

19. DPC011/98CS

State Government Submission to Department of  
Defence Review of the Future of Woomera  
**APPROVED**

*All Ministers*

Not Relevant

19.

## CABINET COVER SHEET

1. **TITLE** State Government submission to the Department of Defence review of the future of Woomera
2. **MINISTER** Premier
3. **PURPOSE** To seek Cabinet approval for a South Australian Government submission to the review to be sent to the Minister for Defence.
4. **RESOURCES REQUIRED FOR IMPLEMENTATION:** None
5. **RELATIONSHIP TO GOVERNMENT POLICY:** Consistent with State Development policy.
6. **CONSULTATION:** Comments on a draft submission were received from The Departments of Primary Industries, Human Services, Education, Training and Employment, Environment, Heritage and Aboriginal Affairs, Administrative and Information Services and Treasury and Finance.
7. **FAMILY IMPACT STATEMENT:** No impact
8. **URGENCY** Urgent. The Department of Defence plans to finalise its report on the review in May 1998.
9. **RECOMMENDATIONS:** It is recommended that Cabinet approve that the attached submission to the Department of Defence review of the future of Woomera be forwarded to the Minister for Defence.



JOHN OLSEN  
Premier

3/ March 1998

**TO CABINET**

**STATE GOVERNMENT SUBMISSION TO DEPARTMENT OF DEFENCE REVIEW  
OF THE FUTURE OF WOOMERA**

**1.0 PROPOSAL**

That Cabinet approve the attached submission to the Department of Defence review of the future of Woomera.

**2.0 BACKGROUND**

- 2.1 The population of Woomera has declined from its 1960s peak of nearly 7,000 to its current level of around 1,200. This population is being sustained by the activities of the US Air Force/Australian Department of Defence Joint Defence Facility at Nurrungar. Continued viability of the Woomera township following the withdrawal of the US Air Force and closure of Nurrungar in 2000 is problematic. In the absence of any alternative defence or commercial activities being located in the region, this withdrawal is expected to result in the local population falling to less than 200.
- 2.2 Historically, the Department of Defence(DOD) has built, maintained and operated public facilities in the area. The State Government has provided teachers, a magistrate and police. The DOD has previously sought to pass responsibility for all public assets to the State. Negotiations with the Commonwealth have resulted only in the transfer of the power line and the hospital from the Commonwealth to the State as these facilities could also service the Roxby Downs development. Previous studies, the most recent by the Commonwealth-State Woomera Working Party in 1995, have considered the feasibility of the State taking over the administration and control of public infrastructure and facilities. These studies have indicated that, in the absence of alternative permanent activity that would significantly increase population in the Woomera region, there is no case for the transfer of any further assets from Commonwealth to State ownership, or the establishment of conventional municipal government in the area.

2.3 The Commonwealth recently conducted the Defence Efficiency Review which identified scope for significant efficiency gains in DOD. The Department is now implementing the Defence Reform Program which is intended to achieve a cost savings target of \$1 billion per annum, through asset sales and reductions in inventories, outsourcing and rationalisation of support services. The current review of the future use of Woomera is part of this reform program, which is guided by an overriding objective to develop and maintain appropriate defence capabilities in Australia. DOD has expressed the view that in making decisions about the future level and location of defence activities in Australia, regional economic impacts will not be a primary consideration.

### **3.0 DISCUSSION**

3.1 The aim of the current DOD internal review is to "define Defence's current and future requirement to use the Woomera area, to determine appropriate strategies including support arrangements and to assess the need for continuing Defence ownership of the Woomera township." A copy of the terms of reference for the review is at Attachment 1. A final report is to be prepared by early May 1998. It is likely that the DOD review will recommend continued use of key defence infrastructure in the Woomera Prohibited Area, but discontinuance of full Commonwealth maintenance of the Woomera township and transfer of some responsibility for township assets to the State Government, or commercial interests in the region, such as Western Mining Corporation.

3.2 For some time the Department of Industry and Trade has been seeking to attract investment into the Woomera area, but these efforts have been constrained by continued uncertainty surrounding the future of Woomera post 2000. The success of any investment attraction strategy depends on the continued maintenance of the Woomera township facilities and power and water systems. Recent experience in attracting the Kistler project to Woomera, and Singaporean interest in using the area for advanced jet pilot training, has demonstrated that the availability of township facilities is a critical factor influencing investment decisions. These two activities alone, however, will not be sufficient to sustain a viable township.

3.3 The Department of Industry and Trade, together with the Department of the Premier and Cabinet, has prepared a submission to the review which is at Attachment 2. The submission focuses on the potential for defence and defence related activities as this is the primary interest of DOD, as reflected in the terms of reference for the review, but also because these activities are regarded as core activities which are critical to the long term viability of Woomera.

The main arguments presented in this submission are:

- The national and regional strategic significance of the Woomera prohibited area and township.
- The potential for a combination of alternative defence and non-defence activities in Woomera.
- The possibility of improving the economic viability of Woomera as a defence asset by sharing both capital and operating costs amongst a number of defence and non-defence users.

The submission recommends that Defence:

- Recognise that the WPA and the Woomera township are inextricably linked strategic assets that should be considered as an integrated entity, particularly from a future Defence and industry capability development perspective.
- Establish a body similar to the former Woomera Working Party to facilitate Commonwealth-State cooperation in the development and implementation of plans to secure the future of Woomera.
- Embrace the concept of promoting Woomera internationally as a test range and LEO satellite launch site and mining base with a view to attracting fee paying customers to help offset the costs associated with the upgrade and maintenance of facilities and infrastructure. Implicit in this concept is the designation of a single controlling authority for Woomera.

The submission does not discuss the range of strategic and operational issues which need to be addressed to manage the transition to any new management or ownership arrangements for the various facilities in the area post - 2000, as a detailed discussion of these issues is contained in the 1995 report of the Woomera Working Party.

### 3.4

#### 3.4.1 Economic, financial and budget implications.

The proposal has no immediate economic or financial implications. Commonwealth decisions on the future of Woomera, following the review, will ultimately have an influence on the level of economic activity in the Woomera region.

#### 3.4.2 State development, social, environmental and other impacts

While this proposal has no direct impacts, the Commonwealth response to the review will eventually impact on the Woomera area.

#### 3.4.3 Staffing implications

There are no staffing implications from this proposal. Participation in the Commonwealth-State working group proposed in the submission can be achieved within existing staff resources of DIT and DPC.

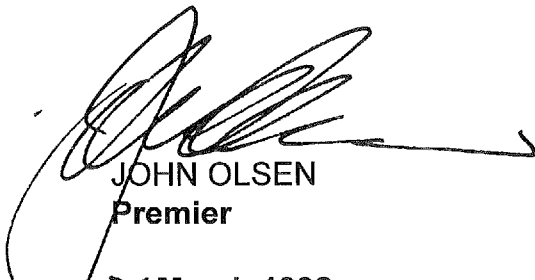
#### 3.4.4 Consultation

The Departments of Primary Industries, Human Services, Education, Training and Employment, Environment, Heritage and Aboriginal Affairs, Administrative and Information Services and Treasury and Finance provided comments on a draft submission which have been taken into consideration in finalising the document.

Western Mining Corporation has advised that they value the social benefits of the Woomera township. They have a desire to see it remain viable and have therefore endeavoured to direct business activity towards Woomera during their expansion. However in longer term they see Roxby Downs as continuing to expand and do not regard Woomera as a substitute.

## 4.0 RECOMMENDATIONS

It is recommended that Cabinet approve that the attached submission to the Department of Defence review of the future of Woomera be forwarded to the Minister for Defence.



JOHN OLSEN  
Premier  
2 / March 1998

## REVIEW OF DEFENCE INVOLVEMENT IN THE WOOMERA AREA

### TERMS OF REFERENCE

#### Aim

1. The aim of the review is to define Defence's current and future requirement to use the Woomera area, to determine appropriate strategies including support arrangements, and to assess the need for continuing Defence ownership of the Woomera township.

#### Issues to be Considered

2. In particular, the review is to cover:
- a) Defence activities currently undertaken in the Woomera area;
  - b) the costs associated with Defence's presence;
  - c) significant future events (eg. closure of Nurrungar) and their implications;
  - d) the implications of the possible presence of the <sup>public</sup> Royal Singaporean Air Force;
  - e) the implications of proposed or potential use of Woomera by allied Defence organisations;
  - f) the potential support of non-defence activities (eg. Kistler Corporation);
  - g) opportunities for regional rationalisation, and any constraints on market testing, of corporate service delivery and management;
  - h) the major issues that would need to be considered should Defence seek to divest itself of the Woomera township, including the possible transfer to the State government or to Western Mining Corporation;
  - i) any implications for pastoralists in the Woomera area;
  - j) the implications for Defence activities in the Woomera area of the proposed National Radioactive Waste Repository; and
  - k) the implications of aboriginal land claims.

#### Consultation

3. As necessary, there will be consultation with relevant Defence Programs, including HSPP, HIP, DCAF and ASSCM.
4. As necessary, and in liaison with the relevant Defence areas, there will be consultation with Commonwealth and State departments.

## SOUTH AUSTRALIAN GOVERNMENT

## SUBMISSION

**DRAFT**

To the

**REVIEW OF DEFENCE INVOLVEMENT IN THE WOOMERA AREA****Scope**

As part of a general review of its estate holdings precipitated by a need to secure the savings identified in the Defence Efficiency Review (DER) and the Commonwealth Government endorsed Defence Reform Program (DRP) which flowed from the DER, a review of Defence involvement in the Woomera area has been commissioned.

This discussion paper, which has been prepared for consideration by Defence in its review, presents the South Australian Government's perspective of Woomera and its importance to the both Australia and the State.

**History**

The Woomera Prohibited Area (WPA), which currently covers approximately 127,000 square kilometres, the range instrumentation and the supporting infrastructure provided by the Woomera township or village were established in about 1947 in support of a joint UK Australian rocket testing and development program.

In support of the program and the Woomera activities the Long Range Weapons Research Establishment (LRWRE), now the Defence Science and Technology Organisation (DSTO), was established at a disused World War II munitions plant near Salisbury. This high technology activity was primarily responsible for the development of South Australia's defence electronics industry which is still the nation's leading defence electronics industry cluster.

With the decline of the UK and European weapons and space launch programs in the 1970's activity at Woomera was reduced. The joint US Australian Defence Facility Nurrungar with its large contingent of US service staff has helped sustain the Woomera township since its inception in 1970. However, this facility is to close around the year 2000 raising questions about the survival of the Woomera township and its infrastructure.

**Background**

While the township is located on Commonwealth owned land, the majority of the WPA is State Crown land of which approximately 60% is under pastoral lease. There is, therefore, a need for close collaboration between the Commonwealth and the State on matters affecting Woomera because of its social and economic impact in the region and potential as a catalyst for industry development.

Woomera, and the 127,000 square kilometres of the WPA, is viewed by the South Australian Government as a strategically important asset. It offers facilities and capability which are becoming globally unique as other similar ranges in the US and Europe suffer from increasing encroachment from urban sprawl, civil aviation incursion and a cluttered electromagnetic spectrum. It therefore offers potential for the development of an industry centred on aerospace and defence test and evaluation (T&E) with the added benefit of acting as a catalyst for the development of related supporting industry capability, including systems integration. While pressures on existing overseas ranges, particularly in the US, are growing rapidly they have not yet reached the point where the constraints have impeded inability to operate effectively, thus making Woomera a desirable alternative – it is, however, only a matter of time.

If a short sighted view is taken in regard to the maintenance of Woomera, and in particular the domestic support facility available in the township, Australia stands to lose an unique opportunity to become a major world player in open range testing. Previous decisions based on short term financial gains have cost the nation an aircraft industry, in particular the production of leading target drones (Jindivik). Such decisions have taken Australia from the fourth country in the world to launch a satellite to a non player in space based activities - we must avoid making a similar mistake with Woomera which has the potential to make Australia a leading global player in outdoor T&E range activities.

Many of the issues raised in the Terms of Reference ('TOR') for the Review of Defence Involvement in the Woomera Area are outside the purview of the SA Government and can only be addressed in detail by Defence. However, for those areas in which it is appropriate for SA Government comment our remarks are provided below. For convenience comments have been presented using the same identifiers as listed in paragraph 2 of the TOR

## **Commentary**

Terms of Reference specifically identified the following issues to be addressed :-

*a) Defence activities currently undertaken in the Woomera area.*

This issue is more an internal Defence matter, however it should also include projected future Defence use. The State Government is aware that the RAAF Air Basing Study (classified) identified Woomera as a major strategic asset with increasing demands being placed on the facility. While it is understood that it is more the WPA that is of value than the township, it is the Government's contention that for such an asset to realise its full potential it must be supported by appropriate domestic infrastructure.

GEN Baker, in a recent address to the Society of Military Engineers Conference in Adelaide, stated that Australia is rapidly losing its technological edge in the region. He indicated that our military superiority must therefore come from a more detailed understanding of the performance of our weapons systems and, in some cases, those that present a potential threat. This knowledge can only be derived from ongoing and increased T&E activities (Operational T&E, or OT&E). This activity demands access to appropriate range facilities.

Currently, it is estimated that 20% of each Major Capital Equipment (MCE) project is spent on T&E most of which is performed overseas. There is mounting pressure, for a variety of reasons related to the Defence self reliance objectives, to increase the amount of T&E performed in Australia, in particular those activities that provide sensitive information such as platform signatures and Electronic Warfare / Electronic Counter Measures / Electronic Counter Counter Measures (EW / ECM /ECCM) performance data. Woomera offers an ideal location for this work because of its quiet electromagnetic environment, isolation from potential eavesdroppers, unencumbered airspace and infrastructure.

Through MCE projects, industry may be prepared to invest in infrastructure development if the appropriate environment is established (business opportunities and commercial conditions). Discussion has been initiated with a number of acquisition and Capability Development areas within Defence in regard to increased EW T&E being conducted in Australia - with a view to exploring the potential for SA Government support of infrastructure development.

*b) Costs associated with Defence's presence.*

Again, this is essentially an internal Defence matter. However, to enable a balanced perspective of the costs of the Defence's presence at Woomera, it is suggested that analysis of both the costs and benefits should include consideration of the following :-

- Strategic value for defence purposes - it is difficult to cost this; however, the cost of performing the work overseas, assuming range access was even available in the future, is extremely high. Quite apart from the cost of deploying personnel and platforms overseas for protracted periods, US range fees are in the vicinity of \$US200,000 per range hour.
- The South Australian Government is unable to provide any detailed comment on this issue. However, it is anticipated that the review team would have access to internal Defence reports that assess, in a quantified way, the strategic value of Woomera (eg RAAF Air Basing Study) for defence purposes. Such reports may also identify key reasons for the retention of a more significant facility than simply care and maintenance of a limited range of the existing township facilities.
- cost of not maintaining township facilities - lost opportunity
  - Woomera has natural assets that are fast becoming a rare commodity globally for a range of defence and non-defence activities such as low electromagnetic noise levels, unencumbered airspace, long term sparsity of population, lack of urban encroachment and isolation which improves security / secrecy.
  - While on their own these features are currently not limiting enough to attract major foreign defence and commercial interests to utilise Woomera in any significant way, within 10 to 15 years they will become immensely valuable as these issues continue to restrict activities elsewhere in the world, particularly the US. Indeed, the US DoD has already indicated an interest in Woomera, and other Australian ranges, and conducted a high level visit in 1995 to view facilities and discuss collaboration with Australia (Note: the team was unable to visit Woomera on their trip due to schedule constraints).

- However, as noted in the Woomera Working Party Report (WWPR) it is essential that township facilities are maintained at a significant level to ensure that the cost of relocation of overseas ventures does not become prohibitive. Once the Woomera township facilities are downgraded too far, Woomera will no longer be considered as a viable option. Any interested parties will need to see operational facilities that adequately accommodate the needs of employees and their families in the short term - to re-create a viable township would simply be too costly and the short term hardship it would entail would be a significant disincentive. Consideration should be given to permitting non Defence residents to live in the township, including purchase of housing etc. to assist increase numbers.
- A strategic plan aimed at attracting a range of other ventures, both defence and commercial, to Woomera to allow significant costs to be recovered from users of facilities in terms of negotiated lease, rental or contract arrangements for access to facilities could be developed. It will also ensure a cash flow to maintain and upgrade facilities in line with the demand for township and other facilities. Such ventures will also continue to provide local and national flow on effects allowing the support and development of the defence related and commercial industries, as has been a strong feature of such activities in the past. Consideration should be given in the development of a strategic plan to turning the facility over to a commercial operator - ie commercialise the facility with Defence becoming a paying customer.

At present rates, a cost of about \$US200,000 per range hour would be required to undercut any likely opposition. Already Denel's Aerospace Group has established an outdoor test range, OTB, on a 43,000ha site in South Africa. OTB is being advertised globally as an aerospace test and satellite launch site. OTB is small and lacks its own airfield, however we understand it is attracting significant interest. Some instrumentation upgrade is necessary at Woomera, this is planned under a current project (MIS824) at an estimated cost of \$13.9m.

It is important to note that Woomera presents the benign environmental conditions essential to accurate measurement and tracking. The high humidity and proximity to northern neighbours makes places like Delamere unsuited for T&E activity, particularly for EW systems.

- Once facilities at Woomera are downgraded beyond a critical point any outside defence and commercial opportunities for Woomera will not eventuate. It is, therefore, important that consideration be given to mechanisms to sustain an appropriate standard of domestic support and residential infrastructure in Woomera.

c) *Significant future events (eg closure of Nurrungar) and their implications.*

Clearly, the closure of Nurrungar will mean the loss of a USAF presence which will reduce the population by some 900 US personnel and their dependents plus associated Australia support personnel. The population of the township may fall from 1200 to about 200, or less. It is this single event which presents the most immediate threat to the Woomera township and its facilities. Woomera may represent a viable option to further expansion of domestic facilities in Roxby Downs if an appropriate arrangement could be reached with WMC, this option should be fully investigated by Defence.

Woomera may offer an ideal location for "Base X" - the proposed new RAAF base mentioned in previous air basing studies.

d) *The implications of the possible presence of the Republic of Singapore Air Force*

Republic of Singapore Air Force (RSAF) presence at Woomera offers an opportunity to sustain the township and other infrastructure on a cost share basis. Even if the Singaporeans choose to live in Adelaide, there will be a need for Australian support staff to reside in the town. At present, the number of RSAF personnel involved are expected to lie between 200 and 280. Any down turn in these numbers may be compensated by increased Australian support personnel.

However, there are some impediments to RSAF occupation - not the least of which is an initial agreement with France to operate near Bordeaux for 2-5 years. While the RSAF presence will not compensate for the USAF withdrawal, it would provide a significant element of support.

Efforts could be made to attract similar use by other regional forces - this could be done through a purely commercial arrangement with a contractor run facility and ADF oversight. This type of use fits within the Government's stated desire for increased regional engagement.

e) *The implications of proposed or potential use of Woomera by allied Defence organisations*

Increased use of Woomera by allied forces (US, UK et. al.) for both training and T&E activities is feasible and likely in the longer term provided an adequate level of domestic infrastructure is maintained, for longer term occupancy and short term campaign based trials activity. Woomera should be considered for both airborne and ground training and testing (within the constraints imposed by environmental, pastoral and Native Title considerations).

f) *The potential support for non-defence activities (eg Kistler).*

Non defence activities, such as Kistler, represent real opportunities for Woomera. While space launch operations are few and far between, commercial aerospace testing and training activities may offer opportunities which should be explored more closely. Experience with Kistler has provided clear evidence of the effects of urban and civil encroachment on continental US ranges. Kistler's efforts to secure permits to operate from the Nevada Test Site were severely constrained by civil airspace and other encroachment. It is important to reiterate that if the current domestic facilities afforded by the Woomera township were not available it would be most unlikely that Kistler would have given the site serious consideration.

Woomera does not suffer from these constraints and is unlikely to be subject to encroachment in the foreseeable future. However, native title issues that must be addressed for commercial users presents a potential impediment (see point j.)

Mining is another activity with significant potential in the area. The Gawler Craton basin, which extends under the town of Woomera, is regarded as a highly prospective minerals region. In addition to world-scale coal and iron deposits, the area is highly prospective for precious and base metals. As a consequence some 25 exploration companies are active in the region ranging up to 200-300 km from Woomera. At this stage however, the only potential mine developments are located more than 300 kilometres from Woomera (but still within WPA), approximately 100 kilometres SW of Coober Pedy.

Already there are a number of highly prospective gold deposits, one of which is the subject of in-fill drilling prior to feasibility assessment as possible mining sites. Companies are also actively exploring for base metals, in particular for Olympic Dam style mineralisation, as well as diversifying into industrial minerals.

Under the Regional Minerals Program the commonwealth and the State, through the Department of Primary Industries and Resources, has engaged a consultant to conduct a survey of the available infrastructure servicing the Gawler-Craton (geological region to the west of Woomera). Contact with Defence Support Centre Woomera (Mr Joe van Homelen) will be made during the survey. This survey will be used as a resource for any developing mining interests in the region

Woomera is the largest service base on the North Gawler Craton and could have a future role as a location for supplies and outsourced electrical/mechanical services. Thus, in the light of the mining potential of the Gawler Craton region and the role Woomera could play as a residential and industry support base, it is important that its infrastructure is maintained at a level that would act as an attractant and permit rapid re-activation.

As discussed earlier, there are emerging opportunities that will support Woomera in the long term. However, the real issue is the provision of support in the shorter term to ensure that sufficient infrastructure is maintained to support the establishment of new activities.

Defence stands to gain from the commercial exploitation of Woomera through sharing of the cost of maintaining the infrastructure. Furthermore, the establishment of a space launch and satellite capable industry offers significant strategic advantages to Defence – even if it only serves as a catalyst to develop high technology industry capability.

g) *Opportunities for regional rationalisation and any constraints on market testing of corporate service delivery and management.*

(It is assumed that this means SE Asia rather than within SA.) Woomera offers a weapons and aerospace testing facility not available elsewhere in the SE Asian region. Furthermore, Woomera is also becoming more attractive to the US, UK and Europe as the tyranny of distance is overshadowed by the pressures on ranges in those regions. Therefore there is potential to attract more fee paying users if the appropriate security and other arrangements are implemented. Increased foreign use of Woomera may be more easily achieved through a commercial operator arrangement under Australian Defence oversight. It is recommended that full commercialisation of Woomera, as an operational entity, be fully investigated.

h) *The major issues that would need to be considered should Defence seek to divest itself of the Woomera township, including the possible transfer to State Government or to Western Mining Corporation.*

The expected decline in the population following the closure of Nurrungar will have a significant impact on the viability of the regional economy and delivery of Government services to both Woomera and the surrounding region. Potential impacts following the closure of Nurrungar on maintenance of public infrastructure and delivery of Government services to households and industry were investigated by the Woomera Working Party (WWP) in 1995. It is suggested that Defence refer to the WWP Report and consider its recommendations regarding the development and implementation of government services in the region.

i) *Implications for pastoralists in the Woomera area.*

Primarily, the issues for pastoralists relate to the maintenance of water, power, and hospital facilities in the region.

- The effect of downgrading or removing access to water, sewerage systems and electricity on pastoralists and other regional users, in the short and long term need to be assessed.
- Medical and hospital facilities are important for the region. In the event of a substantial fall in the population of Woomera it would be extremely difficult to maintain and staff the hospital and deliver the current level of services to the region.

j) *The implications for Defence activities in the Woomera area of the proposed National Radioactive Waste Repository*

This an issue for Defence consideration, however if the repository is sufficiently remote from areas in which personnel are likely to operate the risk to human health is small, although there is generally a significant emotive reaction to any mention of radioactive materials regardless of real risk. Potential for accidental impact of a weapon is assessed as low given the small size of the repository compared with the large areas involved. Nevertheless, if the Woomera area is to find increasing use for testing missiles and other weaponry the risk of inadvertent impact of a projectile on the repository leading to dispersion of the radioactive material must be properly assessed.

*k) Implications of aboriginal land claims.*

Undoubtedly Native Title Claims will act as a deterrent to expanded use of the WPA. If future activity involves areas outside Commonwealth owned land negotiation of any agreements for access to the land may involve both State and Commonwealth. Although prior freehold ownership of land is considered to extinguish native title, careful consideration needs to be given to the Commonwealth relinquishing ownership of current land assets if there are sensitivities associated with future use.

### **Other Issues**

Currently, potential commercial users of Woomera must navigate through the maze of Defence players involved in the control of Woomera to gain the necessary approvals for any planned activity at the range. While this process is facilitated by the Area Administrator, Defence Support Centre Woomera, the necessary authority to conclude an agreement does not rest with the Administrator.

While it is recognised that within Defence there are many stakeholders in Woomera, it is essential, if Woomera is to have a future, that a single authority with clear responsibility (and authority) for management of all aspects of Woomera, including ongoing development and the promotion of the facility, is established. The State Government would be willing to work with the designated authority in marketing Woomera, handling future commercial opportunities and dealing with issues relating to the direction of the township. This cooperation may be through the establishment of a body similar to the former Woomera Working Party.

### **Conclusion and Recommendations**

Woomera and the WPA are significant strategic assets with significant potential to develop a globally competitive outdoor test range business. However, such business opportunities are only just evolving and will not reach commercially sustainable proportions for approximately 10 years. Unless the existing infrastructure is maintained and upgraded in some areas the full potential of Woomera will never be realised. Maintenance of Woomera represents an investment in the future. From a State perspective Woomera offers potential for economic growth in the region in high technology aerospace and weapons testing industries.

Woomera, if properly supported and exploited, will act as a catalyst for the development of significant indigenous capability in T&E and will have the potential to attract systems integration activity. Using the rough rule of thumb that 20% of any MCE project is spent on T&E, it can be shown from the "Pink Book" that aerospace projects alone will consume some \$1.5bn in T&E over the next 10 years. With the appropriate policy direction and support for Woomera some of this work could be performed in Australia with significant savings to Defence.

This discussion paper has presented, albeit in a brief manner, arguments and suggestions for the ongoing support and maintenance of Woomera. It is hoped that because of the significant impact any decision on the future of Woomera will have on the State consultation at senior levels will occur before irrevocable commitments are made by Defence.

It is recommended that Defence :-

- (i) Recognise that the WPA and the Woomera township are inextricably linked strategic assets that should be considered as an integrated entity, particularly from a future Defence and industry capability development perspective.
- (ii) Establish a body similar to the former Woomera Working Party to facilitate Commonwealth / State cooperation in the development and implementation of plans to secure the future of Woomera.
- (iii) Embrace the concept of promoting Woomera internationally as a test range and LEO satellite launch site and mining base with a view to attracting fee paying customers to help offset the costs associated with the upgrade and maintenance of facilities and infrastructure. Implicit in this concept is the designation of a single controlling authority for Woomera.