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SECRETARY,  
DEPT. OF THE NAVY



Referred by Direction for  
attention and reply.

COMMONWEALTH OF AUSTRALIA  
P'ense.

*M. J. J. J.* 27 7 69  
PRIVATE SECRETARY TO THE  
MINISTER FOR THE NAVY

MINISTER FOR THE INTERIOR  
Parliament House,  
CANBERRA. A.C.T. 2600

4 JUL 1969

My dear Minister,

I refer to your letter of 11 June 1969 in which you request that I reconsider my opposition to the original Shoal Bay site for the projected new receiving station on the basis that:

- (a) After a period of twenty years it may be necessary to resume the buffer zone for civil development.
- (b) During the twenty years it may be possible, especially during the latter half of the period, to reconsider the need for a buffer zone of this size, depending on the "state of the art" at that time.
- (c) After twenty years it may be possible to re-locate the aerial systems only and use some means of remotely connecting them to the equipment in the Shoal Bay operational buildings.
- (d) Should it be decided to vacate the Shoal Bay site the buildings would undoubtedly have considerable commercial value.

I note your statement that a comparison of the economics of Shoal Bay and the alternative site at Sanderson indicates that the overall costs of building now and subsequent maintenance at Shoal Bay and then of moving and rebuilding elsewhere in twenty to twenty five years time would not be significantly greater than those which would be incurred by locating the station in the first place at Sanderson.

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Under these circumstances I would now be agreeable to Navy's occupation of the Shoal Bay site for a twenty year period. This agreement is on the condition that nothing will be done in the future to prejudice a move in twenty years time without my prior approval. For example, there should be no investment of a kind which cannot be satisfactorily amortised over the remainder of the period. A further condition would be that Navy would be prepared to consult with Interior at any time at the latter's request about the position at the end of the twenty year period.

If this arrangement is acceptable to you I will take steps for the acquisition of the necessary land.

Yours sincerely,

  
(P. J. NIXON)

The Honourable C.R. Kelly, M.P.,  
Minister for the Navy,  
Parliament House,  
CANBERRA. A.C.T. 2600