide an opportunity for them to see the site pre-exercise schedule. There is another meeting in March—which is pre-programmed—of the Environmental Advisory Committee. There will be another day bolted on for a site visit after the meeting, and if the groups wish to look at specific sites then we take them to those. They know what the various sites are in the training area and there is no problem in taking them.

During the exercise it is a different issue: there are other operational and safety issues associated with having spare people roaming around on the site. I would think that the operators would have difficulty on safety grounds in facilitating access during the exercise. But there is no problem, at a convenient moment afterwards, doing site inspections.

Senator MASON—With deference to time, Mr Chairman, I will leave it there.

Senator COONEY—Over the course of a year could people go through that area where we were yesterday? I am not sure what it is called—the range or wherever we were. Is that available for the public to go to?

Mr Byrne—No, it is not.

Senator COONEY—I think you have answered this in one way, but how could people go? The people who gave evidence before you: would they be able to find out how to go through?

Mr Byrne—If they wish to visit the site?

Senator COONEY—Yes.

Mr Byrne—I suppose this goes to the Environmental Advisory Committee structure. Despite the positive things that were said about the earlier structures, there was a committee that had in excess of 20 people on it. I do not know if you have tried to work a committee of 20 people with national, state and local issues boiling around, but pragmatically it was not producing a result. The reform program helped move the focus of the Environmental Advisory Committee to local issues. Those other national issues, et cetera, could be dealt with by different mechanisms. We wanted to keep it down to six to eight people. The local green groups were asked to select a representative, as were the pastoralists and the indigenous community. So we kept it small, intimate and able to achieve things throughout any meeting, rather than having 20 to 30 people all firing shots across the bows about various issues.

Senator COONEY—Can each of those groups change their representatives?

Mr Byrne—That is a matter for them. We do not interfere with whom they represent. That is for the representatives.

Senator COONEY—What can that committee do; can it go through that area?

Mr Byrne—They can go and look at what they are asked to look at. I might add that we have regularly sent out correspondence notifying when the date is and we have asked for any agenda items. There has been a deafening silence in some respects.

Senator COONEY—Have you got any copies of that correspondence? Not now.

Mr Byrne—Sure. I have got some here that I can pull out, where we have sent out letters asking—

Senator COONEY—What about the beach itself, which seems to be of great interest: can people sail past there?

Mr Byrne—Sure. It has public access up to the high tide mark in Shoalwater Bay.

Senator COONEY—That is open to the public.

Mr Byrne—Of course it is. Unless it is closed for a military operation with Ian Cox's organisation, for safety reasons once again, it has public access. Many yachties pull in along there. There is a number of very good anchorages and safe havens along there, and yachties visit it quite regularly. In fact, they are sometimes a problem for us because they introduce weeds in very inaccessible places or start camp fires that we have no ability to get to because of its isolation.

It has public access. The beach, particularly the primary amphib beach, is the number one area of access for the Darumbal community, who are the stakeholders from the Aboriginal group. After the major exercise Tandem Thrust, which was a major amphib, came over that beach, they commented that they were very satisfied with the condition of the beach afterwards.

Senator COONEY—But, in any event, anybody can go and see how the beach is affected?

Mr Byrne—Sure; by sea, not by land.

Senator COONEY—By sea. I take it that it is accessible and that people sail there frequently.

Mr Byrne—They do—yachties and trawler operators. On many occasions, you will see those sorts of vessels pulled up.

Senator COONEY—As you get into the forest, that is the one part that is not opened.

Mr Byrne—There are big signs there saying 'Defence practice area', 'Restricted' and 'Keep out'. Above the high tide mark is Commonwealth land and it is a trespass issue if you go above that.

Senator COONEY—That is where this group can go at times that they decide upon?

Mr Byrne—If they wish.

Senator COONEY—Other than when there is an exercise going on.

Mr Byrne—Other than when there is an exercise, and that is safety driven.

CHAIR—As Senator Mason said, there are three areas really where the witnesses this morning have demonstrated issues to address: environmental ones, business ones and that smaller issue of the roads and the maintenance, and so forth. If you could provide us with a written response on notice dealing with them, it would be helpful.

On the environmental aspect of it, noxious weeds, and so forth, occasionally creep in through this kind of process. You mentioned dingos. Is there a feral animal problem? Are there serious problems? Are there pigs or dingos or anything else?

Mr Byrne—What we have is a new environmental management plan, and the ink is hardly dry on it. I might add, as a side issue, that part of the first initial environment review, which is the first phase of this, laid out the user requirement for Shoalwater Bay. The suggestion that we have not mapped out what our user requirement is is simply not accurate. That environmental review deliberately mapped out within it the military user requirement, trying to link it to the listed defence capabilities in the annual report for Defence.

Senator COONEY—I thought, when you were talking about the environmental prejudice, that was coming from the yachts and the general public.

Mr Byrne—The prejudice?

Senator COONEY—I thought you said there was some pollution and that came in from the boats rather than from the military exercise.

Mr Byrne—If I had to say what was the biggest impact on the beaches, I would say the litter that comes on them. Those beaches are not touched by people. If you want to drive along Freshwater Beach, you will see that more litter comes off migrating vessels up and down the marine park. It is certainly nothing to do with Defence. It is Taiwanese trawlers' nets, floats, bottles, plastic containers, none of which are in the Defence inventory. You can go and see what a pristine beach looks like. And that is a bigger issue than the Singaporean agreement about what happens on the oceans and how yachties or vessels deal with their rubbish.

Senator LUDWIG—Just to intrude, I have a matter on that vein. The environmental matters that you just spoke about in the work that you are doing, are they publicly available and publicly accessible and therefore quite easily obtainable?

Mr Byrne—Which particular matters?

Senator LUDWIG—The matters that you spoke about—forgive me if I get the words wrong—in terms of the environmental impact analysis and those sorts of things that you earlier alluded to: are they available?

Mr Byrne—Sure.

Senator LUDWIG—And if they are, could you provide them? I am not asking for them now, obviously. I assume that you have made them available to the EEC, but if you have not, please tell me. In the same vein, at some point could you also provide copies, providing they are not too thick, to the committee to examine the sort of area—even the overview would be fine.

Mr Byrne—Anything can be provided; none of this is secret information. I am still not clear exactly what you are after. There would not be a problem with the environmental management plan nor with the environmental assessments for the exercise.

Senator LUDWIG—And they are all available to the EEC and have been presented to the EEC?

Mr Byrne—Yes, they are.

Senator LUDWIG—I am just making sure that there is a public process involved and I am asking you to comment on it at this point.

Mr Byrne—There has been a problem in the delivery of the environmental assessments to the act because of the six monthly meetings. When they become available, we will try to do that off-line. When you have an exercise that is maturing two to three months after an environmental advisory committee, there can be the occasion where material is finalised and run with and it does not necessarily end up in the public domain. But, if the interest holders or stakeholders want to require that, there is no problem in their acquiring that.

CHAIR—How many days a year is it used now?

Mr Byrne—That is one of the issues I wanted to talk about. There is sustainable use and thresholds and overuse. We are opposed to increased usage—I think this is the term. The National Audit Office did a survey on the management of army training areas in 1991. They went through every army training area and identified utilisation in raw terms of training days—that is, the number of troops by the number of days they were present. Shoalwater Bay was the most used training area in the Army inventory at that point and there were about 160,000 training days. Recognising that this is an off-cycle year, a year following an exercise called K89 which chewed up most of the Army's resources, it was a downswing type of year. This year, with two major exercises and a lead-up to a variety of other things, our raw data at the moment puts us at about 189,000 training days. There is a history of exercises going back to K81, where we had much larger exercises in Shoalwater.

So the issue of increased utilisation is not mathematically correct. Is the nature of who is using it changing? Well, perhaps. But, to us in environmental management, it is of little difference whether it is an American bomb, an Australian bomb, a Singaporean tanker or an Australian tanker. The impacts are the same. So, as to who is using it and in what sort of ways, there is no increase, in the mathematical sense, on the utilisation of Shoalwater Bay and this Singaporean exercise is not a plus plus over the top of utilisation.

CHAIR—That is understood; terrific.

Senator LUDWIG—In addition to those other matters that we sought on notice, I was also interested in your views—and you may have already considered these things and you may have already decided to provide a response—firstly, on ensuring that the business community concerns are addressed in terms of the information packages that I spoke of earlier and how that can be improved, if at all, or whether or not you see it as part of your responsibility. Secondly, I am interested whether or not you have considered liaison—or whether you do liaise—with the state government about the office of state development, about creating a business environment or ensuring that there are facilitating contracts between Rockhampton and the SAF.

Thirdly, I am curious to know the view on the SAF, the Singaporean Armed Forces, and whether or not it is a matter for them to be interested in the agreement as well—in other words, the treaty making process. And I am curious to know whether or not they would have wanted to participate in the process to put their views or whether the Defence Force has a view that it is a matter for the Defence Force to consider—or the department to consider—outside the SAF and they are simply the end user, and therefore you would not consult the end user. I would be interested in that short answer, too. I might have a view about that, but I would be interested in your view.

Major Cox—I can answer your first question, Senator. I was the person who took this local management contract to the people of Rockhampton. It was my idea when I was posted here. There was a lack of information: there was no database about who worked for whom or who supplied whom. I knew that I had major exercises coming up. So I spoke to local business people and ended up with Barry Large and Brad Carter in a meeting. Out of it came Rockhampton Enterprises, which has now gone forward and become a major player locally. We have breakfasts, industry meetings, that occur quarterly where all the local businesses which are interested in supplying Defence get together. They are basically corralled, if you like, into Rockhampton Enterprises so that they can be advised on the right way to go about getting a contract with Defence—for instance, so they understand what health and hygiene requirements are needed. We hope that, for future exercises, this organisation will make it much easier for local businesses to deal with Defence, no matter what variety.

Senator LUDWIG—Thank you. I also wanted to take the opportunity to convey our appreciation on record to the Singaporean Armed Forces for their openness, frankness and the ability for us to be able to view their training exercise. It was much appreciated from my personal viewpoint and, I suspect, the committee was able to understand what we are actually looking at.

Senator COONEY—Yesterday somebody said that this area used to be farmland. There was some evidence of that, with some broken down wire fences. Can you give us a history of the place? Is this pristine forest or was it used before for farming?

Mr Edwards—There is a history book of Shoalwater Bay and we can give you that as a reference. Roughly, Shoalwater Bay was taken over by the Army about 31 years ago. It was all grazing leases before that. I think there were about 14 or 15 properties altogether. I am not sure of the exact number.

Senator COONEY—What about the forest: was that clear or has that grown since?

Mr Edwards—About six or seven per cent was cleared before the Army purchased the area. A lot of that was regenerating when the Army bought the place. Since then, I would say that two or three per cent of that area that was cleared has recovered and is now standing timber.

CHAIR—Thank you for your evidence this morning; we look forward to the answers on notice.

Committee adjourned at 11.18 a.m.