

# Chapter 1

## Referral

1.1 On 8 February 2017 the Senate referred the following matter to the Senate Foreign Affairs, Defence and Trade References Committee (the committee) for inquiry and report by 30 November 2017:

The impact of Defence training activities and facilities on rural and regional communities, with particular reference to:

- a. economic, social and environmental impacts;
- b. consultation and communication with local government and community organisations;
- c. investments in new facilities, infrastructure and operations;
- d. utilisation of local suppliers and service providers to achieve value for money;
- e. encouraging awareness of tendering opportunities for rural and regional businesses; and
- f. any other related matters.<sup>1</sup>

1.2 On 13 November 2017 the Senate agreed to extend the reporting date of the inquiry to 29 March 2018.<sup>2</sup> On 20 March 2018 the Senate agreed to extend the reporting date to 10 May 2018.<sup>3</sup>

## Conduct of the inquiry

1.3 Details of the inquiry were placed on the committee's website at: [http://www.aph.gov.au/senate\\_fadt](http://www.aph.gov.au/senate_fadt). The committee also contacted a number of relevant individuals and organisations to notify them of the inquiry and invite submissions by 28 April 2017. The committee continued to receive submissions after the closing date. Submissions received are listed at Appendix 1.

1.4 The committee held eight public hearings: Port Augusta on 8 June 2017; Rockhampton on 12 July 2017; Townsville on 14 July 2017; Darwin on 22 August 2017; Katherine on 23 August 2017; Bendigo on 20 November 2017; Wodonga on 21 November 2017 and Canberra on 21 March 2018. The committee also undertook two site visits: RAAF Base Tindal on 23 August 2017 and Puckapunyal Military Area on 20 November 2017. Hansard transcripts of evidence may be accessed through the committee website.

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1 *Journals of the Senate*, No 25—8 February 2017, pp. 852–853.

2 *Journals of the Senate*, No 68—13 November 2017, p. 2191.

3 *Journals of the Senate*, No. 89—20 March 2018, p. 2828.

## **Acknowledgement**

1.5 The committee thanks the organisations and individuals who participated in the public hearings for the inquiry as well as those who made written submissions. In particular, the committee appreciates the effort made by a number of small and medium sized enterprises (SMEs) who provided evidence to the inquiry. The committee also thanks the Department of Defence (Defence) for their participation in a number of hearings and for facilitating the two site visits undertaken by the committee.

## **Interim reports**

1.6 The committee presented four interim reports during its inquiry focusing on the issues raised at each set of public hearings. This enabled the matters discussed by each community to be highlighted soon after raising them without waiting for the committee to present its final report. The committee made recommendations in each interim report.

## **Focus of the inquiry**

1.7 As outlined in the terms of reference, this inquiry sought to investigate the impact of Defence training activities and facilities on rural and regional communities.

1.8 The *2016 Defence White Paper* (the White Paper), released in February 2016, set out the Australian Government's intent to strengthen and increase investment in defence capabilities to meet the challenges of the strategic environment.<sup>4</sup>

1.9 The committee sought to investigate how the intended benefits of the White Paper such as employment would be implemented, and in particular how the benefits will be realised in rural and regional areas. The committee focussed on whether regions, local communities and businesses have sufficient awareness of and effective access to information about the plans to upgrade training facilities so that they can be in a position to offer goods and services. The committee also wanted to find out about the current experiences of local communities and SMEs and what communication mechanisms are currently in place to facilitate information exchange and collaboration with Defence.

## **Context of the final report**

1.10 At each of its public hearings, the committee heard evidence about the challenges and opportunities being experienced by local communities in close proximity to Defence bases and activities. While some issues raised at the public hearings were specific to that jurisdiction, evidence to the inquiry also highlighted a number of broader, systemic issues. To investigate these issues further, the committee held a final public hearing and took evidence from Defence and the Department of Finance (Finance).

1.11 In order to prepare for the final hearing, the committee provided a number of questions on notice to Defence and requested that the information be provided ahead

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4 Australian Government, Department of Defence, *2016 Defence White Paper*, p. 10.

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of the public hearing originally scheduled for 19 February 2018 which was rescheduled to 21 March 2018. The committee provided questions in this way to assist collection of the information for the final report and to provide an opportunity for further discussion about the answers at the hearing.

1.12 Defence did not provide the answers ahead of the hearing on 21 March 2018 and despite indicating they would be provided as soon as possible the answers did not start to be received until 17 April 2018. At the time of finalising this report, Defence had not provided responses to all of the questions.

1.13 In order to not delay the conclusion of this inquiry any further, the committee has decided to table its final report drawing on the information currently available.

### **Structure of the report**

1.14 This report is structured as follows:

- Chapter 2 discusses a number of systemic issues raised with particular reference to the policy framework, consultation mechanisms and the availability of regional information about the impact of Defence activities; and
- Chapter 3 outlines the committee's conclusions and recommendations.

### **Other jurisdictional issues raised with the committee**

1.15 As noted earlier, the focus of this final report is on the systemic issues raised throughout the inquiry and discussed in further detail with Defence at the Canberra public hearing. In addition, since the committee's fourth interim report, the committee received further evidence on a specific matter covered in that report which will be addressed briefly in the next section.

#### ***Management of military museums***

1.16 The committee's fourth interim report discussed evidence the committee received in Victoria regarding community access to military museums located on Defence bases. It was emphasised that increasing visitor numbers to these facilities is important both in the context of the local regional tourism industry as well as promoting greater community awareness of Australia's military history.

1.17 Access to military museums was again raised with Defence by the committee with particular reference to the Army Museum of Western Australia in Fremantle. Defence advised that the Artillery Barracks is currently open five days a week and is manned by volunteers and reservists. It was emphasised that as the museum is located on a Defence establishment, it falls under the 'Safe Base Charlie' security posture as is the case with all Defence establishments.<sup>5</sup>

1.18 The committee reaffirms the view and recommendation expressed in the fourth interim report about the broader community value of increasing accessibility to military museums located on Defence bases. The committee notes the evidence from

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5 *Proof Committee Hansard*, 21 March 2018, p. 8.

Defence that they are 'looking at museums in the broad' and notes it may be advantageous for consideration to be given to extending the museum opening hours to accommodate weekend visitors. Defence undertook to provide some additional information on notice but at the time of finalising this report, that information had not been provided.

1.19 The matter of military museums in Western Australia was also discussed by the Exmouth Chamber of Commerce and Industry who expressed disappointment that there is a limited military display in Exmouth, especially given Exmouth's defence history.<sup>6</sup>

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6 *Submission 41*, p. 3.