



Australian Government
Department of Defence

SEC/OUT/2016/24
CDF/OUT/2016/121

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

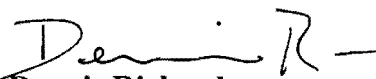
Dear Dr Southcott

We write to you in response to the Joint Committee for Public Accounts and Audit – JCPAA Report 449: Regional Development Australia Fund, Military Equipment Disposal and Tariff Concessions.

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 categorised as ‘administrative’ rather than ‘policy’ in nature. Enclosed is an Executive Minute in response to the recommendation. The Department of Defence supports the recommendation and this position has been agreed by the Minister for Defence.

If you require further information on this matter, Defence’s point of contact is Mr Damien Chifley, Acting Assistant Secretary Ministerial and Parliamentary, who can be contacted on (02) 6265 7897 or via email to damien.chifley@defence.gov.au.

Yours sincerely,

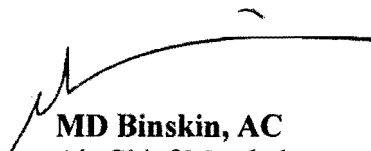

Dennis Richardson
Secretary

3 February 2016

R1-5-CDF Suite
PO Box 7900
Canberra BC ACT 2610

Enclosure:

1. Executive Minute


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

4 February 2016

EXECUTIVE MINUTE

ON
JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT
REPORT No. 449

*Regional Development Australia Fund, Military Equipment Disposal and Tariff
Concessions - Review of Auditor-General Reports Nos 1-23 (2014-15)*

Response to the recommendation(s)

Recommendation No. 6 paragraph 3.52

The Committee recommends that the Department of Defence develop comprehensive training programs, instruction procedures and handover briefs for all new Australian Military Sales Office staff.

Supported

In February 2015, the Australian Military Sales Office (AMSO) became the single point for governance and implementation of major capital disposals. This allows greater standardisation of processes and documentation. All disposals templates have now been reviewed and updated to reflect the improvements required following the issues raised by the ANAO Audit Report No. 19: *Management of the Disposal of Specialist Military Equipment*. All personnel in AMSO have been briefed in using the templates and are using the new documentation. The Director General AMSO reviews and signs off on all disposal strategies before progression to the relevant System Program Office and Capability Manager area for approval.

All AMSO personnel have been briefed on workplace health and safety requirements, including hazardous materials and standard processes are in place for personnel to follow.

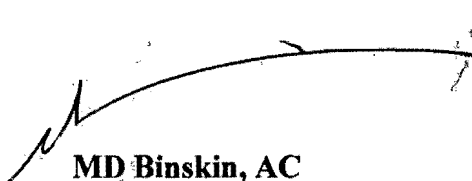
All AMSO personnel are currently undertaking a Diploma of Project Management, with the aim of improving overall skills and risk management across the Branch. Any new personnel will undertake similar training dependent on their background. Mentoring and on the job training will be provided in the use of AMSO's processes and templates.

An induction training course for new AMSO personnel has been developed and will be revised following the current review of Defence disposals policy. It is anticipated the training will be ready for delivery by February 2016, noting the Defence disposals policy is due for completion in December 2015.



Dennis Richardson
Secretary

3 February 2016



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

3 February 2016