



Australian Government
Department of Defence
Capability Acquisition and
Sustainment Group

Head Maritime Systems
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EC21-001303
HMS/2021/OUT/025 (BM25996505)

Secretary

Senate Standing Committee on Foreign Affairs, Defence and Trade Legislation Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Secretary,

LETTER OF CORRECTION—ADDITIONAL ESTIMATES 24 MAR 2021

I write to correct evidence that I gave at the hearing for Additional Estimates held on Wednesday 24 March 2021. I stated that:

“I’ll just provide some slight context around this project. We were given \$350 million in the FSP to do a life-of-type extension to the Armidale-class patrol boats. In late 2019 Austal gave us an unsolicited proposal to build those six Capes, which we took up. It represented very good value for money: \$324 million at the time, a continued 400 jobs with Austal and a 67 per cent AIC.”

I wish to correct my evidence with the following information:

“In late 2019 Austal provided Defence with an unsolicited proposal to build six Cape Class Patrol Boats which we duly considered and then took up. The acquisition was funded through the Approved Major Capital Investment Program, with the Force Structure Plan publicly confirming the total funding allocation for the project of \$350 million. The proposal represented very good value for money: \$324 million at the time, a continued 400 jobs with Austal and a 67 per cent AIC.”

Yours sincerely

Wendy
Malcolm

Digitally signed by Wendy
Malcolm
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WA Malcolm, CSM
Rear Admiral, RAN
Head Maritime Systems
Capability Acquisition and Sustainment Group

April 2021