

Senate Foreign Affairs, Defence and Trade Legislation Committee

Answers to written questions on notice  
DEPARTMENT OF DEFENCE

Additional estimates 2001—2002; 20–21 February 2002

Capability Plan  
QUESTION W7

See pages v and vi of the public version of the 2001–2010 Capability Plan.

- a) Can the actual figures for the expenditure in future years, shown in graph form, be provided in tabular form, by each of the industry sectors specified.
- b) When will the public version of the 2002–2011 Capability Plan be made available (assuming the yearly reviews of the Capability Plan will be published)?

**RESPONSE**

- a) Proposed New Expenditure by Principal Industry Sector A\$m (in 2001–02 prices)

Industry Sector	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Aerospace	179	319	772	810	1029	1254	1420	1497	1746	2282
Electronics, Comms and IT	118	182	251	410	538	533	553	585	661	585
Heavy Engineering, Vehicles and Land Systems Industries	41	119	194	222	250	320	312	133	179	240
Maritime	92	217	317	329	528	637	672	703	717	710
Weapons and Munitions	70	142	257	379	466	478	471	465	371	295

- b) No date has been finalised.

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**Major Capital Equipment Projects**

**QUESTION W8**

- a) The Additional Budget Statement includes details on the top 20 major capital equipment projects. Can the same information, including brief description, be supplied for the next 20 projects, ie. projects 21 to 40.
- b) For the top 20 projects can Defence provide expected expenditure for the years 2002–03, 2003–04 and 2004–05.

**RESPONSE**

- a) and b) The Government considers that the level of information provided in Budget documents, available in the public version of the Defence Capability Plan and otherwise available on the Defence website provide adequate detail.

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**Outsourcing of Health Services**

**QUESTION W9**

- a) Where is the decision on the outsourcing of health services in Victoria up to? When is a decision likely to be announced on this matter?
- b) Have tenders for health services been opened for other areas? What is the timing of these tender rounds (ie. submission date for tenders and decision date)?
- c) Under the contracts what is the status of contracted civilian medical personnel in terms of being deployed overseas or within Australia for operations and exercises? Will civilian contractors be used in these roles?
- d) Will the ADF be maintaining a core of uniformed medical personnel to allow for the posting of personnel overseas and on operations? If so how many uniformed medical personnel (specify number and type) will be retained under any contracting arrangement? Will these numbers provide the personnel needed to maintain lengthy operations, ie. will there be enough to allow for the rotation of medical personnel?
- e) In terms of the contracts, will civilian medical personnel receive the same remuneration as equivalent uniformed medical personnel (including leave entitlements, allowances, superannuation, etc)?
- f) Will contracted civilian medical personnel be required to move on postings within Australia?
  - Does this have implications for attracting and retaining medical staff, if they have the option of being employed in a civilian capacity and thereby avoid any requirement for postings?
- g) Does the ADF currently have difficulty attracting and retaining medical personnel? What are the target numbers for the various medical personnel employed? What are the actual numbers currently employed in each category?

**RESPONSE**

- a) The evaluation of best and final offers from the two short-listed tenderers has been completed and a recommendation concerning a preferred tenderer is expected to be submitted to Head Defence Personnel Executive by mid-May 2002. As the latter stages of market testing under the Commercial Support Program require internal review by Defence and noting by the Minister, the date of a public announcement on the market-testing outcome is uncertain, but should be made by June 2002.
- b) A Request for Tender for the provision of health services at ADF bases in the ACT/Southern NSW region was issued in November 2001. Tenders closed on 12 April 2002 and are currently being evaluated. Although the Tender Evaluation Committee may be able to recommend a preferred tenderer by mid year, any public announcement will depend on the time required to complete the higher internal review within Defence.
- c) Under any future prime contract, civilian health personnel will be engaged primarily to provide on-base health services within Australia. This is also true for those contractors engaged under individual contracts. They would not be deployable to support operations or exercises, although they may be required to support training activities within the national support area. Specialist medical practitioners and other health practitioners may be separately

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contracted for specific operational purposes. They have been used on overseas deployments to Bougainville and East Timor, and on exercises within Australia at Tindal (Exercise Tandem Thrust) and Tennant Creek (Exercise Phoenix) in the Northern Territory.

- d) The ADF will be retaining a core of permanent uniformed health personnel to provide health support to operations and exercises and to unit-based personnel in Australia. Reserve health personnel, including specialist medical practitioners, support and supplement them, particularly on operations and exercises. The total number of health positions to be retained is under regular review. One of the considerations in determining the number of health positions is the need to provide rotations of health personnel to support lengthy operations.

As at April 2002, the target numbers and actual strength for the various categories of ADF permanent uniformed health personnel were:

Category	Target	Strength
<b>Officer</b>		
Medical	176	118
Dental	91	75
Nursing	227	189
Radiography	14	10
Pharmacy	34	18
Physiotherapy	6	3
Laboratory	13	10
Environmental Health	29	17
<b>Other Ranks</b>		
Medical Assistants	826	629
Dental Assistants	188	176

- e) The employment conditions and remuneration of civilian medical personnel under any future prime contract is a matter for the prime contractor and the contractee. Defence's concern in this area is essentially limited to the total cost (price) and quality of the services to be provided, as is normally the case with a contracted service.

Outside these types of prime contracts, under current individual contracts, civilian medical personnel receive significantly higher remuneration than the equivalent uniformed officer. They receive superannuation and, where necessary, travel and subsistence allowances, but they do not receive allowances specific to uniformed personnel, such as rental allowance.

Those civilian medical practitioners contracted for operational duties receive the same remuneration as a Colonel (equivalent) medical officer. Their payment takes into account tax exemptions and allowances enjoyed by uniformed personnel on deployment. Accrued leave is also financially remunerated.

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- f) Under any future prime contract, the employment conditions in terms of postings of civilian medical personnel under a prime contract is a matter for the prime contractor and the contractee.

Under current individual contracts, civilian medical personnel are not required to move on postings in Australia. This has a potentially detrimental effect on recruiting and retention of uniformed health personnel, as civilian health personnel are, on average, earning more than their military colleagues without the requirement to deploy or post.

- g) The ADF currently has difficulty attracting and retaining some categories of medical personnel, including medical officers and medical assistants. The target numbers and actual numbers are outlined in the above table.