Townsville City Submission

2015 Defence White Paper

Townsville City Council
Townsville Enterprise
Townsville Chamber of Commerce
Regional Development Australia Townsville and North West Queensland

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Executive Summary

The Townsville community is proud of the city’s reputation as Australia’s leading defence city and of the city’s ongoing involvement in major operational deployments.

Notwithstanding its current role, Townsville is poised over the next decade and beyond to offer even greater opportunity for developing the nation’s defence capability.

Townsville’s leading stakeholders have come together in this submission to affirm the city’s defence potential and to participate in consultation for the proposed 2015 Defence White Paper.

It has been prepared in light of the preliminary analysis outlined in the recently released 2014 Defence Issues Paper and focuses upon: ADF Force Posture and bases; Defence and Regional Australia; and Defence Personnel.

Our key recommendations are:

- Continued relocation to Townsville of Defence elements in support of force development and operations in the Asia Pacific
- Expansion of skilled worker programs (for example: Defence Materiel Organisation Industry Skilling Enhancement) by creating region-specific packages, with a particular focus in the Townsville region on tropical health, engineering, and mechanics
- Co-location of Defence trade training schools and maintenance units with corresponding force elements presently stationed in Townsville
- Adjustment of defence procurement policy to better allow for engagement with regional firms
- Ongoing research into the social and economic impact of ADF activity in Townsville
- Identify major future capability development project opportunities in the Defence Capability Plan and design complimentary regional support packages and through life support arrangements that leverage and exploit Townsville’s long standing natural advantages and co-location with major Defence assets.
- Improve strategic infrastructure over time to increase Townsville and North Queensland’s capacity to operate as a major force mounting base for coalition and joint operations and regional commitments [including port, airhead, industrial, rail, road, training area capacity etc.].
1. Defence and Regional Development in Townsville

Townsville is one of the key population and service hubs in Northern Australia. As recently noted by the Federal Government, the future prosperity of cities like Townsville will ‘influence the fortunes of Northern Australia as a whole.’

Defence has long been one of the key contributors to Townsville’s growth and economic diversity (see Annex A). Within this context, the consideration of Townsville’s Defence role is also deeply inter-related with the development of the Townsville region itself. There has been considerable long-term Defence investment in North Queensland that combined, delivers a premier force generation environment and a proven force projection and mounting base for operations to the north of Australia.

This is a point broadly touched upon by the 2014 Defence Issues Paper, which poses the following question:

*What opportunities exist for Defence to contribute to economic development in regional Australia?*

In response, the Issues Paper affirms the principle of ‘strategic primacy’. That is, whatever the ongoing potential for Defence to contribute to regional economic development – be it in the form of facilities, employment or business demand – at the end of the day,

...investment in Defence primarily needs to be driven by the priority of producing essential military capabilities for the defence of Australia and our interests. The Government seeks to maximise Australian industry involvement where it provides value for money or where it is in the national interest to do so, based on strategic considerations.

In the case of Townsville, this submission acknowledges the primacy of strategic and military priorities, and observes that there is a clear confluence between development of the region and Australia’s strategic defence objectives. Fundamentally, Townsville’s location is strategically important as a mounting and force projection base for operations in the region. It was pivotal for launching operations north in 1942 and for a variety of major operations since [e.g. Vietnam, East Timor, Solomon Islands etc.].

Townsville is a valuable asset for Australia’s force capability that must continue to be recognised and strengthened. Moreover, there is tangible mutual benefit to be attained through Defence investments within the Townsville region. Among these are community support and lifestyle satisfaction, which are increasingly vital factors in the attraction and retention of Defence Force personnel. The integration of Defence personnel into the community dates to pre-federation and is unmatched by any other location in Australia.

In this sense, the relationship of Defence and regional economic development is not merely a choice between competing policy priorities, but rather the challenge of maximising capability and economic outcomes whenever a complementarity between Defence and developmental interests occurs.

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3 Defence Issues Paper, p. 27.
As discussed in the following sections of this submission, there are clear opportunities in Townsville to assist regional growth and serve the nation’s military interests. To do so will support the policy agendas of both the 2015 Defence White Paper and the Developing Northern Australia White Paper.
2. Townsville’s Defence Role: Strategic Opportunities and Future Capability

Townsville is a unique component of Australia’s defence capability: a locus of military heritage, economic strength, the geo-strategic location, community pride and support.

It is the largest city in Northern Australia, with key strategic significance arising from proximity to Australia’s ‘immediate neighbourhood’ and the maritime approaches, communication lines and areas of interest within the Asia-Pacific region.

The city’s major defence establishments are Lavarack Barracks, RAAF Base Townsville, the Townsville High Range Training Area, and Ross Island. Stationed at Lavarack Barracks, 3rd Brigade is the largest Army combat organisation in the ADF.

Townsville Airport’s Northern Australian Aerospace Centre for Excellence (NAACEX) supports state-of-the-art aviation services and maintenance facilities. Meanwhile, the Port of Townsville remains critical to Defence operations. Particularly significant is the recent development of a multi-user, military vessel and cruise ship facility at Berth 10A, enabling the accommodation of Canberra Class (Landing Helicopter Dock) vessels.

Presently, it is estimated that approximately 7,500 service men and women are based in Townsville. In all, Defence personnel and their dependents constitute about 15,000 people or 8% of Townsville’s population. There is a high number of ex-Defence personnel who remain in Townsville and make up a significant and influential component of the community.

The strategic importance of Townsville’s location is unlikely to diminish. Moreover, the strong economic and population growth forecast for the city over the next two decades will provide the infrastructure and a critical mass of services to support higher concentrations of Defence activity within the region. By 2030, Townsville’s population will be approaching 300,000 people (see Annex A).

The increasing potential for Defence and industry exchange in Townsville has been recognised by the NQ2031 Regional Economic Development (sub-committee) of the North Queensland Regional Organisation of Councils. In addition, the current Townsville City Economic Development Plan (TCEDP) further identifies Lavarack Barracks and Townsville Airports as key city precincts for future economic productivity. The TCDEP is being coordinated by a management group of key city stakeholders which includes the Commander 3rd Brigade.

Areas that have been identified within the plan include:

- developing a vision plan for the Lavarack barracks and neighbouring James Cook University precinct and its expansion, including integrated transport planning and connectivity with Townsville’s CBD;
- identifying Defence requirements for the region and resulting opportunities for local private sector supply;

4 Defence has been targeted by the NQ2031 sub-committee as an industry through whose growth the region can continue to strengthen its economic diversity.
• identifying Defence requirements for transport infrastructure in the region, including Townsville’s linkages to the north-south and east-west transport corridors;

• undertaking development and investment attraction in support of the Northern Australia Aerospace Centre of Excellence; and

• identifying future Defence and aviation industry demands to guide long term planning for Townsville’s Airport precinct.

• Identifying future major Defence capability development projects and seeking to integrate northern base through life support and sustainment options into their execution.

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Given the city’s economic planning, strategic location, and proven record in integrating Defence personnel, Townsville has the capacity to host an expanded Defence presence within the region. It is a capacity with the power to generate significant skills and resource benefits for Australian Defence Force operations. This includes the relocation of traditionally Canberra-based ADF public servants to Townsville, placing key decision-making functions at the heart of major locations of force deployment.\(^6\)

Moreover, the continued consolidation of force capabilities within multi-user bases helps support more rationalised logistics arrangements, while also promoting innovation, local economies and skills sharing between Defence and industry.

On this, there is the potential to increase service and supply networks between the ADF and businesses in the Townsville region. A large range of services is currently procured locally by ADF establishments. These include vehicle maintenance and repair, fuel, medical support, food and hospitality, office supplies, laundry, cleaning, pest control, removals and storage. It is still the case, however, that significant repair work is directed south from Townsville to southern centres, such as Albury-Wodonga.

The further development of a local economic or procurement strategy would maximise the service and support opportunities made available by Townsville’s projected growth over the next twenty years. Defence procurement policy could be adjusted to allow for better and direct engagement with local firms. In particular, these would include specialised services in medical development and research, aeronautical maintenance, family support and mental health. Local “content” contracts should be replaced by local contracts. Defence, in Townsville, should have the capacity to deal directly with local suppliers and businesses. There are opportunities for greater public/private partnerships. Work undertaken, for instance, by the Townsville-based, Australian Institute of Tropical Health and Medicine has the potential to generate significant advantages for Defence in both conflict and humanitarian operations. Some of its key areas of research include:-

1. tropical infectious diseases and immunopathogenesis;

2. vector-borne diseases; and

3. management and human performance in the tropics.

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\(^6\) Cubic Defence Australia’s head office, for instance, is located in Townsville.
Furthermore, there are a number of initiatives available to facilitate force concentration within the Townsville region. These would involve, firstly, the continued relocation to Townsville of elements of the Defence Materiel Organisation, Defence Science and Technology Organisation (DSTO), intelligence agencies, service, health and logistics headquarters, that support operations in the Asia Pacific. Organisations, like the DSTO, would be better able to leverage off and share information with key regional agencies currently developing tropical solutions in energy and health.

Secondly, programs aimed at growing skilled workers in Defence Industries can continue to be expanded, with a focus in the Townsville Region. These include programs like the Defence Materiel Organisation’s (DMO) Industry Skilling Enhancement, which could be broadened by creating regionally specific packages targeting skill sets in tropical health, engineering, and mechanics.

Lastly, Defence could also co-locate trade training schools and maintenance units with corresponding Townsville Force Elements.

3. **Defence and the Townsville Community**

   *To maintain its capability, the ADF has to be able to recruit the right people and then train them to do a complex and demanding job. The changing nature of society, particularly where job mobility is concerned, makes attracting and keeping skilled personnel challenging* (2014 Defence Issues Paper).

   Townsville will remain an ideal location for high unit concentrations, given the city’s popularity and proven capacity to integrate ADF personnel and their families.

   Townsville City Council’s Community Plan, for instance, recognises the city’s role as a ‘major defence force base’, while there is zoned land available to support a future population of over 420,000 residents.

   The city is proud of its historical and contemporary military role and there is strong support through the community to sustain and expand Townsville’s capability as a base for ADF operations and personnel.

   Indeed, Defence is integral to Townsville’s history and civic identity. Townsville’s strategic potential – first recognised in colonial times – became manifest during World War II when the city was transformed into a major staging post for allied operations in the Pacific. The Townsville and North Queensland community has, for more than 50 years, invested significantly in making Townsville arguably the most accommodating and engaging military community in Australia. As remarked by the current Commander of 3rd Brigade, Brigadier Roger Noble...

   “I’ve seen a lot of garrison towns around the world and in Australia, and the relationship between Townsville and the Brigade is the most positive I’ve seen.”

   Ensuring the cooperation of industry, business and the community will be fundamental to meeting the ADF’s workforce and capability challenges over the next twenty years. And in this regard, the Townsville model has facilitated a high level of operational capability and a high level of personnel satisfaction, backed by strong community acceptance and support.

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7. [Defence Issues Paper, pp. 26-27.](#)
8. [Townsville Bulletin, 14 December 2013.](#)
The ongoing importance of Townsville to Australia’s defence capability warrants greater research. There is currently a lack of substantive data on the extent of defence activities and personnel in Townsville, and on their corresponding social and economic impact.  

Further research and investment in the city’s capacity to support and integrate the ADF will benefit Defence unit concentrations, not just in Townsville, but in other Australian locations.

4. Key Recommendations

This submission affirms the strong local commitment in Townsville to the Australian Defence Force and to developing the city as a key location for defence facilities and operations.

Its recommendations are:

- Continued relocation to Townsville of Defence elements in support of force development and operations in the Asia Pacific
- Expansion of skilled worker programs (for example: DMO Industry Skilling Enhancement) by creating regionally specific packages, with a particular focus in the Townsville region on tropical health, engineering, and mechanics
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- Identify major future capability development project opportunities in the Defence Capability Plan and design complimentary regional support packages and through life support arrangements that leverage and exploit Townsville’s long standing natural advantages and collocation with major Defence assets.

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9 One exception is the 2009 James Cook University study. See: Riccardo Wellers and Aurélie Delisle, *A holistic analysis of the socio-economic impact of the Australian Defence Organisation and its interaction with the city of Townsville*, School of Business, James cook University, Townsville, 2009.
Annex A – Population and Economic Growth in Townsville

**Townsville’s Economic Drivers**

- **Defence**: 7,500 service men and women
- **Transport**: 1.7 million air passengers per annum
- **Tourism**: 1.023 million visitors per annum

**Mining & Agriculture**

- $15 billion regional export chain

**Retail**

- Australia’s seventh highest disposable income per capita

**Trade**

- 12 billion tonnes of goods shipped through the Port of Townsville

**Construction**

- 50,000 new homes required by 2015

**Services**

- 210,000 fly-in fly-out workers

**Commerce**

- 23,000 businesses

**Education**

- 30,000 tertiary students

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**Population Growth**

Townsville has emerged as the population and economic powerhouse of northern Australia.

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