

**Foreign Affairs, Defence and Trade
Legislation Committee**

**Examination of additional
estimates 2002–2003**

Additional information received

Volume 1

DEFENCE PORTFOLIO

(Department of Defence, Department of
Veterans' Affairs, and Defence Housing Authority)

May 2003

Information relating to additional estimates 2002–2003

Examination of expenditure for the Defence portfolio

Department of Defence

Senator *Ques no* *Page no*

Portfolio overview and major corporate issues

<i>Evans</i>	<i>W19</i>	Consultants and professional services	01
<i>Evans</i>	<i>W20</i>	Use of professional service providers in the Defence Materiel Organisation	01

Capital development

<i>Cook</i>	<i>W48</i>	Capability definition	02
-------------	------------	-----------------------------	----

Capital budget: major capital equipment and major capital facilities projects

<i>Evans</i>	<i>07</i>	Defence integrated distribution system project (DIDS)	02
<i>Evans</i>	<i>10</i>	SeaSprite helicopters	03
<i>Nettle</i>	<i>W21</i>	Depleted uranium—ammunition	04

Capital investment: major capital equipment and major capital facilities projects

<i>Evans</i>	<i>W11</i>	Air warfare Destroyer study	05
<i>Evans</i>	<i>W12</i>	Trooplift helicopters	06
<i>Evans</i>	<i>W14</i>	Upgrade of the Adelaide class guided missile frigates.....	06
<i>Evans</i>	<i>W15</i>	Global Hawk (unmanned aerial vehicles)	08
<i>Collins</i>	<i>W37</i>	Air Force logistics systems.....	09
<i>Collins</i>	<i>W38</i>	Implementation of government policy	11
<i>Collins</i>	<i>W40</i>	Financial management	12
<i>Collins</i>	<i>W41</i>	Air-87 reconnaissance helicopter.....	13
<i>Cook</i>	<i>W44</i>	Replacement patrol boats.....	14

Competitive tendering and contracting

<i>Lundy</i>	<i>W23</i>	Information and communications technology contracts.....	15
<i>Lundy</i>	<i>W24</i>	Information technology outsourcing	16
<i>Collins</i>	<i>W25</i>	Contract relationships in HMAS Cerberus.....	17
<i>Collins</i>	<i>W26</i>	Failure to fulfil contractual obligations	17
<i>Collins</i>	<i>W29</i>	Contractors and sub-contractors supervision and security clearances.....	19
<i>Cook</i>	<i>W45</i>	Bids for contracts from Australia and overseas.....	19
<i>Cook</i>	<i>W47</i>	Commonwealth access provisions in contracts	20
<i>Senator</i>	<i>Ques no</i>	<i>Page no</i>

Improvement initiatives

<i>Cook</i>	<i>W49</i>	Project management methodology	21
-------------	------------	--------------------------------------	----

Other portfolio issues

<i>Cook</i>	<i>W46</i>	Quality assurance officers	22
-------------	------------	----------------------------------	----

Defence outputs

Output 1—Defence operations

<i>Evans</i>	<i>01</i>	Despatch of Defence planning team to US Central Command	23
<i>Faulkner</i>	<i>02</i>	Defence advice to Government on military options	23
<i>Hogg</i>	<i>06</i>	Purchase of nuclear, biological and chemical Defence equipment	23
<i>Evans</i>	<i>W1</i>	Gulf deployment—personnel	24
<i>Evans</i>	<i>W3</i>	Service and support of Gulf forces	24
<i>Collins</i>	<i>W43</i>	SIEV-X	24

Output 2—Navy capabilities

<i>Evans</i>	<i>W4</i>	Landing craft transport	26
<i>Collins</i>	<i>W39</i>	Sea King helicopter	26

Output 3—Army capabilities

<i>Evans</i>	<i>W13</i>	Additional commando unit	27
--------------	------------	--------------------------------	----

Output 4—Air Force capabilities

<i>Evans</i>	<i>W2</i>	C-130Js	27
<i>Evans</i>	<i>W6</i>	Air Forces in the Gulf	29
<i>Evans</i>	<i>W9</i>	Defence aircraft	30

Output 6—Intelligence and security

<i>Collins</i>	<i>W30</i>	Issuing of security clearances	35
<i>Collins</i>	<i>W31</i>	Checking clearance access	37

Business processes

Corporate services

<i>Allison</i>	<i>08</i>	Outsourcing of Defence health services in Victoria	37
<i>Evans</i>	<i>W7</i>	Richmond Airbase	40
<i>Evans</i>	<i>W10</i>	Woomera testing range	40
<i>Evans</i>	<i>W16</i>	Defence property sales—sale of National Storage and Distribution Centre, Moorebank	41
<i>Evans</i>	<i>W17</i>	Property sales and lease-back	42
<i>Evans</i>	<i>W18</i>	Woomera testing range	43
<i>Collins</i>	<i>W27</i>	Hospital roof—HMAS Cerberus	44
<i>Collins</i>	<i>W28</i>	Contracts in Victorian bases	44

Corporate services (continued)

<i>Collins</i>	<i>W32</i>	Additional laptop purchases	45
<i>Collins</i>	<i>W34</i>	SSL Asset Services	45
<i>Collins</i>	<i>W42</i>	Contamination of Defence sites.....	46

Inspector-General

<i>Allison</i>	<i>09</i>	Inspector-General’s investigation of health services	47
<i>Collins</i>	<i>W35</i>	ANAO and Inspector-General’s investigations	48
<i>Collins</i>	<i>W36</i>	Destruction of files	48

People

Defence personnel

<i>Evans</i>	<i>03</i>	Inoculations of ADF personnel in Afghanistan.....	50
<i>Faulkner</i>	<i>04</i>	Inoculations for Middle East deployment	50
<i>Hogg</i>	<i>05</i>	Cost of inoculations	51
<i>Evans</i>	<i>W5</i>	Recruitment freeze.....	51
<i>Evans</i>	<i>W8</i>	Number of officer workers in Defence	52
<i>Nettle</i>	<i>W22</i>	Depleted uranium—health risks	53
<i>Collins</i>	<i>W33</i>	Medical certification for HMAS Cerberus and Creswell hospitals.....	54



Defence Housing Authority

<i>Senator</i>	<i>Ques no</i>	<i>Page no</i>
<i>Lundy</i>	DHA information technology contracts	55
	<i>Attachment: Defence Housing Authority IT contracts</i>	56

Department of Veterans' Affairs

- Outcome 1—Compensation
- Outcome 2—Health, and
- Outcome 4—Service delivery

Outcome 1—Compensation

<i>Bishop</i>	24	Sun Herald story on veterans' compensation	59
<i>Bishop</i>	28	Doctors and specialist.....	60
<i>Bishop</i>	29	Clarke review—cost to date	60
<i>Bishop</i>	30	Clarke review—briefings on the report.....	61
<i>Bishop</i>	31	Provision in VALA Bill (No 3) 2002	61
<i>Bishop</i>	32	Building excellence in support and training (BEST) program	63
		<i>Attachment: Report: Building excellence in support and training</i> <i>—an evaluation (BEST), is a 128 page document.</i> <i>It is available in 'Word' and 'Acrobat' from the Committee's website]</i>	
<i>Bishop</i>	33	Current health studies	64
<i>Nettle</i>	34	Depleted uranium—health study	66
		<i>Attachment: Report: Review of scientific literature on the health effects of</i> <i>exposure to depleted uranium, is a 143 page document.</i> <i>It is available in 'Word' and 'Acrobat' from the Committee's website]</i>	
<i>Lundy</i>	35	Information technology contracts.....	68
		<i>Attachment A: Department of Veterans' Affairs IT contracts.</i>	<i>68a–68d</i>
		<i>Attachment B: Australia War Memorial IT contracts.</i>	<i>68e–68f</i>
		<i>[These documents are available in 'Excel' and 'Acrobat' from the Committee's</i> <i>website]</i>	

Outcome 2—Health and

Outcome 4—(Service delivery)

<i>Bishop</i>	01	Generic drugs.....	69
<i>Bishop</i>	02	Veterans' home care and other health care expenditure.....	70
<i>Bishop</i>	03	Other medical expenses	71
<i>Bishop</i>	04	Veterans' hospital and health services—additional funds for respite care and community nursing.....	71

Outcome 2—Health (continued)

<i>Bishop</i>	05	Veterans’ home care —additional funding.....	72
<i>Bishop</i>	06	Veterans’ home care—identification of allocated funds	72
<i>Bishop</i>	07	Veterans’ home care—charging of VHC services to correct programs	73
<i>Bishop</i>	08	Veterans’ home care—allocation for regional budget expenditure.....	73
<i>Bishop</i>	09	Veterans’ home care—regional budget for VHC core services	74
<i>Bishop</i>	10	Veterans’ home care—variations to increased allocations.....	74
<i>Bishop</i>	11	Veterans’ home care—administrative overheads for Homecare	75
<i>Bishop</i>	12	Veterans’ home care—representations to the Minister and department	75
<i>Bishop</i>	13	Veterans’ home care—complaints about cuts to services	75
<i>Bishop</i>	14	Veterans’ home care—seamless service provision to the veteran	77
<i>Bishop</i>	15	Veterans’ home care—no waiting lists in Tasmania	77
<i>Bishop</i>	16	Veterans’ home care—estimates & real net savings as result of program ...	78
<i>Bishop</i>	17,18	Veterans’ home care—GST ruling on services delivered under program....	78
<i>Bishop</i>	19	Nursing homes—grants and accreditation tests	79
<i>Bishop</i>	20	Nursing homes—grants to homes in last two years under RCDS	80
		Attachment: Organisations which received grants	81–85
<i>Bishop</i>	21	Nursing homes—use of limited capital funding under RCDS	86
<i>Bishop</i>	22	Nursing homes—grants to specific homes	86
<i>Allison</i>	25	GP services—GPs who have accepted the six-month extension	87
<i>Allison</i>	26	Specialist services—specialists who no longer want to treat veterans.....	87
<i>Allison</i>	27	GP services—doctors who have opted out of the LMO scheme	87

Outcome 4—Service delivery

<i>Bishop</i>	23	DVA national office accommodation.....	88
<i>Bishop</i>	36	DVA client number information.....	88

Volumes of additional information relating to 2002–2003 estimates

Budget estimates

Additional information, volume 1, October 2002 contains answers to questions on notice relating to the Defence Organisation.

Additional information, volume 2, October 2002 contains answers to questions on notice relating to Foreign Affairs and Trade, The Australian Trade Commission (Austrade), and, the Australian Agency for International Development (AusAID).

Additional information, volume 3, October 2002 contains answers to questions on notice relating to Department of Veterans' Affairs.

Budget supplementary estimates

Additional information, volume 1, April 2003 contains answers to questions on notice relating to the Defence Organisation and the Department of Veterans' Affairs.

Additional information, volume 2, April 2003 contains answers to questions on notice relating to Foreign Affairs and Trade, the Australian Trade Commission (Austrade), and, the Australian Agency for International Development (AusAID).

Additional estimates

Additional information, volume 1, April 2003 contains answers to questions on notice relating to the Defence Organisation, Defence Housing Authority, and, Department of Veterans' Affairs.

Additional information, volume 2, April 2003 contains answers to questions on notice relating to Foreign Affairs and Trade, The Australian Trade Commission (Austrade), the Australian Agency for International Development (AusAID), and, the Australian Centre for Agricultural Research (ACIAR).

The following answers to questions on notice are available on the Senate Foreign Affairs, Defence and Trade website (www.aph.gov.au/senate_fadt):

- Additional estimates 1999–2000: 9–10 February 2000
- Additional supplementary estimates 1999–2000: 3 May 2000

- Budget estimates 2000–2001: 29–31 May 2000
- Budget supplementary estimates 2000–2001: 23 November 2000
- Additional estimates 2000–2001: 21–22 February 2001
- Additional supplementary estimates no longer conducted.

- Budget estimates 2001–2002: 4–6 and 19 June 2001
- No budget supplementary round held in this financial year
- Additional estimates 2001–2002: 20–22 February and 12 March 2002

- Budget estimates 2002–2003: 3–6 June 2002
- Budget supplementary estimates 2002–2003: 21–22 November 2002
- Additional estimates 2002–2003: 12–14 February 2003

Note: Departments sometimes provide thick reports, large maps and bulky documents as attachments to answers to questions on notice. Large attachments are not incorporated into volumes of additional information in order to conserve paper and electronic storage space. However, the title page, ISBN/ISSN (if provided) and table of contents of each document are included with the relevant answer. If you have a question about a particular document, please contact the estimates officer in the secretariat.

To view attachments in electronic form, check the Committee's estimates web page under 'estimates', the relevant year and the round (budget or additional).

The address is: www.aph.gov.au/senate_fadt
