

**Joint Committee of Public Accounts and Audit  
Review of Auditor-General's Reports Nos. 43 (2004/05) - 6 (2005/2006).  
Responses to Questions on Notice**

**Question 1**

**Quality and Environmental Management Systems  
(QEMS)**

- a) On page 5 of its submission, Defence stated, "The target completion date is December 2006." Was QEMS integration completed in December 2006?
- b) Page 5 also stated, "A new Business Unit Graphical User Interface (BU GUI) is scheduled for release in June 2006, which will make it easier to access job-relevant policy and procedural information." Was the new interface released in June 2006?
- c) At the hearing of 9 February 2006, Dr Gumley testified, "QEMS is well away from accreditation" (Hansard, Page 15). Is QEMS now accredited or is it still well away from ISO accreditation?

**RESPONSES**

- a) Yes.
- b) The new "Business Unit Graphical User" Interface was delivered in November 2006.
- c) QEMS is the tool that supports the DMO Quality Management System (DMO QMS). The DMO QMS incorporates three phases (DMO Executive QMS, DMO Corporate QMS and DMO Enterprise QMS).

The DMO Executive QMS was established and certified to the AS/NZS ISO 9001:2000 international standard on 25 October 2006. The DMO Corporate QMS is on track for delivery end of June 2007, and the DMO Enterprise QMS is estimated to be delivered at the end of 2007.

## **Question 2**

### **Accredited Engineering Organisation (AEO) status of Maritime Division organisations**

Page 3 of Defence's submission, stated, "Maritime Division has six organisations who have AEO status. Three have provisional AEO status and two are in progress. Four organisations have an appraisal scheduled between March 2006 and January 2007."

Can Defence provide an update of the number of Maritime Division organisations that now have AEO status, provisional AEO status or are in progress for AEO status?

### **RESPONSE**

Maritime Systems Division has five organisations with full AEO status. Two System Program Offices are currently nearing the completion of a re-appraisal and are expected to be at full AEO certification by the end of May 2007. A further three have provisional status and are progressing towards full AEO certification. In addition four have sought appraisal by the Director Technical Regulation – Navy and are expected to complete the remediation for full status by late 2007.

### **Question 3**

#### **Hawk radar simulation and emulation project**

Page 5 of the Defence submission, stated, "Full embodiment of these capabilities into the aircraft is scheduled for completion in August 2006, with project closure scheduled for January 2007. The radar emulation capability is scheduled for initial in-service use in July 2006."

Was the full embodiment of these capabilities completed in August 2006?  
Was the project finished in January 2007?

### **RESPONSE**

Full fleet embodiment was achieved for both Radar Simulation and Radar Emulation in December 2006.

The Project is substantially complete but will not financially close until two ongoing technical issues are resolved; namely the resolution of eight outstanding System Problem Reports for Radar Simulation, and the late delivery of the Radar Emulation Threat Loader Programmer.

The Project Office closed on 31 December 2006 with all outstanding issues transitioned to In-Service for ongoing management. For leverage, BAE Systems (UK) will not be paid the final milestone payment (approximately \$8 million) until the Threat Loader Programmer issue and outstanding Radar Simulation deficiencies have been resolved, and any remaining contracted deliverables are met to the satisfaction of the Commonwealth. Final Project Closure is expected in late 2007, after final acceptance of all supplies (expected in October 2007).

#### **Question 4**

##### **M113 Armoured Personnel Carrier**

Page 14 of the Defence submission stated, "The status and results of testing of the upgraded M113 Armoured Personnel Carrier are:

- Endurance, 100% complete, no major problems.
- Turret performance, 100% complete, no major problems.
- Mobility, Performance and Physical Characteristics, 99% complete, no major problems.
- Maintainability, 90% complete, due 20 March 2006, no major problems.
- Electromagnetic and Electrical Performance, 98% complete, due 24 February 2006, no major problems.
- Reliability Qualification Test, 28% complete, due May 2006, hand brake failure, being investigated."

- a) Was Maintainability completed in March 2006?
- b) Was Electromagnetic and Electrical Performance completed in February 2006?
- c) Was the Reliability Qualification Test completed in May 2006?

#### **Response**

- a) The Maintainability testing is assessed as 95 per cent complete, only requiring a demonstration of the 11,000km service procedure. This is to be demonstrated before the completion of the functional configuration audit, which is scheduled for July 2007.
- b) Yes.
- c) No. The Reliability Qualification Test was stopped on 17 March 2006 by the contractor when it became evident that a number of technical issues would prevent successful completion of the test. The contractor has undertaken further developmental work, and a new Reliability Qualification Test was commenced in January 2007. The current test is scheduled to be completed in May 2007.