

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

**Airborne Early Warning and Control Aircraft—Capital Projects**

**QUESTION W16**

- a) Can the Department confirm that the approved project cost of \$3,455 million (as indicated in the *Portfolio Additional Estimates Statements*) is for six aircraft that were to have originally been purchased through the project?
- b) Did the decision to reduce the number of aircraft from 6 to 4 result in a reduction in the project budget? If so, what reduction or adjustment was made to the project budget?
  - If not, why not?
  - Was the delayed decision on this cost to blame?
- c) Confirm that the project is on schedule.
  - Is the project still on budget? Is there any concern that there will be an increase in the cost of the project?

**RESPONSE**

- a) The approved project cost of \$3,455 million includes the cost of four aircraft, two additional mission systems, two simulators—one for the flight crew and one for the mission crew, supporting infrastructure at RAAF Williamtown, Tindal and Edinburgh, a software and engineering support facility, initial aircrew and maintenance personnel training, in-service support for the first 42 months of operation, and an appropriate level of contingency.

The system acquisition contract includes an option, valid until June 2003, for an extra two aircraft for US\$175m (September 1998 prices) total for both aircraft. Project approval would need to be increased to allow the exercise of this option.

- b) The original project approval was for six aircraft and associated infrastructure, support, training and contingency. As a result of the delay to consider the airborne early warning and control capability in the context of the 2000 Defence White Paper, Boeing was required to extend its tender validity which resulted in a price increase for the six-aircraft package of A\$162m. The reduction in aircraft number to four resulted in a saving of A\$322m, which caused a net reduction in project approval of A\$159m.
- c) The project remains on schedule to meet the planned 2007 in-service date. The project is on budget and there is no basis for believing that there will be an increase in the cost of the project. This excludes adjustments to the project budget to compensate for exchange rate and other index variations provided for in the contract.

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**Overseas Deployments**

**QUESTION W17**

In relation to the following operations confirm the following details:

- What is the current deployment;
  - In total how many personnel have been deployed on this operation (ie. including any earlier rotations);
  - Is there a planned rotation of personnel, if so when will it occur and which units will be going.
- a) Operation Slipper  
b) Operation Tanager  
c) Operation Trek  
d) Operation Damask  
e) Operation Belisi II

**RESPONSE**

a) to e) See the table below for details. The information provided is correct as at 12 March 2002.

<b>Operation</b>	<b>Current Deployment</b>	<b>Total Deployed</b>	<b>Rotations Planned</b>
Slipper	1044	2248	HMAS <i>Canberra</i> , HMAS <i>Manoora</i> and HMAS <i>Newcastle</i> entered the area of operations in February/March 2002 for service with the Maritime Interception Force for a period of three to six months.  F/A-18 (81Wing) detachment personnel rotated in February 2002 and will rotate at three-monthly intervals (the aircraft will remain).  Other deployed personnel including the National Command element and Special Forces will rotate at staggered four or six-monthly intervals. A special Forces rotation will occur shortly.
Tanager	1463	9728	3RAR (900 personnel) replaces 2RAR (979 personnel) in April 2002.
Trek	2	1819	Operation ceased on 15 March 2002.
Damask X	0	179	Task assumed by the Maritime Interception Force under Operation Slipper from 12 October 2001. Previous deployment was HMAS <i>Anzac</i> prior to the commencement of Operation Slipper.
Bel Isi II	35	3710	Navy personnel rotate at two-monthly intervals. Army and Air Force personnel rotate at four-monthly intervals.

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**Bushranger Project**

**QUESTION W18**

Is there any consideration of adopting the Shorland S600 armoured personnel carrier in place of the Bushmaster?

**RESPONSE**

Defence has no plans to replace the Bushmaster vehicle with Shorland S600 armoured personnel carriers. Current efforts by Defence and ADI Pty Ltd are focused on the affordable and timely production of Bushmaster vehicles which meet Defence's performance and reliability needs.