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Parliamentary Standing Committee on Public Works

REPORT

relating to the

DEFENCE LOGISTICS REDEVELOPMENT PROJECT - AIR FORCE ASPECTS

(Seventh Report of 1992)

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
1992

The Parliament of the Commonwealth of Australia
Parliamentary Standing Committee on Public Works



Report Relating

to the

Defence Logistics
Redevelopment Project
- Air Force Aspects

(Seventh Report of 1992)

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MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE
ON PUBLIC WORKS

(Thirtieth Committee)

Mr Colin Hollis MP (Chairman)

Mr William Leonard Taylor MP (Vice-Chairman)

Senate

Senator Bryant Robert Burns
Senator Paul Henry Calvert*
Senator John Robert Devereux

House of Representatives

Mr Ewen Colin Cameron MP
Mr Lloyd Reginald O'Neil MP
Mr Russell Neville Gorman MP
Mr Bruce Craig Scott MP

* Appointed on 24.8.90 following the retirement of Senator
Dr Glenister Sheil

Committee Secretary:

Peter Roberts

Inquiry Secretary:

Michael Fetter

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**EXTRACT FROM THE
VOTES AND PROCEEDINGS OF
THE HOUSE OF REPRESENTATIVES**

No. 129 dated Wednesday, 27 May 1991

**12 PUBLIC WORKS - PARLIAMENTARY STANDING COMMITTEE -
REFERENCE OF WORK - DEFENCE LOGISTICS
REDEVELOPMENT PROJECT - AIR FORCE ASPECTS**

Mr R J Brown (Minister for Land Transport), for Mr Beddall (Minister representing the Minister for Administrative Services), pursuant to notice, moved - That, in accordance with the provisions of the *Public Works Committee Act 1969*, the following proposed works be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Defence Logistics Redevelopment Project - Defence National Storage and Distribution Centre and Air Force Aspects.

Debate ensued.

Question - put and passed.

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

DEFENCE LOGISTICS REDEVELOPMENT PROJECT - DEFENCE NATIONAL STORAGE AND DISTRIBUTION CENTRE AND AIR FORCE ASPECTS

On 27 May the House of Representatives referred to the Parliamentary Standing Committee on Public Works for consideration and report the Air Force aspects of the Defence Logistics Redevelopment Project.

THE REFERENCE

1. The Defence Logistics Redevelopment Project (DLRP) involves the implementation of a rationalised and centralised strategy of wholesale storage and distribution for the Australian Defence Force. The cost of the project will be largely offset from revenue raised from the disposal of redundant property at Randwick, Zetland and Regents Park (NSW), Tottenham (Vic) and Toowoomba and Banyo (Qld). The major component of the strategy involves the construction of the Defence National Storage and Distribution Centre (DNSDC) at Moorebank, NSW. The proposed DNSDC is the subject of a separate report from the Committee.

2. This reference involves the Air Force aspects of the DLRP which will enable the relocation of Air Force stocks from Supply Depots to seven operational bases. The Air Force aspects of the DLRP will allow the disposal of property at Tottenham (Vic), Toowoomba (Qld), and Regents Park (NSW). Other activities involving an operational support unit and Air Training Corps located at sites identified for disposal will be relocated.

THE COMMITTEE'S INVESTIGATION

3. The Committee received a written submission and drawings from the Department of Defence (Defence) and took evidence from representatives of the department at a public hearing held on 3 September 1992 at Moorebank.

4. Submissions concerning the proposal were received from the following:

- Mr K V McElligott MLA - Member for Thuringowa, Queensland Parliament
- Mr M Horan MLA - Member for Toowoomba South, Queensland Parliament

5. Prior to the public hearing the Committee inspected warehouse facilities at RAAF Base Richmond, RAAF Base Williamtown and Regents Park. The Committee was briefed by representatives of Defence in Canberra on 20 August 1992.

6. A list of witnesses who gave evidence at the public hearing is at Appendix A.

7. The Committee's proceedings will be printed as Minutes of Evidence.

BACKGROUND

Studies to Improve Defence Supply Services

8. The Defence policy information paper, 'The Defence of Australia', recognised that priority needs to be given to the development of a logistics organisation capable of supporting the development and operations of the Defence Force. In December 1988 a consultancy was undertaken by Arthur Young (now Ernst and Young) to identify means of improving the effectiveness and efficiency of Defence supply services in the mid-term - that is, three to five years.

9. The consultants' report suggested that improvements could be achieved by the adoption of modern management techniques; the report identified three areas in which substantial potential savings could be achieved. These three areas were:

- controlling the consumption of stores through improved fiscal accountability at the point at which stores are consumed
- rationalising the Services' responsibility for stores item management and procurement by encouraging increased single service logistics management, whereby one Service accepts responsibility for logistics management for the three Services

- the rationalisation of warehouse facilities and management by a tri-Service regional consolidation of existing Defence warehouses and stores.

10. The study suggested that the funds needed for the construction of new facilities which would be required to achieve the rationalisation could be obtained from the sale of surplus Defence assets.

11. The consultants' report was subsequently reviewed by Defence and a Defence Warehousing Strategy, of which the DLRP is a major component, was developed.

The DLRP and Warehousing Strategy

12. The DLRP and the Defence Warehousing Strategy will introduce a number of measures designed to improve the efficiency and effectiveness of logistics support and are based on the following principles:

- the devolution of procurement responsibility are appropriate, are to be further encouraged, and will reduce inventory holdings and requirements for warehousing
- reducing the sizes of inventories by shedding redundant stocks, reducing item duplication and lowering stock levels by reduced administrative lead times
- single-tier stockholding to avoid double handling and associated overheads
- stocks to be held close to major units where possible
- individual Service control of warehousing at base and regional levels to be maintained for responsive support to operations
- tri-Service rationalisation to occur at the national level where it can be shown to be cost-effective using common facilities for receipt, inspection and storage, and avoiding duplication of the national distribution infrastructure
- warehousing to be postured for effective support of contingency operations in the north of Australia

- the location of warehouses to recognise likely movements of supported training and operational units
- direct funding for logistics improvements will be difficult to achieve in the current fiscal climate.

Changes to locations of warehouses

13. The overall strategy to implement these plans will involve substantial changes to procurement responsibilities, inventory sizes, the location of stocks, and the control of stocks.
14. The changes envisaged will include:
 - the establishment of a tri-Service DNSDC at Moorebank
 - the storage of bulk and slow moving items to be rationalised on a tri-Service basis under the control of the DNSDC
 - the closure of naval supply facilities at Zetland and Randwick (NSW), and Maribyrnong (Vic). Most stocks from these facilities would be moved to the DNSDC or to the bulk facility and some development at HMAS Stirling (WA), and HMAS Albatross (NSW), would need to occur
 - the integration of the Army Moorebank Logistics Group (MLG) which currently occupies the warehouse complex at Moorebank, into the DNSDC. As well, the Army would continue the rationalisation of regional logistics units and facilities at Banyo (Brisbane), Penrith (NSW) and part of Broadmeadows (Vic) would close. There would also need to be some development at Darwin and Townsville
 - the movement to forward bases of most Air Force weapon system spares. Some facilities development would be required to enable this to be done.

Defence National Storage and Distribution Centre

15. Facilities associated with the DNSDC - new construction, refurbishment, closures and the rationalisation of property holdings will be the subject of a separate report from the Committee. This report concerns the provision of facilities required by the RAAF to implement the relocation to forward bases of weapons systems spares as well as the rationalisation of associated property holdings.

RAAF management of stocks

16. RAAF stocks are managed in three echelons as follows:

- User stores - each unit is authorised to hold up to 30 days usage and stores are replenished from the retail echelon
- Retail - each RAAF base holding sufficient stocks for all units on each base to meet operational roles expressed in days usage at peace time rates of effort. retail stocks are replenished from the wholesale echelon, stores depots, except for stores procured locally.
- Wholesale - or bulk stock of RAAF equipment is held in one or more stores depots depending on the nature and the demand for each item.

17. RAAF wholesale facilities are located at Tottenham, Regents Park, Dubbo and Toowoomba. The facilities at Dubbo store bulky, slow-moving stock.

Wholesale facilities

18. The wholesale facilities at Tottenham, Regents Park, Toowoomba and Dubbo are the remnants of a chain of depots constructed during the Second World War. At the time they were close to points of entry for equipment obtained overseas and the transport infrastructure. Development of these facilities continued after the war. Except for one modern warehouse at Regents Park, most storage buildings are old and inefficient and a large amount of money would need to be spent in the future to replace and maintain them. Defence advised the Committee that the location of stores depots is now historic rather than strategic.

THE NEED

19. The need for facilities to be provided at major RAAF bases has been driven by the Defence Warehousing Strategy a key component of which involves the closure of the stores depots, the distribution of weapons system spares to bases and the allocation of some wholesale stocks to the DNSDC.

20. Changes to the distribution of stock between the three echelons will be along the following lines:

- .. each unit authorised to hold up to 30 days usage, with stores being replenished from the retail echelon
- .. retail weapon system unique spares transferred to respective Base stores to the maximum extent practicable. Spares common to more than four weapons systems or more than six locations and Army Aviation third and fourth line spares remain in the wholesale echelon, the DNSDC
- .. the DNSDC storing the remainder including:
 - .. stores for equipment or systems managed under Single Service Logistics Management (SSLM) arrangements
 - .. non-technical stores which are unique to the Air Force where economies for central distribution and storage are evident
 - .. slow moving bulky items and contingency stores
- .. retail and wholesale storage of equipment which can be obtained from local sources to cease under new arrangements introduced with electronic purchasing.

Committee's Conclusion

21. There is a need for the RAAF to improve its regional warehousing at its bases to enable weapons system spares to be located there.

THE PROPOSAL

22. The proposal is to undertake enhancements of warehouses at selected Air Force bases, and some medium works and stores relocations.

Warehouse Enhancements

23. It is proposed to undertake warehouse enhancements at the following RAAF bases:

- .. Williamtown (NSW)
- .. Edinburgh (SA)
- .. East Sale (Vic)
- .. Amberley (Qld)
- .. Richmond (NSW)
- .. Townsville (Qld)
- .. Pearce (WA)

24. The Committee questioned the desirability, on security grounds, of disbursing spares to these bases. Defence advised the Committee that RAAF bases have a higher level of security than warehouse complexes or stores depots because of the value of the level of Defence assets located on them.

25. Defence also advised the Committee that by moving spares unique to weapons systems to the bases, where the maintenance of avionics and mechanical components is actually carried out, manpower savings will occur through the elimination of duplication.

Scope of Warehouse Enhancement

26. The scope of the work to be undertaken involves the modernisation of storage and handling systems of existing warehouses. It also involves some minor alterations, including the provision of covered areas for the receipt of stores and dispatch to some warehouses. Other alterations take into consideration the amenities and safety of employees.

Williamtown

27. The work to be undertaken here includes:

- the relocation of office accommodation
- demolition of existing classified store and the construction of a new classified store
- the installation of carousels, pallet racking, shelving, mechanical handling equipment as well as the realignment of lights
- the waterproofing of skylights
- a new safety fence
- work benches
- fire exit doors.

Edinburgh

28. The work to be undertaken includes:

- infilling trenches at cross-over points
- the installation of carousels, shelving, mechanical handling equipment, pallet racking
- realignment of lights
- a new safety fence

- work benches
- fire exit doors

East Sale

29. The works include:

- an awning
- installation of a carousel, pallet racking, shelving, mechanical handling equipment
- levelling the floor
- a new doorway and partition
- a new safety fence
- work benches
- fire exit doors

Amberley

30. The works include:

- construction of an awning and section of roadway and an extension to the warehouse (about 360m²)
- construction of a covered bulk storage area
- installation of carousels, shelving, mechanical handling equipment, pallet racking
- rationalisation of office accommodation
- realignment of lights
- a new safety fence

- work benches
- fire exit doors

Richmond

31. The works include:

- construction of an awning
- construction and refurbishment of office accommodation and change rooms
- removal of a mezzanine floor
- repairing the warehouse floor
- installation of a carousel, shelving, mechanical handling equipment, pallet racking
- realignment of lights
- safety fence
- work benches
- fire exit doors
- demolition and replacement at a new site of the existing hazardous goods store and compound
- construction of a new office accommodation building for 86 personnel and a tailor shop on the former hazardous goods site

Townsville

32. The works include:

- construction of an awning and section of roadway
- construction of a covered bulk storage area
- installation of a carousel, shelving, mechanical handling equipment, pallet racking
- safety fence
- realignment of lights
- work benches
- fire exit door

Pearce

33. The works include:

- construction of an awning and office accommodation
- installation of shelving, mechanical handling equipment, pallet racking
- realignment of lights
- safety fence
- work benches
- fire exit door.

Committee's Conclusion

The scope of the enhancement of warehouses at seven RAAF bases can be justified on the basis of improved efficiencies and effectiveness resulting from the storage of weapons system spares in them.

Asbestos

34. The Committee noted during its inspection of RAAF Base Richmond a number of buildings with asbestos cement cladding. Defence advised the Committee that asbestos cement clad buildings are located at Richmond and Edinburgh. It is in an undisturbed form and where broken it will be replaced with prefinished metal. The Committee further questioned the Defence if any tests of asbestos flaking had been carried out, bearing in mind the amount of low frequency vibrations at both bases caused by noise from aircraft engines. Defence advised that there is a facilities appraisal program which addresses these situations, as against other maintenance requirements, on an annual basis.

Committee's Recommendation

35. The Committee recommends that there should be regular surveys of the air quality in and around all Defence warehouses which are clad with asbestos cement and which remain in use. If the surveys reveal airborne asbestos fibre concentrations exceed standards set by the National Occupational Health and Safety Commission immediate remedial work should be carried out.

No 1 Supply Depot, Regents Park

36. The implementation of the Defence Warehousing Strategy will ultimately involve the relocation of RAAF stores housed at No 1 Supply Depot, Regents Park. Defence submitted to the Committee that as an interim measure, the Warehouse 40 at Regents Park will be required for the storage of residual wholesale stocks; the facility will continue to be used to enable other warehouses to be emptied in anticipation of moving stocks to other RAAF bases. When vacated by the RAAF, Warehouse 40 would be used by the DNSDC.

37. Warehouse 40 was part of a proposal examined by a former Committee in 1972. (Committee's Sixth report of 1972 - Redevelopment of No 2 Stores Depot at Regents Park, NSW - Parliamentary Paper 31/1972).

38. The proposal examined by that Committee was estimated to cost \$3.4m and involved the construction of:

- Warehouse 40 and an office annex
- a guardhouse and control point
- alterations to an existing stores building
- associated engineering services, roadworks and a car park and the demolition of a number of existing buildings.

39. For continued use by the RAAF and ultimately by the DNSDC the facility and some surrounding area will need to be fenced off, and services such as electricity and water will need to be metered and the sewerage system for the area being retained will need to be capped. The existing depot water storage and booster pumps for fire fighting will also need to be retained. As well, some demolition of buildings will need to occur at the new fence line. A new receipt and dispatch area will need to be developed with a covered hardstanding area and roller door access into the building. It will also be necessary to relocate the telephone switchboard and computer from the headquarters building.

Sale of Regents Park

40. The Auburn Municipal Council expressed concern about the implications of retaining Warehouse 40 and a small parcel of land around it. The Council believes that the most suitable use of the land would be for medium density residential purposes. Retention of Warehouse 40 and associated land for parking and related vehicle movement would prejudice redevelopment of the site for residential purposes due to the poor shape of the surplus parcel, lack of public road frontage and poor aspect of the land. Retention of Warehouse 40 is therefore seen by the Council as an impediment to the optimal use of the site.

41. In response, Defence advised the Committee that initial valuations of the property indicated the value of the land proposed to be retained was in the order of \$2.5-3.0m and for the facility to be replaced in its current configuration at another location would cost more than \$10m. In short, Defence believe the level of value for the entire DNSDC project which could be attained by retaining Warehouse 40 would significantly exceed the sale value from the entire site.

Committee's Conclusion

42. Warehouse 40 at Regents Park is a valuable asset and should be retained for use by Defence as part of the Defence National Storage and Distribution Centre.

Committee's Recommendation

43. Defence should continue discussions with Auburn Municipal Council and other planning authorities to ensure that the land which Defence proposes to sell will be used for purposes compatible with other adjacent land uses, including medium density housing.

No 1 Operational Support Unit

44. No 1 Operational Support Unit (1OSU) is responsible for providing operational, administrative and logistics support on RAAF deployment and alternative airfields, advanced bases and advanced landing fields.

45. It is proposed to relocate 1OSU to Townsville to improve command and control. Elements of 1OSU frequently exercise in support of the Operational Deployment Force (ODF) in addition to supporting RAAF operations and exercises. Collocation of 1OSU with the ODF in Townsville is considered by Defence to be beneficial.

46. It is proposed to provide new facilities at RAAF Base Townsville to accommodate the receipt, storage, issue recovery and disposal of deployment items, maintenance, training and unit administration.

47. The main storage area will comprise a low rise and narrow aisle facility in which manually operated materials handling equipment will be used. Defence advised the Committee that the design of the facility and the method of materials handling to be used were chosen to obtain maximum operational flexibility within an economic structure. The structural design of the facility will provide for future expansion and changes in usage.

48. Office and administrative facilities will be provided for headquarters and supply staff in accordance with Defence Scales and Standards. Some new maintenance facilities, quarantine administration and wash-down facilities, explosives ordnance facility and an armoury will be provided.

Committee's Conclusion

49. Relocation of No 1 Operational Support Unit to Townsville, home base of the Operational Deployment Force, will result in improved efficiencies and response times. The extent of the proposed work can be justified on the basis of operational improvements which will result.

Air Training Corps

50. A number of Air Training Corps units will be affected by the proposed closure of RAAF Supply Depots.

No 7 Flight, NSW Air Training Corps is located at Regents Park. It is proposed to relocate the Flight into the Guard Room facility (Building 120). Defence advised the Committee that the building is suitable for activities of the Flight, comprising office accommodation and classrooms

No 10 Flight, Qld Air Training Corps and the Qld Air Training Corps Band are located in the domestic area of 7 Supply Depot, Toowoomba. It is proposed to relocate both units to the current officers' mess. Under this arrangement a parade ground would be constructed at the rear of the building. Other buildings would be relocated to the site to house the link trainer and additional ablution facilities

The headquarters and No 5 Flight, Vic Air Training Corps are located in the domestic area of 1 Supply Depot at Tottenham. The headquarters will be relocated to RAAF Base Williams. The need to relocate No 5 Flight will be addressed in the development of the property disposal plan for No 1 Supply Depot.

51. The Committee asked Defence about future plans for the ATC and if alternative community facilities such as schools could be used for training. Defence is responsible for providing facilities for ATC units formed before 1976. ATC flights formed after 1976 are responsible for locating their own training facilities. Nos 7 and 10 Flights were formed

before 1976 and Defence has a responsibility to provide adequate accommodation for them. No 5 Flight was formed after 1976 and for this reason Defence will consider its future location during the development plan for the disposal of No 1 Supply Depot.

Army Aviation Spares

52. Army aviation spares will be transferred from No 7 Supply Depot, Toowoomba, to a new warehouse facility to be constructed at Oakey (Qld). These works are estimated to cost \$2.5m and will be managed as a separate medium works item. The warehouse will accommodate the fourth line spares unique to Iroquois, Kiowa and Nomad aircraft.

Bearing Treatment Facility

53. When the proposal was referred to the Committee, Defence advised that the retention of the Bearing Treatment Facility at Tottenham was under consideration. An allowance of \$2m was provided in the estimated cost to provide for upgrading of the facility. At the public hearing the Committee was advised that a study had revealed that costs associated with bearing treatment could be reduced by applying better quality standards at the source. Defence therefore intends to follow practices adopted by large air forces overseas and as a result there will no longer be a requirement for in-house bearing treatment. Accordingly, the deletion of this component from the works will reduce the cost of the total project by \$2m.

Fire Safety

54. Defence advised the Committee that all upgrading of existing facilities will, as far as is economically cost effective, comply with the fire safety requirements of the Building Code of Australia (BCA) and the Defence Manual of Fire Protection Engineering (FACMAN 2). New building works outlined in the proposal will comply with fire safety requirements of the BCA and FACMAN 2.

55. The Committee questioned Defence about consultations with the Commonwealth Fire Board (CFB) in relation to the adequacy of the fire protection measures to be provided. Defence advised the Committee that a project control group manages each project and the Defence member of the CFB is a member of each control group. Defence did, however, undertake to provide the CFB with designs of fire protection measures on

undertake to provide the CFB with designs of fire protection measures on a selective basis. Defence also pointed out that some fire safety standards required in FACMAN 2 are more stringent than the BCA because they address the very pertinent issue of strategic risk.

Committee's Recommendation

56. Defence should provide the Commonwealth Fire Board details of the fire protection measures to be provided for comment.

Property Implications

57. The implementation of the overall proposal will result in a number of properties becoming surplus to Defence (Air Force) requirements. The proceeds from sales will offset the cost of implementing the DLRP.

58. The Committee questioned Defence about the accuracy of estimated proceeds from the sale of properties since the valuations were originally made when the decline in property values began to emerge. Following the public hearing Defence provided the Committee with current valuations on a commercial in confidence basis for each of the properties to be sold. These estimates reflect a reduction in overall values, although the cost neutrality of the DNSDC and Air Force aspects still tend to be retained.

59. The following surplus properties will be sold:

- No 1 Supply Depot, Tottenham - functional area
- No 2 Supply Depot, Regents Park - functional area less the area around Warehouse 40 which will be retained
- No 7 Supply Depot, Toowoomba - functional and domestic area less the land being retained for the Air Training Corps.

60. Two other properties associated with No 2 Supply Depot, Regents park, will also become surplus to Defence (Air Force) requirements. These properties are:

- the Ground Equipment Maintenance Squadron at Villawood
- living-in accommodation for Regents Park located at Chester Hill

Committee's Conclusion

61. In a climate of financial stringency, the successful completion of the Defence Logistics Redevelopment Project is dependent on proceeds from the sale of surplus properties funding construction or refurbishment of warehouse and associated facilities.

Committee's Recommendation

62. Defence should ensure that optimal prices are obtained from land sales.

Master Planning

63. The Committee was advised that the proposed location and extent of facilities are in accordance with the master and zone plans for the respective RAAF Bases.

Implications of closures

64. The property consultants engaged by Defence consulted with local councils on the future usage of the surplus land. In Toowoomba proposals have been registered to buy a portion of the depot. Local councils covering Regents Park and Tottenham have indicated a preference for the surplus land to be rezoned as residential.

Manpower Implications

65. RAAF manpower savings to the DLRP portfolio have been identified as 310 Military and 311 civilian positions during the period 1992/92 to 1995-96, with an annual saving of about \$26m.

66. The Committee questioned Defence about the impacts of the closures of stores depots on the civilian workforces. Defence advised the Committee that proposed closure dates are as follows:

- No 1 Stores Depot, Tottenham - June 1993; civilian workforce of 137
- No 2 Stores Depot, Regents Park - December 1995; civilian workforce of 262
- No 7 Stores Depot, Toowoomba - January 1994; civilian workforce of 116.

67. The size of the current civilian workforces at the three depots has been declining since April 1991, e.g. the current workforce at No 7 Stores Depot at Toowoomba has declined from 165 in April 1991 to 116 in August 1992.

68. Defence also advised the Committee that the recruitment of staff for the depots has ceased, and this will provide scope for individuals to be retrained or redeployed if possible. Defence did, however, acknowledge that there will be some people for whom it will not be possible to find current positions. The RAAF has a strict requirement to scale down its number of uniform and civilian workforces and this has already been factored into the manpower budget.

ENVIRONMENTAL CONSIDERATIONS

69. An environmental certificate of compliance was issued in February 1992. There are no environmental impacts.

CONSULTATIONS

70. Defence briefed the Defence Consultative Council (DCC) and regional DCCs in Sydney, Melbourne and Brisbane. The project implementation team consulted with staff at Toowoomba, Tottenham and Regents Park.

71. The ACTU nominated the National Union of Workers (NUW) as the lead union for all DLRP matters. Other unions requested to be briefed on the project at the meeting of the DCC in September 1991. This was agreed to by the DCC and a progress briefing was held in March 1992 of national officers of the NUW, PSU, FMWU, TWU and MEWU.

72. Consultations has also occurred with the following:

- Toowoomba City Council
- Auburn Municipal Council
- NSW Department of Planning
- Sunshine Council
- Air Training Corps unit commanders

Committee's Recommendation

73. Defence should undertake further negotiations with local councils and planning authorities to ensure that when sold the uses of properties identified as surplus to Defence requirements are compatible with local planning.

COST

74. The project has a Defence cost estimate of \$25m.

Committee's Recommendation

75. The Committee recommends the construction of the Air Force aspects of the Defence Logistics Redevelopment Project at an estimated cost of \$25m.

CONCLUSIONS AND RECOMMENDATIONS

76. The conclusions and recommendations of the Committee and the page in the report to which each refers are set out below:

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1. There is a need for the RAAF to improve its regional warehousing at its bases to enable weapons system spares to be located there.	6
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3. The Committee recommends that there should be regular surveys of the air quality in and around all Defence warehouses which are clad with asbestos cement and which remain in use. If the surveys reveal airborne asbestos fibre concentrations exceed standards set by the National Occupational Health and Safety Commission immediate remedial work should be carried out.	12
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5. Defence should continue discussions with Auburn Municipal Council and other planning authorities to ensure that the land which Defence proposes to sell will be used for purposes compatible with other adjacent land uses, including medium density housing.	14

6.	Relocation of No 1 Operational Support Unit to Townsville, home base of the Operational Deployment Force, will result in improved efficiencies and response times. The extent of the proposed work can be justified on the basis of operational improvements which will result.	15
7.	Defence should provide the Commonwealth Fire Board details of the fire protection measures to be provided for comment.	17
8.	In a climate of financial stringency, the successful completion of the Defence Logistics Redevelopment Project is dependent on proceeds from the sale of surplus properties funding construction or refurbishment of warehouse and associated facilities.	18
9.	Defence should ensure that optimal prices are obtained from land sales.	18
10.	Defence should undertake further negotiations with local councils and planning authorities to ensure that when sold the uses of properties identified as surplus to Defence requirements are compatible with local planning.	20
11.	The Committee recommends the construction of the Air Force aspects of the Defence Logistics Redevelopment Project at an estimated cost of \$25m.	20



Colin Hollis
Chairman

8 October 1992

APPENDIX A

WITNESSES

HADDAD, Colonel Peter Francis, Project Director, Defence Logistics Redevelopment Project, Department of Defence, Russell Offices, Canberra, Australian Capital Territory 2600,

HEAZLETT, Mr Mark Henry, Director Major Property Projects, Department of Defence, Room K-2-19, Russell Offices, Canberra, Australian Capital Territory 2600, and

KENNEDY, Air Commodore James Frederick George, Director-General Facilities, Air Force, Department of Defence, Room C-3-13, Russell Offices, Canberra, Australian Capital Territory 2600,

SHEPPARD, Mr Robert Sherman, Project Director Facilities, Air Force, Department of Defence, Room C-3-19, Russell Offices, Canberra, Australian Capital Territory 2600,

TIDD, Air Commodore Donald Arthur Ernest, Director General Logistic, Air Force, Department of Defence (Air Force Office), Room C-1-05, Russell Offices, Canberra, Australian Capital Territory 2600.

APPENDIX B

PROJECT PLANS

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• Plan & Elevation - Proposed Storage Layout Building 226	B - 5
RAAF Base Amberley	
• Plan & Elevation - Proposed Storage Layout Building 737	B - 6
RAAF Base Richmond	
• Plan & Elevation - Proposed Storage Layout Building 110	B - 7
• Plan & Elevation - Proposed Storage Layout Building 111	B - 8

RAAF Base Townsville

- Plan & Elevation - Proposed Storage Layout
Building 199 B - 9

RAAF Base Pearce

- Plan & Elevation - Proposed Storage Layout
Building 123 & 124 B - 10



















