

Our Ref: 77675

29 August 2003

Ms Vivienne Courto  
Inquiry Secretary  
Parliamentary Standing Committee on Public Works  
House of Representatives  
Parliament House  
Canberra ACT 2600

Dear Ms Courto,

**RAAF Base Richmond Reinvestment Project Richmond**

Thank you for this opportunity to make a formal submission to the Committee in regard to the Reinvestment Project at RAAF Base Richmond. It is understood that the Committee intends to hold a public hearing into this proposal on the 12 September 2003. This City's Mayor, Clr (Dr) Rex Stubbs OAM, would be pleased to address the Committee on behalf of our community.

Council's submission relating to the reinvestment of expenditure is addressed in three parts:

- Council's submission in relation to the immediate and long term future of the Base;
- The social and economic benefits of RAAF Base Richmond and the Reinvestment Project; and
- Other issues including Occupational Health & Safety, the Environment and Stormwater issues.

The Hawkesbury community has had a long and strong association with the RAAF Base Richmond and it's personnel since 1925. It would not be unreasonable to say that the commitment off both groups is unparalleled in community and military relationships within Australia. This alone provides for a strong and stable environment in which the military can operate and have a clear focus on their role and objectives. The Reinvestment Program provides a sound basis for the Base and it's operation to remain.

This submission will attempt to address the need for the work proposed in the reinvestment scheme, justification for the work and the public value of the work. Council and its community support the reinvestment scheme to ensure that the core objective of a continuing relationship with RAAF Base Richmond and our commitment to defence activities on this site continues.

***Council's Submission in relation to the Immediate and Long term Future of the Base***

In 2002, the Department of Defence commissioned, through PriceWaterhouseCoopers, "The Economic and Social Impacts of the Royal Australian Airforce Base Richmond on the Hawkesbury and Surrounding Region".

Following receipt of the draft report by PriceWaterhouseCoopers, Council formally resolved to:

1. Endorse the recommendations from Hawkesbury Economic Development Advisory Committee (HEDAC) and Councillor Rasmussen to enable a Submission to be made to the Department of Defence on Richmond RAAF Base Economic Impact Study.
2. **Council's Submission specifically supports the long-term operation of Airlift Group based at Richmond.**

The main thrust of Council's resolution was to advise the Department of Defence of the importance of RAAF Richmond Airlift Group to the economic and social fabric of Hawkesbury City, to identify the weaknesses of the PriceWaterhouseCoopers report and evaluate the impact of closure/realignment on the Hawkesbury Local Government Area.

*"The Report estimated the economic impact of the RAAF on the Hawkesbury at \$106M per year. But whether the real figure is \$100M or \$200M the fact is the RAAF Base is an essential part of the economic and social life of the Hawkesbury."*

*Federal Member for Macquarie, Mr Kerry Bartlett, Hawkesbury Gazette, 25/9/02.*

In regard to the importance of Airlift Group to the Hawkesbury, the City's Mayor, Cllr (Dr) Rex Stubbs OAM, indicated that the region would come out fighting to limit further downgrading of Richmond RAAF Base.

*"We acknowledge there has already been some downgrading of the base and there could be some further downgrading with the relocation of the 707 planes from Richmond. But we don't accept the relocation of the Airlift Group".*

*Hawkesbury Gazette, 25/9/02.*

Council's response indicated that the PriceWaterhouseCoopers report had used a minimalist approach for the economic and social impacts on the Hawkesbury Region. There is nothing that can replace the social and economic benefits of RAAF Base Richmond to the Hawkesbury. This reinvestment program is vital to Council's core position of retaining Airlift Group.

The statement of evidence provided to Council clearly indicates that although RAAF Base Richmond has had a long history, there has been some uncertainty and limited investment in maintaining the infrastructure and facility. Australia's Airlift units operate and are maintained from RAAF Base Richmond, with Airlift capabilities based or at times supported from RAAF Base Richmond. As a result, the Base has deteriorated over time and if this investment is not made, it may affect the Base's defence capability.

The proposal to approve the reinvestment of \$35M at RAAF Base Richmond, whilst limited, addresses immediate deficiencies and provides maintenance and protection to the Commonwealth's assets. Without this reinvestment, the Base may continue to degrade and impact on operations.

***The social and economic benefits of RAAF Base Richmond and the Reinvestment Project***

Richmond RAAF Base today supports approximately 1,800 military personnel and approximately 800 civilians and contractors. The contractors include Qantas Defence Systems, Australian Aerospace, Lockheed Martin, Canadian Advanced Electronics and Air New Zealand. Additional employment is generated as a result of indirect economic activity resulting from Base related expenditures. In total it is estimated that the Base generates in excess of 2,600 jobs or approximately 15% of all jobs in the Hawkesbury. This alone ensures that RAAF Base Richmond is the single largest employer in the Hawkesbury region.

While not all Base workers are Hawkesbury residents, Richmond RAAF is not only the largest employer within Hawkesbury, but also one of the largest employers in Western Sydney. The relocation of RAAF Base Richmond will represent approximately a 6% reduction in the workforce of the Hawkesbury region in today's terms. Considering unemployment impacts, any relocation will have a profound impact given the challenges facing all levels of Government in reducing unemployment.

The PriceWaterhouseCoopers Report for the Department of Defence identifies the importance of RAAF Base Richmond to the community.

*“The Base contributes to the Hawkesbury economy in two main ways. Firstly, the wages and salaries of many of the workers at the Base are sent locally on a wide range of goods and services. Secondly, organisations on the Base spend money locally on goods and services. The direct local expenditures generate additional economic activity within Hawkesbury and some local suppliers purchase goods and services from other Hawkesbury businesses and people employed as a result of Base related expenditures.”*

*PriceWaterhouseCoopers Draft Department of Defence Report, 2002.*

Council acknowledges that the outlook for the future of the Base is obscured by the extended time horizons involved. Over the next 12 to 15 years there might be changes in the Defence and commercial aerospace sectors. Given this, we accept that the Base is a significant purchaser of a range of goods and services within our city. The principal categories of goods and services purchased within Hawkesbury by organizations on the Base include:

- Construction and Maintenance Services;
- Grounds maintenance and support equipment;
- Catering services;
- Security services;
- Office supplies;
- Accommodation; and
- Road Transport.

Businesses in the Hawkesbury will benefit from the proposed reinvestment program. This expenditure will enable an increase within the local economy, help to promote employment opportunities within the City, raise the lifestyle of RAAF Base workers and positively contribute to the defence capacity of the Base.

The table below presents an overview of these goods and services principally purchased within the Hawkesbury region by workers on the Base, through household expenditure after allowing for leakages i.e. that is money spent outside the Hawkesbury.

<b>Product or Service</b>	<b>\$M (estimates)</b>
Retail Service	7.0
Accommodation, Cafes, and Restaurants	4.0
Sport, Gambling and Recreation	4.3
Property Services	0.8
Health Services	2.1
Personal and other services	2.1
Government administration	0.6
Road Transport	0.6
Source PwC estimates	

**Table 1: Principle Purchase of Goods and Services within the Hawkesbury Region by Base related Households 2000-01 (\$M)**

The patterns of expenditure do vary amongst individual households. It can be assumed that Base related households are responsible for around 6% of annual sales by businesses directly serving the general Hawkesbury community. It is recognised that the greater part of goods and services purchases by organisations located on the Base, is in respect of building and maintenance as shown in the table above. There are a small number of local building and related businesses that are heavily dependent on the work at the Base.

***Other issues including Occupational Health & Safety, the Environment and Stormwater Issues***

As set out in the statement of evidence, factors considered in determining the Reinvestment Program included Occupational Health & Safety, environment, heritage and community standards.

Council adopted the following stance in relation to Occupational Health & Safety:

*The Occupational Health & Safety of all persons employed within Hawkesbury City Council, including Contractors and those visiting work sites is considered to be of utmost importance. Resources commensurate with the importance attached to Occupational Health & Safety will be made available to comply with all relevant Act and Regulations to ensure that the workplace is safe and without risk to health.*

It cannot be overstated that our intention is to provide and maintain a safe place to work, a safe system of work, safe plant equipment and a safe and confident workforce.

There is a duty of care principle for all employers to ensure that the health, safety and welfare of employees and others are not at risk in the workplace. The employer's duty of care applies to all. As previously stated, a large percentage of RAAF Base workers are Hawkesbury constituents and as such the expenditure on reinvestment that pertains to Occupational Health & Safety to improve working conditions and living conditions is welcomed as part of the reinvestment program.

In relation to the environment, Council supports the philosophy adopted for energy management and lighting as part of the reinvestment program. The statement of evidence indicates that concept designs will include an analysis of energy delivery and consumption systems incorporating an estimate of any additional energy consumption and costs that are expected to result from the implementation of the concept itself. Council also supports the objective of reducing energy consumption and the consequential greenhouse gas emissions. Council is currently participating in the Cities for Climate Protection program having achieved four milestones to date. Council's proposed new Library/Art Gallery and Cultural Precinct is also embracing the concept of energy management and lighting with a commitment to the concept of cogeneration on the site that will provide power and energy whilst reducing greenhouse emissions through reduced electricity consumption and the reduced burning of coal.

Finally, the Council would also like to comment on and support the Stormwater upgrade that is part of the proposed RAAF Reinvestment Program. It is recognised that on leaving the Base, stormwater flows into Rickaby's Creek and thence the Hawkesbury Water Catchment Basin. Stormwater management has in recent years become a focus for Council in relation to environmental management. Council's current objective is to identify areas of environmental concern, particularly in relation to stormwater and to implement measures to minimise environmental impacts. To achieve this, strategies including the provision of end of line

treatments, maintenance measures, community awareness, modification of current practices, education, and regulatory procedures which will mitigate current environmental damage and commence an ongoing program of remediation to the general environment have been implemented.

Having implemented a special levy across the Hawkesbury City for a stormwater - environmental plan in 2002/2003, the Council is pleased to see stormwater addressed as part of the Reinvestment Program. The repair and upgrade of priority elements of the RAAF Base stormwater system is recommended as the preferred option in the statement of evidence to the Parliamentary Committee.

Hawkesbury City Council strongly supports the proposed reinvestment program at RAAF Base Richmond. The social and economic benefits, stormwater and environmental improvements along with Occupational Health & Safety requirements offer many positive returns. This expenditure provides not only the injection of capital to the existing industries within the Base, but also provides a positive message to outside industries, the community and the employees of RAAF Base Richmond of the Commonwealth's commitment to protect and maintain existing operational capabilities at RAAF Base Richmond. This expenditure program can only enhance the relationship between RAAF Base Richmond and our community.

Yours faithfully



Geoff Banting  
Acting General Manager

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