Northern Defence Summit 15/10/14

Chief Minister

Major General Jeff Sengelman, Rear Admiral Mark Purcell, Commodore Brenton Smyth, distinguished guests, parliamentary colleagues, Defence members, ladies and gentlemen.

Defence is one of the key economic drivers of the Territory economy,

And together, we are about to embark on one of biggest periods of growth since World War 2.

The A-D-F and the Territory have a long history,

But it was really World War 2 that cemented the friendship.

Manton Dam was built in 1942 by the Department of Defence to provide a reliable source of water for Darwin and it is now used a back-up water supply and an important water sports venue for Territorians.

RAAF Base Darwin became operational in June 1940 and the air-strip now services a busy domestic and international Airport that has become a critical link between the Territory and the rest of the world.

World War Two forced major improvements to the Stuart Highway as soldiers and supplies were transported through Australia’s red centre to the northern port and military base of Darwin.
RAAF Base Tindal was first constructed in 1942 as a military airfield known as Carson's Airfield and is now one of Australia’s most important Defence installations.

The history of some of our major infrastructure is intrinsically linked.

Now, here we are more than 70 years later and the need for a nation building program, new infrastructure, and a growing regional defence posture are firmly back on the agenda.

The Federal Government wants to develop northern Australia as part of a nation building program to secure the national economy into the next century and meet the enormous growth taking place a few hours to our north in South East Asia.

At the same time Defence is playing an important role in the regional security of the same area.

Vice Admiral Ray Griggs said in June this year that, “The South China Sea in particular remains a crucial area of interest for us with around 40% of our 2-way trade needing to pass safely through these disputed areas.

The Deputy Commander of the U.S. Marine’s in the Pacific, Major General Richard Simcock, was recently quoted as saying that the best way to maintain a high “level of security in this evolving region is through allies, partners, friends, but it’s also about being here.

The synergies are obvious.
The Northern Territory has become the strategic edge of Australia’s Defence and much of the infrastructure that is needed is an imperative for both Defence and the general Territory population.

Expanded port facilities, better roads, housing, and lots of it, rail links from east to west, industrial areas to accommodate service and support businesses, and supporting infrastructure such as reliable water supplies, power, and waste management.

They are the obvious needs we have in common.

Obviously there are lot of requirements for more capacity and that’s what we’re moving to deliver.

The federal government is committed to supporting the Territory’s approach to developing northern Australia and we have been lobbying hard to ensure the Territory leads that development agenda.

The Joint Select Committee on Northern Australia tabled its Pivot North Report into northern development last month and it makes several references to Defence, including a recommendation “that the Australian Government consider relocating additional Defence assets to Northern Australia in accordance with the recommendations of the Defence White Paper”.

Of course there is a new Defence White Paper being developed and I’m confident the Territory will get more than a passing mention.
The Joint Select Committee into Northern Australia is also developing a White Paper and there are good reasons to believe there will be a significant collaboration between the two.

The Pivot North report calls for a number of key infrastructure developments.

The first and possibly most significant is an upgrade of the Territory’s road network including major improvements to the Tanami road to open up the western side of the Territory through to Halls Creek and into Western Australia, an upgrade of the Stuart Highway and the possible surfacing of many of our cattle access roads.

That will help open up large areas of the Territory and allow Defence to move around the area much more efficiently.

The report calls for a feasibility study into a rail link from Mt Isa to Tennant Creek which would allow Defence to move supplies and heavy equipment by rail between its bases in Townsville and Darwin.

It mentions upgrades to port facilities with obvious benefits for international trade and the Navy and it recommends a study into special economic zoning to encourage more investment,

Now I know we haven’t seen the Defence White Paper yet but there are certain things we do know.
Defence is committed to a major upgrade of Tindal Airforce Base at Katherine to accommodate the F35 Joint Strike fighter, an upgrade estimated to be worth almost $500 million.

Australia has also committed to the purchase of a number of MQ-4C Triton unmanned aircraft to patrol our ocean approaches and Tindal would be a logical base for those as well.

The UAV’s can stay airborne for up to 24 hours and basing them at Tindal maximises their operational reach without having to fly over built up areas.

At the same time, the US and Australian governments are investigating options for increased co-operation with the US Airforce with my support for US aircraft using Tindal for training and exercises.

The scope for local business to become involved at Tindal is enormous and I suspect the $500 million figure for works at Tindal is just a trim tab of what’s really coming.

The Land 400 Armoured Vehicles project will replace the ageing ASLAV’s that have served us so well in Iraq and Afghanistan with new prototypes to begin trials over the next 18 months and a successful supplier selected from those.

It’s highly likely that many of the new vehicles will be based in the Northern Territory.
The reconfiguration of 1st Brigade here in Darwin under plan Beersheba will see more Bushmaster armoured vehicles based here and the Rheinmetall MAN heavy vehicles are due to begin arriving here in 2016.

There is enormous scope for local business to service and support a great deal of this hardware.

Just yesterday I officially opened a new facility for RGM Maintenance,

A company that has made a living out of servicing specialist vehicles for Defence all over Australia.

RGM has established its new facilities in Darwin’s Defence Support Hub, something that was known as a white elephant for many years, a 53 hectare industrial park near Palmerston and I expect it will be surrounded by other businesses doing similar things in the very near future.

I also acknowledge the extended role of Transfield, one of the sponsors here today, that is playing an increasingly important role in the Territory servicing Defence and employing more than 2000 Territorians.

The major area of operation for Australia’s Navy is predominantly the region to the north of Australia.

This presents the Northern Territory with the opportunity to use its geographic advantage as a Major Fleet Unit Support Centre.

It wouldn’t be a base for large vessels but rather an operational port facility for Australian and foreign vessels operating in the region.
It could provide berthing for vessels, maintenance support, resupply, and R and R for crews in a modern tropical city.

We know Defence is considering the development of new wharf facilities in Darwin Harbour and a Marine Maintenance Facility within the proposed Marine Industry Park at East Arm would offer significant advantages to Defence for the maintenance of the Armidale Class Patrol Boats and their future replacement.

We also supportive of places like the Tiwi islands being considered as part of the larger naval picture.

The Force Posture Agreement between Australia and the United States has cleared the way for U-S Marine rotations to the Territory to increase to 2500 personnel, well above the 1500 here this year, and we are supportive of this arrangement being expanded.

It demonstrates the U-S commitment to the Asia Pacific and Indian Ocean regions and it also opens up the potential for more large scale training exercises in and around the Territory, with military activity here likely to increase significantly over the coming years.

We have some of the biggest military training areas in the country including Bradshaw, Mount Bundy, Kangaroo Flats and Delamere and extensive tropical and arid areas that could be developed into new training areas for specialist programs.
I encourage Defence and the Federal Government to work closely with the Central Land Council and engage in talks about future training needs in the Northern Territory.

Many other countries don’t have the clear air, sea and land areas to conduct military training like we do.

Singapore for example has land forces equipment based in north Queensland and undertakes training at Shoalwater Bay.

Exercise Pitch Black held here in August involved fighter jets and crews from 7 nations and Exercise Kakadu hosted warships and aircraft from 5 nations and observers from a further 10 countries.

We estimate these two exercises alone injected more than $25 million into the Territory economy.

There is a joint Australian, Chinese and United States survival training exercise currently underway based out of Larrakeyah Barracks.

Defence is pretty cagey about announcing major exercises too far into the future but we can be certain that as our influence in the Asia Pacific grows so too will our need to train with our friends to the north and that will involve significant spending here in the Territory.

I am planning to travel the U-S early next year to encourage the Marines to use local suppliers wherever possible and increase their numbers in the Territory and as their numbers grow I expect that the impact on the local economy will become increasingly significant.
I have already appointed a Director-General of Strategic Defence to liaise between Defence, business and government on future projects and we are in the process of appointing a Strategic Defence Advisory Committee.

I’ve recognised in the Territory Government that we need to increase capacity in local industry and we have to work very closely and diligently with Defence to strategically increase the capacity in the local environment and we also have to work closely with other international Defence forces so that we can support an expansion here in the Territory.

We have reached an important juncture in the history of the Territory and Australia’s defence.

72 years after the bombing of Darwin, Australia is again involved in combat operations and Territory servicemen and women are heading north to fight a new enemy.

Almost 10% of Australia’s permanent defence personnel are now based in the Territory, 70% of the Army’s Main Battle Tanks, and 20% of the RAAF’s air combat capability is based here.

The Territory’s role in the Defence of Australia is growing by the day, and we have a duty to look after our Defence force personnel and provide all the support that they need.

The Federal Government is working on two White Papers that will set the course of that relationship for decades to come and it is important that we get the balance right.
Our strategic needs have married up with the norths economic needs and growth into Asia and both Defence and the Northern Territory have embarked on an enormous period of growth.

From where I stand as the Chief Minister of the Northern Territory I don’t look to the south I look to the north and see countries like Thailand and Indonesia with 53 million people and Timor and Singapore and Malaysia and the Philippines and Cambodia and then I start looking toward the broader countries of China and Japan and within that region there are 498 million people.

That’s where the future of our economy is and that’s where our strategic defence force pivot needs to be going forward.

I do a lot of engagement in those countries talking about growth of the economy and social and cultural exchanges and the conversation quite often comes up about Defence and the role of the Northern Territory and I talk about the opportunities in the geopolitical environment and our ability to respond to a humanitarian crisis. There are lot of people out there from different nations who are interested in Defence and I always tell them that I am firmly committed to Defence in the Northern Territory and northern Australia.

We have the most economically significant region and increasingly socially significant region in the world on our doorstep and Darwin and the Northern Territory and northern Australia has an opportunity to lead that region economically, socially, culturally, environmentally and most importantly for this conference domestic Defence.
I recognise the gaps in the Northern Territory and how we respond to industry requirements and Defence needs.

We have to be smarter about how we respond to that and the Northern Territory government and the Australian government need to work together so we can meet the needs of Defence and pursue our joint interests economically in Defence together.

I’m certain that the structures we’ve put in place will allow us to support Defence into the future and build our capacity locally to tackle some of those issues.

In the decades to come I think we will be very well placed to meet the needs of our growing population and provide the support Defence needs in our region.

Thankyou very much for the opportunity to talk today.