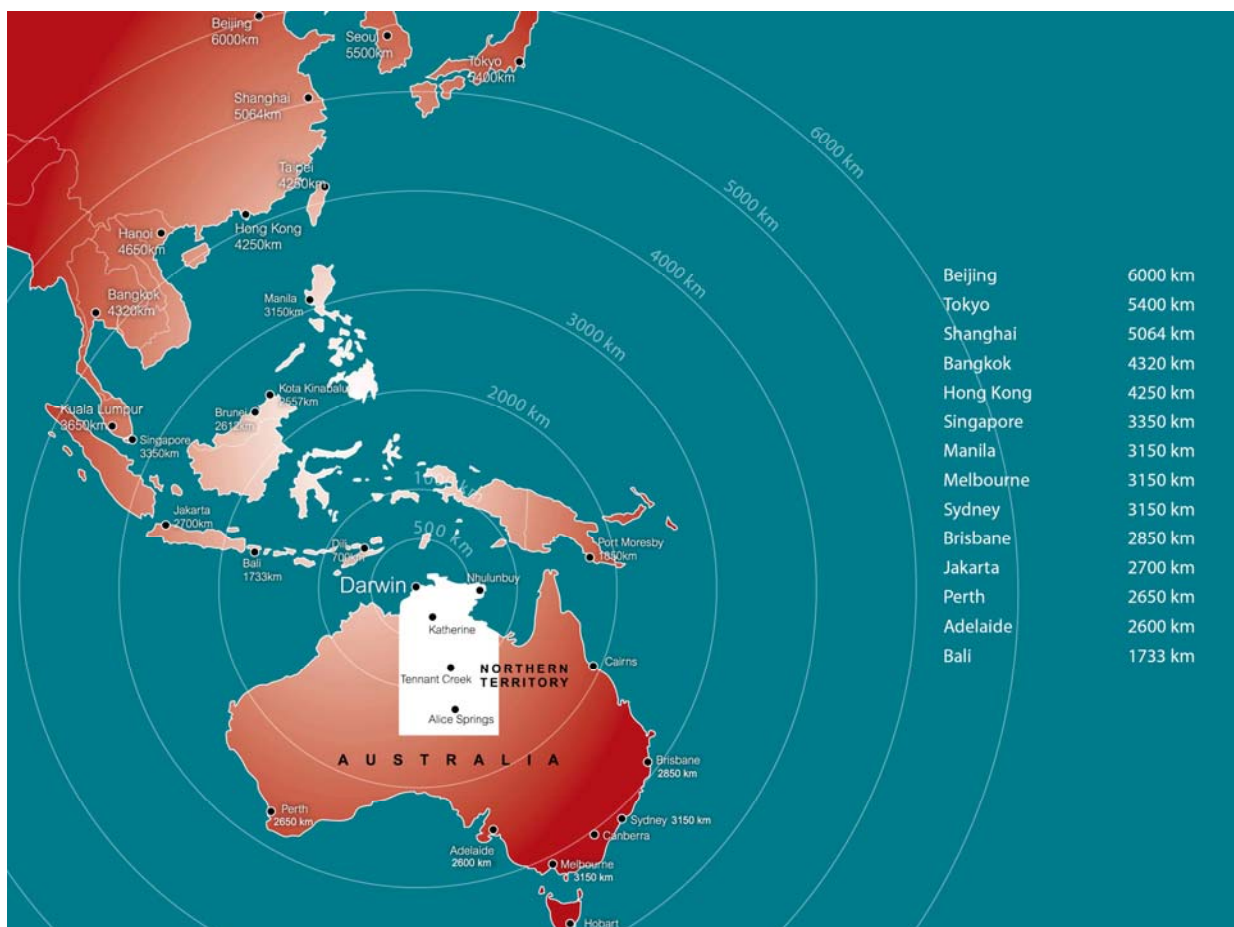


# Submission to the Australian Defence Force Posture Review

September 2011

from the

Northern Territory Government



# **Australian Defence Force Posture Review**

## **Introduction**

The Northern Territory Government understands the value of Defence to the economy and community. Two Ministries, a dedicated Defence support unit and a multi-agency Defence Support Taskforce work to ensure the Northern Territory is a Defence and family friendly location. Darwin is the only Australian capital city which is closer to other countries than it is to the nation's capital. It is also closer to many large population bases throughout South-East Asia than any other city centre on Australian soil. It was bombed more frequently than Hawaii during WWII and has played a significant role following the East Timor crisis and the Bali bombing. Darwin with its existing infrastructure is a significant player in the defence of Australia and Australia's national security. The Darwin community is resilient, welcoming and united in its support for Defence, Defence personnel and Defence families.

## **Northern Territory Economy**

The Northern Territory economy is strong and vibrant with an abundance of natural mineral and energy resources. The robust nature of the Northern Territory economy has enabled it to grow strongly for a sustained 10-year period and the future economic outlook for the Northern Territory is expected to remain bright. Deloitte Access Economics Business Outlook June 2011 forecasts Northern Territory economic growth will average 4.2% per annum over the coming five years to 2015-16. This will be driven by major projects on the horizon including the INPEX Ichthys LNG Project, the Marine Supply Base and the Darwin International Airport expansion to cater for a Jetstar hub to service South-East Asia.

The Northern Territory's Gross State Product accounts for 1.3% of Australia's Gross Domestic Product (GDP), a contribution significantly higher than the Northern Territory's proportion of the Australian population. In 2010-11, Northern Territory merchandise exports exceeded \$5.3 billion and contributed to a trade surplus of more than \$1.6 billion. Northern Territory exports are expected to grow strongly in the next five years, following the development of further high-value strategic energy projects offshore in the Timor Sea and onshore.

Darwin continues to develop into a significant oil and gas hub of northern Australia. A similar development occurred in Aberdeen, the United Kingdom (UK), following the discovery of oil in the North Sea in the early 1970s. In just one generation the oil and gas industry catapulted the region towards having one of the highest GDP per capita in all of the UK, and an unemployment rate of less than 2%. After 40 years, Aberdeen is still known as the oil capital of Europe with the busiest helicopter airport in the world and a population growth in the region of approximately 70 000.



## Strategic Geographic Location

Darwin's close proximity to South-East Asia and Australia's major oil and gas fields in northern Australia, its suitability as a mounting base for military and humanitarian operations, deployments and exercises in the region, its contemporary infrastructure, capacity for growth and easy lifestyle, make it an ideal location for growing Defence presence.

The Federal Government decision in 1987 to increase the Australian Army's presence in the north of Australia has seen 1st Brigade relocated into new and modern facilities at Robertson Barracks. Enhanced capability through capital equipment procurement and close access to the Mt Bundy and Bradshaw Field training areas has contributed to the Brigade's growth, force development and success in deployments to East Timor, Iraq and Afghanistan. The 1st Brigade in Darwin is strategically located close to the northern approaches allowing rapid deployment in defence of Australia's interests. The Brigade is a major contributor to the Northern Territory economy and is a valuable contributor to the community.

As the hub for border protection under Operation Resolute, naval activities in Darwin are significant in making Darwin Harbour the busiest naval port in Australia. With the majority of Armidale Class Patrol Boats based and supported here, HMAS Coonawarra is an important element of Royal Australian Navy (RAN) operations. The proposed replacement of patrol boats with larger multi-role offshore combatant vessels and the requirement for Darwin based 1st Brigade to deploy using amphibious load facilities onto the new Landing Helicopter Dock will mean that increased naval infrastructure will be required in Darwin.

The Northern Territory Government would welcome the opportunity to work with Defence to develop opportunities for shared infrastructure that would support an increased capability in the north.

Darwin has the added advantage of a naturally occurring deep water harbour with opportunities to plan for and reserve the required long term land component of a dedicated base. This forward planning will avoid future urban encroachment and support the requirements of a naval base free from conflicts due to transport of provisions, armaments, fuel and equipment through residential areas.

The Northern Territory Government is currently undertaking a strategic review of sites that may be suitable for port development to service emerging resource projects. There is a good knowledge base of sites which could be considered for development of additional naval facilities in the longer term. The Northern Territory Government will work with Defence to facilitate construction of new naval facilities for berthing and/or basing of new large naval vessels. A navy presence of up to fleet base proportion could be supported and such a proposal would position important naval assets closer to their area of operations, lessening response times for security and disaster relief into South-East Asia and beyond and relieving the congestion that already exists in other ports.

Darwin has been identified in the Defence White Paper 2009 as one of the seven major logistics hubs in Australia. A new infrastructure project to consolidate Joint Logistics Unit North (JLUN) into a single facility on Robertson Barracks confirms Darwin as an important logistics hub for Defence. With the capability of supporting Defence both locally and during military



contingencies and operations reaching into South-East Asia and beyond, expansion of JLUN to cater for increased Defence operations and capability is a logical and strategic outcome.

The 2002 Bali bombing highlighted the importance of Darwin with its well resourced hospital and infrastructure playing a key role in Australia's response and repatriation of its citizens. The Royal Darwin Hospital is recognised as Australia's National Critical Care and Trauma Response Centre. Recent natural disasters, such as earthquakes and the tsunami in South-East Asia, highlight the strategic advantage that storage of disaster relief stores in Darwin may have to lessen response times. The Northern Territory Government supports initiatives for the prepositioning of Australian and United States military and humanitarian relief equipment and stores in Darwin to better respond to disaster and emergency relief efforts. This support is extended to the storage of operational military stores for contingency requirements. With land available close to Robertson Barracks, the Northern Territory Government is able to assist should warehouse capacity for JLUN need to expand beyond the capacity of the new facility planned for Robertson Barracks.

Darwin provides existing support for forward bases to the north-west. The charter of the Royal Australian Air Force's No 396 Expeditionary Combat Support Wing (396ECSW) based in Darwin is to provide Air Force and Combat Support Group with a diverse range of combat support and fixed base services, including ongoing support to the bare bases in northern Australia and also the capability to activate and support aerospace operations from forward or deployed locations to meet contingency requirements. The relocation of air assets to the north (either permanently or on rotation) will reduce response times for surveillance, border protection, operational deployment, security and emergency response contingencies.

The Northern Territory Government values existing Air Force operations in the Darwin and Katherine region. RAAF Base Tindal is important to the economy and community of the Katherine region and the continued presence of an operational fighter squadron in the region is essential for economic stability. Urban encroachment on bases and training areas such as RAAF Williamtown and Salt Ash Air Weapons Range makes the Northern Territory an attractive alternative for basing additional assets to enhance operational readiness for protection of air and sea approaches and for training. Delamere Air Weapons Range provides unrestricted access and minimal air space congestion increasing the flexibility for combat training for Australian and foreign military air forces.

### **Protection of Natural Resources – Oil and Gas, and Australian Offshore Territory**

The Northern Territory, Western Australia and the Joint Petroleum Development Area (JPDA) represent over 80% of Australia's oil and gas production. The annual value of oil and gas exports in the north-west of Australia (Northern Territory/Western Australia/JPDA) is over \$18 billion. This is expected to more than double to in excess of \$40 billion by 2020. LNG alone currently represents over \$9 billion of annual production and will be the biggest contributor to growth in the region.

Protection of Australian offshore oil and gas interests and infrastructure and the northern Australian offshore territories of Christmas and Cocos (Keeling) Islands is essential to Australia's national interests. As a major LNG and transport hub, Darwin provides the essential infrastructure and resources to enable the Australian Defence Force (ADF) to implement offshore security requirements.



The Timor Sea, which contains vast reserves of natural gas, associated liquids and oil, holds great potential for future oil and gas exploration opportunities. The total resource is still being explored with new discoveries indicating an overall capacity that cannot yet be quantified. Darwin is now well-established as a major LNG export hub, with Darwin LNG producing 3.5 million tonnes a year. The proposed US\$25 billion INPEX Ichthys LNG project will see natural gas piped 855 km from the Browse Basin off the Kimberley coast to Darwin for processing into LNG. The product will supply a major proportion of Japan's future energy requirements. The INPEX Ichthys LNG project alone is expected to have a life of 40 years.

As a major hub for the oil and gas industry, Darwin is the logical place to position assets for the protection and security of offshore oil and gas infrastructure and the Australian offshore territories at Christmas and Cocos Islands. With existing infrastructure, augmented by appropriate military air assets such as MRH-90 helicopters and Hercules transport aircraft, staging of an emergency security response from Darwin is a viable strategic option. The flight time to the majority of the north-west oil and gas resources is shorter from Darwin than from any other established regional centre.

## **Growing the North**

Cities along the east coast of Australia have experienced dramatic population growth in recent decades placing pressure on water supplies, energy provision, land and transport infrastructure. Darwin does not have the resource limitations experienced in other city centres. With access to substantial natural and renewable resources such as water, oil and gas and solar, the development of additional infrastructure required to support a larger population becomes viable. Any increase in Defence population within northern Australia will assist in building the population and resources required to develop the north. Defence families bring skills to the Northern Territory with spouses and adult children of Defence personnel providing professional skills and a labour resource to business and industry. The booming economy and low unemployment rates provide employment opportunity for Defence families at all skill levels. The increased support required for an enhanced Defence capability builds the critical mass for economic and industry development in the region.

With the population density on the east coast placing pressure on infrastructure and resources, the growth of northern Australia and associated opportunity for economic and industry development provides both business and employment opportunity in the north. This growth will require a shift in population into northern Australia and would assist to ease infrastructure congestion and density issues on the east coast.

## **Urban Encroachment**

Existing Defence establishments, training areas and weapons ranges within the Northern Territory are not subjected to the same urban encroachment and land use issues as those in southern states. Defence establishments close to the Darwin City Centre have noise mitigation procedures in place to lessen the impact to surrounding residential areas. There is generally a high level of acceptance and support with relatively few complaints by residents in these areas during high activity.



Robertson Barracks and RAAF Base Tindal are not threatened by urban encroachment, with sufficient buffer zones and surrounding land available for expansion. Tindal in particular offers no commercial clutter and no noise complaints for military operations.

Training areas such as Mt Bundy, Bradshaw Field and Delamere Air Weapons Range offer a resource that could be expanded for joint use by both Australian and foreign military forces without pressure from urban development.

## **Land for Basing and Housing**

The Northern Territory has land that could be made available for basing and housing. Planning is already in place for future population growth through the development of new residential areas including Weddell which could easily incorporate features to satisfy the specific requirements of Defence. Forecast population growth will see the centre of population shift to the south-east whilst long term planning has identified a suitable site for an alternative airport. The Northern Territory Government has also worked in partnership with Defence Housing Australia (DHA) in housing developments in the suburbs of Lyons and Muirhead. This partnership agreement also allows DHA access to blocks in new Northern Territory Government land releases at Bellamack, Johnston, Zuccoli, Mitchell and Weddell.

These developments provide land for housing that will cater for any increase in Defence personnel in the Darwin/Palmerston region. Similar land developments are occurring in Alice Springs (Kilgariff and Mt Johns Valley) and regional centres which includes Katherine (Katherine East) to cater for housing needs.

Current Defence bases have scope for expansion and the Northern Territory Government and Defence are currently engaged in discussions in relation to land which is surplus to Defence needs and land of strategic interest which Defence could acquire from the Northern Territory Government.

Should a site for new naval infrastructure be required in northern Australia, the Northern Territory Government would welcome the opportunity to work with Defence to identify sites suitable for development of naval infrastructure which may include shared port facilities. Land in regional areas is also available as alternatives for Defence basing requirements.

## **Transport Infrastructure**

Darwin provides existing transport infrastructure through established port, international airport and road/rail networks. With the northern terminus of the AustralAsia rail link located at the Port of Darwin, the Australasian rail network links northern Australia and its trade links into South-East Asia to southern rail networks. Planned rail corridors are also in place to link the port by rail to major Defence facilities such as Robertson Barracks should this be required in the future. Both rail and major road infrastructure enables transport links throughout Australia to be maintained and expanded to meet Australia's future trade needs. Darwin's International Airport and the Port of Darwin provide the facilities to project Defence capability and resources for offshore protection and to places north of Australia. They also serve as a regional supply, service and distribution hub for the oil and gas industry and valuable import/export trade hub. Acknowledging Darwin as an economic hub for northern Australia, the Federal Government has recently approved a \$60 million expansion of Darwin International Airport.



The Northern Territory Government is committed to the continued development of Darwin as a transport hub supporting Defence, oil and gas, mining and import/export activities. Master planning of Darwin Airport and the Darwin Port, together with the funding of major infrastructure projects like Darwin Business Park, Defence Support Hub and Marine Supply Base ensures Darwin continues to provide the transport and business resources to support northern Australia.

### **Established Retail, Recreational and Supporting Facilities**

Darwin is the largest retail, business and recreational centre in northern Australia with all the social amenities of a capital city to support families. The emerging capability of Charles Darwin University (CDU), Royal Darwin Hospital, sporting amenities, recreational facilities and the usual range of commercial, financial and professional services that could be expected of any capital in Australia, Darwin provides a multi-cultural city centre for Defence personnel posted to the North. Darwin is also the gateway into South-East Asia and beyond for families to travel internationally for recreational purposes.

### **Proven Ability to Absorb and Integrate Defence and its Personnel**

The Northern Territory Government has a proven track record in settling and supporting the Defence Population. With the development of RAAF Base Tindal to an operational base in the early 1980s, the move of Army personnel north under Army Presence in the North (APIN) Project and the development of Robertson Barracks in the mid to late 1990s, and the relocation of 1st Aviation Regiment to Robertson Barracks in Darwin in 2005/6, the Northern Territory Government and community have embraced Defence and Defence families as part of the community. Land and infrastructure is available to develop whole suburbs to cater for increased population making settlement of Defence families in housing compliant with Defence housing scales and standards easily achievable.

### **Northern Territory Government Commitment**

The Northern Territory Government has a focus on supporting Defence. This includes a Ministry of Defence Support which it has maintained for 14 years and a dedicated Defence support function within the Department of Business and Employment to focus on the needs of Defence in the north. In 2009, the Northern Territory Government established the Ministry of Defence Liaison. The new Ministry, held by the Chief Minister, was established in recognition of the significant contribution made by Defence to the Northern Territory's economy and community and to assist Defence members and their families to get the most out of their posting to the Northern Territory.

The Northern Territory Government also convenes an interagency Defence Support Taskforce comprising senior representatives from the Departments of Business and Employment, Lands and Planning, Construction and Infrastructure, Education and Training, the Chief Minister, Northern Territory Treasury, Land Development Corporation and Darwin Port Corporation. The taskforce has been operating since 1991.



## Defence Personnel and Families

The Minister for Defence Liaison understands the challenges faced by Defence families when posted to new locations. Programs have been established to assist Defence families on posting to the Northern Territory and to support and integrate them into the community. Initiatives such as the 'Life in Darwin DVD' and 'Life in Katherine DVD' provide information to Defence families prior to arrival in the Northern Territory. Northern Territory Government support for welcome expos and Defence family days assist members and families in accessing government and community services, finding schools, work for partners, medical practitioners, sporting clubs and establishing new networks on arrival facilitating settlement and integration.

Supporting the families of deployed Defence members is recognised as a high priority. The Chief Minister has personally hosted the spouses of deployed Defence personnel at a cocktail function and has assisted the 1st Brigade in developing 'Operation Home Front' activities to support the spouses and families of deployed Defence personnel. These events have been successful in supporting Defence families and the positive feedback received from Defence spouses has resulted in the cocktail function being scheduled as a biannual event.

Government support is also provided for the families of deployed Defence personnel through sponsorship of Defence Community Organisation events and assistance to uniformed welfare organisations within Defence units. Such activities are aimed at providing a family friendly environment for Defence members and their families, supporting Defence recruitment and posting.

## Defence and Industry Development

The Minister for Defence Support is responsible for programs to grow the Northern Territory Defence support industry capability to meet the needs of Defence. With sponsorship of major industry bodies, programs to develop industry capability and a project to develop a Defence industry park, known as the Defence Support Hub, with a location close to Defence's Robertson Barracks, the Northern Territory Government is serious about developing capability and resources to support Defence's capability in the north. Further expansion of Defence in the north will provide the economy of scale for growth within the Defence support industry sector to support new capability.

The Northern Territory has a history of developing industry capability to meet local demand and the growth in Defence capability. The basing of the Armidale Class Patrol Boats and the requirement for local industry support has seen Defence locate the Systems Program Office (SPO) in Darwin. The strategic thinking of supporting this capability where it is based has resulted in a prime contractor expanding its operations in the region, with 300 local small and medium enterprises (SMEs) up-skilling to provide sub-contract support. This has grown industry capability in the north to support Defence and other sectors.

The growth of Darwin as a major oil and gas hub and the development of the Marine Supply Base will see increased local industry involvement in supporting the oil and gas industry. The increased need for engineering, air and maritime support for offshore activities will require





local industry to expand and develop skills and capability. This will see local industry continue to grow in both capability and size with many skill sets and capabilities directly transferrable to the Defence support industry sector.

In response to the increased work force and new skill sets required for the oil & gas industry, the Northern Territory Government has worked with industry bodies and CDU to establish programs to ensure skills are developed to keep pace with oil and gas industry project milestones and labour force demands. This work has resulted in CDU establishing the North Australian Centre for Oil and Gas – ‘Targeted education, training and research for the North Australian oil and gas industry.’

Similar programs and arrangements are feasible to address skill and workforce requirements to support an increased Defence capability in the north. Programs can be implemented with sufficient lead time to ensure that an industry capability and workforce is in place in step with Defence expansion milestones.

## Conclusion

The Northern Territory’s geographic and strategic location makes it ideal for the support of Defence in the delivery of its objectives and strategic interests for the protection of Australia and its offshore resources. The Northern Territory has a strong economy, existing Defence and civilian infrastructure, available land and natural resources for future development. The unparalleled Northern Territory Government and community support, built on a strong history with Defence, provide the foundation for further growth and development of Defence capability in northern Australia.

## Further Information

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