



Submission No 5

Review of the Defence Annual Report 2011 - 2012

Organisation: Department of Defence – Questions on Notice

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Defence Annual Report 2011-2012 Hearing – 15 March 2013

Q2: Capability Maintenance Budget

Senator Fawcett asked on 15 March 2013 Hansard page 6:

- (1) Can you talk to us about the current state of the P3 fleet in terms of the spare parts availability, the current Christmas-treeing of aircraft on tarmacs, the reduction in contract work for local suppliers in providing spare parts - all of which says it is going to be a fairly large hurdle to reconstitute the fleet in a meaningful timeframe.
- (2) Also, what is the state of repair parts, in terms of RI items, and are those essentially being put back on the shelf unserviceable and not actually being put back out to contract to be reconstituted?

Response:

(1) and (2) The Chief of Air Force responded to the issue of Christmas-treeing of aircraft at the Hearing of 15 March. His response can be found in Proof Committee Hansard Parliamentary Joint Committee on Foreign Affairs, Defence and Trade Defence Sub Committee Defence Annual Report 2011-2012 on page 23.

With respect to Repairable Items (RI), the requirements to support P3 operations are well understood. The Maritime Patrol Systems Program Office of the Defence Materiel Organisation has a well established management plan to manage the various mission systems of the AP-3C platform. Overall, the state of these items is acceptable for a weapon system approaching its planned withdrawal date. Some critical systems are managed closely, which may involve specific items being removed from aircraft undergoing maintenance to support operations.

The RI management involves identifying maintenance requirements in an annual maintenance plan. Items are put into contract work in accordance this plan. Placing items back on the shelf unserviceable until they are evacuated to contractor facilities for maintenance is normal practice.

Over the period September to November 2012, inductions of items into some contractor facilities was slowed as budget positions were investigated, but inductions returned to forecast levels in December 2012.

FOREIGN AFFAIRS, DEFENCE AND TRADE JOINT COMMITTEE

Gen. Hurley: Don't start me, Dr Jensen!

Rear Adm. Walker: I thought I should not have raised that. We use the BMI as a screening tool and we also use waist-hip relationship measurements. There are clearly some individuals who have a very high muscular mass who have a very low body fat percentage, and that can be taken into account. There are other measurements you can do which are more sophisticated tests of measuring body weight. However, when recruiting restrictions were low there used to be a BMI of 30 and a body fat less than—it is different for males and females. It was relaxed to a BMI of 33, I believe, but you still needed to be fit in all other respects and you needed to be able to do the physical activities and the physical tests. In the majority of cases, people who are morbidly obese are morbidly obese. But sometimes, between 30 and 33, there are individuals—and Australian rugby players are some of them; no neck, big muscles—who are easy to pull out and make an assessment of.

Lt Gen. Morrison: But on every criterion, Senator Furner, you still have the machine gun!

CHAIR: It looks like I am stuck with the gun!

Dr JENSEN: There is just one of thing I am curious about. There are a lot of categories within the military where there are age restrictions—for instance, pilot entry. Why are we sticking with an age restriction rather than a capability issue? What I am getting at is that you have to be under a certain age if you want to get into pilot training, for example.

Lt Gen. Morrison: I will leave that one with General Fogarty.

Major Gen. Fogarty: Part of my responsibility is running the recruiting function. I am not aware of any age restrictions other than being able to provide a return on service obligation, which is our value back to the organisation after the training period and before the compulsory retirement age of 60.

Dr JENSEN: So, for instance, with pilot training these days, is there no age restriction in particular apart from that service obligation aspect?

Major Gen. Fogarty: Yes, that is my understanding.

Dr JENSEN: That has changed then. It is good to hear.

Proceedings suspended from 11:51 to 12:45

CHAIR: Our next matter on the program is Defence budget.

Gen. Hurley: Would you mind if we went back to the issue that Senator Fawcett raised this morning about P3 fleet and where we are at with that, and reconstitution of ASW capability? Chief of Air Force can speak to that.

Air Cdre Brown: The committee asked questions on P3 overachievement of flying hours and the sustainability of the aircraft as well as 'Christmas treeing' or cannibalisation of parts at Edinburgh. There was some modest overflying. In 2010-11 we had 7,900 hours planned. We actually flew 8,047—so about 102 per cent. That over-achievement was directly due to Op Resolute. In 2011-12, again we planned 7,900 hours and we flew 8,128—103 per cent. Again this was due to Op Resolute. They are pretty modest overflights and it has a pretty negligible effect on sustainability in maintenance and engineering on the aircraft itself.

Another question was related to cannibalisations and increased cannibalisations rate. We have a target of five cannibalisations per 100 hours flown. The AP3C recorded 2.63 in February 2013 and this trend has actually been decreasing in March 2013.

The other question related to the reconstitution of high-end war fighting skills. Again, since the P3s came back from the Middle East we have had a plan to remediate those high-end war fighting skills. We have always kept a base level in a number of crews and the current plan has us back to our full capability by mid to late 2014.

Senator FAWCETT: The questions around sustainment of peace requirement of cannibalisation flying rate really go to the issue of husbanding the asset through to its retirement. The questions are really trying to understand, as we cease operations in Afghanistan, how much of that effort is going to be redirected to the ASW task? Given that Op Resolute appears to be one of the significant drivers of utilisation, has there been any consideration to looking for alternate ways of meeting that Op Resolute outcome in terms of surveillance through other platforms—even if delivered by industry? Can you talk about the husbanding peace, particularly in light of reports that we have been getting from industry that there has been a significant downturn in the

repair parts supply for the P3, which indicates that potentially there is not that plan to continue a rate of activity?

Air Cdre Brown: The current plan is really to maintain that 7,900 hours for a ramp-down towards its replacement, the P8's introduction, so that is a pretty solid plan. The aeroplane is an ageing platform, so it is a pretty complex management problem, probably the most complex one that A

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review of 2011-2012 Defence Annual Report (DAR) -15 March 2013

Q3: DMO Budget

Senator Furner asked on 15 March 2013 Hansard page 19.

CHAIR: While we are on the subject of how DMO performs in bringing projects under budget, maybe we can use an example like the one Dr Jensen commenced his questions to you with, the reconnaissance robot. How did that come under budget? Can you tell the committee how that occurred?

Mr King: No, I cannot, I do not know the details. Quite honestly, we just do a lot of procurements that just happen and they happen well. I will find some details for you; I do not know the details of that procurement.

Gen. Hurley: These are robots for the counter-IED function and so forth?

Dr JENSEN: Yes.

CHAIR: Surely it is an example, as you were explaining earlier, of your planning in those circumstances you identified to the committee of how you reach that point of time in bringing up a project under budget.

Mr King: It certainly would be but, as I told a group of press folk the other day, there are headlines that we do not get that we should get. The big one that should be put across every paper in Australia is 'Yet another Defence project under budget'. The truth is that we execute Defence projects under budget. It is not a novel example.

CHAIR: Good news does not sell, does it?

Mr King: Unfortunately no. But the reason I am so strong about this is that it is important for you - the parliament - for government and for the taxpayers to have a belief in what we do do that is right. That is not for a moment to take our focus off getting better; but it is unfortunate that the people of Australia feel, as a starting point in any discussion about a defence project, that we run them over budget. There is nothing novel about running a project under budget in Defence.

Response:

The reconnaissance robot was an urgent operation procurement. \$6.662 million was set aside in the Defence budget for this procurement. Subsequently the cost to procure 30 robots was \$4.14 million, \$2.52 million less than what was budgeted for.

DMO projects which come in under budget are the norm. Since July 2010 59 major projects have been closed following successful introduction into service. On average these projects were completed within 95 per cent of the approved budget. Of this only four projects required a real cost increase to complete approved scope. The details are set out in the table below.

DMO Project Closures since July 2010

Project Name	Project number/ phase	Project Approval Value	Total Spent	Percentage of approved funds required
		\$m	\$m	\$m
		(a)	(b)	(b)/(a)%
Lead-In Fighter Capability	AIR 5367 Phase 1	1027.94	1022.62	99
Electronic Warfare Collaboration with the US	AIR 5406 Phase 2	57.71	57.57	100
Military Satellite Communications	JP 2008 Phase 2	121.47	118.84	98
Space Based Surveillance Capability	JP 2044 Phase 2B	154.44	139.32	90
Overhead Non-Imaging Infra-Red Concept Technology Demonstrator	JP 2057 Phase 1	3.75	3.21	86
High Grade Crypto Equipment Secure Telephony	JP 2069 Phase 1B	18.55	9.22	50
Tactical Information Exchange Domain - Project Definition Study	JP 2089 Phase 1	6.12	5.98	98
Major Deployable Joint Taskforce Headquarters	JP 8001 Phase 3A	12.70	12.08	95
Major Deployable Joint Taskforce Headquarters	JP 8001 Phase 3B	12.99	10.92	84
Harpoon Missile	JP 1 Phase N/Q	110.58	107.64	97
Evolved Sea Sparrow Missile	SEA 1428 Phase 2A	362.24	348.12	96
Soldier Combat System Design Study	LAND 125 Phase 2B	48.25	36.33	75
Air Warfare Destroyer - Non Design Related Studies	SEA 4000 Phase 1A	4.78	3.67	77
Air Warfare Destroyer Study	SEA 4000 Phase 1B	10.22	7.78	76
Air Warfare Destroyer - Platform Design Studies	SEA 4000 Phase 1C	15.24	13.02	85
Special Forces Air Drop Rigid Hull Inflatable Boat	JP 2088 Phase 1A	43.26	34.49	80
C-130J-30 Strategic Air lift Capability	AIR 5216 Phase 1/2	1049.91	1023.78	98
Electronic Warfare Self-Protection for the AP-3C	AIR 5276 Phase 4	45.22	42.31	94
Narrowband Secure Voice Equipment	JP 2036 Phase 1	69.76	34.69	50
Air Command Support System	JP 2030 Phase 5B	57.12	55.28	97
Sidearm	AIR 5419 Phase 1	4.50	4.46	99
Joint Command Support Environment	JP 2030 Phase 3	55.60	54.63	98
Air Command Support System	JP 2030 Phase 7B	73.56	66.91	91
GPS for ADF Aircraft	JP 5195 Phase 3C	32.52	20.21	62
High Frequency Surface Wave Radar	JP 2084 Phase 1	24.20	20.51	85
Digital Radio Frequency Surveillance System	JP 2081 Phase 1	6.03	5.90	98
Mine Warfare Command Support System (MWCCS)	SEA 1297 Phase 3	29.28	26.42	90
Geospatial Information Infrastructure and Services	JP 2064 Phase 2	17.43	11.99	69
Non Stand-Off Semi Hardened and Area Weapons	AIR 5398 Phase	26.91	20.37	76
Seahawk Capability Assurance Program Phase 1	AIR 9000 SCAP 1	4.70	3.12	66
Incident Response Regiment (IRR) Equipment Capability Project	JP 2087 Phase 1	17.58	14.75	84
Aircraft Rescue and Fire Fighting Vehicles	JP 2095 Phase 1	31.92	25.12	79
Chemical, Biological, Radiological Response (CBRR)	JP 141 Phase 1	38.34	23.24	61
AN/TPG-36 Weapon Locating Radar Life of Type Extension	LAND 58 Phase 3	31.60	28.29	90
Project Overlander	LAND 121 Phase 2	93.96	70.62	75
Australian Acoustic Generator	SEA 1424 Phase 1A	10.22	9.81	96
Airborne Laser Bathymetry Project	SEA 1102 Phase 3A	16.48	13.70	83
Hydrographic Ship Construction	SEA 1401 Phase 2	225.12	217.46	97
Maritime Operations Support Capability - HMAS SIRIUS	SEA 1654 Phase 2A	139.27	138.76	100
UHF MILSATCOM	SEA 1420 Phase 1	45.33	44.20	98
RAAF C130J EWSP Project	AIR 5276 Phase 4A	22.83	17.23	75
IR Suppression For C130h	AIR 5433 CTD	5.23	5.21	100
Enhancements To Special Operations Capability	JP 2042 Phase 4	31.55	27.85	88
Tactical Air Defence Radar	AIR5375 Phase 1	220.01	173.74	79
Other Central Projects	DEF 777	35.46	34.04	96
Air To Air Weapons Follow-On Buy	AIR 5400 Phase 3	181.19	153.74	85
Evolved Sea Sparrow Ph 2b/3	SEA 1428 Phase	264.29	262.35	99
Direct Fire Weapon	LAND 40 Phase 1	143.92	134.74	94
Minehunter Coastal	SEA 1555 Phase 2	1265.81	1165.85	92
Amphibious Watercraft	JP 2048 Phase 1A	56.97	44.92	79
Ships Self Defence Capability - Rapid Acquisition	SEA 1779 Phase 1	52.88	44.46	84
ET (P) - JISS	DEF 7013 Phase 3B	80.63	78.80	98
Project Bunyip	DEF 224 Phase 1	11.78	11.35	96
Trinity	DEF 333 Phase 2A	36.64	34.51	94
JISS	DEF 7013 Phase 2	57.91	47.13	81
AP-3C Advanced Flight Simulator	AIR 5276 Ph3	58.84	61.29	104*
Air-to-Surface Weapon System Training Capability	AIR 5398 Ph1	354.87	406.04	114*
Air to Air Weapons Capability	AIR 5400 Ph1	261.60	295.55	113*
Improvements to the Logistics Information Systems	JP 2077 Ph2B	126.75	152.29	120*
TOTAL		7,425	7,058	95

*Project approval is original project approval value updated for inflation and exchange. These four projects received a real cost increase to complete project work.

DMO is able to achieve better practice project outcomes through its people, process and policy. More recent reforms have focussed on greater effort during project start-up to reduce risk and increase fidelity of cost and schedule estimates. In addition, there has been emphasis on off-the-shelf solutions.

DMO project management policies and practices are under constant review to incorporate lessons learned and streamline processes.

The DMO has invested heavily in people through the establishment of a project management professionalisation framework to enable people in project management roles to acquire the knowledge, skills and competence for the effective management and delivery of projects. This framework provides a range of training pathways including practitioner courses, nationally accredited vocational based training and post graduate education options. DMO has developed Communities of Practice across the scheduling, cost estimation and project management streams, which enable knowledge sharing and the identification of best practice processes that can be applied across the organisation.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review of 2011-2012 Defence Annual Report – 15 March 2013

Q5: Mental Illness Issues of ADF Personnel

Senator Furner asked on 15 March 2013.

I understand that since 2011 there have been approximately 249 injured personnel in Afghanistan. Out of that 249, how many have been identified as suffering from post-traumatic stress disorder or other forms of mental illness?

Response:

As at 31 March 2013, 251 ADF members have been wounded in action in Afghanistan.

To provide a clinically validated account of the number of personnel who have been wounded in action in Afghanistan and who suffered from or subsequently developed Posttraumatic Stress Disorder (PTSD) or any other mental health disorder would require an unreasonable diversion of resources.

It should be noted that all members wounded in action receive a comprehensive health assessment, which would include consideration of any mental health concerns requiring further assessment and treatment.

Joint Standing Committee on Foreign Affairs, Defence and Trade

Defence Sub-Committee

Review of Defence Annual Report (DAR) – 15 March 2013

Q6: Defence Capability Budget

Senator Fawcett asked on 15 March 2013 Hansard page 16.

So, in those three areas - in fact taking all of AVM Hart's area - what is the total budget you work with at the moment?

Response:

The total acquisition costs for Counter Rocket, Artillery and Mortar (CRAM), Counter Improvised Explosive Devices (C-IED) and Intelligence, Surveillance and Reconnaissance (ISR) used in-theatre have been estimated by Defence as approximately:

- (a) CRAM: \$253 million;
- (b) C-IED: \$492 million; and
- (c) ISR: \$160 million.

The annual cost to support these capabilities in-theatre has been approximately \$149 million. These figures do not include items such as consumables which can be attributed across a range of activities.

The current budget to remediate these capabilities and introduce them into service is:

- (a) CRAM: \$39 million;
- (b) C-IED: \$34 million; and
- (c) ISR: \$34 million.

These estimates are based on current remediation and introduction into service plans which are being refined as the condition of capabilities is assessed and the raise, train and sustain impacts are considered by capability managers.

Joint Standing Committee on Foreign Affairs, Defence and Trade

Defence Sub-Committee

Review of 2011-12 Defence Annual Report (DAR) - 15 March 2013

Q7: Defence Capability Budget

Dr Jensen provided in writing on 15 March 2013:

What critical capabilities do you see that Defence will be unable to carry out that was originally planned for, particularly with regard to the Defence white paper? Can you say which ones of them have been shifted to the right?

Response:

Defence remains committed to the core capabilities outlined in the 2009 Defence White Paper and continues to make substantial progress in implementing these capability priorities.

The reprioritisation of Defence expenditure in the 2011-12 budget was designed to have minimum impact on the delivery of core Defence capabilities. A number of lower-priority capability projects were deferred with a small number cancelled where they were superseded by alternative capabilities, and other capability and facility programs were subject to re-scoping. Australia will continue to maintain one of the strongest military capabilities in our region.

The 2013 Defence White Paper reaffirms the core capability commitments made in the 2009 Defence White Paper and since 2009.

As outlined in the 2013 White Paper, 'The 2012 Force Structure Review assessed capability priorities against the backdrop of Australia's contemporary strategic environment and Defence's budget position in light of fiscal realities. The Review confirmed the need to deliver priority ADF capabilities within available resources in the near-term, while continuing to progress enabling capabilities essential to the ADF being a capable, integrated joint force'.

As outlined in the 2013-14 Portfolio Budget Statement, 'Defence will continue to implement Government's priorities including enhanced ADF activities in the Indo-Pacific region. Implementation of agreed recommendations of the ADF's Force Posture, and introduction into service of new major capabilities such as the Landing Helicopter Dock ships and the EA-18G Growler.

In conjunction with establishing the new funding model for Defence, the Defence budget has been reprofiled over the Forward Estimates for expenditure on priority Capital Investment and Sustainment Programs. This includes the acquisition of 12 new EA-18G Growler aircraft, as announced in the White Paper, for which the Government will also provide Defence an additional \$200 million in 2014-15.

The reprofiling of the Budget will in the usual way involve adjustments to the priority of activities across Defence, including proposed capability acquisitions. Details will be provided in the next Public Defence Capability Plan, to be published before the end of the 2012-13 Financial Year.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review of the Defence Annual Report 2011-2012 Hearing – 15 March 2013

Q8: Defence Materiel Organisation (DMO) Staffing

Dr Jensen asked on 15 March 2013, Hansard page 24:

There is also a specific issue that troubles me greatly. It is the issue of a person called Mr Peter Goon. The Blunn Review found that he had undertaken work that should have been repaid. The then Head of the Defence Materiel Organisation Mick Roche agreed with all of the findings of the Blunn Review, including that Mr Goon should be paid for that work he had done. This was back in 2002. Mr Goon was not paid. Dr Gumley similarly agreed that Mr Goon was owed money and should be paid. He still has not been paid. This is after 11 years. The question then begs itself: how many other cases are there where you have a similar situation?

Response:

Defence has engaged with Mr Goon on a regular basis on this and other matters over many years.

In 2001, Mr Tony Blunn undertook a review into problems Mr Goon raised as Managing Director of Australian Flight Test Services in his dealings with Defence. In accordance with the review's outcomes, Defence paid Mr Goon an additional \$17,076.67 for time spent preparing evidence for the deseal/reseal Board of Inquiry.

Subsequent to this payment, Defence received two further invoices (one for \$201,275.03 and one for \$6,125.37) from Mr Goon's business, Australian Flight Test Services.

In 2007, Dr Gumley, the then Chief Executive Officer of the Defence Materiel Organisation, offered to settle Mr Goon's invoice for \$6,125.37 related to additional costs and interest incurred by him in pursuing payment of the earlier invoices totalling \$17,076.67. This was subject to Mr Goon signing a suitable deed of settlement and release. Mr Goon has refused to accept the offer.

This matter has been the subject of recent correspondence dated 28 March 2013 from Mr Stephen Smith, Minister for Defence, to Senator David Fawcett that confirms Defence's offer of \$6,125.37 remains open for acceptance and encourages Mr Goon to reconsider the offer.

Defence Materiel Organisation is not aware of other cases similar in nature to the claims made by Mr Goon.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTION ON NOTICE

Review of 2011-12 Defence Annual Report (DAR) - 15 March 2013

Q9: ADF Budget

Senator Fawcett asked on Friday, 15 March 2013, Hansard page 27.

I would appreciate it if you could provide us with the figures - particularly for the specialist military equipment - that were used in this year's budget.

What are the cost growth pressure indices that you have applied over the forward estimates? And what were the figures that have been used since the 2009 Budget, if you can disclose them?

Response:

The cost growth figures used in the Defence budget utilise a basket of five indices to model the future costs of Defence. The basket of indices is as follows:

1. Military Equipment Capital and Sustainment – 40% US Department of Defense Procurement Index; 39% Wage Price Index and 21% Producer Price Index (PPI) Manufacturing Index;
2. Personnel – 100% Wage Price Index;
3. Facilities – 100% Gross Fixed Capital Non-Dwelling Construction Index; and
4. Other Operating Expenses – 100% Non Farm Gross Domestic Product (NFGDP) implicit price deflator.

This basket of indices continues to be the basis for calculating cost growth within Defence.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review of 2011-2012 Defence Annual Report - 15 March 2013

Q11: Base Services Contract Retendering Process

Senator Ian Macdonald asked on Friday, 15 March 2013:

Can you, perhaps on notice, give me an indication of how the \$147 million is made up and where that figure comes from?

Response:

The Strategic Reform Program financial achievement for 2011-12 is evidence that Defence remains committed to delivering the Government's reform priorities. This is being achieved through a combination of existing initiatives generating ongoing savings, implementation of new reform initiatives, increased cost consciousness, and reduced discretionary spending.

Non-equipment procurement reform has over 50 initiatives, looking for greater efficiencies in various business categories such as travel, removals, professional services, garrison support and building maintenance

Key areas of reform contributing to the FY11/12 savings include unpacking options, online travel booking tool, mess consolidation and rationalisation in the procurement of office supplies and hardware items.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review of the Defence Annual Report 2011-2012 – 15 March 2013

Q12: Base Services Contracts Retendering Process – Contractor Conversions

Senator Macdonald asked on Friday 15 March 2013, Hansard page 31:

Can you - perhaps on notice because we are going to run out of time - indicate which areas you are going to employ permanent public servants to do the work that was previously done by contractors? Can you indicate to me - not in dollar terms - how you assess that is going to save you money?

Response:

In the Defence Budget Audit conducted in 2008 McKinsey and Co (McKinsey) identified that there were a large number of roles undertaken by contractors that could be equally undertaken by an Australian Public Service (APS) employee without negatively impacting on capability.

McKinsey advised that by converting these roles, up to 30 per cent of the contractor cost could be saved.

The roles identified were positions filled by individual contractors and primarily involved filling a line position within the organisation.

Positions/roles would only be converted where there were suitable people in the market place wishing to fulfil the role as an APS employee.

The types of positions previously filled by a contractor that have been converted to an APS position include, but are not limited to: a medical practitioner with work health and safety expertise, finance analysts, ICT analysts, project managers and scientific support.

Contractor positions that were part of a larger outsourcing or service-provision initiative were excluded from conversion as the terms of the contract would preclude this activity.

Defence constantly needs to be able to respond to a fast-moving and changing labour market environment. Changing the integrated workforce mix has enabled Defence to deliver a cost-effective, flexible and adaptable workforce. In addition, non-financial benefits have included: a better corporate memory, expanded career paths for ongoing employees, better compliance with legislation and employment agreements where the role has supervisory duties, and a better understanding of the ongoing business needs of the organisation.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review of 2011-2012 Defence Annual Report (DAR) – 15 March 2013

Q13: Army Reserves Training

Senator Macdonald asked on 15 March 2013 Hansard page 32.

Perhaps on notice you could tell me how you have costed the \$46 million insofar as it involves reduction in frequency of training. What I am really looking for is: how many hours, how many days, how many whatever, in the frequency of training, and what contribution that makes to the \$46.7 million you say you are going to save?

Response:

The \$46.7m in Reserves Reform Stream savings is attributable to:

- a reduced demand for Reservists to undertake civil assistance and relief roles over 2011-12; and
- a reduction in training costs, due to an increase in full-time ADF personnel joining the Reserves on separation.

Quantifying this information in terms of hours and days saved would be an unreasonable diversion of resources.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review of the Defence Annual Report 2011-2012 Hearing – 15 March 2013

Q14: Base Services Contracts Retendering Process

Senator MacDonald asked on Friday 15 March 2013, Hansard page 33:

Out of those 22 contractors that you have, how many employees do they have? I would like a breakdown of their employment status; whether they are permanent, full-time, part-time or casual; the numbers of those; and a list of those contractors.

Response:

(1) The 21¹ contracts are delivered by five companies, who use a variety of staffing mechanisms, including full time, part time and casual staff and sub-contractors to deliver on base services.

As at February 2013, the staffing numbers for each company is as follows.

Contractor	Staffing Numbers
Serco Sedexho Defence Services (SSDS)	2229
Transfield Services	2755
Spotless Group	2481
Eurest Support Services (ESS)	931
Brookfield Multiplex Services (BMS)	969

A breakdown of the employment status of contractor employees and sub-contractors who have regular presence at Defence sites is not available.

¹ The number of contracts is 21 rather than 22. This has been formally corrected in a letter to the Chair of the Committee.

¹ The number of contracts is 21 rather than 22. This has been formally corrected in a letter to the Chair of the Committee.

JOINT COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE

QUESTIONS ON NOTICE – COMMITTEES

Review of the Defence Annual Report 2011-12 - 15 March 2013

Q16: Operation SLIPPER (Afghanistan) Budget.

Senator Furner asked on Friday 15 March 2013, Hansard page 33.

Also in [Operation] SLIPPER, there was a slippage in the budget. I would like some explanation of the nature of that particular slippage.

Response:

The 2011-12 Budget initially provided \$1,221.8 million for the continuation of Operation SLIPPER (Afghanistan) in 2011-12. The Government provided a further \$2.2 million at Additional Estimates to enhance detainee management in Afghanistan taking the 2011-12 Revised Estimate to \$1,224.0 million.

Actual expenditure on Operation SLIPPER in 2011-12 was \$157.3 million less than the revised budget mainly due to delays in facilities projects, delays in the implementation of the logistics and base support services contracts, lower than anticipated strategic lift requirements due to savings associated with contracted helicopter support, and lower than anticipated costs against sustainment and remediation of equipment.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review of the Defence Annual Report 2011-2012 – 15 March 2013

Q17: Major Capital Facilities Program

Senator Mark Furner asked on Friday, 15 March 2013. Hansard page 33:

Lastly, going back to my question on weather and involvement in natural disasters, on the Major Capital Facilities Program, what bearing have weather conditions affected that particular program? Can you explain how that may have been an issue, and which particular projects were affected as a result of that?

Response:

Construction delays can be experienced due to seasonal weather. These delays are accounted for in the project's construction programming process by allowing a number of days for bad weather based on historical weather data at the project location. If substantial delays beyond the programming allowance for wet weather are experienced, construction contractors will make best endeavours to catch up any lost days within the remaining construction schedule.

(a) The following projects have sustained extension of time program delays due to recent weather events without incurring additional cost:

- (i) Enhanced Land Force Stage 2 – Greenbank Training Area, Queensland
- (ii) Enhanced Land Force Stage 2 – Canungra Training Area, Queensland
- (iii) Enhanced Land Force Stage 2B – Gallipoli Barracks, Queensland
- (iv) The Australian Defence Force Academy Redevelopment, Canberra

(b) At RAAF Base Amberley, Queensland, an extraordinary rain event in early 2013 delayed the Major Capital Facilities Program for the RAAF Base Amberley Redevelopment Stage 3 projects. The front entrance precinct works were designed to be above the 100 year flood level, but the localised flood of January 2013 exceeded this level. The program has slipped by eight weeks and costs are yet to be finalised.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review of 2011-2012 Defence Annual Report (DAR) - 15 March 2013

Q18: Defence Budget

Senator Ian Macdonald asked on Friday, 15 March 2013, Hansard page 35.

In 11 and 12, can you point me in the report to what the Defence Force, both operational and across the board, paid for carbon tax and what you would hope to do with the savings, should the carbon tax go. Forget the last bit, but I am interested in what exactly was paid by Defence, both specifically uniformed people and the department as a whole.

Response:

Based on the *Department of Treasury Modelling a Carbon Price* that forecasts increases in prices of 0.7% as a result of the carbon tax, Defence estimates that in 2012-13 the impact would be in the order of \$80.4m.

- (1) Defence has forecast the impact on its cost base by using the following method:

Total Defence Operating Funding of \$24.8b (PBS 2012-13, Page 99, Table 60)

Less Employees of \$9.8b (PBS 2012-2013, Page 99, Table 60)

Less Budget spent overseas of \$3.5b (FOREX volume in AUD used for PBS 2012-13)

Times 0.7% (As per Treasury model)

Equals Tax effect of \$80.4m

- (2) The impact of the carbon tax upon the cost of electricity and natural gas consumed by Defence is estimated at 13.9% of the \$153.2m budget. This has been calculated based on forecast consumption using the following method:

Electricity: 982,850 MWh x 0.9 (Carbon Intensity) x \$23 = \$20.345m

Natural Gas: 614.443 GJ x 0.07 (Carbon Intensity) x \$23 = \$0.989m

Total carbon cost: \$21.334m (representing 13.9% of the \$153.2m budget)

This accounts for approximately \$21.334m of the estimated \$80.4m tax effect.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

**JSCFADT DEFENCE SUB-COMMITTEE - REVIEW OF 2011-2012 DEFENCE
ANNUAL REPORT (DAR) – 15 MARCH 2013**

Q21: ADF Indigenous Personnel Policy

Ms Brodtmann asked on 15 March 2013, Hansard page 42:

It was an idea that was floated when the [Reconciliation Action Plan] first came into being, but it would be good to get a sense of whether it is working and whether people are taking advantage of it. One of the challenges for those ADF personnel, particularly those who were on ships, was how to deal with that. I understand that you were trying to accommodate their needs, but there was a challenge there, and I would be interested in getting an update on how all that is working.

Response:

Defence provides a range of conditions of service to support the individual's personal circumstances. Each of the Services also has the flexibility to provide additional support where an individual's circumstances warrant it. For Defence Australian Public Service (APS) employees, the enterprise agreement includes 'traditional kinship' in the definition of immediate family to recognise that there is a relationship or obligation under the customs and traditions of the community to which an employee belongs. In that way the employee can access a range of existing leave types to attend a 'family' event, including for example carers, bereavement and compassionate leave. While these leave types would not normally cover 'extended' periods, there is also the flexibility to grant additional leave with or without pay in other circumstances.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

**JSCFADT DEFENCE SUB-COMMITTEE – REVIEW OF 2011-2012 DEFENCE
ANNUAL REPORT (DAR) – 15 MARCH 2013**

Q22: ADF Indigenous Policy

Ms Brodtmann asked on 15 March 2013:

Also, on the Indigenous area, I did get a commitment from the department that whenever there was an event coming, whether it was being held on one of the bases or at Russell, there would be a welcome to country, because it was not necessarily the case for all events. So I would be interested in getting an update on how that was being rolled out... ..and whether there has been an edict issued on that... ..Great. Is it just for major events or is it other events?... ..Have you put a policy out?... ..Okay. Could I get a copy of that, please?

Response:

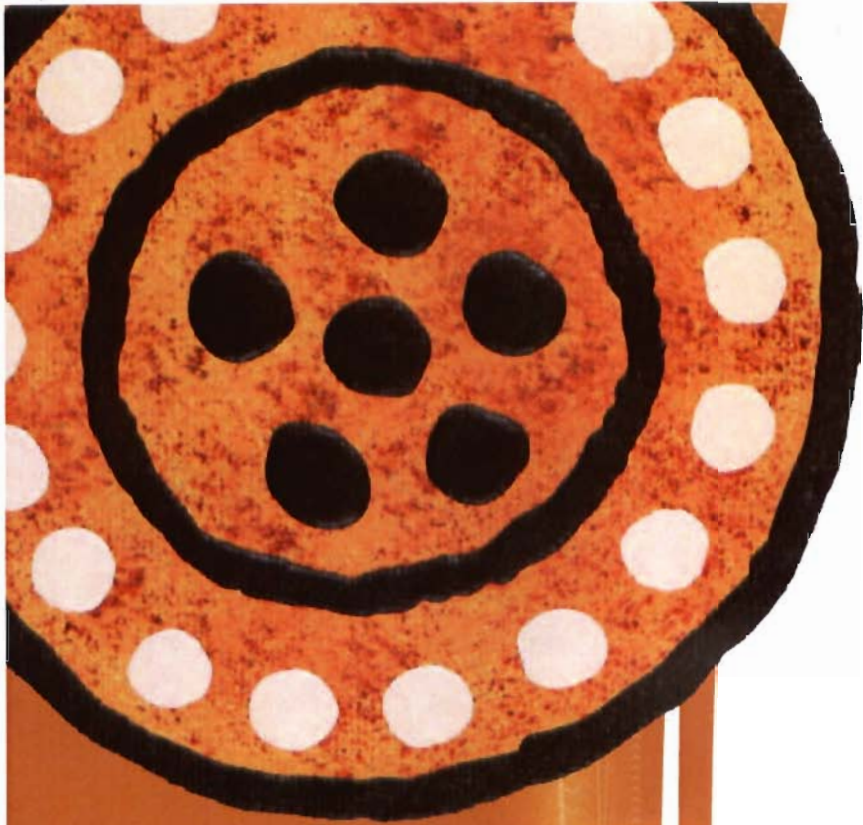
Yes. The guidance on Welcome to Country messages at Defence events is set out in the *Defence Indigenous Handbook: For Commanders, Managers and Supervisors*. A copy of the Handbook is attached.



Australian Government
Department of Defence

DEFENCE INDIGENOUS HANDBOOK

For Commanders, Managers and Supervisors



DEFENCE INDIGENOUS HANDBOOK

For Commanders, Managers and Supervisors

This handbook is issued by the Directorate of Indigenous Affairs to provide Defence commanders, managers and supervisors with information about the Defence approach to Indigenous Affairs. The handbook also contains information that might be useful when dealing with Aboriginal or Torres Strait Islander Defence personnel or external communities.

The content is not intended to be exhaustive in scope or in detail. Local councils, Indigenous Coordination Centres, Aboriginal Land Councils and/or the local Aboriginal or Torres Strait Islander communities should be consulted about local customs and protocols.

The handbook has been developed with the voluntary assistance of the members of the Defence Aboriginal and Torres Strait Islander Network.

Various external Aboriginal and Torres Strait Islander agencies were consulted and their assistance and feedback is appreciated.

Suggestions for improvements to this handbook are welcome and can be forwarded by email to Director Indigenous Affairs at: indigenous.affairs@defence.gov.au

Please note. Aboriginal and Torres Strait Islander people are advised that this handbook might contain images or content referring to deceased persons. It might also contain words or descriptions that are culturally sensitive. The term Indigenous is occasionally used in this handbook to refer to Australian Aboriginal and Torres Strait Islander peoples.





Artwork

The artwork used in this handbook are original pieces painted by Aboriginal soldier, Warrant Officer Class Two Darren Moffitt. The images represent groups or organisations. In each image the main feature is the circle in concentric layers - which symbolises 'unity' and the different 'levels' of a group or organisation. The colours used in this artwork are earth rich tones representative of 'country'.

WO2 Moffitt was born in Sydney in 1968 descended of the Eora Nation of Aboriginal Peoples. His mother was raised on the Aboriginal Mission at La Perouse, situated on the Northern Peninsula of Botany Bay.

WO2 Moffitt joined the Australian Army in 1985 at the age of seventeen. Some of his career highlights include his posting to Kapooka as a Recruit Instructor, deployment to East Timor in 1999 with 3 RAR, and working as an instructor and mentor on the ADF Indigenous Pre Recruitment Courses (IPRC).

WO2 Moffitt began contemporary dot painting in 2000 and has completed a number of significant pieces for the Department of Defence. His major piece to date is 'The Salute' (2011) - which was commissioned by the Royal Australian Navy to honour Indigenous contribution to the defence of Australia by uniformed and civilian personnel during times of peace and war. Some of WO2 Moffitt's other commissioned works include 'The Journey' (2008) and 'Yuwauwa' (2009).



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Defence Indigenous Perspectives Affirmations

We are serious about supporting the Government's national priority efforts towards reconciliation and to closing the gap between Indigenous and non-Indigenous Australians.

As part of our commitment, we affirm that:

1. Aboriginal and Torres Strait Islander peoples are the first peoples of Australia.
2. Aboriginal and Torres Strait Islander peoples have a long and rich history of contributing to the defence of Australia; and many continue to proudly serve their country today.
3. The unique knowledge and skills of Aboriginal and Torres Strait Islander peoples strengthens our Defence capability.
4. Defence is uniquely placed to contribute to the Government's *Closing the Gap* strategy and will do so through our many strategies including specialised pathways to employment programs and community engagement programs.
5. Navy, Army, Air Force and Public Service elements offer rewarding career opportunities to eligible Aboriginal and Torres Strait Islander people from urban, regional and remote communities.



Duncan Lewis
Mr Duncan Lewis AO, DSC, CSC
Secretary of Defence
9 May 2012



David Hurley
General David Hurley AC, DSC
Chief of the Defence Force
9 May 2012

6. Defence will conduct all business with a respect for Aboriginal and Torres Strait Islander peoples, histories and culture.

The Directorate of Indigenous Affairs (DIA) within People Strategies and Policy Group provides strategic leadership and an internal consultancy on our Indigenous strategies and programs.

In particular, we expect DIA to facilitate strong progress on the Defence Reconciliation Action Plan (DRAP) and Defence Indigenous recruitment and retention strategies.

The Navy, Army, and Air Force have framed complementary Indigenous strategies, under the DRAP, and an integrated inter-Service approach is achieved by the Indigenous Roundtable and the Defence Indigenous Strategy Forum.

As an outcome of our integrated Indigenous strategies, we aim to demonstrate, through the next Defence Census in 2015, an improved Aboriginal and Torres Strait Islander employee participation rate.

We believe that this is eminently achievable with continued commitment from you; our commanders, managers and supervisors. We trust that this handbook will support you in successfully meeting your commitments.

Aboriginal and Torres Strait Islander culture

A Rich Tradition

Over many centuries, Aboriginal and Torres Strait Islander peoples have developed a rich tradition which is expressed through:

- Dreaming, of past, present and future;
- Ceremony, such as corroborees;
- Ritual, which is often secret and sacred;
- Artwork and designs, with deep meaning;
- Dance, song and storytelling;
- Community gatherings;
- Totems, identifying with specific life forms;
- Sacred sites, often with restricted access.

Aboriginal Australia map: David R Horton, creator, © Aboriginal Studies Press, AIATSIS and Auslig/Sinclair, Knight, Merz, 1996.
www.aiatsis.gov.au/asp NOT SUITABLE FOR USE IN NATIVE TITLE AND OTHER LAND CLAIMS.

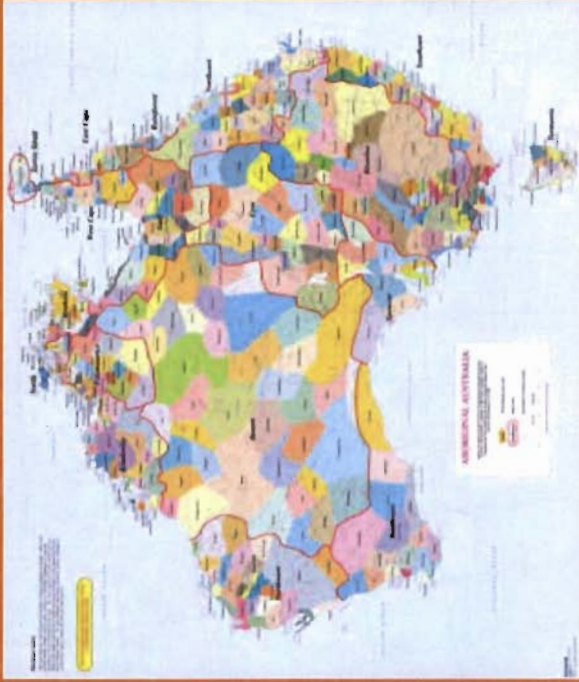
A Diverse Nation

While there is some commonality across many Aboriginal and Torres Strait Islander communities, each community has its own unique identity and history. These cultural differences are respected between Indigenous communities and they should also be respected by non-Indigenous Australians.

A useful tool for appreciating the diversity of Aboriginal and Torres Strait Islander peoples is the map of Aboriginal Australia that is produced by the Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS). This map indicates only the general location of larger groupings of people which may include smaller groups such as clans, dialects or individual languages in a group. The boundaries depicted are not intended to be exact and represent the views of the map creator and not those of AIATSIS. For more information about the groups of people in a particular region contact the relevant land councils.

Urban, Regional and Remote Communities

There can be a variable degree of adherence to the traditional ways in urban, regional and remote communities. Generally speaking, traditional ways are strongest in the remote communities.



Welcome to Country

Aboriginal and Torres Strait Islander communities have a very strong affinity to their land - that is to the land, water, sea, flora, fauna, sky and the natural features in their local environment; often simply referred to as 'Country'.

It is a mark of respect for Aboriginal and Torres Strait Islander people to welcome visitors onto their country. A welcome is usually extended by a recognised local Elder or other person authorised by the community.

The protocol for delivering and receiving a 'Welcome to Country' or 'Traditional Welcome' has been adapted to contemporary circumstances, but the essential elements of welcoming visitors and offering them a safe passage remains unchanged.

Today, in various Defence applications, such as memorial services and graduations, a Welcome to Country is delivered as the first event on the Order of Service. In this context, the traditional land custodians are giving their blessing for the event.

Acknowledgement of Country

In Defence situations, in response to receiving a Welcome to Country, it is appropriate for an 'Acknowledgement of Country' to be given by a senior Defence representative. A response to a Welcome to Country might reasonably use the following words, or similar:

"Thank you (insert name of the person who has given the Welcome) for your Welcome to Country. As part of (name your unit), I acknowledge (insert name of the people and the land if this is known) as the Traditional Custodians of this land, and I pay my respects to your elders past and present."

Even when a Welcome to Country is not given, Defence personnel are encouraged to show respect for the traditional land custodians by offering an 'Acknowledgment of Country'. This is given at the beginning of more formal occasions. An Acknowledgement of Country might reasonably use the following words, or similar:

"On behalf of the (name the unit), I acknowledge (insert the name of the people and the land if this is known) who are the Traditional Custodians of this Land, and I pay my respects to their elders past and present."

The Secretary, the Chief of the Defence Force and all other Defence personnel lead by example when they offer an 'Acknowledgement of Country'.

Smoking Ceremonies

Smoking Ceremonies are used by many Aboriginal communities as part of the death and grieving process, however this practice is not observed as part of traditional Torres Strait Islander culture. Some Aboriginal communities use smoking ceremonies for other purposes.



Guidelines for the conduct of Welcome to Country and Acknowledgement of Country

Different definition of families

Western culture usually adopts a nuclear family structure, whereas Aboriginal and Torres Strait Islander communities often adopt an extended family system, which can include distant relatives. The extended family system shares social and cultural responsibilities with other family members.

Naming the deceased / use of photographs

Traditionally, referring to a deceased person by name soon after their death is avoided to show respect — and also because it is painful for the grieving family. This practice has more recently evolved to include an avoidance of visual images of the deceased person, unless such use has been approved by the family of the deceased person.

Avoidance relationships

Avoidance relationships between certain family members in Aboriginal and Torres Strait Islander communities are a mark of respect. Some communities also have strong cultural protocols around avoiding eye contact as a sign of respect - this should not be interpreted as a lack of confidence or of disrespect.

Situation	Welcome	Acknowledgement	Notes
Receiving a visiting foreign contingent or visiting dignitary	Discretionary	Yes	At the earliest appropriate opportunity determined by the Visit Protocol Cell
Routine or occasional briefings or conferences	No	Discretionary	
Opening address at annual workplace induction briefings	Discretionary	Yes	
Annual or special meeting	Discretionary	Discretionary	
Defence party deployed on traditional land (even if only a small recon party)	Discretionary	Yes	A courtesy call (even if by telephone) to local Elders is an appropriate sign of respect and acknowledgement
New incoming senior commander	Discretionary	Yes	
Defence led public forum	Discretionary	Yes	
Defence guest speaker at an external forum	No	Discretionary	The hosting civilian agency takes responsibility.
Formal parade (public event)	Discretionary	Yes	Master of Ceremony makes Acknowledgement on behalf of the senior officer present
Officer Training and General Enlistment establishments and Training courses	Discretionary	Yes	For example a Welcome at the beginning of a training year followed by Acknowledgements during initial briefing to other intakes in that year
Pre-Command and Promotion courses	Discretionary	Yes	A Welcome can be a learning experience for course members
Defence contingent deployed on foreign land	No	No	
When a commander or manager decides appropriate	Yes	Yes	Care is needed to ensure that a Welcome or Acknowledgement is not seen as tokenism.

History of the Aboriginal Flag and the Torres Strait Islander Flag

Official recognition

The Aboriginal Flag and the Torres Strait Islander Flag are official flags of Australia. Both flags were officially recognised under Federal legislation in July 1995 under an amendment to the *Flags Act 1953*.



Aboriginal Flag

The Aboriginal Flag was designed in 1971 by Aboriginal Elder Harold Thomas of the Luritja people of Central Australia. The flag is designed to symbolise Aboriginal identity.

The top half of the flag is black to represent the Aboriginal peoples.

The red in the lower half represents the red earth (the relationship to the land) and also the red ochre used in Aboriginal ceremonies.

The circle of yellow represents the sun (giver of life) and yellow ochre.



Torres Strait Islander Flag

The Torres Strait Islander flag was designed by the late Mr Bernard Namok, and adopted in 1992. The flag symbolises the unity and identity of all Torres Strait Islanders.

The green stripes represent the land, the black stripes represent the people, and the blue represents the sea.

The flag features a white Dhari (headdress) which is a prominent symbol of the Torres Strait Islander peoples.

The white five pointed star symbolises peace, the five major island groups and the navigational importance of the stars to the seafaring people of the Torres Strait.

Flag protocols



The Australian National Flag, the Aboriginal Flag and the Torres Strait Islander Flag must be reproduced, hung and depicted in the correct way. The Aboriginal Flag is used only for business relating to Aboriginal peoples and the Torres Strait Islander Flag is used only for business relating to Torres Strait Islander peoples.

The Aboriginal Flag and the Torres Strait Islander Flag are flown at Defence establishments alongside the Australian National Flag every year during National Reconciliation Week and again during NAIDOC Week. These important signs of respect are also given by many other Commonwealth and State Government Departments and organisations.

All flags should be the same size and flown at the same height.

Flown on flagpoles

The Australian National Flag should fly on the left hand pole of an audience facing the flags and is followed by the Aboriginal Flag and the Torres Strait Islander Flag to the right (in alphabetical order). The Australian National Flag should be raised first and lowered last.



Displayed on a wall

If the flags are displayed flat against a wall, the Union Jack must be in the uppermost left quarter as viewed by an audience facing the flags. Even if the flag is displayed vertically, this rule is followed, although to the casual observer the flag appears to be back to front. The reason for this is that the Union Jack must be in the position of honour in the uppermost left hand corner.



Displayed in a floor mount

If the flags are displayed in a floor mount, the order of precedence remains as normal. If the staffs are crossed, the staff for the Australian National Flag should be in front, followed by the staff for the Aboriginal Flag, and then followed by the staff for the Torres Strait Islander Flag.



Culturally significant dates

The following dates are marked by a variety of ceremonies, celebrations, and activities.

26 January	Australia Day	Represents loss for some Indigenous people
13 February	National Apology Day	Anniversary of Prime Minister Rudd's Apology in 2008
21 March	Harmony Day	Celebration of rich cultural diversity in Australia
21 March	United Nations International Day for the Elimination of Racial Discrimination	Spotlight on need to eliminate racial discrimination
22 March	National Close the Gap Day	Highlights the importance of working together to achieve Aboriginal and Torres Strait Islander health equality
26 May	National Sorry Day	Remembering the Stolen Generations
27 May-3 June	National Reconciliation Week	Celebrates the many journeys of Reconciliation
27 May	1967 Referendum	Discriminatory references to Aboriginal and Torres Strait Islander people removed from Constitution
3 June	Mabo Day	Anniversary of historic Mabo judgement
1 July	Coming of the Light Festival	Annual Torres Strait Islander Christian celebration
1st week July (Sun-Sun)	NAIDOC Week Celebrations	Celebration of Indigenous people and culture
4 August	National Aboriginal and Islander Children's Day	Annual celebration of Indigenous children
9 August	International Day of the World's Indigenous People	Acknowledges Indigenous cultures worldwide
10 December	Human Rights Day	Promotes Human Rights for all people



What is NAIDOC Week and how is it celebrated?



The term NAIDOC originally stood for 'National Aborigines and Islanders Day Observance Committee'. This committee was once responsible for organising key NAIDOC activities and its acronym has since become the recognised name for the week itself.

Since 1972, NAIDOC Week is recognised across Australia over the first full week in July (Sunday to Sunday). Its purpose is to celebrate the history, culture and achievements of Aboriginal and Torres Strait Islander peoples. A specific NAIDOC theme is adopted each year.

NAIDOC Week is celebrated not only by Indigenous communities, but also by many State, Territory and Commonwealth bodies and by Australians from all walks of life. It is an opportunity to engage in a range of activities to recognise and support Aboriginal and Torres Strait Islander communities.

The Chief of the Defence Force regularly leads the annual Defence Memorial Service (during NAIDOC Week) at the Australian War Memorial to honour the past and present contribution of Indigenous Australians to the defence of Australia. This key event is actively supported by the three Service Chiefs and the Group Heads.

Ideas on how to celebrate NAIDOC Week:

- Hold an Indigenous flag raising ceremony.
- Display Indigenous posters at your Unit.
- Invite local Elders to speak at your Unit.
- Listen to Indigenous music.
- Study a famous Indigenous Australian.
- Research the local traditional land owners.
- Enjoy Indigenous arts and crafts.
- Read a Dreamtime story.
- Engage the local Indigenous community.
- Identify local Indigenous role models.
- Visit Indigenous websites on the Internet.
- Visit Indigenous sites of significance.
- Learn some Indigenous words.
- Present an Indigenous-recognition award.
- Attend other local NAIDOC events.

For more information visit the NAIDOC website at <http://www.naidoc.org.au>



Above photo courtesy: www.CreativeSpiiritInfo



Above photo courtesy: NIT



What is National Reconciliation Week and how is it observed?



Reconciliation AUSTRALIA

National Reconciliation Week is observed from 27 May to 3 June each year. During this week, Australians are encouraged to reflect on our shared histories, contribution and achievements and build on the respectful relationships between Aboriginal and Torres Strait Islander peoples and other Australians.

National Reconciliation Week is framed between the anniversary of two historical turning points in the Australian reconciliation process:

- 27 May marks the anniversary of the 1967 Referendum that saw more than 90 per cent of Australian voters give the Commonwealth power to make laws for Aboriginal and Torres Strait Islander peoples and to recognise them in the national census.
- 3 June marks the anniversary of the 1992 landmark Mabo decision by the High Court of Australia. The Mabo decision legally recognised that Indigenous people had a special relationship with the land prior to European colonisation, which still exists today. This recognition is the basis for decisions about Indigenous Land Rights and Native Titles.

Reconciliation Australia is the peak organisation (non-government and not-for-profit) that is responsible for promoting reconciliation between Aboriginal and Torres Strait Islander peoples and the broader Australian community.

How is Reconciliation Week Observed:

Each year, Reconciliation Australia promotes a specific national theme for reconciliation. During this week, the Department of Defence, the Department of Veterans' Affairs (DVA), the Returned Services League of Australia and other government and community organisations participate in a variety of Indigenous reconciliation ceremonies.

For example, a Commemorative Service honouring Indigenous Service men and women is held annually near the Pool of Reflection at the ANZAC Memorial in Hyde Park in Sydney. Similar events are held in other capital cities and regional centres around Australia.

As a mark of respect and support for the reconciliation process, many organisations fly the Aboriginal and Torres Strait Islander flags alongside the Australian National Flag during National Reconciliation Week.

During National Reconciliation Week, Defence submits a report on the progress against its Defence Reconciliation Action Plan to Reconciliation Australia.

For more information about National Reconciliation Week, visit the Reconciliation Australia website at: <http://www.reconciliation.org.au/home/get-involved-national-reconciliation-week>

DVA also posts useful information on its website at: <http://www.dva.gov.au/benefitsandservices/ind>

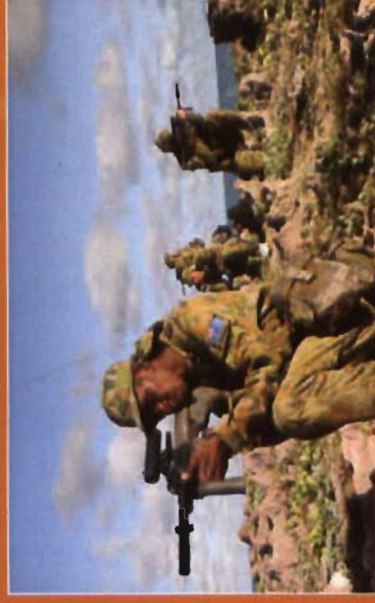
Many Defence opportunities

Defence has a wide variety of opportunities and experiences that are being actively communicated through the wider external Indigenous networks. Defence personnel who engage with Aboriginal or Torres Strait Islander communities should be able to speak knowledgeably about these opportunities. DIA has produced paper-based advertising material which can be distributed to Aboriginal and Torres Strait Islander communities.

The suite of Defence opportunities includes the following:

- Navy, Army and Air Force career choices
www.defencejobs.gov.au
- Australian Public Service career choices
www.defence.gov.au/apscareers
- Indigenous pre-employment / pre-recruitment training courses
- Defence Technical Scholarships (for eligible Year 11 and 12 High School Students)
www.defencejobs.gov.au/education/technicalscholarship
- Indigenous Student Study Tours (officer candidates)
- Defence Familiarisation Tours for Indigenous students

- Defence Work Experience Program
www.defence.gov.au/workexperience
- Positive role models to interact with communities, schools and universities
- APS Indigenous Graduates, Cadetships and Traineeships leading to Defence employment
www.apsc.gov.au/indigenous
- Defence Force Cadets (where cadet units are established in the area)
www.cadetnet.gov.au
- Defence 2020 Indigenous Youth Challenges (for urban and/or regional high schools)
- APSC and JAWUN Program for APS non-Indigenous personnel to live and work alongside Indigenous organisations
- Young Endeavour Youth Scheme (tall ship leadership experiences)
www.youngendeavour.gov.au
- Defence Open Days (for example Australian Defence Force Academy)
www.openday.adfa.edu.au
- Defence Trade Shows (for example Bandiana)
- Air Shows / displays (various locations)



The Defence Aboriginal and Torres Strait Islander Network

What is it?

The Defence Aboriginal and Torres Strait Islander Network is an informal body comprising Aboriginal and Torres Strait Islander Service personnel and Australian Public Servants employed in Defence. The network is a communication vehicle that provides informal support to its members for its members and by its members. It is also recognised as a valuable internal consultancy resource in the development of Defence Indigenous Programs. Network members are provided opportunities to represent Defence at key external events such as careers expos.



How does the Network communicate?

The network's primary channel of communication is through the Defence 'Indigenous Network General Discussions' folder posted on the Defence Restricted Network (Outlook folders). The Directorate of Indigenous Affairs (DIA) and network members also communicate directly with each other as needed. DIA also publishes and distributes an Indigenous Affairs Newsletter on a quarterly basis.

Defence Network Conference

An annual network conference is delivered and funded by DIA. The conference typically hosts 100-120 nationally dispersed Indigenous Defence delegates.

What happens at the Conference?

This conference is actively supported by the Defence senior leadership group. It features invited Indigenous guest speakers and Defence speakers at all levels.

The conference provides DIA with a valuable internal consultative body and it provides delegates with an opportunity to positively shape Defence Indigenous policy and programs. It also provides excellent networking opportunities with other Indigenous Defence personnel at all levels.



How to register?

The Conference is advertised each year via DEFGRAM inviting Indigenous Defence personnel to register an expression of interest. Registration forms are then distributed by DIA to interested members. Commanders, supervisors and managers are encouraged to release Indigenous unit members to attend the conference.

Network members are encouraged to express their wish to attend the conference to their commanders/supervisors through the appropriate means. For civilian personnel this is the Performance Agreement process; and for military members it is the chain of command.

Eligibility

Conference delegates must have identified as being Indigenous on PMKeys.

Encouraging Indigenous personnel to formally self-identify

A personal choice

A person's decision to formally self-identify their Aboriginal and/or Torres Strait Islander heritage is personal and voluntary. Under no circumstance should a Defence commander, manager or supervisor pressure a member to formally self-declare Aboriginal and/or Torres Strait Islander heritage.

While many Indigenous employees are confident to formally declare their heritage, some might elect not to do so because they do not want to be treated differently.

The information below may provide motivation for Indigenous Defence members to declare their heritage.

Suggested responses to the question, "Why should I declare my Indigenous heritage"?

- You will help to ensure that Defence IA resources are channelled to the right geographical areas (i.e. where there are greater numbers and need).
- You will provide Defence workforce planners with accurate data to help set specific Indigenous recruiting targets (opportunities).

- You will be eligible to become part of the extended Defence Aboriginal and Torres Strait Islander network.
- You will have greater opportunities to contribute to Defence representational activities (i.e. as an ADF Indigenous role model at career expos and events).
- You will help spread the correct message and raise community confidence that Defence is a good employment option for Indigenous Australians.

- You will be eligible to access Indigenous-specific scholarships, and other programs.
- You will be more competitive for Defence jobs requiring Indigenous awareness / skill sets.
- You will be eligible to attend Indigenous-specific events (such as the Defence Aboriginal and Torres Strait Islander Network Conference).
- You will be making a strong statement: "I am proud to be part of Defence and I know Defence is proud of me".



Frequently asked questions

Q: What is the formal definition for Indigenous status in Australia?

A: Most Departments have adopted the October 1978 Federal Cabinet endorsed Commonwealth working definition of an Aboriginal or Torres Strait Islander as follows: "An Aboriginal or Torres Strait Islander is a person of Aboriginal or Torres Strait Islander descent who identifies as an Aboriginal or Torres Strait Islander and is accepted as such by the community in which he or she lives."

Q: How is Indigenous status recorded in Defence?

A: The basic level is by self-declaration on PMKeyS. However, to access Defence Indigenous scholarships, or similar opportunities, more robust evidence such as a letter of Aboriginality might be required.

Q: What action do I take in a workplace dispute involving Indigenous staff?

A: Typically, no special action is required other than applying the normal Defence Dispute Resolution policy and processes.

Q: Is Indigenous cultural awareness training and/or mentoring available?

A: Yes. Basic advice is posted on the DIA components of the DRN. More work needs to be done in this area and DIA is actively working with the Groups and Services on this issue.

Q: Does Defence have Indigenous-specific personnel support systems?

A: Yes. The Defence Aboriginal and Torres Strait Islander Network is an informal group that supports each other. Network communications occur through the DRN Indigenous Public Folders. DIA is currently exploring more sophisticated DRN-based communication solutions.

Q: How can Indigenous staff contribute to the Defence broader Indigenous Affairs agenda?

A: Opportunities exist for Defence Aboriginal and Torres Strait Islander Network members to provide internal mentoring support and/or undertake representational duties as a positive role model. These opportunities are negotiated between DIA and the Network member's supervisors.

Q: Does Defence use 'Welcome to Country' and 'Acknowledgement of Country?'

A: Yes. The Defence leadership group actively encourages our personnel to pay respect to First Australians as the traditional land custodians.

Q: Who is responsible for Indigenous Affairs in Defence?

A: At a Departmental level, the Directorate of Indigenous Affairs within PSP Group has responsibility for the Defence strategic direction. In addition, each Service and Group has an Indigenous strategy that is supported by local (Base/facility level) community engagement strategies.

Q: What is "Sorry Business" and how does it apply to Indigenous Defence employees?

A: Sorry Business is a term that relates to cultural practices which occur after the death of a family member or a member of the community. The Bereavement Leave and Special Leave entitlements under the DECA, in conjunction with the discretionary leave powers given to ADF commanders are normally sufficient to accommodate Sorry Business commitments of Indigenous Defence employees.

Additional sources of information

Reconciliation Australia

Key information about the reconciliation process.
www.reconciliation.org.au

Local Government

A primary information source for Indigenous Affairs is the local council offices (key contacts for the local Indigenous community).

Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS)

Information and research about Aboriginal and Torres Strait Islander peoples.
www.aiatsis.gov.au

The Little Red Yellow Black Book

An introduction to Aboriginal and Torres Strait Islander culture and history.
<http://lryb.aiatsis.gov.au/>

NAIDOC

The NAIDOC Committee makes decisions about NAIDOC themes, activities, celebrations, events, and NAIDOC award winners.
www.naidoc.org.au/

Australian Government

Resources and information on national Indigenous initiatives and programs.
www.indigenous.gov.au/

Flag Protocols

www.itsanhonour.gov.au/symbols/docs/australian_flags_excerpt.pdf

Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)

Information about Indigenous programs and initiatives.
www.fahcsia.gov.au/sa/indigenous/

Indigenous Coordination Centres (ICC)

Local ICC engages with Indigenous communities, government and local service providers.
www.fahcsia.gov.au/contact/fahcsia/Pages/ContactDept.aspx

Department of Education, Employment and Workplace Relations (DEEWR)

Information about Indigenous programs and initiatives.
www.deewr.gov.au/Indigenous

Defence Reconciliation Action Plan 2010-14

www.defence.gov.au/fr/publications/DRAP2010-14.pdf

Defence Force Recruiting Indigenous Overview

www.defencejobs.gov.au/indigenous

Australian Public Service Commission Organisational Leadership Program for Indigenous Leaders and Managers

www.apsc.gov.au/indigenous/

Australian Broadcasting Commission Dust Echoes

www.abc.net.au/dustechoes/

Australian War Memorial

www.awm.gov.au/

Department of Veterans' Affairs

www.dva.gov.au/benefitsAndServices/Ind/Pages/index.aspx

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review of the Defence Annual Report 2011-2012 – 15 March 2013

Q23: Civilisation of the Australian Defence Force (ADF)

Senator Macdonald asked on Friday 15 March 2013, Hansard page 44:

(a) Can you explain to me what civilianisation of ADF to Australian Public Service (APS) positions means in the third dot point in that \$155 million savings component of workforce and shared services? What are we going to civilianise of the ADF to APS positions? How is that saving us money?

(b) Just so I can understand, could you give me a couple of, hopefully, fair and representative examples of the cost of a different level of a uniformed person doing a job that it is said can be more cheaply done by someone of, I assume, a similar 'rank' in the public service. Where do the savings come in?

(c) Again, I do not want you to take years to get them, but if you could perhaps just get me a few cost examples of something a civilian is now doing that used to be done by a uniformed person. Does that take into account what you do with the displaced uniformed person, who now does not have that job? What do you do with them, pension them off?

Response:

(a) In the Defence Budget Audit conducted in 2008, McKinsey and Co (McKinsey) identified that there were a large number of administrative support roles undertaken by members of the ADF that could be equally undertaken by an APS employee without negatively impacting on capability.

Further analysis in 2009 identified approximately 700 positions that could be civilianised in accordance with the McKinsey proposition, noting that administrative support positions still needed to be retained for a number of reasons including career pathing for ADF members, ceremonial duties, representational duties, respite and compassionate postings.

The savings identified during the analysis and planning phase in 2009 were based on the Defence Finance Costing Manual, known as FINMAN 4.

(b) In 2009, FINMAN 4 provided average costings by rank and APS level and includes salary, accrued costs, variable on-costs and fixed on-costs. To determine the savings potential Defence used the difference between salary, accrued costs and variable on-costs. Accrued costs are primarily superannuation, but include a small component to cover annual leave and long service leave. Variable on-costs cover a wide range of items but notably include allowances, housing, education and training and ICT support. Fixed on-costs, which include items such as buildings, utility costs and security were not used as no civilianisation actions resulted in the complete closure of a Defence facility. Based on the difference between the cost of an ADF member and an APS employee, a savings target was established, phased over the 10 years from 2009-10 to 2018-19.

Each year's savings incorporated the savings gained through the civilianisations in that year added to cumulative savings from previous years.

The civilianisation program covered a wide range of non-operational roles. Two such roles were a pay clerk in Defence's integrated pay team and an administrative role providing secretariat support to senior committees.

(c) In the case of pay clerks, in 2009, FINMAN 4 costed a sergeant as follows: \$61,843 pay, \$22,885 accrued costs and \$55,195 for variable on-costs giving a total annual cost of \$139,924. The equivalent position in the APS is an APS3. The 2009 FINMAN 4 costed an APS3 as follows: \$53,239 pay, \$9,892 accrued costs and \$7,907 for variable on-costs, giving a total annual cost of \$71,037. In this case, civilianising the position saves \$68,887 annually.

In the case of the secretariat role, in 2009 FINMAN 4 costed a Major as follows: \$93,395 pay, \$32,802 accrued costs, \$57,183 variable on-costs, giving a total annual cost of \$183,380. The equivalent position in the APS is an APS6. In 2009, FINMAN 4 costed an APS6 as follows: \$74,564 pay, \$13,854 accrued costs and \$7,907 variable on-costs, giving an annual cost of \$96,325. In this case, civilianising the position saves \$87,055.

In implementing the program the three Services worked with Groups to identify suitable positions to civilianise, noting that not all positions would be civilianised for reasons stated previously.

As part of the implementation design, ADF members that occupied a position that was identified for civilianisation were offered the opportunity to leave the ADF and transfer with the position into the APS. This was entirely voluntary with ADF members individually assessing their work/life stage and making decisions accordingly. Approximately 20 per cent of the ADF members in civilianised positions chose to transfer with the position.

Where an ADF member chose not to transfer with a position they were posted to a new position, in accordance with their career management plan. In some cases voluntary redundancies were also offered. Once a position had been civilianised and the ADF member posted, workforce rebalancing to reach new guidance was achieved mainly through natural attrition.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review 2011-2012 Defence Annual Report – 15 March 2013

Q26: Navy Workforce

Senator Mark Furner asked on 15 March 2013 Hansard page 53.

Does the up-skilling of the naval technical workforce mean that someone at a particular rank, as a result of that up-skilling, moves up to a higher rank? Is that part of the process as well?

Response:

No. A sailor generally does not move up to a higher rank solely as a result of up-skilling. While up-skilling enhances a sailor's employability and potential for promotion, promotion is dependent upon the Service requirement for additional sailors at the next rank (from among the cohort of sailors who have attained requisite skills for promotion), together with suitable experience, demonstrated performance, behaviour and leadership ability. The sailor must also be prepared to serve in the position for which promotion is required.

Joint Standing Committee on Foreign Affairs, Defence and Trade

QUESTIONS ON NOTICE – COMMITTEES

Review of 2011-2012 Defence Annual Report (DAR) – 15 March 2013

Q27: Defence Women's Strategy / Part-Time Work Arrangements

Ms Brodtmann asked on 15 March 2013:

- 1) How are you progressing in providing greater flexibility for women and men in the ADF? Has there been any progress on that front and what percentage now of ADF employees work part-time?
- 2) Could you give me an idea about where the part-time jobs are in terms of Russell et cetera?

Response:

- (1) Defence's progress on providing greater flexibility for men and women in the ADF has been actively pursued in the past twelve months. The release of Ms Broderick's *Review into the Treatment of Women in the ADF Phase 2 Report* in August 2012 has provided a catalyst to reinforce and expand the strategies already in place. The current policy relating to flexible employment is under review in order to:
 - (a) broaden the parameters and reaffirm Defence's commitment to flexible employment, reinforcing full-time and part-time flexible employment options, as well as part-time options;
 - (b) establish targets for flexible employment for each Service, in line with Recommendation 13 of the Broderick Review (Phase 2); and
 - (c) develop strategies within the current workforce management systems to collect data on access and uptake of flexible employment, which will be reported annually in the 'Women in the ADF' report, in accordance with Recommendation 3 of the Broderick Review (Phase 2).

Part-time employment for permanent members of the ADF is currently facilitated through the use of Part-Time Leave Without Pay. As at 8 March 2013, there were 276 permanent ADF members on approved Part-Time Leave without Pay (PT LWOP). This equates to 0.49 per cent of the permanent ADF.

- (2) ADF positions are not formally designated as being specifically part-time or full-time. Decisions to approve part-time filling of positions are made on a case by case basis under the broad policy context that:

- (a) ADF personnel are entitled to access part-time work on return from Maternity or Paternity leave for a period of up to two years, this includes adoptive parents; and
- (b) ADF personnel are not limited by location to access part-time or full-time flexible employment.

As such, ADF positions in Russell and ADF bases/establishments are treated no differently.

The 276 ADF members currently on PT LWOP are at various locations across the country, including Cairns, Canberra, Darwin, Edinburgh, Enoggera, Ipswich, Richmond, Sydney, Townsville and Williamtown (which account for approximately 79 per cent of the total). The remainder are located at other various metropolitan and regional centres.