

Introduction

Referral of Work

- 1.1 On 29 March 2007 the proposed provision of facilities for Project Single LEAP Phase 2 was referred to the Public Works Committee for consideration and report in accordance with the provisions of the Public Works Act 1969 (the Act).¹ The proponent agency for this work is the Department of Defence.
- 1.2 The Hon Peter Lindsay, Parliamentary Secretary to the Minister for Defence informed the House that the estimated out-turn cost of the project is \$1.2 billion net present value and will involve a regular service payment by Defence over thirty years for buildings, infrastructure, facilities, management services, maintenance and life cycle costs. Subject to Parliamentary approval, construction is planned to commence in early 2009 and be completed by 2012.

1 Extract from the Votes and Proceedings of the House of Representatives, No. 164, Thursday 29 March 2007

Background

- 1.3 In June 2003 Defence published the report “*A Review of Accommodation Arrangements for ADF Members Without Dependents*”. The Review, based on previous living in accommodation (LIA) reviews, existing data sources, base visits, stakeholder consultation, modelling and international comparative studies, found that over 36,000 rooms were in generally poor state and that over 25,400 rooms did not meet current building standards or were located in areas on bases no longer suitable for residential purposes. It also set out, in addition to providing a long term strategy for the future provision of LIA, funding options aimed at improving living in accommodation.²
- 1.4 To address these issues, the Report proposed a strategy aimed at:
- identifying by base, the long term accommodation requirements by type and location;
 - identifying, costing and prioritising accommodation options to meet the total requirement; and
 - suggesting funding options.³
- 1.5 Further, the Review identified a requirement of over \$2 billion in funding to resolve these deficiencies in the LIA estate. Following on the release of the Review, and against the background of a Force Disposition Review conducted in February 2004, the Defence People Committee proposed a priority list of 6,361 rooms at various locations as the most effective use for any future LIA funding.⁴
- 1.6 A subsequent submission to Government sought funding to address the issue and as part of the 2004-2005 Budget the Government announced Project Single Living Environment and Accommodation Precinct (LEAP) to remediate up to 6,400 permanent rooms nationwide.

2 Appendix C, Submission No. 1, paragraphs 3 and 4

3 *ibid.*, paragraph 5

4 In its Statement of Evidence, Defence proposed that a total of 6,742 LIA rooms, including 381 raining rooms were determined as a priority by the Defence People Strategy Committee. In evidence, Defence stated that training rooms had been removed as a priority. See Appendix D for the official transcript of the evidence taken by the Committee at the Public Hearing on Friday 11 May, 2007 at Parliament House Canberra, p. 21

Site

1.7 The proposed works are to be undertaken on seventeen bases spread across mainland Australia. These are:

- **Lavarack Barracks, Townsville:** Lavarack Barracks is located at the foot of Mount Stuart in north QLD approximately 10km south of the Townsville CBD and covers 400 hectares. It is the principal working, training and accommodation facility for the 3rd Brigade and also accommodates a number of support units. Surrounding land use includes residential suburbs to the north, east and west and the Mount Stuart Training Area to the south. The nearest sensitive civilian facility is a residence located approximately 200m from the northern boundary of the Barracks.
- **Randwick Barracks, Sydney :** Randwick Barracks is located on the corner of Avoca and Bundock Streets, Randwick, 7.5km south of Sydney CBD. The barracks is approximately 45 hectares in area and primarily accommodates Army units and a number of other Defence organisations including the National Welfare Coordination Cell and transit accommodation. The barracks is located in an urban area characterised by established single or double-storey residences dating from before the 1950s. There are also pockets of apartment buildings, town houses and small-lot housing.
- **HMAS Albatross, Nowra :** HMAS Albatross is located on the south coast of NSW approximately 170km south of Sydney and 10km south of Nowra. The base area is approximately 928 hectares. HMAS Albatross supports the four Naval Air Squadrons whose role is to provide air support to the fleet. The base is also home to the Navy Aviation Force Element Group, which has responsibility for delivery of naval aviation capability to the Government. HMAS Albatross also hosts and provides administrative support to several other lodger units that provide important operational, logistic and training support roles. Surrounding land use is predominantly semi-rural residential.
- **RAAF Base Wagga :** RAAF Base Wagga is located approximately 10km east of Wagga Wagga in southern NSW. The base area is approximately 160 hectares. The base contains RAAF Training Command elements including the Ground Training Wing, RAAF School of Technical Training, RAAF School of Management and Training Technology, School of Post Graduate Studies and Combat Support Unit Wagga. Defence owns the civilian airport near the southern boundary of the base, which is leased from Defence by the Wagga Wagga City Council. The nearest civilian housing is on the immediate east and west sides of

the base with a public primary school located to the immediate north of the base entrance.

- **Blamey Barracks, Kapooka** : Blamey Barracks is located approximately 9.5 km south west of Wagga Wagga off the Olympic Highway in south eastern NSW and is known as the Kapooka Military Area (KMA). The KMA is approximately 1,200 hectares in area and contains a Recruit Training Wing, the Army Adventurous Training Wing and support elements including Australian Army Band Kapooka, Health Services and Military Police Services. The KMA is the major training base for new Army recruits prior to posting to units. Surrounding land uses include rural residential housing, rural freehold land used for cereal cropping and grazing and Crown Reserve land. The closest civilian residences areas are within the suburb of San Isidore on the north and north-eastern boundary of the base. Some of these residences are within 50 metres of the base boundary.
- **Royal Military College (RMC) Duntroon**: RMC Duntroon is located 3.5km east of the Canberra City Centre, in the suburb of Campbell. The site is approximately 125 hectares in area. It is bounded by Fairbairn Avenue to the north-east, General Bridges Drive to the north and north-west and Morshead Drive to the south and south-east. RMC provides pre-commissioning training for Army officer cadets. Surrounding land use includes the Australian Defence Force Academy to the north, open paddocks to the east, the Molonglo River to the south and Canberra Nature Park to the west.
- **Australian Defence Force Academy**: The Australian Defence Force Academy (ADFA) is located approximately 3.5km south-east of the Canberra CBD on Northcott Drive, in the suburb of Campbell. ADFA is 52 hectares in area and is bounded by Northcott Drive, General Bridges Drive and Fairbairn Avenue. The main entrance to the ADFA is on Northcott Drive with access also possible from General Bridges Drive. A further 23 hectares, separated from the main site by Fairbairn Avenue, are set aside for playing fields. ADFA provides academic and military training for ADF officer cadets for each of the single Services. Land to the north and east contains Defence's Campbell Park Offices and playing fields. To the south is RMC Duntroon and the north-west buildings back onto residential Campbell.
- **Puckapunyal Military Area** : Puckapunyal Military Area (PMA) is located approximately 100km north of Melbourne and approximately 6km west of the town of Seymour. The site is approximately 44,000 hectares in area. The Range, divided into Range East and Range West, makes up a large proportion of the site, spreading to the north and west

of the main built up area. The PMA includes three Barracks: Tobruk Barracks, Hopkins Barracks and Bridges Barracks. Major units within the PMA include the School of Artillery, the School of Armour, the Army School of Transport Operations and elements of the 4th Brigade. Surrounding land use is rural.

- **South Bandiana, Albury Wodonga Military Area** : South Bandiana is within the Albury Wodonga Military Area and is located 3km south east of the Wodonga township, Victoria. South Bandiana forms a part of Gaza Ridge Barracks and is approximately 140 hectares in area. The major unit at South Bandiana is the Army Logistics Training Centre. The area is bordered to the north by the Murray Valley Highway and the Tallangatta Railway. Surrounding land use includes North Bandiana to the north, an industrial area to the east, a rural conservation zone and agricultural land to the south and a public conservation and resource zone to the west. There is no residential housing located within 1km.
- **RAAF Base Williams, Laverton** : RAAF Williams is located in Laverton, approximately 25km south-west of Melbourne. The base is approximately 150 hectares in area and is situated adjacent to the Princes Freeway (Geelong Road) and the Geelong railway line. The site contains the RAAF Headquarters for the southern region of Victoria and supporting training, storage and maintenance units. Surrounding land uses include rural to the north, a rail line easement, railway station and medium to heavy industry in the south, residential in the east and a recycling and storage facility and the disused former RAAF Laverton airfield in the west.
- **Simpson Barracks, Watsonia** : Simpson Barracks is located at Watsonia, approximately 20km north-east of Melbourne and is 55 hectares in area. The site contains the Defence Force School of Signals, the Defence Force School of Music, Australian Army Band Victoria, Headquarters 4th Brigade, a number of Brigade unit elements, Land Warfare Centre - Victoria, Training Development Centre - Victoria and area support facilities. In 1996 approximately 25 percent of the Barracks was disposed of for a private housing development now called Streeon Views Estate. Surrounding land use is residential.
- **RAAF Base Edinburgh, Elizabeth** : RAAF Base Edinburgh is located 25km north of Adelaide and 4km west of Elizabeth in South Australia. The base and adjacent DSTO facilities are approximately 1,170 hectares in area. The base supports RAAF Maritime Surveillance aircraft. The base has been identified as the site for the relocation of a mechanised infantry battalion and supporting elements under the Hardened and

Networked Army (HNA) concept. The Force Disposition Review (FDR) has identified other potential relocations to the base. Surrounding land use is light industrial to the south, residential to the east and north and semi-rural to the west.

- **HMAS Stirling, Rockingham** : HMAS Stirling, also known as Fleet Base West, is located 45km south-west of Perth in Western Australia on Garden Island. Garden Island lies between Cockburn Sound to the east and the Indian Ocean to the west. Garden Island is a Commonwealth freehold property that is approximately 9 km long and 2 km wide at its widest and approximately 1,092 hectares in area. It is accessible by a 5km causeway from the mainland at Cape Peron. The base is home to major RAN ships based on the west coast. Parts of the island are open to the public, although accessible only by boat. The main land opposite Garden Island is the Kwinana industrial area which accommodates heavy industry.
- **Campbell Barracks, Swanbourne** : Campbell Barracks is situated approximately 10km west of the Perth and covers an area of 236 hectares, consisting of 137 hectares of range area, 85 hectares of barracks area, a 14 hectare leased beach area and a safety template area extending over the Indian Ocean gazetted as a Defence Practice Area. The barracks is home to the Special Air Services Regiment (SASR). Campbell Barracks is bounded by the Indian Ocean to the west, Bold Park coastal segment to the north, West Coast Highway to the east and residential areas to the south.
- **RAAF Base Pearce, Bullsbrook** : RAAF Base Pearce is located on the Great Northern Highway adjacent to the town of Bullsbrook, approximately 44km north-east of Perth. The base has a total area of 938 hectares, excluding a number of attached properties that are located outside the base proper. The primary roles of the base are to train cadet pilots to 'wings' standard and to conduct 'jet conversion' training for selected pilot officers. Surrounding land use is predominantly rural with residential development to the north east.
- **Robertson Barracks, Palmerston** : Robertson Barracks is located approximately 20km east of Darwin. The base is approximately 1,200 hectares in area and includes a close training area, a small arms live firing range, a driver training circuit and Robertson Barracks proper. The barracks accommodates the Army's 1st Brigade which is made up of some seven regiments and a number of smaller units. The barracks is a major operational training area and is a prime deployment base for overseas missions. Surrounding land uses include vacant Crown land to the north used by Defence for training activities in agreement with

the Northern Territory Land Development Corporation, rural residences to the south along Glendowner Road, vacant Crown land currently used for Defence training to the east and open bushland and swamp to the west.

- **Larrakeyah Barracks, Darwin** : The Larrakeyah Defence Base is a working Naval and Army base. The base is located 1.5km north-west of Darwin on a promontory north of the Port of Darwin. The base is approximately 150 hectares in area. It comprises the Darwin Naval Base - HMAS Coonawarra and Larrakeyah Barracks. HMAS Coonawarra, located within the southern section of the base, is home to the Navy patrol boat fleet. The remaining area is Larrakeyah Barracks containing Headquarters Northern Command, the North West Mobile Force and supporting units. The area is bounded to the south and west by Darwin Harbour with residential areas to the east and north.⁵

Options Considered

- 1.8 The approach to Project Single LEAP Phase 2 aims to deliver the required standard of improved living in accommodation at the sites referred to above, within an acceptable time frame, and within the allocated budget. In order to achieve this outcome Defence considered the following options:
- Defence Build, Operate and Maintain - the traditional approach of identifying a requirement, providing funding and managing construction of a replacement or new facility and maintenance through existing contracts;
 - Leasing - utilising existing or upcoming capacity in the marketplace. Defence leases facilities that meet or can be converted to meet user requirements; and
 - Public Private Partnerships - developing long-term strategic partnerships with Industry for the design, construction and operation of facilities, including elements of Private Financing.⁶

5 Appendix C, Submission No. 1, paragraph 31

6 *ibid.*, paragraph 25

Inquiry Process

- 1.9 The Committee is required by the Act to consider public works over \$15 million⁷ and report to Parliament on:
- the purpose of the work and its suitability for that purpose;
 - the need for, or the advisability of, carrying out the work;
 - whether the money to be expended on the work is being spent in the most cost effective manner;
 - the amount of revenue the work will generate for the Commonwealth, if that is its purpose; and
 - the present and prospective public value of the work.⁸
- 1.10 The Committee called for submissions by advertising the inquiry in *The Australian*, *The Adelaide Advertiser*, *The N.T News*, *The Age* (Melbourne), *The West Australia*, *The Canberra Times*, and *The Sydney Morning Herald* on Saturday, 7 April 2007. The Committee also sought submissions from relevant government agencies, local government, private organisations and individuals, who may be materially affected by or have an interest in the proposed work. The Committee subsequently placed submissions and other information relating to the inquiry on its web site in order to encourage further public participation.

Inspection and Hearing

- 1.11 Because of the number of sites that are the subject of the proposed works, the Committee was constrained by the availability of Members and the Parliamentary calendar to undertake inspections of all sites. Site inspections were however conducted at the following sites: Lavarack Barracks, Townsville; Robertson and Larrakeyah Barracks, Darwin; RAAF Edinburgh, South Australia; the Australian Defence Force Academy and Royal Military College, ACT, and Randwick Barracks. The Committee proposes to undertake further site inspections should the opportunity be available to do so.
- 1.12 On Friday 11 May 2007, the Committee received a confidential briefing from officers of the Department of Defence on the costs of the proposed

7 *Public Works Committee Act 1969*, Part III, Section 18 (8)

8 *ibid*, Section 17

works associated with Project Single LEAP Phase 2 at Parliament House Canberra. This was followed by a public hearing at the same venue.