



ROYAL AUSTRALIAN NAVY

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Dear Dr Hawke

SUBMISSION TO THE INDEPENDENT REVIEW OF ENHANCED CRUISE SHIP ACCESS TO GARDEN ISLAND

Enclosed is the Royal Australian Navy's submission to the Independent Review of Enhanced Cruise Ship Access to Garden Island, announced by the Minister for Defence on 16 June 2011.

Navy harbours concerns over the prospect of enhanced cruise ship access to Garden Island due to our utilisation of this base, particularly in the peak cruise season, which coincides with Navy's Reduced Activity and consequent Fleet concentration periods.

Navy's challenges in meeting the berthing demands of home-ported and visiting RAN and foreign warships are already significant and will be exacerbated, over the next decade, by the introduction of new, larger ships with specific berth requirements and overall increased wharf space demands.

Should Navy be directed to relocate home-ported ships to alternate berths in Sydney for protracted periods during the expanding and increasing cruise ship peak season each year, Navy would require reliable wharfside power supplies, communications, support systems and amenities replicating those currently provided at Garden Island, at any alternate location – if available. This would be a less efficient and effective means of operating and maintaining the Fleet whilst alongside and infrastructure costs for achieving this would be significant.

The security risks, operational and maintenance constraints and adverse effects on personnel caused by increased cruise ship access to Garden Island, combined with Navy's limited ability to meet requests for berths with the degree of advanced notice and certainty required by the cruise industry, make shared use of the current facilities problematic.

Yours sincerely

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Rear Admiral, RAN

Deputy Chief of Navy

8 November 2011

**Navy Submission
to the
Independent Review into Potentially Enhanced Access by Larger Cruise Ships to Garden
Island**

Introduction

This paper outlines the importance of Garden Island in Sydney in the maintenance of Navy capability and the role of this strategic infrastructure in ensuring the Royal Australian Navy is appropriately prepared to respond to Government tasking in respect of Australia's strategic interests. The fundamental premise in this paper is that Government is yet to indicate any change of Major Fleet Unit basing in Sydney (Fleet Base East).

The role of Fleet Command is to generate Navy capability that is able to fight and win in the maritime environment. Its function is to effectively raise, train and sustain the Navy's current maritime forces. The range of capabilities required and the complexity and breadth of operations makes this task both challenging and multi-faceted.

Navy's product is ultimately Fleet units that are proficient in war fighting, well maintained materially and prepared for Government directed operations within agreed readiness notices. The generation of such an outcome requires us to conduct our raise, train and sustain activities in a manner which grows experience across the Fleet whilst maintaining our people and our ships to their optimum capacity. At the same time, we must ensure these capabilities will remain available in accordance with their designed upkeep cycles over the full period of their designed life.

Navy's Operating Concept

In order to do this, planned fleet operations must balance maintenance, training and people requirements. Consequently, the operational concept for the fleet focuses on the quality, rather than number, of sea days. Our assets are concentrated geographically to aggressively pursue training outcomes in the maritime environment. The fleet also has substantial periods in its homeport to better address platform maintenance, training and procedural needs and, ultimately, to allow our people access to an appropriate work/life balance. In turn this contributes to our ability to attract and retain the skilled and capable workforce necessary to fight and win at sea.

Navy's current utilisation of the facilities located at Garden Island in support of the Fleet's operating cycle is illustrated at Attachment A Tables 1 and 2. These demonstrate a high utilisation rate for all berths, particularly during the December-February period where in some cases smaller ships are berthed in pairs to meet the demand for alongside berth space. In particular, these Tables show the high usage rate of the Fleet Base 1 North, 1 South, 2 and 3 berths, which are those sought for potential increased cruise ship access.

These utilisation rates are also high compared to commercial ports (for example Townsville), where optimum utilisation rates vary depending on berth functions but generally range between 50 – 65%, with the upper limit determining the point at which additional berth space is required.

Table 3 provides an indication of average berth availability (ie days unoccupied) throughout the year. While historically correct, this does not take account of the berth requirements for new, larger Navy vessels such as the two Landing Helicopter Dock (LHD) ships arriving from 2013. The size of the LHDs determines that they will be generally restricted to berthing at Fleet Base East 1-3 berths. This will reduce overall berthing availability and flexibility at those berths desired by cruise ships, regardless of berth availability elsewhere on Garden Island. This will be particularly evident during the period December – February each year, when peak cruise industry and Navy berthing demand coincides.

It is important to note that, even maintained to the highest standards, our ships alone do not provide our fighting capability. Unless our people are also trained to the highest standards and allowed adequate time to balance the rigours of time at sea with time with their families, Navy's maritime capabilities will be significantly diminished and ultimately put at risk.

Operations

The raise, train and sustain aspects of operational readiness are the responsibility of Fleet Command. Navy's primary role, however, is to provide maritime forces to perform tasks directed by the Australian Government.

These operations may include deterring and defeating attacks on Australia, contributing to stability and security in our region and globally and disaster relief and humanitarian response. Recent operations have included a naval contribution to coalition operations in the Middle East; stabilisation interventions in East Timor and the Solomon Islands; and disaster and humanitarian relief in situations such as tsunami devastation in Aceh in Indonesia.

Government tasking in respect of real-time security and humanitarian events is, by nature, time critical. Such tasking requires short notice access to appropriate berths from which to prepare, deploy and reconstitute naval forces.

The Role of Garden Island

The primary function of the Fleet Base East/Garden Island complex is to provide operational, training, ship repair / maintenance and logistic support at the facilities and berths provided for the 11 major Royal Australian Navy ships home-ported in Sydney. The facilities provided at Garden Island have been specifically designed to provide the support requirements necessary for each class of ship within a secure, access controlled perimeter.

Within Navy, the term 'home-port' describes the location to which ships will return after deployment on operations, and where they will be refurbished, repaired and replenished. It is the location in which ship-specific training is undertaken, engineering and combat systems are maintained, and where various stores are retained for ease of supply. It is the fundamental means by which the Fleet is organised, operated and maintained, and by which operational and personnel tempo is cost effectively balanced.

The technical complexity of major naval vessels means that Fleet bases require access to a broad industry base with specialised facilities and a large labour force which possesses trades and skills peculiar to the support of sophisticated combat forces. The availability of and access to these resources are a primary consideration in the location and development of fleet bases. Inevitably, these conditions are only found co-located in cities with a large population, in the order of several million people.

This is a level of support well above that provided in commercial port facilities and is deliberately designed to allow a warship to revert from ship systems to shore systems and the majority of the ship's crew to be reassigned for training or off-duty leave. In commercial ports this level of support is not available, requiring approximately a fifth of the crew to remain onboard to ensure necessary systems are safely operated and ship security maintained. This has a self-evident impact on training, systems maintenance and crew rest as well as a flow on effect for families and consequently morale.

Replication of this level of support in a location other than Garden Island, either within Sydney Harbour or elsewhere, would represent a substantial challenge and require significant investment. Disaggregation of the supporting infrastructure for the Fleet would impede its efficient training and operation, and potentially increase operating overheads in an era where Defence seeks to reduce facilities and administrative costs to assist in funding new capability.

Home-porting and Posturing

As outlined, Garden Island in Sydney is the Navy's principle homeport on the Eastern Seaboard which provides sufficient national infrastructure and support to sustain Navy's current maritime forces.

Importantly, a naval task group is, by its nature, self sufficient and can deploy from a homeport to posture and maintain a maritime presence at great distance from the home-port. This distance and presence can then be extended through access to forward bases or commercial ports which can provide basic resupply of provisions without the need for similar infrastructure to that in the home-port. This is an important distinction in the discussion on 'home-porting' as compared with the notion of 'posturing'.

Cruise ships are relatively similar in this respect, however they operate to a very fixed schedule and the provision of greater access to Garden Island and Navy's home-port infrastructure could, if the market conditions prove suitable, increase cruise industry demands for access to more than merely wharf space at Garden Island. Such a development would impact on Navy's Fleet and create additional management challenges for Navy.

Impact of the LHD

Although the disposal of the two Landing Platform Amphibious (LPA) will temporarily free up berth space, they will remain a berthing impost until relocated from Garden Island. Until then, and with the planned arrival of HMAS *Choules* in December 2011, more pressure will be applied to the limited available berthing space.

From 2014 Navy will introduce the Canberra Class LHD into a port environment that is already heavily utilised and with HMAS *Choules* the combined amphibious fleet will represent a growth in demand for wharf space of 192 metres. Moreover, of the range of wharves available at Garden Island only three berth pockets¹ will be of sufficient length to support this platform. Two of these are Navy's primary maintenance berths and are also the berth pockets desired for commercial cruise ship use. The combined requirement to berth the LHD, support maintenance of the wider Fleet and meet Fleet operating commitments will disallow all but exceptional use of these facilities by the cruise industry.

Compatibility of Cruise and Navy Ships

The responsive and time critical nature of Navy's operational tasking, and its consequent short notice requirement for berths from which to prepare and deploy, puts it sharply at odds with the cruise industry's requirement for guaranteed berth allocation in various ports planned 18-24 months in advance, as the basis for voyage planning and marketing.

The annual Fleet Reduced Activity Period and re-activation leading to the Triton Series of fleet exercises (formerly known as the Fleet Concentration Period) are programmed from December to mid-February. During this period the majority of the Fleet is in port and berth usage at Garden Island is at its maximum. The reduced activity period is a critical opportunity for respite for our crews and contributes to meeting obligations for the safety, health and wellbeing of Navy people and their families. This is also the peak period during which the cruise industry requires additional berths, making permanent shared use of the existing facilities an extremely challenging undertaking.

In the event that Navy was required to accommodate cruise ship berthing during this period, Navy would seek recovery of all additional operating costs from the cruise ship industries associated with additional naval movements and revised systems operating practices accompanying such disruptions. What Navy cannot be recompensed for is the impact that a changed operating profile would have on its people.

¹ Fleet Base 1 North and South; Fleet Base 2 and 3; and the Cruiser Wharf.

While Navy has sought to accommodate occasional cruise ship access requests where possible, the fact remains that cruise operations impose an increased security risk and management challenge within the Garden Island complex. There is no known operational naval base in the world that is willing to establish permanent cruise ship facilities within its perimeter, due to the attendant security concerns alone. Defence will implement security risk mitigation treatments at Garden Island following recent Government direction to review protective security arrangements at a number of key bases. This may further impact on the capacity to accommodate the present security challenges surrounding cruise ship visits, associated with passenger exchanges and access requirements for large tour coaches and semi-trailers delivering provisions and other stores.

These support requirements, plus Customs and Australian Quarantine and Inspection Service requirements, also involve significant disruption to concurrent Navy activity at adjacent Fleet Base berths impeding achievement of Navy raise, train, sustain objectives.

The medium growth predictions contained with the January 2011 Part B report of the Passenger Cruise Terminal Steering Committee outline additional berth requirements for large cruise ships east of the Harbour Bridge. In addition to the Overseas Passenger Terminal this report indicates an additional two berths for large cruise ships will be required from between 2025-2030, although recent industry advice suggests demand for an additional berth in Sydney will occur as soon as 2013-14. Provision of these berths at Garden Island would effectively deny assured access for both the LHDs or other mixes of major RAN ships needing to undertake necessary maintenance, training, logistic support and crew leave during peak periods and is unacceptable to Navy.

Conclusion

Navy's challenges in meeting the berthing demands of home-ported and visiting RAN and foreign warships are already significant and will be exacerbated, over the next decade, by the introduction of new, larger ships with specific berth requirements and overall increased wharf space demands.

The security risks and operational constraints posed by increased cruise ship access to Garden Island, combined with the limited ability to meet requests for berths with the degree of advanced notice and certainty required by the cruise industry, make shared use of the current facilities problematic.

Table 1 – Average Navy Use of Garden Island berths (2008-2011) – Days per Month

Berth/Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1N	42*	26	26	23	25	21	20	19	19	30	26	45*
1S	32*	16	25	24	20	19	19	29	22	30	24	33*
2	36*	23	19	10	16	21	28	26	23	22	29	36*
3	35*	31	29	13	9	19	13	20	23	21	27	33*
4	28	25	24	23	18	19	18	18	22	29	18	32*
5	36*	29	29	14	8	11	11	16	19	18	11	35*
West Dock	30	28	28	19	23	20	26	26	26	26	26	26
East Dock	22	29	26	9	8	8	23	14	2	10	9	17
Cruiser Wharf	11	26	32	16	18	29	32*	23	18	17	14	5
Oil Wharf	15	21	21	11	18	14	16	30	31	36*	33*	11

Total Usage	285	253	254	164	162	177	205	219	203	237	217	276
Total Available	302	276	302	272	282	280	290	284	280	292	289	305
% utilised	94%	92%	84%	61%	58%	63%	72%	77%	73%	82%	76%	90%

Table 2 – Average Navy Use of Garden Island (2008-2011) – Days per Berth

Use/Berth	1N	1S	2	3	4	5	WD	ED	CW	OW
Average Use	321	292	289	271	272	236	303	178	238	256
Average Days Available	346	361	358	361	362	312	352	348	358	296
Average Utilisation Rate	93	81	81	75	75	76	86	51	67	87

Note: * On occasions when average usage exceeds the number of days in a month, this reflects the common practice of berthing ships in pairs at some berths when occupancy is high. This may have occurred in other months throughout the year.

Table 3 – Average Availability of Wharves at Garden Island – 2008 - 11

Berth/Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1N	2	4	6	2	6	9	10	12	11	3	5	1
1S	7	12	7	4	10	11	12	5	8	3	7	9
2	2	9	11	10	11	9	6	6	7	9	4	0
3	4	5	4	24	17	13	18	12	10	12	3	3
4	2	10	8	8	15	12	15	13	7	5	12	2
5	0	1	4	12	17	12	12	8	3	8	13	7
West Dock	3	5	7	7	8	10	4	2	3	4	4	5
East Dock	10	3	7	21	23	23	6	9	22	21	21	19
Cruiser Wharf	21	8	0	15	14	2	0	8	13	8	16	26
Oil Wharf	8	1	3	9	0	5	13	9	7	3	5	18

Note: During these years the East Dock wall and Cruiser wharf were under lease to Thales.