



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

JOINT COMMITTEE ON PUBLIC WORKS

**Reference: Relocation of selected RAAF College units to RAAF Base East Sale,  
Victoria and RAAF Base Wagga Wagga, New South Wales**

FRIDAY, 16 SEPTEMBER 2005

SALE

BY AUTHORITY OF THE PARLIAMENT



## **INTERNET**

The Proof and Official Hansard transcripts of Senate committee hearings, some House of Representatives committee hearings and some joint committee hearings are available on the Internet. Some House of Representatives committees and some joint committees make available only Official Hansard transcripts.

The Internet address is: **<http://www.aph.gov.au/hansard>**

To search the parliamentary database, go to:  
**<http://parlinfoweb.aph.gov.au>**

**JOINT STATUTORY COMMITTEE ON  
PUBLIC WORKS**

**Friday, 16 September 2005**

**Members:** Mrs Moylan (*Chair*), Mr Brendan O'Connor (*Deputy Chair*), Senators Parry, Troeth and Wortley and Mr Forrest, Mr Jenkins, Mr Ripoll and Mr Wakelin

**Members in attendance:** Senator Troeth, Mr Jenkins and Mrs Moylan

**Terms of reference for the inquiry:**

To inquire into and report on:

Relocation of selected RAAF College units to RAAF Base East Sale, Victoria, and RAAF Base Wagga Wagga, New South Wales.

**WITNESSES**

**DITTMAR, Wing Commander Geoffrey Paul, Acting Commandant, RAAF College, and  
Commanding Officer, No 1 Recruit Training Unit, Department of Defence..... 11**

**GAULT, Councillor Peter David, Mayor, Wellington Shire Council..... 2**

**GAULT, Mr Donald John, Operations Manager, Thiess Pty Ltd ..... 11**

**GREEN, Air Commodore Dennis Graham, Director General, Strategy and Planning-Air Force,  
Royal Australian Air Force, Department of Defence..... 11**

**HOLE, Councillor Malcolm Gerard, Councillor, Wellington Shire Council ..... 2**

**HUTCHINSON, Brigadier Peter John, Director-General, Infrastructure Asset Development,  
Corporate Services and Infrastructure Group, Department of Defence..... 11**

**LEWIS, Mr Alan John, President, Rotary Club of Sale..... 8**

**MURPHY, Wing Commander Ian Grant, Base Commander, RAAF Base East Sale, Royal  
Australian Air Force, Department of Defence..... 11**

**OLIVER, Mr Robert Gordon, Community Representative, Wellington Shire Council ..... 2**

**TOOTH, Wing Commander John Marsden, Project Director, Infrastructure Asset Development,  
Corporate Services and Infrastructure Group, Department of Defence..... 11**

**WEBB, Mr Lyndon Meredith, Chief Executive Officer, Wellington Shire Council ..... 2**



**Committee met at 1.14 pm**

**CHAIR**—Good afternoon, ladies and gentlemen. As you are aware, we met this morning at Wagga. We are looking at these two projects together as one. I now reconvene this public hearing into the proposed relocation of selected RAAF college units to RAAF Base East Sale Victoria and RAAF Base Wagga New South Wales. This project was referred to the Public Works Committee on 23 June 2005 for consideration and report to parliament. In accordance with subsection 17(3) of the Public Works Committee Act 1969:

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

Yesterday the committee received a confidential briefing from the Department of Defence, and earlier this afternoon we inspected the site, as we arrived here, of the proposed work. I would like to thank the base commander for assisting the committee in its inspection of the base.

[1.16 pm]

**HOLE, Councillor Malcolm Gerard, Councillor, Wellington Shire Council**

**GAULT, Councillor Peter David, Mayor, Wellington Shire Council**

**OLIVER, Mr Robert Gordon, Community Representative, Wellington Shire Council**

**WEBB, Mr Lyndon Meredith, Chief Executive Officer, Wellington Shire Council**

*Witnesses were then sworn or affirmed—*

**CHAIR**—Welcome. The committee has received your submission, which will be made available in a volume of submissions to the inquiry. It will also be available on the committee's web site. Do you wish to propose any amendments to the submission you have made thus far?

**Mr Webb**—No.

**CHAIR**—I invite you to make a brief opening statement to the committee and then we will go to questions.

**Councillor Gault**—Thank you. I welcome the committee and would like to thank the committee for this opportunity. Sale has a very long history of cooperation with the RAAF in this area. We have a particularly large number of retired people who have left the RAAF and chosen to stay in our region. To present our presentation, I will call on Mr Lyndon Webb, the CEO of the Wellington Shire Council.

**Mr Webb**—Thank you. I reiterate our thanks for the opportunity to make this submission. I do not intend to read it all or to take much of your time. Our submission is along the lines of supporting the location of the Officer Training School in East Sale. This is something that we have advocated for some time and we are very pleased to see that it has reached this stage. There are already four major training elements located here—Headquarters Air Training Wing, Central Flying School, School of Air Navigation and School of Air Traffic Control. The Officer Training School will be an adjunct complementary to those facilities. It seems to us to be a logical, cost-efficient move to locate the school here. The members of the RAAF who are located here already are very welcome in our community. They contribute greatly to the Wellington community, so we would like to see more of that occur. This seems to be beneficial both ways.

Attached to our submission is a copy of a further submission that we lodged with the government following discussions with the Prime Minister's chief of staff, Arthur Sinodinos, in 2002. I think that quite adequately lays out the benefits that we see for this community in relocating the school to East Sale. We also attached a further submission which lays out the benefits for the RAAF and for the government in doing this relocation. We estimate in our analysis that there are presently economic benefits to this community presently of over \$15 million in direct benefit and \$6.78 million in indirect benefit through having the base here in its present form. Our analysis indicates that the relocation would add some \$7.44 million to the



benefit, with more than 60 extra jobs from the relocation and additional jobs generated outside. We see this as a great outcome for regional Australia.

The associated report on the benefit to the RAAF indicates that there are strategic advantages in locating here, and they are set out in the summary that is attached to the submission and in the attachment. There are also lifestyle advantages for personnel who relocate here. It is very important to note that this submission, which was presented to the government previously, had the support—and still does—of the state government. The Victorian government contributed to the preparation of that submission, and it is strongly supported by the Victorian government.

Our submission includes a suggestion that the government may wish to consider contributing to the redevelopment of our Lex Glover regional aquatic centre. We have submitted that through our local member, the Hon. Peter McGauran, and it is attached to this submission. We have suggested that a contribution of \$2 million to that redevelopment, which is about to commence, would have cost benefit efficiencies for this project through providing, for five years, free access to the facilities of our aquatic centre and the associated gymnasium facilities. We estimate that this would save \$5.85 million in capital and operating costs over that five-year period. We believe that is a win-win situation for the government and for the community. It would also enable the government to do that without having to meet training accreditation requirements, it would avoid OH&S risk management for that period, and there would not need to be any operational responsibilities or costs over the period. We have just put that forward as a suggestion.

I will leave the presentation at that. I would ask one thing, if I may, in closing. The local media is keen to obtain our submission, and I ask for permission to release that to them if that is possible.

**CHAIR**—I understand your submission is a public submission in any event. The secretary is giving me the nod, so I do not think there is any difficulty with that. All of the proceedings here today will be available, and the submissions will be available publicly. It is only the information during the confidential briefings that will not be available. The proceedings will be available to people on the web site, and that is at [www.aph.gov.au/house/committee/pwc](http://www.aph.gov.au/house/committee/pwc). I am sure if anybody wants that detail, if you did not get it, the secretary will be happy to provide it after the proceedings.

Mr Webb, thank you for your excellent presentation. It is always a pleasure for our committee to hold public hearings in areas where the community are so supportive of the government's proposals, as is the case here. We have noted, both here and in Wagga, the excellent relationships that Defence and the local community have built, no doubt over many years. Thank you very much for your presentation. I have noted with interest that, through your local federal member, Peter McGauran, you have made a suggestion that Defence could perhaps take advantage of the community swimming pool. I have noted also that Defence have responded. A swimming pool is not part of these particular works, so I am not sure where the \$5.8 million saving you outlined would come from. You might like to give the committee an overview of that.

**Mr Webb**—'Appendix paragraph 31' at the rear of our submission contains an executive summary of the position. We have estimated the cost of constructing an eight-lane, 25-metre pool at \$4 million and the cost of constructing a gymnasium and fitness centre at \$1.328 million.

So the cost of the equivalent facility that we are offering is \$5.3 million, less the \$2 million in capital that we have suggested, which would mean a saving in capital of \$3.3 million. Over the five-year period, we are offering 80 gold memberships for officer cadets and their families, 40 family gold memberships for the instructors and something like 39,000 sessions in our gymnasium and training facilities. We estimate that to represent an annual cost of \$500,000 to provide those accredited trainers and facilities. That would represent \$2.5 million over the five-year period that we are suggesting. So that is where we get the figure of a \$5.8 million saving.

**CHAIR**—Thank you very much. I understand that you did attach that to your original submission.

**Mr Webb**—We did.

**CHAIR**—The secretary tells me it is a fairly lengthy document.

**Mr Webb**—Overall it is, but there is a single-page summary here.

**CHAIR**—The committee appreciates that illumination.

**Senator TROETH**—Mr Oliver, I gather that you are with the local consulting engineering firm, so perhaps you might like to expand on the benefits of an increased RAAF presence for your firm and similar local businesses.

**Mr Oliver**—I guess I am representing three groups here. I am a member of the council's committee, I made a separate submission on behalf of my engineering firm and I am a retired Air Force officer who spent 27 years in the Air Force—the last seven of them here at the base, and the last five of those in command of one of the units. The local infrastructure in the community is abnormally high for a country town, because we have the RAAF base, Esso and a lot of supporting engineering firms. My experience both whilst in the Air Force and outside it establishing my engineering firm is that there is a very good pool of qualified professional staff—both ex-military staff and a lot of other people in the community who do not have a military background but bring very good business skills.

We also find that once the ex-military people get here they would like to stay. The public servants that we recruit and my own staff tend to be both geographically stable—they have moved into this region and want to stay here—and stable employment-wise. They are not likely to disappear out of the Defence Force off to a bigger government department that is just down the road. As far as the APS goes, the RAAF base is the biggest show in town. Also, my experience here is that, because the community is so safe, welcoming and friendly, the commanders tend to have fewer disciplinary problems than they might at some other large towns or cities, which can be an enormous indirect saving to the Defence Force.

Finally, the Defence staff like coming here. Once they are here, they want to stay, so you have a low wastage rate and a low posting turbulence. Because their families are nearby and tend to be very happy in town, the employees can focus on their work and are more productive. I believe that the RAAF college here and any future developments on the base will be very productive and positive for the Defence Force during both the construction and the ongoing operation, which after all is a long period, and that is where we want to see the efficiencies.

**Senator TROETH**—As a general question to the gentlemen presenting evidence, you would obviously see some opportunities for local contractors in the rebuilding and the massive development at the base, which would be generally of great economic benefit to Sale?

**Councillor Gault**—Certainly.

**Councillor Hole**—I think that was reflected when we had our first public meeting, in the number of contractors, big and small, who turned up to see what would be available and to show their encouragement for the support of the development.

**Senator TROETH**—That is good. As councillors, has any negative feedback occurred about any possible downside from residents and ratepayers?

**Councillor Hole**—From where council—and we go back longer than the Preston council—sits, in council's planning scheme the protection of the RAAF base and the RAAF base airspace has always been paramount. You will find that the development for housing or residential areas is isolated. One of the things we have learnt over time from other cities is that the airspace gets a bit cluttered and a bit juddered, and people living near runways and whatever do not like it terribly much. They bought cheap land when they first put a house there. We have been very mindful of that over the course of the last 40 to 50 years, and the airspace around here leaves it wide open for the RAAF. No, we have had no adverse comments. The only adverse comments we had were going back to probably three years ago when they thought the development was not going to go ahead, and the community really rallied.

**Mr JENKINS**—Can you help a lad from the northern suburbs of Melbourne by describing a bit about the Shire of Wellington? You could start first by perhaps telling me the old municipalities that you are covering or have a bit of and about the population.

**Councillor Gault**—Certainly. The Wellington shire comprises the former City of Sale and the former shires of Maffra, Stratford, Rosedale and Alberton. It has a population of some 40,000 people and covers 11,000 square miles.

**Mr JENKINS**—And this RAAF base obviously ranks fairly highly in economic activity for the municipality?

**Councillor Gault**—Certainly the RAAF base is one of the most significant employers within the region. It is a part of our shire and has been for certainly all of my life.

**Councillor Hole**—And—if I can add a little bit for the boy from the northern suburbs—it also adds to the economic development right through Gippsland, because people travel up and down from Melbourne. On the way, they stop and buy petrol or food, or they have families coming down to visit. I suppose the major part of the economic development will be centred around Sale and Wellington Shire, but the whole of eastern Victoria does benefit.

**Mr JENKINS**—Councillor Hole, you are the chair of the RAAF Base East Sale Expansion Community Committee.

**Councillor Hole**—Yes.

**Mr JENKINS**—Tell us a bit about that. You talked about an original community meeting and things like that.

**Councillor Hole**—Going back to the election before last, there was a promise made by government that if they were re-elected the RAAF base would turn around and grow and develop. After the meeting there seemed to be some dragging of the feet and we just could not get pen to paper and get details about when the expansion was going to go ahead. Council, because of the importance of the RAAF base, not only now but historically, put together a committee. I was mayor at the time and I was asked to chair that committee. Since then the committee meets regularly. We have worked hard; we have gone to Canberra. We have lobbied many parliamentarians in Melbourne. I think we tried to get to you, Senator.

**Senator TROETH**—Yes, you might have written me a letter or two.

**Councillor Hole**—We kicked on the doors of many places where parliamentarians were sitting and said, ‘The boys from Wellington have arrived,’ and everybody knew what we were there for. We were there representing the committee and we had the community right behind us. That was the purpose of the committee. We meet regularly at 7 o’clock of a morning so that people can go about their normal day’s business. We make plans for activities we need to do. Currently we are very happy because they seem to be coming to fruition.

**Mr JENKINS**—You have given a fairly positive response about what you believe are the possibilities for regional employment and involvement in the project. That is in part based on the history of the involvement with the base. I am interested in the training component of that. If your involvement in the region is not sustainable then you are going to lose out. Are training opportunities created either by this project and/or the ongoing activities?

**Councillor Hole**—Are you talking about RAAF training?

**Mr JENKINS**—No, employment out in you municipality. What opportunities exist for the firms that hang off the base and the expanded base for continuing local training opportunities?

**Councillor Gault**—We are about to be home to one of the new Commonwealth apprenticeship training centres. This facility will support greatly the numbers going through that.

**Senator TROETH**—On all sides that is a very welcome development. Is that definitely here or is that to be at Sale or Bairnsdale?

**Councillor Gault**—It is a split facility at Sale and Bairnsdale. Both will have on-the-ground facilities.

**Mr Oliver**—Additionally, local TAFE has been a founding member of the council’s committee and has been very active in pursuing opportunities to get involved in RAAF training and/or technical training.

**Councillor Gault**—There is also currently a proposal for the TAFE to relocate into Sale, They actually hold facilities at the west Sale airfield, which may in the future be of some use.

**CHAIR**— I know from being the president of the local chamber of commerce in my area before I entered parliament that we were always looking for opportunities to help our businesses succeed in tendering for work, particularly in big projects like this. It is a substantial amount of money. Do you see that there are opportunities there and are you actively doing something to assist your small contractors to tender for work?

**Councillor Hole**—I was also the chairman of a local chamber of commerce for some years. That was probably the first reason we called the public meeting—when it was mooted that the expansion was going to go ahead. We successfully did this many years ago with the building of the prison at Fulham. It enabled us to get local contractors involved and that proved very successful. We know there are certain obligations they have to meet and they have all had that explained to them. History shows that they can do it. The big event out at Fulham, the prison, was probably \$80 or \$90 million. The locals handled the work out there and did very well.

**CHAIR**—Defence have been doing a pretty good job of trying to help local communities. Obviously the tender process is a competitive process but there are ways that the local community can be assisted to at least make the best possible bids and that provides additional training and apprenticeship opportunities for local employment. You are happy with the way that is going and the opportunities afforded to your businesses?

**Mr Webb**—We have been very encouraged by the work that has been undertaken by the Department of Defence on that. We have been very pleased to facilitate meetings. The first meeting, held in our council chamber, was absolutely chockers, it was wall-to-wall people. One-hundred-odd people attended: contractors, tradespeople and everybody who was keen to participate. We facilitated that and we will continue to do so. I am not sure whether we have a prime contractor of adequate size within our community, but we are very keen to see that the maximum opportunity is given to our local tradespeople and contractors.

**CHAIR**—Thank you very much.

[1.41 pm]

**LEWIS, Mr Alan John, President, Rotary Club of Sale**

*Witness was then sworn or affirmed—*

**CHAIR**—Mr Lewis, welcome on behalf of the committee. Thank you very much for your submission on behalf of Rotary. We thank you for taking the time to meet with us today. The committee has received a submission, which will be made available in a volume of submissions. The inquiry in it is also available on the committee's web site. Do you wish to make any amendment to the submission you have made to the committee?

**Mr Lewis**—I wish to flesh it out a bit and give you a bit of background, if I may.

**CHAIR**—I invite you to make a short statement to your submission.

**Mr Lewis**—Adding to the council submission, I was the city engineer of Sale from 1968 to 1985, having been trained in the great institution of Footscray Tech in the northern suburbs. I arrived in Sale after serving with the City of Brunswick and the City of Coburg in the sixties. I came here when they discovered oil and gas. I was fortunate that I was the city engineer, building surveyor and town planner, and we ran the water and sewerage authority in those days. I resigned in 1985 and started my own business in project management, which I have been carrying out in Melbourne and Sydney. But I have always kept my house in Sale. In the last two years, I moved back to Sale. Hopefully we are getting our business back off the ground in Gippsland.

That shows that the relationship which has developed between the RAAF base and the old City of Sale is important. In fact, the freedom of the city was given to the RAAF base very early in the piece. Once a year, we used to come out and have an official visit to the RAAF base. In fact, in the seventies, one of the base commanders, Wing Commander Jim Wilson, ended up on the council. He was a councillor for many years. All in all, it has been a very strong relationship. I think it is important to put on the public record that, for many years, the officers of the base and the serving ranks made a great contribution to the City of Sale and the service clubs, in particular Rotary. I used to sail a yacht and the people from the maintenance squadron made very good crew because they knew how to fix up a yacht in difficult weather.

I think a regional community should acquire a mix of skills and a mix of economic drivers, and the RAAF base is a significant economic driver to the area. I also wear another hat: I am Chairman of Destination Gippsland. That is the overarching tourism body for Gippsland. The RAAF base does bring people into Gippsland who become tourists and add to the \$80 million that tourists spend in the Wellington shire and to the \$600 million that tourists spend in Gippsland generally. So it is very important and vital.

With the changes occurring in the regional communities because of modern business economic models which mean we do not have individuals building up businesses anymore—they seem to be more related to franchises and people moving back to Melbourne—the skill base

for people to take on major roles in the community is not as great as it used to be. Fortunately, the RAAF personnel have been providing a very strong skill base for local community groups. Within Rotary we have two current serving officers—they are both on the board, actually—and they are making significant contributions. So it is very important that, as part of a strategy, we do see it as more than just a RAAF base. It really has the potential to build up the community. I think it is important that we make decisions locally, and to do that we need skills within the community. I think we have demonstrated that the region has been good to the RAAF base but also that the RAAF base has been good to Sale. Many officers do elect to stay in the city after their tour of duty, and that is a valuable contribution. So we support the development and really look forward to the expansion of the RAAF base.

**CHAIR**—Thank you very much. You were quite clear in your submission to the committee that there is a very good relationship—and, as you say, a historic one—between the RAAF base and the Wellington shire. I have no further questions, but perhaps my colleagues do.

**Senator TROETH**—I would like to commend you for your enthusiasm, Mr Lewis. It is obvious that there is an excellent relationship between the base and the town which I know has existed for a long time. The way in which both partners continually work to make that an ongoing exchange is very commendable. Congratulations.

**Mr JENKINS**—I want to give you an opportunity to emphasise the importance of this development. Without the school coming here, would you have been concerned that the base may not have continued with the present people who are stationed here? Was it becoming obvious that there was a need to—

**Mr Lewis**—I think the problem we have in regional areas—and it is what I highlighted with the change in the economic models of companies—is that senior management now tend to move out of the region and back into the major cities. So not only are we losing the skill base but it is impacting on the social needs of the community. That was evidenced back in the 1970s when we had a very active arts council—I was chairman of it at the time—and we had a very diverse range of people and skills. Because of the oil and gas developments in the 1970s, the East Gippsland Institution of Engineers had 136 members and we were able to stage a major conference. When Esso moved their offices back into Melbourne and consolidated, all that professional group disappeared from the city. That had a major influence on the arts group and restaurants in the town, and in a subtle way it took a bit of the heart out of the city, and it has taken a while to recover.

One of the advantages of the school is it brings back people who have a higher expectation of the quality of life, and it starts to build up the community. That is one of the reasons there was concern a few years ago when we thought the base was closing. I believe that the social importance of the base is probably more significant than its economic importance. It puts people in the community who start to set the benchmarks and standards that we really need to grow in a social sense.

**Mr JENKINS**—If I can have a free ad: on Monday the House of Representatives Standing Committee on Environment and Heritage tabled a report on sustainable cities and I think we could have called it sustainable communities, because what it really was showing was that an

environmental sense, an economic sense and a social sense are what cities/communities are about. You are reinforcing that.

**Mr Lewis**—Exactly. That is very important. So often we tend to measure things in terms of the time, cost and quality. The models that I use are social, political and economic, but it is really a five-sector model that means you start to seriously think about social and political outcomes.

**CHAIR**—Thank you very much Mr Lewis.



[1.52 pm]

**DITTMAR, Wing Commander Geoffrey Paul, Acting Commandant, RAAF College, and Commanding Officer, No 1 Recruit Training Unit, Department of Defence**

**GREEN, Air Commodore Dennis Graham, Director General, Strategy and Planning-Air Force, Royal Australian Air Force, Department of Defence**

**HUTCHINSON, Brigadier Peter John, Director-General, Infrastructure Asset Development, Corporate Services and Infrastructure Group, Department of Defence**

**MURPHY, Wing Commander Ian Grant, Base Commander, RAAF Base East Sale, Royal Australian Air Force, Department of Defence**

**TOOTH, Wing Commander John Marsden, Project Director, Infrastructure Asset Development, Corporate Services and Infrastructure Group, Department of Defence**

**GAULT, Mr Donald John, Operations Manager, Thiess Pty Ltd**

*Witnesses were then sworn or affirmed—*

**CHAIR**—Wing Commander Murphy, thank you for welcoming the committee to the base and facilitating our earlier inspection; we appreciate that. I now invite you to make any supplementary statements in support of your submissions and to comment on the evidence that has been given today. Brigadier Hutchinson, I think you will lead off?

**Brig. Hutchinson**—Yes, Chair. Firstly, can I thank both the Wellington Shire Council and Mr Lewis, the President of the Rotary Club of Sale, for their support for the project. It is reflective of the excellent relationship which the base commander and all the people here at the base work hard at, and I know that the people and the community of Sale work very hard at that as well. It is great to see as we move around. In the last week or so we have been in a couple of places where that local relationship has been fantastic, and that is a reflection on everybody. Thank you very much for the submission. I would also like to acknowledge the council's economic benefit figures which are very impressive in talking about the proposal.

I will address the questions on notice that we took from this morning's part of the hearing. The first question was on consultation. I will ask Mr Don Gault to help me with this one as I get into the detail, but I will start by saying that the initial community consultation has occurred, as I mentioned in RAAF Wagga this morning. We had two meetings in each of Sale and Wagga. Those meetings were conducted here in Sale on 13 April and 20 September last year and, as has been mentioned by other witnesses, there was extensive—'bursting at the seams' was the description—interest. In Wagga those meetings were conducted on 14 April and 21 September. Representatives from many of the organisations which we mentioned in the evidence were present at those consultation meetings. The PWC evidence has been issued to a number of stakeholders and we have a list here of who that evidence has been sent to, which I should table.

**CHAIR**—Will the committee accept that as additional evidence? There being no objection, that is agreed. Thank you.

**Brig. Hutchinson**—As for the authorities that have been consulted, which are mentioned in paragraph 64, I will ask Mr Gault to talk about what the managing contractor has done in relation to that part of the consultation.

**Mr Gault**—As the brigadier said, federal and state government representatives were involved in the community consultations. With the fire services, the CFA has been consulted in Sale and we are yet to consult with the fire service in Wagga. They do not have jurisdiction on the base but we certainly will consult with them all the same. With regard to the water authorities, the water authority in Wagga was consulted and is currently being consulted, because we are looking at connecting the base onto the town water supply; it is currently being fed from a bore. We have not yet consulted with the water authority in East Sale. The base is connected to the town water supply and the supply is sufficient, but we shall consult in any case.

With regard to the environment and heritage, ECCs have been completed on both Sale and Wagga. The ECC has been signed off with regard to Sale, and there are no issues. Equally, with Wagga, it looks as though there are no impacts under the EPBC Act, and we did not have an intention therefore to consult with the Department of the Environment and Heritage. We have consulted with the New South Wales Department of Environment and Conservation with regard to Aboriginal heritage conservation, and we have been advised that there are no issues on these bases with regard to that. Once again, the Wellington Shire Council and the City of Wagga Wagga were both involved with the community consultations.

**CHAIR**—Thank you very much.

**Brig. Hutchinson**—With regard to future consultations, I have two sets of fact sheets which I can table for the committee. The first one relates to our proposed forward community consultations. The second one talks about what has been done in relation to Indigenous heritage and the consultation that has been conducted in relation to that. That should answer the consultation question.

**CHAIR**—Thank you.

**Brig. Hutchinson**—On the green star and the green building question, the ecologically sustainable development and where we are at with the four and 4½ stars, Mr Jenkins always gets me on this area because I am always confused about the different rating tools we have out there.

**Mr JENKINS**—You would not want to believe that the questioner actually knows better!

**Brig. Hutchinson**—We are talking about two rating tools here. We are also talking about a project which has been running for some period of time already in terms of its development. When the development of the project was originally started, the best practice at that time was to aim for a four-star rating. The recent publication of the Department of the Environment and Heritage booklet on ESD, which I tabled for the committee, has raised the bar on that to best practice being 4½ stars. With regard to the standard at the moment, I need to preface my remarks by pointing out that the tools only assess office type buildings at this stage. The living-in

accommodation is something different. There was a previous standard which spoke about domestic housing standards, which we are not using here; we are applying the Building Code of Australia requirements and we are going for the best practice in that area.

In relation to the office buildings, the two office buildings we have are the headquarters building here with the officer training unit and the headquarters building as part of the Recruit Training Unit at Wagga. The advice we have at this stage, based on an assessment against the design of the building, is that the Wagga building will easily meet 4½ stars and that the building here at East Sale is over four stars and is approaching 4½ stars. We are obviously aiming for that best practice, but there are still some more design decisions and cost trade-offs which will need to be made to determine whether we are able to achieve that within the existing budget. Clearly we aim for that, as I have said previously, but that is the position we are at.

I turn now to the two rating tools. The green star is the rating tool that has been put forward by the Green Building Council of Australia. That is a more general rating of ESD principles. The ABGR, the Australian Building Greenhouse Rating, measures the greenhouse outputs from a building. Both have similar stars. If you achieve four stars for one, it is about the same for the other; I think there might be half a star difference between them. Mr Gault, do you need to expand on that?

**Mr Gault**—In regard to the LIAs—the living in accommodation—even though the BCA is 2005 and design commenced before that, we have adopted section J of BCA 2005, which is similar to the five-star rating that previously existed.

**Brig. Hutchinson**—The final question on notice that I took out of this morning was about Point Cook. We have racked our collective brain—

**CHAIR**—As I have been doing since I mentioned this matter this morning!

**Brig. Hutchinson**—and I now would propose that there are two possibilities for what you were talking about. The first is a report from the Senate Foreign Affairs, Defence and Trade Committee on the disposal of defence properties. It was tabled in 2003 and it had words to say about Point Cook. That is one possibility, but I do not think that is the one we are talking about.

**CHAIR**—No, it is not.

**Brig. Hutchinson**—I think we are talking about the relocation of the Royal Australian Air Force training command, which occurred in about that time frame—I think it was in about 1999 that the investigation would have been done—and it related to moving the Royal Australian Air Force training command to RAAF Base Williams Laverton base. There was temporary accommodation which was located at Point Cook, which is the facility that we spoke about off-line—the facility immediately on your right as you drive into Point Cook base. That was temporary accommodation where, I believe, an element of training command was located prior to the move into Laverton.

From all the inquiries I have made, we have done no significant works at Point Cook in the last decade because, at one stage, Point Cook was being looked at for disposal. As you would be aware, the government subsequently made the decision in 2003 that Point Cook would remain in

Commonwealth ownership, but that still vindicates the fact that no work had been done. So there has not been a large expenditure of funds on Point Cook that has been superseded by our moving to these areas.

So in relation to the master plan, I reinforce what I said before: we are trying to get better at this side of master planning. Ultimately, decisions on the strategic side of things are decisions for government, and Defence will respond to government direction and provide advice to government on those issues. The decisions on the move to East Sale and to Wagga, for the RAAF college, are government decisions. As I also said, I reinforce that we believe this is a good decision—that we can fit into the existing bases. Despite the fact that the bases do not have a signed and sealed master plan at this point, we do conduct planning to ensure that we get the right fit on the base. We do that through a site selection board process, where we review the different options within the base and make sure that we get the best option.

The only other point I would make is that I note the council once again mentioned the aquatic centre. We did respond to the council's offer on the aquatic centre, and we certainly will be looking to members of the base individually as to what they want to do. But given the nature of the training that will be conducted here with the development of the Officer Training School and the amount of time that trainees will have to get from activity to activity, Defence will still need to retain the responsibility for maintaining a certain level of physical fitness and recreational facilities here at the base. We will do that, but I am sure a lot of individuals will also continue to avail themselves of the council facilities.

**Senator TROETH**—Given our earlier discussion with the council re the local business outlook, my question is probably directed to Mr Gault. What are the opportunities for local businesses to participate in the building development? Obviously this will be predicated on a couple of bases such as merit and price and that sort of thing, but do you think there will be opportunities for local businesses to take part in this development?

**Mr Gault**—Certainly. Councillor Hole mentioned Fulham Prison. We were fortunate enough to build the first and the latest development at Fulham—the latest development, the community transition program buildings, was finished about two years ago—and we did involve local tradespeople in those projects when they were available. It is important when we tender for works that they can show capability and provide value to the Commonwealth in the pricing. The process we went through to identify people to tender involved a registration of interest, and in the community consultations we passed out forms and gave addresses to people to send information to. We received some registrations of interest from those meetings. We also advertise in the local community for expressions of interest, and people have the ability to register at that time.

**Senator TROETH**—That would be very beneficial for the local community. In your experiences with Fulham Prison, were you happy with the capability and the expertise offered by the local firms that were able to participate—in terms of the technical education level available in this area?

**Mr Gault**—Of the firms that were successful in that project, yes. I think it was pointed out earlier in some of the discussions that, depending on the volume of work that is available and the number of tradespeople available, some of the local firms may not be able to take on a total

package but they certainly would be able to take on parts of those packages. Certainly the local community can benefit from having tradespeople coming in from outside as they can provide them with both materials and accommodation.

**Brig. Hutchinson**—Local people have an advantage from the point of view that they are living here and therefore do not have the accommodation and transport costs and those sorts of things. It is a two-way street: the opportunities are there, but ultimately it is up to the local people to put in competitive tenders.

**Mr JENKINS**—Firstly, as an aside, the questions that Senator Troeth just asked were in my suite of questions and were directed to the witness that I would have directed them to. It worries me that I am moving off towards the coalition, but I have decided that obviously I have been inculcated with the culture of this committee—or that is what I will tell my comrades. I want to continue on the theme of ecologically sustainable development. I want to get on the record a bit about the trees, especially here at East Sale.

**CHAIR**—I am glad you are asking the questions about the trees today, Mr Jenkins.

**Mr JENKINS**—Thank you. It has made me research something else as well. I really only wanted to get on the record the advice that we got on the bus—that is, about the red gums on the main site and the mess site, and the age and description of the flora down there.

**Brig. Hutchinson**—We have identified that the red gum is a significant species and we are looking to retain as many of them as we can. The site that we looked at originally has 46 red gums on it. The original plan looked at removing 26 of them. However, we have amended that plan by looking at the orientation of the buildings and adjusting the buildings so that we now are removing only 11 red gums. We will be looking to propagate greater than that number through collecting the seeds from the red gums here so that we are propagating the same species, and we will be looking at an appropriate site for propagating those trees.

We are also looking to remove some trees for the construction of the combined mess facility; however, they are not significant trees. They are either exotic or immature trees. But again, the natives will be propagated and we will come up with an environmental plan for doing that.

**Mr JENKINS**—Other witnesses might not understand this, but I think the infrastructure and asset development group are starting to understand this. I have got this thing about the mascots. I understand that No. 32 Squadron's mascot is the cockatoo. There are a heap of happy cockatoos out where you are going to build the OTS. I want to know what is happening for the cockatoos. That is the only paddock they seem to be on.

**Air Cdre Green**—On an Air Force base the birds are more of a hazard—

**Mr JENKINS**—I understand, but they seem well trained. They are happy and they are out there on that block.

**Air Cdre Green**—On a 700-hectare base, I am sure the loss of one hectare will not frighten the cockatoos too much.

**Mr JENKINS**—Let's give somebody a chance to tell me about the superb parrot at Wagga—which I had overlooked.

**Brig. Hutchinson**—I would have been disappointed if I had not got a question on the superb parrot. We have taken a proactive approach to managing the habitat of the superb parrot. We have done studies into the bird, and the consultant's report has declared that the RAAF Base Wagga is not a nesting location for the superb parrot; it is a transitory location for the parrot. The flora which is critical is the white box, and we are not removing any white box at Wagga. In fact, we will look at propagating some additional trees there.

**CHAIR**—It is a very nice photo you have there of the superb parrot.

**Mr JENKINS**—I might say that when we arrived at the site for 1RTU, the first thing I noticed was this dirty big tree that had been chopped down. But that is okay; it is only one tree.

Here at East Sale you are bringing together the messes. You have explained that as part of this project the sergeants mess is going to become a cardio weights facility. What will the present officers mess be used for?

**Brig. Hutchinson**—Could I correct my last statement. It is the yellow box, not the white box. To be consistent, I will correct your statement as well. It is the airmen's mess—

**Mr JENKINS**—I am still at the low end of my learning curve on defence matters.

**Brig. Hutchinson**—The airmen's mess is going to become the weight training and aerobic areas. The sergeants mess is going to become the clothing store. The officers mess will remain in its current location in terms of the buildings there, and it still has a significant amount of accommodation—that is, rooms for people to live in. You saw the other accommodation which is located a bit closer to the airfield, where we indicated some of the other students currently live and where we would be looking at the Australian Defence Force Academy cadets living when they come to the Officer Training School.

The combined mess facility is from the point of view of combining kitchen, dining and recreation. It does not have living-in accommodation associated with it. The sergeants mess does not have much living-in accommodation associated with it. I think it has two blocks with a total of 40 or 50 rooms, or something like that. Those blocks can still be used for accommodation if required, in the same way as the officers mess blocks will be used for accommodation. Because there is a larger bulk of accommodation down where the officers mess is, I imagine that some of the officers mess buildings will be used as the recreational facility on the spot, but it will not be used as a mess-dining facility as such. The dining facility, the bar, the recreational facilities and everything else will be part of the combined mess facility.

**Mr JENKINS**—So it is not envisaged that there will be any decommissioning of kitchens or things like that?

**Brig. Hutchinson**—The three kitchens which currently exist will be decommissioned. They will go to a single kitchen which will provide us with economies of scale, operating efficiencies and that sort of thing. The airmen's mess is basically just an eating facility and that will become

the weight room. The common-user areas of the sergeants mess will become the clothing store—including office facilities, which will become the offices for the people who operate the clothing store. The accommodation buildings will be part of the base's bulk of accommodation buildings. But the largest number of accommodation buildings remains with the officers mess, and many of those accommodation buildings are still required for the other courses that continue to be operated here.

**Mr JENKINS**—Is it an earth-shattering concept to bring all the messes together in the one complex? I am just interested to know whether you have done it here because the opportunities have arisen or whether that is the norm on other bases.

**Air Cdre Green**—It is something that, in terms of efficiency, Defence is looking at at a number of defence locations. The estimates that have been brought up by our corporate support area indicate that the staffing efficiencies from closing three kitchens and establishing a combined mess just at this base will save over \$1 million a year. So it is an economic driver.

**Mr JENKINS**—I think it is important to get that on the record. We are charged with ensuring that effective use is made of the moneys to be expended, but in a number of things that have started to consistently arise in your projects is the question of decreasing the operating costs. On our tour today some mention was made of a saving, which may have been to do with the mess. When we talk about the energy rating of buildings and things like that, sometimes there can be an up-front cost which might be recovered over time.

I take it that for asset development you have to wade through a figure at this end of the project and, for our purposes, fall within that. But how much of the decision making about the proposal includes things like a \$1 million a year saving on operating costs? That is a very garbled question. I am trying to get to the principle of it because those sorts of things are important to us too. If you are spending money up-front that results in that order of magnitude of savings over the life of the project, perhaps we should be asking you why you are not spending more to create even greater savings.

**Brig. Hutchinson**—It is a good question. The process is that we look at the capital costs and the operating costs as we go through our total development cycle. In the delivery of facilities now we are looking to take a far more whole-of-life approach to the delivery of those facilities. I have spoken about ecologically sustainable development being a principle; whole-of-life is also a principle. Clearly, whole-of-life goes into trading-off some of those operating efficiencies and maintenance costs and those sorts of things. It is very easy to go out and build something quite cheaply which is going to have a huge whole-of-life maintenance cost. We would rather spend capital money upfront to make that whole-of-life cost lower. That is the process we are now going through.

How many projects have we actually delivered that have been driven by looking at those operating cost savings? I do not think there have been too many that have been generated that way. What tends to happen is that a project gets generated for an operational need and then we work that whole-of-life principle into the process. It is part of the process but it has not necessarily been a driver of the process. For example, in this project at East Sale we have found it economical and efficient on a whole-of-life basis to provide this combined mess. When we did the sums for Wagga it was not economical and efficient to provide that combined mess because

it has larger numbers. We would not have been able to get away with what we would need to do in the renovation of the kitchen. You would be talking about a very large significant building with the numbers that go through there. We also assessed the life costs of the existing officers mess and sergeants mess there versus the messes here and how we could reuse them. Those factors have been built into the total project assessment. That probably covers your question.

**CHAIR**—Earlier this morning in evidence Wing Commander Dittmar told us that there would be increased numbers here at East Sale and at Wagga. I think a 25 per cent increase was anticipated here and 50 per cent at Wagga. It was of that order. What attention has been given to traffic management, given the larger numbers of people using both bases? How do you see parking facilities being managed?

**Brig. Hutchinson**—We have looked into both of those aspects, from the point of view of not only the ongoing base population but also the construction period. In both cases there are particular issues that we need to manage. For example, the base here at East Sale has a single access road coming from Sale. All of that construction traffic and the cars need to come on that route. At Wagga you have a major highway at the front of the base.

We have looked at all of those issues. We have tried to minimise the amount of massed car-parking space that we have built into each proposal, because that is ecologically not a great thing to do. In each case, the bases have relatively wide roads, and we are going to make maximum use of kerbside parking. You have seen today that there are not a lot of cars using that at the moment, so there is a capacity to do that.

However, having said that we have traffic issues that we will be working through, the assessment has been that those traffic issues are completely manageable. Unlike the proposal that we presented last week at Amberley, where we had significant construction traffic, the construction traffic for this proposal is not nearly as significant and the capacity of the roads is sufficient to take that. We will look at putting in place management solutions looking at peak timings and all that sort of thing and managing the construction workload and so on to handle that. As for the effect on the ongoing base population, again, those figures are not significant. The peak hour will run for six minutes instead of five minutes now.

**CHAIR**—You have done some time and motion studies, I take it! As there are no further questions, thank you very much. Before closing, I would like to thank all the witnesses who have taken the time to appear before the committee today and everyone who has assisted the committee—the secretariat and Hansard—in setting up the hearings.

Resolved (on motion by **Senator Troeth**):

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

**Committee adjourned at 2.27 pm**