

**Submission to Foreign Affairs, Defence and Trade Committee review of the
Department of Defence Annual Report 2015-16**

Dr Andrew Davies Australian Strategic Policy Institute
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Thank you for the opportunity to make a submission to the Committee's review of the 2015–16 Defence Annual Report (DAR). My comments are in fact not confined to the current DAR, but concern the quality and quantity of information in Defence's reporting more broadly. The lack of transparency in Defence public reporting is lamentable.

My professional interest is mainly focussed on capability development and acquisition. In those areas I can compare Australia's reporting with that of the United States. Each year the Pentagon provides copious detail regarding its procurement activities, providing many hundreds of pages of detailed tables and charts that allow the progress of projects to be analysed and tracked against milestones. The depth and fidelity of detail allows for quite detailed analysis of even relatively small acquisitions.

In contrast, our DoD provides a few qualitative paragraphs about the largest projects, and some aggregated data that allows—at best—for broad brush analysis. The Australian National Audit Office provides a little more detail, but only retrospectively, and the baselines against which performance is measured are changeable. Often we get more information about Australian procurement activities from American sources than from our own.

ASPI's job as a provider of independent advice is made much more difficult by the lack of detail in DoD reporting. And this is not a new phenomenon; in 2009 my colleague Mark Thomson and Mr Leigh Purnell produced a commissioned report for the Defence Department that examined the scope for a greater release of information regarding defence capability planning. Sadly, I think the situation is worse now than it was then. I commend the report (attached) to the Committee, as I think many of its recommendations remain valid today.

I would be happy to talk to the Committee to expand on these thoughts.

Andrew Davies
Director, Defence and Strategy Program
Australian Strategic Policy Institute
1 February 2017

Attachment: *How much is enough? The disclosure of defence capability planning information*, by Mark Thomson and Leigh Purnell