

THE NORTHERN TERRITORY OF AUSTRALIA

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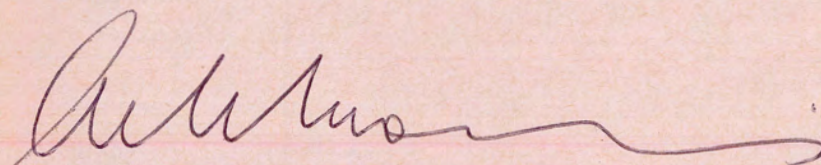
CABINET DECISION

No.....6035.....

Submission No.: 5192

Title: NORTHERN TERRITORY GOVERNMENT SUBMISSION
REGARDING THE CONSTRUCTION OF FACILITIES FOR 2ND
CAVALRY REGIMENT - DARWIN

Cabinet endorsed the Northern Territory Government Submission to the Commonwealth Parliamentary Standing Committee on Public Works Inquiry into the proposed construction of facilities for 2nd Cavalry Regiment in the Darwin region.



A. G. MORRIS
Secretary to Cabinet.

9 May 1989

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THE NORTHERN TERRITORY OF AUSTRALIA

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FOR CABINET

SUBMISSION No:

Title:	NORTHERN TERRITORY GOVERNMENT SUBMISSION REGARDING THE CONSTRUCTION OF FACILITIES FOR 2ND CAVALRY REGIMENT - DARWIN
Minister	The Hon M B Perron, MLA, Chief Minister
Purpose:	To seek Cabinet endorsement of a submission to the Commonwealth Public Works Committee Inquiry into the proposed construction of facilities for 2nd Cavalry Regiment.
Relation to existing policy:	The Northern Territory Government has consistently supported the build up of Northern defence and the location of defence facilities in the Northern Territory.
Timing/legislative priority:	Urgent consideration of the Submission is sought in time to enable its presentation to the Parliamentary Standing Committee.
Announcement of decision, tabling, etc:	Announcement of Northern Territory Government support, at Attachment A, would be appropriate.
Action required before announcement:	Lodgement of Northern Territory Government Submission with the Parliamentary Standing Committee.
Staffing implications, numbers and costs, etc:	Nil.
Total cost:	Not Applicable.

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Department/Authority..... NORTHERN TERRITORY TREASURY.....

COMMENT ON CABINET SUBMISSION No.

TITLE: NORTHERN TERRITORY GOVERNMENT SUBMISSION REGARDING....
..... THE CONSTRUCTION OF FACILITIES FOR 2ND CAVALRY
..... REGIMENT - DARWIN.....

COMMENTS:

The Submission is supported.



SIGNED: N R CONN

DESIGNATION: UNDER TREASURER

DATE: 2 MAY 1989

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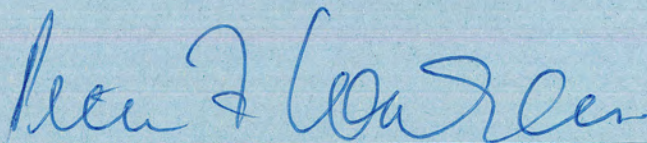
Department/Authority:LAW.....

COMMENT ON CABINET SUBMISSION No.

TITLE:NORTHERN TERRITORY GOVERNMENT SUBMISSION REGARDING
.....THE CONSTRUCTION OF FACILITIES FOR 2ND CAVALRY
.....REGIMENT - DARWIN.....

COMMENTS:

There are no constitutional or legal barriers to the proposal.



SIGNED: PETER CONRAN

DESIGNATION: SECRETARY, DEPARTMENT OF LAW

DATE: 28 April 1989

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Department/Authority..... LANDS AND HOUSING

COMMENT ON CABINET SUBMISSION No.

TITLE: CONSTRUCTION OF FACILITIES FOR 2ND CAVALRY REGIMENT - DARWIN

COMMENTS:

The Department supports the Submission in particular, the Department agrees with the attached paper and supports the request for urgency.

SIGNED:

M. H. Street

DESIGNATION:

Dep Secretary

DATE:

2/5/89

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Department/Authority..... CONSERVATION COMMISSION.....

COMMENT ON CABINET SUBMISSION No.

TITLE: NORTHERN TERRITORY GOVERNMENT SUBMISSION REGARDING.....
..... THE CONSTRUCTION OF FACILITIES FOR 2ND CAVALRY REGIMENT ..-
..... DARWIN.....

COMMENTS:

The Submission is supported.

SIGNED: *[Signature]*
DESIGNATION: *Deaf*
DATE: *25 89*

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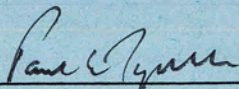
Department/Authority ~~XXXXXX~~ TRANSPORT AND WORKS

COMMENT ON CABINET SUBMISSION No.

TITLE:CONSTRUCTION OF FACILITIES FOR 2ND CAVALARY REGIMENT.....
DARWIN

COMMENTS:

The Submission is supported.


SIGNED: *Paul I D Gordon*
DESIGNATION: SECRETARY
DATE: 3/5/89

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Department/Authority..... INDUSTRIES AND DEVELOPMENT

COMMENT ON CABINET SUBMISSION No.

TITLE: NORTHERN TERRITORY GOVERNMENT SUBMISSION REGARDING THE
CONSTRUCTION OF FACILITIES FOR 2nd CAVALRY REGIMENT -
DARWIN

COMMENTS:

This Department supports the Submission to Cabinet.

I believe there is a need to be more specific about the need to package tenders to reflect local business capacity.

Perhaps the addition of:

"e.g. tenders should be structured in such a way as to provide for the capacity and scope of Territory Small Business"; following paragraph three on p.13 of the PWC Submission would adequately address this aspect.



SIGNED: O ALDER

DESIGNATION: SECRETARY

DATE: 2 MAY 1989

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Department/Authority MINES AND ENERGY

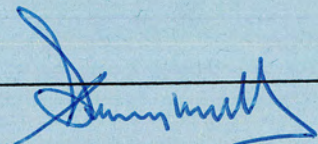
COMMENT ON CABINET SUBMISSION No.

TITLE: CONSTRUCTION OF FACILITIES FOR 2ND CAVALRY REGIMENT - DARWIN
.....
..... - NORTHERN TERRITORY GOVERNMENT SUBMISSION

COMMENTS:

The Department supports the Submission.

SIGNED:



DESIGNATION: SECRETARY

DATE: 2 May 1989

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Department/Authority POWER AND WATER AUTHORITY

COMMENT ON CABINET SUBMISSION No.

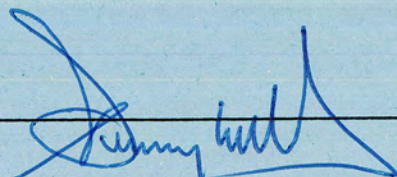
TITLE: NORTHERN TERRITORY GOVERNMENT SUBMISSION REGARDING THE
..... CONSTRUCTION OF FACILITIES FOR 2ND CAVALRY REGIMENT - DARWIN

COMMENTS:

The Authority supports the Submission.

Amendments to pages 8 & 9 of Attachment "B" advised separately to the Department of the Chief Minister.

SIGNED:



DESIGNATION: CHAIRMAN

DATE: 2 May 1989

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Department/AuthorityHEALTH AND COMMUNITY SERVICES.....

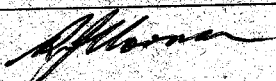
COMMENT ON CABINET SUBMISSION No.

TITLE: CONSTRUCTION OF FACILITIES FOR 2ND CAVALRY REGIMENT -
..... DARWIN

COMMENTS:

The Department of Health and Community Services supports the draft Cabinet Submission.

SIGNED:



DESIGNATION: SECRETARY

DATE:

28.4.59

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Department/~~Authority~~..... EDUCATION.....

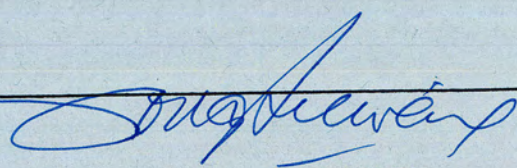
COMMENT ON CABINET SUBMISSION No.

TITLE: CONSTRUCTION OF FACILITIES FOR 2nd CAVALRY REGIMENT DARWIN

COMMENTS:

The Submission is supported.

An early decision on the housing strategy would assist the Department in assessing the impact on educational facilities.

SIGNED: 

DESIGNATION: ACTING SECRETARY

DATE: -2 MAY 1989

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1

RECOMMENDATION

1. It is recommended that Cabinet endorse the Northern Territory Government Submission, at Attachment B to the Commonwealth Parliamentary Standing Committee on Public Works Inquiry into the proposed construction of facilities for 2nd Cavalry Regiment in the Darwin region.

BACKGROUND

2. The Commonwealth Government's Policy Information Paper, The Defence of Australia 1987 includes the relocation of the 2nd Cavalry Regiment from Holsworthy, NSW to Darwin. The Minister for Defence announced on 22 March 1988 that planning was proceeding on the basis that relocation of the Regiment would be completed by the end of 1992.

3. The relocation will involve some 400 service personnel. The addition of spouses and children could mean an increase of about 970 people to the Territory's population.

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2

4. The Defence Policy Information Paper also foreshadows the possible relocation of a brigade to the north in the longer term. It is understood that a study is presently being conducted within Defence into an increased Army presence in the region.

5. The Department of Defence's proposals to relocate the 2nd Cavalry Regiment involve provision of working, training and living-in facilities and some enhanced administrative support facilities in the Darwin region. The limit of cost estimate is \$62.70m in December 1988 prices. The work is scheduled to commence in early 1990.

6. In addition, the Defence Housing Authority is responsible for the provision in Darwin of approximately 175 married quarters to meet 2nd Cavalry requirements.

7. The Northern Territory has participated in early planning through a joint consultative committee which has been established along the lines of the consultative mechanism which was successfully adopted for the construction of RAAF Base Tindal.

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3

8. The proposal has been referred to the Parliamentary Standing Committee on Public Works for consideration and report to Parliament. It is the function of the Committee to inform and satisfy the Commonwealth Parliament regarding proposed major works. The Committee receives submissions and takes evidence at public hearings from representatives of the Departments concerned, State Government departments, local authorities, private organisations and individuals. The Committee informs the Parliament through a report which is tabled in both Houses at the conclusion of the investigation.

9. The Northern Territory Government Submission to the Parliamentary Standing Committee at Attachment B supports the relocation of the 2nd Cavalry Regiment to Darwin. Mechanisms for consultation and cooperation with the Commonwealth are mentioned and the strategic, economic and employment benefits of relocating the Regiment in Darwin are also covered by the Submission. Comments are offered on some key areas such as the environmental impact, provision of infrastructure and community services and the participation of local business enterprises during the construction of the facilities and in servicing defence operations.

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4

CONSIDERATION OF THE ISSUES

10. There has been a progressive build-up in the Australian Defence Force presence in northern Australia in general and the Northern Territory in particular over the past decade. The decision to relocate the 2nd Cavalry Regiment is a tangible expression of the greater importance now attached to northern defence by the Commonwealth Government.

11. The Northern Territory Government has consistently supported the progressive build-up of defence facilities in the Territory. This policy has been followed both because of the recognition of the strategic importance of Northern Defence and because of the considerable benefits to the local economy which can stem from the operation of facilities and the addition of service personnel and their families to the local population.

12. The project should provide a valuable stimulus to the Territory's building and construction industry. Territory agencies are working closely with the Commonwealth to ensure that local industry is given the opportunity to participate fully in the project.

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5

13. A favourable Parliamentary Works Committee report will assist the Commonwealth Government in maintaining its proposed level of commitment to the project.

OPTIONS

14. There are two options:

(a) endorse the Submission;

(b) reject the Submission.

15. Option (a) is favoured because the Northern Territory Government would be expected to support the Defence proposals before the PWC given that it has argued quite consistently for the enhancement of defence capabilities in northern Australia and particularly in the Territory.

PUBLIC IMPACT OF THE RECOMMENDATIONS

16. General public support can be expected from the proposed build-up of defence facilities.

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6

FINANCIAL CONSIDERATIONS

17. In general, services directly supplied to the project are being provided on a commercial basis. Appropriate charges for water and sewerage works are currently being negotiated with the Commonwealth for dedicated connections and apportionment of costs for other trunk works.

18. No significant direct costs are anticipated as a result of the Commonwealth's proposals.

REGULATORY IMPACT

19. Nil.

EMPLOYMENT AND INDUSTRIAL RELATIONS

20. Nil.

COMMONWEALTH, STATE AND LOCAL GOVERNMENT RELATIONS

21. Appropriate consultative mechanisms are in place at both the Commonwealth and Local Government levels.

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COORDINATION AND CONSULTATION

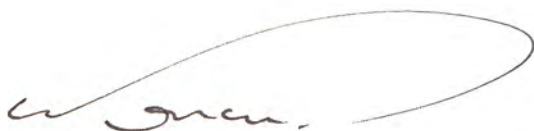
22. Relevant departments and authorities have been consulted in the preparation of a coordinated Northern Territory Government Submission to the PWC.

LEGISLATION

23. Nil.

TIMING

24. Urgent Cabinet consideration and endorsement of the Submission is sought to enable the Territory to meet the extremely tight time schedule set by the Parliamentary Standing Committee. A limited extension of time has been allowed against the 1 May 1989 deadline for Submissions. Public hearings are scheduled in Darwin for Thursday 18 May 1989.



.....

MARSHALL PERRON

4 - MAY 1989

.....

DATE

ATTACHMENT A

PRESS RELEASE

RELOCATION OF THE 2ND CAVALRY REGIMENT TO THE DARWIN REGION

The Commonwealth Government recently announced that proposals for the construction of facilities for the 2nd Cavalry Regiment are being referred to the Parliamentary Standing Committee on Public Works for consideration.

Construction of the Barracks and associated facilities at a cost of \$62.7m is expected to commence in early 1990 and be completed in time to accommodate the regiment by the end of 1992.

The Northern Territory Government has fully supported the proposal in its submission to the Committee and welcomes the significant contribution to Northern defence and the prospects for economic benefits for the region.

The Northern Territory Government has argued quite consistently for the enhancement of defence capabilities in Northern Australia and the location of defence facilities in the Territory.

Mr Perron said that in this respect we share common objectives with the Commonwealth Government and are generally agreed in our views about the strategic national and regional benefits which can flow from the project.

It is anticipated that relocation of 2nd Cavalry Regiment to Darwin will have beneficial impacts on the regional economy. The construction of facilities, and the operation of the Regiment will provide a much needed stimulus, directly and indirectly, to a number of industries. The total direct and indirect effects in terms of investment, employment and

generation of income are significant benefits which will add to the military and strategic advantages associated with the project, Mr Perron said.

ATTACHMENT B

PROPOSED CONSTRUCTION OF FACILITIES FOR
2ND CAVALRY REGIMENT - DARWIN

NORTHERN TERRITORY GOVERNMENT SUBMISSION
TO THE PARLIAMENTARY STANDING COMMITTEE
ON PUBLIC WORKS

The relocation of the 2nd Cavalry Regiment from Holsworthy, NSW to Darwin and the possible relocation of a brigade to the North in the longer term are fully supported by the Northern Territory Government.

The proposals for the construction of facilities for the 2nd Cavalry Regiment in the Darwin Region put forward by the Department of Defence (Army) and the Australian Construction Services, in their evidence are noted.

The Northern Territory Government has argued quite consistently for the enhancement of defence capabilities in Northern Australia. The Government welcomes the attention which is now being given to the area. The Northern Territory Government endorsed the approach adopted by the 1987 Defence White Paper which places emphasis on defending the North of Australia and on the upgrading of defence installations and facilities in the region. In this context the relocation of a brigade to the north in the longer term, which is foreshadowed by the Defence Policy Information Paper, is noted. It can be accommodated readily in Territory planning.

In this respect we share common objectives and are generally agreed in our views about the strategic, national and regional benefits which can flow from the project, especially when it ultimately proceeds to Brigade strength.

Preparation and planning for the relocation of the 2nd Cavalry Regiment has greatly benefited from the experience gained with the redevelopment of RAAF Base Tindal and the high degree of cooperation that has been established between the Northern Territory and the Commonwealth.

Appropriate working arrangements are in place with regard to planning for the relocation of the 2nd Cavalry Regiment. Mechanisms for consultation are provided through a Joint Commonwealth/Northern Territory Consultative Committee (JCC) which operates along similar lines to the JCC established for Tindal. Community interests are represented through local government councils who participate on working parties established by the JCC.

A successful display was held by the Department of Defence in April at Palmerston to provide information to residents. Further consultation with community interests will be planned through the JCC as development of the project progresses.

It is anticipated that relocation of the 2nd Cavalry Regiment to Darwin will have beneficial impacts on the regional economy. The construction of facilities, and the operation of the regiment will provide a much needed stimulus directly and indirectly to a number of industries. The total direct and indirect effects in terms of

investment, employment and generation of income are significant benefits which will add to the military and strategic advantages associated with the project. Consideration of multiplier effects after the regiment becomes operational in Darwin suggests that some \$4m in income could be generated in the local economy in addition to direct expenditure by Regiment personnel and their families. Of course these benefits will be considerably enhanced by subsequent upgrading to Brigade strength.

Much of the development work now proposed, particularly on site works and works associated with the designated training areas relates to decisions about the provision of defence infrastructure and technology, and as such does not involve the Territory. There are other matters, which largely relate to machinery questions. They are the subject of ongoing consultation between Northern Territory and Commonwealth officials and service personnel.

However, some areas require consideration and the following comments are offered on each item.

Environmental Considerations

Environmental assessment of the proposal is being conducted jointly by the Commonwealth and the Northern Territory in accordance with the requirements of the Environment

Protection (Impact of Proposals) Act and the Environmental Assessment Act.

The Northern Territory Government fully supports this arrangement and is satisfied that, together with the consultative mechanisms through the JCC, it will ensure that the environmental implications associated with the proposal are adequately addressed.

It was determined that, under the joint arrangements, an environmental impact statement (EIS) would not be required for the Barracks and associated facilities in Darwin. In this instance the environmental aspects could be addressed adequately during the detailed planning and design phases within the Joint Consultative framework. The Conservation Commission, the agency with principal responsibility for environmental protection in the Northern Territory, is represented on the relevant JCC working party. The Commission will consider environmental issues and provide advice during the design and subsequent construction phases of the Darwin facilities.

An EIS is being prepared by the Department of Defence for the Mt Bundy training area. The EIS will be made available for public comment and will be reviewed jointly by the Commonwealth and the Northern Territory.

While it is not proposed to comment in detail on environmental issues, the need for air-conditioning and fire extinguishing systems to be designed so as to minimise the use and emission of ozone depleting substances is a matter for concern. It should receive serious consideration in relation to installation of such facilities.

Road Works

The proposed location of the Barracks off Thorngate Road provides ready access via Tulagi Road and the Stuart Highway to the Central Business District, industrial and residential areas and to the South of Darwin.

It is understood that the Department of Defence plans to upgrade the existing gravel road to a two lane sealed standard with a high level of flood immunity between the entrance to the Barracks and the Stuart Highway.

Proposals include upgrading of Thorngate Road north of the base entrance to the close training area to a two lane gravel standard. This is considered to be sufficiently adequate to accommodate the likely traffic from the Base. However, this road also provides access to major quarries in the area. The Northern Territory Government and the Litchfield Shire Council are considering further the options and potential benefits of upgrading to a sealed standard in association with this project.

All direct costs for upgrading existing road areas are included as part of the project. However, costs associated with additional roadworks, to be undertaken to facilitate development of adjacent land will be borne by the Northern Territory Government.

The Litchfield Shire Council, as the approving authority for the local roads, has been consulted fully on the establishment of road standards.

To ensure that timing of the road upgrading is consistent with the overall strategy for the development of the base, Australian Construction Services (ACS) will undertake all design, documentation and project control for these works.

ACS will liaise with the Department of Transport and Works with regard to approval of design. The Litchfield Shire Council as the approving authority will be consulted throughout the design and construction process.

The Department of Transport and Works has undertaken a Stormwater Drainage Study to establish a long term stormwater trunk drainage strategy for the area. This data has been utilised by ACS in finalising their stormwater drainage design for the access roads and disposal of stormwater from the Barracks.

Quarrying Operations

It is proposed that some 50,000 tonnes will be mined each year from Authority AN275 which is located in the north-west corner of the Barracks complex precincts. There are no other known reserves of this type of clay within economic distance of the local brickworks. It is understood that operation of the mining tenure will not affect construction or operation of the Barracks and that continued access to the site is assured.

Water, Sewerage and Electricity services to the 2nd Cavalry Regiment Barracks Site

Water

Construction of a dedicated trunk water main from the Stuart Highway up to the Barracks site boundary at a cost of \$0.516m has been planned for completion by November 1989, to meet defence requests for water in early 1990. Design and document work on a dedicated water main is in progress and should be completed in time for calling of Tenders by July 1989, when formal Commonwealth funding approvals are anticipated.

Trunk Sewer Main and Dedicated Sewer Main to Barracks Site

Design of the trunk sewer main from the Palmerston Town Centre to the Palmerston Triangle is proceeding on the 1988/89 Capital Works Program at a cost of \$1.585m including contingency and engineering administration on cost.

Design capacity has been reassessed to cater for the Barracks requirements. A dedicated rising main and pump station will be constructed by Australian Construction Services to link the Barracks site to the trunk sewer. Sewerage works are planned to meet the 2nd Cavalry requirements on completion of the Barracks.

Electricity

Power requirements for the proposed works can be met from the existing distribution system.

The costs for the proposed electrical reticulation extensions will be covered by payments from the Australian Government calculated in accordance with the Authority's distribution system extension policy.

Impact on Services to the Community

Based on the information provided by the Department of Defence and the Australian Construction Services, the existing and planned capacity of basic community facilities and services is expected to cover population increases which may result from the relocation of the Regiment.

Health and child care services in the Darwin area are adequate for any proposal which would integrate married service personnel throughout the community. With regard to Palmerston, the planned construction of a new child care centre at Woodroffe in 1989 and the recent establishment of a 24 hour medical service ensures that the town has a high level of health and community services facilities.

Planning for education services can only be in general terms until the defence housing strategy is known and a clearer indication of the composition and location of families is available.

Based on the provision of 175 married quarters to meet 2nd Cavalry requirements, and the school participation rates used for planning in Palmerston, the number of students generated by 1993 would be of the order of Preschool 10-15, Primary 70-80 and High School 30-40 students.

If the Defence Housing Authority decided to purchase or lease existing stock throughout Darwin and service families are uniformly spread, the existing capacity, particularly in Pre, Primary and Junior Secondary schools, would accommodate the assumed numbers of students. In addition, the effects on service industry employment, expansion and subsequent population increases are unknown but should be able to be accommodated.

Some minor adjustments in the planned location of services may be necessary depending on the housing strategy adopted by the Defence Housing Authority. However there is sufficient lead-time available to allow for such adjustments to the disposition of facilities should this prove necessary.

Housing Strategy

The Defence Housing Authority, in pursuing its responsibility for providing and managing housing requirements, commissioned Kinhill Engineers to prepare a strategy for housing married defence personnel to be relocated in Darwin. This included the provision of approximately 175 married quarters to meet 2nd Cavalry Regiment requirements.

It is noted that the Kinhill Report presents a range of options within a broad strategy for housing and that a firm decision still has to be made regarding the mixture of housing alternatives, including their location, that will be adopted. An early decision will assist general forward planning by helping to determine the distribution of population that would be involved in the housing proposals.

The report notes that HMAS Coonawarra has a substantial area of land which could be used for housing. However, the potential noise disturbance from the existing motor sports complex and the planned arterial road and railway should not be overlooked. In this context it should be noted that Tiger Brennan Drive has already been redesigned to accommodate the last Coonawarra housing development.

The option to develop the Tracy Village site for Defence housing is a cause for concern to the Darwin City Council which regards the existing caravan park and the social club as essential components of tourist industry infrastructure and community facilities.

It is considered that the township of Palmerston merits serious consideration for Defence housing in view of its capacity for housing development, high standard of services, accessibility and proximity to the proposed 2nd Cavalry Regiment's Barracks site.

Participation of Local Businesses

It is difficult on the basis of current information to forecast the extent to which local businesses will benefit from the construction program. On the basis of the evidence available, there are significant opportunities for local participation during the construction phase.

However, appropriate arrangements should be established through the Australian Construction Services, the Northern Territory Department of Industries and Development, and local industry organisations such as the Confederation of Industry and Commerce and the Master Builders Association to provide local industry with the opportunity to tender for Army construction work.

In this regard advance information should be made available through local industry associations, and contracts should be structured to maximise the potential for local participation. For example contracts could be sized to provide for the capacity of small businesses in the Northern Territory.

In terms of employment, some 590 jobs could be created or supported over the three year construction period for the Barracks and other facilities.

The Industrial Supplies Office also has a major role in providing a link with local industry. It has assumed a responsibility for raising the awareness of local business and industry of the opportunities presented to them by defence related activities and in advising the Department of Defence and the Australian Construction Services of the capability of the local business community.

To facilitate this process the ISO has established a local business capability register which can ensure that both Defence and Australian Construction Services are provided with up to date information on the availability of locally based services and supplies

The Northern Territory Government wishes to stress its support and continuing cooperation in the timely provision of facilities to accommodate the relocation of the 2nd Cavalry Regiment. It will be happy to clarify any points arising from the Northern Territory Submission, or provide any additional information that may be required by the Committee.