

**Submission  
No 1**

## **INQUIRY INTO DEFENCE INDUSTRY IN NEW SOUTH WALES**

**Organisation:** Moree Plains Shire Council

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31 May 2017

The Director  
Standing Committee of State Development  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

Via email [state.development@parliament.nsw.gov.au](mailto:state.development@parliament.nsw.gov.au)

To the Hon Greg Pearce MLC,

### **Inquiry into the defence industry in New South Wales**

I am writing in relation to the Standing Committee on State Development's inquiry into the defence industry in New South Wales.

I would like to thank you for the opportunity to provide a submission. A response to the Terms of Reference has been outlined below:

**a. Maximise opportunities for NSW-based companies from Defence's growing exports and investment in defence capability - in both acquisition and sustainment**

Council has been very impressed with the Australian Army Community Assistance Program (AACAP) at Toomelah, which is the first remote area project carried out by the Army in NSW. The Toomelah project is being utilised as a training program for the Army and represents the type of local community engagement and community support that it is understood would be part of the Army's mission on various overseas deployments. The project includes upgrading roads and drainage within the Toomelah area to improve safety and to reduce coverage of mosquitoes as well as the construction of a new multipurpose community facility and the renovations of an existing church. Some upgrades are also being undertaken to local sporting facilities. The scale and scope of the project, although somewhat limited by funding, is potentially transformative for the Toomelah community and a very strong rapport has been established between the community and the Army.

While the Toomelah project has tended to be "one-way" there have been examples and ideas locally which have contributed to the success of the program. This has included input into designs that respond to a flood-labile area with difficult black soil conditions. There is potential for this "two-way street" to be much stronger, in particular with regional and remote communities within Australia. A community such as Moree is based very strongly on agriculture. In this respect, the nature and type of industrial activity in the area is strongly focused on agricultural opportunities. There is an opportunity for the Army to tap into innovation within regional and rural Australia in order to identify technologies which might assist with particular issues in host countries. While in some cases examples of more advanced technologies might be appropriate, it is likely that there are many cases where technologies that

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are mature (or even obsolete) in Australia may be appropriate for local circumstance. There is a potential opportunity for the Army to broaden its scope of support for host communities overseas utilising experiences gained within rural and regional Australia.

**b. encourage defence industry innovation, research and education including developing the future workforce**

In traditional terms, the defence industry is largely seen as driving high technology innovation based around military hardware. Regional and remote communities are not likely to be able to foster research and education or provide a highly skilled workforce in these areas. There is, however, an opportunity for the defence forces, through strengthening the remote areas program, to build capacity within local workforces to improve self-reliance. This is the case in NSW where the Toomelah project represents an initial pilot.

**c. identify targets, programs and projects for defence spending in New South Wales**

Council strongly supports the expansion of AACAP to other remote communities within NSW. Very modest amounts of expenditure (in the context of the overall defence budget) can achieve very significant infrastructure changes for these communities. Our experience with the Toomelah project suggests that additional resourcing for projects of this type can achieve additional beneficial outcomes and optimise the overall project.

**d. maximise the economic benefits of locating defence force bases and defence industry in the regions**

Defence force bases in the regions have often been the subject of controversy. This has been particularly the case when looking at extensive areas of land for ground-based training for the Australian Army. While there are significant benefits in locating bases and training areas within remote and regional areas, this need not necessarily take the form of permanent facilities. Benefit is seen in shorter term training and activity exercises which, if they take advantage of local resources, would assist the local economy, while providing a variety of training opportunities.

Where permanent bases are being considered, presumably driven by operational needs to gain experience in certain types of country, it is strongly recommended that extensive programs of community engagement occur which thoroughly address the types of community issues that have been raised with previous proposals. If a permanent base is found to be feasible there are potentially very significant benefits to the local economy although such a base, adjoining a small community, may impose very significant issues with respect to social change. In addition, if permanent bases or training opportunities are to be given serious consideration in a regional or remote area it is also important that there be a reasonable level of predictability around expenditures to avoid "boom-bust" impacts on the local economy.

Noting the concerns above, Council is nevertheless of the view that the Moree Plains Shire area has potential for establishing a defence force training facility. With ample space and connectivity to a range of transport options, the location is well-based within rural NSW.

Army vehicles frequently travel through Moree on different operations. A service and maintenance depot in Moree would also be a sustainable opportunity for the town as Moree continues to develop as a transport hub for the Melbourne to Brisbane Inland Rail project connecting the various states in Australia.

**e. how to establish and sustain defence supportive communities**

The Toomelah project experience shows that building a defence-supportive community can readily be achieved. The consultative approach taken by the Army over an extensive period of time prior to the commencement of the operation has paid significant dividends. A strong relationship has been built with the local Indigenous people in Toomelah and the Army is very well regarded by state and local government in terms of their approach. Local businesses have also gained some opportunities from the exercise. While the Toomelah project was an initiative of the Army, it demonstrates that projects can be conducted in a sensitive and consultative manner rather than (as has been seen in some cases in the past) a top-down manner. This suggests that small and regular engagements with communities are potentially the most effective tool to both establish and sustain defence supportive communities. For example if future activities were to be conducted in Moree Plains Shire this would be able to build on the established platform. In addition, an ongoing program of modest activities in the region would continue to provide some local economic stimulus.

**f. further enhance collaboration between the NSW Government and Commonwealth agencies**

In many respects the Toomelah AACAP has been more of a collaboration between the Commonwealth and local government. This is because local government was the repository of the main areas of information necessary to assist in project delivery. Council supports collaboration that extends across the three spheres of government in terms of future programs.

**g. any other related matter**

In many respects defence spending and defence industry has become something of a competition between different jurisdictions. The recent attention over the location of shipbuilding between WA and SA is a case in point. Typically, major defence industry programs are very highly capital intensive. They also require complex and sophisticated engineering, research and support industries and workforces. While this "big picture" tends to gain most attention, there is significant opportunity for small-scale low-cost programs to occur in rural and regional Australia in a way that provides on-going social and economic benefits.

Moree Plains Shire Council thanks you for the opportunity to provide a submission. We trust that the information raised is of value to the inquiry.

Yours faithfully

Lester Rodgers  
**GENERAL MANAGER**