



Review of 2011–12 Defence Major Projects Report

Federal Parliament's Public Accounts and Audit Committee has today tabled the report of its annual review of the Defence Materiel Organisation (DMO) Major Projects Report.

The 2011–12 Major Projects Report covers 29 projects with a combined approved budget of \$47.3 billion. It is the fifth to be produced by the DMO and the Australian National Audit Office.

Specific areas of focus in the Committee's review included the presentation of financial information, project schedule slippage, and the DMO's governance and business processes.

The report includes five recommendations directed at:

- supporting the development of meaningful project financial assurance statements;
- disclosing information on the expenditure of project contingency funds;
- improving reporting on the DMO's sustainment of capability functions;
- improving consistency in the application of project 'maturity scores'; and
- taking a more strategic approach to business systems improvements.

The 2011–12 Major Projects Report also contained the findings of a survey of external stakeholders on the use by, and value of, the report. This survey came about as a result of a recommendation of the Committee's previous review.

"The DMO is improving and this process of working with the Auditor-General in producing a Major Projects Report should give taxpayers confidence that \$47 billion in defence projects is increasingly being spent in a more efficient way to help secure our nation", Committee chair, Rob Oakeshott MP, explained.

The committee's review of the report comprised a public hearing with the DMO and the Australian National Audit Office, and a series of written questions to the DMO.

An electronic copy of the report can be downloaded from the Committee's website at <http://www.aph.gov.au/jcpaa> under 'Review of DMO Major Projects Report'.

For media comment: please contact Committee Chair, Rob Oakeshott MP, on (02) 6584 2911.

For information about the hearing: please contact the committee secretariat by telephone (02) 6277 4615, e-mail jcpaa@aph.gov.au, or visit the committee website <http://www.aph.gov.au/jcpaa>.