

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

**Inquiry into the Impact of Defence Training activities and facilities on rural and regional communities – 20 November 2017**

### **ANSWER TO QUESTION ON NOTICE**

**Department of Defence**

**Topic:** EMOS Engagement

**Question reference number:** 1

**Senator:** Bridget McKenzie

**Type of question:** Spoken, Hansard pages 28 and 29

**Date set by the committee for the return of answer:** 15 December 2017

#### **Question:**

**CHAIR:** So, if I contacted the commandant at Puckapunyal, he would say, 'I'm happy to talk to you. This is who you go and see'—which is Broadspectrum, if they're the contractor. They have a designated point person, do they?

**Ms Jones:** They do. We have an EMOS manager assigned to most—

**CHAIR:** What's EMOS?

**Ms Jones:** Estate maintenance and operation services. Part of our base services contract is to appoint one of these EMOS managers to coordinate all our base services. The SADFO—the senior ADF officer—the base support manager and the EMOS meet regularly. We have base forums, and they continually communicate around what needs to happen on a base.

**Senator McKENZIE:** Do they only meet with each other on the base? What engagement does EMOS have with the local community?

**Ms Jones:** I might have to take that on notice.

#### **Answer:**

Formal arrangements are in place for the Base Support Manager and the Estate maintenance and Operation Services (EMOS) Manager assigned to that base, to meet on a regular basis. Some of these meetings include representatives of other contractors and Defence personnel working on the base.

Where activities directly impact on the local community EMOS contractors are required to engage with the local community. Previous examples of this include the conduct of neighbourhood letter drops when conducting asbestos removal or trimming trees on adjacent properties. There are also instances when community organisations use our sporting facilities and the EMOS contractor might lead routine engagement, and escalate any major issues of

concern to the Base Support Manager or the Senior Australian Defence Force Officer (SADFO).

The EMOS contractors engage with local industry, including local suppliers and trades people in the normal course of providing their contracted services to Defence. This engagement is focussed on ensuring continuity of Defence capability and developing effective relationships with local industry and suppliers.

The SADFO or Base Commanding Officer (COs) would lead general community engagement as part of their representational role, with support from the Base Support Manager and EMOS contractor as required. SADFOs/COs would also normally lead events such as Base Open Days



## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

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### **ANSWER TO QUESTION ON NOTICE**

Department of Defence

**Topic:** Defence White Paper/Bendigo

**Question reference number:** 6

**Senator:** Alex Gallacher

**Type of question:** Spoken, Hansard pages 32-33

**Date set by the committee for the return of answer:** 15 December 2017

#### **Question:**

**CHAIR:** Is anybody able to give us an update on the additional funding out of the defence white paper, particularly on what would be spent around Bendigo?

**Mr Patterson:** I've got some information for you on projects, perhaps, within Victoria. For around Bendigo we may need to take it on notice.

#### **Answer:**

The 2016 Defence White Paper provides for substantial investment in Defence geospatial-related capability, including additional workforce and enabling information systems. As part of the Australian Geospatial-Intelligence Organisation, the Bendigo site will benefit directly from this investment, including through the recruitment of additional personnel over the next several years and additional expenditure on geospatial information and production systems.

The 2016 Defence White Paper provides for workforce growth in Bendigo from 95 to 126 positions by 2020. To help achieve this growth, AGO has established a technical Traineeship in Bendigo which will commence in 2018. AGO has attracted 20 trainees, who are currently undergoing the security clearance process, and are scheduled to commence in two cohorts in January and April 2018. This investment in additional personnel will strengthen AGO's presence in Bendigo for the longer term.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

Inquiry into the impact of Defence training activities and facilities on rural and regional communities

### **ANSWER TO QUESTION ON NOTICE**

#### **Department of Defence**

**Topic:** SSCFADT - Inquiry into the impact of Defence training activities and facilities on rural and regional communities - 20 Nov 17 - Bendigo - Q10 - Puckapunyal Credit Card Spend - Gallacher

**Question reference number:** 10

**Senator/Member** Alex Gallacher

**Type of question:** 27 November 2017,

**Date set by the committee for the return of answer:** 15 December 2017

**Question:** CHAIR: I would ask you, on notice, to provide the credit card spend from Puckapunyal, in terms of purchases under \$10,000.

Ms Wood: We'll take that on notice.

CHAIR: Somewhere along the line, the local small businesses must be getting something.

Ms Wood: I'm not sure if we can provide it, but we'll definitely look into it. We do have an issue with being able to source where—when we purchase goods, we might purchase from a local provider who might be part of a bigger company and they might be located in a different location. It's difficult to get the actual spend in each location but we'll certainly have a look.

...

CHAIR: So, we could probably just finish on this: there's unfailing goodwill towards all the bases, all around the place. We never meet any criticism of the operation of the base. But what we're struggling to find is the evidence of small to medium enterprises benefiting economically out of perhaps the less than \$4 million spent. So, perhaps on notice you could take the credit card expenditure for Puckapunyal and perhaps use that as a bit of a case study on what is spent in the local community. It doesn't have the same problems of invoicing and payment over 100 days and all that sort of thing, because if you've used the credit card it's probably paid for over the phone, or instantaneously. So, it would be really useful if we could get some evidence about that.

Senator McKENZIE: And is it at the discretion of base command—

CHAIR: The cardholder.

Senator McKENZIE: yes, the cardholder—on which services to get where, if it's under \$4 million?

Ms Jones: No. The credit card will give you only a certain view. EMOS contractors are often approving works under \$5,000 and \$10,000 and pay through invoices—

Senator McKENZIE: Per invoice? Or in total over a financial year?

Ms Jones: It could be per invoice.

Senator McKENZIE: Or accumulated over a financial year, to the one supplier?

Ms Jones: It would be multiple invoices for multiple amounts that wouldn't be paid by a credit card. I'm just trying to explain that the credit card is just one avenue of payment. Let's talk about Broadspectrum, if we're going to talk about Puckapunyal. They would be approving works that would go to local subbies, I would hope. And you won't capture that on the credit card, is what I'm trying to explain. An issue for us, too, is—

CHAIR: Look, I'm happy if you broaden it a bit. You've been here for a very long time. You've obviously spent a lot of money in the community, but we just don't see—and we don't want any commercial-in-confidence, or—but it we could get a picture—

Senator McKENZIE: Quantify.

CHAIR: of how that incidental spend is benefiting the regional economy, it would be really helpful for other places which aren't as advanced as this.

Brig. Purdey: We may be able to, again, have a look at what we can actually show with regard to local purchase—within units. At the unit level, there are administrative staff who hold credit cards who can go out and make local purchases in the community, because it makes no sense, whether it's buying goods—it's generally not services; it's buying goods—that they would go to the local community, because it simply is of no advantage to them to try to go further beyond that. They need something on a daily basis or on a weekly basis. So, there are I think those provisions that we may be able to provide some detail about, because they certainly sit well below the \$4 million threshold, and they sit below that \$80,000 threshold, as well.

**Answer:**

The total spend in 2016-17 recorded on the Defence purchasing card system with postcodes covering the Puckapunyal-Seymour area was \$0.560 million (GST exclusive).