

Portfolio overview and major corporate issues

Portfolio overview: Operations

Question 12

Senator Evans

Hansard p.87-89

Skills of officers in the Coalition Provisional Authority and Coalition Joint Headquarters

Please provide an outline of the specialisations / expertise of military personnel embedded

- a) in the Coalition Provisional Authority; and
- b) in the Coalition Joint Headquarters.
 - i) Were any Defence intelligence officers posted to the Coalition Joint Headquarters?

RESPONSE

- a) and b) Since May 2003, Australian military personnel have been posted to Iraq to work in the Coalition Provisional Authority or the Iraqi Ministry of Defence. The military members have had significant experience in Defence and were either senior officers or non-commissioned officers. Their specialisations included legal and supply officers, marine engineering, logistics and clerical.

Embedded military personnel are involved in a range of tasks that contribute directly to the stability, reconstruction and rehabilitation of Iraq. Embedded personnel are amongst the most visible and effective of Australia's contribution to the coalition. Military personnel currently deployed in the coalition headquarters are specialists from a variety of areas such as administration, engineering, intelligence, legal, logistics, medical, operations, public affairs and signals.

Civilian advisers have also been seconded from International Policy Division to Iraq to work in the Coalition Provisional Authority or the Iraqi Ministry of Defence. The civilian advisers have been tasked to assist with the establishment and development of an effective and apolitical defence bureaucracy in Iraq and they have had significant experience in Defence, specifically in public sector management.

Since January 2005, the Defence Intelligence Organisation has provided an Australian Intelligence Support Contingent (ASISC) to the Combined Intelligence Operations Centre of the coalition headquarters. These personnel perform analytical and intelligence staff duties. The ASISC is commanded by an ADF officer with intelligence experience, and includes both military and civilian staff, usually selected from within the Defence Intelligence Organisation.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Question 13

Senator Evans

Hansard p.90-91

Debriefing of personnel returning from Iraq

Were all intelligence personnel serving in Iraq debriefed on their return?

RESPONSE

Defence Intelligence Organisation intelligence personnel are debriefed on return to the organisation. The Defence Intelligence Organisation does not debrief all other intelligence staff returning from Iraq. Instead, it is selective rather than exhaustive in its approach to debriefing, generally focusing, for instance, on debriefing the senior intelligence officer from respective contingents. If other individual intelligence staff are known, from Defence Intelligence Organisation's regular receipt of reporting from the Iraq theatre, to have insight of particular value in Iraq, they are debriefed.

A more exhaustive debriefing program is not achievable within current resources and it is judged would not provide additional insight or value that is not already obtainable through the selective debriefing program.

Question W4

International Operations

- a) What exactly is the Al Muthanna Task Group's mission in Iraq;
 - i) what are their specific benchmarks for success and knowing when the mission is complete;
 - ii) How can their success be measured – eg how many Iraq security force members need to be trained; how much infrastructure do the Japanese have to build etc?
- b) Do our troops know when the job will be done?
- c) Has the Australian Wheat Board scandal & Cole Inquiry had any impact on troop morale;
 - i) Has Defence surveyed troops to check whether the operations of AWB were known to ADF troops deployed in Iraq?
- d) What discussions have Defence/Government undertaken with the Japanese Government to ascertain their deployment plans in Southern Iraq – including dates, place of meetings, attendees, summary of outcomes/agreements etc?
- e) What intra-Iraq re-deployment options is Defence drafting upon the AMTG's completion of their Japanese force protection mission?

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the **Department of Defence**

- f) What discussions have Defence/Government undertaken with the British Government to ascertain their deployment plans in Southern Iraq – including dates, place of meetings, attendees, summary of outcomes etc?
- i) Especially relating to the British headquarters in Basra and the helicopter support capabilities located at Nasiriah airbase?
- g) Have either the British or US asked us to assume control of the Coalition HQ in Basra?
- h) Are Defence drafting force structure and contingency plans should the British withdraw helicopter capability from Southern Iraq/Nasiriyah airbase? Wouldn't the AMTG be left vulnerable should British helicopters be withdrawn?
- i) i) In Defence's force structure options for the original deployment to Al Muthanna announced by the Prime Minister in February of 2005, did force structure options include Australian aviation capability/support – eg Blackhawks or Chinooks
- ii) are these options now being reconsidered?
- j) i) Has Australia had discussions with the United States Government regarding Australia's role in Iraq and length of deployment
- ii) if so, when, where, who attended and what was the outcome of these discussions?
- k) Have US officials specifically requested Australian forces assume future command of the Multinational Division South East HQ – upon the withdrawal/drawdown of British forces, or any other headquarters?
- l) i) What are Defence's security assessments of the Iraq theatre in light of commentary 'that the coalition forces may act as an incitement to the Iraqi insurgency'
- ii) has research been commissioned as to how the insurgency would respond to a progressive withdrawal of foreign troops from Iraq?
- m) i) Has a risk assessment been undertaken regarding ongoing potential risks to Australians in Southern Iraq?
- ii) if so will you outline these risks?
- n) i) Does the ADF have adequate light infantry units (and cavalry and support units) available to replace an AMTG sized force in the Iraq theatre of operations;
- ii) how long could the ADF maintain a Task Group of approx. 450 personnel;
- iii) a battalion battle group (approx 800-1000 personnel) and
- iv) a Brigade (approx. 3,000)?

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

- o) Noting the Defence White paper's strategic platform of Australia being able, at any one time, to simultaneously deploy a Brigade to one theatre of operation and a Battalion sized battle group to another theatre of operation - how does the Army's capability stand up against pre-determined and signed off strategy?
- p) Is force constraints and overstretching of Army's capability and numbers related to the ongoing delay in Australia deploying a Provincial Reconstruction Team to Afghanistan?
- q) Can the ADF support battalion battle group sized deployments to Iraq and Afghanistan simultaneously?
- r) Does the Government have any concerns as to the future availability of Special Forces troops (due to their high rotation to Afghanistan and ongoing provision of domestic Counter Terror response on both the East and West seaboard)?

RESPONSE

- a) The Al Muthanna Task Group's primary mission is to provide a secure environment for the Japanese Iraq Reconstruction and Support Group, which is currently building roads and schools, ensuring a clean water supply and delivering health services. The Al Muthanna Task Group is also undertaking the important task of training the Iraqi Army in Al Muthanna.
 - i) and ii) For security reasons it is not appropriate to discuss specific details of current operations. The ADF expects to complete the current training task in Al Muthanna by May 2006. The potential for further training tasks is apparent. The tasks of the Al Muthanna Task Group are ongoing and are part of a coherent package of support designed to help prepare the province for the earliest possible handover to the Iraqi authorities and its security forces. Australia remains committed to supporting the restoration and reconstruction of Iraq and will maintain its commitment until the task is complete.
- b) See answer to a) above.
- c) No, this issue has not been raised as a concern by Joint Task Force 633 personnel.
 - i) No 'survey' of troops has been undertaken, nor has this been requested by the Cole Commission. Defence has been fully cooperating with the Cole Commission of Inquiry and has provided the Commission with some material relevant to its terms of reference.
- d) The Government consults regularly with the Japanese Government regarding its intentions in Iraq. It is not appropriate for the Government to report publicly on the outcomes of every meeting. These meetings would ordinarily involve senior military planners and senior civilian policy officials.

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

- e) As Dr Nelson said on 14 March 2006, if and when Japan withdraws its contingent from Al Muthanna, the Government is inclined to provide a rapid response force and to continue its support for provincial reconstruction and the training of the Iraqi Army in southern Iraq. Defence is currently preparing a range of options for an ongoing ADF contribution to these roles. We will continue to review our contribution to Iraq in consultation with our Coalition partners and the Iraqi Government.

- f) The Government consults regularly with the United Kingdom Government regarding its intentions in Iraq. It is not appropriate for the Government to report publicly on the outcomes of every meeting. These meetings would ordinarily involve senior military planners and senior civilian policy officials.

- g) No.

- h) There is no indication that the British will withdraw its helicopter capability from southern Iraq. Defence remains prepared to meet a broad range of contingencies.

- i) i) No.

ii) The United Kingdom aviation support for ongoing Al Muthanna Task Group operations will remain. The force structure and specific roles for ADF troops in southern Iraq following the completion of the Al Muthanna Task Group mission is still being coordinated with other Coalition partners. It is not anticipated that Australian Army helicopters will be deployed to southern Iraq.

- j) i) Yes, in relation to Australia's role.

ii) The Government consults regularly with the United States Government regarding its intentions in Iraq. It is not appropriate for the Government to report publicly on the outcomes of every meeting. These meetings would ordinarily involve senior military planners and senior civilian policy officials.

- k) No.

- l) It is not appropriate to discuss the specifics of intelligence assessments.

i) Our Intelligence Assessments on the nature, cause and drivers of the insurgency and the prospects for future violence, both in the Multi-National Division – South East and across Iraq, examine a wide variety of potential contributing factors. The idea that the presence of Coalition forces in general, and Australian forces in particular, may act as an incitement to insurgent violence is routinely examined and the extent to which it is regarded as valid is factored in as a part of the overall assessments.

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the **Department of Defence**

- ii) The reaction of Sunni insurgents, Shi'a militias, the Iraqi security forces and the general populace to a progressive withdrawal of foreign troops is analysed as a part of Defence's strategic assessments.

- m) i) Yes.

- ii) No.

- n) i) Yes.

- ii) - iv) It is not appropriate to discuss the specific operational capabilities of the ADF. The ADF is capable of prolonged sustainment of current and projected commitments around the world, including in Iraq and Afghanistan, while simultaneously maintaining capabilities for domestic requirements, such as the Commonwealth Games, and broader defence of Australia tasking.

- o) The response was provided during the hearing on 15 February 2006, see Hansard page 13.

- p) No.

- q) The response was provided during the hearing on 15 February 2006, see Hansard page 14.

- r) No.

Question W22

Senator Bartlett

Medical discharges in Iraq and Afghanistan

- a) i) An unsubstantiated report has been made that an Australian soldier was injured in Iraq in the last few weeks and airlifted to Germany for treatment.

- ii) Can the Department advise whether this report is accurate and for what medical condition was the soldier evacuated?

- b) i) How many Australian troops who served in Iraq and Afghanistan since 2001 have been treated in US medical facilities and where are these facilities located?

- ii) For what medical conditions have these troops been treated?

- c) i) Can the Department please provide figures on how many medical and psychiatric discharges have been issued to Australian troops who have served in Iraq and Afghanistan?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- ii) For what conditions have these troops been discharged?

- iii) Can the Department also advise of what provisions have been put in place for the return of these troops to Australia?

- d) i) Can the Department provide figures on how many Australian women are currently serving with the ADF in Iraq and Afghanistan and how many have been injured during the course of their duties?
 - ii) Can the Department also provide details on what injuries have been suffered by female personnel?

- e) Reports have been raised in the United States about the death of female troops due to dehydration. According to evidence given by former Brig-Gen Karpinski to the Commission of Inquiry for Crimes against Humanity Committed by the Bush Administration, in some cases this dehydration has been in part due to the unwillingness of female personnel to consume liquids in the late afternoons in order to avoid having to leave their accommodation to go to the toilet because they fear sexual assault.
 - i) Can the Department advise whether Australian female personnel are reporting any such fears and
 - ii) whether any strategies been put in place to address this?

- f) Can the Department advise whether independent testing for Depleted Uranium contamination of returned military personnel from Afghanistan and Iraq will be made available?

- g) What is the total number of personnel who have served in Afghanistan or Iraq since 2001?

RESPONSE

- a) The report is not accurate. No injured Australian personnel have been airlifted to Germany since November 2005.

- b) i) Since April 2003, a total of 126 Australian personnel serving on operations in the Middle East Area of Operations have been reported through the casualty notification (NOTICAS) system as being treated in United States' medical facilities. The NOTICAS system only captures those patients who have been admitted to United States' medical facilities and does not capture those who have been treated as outpatients or referred for specialist appointments. NOTICAS reports prior to April 2003 are not available on the Defence database and accessing this information would require a resource intensive search through individual medical records. Defence is not able to devote the considerable time and resources required to provide this information. ADF personnel have been treated in 24 different facilities, the locations of which are classified.

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

- ii) These troops have been treated for the following medical conditions: eye disorders; disorders of the ear, nose and throat; diseases of the upper respiratory tract; diseases of the lower respiratory tract; diseases of the teeth, oral cavity and jaws; diseases of the digestive system; gynecological problems; dermatological conditions; viral conditions; musculo-skeletal disorders; injuries due to road traffic accidents; injuries due to training; injuries due to hostile action; climactic injuries; disorders of the circulatory system.
- c) i) From a total of 11,090 personnel who have deployed to the Middle East Area of Operations on Operations Catalyst and Slipper, 121 personnel (1.09 per cent) have subsequently been medically discharged from the ADF. (Discharges arising from psychiatric/mental health disorders are classified as medical discharges).
- ii)
- | | |
|-------------------|------------|
| Cardiovascular | 3 |
| Respiratory | 2 |
| Hearing Loss | 1 |
| Lower Limb | 13 |
| Upper Limb | 4 |
| Spine | 18 |
| Mental Health | 52 |
| Multiple Injuries | 12 |
| Other | 11 |
| Not available | 5 |
| Total | 121 |

It should not, however, be assumed that the medical discharge is related to service specifically in the Middle East Area of Operations. For example, a case review of the medical discharges for mental health issues reveals that only 23 out of 52 cases are considered confirmed or possibly related to service in the Middle East Area of Operations. The other 29 cases are related to other causative factors. Thus to date, only 0.2 per cent of ADF personnel who have deployed to the Middle East Area of Operations have been medically discharged with a mental health diagnosis specifically related to service in the Middle East Area of Operations.

- iii) The ADF has one of the largest workplace mental health support systems in Australia with a range of general mental health and counselling services available. Mental health support services are routinely available from Defence Medical Officers, psychiatrists, psychologists, social workers, nurses and military chaplains as part of the comprehensive health care provided to all ADF members. The ADF has a 24-hour confidential 'All Hours Support Line' to support members in crisis and triage members to appropriate services. Veterans of deployments are able to access the Vietnam Veterans' Counselling Service. The ADF also has a memorandum of understanding with the Department of Veterans' Affairs that allows referral of personnel without veteran status.

The ADF's mental health program operates across the continuum of operational service. This includes preparation before deployment; monitoring, referral, and

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

treatment while on operations; and post-operational psychological screening and programs to assist re-integration after returning from the operational environment.

Pre-deployment psychological preparation routinely covers topics such as separation, cultural adaptation, fatigue and stress management and, depending on the nature of the operation, may also include additional briefings such as psychological preparation for recovering human remains and dealing with displaced persons.

All ADF personnel receive mandatory medical and psychological screens on their return from operational deployments. Having a mandatory policy aims to ensure that those at risk are both identified and given the opportunity to discuss any areas of concern. Mandatory screening activities seek to reduce stigma and barriers to care associated with accessing psychological support.

Initial checks are followed-up three to six months later with further medical and psychological screening; the latter being to assess readjustment and reintegration to routine roles and responsibilities back in Australia.

The Coming Home Readjustment Program is available to individuals as part of their units/ships post-operational deployment in order to assist with reintegration.

- d) i) On 19 February 2006, there were 41 women serving with the ADF on Operations Catalyst and Slipper. Since April 2003, a total of six Australian women serving on Operations Catalyst and Slipper have been reported through the NOTICAS system as being injured during the course of their duties.
 - ii) These injuries have been fractures or soft-tissue/musculo-skeletal in nature.
- e) i) No reports have been received on this matter from any female personnel deployed on Operations Catalyst and Slipper.
 - ii) The ADF employs several strategies to ensure that females deployed on operations are not exposed to unacceptable behaviour. The success of the ADF strategies has been demonstrated by the lack of any such problems for Australian female personnel.
- f) Independent testing for depleted uranium is available to ADF personnel. Testing is carried out at the Australian Nuclear Science and Technology Organisation – Environment Division at Lucas Heights, New South Wales.
- g) As of 3 March 2006, the Defence personnel management database lists 11,090 personnel as currently serving, or having served, on Operations Catalyst or Slipper.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Question W29

Senator Nettle

Operation Relex

- a) What was the nature of the contract between the Air Force and the Department of Immigration regarding the use of a Hercules aircraft to transport the 43 West Papuan asylum seekers from Weipa, Queensland to Christmas Island?
- b) How much did this flight cost the Air Force?
- c)
 - i) Does Defence provide assistance to DIMA on other occasions?
 - ii) How are costs of these operations split?
 - iii) Identify which occasions Defence has provided substantial logistical and other support to DIMA.
- d) Is the Navy still involved in intercepting SIEVs before they reach the Australian Migration Zone?
 - i) If so, how many craft and personnel are involved?
 - ii) How many SIEV and other vessels have been intercepted?
 - iii) What happens during these interceptions?
 - iv) Who directs operations during interceptions?
 - v) Is a Navy boat stationed off Christmas Island for interception purposes?
 - vi) What is the annual cost of interception operations of SIEVs since the inception of Operation Relex?

RESPONSE

- a) A formal contract was not negotiated for the use of the C-130 for this task. The Vice Chief of the Defence Force accepted the task following a request from the Minister for Immigration and Multicultural Affairs to the Minister for Defence. The Air Force was subsequently directed to conduct the mission.
- b) The net additional cost to the Air Force for the mission was \$4,926.
- c)
 - i) Defence provides resources under Operation Cranberry and Operation Relex II in support of the Civil Maritime Surveillance Program, coordinated under the Joint

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

Offshore Protection Command. Assets provided are multi-tasked and assigned as needed to either operation to identify events of interest to each client of the Civil Maritime Surveillance Program, including the Department of Immigration and Multicultural Affairs.

- ii) Defence has systems in place to record the expenditure incurred for individual operations, both for operations funded by the Government or for those absorbed by Defence. Operations' expenditure for funded operations is verified by the Department of Finance and Administration on a yearly basis, and reported in the Defence Annual Report.
- iii) See response to c i) and ii).
- d) Yes.
 - i) This is operationally sensitive information and cannot be disclosed in a public forum.
 - ii) Since the commencement of Operation Relex in September 2001, the ADF has been directly involved in the interception of 17 Suspect Illegal Entry Vessels.
 - iii) Operations are carried out in accordance with standard operating procedures. The conduct of interceptions is operationally sensitive information and cannot be disclosed in a public forum. Personnel are specifically trained for the task to ensure the safety, security and wellbeing of people onboard Suspect Illegal Entry Vessels.
 - iv) Joint Offshore Protection Command, through Headquarters Northern Command, coordinates all on-the-water operational activities within the policy framework provided by the Department of Immigration and Multicultural Affairs.
 - v) This is operationally sensitive information and cannot be disclosed in a public forum.
 - vi) The *Defence Portfolio Additional Estimates Statements 2005-06* provides a summary of the net additional operations funding from 1999-2000 on page 37.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Portfolio overview- Budget Summary

Question W26

Senator Ludwig

Hillsong Church

- a) How many grants have you issued to Hillsong Church, its associated corporations and entities?
- b) List name, price and duration of funding by department.

RESPONSE

Defence has made no payments to the Hillsong Church.

Portfolio Overview- Personnel Management

Question W13

Senator Bishop

Progress of Implementation of Military Justice Reform

- a)
 - i) What was the selection process for the selection of the new Chief Judge Advocate, and
 - ii) why did it take so long;
 - iii) was the position advertised, and
 - iv) if not, why not?
- b) In the intervening period in which there was no Chief Judge Advocate,
 - i) by what authority were courts martial established?
 - ii) how many cases were deferred as the result of there being no authority to appoint courts martial?
- c) Can we have a detailed report on the implementation of the reforms for the reform of the military justice system including the resources for the military police and the appointment of an ADF DPP?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

RESPONSE

- a) i-iv) There was no selection process, or advertisement, for the Chief Judge Advocate as the term of the incumbent had not expired. The incumbent, Colonel Westwood, was promoted to Brigadier on 7 December 2005, in line with the new legislative requirement that the Chief Judge Advocate be a one-star ranked, statutory officer.
- b) i) There was no period when there was not a Chief Judge Advocate. The Chief Judge Advocate does not establish courts martial and there was no gap in the capability to establish a court martial, if one had been required.
- ii) None.
- c) Yes. A report will be provided to the Committee every six months, as agreed by the Government in its response to the Senate inquiry. The first report is due in April 2006.

Capability Development

Question W5

Senator Bishop

JSF

- a) Defence Deputy Secretary Strategy, Shane Carmody cited speculation that Australia's order of JSFs may be reduced to as few as 50 aircraft due in part to a reduction in the number of aircraft ordered by the United States.
- i) Is Australia's order of JSFs likely to be as few as 50 in light of this suggestion by Mr Carmody?
- ii) What is the strategic viability of the aircraft if Australia acquires as few as 50 aircraft?
- iii) The 2000 Defence White Paper provided for up to 100 strike/fighter-type aircraft. If the number is to be reduced to less than 100, what has changed to allow for such reduced capability?
- iv) Would the purchase of only 50 JSFs not leave Australia's air defences very vulnerable?
- v) Would the purchase of 50 aircraft still allow extended counter-air operations?
- vi) Would the purchase of 50 aircraft leave Australia's air defences vulnerable to attrition?
- vii) At the launch of the Defence Strategic Update in December 2005 it was indicated that Australia is still on target to buy 100 JSFs. Is this currently the case?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- viii) A study has shown that five squadrons comprising 80 aircraft in total is the minimum number to give the government options in any strategic policy setting. Is this the case and what impact will an acquisition of less than 80 aircraft have on such policy options?
- b) What impact did the 2005 Quadrennial Defense Review (QDR) in the United States have on the JSF Project in terms of
- i) cost and
 - ii) schedule?
- c) Is the 2005 QDR likely to impact on the quantity of aircraft to be acquired by Australia?
- i) If so, what is that impact expected to be?
 - ii) Were projected expectations of the 2005 QDR considered in Australia's entry into the JSF project?
 - iii) Was the likelihood of the United States and/or other countries reducing their ordered quantity of JSFs taken into consideration when budgeting for Australia's purchase of 100 aircraft?
- d) What were the major factors leading to Australia's involvement in the JSF project as against the acquisition of the F22 Raptor?
- e) To what extent was cost a factor in proceeding with the JSF project rather than the F22?
- f) What events have occurred to increase the likely costs of JSFs?
- g) How will that cost compare to the cost of F22s?
- h) Is it the case that Australia could have acquired a better, more suitable aircraft in the F22 for comparable costs to that of the JSF?
- i) When could we have received the F22 into service had we chosen that aircraft?
- j) i) Is the decommissioning of the F-111 strike aircraft expected to take place by 2010 prior to a replacement aircraft type becoming operational?
- ii) Will this leave a capability gap in Australia's air defences?
- k) i) What is the currently planned full envelope of the JSF in terms of altitude, speed, load factor, specific excess power, weight and range?
- ii) How does this compare with the target parameters advised in 2002 and by the JSF Project Office in March 2004?

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

- l) i) Was the RF signature of the JSF recently reduced from Very Low Observable (VLO) to Low Observable (LO)?
- ii) What impact will that reduction in RF signature have on the JSF's ability to meet its planned target outcomes?

RESPONSE

- a) i) Mr Carmody's comments at the Joint Standing Committee on Foreign Affairs Defence and Trade (Defence Subcommittee) referred to speculation from some observers that the number of Joint Strike Fighter (JSF) could range from 50 to 100. Mr Carmody's discussion included comment that the 2000 Defence White Paper recommended up to 100 aircraft, and that a significant amount of analysis was yet to be done with respect to the final acquisition figure. The Government is committed to the strategic viability of Australia's air defences and this will be reflected in any future decisions. The final acquisition figures will be the outcome of ongoing analysis by Defence and will be considered by Government in the context of the final decision on acquiring the JSF, taking into account the important contribution of airborne early warning and control and air-to-air refuelling aircraft to the overall air combat capability.
- ii) – viii) See response to i) above.
- b) The Quadrennial Defense Review made no specific mention of the JSF. There are no cost or schedule implications to the JSF as a direct result of the review.
- c) See response to b).
- i) See response to b).
- ii) No.
- iii) Yes. AIR 6000 project estimates have included contingency funding for anticipated increases in Unit Recurring Flyaway costs, one component of which was the potential for a reduction in total JSF aircraft production.
- d) There is no doubt that the F-22A will be the world's most capable air superiority fighter for many years to come. For Australia, however, the stealthy, multi-role JSF is assessed as the most cost effective solution for Australia's total air combat needs, comprising strike, air superiority and support for surface forces.
- e) Cost effectiveness and the capacity to conduct the full range of Australia's air combat tasks were major factors in progressing with the JSF project rather than the F-22A.
- f) JSF development costs have increased but will not be paid by Australia. Reasons for increases in the expected cost of the JSF aircraft since Australia joined the project include scope and design changes; supplier cost increases; and programming and delivery adjustments.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- g) The F-22 is expected to cost at least twice as much as the JSF.
- h) No. See response to d).
- i) There were no formal negotiations on the prospective acquisition of the F-22, therefore an answer on delivery timelines is unknown.
- j) i) The F-111 will not be withdrawn from service until a number of projects, which enable the F/A-18 to assume the strike role, have delivered adequate capability. These projects will upgrade the F/A-18 and acquire airborne early warning and control aircraft and air-to-air refuelling aircraft to enhance the capability of the F/A-18. In addition, new precision strike weapons are being acquired for the F/A-18, such as the Joint Air to Surface Standoff Missile and the Joint Direct Attack Munition.
- ii) No.
- k) i) For the Conventional Takeoff and Landing JSF:
- | | | |
|-----------------------|---|-----------------------------|
| Altitude | - | 50 000 ft |
| Speed | - | 1.6 mach |
| Load factor | - | +9 Gs |
| Specific excess power | - | Classified |
| Weight | - | Maximum takeoff 66,027lbs |
| Range | - | 600 + nm (radius of action) |
- ii) The Conventional Takeoff and Landing JSF meets or exceeds all listed parameters.
- l) i) No.
- ii) Not applicable.

Defence Material Organisation

General

Question 8

Senator Bishop

Hansard p.52

Remuneration of former DMO employee

Has the IG made any inquiries of either True Blue or the parent company as to the level of remuneration paid to the former official of the DMO for his two months' employment with the company?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

RESPONSE

No.

Management of capability Acquisition

Question 2

Senator Fierravanti-Wells

Hansard p 22; p34

Sea Sprite contract

- a) In regard to the Sea Sprite contract:
- i) when did the negotiations start,
 - ii) what was the time frame for those negotiations.
- b) Can Defence provide a detailed analysis of the various stages, steps and procedures undertaken leading up to contract signature.

RESPONSE

- a) i) Super Seasprite contract negotiations started on 1 March 1997
- ii) The time frame for negotiations was from 1 March 1997 until contract signature on 26 June 1997.
- b) The various stages leading up to contract negotiation included:
- The Request for Tender was issued to industry on 18 October 1995. It had been preceded by a draft Request for Tender issued on 10 February 1995.
 - The contract was to provide helicopters for the Anzac class frigates with options for additional helicopters for the offshore patrol vessel proposed to be purchased under Project SEA 1427.
 - Tenders closed on 20 March 1996.
 - Two companies submitted tenders: Kaman Aerospace International Corporation and GKN Westland Helicopters Limited (now Agusta Westland).
 - The decision to select Kaman as the preferred tenderer announced on 17 January 1997.
 - Kaman Aerospace International was selected as the preferred tenderer on the basis of value for money, noting that it completely met the required operational capability. The Kaman bid was in the order of \$A200m less expensive.
 - Contract negotiations began on 1 March 1997.
 - Contract negotiations concluded with contract signature on 26 June 1997.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Question 9

Senator Bishop

Hansard p. 60

Price of contract

What is the price of the contract/or contracts that True Blue (or its parent company) has with the DMO?

RESPONSE

The Defence Materiel Organisation currently has no contracts with True Blue Apparel. The Defence Materiel Organisation currently has seven contracts with Walkabout Leisurewear Pty Ltd, True Blue's parent company. The contracts are for a total value of \$1.007m.

Question W1

Senator Bishop

M1A1 Abrams Main Battle Tank Acquisition

- a) i) Can you confirm that Project Land 907 is to give “supportability, survivability and interoperability of the tank capability until at least 2020”.
- ii) What is in-service life of the Abrams tank at this time?
- b) Can you confirm the selection of the M1A1 Abrams for acquisition was based on a “low production and technical risk”?
- c) Is it the case that the AGT 1500 gas turbine engine of the M1A1 Abrams has been identified by the United States as old (1960s) technology which has been out of production since 1992?
- d) Reports indicate that the United States encountered problems in maintaining this engine with declining reliability causing the engine to account for around 64% of the Abrams' repairable operations and support costs.
- i) Is the United States focusing on the engine as a major element in easing the maintenance burden while substantially reducing operations and support costs?
- ii) Is the United States addressing this problem by overhauling the existing AGT 1500 engines and components initially and then replacing the engines with new engines?
- iii) Has the United States already selected Honeywell and General Electric to develop a new LV100-5 gas turbine engine?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- iv) Is this new engine lighter and smaller than the old AGT 1500 engine with more rapid acceleration, quieter running and no visible exhaust?
- e) Are the engines and engine components to be acquired with Australia's order of M1A1 Abrams tanks to be the overhauled version of the AGT 1500?
- f) Is it proposed to replace these old, out of production engines with new engines in line with the United States' proposal in respect of that country's fleet?
 - i) If so, what are the expected costs of this replacement and what is the expected time-frame for such replacement?
 - ii) If not, will the operation of different engines to that proposed to be used by the United States impact adversely on interoperability, one of the key tenets of Project Land 907?
 - iii) If the AGT 1500 engines are to be retained, what impact will this have on the requirement to provide the tank capability "until at least 2020"?
 - iv) If the AGT 1500 engines are retained, can we expect the declining reliability and significant operation and support costs encountered by the United States?
 - v) Even if overhauled engines are acquired at first instance, will the fact that these engines have been out of production since 1992 make on-going maintenance and parts acquisition difficult and more expensive?
- g) Does the AGT 1500 engine, overhauled or otherwise, pose a "technical risk" in light of the problems identified by the United States and is this technical risk in conflict with the justification provided in the media release of 10th March 2004?
- h) Australia is acquiring 59 M1A1 Abrams tanks to replace 105 Leopard tanks.
 - i) What is happening to the 105 Leopard tanks?
 - ii) Does a Main Battle Tank complement of 59 tanks constitute a 'lightly armoured force' by world or regional standards?
 - iii) Is it the case that Infantry and Armour (tanks) work closely together as part of a combined arms capability?
 - iv) Will the absence of a dedicated and modern Infantry Fighting Vehicle diminish the combined arms capability?
 - v) Will the relatively small number of tanks to be acquired provide sufficient force enhancement to be able to properly support our Infantry forces?

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

- i) United States Abrams crew members have been killed while riding partially exposed in open hatches in Abrams tanks in Iraq.
 - i) Did this prompt the US Army to fit remote weapons stations or clear ballistic shields and bolt-on overhead armour to Abrams tanks to enhance the protection of crew members?
 - ii) What ballistic protection has Australia ordered be added to the M1A1 Abrams on order from the United States in light of these casualties?

RESPONSE

- a) i) Yes.
 - ii) Until at least 2020. The United States Government has indicated that it is planning towards a service life of 2030.
- b) Low production and technical risks were two of a number of criteria used for selecting the tank.
- c) The United States Army has identified the need to maintain a continuous improvement process for the AGT 1500. This continuous improvement process involves the fleet-wide Partnership for Reduced Operating and Support Costs Engine (PROSE) program and a more limited program called the Total Integrated Engine Revitalisation (TIGER) program, which are conducted by the engine manufacturer Honeywell. Production of the AGT 1500 ceased in the United States in 1992, but production continues under licence in Egypt.
- d) i) Yes.
 - ii) The United States is not replacing the AGT 1500 engines with new engines. The United States has established the PROSE program to refurbish and modernise its AGT 1500 engines. Australia's tanks will be some of the first to receive the improved PROSE engine. The United States is also introducing TIGER program, on a very limited scale at this stage, to further improve the engines. Australia is monitoring the TIGER program to determine suitability for future inclusion in the Australian tank program. Early reliability figures from the United States indicate a reduction in support costs by approximately 20 per cent.
 - iii) The United States commenced development of the LV100-5 under the Abrams/Crusader Common Engine program. When the United States Army cancelled the Crusader program in May 2002, this development ceased. The LV100-5 was only a prototype and was not put to full production.
 - iv) See answer to d) iii).
- e) Yes, the Australian engine will be the upgraded PROSE engine.
- f) No. The United States does not have plans to replace the AGT 1500 engines.
- g) No.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- h) i) A small number are to be retained for museums. The remainder will be sold through tender.
- ii) No. The term "lightly armoured" refers to the nature of the vehicles making up the force rather than the number of vehicles.
- iii) Yes.
- iv) The Army's response to all operational scenarios is based on the employment of combined arms teams tailored to a specific task and threat. Each component of the combined arms team offers balance and mitigates weakness in the other components. The M1A1 Abrams tanks will significantly enhance the Army's combined arms capability and will complement existing and soon to be introduced equipment that will further improve this combined arms capability.
- v) Yes.
- i) i) The United States Army has purchased 400 sets of remote weapons stations and clear ballistic shields, which are progressively being fitted to its Abrams tanks in Iraq. The United States Army has also trialled other forms of additional protection, such as bar armour, which it has abandoned. Defence is not aware of "bolt-on overhead armour" being purchased or fitted. The United States Army has not made any decision to fit these systems to the balance of its Abrams fleet, which comprises a total of about 4,500 tanks. Australia's position regarding these additional systems is to monitor and decide or fit in future if needed, which is consistent with that of the United States Army for its total Abrams fleet.
- ii) None at this time, but the Army continues to monitor the introduction of the Tank Urban Survivability Kits in conjunction with United States' forces to determine suitability for Australian requirements.

Question W3

Senator Bishop

FFG Contracts

- a) At November 2005 estimate hearings advice was given that negotiations with ADI/Tenix for the refit of the FFG's, reduced from 6 to 4, were to commence the following day. What's the current position of these negotiations?
- b) Does DMO recall the critique of ANAO that "This amendment had not been finalised by March 2005, despite being decided in November 2003".
- c) That statement was made in May 2005, so why has it taken so long to make this change?
- d) Does the Department recall its statement in the PBS of 2003-04 page 78 that "...cost savings will be made under the current prime contract. The contract savings will need to be negotiated with the prime contractor, given it is a fixed price agreement".

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- i) What reduction in the fixed price with ADI is possible?
- e) Does DMO recall the finding of the ANAO in May 2005 that the reduction to 4 ships would mean an increase in unit cost from \$235 m each to \$ 353m each - that is, no savings to the project at all?
 - i) What is the current estimated unit cost?
- f) i) Can Defence also confirm the figure it gave in Estimates on 18 Feb 2004 that running cost savings for the two eliminated ships would save \$678 million;
 - ii) if not, what's the figure now?
- g) What response does Defence have to the ANAO finding in May 2005 that " progress to date casts doubt on the contractor's ability to deliver upgraded FFG's, capable of meeting the contracted specifications, within the contracted price or schedule"?
- h) i) How many amendments have been made to this contract to date;
 - iii) for what purpose and
 - iv) what were the additional costs in each instance?
- i) i) Does the Navy still hold to the view expressed in the ANAO report that the failure of the contractor had " seriously undermined Navy's confidence in the project" – and if so,
 - ii) what legal action has been considered or undertaken to cancel the contract or obtain damages for non performance?
- j) i) How many legal disputes going to the terms of compliance with the contract are still on foot;
 - ii) what are they? and
 - iii) what is the value of the amounts in dispute?
- k) Can you provide an update to ANAO Audit Report No.45 2004-05, reference para 7.40 which lists the categories of cost increases since 1997?
- l) What provisions are in the contract for non performance and failure to meet the requirements of reporting as catalogued by ANAO, and what penalties have been paid to date?
- m) What lessons have been learned from this failed contract by DMO and what's been done to prevent a repeat?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- n) The ANAO Report No.45 2004-05 confirms the advice given at last Estimates that 6 sets of upgrade equipment was purchased with a value in May 2005 of \$716 million. What will be done with the two spare sets, and does that constitute a waste alone of \$240 million – pro rata value?
- o) What is the total of all payments made so far to the contractor, and what's the estimated cost and timeframe for completion for each of the FFGs?
- p) Can you confirm whether at the current rate of progress payments to the contractor, they will be paid the full agreed contracted amount before the four ships are finished?

RESPONSE

- a) Negotiations are well advanced. A “Heads of Agreement” was signed on 31 January 2006 that was subsequently updated on 27 February 2006. The current objective is to complete the formal Contract Change and Deed of Agreement by the end of April 2006.
- b) Yes.
- c) Competing priorities supported by mutual agreement between Defence and the prime contractor are significant contributing factors. The delay in finalising the Contract Change has not diminished Defence’s contractual position. The contract is fixed price. Most of the hardware was complete and vested to the Commonwealth at the time of notifying the intention to terminate the contract for convenience.
- d) The quote is drawn from page 78 of the *Portfolio Additional Estimate Statements 2003-04*.
 - i) The price reduction is still under negotiation but will aim to limit the Commonwealth’s financial exposure resulting from the partial termination at Commonwealth convenience, obtain the benefit of work completed to date and achieve a price reduction to account for installation services no longer required. The detail of what is possible is integral to the negotiation and is commercial in confidence.
- e) i) The estimated unit cost in the ANAO Report does not account for all products being delivered including Team Trainer, Warfare Systems Support Centre, upgraded software and limited spares. Noting all products are not complete, stating unit costs for the various products may be misleading at this time. However, it is anticipated a prime contract price reduction and the delivery of equipment from ship sets 5 and 6 will realise an overall saving. The quantum of saving remains a point of negotiation.
- f) i) As part of the Defence Capability Review 2003, a decision was made to retire two FFGs and upgrade the remaining four from 2006 to achieve projected savings in the order of \$678m.
 - ii) Not applicable.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- g) The contracted schedule will not be met. However, the Prime Contractor continues to bolster its expertise and management oversight of this project in an attempt to contain schedule slippage. The experience and expertise gained by the Prime Contractor during the first platform upgrade has provided a higher degree of confidence in its ability to complete the upgrade. Despite significant schedule delay to this project, Defence considers the project will be delivered within the Government-approved budget. Individual system performance is encouraging for contractor sea trials conducted. A number of achievements since September 2004 has provided additional certainty for the Navy about the capability that will be provided by the upgrade. However, the Navy remains concerned about the interim capability limitations inherent in the upgraded systems, but has developed contingency plans to ensure all of the Navy's commitments can be met. Contracted specifications for the electronic support system may not be achieved.
- h) i) 174 contract amendments had been approved for the upgrade contract as at 2 March 2006.
- ii) The Terms and Conditions of the Contract allow contract change proposals to be considered for approval or rejection by the Project Authority. The Contract has provision to exercise capability options into the Contract baseline after Contract signature. The capability options cover an electronic support system, acoustic signature reduction, active shaft grounding, operational trainers and supply support (provisioning, spares and test equipment). These options were exercised and account for a significant proportion of the increased Contract value and the number of Contract changes.
- The Contract also has provision that the Contractor will manage the scheduled depot-level maintenance for retained equipment concurrent with the FFG upgrades. This work is funded from the FFG System Project Office sustainment operational budget but is introduced into the Contract under the Contract change provisions (Terms and Conditions Clause 15). Many of the other Contract change approvals correct errors and inconsistencies in documentation, generally at no cost, and reflect engineering and software evolution during the past six years of this Contract. Some flexibility is required to ensure the intent of the contract and the supporting documentation is aligned if the upgrade work needs to be varied via configuration change.
- iii) The overall net increase to the Contract value is \$109.23m. Consisting of 94 nil cost, 8 negative adjustments in favour of the Commonwealth totalling \$6.73m and 72 positive Contract Changes totalling \$115.96m. These costs are met from the approved existing project budget.
- i) i) A number of achievements since September 2004 has provided additional certainty for the Navy about the capability that will be provided by the upgrade and the milestones contained therein. The Navy remains concerned about the interim capability limitations inherent in the upgraded systems, but has developed contingency plans to ensure all of the Navy's commitments can be met.

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

- ii) No legal action has been undertaken to cancel the contract or obtain damages. However, Defence has re-assessed this project's viability on a number of occasions and it has also been considered by the National Security Committee of Cabinet.
- j) i) There are no legal disputes currently going to the terms of compliance with the contract.
ii) and iii) Not applicable.
- k) The project value (approved budget), has increased by \$201.190m over the life of the project, due to price and exchange increases and a real cost decrease. A total of 174 contract change proposals have been processed at net value of \$109.23m. This is within the current overall approved budget of \$1467.19m.
- l) The FFG Upgrade contract provides for liquidated damages to compensate costs to the Government that arise from the Contractor's failure to achieve the contracted delivery schedule. The total aggregate liability for liquidated damages is not to exceed \$10m. The liquidated provisions represent around one per cent of the total contract price. Liquidated damages are not punitive and have not been invoked to date.
- m) The lessons learned from this program underpin the changes being implemented across the DMO. The importance of effective and detailed planning supported by appropriate resource levelling can not be understated or underestimated.

This project was approved using late 1990s project management methodologies and associated Defence processes. Many significant changes have been implemented within Defence and industry sectors since that time. Like many defence and commercial sector systems procurements that include significant change to software-intensive systems and complex system integration, this project has many inherently high-risk activities. Thus it is paramount that requirements are well defined and agreed before contract signature.

Also, it is crucial that those requirements that have architectural consequences are addressed as systems engineering issues up front. Having an appropriate contracting vehicle, good process and procedures and well thought-out, disciplined program management and/or software development processes are also high on the lessons learned list. Technical issues, although difficult at times, are generally not the determining factor – disciplined execution is. Defence and industry must recognise and develop the comprehensive range and depth of skills necessary for this type of program. Government and Defence are working on this through the Government initiative of Skilling Australia's Defence Industry. Effective communication and a cooperative environment focused on problem solving are lessons also worthy of note.

- n) The spare ship sets of equipment will be reallocated for use within Defence. The actual disposition of this equipment is still to be finalised and will not constitute a waste. For example, one vertical missile launcher system will be used in the Anzac Systems Support Centre for training FFG and Anzac personnel.

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

- o) Payments totalling \$1,006m have been made under the prime contract. This includes equipment for all ships, team trainer, Warfare Systems Support Centre, upgraded software, installation and scheduled major maintenance availability work on the lead ship and some spares. The current estimated cost to project completion assuming successful negotiations is a further \$243m.

Contractor handback for HMAS *Sydney* is expected to be the end of April 2006. This will be with known deficiencies to contracted capability and a program to correct these leading up to December 2006, when Provisional Acceptance may be achieved. Commonwealth handover of HMAS *Melbourne* to ADI to commence combined maintenance and upgrade occurred in late February 2006. ADI currently estimates that the *Melbourne's* upgrade will take approximately 70 weeks but detailed schedule negotiations are still in progress. The commencement and completion dates of the other two remaining ships are subject to negotiation with the Navy and ADI, cognisant of the Navy's operational requirements and ADI's industrial capacity to meet project completion by 2008-9.

- p) Under the contracted payment schedule, the contractor will not be paid in full until all products are delivered and accepted.

Question W21

Senator Bishop

SAM Phase3 Stage 2

- a) What is the current status of the procurement for SAM Phase 3 Stage 2.
- b) Will tenders be sought for this work or is it intended that an existing contract will be amended; if the latter, is there such an existing tenderer, who is it, what is the nature and purpose of the existing contract, and its value, when was it first let, and how many extensions and amendments have been made to date.
- c) i) Can it be confirmed that tenderers for this job will of necessity be confined to original equipment manufacturers (OEM's); if so,
- ii) who are those OEM's in this instance.
- d) Will existing companies such as Delsit P/L and PLM Services P/L familiar with the requirements of this proposed tender be eligible to bid; if not why not.
- e) Has the process for tendering already commenced, and if so,
- i) which companies have been included, and
- ii) who was on the tender committee which made that decision and who did each represent.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- f) i) In the consideration of the tender proposal and the selection of proposed tenderers, was Delsit P/L excluded; if so
- ii) on what grounds and whose advice, and
- iii) which of those selected tenderers are OEM's?

RESPONSE

- a) The Ships Information Management System/Ships Information System used in the Collins-class submarines was procured from ASC Pty Ltd, which currently supports the system in-service.

ASC Pty Ltd has been asked to quote for SAM Phase 3 Stage 2 as the last activity of Phase 3 Stage 1. The quote from ASC Pty Ltd is expected at the end of May 2006.

- b) No. ASC Pty Ltd will be the prime contractor for Stage 2 under the existing Collins-class Through Life Support agreement. This was signed with ASC Pty Ltd in December 2003 at a value of up to \$3.5 billion over 25 years. It is expected that ASC Pty Ltd will use subcontractors that are able to maximise the use of intellectual property, existing licenses and other products already developed for the implementation of the Configuration Management Tool in other maritime platforms. A one-year contract for the project management of the SAM activity was awarded to SANDEM Pty Ltd on 8 July 2005 at a value of \$200,000. There have been no amendments to this contract.
- c) i) Yes.
- ii) To minimise risk, the Commonwealth requires that ASC Pty Ltd use the existing Original Equipment Manufacturers as subcontractors. ASC Pty Ltd is the Original Equipment Manufacturer for the Ships Information Management System/Ships Information System. Eden Technology Pty Ltd is the Original Equipment Manufacturer for the Asset Management and Planning System. Product Lifecycle Management Services Pty Ltd is the Original Equipment Manufacturer for the Configuration Management Tool.
- d) Delsit does not have access to the relevant intellectual property and will therefore not be invited to tender by ASC Pty Ltd. SANDEM Pty Ltd, as the project manager, is not eligible to bid for this work. Also see response to c) ii).
- e) See response to b).
- f) i), ii) and iii) See responses to c) and d). This work will be conducted under an existing contract with ASC Pty Ltd using existing OEMs as subcontractors.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Question W23

Senator Evans

Project Sea 1411 (Anzac Ship Helicopter–Seasprites)

- a) What is Defence's latest advice on the total delays with Project Sea 1411?
- b) On what date will this projected be finally completed?
- c) On what date will the first fully capable helicopter be accepted into service?
- d) When will the full Seasprite helicopter squadron actually be fully operational?
- e) Given the delays and ongoing problems with this project, has Defence ever re-assessed its viability?
- f) At what point would Defence consider terminating the project to prevent any further loss of Commonwealth money?
- g) All Defence Annual Reports, Portfolio Budget Statements and Additional Estimates Statements since February 2004 have indicated that nine of the 11 Seasprite helicopters have been provisionally accepted by Defence. Those reports have also indicated that a 10th Seasprite helicopter has been in Australia undergoing 'final assembly'. Those reports have also indicated that the 11th helicopter has been in the United States undergoing 'flight testing'. In relation to the 10th Seasprite helicopter undergoing 'final assembly' in Australia can Defence please indicate:
 - i) When it arrived in Australia;
 - ii) When 'final assembly' actually commenced;
 - iii) Why it is taking so long to actually assemble this aircraft; and
 - iv) When final assembly will be completed; and
 - v) When this helicopter will be accepted by Defence (provisionally or otherwise)?
- h) In relation to the 11th Seasprite helicopter undergoing 'flight testing' in the United States can Defence please indicate:
 - i) When flight testing actually commenced;
 - ii) For how much longer will this 'flight testing' take place;
 - iii) When the aircraft is scheduled to arrive in Australia;
 - iv) Will this helicopter have to undergo final assembly (as for the 10th aircraft) when it gets to Australia;

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- v) If relevant, how long will that final assembly take;
- vi) When will this helicopter be accepted by Defence (provisionally or otherwise)?

RESPONSE

- a) Defence anticipates the contractor will offer the first fully capable Super Seasprite for acceptance in September 2006 against a contracted date of September 2001, a delay of 60 months over the original contract.
- b) The project will close following the acceptance of the 11 aircraft in the full capability configuration and completion of the certification activity in 2008.
- c) Initial Operational Release of the Super Seasprite capability is anticipated to occur in late 2007.
- d) 805 Squadron is the parent unit for Super Seasprite and has been supporting flying operations since October 2003. The squadron will begin supporting embarked Super Seasprites with the fully capable software suite at sea from late 2007.
- e) Yes. Project and product viability and effectiveness against the original operational requirements are re-assessed by Defence as events require.
- f) The project will deliver the contracted product within the allocated budget. Defence has restructured the contract payment schedule with Kaman to ensure that sufficient project funds are being withheld to enable the completion of the project independent of Kaman should the need arise. In balancing the considerations between the delay and difficulties in introducing this capability, Defence remains cognisant that the alternative to termination or failure of this project will be a significant and enduring capability gap and is working closely with Kaman to achieve an acceptable outcome.
- g)
 - i) April 2003.
 - ii) April 2003.
 - iii) 805 Squadron does not require this aircraft in the Interim Training Helicopter configuration so Defence has liaised with the contractor to defer acceptance until the Full Capability Helicopter configuration is available.
 - iv) September 2006.
 - v) Between September 2006 and January 2007 in the Full Capability Helicopter configuration.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- h) i) The 'eleventh' aircraft is actually the second aircraft off the production line and has been used in the flight test program at the contractor's facility in the US since 2001, primarily to develop the fully capable software suite.
- ii) Flight testing is scheduled to be completed in August 2006.
- iii) Defence anticipates that the aircraft will be shipped to Australia in the last quarter of 2006.
- iv) No.
- v) Not applicable.
- vi) The aircraft will be presented for acceptance on its arrival in Australia in the last quarter of 2006.

Question W24

Senator Evans

Project Sea 1390 (FFG Upgrade)

- a) When was the decision to upgrade only four (rather than the planned six) FFGs taken?
- b) Has the contract been updated to account for this change yet?
- c) Why has it taken so long to update the contract?
- d) Will the reduction in ships being upgraded under this project deliver savings? Or, will the project now cost more money?
- e) Is Defence concerned that it has already spent two-thirds of its budget for this project before any upgraded ships are even delivered?
- f) Is Defence likely to need more money to complete the project?
- g) On what date did the upgrade of the HMAS *Sydney* commence?
- h) How long was the upgrade of the *Sydney* supposed to take? Wasn't it supposed to be finished within 12 months?
- i) When will the upgrade of the *Sydney* actually finish?
- j) What is the current schedule for the other three ships to go through the upgrade? Please also indicate the projected completion dates for each of these ships.
- k) What is the current value of each of the four FFGs that are being upgraded?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- l) What is Defence's latest advice on the total delays with this project?
- m) What is the estimated completion date for this project?
- n) Please list, in tabular form, all bonus/incentive payments made to contractors over the course of this project. Please indicate the date of the payment, the amount of the payment and what the payment was for.
- o) Given the delays and ongoing problems with this project, has Defence ever re-assessed its viability?
- p) At what point would Defence consider terminating the project to prevent any further loss of Commonwealth money?

RESPONSE

- a) The decision to upgrade only four, rather than the planned six, FFGs was made in November 2003, as a result of the 2003 Defence Capability Review. The decision by the Australian Government to lay off two FFGs from 2006 was announced by the then Minister of Defence on 7 November 2003.
- b) No.
- c) Competing priorities supported by mutual agreement between Defence and the prime contractor are significant contributing factors. The delay in finalising the contract change has not diminished Defence's contractual position. The contract is fixed price. Most of the hardware was complete and vested to the Commonwealth at the time of notifying the intention to terminate the contract for convenience.
- d) A price reduction is planned although the actual savings and benefits to the Commonwealth are being negotiated. The project is not anticipated to cost more. The price reduction is still under negotiation but will aim to limit the Commonwealth's financial exposure resulting from the partial termination at Commonwealth convenience, obtain the benefit of work completed to date and achieve a price reduction to account for installation services no longer required.
- e) No. A significant level of expenditure was anticipated where considerable engineering development, software development and equipment procurement were required prior to delivery of the first ship. A substantial amount towards final delivery has already been achieved. The risk is limited by the fact that equipment assets vested with the Commonwealth are significant, including almost all the hardware, spares, support facilities and the installation completed in the prototype lead ship which is undergoing contractor sea trials.
- f) No. Defence anticipates successful project completion within the Government-approved budget authorised at the project approval.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- g) 22 September 2003.
- h) The contracted date for provisional acceptance of HMAS Sydney was 26 August 2005. It was not met.
- i) Provisional acceptance is currently planned for December 2006.
- j) Commonwealth handover of HMAS *Melbourne* to ADI to commence the combined maintenance and upgrade installation occurred in late February 2006. The commencement and completion dates of the other two remaining ships are subject to negotiation with the Navy and ADI, cognisant of the Navy's operational requirements and ADI's industrial capacity to meet project completion by 2008-9.
- k) The carrying/book values of the four FFGs as appears in the ROMAN asset accounting module at 31 January 2006 are as follows:

Vessel	Book value
HMAS <i>Sydney</i>	93,337,078.09
HMAS <i>Darwin</i>	120,863,988.29
HMAS <i>Melbourne</i>	266,335,577.37
HMAS <i>Newcastle</i>	310,685,589.78
Total	791,222,233.53

The values represent a depreciated cost value based on the expired useful life of each vessel.

- l) The delivery for ships, trainers and facilities will be completed by July 2009.
- m) July 2009.
- n) Six Performance Incentive Fee payments were made in the period February 2000 to May 2004 totalling \$3.323m. The specific breakdown of incentive payments is commercial-in-confidence.
- o) Yes. Defence has re-assessed this project's viability on a number of occasions. It has also been considered by National Security Committee of Cabinet.
- p) If the contractor is not able to meet the ship performance requirements of the contract.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Outcome Two: Navy Capabilities

Question 3

Senator Faulkner

Hansard p. 31

Sea King Pilots

What were the specialisations of the two aircrew who refused to fly in Sea Kings?

RESPONSE

One was a pilot who has since returned to flying duties in 817 Squadron. The other was an aircrewman.

Question 4

Senator Faulkner

Hansard pp. 32-33

Cost of decision to suspend Sea King flying operations

Please provide an approximate cost of the suspension of Sea King flying operations.

RESPONSE

Sea King operations were suspended during the period from April to May 2005, resulting in a reduction of 327 planned flying hours. A second suspension, to allow further review of maintenance practices, occurred from December 2005 to January 2006, resulting in a reduction of a further 186 flying hours. The reduction in scheduled maintenance of the aircraft, due to the reduced rate of effort, was offset in cost terms by the increased maintenance impost of the Naval Aviation Maintenance Re-invigoration Program.

The Maintenance Re-invigoration Program was introduced by the Maritime Commander in August 2005 to provide assurance that Navy aircraft and maintenance practices were safe. This activity included a comprehensive configuration and documentation audit of all aircraft and a maintenance review.

Fuel cost savings for the two periods of suspended flying operations have totalled \$0.234m.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Question 15

Senator Adams

Hansard p.107

Employment of contractors on Navy bases

What do you estimate the cost to be in lost working hours in Royal Australian Navy establishments caused through personnel being affected by drugs and alcohol (including military personnel, civilians and contractors)?

RESPONSE

Defence does not maintain statistics on the cost, in lost working hours, of military, civilian or contracted personnel affected by drugs and alcohol at Navy establishments.

Question W28

Senator Adams

Contractors employed at Navy Bases

- a) Who is responsible for employing civilian contractors working on Australia's naval bases.
- b) Process of employment for said contractors.
- c) Pre-employment screening of said contractors.
- d) Contents of contract documentation including random drug and alcohol testing provisions.

RESPONSE

- a) All the Groups and Services in Defence can engage civilian contractors to deliver the goods and services for which they are responsible. In particular, Corporate Services and Infrastructure Group, the Defence Materiel Organisation, Joint Logistics Command (in Vice Chief of the Defence Force Group), Defence Personnel Executive, Chief Information Officer Group and Navy would employ contractors at naval bases.
- b) Contractors are engaged in accordance with Commonwealth and Defence Procurement Policy and Guidelines.
Selection of subcontractors is the responsibility of the prime contractors who are contractually obliged to adhere to Commonwealth Policy and Guidelines in respect to security, and occupational health and safety requirements (OH&S).
Prime contractors are responsible for the 'selection, training and provision of appropriate numbers of staff with the necessary skills, licences, qualifications and competencies required for service provision.'

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the **Department of Defence**

- c) Defence has initiated a program to ensure prime contractors undertake Australian Federal Police criminal records checks for all employees prior to commencement of employment. The prime contractor ensures all contractor and subcontractor staff undertake site specific induction/orientation training, in relation to issues such as OH&S, security, environmental and emergency management procedures prior to the commencement of duties. Defence is responsible for this process for the prime contractor.
- d) There are a range of requirements stated in both the terms and conditions of Defence contracts and in the associated schedules of Defence contracts that oblige the contractor to meet Commonwealth OH&S obligations. There is, however, no direct reference in the Defence contracts specifically in relation to ensuring compliance with Defence OH&S requirements on drug and alcohol use.

Outcome Three: Army Capabilities

Question 5

Senator Johnston

Hansard p.45

RODUMS on the combat jacket

Regarding RODUMs received on the combat jacket, how many were there with respect to the jackets’:

- a) infra-red qualities?
- b) fire retardant ability?

RESPONSE

- a) Eight RODUMs were received between 1 January 2004 and 30 September 2005 which referred to the visibility of the jacket under Night Vision Goggles. This is being mitigated by the use of a disruptive pattern and recently developed near-infra-red technology which will be incorporated into the next version of the jacket.
- b) Two RODUMs raised concerns over the fire retardant qualities of the material used for certain components of the jacket, such as the cuffs, elbow patches and rank attachment. Also see response to question 10.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Question 6

Senator Bishop

Hansard p.48

RODUMs on webbing

- a) Please provide a definition of what is meant by 'webbing' and its purpose.
- b) How many sets of webbing have been issued?
- c) How many RODUMs have been received regarding webbing?
- d) Please provide an outline of what the RODUMs are about (for example, whether the webbing was weak, failed to carry adequate supplies or fit properly).
- e) Do you have RODUMs that indicate that the webbing is often replaced at the wearer's own expense?

RESPONSE

- a) Webbing refers to Combat Load Carrying Equipment, less the large Field Pack (back pack). It comes in a variety of configurations, but the primary configuration issued to Australian Army personnel consists of a belt and suspender frame that is designed to distribute weight over the waist and shoulders. A variety of storage compartments can be attached to this frame. Generally these compartments will include a number of ammunition pouches, water bottle covers (and water bottles) and a general storage pack that may carry rations, wet weather clothing and other miscellaneous items.

The purpose of webbing is twofold. It is designed to distribute the weight of the equipment carried by soldiers, rather than have it all carried in a Field Pack that places weight and strain on the shoulders and back. It is also designed to enable soldiers to carry materiel required for immediate and frequent use, such as ammunition, water and rations. Consequently, webbing can be used separately to a Field Pack and allows soldiers to dispense with the Field Pack for short periods. For example, soldiers conducting a day patrol or another activity of short duration (12 hours) may only need to carry webbing rather than the full Combat Load Carrying ensemble.

- b) Since mid-1999, approximately 78,000 sets of webbing have been issued to Army personnel. All personnel entering the Australian Regular Army and Army Reserve are issued webbing as part of their initial issue.

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

- c) In 1996, a search filter function was applied to the RODUM database that allowed interrogation of the system by category. Since 1996, there have been 709 RODUMs recorded within the database under the title of Webbing.
- d) The 709 RODUM submissions have referred to the following issues:
- 2 litre water bladder and cover (7)
 - Ammunition pouches for Minimi and Steyr (55)
 - Individual Combat Load Carrying Equipment Clips (1)
 - General (26)
 - Body armour (28)
 - Chest webbing (43)
 - Complete ensemble (94)
 - Day pack (6)
 - Field pack large (306)
 - Harness, belt and protector (14)
 - Helmet combat (25)
 - Pistol holsters (4)
 - Shelter individual (7)
 - Crew served weapons (3)
 - Flare pouches (1)
 - Grenade pouches (26)
 - Water bottles and covers (57)
 - Miscellaneous (6).

Approximately one third of RODUMs submitted on webbing and associated equipment can be attributed to design or quality issues and the remaining two thirds are personnel complaints where the equipment appears to comply with the original specification, but does not meet the user's requirements. Changes to unit operating procedures/roles from the original specification of the equipment require an enhanced capability and a subsequent new specification to be raised. In the case of webbing, this is being addressed through the development of the next version of webbing under Project Land 125. This project will supply the equipment to a limited number of units at this stage with options to broaden the supply of the equipment under later phases of the project.

- e) There are no RODUMs that indicate that members have had to pay to replace their service webbing or purchased civilian webbing to replace their service webbing.

Question 7

Senators Johnston and Faulkner

Hansard p.49 and p.63

Reporting of RODUMs

- a) Has there been a spike in the number of RODUMs about faulty equipment over the last three years?

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the **Department of Defence**

- b) Please provide the number of individual RODUMs (not categories of RODUMs) over each of the last ten financial years.

RESPONSE

- a) An average of 2469.3 RODUMs were submitted in the three years 2003 to 2005. The average for the previous seven years was 2,331. This slight increase is considered attributable to the introduction of the web-based submission of RODUMs.
- b) The RODUM database records RODUMs submitted per calendar year with the total number of RODUMs per year being:
- 2005 - 2534
 - 2004 - 2511
 - 2003 - 2363
 - 2002 - 2475
 - 2001 - 2052
 - 2000 - 2296
 - 1999 - 2170
 - 1998 - 2141
 - 1997 - 2286
 - 1996 - 2897

Question 10

Senator Faulkner

Hansard p.57

Flammability tests on combat jackets

When will the flammability test recommended by the Inspector-General be conducted on combat jackets?

RESPONSE

The flammability testing is now complete. The final report has been approved by the Defence Materiel Organisation, CSIRO, Australian Wool Testing Authority and Defence Safety Management Agency.

The combat jacket is considered to be safe, with an overall risk assessment of LOW against exposure to typical flammability sources likely to be experienced under normal service use.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Question W6
Senator Bishop
M113 Upgrade

- a) i) Are the M113 Armoured Personnel Carriers which are not being upgraded being removed from service in 2006;
- ii) if not, when are they expected to be removed from service?
- b) i) Are the 350 upgraded M113s to be issued to Regular Army Infantry units only and not to Reserve Armoured units;
- ii) if so, what armoured vehicle will the 6 Reserve Armoured units be equipped with?
- c) Is there any truth to the speculation amongst Reserve Armoured units that they will be issued with Land Rovers in lieu of armoured vehicles?
- d) Can you confirm Reserve Armoured units will not be issued with ASLAVs or Abrams tanks once they come into service?
- e) If the Reserve Armoured units are not to be equipped with upgraded M113s or another armoured vehicle, what will happen to that capability?
- f) Will such an erosion of capability also diminish technical/trade skills amongst Reserve units?
- g) Will such an erosion of capability also contribute to the massive problem which is retention of trained personnel?
- h) Will this situation make Reserve Armoured personnel obsolete in terms of their specialist role?
- i) Will the demise of Reserve Armoured units exacerbate the recruitment problem in light of the fact that many such units recruit directly into the unit?
- j) How does the Army expect to recruit new Reserve soldiers into Armoured units if they do not have armoured vehicles to use?
- k) If the Reserve Armoured units are to be equipped with upgraded M113s, what vehicles will they use after the non-upgraded vehicles are removed from service in light of the further expected delays in delivery of upgraded vehicles?
- l) Will the demise of Reserve Armoured units diminish the interoperability of Reserve with Permanent units as required under the 'total force' concept of operations?

RESPONSE

- a) i) and ii) The M113A1 vehicles not being upgraded by Project Land 106 are being progressively removed from service as replacement capabilities are issued.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Withdrawal action started in 2004 and the last M113A1 is expected to be withdrawn from Army service in 2010.

- b) i) No upgraded M113s will be issued to Reserve Armoured units.
- ii) The 2nd/14th Light Horse Regiment (Queensland Mounted Infantry), based in Brisbane, is now a Regular Army Cavalry unit and equipped with the ASLAV family of vehicles. Reserve Armoured units are being re-rolled as Light Cavalry. While the Light Cavalry capability focuses on the dismounted skills of the Regular Army Cavalry soldier, mobility remains an inherent element of the capability. Mobility of four of the Reserve Armoured units will be provided through either light unarmoured vehicles such as Land-Rover Regional Force Surveillance Vehicles (RFSV) or Interim Infantry Mobility Vehicles (IIMV). The fifth Armoured Reserve unit, 12th/16th Hunter River Lancers, will receive 15 Bushmaster Infantry Mobility Vehicles (IMV).
- c) See b) ii) above.
- d) Yes.
- e) Army Reserve soldiers currently qualified as M113 crewmen are undertaking trade qualification as Light Cavalry soldiers.

A factor in the decision to re-role Reserve Armoured units as Light Cavalry was the state of the current Reserve Armoured capability. Modern armoured vehicles are increasingly complex weapons systems and this has increased training requirements. With increased basic training competencies, necessary to meet the demands of modern complex war fighting, most Reserve soldiers are unable to commit the time to achieve trade qualifications, let alone establish collective training skills and experience. As a result, units are under-strength, unable to maintain serviceable armoured vehicle fleets, and are not capable of providing an effective armoured capability.

The Army has addressed the issue of a reduced Reserve Armoured capability by almost doubling the high-readiness Armoured capability of the Regular Army. The net result will be an enhanced, fully deployable armoured capability.

- f) The Light Cavalry capability retains the requirement for technical and trade skills within the Army Reserve. Light Cavalry units will still be required to maintain an array of equipment and vehicles. This will provide sufficient scope for the development and maintenance of technical/trade skills within the Reserve.
- g) No. Reserve Armoured units are currently below effective strength as the training requirement to meet the minimum competencies to operate the M113 is mostly unachievable for part-time soldiers. By introducing the Light Cavalry role to the Reserve, individual training requirements have reduced from 70 days, for a M113 crewman, to 32 days to qualify a Reserve Light Cavalry soldier. The implementation of the Light Cavalry capability in A Squadron 10th Light Horse Regiment has already experienced a 100 per cent improvement in attendance rates. This is largely attributed to a new sense of relevance and purpose, and a realisation as Army Reserve soldiers that they can achieve

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

the competencies of the Light Cavalry trade in a time frame acceptable within their part-time commitment to the Army's capability.

- h) Under the new Light Cavalry role, Reserve Armoured personnel will have an important role in providing specified individual and collective capabilities to the Army's operational forces. This will include providing high-readiness Reserve Bushmaster crews to Regular Army units as well as Light Cavalry elements to combined arms teams.
- i) See response to g) above.
- j) See response to g) above.
- k) See response to b) above.
- l) See response to h) above.

Question W11

Senator Bishop

Trooper Lawrence

- a) Was any disciplinary action taken as the result of the NT coroner's report of the heat stroke death in the NT?
- b) If not, why not?

RESPONSE

- a) No.
- b) Inquiries into the circumstances of Trooper Lawrence's death revealed no evidence of offences against the *Defence Force Discipline Act 1982*. Had such evidence emerged, those aspects of the inquiry would have been passed to the Military Police for investigation in accordance with the *Defence (Inquiry) Regulations 1985*. On the more general issue of individual culpability, two follow-up inquiries were conducted specifically to determine if adverse administrative action against any member was warranted. Both inquiries concluded that there was no evidence of individual negligence or incompetence.

Question W12

Senator Bishop

Kapooka

- a) In 2005, how many injured recruits from Kapooka have been transferred to the Bathurst Reserve unit for treatment and assessment.
 - i) On average, how many are injured in each of the training groups?
 - ii) How many were injured in the last training group?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- b) How many injured recruits have been transferred to the Bathurst Reserve unit from other basic training sites?
- c) What is the nature of the injuries sustained by recruits?
- d) What are the separation rates as a result of the injuries sustained?
- e) Is a review into training regimes at Kapooka currently under way – if so
 - i) When did the review commence and
 - ii) When is that review due to be completed
 - iii) Was the review a result of an increase in the number of injured from Kapooka?
- f) There have been previous reviews of training bases, such as Singleton.
 - i) What recommendations have been adopted as a result of the reviews
 - ii) How has the adoption of these recommendations improved retention rates at basic training for recruits?

RESPONSE

- a) Two.
 - i) On average 0.2 per cent of recruits trained in 2005 were removed from their training groups due to injuries sustained during Army Recruit Training Centre training.
 - ii) None.
- b) None.
- c) The majority are lower limb injuries.
- d) In 2005, 4,743 recruits arrived at Kapooka and 11 were discharged due to injuries sustained during training. Thirty-four recruits were discharged because of pre-existing injuries.
- e) Yes.
 - i) November 2005. This is a review of the length of training for Army Reserve and Regular recruits.
 - ii) Pilot courses will be conducted in March to June 2006. The review will be finalised once the results of the pilot courses have been analysed.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- iii) No.
- f) i) Individual training in the Army is the subject of ongoing evaluation and review. Some of the more significant recommendations leading to action in recent years include:
- establishment of the Training Command – Army Rehabilitation Wing at Moorebank, NSW;
 - improvements to transition between courses for Army recruits; and
 - establishment of the Transition Management Service for personnel who are discharged from the Army during training.
- ii) Over 90 per cent of soldiers who now enter the Training Command – Army Rehabilitation Wing are returned to training. Of these, almost two thirds return to their original training establishment and their original trade.

Outcome Four: Air Force Capabilities

Question 11
Senator Faulkner
Hansard p.76

Doctor's recommendation about use of DPDU flying suits in the MEAO

Please provide the precise date on which the detachment doctor recommended against the continued use of the DPDU flying suit.

RESPONSE

The C-130 detachment doctor can not recall the precise date he made the recommendation. In his weekly report dated 1 August 2005, he noted that the wearing of DPDU flying suits had been suspended. His recommendation would therefore have been made in the week 25-31 July 2005.

Outcome Six: Intelligence

Question W25
Senator Evans
AWB

Note that the following questions relate in part to the AWB's wheat sales to Iraq under the UN Oil for Food Program.

Given the Government's decision to direct officers of the Department to not answer any questions in relation to these issues in the hearings in the week commencing 13 February 2006, can the Department delay providing a response to these questions until after 31 March 2006 when the Cole Commission is due to deliver its findings and the Department will not be subject to the Government's direction to not answer questions on these issues.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

To be clear, I am asking for the Department to delay its responses to these questions in order to ensure that they are in a position to fully answer the questions below.

Note that in any question below where the words 'Cole Inquiry' are used, they refer to the Inquiry into certain Australian companies in relation to the UN Oil-For-Food Programme.

Iraq-deployed Australian Personnel

- a) What debriefing occurred between those ADF personnel and DIO-employed civilians and DIO and departmental officials on their return to Australia?
- b) i) During those debriefings was information pertaining to AWB matters communicated by ADF personnel and DIO-employed civilians to DIO and Defence Headquarters?

ii) What was this information and who conducted the debriefings.
- c) What information on AWB was communicated to DIO and Defence Headquarters between 1999 and May 2003 and between May 2003 and December 2004?
- d) What information on AWB was communicated to DIO and Defence Headquarters from embedded personnel in the Coalition Provisional Authority?
- e) What information on AWB was communicated to DIO and Defence Headquarters from Australian personnel in the Iraq Survey Group?
- f) What information on AWB was communicated to DIO and Defence Headquarters from embedded personnel in CJTF7?
- g) What information on AWB was communicated to DIO and Defence Headquarters from the Australian National TF Headquarters in Baghdad?
- h) What information on AWB was communicated to DIO and Defence Headquarters from Australian personnel in the Australian Representative Office in Baghdad?

Defence Intelligence Organisation

- i) During the period 1998 to 2004, did DIO circulate, either orally or in written form, information pertaining to AWB 'kickback payments'?
- j) If so, what was the information and to whom was it communicated?
- k) Did DIO receive information pertaining to AWB 'kickback payments' for other intelligence agencies?
- l) When and how did these exchanges of information occur?
- m) To whom and to what other agencies or organisations was this information communicated?
- n) When and how was this information communicated?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Provision of Information to the UN Volcker Inquiry

- o) When was the Department of Defence (DOD) first approached to provide information to the Volcker Inquiry? What was the nature of the request?
- p) When did this gathering of information begin?
- q) Who coordinated that collection of information within DOD?
- r) Who issued the instructions in regard to the provision of information to the Volcker Inquiry and what instructions were given?
- s) What process was followed in sourcing and selecting the documents, or any other information that was sent to the Volcker Inquiry?
- t) Was the retrieval of information carried out by an official with the highest level of security clearance?
- u) If keyword searching was employed, what keywords were used?
- v) Who made the assessment as to what information would be sent to the Volcker inquiry and what criteria was applied?
- w) Was any information regarding AWB excluded from the package of material sent to the Volcker Inquiry?
- x) If so, what was excluded and why?
- y) Who authorised the final package of materials?
- z) (i) Were officers from DOD interviewed by officials from the Volcker Inquiry? If so indicate the number and classification of those officers.
(ii) When did those interviews take place?

Provision of Department of Defence (DOD) Information to the Cole Royal Commission

- aa) When did the department begin its process of preparing documents to be sent to the Cole Inquiry?
- bb) Which officer was responsible for the preparation of the pack of material?
- cc) What instructions were given to that official and from whom did those instructions originate?
- dd) What was the security clearance level of the official or officials who conducted the document searches?
- ee) Were all departmental files searched, including those with the highest levels of security clearance?
- ff) Were the files of agencies searched:
 - (i) DIO?
 - (ii) DSD?
 - (iii) Defence Headquarters?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- gg) Outline the process by which the materials were gathered?
- hh) If it was by keyword searching, what keywords were searched?
- ii) How many documents or files were returned through searching activities?
- jj) How many documents or files were provided to the Cole Inquiry?
- kk) How many documents or files, which were returned though initial, searching, were not sent on to the Cole inquiry?
- ll) Why were these materials not sent on to the Cole Inquiry?
- mm) Who authorised the final package of Defence materials which would be sent on to the Cole Inquiry?
- nn) Did that person consult outside DOD in regard to the package of materials to be sent to the Cole Inquiry?
- oo) In addition, at any other time, was anyone outside DOD, either at the level of official, minister or ministerial office, consulted at any time about materials to be sent on to the Cole Inquiry?
- pp) If so, who was consulted, when and how were they consulted, and what was the nature of the consultation?

RESPONSE

- a) See response to Question 13.
- b) to n) Defence has been fully cooperating with the Cole Commission of Inquiry and has provided the Commission with some material relevant to its terms of reference.
- o) to z) Defence was not approached to provide information to the Volcker Inquiry. An Australian Defence Force officer, in the course of his duties in Iraq as a member of the Coalition Provisional Authority, assisted officers of the Volcker Inquiry with their inquiries. A statement on this assistance has been provided to the Cole Inquiry.
- aa) to pp) Defence continues to fully cooperate with the Cole Inquiry. In December 2005, Defence provided the Inquiry with a number of documents in response to reading the Terms of Reference of the Inquiry. On 17 February 2006, Defence received *Notices to Produce* certain documents to the Inquiry. These notices provided clear guidance on what information was required and Defence fully complied with this requirement. To ensure a comprehensive response, the Secretary of Defence and the Chief of the Defence Force advised the Department's and Australian Defence Force's senior leadership about the *Notices to Produce*. Checking of documentation occurred with searches conducted against the specific requirements of the *Notices to Produce*. Extensive electronic checking against databases and systems used by Defence and manual checking occurred. The search included all areas of Defence and produced a number of documents relevant to the *Notices to Produce*. These documents were

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

provided to the Cole Inquiry on 24 February 2006. Defence continues to cooperate with the Cole Inquiry.

Business Processes

Corporate Services and Infrastructure

Question W2

Senator Bishop

Joint Operations Command (Bungendore)

- a) Can you provide an updated timetable for the re-tendering phase?
- b) Can you confirm whether Baulderstone Hornibrook have withdrawn from the tender process; if so, what reasons were given?
- c) Can it be confirmed that Baulderstone withdrew because they sought to have their costs for the tender reimbursed and Defence refused?
- d)
 - i) Did Baulderstone Hornibrook express concerns at the current taxation regime to be applied to the Public Private Partnership;
 - ii) if so, what are the terms in taxation to which they raised objections?
- e) If Baulderstone Hornibrook has withdrawn from the tender process – leaving only two tenderers in the next phase;
 - i) is this considered a viable field for such a large project, and
 - ii) what do the tender guidelines specify?
- f)
 - i) Has advice been sought on the viability of the process as it now stands, and
 - ii) if so, from whom?
- g) One of the remaining tenderers in the field is Multiplex, but there must be a question mark about their viability given their exposure on the Wembley project in the UK.
 - i) What checks have been done on Multiplex 's viability as a tenderer,
 - ii) If not, why not?
- h) It is also rumoured that Multiplex is considering their position in the tender process
 - i) What discussions have taken place between the project management and Multiplex
 - ii) on what dates and times did meetings take place,
 - iii) who attended the meetings
 - iv) what guarantees were sought or given for Multiplex's continuation in the tender process?
- i) Have Multiplex sought any guarantees or funding for tendering as Baulderstones did?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- j) Should Multiplex withdraw from the tender process, will the RFT process begin again?
- k) How many other building contractors/financiers/developers have been contacted to test their interest in tendering?
- l) How were the original three tenderers originally chosen?
- m) In the event that the project comes in over budget, will there be a further reduction in scope, including the PPP element?
- n) Has further information been obtained from the NSW RTA on options for road upgrades, including costs; i) if so, when was that advice obtained, and ii) what did it say?
- o) Minister Hill's advice to November 2005 Estimates was that the Commonwealth would not pay for upgrades to local roads: Is this position under review by Defence; i) if not, why not?
- p) In the original selection of the site at Bungendore what consideration was given to other sites closer to Canberra and Queanbeyan?
- q) Was the site of HMAS Harman adjoining Queanbeyan ever considered; if so, why was it rejected?
- r) Can confirmation be given to reports that a review commissioned by the CDF is currently underway of the whole proposal?
- s) What is the process whereby the Member for Eden Monaro, Mr Nairn makes the Government announcements on new contracts to do with the project? Does the Department consult with him and prepare the draft or is it prepared with the Minister's name on it? On how many occasions have Defence staff had direct contact with Mr Nairn?

RESPONSE

- a) The tenders for the building, infrastructure and services components of the Headquarters Joint Operations Command Project to be delivered under private financing arrangements closed on 19 January 2006. The announcement of the preferred tenderer is anticipated in the second quarter of 2006.
- b) Boulderstone Hornibrook is a major subcontractor to the Australian Command Capability Partnership Pty Ltd (ACCP) consortium. On 14 November 2005, ACCP advised that it had withdrawn from the tender process as the time available until the tender closed on 19 January 2006 was insufficient for it to provide a conforming, value for money tender response. On 4 November 2005, ACCP had requested that the tender period be rescheduled in its entirety to 2006.
- c) See response to b).

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

- d) i) No.
- ii) Not applicable.
- e) i) A field of two tenderers is considered viable for a project of the scope, scale and complexity of the Headquarters Project given the size, strength and experience of the remaining two consortia.
- ii) The tender process has followed the Commonwealth Procurement Guidelines, Procurement Policy Framework, which requires that the tender process is competitive, makes efficient, effective and ethical use of resources, encourages competition, and provides value for money to the Commonwealth. The field of two tenderers meets the guidelines.
- f) i) Advice as to the viability of continuing with two tenderers was provided by the project's advisers. The advice was that the tender process would not be adversely affected given the size, strength and experience of the remaining tenderers.
- ii) Advice was provided by Blake Dawson Waldron, the project's commercial legal adviser, and the Australian Government Solicitor, the project's legal process and probity adviser.
- g) i) The Request for Tender required the tenderers to provide fully underwritten bids including complete and executed term sheets, letters of commitment from the underwriting banks and/or financial institutions, and detailed commitments from any equity providers. Additional checks included obtaining Corporate Score Card and Dunn and Bradstreet Reports on the credit and financial risk analysis of the individual companies which make up each consortium. The financial strength of each consortium has been checked throughout the tender evaluation process to confirm its viability as a tenderer.
- ii) Not applicable.
- h) The Synersec consortium (Multiplex Infrastructure Pty Ltd, Multiplex Constructions Pty Ltd, Multiplex Facilities Management Pty Ltd and Westpac Banking Corporation) has not advised the Headquarters Joint Operations Command Project that it is considering its position in the tender process.
- i) There have been no discussions between the Headquarters Joint Operations Command Project and Synersec on the above matter. Project staff met with Synersec on 16 occasions throughout the tender period. These meetings were scheduled as part of the tender process.
- ii) Meetings were held on the following dates:

Date	Time (approximate)
29 September 2004	Half day
5 November 2004	Full day
8 November 2004	Full day
6 December 2004	Full day

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

7 December 2004	Full day
15 December 2004	2 hours
12 January 2005	Half day
18 January 2005	Full day
21 January 2005	Half day
4 May 2005	Full day
16 May 2005	1 hour
12 October 2005	2 hours
26 October 2005	2 hours
15 December 2005	Full day
16 December 2005	Half day
10 February 2006	3 hours

Defence also organised visits by the tenderers to Defence sites in Sydney and Canberra as part of the tender process. These visits were conducted on 21 and 22 October 2004 and 25 January 2005. Synersec was represented on these visits. Synersec also visited the site for the new Headquarters on 25 October 2004, 8 December 2004 and 19 December 2005. Visits to the Headquarters site were organised at the request of the particular tenderer.

- iii) Attendees at the meetings and visits included the Headquarters Joint Operations Command Project staff and advisers and the members and advisers of the Synersec consortium. The actual attendees were dependent on the matters being discussed at each meeting.
- iv) Defence did not seek, or provide, any guarantees to Synersec to continue in the tender process. Defence did advise Synersec, and the other remaining consortium (Praeco Pty Ltd), that it would consider a contribution toward the unsuccessful tenderer's bid costs for the current tender process.
- i) During October 2005, the three consortia separately inquired whether Defence would consider contributing towards their revised bid costs. Synersec was advised on 22 November 2005 that Defence would consider a contribution towards the unsuccessful consortium's bid costs for the current tender process. The other remaining consortium (Praeco Pty Ltd) was advised of the above on 21 November 2005.
- j) On 19 January 2006, Synersec submitted a tender response as part of the current tender process. Defence does not anticipate that Synersec will withdraw from the tender process.
- k) Defence sought submissions for the delivery of the buildings, infrastructure and services components of the Headquarters Joint Operations Command Project through an open tender process, commencing with the Invitation to Register Interest that was released on 2 April 2004 and closed on 27 May 2004. Seven consortia responded to the Invitation to Register Interest. After an extensive evaluation, three consortia were shortlisted for the Request for Tender released on 1 September 2004. Defence has not contacted any building contractors/ financiers/developers outside of those who responded to the Invitation to Register Interest, and has only dealt with the three shortlisted consortia since 1 September 2004.

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

- l) The three consortia were shortlisted after an extensive evaluation of the responses from the seven consortia who responded to the Invitation to Register Interest. The responses were evaluated against compliance with mandatory criteria and the relative strengths of the respondents' capacity to finance the project, experience and capability in delivering similar projects, commitment to commercial issues and risk allocation, ability to deliver innovative approaches, understanding and approach to the public-private sector interfaces, and commitment to delivery. The mandatory criteria were compliance with obligations under the National Code of Practice for the Construction Industry and the Industry Guideline for the Industrial Relations and Occupation Health and Safety Components of the National Code; compliance with the *Equal Opportunity for Women in the Workplace Act 1999* (Clth); and the requirement for each consortium to provide details of their security consultant.
- m) The 'private public partnership' components of the project, being the buildings, infrastructure and services, are currently under tender evaluation. The remaining component of the project, being the procurement, delivery, installation and accreditation of the command and control systems is to be tendered later in 2006. Should the tender evaluation process indicate that a component of the project may be delivered over budget, mitigation strategies will be adopted to remain within budget.
- n) In early 2005, the New South Wales Roads and Traffic Authority (RTA) commissioned a study of the section of the Kings Highway between Queanbeyan and Bungendore, and Macs Reef Road between Bungendore and the Federal Highway.
 - i) The consultant completed the report in mid-December 2005 and a copy of the report was provided to Defence on 22 December 2005.
 - ii) The consultant's report recommends that three eastbound and two westbound passing lanes, each approximately one kilometre in length, be constructed on the Kings Highway between Queanbeyan and the Headquarters. The report also recommends that five intersections along the Kings Highway between Queanbeyan and the Headquarters are also upgraded, including one intersection upgraded to a grade separated standard (under/overpass). The consultant's report provides a strategic cost estimate of the suggested road improvements. The RTA has not yet provided Defence with their formal advice on the report, its recommendations and the cost estimate. Defence is reviewing the report and will be liaising with the RTA and the ACT Planning and Land Authority and RoadsACT in the development of a range of possible options for any required road improvements. The report advises that no upgrade work would be required on Macs Reef Road.
- o) The Commonwealth's position regarding funding for upgrades to the local roads remains the same.
- p) As part of the site selection process for the new Headquarters, nine sites close to Canberra and Queanbeyan were considered. These sites were the then RAAF Fairbairn (opposite Canberra Airport), two locations at HMAS Harman, four sites to the south of Jerrabomberra, a site to the east of Googong Reservoir, and a site to the north of the Kowen pine plantation. The RAAF Fairbairn location was rejected as it was close to Canberra Airport and presented a possible security risk from an aircraft that could appear to be making a legitimate approach to Canberra Airport, and would be in a noise hazard

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the **Department of Defence**

area. The two locations at HMAS Harman and the sites to the south of Jerrabomberra were rejected because of their locations close to the southern approach flight path to Canberra Airport, which presented both a possible security risk from an aircraft that could appear to be making a legitimate approach to Canberra Airport, and a possible noise hazard risk. In addition, the sites to the south of Jerrabomberra were located in difficult terrain and a high bushfire hazard area, and the proposed development would have had a major impact on the natural and visual environment. The site to the east of Googong Reservoir was rejected because it lay in a future urban development area and the land required for the Headquarters site and buffer zone would restrict the potential for future urban growth. The site to the north of the Kowen pine plantation was rejected because of its isolated location and cost of establishing site infrastructure.

- q) See response to p) above.
- r) In July 2005, the Chief of the Defence Force commissioned a review of the higher command and control arrangements of the ADF to make them more streamlined and efficient. The review was completed in November 2005 and the outcomes, as they affected the Headquarters Joint Operations Command Project, have been included in the current tender process.
- s) The decision on who announces new contracts for the Headquarters Joint Operations Command Project is made by the Minister for Defence. Draft media releases for the project are prepared by the department in consultation with the Office of the Minister for Defence. Headquarters project staff had direct contact with the Member for Eden Monaro on 2 August 2004 to provide an update on the project.

Corporate Services –Legal

Question W16

Senator Bishop

Status of Cases against Defence

What's the current position of cases brought against Defence by Ms Wiggins, Commander Fahy, Ms Susan Campbell (Eleanore Tibble) and all others, including other bereaved parents of suicide victims?

RESPONSE

The substantive hearing in the action taken by Lieutenant Kellie Wiggins in the Federal Magistrates Court has concluded. The Court has not indicated a date on which it proposes to hand down its decision.

Defence understands that Lieutenant Commander Fahy filed an application alleging unlawful discrimination in the Federal Court in Melbourne on 25 July 2005. As at 21 March 2006, Defence has not been served with the application.

Ms Campbell's proceedings in the Supreme Court of Tasmania are still in the early procedural stages and an Amended Statement of Claim was lodged on her behalf in late 2005.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Ms Campbell's proceedings in the Tasmanian Anti-Discrimination Tribunal are stayed pending the determination of proceedings by the Commonwealth in the Federal Court of Australia challenging the Tribunal's jurisdiction. On 2 March 2006, the Commonwealth lodged an appeal to the Full Federal Court to clarify some of the constitutional issues and matters of statutory interpretation addressed in the decision of Justice Heerey of the Federal Court.

It is unclear what is meant by the term 'and all others'. There are no legal claims against Defence by families of ADF suicide victims. Claims for ex gratia payments have been received from the families of Private David Hayward, Gunner John Satatas, Private Nicholas Shiels and Private Jeremy Williams. The Government is considering the claims.

Question W17

Senator Bishop

Legal Division's Case Loads

With reference to answer to question Senate 1097 and question W16 from last Estimates in which detail of legal division's case load was refused.

- a) Why is it that this Division's case load of military justice claims in particular can't be revealed?
- b) How many military justice related cases have currently contracted out to private legal firms?
- c) If the Division is unable to say what its case load is in the courts, how is the budget and resources determined for its priorities?
- d) Who makes the decision on which cases are to be contested?

RESPONSE

- a) Defence Legal Division is unable to ascertain a clear definition of the term 'military justice claims' used in this context. The Senate Question on Notice No 1097 was cast in broad terms and did not allow for a clearly defined and quantifiable answer. The question requested the number of 'claims for redress and compensation (excluding disability compensation)' in active litigation before state and federal courts and tribunals. Defence Legal remains unclear of the meaning of 'redress' in the context of litigation. The term 'redress of grievance' has a specific meaning which relates to an established internal procedure within Defence for Australian Defence Force (ADF) members.

As at 24 February 2006, there were 406 cases involving claims for damages being managed by the Directorate of Litigation, where a demand had been made or proceedings commenced. Of these, 28 involve current and past ADF members, or surviving relatives, in claims for damages other than for personal injuries, which broadly involved an aspect of 'military justice'.

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

As at 24 February 2006, there were 74 matters active within the Claims for Detriment from Defective Administration scheme. At most, 12 of these could be considered to be 'military justice' claims - taking a very broad view of that term. These include discipline, denial of promotion, removal from post in Australia, being sent home from overseas posting, termination on medical grounds, refusal of a posting on medical grounds, or adverse performance reports. Four of the 12 involve *Defence Force Discipline Act 1982* (DFDA) action.

Defence Legal does not have carriage of, or visibility of all statistics in relation to, DFDA proceedings, Administrative Inquiries, Routine Inquiries, Boards of Inquiry, Redresses of Grievance, Comcare claims or other similar proceedings. Legal officers and civilian lawyers do provide advice to internal Defence clients in relation to some of these matters and act on behalf of the parties in relation to DFDA matters, but Defence does not centrally manage these activities.

- b) In accordance with the Attorney-General's Legal Services Directions, Defence Legal Officers rarely appear as solicitors on the record. In the 28 cases being managed by the Directorate of Litigation (mentioned at a) above), solicitors from firms on the current Defence Legal Panel are being instructed.
- c) The Defence Legal Division is able to indicate its current court case load in relation to matters involving claims for damages where a demand has been made or proceedings commenced, for which it has responsibility. As at 28 February 2006, there were 406 active matters being managed by the Directorate of Litigation. This includes matters managed by the Asbestos Litigation Cell, F-111 Deseal/Reseal common law matters and HMAS Melbourne – Voyager claims. As at 28 February 2006, the Directorate of Special Financial Claims had 74 active claims.
In relation to the staff numbers outlined in Senate Question on Notice No 1097, the Directorates of Litigation and Special Financial Claims are only two of the twelve directorates within the Defence Legal Canberra office. Combined, these two directorates have around 20 staff. There are ten other directorates working in areas such as, for example, Operations and International Law, International Agreements, Administrative Law and General Advisings. In addition, uniformed Legal Officers are located at approximately 50 units and bases around Australia while 12 are currently on overseas deployment or exchange.
- d) Decisions to respond to legal claims are ordinarily made by the Senior Executive in charge of the area of Defence to which the claims relate, on receipt of legal advice provided by Defence Legal or an external legal firm.

Question W18

Senator Bishop

Commander McKenzie's Legal Costs

- a) We note that in answer to questions put to Attorney-General's last estimates that it was confirmed that no advice or approval was sought from the Attorney-General for the payment of Commander McKenzie's legal costs in the WA Medical Board inquiry.

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the Department of Defence

This means that the payment of Commander McKenzie's costs was in breach of the guidelines, and we note that an inquiry is under way.

- i) Has it been considered that repayment of those costs should be sought, and if not why not?
 - ii) Would an application for legal costs by Commander Fahy be entertained on the same basis, and if not, why not?
- b) Given that the guidelines of Appendix E are mandatory, and that agencies have no freedom to amend them without approval, why was such approval not sought with respect to the differing guidelines applying in Defence?

RESPONSE

- a) Defence has responded to a request from the Attorney-General's Department for information concerning the matter involving Commander McKenzie and awaits its advice.

Defence is not aware that the Attorney-General's Department takes the view that advice from, or approval by, that department needed to be sought for the payment of Commander McKenzie's legal costs in the WA Medical Board inquiry.

Nor does Defence understand the Attorney-General's Legal Services Directions (1999 or 2005 editions) or any "guidelines" on the Directions to impose any requirement on agencies to seek advice or approval from the Attorney-General's Department before making any payment permitted by appendix E of the Legal Services Directions. The granting of assistance under appendix E of the Legal Services Directions is a matter for each agency that is subject to appendix E.

Consequently Defence does not consider that it was in breach of the Directions or any guidelines in effecting any such payment but it acknowledges that the determinative view on this issue is a matter for the Attorney-General's Department.

- i) No. Defence considers that it has complied with the Legal Services Directions.
 - ii) It is not clear what "basis" is referred to. The proceedings facing Commander McKenzie were in respect of alleged professional misconduct while he was serving as a Navy reservist and were of a quasi criminal nature. That situation does not seem to apply to Lieutenant Commander Fahy.
- b) See response to a) i).

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Question W19

Senator Bishop

Air Vice-Marshal Criss

- a) Was Air Vice-Marshal Criss required to sign a 'Calderbank' letter before compensation for defective administration was signed?
- b) Can it be confirmed that the offer of compensation made to Air Vice-Marshal Criss by a mediator was over-ruled and that the Minister reduced the offer?
- c) In how many other cases has the Minister's authority been sought for the making of such offers?
- d) Can it be confirmed that Air Vice-Marshal Criss has sought further intervention by the Defence Force Ombudsman, but that has been refused?
 - i) Can it be confirmed that Air Vice-Marshal Criss has outstanding investigations requested with the Inspector General ADF, that after 5 months no response has been made and the reason for the delay in responding?
 - ii) Does Defence now consider that Air Vice-Marshal Criss' matter has been dealt with to finality, and that no further action will be taken?

RESPONSE

- a) No. The Compensation for Detriment caused by Defective Administration (CDDA) scheme is an administrative scheme which only applies where a person has no legal recourse. A 'Calderbank' letter is only relevant to costs in the event of litigation.
- b) A mediator has no authority to make an offer of settlement under the CDDA scheme. Within Defence, only the Minister for Defence or a person authorised by the Minister for Defence can decide the amount of compensation to be awarded.
- c) As noted in response to part b), the Minister specifies certain officials in Defence to decide CDDA claims for and on his behalf. Accordingly, all CDDA decisions are made under the authority of the Minister.
- d) Defence is not in a position to answer this question which is a matter for the Ombudsman.
 - i) The Office of the Inspector General of the Australian Defence Force (IGADF) has advised that Air Vice-Marshal Criss approached the IGADF in August 2005 concerning a number of specific issues, which the IGADF agreed to review. In addition, in late September 2005, the Commonwealth Ombudsman referred military justice matters, that had been raised with him by Air Vice-Marshal Criss, to the IGADF for examination. Inquiries into these matters necessitated contact with, or attempts to contact, former ADF and Defence members. Every effort was made to

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

finalise the matter as quickly as possible. Inquiries have now concluded and Air Vice-Marshal Criss has been advised of the outcome by the IGADF.

ii) Yes.

Question W20
Senator Bishop
Mr Vance

How much has now been spent in legal costs fighting Mr Russell Vance?

RESPONSE

Defence's finance systems show that, since it received Mr Vance's Statement of Claim in May 2001, the Commonwealth has paid \$646, 969.67 in legal fees, as at 24 February 2006. Defence Legal is instructed that a further invoice of \$5,295.84 is yet to be processed.

Question W27
Senator Ludwig
The DPP

- a) i) How many briefs have you forwarded to the DPP for 2001–02, 2002–03, 2003–04, 2004–05?
- ii) How many briefs were returned without action, and how many were actioned?
- b) For each year, what was the average time (as well as indicating the minimum and maximum time in each case) in which it took the DPP to...
- i) Bring charges against the accused party
- ii) Formally bring the matter to a conclusion through either a verdict of guilty or not guilty, the entrance of a nolle prosequi or dropping the charges
- iii) Return the brief for no further action
- c) Did the department or agency forward any formal complaints to the DPP regarding the handling of the brief? If so, give details.
- d) Did the department or agency forward any informal complaints to the DPP regarding the handling of the brief? If so, give details.

RESPONSE

- a) i) Prior to 2002-03, it was not a requirement to report referrals to the DPP. Data prior to 2002-03 is not readily available. Defence is not able to devote the considerable time and resources required to reconstruct this data to be able to provide this information.

Senate Foreign Affairs Defence and Trade

Additional Estimates 2005-06

Answers to Questions on Notice from the **Department of Defence**

For 2002-03, Defence referred 22 cases. All were prosecuted, 11 resulted in a conviction and 11 were found not guilty. For 2003-04, a total of 19 cases were referred. All were prosecuted, 12 resulted in a conviction and seven were found not guilty. For 2004-05, six cases were referred. All were prosecuted and all resulted in convictions.

- ii) As above, between 2002-05, 47 cases were actioned and none were returned.
- b) The information sought for the Senator's question is not readily available. To collect and assemble such information would be a major task. Defence is not able to devote the considerable time and resources required to provide this information.
- c) No.
- d) No.

People

Question 1

Senator Bishop

Hansard: p.14

Special Forces recruitment rate

Has the recruitment rate for Special Forces on both the east coast and west coast increased in recent years? If so, by how much?

RESPONSE

The recruitment of people for Special Forces is not a simple case of dividing recruiting performance between the east coast and the west coast. Personnel for Special Force units are sourced primarily from current serving members of the ADF. These recruitment results over the last three years have been constant. However, there has been an increase in recruitment to the Special Forces through the introduction of the ADF Special Forces Direct Recruiting Scheme whereby young Australians can apply directly at Defence Force Recruiting Offices to become members of the Special Forces (normally directly to 4th Battalion Royal Australian Regiment (Commando) or 1 Commando Regiment, which both are east coast based). Since its inception there have been 269 soldiers recruited to the Special Forces, in addition to those sourced within the ADF.

Senate Foreign Affairs Defence and Trade
 Additional Estimates 2005-06
 Answers to Questions on Notice from the **Department of Defence**

Question 14

Senator Fierravanti-Wells

Hansard pp.103-104

Cadet units

- a) How many Cadet units are there?
- b) How many are located in schools and in which States / Territories are they located?
- c) Will Defence consider the option of expanding the number of cadet units in schools?

RESPONSE

- a) Cadet Units by Service as at 24 February 2006:

	Australian Navy Cadets	Australian Army Cadets	Australian Air Force Cadets
School/Community Based Units	94	237	147
Headquarters and other organisational elements	11	-	22
Total	105	237	169

This data represents a snapshot in time. Numbers can fluctuate.

- b) Cadet Units located in schools:

<i>State/Territory</i>	Australian Navy Cadets	Australian Army Cadets	Australian Air Force Cadets
Queensland	4	36	15
New South Wales	Nil	34	4
Victoria	2	14	5
South Australia	Nil	3	4
Tasmania	Nil	Nil	Nil
Western Australia	Nil	13	4
Australian Capital Territory	Nil	Nil	1
Northern Territory	Nil	2	Nil
Total	6	102*	33

* Forty-four are School Based Units with enrolment restricted to students of the school in which they are based, or a group of affiliated schools. Fifty-eight are Community Based Units operating from school facilities, but with enrolment open to any eligible member of the local community.

- c) Proposals for new Cadet units, whether located in schools or community facilities, will be considered by Defence on a case by case basis.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Before a new Cadet unit can be formed, it must firstly satisfy a number of criteria specified by the parent Service. Key to this consideration is the extent of community support (particularly the provision of accommodation and volunteer staff) noting that Cadets is a Defence and community partnership.

The parent Service will also consider the capacity of existing Cadet units in the general locale and the budgetary implications noting that there are significant costs involved in establishing and maintaining new Cadet units including payment to volunteer staff, the provision of uniforms and equipment, and the cost of annual camps and bivouacs.

Question W7

Senator Bishop

Recruitment and Retention; Honours and Awards

- a) i) Can you confirm Iraq and Afghanistan Campaign medals received royal assent around October 2004; and
ii) awarding of medals expected to commence in March/April 2005?
- b) i) Have all personnel who served in these locations received the award of these medals, if not;
ii) how many personnel are still awaiting their medals?
- c) What is the reason for the delay in the awarding of campaign medals for service in Iraq and/or Afghanistan?
- d) i) How long is it currently taking to process claims for the National Service Medal; and
ii) What time-frame can currently be expected from the date an application for the National Service Medal is lodged until the medal is issued to the recipient?
- e) Is the Directorate aware that an application for the National Service Medal was lodged in March 2002, an acknowledgement was received by the applicant 12 months later, a second application was subsequently lodged in August 2005, advice was received that the medal would be issued in January 2006 and at this date the medal has still not been received?
- f) Why would it take 12 months to simply acknowledge receipt of the application let alone process it?
- g) Is a two year delay a typical time-frame for the issue of National Service Medals?
- h) i) At the time the National Service Medal was announced was it known that there were up to 325 800 possible applicants
ii) what mechanisms were put into place to deal with the number of potential applicants?

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- i) On 26th June 2004 the Government announced the Australian Defence Medal for six years defence service
 - i) Can you confirm that Regulations in respect of this award had not been finalised in May 2005
 - ii) when were the regulations finalised?
- j) i) Can you confirm when the first Australian Defence Medals were struck and
 - ii) when were the first issued to applicants
- k) At what date did the issue of service or campaign medals to eligible applicants commence?
- l) On 16th March 2005, the Government announced an independent review into the level of recognition of service following the armistice in Korea in 1953. De-Anne Kelly stated at the time that a review panel had been established to investigate the appropriateness of the award of the Australian Active Service Medal (AASM) 1945-1975 with clasp "Korea" for this period.

In answer to a question on notice from Senator Mark Bishop on 20th March 2005 as to the time-frame for the review it was stated that the review would begin on 27th June 2005 and conclude in December 2005.

- i) Has the review been concluded;
 - ii) when can we expect any announcement arising from the review;
 - iii) when will the recommendation of the review be made available to the public; (iv) is an announcement expected prior to this year's Battle of Kapyong Day on 24th April?
- m) If the review was to recommend the extension of the AASM and the Government were to agree, how long would it take for the medals to reach the recipients?

RESPONSE

- a) i) Yes.
 - ii) Yes, however production problems have caused a delay.
- b) i) No.
 - ii) 7,000.
- c) See response to a) ii) above.
- d) i) Four to five months if details are readily available.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- ii) See response to d) i) above.
- e) No. Without the applicant's details, it is impossible to investigate these claims.
- f) See response to e) above.
- g) No.
- h) i) Yes.
 - ii) Extra staff were allocated to process applications, and a contract was awarded to provide engraving and dispatching services.
- i) i) Yes.
 - ii) Her Majesty, the Queen, approved the Letters Patent and Regulations for the medal on 20 March 2006. The Australian Defence Medal will recognise completion of the initial period of enlistment, or four years service, whichever is the lesser.
- j) i) The first medals for issue were struck in March 2006.
 - ii) None have been issued. The intention is to issue the first medals by 30 June 2006.
- k) This question cannot be answered without specific information as to which service or campaign medal the question refers.
- l) i) Yes.
 - ii) The report is under consideration.
 - iii) and iv) See response to l) ii) above.
- m) Each veteran would need to apply for the Australian Active Service Medal and be assessed individually. If deemed eligible, the veteran would need to return the Australian Service Medal before being issued with the Australian Active Service Medal. From receipt of application, the process could take from six to 12 months.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Question W8

Senator Bishop

Air Force Cadet Camps

- a) When was the initial report by Wing Commander Geoff Stewart into an incident at an Air Cadet Camp near Amberley in 2002 made available to the RAAF?
- b) Why was the initial report by Wing Commander Geoff Stewart into the incident rejected by the RAAF?
- c) What were the ages of the children involved in this camp?
- d) When was the formal inquiry conducted into the incident by the RAAF completed?
- e) As a result of the formal inquiry what action if any was taken by the RAAF, against trainers on the Camp and when?
- f) There was another Camp conducted in 2003,
 - i) Can you provide the ages of the children who attend this camp
 - ii) was the camp conducted in bushland near Amberley or was it at another location
 - iii) who conducted this camp and
 - iv) Can you confirm whether any of the trainers involved in the 2002 incident were on this camp?
- g)
 - i) Has an inquiry been conducted into complaints following a 2003 Camp;
 - ii) If so, what was the outcome
 - iii) was any action taken against trainers at this camp; and
 - iv) if not, why not given the previous reported incidents?
- h)
 - i) Can you confirm which Air Cadet unit was the cause of written complaints by parents in December 2005 when children were forced to stand in the sun for 90 minutes and verbally abused;
 - ii) how many children participated in the unit on this day;
 - iii) what were their ages; and
 - iv) what action has been taken as a result of the complaints?
- i)
 - i) Has any inquiry found that trainers at Air Cadet Units have been involved in more than one incident which has become the subject of complaint by parents; if so, (ii) what action has been taken?

RESPONSE

- a) The initial report by Wing Commander, Australian Air Force Cadets (AAFC), Geoff Stewart was provided to the Officer Commanding No 2 Wing AAFC on 3 September 2002. It was provided to the Air Force shortly thereafter.
- b) There were procedural flaws in the AAFC report. The reviewing officer at Air Force Headquarters found that the inquiry had not been conducted with regard to fair hearing

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

rules, the bias rule and with regard to privacy requirements. These breaches rendered the investigation unsound. The reviewing officer could not accept the report and ordered a second, formal inquiry to be conducted.

- c) Between 15 and 17 years of age.
- d) Following the setting aside of the inquiry conducted by Wing Commander (AAFC) Stewart, a second inquiry was conducted by an ADF officer following ADF processes. This was completed in August 2003.
- e) The second inquiry found that administrative action was not warranted against any person. Note that, in any event, only administrative action could have been taken as AAFC staff are not members of the ADF and are not covered by the Defence Force Discipline Act. The ADF inquiry officer stated that all of the parties involved had acted with the best of intentions, although there had been some over-enthusiasm and less than relevant programming when the exercise had been conceived.
- f) i) Between 15-17 years of age.
ii) Near Amberley, in bushland.
iii) Several senior staff members of No 2 Wing AAFC.
iv) Yes, some were.
- g) i) The RAAF is not aware of any complaints having been made after the 2003 camp.
ii)-(iv) Not applicable.
- h) i) The occasion referred to was the No 2 Wing AAFC General Service Training Camp graduation parade held at RAAF Amberley on 9 December 2005. Cadets were not forced to stand in the sun for 90 minutes nor were they verbally abused. Those cadets and staff, who were parading, were on parade for approximately 30 minutes. Throughout the duration of the preceding camp, the need to wear hats and the importance of hydration had been emphasised to the cadets by the staff.
ii) Approximately 90.
iii) Approximately 14 years of age.
iv) In future, the parade will be held earlier in the morning to avoid the midday sun.
- i) i) No
ii) Not applicable.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Question W9

Senator Bishop

Audit of Training Institutions

- a) CDF announced the audit of training institutions last estimates, implying that bastardisation culture may have its roots here, thereafter infecting the broader ADF
 - i) Can you confirm when the audit will be completed, and
 - ii) Will Mr Podger head the review?
- b) Media reports have identified the infantry training school at Singleton as having somewhat of a notorious reputation
 - i) has an audit of Singleton taken place; if so
 - (ii) what action if any has been taken to deal with problems there?
- c) (i) Will the ADFA at Duntroon be part of the audit process?
 - (ii) If not, why not?
- d) What is being done more broadly to combat the high incidence of sexual harassment complaints, of which half have been found to be substantiated?

RESPONSE

- a) i) 30 June 2006.
 - ii) Yes.
- b) i) Yes. The ADF Audit of Schools and Training Establishments has visited Singleton. Additionally, the Army has previously undertaken reviews following the death of Private Jeremy Williams.
 - ii) No action has been taken on the ADF Audit visit; the report is not due to the Chief of the Defence Force until the end of June 2006. Following the investigation into the death of Private Williams, the Army addressed the question of culture at the School of Infantry by a comprehensive action plan that ensured an appropriate environment was established, maintained and monitored.
- c) Yes.
- d) Defence maintains a comprehensive range of practices that promote acceptable behaviour. These include guidance documents and programs, targeted at all Defence employees, to foster a harassment-free environment and to support dealing with situations and complaints both sensitively and lawfully. The guidance documents are complemented by a full range of mandatory and through-career training activities.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Evidence that these measures are working is found in the prompt and serious attention that reported unacceptable behaviour matters receive at the local and higher Defence management levels. The high incidence of correct and sensitive management indicates that the consistent Defence message about managing complaints at the most appropriate level is increasingly successful and, overall, remains the most supportive approach for individual employees.

Complaint reports indicate that fewer than 1 in 1,000 (0.1 percent) Defence people are involved in sexual harassment incidents. The 2004-05 table of sexual harassment complaints (below) indicates that 107 complaints were reported, a slight increase from 100 in the previous year. 81 of the 107 complaints have been finalised. 74 of these 81 complaints have been substantiated and have been resolved either formally or informally. Seven complaints were not substantiated.

The low incidence of involvement in sexual harassment complaints, coupled with the high rate of substantiated complaints, suggests that Defence people are well aware of what constitutes sexual harassment, are prepared to report it and can be confident that appropriate action will be taken to deal with it.

Research has demonstrated that comparisons are difficult because different organisations report on different definitions of sexual harassment. However, recent research undertaken within Defence suggests that Defence has relatively fewer incidents of sexual harassment than other organisations, both in Australia and overseas. Similarly, Defence appears to have a more comprehensive range of practices in place to promote acceptable behaviour than many other comparable organisations.

Question W10
Senator Bishop
Private Williams

- a) What inquiries were made into the Williams suicide case, as to the cause; and
- b) what disciplinary action was taken as a result of the investigations?

RESPONSE

- a) An extensive inquiry was conducted into the circumstances surrounding the death of Private Williams. The Inquiry Officer found a number of factors contributed to Private Williams' death. These included excessive alcohol consumption, his concerns over the effect of his injury on his Army career, an inappropriate culture at the School of Infantry, and stressful events in his personal life in the days before his death. The question of culture at the School of Infantry was addressed by a comprehensive action plan that ensured an appropriate environment was established, maintained and monitored.
- b) During the course of the investigation, ten potential offences against the *Defence Force Discipline Act 1982* were discovered. These matters were referred to the Military Police for investigation. Subsequently, Military Police reports were sent to the Director of

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

Military Prosecutions. Charges were heard against two soldiers, both of whom were found not guilty in separate trials.

Question W14
Senator Bishop

Inquiry into Photographs of ADF Personnel at Shoalwater Bay

What is the current status of the inquiry into the publication of photographs showing ADF personnel at Shoalwater Bay naked, dressed only in Arab headwear?

- i) Are disciplinary proceedings likely, and if so, how many officers and other ranks were involved?
- ii) Who is conducting the inquiry and when is it due to report – or what were the findings and recommendations?

RESPONSE

A Military Police investigation report into this matter was completed on 24 November 2005 which found no evidence of offences under the *Defence Force Discipline Act 1982*, although it identified that some inappropriate behaviour had taken place.

- i) No.
- ii) The Military Police report was completed on 24 November 2005. No charges were recommended. Although no charges were laid against those responsible for the inappropriate behaviour, the Special Operations Commander, Major General Hindmarsh, wrote to all his units expressing his concern at the behaviour of the soldiers depicted in the photographs. The soldiers involved were counselled by their Commanding Officer on the inappropriateness of their actions.

Question W15
Senator Bishop

Alleged Harassment at Randwick Barracks

What is the current status of the inquiry into harassment at Randwick barracks - as reported in the SMH of 30 November last?

- a) Can it be confirmed that Private James is receiving psychiatric counselling as the result of his harassment,
- b) will he be discharged under pressure and
- c) what disciplinary action has been taken?

RESPONSE

- d) Private James is being provided with all appropriate medical support. The disclosure of any further information would breach Medical-In-Confidence principles.

Senate Foreign Affairs Defence and Trade
Additional Estimates 2005-06
Answers to Questions on Notice from the **Department of Defence**

- e) No.
- f) The unit has conducted a Quick Assessment and a Routine Inquiry in accordance with current procedures. Upon review of the available information, the Commanding Officer 8 Signals Regiment referred the case to the Military Police for formal investigation to determine whether there has been a breach of the *Defence Force Discipline Act 1982*. That investigation is currently under way.

Question W30 [This question was transferred from DVA to Defence on 27 February 2006]

Senator Hurley

MIAs

- a) Has the Minister met with Mr Jim Bourke to discuss the research he has undertaken to find the bodies of 2 of the 6 missing ADF personnel in Vietnam?
- b) Are there any avenues open for the Minister to use his discretion to fund such research such as the \$1.3 m grant announced by the Prime Minister last year to help in the search for the HMAS Sydney?
- c) i) Is DVA [Defence] aware of the US Office of the Joint POW/MIA Accounting Command (JPAC) offer in which they state they are prepared to assist with work on Mr Bourke's research if a request from the Australia Government were to be directed to the US Government?
- ii) Has any approach been made to the US Government by ~~DVA~~ [Defence] or the Minister's office requesting such assistance from JPAC? If not, why not?

RESPONSE

- a) No, but the former Minister Assisting the Minister for Defence, Mrs Kelly, did meet last year with Mr Bourke regarding this matter.
- b) Avenues to provide support to this endeavour continue to be considered by the Minister Assisting the Minister for Defence and the Army in consultation with Mr Bourke.
- c) i) Yes, Defence is aware that the US Office of the Joint POW/MIA Accounting Command (JPAC) offered assistance to Mr Bourke to review the site where one of the Australian personnel is believed to have been killed. However, JPAC has recently advised that due to a change in its funding level it may not be possible to provide that assistance.
- ii) Yes.