

RECOMMENDATIONS

Recommendation 1

The Committee recommends that the Government undertake to provide Defence with a five-year budget commitment, to provide Defence with a more secure basis for long term planning of resource allocations.

Recommendation 2

The Committee recommends that the Department of Defence be required to report to the Parliament annually, and in a report separate from the Defence Annual Report, specifically detailing the progress made in implementing major efficiency initiatives.

Recommendation 3

The Committee recommends that Defence funding should be increased in real terms, to enable the ADF to remain a well-equipped, highly-trained force relying on technologically advanced weapons and support systems.

Recommendation 4

The Committee recommends that the mechanism of fixing a rate of real growth be adopted as a means of defining the increase in Defence spending.

Recommendation 5

Given that the recommendations made in this report can have no impact on the decisions taken in the 1998-99 Federal Budget, the Committee recommends that real growth in Defence funding should commence in FY1999-00.

Recommendation 6

The Committee recommends that the current level of Defence funding be increased by a real growth rate of between 1.5 and 2.5 per cent annually for the next five years.

Recommendation 7

The Committee is concerned about the substantial additional expenditure required to overcome block obsolescence in the 2010-2015 period. The Parliament and Expenditure Review Committees of successive Governments must be involved in the advance financial planning to overcome this problem.