DEFENCE WHITE PAPER 2015

Introduction

AIDN-NT welcomes this opportunity to advocate for the maturation of Defence in our region and through that the development of defence industry. Our submission will focus on specific actions and decisions that will enhance and support the Defence and Northern Territory relationship into the future.

Darwin is the only capital city in Northern Australia and holds the regional centre of gravity for Australia’s national interests. It is acknowledged as one of two identified crucial strategic locations in regards to national security and one of seven significant logistical centres. It also hosts large populations of Defence personnel (up to 10%) and capability for operational, training and support activities in the region. Consideration regarding the role that Darwin and, by extension, the Northern Territory, will play in the protection and projection of Australia’s interests is crucial as regionally, economic and political power shift to the indo-pacific arc.

A significant percentage of national energy resource and wealth productivity is situated to the north. Additionally, security of trading and shipping routes will be focused towards our northern neighbours as Australia becomes increasingly reliant on international trade as the balance of global power both politically and economically transfers to the Asia Pacific region. Strategically, pre-positioning defence assets in Northern Australia will determine strike capability at short notice and also act as a visible deterrent to assertive neighbours. Any requirement for southern mobilisation will reduce the immediacy of the response and impede comprehensive preparations.

Maintaining the current Northern Territory defence posture as the minimum core strategic force required to support deterrence, protection and force projection strategies for national security purposes is essential. Removal of any defence establishments or units will imply a reduced strategic focus for the region that is not aligned with national security interests. Furthermore, withdrawal of ADF presence with the ramp-up of in country international military presence could likely indicate an abandonment of strategic regional relationships leading to possible future instability in the region.

Regional Issues

History

Comparatively, Darwin has had the most challenging birthing process of all Australia’s capital cities. Darwin has been razed to the ground twice in the last 74 years. Prior to those events, establishing a settlement in the north had taken the best part of a century since the First Fleet. Darwin’s population has ebbed and flowed in response to these obstacles. The NT has a small population base on which to draw income to manage the breadth of assets, land and
However, in spite of the perceived difficulties the Northern Territory is at the start of a considerable growth path that should put into perspective why the growth and development of the north will be of benefit to the territory and the nation and why Darwin should become the Defence capital of the north.

Environmental

Regionally, tropical cyclones are notified regularly but that does not necessarily mean that Darwin itself is in danger, although Darwin appears more frequently in the media cycle that other regions. Records, beginning from 1882, demonstrate that Darwin has suffered through only nine cyclones that caused major damage. The worst of these was Cyclone Tracy in 1974 which is heavily imprinted on the national psyche. Additionally, the majority of cyclone activity in our region tracks either west into WA or east into Queensland with Darwin being the least impacted by these seasonal weather events.

Cyclone contingency plans are now well established in Cyclone affected areas and provide guidance as to actions to take dependent on threat level. Early warning systems are in operation and are becoming more sophisticated with the development of new technology.

Environmental risks appear to be at the forefront of Defence concerns relative to stationing Naval assets above the tropic of Capricorn. Since 1974, however, major improvements to notification systems, upgrades to environmental monitoring systems and new management practices have all gone a considerable way to mitigating the inherent risk of residing in a tropical zone. RAN ships, it would be expected, would have meteorological capacity to maintain ship safety in our northern region. The objections to berthing additional naval assets in the North are redundant in consideration of the technology and management systems now utilised to ensure integrity of maritime platforms berthed in Darwin.

Industrial

The growth of the resources sector in the north is rapidly escalating, particularly with the ongoing works for the Ichthys Gas Field project, and will place significant pressure on accessing a skilled, cost effective workforce for defence services and support. SMEs have little scope or leverage to attract suitably qualified workers in comparison to the companies in the resources sectors and indeed the Prime Contractors in Defence. Again, this leaves the SMEs lagging behind other industry enterprises when competing for limited skilled human resource capital.

There has also be a noticeable lack of through life support considerations when scoping or purchasing new capability, consequently creating scenarios of constantly squeezed maintenance budgets over the life of a platform resulting in poor maintenance outcomes. This is particularly noticeable in regards to the current Armidale Class Patrol Boat fleet which is experiencing major maintenance issues through a static maintenance budget and the cost implications of early ageing of the fleet.
People

The Northern Territory workforce is highly mobile and seasonally effected causing a high rate of turnover in the local economy. This mobility affects the ability of local businesses to grow their permanent workforce and develop the quality, capability and skills to adequately support defence platforms in location. The costs of hiring, training and inducting employees can be prohibitive for short term tenures reducing a business’ capability to meet local defence demand. Additional pressures are also felt from a current low unemployment rate and high workforce participation rate resulting in fewer suitable applicants for more available jobs decreasing the opportunity to grow a committed and skilled workforce.

Defence

Maritime:

The development of HMAS Stirling in WA was a project 30 years in the making and is now fundamental to the two oceans navy policy. The result has been a strong development in capability and capacity for Navy in the west. Consideration now has to be given to the north. In arguing the dangers of stationing naval assets in Darwin due to cyclonic impediments Defence demonstrates an outdated mind set based on historical events to not consider the idea of expanded naval presence in Darwin. The opportunity to take this decision is now and further delays may extract an opportunity cost that makes such a decision prohibitive in the future.

With the previous point in mind, advocating the establishment of a Fleet Base North, strengthens Australia’s security through capability provided by maritime assets from three fleet bases in a triangulation of operational regions providing early response to threats and natural disasters and a highly visible regional deterrent presence to enforce the rules based operation of neighbouring territorial waters and international trade routes.

Additionally Darwin is also in a position to become a centre of excellence for border protection activities including operations, training and enforcement. Strong consideration should be given to locating the proposed Border Command training facility in the Darwin region, close to the only capital city in the north.

Aerospace:

The increasing modernisation of ADF aerospace capability, including the JSF and UAV fleets, will place significant stress on current southern based RAAF infrastructure. Encroachment and noise concerns are increasing management stresses with current platforms so the location of larger, more powerful, platforms in proximity to civilian infrastructure and residential areas may put these issues into further contention.
Katherine is already host to RAAF Tindal, home to one squadron of jets. The potential is available to locate a second squadron of jets. RAAF Tindal is remote in location to the town centre and residential precincts thereby alleviating encroachment and noise concerns.

Basing and maintaining ADF UAV fleets should also be subject to serious consideration in regards to access and location to Australia’s strategic interests.

Land:

As the US – Australia alliance continues to develop maturity opportunity exists to leverage current existing ADF contracting arrangements through the current Defence trade agreement to support the USMC in country through local industry. American forces are generally reluctant to allow foreign nationals access to their fleets for maintenance services, however with the construction of new logistics facilities at Robertson Barracks with a supporting industrial precinct being developed at the Defence Support Hub close by opportunities are available for the USMC to access the systems, services and industrial support in close proximity to their operational basing.

Infrastructure:

North Australia is a strategic location that can be leveraged to reduce congestion on defence and industry infrastructure in southern states. Greenfield opportunities to develop fit for purpose infrastructure and opportunities to expand current Defence infrastructure assets are available. Consideration of new, and greatly expanded, naval facilities capable of berthing and/or home basing larger RAN platforms such as the LHD and AWD. Additionally, pressures on RAAF facilities on the east coast could be managed through relocation of fast jet squadrons to the Northern Territory to be based at Katherine with additional defence infrastructure to support UAV fleets.

Limited Naval maintenance and berthing infrastructure and industry maintenance infrastructure undermine the capability of regionally based naval assets to successfully prosecute their border security role. The constraints in both these areas transfers naval maintenance to external jurisdictions in the east and west, and increases the costs and operational downtime resulting from these movements which, in turn, reduces local industry capability in maritime maintenance. Industry skills and capability are available in Darwin, however they cannot be fully utilised due to the limitations of current maintenance facilities.

It should be noted that the Northern Territory Government is assessing the opportunity to develop a second port at Glyde Point. Access to a greenfield site will allow the development of a purpose built multi user facility (MUF) to address the lack of a suitable deep maintenance facility in the region and increased capacity to berth larger naval vessels. This proposal is strongly advocated to capture increasing naval traffic, both national and international, to provide replenishment, maintenance and furlough opportunities for crews. This facility will ensure the sustainment and growth of strategic ship maintenance capability that will support both the resource and defence sectors.
Logistics:

Develop a comprehensive and integrated transport and logistical blueprint linking the country to Darwin. Rail connections from both the east and west coasts to compliment and enhance the services provided by the north-south transcontinental railway will support the logistical requirements of Defence. Developing east-west rail infrastructure will also provide important logistical infrastructure linking all Multi-role Brigades to Darwin. Additional rail infrastructure could also be developed to deliver reliable access to the Bradshaw Training Ground allowing improved access and usage opportunities.

Recommendations:

AIDN-NT recommends the following considerations in relation to Defence in the Northern Territory:

- Maintaining current Defence posture in the NT with the addition of home-berthed LHD and/or AWD, UAV capacity and second fast jet (JSF) squadron in Katherine.
- A new naval base development with adjacent heavy industrial maintenance facilities.
- Locating the new Border Command Force facility in Darwin as the lead jurisdiction for border control activities.
- Leverage current Land maintenance contracts and the US – Australia defence trade agreement to support local industry maintenance of USMC equipment.
- Develop east-west rail infrastructure to link other major operational units.

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