



PARLIAMENT of AUSTRALIA

MEDIA RELEASE

Joint Committee of Public Accounts and Audit

Inquiry into Defence Sustainment Expenditure

Issue date: 20 March 2018

Improving transparency in Defence spending

The Joint Committee of Public Accounts and Audit [report](#) into Defence Sustainment Expenditure has found several areas in which the Department of Defence (Defence) can improve its reporting of spending on sustainment of Defence assets.

The Committee's report makes six recommendations aimed at continuing to drive improvements in transparent reporting of Defence sustainment expenditure, recommending that Defence:

- report on the progress of various matters, including reforms arising out of Defence's *First Principles Review*, the Systems Program Offices review, the whole-of-life costing model, and selecting a candidate to run the Major Projects Office
- report on behavioural changes that have accompanied improvements in internal performance reporting
- ensure a 'clear read' of financial and descriptive performance information across its Corporate Plan, Portfolio Budget Statements, Portfolio Additional Estimates Statements, and Annual Report
- consolidate this information online to allow for easy scrutiny of expenditure
- direct hard copy or PDF Defence Annual Report readers to the presence of further information available online

The Committee also recommended that the Australian National Audit Office consider reviewing Defence's internal Monthly Reporting System to determine whether reporting to the Minister and Secretary has improved and is timely and accurate.

The Defence sustainment budget is expected to grow year on year across the forward estimates, to over \$11 billion in 2020-21. The percentage of sustainment budget to acquisition budget will average 77 per cent across the forward estimates.

Media inquiries:

Office of Senator Dean Smith, Chair, Joint Committee of Public Accounts and Audit, on (02) 6277 3707 (Parliament House).

For background information:

Committee Secretariat on (02) 6277 4615 or email jcpaa@aph.gov.au

Interested members of the public may wish to track the committee via the [website](#). Click on the blue 'Track Committee' button in the bottom right hand corner and use the forms to login to My Parliament or to register for a My Parliament account.

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