

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
ADDITIONAL ESTIMATES 2014-15

Finance Portfolio

Department/Agency: Department of Finance

Outcome/Program: 2/2.1

Topic: Objectives of the ASC

Senator: Xenophon

Question reference number: F1

Type of question: Hansard, F&PA Committee, Page 21, 24 February 2015

Date set by the committee for the return of answer: Friday, 10 April 2015

Number of pages: 1

Question:

Senator XENOPHON: I do not want to lock you in. I just want to ask: in terms of some process issues, can you, on notice at least, provide this committee with the objectives for the ASC, as you are required to do under paragraph 1.7(b) of the *Commonwealth Government Business Enterprise Governance and Oversight Guidelines*? Could you at least take that on notice—not just relating to the submarines but in general terms? That is all I ask.

Senator Cormann: I will take it on notice, and to the extent that we can assist you and the committee, we will. But I say again that this is a very sensitive procurement going to very sensitive defence issues.

Senator XENOPHON: I am not talking about the procurement now. I am talking about the guidelines that you give as the minister. Mr Whiley, could you take that on notice as to what guidelines or guidance you have received from your shareholder minister? Could you take that on notice?

Senator Cormann: I have taken the question on notice.

Answer:

As part of frequent contact with the Chair of the ASC Pty Ltd, the Chair has indicated to the Minister that the ASC will participate in the competitive evaluation process and will partner with all interested parties on equal terms. The Department of Defence is administering the competitive evaluation process and they have given guidance to ASC about their participation in that process.

The objectives of ASC Pty Ltd as determined by the Shareholder Minister are set out in its Constitution and are to:

- a) Enhance and maintain the Australian Defence Force's maritime defence capabilities;
- b) Support Australian Government policies in relation to the Australian naval surface shipbuilding and repair industry and the submarine construction and repair industry; and
- c) Do all things that are necessary, convenient or incidental to support and facilitate any ASC Restructuring, and do all things that are necessary, convenient or incidental to carry out or for the achievement of these objectives.