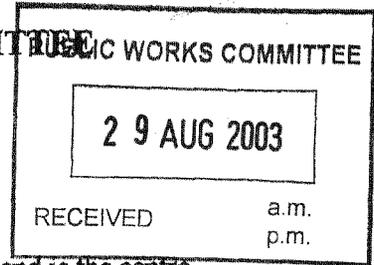


SUBMISSION 2

RAAF BASE RICHMOND RE-INVESTMENT PROJECT**SUBMISSION TO PUBLIC WORKS COMMITTEE****1. Background**

RAAF Richmond houses the headquarters of Air Lift Group (ALG) and is the centre for the operation, maintenance and support of 33 Squadron, 36 Squadron and 37 Squadron, as well as a number of support units including 285 Squadron, Air Movements Training and Development Unit, 386 Expeditionary Combat Support Squadron, 1 Combat Communications Support Squadron, 1 Air Terminal Squadron Detachment.

It also bases elements of the Army engaged in RAAF integrated activities, including 176 Air Despatch Squadron.

RAAF's Air Lift Group operating out of Richmond have been at the forefront of a number of recent operations including:

- Operations Fable/Stabilise/Tanager/Warden (East Timor)
- Operation Slipper (Afghanistan/ Kyrgyzstan)
- Operation Bali Assist
- Operations Falconer/Bastille/ Catalyst (Iraq)
- Operation Anode (Solomon Islands)

In addition to ADF operations, RAAF Base Richmond is the home for a number of defence-related commercial operators including:

- Qantas Defence Services
- Air New Zealand
- Hawker Pacific
- Lockheed Martin
- Serco Sodexo

2. Maintenance Needs

Following the 1991 Force Structure Review, doubts emerged within the Department of Defence regarding the long term future of RAAF Richmond. As a consequence, minimum investment has been undertaken in essential areas of maintenance and refurbishment, resulting in significant deterioration of some assets. There is a clear need for substantial investment to remedy those deficiencies in living and working facilities.

These deficiencies must be addressed for a number of reasons:

Firstly, it is imperative that the operational capability of ALG and other support activities are not compromised. With the increasingly active role of Air Lift Group, all capabilities based at Richmond must be able to operate at maximum efficiency.

Secondly, it is essential that RAAF and Army personnel, as well as civilians working on the Base are not working in sub-standard facilities which present occupational health and safety issues. It is also essential that personnel living on the base are not living in sub-standard accommodation. Defence personnel should not be expected to live or work in conditions that are inferior to those of their civilian peers.

Thirdly, the continued neglect of necessary maintenance work carries the risk that decisions regarding the long-term future of the base may be made by default if the deterioration continues. It is imperative that long-term decisions are based on the comprehensive analysis of the relevant economic, operational and social factors, and not the unintended consequences of neglected maintenance.

3. Other Needs

While the proposed schedule of works will address many of the urgent areas of need, further works are required.

There is a particular need to continue to upgrade the on-base living accommodation.

In recent years over \$5 million has been spent on improvements but more is needed. Specifically, outstanding areas of need are:

1. Officers' accommodation. There is on-base capacity for 80 officers but there are currently only 25-30 living on the base because of the poor condition of the officers' accommodation. Refurbishment of this accommodation is essential to improve conditions for those living on base and to attract others to return.
2. Single airmen and airwomen's accommodation. Recent refurbishments have substantially improved housing for around 300 personnel, but between 150 and 200 are still living in sub-standard accommodation. This needs attention.
3. Transit accommodation housing approximately 100 personnel is also sub-standard. This accommodation is used for those on short stay at Richmond for training courses, supplementation or awaiting deployment.

Related to the housing needs of those living on base, is the need for an upgrade of some of their recreational facilities, specifically the gymnasium, which is inadequate to meet the needs of personnel wanting to use it.

In addition to this much needed refurbishment, there is a strong case for the construction of further on-base accommodation to house some personnel currently living off-base in rental accommodation, often at significant distances from Richmond. On-base living brings with it benefits in terms of cost, efficiency and morale.

4. Local Involvement

The local community have invariably exhibited strong support for the RAAF Base and RAAF personnel. There is strong local pride in the role played by the RAAF and a clear recognition of the economic benefits the Base's existence brings to the area. There is no doubt that the community would also be strongly supportive of the proposed re-investment project.

It is important that in awarding contracts for various aspects of the proposed works, every effort be made to provide opportunities for local businesses to participate. This would be consistent with the recent announcement by the Parliamentary Secretary to the Minister for Defence regarding Comprehensive Maintenance Services expressing the Government's commitment to ensuring that local providers benefit from such work.

5. The Future of RAAF Richmond

At one level, questions about the long-term future of Richmond RAAF Base are not directly relevant to this re-investment proposal. Given the Prime Minister's commitment that the Base will remain operational until at least 2010, that means at least seven years during which RAAF and Army personnel will continue to live and work at Richmond. It is imperative that their needs and operational capability are not compromised during that time.

However, this does lead to questions regarding the longer term future of the Base. While this is not the focus of this Committee's deliberations, some brief comments are relevant.

In essence there are strong operational, economic, and social arguments for keeping Air Lift Group at Richmond.

A number of critical defence capacities and facilities located in and around Sydney are dependent on Air Lift Group, making it far preferable that RAAF's key transport capability is located here. These include 3RAR and 4RAR, Tactical Assault Group East and the Incident Response Regiment at Holsworthy, ICAMD (Ordnance) at Orchard Hills, and the DIDS (Supply) central warehouse at Moorebank as well as a number of others.

Secondly, the RAAF Base is a key driver of the local Hawkesbury economy and any substantial relocation would have severe local consequences. The Pricewaterhouse Coopers Economic impact study commissioned by the Department of Defence

concluded that the RAAF directly generates \$106 million in value added to the local economy and provides 6.5 percent of the local employment. A critique of that study by the University of Western Sydney's Expert Group in Industry Studies argued that the impact is far greater than this.

Clearly, the local social and economic impact of any relocation would be so severe as to make it unacceptable. Further, it is worth noting that the financial case for and against relocation considered in the 1998 Southern Airbases Review estimated savings to RAAF of only 4 percent or \$18 million a year, far less than any local costs which would have to be addressed by the government of the day. It is also important to note that a number of the assumptions in the JLW Southern Bases Review are questionable and that developments since then have rendered a number of their calculations to be inaccurate.

In short, it is doubtful if any of the estimated savings would materialise. In fact, the reverse is quite likely, with the potential for a cost impost rather than savings, resulting from any relocation.

In summary, there is a strong case for the retention of ALG at Richmond and this may well be concluded from future government deliberations on the base's future.

However, regardless of this matter, the certainty that there will be no major relocation until at least 2010, makes it imperative that long overdue maintenance works scheduled as part of this reinvestment project are not delayed any longer.

6. Conclusion

The planned RAAF Base Richmond Reinvestment Project is essential to address outstanding issues that impact on operational efficiency and occupational health and safety. It should be strongly supported.

Kerry Bartlett MP
Federal Member for Macquarie
27 August 2003

