

House of Representatives, Monday 27 September 1999

COMMITTEES: Foreign Affairs, Defence and Trade Committee: Report

Mr HAWKER (Wannon)(12.55 p.m.) —On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I present the committee's report entitled *Defence sub-committee visit to Defence establishments in Northern Australia 26-29 July 1999*, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Mr HAWKER —On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I table the committee's unanimous report on the Defence Subcommittee visit to defence establishments in Northern Australia in July this year, together with the minutes. The tour, encompassing visits to selected Defence establishments in Queensland and the Northern Territory, was initiated by the Defence Subcommittee following its re-establishment in the 39th Parliament. Primarily a familiarisation activity, the tour provided an excellent opportunity for members of the Defence Subcommittee to acquaint themselves with some current capabilities of the Australian Defence Force and its disposition in Northern Australia. Although brief, the tour covered a considerable amount of territory and included visits to a range of Navy, Army, Air Force and joint Defence Force establishments. The subcommittee was exposed to a wide range of defence capabilities and a large variety of issues. Time does not permit me to address the details of the tour or all of the observations made by the subcommittee. However, I must note that the subcommittee was particularly impressed with the efforts of the 1st Brigade in the recent achievement of an increased state of readiness. All personnel in the brigade are to be commended on their efforts in this regard. The current status of the 1st Brigade provides Australia with a formidable asset that will only be improved by planned enhancements to the formation's capability. Events of this month have clearly justified the government's earlier decision to increase the readiness of 1st Brigade.

In the report, the committee makes a number of observations, noting the significant surveillance capability of the ADF deployed in Northern Australia, the marked capability improvement provided by the ongoing night fighting enhancement of 3rd Brigade and the training opportunities and advantages offered by the newly commissioned weapon training simulation system demonstrated during the visit to Lavarack Barracks in Townsville. The report also contains two recommendations by the committee. The first deals with financial allowances paid to personnel posted as caretaker staff to the RAAF bases at Learmonth, Curtin and Scherger. While caretaker staff are paid allowances to compensate for the increased costs of living associated with their posting, the subcommittee was advised that such allowances are insufficient. Indeed, it was suggested that an accompanied member could be significantly financially disadvantaged as a result of a posting to the caretaker staff of a bare base. Accordingly, the committee has recommended that the government conduct a review of the financial allowances paid to caretaker staff at the bases in Scherger, Learmonth and Curtin.

The second recommendation addresses the issue of proposed changes to the fringe benefits tax reporting requirements. This was an issue which genuinely concerned many of the ADF personnel encountered during the visit. It was argued that the implications of the proposed changes would be significant for some service personnel, particularly in the areas of income tested government payments, liability for child support, liability for HECS, the superannuation contributions surcharge and the liability for the Medicare levy surcharge. The committee notes that since the tour this issue of FBT reporting has in part been addressed by the government, with the government moving to exempt Defence rental subsidies from FBT reporting requirements.

However, while the decision to exempt Defence housing assistance from FBT reporting was a positive move, the committee accepts that some Defence personnel will still be financially worse off as a result of the proposed changes to FBT reporting. The committee is firmly of the view that financial conditions of service for ADF personnel are unique and reflect the circumstances and conditions under which they serve. Accordingly, the committee has recommended that the proposed changes to the FBT reporting requirements should be further reviewed to ensure that ADF personnel are not disadvantaged.

I would like to conclude on the issue of the ADF's most important capability—people. The subcommittee was very impressed by the enthusiasm and professionalism of the ADF personnel encountered during the tour. They were well trained, capable and committed to the service of the nation. As a nation, we should be proud of the Defence Force and the people who comprise it. Of course, many of those personnel are now involved in Australia's efforts in support of INTERFET. I take this opportunity on behalf of the committee to thank the men and women of the ADF for their commitment to this task and to wish them well. To those deployed to East Timor, we wish them all a very safe return.

Finally, I would like to thank all members of the committee and also Lieutenant Colonel Michael Ward and Margaret Swieringa of the secretariat for their excellent support. I commend the report to the House.

Mr SNOWDON (Northern Territory)(1.00 p.m.)—I am particularly pleased to be able to speak to this report entitled *Defence Sub-Committee Visit to Defence Establishments in Northern Australia 26-29 July 1999* of the Joint Standing Committee on Foreign Affairs, Defence and Trade as in the gallery there are a number of students from the Katherine High School in the Northern Territory. We visited the Katherine community when we visited RAAF Base Tindal where we were briefed by Group Captain Brent Crowhurst and executive officer Wing Commander Mark King.

I do not want to talk in detail about Tindal this afternoon. I want to refer to those issues partly addressed by the previous speaker, the member for Wannon. I want to applaud, as my friend has done, the efforts of 1st Brigade, which is based in the Top End, on its ability to achieve an increased state of readiness. The 1st Brigade, which is under the highly capable and professional command of Brigadier David Hurley, provides Australia with a substantial defence capacity.

The brigade can only be improved by planned enhancements to the formation's capability. Such enhancements are planned to include: upgrades to the Leopard tank, the introduction of the A3 variant of the M113 family of vehicles, the raising of an additional battery of 155-millimetre howitzers and completion of the introduction of the battlefield command support system to the brigade.

The enthusiasm and professionalism of the ADF personnel encountered during the tour needs to be acknowledged. Many of these personnel, as the previous speaker observed, are now involved in Australia's efforts in support of INTERFET. A squadron of the 2nd Calvary Regiment, which is part of 1 Brigade, is currently in East Timor. The squadron commander is Major Chris Webstane and the officer commanding 2 Cav. is Lieutenant Colonel 'Spike' McKaskill. I met with this squadron of soldiers a couple of weeks ago prior to its embarkation and deployment. I have to say that what struck me about it was the degree of its readiness, its professionalism and its willingness to tackle the task for which it has now been deployed.

The Northern Territory community is indeed, as I am sure the Australian community is, right behind these brave soldiers and, of course, all of those others accompanying them and those who will inevitably join them. As a society, we have an obligation not only to these men and women but also to their families. This is an issue I have been pursuing for some time, and something which is addressed in this report. The significant issue among them is that of the fringe benefits tax reporting requirements. This was one that generally concerned many of the

ADF personnel we encountered during the visit. Since the tour, this issue of FBT reporting has, as the previous speaker observed, been partly addressed. However, some defence personnel will still be financially worse off as a result of the proposed changes to FBT reporting, despite the changes acknowledged by the government. Accordingly, the committee has recommended that the proposed changes to the FBT reporting requirements should be further reviewed to ensure that ADF personnel are not disadvantaged.

This made good sense some weeks ago. After what has been happening in East Timor over the past few weeks and the enormous stress that ADF personnel and their families are under, today there is no way that the government can refuse to exempt the other 11 elements. These are: the defence service home loans, defence home owner home loans, education assistance, airconditioning allowance, discharge removals and travel, child-care reimbursement allowance, remote locality leave travel, compassionate leave travel, reunion travel, home purchase and sales expense allowance, and removal costs for a non-serving spouse after a marriage break-up.

We must also plan for a defence force that will take us into the next century. In terms of logistic support to deployed forces, throughout the tour the Defence Subcommittee was interested in the ability of integral logistic elements to support deployed forces. Of major concern was advice that the land force possesses only the capability to provide force level logistic support to one deployed force at any time. The limiting factors on the provision of such support appeared to be skilled personnel and ammunition, not necessarily consumables or spare parts. In addition, the ADF is largely dependent on commercial infrastructure for the support of any deployed force.

These shortcomings are now being severely tested, as are significant personnel and recruitment issues that have been highlighted by Australia's commitment to INTERFET and our future Blue Beret commitments to a peacekeeping force in East Timor. Defence policy now is a central policy imperative of this parliament and something which we need to be addressing. Many of these issues will be addressed by the subcommittee when it pursues its current inquiry: the suitability of the Australian Army for peacetime peacekeeping and war. It is not good enough for us to have a backward looking policy as that being proposed by the Prime Minister and the coalition. The Howard doctrine takes us back to the past. We should not be the deputy sheriff of the United States. What we should be doing is concentrating on having a very disciplined defence policy for the defence of Australia and the defence of the north—(Time expired)

Mr DEPUTY SPEAKER (Mr Nehl) —Order! The time allotted for statements on this report has expired. Does the member for Wannan wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr HAWKER (Wannan) —I move:

That the House take note of the report.

I seek leave to continue my remarks later.

Leave granted.

Mr DEPUTY SPEAKER —In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting, and the member will have leave to continue speaking when the debate is resumed.