

UNCLASSIFIED



Australian Government
Department of Defence

Mr Dennis Richardson
Secretary

Air Chief Marshal Mark Binskin, AC
Chief of the Defence Force

SEC/OUT/2015/78
CDF/OUT/2015/439

Dr Andrew Southcott MP
Chair
Joint Committee of Public Accounts and Audit
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Dr Southcott

We write to you in response to the Joint Committee for Public Accounts and Audit – JCPAA Report 447: Review of Auditor-General’s EBPC Act, Cyber Security, Mail Screening, ABR and Helicopter Program Reports Nos 32-54.

The report contains a recommendation which relates to matters that are the responsibility of the Department of Defence. We have reviewed the recommendation and consider that it should be categorized as ‘administrative’ rather than ‘policy’ in nature. Enclosed is an executive minute in response to the recommendation which the Department of Defence agrees in principle and that has been agreed by the Minister for Defence.

If you require further information on this matter, Defence’s point of contact is Mr Mark Jeffries, Acting Assistant Secretary Ministerial and Corporate Support Branch, who can be contacted on (02) 6265 7897 or via email at mark.jeffries1@defence.gov.au

Yours sincerely

Handwritten signature of Dennis Richardson in black ink.

Dennis Richardson
Secretary

Handwritten signature of M. D. Binskin, AC in blue ink.

M. D. BINSKIN, AC
Air Chief Marshal
Chief of the Defence Force

18 May 2015

19 May 2015

Enclosure:
Executive Minute



Australian Government
Department of Defence
Defence Materiel Organisation

EXECUTIVE MINUTE

on

**JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT
REPORT No.447**

*Review of Auditor-General's EPBC Act, Cyber Security, Mail Screening, ABR and
Helicopter Program Reports Nos 32-54 (2013-14)*

Response to the recommendation(s)

Recommendation No.10 paragraph 6.45

The Committee recommends that the DMO allocate adequate resources to measure the delivered Australian Industry Content in its acquisition and sustainment contracts. Considerations should be given to publishing these figures either through the Portfolio Budget Statements or the Major Projects Report.

Response: The Department of Defence supports this recommendation in principle.

In principle, Defence supports the Committee's recommendation to publicly report the Australian industry content of Defence's acquisition and sustainment contracts.

Through the development and release of the Defence White Paper 2015, and the Defence Industry Policy Statement, the Government will announce new measures that will improve the transparency in reporting the value of Australian industry's involvement in Defence's activities across the enterprise.

Signed by

Michelle Kelly
Head Defence Industry Division
Defence Materiel Organisation
Department of Defence

Steve Wearn
A/General Manager Commercial
Defence Materiel Organisation
Department of Defence