

# **Senate Standing Committee on Foreign Affairs, Defence and Trade**

## **15 February 2012 Senate Additional Estimates**

### **Q1 - Detainee Management in Afghanistan**

**Senator Ludlam asked on Wednesday 15 February 2012, Hansard page 32.**

Can you table as much information as you can on the activities of the Inter-agency Detainee Monitoring Team in Afghanistan?

#### **Response:**

As part of its military operations in Afghanistan, the Australian Defence Force (ADF) conducts detention operations to remove insurgent and criminal elements from the battlefield when required for reasons of security or where persons are suspected of committing serious crimes. Detention operations contribute to the ongoing security of the local population and Afghanistan and provide the ADF and coalition personnel with a measure of force protection.

ADF personnel are required to treat detainees humanely and with dignity and respect in accordance with Australian values and our domestic and international legal obligations. The proper treatment of detainees apprehended by the ADF in Afghanistan fundamentally underpins our legitimacy in the eyes of the local population, as well as the international community.

After detainees have undergone initial screening and questioning at the ADF screening facility in Uruzgan, they may be transferred to either Afghan custody in Tarin Kot or US custody at the Detention Facility in Parwan (DFiP), or released if there is insufficient evidence to justify their ongoing detention or to support a prosecution through the Afghan judicial system.

As part of Australia's detainee management framework in Afghanistan, Australian officials monitor detainees transferred to both Afghan and US custody in order to assess their welfare and treatment, including the conditions in which they are detained, in accordance with the detainee transfer arrangements we have with the Afghan and US Governments.

The Australian Government monitors detainees apprehended by the ADF in Afghanistan to mitigate the risk that detainees transferred to Afghan and US custody may be subject to torture or cruel, inhumane or degrading treatment. The Australian Government considers that the existence of an effective monitoring regime helps to ensure that the rights of transferred detainees are respected during their detention, assists Australia to meet its international and domestic legal obligations with respect to transferred detainees, and also contributes to the development of the Afghan corrections and justice system.

### *The Interagency Detainee Monitoring Team*

Australia's detainee monitoring efforts in Afghanistan are undertaken by the Interagency Detainee Monitoring Team (IDMT). This team consists of Australian officials and ADF personnel who regularly visit detainees transferred to US and Afghan custody to ensure that they are being treated in accordance with our arrangements. The IDMT is typically comprised of an official from the Department of Foreign Affairs and Trade, a Department of Defence official or ADF Legal Officer, an interpreter, and a force protection contingent. The team may also include ADF medical personnel if required.

### *Monitoring Visits*

During each monitoring visit, the IDMT interviews detainees apprehended by the ADF and transferred to US or Afghan custody. The IDMT meets with each detainee in person and asks questions to gauge their wellbeing and standard of treatment, including questions on their access to exercise, sleep, sustenance, health, sanitation, and medical treatment. The IDMT also inspects and reports on the conditions of detention facilities.

The IDMT aims to visit each detainee shortly after their transfer to Afghan or US custody, and approximately every four weeks after the initial visit. In accordance with the practices of a number of our ISAF partners, Australia continues to monitor each detainee until they are either sentenced by an Afghan court or released.

### *Monitoring Statistics*

Between 1 August 2010 and 24 February 2012, the ADF transferred 99 detainees to the Afghan authorities at the National Directorate of Security (NDS) in Tarin Kot, and 64 detainees were transferred to US authorities at the Detention Facility in Parwan (DFiP).

In the same period, the IDMT has conducted 87 monitoring visits in total, including 46 visits to the NDS in Tarin Kot, 12 visits to the Tarin Kot Central Prison, and 29 visits to DFiP.

## **Q2 - Black Prisons in Iraq**

**Senator Ludlam asked on Wednesday, 15 February 2012, Hansard page 33.**

In Iraq, how many SAS members were in a troop and how many US soldiers were attached to each troop to act as the detaining authority?

### **Response:**

In support of Coalition operations in Iraq in 2003, Australia had a total of 68 Special Air Service (SAS) personnel. This was a flexible force where numbers within a troop differed depending upon tasking. Four United States servicemen were attached to the Australian taskforce.

### **Q3 - Participation by Burma in Navy Exercises**

**Senator Ludlam asked on Wednesday, 15 February 2012, Hansard page 35:**

In terms of multilateral Navy exercises hosted by India in which Australia and Burma both participate, has Australia raised with India any concerns over Burmese participation?

**Response:**

Australia has no role in the development of the invitations list to Exercise MILAN, as this is for the host nation India to determine.

Our records do not indicate any representations being made to India over Burma's participation in Exercise MILAN. As a rule, however, Defence will engage foreign officials and exercise planners when necessary to ensure contact between the ADF and the Burmese military is limited during the conduct of international activities.

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**Action Area: VCDF GROUP**

**Q4 - Garrison support at Robertson Barracks**

**Senator Macdonald asked on Wednesday, 15 February 2012, Hansard page 39:**

(a) What garrison support services are currently at Robertson Barracks? (b) What additional services are planned to support the deployment of US Marines to North Australia? (c) What increased costs are anticipated? (d) what arrangements are there to charge the US for services? (may need to be generic statements rather than trying to forecast actual future costs). (e) Provide the details of arrangements to charge the US for food and services (agreement in place). (f) What was the cost of the last recorded bill provided to the US related to the last major exercise (Eg. Talisman sabre)?

**Response:**

(a)The Garrison Support Services provided at Robertson Barracks are:

Hospitality and Catering,

Accommodation Management,

Access Control Services,

Laundry and Dry Cleaning,

Cleaning Services,

Waste Management,

Grounds Maintenance,

Pest and Vermin Control,

Sport and Recreational Management,

Stores Management,

Petrol, Oils and Lubricants,

Transport Services,  
Air Support,  
Fire Fighting and Rescue, and  
Range Management

(b) No additional services are planned to support the initial deployments of US Marines to northern Australia.

(c) Australia and the United States continue to explore and develop the specific exercises to be undertaken during the initial deployment of US Marine Corps personnel to Australia. It is therefore difficult to determine the precise costs that may arise.

In conjunction with the initial deployments, we will assess whether there is a requirement for further investment under any future phases of activity.

(d) The Australia/US Acquisition and Cross Servicing Agreement (ACSA), which came into effect on 9 August 2010, provides the basis for charging the US for services.

(e) Food and Services charges are covered within the Acquisition and Cross Servicing Agreement between the USA and Australia.

(f) *\$A2.647M*

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### **QUESTIONS ON NOTICE - COMMITTEES**

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##### **Q5 - Funding Against Efficiency Dividend**

Senator Humphries asked on Wednesday, 15 February 2012, Hansard page 49:

Can we get a reconciliation of increased Defence funding against Government efficiency dividends? (CFO undertook to track through the relevant documents PAES/PBS and identify/show where increases to defence funding have been announced and how this is impacted by reductions (efficiency dividends).

##### **Response:**

Efficiency Dividends are applied to Government Agencies to ensure programs are being delivered effectively and efficiently, and as an incentive to reduce waste.

The Efficiency Dividend was first introduced in 1987-88.

In Defence, Efficiency Dividends are applied only to those parts of the budget that are not directly linked to military capability or operations. In general terms, this means the Efficiency Dividend is applied only to approximately 11 per cent of the Defence budget.

Since the rebaselining of the Defence Budget as a result of the 2009 White Paper, there have been two Efficiency Dividends applied to Defence. This has involved an Efficiency Dividend return to Government of \$459m out to 2015-16.

As outlined in the Defence 2012-13 Portfolio Budget Statements, the Defence Budget will grow to \$103 billion out to 2015-16.

## Q6 - Forward Estimates and SRP Savings

Senator Humphries asked on Wednesday, 15 February 2012, Hansard page 50:

Provide the forward estimates by financial year for SRP savings (gross and net).

### Response:

- The cost reduction programs and investment programs are managed separately to ensure that Defence achieves its agreed outcomes and can develop reform projects that will deliver enduring benefits. Investment funds can be allocated to both cost reduction and non-cost reduction SRP reform streams, and to Groups and Services for a variety of reform activities. As such funds can not be solely attributable to cost reduction streams, and thus not considered on a net basis.
- Developing a 'net' view by reducing the SRP cost reduction target by the total SRP investment funds is misleading due to the different nature of the programs and their management, as it is not a one-to-one relationship.

### COST REDUCTION TARGETS

SRP Stream	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
Information and Communications Technology	147.5	182.9	206.8	220.0
Smart Sustainment & Inventory	370.2	515.0	596.0	601.0
Logistics	8.3	18.6	17.2	53.3
Non-Equipment Procurement	206.6	260.1	338.1	374.6
Reserves	28.1	31.2	34.9	48.2
Workforce & Shared Services	237.6	292.5	363.2	409.2
Other	285.5	621.3	615.0	723.0
<b>Total Cost Reduction Target</b>	<b>1,283.9</b>	<b>1,921.6</b>	<b>2,171.3</b>	<b>2,429.2</b>

### SRP INVESTMENT FUNDS

PORTFOLIO VIEW	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
Investment Provision	438.9	246.6	448.3	306.3



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**Q7: Dogs on SPA Flights**

Senator Humphries asked on Wednesday, 15 February 2012, Hansard page 50:

Have Service (ADF) dogs or private dogs been transported on SPA flights in recent times?

**Response:**

No dogs (ADF or pets) have been transported on SPA flights in recent times.

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**Action Area: I&S**

**Q8 - Security clearances**

**Senator Brandis asked on Wednesday, 15 February 2012, Hansard page 51:**

- (a) Were special arrangements made to security clear two current non-Australian staff in the Prime Minister's office?
- (b) Do they have clearances and did they have special waivers?

**Response:**

- (a) The Department of Defence has not made special arrangements to security clear two named staff in the Prime Minister's Office, and notes that one of the named staff members is an Australian citizen.
- (b) Both staff members are undergoing a clearance process and the one staff member who is an Australian citizen has an existing clearance.

All Australian Government policy requirements relating to eligibility for a security clearance, including the application of eligibility waivers as appropriate, have been met.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

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#### **Q9 - Williamtown RAAF Base and contaminants**

Senator Macdonald asked on Wednesday, 15 February 2012, Hansard page 53:

Senator Macdonald is concerned about claims that the sewerage system is introducing contaminants (including carcinogenic) into the base at Williamtown and that the system will be connected to the Hunter river system. Please provide any information about this and whether the claims are correct.

#### **Response:**

The Williamtown Sewerage Treatment Plant (STP), that services RAAF Base Williamtown and the Newcastle Airport, is owned and operated by the Commonwealth for the benefit of all parties. The Plant is not connected to, and does not impact upon, the Hunter Water system.

The Hunter Water Corporation monitors ground water in the Tomago Aquifer and is comfortable that the risks to ground water quality for the purposes of drinking water extraction posed by operation of the Waste Water Treatment plant are acceptable.

The effluent discharge quality is monitored regularly and there is no indication that carcinogenic contaminants are being discharged. The effluent quality is typical of that emanating from comparable municipal waste water treatment plants which are licensed by entities such as the NSW EPA to pollute within defined limits.

Testing has detected the presence of dissolved heavy metal but at concentration levels that were generally below limits specified in respect to "Australian Water Quality Guidelines for Fresh and Marine Waters", with the exception of slightly elevated concentrations of dissolved cadmium, chromium, copper and zinc. The presence of mercury has not been detected.

Tradewaste generated during aircraft maintenance processes such as waste fuels, oils, solvents and contaminated rags are not directed to the sewer. It is disposed of through a licensed contractor to a regulated waste disposal facility.

Defence is negotiating with the Hunter Water Corporation in order to connect to the Williamtown Wastewater Transportation Scheme and then decommission the Commonwealth owned and operated sewage treatment works as part of the proposed RAAF Base Williamtown Redevelopment Stage 2 project.

Defence is planning to contribute towards the capital costs of the scheme, and associated connection costs. Defence is unable to commit to a contribution of funds to the scheme until the terms of the agreement that would bind the Commonwealth to the Hunter Water Corporation for connections at RAAF Base Williamtown are finalised and the requisite Government and Parliamentary approvals are obtained. Defence anticipates bringing this entire project forward for Government approval by the end of 2012. It is anticipated the project will be referred to the Public Works Committee in early 2013.

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**Q10 - Housing at RAAF Base Darwin**

Senator Macdonald asked on Wednesday, 15 February 2012, Hansard page 54:

- (a) How many houses are there at RAAF Darwin in total?
- (b) How many are occupied?
- (c) How many are unoccupied?
- (d) How many are not up to standard to be occupied?
- (e) What communication does Defence have with the local community over concerns that vacant houses are not able to be used for the public?

**Response:**

Answers are accurate as at 20 February 2012:

- a) 394
- b) 153
- c) 11 houses are unoccupied and available for occupation.
- d) 230 are vacant and unavailable for allocation and occupation.
- e) Defence recognizes the community demand for housing in Darwin and whenever practical surplus housing will be made available for re-use off the base. Defence has approached the Northern Territory Government and the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) to determine their interest in re-located houses. Both have advised Defence that they do not have an interest in the houses. Due to the need for the land to be retained for Defence use, the on-base properties will not be made available for non-Defence use.

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##### **Q11 - Anglesea Barracks**

Senator Bushby asked on Wednesday, 15 February 2012, Hansard page 56:

Provide details on what it costs to maintain Anglesea Barracks as a working Defence establishment.

##### **Response:**

The cost of maintaining (base services & utilities) Anglesea Barracks as a working Defence establishment for financial year 2010/11 was approximately \$3.205 million. Of this, \$2.943 million was for base services and \$0.262 million for utilities.

The majority of expense incurred is through the Tasmania Base Services Contract with Eurest Support Services. Base support services include access control, grounds maintenance, cleaning, catering, laundry and transport as well as maintenance of buildings, infrastructure and fixed plant, and delivery of minor and medium building and infrastructure works.

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**Q12 - Contractors**

**Senator Humphries provided in writing:**

- (a) How many contractors are currently employed in the department/agency?
- (b) How many contractors have been under contract for a period of more than 2 years?
- (c) How many contractors have been under contract for a period of more than 5 years?
- (d) How many contractors have been under contract for a period of more than 10 years?
- (e) Does the department/agency make a habit of employing contractors to fill positions on a permanent basis?

**Response:**

- (a) As at 15 February 2012 there were 546 contractors employed in Defence, including 53 in the Defence Materiel Organisation.
- (b), (c) and (d) Within a reasonable application of resources, Defence is unable to provide specific information about the length of time that an individual has been employed on a contract.
- (e) No.

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#### QN13 - Bushmasters

Senator Humphries asked on Wednesday, 15 February 2012, Hansard page 76.

Provide a list of the number of suppliers for each particular component of the Bushmaster.

**Response:** Thales Australia has provided the Commonwealth the following list of suppliers involved with the production of the Protected Mobility Vehicle.

There are 81 Victorian suppliers listed of whom 22 are located in the Bendigo region. 17 are located in NSW and two are located in QLD. There are a further eight overseas suppliers.

SUPPLIER NAME	LOCATION	PRODUCT DESCRIPTION
PLASWELD	BENDIGO EAST, VIC	Plastic Trim fittings
BENDIGO BEARINGS (AUST) P/L	BENDIGO, VIC	Bearings
BENDIGO GRAPHICS	BENDIGO, VIC	Decals
BENDIGO MAZDA ROVER	BENDIGO, VIC	Rifle Butt Box
BTB AUTOMOTIVE PTY LTD	BENDIGO, VIC	Sikaflex
CENTRAL TROPHIES & GIFTS	BENDIGO, VIC	Decal
CLARK RUBBER	BENDIGO, VIC	Miscellaneous Rubber Parts
COLRAIN BENDIGO PTY LTD	BENDIGO, VIC	Castrol Oil
J BLACKWOOD & SON LTD (BGO)	BENDIGO, VIC	CES Items, Fasteners
LEXPAC INDUSTRIES PTY LTD	BENDIGO, VIC	Packaging
MIDLAND IRRIGATION	BENDIGO, VIC	Pipe Fittings
MOTHERSON ELASTOMERS PTY LTD	BENDIGO, VIC	Rubber Components
BENDIGO TRIM	CALIFORNIA GULLY,	Trim installation

<b>SUPPLIER NAME</b>	<b>LOCATION</b>	<b>PRODUCT DESCRIPTION</b>
	VIC	
C.V. BEARINGS	CALIFORNIA GULLY, VIC	Bearings
HARROWER CARLINE MUFFLERS	EAGLEHAWK, VIC	Exhaust tubing & Miscellaneous Components
CALTEX SOUTH EAST	EAGLEHAWK, VIC	Fuels and Oils
McCULLOCH & SON	EPSOM, VIC	Hoses, Ryco and Aeroquip components,
INGRAM CORPORATION	GOLDEN SQUARE, VIC	Electrical Components
REXEL AUSTRALIA	GOLDEN SQUARE, VIC	Raw Material
NORTH WEST PACKAGING SUPPLIES	KANGAROO FLAT, VIC	Packaging
ONESTEEL METALAND	LONG GULLY, VIC	Raw Steel/Plates Bar
COUNTRY FORKLIFT TYRES	MAIDEN GULLY, VIC	Valves
ON-LINE LASER	STRATHDALE, VIC	Shim
AME SYSTEMS PTY LTD	ARARAT, VIC	Heavy Cables and Sub assemblies
GRAPHICS AT WORK	BARWON HEADS, VIC	Decals
BROWN DAVIS AUTOMOTIVE	BAYSWATER, VIC	Tanks (fabrication)
HYDROSTEER	BAYSWATER, VIC	Steering Components
SWITCHES PLUS	BRAESIDE, VIC	Switches
ANCRA AUSTRALIA PTY LTD	BRAESIDE, VIC	Straps
BOSCH REXROTH PTY LTD	BRAESIDE, VIC	Rexroth components
CONTINENTAL CORPORATION	BUNDOORA, VIC	Gauges/Electrical panels
APV SAFETY PRODUCTS PTY LTD	CAMPBELLFIELD, VIC	Seat Belts
CMI INDUSTRIAL PTY LTD	CAMPBELLFIELD, VIC	Springs
KLIPPAN SAFETY PRODUCTS	CAMPBELLFIELD, VIC	Seat Belts
VISCOUNT ROTATIONAL MOULDINGS	CARRUM DOWNS, VIC	Water/Fuel Tanks
RP WALLIS	CHADSTONE, VIC	Air intake components
CLEVELAND ENGINEERING CO.P/L	CLAYTON NORTH, VIC	Crankshaft pulley
WILLIAM ADAMS PTY LTD	CLAYTON, VIC	Miscellaneous Components
HGC INDUSTRIES PTY LTD	COBURG NORTH, VIC	Gun Clip Assembly
BARON RUBBER PTY	COBURG, VIC	Rubber Components



<b>SUPPLIER NAME</b>	<b>LOCATION</b>	<b>PRODUCT DESCRIPTION</b>
LTD		
DVR ENGINEERING PTY LTD	COOLAROO, VIC	Hull, Light Fabrication and vehicle Components
A.W.BELL AUSTRALIA PTY LTD	DANDENONG SOUTH, VIC	Cast Hinges
GATES AUSTRALIA PTY LTD	DANDENONG SOUTH, VIC	Belts
KIDDE AEROSPACE AND DEFENCE	DANDENONG SOUTH, VIC	Automatic Fire Suppression System,
KLINGER AUSTRALIA	DANDENONG SOUTH, VIC	Gaskets
PYROTEK PTY LTD	DANDENONG SOUTH, VIC	Trim Internal
U-NEEK BENDING CO. PTY LTD	DANDENONG SOUTH, VIC	Miscellaneous pipe bending Internal
UNIVERSAL ENGINEERS SUPPLIES	DANDENONG SOUTH, VIC	Locker Components
BOHLER UDDERHOLM	DANDENONG, VIC	Steel Bars
MILLS RUBBER INNOVATIONS	DANDENONG, VIC	Rubber Components
PROTEC PTY LTD	DELACOMBE, VIC	Paint
AUSTRALIAN TRUCK & AUTO PARTS	DERRIMUT, VIC	Compressor Assembly, Engine Governor Valve & Brake Parts
KENWORTH MELBOURNE	DERRIMUT, VIC	Sun Visor
DOTMAR PLASTICS	DINGLEY, VIC	Fuel cap, bush & seal
STABILUS	DINGLEY, VIC	Gas Struts
THE VALSPAR (AUST) CORP P/L	EAST KEILOR, VIC	Paint
COMPLETE RUBBER	FAIRFIELD, VIC	Rubber Components
DRIVETRAIN AUSTRALIA (VIC)	HALLAM, VIC	Weatherhead Components
ENERGY POWER SYSTEMS AUSTRALIA	HALLAM, VIC	Engine and Components
FLUID DYNAMICS PTY LTD	HALLAM, VIC	Engine Coolants
SMA OPERATIONS PTY LTD	HAWTHORN, VIC	Vehicle Documentation
FLEXIBLE DRIVE AGENCIES P/L	KENSINGTON, VIC	Wiper system
ZF AUSTRALIA	KNOXFIELD, VIC	Transmission and Components
BAXTERS PTY LTD	KNOXFIELD, VIC	Alternators and Solenoids
TRIMCAST PTY LTD	KNOXFIELD, VIC	Transport cases
AIR RADIATORS	LARA, VIC	Radiators
HELLA-AUSTRALIA	MENTONE, VIC	Electrical accessories

<b>SUPPLIER NAME</b>	<b>LOCATION</b>	<b>PRODUCT DESCRIPTION</b>
PTY LIMITED		
NALCO AUSTRALIA PTY LTD	PORT MELBOURNE, VIC	Air tanks
YARDMARK PTY LTD	ROSANNA, VIC	Paint
NORGREN PNEUMATIC EQUIPMENT	ROWVILLE, VIC	Norgren components
TIECO INTERNATIONAL (AUST)	ROWVILLE, VIC	Hoses & Clamps
TS SPECIAL STEELS	ROWVILLE, VIC	Small steel parts
ABLE INDUSTRIES ENG. P/L	SOUTH KINGSVILLE, VIC	Aluminium components, Lockers and Components, Brake Chamber recess pockets
H.I.S HOSE	SUNSHINE, VIC	Fittings
KIRG IMPORTERS PTY LTD	THOMASTOWN, VIC	Indicator Stork
AVIATION TRIM & UPHOLSTERY	TULLAMARINE, VIC	Blackout and Canvas Items, Straps
CAMBRIDGE TECHNOLOGIES	TULLAMARINE, VIC	Electrical Components
EATON HYDRAULICS GROUP	TULLAMARINE, VIC	Hydraulic hose fittings
SIGMA COACHAIR GROUP	TULLAMARINE, VIC	Air Conditioner System
REDMOND REPETITION ENGINEERS	WERRIBEE, VIC	Mounting Boss
NORMAN G CLARK	WEST HEIDELBERG, VIC	Fan, Fan Clutch and Spacer
MILSPEC MANUFACTURING PTY LTD	ALBURY, NSW	Power distribution unit
JHC SPECIALISED SOLUTIONS P/L	BATEMANS BAY, NSW	EMI Rubber sealing strips
ELEMENT 14 PTY LTD	CHESTERHILL, NSW	Electrical Connectors - miscellaneous
HONEYWELL LIMITED	CHIPPING NORTON, NSW	Charge air cooler
FRYS SPARES	CROWS NEST, NSW	Electrical Components
KNORR-BREMSE AUST (FITTINGS)	GRANVILLE, NSW	Assorted Fittings
ROXTEC AUSTRALIA PTY LTD	GREENACRE, NSW	Electrical connectors
ADVANCED POWER PTY LTD	LIVERPOOL, NSW	Electrical Components

<b>SUPPLIER NAME</b>	<b>LOCATION</b>	<b>PRODUCT DESCRIPTION</b>
SHOCK & VIBRATION TECHNOLOGIES	MILPERRA, NSW	Shock Mounts
W&E PLATT PTY LTD	NARELLAN, NSW	Gun Ring Mounts
MATSON AUTO INDUSTRIES P/L	ST MARY'S, NSW	Battery Terminals
BISALLOY STEELS	UNANDERRA, NSW	Steel Armour plate
CENTURY YUASA BATTERIES	VILLAWOOD, NSW	Battery
ETA ELECTRO TECH APPLICATIONS	VILLAWOOD, NSW	Electrical Components
RS COMPONENTS PTY LTD	WETHERILL PARK, NSW	Washers
STRATOS SEATING	WETHERILL PARK, NSW	Seats and Covers
TITAN WHEELS AUSTRALIA	WETHERILL PARK, NSW	Rim Assemblies
DRIVELINE SERVICES AUST.PTY LD	ARCHERFIELD, QLD	Drive Shafts
MARATHON TYRES	WACOL, QLD	Wheel Assemblies
AXLETECH INTERNATIONAL FRANCE	FRANCE	Axles
BRADLEY DOUBLELOCK LTD.	GREAT BRITAIN	Towing Pintle
ISOCLIMA SPA	ITALY	Glass
SEPSON A.B	SWEDEN	Winch and Rope Assembly
CM AUTOMOTIVE SYSTEMS GROUP	USA	CTIS Components
FABCO AUTOMOTIVE CORP.	USA	Transfer Case
INDEX SENSORS AND CONTROLS	USA	Electrical Components
ELECTRICAL TERMINAL SERVICE	USA	Relays and Fuses

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### **Q14 - Contamination Remediation Work at Defence Sites**

Senator Macdonald asked on Wednesday, 15 February 2012, Hansard page 84:

There are a large number of sites (160) undergoing remediation work for contamination:

- (a) What plans are there to address the large scope of works in coming years?
- (b) Where is the money coming from?
- (c) What are the priorities?
- (d) There are recent reports of closure of Mount Ainslie to deal with UXO. Provide details on the closure and for how long.

#### **Response:**

(a) Defence has established the National Contamination Remediation Program (NCRP) within the Defence Support Group. The program is systematically identifying sites and implementing management strategies to address the risks associated with the presence of contamination on the Defence estate and places formerly occupied by Defence. Many of the 180 sites identified on Defence's Contaminated Sites Register (CSR) relate to legacy contamination dating back 50 years or more, including many relating to activities associated with World War II. The majority of sites fall into low risk categories that do not require active intervention beyond periodic monitoring. Examples of low risk sites include old rubbish pits, burn pits, minor fuel spills and metal scrap. Other sites have been identified that pose significant risks and active steps are being taken to remediate these sites to ensure any risks to people and the environment are being proactively managed. Examples in this category include the planned work on soil contamination at the old fire fighting training ground at RAAF Base Williams, Point Cook, groundwater remediation at the Mulwala munitions manufacturing plant, and the mustard agent chemical weapons remediation project at Columboola in Queensland. The CSR is the principle tool used by Defence to prioritise NCRP work based on risk. Although the CSR currently has approximately 180 properties listed as having some form of contamination present, there are actually around 2300 individual instances of known contamination of one form or another at those sites. Part of the systematic investigation of legacy contamination includes historical research into the use of sites by Defence. This work, and the routine investigations associated with redevelopments, property disposals or maintenance activities, often identifies new instances of contamination arising from previous Defence occupation. As a result, the number of sites where contamination

has been identified is still growing. As the NCRP work progresses, the number of instances of contamination is expected to grow as the information base improves. Where intrusive action is required, individual works programs are scoped and the relevant approvals sought from Government for the expenditure of funds. The end state for remediated sites is that an independent technical auditor signs off that the site has been remediated and that the land is fit for whatever its future intended purpose may be.

(b) The Program is funded from within the Defence budget's Major Capital Facilities program.

(c) The priorities are determined on the basis of a comprehensive risk assessment developed during the initial phase of the contamination investigation. The risk-based approach sees very high and high risk sites prioritised for further assessment and subsequent remediation if required. The highest priorities at this time are the former Fire Training Area at RAAF Base Williams, Point Cook and the chemical ordnance contaminated sites such as Columboola in Queensland. Six other projects are underway involving some form of active remediation. The nature and extent of contamination at a further 15 properties is currently being assessed and a thematic program to assess any impacts of underground and above ground storage tanks on the estate is underway. As a result of the World War II era chemical weapons being found at the Columboola site, further historical research into the storage, handling, testing and disposal of chemical weapons during World War II is also underway.

(d) The Mount Ainslie Nature Reserve (the reserve) to the west and north-west of Campbell Park Offices is ACT Crown land managed by ACT Parks and Conservation Service, Territory and Municipal Services Directorate. The area surrounding Campbell Park Offices is potentially contaminated by UXO, a probable legacy of live firing during the early days of the Royal Military College. The area was used as a Defence live-fire area in the 1940s and 1950s. On 28 July 2011, one 2-inch high explosive mortar projectile was discovered by a member of the public in an area of the reserve situated between Morshead Drive and Mount Ainslie Drive. This item was disposed of by explosive demolition by Defence Explosive Ordnance Disposal specialists. Subsequently, the Manager of the National Unexploded Ordnance Office in Defence conducted a preliminary reconnaissance of the vicinity of the 28 July find and identified a further two 2-inch high explosive mortar projectiles, together with one 2-inch mortar empty fired smoke projectile. These projectiles were also disposed of by Defence specialists. In consultation with ACT Parks and Conservation Service, Defence agreed to fund and manage a field assessment of an area of approximately 51 hectares around the location of the finds. On 17 November 2011, in the interests of public safety, officials of the ACT Parks and Conservation Service took the decision to immediately close that section of the reserve between Morshead Drive and Mount Ainslie Drive to the public. BACTEC South East Asia Pty Ltd, a specialist unexploded ordnance contracting company that is a member of the Defence Unexploded Ordnance Panel, was engaged by Defence to undertake the sampling assessment survey. The exercise was conducted in December 2011 and found no additional unexploded ordnance items, however, it did reveal evidence of impact by 3-inch high explosive mortar, 2-inch high explosive mortar, 36M model f fragmentation grenades (both hand thrown and rifle projected) and evidence of the firing of small arms. The BACTEC report identified an area of approximately 12.1

hectares that appeared to be comparatively heavily impacted and recommended that it be searched at 100 percent coverage and cleared of unexploded ordnance. ACT Parks and Conservation Service agreed with BACTEC's recommendations and engaged another contractor member of the Defence Unexploded Ordnance Panel, G-Tek Australia Pty Ltd, to undertake the search and clearance task. Work was undertaken from 17 January - 16 February 2012. The project resulted in the recovery and disposal of a further eight 2 inch high explosive mortar projectiles and one 2-inch smoke mortar projectile (which had partially functioned on firing). On 17 February 2012, the contractor provided an interim certificate of clearance pending the provision of a final written report. On the advice of its contractor, ACT Parks and Conservation Service reopened the reserve on 25 February 2012. Defence supported the reopening of the reserve based on the findings of the survey and remediation works. Defence did, however, ask the ACT Government to note that the reserve was previously used for military purposes of a nature that has resulted in slight potential for unexploded ordnance to remain on the land. On 24 February 2012, ACT Parks and Conservation Service issued a media release to this effect, which also advised the correct procedure for the public to follow in the event another item of unexploded ordnance is found.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Action Area: Defence Support**

##### **Q15 - Air Force Cadets Facility at Amberley**

Senator Macdonald asked on Wednesday, 15 February 2012, Hansard page 86:

WRT the interim solution to provide upgraded facilities for Air Force Cadets at RAAF Base Amberley, provide details on the interim solution.

##### **Response:**

Australian Air Force Cadet facilities at Amberley consist of a Headquarters/ Administration Building, classrooms, living-in accommodation, storage/archive, and workshop space. The functional requirements for the Cadets are currently being reviewed to meet the Chief of Air Force's intent for RAAF Amberley to be a major enclave for their activities in Southern Queensland. No long term decisions will be made until these functional requirements are completed.

As part of the RAAF Base Amberley Redevelopment Stage 3 project, the perimeter fence will be extended to upgrade base security and enclose a number of new facilities built outside the existing perimeter. To enable the extension of the perimeter fence, Defence purchased the Amberley State School site and buildings from the QLD State Government in June 2007. The school buildings, while appearing suitable and in reasonable condition, do not provide a viable alternative accommodation for the Cadets. The school is in a state of disrepair and requires asbestos remediation. In addition, it does not have infrastructure services connected and does not meet current building and fire safety standards.

Defence has undertaken some preliminary facilities appraisals into the full remediation of the school which indicate substantial works to address compliance issues would be required. These are estimated to cost in the range of \$14 million to \$22 million to remedy. The lower estimate is based on addressing remediating for cadet use, and the higher estimate is to provide wider use as a multi user depot.

The existing cadet facilities are aging and not meeting the growing requirements of the Cadets. In the past two years, Defence has spent approximately \$0.8 million refurbishing the existing Cadet living-in accommodation facilities. However, the classrooms and some office space used by cadets remain in poor condition. While minor repairs and painting will address some of the deficiencies in the short term, alternative long term solutions are required.

To address the facilities issues, Defence is considering a temporary option that would utilise Defence owned demountables relocated to service Cadet needs until a longer term solution can be developed. If adopted, this solution could occur in the next few months.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**QN16 - NAVSEA**

Senator Johnston asked on Wednesday, 15 February 2012, Hansard page 65:

How much are we paying to NAVSEA?

**Response:** While the Collins Service Life Evaluation Program (SLEP) intends to employ the United States Navy in later stages of the activity, no contract has been established or expenditure undertaken with NAVSEA to date.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**QN17 - Transfer of KAU Members**

Senator Ludlam asked on Wednesday, 15 February 2012, Hansard page 31:

Provide details of the transfer of members of KAU organization into the local police force.

**Response:**

Defence understands that the Afghan Ministry of the Interior (MoI) is presently assessing options for the manning of an Afghan Public Protection Force (APPF). The APPF is an authorised security force that is responsible for the protection of key sites and structures and other critical elements such as the personnel protection of Important Persons.

Defence understands that Matiullah Khan's private security staff, the Kandak Amniate Uruzgan (KAU), is presently an option for manning APPF, which the MoI is assessing.

Defence notes that any transfer of the KAU into a formal Afghan Government security force is ultimately a matter for the Afghan Government.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**QN18 - Sustainment Costs**

**Senator Johnston asked on Wednesday, 15 February 2012, Hansard page 61:**

With regard to sustainment costs, do the answers provided to previous questions on notice anticipate the new agreement in the future?

**Response:**

The response provided to previous questions on notice are based on current budget funding for the Collins Class submarine program and includes the current funded cost for the through life support agreement, not the proposed in service support contract

As the in service support contract is still being negotiated and costs are being finalised, the budget has not been amended for its anticipated cost.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q19 - Efficiency Dividend**

**Senator Humphries provided in writing:**

- (a) What is the effect of the efficiency dividend increase from 1.5 percent to 4 percent on the department/agency's budget bottom line during financial years 2012/13, 13/14, 14/15?
- (b) What percentage of the department/agency's budget is designated to staffing?
- (c) What is the size of the department/agency's staffing establishment? Include figures for FTE, PT, casual, contractors, and consultants.
- (d) What specific strategies will the department/agency adopt to ensure continued operation within budget?
- (e) Will or has consideration been made to reducing staffing compliment including contractors, and consultants?

**Response:**

(a) As a result of the 2.5% increase to the efficiency dividend, Defence (including the DMO) will return to Government \$63.0m in 2012-13, \$66.6m in 2013-14 and \$68.7m in 2014-15. This information is published in *Portfolio Additional Estimates Statements 2011-12* in the following tables:

- Variations to Defence Funding in table 12, page 21 (for Defence figures).
- Additional Estimates and Variations to Outcomes from Measures since 2011-12 Budget in table 79, page 116 (for DMO figures).

(b) 37.5% of Defence's (including DMO) departmental budget is allocated to Employee costs.

(c) The size of Defence's civilian workforce is measured each fortnightly pay period in Full Time Equivalentents (FTE), a unit in which one FTE equates to one person paid for 75 hours' work in that pay period. Part time employees and employees who take unpaid leave in that fortnight each account for less than 1 FTE. Workforce allocations

are measured in Average FTE (FTE–A), which is the average of all fortnightly FTE measurements throughout that year. Using FTE–A rather than establishment (noting that positions can be filled or unfilled, full time or part time, permanent or temporary) allows far better alignment between Defence’s workforce budget and its workforce allocation.

As at 01 February 2012, Defence’s (including DMO) 2011-12 FTE–A allocation were 21,621 for APS staff and 672 for contractors.

Note that in this context the term “contractor” follows the DOFD definition and refers to a “person engaged by an agency who represents a business resource and is subject to direct management by the agency. Contractors normally undertake agency roles and are engaged as an alternative to normal APS [or ADF] resources.” It does not include contracts for outsourced services such as cleaning, or consultants.

(d) Defence monitors expenditure against budget on a regular basis.

(e) At the time of responding, there have been no plans made to reduce the Defence workforce.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q20 - HMAS Cairns**

**Senator Macdonald provided in writing:**

Current plans for the development of the Cairns Cultural Precinct will take the development up to the boundary of HMAS Cairns. This may impact the viability of Force Posture Review preliminary conclusions to re-locate/augment naval assets in Northern Australia, and 2009 White Paper recommendations for the stabilisation of strategic mobility and regional operational capabilities.

a) Defence Force Posture Review preliminary conclusions point to potential expansion of facilities at HMAS Cairns to accommodate Offshore Combatant Vessel (OCV) capabilities. Has an investigation been conducted into the additional funding that will be required (in accordance with the strategic mobility and capability recommendations of the 2009 Defence White Paper, as well as Posture Review preliminary conclusions) to accommodate restructuring at HMAS Cairns in competition with Cairns Cultural Precinct development?

**Response:**

The need for any expansion of HMAS *Cairns* will depend on the final size of the Offshore Combatant Vessel (OCV), which is yet to be determined. As a consequence, no investigation has been conducted into funding that may be required to expand capacity at HMAS *Cairns*. Defence will engage with Cairns Regional Council with regard to the Cairns Cultural Precinct development.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q21 - Moorebank – School of Military Engineering**

**Senator Macdonald provided in writing:**

A study has been launched into the relocation of the School of Military Engineering from Steele Barracks to Holsworthy Barracks to make way for a civilian freight Intermodal at Moorebank.

- a) Who is conducting the study and what are its terms of reference?
- b) What has been the cost of conducting the study?
- c) When is the study expected to report?
- d) Can the Department confirm that \$70m has been spent (in equal measure by Defence, and Finance and Deregulation respectively) on planning for the relocation.
- e) Defence was allocated \$13.7m for 2010-11 and \$21.5m for 2011-12 in the 2009-10 Budget to facilitate the move. How were these figures costed? What additional funding is proposed considering the move is not expected to be completed until 2015?

**Response:**

(a) The Government announced on 23 April 2012 the move of Defence units and the construction of an Intermodal Terminal (IMT) on Commonwealth owned / Defence occupied land at Moorebank, NSW, by 2017. Defence continues to develop the proposal for consideration. The proposal includes relocation of the Army's School of Military Engineering, 12 other Defence units and four associated facilities from Moorebank to the nearby Holsworthy Barracks. Defence also continues to engage Point Project Management and Laing O'Rourke to assist in development of the proposal.

The terms of reference remain unchanged and include determination of the scope, schedule, risks and indicative costs of the project.

(b) Funding of \$35.2 million was approved in the 2010-11 Federal Budget to undertake the project development work. To date \$32.8 million has been committed on a variety of Commonwealth contracts. The largest of these was the award of a Managing Contractor Contract (Planning Phase) to Laing O'Rourke for \$28.3 million to conduct investigations and develop a design for the proposed works.

(c) The development activity has resulted in the production of a Detailed Business Case, which has subsequently supported Government's consideration and approval of a Whole of Government Intermodal Terminal Submission in the context of the 2012-13 Budget.

(d) \$71.2 million was approved under the 2010-11 Budget for the development of the proposed Intermodal Freight Terminal and associated Defence relocations. Of this, \$35.2 million was allocated to Defence for development of a proposal for the relocation of Defence activities from Moorebank to Holsworthy. The remaining funding was to support the development of the Intermodal Freight Terminal proposal and is managed by Department of Finance and Deregulation. \$32.8 million of the Defence allocation has been committed.

(e) The funding approved in the 2009-10 Budget was for project development funding work.

The costs were initially estimated from historical data for Defence projects of similar size and complexity, and subsequently validated by prices achieved through an open tender process.

Now that the Government has decided to commit to the construction by 2017 of an Intermodal Freight Terminal at Moorebank, additional funding will be required to undertake the relocation of Defence activities from Moorebank to Holsworthy by the end of 2014.

As at 21 January 2011, the AusTender advertised estimated value to relocate SME and other Moorebank Defence units and facilities to Holsworthy Barracks was \$570m (+/- 30%).

Final Government allocations to fund the relocation of Defence activities from Moorebank to Holsworthy will be outlined in the 2012-13 Budget.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q22 – Garden Island**

**Senator MacDonald asked on Wednesday, 15 February 2012.**

The Hawke review into the mixed civilian/military use of Garden Island NSW (Naval and Cruise ships) was expected to hand down its report in late 2011. The Government has also committed \$329 million to its programme of increasing security at military facilities (which includes reducing civilian access).

- a) When is the Hawke review into Garden Island expected to be released?
- b) The report was expected in late 2011; can you account for the delay?
- c) What is the existing level of security at the Garden Island facility relative to the \$329 million 'Base Security Improvement Program' detailed in the Explanatory Memorandum of the Defence Legislation Amendment (Security of Defence Premises) Bill 2010 (Cth), p1?
- d) How does Defence reconcile the apparent inconsistency between the intent of the \$329 million Base Security Improvement Program, and the Defence Minister's policy announcement on improved civilian access to military facilities?
- e) Will the recently announced exit of Thales' corporate and aerospace divisions from the Garden Island facility require a review of the terms of reference of the Hawke Review? What additional delay can be expected as a result of this?
- f) What is the total cost of the Hawke review making allowance for a review of the terms of reference?
- g) What is the exact figure for the cost of development at Garden Island to accommodate the Landing Helicopter Docking vessels being commissioned in 2014-15.

**Response:**

(a) and (b)

On 29 March, the Minister for Defence Stephen Smith released the report of the Independent Review of the future use of the naval docks at Garden Island in Sydney by visiting cruise ships.

The report of the Garden Island Review will be considered by Government in the context of the final report of the Force Posture Review.

Both the Garden Island Review and the Force Posture Review report will feed into the Defence White Paper 2014.

(c) The Base Security Improvement Program (BSIP) is implementing the 33 Recommendations of the Review of Defence Protective Security Arrangements as directed by the National Security Committee of Cabinet. To date, security at the Garden Island Defence Precinct has been enhanced by the following achievements:

A Base Security Risk Assessment was conducted to identify and remediate potential security gaps and inform necessary action. Base security instructions and base security plans have been reviewed, standardised and updated. Base security planning staff are undertaking training to further develop skills.

Command and control arrangements have been reviewed and clarified. A base wide alert system to warn of intruders and other serious incidents has been delivered. Positive identification protocols have been reviewed and strengthened. Identification cards have been reviewed and rationalised. Security procedures such as lockdown and response drills have been developed and fully exercised with lessons captured and remedial action taken for refinement purposes.

An Enhanced Self Defence Capability providing for unarmed and armed security wardens has been developed and introduced onto the base. Once fully implemented, armed security wardens will have ready, but controlled, access to weapons and ammunition stored in secure containers under the control of the base Senior Australian Defence Force (ADF) Officer.

Base security surveillance and response has been enhanced with the presence of armed Australian Federal Police (AFP) patrols. An AFP station has been established on the base.

The development of a comprehensive physical access control system has progressed beyond the 30 per cent design stage. This will realise a 'state of the art' entry and exit point system providing for a significantly enhanced level of access control for the base.

(d) Any decision to increase access onto Defence bases is a decision for the Government, as outlined in the 16 June 2011 media release, specifically in relation to Cruise Ship Access and Civil Aviation Access to Air Force Airfields. Whilst it is not possible to comment on the security implications of increased access, in the absence of detailed proposals, it would be standard Defence procedure to conduct a security risk assessment to inform the risk and take mitigating action as appropriate.

(e) No. Relocation of Thales corporate and aerospace divisions from Garden Island has no impact on considerations of berth space availability and assessment of the potential for enhanced cruise ship access.

(f) The total cost of the Hawke Review was \$192,140. There was no requirement for review of the terms of reference.

(g) Facilities and supporting infrastructure for LHD vessels at Garden Island are estimated at \$31.8 million excluding Goods and Services Tax.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### **Q23 - Estate Contamination**

**Senator Macdonald provided in writing.**

Reports detail 2300 separate contamination issues across 180 Defence Estates. The most critical remains the \$27m clean up bill from toxic spills at Point Cook. The Defence Contamination Management Strategy released in 2007 provides an environmental management plan for 2007-09. The Strategy Report recommends reviewing environmental strategy three years after publication.

- a) Can the Department confirm its progress in remediating the 180 Defence sites nationally that are identified as having 2300 separate contamination and pollution issues? What funding has been allocated to this program?
- b) Can the Department confirm the on-going costs of assessing and managing the impacts of contaminations on the health and safety of military personnel?
- c) Can the Department confirm the on-going costs of assessing and managing the impacts of contaminations on the health and safety of the public?
- d) Can the Department confirm the on-going costs of assessing and managing the impacts of contaminations on the value and security of the Defence Estates in question?
- e) Has the Department engaged any environmental impact study to assess the long-term impact on public health, public safety and biodiversity? What is the cost of this? Have the results been reported/are they available?
- f) Can the Department confirm remediation of Point Cook is on-going and provide an update on the progress?
- g) What is the revised/current costing for this remediation at point Cook – previously reported at \$27m?
- h) The most recent Defence Environmental Management Plan expired in 2009. Does the Government continue to positively address these issues? What is the strategy through to 2014? Has a post-2009 contamination management plan been document, published and released?

i) With so many contamination issues, how are the remediation priorities being determined?

**Response (a): Can the Department confirm its progress in remediating the 180 Defence sites nationally that are identified as having 2300 separate contamination and pollution issues? What funding has been allocated to this program?**

The Defence National Contamination Remediation Program commenced in 2003. The Contaminated Sites Register (CSR) is the principal tool used by Defence to prioritise and manage contamination across its managed estate. Approximately 180 properties with approximately 2,300 individual instances of contamination are listed on the CSR. Since 2003 approximately 67 Stage 1 preliminary investigations have been completed, as well as 53 Stage 2 detailed intrusive investigations and 40 Stage 3 remediation projects. An additional 21 projects across 31 properties are currently being investigated, assessed and/or remediated.

Funding is allocated to the National Contamination Remediation Program based on priorities determined by risk through the Major Capital Facilities program. In FY 2011/12 approximately \$66.6m has been allocated to the program.

**Response (b): Can the Department confirm the on-going costs of assessing and managing the impacts of contaminations on the health and safety of military personnel?**

The costs associated with managing health and safety is integral to individual projects and is not accounted for as a separate item within each work program. Remediation activities only proceed where the risks to people, including military personnel and the public, are being proactively managed due to the nature and level of contamination.

**Response (c): Can the Department confirm the on-going costs of assessing and managing the impacts of contaminations on the health and safety of the public?**

(See response to question b).

**Response (d): Can the Department confirm the on-going costs of assessing and managing the impacts of contaminations on the value and security of the Defence Estates in question?**

Defence does not account for the costs of managing contamination risks in terms of the impact on the value or security of land. Human health and environmental risks are the main factors considered. Contamination impacts on the value of Defence land are only considered where a property might be considered for disposal and an agreed Remediation Action Plan is proposed to be implemented in preparation for disposal.

**Response (e): Has the Department engaged any environmental impact study to assess the long-term impact on public health, public safety and biodiversity? What is the cost of this? Have the results been reported/are they available?**

The Department has not engaged an overarching environmental impact study of the long term impact on public health, public safety and biodiversity across the Defence estate. Contaminated sites on the defence estate are individually assessed using a risk based approach that includes the assessment of the risk to public health, public safety and biodiversity. The costs of the studies vary depending on the characteristics of the project. These reports are available upon request.

**Response (f): Can the Department confirm remediation of Point Cook is on-going and provide an update on the progress?**

The remediation of Point Cook remains one of the Department's highest priorities. A procurement process is currently underway to engage a works contractor. Work is expected to commence in mid 2012 and be completed by late 2013.

**Response (g): What is the revised/current costing for this remediation at point Cook – previously reported at \$27m?**

The cost estimate for the remediation work is \$27.3m. The Parliamentary Standing Committee on Public Works recommended the works proceed on 22 August 2011 and an expediency motion was passed in Parliament on 13 October 2011.

**Response (h): The most recent Defence Environmental Management Plan expired in 2009. Does the Government continue to positively address these issues? What is the strategy through to 2014? Has a post-2009 contamination management plan been document, published and released?**

There is a Defence Environmental Strategic Plan 2010-14 ([http://www.defence.gov.au/environment/strat\\_plan.pdf](http://www.defence.gov.au/environment/strat_plan.pdf)) that provides an overarching strategy to guide the management of a wide range of environmental issues, including pollution prevention and contamination management. The National Contamination

Remediation Program is in place to provide on-going management of contaminated sites. Defence plans to implement a web-based system of publicly available data regarding contamination on the Defence estate.

**Response (i): With so many contamination issues, how are the remediation priorities being determined?**

The priorities are determined on the basis of a comprehensive risk assessment developed during the initial phase of the contamination investigation. The risk-based approach sees very high and high risk sites prioritised for further assessment and subsequent remediation if required.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q24 - Military Housing Darwin**

Senator **Macdonald** provided in writing.

Military Housing at Robertson Barracks and Eaton, Darwin.

- a) Please update on how many of the 395 houses located at Eaton, Darwin are vacant?
- b) Are the 395 houses located at Eaton still owned by the Department of Defence?
- c) Is the Department considering transferring ownership of any of the 395 houses at Eaton from Defence to DHA?
- d) Is the Department intention to remove any houses from the current housing stock so it can engage DHA to build some new houses under its current MOU?
- e) According to Parliamentary Standing Committee Paper No 228/1984 the Department was considering “selling off its houses [at Eaton] as they are excess to requirements and that the NT Housing Commission (as it was then known) had expressed an interest in obtaining the land and houses. Has there been an approach by the current NT Government to either use or purchase these houses which are currently vacant? Is it still the intention of the Department to sell these houses?
- f) What are the current maintenance costs of the housing stock in Eaton?
- g) Has the current level of authorised maintenance by Defence been deliberately reduced over the past three years?
- h) Is it true that the vacant houses in Eaton are not up to the new defence standards due to be implemented by 2016, but are in fact up to community standards and could be lived in if the policy was changed?
- i) Are houses still being offered to defence members as an accommodation option, despite not being up to the new 2016 defence standard?
- j) To manage its occupancy rates, DHA is known to lease its houses out to non defence personnel when the demand by defence is low. Why has the Department of Defence not allowed DHA to rent out the vacant houses in Eaton, instead it has left over 200 houses vacant in the middle of a housing crisis? Would the Department consider letting the vacant houses in Eaton be leased to the public through DHA?



- k) Has the Department considered selling off the houses in Eaton previously, or changing current policy by making the current vacant houses available to the local Darwin market by selling and leasing arrangements through DHA?
- l) Under your current MOU arrangements has Defence been contracted to build any new houses in Eaton?
- m) How many houses does DHA require to be built each year in the electorate of Solomon to cater for the demands of defence housing?
- n) How many houses are currently available for Defence usage in Darwin/Palmerston? Is there a shortage of houses?
- o) Would DHA be prepared to manage the current housing stock at Eaton if ownership of the 395 houses was transferred to DHA?
- p) Why were the current 200+ vacant houses at Eaton not made available to the soldiers who had to move off Robertson Barracks because of the new quarters being built?
- q) How many local contractors have been engaged to build the quarters at Robertson Barracks?
- r) Is there a significant cost difference between building houses in Darwin / Palmerston compared to North Queensland?
- s) Has an assessment been conducted into what impact the Robertson barracks quarters will have on the local housing market?

**Note: Senator Macdonald refers to the suburb of Eaton. In responding to this question Defence has assumed that his questions refer to RAAF Base Darwin.**

- (a) As at 24 February 2012, there are a total of 394 houses at RAAF Base Darwin. There are currently 153 houses occupied by Defence personnel and their families. 11 houses are unoccupied and available for occupation. 230 houses are vacant and unavailable for allocation and occupation.
- (b) Yes, these are Defence owned houses. Under commercial arrangements with Defence Housing Australia (DHA), DHA is responsible for the management, including maintenance, of all on-base houses owned by Defence. The vacant houses on RAAF Base Darwin are being maintained and secured by DHA under a separate MOU with Defence.
- (c) The Department does not intend to transfer the ownership of the Defence owned houses on RAAF Base Darwin to DHA. DHA has been engaged to administer the project for the progressive removal and disposal of the surplus and vacant houses over the next five years.
- (d) The on-base housing at RAAF Base Darwin will be progressively removed from the base over the next five years. 8.7 hectares of the existing housing area will be used for the construction of approximately 100 new houses to be constructed by DHA.

- (e) Defence has approached the Northern Territory Government and the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) to determine their interest in houses for relocation. Both organisations have advised Defence that they do not have an ongoing interest in the houses. Due to community need, whenever possible surplus housing will be made available to the community for use off-base.
- (f) Maintenance costs incurred for the houses on RAAF Base Darwin for this financial year totalled \$1.05 million. In addition a further \$0.150 million was spent under a separate MOU to maintain gardens and conduct security patrols on vacant houses that are currently uninhabitable.
- (g) No. Defence personnel will continue to occupy houses on the base until suitable replacement houses are available and all necessary repairs and maintenance will be provided.
- (h) The current housing on RAAF Base Darwin is generally below the new minimum standard of housing, which is to be provided to Australian Defence Force personnel nationally by 2017. A significant number of the houses currently vacant at RAAF Base Darwin have electrical wiring, plumbing and sewage issues, damaged structural columns, defective stairs, unsafe balconies and damage to roofs. To bring some of these houses up to a habitable standard would cost in excess of \$50,000 per house. These houses are well below the community standard houses provided by DHA elsewhere off base in Darwin.
- (i) Yes, Defence personnel and their families will continue to use the current housing on RAAF Base Darwin until alternative houses are provided off-base by DHA or when the new houses are constructed on the Base. Defence anticipates it will progressively vacate all 394 houses during the period to 2015-16. Under transitional arrangements for Defence's Housing Classification Policy houses that do not meet the new minimum standard can be allocated to members until 2017.
- (j) Houses on RAAF Base Darwin are owned by Defence, not DHA. Defence does not intend to lease out the houses. RAAF Base Darwin is an operational base that provides a key strategic staging, mounting and deploying capability for military operations. It is not appropriate to have public housing on an active operational base such as RAAF Base Darwin.
- (k) Yes, whenever practicable, surplus houses will be sold for reuse and removed from the base.
- (l) Defence has commenced arrangements under its current commercial arrangement with DHA to develop plans for the construction of approximately 100 new houses on the base. This development was announced by the Minister for Defence Science and Personnel in 2011.
- (m) DHA is forecasting an average of 100 new constructions off base per annum over next four financial years in the Solomon electorate.
- (n) There are currently 1,635 properties in Darwin/Palmerston to meet the requirements for Defence members and their families posted to Darwin. This includes both Defence owned on-base properties and DHA leased and owned, off Base properties. This does not fully meet Defence's housing needs and there is some use of private rental housing, with the provision of rent allowance to members.
- (o) Defence does not intend to transfer ownership of these properties to DHA.

(p) Over the past 24 months surplus and habitable houses on RAAF Base Darwin have been made available for members without dependents posted to Darwin. There are currently 10 single members occupying houses on the base.

The contractor (through the Single LEAP Project) was commissioned to provide an on base accommodation solution for members displaced by the project.

(q) Plenary Living (LEAP2) Pty Ltd is contracted to provide 686 units for single ADF members at Robertson Barracks. Plenary in turn has a contract with Sitzler Pty Ltd, a local Darwin based company carrying out the building of the quarters at Robertson Barracks over 2 stages.

- Peak on site workforce numbers are estimated to be approximately 350.
- Average on site workforce over the period of construction is estimated to be 200 through to January 2014.
- Off site manufacturing is estimated to require a workforce of 85-100 fabricators and suppliers.
- Local Darwin/ NT contractors are likely to secure approximately 26 of the 30 specialist subcontract packages (86 per cent) with Sitzler.

(r) DHA has advised there is a significant cost difference. DHA advice is that the average cost to build a new house in Darwin/Palmerston is approximately \$386,000 compared to \$220,000 for the construction of new houses in North Queensland (i.e. Townsville).

(s) No.

# Senate Standing Committee on Foreign Affairs, Defence and Trade

## QUESTIONS ON NOTICE - COMMITTEES

### Senate Additional Estimates

#### Q25 - Robertson Barracks

Senator Macdonald provided in writing:

- a) Can the Secretary describe the Garrison Support Services arrangements that are currently in place at Robertson Barracks in Darwin?
- b) What additional services are proposed from 2012 for the arrival of US troops?
- c) What expenditure on food, fuel and electricity occurs now and what increases are expected when USA Marines are present in full complement?
- d) What is the estimated cost to the Australian Taxpayer of these services?
- e) What arrangements are in place with the US for how those expenditures are met?
- f) To what extent does the Government undertake to source the provision of services through local businesses and providers?

#### Response:

- (a) The current contract for the provision of Garrison Support Services throughout the entire Northern Territory and Kimberley is with Serco Sodexho (with a series of sub-contracted arrangements).

The list of garrison support services provided to Robertson Barracks is:

- Hospitality and Catering,
- Accommodation Management,
- Access Control Services,
- Laundry and Dry Cleaning,
- Cleaning Services,
- Waste Management,
- Grounds Maintenance,
- Pest and Vermin Control,
- Sport and Recreational Management,
- Stores Management,
- Petrol, Oils and Lubricants,
- Transport Services,
- Air Support,
- Fire Fighting and Rescue, and
- Range Management.

The contract also provides an ability to provide for surge support to Robertson Barracks.

(b) No additional services are planned to support the initial deployments of United States (US) Marines to northern Australia.

(b) and (d) For financial year 2010-11, the cost at Robertson Barracks for food was \$3,098,775.54; and for electricity and fuel was \$5,538,928.00.

Australia and the US continue to explore and develop the specific exercises to be undertaken during the initial deployment of US Marines to Australia. It is therefore difficult to determine the precise costs that may arise.

In conjunction with the initial deployments, we will assess whether there is a requirement for further investment under any future phases of activity.

The Australia / US Acquisition and Cross Servicing Agreement (ACSA), which came into effect 09 August 2010, provides the basis for charging the US for services.

(e) Food and Services charges are covered within the ACSA.

(f) The Commonwealth is committed to ensuring Small and Medium Enterprises (SME) providers gain access to the Commonwealth market. Defence is required by Commonwealth policy to ensure that garrison support contracts, including the Northern Territory / Kimberley contract, require the use of Small and Medium Enterprises to achieve, as a minimum, a 10 per cent level of expenditure on the purchase of goods and services.

# Senate Standing Committee on Foreign Affairs, Defence and Trade

## QUESTIONS ON NOTICE - COMMITTEES

### Senate Additional Estimates

#### Q26 - RAAF Tindal

##### Senator Macdonald provided in writing:

Fifty seven million dollars in redevelopment at RAAF Tindal was scheduled for completion in 2011 (redevelopment stage 5, airborne early warning and control facilities, aircraft pavements and airfield lighting).

- (a) What is the cost-to-date of the programme of development at RAAF Tindal?
- (b) Have the arrangements to increase capabilities at RAAF base Tindal to accommodate US FA18s, F15s, B52s, C17s and XC130s been completed?
- (c) What are the reasons for any delays and the expected cost increases resulting from delay?
- (d) What plans are in place for the provision of aviation garrison support services for the expanded capabilities at Tindal? Have these services been costed? What funding has been made available to provide these services?
- (e) What percentage of expansion and support contracts have been and will be allocated to Northern Territory businesses?
- (f) What further work will be required to bring Tindal up to operational standards following the preliminary conclusions of the Defence Force Posture Review Progress Report announced on January 30 regarding strategic operations in Northern Australia?
- (g) How much has been budgeted for these additional works?

##### Response:

- (a) As at 29 February 2012, the total cost of the RAAF Base Tindal Redevelopment Stage 5 Project was \$54.8 million. The total cost to date for the Airborne Early Warning and Control Aircraft Facilities Project, also as at 29 February 2012 was \$55.4 million out of a total cost of \$110.2 million. Both projects are being delivered by a single managing contractor. As at 29 February 2012, \$24.5 million has been spent on aircraft pavements and airfield lighting delivered at RAAF Base Tindal under the National Airfields Project.
- (b) The RAAF Base Tindal Redevelopment Project Phase 5 is unrelated to any increased access to RAAF Tindal by the United States (US) Air Force.
- (c) The Base redevelopment was substantially completed in November 2011 and is currently in the defect liability period. The project is on schedule and within budget.

(d) Additional garrison support services and costs are identified in the detailed business case as part of the infrastructure planning process to support new capability and base redevelopments. Additional garrison support funding made available for each project is:

- i) RAAF Base Tindal Redevelopment Stage 5 - \$0.289 million per annum for financial year 2011/12 and matures to \$0.354 million per annum in financial year 2012/13.
- ii) Early Warning and Control Aircraft Facilities Project - \$0.519 million per annum mature in financial year 2011/12.
- iii) There was no increase in garrison support service costs for the National Airfields Project that replaced existing aircraft pavements and lighting at RAAF Tindal.

(e) For the construction of the RAAF Base Tindal Redevelopment and Early Warning and Control Projects, the value of trade contracts let to Katherine based subcontractors and suppliers was 19 per cent of the total value of trade contracts. A further 27 per cent in value went to Darwin based subcontractors. In addition, many of the interstate subcontractors utilised Darwin and Katherine based businesses.

Additional ongoing support will be required for facilities maintenance and garrison support services with current garrison and estate maintenance contracts requiring the use of small and medium enterprises which is to achieve, as a minimum, a 10 per cent level of expenditure on the purchase of goods and services.

(f) and (g) The progress report of the ADF Force Posture Review was released by the Minister for Defence on 30 January 2012. The final report is still under development. At this stage, Defence is not developing any plans to implement recommendations that might flow from Government's consideration of the final report.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

##### Q27 - Woomera

Senator Macdonald provided in writing:

The Federal Government has given approval for Apollo Minerals Limited to commence operation in the Woomera Restricted Area.

- a) What is the cost to Defence of remediating the Woomera Restricted Area to enable access and use by Resource operators?
- b) Does the approval for Apollo mean that the military research and the development of weapons systems that took place there has been abandoned?
- c) What is the estimated value of lost revenue associated with the cessation of R & D?
- d) Will this Research and Development now take place elsewhere? What is the cost of re-locating testing facilities to another site?"

##### Response:

- a) A resource company is required to enter into a Deed of Access to the Woomera Prohibited Area (WPA). In doing so, the company acknowledges: that unexploded ordnance may be present in the land and that certain research and development activities are carried out that could pose a risk to property and life. A company is required to comply with the conditions of its Deed of Access which restricts its activities to designated areas within the WPA. Accordingly, there are no additional costs to Defence for remediating the WPA.
- b) No. The Ministers for Defence and RET announced Government endorsement of the recommendations of the *Review of the Woomera Prohibited Area Final Report* ('the Review') on 3 May 2011. Central to the framework envisaged by the Review is a coexistence model which will allow both Defence and non-Defence users access to the WPA on a timeshare basis.
- c) Research and development activities have not ceased.
- d) Research and development activities have not ceased.



## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q28 - Borneo Barracks**

Senator Macdonald provided in writing:

Force Posture Review Progress Report 'preliminary conclusions' have recommended relocating 7 Signals Regiment, along with the Defence School of Signals Electronic Warfare Wing, from Borneo Barracks to Edinburgh Barracks. A Defence (DSG) Report 'Socio-Economic Impact of Rationalisation of Borneo Barracks' identified the following impacts of a 2013 closure: Total annual economic losses of \$105.3 million Expected job losses in excess of 845 Serious short-term downturn in the local housing property market Serious negative effect on small business particularly in Highfields Serious social impact with high risk effect to local schools and child care enrolments.

- a) Can the Department confirm the future of Borneo Barracks?
- b) Can the Department confirm the cost of relocating the 7 Signals Regiment to Edinburgh Barracks?

##### **Response**

(a) On 30 January 2012 the Minister for Defence publicly released a progress report from the Australian Defence Force Posture Review's expert panel.

At this stage no decisions have been made on the future of individual bases including Borneo Barracks at Cabarlah.

(b) No. As no decision has been made to relocate 7 Signals Regiment from Borneo Barracks, Defence cannot confirm the cost of such a relocation.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q29 - Berth 10 Townsville**

Senator Macdonald provided in writing:

- a) What is the current cost – previously reported at \$130 million - of upgrading Berth 10 to accommodate the Landing Helicopter Dock (LHD) and other military vessels? How much has been spent so far?
- b) The LHDs will be provided priority access to Berth 10 for 45 days per year for 25 years. How was this figure determined?
- c) What criteria was applied to assess that the strategic mobility imperatives discussed in the 2009 Defence White Paper, and confirmed by the preliminary conclusions of the Force Posture Review Interim Report, will be satisfactorily accommodated by this level of access?
- d) What criteria was applied to assess that the force training and force projection imperatives discussed in the 2009 Defence White Paper, and confirmed by the preliminary conclusions of the Force Posture Review Interim Report, will be satisfactorily accommodated by this level of access?
- e) The LHD draft at full displacement is 7.08 metres and the depth of the Townsville outer harbour channel is 7.5 metres at the Lowest Astronomical Tide. This allows under keel clearance of only 0.42 metres. Will the Townsville outer harbour arrival channel be dredged to better accommodate the LHDs? Has funding been allocated for this dredging?
- f) What arrangements have been made for the ownership and operation of Berth 10? Will Berth 10 remain under the ownership and operation of the Port of Townsville or will it be allocated as Defence Estate?

##### **Response**

(a) The total cost of the Berth 10 upgrade project is \$75 million. Defence has contributed \$30 million to the project. The Queensland State Government has contributed \$36.2 million, the Commonwealth Department of Infrastructure and Transport has contributed \$4.8 million and the Townsville City Council will provide \$4 million. The project is being delivered by the Port of Townsville Ltd, which has

let a construction contract with a fixed price of \$75 million. As at February 2012 the Port of Townsville Limited reports it has expended just over \$10 million on the project.

(b) The 45 day access requirement was based on the following requirements ex-Townsville: Amphibious Ready Element Work-up; Amphibious Ready Group Activities/Exercises (for example exercises Talisman Sabre and Hamil); Army aviation training periods; plus additional days to allow for raise, train, sustain activities.

(c) The 2009 Defence White Paper highlighted the strategic importance of Townsville as a mounting base for amphibious operations in the region. The interim report of the Australian Defence Force Posture Review notes that the ability to mount amphibious operations does not dictate a requirement to base large Navy ships in Townsville permanently, but rather a need to ensure sufficient access to the port is available when required in support of training and operational activities in the north. Defence's 2011 agreement with the Port of Townsville Ltd and the Queensland State Government, providing for a minimum 45 days access to Berth 10 in the Port of Townsville, supports both the 2009 White Paper conclusions and the interim report of the 2012 Force Posture Review.

(d) The access arrangements for amphibious ships to Berth 10 are based around anticipated peacetime training activities associated with force training and preparation. In the event of a declared Defence contingency, Defence access to Berth 10 can be achieved by invoking contingency provisions that apply to all ports around Australia, whereby naval vessels are allocated berthing priority over commercial shipping if needed. This normally applies for limited durations and may require payment of demurrage for commercial ships held off their berths.

(e) The current depth of the relevant Port of Townsville Outer Harbour channel is 11.7 meters at lowest astronomical tide. This provides ample keel clearance for Navy's Amphibious Assault Ships (LHDs).

(f) The Port of Townsville Ltd will own, operate and maintain the upgraded Berth 10. Defence is not responsible for any cost of maintaining the berth.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q30 - Base Consolidation

Senator Macdonald provided in writing:

Force Posture Review, has been reported on by the Australian National Audit Office. The ANAO report makes reference to funding shortfalls, the development of a Defence Estate strategy, and the creation of Estate Management functions. The ANAO report recommends inter alia periodic assessments of facilities, reassessment of maintenance funding and the adoption of alternate management strategies. Deputy Defence Secretary Simon Lewis remarked (according to reports at the time) that Defence will “embed the recommendations in our day-to-day processes.”

a) What progress has been made on the development of the National Defence Estate Strategy 2030?

b) Can the Secretary provide details of any specific plans including costing for base consolidations?

c) Has the Government addressed the \$500 million shortfall, for the period 2011-2014, in Estate Maintenance funding identified in the ANAO report?

d) What consolidation of bases will take place within this time frame (2012-2014)?

e) Have the recommendations of the ANAO report been adopted (creation of the Estate and Facilities Program Office, the Defence Estate Performance and Investment Committee, and the implementation of the Base Accountabilities Model)?

f) What funding has been allocated, under the Strategic Reform Program, to the development of the Estate and Facilities Program Office, the Defence Estate Performance and Investment Committee, and to the implementation of the Base Accountabilities Model?

g) What is the timetable for reporting from these initiatives?

h) Would the Secretary provide details of plans/proposals for the substantial additional funding that Defence will require to meet current Estate commitments, and to give effect to the base consolidations described in the Defence White Paper 2009 Strategic Reform Program, the ANAO Estate Maintenance Audit report, and most recently as a Strategic Basing Principle of the Defence Posture Review?

i) Where there is a \$500 million shortfall in Defence Estate maintenance funding, and a potential \$740 million bill for relocation of the School of Military Engineering, can the Minister confirm that the preliminary conclusions of the Force Posture Review – in particular the expansion of Northern Military infrastructure – will, if adopted, be adequately funded?

**Response:**

- (a) Defence has prepared a draft National Defence Estate Framework (formerly National Defence Estate Strategy), which sets out the principles for managing the Defence estate. Finalisation of the strategy is pending the outcomes of the Australian Defence Force Posture Review.
- (b) No. Costing work was commenced as part of Defence's comprehensive review of the Defence estate. The comprehensive review of the estate, however, is currently in abeyance pending the outcomes of the Australian Force Posture Review.
- (c) The Government has not provided any additional funding to the Defence budget specifically for estate maintenance.
- (d) Defence does not plan to consolidate bases in the time frame 2012-14. Work on the comprehensive review of the estate is in abeyance pending the outcomes of the Australian Force Posture Review.
- (e) The Estate and Facilities Program Office was established in early 2010. The program office is performing management of the national estate maintenance program, governance functions and is leading maintenance strategic reform. The Defence Estate Performance and Investment Committee was established in August 2010. It has met six times. The base accountabilities model has been implemented and is in effect on each base across the country.
- (f) No funding has been allocated to these initiatives under the Strategic Reform Program. They have been implemented within existing Defence resources.
- (g) Defence will report to the Joint Committee on Public Affairs and Accounts in March 2012 on progress in addressing the recommendations of the ANAO audit into estate maintenance.
- (h) Defence prioritises its estate capital investment and estate maintenance to address highest priority requirements in terms of capability and risk. Defence is investigating ways to improve its asset appraisal in order to better inform this prioritisation process. Work on the comprehensive review of the estate is in abeyance pending the outcomes of the Australian Force Posture Review and Defence has not completed any plans for base consolidations.
- (i) The draft report of the Australian Defence Force Posture Review was publicly released by the Minister for Defence on 31 January 2012. As the review is not yet finalised, it is not possible at this stage to assess the cost or comment on the source of funding for any outcomes of the review.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q31 - Estate Fires**

**Senator Macdonald provided in writing:**

Recent fires on Defence land have endangered neighbouring properties. The owners of 'Springvale' – adjacent to High Range Training Area – were required to spend \$5252.50 to hire earth-moving equipment to create fire-breaks when a fire on Defence land jumped Sharps Road and threatened their property.

- a) Is the Department aware of an August 2011 fire (back-burn) in the High Range training area that jumped containment lines and threatened neighbouring civilian property?
- b) Will the Secretary and the Minister assist in arranging compensation for the owners of 'Springvale' who suffered financial loss as a result of the fire crossing containment lines?
- c) Can the Department confirm that maintaining positive relationships with civilians generally and civilian neighbours specifically is of priority to Defence?

**Response:** Defence takes environmental, safety and fire management of its estate very seriously and monitors a wide array of climatic, fire, environmental and activity-related issues to ensure the best use and management of Commonwealth resources while striving to maintain good relations with adjacent land-owners and the local community.

The subject fire that originated on Defence land on 12 August 2011 was started by a person or persons unknown, and was most likely not a product of the fire risk mitigation activities conducted by Defence. Due to this fact, it is inappropriate for the question of compensation to the owners of 'Springvale' to be directed to Defence.

The following is an abridged version of the final paragraph from the Queensland Fire and Rescue Service Report by Inspector Gavin Fryer, a Fire Investigator:

'This report is accurate given the information available at the time of writing. Given all of the fire indicators and taking into consideration the inclusion of all natural phenomena it is my opinion that this fire was not of an accidental nature. All of the

fire indicators that I have listed in this report suggest that the fire that spread onto neighbouring property had been started in the area on the Eastern side of Sharps Road, and that it is improbable that this fire originated from the Department of Defence hazard reduction burn on the Western side of Sharps Road.'

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q32 - Talisman Sabre

##### Senator Macdonald provided in writing:

Following the tragic news that RAAF Sgt Michael Dunn succumbed on the 28th of September, 2011 to the injuries he sustained in an explosion at Rockhampton Airport during Talisman Sabre in July 2011, the Defence Department promised an inquiry into the incident.

- a) Has the investigator's report into the tragic death of Sgt Michael Dunn been released?
- b) Have operational and risk-management procedures been reviewed by Defence in light of the incident that claimed Sgt Dunn's life?
- c) What is the cost of the operational measures that are being adopted to ensure this type of incident does not re-occur?
- d) Are procedural and OHS measures being reviewed for defence operations at Rockhampton Airport?
- e) When is the investigating body expected to report?

##### Response:

*a) Has the investigator's report into the tragic death of Sgt Michael Dunn been released?*

Follow the incident leading to the death of SGT Dunn, four investigations commenced. Two of these were conducted by Defence: An Australian Defence Force Investigative Service (ADFIS) investigation; and an Air force preliminary safety review. The external investigations comprised one by COMCARE and another by the Queensland coroner. The Queensland Coroner is yet to release a report, and finalisation of the ADFIS investigation is pending the Coroner's findings. As the Coroner's report has not yet been released it would be inappropriate to comment on the cause of SGT Dunn's death. The status of each investigation is as follows:

##### **An Australian Defence Force Investigative Service (ADFIS) Investigation.**

ADFIS investigated the incident and released its final report internally to Air force on 7 December 2011. The report contains an addendum, which will be finalised pending the findings of the Queensland Coroner from the autopsy and forensic analysis of evidence.



**An Air Force Preliminary Safety review.** A Preliminary Safety Review was completed on 30 August 2011.

**A COMCARE Investigation Summary Report.** COMCARE forwarded a report on the incident to Chief of Defence Force, General Hurley on 20 October 2011 along with an improvement notice with specified actions.

**The Queensland Coroners Report.** The report has not yet been completed / released.

***b) Have operational and risk-management procedures been reviewed by Defence in light of the incident that claimed Sgt Dunn's life?***

In response to the internal reports and the subsequent Comcare infringement notice, Air Force established a Control of Petrol, Oils & Lubricant (POL) Hazards Follow-up plan on 1 November 2011. Tasks from the plan are underway and have resulted in release of the Air Force Work Health Safety (WHS) Risks Management policy, the compilation of POL activity reports from within Air Force and the drafting of an unleaded petroleum risk assessment process. The plan is due for completion in December 2012.

***c) What is the cost of the operational measures that are being adopted to ensure this type of incident does not re-occur?***

Defence is unable to quantify these costs. Directorate of Defence Aviation & Air Force Safety is responsible for implementing the POL Hazards Follow-up plan, and costs to do so have been subsumed into its normal operating costs and activities. Air Force does not anticipate that any of the remediating actions will result in any significant increase to costs for operations/exercises.

***d) Are procedural and OHS measures being reviewed for defence operations at Rockhampton Airport?***

There is no requirement to review the procedures at Rockhampton Airport as a unique issue. The remediation actions contained within the POL Hazards Plan refers to all Defence activities involving the use or handling of fuels, including any future Defence exercises at Rockhampton Airport.

***e) When is the investigating body expected to report?***

See response to (a).

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q 33 – Talisman Sabre

##### Senator Macdonald provided in writing:

At Estimates in October 2011 Senator Macdonald asked on notice (Q28) how much was spent during Talisman Sabre by the ADF on local goods and services in Rockhampton, Townsville and Darwin? The response received was that, pending receipt of cost acquittals, this information would be available at next Estimates in February 2012.

- a) Have the relevant cost acquittals been compiled by the Department of Defence for Talisman Sabre?
- b) What are the Department of Defence cost acquittals for the ADF spend on local goods and services in Townsville Rockhampton and Darwin during Talisman Sabre?

##### Response:

The following information was provided to the Committee via letter on 13 February 2012:

##### Talisman Sabre - Local Expenditure (Question on Notice 28)

The amount spent by the ADF on local goods and services in Rockhampton, Townsville, and Darwin are contained in the table below. These costs may change if there are any latent invoices; however, this is expected to be minimal.

Rockhampton	\$4,099,114
Townsville	\$205,311
Darwin	\$238,589

In addition to the expenditure above, the ADF incurred expenditure which cannot be individually attributed to specific suppliers in particular locations due to the use of centralised supplier billing addresses and the use of subcontractors.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE – COMMITTEES

#### Senate Additional Estimates

#### Q34 – NORFORCE

##### Senator Macdonald provided in writing:

In November 2011, 12 students from Northern and Remote communities graduated from the Defence Force program in Katherine. The program teaches mentoring skills in a military setting. In January 2012, 25 indigenous participants graduated the Defence Indigenous Development Program (a 7-month live-in program) at HMAS Cairns. Some of the graduates will continue their service with the Army's Regional Force Surveillance Unit (RFSU) - 51st Battalion FNQ Regiment. It is reported that 70 per cent of the diggers and NCOs are Indigenous Australians. NorForce recently commissioned its first Aboriginal Officer, David Issac.

- (a) Can the Secretary provide details of the Department's involvement and investment in current indigenous engagement programs?
- (b) Can the Secretary provide details of the Department's on-going funding commitment to involvement and investment in these indigenous engagement programs?
- (c) Why specifically were Katherine and HMAS Cairns selected as the locations for the Indigenous Cadet program and the Defence Indigenous Development Program respectively?
- (d) What plans are in place, including funding arrangements, for future indigenous engagement programs?

##### Response:

The Defence Indigenous Development Program (DIDP) is run out of two locations: Katherine from 2009 and Cairns from 2010. Both programs seek to assist Indigenous young people close the Gap on Indigenous disadvantage, particularly in relation to economic participation. Both programs are live-in courses of approximately seven months duration. Participants undertake Language, Literacy and Numeracy (LLN) skills, life skills, a Certificate II level Vocational Education course and basic military skills development. The key outcome sought by the DIDP is to improve the employability of all participants.

As part of the program, participants are enlisted as Regional Force Surveillance Unit (RFSU) soldiers accessing military induction training through either NORFORCE or 51 Far North Queensland Regiment.

In relation to Army's Regional Force Surveillance List (RFSL) indigenous representation, the following statistics are correct as at 01 March 2012. The first line in each column is the total and the second line (italic font) is the number of indigenous members and the percentage of the total that this represents.

Unit	Officers	Other Ranks	Totals	RFSL
NORFORCE Total	46	524	570	185
Indigenous	3 (6.5%)	127 (24.24%)	130 (22.8%)	122 (65.95%)
51 Far Nth Qld Total	43	435	478	114
Indigenous	nil	114 (26.2%)	114 (23.85%)	91 (79.83%)
Pilbara	28	179	207	58
Total Indigenous	nil	9 (5.03%)	9 (4.35%)	3 (5.7%)

The figures in the first 4 columns represent all Army members – full time (ARA), reserve and the RFSL. Total Indigenous representation in the RFSL is 60.5 per cent. Lieutenant Isaac is the first Indigenous NORFORCE RFSL Officer but 1 of 3 indigenous NORFORCE officers.

(a) In 2012, Defence is again running two DIDPs, located in Katherine and Cairns. The courses commence on 16 April, completing on 16 November 2012. It is anticipated that each courses will commence with 30 participants. In addition to the DIDPs, Defence will run two Indigenous Pre Recruitment Courses and 2 or 3 Officer Study Tours.

The Indigenous Pre Recruitment Course is a 6 to 8 week residential course. The individual will have already registered with Defence Force Recruiting (DFR) and completed the Defence Force Recruiting initial aptitude testing (known as the YOU session)(where possible Australian Defence Force (ADF) career options are identified). Much of the course is based around confidence building and providing the individual with the skills to successfully complete the DFR assessment, initial training and the first 12 months of service. Throughout the course the participants receive training in leadership, physical fitness, first aid, aptitude and interview techniques and communication skills

Officer Study Tours take promising young indigenous students to Australian Defence Force Academy (ADFA) and Royal Military College – Duntroon (RMC-D) in Canberra to see what is involved in applying for entry into one of these learning institutions. This gives potential indigenous officer candidates an understanding of the institutions and the lifestyle there. These young people may come from remote or regional communities, but it is expected that they are personally and educationally at a standard that would allow them to successfully apply for entry as an officer. The tour runs for four days in total and two are scheduled for this financial year. Participants also go to DFR and are assisted in commencing their application to join.

Additionally, Defence participates in the Australian Public Service Commission's Indigenous Pathways Program. In 2012, nine indigenous trainees and eight indigenous cadets will commence with Defence. It is anticipated that the number of indigenous trainees and graduates in 2013 will increase to up to 37.

Defence Indigenous programs are funded through the Defence White Paper 2009. Funding in the 2011/12 financial year for the DIDPs is \$5.994 million and for all other indigenous programs \$2.702 million.

Army supports the Australian Government's Closing the Gap commitment made in 2008 to improve the lives of Indigenous Australians. Army does this by supporting programs conducted by the Defence Directorate of Indigenous Affairs including the Defence Indigenous Development Program in Katherine and Cairns; the Indigenous Pre Recruitment Courses; and various Defence familiarisation tours.

The Army Aboriginal Community Assistance Program (AACAP), which commenced in 1997, is an on-going commitment that reinforces the strong association between Army and the Indigenous peoples of northern and central Australia. It is a joint initiative with the Department of Families, Housing, Community Services and Indigenous Affairs. AACAP has improved health and living standards in aboriginal communities as well as creating indigenous employment opportunities during project operations and afterwards. Each project has three components: construction, health and training.

AACAP 2011 was conducted in the Fitzroy Valley Area, Western Australia and included the communities of Joy Springs and Bayulu, with works continuing in Joy Springs in 2012. AACAP 2012 will be conducted on the Dampier Peninsula of Western Australia, including the communities of Beagle Bay, Lombadina, Djarindjin and Ardyaloon.

Army also support Indigenous Australian Army Cadets (AAC). Four Army Cadet Units are located in remote areas of northern Australia and they conduct the AAC youth development program in a way that is specifically tailored for indigenous youth. Many other cadet units across Australia, metropolitan, regional and rural, comprise both indigenous and non-indigenous cadets and adult staff. Army provides support to the AAC youth development program through Army foster units throughout Australia. In remote areas of northern Australia the Army's RFSUs provide this service with NORFORCE providing support to Cadet units in Wadeye, Daly River and Tiwi Islands in the Northern Territory, and 51 FNQR providing support to the Cadet unit in Bamaga, Queensland.

(b) Funding for the forward estimates period from 2011-12 financial year to 2014-15 financial year is up to \$25.114 million for the DIDP and \$11.303 million for the other indigenous programs.

(c) The initial DIDP concept came out of NORFORCE Darwin. CO NORFORCE, at the time, determined that the RFSU soldiers would be better able to progress within their units if they had better standards of literacy and numeracy. In 2008, a Language, Literacy and Numeracy Program was run for existing and potential RFSL members. From this concept, a broader development program was proposed and incorporated into the White Paper People initiatives.

Both locations have been selected based on a number of features:

- Close proximity to Defence facilities in northern Australia;
- Access to Defence facilities that are not greatly effected by increased operational tempo;
- Access to a minimum range of Commonwealth and State or Territory government services;
- Access to suitable education institutions; and
- A location that is considered a hub through which services could be provided.

Katherine was originally selected as it was the only identified facility that could support a live-in residential educational program within close proximity to Defence facilities that also met a range of cultural issues important to successfully running a program of this type. Katherine Rural College has housed the course from 2009 to the present. In 2012, a Request for Tender was published on AUSTENDER seeking suitable accommodation across the Northern Territory. Katherine Rural College was the successful tenderer.

In 2010, Government determined that a second DIDP should be conducted, supported by Navy. HMAS Cairns was selected as it could provide a high level of support to the program without significant demands being placed on the facility by being a staging point for overseas operations. Cairns TAFE has one of Australia's leading maritime training facilities which eminently prepare DIDP participants for employment in maritime industries including the Royal Australian Navy. Cairns is also regarded as the key point for provision of government services for the North of Queensland, including the Torres Strait Islands.

(d) As discussed under point (b), Defence has a budget of up to \$25.114 million available for the delivery of Defence Indigenous Development programs. Defence will review the current program in 2012 to assess the effectiveness of the program and to determine the way forward. At this stage, pending the review outcomes, future courses will be run, but the details of where, when and for how long are yet to be determined.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q35 - HMAS CHOULES

Senator Macdonald provided in writing:

- (a) Has provision been made at Northern Australian ports – specifically Townsville, Cairns and Darwin – for berthing HMAS Choules as of January 2012?
- (b) What costs have been incurred to provide for Choules' berthing, crewing, supply/stores, bunkering and maintenance at these crucial locations?
- (c) Can the Secretary explain the decision-making process that led to HMAS Choules being home-ported at Garden Island?

#### Response:

(a) As with other Royal Australian Navy (RAN) ships, HMAS *Choules* can utilise commercial berths in Townsville, Cairns and Darwin when necessary, subject to berth availability, which is dictated by commercial shipping schedules. *Choules* can also berth at the Sugar Wharf in Cairns for most days of the year, under the provisions of a recent access arrangement between Defence, Sugar Terminals Ltd and Queensland Sugar Ltd.

In Townsville, as a 2009 White Paper initiative, Defence has contributed \$30 million towards upgrade of the commercial Berth 10 in the Port, under a shared access arrangement over 25 years that will allow for amphibious load / offload tasks to be conducted at this berth for a minimum of 45 days per annum. When completed in June 2013, the Berth 10 upgrade will meet the requirements for periodic visits by Navy's new Landing Helicopter Dock (LHD) ships, as well as *Choules*. Until then, access by *Choules* to busy commercial berths in Townsville will be negotiated when required around commercial shipping priorities on a case by case basis, as is the norm for RAN ship visits to all commercial port facilities in Australia. This was the case when *Choules* visited Townsville for the first time from 24-27 February 2012, at the start of a period of workup and exercise activities with Army elements in the area over the ensuing month.

In Darwin, *Choules* will be able to berth at the commercial Fort Hill Wharf in the city precinct, under an existing Deed of Licence between Defence and the Darwin Port Corporation. In addition, Defence is negotiating with the Northern Territory (NT) Government and Darwin Port Corporation for construction of a hardened barge ramp at Darwin's East Arm Port facility, to allow for watercraft loading of Army vehicles and equipment to amphibious ships either alongside East Arm wharf or at anchor in

the harbour. This project is a 2009 Defence White Paper initiative and is currently funded at \$16.365 million. The hardened barge ramp will support loading of LHDs and *Choules*, which are otherwise limited by tidal windows in loading via their side doors at East Arm wharf, due to the height of the wharf and the significant tidal range in Darwin.

(b) Nil. Normal ship operating costs will apply when *Choules* visits these ports. Navy is not charged for berthing in commercial ports (consistent with Section 70C of the Defence Act 1903); no added crewing costs are needed; normal stores re-supply and bunkering arrangements will apply; and no ship maintenance would occur unless to rectify emergency defects.

(c) *Choules* effectively replaces a significant part of the amphibious capability embodied in the former Sydney-based HMA Ships *Kanimbla* and *Manoora*, which have been de-commissioned and now await disposal. With Navy's administrative, training, maintenance and logistic support infrastructure for half the fleet, including the major amphibious ships, already located at Garden Island in Sydney, Navy determined that it was both operationally efficient and cost effective that *Choules* would be Sydney-based. This also allows the ship best opportunity to work with other fleet units in the vital offshore training areas in the Newcastle-Sydney-Jervis Bay region, with ready access to the marine industrial support necessary to adapt ship systems for Australian use and to maintain the more complex propulsion system used by this vessel. Home-porting *Choules* in Sydney allows for a relatively short transit distance to those Army units with which the ship will exercise and operate in future. In the event that *Choules* may be required for national natural disaster response it is beneficial that first responders such as *Choules* are not based in the cyclone belt.



## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q36 - Canterbury College Cadets

##### Senator Macdonald provided in writing.

The Parliamentary Secretary for Defence has provided the following reasons (letter received 01.12.11) for the decision to decline an application by Canterbury College to raise a new Army Cadet Unit:

- The existence of other applications that may have priority;
- The absence of formal agreements with community partners to consolidate on-going community support and 'enthusiasm';
- Long-term viability expressed as a demographic analysis of potential adult and youth members;
- Availability of suitable accommodation for the unit;
- Availability of staff and resources;
- Presence of an Army foster unit;
- AAC command and control ability to absorb the extra workload

In answer to questions regarding the creation of new cadet units at Estimates October 19, 2011, Brigadier Sowry cited lack of community engagement and involvement (including the call on volunteers' discretionary time) as the principal impediment to the creation of new cadet units.

In answer to QON 10 (at 1217) 2b, staff numbers, facilities and infrastructure, and community support are identified as the principal impediments to establishing new school units.

- a) At previous estimates it was indicated that funding was not the obstacle to the creation of the Canterbury College AAC unit. What funding is currently available for the formation/creation of new AAC units?
- b) Is the question of priority informed by financial considerations or by the need/potential identified in the location for co-ordinated youth development programming?
- c) Has the trial of the new cadet unit development procedure at Werribee Secondary College (identified in answer to QON 10 (at 1217) October 2011) yielded reportable results?
- d) Canterbury college has a student-body of 1430 and a faculty of 180. Eighty (80) students have provided parental consent forms for AAC. Additionally, three (3) staff members, several parent Army Reservists and ex-army community members have expressed interest in involvement. Are these numbers sufficient for the formation of a Cadet Unit at the school? If not, what numbers would be sufficient?
- e) Can you provide results and details of the assessment of Canterbury College's application? Can you indicate specifically the areas in which Canterbury College was found to be deficient? Was the school notified of these factors?

- f) Can you provide the results of the demographic analysis of the Canterbury College community as a measure of long-term viability? Was the Canterbury College notified of these factors?
- g) Has an audit of the buildings on campus at Canterbury College been conducted? In what way were the buildings and accommodations at Canterbury College found to be deficient? Was the Canterbury College notified of these factors?
- h) Has an assessment or audit of the staff and parent volunteers for the AAC unit at Canterbury College been conducted? Was the Canterbury College notified of these deficiencies?
- i) Greenbank Military camp and Enoggera Barracks are within forty (40) minutes from the school. What impediments were assessed as precluding Units at these locations from acting as Foster units for the Canterbury College AAC unit?
- j) Consistent reporting suggests the ACC has substantial administrative resources and as such should be able to absorb the workload – is the AAC currently under-resourced and in need of additional staffing or funding? Has this been independently assessed/audited? Has this been reported?

**Response:**

a) Contrary to the introductory sentence, it does not appear that any previous question at Estimates has specifically addressed the establishment of a Cadet Unit at Canterbury College.

The Australian Army Cadets (AAC) has chosen to achieve relatively low-cost, moderate expansion of cadet and adult staff numbers by increasing the size of existing units, rather than to undertake the far more expensive option of raising new cadet units. Since 2008 this strategy has enabled the AAC to increase the number of cadets (+15.6 per cent) and adult staff (+13 per cent) without any increase to the financial resources allocated to the AAC.

Current financial allocations are such that multiple new Army Cadet Units could not be raised without closing, or seriously reducing activities in, existing units.

b) Applications for the establishment of new cadet units are assessed against a number of factors to ensure their enduring viability and to justify the significant Defence investment in time, money and resources. These factors include:

- (1) strong community support for the establishment and ongoing operation of the cadet unit;
- (2) appropriate facilities for the cadet unit;
- (3) sufficient adult volunteers to act as cadet staff;
- (4) sufficient young people wishing to become cadets; and
- (5) the availability of funds from the parent Service of the relevant cadet organisation.

These factors are all important for the long-term success of a cadet unit. Typically, proposals for new units have been unsuccessful on account of factors other than funding. Availability of funds, however, is essential.

c) Werribee Secondary College cooperated with Headquarters AAC to revise the procedure for establishing a new Army Cadet Unit. This was the first review of the procedure since it was developed in the early 1980s. This has established a revised procedure that can be implemented by Headquarters AAC when sufficient resources are available to raise new units.

When the AAC is establishing new units, it will provide an application form for each interested school and community to complete and submit, in order that all relevant information is provided to enable an informed stage one assessment. The applications received will then undergo a preliminary assessment, from which selected applicants will be chosen to progress to the more detailed stage two of the process. During stage two, detailed analysis will be conducted of youth demographics, available adult staff, local financial support, standard of facilities, etc.

d) These numbers indicate that, subject to detailed assessment, a Cadet Unit based at the school is likely to be viable in terms of numbers of cadets and staff.

e) Because the AAC is not currently establishing new cadet units, there has not been a detailed assessment of Canterbury College's application. While it is acknowledged that a unit at Canterbury College would be only one more unit, approximately 50 communities and schools across Australia have, in the last four years, formally or informally expressed interest in having an Army Cadet Unit raised in their location. To raise a single unit at Canterbury College and not at other equally viable locations that have previously expressed an interest would not be equitable, and raising multiple additional units is not viable within current resources.

Canterbury College was notified that in the current resource environment AAC was focussed on increasing numbers in existing units rather than establishing new units; that when resources permitted interested schools etc would be invited to complete formal detailed applications and how they would be assessed; and that interested students could join another ADF Cadet unit located near the College, by letter from Headquarters AAC dated 4 November 2011.

f) For the reasons already explained, Headquarters AAC has not conducted a detailed demographic analysis of the Canterbury College community. However, one of the factors that may be considered (and has been considered in the past) when assessing applications for new units is the availability of other AAC units, Australian Navy Cadets (ANC) training ships and Australian Air Force Cadets (AAFC) squadrons within reasonable distance of the proposed new unit. In the case of Canterbury College, there is:

- an existing Army Cadet Unit (11 ACU Logan) within 6 km (8 minutes drive) of the College;
- an existing ANC training ship (TS Walrus) within 8.4 km (12 minutes drive) of the College;
- two AAFC squadrons (226 Squadron - Beenleigh and 202 Squadron – John Paul College) within 7.6 km (11 minutes) and 11 km (15 minutes), respectively; and

- an additional six units, training ships or squadrons located within 30 minutes driving time of Canterbury College.

Thus the 80 students of Canterbury College who are interested in joining the Army Cadets program (or other Service cadets program) already have the choice of at least 10 existing AAC, ANC and AAFC units within 30 minutes drive of the College. It is appreciated that there are differences - from the perspective of schools, parents and students - between a nearby community based unit on the one hand, and one based in the school on the other. However, as the area surrounding the College is already well serviced by ADF Cadets, where resources are limited this could tell against raising another unit in the area, and Headquarters AAC may determine that it is more appropriate to invest its limited resources in raising an additional Army Cadet Unit in a location not currently serviced by existing ADF Cadets units.

g) For the reasons already explained, Headquarters AAC has not conducted an assessment of Canterbury College's buildings and other facilities.

h) For the reasons already explained, Headquarters AAC has not conducted an assessment of the potential staff relating to Canterbury College's application.

i) For the reasons already explained, Headquarters AAC has not conducted an assessment of the potential Army Foster Units for a cadet unit at Canterbury College.

j) In accordance with legislative requirements and Defence policy, the AAC operates within the staffing, financial and equipment resources allocated to it each financial year by Government, through Defence and Army. The AAC has sufficient resources at this time to manage and administer the existing 217 active Army Cadet Units and 16 300 part-time AAC members, and to conduct the extensive range of regional, national and international activities in which cadets and adult staff participate. It does not have the resources to cater for the substantial expenses associated with additional cadet units.

The AAC resource situation and personnel strengths have been the subject of numerous external reviews (such as Hickling in 2008, Third Horizons in 2009 and KPMG in 2011). The impracticability of raising multiple new units without detriment to existing units within current allocations was reported to the Joint Cadet Executive Committee on 28 November 2011.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q37 - RAAF Scherger**

##### **Senator Macdonald provided in writing:**

In response to Q30 on notice at Estimates October 2011, the term of use of RAAF Scherger as a surge option was “short term” and “unspecified” with the original Departmental agreement functioning until 30 June 2012. Response to Q30 on notice also provided that there was no intention to extend the contingency capacity beyond 600 at that time.

- a) Has the term of use of RAAF Scherger by the Department of Immigration now been extended or will the Department of Immigration be vacating RAAF Scherger on June30, 2012?
- b) How many immigration detainees are housed at RAAF Scherger as at 15.02.2012?
- c) Has the Department of Defence entered into a new agreement with the Department of Immigration to increase the maximum number of immigration detainees housed at Scherger beyond the 600 previously specified?

##### **Response:**

- (a) No. The term has not been extended.
- (b) 307.
- (c) No.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q38 - Cadet Staff Positions**

**Senator Macdonald provided in writing:**

- (a) How many persons in total are currently employed at Cadet Forces HQ?
- (b) How many staff are currently in paid employment (full-time, part-time, casual, contract) with each of the three Cadet Services HQs (AAC, AAFC, ANC) in total (including but not limited to military and APS staff)?
- (c) What are the specific break downs of every classification of remunerated staff within each of the three service HQs (excluding volunteers)?
- (d) How many volunteers are associated with each of the three Cadet Service HQs (AAC, AAFC, ANC)?
- (e) How many full-time remunerated Cadet HQ positions are tenured?
- (f) How many full-time remunerated Cadet HQ positions are 'on-going' – to retirement?
- (g) How many full-time remunerated Cadet HQ positions are subject to fixed-term contracts?
- (h) Have previously tenured officers been placed on fixed-term contracts?
- (i) Has the number of personnel employed by Cadet HQs increased from 2007 – 2012? By how many personnel?
- (j) What is the total Cadet HQ annual expenditure on salaries, wage, stipends and allowances?

**Response:**

- (a) Ninety seven personnel are currently employed at Cadet Forces HQ.
- (b) Currently full-time, part-time, casual and contracted employees for each service are-

Australian Army Cadets – 26  
Australian Air Force Cadets – 39  
Australian Navy Cadets – 32

- (c) The breakdown of each classification of remunerated staff within the 3 service HQs are -

Australian Army Cadets:  
Australian Defence Force Regular - 3  
Australian Defence Force Reserve - 8  
Australian Public Service - 15

Australian Air Force Cadets:  
Australian Defence Force Regular - 25  
Australian Defence Force Reserve - 0  
Australian Public Service – 11

Australian Navy Cadets:  
Australian Defence Force Regular - 6  
Australian Defence Force Reserve - 20  
Australian Public Service - 6

- (d) Volunteers within the Cadet Service HQs are –  
Australian Army Cadets: 10  
Australian Air Force Cadets: 0  
Australian Navy Cadets: 0
- (e) There are a total of 56 tenured positions.
- (f) There are a total of 51 on-going positions.
- (g) There are 5 fixed-term contracts.
- (h) There have been no tenured officers replaced with fixed –term contracts.
- (i) The number of personnel employed by Cadet HQs has increased by 41 during 2007-12.
- (j) Total annual expenditure for Cadet HQs is approximately \$8.859, 491 million.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q39 - Cadet Formation Safety Advisors**

Senator Macdonald provided in writing:

Q25 (d) from the Estimates Oct 2011 (relating to Australian Army Cadets) asked how many Formation Safety Advisors are employed in each State? The answer clarified the States in which Formation safety Advisors are deployed, but did not provide the numbers for each state.

(a) How many dedicated Formation Safety Advisors are employed by the Cadet Forces in each State?

(b) How many Executive Officers in NT and Tasmania respectively are qualified to execute the role of Formation Safety Advisor?

##### **Response:**

(a) There is one Formation Safety Adviser in each of the Australian Army Cadet (AAC) Regional Brigade Headquarters in North Queensland, South Queensland, New South Wales, Victoria, South Australia and Western Australia (i.e. a total of six Formation Safety Advisors in the AAC). The AAC is not structured on state boundaries, but in Regional Brigades. Formation Safety Advisors are located in each AAC Regional Brigade.

The New South Wales AAC Brigade Formation Safety Advisor provides advice and assistance to the Headquarters New South Wales AAC Brigade in Sydney and to its constituent units located in New South Wales, Australian Capital Territory and Norfolk Island,.

The Formation Safety Advisor in the South Australian AAC Brigade provides advice and assistance to the Headquarters South Australian AAC Brigade in Adelaide and to its constituent units located in South Australian and New South Wales (Broken Hill).

The Formation Safety Advisor in the Victoria AAC Brigade provides advice and assistance to the Headquarters Victoria AAC Brigade in Melbourne and to its constituent units located in Victoria and New South Wales (Albury and Deniliquin).

The state of Queensland is covered by two AAC regions, North Queensland and South Queensland Brigades, and each has their own Formation Safety Advisor. The state of Western Australia is one region and does not cross any other state border.



(b) There is one Executive Officer in each of the AAC Regional Battalion Headquarters in Northern Territory and Tasmania. These two Executive Officers have a duty to perform the functions of "Formation Safety Advisor" in addition to their functions as "Executive Officer".

# Senate Standing Committee on Foreign Affairs, Defence and Trade

## QUESTIONS ON NOTICE - COMMITTEES

### Senate Additional Estimates

#### Q40 - Navy Photography Units

Senator Macdonald provided in writing:

- (a) Is it true that Defence are abolishing the Navy photography unit across the country?
- (b) What impact will this have on local events and community affairs within the Northern Territory, as the unit provides photography services across Army and Navy events, particularly in the community?

#### Response:

(a) & (b) The Navy's photography capability is not being abolished across the country – the workforce is being re-structured and rationalised to better serve future Navy and ADF requirements. While this move will see the removal of the Navy Photography Unit from HMAS *Coonawarra*, it is expected that support to Defence activities in the Northern Territory will continue, albeit under different arrangements.

The Navy Photography category was renamed Imagery Specialists (IS) in 2009 and the career continuum is undergoing gradual change to meet Navy and ADF requirements to support imagery intelligence and targeting capability. These changes include the need to relocate personnel and resources across the country to meet the evolving workforce requirements.

Navy and Defence fully appreciate the need for public awareness of its operations across the country and that provision of photographic services supports this goal. Given that the Navy Unit at *Coonawarra* is the only Defence Photography Unit in the Northern Territory, it is understood that concerns may arise from its closure. I expect that future support of this nature for the Northern Territory will be provided by alternative means, which might include other Navy Units around the country, from the other Services, through contracted support or by better use of Navy Reserve forces to meet discrete tasks.

More generally, Navy workforce requirements continually evolve. While the reforms in Navy's photographic specialist employment continue to roll out, any resultant challenges arising from these adjustments are also subject to review, particularly if capability is affected in previously unforeseen ways. The changes planned for Darwin should be viewed in this context.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q41 - Supporting Australian Manufacturing**

**Senator McKenzie provided in writing:**

How has DMO implemented the Prime Minister's commitment to supporting Australian manufacturing?

**Response:**

The Prime Minister announced in a media release on Tuesday 20 September 2011 the Government's commitment to ensuring that Australia maintains its internationally competitive manufacturing sector. The Defence Materiel Organisation (DMO) has continued implementation of a comprehensive package of industry assistance programs, outlined in the 2010 Defence Industry Policy Statement, which support this commitment.

Acknowledging defence industry's contribution to national security, the Government is investing \$445.7 million in support programs over the period 2009-10 to 2018-19 to assist defence firms to skill and up-skill the workforce, boost productivity and competitiveness, grow exports and domestic and global supply chain opportunities, and promote innovation in defence manufacturing.

In addition to the industry support policies and programs provided for in the Defence Industry Policy Statement, the DMO is involved in supporting manufacturing industry policy development at a whole-of-government level. The Minister for Defence Materiel is a key participant in the Prime Minister's Manufacturing Task Force, and the DMO provides input to the task force's policy development, most recently in the form of a background paper for the Task Force Working Group.

Similarly, the DMO and Skills Australia are working together to develop a Defence Industry Workforce Strategy, which seeks to gauge how best to support future skills development within the defence industry workforce. A discussion paper on this topic was released by Skills Australia in early February 2012.

Some key programs aimed at facilitating an internationally competitive manufacturing sector are:

- The **Australian Industry Capability (AIC) Program** under which tenderers submit an assessable AIC Plan as part of the tender for Defence procurements of \$20 million or above or projects with a defence mandated industry requirement. Tenderers must demonstrate how they will maximise opportunities for Australian companies.

- The **Defence Export Unit (DEU)** which supports participation by Australian businesses in selected tradeshows, missions to key overseas target markets, industry visits by foreign delegations and participation in programs such as the United States Department of Defense Foreign Comparative Technology Program. Since its inception in 2008, the DEU has assisted businesses to win export contracts totaling over \$750 million.
  
- The **Defence Industry Innovation Centre (DIIC)**, funded by the DMO, operates as part of the Department of Industry, Innovation, Science, Research and Tertiary Education's (DIISRTE) Enterprise Connect scheme. This scheme assists companies to increase their productivity, ability to innovate, and competitiveness. The DIIC has helped defence companies via a wide range of grants and will provide more than \$1.2 million worth of assistance in 2011-12.
  
- The **Global Supply Chain (GSC) Program** through which the Commonwealth negotiates deals with multi-national firms that are Australian Defence prime contractors (primes). These deals establish a framework for each prime to identify opportunities for Australian industry to join their supply chain across its whole product range globally, and also participate in the supply chains of the prime's major suppliers. Australian companies have won \$437 million in new business through this Program since 2007.
  
- The **New Air Combat Capability – Industry Support Program (NACC-ISP)** which will provide \$7.5 million in grants to Australian companies and research organisations to support the development of new or improved capability to win work in the production, sustainment and follow-on development phases of the F-35 Joint Strike Fighter (JSF) program. Five of the seven accepted applications have been funded (worth \$3.5 million) and funding agreements are currently being prepared for the remainder.
  
- The 8-year, \$45 million **Priority Industry Capability (PIC) Innovation Program** supports innovative projects that will enhance or improve a PIC and targets defence industry projects that develop, adopt or commercialise a new product, methodology, material or system of strategic advantage to the Australian Defence Force. Applications in the first funding round for this Program are currently being evaluated with the successful recipients to be announced in the second quarter of 2012.
  
- The **Skilling Australia's Defence Industry (SADI) Program** provides grant funding for training and skills programs for Australian defence firms. Grant funding under the Program for 2011-12 of approximately \$14 million has been allocated to 109 businesses across Australia supporting some 4,170 training opportunities.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q42 - Report on 150 Bushmasters**

##### **Senator McKenzie provided in writing:**

The Bendigo Advertiser on Friday 17 February quotes Steve Gibbons MP after a meeting with Minister Carr in relation to a contract for up to 150 Bushmasters “He is still waiting on a report and recommendation from the department”.

- (a) What is this report?
- (b) Who requested it?
- (c) When is it expected to be made public?

##### **Response:**

- (a) The Minister for Defence announced on 12 December 2011 that Defence will explore the purchase of additional Bushmaster vehicles in order to retain critical skills at Thales’ Bendigo plant while the design of the Hawkei is finalised and proven.
- (b) Defence is preparing the necessary business case and options for consideration by the National Security Committee of Cabinet. This approach is consistent with standard Government processes for approval of Defence capital equipment projects of this nature.
- (c) Government may make further public announcements after consideration of the submissions.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q43 - Anglesea Barracks, Tasmania

#### Senator Bushby provided in writing:

- (a) Can you please explain why the department abandoned its estate consolidation review?
- (b) Does the abandonment of the review mean defence estates, such as Anglesea Barracks in Tasmania, are quarantined from defence budget cuts?
- (c) When will the Force Posture Review preliminary report be released and will it look at specific defence sites around Australia?
- (d) Can the department state categorically that Anglesea Barracks will not be closed, downgraded or sold?
- (e) Are there any plans to reduce the workforce at Anglesea Barracks or deploy staff? (f) How much does it cost annually to maintain Anglesea Barracks as a working defence site?
- (g) Has any consideration been given to allowing other organisations or groups to utilise the site, in order to maximise its community usage?

#### Response

- (a) The comprehensive review of the Defence estate was placed on hold pending the findings of the Australian Defence Force Posture Review. Following Government consideration of the Force Posture Review, it is anticipated work on the comprehensive review of the Defence estate will resume, taking into account of Force Posture Review outcomes as appropriate.
- (b) Defence has to meet its budget requirements, including meeting cost reduction targets under the Strategic Reform Program, which include a reduction in building maintenance. All expenditure on Defence bases – including Anglesea Barracks – is based on assessments of a need and the base’s contribution to capability, reviewed on an annual basis. Therefore the amount of expenditure on any given base will vary from year to year.
- (c) The Prime Minister and Minister for Defence released the final report of the Defence Force Posture Review on 3 May 2012.
- (d) On 21 March 2011, the Prime Minister was asked a question in the House of Representatives on the future of Anglesea Barracks by the Member for Denison. Her response included the following:

“I am advised Defence has given no consideration to closing the base or to disposing of the base, and I do not expect that to occur in the future. I would also expect the government of the day to not agree to any recommendation to take that course.”

(e) Currently there are no plans to reduce the workforce at Anglesea Barracks.

(f) The cost of maintaining (base services & utilities) Anglesea Barracks as a working Defence establishment for financial year 2010/11 was approximately \$3.205m. Of this, \$2.943m was for base services and \$0.262m for utilities. The majority of expense is the Tasmania Base Services Contract with Eurest Support Services. Base support services include access control, grounds maintenance, cleaning, catering, laundry and transport as well as maintenance of buildings, infrastructure and fixed plant, and delivery of minor and medium building and infrastructure works.

(g) Anglesea Barracks is an operating Defence base with no surplus capacity. All requests for non-Defence use of the base, on either a temporary or ongoing basis, are considered on their merits and in accordance with Defence Policy and security requirements.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q44 - Staffing**

**Senator Eggleston provided in writing:**

(a) How many ongoing staff recruited this financial year to date? (b) What classification are these staff? (c) How many non ongoing positions exist or have been created this financial year to date? (d) What classification are these staff? (e) This financial year to date, how many employees have been employed on contract and what is the average length of their employment period?

**Response:**

(a) There were 1400 ongoing staff recruited from 1 Jul 2011 to 1 Feb 2012.

(b) The classifications of these staff were:

APS 1-3	354
APS 4-6	820
Executive Level	222
SES	4

(c) 330 non ongoing positions existed as at 1 Feb 2012. 86 new non ongoing positions were created between 1 Jul 2011 and 1 Feb 2012.

(d) The classifications of the existing 330 positions were:

APS 1-3	77
APS 4-6	159
Executive Level	90
SES	4

The classifications of the 86 new positions are:

APS 1-3	9
APS 4-6	53
Executive Level	24

(e) From 1 Jul 2011 to 01 Feb 2012, 883 APS personnel were employed as non ongoing with an average of 306 days continuous service within the department.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

Senate Additional Estimates

**Q45 - Staffing**

**Senator Eggleston provided in writing:**

- (a) How many ongoing staff left in the year 2010-11?
- (b) What classification were these staff?
- (c) How many non ongoing staff left in the year 2010-11?
- (d) What classification were these staff?

**Response:**

**Senator Evans** – The Minister for Defence has provided the following answer to the honourable senator's question:

- (a) 1546 ongoing staff left in the year 2010-11.
- (b) The classifications of these staff were;

APS 1-3	326
APS 4-6	816
Executive Level	392
SES	12
- (c) 345 non ongoing staff left in the year 2010-11.
- (d) The classifications of these staff were:

APS 1-3	181
APS 4-6	115
Executive Level	47
SES	2

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q46 - Staffing**

**Senator Eggleston provided in writing:**

- (a) Are there any plans for staff reduction? If so, please advise details ie. reduction target, how this will be achieved, services/programs to be cut etc.
- (b) If there are plans for staff reductions, please give the reason why these are happening.

**Response:** Without a specified time frame provided to frame this question, Defence can not respond in detail. In a broad sense, however, Defence seeks to maintain a flexible workforce that is able to increase, decrease, or re-mix according to the requirements that are present at a given time.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q47 - Efficiency dividend**

**Senator Eggleston provided in writing:**

(a) How will the efficiency dividend applied in the 2011-12 Mid-Year Economic and Fiscal Outlook be implemented in your agency/department?

(b) What percentage of your budget must be cut?

(c) Will any staff position be cut to meet the efficiency dividend? If yes, provide details of where the positions are located, the classification, whether the position is ongoing or not.

(d) Please list where and what spending has been reduced to meet the efficiency dividend

**Response:**

(a) The efficiency dividend is applied to the non-operational, non-capability areas of the budget. It is not applied to the following areas of the budget:

- operations;
- operations related activities such as intelligence and security;
- capability and capability support; and
- raise, train and sustain functions.

(b) The efficiency dividend will reduce Defence's (including the DMO) budget by \$63.0m in 2012-13, \$66.6m in 2013-14 and \$68.7m in 2014-15. This information is published in *Portfolio Additional Estimates Statements 2011-12* in the following tables:

- Variations to Defence Funding in table 12, page 21 (for Defence figures).
- Additional Estimates and Variations to Outcomes from Measures since 2011-12 Budget in table 79, page 116 (for DMO figures).

(c) At the 2011-12 budget Defence announced a planned reduction in overall forecast growth of 1000 positions. There are no further reductions planned as a result of the efficiency dividend.

(d) The efficiency dividend is applied to administrative areas of the budget not identified in (a) above.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q48 - Staffing**

**Senator Eggleston provided in writing:**

(a) Please list the SES positions you have in your department/agency in the years 2007-08, 2008-09, 2009-10, 2010-11 and financial year to date.

(b) Identify the different levels and how many are permanent positions.

**Response:** The lists of SES positions in the Department of Defence for each financial year are detailed below:

## SES POSITIONS

Level	Position Title	Status	Additional	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	As at 29/02/2012
SEC	Secretary of Defence	Permanent		√	√	√	√	√
SES 3	Associate Secretary Capability	Permanent						√
SES 3	Associate Secretary Chief Operating Officer	Permanent						√
SES 3	Chief Defence Scientist	Permanent		√	√	√	√	√
SES 3	Chief Executive Officer - DMO	Permanent		√	√	√	√	√
SES 3	Chief Finance Officer	Permanent		√	√	√	√	√
SES 3	Chief Information Officer	Permanent		√	√	√	√	√
SES 3	Deputy Chief Executive Officer	Permanent				√		
SES 3	Deputy Chief Executive Officer / General Manager Programs	Permanent					√	√
SES 3	Deputy Secretary Defence Support	Permanent		√	√	√	√	√
SES 3	Deputy Secretary Intelligence & Security	Permanent				√	√	√
SES 3	Deputy Secretary Intelligence, Security & International Policy	Permanent		√	√			

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 3	Deputy Secretary People Strategies and Policy	Permanent		√	√	√	√	√
SES 3	Deputy Secretary Strategy, Coordination & Governance	Permanent		√				
SES 3	Deputy Secretary Strategy	Permanent			√	√	√	√
SES 3	Deputy Secretary Strategy (Operations)	Permanent				√	√	√
SES 3	Deputy Secretary Strategic Reform & Governance	Temporary			√	√	√	√
SES 3	Deputy Secretary White Paper	Temporary		√	√			
SES 3	General Manager Commercial	Permanent				√	√	√
SES 3	General Manager Corporate	Permanent		√	√			
SES 3	General Manager Programs	Permanent		√	√	√		
SES 3	General Manager Strategic Reform Program & Special Project	Permanent				√	√	
SES 3	General Manager Systems	Permanent		√	√		√	√
SES 3	Special Advisor Strategic Reform & Governance	Permanent						√
COD	Chief Systems Integration Officer	Permanent			√	√	√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
COD 3	Deputy CDS Information & Weapon Systems	Permanent		√	√	√	√	√
COD 3	Deputy CDS Platform & Human Systems	Permanent		√	√	√	√	√
COD 3	Deputy CDS Policy & Programs	Permanent		√				
SES 2	Adviser, Audit Weapons & Munitions Management	Temporary		√	√	√		
SES 2	Chief Audit Executive	Permanent			√	√	√	√
SES 2	Chief Finance Officer-DMO	Permanent		√	√	√	√	√
SES 2	Chief Operating Officer	Permanent		√	√	√	√	√
SES 2	Chief Security Officer – DSA	Permanent			√	√	√	√
SES 2	Chief Technology Officer	Permanent		√	√	√	√	√
SES 2	Deputy Director Capability - DSD	Permanent		√	√	√	√	√
SES 2	Deputy Director Cyber & Information Security – DSD	Permanent					√	√
SES 2	Deputy Director Intelligence - DSD	Frozen/ Permanent	Temporarily Military until FY09- 10	√	√	√	√	√



<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 2	Director Defence Imagery & Geospatial Organisation	Permanent		√	√	√	√	√
SES 2	Director Defence Signals Directorate	Permanent		√	√	√	√	√
SES 2	Executive Director Asia Pacific Centre for Civil-Military Cooperation	Permanent		√	√			
SES 2	Executive Director Asia Pacific Civil Military Centre of Excellence	Permanent				√	√	√
SES 2	First Assistant Secretary Budget & Financial Planning	Permanent		√	√			
SES 2	First Assistant Secretary ICT Reform Program	Permanent				√	√	√
SES 2	First Assistant Secretary Strategic Support Reform	Temporary				√	√	√
SES 2	First Assistant Secretary Capability Investment & Resources	Permanent		√	√	√	√	√
SES 2	First Assistant Secretary Defence Audit Committee	Permanent			√	√		
SES 2	First Assistant Secretary Defence People Solutions	Permanent					√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 2	First Assistant Secretary Financial Management & Reporting	Permanent		√	√	√	√	√
SES 2	First Assistant Secretary Governance	Permanent		√		√		
SES 2	First Assistant Secretary Human Resources Reform	Permanent						√
SES 2	First Assistant Secretary ICT Development	Permanent				√	√	√
SES 2	First Assistant Secretary International Policy	Permanent		√	√	√	√	√
SES 2	First Assistant Secretary Ministerial and Executive Coordination and Communication	Permanent					√	√
SES 2	First Assistant Secretary Ministerial Support and Public Affairs	Permanent			√	√		
SES 2	First Assistant Secretary Personnel	Permanent		√				
SES 2	First Assistant Secretary Policy Development	Permanent		√				
SES 2	First Assistant Secretary Portfolio Reviews	Permanent		√				

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 2	First Assistant Secretary Regional Engagement	Permanent		√	√	√	√	
SES 2	First Assistant Secretary Resource & Assurance	Permanent				√	√	√
SES 2	First Assistant Secretary Strategic Policy	Permanent			√	√	√	√
SES 2	First Assistant Secretary Strategic Reform & Governance	Temporary				√	√	√
SES 2	First Assistant Secretary White Paper	Temporary		√	√			
SES 2	General Counsel Defence Materiel Organisation	Permanent		√				
SES 2	Head Acquisition & Sustainment Reform	Permanent			√	√	√	√
SES 2	Head ADF Force Posture Implementation	Permanent						√
SES 2	Head Defence Business Improvement	Frozen		√				
SES 2	Head Commercial Enabling Service	Permanent					√	√
SES 2	Head Defence Legal	Permanent		√	√	√	√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 2	Head Defence Support Operations	Frozen/ Permanent	Temporarily Military in FY09-10			√	√	√
SES 2	Head Defence Support Reform	Permanent			√			
SES 2	Head Defence Security Authority	Permanent		√				
SES 2	Head Electronic Systems Division	Permanent			√	√	√	√
SES 2	Head Electronic & Weapons Systems Division	Permanent		√				
SES 2	Head Explosive Ordnance Division	Permanent		√	√	√	√	√
SES 2	Head HR and Corporate Services	Permanent				√	√	√
SES 2	Head Industry Division	Permanent		√	√	√	√	√
SES 2	Head Information Communications & Technology Development	Permanent		√				
SES 2	Head Infrastructure	Permanent		√	√	√	√	√
SES 2	Head Land Systems Division	Permanent		√	√	√		
SES 2	Head National Operations Division	Frozen	Temporarily Military	√	√			
SES 2	Head People Policy	Permanent			√	√	√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 2	Head Personnel Services	Permanent		√				
SES 2	Head Strategic Policy	Permanent		√				
SES 2	Head Workforce & Shared Services Reform	Permanent				√	√	
SES 2	Inspector General, Defence	Permanent/ Frozen in FY09-10		√	√	√		
SES 2	Principal Adviser (Afghanistan-Pakistan)	Permanent					√	√
SES 2	Principal Adviser to the Secretary	Permanent		√	√	√		
SES 2	Program Manager Air Warfare Destroyer	Permanent				√	√	√
SES 2	Program Manager Corporate Strategy and Assurance	Permanent		√				
SES 2	Special Counsel to CEO-DMO	Permanent		√	√	√	√	√
COD 2	Chief Air Operations Division	Permanent		√	√	√	√	√
COD 2	Chief Air Vehicles Division	Permanent		√	√	√	√	√
COD 2	Chief C3I Division	Permanent			√	√	√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
COD 2	Chief Defence Systems Analysis Division	Permanent		√				
COD 2	Chief Electronic Warfare & Radar Division	Permanent		√	√	√	√	√
COD 2	Chief Human Protection & Performance Division	Permanent		√	√	√	√	√
COD 2	Chief Information Networks Division	Permanent		√				
COD 2	Chief Intelligence, Surveillance & Reconnaissance Division	Permanent		√	√	√	√	√
COD 2	Chief Joint Operations Division	Permanent			√	√	√	√
COD 2	Chief Land Operations Division	Permanent		√	√	√	√	√
COD 2	Chief Maritime Operations Division	Permanent		√	√	√	√	√
COD 2	Chief Maritime Platforms Division	Permanent		√	√	√	√	√
COD 2	Chief Operating Officer	Permanent		√	√	√	√	√
COD	Chief Projects and Requirements Division	Permanent			√	√	√	√
COD 2	Chief Weapons Systems Division	Permanent		√	√	√	√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
COD 2	Chief, Science Planning & Coordination	Permanent		√				
COD 2	DSTO Distinguished Fellow Cyber	Permanent						√
MO 6	Director Australian Army Malaria Institute	Permanent		√	√	√	√	√
MO 6	Senior Physician in Occupational and Environmental Medicine	Permanent				√	√	√
SES 1	Advisor - CIO	Permanent		√				
SES 1	AS Access - DSD	Permanent		√	√	√	√	√
SES 1	AS Afghanistan and Pakistan	Permanent					√	√
SES 1	AS Americas, North & South Asia & Europe - IP Div	Permanent		√	√	√		
SES 1	AS Analysis & Production - DSD	Permanent		√				
SES 1	AS Analytical Services - DIO	Permanent		√				
SES 1	AS Applications Development	Permanent		√	√	√	√	√
SES 1	AS Applications Sourcing Reform	Permanent				√		
SES 1	AS Audit	Permanent				√	√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	AS Budget Analysis	Permanent			√			
SES 1	AS Business Management – Intelligence	Permanent		√	√	√	√	√
SES 1	AS Business Services, Procurement & Contracting	Permanent		√	√	√		
SES 1	AS Cadet Policy	Permanent		√	√			
SES 1	AS Capability & Systems - DIGO	Permanent		√	√	√	√	√
SES 1	AS Capability Assurance - DSD	Permanent		√	√	√	√	√
SES 1	AS Capability Provision - DSD	Permanent		√	√	√	√	√
SES 1	AS Central Asia, Middle East & Africa - IP Div	Permanent		√	√			
SES 1	AS Chief Technology Officer – Intelligence (DSD)	Permanent			√	√	√	√
SES 1	AS Communication & Media	Permanent					√	√
SES 1	AS Computer Network Operations - DSD	Permanent		√	√	√	√	√
SES 1	AS Concepts, Capability & Resources	Permanent		√				
SES 1	AS Corporate Governance & Renewal	Permanent		√	√	√		



<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	AS Cost Analysis	Permanent					√	√
SES 1	AS Costing Assurance	Permanent				√		
SES 1	AS Counter Proliferation Branch – DIO	Permanent						√
SES 1	AS Defence Geospatial Intelligence - DIGO	Permanent		√	√	√	√	√
SES 1	AS Enterprise Solutions	Permanent			√	√	√	√
SES 1	AS Enterprise Systems Development	Permanent		√	√			
SES 1	AS Estate Planning	Permanent				√	√	√
SES 1	AS Estate Policy & Environment	Permanent		√	√	√	√	√
SES 1	AS Exec Corporate Management	Permanent		√				
SES 1	AS Executive - DSD	Permanent		√	√	√	√	√
SES 1	AS Export Operations	Permanent						√
SES 1	AS Financial Controls Framework	Permanent		√	√	√	√	√
SES 1	AS Financial Coordination	Permanent				√	√	√
SES 1	AS Financial Operations	Permanent		√	√	√	√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	AS Financial Policy, Controls & Skilling	Permanent				√	√	√
SES 1	AS Financial Strategies & Reporting	Permanent		√	√	√	√	√
SES 1	AS Financial Training	Permanent		√	√			
SES 1	AS Freedom of Information & Records Management	Permanent			√	√	√	√
SES 1	AS General Investigation & Review	Permanent		√	√			
SES 1	AS Group & Portfolio Strategic Planning	Permanent		√	√			
SES 1	AS Human Resources Reform	Permanent						√
SES 1	AS Imagery & Geospatial Intelligence - DIGO	Permanent		√				
SES 1	AS Information & Architecture Management	Permanent		√				
SES 1	AS Information Security - DSD	Permanent		√	√	√	√	√
SES 1	AS Information Services Delivery	Permanent		√	√	√	√	√
SES 1	AS Information, Communications & Technology Sourcing	Permanent				√		

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	AS Information Strategy & Futures	Permanent		√				
SES 1	AS Infrastructure Architecture	Permanent			√	√	√	√
SES 1	AS Intelligence Development - DSD	Permanent		√	√	√	√	√
SES 1	AS Intelligence Production – DSD	Permanent			√	√	√	√
SES 1	AS Investment Analysis	Permanent		√	√	√	√	√
SES 1	AS Legal Services	Permanent		√	√	√	√	√
SES 1	AS Major Powers and & Global Interests	Permanent					√	√
SES 1	AS Management Audit	Permanent		√	√			
SES 1	AS Middle East & Operational Policy Support	Permanent				√		
SES 1	AS Ministerial & Executive Support	Permanent		√	√	√	√	√
SES 1	AS National Geospatial Intelligence – DIGO	Permanent			√	√	√	√
SES 1	AS Network Infrastructure Development	Permanent		√	√		√	√
SES 1	AS North Asia - DIO	Permanent		√	√	√		

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	AS North Asia & Global Issues - DIO	Permanent		√	√	√	√	√
SES 1	AS North Asia & Transnational Issues – DIO	Permanent					√	√
SES 1	AS Pacific, Middle East & Operational Policy	Permanent					√	√
SES 1	AS Personnel Administration	Permanent		√	√			
SES 1	AS Personnel Support Services	Permanent		√	√	√	√	√
SES 1	AS Personnel Systems	Permanent				√	√	√
SES 1	AS Personnel Systems Modernisation	Temporary						√
SES 1	AS Planning & Budgeting	Permanent		√	√			
SES 1	AS Policy Development	Frozen		√	√	√		
SES 1	AS Property Services	Permanent				√	√	√
SES 1	AS Resource Analysis & Performance	Permanent		√	√			
SES 1	AS Resource Assurance and Analysis	Permanent					√	√
SES 1	AS Resources Planning - Air Force	Permanent		√	√	√	√	√
SES 1	AS Review Analysis	Permanent						√
SES 1	AS Rizzo Review	Temporary					√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	AS SCG Projects	Permanent		√	√	√	√	√
SES 1	AS Science Industry & External Relations	Permanent		√	√	√	√	√
SES 1	AS Security Export & Arms Control	Permanent			√	√	√	
SES 1	AS Security Policy & Plans	Permanent			√	√	√	√
SES 1	AS Security Operations	Permanent		√				
SES 1	AS Security Policy & Programs	Permanent		√				
SES 1	AS Sourcing Reform	Permanent					√	√
SES 1	AS South East Asia & Pacific - DIO	Permanent		√	√	√	√	√
SES 1	AS South-East Asia - IP Div	Permanent		√	√	√		
SES 1	AS Strategic Business & Financial Reform	Permanent				√	√	√
SES 1	AS Strategic Planning	Permanent		√	√	√	√	√
SES 1	AS Strategic Planning and Performance Management	Permanent				√	√	√
SES 1	AS Strategic Planning & Estate Development	Permanent		√	√			

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	AS Strategic Reform	Temporary/ Permanent				√	√	√
SES 1	AS Strategic Reform & Governance	Temporary/ Permanent				√	√	√
SES 1	AS Technical & Facilities Services	Permanent		√	√			
SES 1	AS Technical Advice	Permanent		√				
SES 1	AS Technical Intelligence - DSD	Permanent		√	√	√	√	√
SES 1	AS Trade Treaty & Arms Control	Permanent						√
SES 1	AS Transnational & Scientific Intelligence - DIO	Permanent		√	√	√	√	
SES 1	AS Vetting	Permanent				√	√	√
SES 1	AS Strategic Issues Management	Permanent					√	√
SES 1	AS Woomera Coordination	Temporary					√	√
SES 1	AS Workforce Reform	Permanent						√
SES 1	AS White Paper	Temporary		√	√			
SES 1	AS White Paper Reviews	Temporary		√	√			
SES 1	Chief Operating Officer – CIO	Permanent			√	√	√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	Counsellor Defence Materiel (Washington)	Permanent		√	√	√	√	√
SES 1	Counsellor Defence Policy (Washington) - IP Div	Permanent		√	√	√	√	√
SES 1	Defence General Counsel, Defence Legal	Permanent		√	√	√	√	√
SES 1	Deputy Director Defence Intelligence Organisation	Permanent		√	√	√	√	√
SES 1	DG Specialist Ships	Permanent		√	√	√	√	√
SES 1	DG Aerospace Materiel Management	Permanent				√	√	√
SES 1	DG Budgets & Treasury	Permanent		√	√	√	√	√
SES 1	DG Capability Delivery Support	Permanent						√
SES 1	DG Change & Assurance	Permanent			√	√	√	
SES 1	DG Chief Procurement Officer	Permanent						√
SES 1	DG Business Improvement	Permanent		√				
SES 1	DG Collins Acquisition Program	Permanent						√
SES 1	DG Command & Support Systems	Permanent		√	√	√	√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	DG Communication Systems	Permanent		√	√	√	√	√
SES 1	DG Corporate Governance	Permanent		√	√	√	√	
SES 1	DG Corporate Management & Planning - Army	Permanent		√	√			
SES 1	DG Defence Asset & Inventory Accounting	Permanent		√	√	√	√	√
SES 1	DG Defence Community Organisation	Permanent		√	√	√	√	√
SES 1	DG Defence Export Programs & Industry Engagement	Permanent						√
SES 1	DG Defence Export Unit (Industry Division)	Permanent		√	√	√	√	
SES 1	DG Electronic Systems Integration	Permanent		√				
SES 1	DG Electronic Warfare	Permanent		√	√	√	√	√
SES 1	DG Enterprise Architecture	Frozen	Temporarily Military		√	√	√	√
SES 1	DG Executive - Personnel	Permanent		√	√	√	√	√
SES 1	DG Finance & Business Services	Permanent		√				
SES 1	DG Financial Reporting & Policy	Permanent		√	√	√	√	√



<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	DG Governance & Assurance	Permanent						√
SES 1	DG Guided Weapons Acquisition	Permanent		√	√	√	√	√
SES 1	DG Helicopter Materiel Management	Permanent			√	√		
SES 1	DG Human Resource	Permanent			√	√	√	√
SES 1	DG Implementation	Permanent			√	√	√	
SES 1	DG Independent Project Performance Office	Permanent						√
SES 1	DG Industry Assessment	Permanent		√	√	√	√	√
SES 1	DG Industry Capability	Permanent		√				
SES 1	DG Industry Strategy	Permanent			√	√	√	
SES 1	DG Internal Review & Assurance	Frozen	Temporarily Military	√				
SES 1	DG Land Engineering Agency	Permanent		√	√	√	√	√
SES 1	DG Legal & Procurement Services	Permanent		√	√	√	√	
SES 1	DG Logistics Acquisition Projects	Permanent		√	√	√		
SES 1	DG Major Program Control	Permanent			√	√	√	
SES 1	DG Materiel People & Performance	Permanent		√				

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	DG Navy Business Management	Permanent		√	√	√	√	√
SES 1	DG Occupational Health Safety & Compensation	Permanent		√	√	√	√	√
SES 1	DG People Services	Permanent				√	√	√
SES 1	DG Personnel Policy & Employment Conditions	Permanent		√	√	√	√	√
SES 1	DG Resource Management – Army	Permanent				√	√	√
SES 1	DG Satellites	Permanent		√	√	√	√	√
SES 1	DG Support to Military Operations - DSD	Permanent/ Frozen from FY09-10		√	√	√	√	√
SES 1	Director General Corporate Management	Permanent				√	√	√
SES 1	Director General Defence Superannuation	Permanent		√	√			
SES 1	Director General Fairness & Resolution	Permanent		√	√	√	√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	Director General Land Vehicle Systems	Permanent up to FY10-11 / Frozen					√	√
SES 1	Director General Mental Health, Psychology and Health Research	Permanent				√	√	√
SES 1	Director General Workforce Reform	Permanent				√	√	
SES 1	DMO Chief Engineer	Permanent					√	√
SES 1	Group Finance Officer	Permanent		√	√	√	√	√
SES 1	Group Finance Officer	Permanent		√	√	√	√	√
SES 1	Inspector General – Defence	Permanent					√	√
SES 1	Non Equipment Chief Procurement Officer	Permanent					√	√
SES 1	Principal - Centre for Defence & Strategic Studies	Permanent		√	√	√	√	√
SES 1	Program Manager ADAS	Permanent				√	√	√
SES 1	Program Manager Defence Logistics Services	Permanent				√	√	√

<b>Level</b>	<b>Position Title</b>	<b>Status</b>	<b>Additional</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>As at 29/02/2012</b>
SES 1	Senior Advisor to the Secretary and CDF	Permanent					√	√

Note: The above table incorporates changes to position titles across the financial years, which are a result of changes to position responsibilities as organisational needs have evolved.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q49 - Staffing

##### Senator Eggleston provided in writing:

- (a) How many graduates have been engaged this year?
- (b) Where have they been placed in the department/agency?
- (c) Were these empty positions or are they new positions?
- (d) List what training will be provided, the name of the provider and the cost.

##### Response:

Defence currently recruits graduates into the Department through one of a number of graduate recruitment or graduate development programs:

- The Defence Graduate Program (GDP);
- Materiel Graduate Scheme (MGS) – DMO;
- Intelligence and Security - Defence Signals Directorate (DSD) Graduate Program: Altitude@DSD and Defence Imagery and Geospatial Organisation (DIGO) Intelligence Development Program; and
- Civilian Engineering Development Program (CEDP) – Navy.

Responses to the QON are broken down by each program

##### The Defence Graduate Program (GDP)

- (a) How many graduates have been engaged this year?

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- (b) Where have they been placed in the department/agency?

Graduates complete three rotations over the ten-month graduate program covering a variety of roles across Defence. For first rotation 2012 graduates have been placed in groups and services across Defence as follows: Army (1), Air Force (1), Intelligence and Security (1), People Strategies and Policy Group (6), Chief Information Officer Group (12), Defence Science and Technology Organisation (1), Defence Support Group (18), Office of Secretary and CDF (14), Chief Finance Officer (4), Vice Chief of the Defence Force (5), Capability Development group (4).

- (c) Were these empty positions or are they new positions?

Neither. The aim of the rotations is to provide graduates with a broad understanding of the different functions across the department. Graduates progress to a permanent APS4 on completion of the program and are placed in vacant positions.

- (d) List what training will be provided, the name of the provider and the cost In addition to on-the-job training

GDP Graduates are developed through specific off-the job training to enhance skills in-line with the Career and Talent Management Framework.

Graduate complete compulsory training programs that are provided to all Defence APS These programs are provided at no cost to the GDP:

## New Starters Program

Managing Performance – Performance feedback Assessment and Development Scheme

Defence Ethics and Fraud Awareness Program

Workplace Health and Safety

Equity and Diversity

Security Awareness

Additionally, the graduates undertake the following corporate programs that are delivered at no cost to the GDP:

Responsible Record Keeping

Carry Out Basic Procurement

Ministerial Writing

Defence Strategic Policy Seminar

The graduate training package also includes:

Strategic Thinking (APSC) \$6,600 (for the cohort)

APS Job Application and Interview Skills (APSC) \$6,600 (for the cohort)

Basic and Intermediate Writing (Defence) \$2,000 (for the cohort)

Fundamentals of Project Management (Defence) \$6000 (for the cohort)

The GDP also have five graduates participating in a whole-of-government GDP. These graduates spent the year working towards a Diploma of Government (APSC) \$45,625 (for the five participants).

## Materiel Graduate Scheme (MGS) – DMO

(a) How many graduates have been engaged this year?

21 in Feb 12. An August intake will also employ between approx 20 and 50 graduates.

(b) Where have they been placed in the department/agency?

All have final placements in DMO

(c) Were these empty positions or are they new positions?

These were all existing and empty positions.

(d) List what training will be provided, the name of the provider and the cost

Communicating with Influence - provided to Rob Brennan - approx \$633 (per person)

Business Writing Skills - provided by Rob Brennan - approx \$267 (per person)

Materiel Logistics Introductory Course - provided by DMO Institute - \$380 (per person)

Materiel Financial Management Overview - provided by DMO Institute - \$902 (per person)

Materiel Finance Practitioners Course - provided by DMO Institute - \$1100 (per person)

Fundamentals of Project Management - provided by DMO Institute - \$620 (per person)

Introduction to Systems Engineering - provided by ADFA - approx \$1780 (per person)

DMO Scheduling - provided by DMO Institute - \$440 (per person)

Work Breakdown Structures - provided by DMO Institute - \$275 (per person)

Not all graduates will undertake all training offered. Some graduates undertake other training as required.

## Intelligence and Security - Defence Signals Directorate (DSD) Graduate Program: Altitude@DSD and Defence Imagery and Geospatial Organisation (DIGO) Intelligence Development Program;

(a) How many graduates have been engaged this year?

128 intending to be engaged, only 72 have actually been engaged/commenced to date.

(b) Where have they been placed in the department/agency?  
Intelligence & Security Group

(c) Were these empty positions or are they new positions?  
Empty

(d) List what training will be provided, the name of the provider and the cost.  
All training is tradecraft training provided in-house at no cost to the program.

Civilian Engineering Development Program (CEDP) – Navy

(a) How many graduates have been engaged this year?

In February 2012 six CEDP participants started and applications are now opened for another 9 to commence in late July 2012

(b) Where have they been placed in the department/agency?  
All new starters are placed in Head Navy Engineering or Navy Communications and Intelligence Engineering.

(c) Were these empty positions or are they new positions?  
Empty

(d) List what training will be provided, the name of the provider and the cost.  
All CEDP participants complete the following:

Navy Introduction to Civilian Engineers (NICE) (Navy – HMAS Creswell) \$1000 per person  
(includes meals & incidentals)

Familiarisation Training (Navy) (Navy – Sydney) \$500 per person (includes meals & incidentals)

DSTO Familiarisation Training (DSTO – Melbourne and Adelaide) \$1500 per person (includes accommodation, meals & incidentals)

Risk & Liability Management (EEA) \$600 per person

Master of Engineering (ADFA) \$2000 per person

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q50 - Government Advertising**

**Senator Eggleston provided in writing:**

(a) What was the total cost of all advertising for 2007-08, 2008-09, 2009-10 and 2010-11?

(b) For each of those years, list whether the advertising is campaign or non-campaign and details of each advertising, including the program the advertising was for, the total spend and the business that provided the advertising services.

(c) Did the Department of Finance and Deregulation provide any advice about the advertising? Provide details of each advertising item.

(d) Did the Advertising comply with the Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies? Provide the details for each advertising item.

(e) Provide details for any other communications program, including details of the program, the total spend and the business that provided the communication services.

(f) What advertising – Campaign and Non-Campaign – and other communications programs is the Department/Agency undertaking, or are planning to undertake?

**Response:**

(a) and (b)

The Defence Annual Reports for 2007-08, 2008-09, 2009-10 and 2010-11 contain the particulars of amounts relating to advertising paid by, or on behalf of, Defence, including details of the persons or organisations paid. Advertising information for the DMO is available in Volume 2 of these reports.

(c) and (d)

Defence adheres to the guidelines for Government Advertising as determined and provided by the Department of Finance and Deregulation.

(e)

The response to Senate Question on Notice 1606 provides details on other communications programs conducted by the Department.

(f)

The response to Question on Notice 129 (Table 1) from the 19 October 2011 Supplementary Estimates hearing provides a list of campaigns Defence is undertaking, or plans to undertake, in 2011/12.



The Non-Campaign recruitment advertising costs for financial year 2010-11 totalled \$4.2 million. This represented a decrease in costs over the last three to four years due to internal reforms and whole-of-government changes to advertising.

Defence advertises in a variety of mediums including APS jobs (administered by the Australian Public Service Commission), various newspapers and print media, and via the Internet. Defence also uses the whole-of-government provider for advertising services.

Defence undertakes a large number of other communications program activities on an annual basis that range in size and scope, and include participation in career fairs and promotional advertising. A number of internally-focused communications programs are also conducted, such as promotion of the Army Women's Networking Forum. Providing a complete list of all communications programs being undertaken currently, and those being planned, would require considerable effort that would be an unreasonable use of departmental resources.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES Senate Additional Estimates**

#### **Q51 - Hospitality and Entertainment**

##### **Senator Eggleston provided in writing:**

- (a) What is the Department/Agency's hospitality spend for this financial year to date? Detail date, location, purpose and cost of all events.
- (b) For each Minister and Parliamentary Secretary office, please detail total hospitality spend for this financial year to date. Detail date, location, purpose and cost of each event.
- (c) What is the Department's entertainment spend for this financial year to date? Detail date, location, purpose and cost of all events.
- (d) For each Minister and Parliamentary Secretary office, please detail total entertainment spend for this financial year to date. Detail date, location, purpose and cost of each event.
- (e) What hospitality spend is the Department/Agency's planning on spending? Detail date, location, purpose and cost of all events.
- (f) For each Minister and Parliamentary Secretary office, what hospitality spend is currently being planned for? Detail date, location, purpose and cost of each event.
- (g) What entertainment spend is the Department/Agency's planning on spending? Detail date, location, purpose and cost of all events.
- (h) For each Minister and Parliamentary Secretary office, what entertainment spend is currently being planned for? Detail date, location, purpose and cost of each event.

##### **Response:**

- (a) The Defence Portfolio's total expenditure on Hospitality (excluding the Minister's Office and minor Portfolio bodies), for the period 1 July 2011 to 31 December 2011 is \$635,599 as shown in Table 1. Details of date, location, purpose and (GST exclusive) cost of each event are provided at Table 2.

- (b) Table 3 provides details of Hospitality spend for the period 1 July 2011 to 31 December 2011, for the Ministers and Parliamentary Secretaries. Details provided include date, location, purpose and (GST exclusive) costs of each event for the period 1 July 2011 to December 2011.
- (c) & (d) The Defence systems show that the Portfolio and Ministers/Parliamentary Secretary's offices have not undertaken any entertainment activities.
- (e) Planned expenditure on Hospitality for the Department for the period 1 July 2011 to 30 June 2012 is shown at Table 4. Details of the date, location and purpose of the planned Hospitality expenditure are not available until events are approved.
- (f) The Department has not been advised of any anticipated hospitality expenditure for each Minister and Parliamentary Secretary Office.
- (g), (h) The Department and each Minister and Parliamentary Secretary is not planning any entertainment events.

**Attachments:**

Table 1: Summary of Hospitality and Representational Allowance Expenditure for the Period 1 July 2011 to 31 December 2011.

Table 2: Event Level Detail for Defence, DMO and DHA.

Table 3: Event Level Detail for Ministerial Hospitality.

Table 4: Planned Hospitality Expenses for Defence, DMO and DHA

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q52 - Board Appointments**

Senator Eggleston provided in writing:

- (a) List all of the boards within this portfolio, including: board title, terms of appointment, tenure of appointment and members.
- (b) What is the gender ratio on each board and across the portfolio?
- (c) Please detail any board appointments for this financial year to date.

**Response:**

(a) (b) (c) The below table provides the requested information on boards within the Department of Defence.

'Terms of Appointment' has been defined as per the Office for Women (FaHCSIA) guidelines for the 2010-2011 Government Boards report as follows:

- (i) Cabinet - The Cabinet or the Prime Minister provided approval of the appointment.
- (ii) Ministerial - A minister provided approval of the appointment.
- (iii) Portfolio - All appointments where the approval process is undertaken at any level within Departments or agencies, without referral to ministers.
- (iv) Not formally Govt appointed - Appointments for which the Government or portfolios are not required to provide formal advice of the appointment. These may include some elected appointments, for example.

Board Title	Person	Board Position	Terms of Appointment	Gender	Tenure (start to end dates)	
AAF Company	Gavan Reynolds	Other	Portfolio	Male	17-Jun-11	Ongoing
AAF Company	Stephen Ward	Director	Portfolio	Male	12-Dec-07	20-Sep-11
AAF Company	Benjamin Chapman	Director	Portfolio	Male	30-Jun-11	Ongoing
Army and Air Force Canteen Service	Catherine Sinclair	Director	Ministerial	Female	01-Oct-09	30-Sep-12
Army and Air Force Canteen Service	Ted Moore	Chairperson	Ministerial	Male	01-Oct-07	30-Sep-13
Army and Air Force Canteen Service	Alan Williams	Director	Ministerial	Male	01-Oct-07	30-Sep-11
Australian Defence Human Research Ethics Committee	Victoria Ross	Member	Portfolio	Female	25-Nov-07	01-Aug-14
Australian Defence Human Research Ethics Committee	Kaye Hogan	Member	Portfolio	Female	31-May-08	31-May-13

<b>Board Title</b>	<b>Person</b>	<b>Board Position</b>	<b>Terms of Appointment</b>	<b>Gender</b>	<b>Tenure (start to end dates)</b>	
Australian Defence Human Research Ethics Committee	Tracy Smart	Member	Portfolio	Female	22-Jun-09	22-Jun-14
Australian Defence Human Research Ethics Committee	Stephan Rudzki	Member	Portfolio	Male	31-May-10	31-May-15
Australian Defence Human Research Ethics Committee	Keith Horsley	Member	Portfolio	Male	22-Jun-09	22-Jun-14
Australian Defence Human Research Ethics Committee	Ken McAnally	Member	Portfolio	Male	17-Mar-08	17-Mar-13
Australian Defence Human Research Ethics Committee	Lindsay Roe	Member	Portfolio	Male	31-May-10	31-May-15
Australian Defence Human Research Ethics Committee	John Pearn	Member	Portfolio	Male	01-Jan-95	01-Dec-12

<b>Board Title</b>	<b>Person</b>	<b>Board Position</b>	<b>Terms of Appointment</b>	<b>Gender</b>	<b>Tenure (start to end dates)</b>	
Australian Defence Human Research Ethics Committee	Tony Cotton	Member	Portfolio	Male	22-Jun-09	22-Jun-14
Australian Defence Human Research Ethics Committee	Peter O'Keefe	Member	Portfolio	Male	31-May-08	31-May-13
Australian Defence Human Research Ethics Committee	Paul Alexander	Chairperson	Portfolio	Male	20-Jan-09	16-Dec-11
Australian Military Forces Relief Trust Fund	Maree Zanatta	Other	Ministerial	Female	10-Nov-08	Ongoing
Australian Military Forces Relief Trust Fund	Gavan Reynolds	Chairperson	Ministerial	Male	27-Jun-11	Ongoing
Australian Military Forces Relief Trust Fund	W de Genaro	Other	Ministerial	Male	11-Feb-09	27-Aug-11

<b>Board Title</b>	<b>Person</b>	<b>Board Position</b>	<b>Terms of Appointment</b>	<b>Gender</b>	<b>Tenure (start to end dates)</b>	
Australian Military Forces Relief Trust Fund	Alex Barns	Other	Ministerial	Male	01-Dec-08	Ongoing
Australian Military Forces Relief Trust Fund	Glen Tye	Other	Ministerial	Male	28-Aug-05	Ongoing
Australian Military Forces Relief Trust Fund	Tim Heenan	Other	Ministerial	Male	02-Jun-11	Ongoing
Australian Strategic Policy Institute	Alison Jones	Member	Ministerial	Female	01-Apr-09	31-Dec-12
Australian Strategic Policy Institute	Samina Yasmeen	Member	Ministerial	Female	01-Apr-09	31-Dec-12
Australian Strategic Policy Institute	Stephen Loosley	Chairperson	Ministerial	Male	01-Apr-09	31-Dec-11
Australian Strategic Policy Institute	John Blackburn	Member	Ministerial	Male	01-Mar-10	31-Dec-13



<b>Board Title</b>	<b>Person</b>	<b>Board Position</b>	<b>Terms of Appointment</b>	<b>Gender</b>	<b>Tenure (start to end dates)</b>	
Australian Strategic Policy Institute	Dr Allan Hawke	Member	Ministerial	Male	01-Mar-10	31-Dec-13
Australian Strategic Policy Institute	Robert Ray	Member	Ministerial	Male	01-Mar-10	31-Dec-13
Australian Strategic Policy Institute	Dr Russell Trood	Member	Ministerial	Male	01-Sep-09	31-Dec-12
Australian Strategic Policy Institute	Peter Abigail	Executive Director	Ministerial	Male	01-Mar-07	30-Apr-12
Defence Families of Australia	Julie Blackburn	Chairperson	Ministerial	Female	18-Jan-10	18-Jan-13
Defence Families of Australia	Danielle Cooper	Member	Ministerial	Female	01-Dec-10	20-Sep-11
Defence Families of Australia	Jennifer Grieve	Member	Ministerial	Female	17-Jan-11	17-Jan-13
Defence Families of Australia	Jacqui Bennett	Member	Ministerial	Female	19-Jul-10	19-Jul-12

<b>Board Title</b>	<b>Person</b>	<b>Board Position</b>	<b>Terms of Appointment</b>	<b>Gender</b>	<b>Tenure (start to end dates)</b>	
Defence Families of Australia	Helen Martin	Member	Ministerial	Female	12-Nov-10	12-Nov-12
Defence Families of Australia	Marion Donohue	Member	Ministerial	Female	19-Feb-10	19-Feb-12
Defence Families of Australia	Jillian Macey	Member	Ministerial	Female	19-Feb-10	19-Feb-12
Defence Families of Australia	Dannii Khan	Member	Ministerial	Female	19-Feb-10	19-Feb-12
Defence Families of Australia	Amita Tandukar	Member	Ministerial	Female	21-Jun-10	21-Jun-12
Defence Families of Australia	Cara Cook	Member	Ministerial	Female	01-Jun-11	01-Jun-13
Defence Housing Authority	Ms Carol Holley	Director	Cabinet	Female	23-Nov-09	22-Nov-12
Defence Housing Authority	Margaret Walker	Director	Cabinet	Female	15-Jul-09	14-Jul-12

<b>Board Title</b>	<b>Person</b>	<b>Board Position</b>	<b>Terms of Appointment</b>	<b>Gender</b>	<b>Tenure (start to end dates)</b>	
Defence Housing Authority	Derek Volker	Chairperson	Cabinet	Male	26-Jul-08	12-Oct-14
Defence Housing Authority	Michael Del Gigante	Director	Cabinet	Male	04-Aug-05	03-Feb-13
Defence Housing Authority	AVM Gary Beck	Director	Cabinet	Male	23-Nov-06	22-Nov-13
Defence Housing Authority	The Hon J.A.L (Sandy) McDonald	Director	Cabinet	Male	24-Jul-08	12-Oct-13
Defence Housing Authority	Gary Potts	Director	Cabinet	Male	23-Nov-06	22-Nov-12
Defence Housing Authority	Peter Sharp	Director	Cabinet	Male	23-Nov-06	22-Nov-13
Defence Science and Technology Organisation Advisory Board	Professor Mary O'Kane	Member	Ministerial	Female	15-May-11	15-May-14

<b>Board Title</b>	<b>Person</b>	<b>Board Position</b>	<b>Terms of Appointment</b>	<b>Gender</b>	<b>Tenure (start to end dates)</b>	
Defence Strategic Reform Advisory Board	Linda Nicholls	Member	Ministerial	Female	14-Oct-09	13-Oct-12
Defence Strategic Reform Advisory Board	Jennifer Clark	Member	Ministerial	Female	14-Oct-09	13-Oct-12
Defence Strategic Reform Advisory Board	George Pappas	Chairperson	Ministerial	Male	14-Oct-09	13-Oct-12
Defence Strategic Reform Advisory Board	John Fletcher	Member	Ministerial	Male	14-Oct-09	13-Oct-12
Defence Strategic Reform Advisory Board	David Mortimer	Member	Ministerial	Male	14-Oct-09	13-Oct-12
Defence Strategic Reform Advisory Board	Paul Rizzo	Deputy Chairperson	Ministerial	Male	14-Oct-09	13-Oct-12

<b>Board Title</b>	<b>Person</b>	<b>Board Position</b>	<b>Terms of Appointment</b>	<b>Gender</b>	<b>Tenure (start to end dates)</b>	
Defence Strategic Reform Advisory Board	Ian Watt	Member	Ministerial	Male	14-Oct-09	13-Oct-12
Defence Strategic Reform Advisory Board	Martin Parkinson	Member	Ministerial	Male	14-Oct-09	13-Oct-12
Defence Strategic Reform Advisory Board	David Tune	Member	Ministerial	Male	14-Oct-09	13-Oct-12
Defence Strategic Reform Advisory Board	GEN David Hurley	Member	Portfolio	Male	14-Oct-09	13-Oct-12
Defence Strategic Reform Advisory Board	Duncan Lewis	Member	Portfolio	Male	14-Oct-09	13-Oct-12
Defence Strategic Reform Advisory Board	Warren King	Member	Portfolio	Male	14-Oct-09	13-Oct-12

Board Title	Person	Board Position	Terms of Appointment	Gender	Tenure (start to end dates)	
Materiel Audit and Risk Committee	Jennifer Clark	Chairperson	Portfolio	Female	31-Jan-05	30-Nov-12
Materiel Audit and Risk Committee	David Lawler	Deputy Chairperson	Portfolio	Male	31-Jan-05	30-Nov-12
Materiel Audit and Risk Committee	Graeme Lawless	Member	Portfolio	Male	31-Jan-05	30-Nov-12
Rapid Prototyping, Development and Evaluation Program Board	VADM Peter Jones	Chairperson	Portfolio	Male	15-Jul-10	31-Dec-11
Rapid Prototyping, Development and Evaluation Program Board	AVM Jack Plenty	Chairperson	Portfolio	Male	15-Jul-10	30-Jun-11
Royal Australian Air Force Veterans' Residences Trust Fund	Michelle Oakden	Other	Ministerial	Female	21-Mar-11	Ongoing

<b>Board Title</b>	<b>Person</b>	<b>Board Position</b>	<b>Terms of Appointment</b>	<b>Gender</b>	<b>Tenure (start to end dates)</b>	
Royal Australian Air Force Veterans' Residences Trust Fund	David Tindal	Chairperson	Ministerial	Male	27-Jan-11	Ongoing
Royal Australian Air Force Veterans' Residences Trust Fund	Peter Finkelstein	Other	Ministerial	Male	05-Sep-95	Ongoing
Royal Australian Air Force Welfare Recreational Company	Kim Samin	Director	Portfolio	Female	22-Aug-01	Ongoing
Royal Australian Air Force Welfare Recreational Company	Leah Burns	Director	Portfolio	Female	14-Jan-11	13-Sep-11
Royal Australian Air Force Welfare Recreational Company	Robert Rodgers	Chairperson	Portfolio	Male	14-Jan-11	Ongoing
Royal Australian Air Force Welfare Recreational Company	Peter Brennan	Director	Portfolio	Male	29-Feb-08	Ongoing

<b>Board Title</b>	<b>Person</b>	<b>Board Position</b>	<b>Terms of Appointment</b>	<b>Gender</b>	<b>Tenure (start to end dates)</b>	
Royal Australian Air Force Welfare Recreational Company	John Millar	Director	Portfolio	Male	28-Nov-08	28-Nov-11
Royal Australian Air Force Welfare Recreational Company	Bruce Green	Director	Portfolio	Male	11-Mar-03	Ongoing
Royal Australian Air Force Welfare Trust Fund	Janet O'Dea	Member	Ministerial	Female	30-Sep-10	Ongoing
Royal Australian Air Force Welfare Trust Fund	Murray Earl	Chairperson	Ministerial	Male	10-Mar-08	Ongoing
Royal Australian Air Force Welfare Trust Fund	Royce Thompson	Member	Ministerial	Male	24-May-00	Ongoing
Royal Australian Air Force Welfare Trust Fund	Ken Birrer	Member	Ministerial	Male	10-Jan-02	Ongoing



Board Title	Person	Board Position	Terms of Appointment	Gender	Tenure (start to end dates)	
Royal Australian Air Force Welfare Trust Fund	Robert Rodgers	Deputy Chairperson	Ministerial	Male	30-Sep-10	Ongoing
Royal Australian Air Force Welfare Trust Fund	Donald Malcolmson	Member	Ministerial	Male	30-Sep-10	Ongoing
Royal Australian Air Force Welfare Trust Fund	John Millar	Member	Ministerial	Male	15-Dec-08	01-Dec-11
Royal Australian Navy Central Canteens Board	CMDR Christine Clark	Director	Portfolio	Female	01-Apr-07	Ongoing
Royal Australian Navy Central Canteens Board	LCDR Emma Gaudry	Director	Portfolio	Female	19-Feb-08	Ongoing
Royal Australian Navy Central Canteens Board	CDRE Clinton Thomas	Chairperson	Portfolio	Male	23-May-11	Ongoing
Royal Australian Navy Central Canteens Board	CAPT Ian Murray	Director	Portfolio	Male	19-Feb-08	Ongoing

Board Title	Person	Board Position	Terms of Appointment	Gender	Tenure (start to end dates)	
Royal Australian Navy Central Canteens Board	CAPT Neville Teague	Director	Portfolio	Male	08-Jun-10	Ongoing
Royal Australian Navy Central Canteens Board	CMDR Hugh Cameron	Director	Portfolio	Male	19-Feb-08	Ongoing
Royal Australian Navy Central Canteens Board	WO Martin Holzberger	Director	Portfolio	Male	08-Jun-10	Ongoing
Royal Australian Navy Relief Trust Fund	CMDR Lisa Batchler	Non Executive Director	Ministerial	Female	25-Mar-11	Ongoing
Royal Australian Navy Relief Trust Fund	CMDR Jayne Craig	Non Executive Director	Ministerial	Female	01-Nov-10	Ongoing
Royal Australian Navy Relief Trust Fund	CDRE Paul Kinghorne RAN	Chairperson	Ministerial	Male	01-Apr-09	Ongoing
Royal Australian Navy Relief Trust Fund	Captain Mark Hill RAN	Deputy Chairperson	Ministerial	Male	25-Feb-08	30-Nov-11
Royal Australian Navy Relief Trust Fund	Captain Nick Mathews RANR	Non Executive Director	Ministerial	Male	09-Dec-05	27-Jan-12

<b>Board Title</b>	<b>Person</b>	<b>Board Position</b>	<b>Terms of Appointment</b>	<b>Gender</b>	<b>Tenure (start to end dates)</b>	
Royal Australian Navy Relief Trust Fund	WO David Devlin	Non Executive Director	Ministerial	Male	25-Feb-11	Ongoing
Woomera Board	Ms Jodie Jackson	Member	Not formally Govt appointed	Female	01-Apr-11	31-Mar-13
Woomera Board	Mr Glenn Kay	Member	Not formally Govt appointed	Male	27-Sep-10	26-Sep-12

## (b) Gender Ratio on Each Board (financial year 2010-2011) Across the Department of Defence

Board/Body	Ratio Female to Male		
	Female	:	Male
Rapid Prototyping, Development and Evaluation Program Board	0		2
Defence Housing Authority	2		6
AAF Company	0		3
Army and Air Force Canteen Service	1		2
Australian Military Forces Relief Trust Fund	1		5
Australian Strategic Policy Institute	2		6
Royal Australian Air Force Veterans' Residences Trust	1		2
Royal Australian Air Force Welfare Recreational Company	2		4
Trustees of Royal Australian AF Welfare Trust Fund	1		6
Woomera Board	1		1
Defence Science and Technology Organisation Advisory Board	1		0
RAN Central Canteens Board	2		5
RAN Relief Trust Fund	2		4
Defence Strategic Reform Advisory Board	2		10
Material Audit and Risk Committee	1		2
Defence Families of Australia	10		0
Australian Defence Human Research Ethics Committee	3		8

In financial year 2010-11 Defence reports having 17 Government boards with 98 appointments of which 32.7 per cent of board members were women.

UNCLASSIFIED

Attachment A

UNCLASSIFIED

(c) Department of Defence board appointments for 1 July 2011 to date:

<b>Board/Body</b>	<b>Person</b>	<b>Position</b>	<b>Terms of appointment</b>	<b>Gender</b>	<b>Start Date</b>	<b>End Date</b>
Rapid Prototyping, Development and Evaluation Program Board	Bruce Northcote	Associate Board Member	Not Formally Govt appointed	M	Jul 2011	Jun 2012
Rapid Prototyping, Development and Evaluation Program Board	Paul Burgess	Associate Board Member	Not Formally Govt appointed	M	Jul 2011	Jun 2012
Rapid Prototyping, Development and Evaluation Program Board	Richard Aplin	Associate Board Member	Not Formally Govt appointed	M	Jan 2012	Dec 2012
Defence Housing Authority	Mr Derek Volker	Chairman	Cabinet	Male	Oct 2011	Oct 2014

<b>Board/Body</b>	<b>Person</b>	<b>Position</b>	<b>Terms of appointment</b>	<b>Gender</b>	<b>Start Date</b>	<b>End Date</b>
Defence Housing Authority	Mr Michael Del Gigante	Managing Director	Board	Male	Aug 2011	Feb 2013
Defence Housing Authority	Air Vice Marshal Gary Beck (Retd)	Director	Cabinet	Male	Nov 2011	Nov 2013
Defence Housing Authority	Mr Sandy Macdonald	Director	Cabinet	Male	Oct 2011	Oct 2013
Defence Housing Authority	Mr Peter Sharp	Director	Cabinet	Male	Nov 2011	Nov 2013
Defence Housing Authority	Mr Arch Bevis	Director	Cabinet	Male	Oct 2011	Oct 2014
AAF Company	Warrant Officer David Ashley	Director	Portfolio	Male	Dec 2011	On-going
Army and Air Force Canteen Service	Mr Stewart McGrow	Managing Director	Board	Male	Jul 2011	May 2014

<b>Board/Body</b>	<b>Person</b>	<b>Position</b>	<b>Terms of appointment</b>	<b>Gender</b>	<b>Start Date</b>	<b>End Date</b>
Army and Air Force Canteen Service	Mr Andrew Tragaskis	Director	Ministerial	Male	Oct 2011	Sep 2014
Australian Military Forces Relief Trust Fund	Warrant Officer Class 2 Ita Tuohy	Trustee	Ministerial	Female	Aug 2011	On-going
Australian Strategic Policy Institute	Mr Ryan Stokes	Director	Cabinet	Male	Oct 2011	Oct 2014
Australian Strategic Policy Institute	Mr Stephen Loosley	Chairman	Cabinet	Male	Jan 2012	Jan 2015
Australian Strategic Policy Institute	Mr Peter Jennings	Executive Director	Cabinet	Male	Apr 2012	Apr 2017
Royal Australian Air Force Veterans' Residences Trust	No new appointments					
Royal Australian Air Force Welfare	Wing Commander Peter Mark Gilbert	Director	Portfolio	Male	21/11/2011	On-going



<b>Board/Body</b>	<b>Person</b>	<b>Position</b>	<b>Terms of appointment</b>	<b>Gender</b>	<b>Start Date</b>	<b>End Date</b>
Recreational Company						
Royal Australian Air Force Welfare Recreational Company	Wing Commander Bruce Perry	Director	Portfolio	Male	13/09/2011	On-going
Royal Australian Air Force Welfare Recreational Company	Flight Sargeant Julie Ann Higgs	Director	Portfolio	Female	13/09/2011	On-going
Trustees of Royal Australian AF Welfare Trust Fund	Warrant Officer of Air Force Mark Pentreath	Trustee	Ministerial	Male	1/12/2011	On-going
RAN Central Canteens Board	No new appointments					
Defence Strategic Reform Advisory Board	No new appointments					
Defence Science and Technology Organisation Advisory	No new appointments					

<b>Board/Body</b>	<b>Person</b>	<b>Position</b>	<b>Terms of appointment</b>	<b>Gender</b>	<b>Start Date</b>	<b>End Date</b>
Board						
Woomera Board	Glenn Kay	Chairperson	Portfolio	Male	Sep 2011	Sep 2012
Woomera Board	Bernie McCarthy	Deputy Chairperson	Portfolio	Male	Oct 2011	Oct 2013
RAN Relief Trust Fund	LCDR Tristan Skousgaard	Deputy Chairperson	Ministerial	Male	Dec 2011	Ongoing
RAN Relief Trust Fund	CMDR Jennifer Heymans	Non Executive Director	Ministerial	Female	Jan 2012	Ongoing
Material Audit and Risk Committee	Geoffrey Leach	Member	Portfolio	Male	Oct 2011	Sep 2014
Material Audit and Risk Committee	Loftus Harris	Member	Portfolio	Male	Apr 2012	Mar 2015
Defence Families of Australia	Kate Stone-Crouch	National Policy Officer	Ministerial	Female	20-Feb-12	20-Feb-14
Defence Families of Australia	Caetlin Watch	DFA Delegate	Ministerial	Female	20-Feb-12	20-Feb-14

<b>Board/Body</b>	<b>Person</b>	<b>Position</b>	<b>Terms of appointment</b>	<b>Gender</b>	<b>Start Date</b>	<b>End Date</b>
Defence Families of Australia	Michelle Donohue	DFA Delegate	Ministerial	Female	1-Nov-11	1-Nov-13
Defence Families of Australia	Anne Carruthers	DFA Delegate	Ministerial	Female	20-Feb-12	20-Feb-14
Australian Defence Human Research Ethics Committee	No new appointments					

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q53 - Grants**

Senator Eggleston provided in writing:

Has the Department complied with interim requirements relating to the publication of discretionary grants?

**Response:**

The interim requirements relating to the publication of discretionary grants were replaced by the Commonwealth Grant Guidelines on 1 July 2009.

Commonwealth Grant Guidelines of July 2009 requires Defence to publish details of all grants within seven days of date of effect.

The Department (including DMO) previously reported its compliance with the Commonwealth Grant Guidelines for the period 1 July 2011 to 10 November 2011. For the period 11 November 2011 to 02 March 2012 the Department has complied with this requirement.

All grants provided have been reported on the Department's website in accordance with Commonwealth Grant Guidelines. The grant recipients can be found at:

Defence (excluding DMO)

[www.defence.gov.au/header/publications.htm#D](http://www.defence.gov.au/header/publications.htm#D).

Skilling Australia's Defence Industry (SADI) Program

<http://www.defence.gov.au/dmo/id/sadi/index.cfm>

Industry Skilling Program Enhancement (ISPE) package

[http://www.defence.gov.au/dmo/id/industry\\_skilling](http://www.defence.gov.au/dmo/id/industry_skilling)

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**QUESTIONS ON NOTICE - COMMITTEES**

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**Q54 - Freedom of Information**

**Senator Eggleston provided in writing:**

- (a) Has the Department/agency received any advice on how to respond to FOI requests?
- (b) What was the total cost to the department to process FOI requests for 2009-10 and 2010-11?
- (c) What is the total cost to the department to process FOI requests for this financial year to date?
- (d) How many FOI requests did the Department receive for the financial year 2009-10 and 2010-11?
- (e) For each financial year, how many requests were denied and how many were granted?
- (f) Did the department fail to meet the processing times outlined in the FOI Act for any requests? If so, how many?
- (g) Do any of these requests remain outstanding?
- (h) How many FOI requests has the Department received for this financial year to date?
- (i) How many requests have been denied and how many have been granted?
- (j) Has the department failed to meet the processing times outlined in the FOI Act for any requests? If so, how many?
- (k) Do any of these requests remain outstanding?
- (l) How many conclusive certificates have been issued in relation to FOI requests for this financial year to date?

**Response:**

- (a) Defence has sought external legal advice, where necessary, for a small number of more complex requests.
- (b) These figures are published and tabled in Parliament annually within the Freedom of Information Act 1982 (FOI Act) annual reports. See page 107 of the 2009-10 Annual Report and page 120 of the 2010-11 Annual Report.
- (c) This figure will be available in the FOI Act Annual Report 2011-12. Financial expenditure and staff hours are provided to the Office of the Australian Information Commissioner (OAIC) annually. The OAIC uses an internal formula which generates the figures for the annual report.

(d) These figures are published in the FOI Act annual report. For 2009-10, see page 41 and for 2010-11, see page 55.

(e) These figures are published in the FOI Act annual report. For 2009-10, see page 63 and for 2010-11, see page 76.

(f) These figures are published in the FOI Act annual report. For 2009-10, see page 73 and for 2010-11, see page 90.

(g) No.

(h) As at 29 February 2012, Defence had received 211 section 15 requests and three section 48 requests.

(i) The following table provides a breakdown of these requests:

Granted in Full	Partial Disclosure	Denied <sup>[1]</sup>	Refused <sup>[2]</sup>	Withdrawn	Transferred	Deferred <sup>[3]</sup>	Total
50	89	6	13	61	1	2	222

#### Notes

1. Where a document is identified and exempted in full, access to the document can be denied, with reference to the relevant exemption provisions of the FOI Act. During the period in question, one denial related to documents where section 47E 'certain operations of agencies' provisions applied, two denials related to documents where section 47C 'deliberative processes' provisions applied, one section 37 where 'enforcement of law and protection of public safety' provisions applied, one section 46 where 'contempt of court' provisions applied and one denial related to documents where section 33 'national security' provisions applied.

2. Section 24A of the FOI Act provides for requests for access to documents to be refused if the documents cannot be found or do not exist. Access may also be refused if the work involved in processing the request would substantially and unreasonably divert the resources of an agency. For the period in question, all thirteen refusals related to documents that did not exist or could not be found.

3. In accordance with section 21 of the FOI Act, where a decision has been made to grant access, a decision maker may defer access to a document for a period of time. There are currently two deferrals.

(j) No.

(k) No.

(l) Conclusive certificates no longer exist. They were abolished under the *Freedom of Information (Removal of Conclusive Certificates and Other Measures) Act 2009*.

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**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q55 - Community Cabinet**

**Senator Eggleston provided in writing:**

- (a) What was the cost of Ministers travel and expenses for the Community Cabinet meetings held this financial year to date?
- (b) How many Ministerial Staff travelled with the Minister for the Community Cabinet meetings for this financial year to date? What was the total cost of this travel?
- (c) How many Departmental officers travelled with the Minister for the Community Cabinet meetings for this financial year to date? What was the total cost of this travel?
- (d) List travel type, accommodate and any other expenses.
- (e) What was the total cost to the Department and the Ministers office for the Community Cabinet meetings for this financial year to date?

**Response:**

- (a) Defence does not have information about travel costs by Ministers, Parliamentary Secretaries and MOP(S) Act staff as these arrangements are administered by the Department of Finance and Deregulation.
- (b) See response to part (a).
- (c) One departmental officer travelled with a Defence Minister for three Community Cabinet meetings. The total cost of the travel was \$3989.15.
- (d) See response to part (a) regarding travel type, accommodation and any other expenses for Ministers and staff. Departmental officers flew to/from Community Cabinet locations and travelled by taxi or hire car to/from venue.  
  
Departmental officers were accommodated in hotels, provided travel and incidental expenses within their entitlements.
- (e) Total cost to the Department was \$3989.15. See response to part (a) regarding total cost to Ministers office.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q56 - Reviews**

**Senator Eggleston provided in writing:**

For this financial year to date:

- (a) How many Reviews are being undertaken?
- (b) What reviews have concluded, and for those that are still ongoing, when will those reviews be concluded?
- (c) Which of these reviews has been provided to Government?
- (d) When will the Government be responding to the respective reviews that have been completed?
- (e) What is the estimated cost of each of these Reviews?
- (f) What reviews are planned?
- (g) When will each of these reviews be concluded?

##### **Response:**

Response to Senate Question on Notice No.1500 details reviews that were being conducted or had recently concluded as at 31 January 2012.

No new reviews have commenced since 31 January 2012, nor have any reviews detailed in response to Senate Question on Notice No.1500 concluded.



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**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q57 - Consultancies**

**Senator Eggleston provided in writing:**

- (a) How many consultancies were undertaken in 2007-08, 2008-09 and 2009-10?
- (b) How many consultancies have been undertaken this financial year to date?
- (c) Identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the arrangement, and the method of procurement (ie. open tender, direct source, etc). Also include total value for all consultancies.
- (d) How many consultancies are planned for this calendar year?
- (e) Have these been published in your Annual Procurement Plan (APP) on the AusTender website and if not why not?
- (f) In each case please identify the subject matter, duration, cost and method of procurement as above, and the name of the consultant if known.

**Response:**

- (a) During 2007-08, Defence entered into 1,214 new consultancy contracts (788 were above \$10,000 with a total value of \$81,904,871) - *Published in Defence Annual Report 2007-08, volume 1, p226-227.*

During 2008-09, Defence entered into 820 new consultancy contracts (510 contracts were above \$10,000 with a total value of \$66,772,693) -*Published in Defence Annual Report 2008-09, volume 1, p236+ amendment on 6 Nov2009)*

During 2009-10, Defence entered into 739 new consultancy contracts (489 contracts were above \$10,000 with a total value of \$80,492,960) -*Published in Defence Annual Report 2009-10, volume 1, p384-385.*

- (b) From July 2011 to January 2012 (financial year to date), Defence entered into 350 new consultancy contracts with a total contract value of \$37,496,344 (210 contracts were above \$10,000 with a total value of \$36,851,135).
- (c) For consultancy contracts let between July 2011 and January 2012 greater than \$10,000, the details of consultant's name, the subject matter and value of the

consultancy, the duration and cost of the arrangement and the method of procurement are provided in Table 1.

- (d) Defence systems do not plan for individual consulting contracts as many contracts are a response to current operational and business requirements.
  
- (e) & (f) The Defence procurement plan published on AusTender will provide details of known forward consulting contracts with a value greater than \$1 million. Lower value contracts and contracts whose details are not known at the time of publishing the procurement plan will not be shown on AusTender. The consultant's name, duration, costs, method of procurement is not known when financial plans are collated, these details are published on AusTender when the contract is let.

**Attachments:**

Table 1: Excel worksheet with consultancies let during financial year 2011-12 above \$10,000.

**Consultancy reported YTD FY 2011/12  
July 11 to Jan 12 (of value \$10,000 and Above)**

Count	Consultant Name	Start Date	End Date	AusTender Description	Procurement Method	Justification	AusTender Contract Value as on 31/01/12
	<b>Officer of the Secretary and CDF</b>						
1	NOETIC SOLUTIONS PTY LTD	5-Jul-11	31-Aug-11	Provision of professional enterprise risk management services	Open	B	233,740
2	MR PAUL RIZZO	1-Nov-11	21-Mar-13	Review Implementation committee	Direct	B	119,929
3	DAVID LEVINE	13-Jul-11	30-Dec-11	President for CDF Commission of Inquiries	Direct	B	109,900
4	RICHARD C. SMITH	23-Sep-11	30-Mar-12	Australian Defence Force Posture Review.	Direct	B	99,000
5	DR ALLAN HAWKE	16-Aug-11	30-Mar-12	Australian Defence Force Posture Review	Direct	B	99,000
6	THE NOUS GROUP	4-Oct-11	1-Dec-11	Contractor Services	Direct	B	102,146
7	ROSS J MONAGHAN	5-Jul-11	30-Jun-13	Research into Social Media Trends	Direct	C	60,500
8	F & W BLICK SUPERANNUATION FUND	16-Nov-11	30-Jun-12	Review of Policy Act	Direct	B	53,955
9	JBGLOBAL CORPORATE ADVISORY	29-Jul-11	30-Jun-12	Training - Non-Military	Direct	B	17,633
10	PRICEWATERHOUSECOOPERS LEGAL	7-Dec-11	7-Dec-11	Business Process Improvements-Defence Parliamentary Workflow System Project	Open	B	47,045
11	JENNIFER R CLARK	20-Dec-11	20-Dec-11	Advisory board	Direct	C	31,862
12	MERRILL CORPORATION AUSTRALIA	14-Nov-11	11-Nov-12	Transcription Service For Dept Of Defence	Direct	A	19,901
12	<b>SECCDF Total</b>						<b>994,611</b>
	<b>VCDF</b>						
1	MR ANDREW JOHN KIRKHAM	6-Jul-11	27-Jul-11	Inquiry fees for services	Direct	B	495,000
2	GRIFFITH UNIVERSITY	8-Aug-11	24-Nov-11	Evaluation of Suicide Prevention Program in the Australian Defence Force	Select	C	126,325
3	MR N. CLELLAND	6-Jul-11	27-Jul-11	Inquiry fees for services	Direct	B	119,988
4	SAI GLOBAL	9-Nov-11	30-Jun-12	Re-Certification & Surveillance Audits	Direct	C	78,634
5	KPMG AUSTRALIA	16-Aug-11	30-Sep-11	Inventory Accounting Support	Direct	B	75,420
6	AUSTHINK CONSULTING PTY LTD	12-Jul-11	30-Jun-12	Administration Services including Workshop Participation, Preparation and Production	Direct	B	29,769
7	NOETIC SOLUTIONS PTY LTD	31-Oct-11	5-Dec-11	Accommodation Review	Direct	C	22,000
8	PROFESSOR MICHAEL R MOORE	3-Aug-11	30-Jun-12	Scientific Advisory Committee.	Direct	C	18,768
9	CURTIN UNIVERSITY OF TECHNOLOGY	4-Jul-11	4-Jul-11	Independent Advisory Panel	Direct	C	37,500
10	ABW MANAGEMENT CONSULTING	20-Jan-12	30-Jun-12	Strategic Negotiation Advisor	Direct	B	249,700
10	<b>VCDF Total</b>						<b>1,253,103</b>
	<b>JOC</b>						
1	PS MANAGEMENT CONSULTANTS	7-Jul-11	28-Oct-11	Consultancy - Simulation Procurement	Select	A	66,000
2	UNMANNED SYSTEMS AUSTRALIA PTY LTD	22-Sep-11	31-Oct-11	ADF Joint Combined Training Study	Direct	A	33,000
3	OTEK AUSTRALIA PTY LTD	23-Aug-11	31-Aug-11	Provision Of Environment Services	Direct	B	22,583
4	DYNAMIC BUSINESS SYSTEMS PTY LTD	4-Dec-11	4-Dec-11	Training of Unit Staff	Open	B	17,377
4	<b>JOC Total</b>						<b>138,960</b>
	<b>NAVY</b>						
1	NORTON ROSE	8-Nov-11	31-Jan-12	DL0155/2011 - LEGAL SERVICES	Open	B	208,948
2	DR ALLAN HAWKE	17-Nov-11	31-Dec-11	Review of the future use of Royal Australian Navy base by visiting cruise ships.	Direct	C	132,000
2	<b>NAVY Total</b>						<b>340,948</b>
	<b>ARMY</b>						
1	BMD CONSULTING PTY LTD	2-Nov-11	30-Nov-12	Civil Works Design Package Army Aboriginal Community Assistance Program 2012	Open	B	550,000
2	NBC ABORIGINAL CORPORATION	19-Jan-12	30-Jun-12	Vertical Wks Design Package review & certification Army Aboriginal Community Assistance Program	Direct	B	49,500
2	<b>ARMY Total</b>						<b>599,500</b>
	<b>CFOG</b>						
1	DELOITTE TOUCHE TOHMATSU	8-Nov-11	18-Nov-11	Budget Analysis ( Support To Budget Review)	Open	B	161,354
2	DELOITTE TOUCHE TOHMATSU	4-Oct-11	20-Oct-11	Budget Analysis Services	Open	B	132,696
3	DELOITTE TOUCHE TOHMATSU	18-Jul-11	31-Jul-11	Task 2.4 Foreign Exchange	Open	B	129,888
4	DELOITTE TOUCHE TOHMATSU	8-Nov-11	18-Nov-11	Review And Update Of Standardised Financial Management Reports	Open	B	126,892
5	DELOITTE TOUCHE TOHMATSU	19-Jul-11	31-Oct-11	Funds For Additional Support Of Internal Funding Requirements, Budget Lines, Cost Assurance Items	Open	B	85,029
6	DELOITTE TOUCHE TOHMATSU	19-Jul-11	30-Sep-11	Review And Analysis Of Budget Management Processes Within Defence	Open	B	61,860
7	DELOITTE TOUCHE TOHMATSU	9-Nov-11	30-Nov-13	Development Of Standardised Financial Management Reports	Open	B	47,530
8	JOHN SYMONS AND ASSOCIATES PTY LTD	7-Dec-11	7-Dec-11	Management Advisory Services	Direct	B	80,000
9	DELOITTE TOUCHE TOHMATSU	5-Dec-11	5-Dec-11	Task 2.12 Budget Analysis ( Support To Budget Review)	Open	B	294,293

TABLE: 1

Count	Consultant Name	Start Date	End Date	AusTender Description	Procurement Method	Justification	AusTender Contract Value as on 31/01/12
10	DELOITTE TOUCHE TOHMATSU	11-Jan-12	30-Jun-12	Independent Review Of Resource, Output Management And Accounting Network Indemnities Register	Open	B	112,114
11	MAJOR TRAINING SERVICES PTY. LTD	16-Jan-12	30-May-12	Provision Of Financial Training Services	Open	B	62,237
11	<b>CFOG Total</b>						<b>1,293,892</b>
	<b>CIORG</b>						
1	AQUITAIN CONSULTING PTY LTD	14-Oct-11	31-Oct-11	ICT Support Services	Direct	C	261,855
2	THE NOUS GROUP	14-Dec-11	14-Dec-11	Management Consultancy Services	Open	B	143,000
2	<b>CIORG Total</b>						<b>404,855</b>
	<b>Defence Support Group</b>						
1	PROVIDENCE CONSULTING GROUP PL	11-Jul-11	23-Dec-11	Base Plans and Procedures - Sec Specialists 11/12	Open	B	1,366,125
2	SME GATEWAY LIMITED	11-Jul-11	23-Dec-11	Base Plans and Procedures - Sec Specialists 11/12	Open	B	585,091
3	COFFEY ENVIROMENTS AUSTRALIA	12-Aug-11	30-Jun-12	Fire Safety Surveys	Open	B	377,217
4	KPMG AUSTRALIA	4-Aug-11	30-Nov-11	Support to Pay and Entitlement Calculators, Data Analysis Activities and Maintenance of Excel Tools	Direct	B	329,760
5	CLAYTON UTZ	18-Oct-11	30-Jun-12	DL0142/2011 - LEGAL SERVICES	Open	B	279,840
6	CLAYTON UTZ	18-Nov-11	30-Jan-15	ID1051/2011 LEGAL SERVICES	Open	B	265,962
7	SME GATEWAY LIMITED	19-Aug-11	30-Dec-11	Professional Risk Services 2011/12	Open	B	253,050
8	PROVIDENCE CONSULTING GROUP PL	5-Sep-11	23-Dec-11	Security Specialist 11/12	Open	B	590,113
9	DELOITTE	21-Oct-11	16-Dec-11	Financial Reform Review	Open	B	233,000
10	MINTER ELLISON	31-Oct-11	31-Jan-12	DL0153/2011 - LEGAL SERVICES	Open	B	226,603
11	SPARKE HELMORE	13-Sep-11	28-Feb-13	DL0115/2011 - LEGAL SERVICES	Open	B	181,275
12	QINETIQ CONSULTING PTY LTD	12-Jul-11	23-Dec-11	Base Plans and Procedures - Sec Specialists 11/12	Open	B	325,572
13	PROVIDENCE CONSULTING GROUP PL	25-Jul-11	23-Dec-11	Security specialist	Open	B	159,434
14	MINTER ELLISON	4-Nov-11	30-Jun-12	DL0159/2011 - LEGAL SERVICES	Open	B	154,484
15	T T BUILDING CONSULTANTS PTY LTD	14-Sep-11	31-Dec-11	Fire Safety Surveys	Select	B	144,999
16	CSG DEMINING CONSULTANTS PTY LTD	5-Aug-11	12-Jun-12	Ordnance advice	Select	C	142,205
17	CLAYTON UTZ	18-Nov-11	30-Jun-13	ID1102/2011 LEGAL SERVICES	Open	B	120,000
18	BLAKE DAWSON WALDRON	28-Jul-11	30-Jun-16	ID1071/2011 - LEGAL SERVICES	Open	B	117,815
19	PS MANAGEMENT CONSULTANTS	26-Jul-11	31-Jan-12	Project Management Support for Training Area	Open	B	114,692
20	MEDIBANK HEALTH SOLUTIONS PTY LTD	28-Oct-11	30-Jun-12	Injury management services.	Open	C	110,001
21	RECOVRE	21-Sep-11	30-Jun-12	Injury Management Services	Open	C	110,001
22	CHG	20-Sep-11	30-Jun-12	Injury Management Services	Open	C	110,001
23	AUSTRALIAN MEDICO-LEGAL GROUP PTY	20-Sep-11	30-Jun-12	Injury Management Services	Open	B	110,000
24	MLCOA	20-Sep-11	30-Jun-12	Injury Management Services	Open	B	330,000
25	GHD PTY LTD	5-Sep-11	30-Jun-12	Architecture for Internal Working Accomodation	Select	B	110,000
26	AUSTRALIAN GOVERNMENT SOLICITOR	8-Sep-11	31-Jan-12	DL0135E01/2010 - TIED LEGAL SERVICES	Direct	B	104,500
27	AUSTRALIAN GOVERNMENT ACTUARY	26-Aug-11	30-Jun-12	Actuarial Services	Direct	B	91,000
28	KPMG	12-Sep-11	12-Sep-11	Conduct Spend Analysis & Categorisation For Non Equipment Procurement Professional Services	Open	B	90,910
29	SPARKE HELMORE	8-Sep-11	30-Nov-11	ID1090/2011 - LEGAL SERVICES	Open	B	79,745
30	MINTER ELLISON	17-Aug-11	31-Dec-14	ID1074/11- LEGAL SERVICES	Open	B	77,484
31	BLAKE DAWSON WALDRON	9-Nov-11	30-Jun-12	ID1097/2011 LEGAL SERVICES	Open	B	94,807
32	DLA PIPER AUSTRALIA	20-Oct-11	31-Mar-12	DL0161/2011 - LEGAL SERVICES	Open	B	73,508
33	CLAYTON UTZ	28-Jul-11	31-Dec-11	ID1072/2011 - LEGAL SERVICES	Open	B	69,025
34	URS AUSTRALIA PTY LTD	11-Oct-11	30-Jun-12	Environmental Consultancy Services for N2232 HMAS Watson Redevelopment	Select	B	63,382
35	MALLESONS STEPHEN JAUQUES	8-Sep-11	31-Oct-11	DL0087/2010 - LEGAL SERVICES	Direct	B	93,000
36	CLAYTON UTZ	8-Sep-11	30-Dec-11	ID1082/2011 - LEGAL SERVICES	Open	B	59,550
37	CLAYTON UTZ	8-Sep-11	30-Dec-11	ID1080/2011 - LEGAL SERVICES	Open	B	108,376
38	SPARKE HELMORE	27-Jul-11	29-Feb-12	hmas watson redevelopment	Select	B	51,513
39	KPMG	12-Sep-11	26-Sep-11	Conduct Desktop Forensic Audits	Open	B	43,000
40	BLAKE DAWSON WALDRON	2-Aug-11	30-Jun-12	DL0100E01/2009 - Legal Services	Open	B	41,580
41	CLAYTON UTZ	10-Nov-11	31-Mar-12	DL0165/2011 - LEGAL SERVICES	Open	B	41,540
42	CLAYTON UTZ	14-Sep-11	31-Oct-11	DL0089/2011 - LEGAL SERVICES	Open	B	41,338
43	SPARKE HELMORE	8-Sep-11	31-Dec-11	DL0131/2011 - LEGAL SERVICES	Open	B	41,000
44	WOODS BAGOT PTY LTD	5-Jul-11	31-Oct-11	Design and Documentation Services for Defence Science Technology Organisation Capability Works	Select	A	39,917
45	AUSTRALIAN GOVERNMENT SOLICITOR	7-Oct-11	31-Dec-11	DL0140/2011 - TIED LEGAL SERVICES	Direct	B	37,318
46	HYDER CONSULTING	24-Oct-11	30-Jun-12	Review of Project & Maintenance Practices	Open	C	47,190
47	CLAYTON UTZ	6-Oct-11	31-Dec-11	ID10772011- LEGAL SERVICES	Open	B	70,840
48	CLAYTON UTZ	27-Sep-11	30-Jun-12	DL0015E02/2010 - LEGAL SERVICES	Open	B	71,654

TABLE: 1

Count	Consultant Name	Start Date	End Date	AusTender Description	Procurement Method	Justification	AusTender Contract Value as on 31/01/12
49	SAP AUSTRALIA PTY LTD	19-Sep-11	31-May-12	Garrison Estate Management System	Direct	B	31,287
50	MINTER ELLISON	8-Sep-11	30-Dec-11	ID1089/2011 - LEGAL SERVICES	Open	B	55,267
51	AUSTRALIAN GOVERNMENT SOLICITOR	7-Oct-11	31-Mar-12	DL0148/2011 - LEGAL SERVICES	Open	B	29,568
52	MINTER ELLISON	12-Jul-11	30-Jun-13	ID1064/2011 - LEGAL SERVICES	Open	B	28,945
53	AECOM	25-Aug-11	29-Feb-12	Analysis, contract, report & presentation services	Open	B	28,600
54	AUSTRALIAN GOVERNMENT SOLICITOR	5-Aug-11	31-Dec-11	DL0103/2011- LEGAL SERVICES	Open	B	27,720
55	CLAYTON UTZ	4-Jul-11	30-Sep-11	DL0099/2011-LEGAL SERVICES	Open	B	76,536
56	MINTER ELLISON	29-Sep-11	31-Dec-11	ID1094/2008 - LEGAL SERVICES	Open	B	25,850
57	AUSTRALIAN GOVERNMENT SOLICITOR	17-Aug-11	30-Nov-11	DL0128/2011- LEGAL SERVICES	Open	B	25,674
58	AUSTRALIAN GOVERNMENT SOLICITOR	15-Jul-11	31-Dec-11	DL0102011- LEGAL SERVICES	Open	B	23,920
59	BLAKE DAWSON WALDRON	14-Sep-11	30-Jun-12	DPE2002/2011 - LEGAL SERVICES	Open	B	23,047
60	AUSTRALIAN GOVERNMENT SOLICITOR	27-Sep-11	31-Oct-11	DL0139/2010 - LEGAL SERVICES	Open	B	22,100
61	ESRI-AUSTRALIA PTY LTD	21-Sep-11	28-Feb-12	Specialist ICT Practitioner	Direct	B	22,000
62	CLAYTON UTZ	14-Jul-11	30-Jun-13	ID1068/2011 - LEGAL SERVICES	Open	B	21,130
63	I & S K PAUZA	21-Sep-11	31-Jan-12	Competency profile workshop and report	Direct	B	21,120
64	AUSTRALIAN GOVERNMENT SOLICITOR	28-Sep-11	30-Sep-11	DL0146/2011 - LEGAL SERVICES - TIED	Direct	B	20,092
65	AUSTRALIAN GOVERNMENT SOLICITOR	7-Sep-11	30-Nov-11	DL0137/2011 - LEGAL SERVICES	Open	B	20,087
66	CLAYTON UTZ	29-Sep-11	31-Dec-11	ID11114E01/2011 - LEGAL SERVICES	Open	B	38,095
67	CLAYTON UTZ	8-Sep-11	30-Sep-11	DL0126/2011 - LEGAL SERVICES	Open	B	19,547
68	SPARKE HELMORE	18-Oct-11	30-Dec-11	DL0160/2011 - LEGAL SERVICES	Open	B	19,460
69	CLAYTON UTZ	4-Jul-11	30-Jun-12	ID1047/2011-LEGAL SERVICES	Open	B	40,468
70	BLAKE DAWSON WALDRON	28-Sep-11	31-Oct-11	DL0111/2011 - LEGAL SERVICES	Open	B	19,035
71	MINTER ELLISON	8-Sep-11	30-Mar-12	ID1092/2011 - LEGAL SERVICES	Open	B	60,268
72	SPARKE HELMORE	13-Oct-11	31-Dec-11	DL0157/2011 - LEGAL SERVICES	Open	B	18,210
73	SPARKE HELMORE	12-Aug-11	31-Dec-11	ID1079/2011- LEGAL SERVICES	Open	B	17,905
74	AUSTRALIAN GOVERNMENT SOLICITOR	8-Sep-11	31-Dec-11	ID1091/2011 - LEGAL SERVICES	Open	B	17,820
75	BLAKE DAWSON WALDRON	19-Jul-11	31-Dec-11	DL0100/2011- LEGAL SERVICES	Open	B	16,064
76	MINTER ELLISON	7-Sep-11	30-Jun-12	DPE2022/2011 - LEGAL SERVICES	Open	B	15,928
77	NORTON ROSE	18-Oct-11	30-Dec-11	ID1097E04/2010 - LEGAL SERVICES	Open	B	15,280
78	DLA PIPER AUSTRALIA	16-Sep-11	30-Jun-12	DPE2020/2011 - LEGAL SERVICES	Open	B	15,005
79	AUSTRALIAN GOVERNMENT SOLICITOR	28-Jul-11	31-Aug-11	DP0105/2011-LEGAL SERVICES	Direct	B	14,834
80	MINTER ELLISON	2-Aug-11	30-Nov-11	DL0118/2011- LEGAL SERVICES	Open	B	14,739
81	AUSTRALIAN GOVERNMENT SOLICITOR	8-Jul-11	31-Aug-11	DL0104/2011-LEGAL SERVICES	Open	B	14,511
82	DLA PIPER AUSTRALIA	8-Sep-11	30-Dec-11	ID1078/2011 - LEGAL SERVICES	Open	B	69,725
83	BLAKE DAWSON WALDRON	18-Jul-11	31-Oct-11	DL0119E02/2008 - LEGAL SERVICES	Open	B	13,850
84	DLA PIPER AUSTRALIA	28-Oct-11	30-Jun-12	DL0162/2011 - LEGAL SERVICES	Open	B	13,640
85	BLAKE DAWSON WALDRON	14-Sep-11	30-Dec-11	ID1076/2011- LEGAL SERVICES	Open	B	393,105
86	BLAKE DAWSON WALDRON	27-Jul-11	31-Oct-11	DPE2011/2011 - LEGAL SERVICES	Open	B	12,785
87	AUSTRALIAN GOVERNMENT SOLICITOR	28-Sep-11	31-Dec-11	DL0145/2011 - LEGAL SERVICES	Open	B	12,760
88	MINTER ELLISON	26-Aug-11	21-Oct-11	ID1086/20011- -LEGAL SERVICES	Open	B	12,738
89	AUSTRALIAN GOVERNMENT SOLICITOR	7-Sep-11	30-Nov-11	DL0125/2011 - TIED LEGAL SERVICES	Direct	B	12,606
90	BLAKE DAWSON WALDRON	14-Sep-11	15-Dec-11	ID1076E01/2011 - LEGAL SERVICES	Open	B	12,440
91	NORTON ROSE	12-Oct-11	31-Dec-11	ID1096/2011 - LEGAL SERVICES	Open	B	12,370
92	DLA PIPER AUSTRALIA	18-Oct-11	30-Dec-11	DL0151/2011 - LEGAL SERVICES	Open	B	12,111
93	AUSTRALIAN GOVERNMENT SOLICITOR	8-Sep-11	31-Dec-11	DL0133/2011 - LEGAL SERVICES	Open	B	11,637
94	AUSTRALIAN GOVERNMENT SOLICITOR	8-Sep-11	31-Mar-12	DL0132/2011 - LEGAL SERVICES	Open	B	11,637
95	DLA PIPER AUSTRALIA	5-Aug-11	30-Sep-11	DL0123/2011- LEGAL SERVICES	Open	B	11,330
96	DLA PIPER AUSTRALIA	16-Sep-11	31-Oct-11	DL01162011- LEGAL SERVICES	Open	B	30,877
97	NORTON ROSE	27-Oct-11	30-Jun-12	ID109892011 - LEGAL SERVICES	Open	B	11,212
98	AUSTRALIAN GOVERNMENT SOLICITOR	5-Aug-11	31-Oct-11	DL0122/2011- LEGAL SERVICES	Open	B	11,184
99	AUSTRALIAN GOVERNMENT SOLICITOR	18-Jul-11	31-Aug-11	DL0113/2011-LEGAL SERVICES	Open	B	10,820
100	CLAYTON UTZ	14-Jul-11	14-Oct-11	DL0107/2011-LEGAL SERVICES	Open	B	21,120
101	AUSTRALIAN GOVERNMENT SOLICITOR	29-Sep-11	31-Dec-11	ID1095/2011 - LEGAL SERVICES	Open	B	10,428
102	MINTER ELLISON	24-Nov-11	30-Apr-12	DL0170/2011- LEGAL SERVICES	Open	B	88,239
103	SPARKE HELMORE	25-Nov-11	28-Feb-12	DL0174/2011- LEGAL SERVICES	Open	B	79,500
104	BLAKE DAWSON WALDRON	14-Nov-11	30-Apr-12	DL0164/2011- LEGAL SERVICES	Open	B	49,421
105	BLAKE DAWSON WALDRON	23-Nov-11	30-Jun-12	DPE2011E01/2011 - LEGAL SERVICES	Open	B	48,306
106	MINTER ELLISON	24-Nov-11	31-Jan-12	DL0171/2011- LEGAL SERVICES	Open	B	32,694
107	AUSTRALIAN GOVERNMENT SOLICITOR	5-Oct-11	5-Oct-11	AZ5160 to A8989 Probity Services for 17 Const. SQN relocation and Water & Sewerage treatment pro	Select	B	32,340
108	JAMES CANNON	6-Dec-11	6-Dec-11	professional servises	Direct	B	31,116
109	NORTON ROSE	8-Nov-11	8-Nov-11	DL0169/2011 - LEGAL SERVICES	Open	B	129,700

TABLE: 1

Count	Consultant Name	Start Date	End Date	AusTender Description	Procurement Method	Justification	AusTender Contract Value as on 31/01/12
110	AUSTRALIAN GOVERNMENT SOLICITOR	1-Dec-11	1-Dec-11	DL0179/2011- LEGAL SERVICES	Open	B	10,230
111	MINTER ELLISON	1-Dec-11	1-Dec-11	DL0166/2011- LEGAL SERVICES	Open	B	56,584
112	CLAYTON UTZ	6-Dec-11	6-Dec-11	ID1108/2011 LEGAL SERVICES	Open	B	37,840
113	CLAYTON UTZ	6-Dec-11	6-Dec-11	ID1032EO3/2009 LEGAL SERVICES	Open	B	38,250
114	AUSTRALIAN GOVERNMENT SOLICITOR	6-Dec-11	6-Dec-11	DL0181/2011- Legal Services - TIED Work	Open	B	33,605
115	BLAKE DAWSON WALDRON	6-Dec-11	6-Dec-11	ID1112/2011 LEGAL SERVICES	Open	B	15,261
116	SPARKE HELMORE	7-Dec-11	7-Dec-11	DL0182/2011- LEGAL SERVICES	Open	B	40,125
117	SPARKE HELMORE	9-Dec-11	9-Dec-11	ID1109/2011 LEGAL SERVICES	Open	B	79,090
118	CLAYTON UTZ	16-Dec-11	16-Dec-11	DL0184/2011- LEGAL SERVICES	Open	B	195,250
119	MINTER ELLISON	19-Dec-11	19-Dec-11	DL0188/2011- LEGAL SERVICES	Open	B	36,379
120	SPARKE HELMORE	22-Dec-11	22-Dec-11	DL0189/2011- LEGAL SERVICES	Open	B	37,000
121	AUSTRALIAN GOVERNMENT SOLICITOR	23-Dec-11	23-Dec-11	DL0190/2011- LEGAL SERVICES	Direct	B	11,017
122	COGENT BUSINESS SOLUTIONS PTY LTD	21-Dec-11	21-Dec-11	Management advisory services for independant chairperson for negotiations	Open	A	27,500
123	THE ACOUSTIC GROUP PTY LTD	2-Dec-11	2-Dec-11	acoustic consulting	Direct	B	110,000
124	AUSTRALIAN GOVERNMENT SOLICITOR	25-Aug-11	30-Jun-12	DPE2019/2011 - LEGAL SERVICES	Open	B	13,000
125	AUSTRALIAN GOVERNMENT SOLICITOR	23-Dec-11	30-Jun-12	DL0191/2011 - LEGAL SERVICES	Open	B	15,081
126	MINTER ELLISON	11-Jan-12	30-Jun-12	DPE2022E01/2011 - LEGAL SERVICES	Open	B	28,794
127	DLA PIPER AUSTRALIA	17-Jan-12	30-Jun-12	DL0195/2011- LEGAL SERVICES	Open	B	17,369
128	NORTON ROSE	17-Jan-12	31-Mar-12	DL0177/2011- LEGAL SERVICES	Open	B	48,804
129	AUSTRALIAN GOVERNMENT SOLICITOR	17-Aug-11	30-Mar-12	DL0127/2011- LEGAL SERVICES	Open	B	11,017
130	AUSTRALIAN GOVERNMENT SOLICITOR	17-Jan-12	30-Jun-12	Single Leap - Probity Advice & Services For Phase 2 Project	Select	B	36,300
131	NORTON ROSE	17-Jan-12	30-Jun-12	ID1113/2011 LEGAL SERVICES	Open	B	18,790
132	WEBB AUSTRALIA	4-Oct-11	1-Sep-12	Engineering design services contract	Open	C	12,300,530
133	SPARKE HELMORE	9-Jan-12	1-Nov-13	Planning phase - probity services	Open	B	54,024
134	BLAKE DAWSON WALDRON	10-Jan-12	29-Feb-12	Provision of probity services for DSTO reinvestment in ADF specific facilities	Direct	C	25,090
135	MINTER ELLISON	30-Jan-12	30-Jun-12	DL0001/2012 - Legal Services	Open	B	171,998
136	CLAYTON UTZ	30-Jan-12	29-Feb-12	DL0183/2011 - LEGAL SERVICES	Open	B	13,520
137	AUSTRALIAN GOVERNMENT SOLICITOR	30-Jan-12	28-Feb-12	DL0003/2012 - LEGAL SERVICES	Open	B	11,628
138	COGENT BUSINESS SOLUTIONS PTY LTD	23-Jan-12	30-Jun-12	Base support operations	Open	B	75,880
139	AUSTRALIAN GOVERNMENT SOLICITOR	28-Sep-11	29-Feb-12	DL0147/2011 - Legal Services	Open	B	13,624
140	BLAKE DAWSON WALDRON	7-Feb-12	30-Mar-13	ID1000/2012 - LEGAL SERVICES	Open	B	51,651
141	PAXUS AUSTRALIA PTY LTD	10-Feb-12	28-Sep-12	Support for future acquisition strategy for delivery of base services.	Open	B	228,690
142	MINTER ELLISON	9-Feb-12	30-Apr-12	DL0008/2012 - LEGAL SERVICES	Open	B	11,163
143	CLAYTON UTZ	9-Feb-12	30-Apr-12	ID1006/2012 - LEGAL SERVICES	Open	B	15,070
144	BLAKE DAWSON WALDRON	9-Feb-12	30-Jun-12	ID1066E01/2009 - LEGAL SERVICES	Open	B	16,804
145	CLAYTON UTZ	7-Feb-12	30-Jun-12	ID1057E03/2010 - LEGAL SERVICES	Open	B	89,115
146	PROVIDENCE CONSULTING GROUP PL	1-Feb-12	30-Jun-12	Professional services for the provision of Specialist Procurement Advisor	Open	B	78,540
147	CLAYTON UTZ	3-Feb-12	30-Jun-12	ID1001/2012 - LEGAL SERVICES	Open	B	189,470
148	GHD PTY LTD	14-Dec-11	30-Jun-12	Environmental Management	Open	B	59,572
149	SPOTLESS P&F PTY LTD	25-Jan-12	30-Jun-12	Relocation Of Weather Station Office	Open	B	49,733
149	<b>Defence Support Group Total</b>						<b>24,812,602</b>
	<b>INT-SEC</b>						
1	ICON RECRUITMENT	22-Jul-11	30-Jun-12	Independent advise to Capability Assurance on IT infrastructure library framework	Direct	C	305,653
2	CODARRA ADVANCED SYSTEMS	17-Oct-11	8-Jun-12	Professional Services - Technical Specialist	Open	B	198,206
3	LOCKHEED MARTIN AUSTRALIA PTY LTD	5-Oct-11	14-Dec-11	Review of Corporate Governance Processes	Open	B	142,554
4	BECA CONSULTANTS PTY LTD	1-Aug-11	31-Aug-11	Organisational Structure & Business Process Review for the Australian Security Vetting Agency	Open	B	75,000
5	UXC CONNECT	23-Nov-11	30-Nov-11	Video Conferencing Equipment	Direct	C	60,506
6	LOCKHEED MARTIN AUSTRALIA PTY LTD	14-Sep-11	31-Jan-12	Engagement of Business Analyst Assist with objective 7 functionality	Open	B	95,603
7	DAY & HODGE ASSOCIATES	1-Aug-11	16-Dec-11	Security Awards Project Plan and Communications Material	Direct	B	27,126
8	STRATSEC.NET	21-Nov-11	30-Jun-12	ICT Consultancy Services	Direct	B	43,197
9	IAN CARNELL PTY LTD	14-Dec-11	14-Dec-11	Independent Review	Direct	C	25,300
10	STANCERT PTY LTD	2-Dec-11	2-Dec-11	Audit of compliance with Protective Security Policy Framework	Open	C	91,000
11	JBTGLOBAL CORPORATE ADVISORY	16-Jan-12	30-Jun-12	Audit of Business and Continuity/Emergency Plans	Direct	B	52,381
12	MARTIN BRADY	13-Jan-12	10-Apr-12	Review Services	Direct	C	88,000
13	AUSTRALIAN VALUATION OFFICE	25-Jan-12	30-Jun-12	Annual Revaluation Assessment	Direct	B	50,000
14	PROGRAM PLANNING PROFESSIONALS PTY	18-Jan-12	30-Jun-12	Engagement of Training Consultant	Direct	B	38,500
14	<b>INT-SEC Total</b>						<b>1,293,025</b>
	<b>PSPG</b>						
1	DELOITTE TOUCHE TOHMATSU	20-Jul-11	14-Oct-11	Development of operating model to conduct business process and workforce analysis	Open	B	303,050

**TABLE: 1**

Count	Consultant Name	Start Date	End Date	AusTender Description	Procurement Method	Justification	AusTender Contract Value as on 31/01/12
2	YOUNG & RUBICAM BRANDS	7-Jul-11	30-Sep-12	Review of Social Media & Defence	Open	C	233,989
3	ERNST & YOUNG CONSULTING	1-Nov-11	30-Jun-12	Review of Defence Assistance Scheme	Select	B	182,600
4	KPMG	11-Nov-11	31-May-12	Delivery of HR Shared Services Program	Open	B	5,000,000
4	<b>PSPG Total</b>						<b>5,719,639</b>
<b>210</b>	<b>Total</b>						<b>36,851,135</b>

A -	Skills currently unavailable within agency
B -	Need for specialised or professional skills
C -	Need for independent research or assessment

		Value
<b>Total Contracts =</b>	<b>350</b>	<b>\$ 37,496,344</b>
Above \$10k =	210	\$ 36,851,135
Below \$10k =	140	\$ 645,209

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q58 - Media Monitoring**

**Senator Eggleston provided in writing.**

- (a) What was the total cost of media monitoring services, including press clippings, electronic media transcripts etcetera, provided to the Minister's office for 2007-08, 2008-09, 2009-10 and 2010-11?
- (b) What was the total cost of media monitoring services, including press clippings, electronic media transcripts etcetera, provided to the department/agency for 2007-08, 2008-09, 2009-10 and 2010-11
- (c) What was the total cost of media monitoring services, including press clippings, electronic media transcripts etcetera, provided to the Minister's office for this financial year to date?
- (d) Which agency or agencies provided these services?
- (e) What is the estimated budget to provide this same services for the year 2011-12?
- (f) What has been spent providing these services this financial year to date?
- (g) What was the total cost of media monitoring services, including press clippings, electronic media transcripts etcetera, provided to the department/agency for this financial year to date?
- (h) Which agency or agencies provided these services?
- (i) What is the estimated budget to provide this same services for the year 2011-12
- (j) What has been spent providing these services this financial year to date?



**Response:**

(a)

The table below details expenditure exclusive of GST for each ministerial office by financial year:

<b>Office</b>	<b>2007-08</b>
Minister for Defence (Fitzgibbon)	\$14,827
Minister for Defence Science and Personnel (Snowdon)	\$9,462
Parliamentary Secretary for Defence Procurement (Combat)	\$9,547
Parliamentary Secretary for Defence Support (Kelly)	\$13,617
<b>Total</b>	<b>\$47,453</b>
<b>Office</b>	<b>2008-09</b>
Minister for Defence (Faulkner)	Nil
Minister for Defence Personnel, Materiel and Science (Combat)	Nil
Parliamentary Secretary for Defence Support (Kelly)	\$18,642
Former Minister for Defence (Fitzgibbon)	\$27,464
Former Minister for Defence Science and Personnel (Snowdon)	\$26,661
Former Parliamentary Secretary for Defence Procurement (Combat)	\$10,579
<b>Total</b>	<b>\$83,346</b>
<b>Office</b>	<b>2009-10</b>
Minister for Defence (Faulkner)	\$16,244
Minister for Defence Materiel and Science (Combat)	\$2,139 <sup>1</sup>
Minister for Defence Personnel (Griffin)	Nil
Parliamentary Secretary for Defence Support (Kelly)	\$1,062 <sup>2</sup>
Former Minister for Defence (Fitzgibbon)	\$2,412
Former Minister for Defence Science and Personnel (Snowdon)	\$219

<sup>1</sup> A 50 per cent cost-sharing arrangement was in place with the Department of Climate Change due to split portfolio responsibilities.

<sup>2</sup> A 50 per cent cost-sharing arrangement was in place with the Department of Environment, Water, Heritage and the Arts due to split portfolio responsibilities.

<b>Total</b>	<b>\$22,076</b>
<b>Office</b>	<b>2010-11</b>
Minister for Defence (Smith)	\$34,635
Minister for Defence Materiel (Clare)	\$4,036
Minister for Defence Science and Personnel (Snowdon)	Nil
Parliamentary Secretary for Defence (Feeney)	Nil
Former Minister for Defence (Faulkner)	\$5,774
<b>Total</b>	<b>\$44,445</b>

(b)

2007-08: Department of Defence \$366,772; Defence Housing Australia \$68,619

2008-09: Department of Defence \$546,762; Defence Housing Australia \$84,614

The cost of media monitoring for 2009-10 and 2010-11 was provided in the responses to the following Questions on Notice: QoN09 2549; QoN10 111-113; QoN10 485-487 and QoN11 761-763.

(c)

The table below details expenditure exclusive of GST for each ministerial office as at 31 January 2012:

<b>Office</b>	<b>2011-12 as at 31 January 2012</b>
Minister for Defence (Smith)	\$30,628
Minister for Defence Materiel (Carr)	Nil
Minister for Defence Science and Personnel (Snowdon)	\$594
Parliamentary Secretary for Defence (Feeney)	\$1,748
Parliamentary Secretary for Defence (Kelly)	Nil
Former Minister for Defence Materiel (Clare)	\$7,539
<b>Total</b>	<b>\$40,509</b>

(g)-(f)

These services are provided by Sentia Media (formerly known as Media Monitors).

There is not a specific amount budgeted for each office's use of media monitoring.

The Department's media monitoring services are provided by Sentia Media (formerly Media Monitors) with occasional services provided by AAP Wire on the Net, and services to Defence Housing Authority provided by AAP Newscentre.

The departmental budget for media monitoring in 2011-12 is \$497,500 and \$47,000 for Defence Housing Australia.

To date in 2011-12 the Department has spent \$408,460 and \$29,452 for Defence Housing Australia

<sup>1</sup> A 50 per cent cost-sharing arrangement was in place with the Department of Climate Change due to split portfolio responsibilities.

<sup>1</sup> A 50 per cent cost-sharing arrangement was in place with the Department of Environment, Water, Heritage and the Arts due to split portfolio responsibilities.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q59 - Social Media**

**Senator Eggleston provided in writing:**

Has there been any changes to department and agency social media or protocols about staff access and useage of Youtube; online social media, such as Facebook, MySpace and Twitter; and access to online discussions forums and blogs since publication of the Australian Public Service Commission's Circular 2012/1: Revisions to the Commission's guidance on making public comment and participating online? If yes, please explain and provide copies of any advice that has been issue. If no, please explain why not.

**Response:**

On 7 March 2012, the Minister for Defence, Secretary of the Department of Defence and Chief of the Defence Force released the Reviews into Defence Culture and the Defence response to the Reviews: "Pathway to Change: Evolving Defence Culture".

The "Review of Social Media in Defence" was released as one of these reviews. The Review of Social Media in Defence examined the impact of the use of social media in Defence, with the aim of developing measures to ensure that the use of new technologies is consistent with ADF and Defence values.

The Government agreed the seven recommendations of the Review of Social Media in Defence. Immediate and specific initiatives include:

- All policies relating to the use of social media, the internet or cyber activities to be reviewed, including guidelines being reviewed to ensure they are consistent with the overall social media policy and engagement principles;
- Defence should consider reviewing social media training and the way it is prioritised and delivered in order to ensure consistency, including relevant resources, guidelines and support mechanisms; and
- Resources will be provided to support the understanding and management of social media in Defence.

In progressing the recommendations of the Review of Social Media in Defence, the Department of Defence will be conscious of, and give due consideration to, the Australian Public Service Commission's Circular 2012/1: 'Revisions to the Commission's guidance on making public comment and participating online'.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q60 - Contractors**

Senator Eggleston provided in writing:

For this financial year to date:

- (a) Has the department/agency ever employed Hawker Britton in any capacity or is it considering employing Hawker Britton? If yes, provide details.
- (b) Has the department/agency ever employed Shannon's Way in any capacity or is it considering employing Shannon's Way? If yes, provide details.
- (c) Has the department/agency ever employed John Utting & UMR Research Group in any capacity or is it considering employing John Utting & UMR Research Group? If yes, provide details.
- (d) Has the department/agency ever employed McCann-Erickson in any capacity or is it considering employing McCann-Erickson? If yes, provide details.
- (e) Has the department/agency ever employed Cutting Edge in any capacity or is it considering employing Cutting Edge? If yes, provide details.
- (f) Has the department/agency ever employed Ikon Communications in any capacity or is it considering employing Ikon Communications? If yes, provide details.
- (g) Has the department/agency ever employed CMAX Communications in any capacity or is it considering employing CMAX Communications? If yes, provide details.
- (h) Has the department/agency ever employed Boston Consulting Group in any capacity or is it considering employing Boston Consulting Group? If yes, provide details.
- (i) Has the department/agency ever employed McKinsey & Company in any capacity or is it considering employing McKinsey & Company? If yes, provide details.

**Response:**

- (a) – (g) No
- (h) Yes: In financial year 2011-12, payments of \$8,023,581.03 have been made to Boston Consulting Group for services they have provided in reviewing the Defence Capability Plan and undertaking project management and contract services for Chief Information Officer Group.
- (i) Yes: In financial year 2011-12, payments of \$2,442,000 have been made to McKinsey & Company for advice on implementing shared services into Defence.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

##### Q61 - Discretionary Grants

Senator Eggleston provided in writing:

- (a) Could the Department provide a list of all discretionary grants, including ad hoc and one-off grants for this financial year to date?
- (b) Please provide details of the recipients, the intended use of the grants and what locations have benefited from the grants.
- (c) Has the Department complied with interim requirements relating to the publication of discretionary grants?

##### Response:

(a)

For the period 1 July 2011 to 2 March 2012, Defence (including the Defence Materiel Organisation) approved a total of 203 grants to various groups and individuals (**Attachment A** refers). Total funds approved in this period were \$70.315 million (GST inclusive) which includes multi-year grants.

Planned expenditure for 2011-12 is \$91.036 million including previously approved grants.

(b)

A full list of recipients for grants provided by Defence, the intended use and locations for the grants is provided at **Attachment A**. Further information can be found at the Department's website: [www.defence.gov.au/header/publications.htm#D](http://www.defence.gov.au/header/publications.htm#D) and at:

Skilling Australia's Defence Industry (SADI) Program

<http://www.defence.gov.au/dmo/id/sadi/index.cfm>

Industry Skilling Program Enhancement (ISPE) package

[http://www.defence.gov.au/dmo/id/industry\\_skilling](http://www.defence.gov.au/dmo/id/industry_skilling)

(c)

Commonwealth Grant Guidelines of July 2009 requires Defence to publish details of all grants within seven days of date of effect.

All grants provided have been reported on the Department's website in accordance with Commonwealth Grant Guidelines. The grant recipients can be found at:

Defence (excluding DMO)

[www.defence.gov.au/header/publications.htm#D](http://www.defence.gov.au/header/publications.htm#D).

Skilling Australia's Defence Industry (SADI) Program

<http://www.defence.gov.au/dmo/id/sadi/index.cfm>

Industry Skilling Program Enhancement (ISPE) package

[http://www.defence.gov.au/dmo/id/industry\\_skilling](http://www.defence.gov.au/dmo/id/industry_skilling)

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q62 – Commissioned Reports**

Senator Eggleston provided in writing:

(a) How many reports were commissioned by the government in your portfolio in 2007-08, 2008-09, 2009-10 and 2010-11?

(b) How many Reports have been commissioned by the Government in your portfolio this financial year to date? Please provide details of each report including date commissioned, date report handed to Government, date of public release, Terms of Reference and Committee members.

(c) How much did each report cost/or is estimated to cost? How many departmental staff were involved in each report and at what level?

(d) That is the current status of each report? When is the Government intending to respond to these reports?

**Response:**

Due to the breadth of the question, an unreasonable amount of departmental resources would be required to develop a response. Please refer to the responses to Senate Parliamentary Question No's. 776 and 1500 relating to reviews, which details reports recently produced by Department of Defence.



## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q63 - Government payments of accounts**

Senator Eggleston provided in writing:

(a) For this financial year to date, has the department / agency paid its accounts to contractors/consultants etc in accordance with Government policy in terms of time for payment (i.e. within 30 days)? If not, why not, and what has been the timeframe for payment of accounts?

(b) Please provide a breakdown, average statistics etc as appropriate to give insight into how this issue is being approached.

(c) For accounts not paid within 30 days, is interest being paid on overdue amounts and if so how much has been paid by the portfolio / department agency for the current financial year and the previous financial year?

(d) Where interest is being paid, what rate of interest is being paid and how is this rate determined?

##### **Response:**

(i) Defence monitors on time payments to suppliers at an aggregate level. The data used for this response includes all payments to suppliers with the exclusion of employee payments. This data includes payment to consultants and contractors. In the current financial year to 31 January 2012, Defence has made 1,037,767 payments to suppliers and 97.4 per cent of these payments were made on time.

(ii) Defence has made 97.4 per cent of payments to suppliers on time which exceeds the 90 per cent on time payment performance expectation contained in the Department of Innovation, Industry, Science and Research (DIISR) Survey of Australian Government Payments to Small Business.

(iii) Defence was not requested to pay interest on overdue payments and has paid no interest to January 2012 in this current Financial Year.

(iv) No interest has been paid, but if it were to be paid it would be paid in accordance with the rate and methodology advised in the Department of Finance and deregulation Finance Circular No 2008/10.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q64 - Government stationery requirements**

**Senator Eggleston provided in writing:**

How much was spent by each department and agency on the government (Ministers/Parliamentary Secretaries) stationery requirements in your portfolio (i.e. paper, envelopes, with compliments slips) this financial year to date?

**Response:**

- (a) The current stationery cost for financial year 2011-12 (as at 1 March 2012) borne by the Department on behalf of the Ministers and Parliamentary Secretaries is \$7,051.00 GST inclusive. The breakdown of the cost is below:

Stationery	Cost (GST Inclusive)
Ministerial With Compliment Slips	\$ 884.00
Ministerial Letterhead Paper	\$ 1,881.00
Ministerial Envelopes	\$4,286.00
Grand Total (GST inclusive)	\$ 7,051.00

- (b) The Department anticipates that stationery expenditure for financial year 2011-12 by the Ministers' and Parliamentary Secretary will be similar to expenditure in financial year 2010-11.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q65 – Media Subscriptions**

**Senator Eggleston provided in writing:**

a) Does your department or agencies within your portfolio subscribe to pay TV (for example Foxtel)?

(b) If yes, please provide the reason why, the cost and what channels.

(c) What is the estimated cost for 2011-12?

(d) What is the cost for this financial year to date?

(e) Does your department or agencies within your portfolio subscribe to newspapers?

(f) If yes, please provide the reason why, the cost and what newspapers.

(g) What is the estimated cost for 2011-12?

(h) What is the cost for this financial year to date?

(i) Does your department or agencies within your portfolio subscribe to magazines?

(j) If yes, please provide the reason why, the cost and what magazines.

(k) What is the estimated cost for 2011-12?

(l) What is the cost for this financial year to date?

**Response:**

(a) – (b)

The department subscribes to pay TV for one or more of the following reasons:

- to provide greater current awareness of national and international events to enable timely support to Ministers, Government and senior Defence executives
- to provide greater awareness of parliamentary proceedings to enable timely support to Ministers, Government and senior Defence executives
- operational support, particularly involving conflicts, emergency situations, natural disasters and extreme weather events
- amenity for deployed and remote-location personnel where free-to-air channels are not available (including provision of satellite TV to Navy ships as a Navy personnel retention initiative).

(c) The total estimated cost of pay TV Subscriptions is in the order of \$383, 517 for the 2011-12 financial year.

(d) The total year to date cost of pay TV Subscriptions is in the order of \$251, 109 for the 2011-12 financial year.

(e)– (f)

The department subscribes to newspapers for one or more of the following reasons:

- to provide greater current awareness of national and international events to enable timely support to Ministers, Government and senior Defence executives
- to provide greater awareness of parliamentary proceedings to enable timely support to Ministers, Government and senior Defence executives
- operational support, particularly involving conflicts, emergency situations, natural disasters, and extreme weather events
- provided as a condition of service where applicable.

Subscriptions include all of the major national newspapers as well as relevant major regional papers.

(g) The total estimated cost of pay newspaper Subscriptions is in the order of \$278, 848 for the 2011-12 financial year.

(h) The total year to date cost of pay newspaper Subscriptions is in the order of \$181,211 for the 2011-12 financial year.

(i)– (j)

The department subscribes to magazines for one or more of the following reasons:

- a. to provide greater current awareness of national and international events to enable timely support to Ministers, Government and senior Defence executives (for example professional and business magazines such as APSI magazine, Australian Law Journal and The Economist)
- b. to support professional development (for example Defence specific magazines such as Australian Defence magazine and Jane's Defence Weekly)
- c. to enhance troop morale and provide amenity for deployed and remote-location personnel (for example a range of common interest magazines including human interest and health and fitness such as National Geographic, Inside Sport and Australian Men's Fitness).

(k) The total estimated cost of pay magazine Subscriptions is in the order of \$185, 595 for the 2011-12 financial year.

(l) The estimated total year to date costs of magazine subscriptions is in the order of \$141, 283 for the 2011-12 financial year.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q66 - Travel Costs**

**Senator Eggleston provided in writing:**

(a) For the financial year to date, please detail all travel (itemised separately,) undertaken by your portfolio Minister and Parliamentary Secretaries. Include details of what the travel was for, what cost was spent on travel (including travel type – i.e. business airfare), accommodation, security, food, beverages (alcohol listed separately), gifts, entertainment, and all other expenses. (b) For the financial year to date, please provide the same information (itemised separately) for any Minister and Parliamentary staff that accompanied the Minister and Parliamentary Secretary on their travel and include a similar breakdown of the costs incurred by or on behalf of those staff. (c) For the financial year to date, please provide the same information (itemised separately) for Departmental officers that accompanied the Minister and Parliamentary Secretary on their travel and include a similar breakdown of the costs incurred by or on behalf of those staff. (d) For the financial year to date, please detail all travel (itemised separately) undertaken by employees of each department and agency within each portfolio. Include details of what the travel was for, what cost was spent on travel (including travel type – i.e. business airfare), accommodation, security, food, beverages (alcohol listed separately), gifts, entertainment, and all other expenses. (e) Are employees taking the most direct route when travelling? If not, please explain why. (f) Are lounge memberships provided to any employees? If yes, what lounge memberships, to how many employees and their classification, the reason for the provision of lounge membership and the cost per employee. (g) When SES employees travel, do any support or administrative staff (such as their Executive Assistant) travel with them? If yes, provide details of why such a staff member is needed and the costs of the support staff travel.

**Response:**

**(a):** **Annex 1** provides details of costs (GST exclusive) that have been expensed for the financial year to date by the Department for official overseas travel undertaken by the Ministers' and Parliamentary Secretary. This information is correct as at 29 February 2012.

The costs of all other travel undertaken by the Ministers' and Parliamentary Secretary are paid for by the Department of Finance and Deregulation (DoFD). These costs are tabled in the Parliament every six months in a report titled 'Parliamentarians' Travel'. These reports also include dates, destination and purpose for the travel and are published to the DoFD website.

**(b):** The costs of all official travel by accompanying *Members of Parliament Act (Staff) 1984* employees to the Ministers and Parliamentary Secretary are paid for by the Department of Finance and Deregulation (DoFD). These costs are tabled in the Parliament every six months in a report titled 'Parliamentarians' Travel'. These reports also include dates, destination and purpose for the travel and are published to the DoFD website.

**(c):** **Annex 2** provides details of costs (GST exclusive) that have been expensed for the financial year to date, for overseas travel undertaken by the Departmental Liaison Officers and Aides-de-

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Camp. Attachment B provides details on domestic travel expensed for financial year to date, by the Department for these same Departmental officers. This information is correct as at 29 February 2012.

**(d):** For financial year 2011-12, as at end of February 2012, Defence, including DMO, has spent approximately \$276 million (exclusive of GST) on travel related expenses. This figure covers the entire Department of Defence workforce; APS employees, full time ADF members and ADF Reservists. The figure does not include charter aircraft used for deployments and exercises.

The Defence travel program is very large and complex and it is not possible to provide data broken down at the level requested as it is not captured or maintained at this level. Defence undertakes in excess of 200,000 domestic trips each year. Trips may be made using commercial means (air, car hire, rail etc), service vehicles or in some cases private vehicles and Defence does not have a single data source that identifies each trip undertaken for central reporting.

**(e):** The decision for Defence employees to travel the most direct route for air travel is dependent on the individual's circumstances and compliance with Government policy as outlined in Finance Circular No. 2009/10 – Use of Lowest Practical Fare for Official Domestic Air Travel and Finance Circular No. 2009/11- Best Fare of the Day for International Official Air travel. Both policies stipulate that travellers should select the lowest fare available on the day the travel is booked, on a regular scheduled service, which suits the practical business needs of the traveller.

While a direct route for air travel may offer shorter flying time and therefore provide more effective use of the individual's time; connecting flights can also offer lowest fare and still meet the individual's business needs.

**(f):** Some Defence employees have airline lounge membership funded by Defence where it provides value for money outcomes to Defence. Approval must be given by an authorised financial delegate who considers a number of factors including: the business benefits of having access to lounges (eg ability to work whilst travelling), frequency of travel by the individual, free availability of some lounges, travel destinations and the traveller's personal circumstances. Members of the SES and Star ranked officers retain an entitlement to lounge membership through their workplace agreement.

It is not possible to provide accurate data on the number of Defence employees who have lounge membership funded by Defence. Payment is by various means (Defence Travel Card, Defence Purchasing Card or on a reimbursement basis) to one or more airlines and these transactions are not itemised separately in Defence's financial management system or enterprise management system.

Under the Whole-of-Australian Government travel arrangements, some airlines do offer discounted rates to government employees. Qantas and Virgin Australia fees are as follows:

	<b>Joining Fee</b>	<b>1 Year Membership</b>	<b>2 Year Membership</b>	<b>4 Year Membership</b>
Qantas	\$210 inc GST	\$275 inc GST	\$455 inc GST	\$860 inc GST
Virgin Australia	\$199 inc GST	\$249 inc GST	Not offered	Not offered

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**(g):** There may be instances where support staff will travel with SES employees when there is a demonstrated business need and it represents efficient, effective, economical and ethical use of Commonwealth resources.

As Defence does not have a single data source that identifies each trip undertaken and an associated relationship with a Senior Executive Service or Star Ranked Officer, it is not possible to identify and breakdown travel by support staff to SES employees. To provide the level of detail requested would represent an unreasonable diversion of resources and time.

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# Senate Standing Committee on Foreign Affairs, Defence and Trade

## QUESTIONS ON NOTICE - COMMITTEES

### Senate Additional Estimates

#### Q67 - Legal costs

Senator Eggleston provided in writing:

(a) What sum did each portfolio department and agency spend on legal services for this financial year to date within the department/agency? Please provide a list of each service and costs.

(b) What sum did each portfolio department and agency spend on legal services this financial year to date from the Australian Government Solicitor? Please provide a list of each service and costs.

(c) What sum did each portfolio department and agency spend on legal services this financial year to date from private firms? Please provide a list of each service and costs.

(d) What sum did each portfolio department and agency spend on legal services this financial year to date from other sources? Please provide a list of each service and costs.

#### Response:

(a) The Department of Defence's (excluding DMO) legal expenditure (GST inclusive) for the financial year 2011-12 as at 24 February 2012 is \$50,200,239.17. This figure is broken down as follows:

- |                        |                 |
|------------------------|-----------------|
| • Internal Expenditure | \$27,288,808.99 |
| • External Expenditure | \$22,911,430.18 |

The Defence Materiel Organisation's legal expenditure (GST exclusive) for the financial year 2011-2012 as at 27 February 2012 is \$7,427,712.29. This figure is broken down as follows:

- |                        |                |
|------------------------|----------------|
| • Internal Expenditure | \$1,494,000.00 |
| • External Expenditure | \$5,933,712.29 |

consisting of:

- Professional Fees - \$5,767,138.79
- Disbursements - \$166,574.00
- Briefs to Counsel - \$0.00

(b) The Department (excluding DMO) has spent approximately \$3,328,799.84 on legal services from the Australian Government Solicitor for the FY 2011-12 as at 24 February 2012. These services were:

- |                                    |                |
|------------------------------------|----------------|
| • Advice in relation to litigation | \$793,279.77   |
| • Advice on other legal matters    | \$2,535,520.08 |

Tied legal work accounted for 44% of this expenditure.

In the FY 2011-2012, as at 27 February 2012, the Defence Materiel Organisation purchased \$617,918.99 in legal services from the Australian Government Solicitor.

(c) The Department (excluding DMO) has spent approximately \$19,579,975.44 on legal services from private firms for the FY 2011-12 as at 24 February 2012. Listing every matter that this expenditure relates to is not practical due to the large volume of individual transactions. AusTender



provides details of all new matters raised during the year and the value of the commitment, but it does not list the value of the expenditure. In the tables below, the expenditure has been broken down into litigation services and other legal matters and then further refined by the panel the work was assigned to:

- Advice in relation to litigation \$1,825,855.54

Commercial, including contract, acquisitions and PPP	Clayton Utz	\$684,622.45
	Norton Rose	\$167,995.75
	DLA Piper	\$5,308.50
Dispute Resolution	DLA Piper	\$517,832.70
	Minter Ellison	\$25,500.64
Employment and Industrial Relations	Blake Dawson	\$75,420.62
	DLA Piper	\$14,215.53
	Maddocks	\$146,254.78
	Minter Ellison	\$41,641.36
	Sparke Helmore	\$165,046.12
Finance including Private Finance	Minter Ellison	\$774.29
Government and Administrative, including Privacy and FOI	Clayton Utz	\$52,883.43
	DLA Piper	\$1,041.15
	Minter Ellison	\$46,405.37
Intellectual Property	Minter Ellison	\$10,476.40
Negligence and other common law claims	Blake Dawson	\$7,408.89
	Clayton Utz	\$11,273.77
	DLA Piper	\$66,906.57
	Minter Ellison	\$31,437.37
	HWL Ebsworth	\$186.12
Non-Panel	Attorney Generals Department	\$6,182.24
	Mallesons Stephen Jaques	\$77,200.00
Technology and Communications	Clayton Utz	\$96,956.76
LACE	Kamy Saeedi Lawyers	\$6,744.95
Non Panel – DFDAT	John Harris SC	\$12,353.21
Non Panel – CIVCAS	Kennedys	\$11,583.39
	Middletons Lawyers	\$59,986.52
	David McLure	\$11,550.00
	K Wolahan	\$14,000.00

- Advice on other legal matters \$17,754,119.90

Commercial, including contract, acquisitions and PPP	Blake Dawson	\$1,348,029.13
	Clayton Utz	\$3,261,852.54

	DLA Piper	\$233,590.70
	Minter Ellison	\$869,033.84
	Norton Rose	\$79,161.61
	Sparke Helmore	\$367,299.55
Construction Engineering and Infrastructure	Allens Arthur Robinson	\$12,695.64
	Clayton Utz	\$43,641.40
	Minter Ellison	\$22,133.32
Corporate Law and Governance	DLA Piper	\$30,855.00
Employment and Industrial Relations	Blake Dawson	\$111,374.86
	Clayton Utz	\$44,463.95
	DLA Piper	\$40,267.21
	Maddocks	\$3,916.44
	Minter Ellison	\$44,396.62
	Sparke Helmore	\$16,110.96
Environment, Heritage and Indigenous	Clayton Utz	\$33,673.09
	Allens Arthur Robinson	\$-1,368.00
	DLA Piper	\$27,959.93
	Minter Ellison	\$26,816.20
	Norton Rose	\$7,304.86
Finance, including Private Finance	Minter Ellison	\$504.46
Government and Administrative, including Privacy and FOI	Blake Dawson	\$18,506.90
	Clayton Utz	\$232,128.98
	DLA Piper	\$7,855,356.60
	Minter Ellison	\$181,407.10
	Sparke Helmore	\$267,699.40
Intellectual Property	Allens Arthur Robinson	\$13,984.30
	Clayton Utz	\$37.40
	Minter Ellison	\$25,699.26
Negligence and other common law claims	Blake Dawson	\$10,025.09
	DLA Piper	\$19,569.10
Defence Force Advocate	R Kenzie QC	\$164,341.95
Non- Panel	Mallesons Stephen Jaques	\$86,986.35
	Attorney Generals Department	\$37,517.45
	Blake Dawson	\$10,739.70
	Clayton Utz	\$12,732.21
	Insolvency & Trustee Service Australia	\$6,098.75
	Maddocks	\$2,766.28
	Margaret Allars	\$3,255.51
LACE	Kamy Saeedi Lawyers	\$25,523.20
	Paul Smith	\$3,500.00
	Tony Hargreaves Lawyers	\$16,078.21

	Paul W Kerr – Barrister	\$1,826.00
	Guides & Elliott Solicitors	\$7,931.20
	Maddocks	\$2,766.28
	Corrina Jane Porter	\$2,654.90
Property, Leasing, Land Planning and Disposals	Clayton Utz	\$210,980.23
	Minter Ellison	\$121,912.87
	Blake Dawson	\$328,987.71
	DLA Piper	\$70,291.81
	Norton Rose	\$66,617.77
	Sparke Helmore	\$52,209.15
Technology and Communications	Blake Dawson	\$67,907.47
	Clayton Utz	\$789,322.56
	Sparke Helmore	\$170,065.58
	Minter Ellison	\$3,498.00
	DLA Piper	\$209,481.33

In the financial year 2011-2012, the Defence Materiel Organisation purchased legal services from the following firms:

- Allens Arthur Robinson - \$283,382.12
- Australian Government Solicitor - \$617,918.99
- Blake Dawson - \$1,599,452.28
- Clayton Utz - \$780,926.00
- DLA Piper (previously DLA Phillips Fox) - \$847,909.00
- Minter Ellison - \$956,847.37
- Norton Rose - \$157,429.88
- Sparke Helmore - \$678,720.70

(d) In the financial year 2011-2012, as at 27 February 2012, the Defence Materiel Organisation purchased the following legal services from other sources:

- Thomas Cooper Law (UK) – In-Country Assistance with ‘Largs Bay’ Procurement - \$5,874.95

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q68 - Education expenses**

Senator Eggleston provided in writing:

For this financial year to date, detail all education expenses (i.e. in house courses and tertiary studies) for each portfolio department and agency. Include what type of course, the total cost, cost per participant, how many participants and the amount of study leave granted to each participant. Also include the reason for the study.

##### **Response:**

Within a reasonable application of resources, Defence is unable to detail all education expenses, including the type of course, cost and number of participants for workforce development achieved through experiential learning and formal education and training.

Defence's financial management system does not support true cost attribution that would be necessary to provide this information, nor do enterprise management systems record every separate course attended by a Defence member and the number of participants.

While the vast majority of education and training provided to Defence members is designed and delivered in-house, most of the fixed and variable costs of doing so are not uniquely captured and are generally reflected in the operating budgets of the Defence element responsible for the delivery of the education and training.

However, Defence does capture the cost of education and training activities appropriated as Supplier Expenses (e.g. training and development that is procured). For the completed reporting periods to date in financial year 2011-12 (being July 2011 to January 2012) the total amount of procured education and training services amounts to \$190 million, of which \$48 million relates to travel. Expenditure on the Australian Defence Force Academy contract with the University of New South Wales amounts to \$32 million of this total.

Procured military related training, which includes flight and submarine training, amounts to \$63 million of expenditure. Spend on non-military training comes to \$31 million and includes that expended at Universities and Technical and Further Education Institutions. This last figure also includes funds managed by the Groups and Services to provide education and training to meet their specific needs and that expended by authorities responsible for the Deployment of Defence-wide business policies and processes.

Attendance by defence personnel at conferences and seminars accounts for \$3 million; information and technology training amounts to \$1 million. These figures are rounded to the nearest millions and reflect cash payments made.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q69 - Executive Coaching and Leadership Training**

Senator Eggleston provided in writing:

(a) In relation to executive coaching and/or other leadership training services purchased by each department/agency, please provide the following information for this financial year to date:

- i. Total spending on these services
- ii. The number of employees offered these services and their employment classification
- iii. The number of employees who have utilised these services, their employment classification and how much study leave each employee was granted
- iv. The names of all service providers engaged

(b) For each service purchased from a provider listed under (4), please provide:

- i. The name and nature of the service purchased
- ii. Whether the service is one-on-one or group based
- iii. The number of employees who received the service and their employment classification
- iv. The total number of hours involved for all employees
- v. The total amount spent on the service
- vi. A description of the fees charged (i.e. per hour, complete package)

(c) Where a service was provided at any location other than the department or agency's own premises, please provide:

- i. The location used
- ii. The number of employees who took part on each occasion
- iii. The total number of hours involved for all employees who took part
- iv. Any costs the department or agency's incurred to use the location

##### **Response:**

(a) - (c) Defence's information management systems do not permit the cost attribution specifically for executive coaching and training expenses categorised as leadership. These systems do not record each separate coaching session or leadership course attended by a Defence member / employee nor the number of participants or other attributes such as hours involved, training venue or any applicable study leave.

Some senior executive and executive level coaching is provided at a corporate level, however the majority of other leadership training externally purchased, including executive coaching is managed at group, divisional and branch level.

Within the time given, Defence can provide a limited response to the questions. During financial year 2011-12 Defence developed and started delivering a corporate level *New Supervisors Program* for all Defence employees, irrespective of level, who commenced in a supervisory position of Australian Public Service staff for the first time. This program is delivered by a number of external training providers on Defence premises.

Defence has spent approximately \$4.239 million on procured executive coaching and other leadership training, with 1731 employees from APS2 to SES Band 2 using these programs. The number of hours for each employee varies according to the type of coaching or leadership activity and totals 35,780 hours from available information. With the exception of one, year-long professional management program no training or coaching required any study leave from participants.

In excess of 53 different training providers were engaged and include the Australian Public Service Commission, The Nous Group, Yellow Edge, ChangeDrivers, Lee Hecht Harrison, Saville Holdsworth Pty Ltd, Strategic Pathways, Human Synergistics, Workplace Training & Advisory Australia Pty Ltd, TAFE NSW, University of New England and Major Training Services are some of the providers used across the Department to provide coaching and leadership training. This list is not comprehensive.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q70 - Media Training

Senator Eggleston provided in writing:

(a) In relation to media training services purchased by each department/agency, please provide the following information for this financial year to date:

- i. Total spending on these services
- ii. The number of employees offered these services and their employment classification
- iii. The number of employees who have utilised these services, their employment classification and how much study leave each employee was granted
- iv. The names of all service providers engaged

(b) For each service purchased from a provider listed under (4), please provide:

- i. The name and nature of the service purchased
- ii. Whether the service is one-on-one or group based
- iii. The number of employees who received the service and their employment classification
- iv. The total number of hours involved for all employees
- v. The total amount spent on the service
- vi. A description of the fees charged (i.e. per hour, complete package)

(c) Where a service was provided at any location other than the department or agency's own premises, please provide:

- i. The location used
- ii. The number of employees who took part on each occasion
- iii. The total number of hours involved for all employees who took part
- iv. Any costs the department or agency's incurred to use the location

#### Response:

(a)

i. In 2011-12 media training services were purchased to the value of \$147,994 General Sales Tax (GST) exclusive (as at 5 March 2012).

ii. There were 2 contracted media awareness and skills training arrangements. Training delivered for the Australian Command and Staff College course allowed up to 180 course members to undergo training. Course members are of the rank of Major (Equivalent). Defence training was available to Australian Defence Force (ADF) members and Australian Public Servant (APS) employees likely to engage with the media. Information about their employment classification is not readily available.

iii. One hundred and seventy one Australian Command and Staff College course members took part in the media training. Course members are of the rank Major (Equivalent). No study leave was granted as the training is part of the course curriculum. Forty eight people (9 Navy, 15 Army, 4 Air Force and 20 APS) attended one of the five courses conducted on behalf of Defence. Course attendance was classified as duty and study leave was not granted.

iv. Media Gurus and Media Manoeuvres.



(b)

- i. Media Gurus was contracted by the Australian Defence College to deliver the media awareness training for the Australian Command and Staff College course as part of its curriculum. Media Manoeuvres was contracted by Defence to deliver two types of courses: a series of one-day duration media awareness and interview skills courses; and a half-day course for senior Defence staff conducted when required.
- ii. All training was group based.
- iii. One hundred and seventy one course members received training at the Australian Defence College. Course members are of the rank Major (Equivalent). Forty eight people completed the Defence training. Information about their employment classification is not readily available.
- iv. One hundred and seventy course members at the Australian Defence College undertook 4 days of training, which is the equivalent of 5130 hours. Forty eight people completed the one-day Defence training courses, which is the equivalent of 336 hours.
- v. \$84,000 GST exclusive in 2011-12 for the training contracted by the Australian Defence College. \$63,994 GST exclusive in 2011-12 for the training contracted by Defence.
- vi. Media Gurus was contracted to provide media studies training in 2011-12 for \$84,000 GST exclusive. Media Manoeuvres was contracted to provide media awareness and skills training in 2011-12 for \$63,994 GST exclusive.

(c) i to iv. All contracted media training was conducted at Defence establishments.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

##### **Q71 - Paid Parental Leave**

Senator Eggleston provided in writing:

- (a) Please list how many staff in each portfolio department and agency are eligible to receive payments under the Government's Paid Parental Leave scheme?
- (b) For this financial year to date list which department/agency is providing its employees with payments under the Government's Paid Parental Leave scheme?
- (c) Please list how many staff are in receipt of these payments.

##### **Response:**

- (a) Defence is unable to provide a list of how many staff are eligible. All Australian Defence Force (ADF) members and Defence Australian Public Service (APS) employees that meet the eligibility criteria in the *Paid Parental Leave Act 2010* are eligible to receive payments under the Australian Government's Paid Parental Leave scheme.
- (b) Defence provides these payments to ADF members and Defence APS employees who are new claimants where the Family Assistance Office has requested Defence take on the paymaster role for the claimant.
- (c) The total cannot be provided by Defence as it only deals with payments for new claimants where the Family Assistance Office has requested Defence take on the paymaster role for the claimant. From 1 July 2011 to payday 1 March 2012, Defence has accepted the paymaster role for 204 Defence personnel. Of these, Defence has provided payments to 20 ADF members and 85 APS employees to 1 March 2012. The Paid Parental Scheme periods for the remaining 99 accepted personnel have not yet commenced.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q72**

**Training for Portfolio Minister and Parliamentary Secretaries**

**Senator Eggleston provided in writing:**

(a) For this financial year to date, how much has been spent on training for Ministers and Parliamentary Secretaries in your portfolio? Itemise each training, cost and for which Minister and/or Parliamentary Secretary the training was for.

(b) For this financial year to date, how much has been spent on training for staff of Ministers and Parliamentary Secretaries in your portfolio? Itemise each training, cost and for which Minister and/or Parliamentary Secretary the training was for.

(c) For this financial year to date, how much has been spent on training for designed to better suit the needs of Ministers and Parliamentary Secretaries in your portfolio? Itemise each training, cost and for which Minister and/or Parliamentary Secretary the training was for, and how many employees attended and their classification.

**Response:**

- a) The Department of Defence has not funded or paid for any training for the Ministers or Parliamentary Secretaries during the financial year to date.
- b) The Department of Defence has not funded or paid for any training for the staff of the Ministers or Parliamentary Secretaries during the financial year to date.
- c) Not applicable.

# Senate Standing Committee on Foreign Affairs, Defence and Trade

## QUESTIONS ON NOTICE - COMMITTEES

### Senate Additional Estimates

#### Q73 - Corporate Cars

Senator Eggleston provided in writing:

- (a) How many cars are owned by each department and agency in your portfolio?
- (b) Where is the car/s located?
- (c) What is the car/s used for?
- (d) What is the cost of each car for this financial year to date?
- (e) How far did each car travel this financial year to date?

#### Response:

- (a) As at 1 February 2012, Defence owned 2,476 passenger vehicles, or cars, including sedans, station wagons and multi-purpose vehicles (excluding four wheel drive vehicles, buses and trucks).
- (b) The passenger vehicles are located as follows:
  - Australian Capital Territory: 244;
  - New South Wales: 786;
  - Northern Territory: 168;
  - Queensland: 507;
  - South Australia: 138;
  - Tasmania: 35;
  - Victoria: 416;
  - Western Australia: 158;
  - Singapore: 6; and
  - Malaysia 18.

(c) These passenger vehicles are used to meet Departmental administrative requirements, support training activities and base operations.

(d) As at 1 February 2012, the cost of owning the 2,476 passenger vehicles to-date during financial year 2011-12 is approximately \$5.310 million or \$3,583 per vehicle pro-rata. This cost includes net acquisition (capital cost less revenue received), operating, maintenance and domestic fuel costs.

(e) A complete data set of the distance travelled for individual Defence-owned vehicles during financial year 2011-12 is not available and would not be able to be confirmed within the time available to respond to this Question on Notice. Over the past three financial years, average whole-of-life utilisation across a sample of 1,945 cars at disposal was 15,102km per annum per vehicle.

# Senate Standing Committee on Foreign Affairs, Defence and Trade

## QUESTIONS ON NOTICE - COMMITTEES

### Senate Additional Estimates

#### Q74 - Taxi costs

Senator Eggleston provided in writing:

(a) How much did each department/agency spend on taxis in 2007-08, 2008-09, 2009-10 and 2010-11?

(b) Provide a breakdown of each business group in each department/agency.

(c) How much did each department/agency spend on taxis this financial year to date? (d) Provide a breakdown of each business group in each department/agency.

#### Response:

(a) and (c)

The table below shows the Department of Defence, including the Defence Materiel Organisation, approximate spend on taxis domestically and overseas for financial year 2007-08 through to financial year 2011-12 (up to end February 2012).

Financial Year 2007-08	Financial Year 2008-09	Financial Year 2009-10	Financial Year 2010-11	Financial Year 2011-12 (up to end Feb 12)
\$15.2m	\$13.8m	\$13.3m	\$15m	\$10.3m

(b) and (d)

The Defence travel program is very large and complex. To provide the level of detail as requested would represent an unreasonable diversion of resources as taxi travel data is not captured or maintained at such a level in Defence's financial system.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q75 - Printing of Documents**

**Senator Eggleston provided in writing:**

(a) Does the department/agency print any hard copies of reports/statements/papers they produce? If yes, please list how many copies, where they are delivered and the cost.

**Response:**

Defence does print hard copies of reports/statements/papers produced within the department. Examples include statutory documents such as the Portfolio Budget Statements, the Portfolio Additional Estimates Statements and the Annual Report, which are intended for Parliamentary purposes and external transparency. Other examples include internal documents such as audit reports, financial statements, and discussion papers.

Numbers of copies printed for each document differ greatly depending on the nature of the document and its intended audience.

Given the breadth of the question and the diversity of documents printed within Defence, it is not possible to provide a more specific response without an unreasonable diversion of resources.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q75 - Printing of Documents**

**Senator Eggleston provided in writing:**

(a) Does the department/agency print any hard copies of reports/statements/papers they produce? If yes, please list how many copies, where they are delivered and the cost.

**Response:**

Defence does print hard copies of reports/statements/papers produced within the department. Due to the breadth of the question, however, an unreasonable amount of departmental resources would be required to develop a response.

See revised answer



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q76 - Provision of equipment**

**Senator Eggleston provided in writing:**

(a) Does the department/agency provide their Ministers and/or Parliamentary Secretaries and/or their offices with any electronic equipment? If yes, provide details of what is provided, the cost and to who it is provided.

(b) What equipment is provided to department/agency staff? Please list what the equipment is, the cost, the classification of the staff receiving the equipment and the reason why.

**Response:**

(a) and (b) The Department supplies a number of mobile electronic devices such as Blackberrys and Laptops to the Ministers and their staff. The devices provide the means for individuals to access Defence emails and other documents necessary to effectively undertake their respective roles. The details, as at 29 February 2012, are provided in the table below:

	Devices	Total Device Cost	Total Cost
<b>Office Of Minister Stephen Smith</b>			
Minister Smith	1 x Blackberry	\$1,000	\$1,000.00
Aide-de-camp	1 x Blackberry, 1 x Laptop	\$1,000 \$966.50	\$1,966.50
Departmental Liaison Officers	2 x Blackberry 1 x Laptop	\$2,000 \$966.50	\$2,966.50
Ministerial Staff	14 x Blackberry 13 x Laptops	\$14,000 \$12,564.50	\$26,564.50
Total for Office	18 x Blackberry 15 x Laptop	\$18,000.00 \$14,497.50	\$32,497.50
<b>Office Of Minister Warren Snowdon</b>			

Minister Snowdon	1 x BlackBerry	\$1,000.00	
	1 x Laptop	\$966.50	\$1,966.50
Aide-de-camp	1 x Blackberry	\$1,000.00	
	1 x Laptop	\$966.50	\$1,966.50
Departmental Liaison Officer	1 x Blackberry	\$1,000.00	
	1 x Laptop	\$966.50	\$1,966.50
Ministerial Staff	2 x Blackberry	\$2,000	
	1 x Laptop	\$966.50	\$2,966.50
Total for Office	5 x Blackberry	\$5,000.00	
	4 x Laptop	\$3,866.00	\$8,866.00
<b>Office of Minister Kim Carr</b>			
Minister Carr	1 x Blackberry	\$1,000	
	1 x Laptop	\$966.50	\$1,966.50
Departmental Liaison Officer	1 x Blackberry	\$1,000	
	1 x Laptop	\$966.50	\$1,966.50
Ministerial Staff	8 x Blackberry	\$8,000	
	9 x Laptop	\$8,698.50	\$16,698.50
Total for Office	10 x Blackberry	\$10,000.00	
	11 x Laptop	\$10,631.50	\$20,631.50
<b>Office of Parliamentary Secretary David Feeney</b>			
Senator Feeney	1 x Blackberry	\$1,000	
	1 x Laptop	\$966.50	\$1,966.50
Departmental Liaison Officer	1 x Blackberry	\$1,000	
	1 x Laptop	\$966.50	\$1,966.50
Ministerial Staff	2 x Blackberry	\$2,000.00	
	2 x Laptop	\$1,933.00	\$3,933.00
Total for Office	4 x Blackberry	\$4,000.00	
	4 x Laptop	\$3,866.00	\$7,866.00
<b>Office of Parliamentary Secretary</b>			

<b>Dr. Mike Kelly</b>			
Dr. Mike Kelly	1 x Blackberry	\$1,000	
	1 x Laptop	\$966.50	\$1,966.50
Departmental Liaison Officer	1 x Blackberry	\$1,000	
	1 x Laptop	\$966.50	\$1,966.50
Ministerial Staff	4 x Blackberry	\$4,000.00	
	3 x Laptop	\$2,899.50	\$6,899.50
Total for Office	6 x Blackberry	\$6,000.00	
	5 x Laptop	\$4,832.50	\$10,832.50
<b>Total for all Offices</b>	43 x Blackberry	\$43,000.00	
	39 x Laptop	\$37,693.50	\$80,693.50

These devices are not purchased new for each Minister or staff member but are drawn from a pool of devices that are issued as required. When Ministers or their staff no longer require a Defence supplied device they are returned to the pool. New batches of devices are purchased periodically to replace those that are lost and damaged.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q77 - Helicopter Aircrew Training System – AIR 9000 Phase 7**

Senator Kroger provided in writing:

(a) Will the Department please confirm that the aircraft used in the Helicopter Aircrew Training System (HATS) are rapidly aging?

(b) Please advise when the aircraft in this squadron are due for retirement.

**Response:**

(a) Project AIR 9000 Phase 7 will provide a rotary wing training capability and will replace the Kiowa and Squirrel which are approaching the end of their service life.

(b) Defence expects both the Kiowa and Squirrel will be fully retired by 2017.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q78 - PC-9 (Pilot Training System)**

**Senator Kroger provided in writing:**

- (a) Will the Department please confirm that the aircraft used in the Pilot Training System (PTS) are rapidly aging. Please advise when the aircraft in this squadron are due for retirement.
- (b) Please confirm that the PC-9s are the current primary training aircraft in use for the PTS program.
- (c) When was this aircraft first introduced to the Royal Australian Air Force (RAAF)?
- (d) Is it true that this aircraft was due for retirement 5 years ago? If so, why was retirement delayed? Who decided that it should be delayed and for what reason(s)?
- (e) Could you please confirm that the total logged flying hours for the PC-9s in the 2010-11 financial year was a mere 12,530 hours? Please confirm that the Department of Defence highlighted that this squadron functioned at a mere 66% capacity? What were the main reasons for this poor functionality?
- (f) Please confirm if the PC-9s renewed retirement date is indeed now between 2016-18?
- (g) Please advise if the PTS program has been drafted as a Request for Tender. If not, why and when will it be?
- (h) If the program has not been not been drafted for tender, please explain how the Department plans to ensure that new aircraft are bought in time for the retirement of the PC-9s? Does the Department intend to post-pone the retirement of this squadron again?

**Response:**

- (a) The planned withdrawal date of the PC-9/A is 2016.
- (b) The PC-9/A is used as the advanced pilot training aircraft for the Pilot Training System. The CT-4 is used as the basic pilot training aircraft.

- (c) Air Force accepted the first PC-9/A in November 1987 and pilot training commenced in 1989.
- (d) The original planned withdrawal date for the PC-9/A was 2010. The withdrawal date, has been reviewed during the life of the PC-9/A, and has since been revised to 2016. The planned withdrawal date is reviewed in consultation between Air Force, Capability Development Group, and Defence Materiel Organisation.
- (e) The PC-9/As hours flown in the 2010-11 financial year were 12 530.3. The hours flown by Air Force were 66.1 per cent of the total hours allocated for the year. The flying rate in 2010-11 was lower than planned. Flying operations between February and June 2011 were reduced while investigations were conducted into an engine turbine failure in February 2011 and an engine failure after takeoff in April 2011.
- (f) PC-9/A planned withdrawal date is 2016.
- (g) The request for tender for the new pilot training system project is currently being drafted, and will be released to industry this year.
- (h) Project AIR 5428 program will deliver the new pilot training system. The Department does not intend to postpone the retirement of the PC-9/As.

# QUESTIONS ON NOTICE - COMMITTEES

## Senate Additional Estimates

### Q79 - F-35 Joint Strike Fighter and Air Warfare Destroyer

Senator Kroger provided in writing:

- (a) Could the Department please advise of the exact cost of the F-35 Joint Strike Fighter and Air Warfare Destroyer programs?
- (b) Has the cost of the F-35 Joint Strike Fighters and Air Warfare Destroyer programs impacted on the Department's ability to purchase new training aircraft? If so, please explain its impact.

### Response:

- (a) Expenditure for the New Air Combat Capability (NACC) Project Phase 1 totalled \$335 million. As of December 2011, total expenditure on Phase 2A/B Stage 1 (14 F-35s) amounted to \$94.3 million (approximately 3.6 per cent of approved budget). The total approved funding for NACC Project Phase 2A/B Stage 1 is approximately \$2.3 - \$2.6 billion (then year prices at exchange rate of 1.03). The remainder of the NACC Project (86 F-35s) is unapproved but constitutes approximately a further \$10.0-12.0 billion to be spent between 2014-15 and 2021-22.

The AWD Program's budget at Second Pass was \$7,207 million (December 2007 prices). The Current Budget out-turned is \$7,870 million (global update February 2012).

- (b) No. Current projected unit price for the F-35 Joint Strike Fighter remains within budgeted allocations; the Air Warfare Destroyer project has not required a funding increase; and the pilot training aircraft project (AIR5428) is pre 2nd Pass and has not completed its tender process.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### **Q80 - Recruiting Foreign Troops**

#### **Senator Kroger provided in writing:**

- (a) It has recently been reported in The Australian that the Royal Australian Navy (RAN) has decided to compensate for the shortages of skilled servicemen and women by beginning to recruit foreign troops namely troops from the British, Canadian and New Zealand defence forces. Were these job positions promoted domestically? If not, why was it decided to recruit troops from abroad, even if within the Commonwealth, rather than promoting the availability of defence jobs domestically?
- (b) How were these specific nations chosen for recruiting? Please outline the process including any meetings that were held and who was in attendance at these meetings. If meetings of this nature took place is there a copy of minutes taken that can be tabled? If so, will the department please table these minutes.
- (c) What is the total cost of advertising and promoting these job vacancies?
- (d) Please confirm if it is accurate that the proposed plan is to offer these troops citizenship after completing three months service.
- (e) Does the Department intend to promote this recruitment package to defence personnel from non-Commonwealth nations?
- (f) Please advise if the Department has proposed any extra security clearances, for these foreign recruits.
- (g) Who made the decision to offer citizenship as an incentive to join the Australian Defence Force? Were there any other incentives considered? If so, please outline these other incentives. If so, why was citizenship chosen as the incentive of choice over these other incentives?

#### **Response:**

- (a) The RAN overseas lateral recruitment program is not a new program and has been operating for many years. The program is aimed at serving or immediately ex-serving officers and sailors of foreign Naval Forces (not greater than three years since separation from military service) with specific qualifications and/or experience that is directly transferable to the RAN. The qualifications and experience sought are highly specialised, experienced and military specific and do not translate to the domestic civilian employment market. The RAN also targets the re-entry of ex RAN personnel and has a very active recruiting program for new-entrants.

The overseas lateral recruitment program operates under a labour agreement between the Commonwealth of Australia (Department of Immigration and Citizenship) and the Australian Defence Force (ADF). This Agreement enables the permanent entry of skilled overseas workers to support and strengthen Defence Force capability. The Agreement reflects that the Commonwealth is satisfied that the recruitment of lateral recruits will not undermine training or employment opportunities for Australians.



(b) The RAN overseas lateral recruiting program is not restricted to specific nations. Applications are accepted from applicants of any nationality as long as they meet the eligibility requirements for the scheme. In the past the RAN has recruited personnel from UK, US, Canada, India, South Africa, Fiji and PNG. The RAN has recently commenced a targeted campaign to recruit personnel from the UK to take advantage of the well publicised and significant downsizing program currently being undertaken by the UK Armed Forces. In respect of an enhanced campaign in the UK there have been some meetings between RAN and UK personnel to investigate and facilitate the RAN's increased recruiting efforts. These meetings include:

December 2010. The RAN's Director General Navy People, Director Navy People Career Management Agency and Deputy Director Entries and Separations (accompanied by the RAN Naval Advisor – London) visited the UK for Navy to Navy talks on personnel matters. The talks were hosted by the RN Director of Navy Personnel Strategy. Among other things the talks discussed the Royal Navy (RN) downsizing and forthcoming redundancy programs and the RAN lateral recruiting program. There was discussion and agreement to a range of activities associated with RAN lateral recruiting activities in the UK including ongoing dialogue between RAN and RN personnel.

October 2011. Chief of Navy held formal talks with his RN counterpart in October 2011. The lateral transfer program was discussed, with the RN comfortable for the RAN to enhance the lateral recruit program during 2012 to capitalise on the UK redundancy program.

December 2011. The RAN's Director of Navy Personnel Policy (accompanied by the RAN Naval Advisor – London) visited the UK in Dec 11 to meet with RN Director of Navy Personnel Strategy, OIC Redundancy Cell and Staff Officer Resettlement Policy and Plans to discuss the RN redundancy program and the potential for increased marketing and recruiting efforts in the UK. As a result of these discussions a brief was prepared outlining the opportunities that could be taken in 2012 to capitalise on the UK redundancy program to the benefit of both the RAN and RN. The RAN Naval Advisor London has had numerous discussions with RN and UK Ministry of Defence personnel on the RN redundancy program and RAN lateral recruiting activities.

(c) In recent years there has been no overt marketing of the overseas lateral recruitment program in the form of advertisements or promotion activities. The program has operated largely by word of mouth. The RAN has not actively targeted personnel but has advertised on the Defence Force Recruiting internet site.

In 2012 the RAN has commenced an active marketing campaign in the UK specifically to take advantage of the UK downsizing program. This program will include post card type handouts to be given to RN personnel, may also include advertisements in relevant UK publications such as RN Navy News and placement of an RAN lateral recruiting liaison officer in the UK for a period of up to four months between Mar and Jun12.

As the marketing campaign is still in the early stages of development the estimated cost of advertising is currently unknown, but expected to be less than \$10,000. The estimated cost of the liaison officer is \$66,000. The initial visits to the UK in December 2010 and December 2011 were both undertaken as part of wider activities that were undertaken – they were not stand-alone trips purely for this purpose. It is estimated that the additional costs associated with the December 2010 visit are negligible (the officers were already scheduled to visit London) and the additional costs for the December 2011 visit were approximately \$5000.

(d) Australian citizenship is a requirement for service in the ADF, but a temporary waiver of the citizenship requirement can be applied in certain circumstances. The Labour agreement under which the RAN overseas lateral recruitment program operates provides for RAN sponsorship of permanent residency visas to recommended applicants and their family. Again this has been a permanent part of the program for many years and is not a new inducement as may have been inferred from recent media reporting. Applicants are responsible for obtaining their permanent residency visa and the applicant and each dependent family member must be granted a permanent residency visa before being appointed or enlisted in the RAN. Applicants must make a written undertaking that they will apply for Australian Citizenship as soon as they are eligible (normally after three months service in the Permanent Navy). A lateral recruit who fails to obtain citizenship will have their Service in the RAN terminated.

(e) The RAN overseas lateral recruitment program is not restricted to specific nationalities. At present active marketing is only taking place in the UK. The RAN is considering the potential for increased lateral recruiting from the United States and will have dialogue with the United States Navy during 2012 but a definitive proposal has not yet been developed.

(f) Applicants must hold an appropriate ADF security clearance (minimum of 'secret' for officers and 'secret' or 'confidential' for sailors) before appointment or enlistment. Australian security arrangements require that applicants have a background of at least 10 years, which can be directly verified by the Defence Security Agency. Current international agreements permit security clearances to be transferred for active military personnel from Canada, New Zealand, the United Kingdom or the United States, subject to verification procedures. Applicants from other nations must undergo the normal Australian security clearance process and be granted the appropriate clearance, as would any other applicant to join the ADF.

(g) Eligibility for and granting of Australian citizenship is in accordance with Commonwealth Government policies and is covered under the Labour Agreement between the ADF and the Department of Immigration and Citizenship. Australian Citizenship is not considered an incentive to join the RAN (although it may be seen that way for some applicants) but rather a requirement for service in the RAN. No other specific incentives were considered or are offered under this program. The attraction of the program is dependant on the motivations of the individual personnel who consider it.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q81 - Force Posture Review**

##### **Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. It notes that we need a force posture that can support operations in Australia's northern and western approaches, and coalition operations in the wider Asia Pacific. To support this it has said that, while permanent bases are not operationally necessary, there is a case for Defence to pursue improved access arrangements at commercial ports such as Exmouth, Dampier, Port Hedland and Broome and also suggests Brisbane appears to be a promising location for a new fleet base on the east coast that would be an appropriate home port for Future submarines and/or the LHD. (a)What are the current capabilities for each port as named in the Review, including Darwin, Townsville and Cairns, in regards to docking the future AWD; (b)What are the current capabilities for each port as named in the Review, including Darwin, Townsville and Cairns, in regards to docking the LHD; (c)What are the current capabilities for each port as named in the Review, including Darwin, Townsville and Cairns, regards to docking HMAS Choules; (d)What are the current capabilities for each port as named in the Review, including Darwin, Townsville and Cairns, regards to docking the Collins Class submarines; (e)What infrastructure work and support facilities would be required to enable each port as named in the Review, including Darwin (including East Arm Point), Townsville and Cairns, to be capable of docking the future AWD, and what would be the estimated cost of such work? (f)What infrastructure work and support facilities would be required to enable each port as named in the Review, including Darwin, Townsville and Cairns, to be capable of docking the LHD, and what would be the estimated cost of such work? (g)What infrastructure work and support facilities would be required to enable each port as named in the Review, including Darwin, Townsville and Cairns, to be capable of docking HMAS Choules, and what would be the estimated cost of such work? (h)What infrastructure work and support facilities would be required at Fleet Base East to accommodate the docking of the LHD, and what would be the estimated cost of such work? (i)What are the current capabilities for each port as named in the Review, including Darwin, Townsville and Cairns, in regards to docking the Future submarine - as specified in the 2009 Defence White Paper; (j)What infrastructure work and support facilities would be required to enable the docking of the Future

submarine - as specified in the 2009 Defence White Paper – at existing ports that are suitable for the docking of the Collins Class and what would be the estimated cost of such work? (k) How are the forward basing/forward operating options as indicated in Attachment C of this Review influencing the decision making process associated with the Future submarine project?

**Response:**

a) As a general comment, it is important to distinguish between the term ‘docking’ and ‘berthing’. In naval use, the former generally refers to the process whereby ships are removed from the water for major maintenance or repair, either in a dry dock (e.g. the Captain Cook Graving Dock at Garden Island, Sydney) or a floating dock (e.g. the new floating dock at the Henderson Common User Facility near Fremantle). Berthing a ship is the process whereby a ship remains afloat and secured alongside a wharf or jetty, or occasionally at a buoy.

The AWD can be docked at dedicated ship maintenance and repair facilities at Henderson, WA; Osborne, SA; Garden Island, NSW and Brisbane, QLD. It could conceivably also be docked at Williamstown, VIC, although this facility will be occupied for some time with ship construction work.

The AWD can berth in any Australian commercial port that has sufficient access channel depth, an adequate turning basin and appropriately configured wharf dimensions. However the nature of bulk cargo and other specialised commercial berths in ports such as Dampier and Port Hedland generally mean these berths are not suited to use by naval vessels, whereas the port of Broome could accommodate an AWD. Use of commercial berths in Darwin, Cairns and Townsville, as is the norm for RAN ship visits to all commercial port facilities in Australia, will be negotiated when required around commercial shipping priorities on a case by case basis. In some cases commercial shipping priorities may limit or preclude access except in a declared Defence contingency.

b) and c) Both HMAS *Choules* and the LHD can be docked at Garden Island, Sydney and the Cairncross dry dock in Brisbane.

The LHDs and HMAS *Choules* can berth in any Australian commercial port that has sufficient access channel depth, an adequate turning basin and appropriately configured wharf dimensions. The greater size of these ships and the configuration of their side door and stern dock loading arrangements may limit the number of ports in which the ship can optimise loading and unloading.

In Townsville, Defence has contributed \$30m towards upgrade of the commercial Berth 10 in the Port, under a shared access arrangement over 25 years that will allow for amphibious load/offload tasks to be conducted at this berth for a minimum of 45 days per annum. When completed in June 2013, the Berth 10 upgrade will meet the

requirements for periodic visits by Navy's LHDs and *Choules*, although the ships could use other berths in the port if available. The ships will be capable of loading by a variety of methods, including alongside a wharf using side and stern doors, and by crane to the upper deck, while at anchor the ships can load by watercraft or Mexiflote.

In Darwin, the LHDs and *Choules* will be able to berth at the commercial Fort Hill Wharf in the City precinct, under an existing Deed of Licence between Defence and the Darwin Port Corporation. In addition, Defence is negotiating with the NT Government for construction of a Hardened Barge Ramp adjacent to Darwin's East Arm Port facility, to allow for watercraft loading of Army vehicles and equipment to amphibious ships either alongside East Arm wharf or at anchor in the harbour. This project is a 2009 Defence White Paper initiative and is currently funded at \$16.365m. The Hardened Barge Ramp will support loading of LHDs and *Choules*, which are otherwise limited by tidal windows in loading via their side doors at East Arm wharf, due to the height of the wharf and the significant tidal range in Darwin.

d) Collins class submarines are docked only in Adelaide, SA or Henderson, WA where specifically designed submarine cradles and other infrastructure (necessary to support the submarine when out of the water) are located.

Collins class submarines are able to berth in northern ports where wharf structures support the fendering arrangements required to secure the submarine alongside. Submarines have berthed in Darwin and Cairns. It is likely the same arrangements could be put in place in Townsville. Large tidal changes and existing wharf structures may limit the use of such fender arrangements in other northern ports. In such cases, it may be possible for the Collins class to moor at a buoy within the harbour (which occurs in Darwin on occasion) or proceed to anchor (in Exmouth for example).

e) No works are intended or required to allow AWDs to berth in Australian ports, other than at the ships' home-port at Fleet Base East.

f) and g) At present there is no intention to provide additional facilities in ports other than Darwin and Townsville to facilitate LHD and HMAS *Choules* berthing and loading/offloading. Funding for facilities in these two ports is reflected at responses b) and c) above. The ships will be capable of loading by a variety of methods, including alongside a wharf using side and stern doors, and by crane to the upper deck, while at anchor the ships can load by watercraft or Mexiflote. In other locations, the ships will utilise existing berth space and ship's equipment as best possible to meet the specific visit requirements.

h) Sustainment facilities and supporting infrastructure for LHD vessels homeported at Garden Island are estimated at \$31.8 million excluding Goods and Services Tax. This includes provisions for modifications to the wharf at Fleet Base East to enable the ship to connect to shore supplied engineering services.

- i) In broad terms the Future Submarine, as articulated in the White Paper 2009, would have a similar range of berthing and docking options as the Collins Class. Clearly this will be refined as the Future Submarine project progresses.
- j) The largest submarine that might be required to fulfil all of the requirements outlined in the 2009 Defence White Paper would be only incrementally larger in length, beam and draft than the Collins Class. Infrastructure work and support facilities suitable for Collins should therefore be broadly suitable for the Future Submarines, regardless of the option selected.
- k) Forward operating concepts are, and have always been, fundamental to Australian submarine operations. The Future Submarine project is analysing the impact on range and 'patrol presence' achievable by exploiting sovereign and allied ports for refuelling and re-supply activities, in order to present the full potential of the range of options for Government.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q82 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. It notes that the South China Sea remains a potential flashpoint in the region. What is the Government currently doing to protect our borders from any potential asymmetric threat that may be based in this region?

**Response:**

The South China Sea is a potential flashpoint in the Asia-Pacific region but tensions there have their origins in conflicting territorial claims rather than asymmetric threats such as terrorism or transnational crime. The Government is working with the nations of South-East Asia, the United States, China and other nations to address maritime security issues through regional forums like the East Asia Summit, the ASEAN Regional Forum and the ASEAN Defence Ministers Meeting-Plus (ADMM-Plus).

The ADMM-Plus is a defence-focused forum with a mandate to enhance practical defence cooperation in the region. Under this framework, Australia co-chairs with Malaysia an Experts' Working Group on Maritime Security. This working group aims to be a cooperative platform for information sharing and integrated, collective effort to address shared maritime security challenges.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE – FORCE POSTURE REVIEW**

**Senate Additional Estimates**

**Q83 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report. In Attachment C of the report there were a number of recommendations. It notes that Indonesia will be a more important partner for Australia. What is the Government currently doing to engage positively with the Indonesian military to assist us in protecting our borders?

**Response:**

Australia's defence relationship with Indonesia has grown significantly in recent years through a practical and effective engagement program. Our defence cooperation focuses on five mutually determined priority areas: maritime security, counter terrorism, humanitarian assistance and disaster relief, peacekeeping, and intelligence.

As maritime nations that share a border, Australia and Indonesia share an abiding interest in regional maritime security. Defence contributes to a multi-agency effort to protect Australia's borders. We conduct a multi-dimensional engagement program with Indonesia in the maritime sphere, which includes exercises, reciprocal visits and strategic dialogue. We are strengthening our maritime security cooperation in order to combat shared maritime security threats along our respective maritime boundaries. In 2010, our respective Navies conducted our first annual coordinated maritime security patrol, which proved to be a successful deterrent to illegal fishing and other illegal maritime activities. The third annual patrol will occur in April this year.

Australia and Indonesia are increasing maritime security cooperation with the establishment of a joint framework to address irregular migration. Defence appreciates the Indonesian Navy's efforts to disrupt irregular migration ventures in the Indonesian archipelago and is encouraged by the greater cooperation between our navies. Irregular migration remains a challenge for both our countries and Defence recognises that it is a difficult issue for Indonesia.



Aerial maritime surveillance is essential for effective border patrols, with aircraft locating illegal vessels in order to cue the seaborne vessels. We are currently assisting Indonesia to improve its air safety systems and the airworthiness of its aircraft, thus increasing its ability to safely and regularly conduct aerial maritime surveillance. In 2012, we have commenced a limited secondment program for Indonesian Air Force personnel within the Royal Australian Air Force to develop safety and maintenance management plans for their home units that will improve safety and interoperability.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q84 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. In introducing a joint amphibious capability that will be a major transformation for the ADF what specifically is being done to ensure that our two new LHD ships will be fully operationally ready?

**Response:**

The first LHD, *Canberra*, and the second LHD, *Adelaide*, are planned to complete acceptance testing and evaluation by the first quarter 2014 and third quarter 2015 respectively. This milestone is described as initial operational release and is defined as the acceptance by Chief of Navy that the vessels are sufficiently safe, fit for service and environmentally compliant to enter a dedicated period of operational testing and evaluation. This milestone also marks the change in control of the vessels from DMO to Navy.

The dedicated period of operational testing and evaluation will assess both vessels and supporting systems in a range of operational mission types. These missions range from humanitarian assistance and disaster relief contingencies to high end amphibious assault operations with an embarked Joint Task Force. This testing will involve a large range of Australian Defence Force assets operating with both vessels to ensure both ships can perform effectively in the operational roles defined in the acquisition documentation and approved by Government in the Joint Project 2048 Phase 4A/B first and second pass process. This formal test and evaluation programme is undertaken by the Royal Australian Navy Test, Evaluation and Acceptance Authority (RANTEEA). This process of test and evaluation is formally defined in the Naval Operational Test and Evaluation Manual which RANTEEA will follow to assess the operational performance of the Joint Project 2048 phase 4A/B system.

The operational test and evaluation process will culminate in operational release of both vessels following participation in the combined US/Australian Exercise TALISMAN SABRE 2017. This exercise will be take place in the third quarter of 2017 and will operationally test both vessels working together in concert with a wide range of US and Australian land, air and sea based platforms. On successful

completion of the operational test and evaluation period both vessels will reach a milestone known as final operational capability. This milestone is defined as Chief of Navy being satisfied that the vessels and associated Joint Project 2048 phase 4A/B sub systems are ready in all respects for operational service. This milestone also baselines the actual performance of the Joint Project 2048 phase 4A/B performance, both in effectiveness and suitability for service terms, and also generates the impetus for rectification of any shortfalls identified during the operational testing process.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q85 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. When is it expected that the two LHD's will be fully operationally ready for deployment?

**Response:**

The operational test and evaluation of LHDs *Canberra* and *Adelaide* will be a phased process which will culminate in operational release of both vessels following participation in the combined US/Australian Exercise TALISMAN SABRE 2017.

This exercise will take place in the third quarter of 2017 and will operationally test both vessels working together in a high end warfighting scenario in concert with a wide range of US and Australian land, air and sea based platforms.

LHD *Canberra* will be available for Humanitarian Assistance and Disaster Relief in 4<sup>th</sup> Quarter 2014, and LHD *Adelaide* will achieve this milestone in 2<sup>nd</sup> Quarter 2016.

The two LHDs are expected to be fully ready for operational deployment across all relevant mission types by December 2017.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q86. - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report?

In Attachment C of the report there were a number of recommendations. The Review notes that the most flexible option for sustaining naval surface ships is assuring their access to support capabilities that can provide replenishment at sea.

What specific planning/action has been undertaken since 2007 to replace this capability, noting that SEA 1654 is due for First Pass in 2013/14?

**Response:**

SEA 1654 Phase 3 is the project to replace HMAS *Success*. The DCP presently has this project scheduled for First Pass approval in 2013/14, Year of Decision (YOD) of 2016, and Initial Operating Capability (IOC) in 2022. Defence is developing options for this Project for consideration by Government.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q87 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations.

Introduction of the ADF's new amphibious capability, two LHD ships, is one of the biggest challenges that Defence must face in growing and sustaining Force 2030.

- a) What specific planning/action has been undertaken since 2007 to enable this capability to be operationally capable by January 2014 and June 2015 respectively?  
b) Where will the two LHD's be home based? c) Which other supporting ports will be ready for these two ships to dock in 2014 and 2015 respectively? d) How many helicopters will be ready to be deployed on these two ships by 2014 and 2015 respectively? e) What alternatives are there to Point Wilson as an EO loading location?

**Response:**

a) Considerable work has been undertaken to plan and initiate activities necessary to realise the operational capability. This is articulated in the Canberra Class Amphibious Assault Ship (LHD) Capability Realisation Plan signed by the Chief of Navy and Chief of Army in July 2011. The plan appoints Joint and single Service Lead Authorities responsible for achieving the LHD Key Performance Parameters (KPP) necessary to enable HMAS *Canberra* to meet its Initial Operating Capability (IOC) by 4<sup>th</sup> Quarter 2014 and HMAS *Adelaide* to meet its IOC by 2<sup>nd</sup> Quarter 2016. The plan also outlines the KPPs that both ships must meet in order to achieve their Final Operational Capability by September 2017.

b) The two Canberra Class Amphibious Assault Ships (LHDs) will be home-ported at Garden Island in Sydney.

c) As with other RAN ships, the LHDs can utilise commercial berths in a number of Australian ports, provided they have sufficient access channel depth, turning basin and wharf configuration to accommodate ships of this size. Berth availability will be

dictated by commercial shipping schedules. Specific attention is being paid to the primary mounting ports of Townsville and Darwin.

In Townsville, and as a 2009 White Paper initiative, Defence has contributed \$30 million towards upgrade of the commercial Berth 10 in the Port, under a shared access arrangement over 25 years that will allow for amphibious load/offload tasks to be conducted at this berth for a minimum of 45 days per annum. Planned completion of this work in June 2013 will ensure this berth is available prior to introduction of the first LHD.

In Darwin, the LHDs will be able to berth at the commercial Fort Hill Wharf in the City precinct, under an existing Deed of Licence between Defence and the Darwin Port Corporation. In addition, Defence is negotiating with the NT Government for construction of a Hardened Barge Ramp adjacent to Darwin's East Arm Port facility, to allow for watercraft loading of Army vehicles and equipment to amphibious ships either berthed alongside East Arm wharf or at anchor in the harbour. This project is a 2009 Defence White Paper initiative and is currently funded at \$16.365m. The Hardened Barge Ramp will support loading of LHDs and HMAS *Choules*, which are otherwise limited by tidal windows in loading via their side doors at East Arm wharf, due to the height of the wharf and the significant tidal range in Darwin.

d) The makeup of the Embarked Force including the number and mix of enabling helicopters, vehicles and equipment is under development. Initial planning indicates that the high readiness LHD is likely to have a single Navy MRH-90 helicopter permanently embarked. Army aircraft such as MRH-90, CH-47 and ARH will be assigned as necessary to support specific missions or tasks.

e) Navy's intention is for the LHDs to load their permanent outfit of Explosive Ordnance (EO) at the designated Ammunitioning Wharf at Twofold Bay, Eden, NSW. This will require installation of enhanced berthing arrangements at the northern end of the existing 200 metre wharf to accommodate the 231 metre LHD. Further analysis of EO quantities required to be loaded to support large scale Embarked Force activities is currently being conducted to determine where this might best occur, with Point Wilson remaining a key option. EO embarkation in other ports, notably HMAS *Stirling*, Darwin and Townsville, can occur using the ship's organic watercraft or other locally based vessels, with the ship at anchor in the port area.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q88 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. The Review notes that the expansion of Cultana is critical to the ADF's needs. What specific planning/action has been undertaken since 2007 to expand this base?

**Response:** Since 2006, Defence has been pursuing an acquisition strategy to expand the Cultana Training Area, which involves an Indigenous Land Use Agreement (ILUA), acquisition of pastoral leasehold land in the Cultana Expansion Area, and the ultimate grant by the State of South Australia to Defence of a Miscellaneous Lease for Defence Purposes (MLDP).

Defence has been working with the key stakeholders for the planned expansion of the Cultana Training Area, particularly the State of South Australia, the pastoralists whose pastoral leases are within the Cultana Expansion Area, and the four indigenous groups with a native title and/or cultural heritage interest in the area.

In 2007, Defence continued its negotiations with the State Government of a Memorandum of Understanding (MOU) regarding the Cultana Expansion Project, the purpose of which was to set out the basis of the facilitation and management of mining and energy resource operations, the grant of future mining/energy resource interests, and the regulation of access to the Cultana Expansion Area, consistent with its use for Defence purposes.

In February-March 2007, Defence conducted cultural heritage surveys in the Cultana Expansion Area with the four indigenous groups.

In August 2007, Defence conducted information meetings with all native title groups in the Eyre Peninsula area. In December 2007, Barngarla, the registered native title claimant, agreed at a community meeting to negotiate an ILUA.

In October 2008, Defence conducted the first of eight formal ILUA negotiation meetings with the single registered native title claimant over the expansion area, Barngarla. Prior to that date, funding arrangements took several months to negotiate.

On 18 December 2008, Head Infrastructure signed an MOU regarding the Cultana Expansion Project between Defence and the State of South Australia. The MOU was



later signed by the Chief Executive of Primary Industries and Resources South Australia (PIRSA) on 6 May 2009.

Subsequent ILUA negotiation meetings occurred in November 2008, February, March, April, May and June 2009. Prior to the final ILUA negotiation meeting in September 2011, there were a number of meetings and communications to obtain the agreement of the other three indigenous groups with an interest in the area, Kokatha, Kuyani and Nukunu, to the ILUA (including an ILUA protocol meeting in March 2010) and further heritage surveys.

In 2009, Defence engaged with the State on the drafting of the MLDP, based on the MOU regarding the Cultana Expansion Project, which had been agreed in principle by officials.

On 6-7 February 2010, Defence held community information days in Whyalla and Port Augusta to provide a comprehensive project update to local communities.

On 29 June 2011, Defence met with pastoralists in Port Augusta to propose a way forward that would involve compulsory acquisition to expedite the process and ensure that further delay was minimised. Defence then pursued various compulsory acquisition options that might allow it to commence the process of acquiring the pastoral leases.

On 13 September 2011, Senator the Hon David Feeney, Parliamentary Secretary for Defence sought the agreement of the Special Minister of State to the compulsory acquisition of the pastoral leases pending indigenous agreement.

On 15 September 2011, Defence and Barnjarla reached in-principle agreement on the ILUA.

On 12 October 2011, the Special Minister of State advised that he was willing to consider making a pre-acquisition declaration under the *Lands Acquisition Act 1989*, which enabled Defence to commence the acquisition process with the pastoralists.

On 17 October 2011, Defence met with the South Australian State Government to finalise the MLDP, which will ultimately allow Defence to use the expansion area for Defence activities.

On 16, 17 and 19 November 2011, the Public Environment Report contractor, conducted public consultation days in Port Augusta and Whyalla. (The Public Environment Report had been developed during 2010-2011.)

On 18 November 2011, Senator the Hon David Feeney, Parliamentary Secretary for Defence, together with Defence and Finance officials, met with three of the pastoralist families at Whyalla.

On 16 December 2011, Defence met with the fourth pastoralist family affected by the Cultana expansion to explain the acquisition process.

On 17-18 December 2011, Defence-funded community meetings were held, at which Barnjarla, Kokatha and Kuyani agreed to the ILUA.

On 27 February 2012, Defence agreed to schedule a Defence-funded community meeting for Nukunu on 24 March 2012 to endorse an agreement with Defence that would support the ILUA.

Noting that there is a six month ILUA registration period once the ILUA is signed, and that the acquisition of pastoral leases is governed by statutory process and set

timeframes, Defence anticipates that it will complete the acquisition project by the end of 2012.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q89 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. The Review notes that Air Force Bases in the North and West need to be upgraded to meet new aircraft requirements and to support high tempo combat operations. What specific planning/action has been undertaken since 2007 to upgrade these bases?

**Response:** Since 2007 Defence has delivered the following capital facilities works at the bases listed.

<b>Project</b>	<b>Value \$m</b>	<b>Delivery timeframe</b>
<b>RAAF Base Tindal</b>		
AIR 5077 (3) AEW&C Works	69.6	2008-13
Redevelopment	58.7	2008-13
Airfield capital works	26.9	2009-12
Corrosion Control Facility Upgrade	3.6	2012-13
<b>RAAF Base Townsville</b>		
AIR 8000 (3) Heavy Air Lift (C-17) Facilities	25	2006-14
AIR 9000 (2) Troop Lift Helicopter Facilities	20	2007-09
AIR 9000 (4&6) Multi Role Helicopter (MRH-90)	12	2008-10
<b>RAAF Base Edinburgh</b>		
AIR 8000 (3) Heavy Air Lift (C-17) Facilities	37	2006-14
Redevelopment	100	2007-13

Hardened Network Army Project	597	2008-13
Enhanced Land Force 1 & 2	62	2008-16
<b>RAAF Base Learmonth</b>		
Nil from 2007-12		
<b>RAAF Base Curtin</b>		
Nil from 2007-12		
<b>RAAF Base Scherger</b>		
Nil from 2007-12		
<b>RAAF Base Pearce</b>		
AIR 8000 (3) Heavy Air Lift (C-17) Facilities	16	2006-14
Redevelopment	142	2008-13
Upgrade of Potable Water Infrastructure	3	2010-12
Airfield capital works	7	2010-11

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q90 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. The Review notes that the Navy is currently studying east coast basing options for the future submarine fleet. What specific planning/action has been undertaken since 2007 to accommodate the basing of submarines at Fleet Base East or at Brisbane as recommended in the Review?

**Response:**

No specific planning is underway at present.

An initial Future Submarine Basing Study was conducted in 2011 to assess potential east coast future submarine basing options, ranging from Westernport to Gladstone. A more comprehensive analysis of basing considerations will be undertaken once the Future Submarine design and facilities requirements are known in more detail.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q91 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. The Defence Estate Consolidation Project commenced in 2009.

- a) What outcomes have been achieved as a result of this Review?
- b) Who is contracted to provide this Review?
- c) Why, three years later has there not been any public disclosure of its findings?

**Response:**

(a) The comprehensive review of the Defence estate (Defence Estate Consolidation Project) involved the conduct of a strategic assessment of Defence's basing requirements, with a focus on the major bases in Australia and developing options for changes to the estate over a 25 – 30 year period. The planned outcome of the review is a Future Defence Estate Profile: an outline plan for a newer, smaller estate, more in keeping with Australia's Defence requirements into the future, and easier and less expensive to maintain. The review is not complete as it was put on hold following announcement of the Australian Defence Force Posture Review by the Minister for Defence on 22 June 2011. The Force Posture Review assesses whether the ADF is correctly geographically positioned to meet Australia's modern and future strategic and security challenges.

(b) Defence was conducting the review of the Defence estate through a small project team comprised of Defence staff. This project team consulted with Defence Groups and Services to develop options for the future estate, supported by consultants, Thinc Projects and AECOM, for technical studies and analysis.

(c) Following the Minister's announcement of the Force Posture Review on 22 June 2011, the review of the Defence estate was put on hold. Government consideration of the Force Posture Review will guide the development of further work on the review of the Defence estate.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q92 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report. In Attachment C of the report there were a number of recommendations

(a) What are the current operational limits on RAN vessels to patrol Antarctica and the Southern Ocean? (b) What ice hardened hull vessels does the Navy have to perform its required roles in Antarctica and the Southern Ocean?

**Response:**

(a) Prior to the procurement of HMAS *Choules*, no in service RAN warships in service have been designed to provide enduring patrols in Antarctica and the Southern Ocean. As a consequence, operations in this area are only conducted under conditions where the operational benefit gained does not induce undue risk to the platform. The procurement of HMAS *Choules* and the forthcoming delivery of the Offshore Support Vessel *Skandi Bergen* in mid 2012, provides Defence with an ice strengthened vessel with the capability for extended patrols in the Antarctica and the Southern Ocean, if required for maritime patrol, humanitarian aid or disaster relief response.

To manage the risks to Navy warships, operations are limited by sending Navy vessels into the region only in the summer months, minimising the time in the area and preventing operations in the far south to avoid the risk of collision with formed ice floes. Other mitigating strategies are to provide additional personnel equipment against exposure and increased meteorological support.

(b) HMAS *Choules* is rated under Lloyds Register classification rules as "Ice 1C". The Ice 1C classification operating environment is defined as "broken first year ice up to 0.4m thick".

The Offshore Support Vessel *Skandi Bergen* is rated under DNV classification as "ICE-1B with DEICE", meaning that as a commercial vessel she is able to move through new year ice flows up to 0.6m thick. The DEICE capability is a crew safety feature that prevents ladders, decks and emergency doors and hatches from icing up.

Government is reliant on dedicated ice strengthened vessels owned by Customs and Border Protection Service and the Australian Antarctic Division to provide routine patrol service in these regions.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q93 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. What increased resources have been committed since 2007 to strengthen Australia's presence in Antarctica and the Southern Ocean in the face of likely future challenges?

**Response:**

Customs and Border Protection's maritime surveillance, detection and response efforts are directed at eight maritime threats. In the Southern Ocean, *illegal activity in protected areas* and *illegal exploitation of natural resources* are the two threats with which Customs and Border Protection is primarily engaged.

The ACV *Ocean Protector*, assigned to Border Protection Command, is Customs and Border Protection's dedicated Southern Ocean response vessel. ACV *Ocean Protector* conducts fisheries enforcement patrols to detect, deter and respond to Illegal, Unreported and Unregulated (IUU) fishing.

ACV *Ocean Protector's* primary areas of operation are the territorial seas and Exclusive Economic Zones (EEZ) surrounding the Australian territories of Heard Island and the McDonald Islands (HIMI), and the French territories of the Kerguelen Islands, Crozet Islands, Saint-Paul Island and Amsterdam Island.

Customs and Border Protection has the following dedicated resources and arrangements in place to detect, deter and respond to IUU fishing in the Southern Ocean:

- a. A dedicated Southern Ocean patrol vessel, ACV *Ocean Protector*, funded for 120 patrol days annually.
  - i. Access to satellite data to support maritime surveillance activities around Heard and McDonald Islands.



- b. In 2009-10 the satellite surveillance coverage target was increased from 5.5 nm<sup>2</sup> to 9.6 nm<sup>2</sup>, providing increased surveillance and awareness in this region.
- c. A Cooperative Fisheries Surveillance Treaty<sup>1</sup> between Australia and France. This Treaty came into force on 1 February 2005 and provides for joint illegal fisheries patrols in the *Area of Cooperation* in the Southern Ocean. The Treaty facilitates the mutual exchange of Australian and French officials on respective patrol vessels.
  - i. On 7 January 2011 an Agreement with France on Cooperative Enforcement of Fisheries Laws<sup>2</sup> came into force which builds upon the existing Treaty, and formalises previous ad hoc enforcement activities undertaken with France. The Agreement allows joint Australian and French patrols to enforce each other's fishing laws in their respective EEZs and territorial seas in the Southern Ocean.

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<sup>1</sup> The full title of the Treaty is the *Treaty between the Government of Australia and the Government of the French Republic on Cooperation in the Maritime Areas Adjacent to the French South and Antarctic Territories (TAAF), Heard Island and the McDonald Islands*.

<sup>2</sup> The full title of the Agreement is the *Agreement on Cooperative Enforcement of Fisheries Laws between the Government of Australia and the Government of the French Republic in the Maritime Areas Adjacent to the French Southern and Antarctic Territories, Heard Island and the McDonald Islands*.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q94 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. It notes that the Christmas Islands remain a valuable location for supporting border protection. What work has been undertaken since 2007 to upgrade the island's facilities to facilitate military operations?

**Response:** The following works have been undertaken at Ethel Beach, Christmas Island: construction of a landing platform (scheduled for completion in March 2012) and development of a purpose built rigid hull inflatable boat trailer and shed (completed).

The Department of Regional Australia, Regional Development and Local Government funded the improvements. Army's 1st Combat Engineer Regiment is delivering the works.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q95 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. The Review notes that Defence should plan to expand the capacity of bases at Darwin and Cairns to accommodate the OCV and replacement LCH. What specific planning/action has been undertaken since 2007 to expand this capacity at Darwin and Cairns?

**Response:** HMAS *Cairns* has recently been upgraded, with additional wharf space achieved through leasing the adjacent Sugar Wharf for a period of 15 years. The lease expires in 2024.

In Darwin, planning is underway for a new outer wharf and naval fuel installation at HMAS *Coonawarra*, to replace the aged facility at Stokes Hill.

Comprehensive analysis of HMAS *Coonawarra* and HMAS *Cairns*' capacity to accommodate the future offshore combatant vessels and the replacement heavy landing craft will be undertaken once the requirements of these future vessels are known.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q96—Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. What specific planning/action has been undertaken since 2007 in terms of mine counter measures and hydrographic surveys at all Australian ports that accommodate naval vessels?

**Response:**

There is a classified mine warfare route survey tasking plan which is aimed at maintaining the currency of mine countermeasures route survey information.

Areas to be surveyed are selected in order of priority based on a variety of criteria including volume and value of commodities passing through ports, military bases and population. They are then weighted in the context of the strategic government direction and military concepts of the day and against when the port was last surveyed, possibly requiring resurvey. The scheduling of mine countermeasures route survey is prioritised along with other readiness requirements and the availability of Minehunter Coastal vessels to conduct the task.

Since 2007, 78 hours of mine countermeasures route survey data has been recorded by Minehunter Coastal vessels in Australian ports that accommodate naval vessels. This includes most recently the survey of Moreton Bay conducted by HMAS *Huon* as part of Operation QLD FLOOD ASSIST in January 2011.

HMA Ships *Diamantina* and *Gascoyne* are scheduled to conduct mine countermeasures survey in April 2012 and HMAS *Yarra* will conduct mine countermeasures survey in October 2012 in the approaches to Australian ports. Further mine countermeasures survey tasking is to be programmed in 2013 as part of this rolling program.

Hydrographic survey information is collected by local port authorities. This information is then used by the Australian Hydrographic Service to update charts, for which it has responsibility, and to inform the Navy mine countermeasures capability of the seabed conditions of those ports and their approaches and their likely suitability for effective mine countermeasures operations.

On occasion, hydrographic surveys are conducted within ports for special events, such as providing support for disaster relief. Hydrographic priorities are set in the annually published Hydroscheme which is available online from the [www.hydro.gov.au](http://www.hydro.gov.au) website.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q97 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report. In Attachment C of the report there were a number of recommendations.

It notes that the Cocos Islands have significant military strategic value.

- (a) What other work has been undertaken since 2007 to upgrade the island's facilities to facilitate military operations?
- (b) What work has been undertaken since 2007 to upgrade the island's docking facilities?
- (c) What work has been undertaken since 2007 to upgrade the island's airfield?

**Response:**

Defence has undertaken two significant projects since 2007 to upgrade facilities at Cocos Islands. These comprise:

- Replacement of ageing antenna systems in 2010.
- Upgrade to the communications link in 2011.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q98 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. It notes that an enhanced and more visible presence in the North West is warranted.

(a) What is currently planned by the Government to protect Australia's North West assets?

(b) What is currently being undertaken by the Government to protect Australia's North West assets?

**Response:**

(a) The Force Posture Review is due for submission to the Minister for Defence on 4 May 2012. Recommendations arising from the Review will be considered by Government in the development of the 2013 Defence White Paper.

(b) Defence maintains a presence in the North West Shelf region under Operation RESOLUTE in support of whole-of-Government efforts to provide security for north and northwest Australia and its offshore resources. Defence routinely assigns seven Armidale Class Patrol Boats (ACPBs), three P3C Orion aircraft and approximately 450 personnel to Border Protection Command; the lead Government agency for the protection of Australia's maritime domain. These Defence units are available for tasking across all areas of Border Protection Command's responsibility including Augmented Security Patrols in both the North West Shelf and Joint Petroleum Development Area (JPDA).

Patrols are informed by regular threat assessments conducted in relation to the area and are augmented by aerial surveillance carried out as part of routine surveillance operations conducted on a regular, but deliberately unpredictable basis, aimed at deterring or preventing illegal actions.

In addition to security patrols, Defence conducts counter-terrorism training to exercise processes, procedures and responses to incidents involving Australia's energy resource installations. The Pilbara Regiment, an Army Reserve regional force surveillance unit, also conduct intelligence, surveillance, reconnaissance activities and community engagement to contribute to the security of the region.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimate**

**Q99 – Force Posture Review (AIR 7000 Phase 1B – Multi-Mission Unmanned Aircraft System)**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. It notes that under Force 2030 plans border protection will be enhanced by UAV's.

What specific UAV's are intended to be purchased, what is the time line for their introduction into service and what will be cost on a year by year basis for the first five years of service?

**Response:**

The Force Posture Review was released by the Minister for Defence on 4 May 2012. Recommendations arising from the Review will be considered by Government in the development of the 2013 Defence White Paper. The Review states at paragraph 4.6:

“Under Force 2030 plans, the Armidale class patrol boat will be replaced with an Offshore Combatant Vessel (OCV) and the AP-3C maritime patrol aircraft will be replaced with the P-8A, supplemented by high-altitude, long-endurance UAVs.”

This reference to UAVs refers to Defence Project AIR 7000 Phase 1B and Phase 2B.

Project AIR 7000 will replace the AP-3C Maritime Patrol and Response Aircraft (MPRA) capability with a combination of unmanned (Phase 1B) and manned (Phase 2B) aircraft.

AIR 7000 Phase 1B is scoped to acquire up to seven large Multi-Mission Unmanned Aircraft Systems (MUAS) which will supplement the manned AP-3C replacement capability.

The specific UAV to be acquired under AIR 7000 Phase 1B and the delivery schedule are yet to be determined.

As stated in the Defence Capability Plan 2011, AIR 7000 Phase 1B acquisition cost is estimated to be \$1 billion-\$2 billion (high end of the band).

It is not possible to estimate future operating costs accurately until the capability solution is determined.



## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q100 - Force Posture Review

Senator Johnston provided in writing:

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. It notes that the security of trade and energy supply routes through the Indian Ocean are critical.

(a) What is the Government specifically doing with our neighbours and export partners to ensure that the maritime trade routes to our markets are fully protected from any possible threat, particularly the threat of piracy?

(b) What is the Government specifically doing with our neighbours and export partners to ensure that the maritime trade routes to our markets are fully protected from any possible threat, particularly the threat of modern mines?

(c) What is the Government specifically doing to ensure that our maritime trade routes to our export markets are fully protected from any possible threat, particularly the threat of modern mines? (d) What is the Government specifically doing to ensure that our export ports are fully protected from any possible threat, particularly the threat of modern mines?

#### Response:

The 2009 Defence White Paper assessed that “*the Indian Ocean would have greater strategic significance in the period to 2030*”, and would eventually “*join the Pacific in terms of its centrality to Australia’s maritime strategy and defence planning*” (paragraph. 4.43).

To secure our strategic interests in the Indian Ocean, Defence capability is supported by our international engagement and force posture, to enhance our presence to our north and build shared capacity in the region to manage challenges.

The Australian Defence Force’s (ADF) has maintained a near-continuous security presence in the northwest Indian Ocean since 1990. This includes the deployment of a Major Fleet Unit, currently an *Adelaide*-class frigate, to the Gulf of Aden in support of international counter-piracy, counter-terrorism and maritime security operations. The ADF also conducts maritime surveillance patrols throughout the Indian Ocean, including a substantial contribution to Australia’s whole-of-government border protection effort.

Australia will host an international counter-piracy conference in 2012, to assist Somalia and other countries in addressing the drivers of piracy.

Australia is supporting the development of regional multinational architecture, such as the Indian Ocean Naval Symposium (IONS). IONS brings together the Chiefs of Navy from 26 nations to discuss maritime security issues. The city of Perth will host the IONS Conclave of Chiefs in 2014. Australia also supports the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC), a Ministerial-level forum which brings together 19 regional states, among which Australia was a founding member. IOR-ARC focuses on promoting sustainable growth, economic cooperation and trade liberalisation within the region. India is currently chair of IOR-ARC and Australia vice-chair, with Australia due to assume the chair from late 2013 to late 2015. Indonesia will assume the vice-chair position from next year.

Australia is enhancing our bilateral security relationships in the region, notably with India. In December 2011, the Minister for Defence visited Headquarters Western Naval Command in Mumbai and agreed with his Indian counterpart to establish annual Ministerial Defence Policy Talks and a bilateral 1.5 track defence strategic dialogue, and to work towards a formal bilateral maritime exercise.

More specific proposals to enhance ADF presence and capacity to respond to maritime security threats will be contained within the Force Posture Review and the Force Structure Review, both established in 2011. The now published Force Posture Review examines options to enhance ADF presence in the north and west, in light of Australia's growing economic interests in those regions and is an input into the next Defence White Paper.

The Force Structure Review is part of the Government's Defence strategic planning cycle. It is reviewing Defence's capability plans in light of the developing strategic environment and budgetary considerations.

The Royal Australia Navy (RAN) mine warfare force maintains close relationships with our regional partners in order to provide a credible mine countermeasures capability. This is achieved through: regional engagement, multinational exercises, capability enhancement and continuation training in mine countermeasures. These multilateral and bilateral exercises include the Western Pacific Naval Symposium (WPNS)/DIVEX/MCMEX and RIMPAC.

The RAN exercises and trains against the modern mine threat and maintains a close liaison with the Defence Science and Technology Organisation to ensure RAN tactics and techniques and equipment evolve with the emerging regional threat.

In order to protect Australian export ports and their trade route approaches and allow for quicker and more efficient clearance of mines the RAN conducts seabed sonar surveys of Australia's ports and maintains a mine warfare capability at an optimal level to protect Australia's ports from mining should the need arise.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q101 - Force Posture Review

#### Senator Johnston provided in writing:

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. It notes that resource security is a significant concern for both our Asian neighbours and Australia.

(a)What is the Government doing to protect our maritime resource assets and industries?

(b)What is the Government doing to protect our land based resource assets and industries?

#### Response:

The 2009 White Paper considered the possibility of “...*future tensions over the supply of energy, food and water*” (paragraph. 4.60). While global markets are operating freely, resource stress is unlikely to lead to conflict between nations. The risk of conflict is greater where conflicting territorial claims overlap with resources imperatives. Such tensions do not apply to Australia’s territorial waters.

By virtue of our geostrategic location and the strategic environment in the Asia Pacific, the likelihood of a direct attack on Australia, including our maritime and land-based resources and industries, is remote. This judgment of the 2009 White Paper remains valid today.

While the likelihood is remote, the consequences of such an attack are sufficient that deterring and defeating attacks on Australia is the first Principal Task of the Australian Defence Force.

Accordingly, to protect Australia’s maritime and resource assets and industries, Defence maintains maritime forces for maritime patrol and response, interdiction and strategic strike, protection of shipping and offshore territories and resources, maritime collection and evaluation, hydrographic and oceanographic operations, and escort duties.

Similarly, to protect Australia’s land-based resources, assets and industries, Defence maintains land force capabilities that focus on light and medium combined arms operations, army aviation, special forces, combat and logistics support, and units for protective operations.

In order to protect Australian ports and allow for quicker and more efficient clearance of mines the Navy conducts seabed sonar surveys of Australia’s ports and regularly conducts countermeasures exercises to keep its mine warfare force at an optimal level to protect Australia’s ports from mining.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q102 - Force Posture Review**

**Senator Johnston provided in writing:**

The Government recently released a preliminary report on the Force Posture Review report? In Attachment C of the report there were a number of recommendations. What specific planning/action has been undertaken since 2007 to upgrade Tindal, Townsville, Learmonth, Curtin, Scherger, Pearce and Edinburgh air bases to support future and planned operations?

**Response:** Since 2007 Defence has delivered the following capital facilities works at the bases listed.

<b>Project</b>	<b>Value \$m</b>	<b>Delivery timeframe</b>
<b>RAAF Base Tindal</b>		
AIR 5077 (3) AEW&C Works	69.6	2008-13
Redevelopment	58.7	2008-13
Airfield capital works	26.9	2009-12
Corrosion Control Facility Upgrade	3.6	2012-13
<b>RAAF Base Townsville</b>		
AIR 8000 (3) Heavy Air Lift (C-17) Facilities	25	2006-14
AIR 9000 (2) Troop Lift Helicopter Facilities	20	2007-09
AIR 9000 (4&6) Multi Role Helicopter (MRH-90)	12	2008-10

<b>RAAF Base Edinburgh</b>		
AIR 8000 (3) Heavy Air Lift (C-17) Facilities	37	2006-14
Redevelopment	100	2007-13
Hardened Network Army Project	597	2008-13
Enhanced Land Force 1 & 2	62	2008-16
<b>RAAF Base Learmonth</b>		
Nil from 2007-12		
<b>RAAF Base Curtin</b>		
Nil from 2007-12		
<b>RAAF Base Scherger</b>		
Nil from 2007-12		
<b>RAAF Base Pearce</b>		
AIR 8000 (3) Heavy Air Lift (C-17) Facilities	16	2006-14
Redevelopment	142	2008-13
Upgrade of Potable Water Infrastructure	3	2010-12
Airfield capital works	7	2010-11

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q103 - ADAGOLD/ HIFLY – Engineering Safety**

**Senator Johnston provided in writing:**

What stipulations are there that the engineering staff employed on the MEAO contract must be Australian citizens and certified by CASA as capable of maintaining the two A340 aircraft that operate on this route?

**Response:**

There is no contractual requirement for engineering staff to be Australian citizens. The Civil Aviation Safety Authority is not the regulatory authority for Hifly and therefore does not certify foreign engineering or maintenance staff.

Requirements of engineering staff are detailed in response to Question on Notice 104.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q104 - ADAGOLD/ HIFLY – Employment Standards**

**Senator Johnston provided in writing:**

(a) How are the Hifly employment standards for engineers and pilots comparable to Australian safety and workplace standards? (b) Who verifies that these standards meet these standards? (c) When were the checks of the qualifications/capabilities of the on board engineers made, and what was the substance of each of these checks?

**Response:**

**a) How are Hifly employment standards for engineers and pilots comparable to Australian safety and workplace standards?**

The Air Transport Deed of Standing Offer recognises and accepts the regulations, standards and operating procedures as established by the aviation safety authorities of Canada, New Zealand, the United States and the European Union equivalent to Australian standards.

As a Portuguese registered company the aircraft operator, Hifly, comes under the regulatory umbrella of the Instituto Nacional De Aviacao Civil (INAC) and the European Aviation Safety Authority (EASA).

Hifly-employed engineers and pilots must meet EASA standards for licensing. Under article 33 of the Chicago Convention, Australia is obliged to recognise the validity of these licences, so long as the requirements under which they were issued are equal to or above the standards established by the Convention.

CASA considers flight crew qualifications when an operator applies for a Foreign Aircraft Air Operator's Certificate to ensure they meet the minimum standards established by the International Civil Aviation Organization (ICAO). CASA may seek assurances from the relevant State regulator that appropriate ongoing surveillance is

being conducted on the airworthiness, maintenance procedures and operations of the applicant company.

HiFly must comply with Portuguese civil aviation legislation and ICAO safety standards while conducting international flights, and the Australian flight safety rules administered by CASA while the aircraft is operating within Australian territory.

**b) Who verifies that these standards meet these standards?**

The standards are verified by INAC and EASA. The Hifly employment and licensing standards for engineers and pilots are required to conform with INAC and EASA standards.

Under article 33 of the Chicago Convention, Australia is obliged to recognise the validity of these licences, so long as the requirements under which they were issued are equal to or above the standards established by the Convention.

**c) When were the checks of the qualifications/capabilities of the on board engineers made and what was the substance of each of these checks?**

Hifly engineers follow the internal established procedures of an EASA approved and monitored Maintenance Repair Organisation (the Manutencol Engenharia e Servicos a Aeronaves (MESA)).

Validation of aircraft maintenance engineer competencies, capabilities and to perform levels of maintenance is a continuous development process undertaken in accordance with EASA requirements.

Authorisation to undertake engineering work is issued by Hifly, which itself holds an Autonomous Quality Organisation status under the European Organisation for Quality and International Air Transport Association Operational Safety Audit programs.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q105 - ADAGOLD/ HIFLY – Safety Incident**

**Senator Johnston provided in writing:**

(a) What procedures/processes does Defence have in place to be informed by Adagold of safety incidents on board the two A340 aircraft? (b) How can Defence be certain that all incidents, of any kind, are reported by Adagold to Defence?

**Response:**

**a) What procedures/processes does Defence have in place to be informed by Adagold of safety incidents on board the two A340 aircraft?**

Under the terms of the Air Transport Deed of Standing Offer, the contractor is required to provide timely notification of any accident or safety incident to both the relevant national airworthiness authority (CASA and INAC) and the Commonwealth. Defence refers all safety-related issues to the Directorate of Defence Aviation and Air Force Safety for investigation.

**b) How can Defence be certain that all incidents, of any kind, are reported by Adagold to Defence?**

The Civil Aviation Safety Authority (CASA) administers the legislative requirements specified in the Civil Aviation Act and other regulations governing the conduct of civil air service operations in Australian territory. As a foreign-based civil operator, operating within Australia, the aircraft operator Hifly falls under CASA's regulatory authority and all safety concerns that are brought to the attention of Defence are properly reported to this agency for investigation.

Defence movements operations staff and contracting staff work closely together to monitor contractor compliance with the contract and the Air Transport Deed of Standing Offer.

The Contractor is fully aware of these responsibilities and has established a robust feedback mechanism to ensure that all matters likely to be of significance are recorded and promptly reported.

CASA remains the sole Australian regulatory authority for ensuring the MEAO charter aircraft operator, Hifly, conforms to Australian civil aviation operating standards, when and where these are applicable.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q106 - ADAGOLD/ HIFLY - Staffing**

**Senator Johnston provided in writing:**

Please provide a breakdown, per flight, of the nationalities of pilots, engineers and cabin crew since June 22 2011?

**Response:**

The MEAO Air Sustainment Contract stipulates that all aircraft crew that are pilots will be employed by the aircraft operator (Hifly) and that all will be and remain Australian citizens within 6 months of contract commencement (22 May 2011).

- a. The aircraft operator currently employs nine pilots for the MEAO Air Sustainment aircraft. All have been employed or under training with Hifly since June 2011. Of these, eight are Australian citizens and one is a New Zealand citizen.

The MEAO Air Sustainment Contract stipulates that all cabin crew will be employed by the Contractor (Adagold Aviation) and will be and remain Australian citizens within 6 months of contract commencement (22 May 2011).

- a. The contractor employs 33 cabin crew for the MEAO Air Sustainment Charter aircraft. All have been employed since March 2011. Of these, 32 are Australian citizens and one is a New Zealand citizen.

Under the Australia-New Zealand Closer Economic Relations Trade Agreement, New Zealand citizens have the right to work and live in Australia. Defence has interpreted the employment of New Zealand citizens as compliance with the contract.

As part of its airworthiness and safety responsibilities, the Portuguese aircraft operator, Hifly, will provide an additional pilot over and above the regular flight crew for the purpose of quality assurance and training. This will normally be a Portuguese

National and although not rostered for routine flying duties may undertake such duties in his quality assurance and training capacity. All aircraft maintenance engineers are European Union citizens and most are Portuguese Nationals.

Regardless of nationality, all pilots, cabin crew and aircraft maintenance engineers employed by Adagold and Hifly under the MEAO Air Sustainment Charter Contract must meet European Aviation Safety Authority (EASA) standards for licensing. Under article 33 of the Chicago Convention, Australia is obliged to recognise the validity of these licences, so long as the requirements under which they were issued are equal to or above the standards established by the Convention.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q107 - ADAGOLD/ HIFLY - Passengers**

**Senator Johnston provided in writing:**

Please provide the specific details of inbound numbers of passengers, per flight, since the inception of the contract in November 2010.

**Response:**

As at late February 2012, a total of 90 flight mission into Australia have been undertaken since 23 November 2010.

A total of 9,886 passengers have been carried into Australia during that period.

A breakdown by flight and numbers of passengers is at Table 1 below.

**Table 1. Australia-Bound Passenger Numbers for MEAO Air Sustainment Charter Flights since November 2010:**

<b>Serial</b>	<b>Date</b>	<b>Flight</b>	<b>Passengers Inbound to Australia</b>
	(a)	(b)	(c)
1	23-25 Nov 10	ASY 854	151
2	27-29 Nov 10	ASY 855	3
3	30 Nov-02 Dec 10	ASY 856	143
4	03-05 Dec 10	ASY 857	6
5	07-09 Dec 10	ASY 858	198
6	10-12 Dec 10	ASY 859	159

7	14-16 Dec 10	ASY860	198
8	17-19 Dec 10	ASY 861	6
9	21-23 Dec 10	ASY 862	104
10	28-29 Dec10	ASY 872	71
11	04-06 Jan 11	ASY 001	54
12	11-13 Jan 11	ASY 002	105
13	18-20 Jan 11	ASY 003	145
14	25-27 Jan 11	ASY 004	83
<b>Serial</b>	<b>Date</b>	<b>Flight</b>	<b>Passengers Inbound to Australia</b>
15	01-03 Feb 11	ASY 005	46
16	08-10 Feb 11	ASY 006	86
17	15-19 Feb 11	ASY 007	53
18	22-24 Feb 11	ASY 008	34
19	01-03 Mar 11	ASY 009	47
20	04-06 Mar 11	ASY 010	1
21	08-10 Mar 11	ASY 011	152
22	11-13 Mar 11	ASY 012	6
23	15-17 Mar 11	ASY 013	121
24	18-20 Mar 11	ASY 014	47
25	22-24 Mar 11	ASY 015	96
26	23-25 Mar 11	ASY 016	133
27	05-07 Apr 11	ASY 017	128
28	12-14 Apr 11	ASY 018	113
29	19-21 Apr 11	ASY 019	85
30	26-28 Apr 11	ASY 020	114

31	03-05 May 11	ASY 021	144
32	10-12 May 11	ASY023	76
33	13-15 May 11	ASY024	2
34	17-19 May 11	ASY025	85
35	25-27 May 11	ASY027/03	223
36	31 May-01 Jun 11	ASY029	146
37	04-05 Jun 11	ASY031	7
38	07-08 Jun 11	ASY032	63
39	10 - 11 Jun 11	ASY033	181
40	14 - 15 Jun 11	ASY034	229
41	17-18 Jun 11	ASY035	64
42	21-22 Jun 11	ASY036	212
43	24-25 Jun 11	ASY038	279
44	27-29 Jun11	ASY037	183
45	01-03 Jul 11	ASY039	120
46	05-07 Jul 11	ASY040	121
47	08-10 Jul11	ASY041	119
48	12-14 Jul 11	ASY042	170
49	19-21 Jul 11	ASY043	86
50	26-28 Jul11	ASY044	67
51	29-31 Jul 11	ASY045	47
52	02-03 Aug 11	ASY046	156
53	09-10 Aug 11	ASY047	70
54	12-13 Aug 11	ASY048	167
<b>Serial</b>	<b>Date</b>	<b>Flight</b>	<b>Passengers Inbound to Australia</b>

55	16-17 Aug 11	ASY049	82
56	23-24 Aug 11	ASY050	136
57	30-31 Aug 11	ASY051	56
58	06-07 Sep 11	ASY052	126
59	15-16 Sep 11	ASY053	44
60	20-21 Sep 11	ASY054	101
61	27-28 Sep 11	ASY055	209
62	04-06 Oct 11	ASY056	143
63	11-13 Oct 11	ASY057	111
64	18-20 Oct 11	ASY058	130
65	25-27 Oct 11	ASY059	97
66	01-03 Nov 11	ASY060	133
67	08-10 Nov 11	ASY061	101
68	15-17 Nov 11	ASY062	173
69	22-24 Nov 11	ASY063	87
70	25-27 Nov 11	ASY064	1
71	29 Nov-01 Dec 11	ASY065	148
72	06-08 Dec 11	ASY066	167
73	13-15 Dec 11	ASY067	247
74	16-18 Dec 11	ASY068	56
75	20-22 Dec 11	ASY069	183
76	27-29 Dec 11	ASY070	30
77	30 Dec-01 Jan 12	ASY071	0
78	03-07 Jan 12	ASY001	52
79	10-12 Jan 12	ASY003	107
80	13-15 Jan 12	ASY004	87



81	17-19 Jan 12	ASY005	176
82	20-22 Jan 12	ASY006	52
83	24-26 Jan 12	ASY007	73
84	27-29 Jan 12	ASY008	226
85	31 Jan-02 Feb 12	ASY009	147
86	03-05 Feb12	ASY010	106
87	07-09FEB12	ASY011	122
88	10-12 Feb 12	ASY012	190
89	14-16 Feb 12	ASY013	117
90	21-23 Feb 12	ASY014	153
	<b>Total</b>	<b>90</b>	<b>9,886</b>

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q108 - ADAGOLD/ HIFLY - Catering**

**Senator Johnston provided in writing:**

Please provide the specific details of inbound catering costs, per passenger, per flight, since the inception of the contract in November 2010.

**Response:**

Catering Costs are quantified on the basis of a complete return flight mission Australia-MEAO-Australia as outlined at Table 1 below. All costs are based on an average of 100 passengers per flight from or to Australia.

**Table 1. Breakdown of Catering Costs by Return flight Mission**

<b>Serial</b>	<b>Sector</b>	<b>Meal / Item</b>	<b>Cost</b>	<b>Remarks</b>
	(a)	(b)	(c)	(d)
1	Brisbane/Sydney Sector	1 x Light Meal	\$13.37	
2	Sydney/Darwin Sector	1 x Light Meal	\$19.86	
3	Darwin Al Minhad -	1 x Breakfast; 1 x Dinner	\$38.23	
4	All sectors	Drinks	\$10.00	
5	All Sectors	Snacks	\$3.65	
6	All Sectors	Service charge	\$40	See note 1
7	<b>Total per person cost</b>		<b>\$125.11</b>	

Note 1. Service charge is for delivery of meals to and removal of trays from aircraft.

Meals and refreshments provided are categorised as Standard International Premium Economy Class airline fare.

Recent customer feedback surveys as at 6 February 2012 indicate that 96% of respondents reported favourably on quality, frequency and timing of meals and refreshments.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q109 - ADAGOLD/ HIFLY - Training**

**Senator Johnston provided in writing:**

Which Australian authority verifies the training of the cabin crew who are employed by Adagold/Hifly on the MEAO contract?

**Response:**

CASA has advised that the verification of training for cabin crew on a foreign registered aircraft is a matter for the aviation safety regulator of the country of registration.

Cabin crew employed by Adagold Aviation are trained appropriately and most have extensive previous experience with commercial airlines including Qantas, Virgin Australia, Emirates and Etihad.

Conversion training to the Hifly Airbus A340 is undertaken by Hifly accredited instructors.

Some aspects of the conversion training are delivered by Australian accredited training organisations, such as Corcoran Aviation Safety Services, under supervision of Hifly accredited instructors. Training is delivered in Aviation Australia authorised training facilities at Brisbane Airport. Aviation Australia is an accredited and leading aviation training organisation in the Asia-Pacific region.

Certification that the training has met Hifly standards is undertaken by Hifly accredited instructors. Hifly is an Autonomous Quality Organisation under the European Organisation for Quality and International Air Transport Association Operational Safety Audit programs.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q110 - ADAGOLD/ HIFLY – Entertainment Systems**

**Senator Johnston provided in writing:**

(a) Why was the Hifly A340 accepted by Defence as a suitable aircraft when it knew that the analogue entertainment system was not capable of delivering the digital quality that is expected on commercial aircraft? (b) When will this serious short coming be fixed, a significant factor on an 18 hour flight? (c) Why is it an 18 hour flight, this does not correspond with the distance covered nor the aircraft's capabilities?

**Response:**

**a) Why was the Hifly A340 accepted by Defence as a suitable aircraft when it knew that the analogue entertainment system was not capable of delivering digital quality that is expected on commercial aircraft?**

The functionality and quality of the IFE system is not deemed to be an essential condition of contract. Irrespective of the duration of individual flight sectors, the quality of the in-flight entertainment (IFE) system remains the subject of a continuing maintenance program by Adagold, monitored closely by Defence Contracting staff.

The Request for Tender stipulated the requirement for the aircraft to be fitted with an in-flight audio and visual entertainment system provided to each passenger seat. It did not stipulate that the system be either digital or analogue. The aircraft was therefore assessed as having met the tender criteria in respect of in-flight entertainment.

**b) When will this serious shortcoming be fixed, a significant factor on an 18 hour flight?**

The Contractor, Adagold Aviation and the aircraft operator, Hifly, continue to work to improve the serviceability of the in-flight entertainment system within the limits of the technology.

This has resulted in a marked improvement in satisfaction levels by ADF personnel as recorded in customer feedback survey responses.

At the Senate Estimates hearing of 19 Oct 2011, Defence reported that only 30% of survey respondents indicated a level of satisfaction with in-flight entertainment. As at 6 February 2012, the overall satisfaction level for in-flight entertainment has risen to 50%. This figure is inclusive of all responses since commencement of the customer survey.

**c) Why is it an 18 hour flight, this does not correspond with the distance covered nor the aircraft's capabilities?**

Total journey time for each single flight between Australia and the MEAO, commencing in either Brisbane or Al Minhad to final destination, (Brisbane or Al Minhad) takes about 23 hours of which 18 hours are in flight, with approximately five hours on the ground at stopovers where personnel board or disembark.

The single longest flight sector comprises 12 hours from Darwin to Al Minhad, necessary to optimise range and carrying capacity.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q111 - ADAGOLD/ HIFLY – Flammable lubricants**

**Senator Johnston provided in writing:**

The question asked about oils and flammable lubricants been carried on board the aircraft did relate to aircraft in transit on the MEAO run. Why is this not considered by Defence to be a dangerous practice?

**Response:**

It is normal practice to carry oils and lubricants on board aircraft in support of flight operations. Provided these items are carried in acceptable quantities and stored appropriately they do not constitute a Dangerous Good.

The carriage and storage of oils and other commodities carried by passenger aircraft is governed by the International Civil Aviation Organisation (ICAO) regulations to which all aircraft operators must adhere. These regulations set out exactly what commodities and quantities constitute Dangerous Goods and specify carriage and storage arrangements.

Since commencement of the MEAO Air Sustainment Charter Service, CASA and Defence have conducted a total of six safety ‘Ramp Inspections’ of Hifly aircraft.

CASA and Defence initiated Safety Inspections include checks that the carriage and storage of oils and other commodities that may be categorised as Dangerous Goods is undertaken in accordance with ICAO regulations. None of these inspections have identified inappropriate quantities or storage of oils and lubricants or any other significant issue.

Defence takes all matters of safety seriously and has provided details of the alleged safety issue raised to the Civil Aviation safety Authority (CASA) for further investigation. CASA administers the legislative requirements specified in the Civil Aviation Act and other regulations governing the conduct of civil air service operations in Australian territory. As a foreign based civil operator, Hifly falls under CASA’s regulatory authority and safety concerns should be addressed to this agency.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q112 - ADAGOLD/ HIFLY – Securing Tools**

**Senator Johnston provided in writing:**

It is not a question of the carrying of maintenance tools on board the aircraft, including Stanley trimmers and the like, but the safely securing of these objects whilst not in use. What guarantees can be provided that these goods are always safely secured?

**Response:**

It is normal practice for aircraft maintenance engineers to carry basic tools on the aircraft in order to carry out flight maintenance in accordance with standard operating procedures.

CASA has advised that it may consider such issues during its ramp inspections, but cannot – and cannot fairly be expected to - guarantee all items carried on board an aircraft are always properly and safely secured.

Since commencement of the MEAO Air Sustainment Charter Service, CASA and Defence have conducted a total of six safety ‘Ramp Inspections’ of Hifly aircraft. None of these inspections have identified any safety issues with tool control, or storage, or the accessibility or availability of essential safety equipment of any description.

While no guarantees can be provided that mistakes will not occur, the highest standards of tool control are maintained by professionally qualified aircraft engineers and maintenance personnel. Hifly engineers are required to conform to the established procedures of an EASA approved and monitored Maintenance Repair Organisation (the Manutencol Engenharia e Servicos a Aeronaves (MESA)).

Validation of aircraft maintenance engineer competencies, capabilities and to perform levels of maintenance is a continuous development process undertaken in accordance with EASA requirements.



Authorisation to undertake engineering work is issued by Hifly, which itself holds an Autonomous Quality Organisation status under the European Organisation for Quality and International Air Transport Association Operational Safety Audit programs.

Defence takes all matters of safety seriously and has provided details of any alleged safety issue raised to the Civil Aviation safety Authority (CASA) for further investigation.

CASA administers the legislative requirements specified in the Civil Aviation Act and other regulations governing the conduct of civil air service operations. As a foreign based civil operator, Hifly falls under CASA's regulatory authority and all safety concerns should be addressed to this agency.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q113 - ADAGOLD/ HIFLY - CASA**

**Senator Johnston provided in writing:**

What were the results of the safety inspections undertaken by CASA on 30/11/10; 29/11/11; 31/3/11 and 6/5/11?

**Response:**

The Civil Aviation Safety Authority (CASA) has advised that it has a program of safety checks for all foreign airlines operating into Australia, including HiFly.

The last CASA ramp inspection of a HiFly aircraft was in November 2011. CASA inspectors did not identify any serious concerns at that time and brought the minor defects which were detected to the attention of the aircraft captain. Previous inspections were carried out by CASA in March and May of 2011 and November 2010 with a similar outcome.

Aircraft Ramp Inspections cover a extensive range of aircraft safety related aspects including maintenance of correct documentation, accuracy of flight data, condition and currency of safety equipment, currency of flight crew licences, cabin serviceability and condition, aircraft condition and cargo compartment condition.

These inspections have covered both the primary aircraft utilised for the MEAO Air Sustainment Charter Service contract and also the secondary aircraft. All Ramp Inspection Reports have been satisfactory, with no significant issues identified.

Defence, through the Airworthiness Coordination and Policy Agency (ACPA), has twice conducted its own Ramp Inspections as an additional confidence measure. The most recent report, conducted on 7 Feb 2012, found *“no significant defects or airworthiness issues with the aircraft, or with Adagold and Hifly management processes”*

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q114 - ADAGOLD/ HIFLY – Security Checks**

**Senator Johnston provided in writing:**

What security checks are made by ADF or related personnel prior to cabin crew, pilots engineers and other Adagold/Hifly employees boarding both inbound and outbound flights?

**Response:**

The Air Transport Deed of Standing Offer requires contractor employees to comply with relevant Commonwealth security requirements, regulations, orders or codes of behaviour.

In accordance with Department of Infrastructure and Transport regulations, all personnel, including cabin crew, pilots and engineers, requiring ‘airside access’ to any airport terminal in Australia must hold a current Aviation Security Identification Card (ASIC Card). Holders of this card have successfully undergone police and criminal background vetting checks.

When operating within Australia, the air sustainment charter aircraft operates out of civil international passenger airport terminals. Adagold/Hifly crew are therefore subject to the same security checks applied to all commercial aircraft crew including identification checks and personal security screening and x-ray screening of baggage.

In the United Arab Emirates, aircraft crew are subject to host nation security and screening requirements undertaken prior to entry to Al Minhad Air Base. Requirements include verification against photo identification, searches and x-ray screening of crew and baggage.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q115 - ADAGOLD/ HIFLY – Security Checks**

**Senator Johnston provided in writing:**

Does any staff member remain on board the aircraft when it is being towed to its parking position at Australian airports? If they do, what security checks are carried out on these personnel when they leave the parked aircraft?

**Response:**

The aircraft is always manned by a 'brake keeper' when under tow. This person is either a pilot or appropriately qualified aircraft maintenance engineer and is in possession of a valid Aviation Security Identification Card. The aircraft is sealed by the aircraft maintenance engineer who secures the aircraft. It would not be normal practice to carry out specific security checks on already security cleared and vetted personnel leaving a parked aircraft in a secure area.

The Air Transport Deed of Standing Offer requires contractor employees to comply with relevant Commonwealth security requirements, regulations, orders or codes of behaviour.

In accordance with Department of Infrastructure and Transport regulations, all personnel, including cabin crew, pilots and engineers, requiring 'airside access' to any airport terminal in Australia must hold a current Aviation Security Identification Card (ASIC Card). Holders of this card have successfully undergone police and criminal background vetting checks.

When operating within Australia, the air sustainment charter aircraft operates out of civil international passenger airport terminals. Adagold/Hifly crew are therefore subject to the same security checks applied to all commercial aircraft crew including identification checks and personal security screening and x-ray screening of baggage.

In the United Arab Emirates, aircraft crew are subject to host nation security and screening requirements undertaken prior to entry to Al Minhad Air Base.

Requirements include verification against photo identification, searches and x-ray screening of crew and baggage.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q116 - SEA 1000**

**Senator Johnston provided in writing:**

What happens if the SLEP suggests it is not possible to deal with some of the obsolescence issues or the cost of dealing with reliability and obsolescence issues is simply prohibitive?

**Response:**

This question is speculation. Analysis of the SLEP recommendations will inform future Government decisions.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q117 - SEA 1000**

**Senator Johnston provided in writing:**

Is an interim solution to bridge a possible gap between Collins and the future submarine capability being considered?

**Response:**

All options are being considered, other than nuclear propulsion which the Government has ruled out.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q118 - SEA 1000**

**Senator Johnston provided in writing:**

How many personnel are assigned to the SEA 1000 program?

**Response:**

There are 37 staff assigned to the SEA 1000 Program Office as at 1 March 2012.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q119 - SEA 1000**

**Senator Johnston provided in writing:**

Rear Admiral Moffitt at Estimates said, ‘Australia is in the very early stages of conversations with the Japanese’ regarding submarines. He further said Australia had not sought formal Requests for Information from Japan due to its government regulations that prohibit the export of military equipment. “It is not the constitution so much as the regulations that the [Japanese] government has chosen over many years to apply to military equipment, and that looks like it might be in the process of shifting somewhat. But it is nonetheless still true to say that the Japanese submarines are not available in the marketplace, even though they do exist and we understand they are very good submarines. It is true to say that we are in the very early stages of conversations with the Japanese. I think it is fair to say that any changes that might come about will probably take quite a period of time before they might throw up any fruit. But, certainly, we are very interested for a number of reasons, not least amongst those is that the Japanese submarine, we understand, is a very good product.”

- (a) What has been the nature of these discussions?
- (b) Where and when have these discussions taken place?
- (c) Who from the RAN, DOD and other Government officials attended these discussions?
- (d) What is the estimated cost of a ‘Soryu’ class submarine?
- (e) Have these discussions included the possibility of this class of submarine been assembled in Australia?

**Response:**

- (a) Rear Admiral Moffitt has had discussions with senior military and civilian officials from the Japanese Embassy in Canberra, and the Ministry of Defense, Maritime Self Defense Force and Technical Research and Development Institute (broadly the DSTO equivalent organisation) in Japan. Talks focussed on

identifying potential areas for mutual benefit cooperation on submarines and gauging Japanese willingness for such engagement.

- (b) Talks in Japan occurred in late 2010. Talks in Canberra have occurred on three occasions between then and today.
- (c) Talks in Japan involved Rear Admiral Moffitt, a submarine engineer on Rear Admiral Moffitt's staff, and the Australian Defence Attaché to Japan.
- (d) This information has not been sought or provided.
- (e) No.

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**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q120 - SEA 1000**

**Senator Johnston provided in writing:**

It was said in Estimates that funding of \$300,000 each had been provided to DCNS; TKMS and Navantia.

- (a) What was the purpose of this funding?
- (b) When was the funding made available?
- (c) Who approved this funding and from where was the funding sourced?
- (d) What inspections of the DCNS; TKMS and Navantia facilities have been made by RAN and DOD officials since 2007/08?
- (e) Who made these inspections and what were the associated costs?
- (f) When will the reports from DCNS; TKMS and Navantia be made available.

**Response:**

- (a) This funding is to acquire detailed performance and technical information on off-the-shelf designs and an estimate of cost for the design effort to make them compliant with Australian legislation.
- (b) The funding is payable on receipt of a complete response to Australia's recent formal Requests for Information (RFI) from the three companies listed.
- (c) Expenditure of the funding will be approved by the appropriate SEA 1000 delegate when the time comes, and will be sourced from funding for SEA1000 appropriated from DCP funds.
- (d) The companies were visited by SEA1000 staff in March 2009 and will be visited again in March 2012, in association with the RFIs.

- (e) - Mar 2009 – Project Director Future Submarine Project and Director Capability Development Future Submarine Project.
- July 2009 – Submarine Project Chief of Staff, Collins DMO and Research Leader Submarine Operations & SEA 1000 S&T Advisor.
- Cost - \$113,447.09.

(f) The companies have been asked to respond in May 2012. Their responses will contain sensitive commercial and operational performance information and will not be made public.

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**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q121 - SEA 1000**

**Senator Johnston provided in writing:**

In Estimates Admiral Moffit, was asked if there is any risk at all of a capability gap with the future submarines. He responded by saying, 'Yes, of course there is a risk of a capability gap, depending on how long these things actually take.' He was further asked if he had briefed government as to that risk? He responded by saying, 'Certainly in the submission that we have with the Minister there is that issue, which of course is a part of the whole mosaic of looking to the future.

- a) When was the Minister first made aware that there was an impending capability gap?
- b) Who briefed the Minister?
- c) When was this submission submitted to the Minister's office?
- d) What action did the Minister commit to take to ensure that such a capability gap would not eventuate?
- e) What are the critical years for the impending capability gap?

**Response:**

The Future Submarine project is to provide Australia with a new, more potent submarine force, and not to fill a pending capability gap.

- (a) The Minister was briefed on all aspects of the Future Submarines Program on an ongoing basis since becoming the Minister for Defence, 14 September 2010.
- (b) These briefings covered a range of matters including capability requirements, workforce, options and timelines. The Minister has been briefed by the Secretary, CDF, Chief of Navy, CEO DMO and the head of the Future Submarine Program.
- (c) Specific details of current advice are subject to Cabinet consideration and are covered by the long standing convention that it is Cabinet-in –confidence.
- (d) As the Minister said on 21 February 2012:

*Because the submarines will be constructed over the course of the next three decades, there is a risk of a capability gap between the retirement of the Collins submarines and entry into service of the Future Submarines.*

*But the end of the life of the Collins submarines are not yet known and as Warren King said on his appointment, Military off the Shelf (MOTS) design submarine could be in operational service within a decade.*

*A capability gap risk applies to the delivery of all large, complex and difficult new projects.*

*That is why it is essential to get it right during this early period, learn from our experience with the Collins Class, and thereby avoid, reduce, and minimise project and capability risk difficulties down the track.*

*The Government will consider the Future Submarine project early this year and announcements will follow in due course.*

- (e) This question cannot practicably be answered. The answer will depend on many variables that have yet to be derived, such as the submarine option ultimately pursued, the rate of delivery, the target date for a twelve boat fleet and the composition of that fleet (numbers of Collins and Future submarines), industry and workforce issues that flow from each of those questions and more.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q122 - Manpower - Submarines**

**Senator Johnston provided in writing:**

The answer to QON 43 of October 2011 estimates suggested that HMAS Waller's crew would be stood up from April 2012. It is acknowledged that VADM Griggs wanted some latitude with this date. None the less, how is Navy tracking with respect to the 4th submarine crew?

**Response:**

The stand up of the fourth crew is being conducted in a phased approach. The first tranche of personnel will be posted to HMAS *Waller* in April 2012 and the remainder will follow in four tranches in June, July, August and September 2012. In accordance with the fourth crew posting plan, all positions will be filled by October 2012. The plan will be adjusted as necessary to accommodate unforeseen fluctuations in workforce numbers, ensuring that establishment of the fourth crew does not undermine shore support organisations and remains sustainable. Owing to the numbers involved, a relatively minor variation in the post-in plan in a key trade or qualification area could impact the date the crew stand-up is complete.

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**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q123 - Manpower - Submarines**

**Senator Johnston provided in writing:**

Are there any regulations in place to ensure submarines do not go to sea with a high proportion of relatively inexperienced crew members? If so, please provide details of the regulations or similar.

**Response:**

There are established minimum standards regarding qualifications and experience that a submarine crew must meet before it is authorised to proceed to sea. Given the link between standards and operational capability, details can be provided in a private briefing.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q124 - Manpower- Submarines**

**Senator Johnston provided in writing:**

What are the levels of actual submarine experience, expressed in number of years of experience, in each of the current submarine crews and the proposed 4th crew?

**Response:**

The experience levels of individual submariners serving within the submarine community are known and recorded. Experience levels within crews are maintained in accordance with established standards. Currently, levels within the current three crews exceed the minimum acceptable standards and the fourth crew will be monitored to ensure it also meets minimum standards. Given the link between experience levels and operational capability, details can be provided in a private briefing.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q125 - Submarines - Manpower**

**Senator Johnston provided in writing:**

Please provide details of all submarine qualified officers that have made RADM or above in the period 2007/08 to 2011/12?

**Response:**

No submarine qualified officers served in the rank of RADM or above over the period 2007/08 to 2011/12. Of note, service in the rank of RADM (two-star) is not based on the specialisation of officers selected for promotion, who must demonstrate the capacity to serve across the Australian Defence Organisation in a variety of two-star positions. Given that Chief of Navy is at the rank of VADM (three-star), it is also misleading to compare the rank of officers charged with responsibility for submarine capability in the Royal Australian Navy with counterparts in larger navies. Larger navies are led by four-star officers (and include other four-star officers in command positions), with commensurate elevations in the ranks of those in subordinate roles.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q126 - Submarines - Manpower**

**Senator Johnston provided in writing:**

How many submarine qualified Commodores are there: (a) In the Navy (b) Working in submarine related billets.

**Response:**

(a) There are five submarine qualified officers at the Commodore rank in the Navy.

(b) Four submarine qualified officers at the Commodore rank are working in submarine-related billets.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q127 - Submarines - Manpower**

**Senator Johnston provided in writing:**

How many submarine qualified Captains are there: (a) In the Navy (b) Working in submarine related billets

**Response:**

- (a) There are eight submarine qualified officers at the Captain rank in the Navy.
- (b) Four submarine qualified officers at the Captain rank are working in submarine-related billets.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q128 - Collins Class Combat System**

**Senator Johnston provided in writing.**

Defence advised that the Department paid NAVSEA \$118,799 to determine the feasibility of integrating the US Navy's AN/BQQ-10 submarine sonar system, known as Acoustic Rapid COTS insertion (ARCI), into the Collins class submarine. It is noted that one of the papers at the Submarine Institute's Conference raised issues of space, weight and power (SWAP) with the current command and control system. Can you advise me as to whether this study looked at the SWAP issues associated with ARCI and what was said in relation to this?

**Response:**

The NAVSEA feasibility study evaluated the space, weight, power and heat load impacts of operating ARCI sonar aboard Collins Class submarines. The study concluded that the ARCI sonar would reduce weight and heat load. The study also found that Collins had sufficient electrical power to run existing ARCI functionality, but that any additional functionality would require power usage implications to be considered. The study report advised that as advances in Commercial-off-the-Shelf computer technology occur, the weight, power and cooling required to support Collins Class ARCI functionality might be reduced.

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**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q129 - Collins Class Combat System**

**Senator Johnston provided in writing.**

It is understood that a study was carried out by Kockums into the effects of various combat system power loads on the Collins operating envelope. It was carried out in 2000 and delivered to Defence in December that year. In hindsight, how accurate were the findings of this report?

**Response:**

The study was conducted during remediation of combat system issues arising from the submarine build program. Empirical testing conducted at the time indicated that the study findings were conservative.

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**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q130 - Collins Class Combat System**

**Senator Johnston provided in writing:**

With respect to the Combat System APB program, in May 2011, Warren King advised the committee that no Australian company has made it passed the 1st step in this process and that only DSTO has made it to step three. Please provide me an update on the situation.

**Response:**

The situation described in the question remains the same. Defence (through DSTO) has recently increased the priority of this activity and is working closely with United States counterparts to improve the opportunity for Australian industry to participate in the Combat System Advanced Processor Build (APB) program.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q131 - Collins Class Combat System**

**Senator Johnston provided in writing:**

Please provide a copy of the opening presentation by NAVSEA to Australian industry on Friday 05 September 2003 on how they would be engaged in the APB program?

**Response:**

A copy of the presentation is not held by Defence and will be sought from NAVSEA, as a priority.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE – FORCE POSTURE REVIEW**

**Senate Additional Estimates**

**Q132 - Collins Sustainment**

**Senator Johnston provided in writing:**

Please provide updated forward estimates for the Collins Class submarine in the answer format provided for QON 504 (8) put on notice 22 March 2011.

**Response:**

The Department of Defence estimates Defence Management and Finance Plan (DMFP) costs over a 10-year period.

Table 1 details the Defence Materiel Organisation's (DMO) current allocations for the sustainment costs for the Collins class submarine, which are primarily incurred for contracted services to support the platform. These costs also include provision of Escape and Rescue Services, the Submarine Escape and Rescue Training Facility and support to the combat system. Additional funds are being sought through the Defence committees for financial year 2012-13 and beyond.

Table 1 - Current Funded DMFP FYs 2011-12 to 2020-21

<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
<b>479.7</b>	<b>402.9</b>	<b>352.7</b>	<b>343.3</b>	<b>338.6</b>	<b>380.9</b>	<b>391.1</b>	<b>405.5</b>	<b>416.7</b>	<b>427.5</b>

Reference: CN 10 Milestone 2012410 (DMO)

The expected operating budget for the six Collins Class submarines in each of the financial years 2011-12 to 2021-22 is outlined in the table below:

Table 2 - Submarine Capability Direct Operating Cost Budget

<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>
\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
<b>174.93</b>	<b>176.79</b>	<b>182.32</b>	<b>190.60</b>	<b>205.88</b>	<b>207.68</b>	<b>216.89</b>	<b>226.66</b>	<b>224.26</b>	<b>234.43</b>	<b>208.04</b>

The Collins operating cost estimates have been revised subsequent to the answer provided to QON 504 (8). This revised cost estimates methodology includes Defence (including DMO) operating costs that directly contribute to submarine capability. Direct operating costs include the cost of suppliers, military workforce, civilian workforce, fuel, explosive ordnance, maritime ranges and communications sustainment. Table 2 does not include Collins sustainment cost, project costs or depreciation. Depreciation is estimated at around \$160 million per annum.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q133 - Collins Sustainment**

**Senator Johnston provided in writing:**

Please indicate if the numbers provided for Q1 (19 October 2011 Q31) include anticipated sustainment cost resulting from the DMO/ASC In Service Support Contract under negotiation.

**Response:**

The response provided for Q1 (19 October 2011 Q31) is based on the current funded Collins Class sustainment budget which includes the current funded cost for the Through Life Support Agreement, but does not include the proposed In Service Support Contract, which is still under negotiation.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q134 - Collins Sustainment**

**Senator Johnston provided in writing:**

Please indicate if the numbers provided for Q1 (19 October 2011 Q31) include anticipated sustainment cost resulting from the SLEP review.

**Response:**

The response provided to Q1 (19 October 2011, Q31) is based on the current funded Collins Class sustainment budget and does not include the anticipated cost resulting from the Service Life Evaluation Project review.

As the Service Life Evaluation Project review has recently commenced, any indicative costs will not be known until completion of the activity in the latter half of 2012.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q135 - Collins Sustainment**

**Senator Johnston provided in writing:**

What are the estimated costs associated with correcting issues highlighted by the Coles review in the period 11/12 to 20/21?

**Response:**

The Coles Final Report is due mid 2012 and will make recommendations of actions to improve the sustainment of the Collins Class Submarine.

The final report will be provided to the Government - ASC Steering Committee for consideration.

At this point, an implementation strategy, with associated estimated costs will be developed.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q136 - Collins Sustainment**

**Senator Johnston provided in writing:**

What are the estimated costs associated with SLEP implementation in the period 2011-12 to 2020-21?

**Response:**

The Service Life Evaluation Program (SLEP) commenced in September 2011 and is expected to report to the Defence Capability Investment Committee in the latter half of 2012. Any projection of estimated costs for SLEP implementation will not be available until completion of the evaluation.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q137 - Collins Sustainment**

**Senator Johnston provided in writing:**

Relating to continuity of leadership within the Collins Sustainment office:

- (a) How long is it anticipated AVM Deeble will remain in his current posting?
- (b) What is the exact title of his current posting?
- (c) How many staff work under his direction?
- (d) What has been achieved by this office in the two plus years it has now been in operation?

**Response:**

- (a) The current end-date for AVM Deeble's appointment as Program Manager Collins and Wedgetail (PM C&W) is February 2015.
- (b) The exact title of his current posting is Program Manager Collins and Wedgetail (PM C&W).
- (c) The number of staff working for the Collins Submarines Program is 225 as at 1 March 2012.
- (d) AVM Deeble (PM C&W) initiated a schedule of Stabilise, Rebalance and Continuous Improvement activities for the Collins-Class Submarine (CCSM) Program. The Stabilise phase commenced during financial year 2010-11 and aims to stabilize key inputs to the Collins program and establish foundational elements for the Collins Reform Program. The Rebalance phase commencing financial year 2012-13 and continuing into financial year 2013-14 is linked to entering into the In-Service Support Contracts (ISSC) transition phase with ASC, and aims to build an effective and efficient business model for sustaining the Collins class. The Continuous Improvement phase commences in financial year 2014-15, linked to the entry into the mature ISSC phase with ASC, and aims to establish an enduring program of continuous improvement that seeks to achieve long term efficiencies for Collins sustainment.

The Collins Reform program is focused on a range of initiatives aimed at improving availability and reliability of the CCSM. Specifically these initiatives will focus on safety and reliability, optimising the maintenance program, supply support reform and establishing performance based ISSC for platform and mission systems. A key outcome will be commencing the ISSC with ASC for platform sustainment by financial year 2012-13.

The Phase 3 Coles Review report will help to further refine the Collins Reform program and will guide the ISSC transition activities undertaken during financial year 2012-13. In parallel the Collins Program will work collaboratively with Navy in undertaking the Rizzo implementation and Navy Continuous Improvement Program.

The Coles Review Phase 1 Report was completed and circulated for comment, November 2011, on-schedule. The Coles Review has now progressed to procure Phase 2 Work Packages in support of conducting a study into the business of sustaining Australia's strategic Collins-Class Submarine capability.

Key Collins Reform Program achievements include:

- A modest improvement to maintenance periods, including a 10 per cent reduction in Full Cycle Dockings (FCDs) and a 20 per cent reduction in Intermediate Maintenance Availabilities (IMAVs).
- The establishment of a collaborative engineering process review between Navy, DMO, ASC and QANTAS, to address the Rizzo recommendations related to engineering and maintenance processes.
- Completion of Phase 2 of the Navy CIP program focused on Collins supply support and optimized maintenance program, with Phase 3 about to commence.
- The purchase of tranche one of critical spares and planning and contracting for the second tranche of spares, resulting in increased stockholding and improved submarine availability.
- Review of obsolescence issues and implementation of an obsolescence remediation plan for key mission systems.
- Ongoing remediation of legacy propulsion issues, including diesel engines, main motors and generators.
- Development and implementation of a whole-of submarine safety case.
- Negotiation of the ISSC with ASC, including commencement of the critical transition activity over the last 12 months.
- Completion of Phase 1 of the Coles review and commencement of Phase 2.

It is anticipated that the Collins Reform Program will deliver increasing levels of availability and reliability for Navy over the next two years, with the aim of achieving a steady state toward the end of 2014, when mature ISSCs have been established and related initiatives have been undertaken. This will require additional remediation funding in the short to medium term with long term efficiencies expected in the future.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q137 - Collins Sustainment**

**Senator Johnston provided in writing:**

Relating to continuity of leadership within the Collins Sustainment office:

- (a) How long is it anticipated AVM Deeble will remain in his current posting?
- (b) What is the exact title of his current posting?
- (c) How many staff work under his direction?
- (d) What has been achieved by this office in the two plus years it has now been in operation?

**Response:**

- (a) The current end-date for AVM Deeble's appointment as Program Manager Collins and Wedgetail (PM C&W) is February 2015.
- (b) The exact title of his current posting is Program Manager Collins and Wedgetail (PM C&W).
- (c) The number of staff working for the Collins Submarines Program is 225 as at 1 March 2012.
- (d) AVM Deeble (PM C&W) initiated a schedule of Stabilise, Rebalance and Continuous Improvement activities for the Collins-Class Submarine (CCSM) Program. The Stabilise phase commenced during financial year 2010-11 and aims to stabilize key inputs to the Collins program and establish foundational elements for the Collins Reform Program. The Rebalance phase commencing financial year 2012-13 and continuing into financial 2013-14 is linked to entering into the In-Service Support Contracts (ISSC) transition phase with ASC, and aims to build an effective and efficient business model for sustaining the Collins class. The Continuous Improvement phase commences in financial year 2014-15, linked to the entry into the mature ISSC phase with ASC, and aims to establish an enduring program of continuous improvement that seeks to achieve long term efficiencies for Collins sustainment.

The Collins Reform program is focused on a range of initiatives aimed at improving availability and reliability of the CCSM. Specifically these initiatives will focus on safety and reliability, optimising the maintenance program, supply support reform and establishing performance based ISSC for platform and

mission systems. A key outcome will be commencing the ISSC with ASC for platform sustainment by financial year 2012-13.

The Phase 3 Coles Review report will help to further refine the Collins Reform program and will guide the ISSC transition activities undertaken during financial year 2012-13. In parallel the Collins Program will work collaboratively with Navy in undertaking the Rizzo implementation and Navy Continuous Improvement Program.

The Coles Review Phase 1 Report was completed and circulated for comment, November 2011, on-schedule. The Coles Review has now progressed to procure Phase 2 Work Packages in support of conducting a study into the business of sustaining Australia's strategic Collins-Class Submarine capability.

Key Collins Reform Program achievements include:

- A modest increase in availability from 55 per cent to 61 per cent with the aim of achieving 70 per cent by the end of calendar year 2012.
- A modest improvement to maintenance periods, including a 10 per cent reduction in Full Cycle Dockings (FCDs) and a 20 per cent reduction in Intermediate Maintenance Availabilities (IMAVs).
- The establishment of a collaborative engineering process review between Navy, DMO, ASC and QANTAS, to address the Rizzo recommendations related to engineering and maintenance processes.
- Completion of Phase 2 of the Navy CIP program focused on Collins supply support and optimized maintenance program, with Phase 3 about to commence.
- The purchase of tranche one of critical spares and planning and contracting for the second tranche of spares, resulting in increased stockholding and improved submarine availability.
- Review of obsolescence issues and implementation of an obsolescence remediation plan for key mission systems.
- Ongoing remediation of legacy propulsion issues, including diesel engines, main motors and generators.
- Development and implementation of a whole-of submarine safety case.
- Negotiation of the ISSC with ASC, including commencement of the critical transition activity over the last 12 months.
- Completion of Phase 1 of the Coles review and commencement of Phase 2.

It is anticipated that the Collins Reform Program will deliver increasing levels of availability and reliability for Navy over the next two years, with the aim of achieving a steady state toward the end of 2014, when mature ISSCs have been established and related initiatives have been undertaken. This will require additional remediation funding in the short to medium term with long term efficiencies expected in the future.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q138 - Collins Sustainment**

**Senator Johnston provided in writing:**

Please provide a copy of sanctions imposed on the DMO side of the Navy/DMO Submarine Materiel Sustainment Agreement for failure to meet agreed performance criteria.

**Response:**

There are no sanctions imposed on the Defence Materiel Organisation by Navy for failure to achieve the CN10 Collins Materiel Sustainment Agreement.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q139 - Collins Sustainment**

**Senator Johnston provided in writing:**

- (a) What Government direction has been provided to Defence with respect to the negotiation of the In Service Support Contract?
- (b) Please provide a list of the performance metric categories with respect to the In Service Support Contract
- (c) Please provide a description of the types of sanctions imposed on ASC for non-compliance with the performance metrics
- (d) Please provide a table comparing estimated ASC contract costs under current through life support contract and the new in service support contract
- (e) What are the FCD time frames and costs being proposed by Defence (i.e. on the table) in the new In Service Support Contract?
- (f) Do the terms of the In Service Support Contract allow Defence to get submarines fixed elsewhere?

**Response:**

- (a) As noted in response to Q201, negotiation of the In-Service Support Contract (ISSC) has been undertaken in accordance with the approved procurement strategy and negotiation directive. In May 2011, the Government-ASC Steering Committee (jointly chaired by Secretary of Defence, Chief of the Defence Force and Secretary of Finance and Deregulation) was briefed on progress towards the new ISSC. Following this meeting, a Heads of Agreement was signed between the Defence Materiel Organisation (DMO) and ASC, which subsequently guided negotiations. In late 2011, Minister for Defence confirmed that a number matters should be resolved prior to contract signature along with preliminary consideration of Ph 1 Coles' advice.
- (b) As noted in response to Q201, the ISSC remains subject to final negotiation between the parties. The ISSC employs a Performance Based Target Cost Incentive Model (TCIM) that rewards superior performance with increased profit but reduces profit as a consequence of inferior performance. The TCIM is an integrated model that employs a performance management framework combined with Target Cost pain/gain-share. The performance framework employs key performance indicators relating to Navy's safety, cost, availability, reliability, maintainability and supportability requirements.

- (c) As noted in response to Q201, the ISSC remains subject to negotiation between the parties. As noted above, the Performance Based TCIM rewards superior performance with increased profit but reduces profit as a consequence of inferior performance. Other standard Commonwealth rights exist with respect to stop payment, the right to de-scope the work program and to engage third parties, and ultimately termination rights.
- (d) The ISSC remains subject to negotiation between the parties and related pricing is yet to be confirmed and is commercially sensitive. Similarly, while the underlying workscope related to delivering the maintenance periods programmed in IMS remains the same, the ISSC delivers a range of additional services, which are fundamental to sustaining the CCSM, that have not been previously tasked or funded under the TLSA. In the medium to long term, the ISSC commercial structure is expected to improve both effectiveness (guarantee of outcome) and efficiency (level of resources required to deliver the capability).
- (e) As noted in response to Q201, the final commercial structure and price of the ISSC remains subject to negotiation. In the short term, the forecast costs to deliver the Work Program, in support of the Integrated Master Schedule, includes efficiency factors. In the medium to long term, the commercial structure is expected to improve both effectiveness (guarantee of outcome) and efficiency (level of resources required to deliver the capability). Any FCD that falls within a performance period of the ISSC will be conducted in accordance with the Integrated Master Schedule, however, as the ISSC maintenance efficiencies are gained they will be applied to the IMS, in order to improve availability to Navy.
- (f) As noted in response to Q201, the terms of the ISSC remain subject to negotiation. The ISSC recognises ASC's traditional role as Platform System Integrator (PSI), but provides Defence with the right to engage third party contractors under certain circumstances, including work that is not inherent in ASC's traditional PSI role or where ASC fails to meet an obligation under the contract.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q140 - Collins Sustainment**

**Senator Johnston provided in writing:**

Why is there such an overlap in function between Deep Blue Tech and DSTO – as stated in the Coles review?

**Response:**

- Defence Science and Technology Organisation (DSTO) and Deep Blue Tech (DBT) have very different functions.
- DBT's stated mission is to be the designer for the entire lifecycle for the future submarine. By having this mission DBT is clearly showing that they are seeking to compete with industry in bidding for the contract to design the future submarine.
- DSTO provides science and technology support across the full range of Australian Defence Force platforms and systems. This includes working collaboratively with range of industries and other science and government agencies.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q141 - Collins Sustainment**

**Senator Johnston provided in writing:**

In QON Q50 from Supplementary Budget Estimates in October 2011, Defence has advised that the ISSC will improve availability by a variety of mechanisms, including new processes to improve transparency and accountability for expenditure against each specified output. Does that transparency include automatic disclosure of work packages over \$10,000 on AUSTENDER (noting Commonwealth procurement guidelines have a contract reporting criteria for FMA Agencies, of which Defence is one, of \$10,000 for contracts, agreements, standing offers etc)?

**Response:**

In accordance with Departmental Procurement Policy Instruction No 8/2011, Defence will report on AusTender the details of the ISSC at contract signature and subsequently report any increase in the Contract Price via Contract Amendment, along with any new Survey & Quote work which is valued at \$10,000 or above (GST inclusive).

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q143 - Collins Sustainment**

**Senator Johnston provided in writing:**

In May QON 67 Defence advised that the cost of design work to install a High Data Rate communication mast on one of our submarines \$7.13 million. October QON 66 advised the Senate of the scope of work for this “ASC Engineering Change Proposal work and Design Cost”. Is Defence satisfied that this activity represented value for money to the taxpayer? Now that the work has been completed, have there been any structural problems associated with this work?

**Response:**

The capability was installed in one submarine under a rapid acquisition project to satisfy an urgent operational need. It has provided the submarine with a high data rate communications capability that remains available for operational use. If required, the engineering change proposal and design work would also be applicable to the installation of similar masts in the remainder of the Collins class. Defence has assessed this installation as representing value for money to the taxpayer.

No structural issues have been identified with this work.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q144 - Collins Sustainment**

**Senator Johnston provided in writing:**

(a) Please provide details of exactly what the SLEP Review intends to achieve and in particular how it impacts upon the SEA 1000 Program? (b) Please provide an update on the progress of the SLEP review?

**Response:**

- (a) The Service Life Evaluation Program Office has been tasked to conduct a service life evaluation of the Collins Class submarines up to and beyond their currently planned withdrawal dates (PWD).
- (b) The Service Life Evaluation Program Office has commenced the evaluation of the Collins Class submarine capability. The methodology utilised by the United States Navy in the extension of their OHIO class submarine has been adapted for the Collins Class evaluation. A pilot study with ASC was conducted at the end of 2011. ASC was formally engaged in January 2012 to assist with the assessment of the platform systems. The relevant combat system in service support providers are in the process of being engaged to assist with all Mission systems. It is expected that the SLEP Program Office will present the final report to the Defence Capability Investment Committee by the end of 2012.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q145 - Collins Sustainment**

**Senator Johnston provided in writing:**

VADM Griggs has indicated at this Estimates that, as Navy Capability Manager, the submarine capability lies on his shoulders. Please provide details of any performance metrics/goals that the Chief of Navy has in relation to submarine capability over: (a) The next 12 months (b) The next 24 months.

**Response:**

Specific performance metrics and goals are contained in the current classified Materiel Sustainment Agreement between Navy and the Defence Materiel Organisation (DMO). They are principally related to sustainment outcomes, and can be provided in a private briefing. Updated performance metrics and goals are being developed in line with the Rizzo Review recommendation concerning Materiel Sustainment Agreements. Chief of Navy has set the following broad goals in relation to submarine capability:

- (a) Over the next 12 months
- Maintaining required level of submarine availability to meet government's operational requirements.
  - Fulfilling commitment of submarine participation in programmed exercises.
  - Stand up of fourth crew.
  - Returning submarines to operational service on completion of scheduled maintenance periods.
  - Ongoing remediation and management of class defects during scheduled maintenance periods.
  - Increasing Unit Ready Days achieved across the submarine fleet.
  - In conjunction with DMO and ASC, transitioning to the new In-Service Support Contract for upkeep of the Collins class.

- Consolidating role and organisation of Director General Submarine Capability in Navy.
- Continuing submarine workforce growth.
- Responding to accepted recommendations of the Coles Review.

(b) Over the next 24 months

- Maintaining required level of submarine availability to meet government's operational requirements.
- Fulfilling commitment of submarine participation in programmed exercises.
- Planning for establishment of additional submarine crews.
- Returning submarines to operational service on completion of scheduled maintenance periods.
- Ongoing remediation and management of class defects during scheduled maintenance periods.
- Increase/sustainment of Unit Ready Days achieved across the submarine fleet.
- In conjunction with DMO and ASC, preparations for introduction of the performance phase of the In-Service Support Contract.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q146 - Collins Sustainment**

**Senator Johnston provided in writing:**

Please provide details of the history of EPU failures on the Collins Class submarines in the period 2007/08 to 2011/12.

**Response:**

The current material status of operational submarines would require a classified briefing.

The following table is a summary of the historical major defects over the period 2007-08 to 2011-12 that are related to the Collins Class submarine Emergency Propulsion Units (EPU).

<b>Submarine</b>	<b>Fault</b>	<b>Date raised</b>	<b>Date rectified</b>
WALLER	Speed control amplifier	17 May 07	10 Jul 07
COLLINS	Loss of direction indication	21 Oct 07	13 Dec 07
COLLINS	Loss of azimuth control	17 Jan 08	18 Feb 09
FARNCOMB	Sea water contamination in hydraulics	22 Oct 08	14 Mar 11
FARNCOMB	DC power earth	01 Oct 08	14 Dec 10
WALLER	Unable to lower	05-Jul-10	16-Jul-10
DECHAINEUX	Low motor insulation	02-Feb-11	14-Feb-11
FARNCOMB	Unable to raise	23-Mar-11	22-Jun-11
DECHAINEUX	Unable to lower	03-May-11	05-May-11

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q147 - Strategic Reform Program**

**Senator Johnston provided in writing:**

The DOD Secretary said in Estimates that he and CDF will not allow the Strategic Reform Program (SRP) to hollow Defence's critical support systems, noting: "CDF and I will not sit idly by and allow our defence enterprise backbone – that is, our personnel systems, our ICT environment, our facilities and our sustainment activities – to once again become hollow." (a) Since 2007/08 when specifically did these critical support systems become hollow? (b) What were the causes for these systems to become hollow? (c) What action is now being undertaken to prevent these systems from becoming hollow?

**Response:**

The SRP is focused on building a more effective and efficient Defence organisation. Reform is geared towards improving the systems, practices and behaviours that collectively manage and operate Australia's military capabilities. SRP reforms are specifically designed to avoid any adverse affect on Australian Defence Force readiness or operations. Current SRP reporting to Government indicates the SRP is continuing to achieve cost reduction targets with no adverse affect on capability or safety

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Additional Estimates

#### Q148 - Strategic Reform Program

#### Senator Johnston provided in writing:

It was also said that Defence is “on track” to reach its SRP savings target for 2011-12 of \$1.284 billion.

- (a) Where specifically are these savings being made?
- (b) How much of these savings are attributable to actions undertaken by the DOD?
- (c) How much of these savings are attributable to actions undertaken by the Defence industry?

#### Response:

(a) The Strategic Reform Program (SRP) cost reduction target for FY 2011/12 is \$1,283.9 million. The work streams delivering these cost reductions are detailed in table 1.

*Table 1: SRP cost reduction targets*

SRP Stream	2011-12 \$m
Information and Communications Technology	147.5
Smart Sustainment & Inventory	370.2
Logistics	8.3
Non-Equipment Procurement	206.6
Reserves	28.1
Workforce & Shared Services	237.6
Other	285.5
<b>Total Cost Reduction Target</b>	<b>1,283.9</b>

\*Summation variances are due to rounding

(b) All cost reductions achieved through the Strategic Reform Program are attributable to the Department of Defence as the program owner.

(c) Delivery of Strategic Reform Program outcomes and cost reductions involves public and private sector collaboration. Specific actions by each party involved in delivery of these outcomes are not tracked as they are part of a collaborative approach between Defence and its stakeholders.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q149 - Department Administration**

Senator Johnston provided in writing:

- (a) How has the appointment and planned appointment of another layer of bureaucracy with two Associate Secretaries made the Department of Defence (DOD) more accountable and more efficient in supporting our uniformed personnel?
- (b) Who made the decision to appoint these two Associate Secretaries?
- (c) What role did the Minister play in imposing these two new positions upon the DOD?
- (d) What was the rationale behind imposing this further layer of bureaucracy?
- (e) How many additional staff are to be employed to support these two new appointments?
- (f) What will be the total cost of employing these staff?

##### **Response:**

(a) - (f)

On 9 August 2011 the Minister for Defence, the Minister for Defence Science and Personnel and the Minister for Defence Materiel announced further accountability reforms for Defence, including the establishment of two Associate Secretary positions to strengthen Defence's capacity to implement the Black Review.

Establishment action was completed in accordance with the requirements of the *Public Service Act 1999*, including consultation with the Minister, the Secretary of the Department of Prime Minister and Cabinet, and the Public Service Commissioner.

The Associate Secretary Chief Operating Officer was appointed by the Secretary of Defence, Mr Duncan Lewis, in February 2012. The process for finalising the decision on the Associate Secretary Capability is continuing.

The support arrangements for the Associate Secretaries have not been finalised.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q150 - Department Administration**

**Senator Johnston provided in writing.**

In 2006-07 there were 5,018 senior executive personnel employed in the Department of Defence. By 2011-12 this number had increased to 6,581 (31 per cent increase) i.e. EL-1 to SES.

- (a) What is the breakdown of these numbers in terms of civilians and uniformed personnel?
- (b) What are the reasons for there be to be such a large increase over such a short period of time?
- (c) What is the cost of employing these senior personnel today (February 15th) – including all ‘on costs’?

**Response:**

(a) The 2006-07 figure of 5,018 (actual achievement, sourced from the 2006-07 Annual Report) and the 2011-12 figure of 6,581 (budget estimate, sourced from the Portfolio Additional Estimates Statements 2011-12) quoted in the question represent Defence Australian Public Service employees at the classifications of Executive Level 1, Executive Level 2, employees who acted at these levels, and the members of the Senior Executive Service. Members of the Australian Defence Force at equivalent ranks are not included in that data.

(b) The State of the Service Report 2010-11 indicates that the strongest growth of ongoing employment has been in the Executive Level classifications (+ 6.1 per cent Executive Level 1 and + 3.9 per cent Executive Level 2). The State of the Service Report concludes that this trend towards a higher classification profile at least partly reflects the changing nature of Australian Public Service employment, with a more skilled workforce undertaking increasingly complex and difficult roles, as well as the outsourcing of a number of low-skill functions over time. Defence is not immune to this same shift in the nature of work.

(c) The estimated total cost in 2011-12 of 6,581 Defence Australian Public Service employees at Executive Level 1, 2 and Senior Executive Service classifications is \$984 million (including remuneration, and both fixed and variable on costs).



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q151 - Department Administration**

**Senator Johnston provided in writing.**

As of today (February 15th), how many personnel, civilians and uniformed, are employed at SES Levels 1 and above?

**Response:**

The number of SES and Star Rank personnel in the Department of Defence (including the Defence Materiel Organisation) as at 29 February 2012 are:

<b>Level</b>	<b>APS</b>	<b>Navy</b>	<b>Army</b>	<b>Air Force</b>
SES 4 / Star Rank 10	1	-	1	-
SES 3 / Star Rank O9	12	2	2	2
SES 2 / Star Rank O8	48	12	18	11
SES 1 / Star Rank O7	92	41	55	41
<b>TOTALS</b>	<b>153</b>	<b>55</b>	<b>76</b>	<b>54</b>

**Note:**

- SES numbers include Chiefs of Division Grades 2 & 3 and Medical Officers Class 6
- SES numbers include officers on long term leave and temporary transfer to other agencies
- Officers on long-term acting in SES positions are not counted

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q152 - Departmental Administration**

**Senator Johnston provided in writing:**

What is the total cost (February 15th), including 'on costs' of employing these SES personnel?

**Response:**

Defence's Senior Leadership Group (SLG) consists of Senior Executive Service (SES) Bands 1-3, Chief of Division Grades 2-3, Equivalent Star Ranks, the Secretary and the Chief of the Defence Force. Based on Defence's Resource Costing Manual (which includes fixed and variable on costs) and Remuneration Determinations, the total annual cost for all Defence SLG is \$96.762 million.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q153 - Departmental Administration**

Senator Johnston provided in writing:  
What additional entitlements do:

- (a) EL 1 AND 2 officers have?
- (b) SES 1 and above have?

**Response:**

- (a) Executive Level 1 and 2 employees in Defence do not have any additional entitlements than non-Executive Level employees.
- (b) Senior Executive Service Level employees, Levels 1 to 3, receive the following additional conditions of service:
  - an executive vehicle provided under the Executive Vehicle scheme or an allowance in lieu of the executive vehicle;
  - a dedicated parking space at the employee's place of work;
  - a hand held wireless device (e.g. Blackberry) which may be used for a reasonable amount of personal use;
  - reimbursement of financial advice totalling up to \$2,500 to assist an employee transition into and through the Senior Executive Service;
  - reimbursement of up to 2 memberships of industry or professional bodies where such membership will assist the employee obtain or retain qualifications;
  - access to business class air travel for domestic flights (excluding flights between Sydney and Canberra);
  - access to higher rates of accommodation, meals and incidentals when undertaking overnight travel on duty; and
  - airline lounge membership with a Government contracted carrier.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q154 - Department Administration**

**Senator Johnston provided in writing:**

It was said by the Secretary in Estimates, 'We are enhancing the use of shared services'. In light of the significant problems encountered by the Western Australian State Government in implementing a shared services model, resulting in a waste of \$1 billion, what strategies are being undertaken to ensure that the Western Australian fiasco is not repeated by the DOD?

**Response:**

The Shared Services model being adopted by Defence will create efficiency across a number of initiatives by reviewing current processes and plans to ensure they are simplified, streamlined and automated. The Defence Shared Services model will consider the client and the needs of the business by establishing transparent and clear service delivery agreements supported by performance management measures to inform process and service effectiveness, and ensure that mutual obligations underpin successful service delivery and customer satisfaction.

Defence has experience in shared services operating models such as payroll, ADF health and joint logistics. Defence's familiarity and previous experience with the shared services model act to lower the risks to the current program.

The Defence Shared Services program is an intra-departmental program and provides greater flexibility of planning and implementation, and an ability to perform a more closely coordinated roll out of shared services while areas waiting for implementation undertake their business as usual activities. Drawing upon the expertise of domain led specialists and with the Chief Operating Officer appointed as the responsible officer, Defence is designing and is implementing an integrated service delivery model to deliver the required efficiencies.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q155 - Department Administration**

**Senator Johnston provided in writing.**

Does the Secretary have complete confidence in moving forward with the shared services model he inherited when appointed to his position? If he does, why?

**Response:**

The Shared Services model being adopted by Defence will create efficiency across a number of initiatives by reviewing the current processes and plans to ensure they are simplified, streamlined and automated. A great deal of planning and analysis has gone into developing the current model and detailed implementation planning is being conducted. The accountability and governance structure is robust and the Shared Services program is progressing well. The Chief Operating Officer is now charged with the integration of the service delivery arrangements.

The Secretary and Chief of Defence Force have been the leaders and drivers behind the planning and implementation of the extension of Shared Services within Defence. Both are in full support of the Shared Services model and have communicated this to Defence and the wider public.

# Senate Standing Committee on Foreign Affairs, Defence and Trade

## QUESTIONS ON NOTICE - COMMITTEES

### Senate Additional Estimates

#### Q156 - Department Administration

Senator Johnston provided in writing:

What savings are expected to be made by implementing the shared services model over the 2010/11 to 2020/21 time frame, expressed in which areas and year by year?

#### Response:

As part of planned savings measures, Defence will realise increased efficiencies in corporate and support functions, including a reduction in duplication of effort and an increased use of shared services. These measures will, inclusive of shared services reform, result in savings of \$1,185.0 million over the forward estimates and \$2,947.7 million from 2011-12 to 2020-21 (see Table 11: Defence 2011-12 Budget Measures and Other Budget Adjustments in the Defence Portfolio Budget Statements 2011-12).

On 6 May 2011, the Minister for Defence announced that as part of the Strategic Reform Program (SRP), Defence will reduce Australian Public Service (APS) costs and planned growth to the APS workforce of 1,000 FTE over three years from 2011-12 to 2013-14 through a greater uptake of shared services. The financial cost reductions for this are included in the above. These efficiencies are being pursued in finance, human resources and information communication technology business areas in the main.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q157 - Departmental Administration**

**Senator Johnston provided in writing.**

- (a) Which committees have been abolished by the DOD since the release of the Black Report?
- (b) How many committees are still in existence within the DOD and what specific purpose do they exist for?
- (c) What outcomes are expected to be achieved by each of these committees in 2011-12?

**Response:**

a) Defence's senior committee structure is being rationalised consistent with the top-level committee structure recommended in the *Review of the Defence Accountability Framework* (the Black Review). Effective 16 January 2012 the Secretary and Chief of the Defence Force Advisory Committee (SCAC) replaced the weekly Defence Committee meeting as the pre-eminent committee for week-to-week management of the Department of Defence. The Workforce and Financial Management Committee (WFMC) and the Defence Information and Communications Technology Committee (DICTC) were abolished and subsumed into the SCAC. Further rationalisation of Defence's senior committee structure, in line with the Black Review recommendations, will follow as the new committee structure matures.

b) The Black Review identified that there were too many committees in Defence. The Secretary and CDF have asked all Group Heads and Service Chiefs to identify and assess those committees and senior decision making that they or their senior officers chair. This will allow Defence to identify the numbers of different committees and the role they perform. Each committee will then be examined against the Black Review's criteria that committees should only exist for two specific purposes: advisory committees that provide advice to a decision maker to support the exercise of the decision maker's accountabilities; and commitment committees that act as a mechanism to secure the commitment of relevant stakeholders to a decision already made by a decision maker. It is anticipated that a number of committees will be rationalised or terminated as a result of this consideration.

c) Defence is transitioning to the decision making and strategic direction setting environment recommended by the Black Review. As a result of these reforms, committees will have two outcomes only: advisory committees will provide strategic advice to a decision maker to support the exercise of the decision maker's accountabilities; and commitment committees will secure the commitment of relevant stakeholders (resources and priority attention) to a decision already made by a decision maker.

Specifically in terms of Defence's most senior committees, the outcome of the SCAC will be effective week-to-week management of Defence, and the outcome of the monthly Defence Committee meeting will be more structured strategic management of the Defence enterprise, with a principal focus on the corporate planning framework.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q158 - Department Administration**

**Senator Johnston provided in writing:**

- (a) If it was the Minister who made the decision to stand Commodore Kafer down from his position at ADFA, under what provisions of his powers is he permitted to this?
- (b) If it wasn't the decision of the Minister who did make the final decision?
- (c) On what grounds was he removed from his position?
- (d) When is it expected that Commodore Kafer will be re-instated to his former position?
- (e) Why has not the Kirkham Report into ADFA matters been publicly released?
- (f) When will it be released?
- (g) The Kirkham Report was given to the Minister's Office sometime after December 12th 2011. When was it provided to the Minister's Office?
- (h) Did the advice provided to the Minister's Office, sometime after 12th December, provide clear recommendations of action for the Minister?
- (i) What were these recommendations?

**Response:**

- (a) (b) and (c) Commodore Kafer was temporarily assigned to other duties by then Vice Chief of Defence Force Lieutenant General Hurley, in order to remove any suggestion of interference with the process of the Inquiry into the Management of the 'Skype Incident' at the Australian Defence Force Academy (ADFA) conducted by Mr. Andrew Kirkham QC (the Kirkham Inquiry). The issue was subsequently considered by the current Vice Chief of Defence Force Air Marshal Mark Binskin, who confirmed that Commodore Kafer should remain assigned to other duties until the process for the Kirkham Inquiry had been completed.
- (d) Commodore Kafer returned to duty as Commandant ADFA in the week ending 9 March 2012.

(e) and (f) Reports of inquiries under the *Defence (Inquiry) Regulations 1985 (Cth)* are not publicly released as a matter of course. Inquiry reports are considered for public release on a case by case basis. Where it is considered appropriate to publicly release all or part of an inquiry report, Defence provides advice to the Minister for Defence, including issues such as the form of publication and proposed redactions for reasons of privacy and security. The Minister for Defence and the Chief of the Defence Force announced on 7 March 2012 that the report of the Kirkham Inquiry would not be publicly released to avoid the risk of prejudice to current criminal proceedings before the Australian Capital Territory Courts and to protect the personal information and rights of individuals.

(g) The report of the Kirkham Inquiry was transmitted to the office of the Minister for Defence on 13 December 2011.

(h) and (i) Defence's recommendation was that the Inquiry report should not be published, including in a redacted form, and that a summary of its outcomes should be published instead.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q159 - Capability and Sustainment**

**Senator Johnston provided in writing.**

It was said in Estimates that 30 projects worth more than \$2 billion had been approved through to the end of January 2012 and expects to achieve about 40 project-based approvals for this financial year:

- (a) What 30 projects were approved in the period 1 February 2011 to 31 January 2012?
- (b) Specify at what level the approvals were made – First or Second Pass
- (c) Specify the funding approved for each project.
- (d) How much is to be spent on each project over the Forward Estimates period – each year out to 2016/17?
- (e) How much has actually been spent, each year, on individual First Pass projects each year since 2007/08 up until February 15th 2012?
- (f) How much has actually been spent, each year, on individual Second Pass projects each year since 2007/08 up until February 15th 2012?

**Response:**

(a, b and c) – As noted at Senate Estimates; as at 27 January 2012 a total of 30 approvals with a value of over \$2 billion were achieved to date during the Financial Year 2011-12.

The tables below address the first three questions and provide information on the total 49 project based approvals achieved during the period 1 February 2011 and 31 January 2012 as requested at (a). The total is made up of 11 First Pass approvals, 24 Second Pass approvals, and 14 ‘other approvals’ (such as studies, project re-scoping and real cost increases), with a total combined value of approximately \$6.1 billion.

**Government Approvals 1 February 2011 – 31 January 2012**

**Summary**

		<b>Projects Approved</b>	<b>Total (\$m)</b>
01 Feb 11 – 31 Jan 12	First Pass	<b>11</b>	<b>128</b>
01 Feb 11 – 31 Jan 12	Second Pass	<b>24</b>	<b>5,771</b>
01 Feb 11 – 31 Jan 12	Other	<b>14</b>	<b>197</b>

Note: Summary includes 'other' project approvals such as studies, project re-scoping, real cost increases, Capability Technology Demonstrator and Project Development Funding

### First Pass Approvals

<b>Env</b>	<b>No</b>	<b>Ph</b>	<b>Project Title</b>	<b>Date Approved</b>	<b>Total (\$m)</b>
AIR	5431	2/3	Fixed Base Air Traffic Management and Control System	21-Nov-11	7
AIR	5438	1A	Lead In Fighter Capability Assurance Program	21-Nov-11	43
JP	2008	3H	Military Satellite Capability - Wideband Terrestrial Terminals	16-Jun-11	6
JP	2008	5B	Military Satellite Capability - Wideband Terrestrial Terminals	29-Aug-11	12
JP	2047	3	Wide Area Communications Network Replacement	14-Feb-11	15
JP	2072	2B	Battlespace Communications Systems (Land)	02-May-11	6
JP	2097	1B	REDFIN - Special Operations Capability	14-Feb-11	22
JP	3021	1	Joint Combined Training Capability - Mobile Electronic Warfare Threat	15-Dec-11	1

			Emitter System		
JP	3024	1	Woomera Range Remediation	05-Dec-11	8
SEA	1448	4A	Improved ANZAC Tactical Electronic Support Capability	14-Feb-11	8
			Classified Project	24-May-11	1
<b>Total</b>				<b>11</b>	<b>128</b>

Note: All figures have been rounded. Totals may not match due to rounding.

### Second Pass Approvals

Env	No	Ph	Project Title	Date Approved	Total (\$m)
AIR	8000	4	Additional C-17 Globemaster III Heavy Lift Aircraft	16-Mar-11	315

AIR	9000	8	Future Naval Aviation Combat System	15-Jun-11	3,186
AIR	9000	5D	Additional Chinooks	23-Nov-11	40
AIR	9000	SCAP1	Seahawk Capability Assurance Program	03-Jun-11	10
JP	154	3A	Counter IED - Ningauai - HMEE	04-Dec-11	23
JP	154	3A	Counter IED - Ningauai - Full System	05-Dec-11	57
<b>Env</b>	<b>No</b>	<b>Ph</b>	<b>Project Title</b>	<b>Date Approved</b>	<b>Total (\$m)</b>
JP	2030	8	Joint Command Support Environment - Evolution 2	20-Sep-11	111
JP	2044	4	Digital Topographical Systems Upgrade	08-Mar-11	18
JP	2048	3	Amphibious Watercraft Replacement	20-Sep-11	254
JP	2069	2	High Grade Cryptographic Equipment 2	12-Oct-11	28
JP	2072	2A	Battlespace Communications Systems (Land)	21-Nov-11	450
JP	3027	1	JDAM Enhancements	10-Oct-11	64

JP	3030	1	Interim Amphibious Capability	16-Mar-11	162
JP	5408	3	ADF Navigation Warfare (NAVWAR) Capability - Handhelds (Pass 1 of 2)	22-Nov-11	15
LAND	17	1B	Artillery Replacement - Digital Fire Control Systems	05-Dec-11	93
LAND	116	3.1	Additional Bushmasters	12-May-11	99
LAND	121	5A	Overlander - Field Vehicles and Trailers	29-Aug-11	427
SEA	1352	1	Evolved Sea Sparrow Missiles (ESSM) Upgrade & Inventory Replenishment	29-Aug-11	29
SEA	4000	3.2	SM2 Conversion and Upgrade	29-Aug-11	94
			Classified Project	12-Apr-11	22
			Classified Project	24-May-11	43
			Classified Project	29-Aug-11	150
			Classified Project	29-Aug-11	62
			Classified Project	15-Dec-11	21



<b>Total</b>	<b>24</b>	<b>5,771</b>
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Note: All figures have been rounded. Totals may not match due to rounding.

#### Other Approvals

<b>Env</b>	<b>No</b>	<b>Ph</b>	<b>Project Title</b>	<b>Date Approved</b>	<b>Total (\$m)</b>
AIR	5438	1A	Lead In Fighter Capability Assurance Program (Spares buy)	05-Jul-11	3
AIR	7000	2B	Maritime Patrol Aircraft Replacement (Intermediate Pass)	05-Dec-11	95
CTD	15		Capability Technology Demonstrator	24-May-11	13
JP	2070	2	Light Weight Anti-Submarine Torpedo Replacement (Release of preserved funds)	05-Dec-11	-

JP	2080	2B.1	Defence Management Systems Improvement - Personnel System Modernisation	02-May-11	28
LAND	112	4	ASLAV Enhancement Project (cancellation)	05-Dec-11	-277
LAND	121	3B	Field Vehicles & Trailers - Down Select Decision	05-Dec-11	-
LAND	121	4	Field Vehicles & Trailers - PMV-L MSA Intermediate Pass	05-Dec-11	56
LAND	121	5B	Field Vehicles & Trailers - Bring Forward Decision	05-Dec-11	-
LAND	125	3C	Soldier Enhancement Version 2 - Lethality	26-Sep-11	13
LAND			Defence Materials Technology Centre	13-Jun-11	8
PDF	2011		Project Development Funding	23-May-11	40
SEA	1448	2B	ANZAC Anti-Ship Missile Defence Upgrade - Ships 2-8 (RCI)	21-Nov-11	215
			Classified Project	21-Mar-11	3

<b>Total</b>	<b>14</b>	<b>197</b>
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Notes:

1. All figures have been rounded. Totals may not match due to rounding.
2. Land 112 Ph 4 – ASLAV – Cancellation of the previously approved second pass project

(d) The table below provides the DMO estimates of how much is to be spent on each project over the forward estimates – each year out to 2016/17.

<b>First Pass Approval</b>	<b>2012-13 (\$m)</b>	<b>2013-14 (\$m)</b>	<b>2014-15 (\$m)</b>	<b>2015-16 (\$m)</b>	<b>2016-17 (\$m)</b>
AIR5431 Ph 2/3	1.041	1.960	0	0	0
AIR5438 Ph 1A	16.979	8.013	0	0	0
JP2008 Ph 3H	0.150	0	0	0	0
JP2008 Ph 5B	1.850	2.275	1.201	0.713	0.571
JP2047 Ph 3 (1)	-	-	-	-	-

JP2072 Ph 2B	2.088	0.025	0	0	0
JP2097 Ph 1B	8.648	5.986	0	0	0
JP3021 Ph 1 (2)	0	0	0	0	0
JP3024 Ph 1	1.170	0.429	-	-	-
SEA1448 Ph 4A	0.688	-	-	-	-
Classified Project (3)	0	0	0	0	0
<b>Total</b>	<b>32.614</b>	<b>18.688</b>	<b>1.201</b>	<b>0.713</b>	<b>0.571</b>

Notes:

1. Zero funds transferred to DMO, funded within CIOG.
2. Funding allocated in Financial Year 2011-12
3. Funding allocated in Financial Year 2011-12

<b>Second Pass Approval</b>	<b>2012-13 (\$m)</b>	<b>2013-14 (\$m)</b>	<b>2014-15 (\$m)</b>	<b>2015-16 (\$m)</b>	<b>2016-17 (\$m)</b>
AIR8000 Ph 4	18.843	8.095	4.51	3.802	0
AIR9000 Ph 8	144.652	463.596	530.157	557.42	313.803

AIR9000 Ph 5D	7.725	0	0	0	0
AIR9000 SCAP 1 (1)	-	-	-	-	-
JP154 Ph 3A	2.335	4.608	1.548	1.822	0.690
JP154 Ph 3A	18.540	9.928	5.613	3.854	3.842
JP2030 Ph 8	46.826	24.144	0	0	0
JP2044 Ph 4 (2)	-	-	-	-	-
JP2048 Ph 3	59.457	67.155	38.707	12.313	0.033
JP2069 Ph 2	11.789	1.647	0.567	0.02	0.01
JP2072 Ph 2A	155.601	152.111	17.335	6.408	6.523
JP3027 Ph 1	13.369	22.619	7.028	4.577	0
JP5408 Ph 3	2.028	0	0	0	0
JP3030 Ph 1 (3)	-	-	-	-	-
LAND17 Ph 1B	5.454	0.041	0	0	0
LAND116 Ph 3.1	44.871	4.880	8.640	8.640	5.640
LAND121 Ph 5A	4.133	79.548	143.629	25.611	28.196

SEA1352 Ph 1	10.732	1.505	0	0	0
SEA4000 Ph 3.2	8.889	31.726	25.008	8.234	3.014
Classified Project	26.411	28.814	32.274	9.116	9.982
Classified Project	6.098	13.274	14.737	3.180	4.036
Classified Project	3.802	7.388	5.947	7.545	1.916
<b>Second Pass Approval</b>	<b>2012-13 (\$m)</b>	<b>2013-14 (\$m)</b>	<b>2014-15 (\$m)</b>	<b>2015-16 (\$m)</b>	<b>2016-17 (\$m)</b>
Classified Project	4.716	2.796	1.660	1.449	0.732
Classified Project	0.890	1.925	4.918	4.794	2.511
<b>Total</b>	<b>597.161</b>	<b>925.800</b>	<b>842.278</b>	<b>658.785</b>	<b>380.928</b>

Notes:

1. Project funded through sustainment budgets
2. Project funded through existing Defence 2011/12 funding
3. Project funded through existing Defence 2011/12 funding.
4. (-) means that DMO does not have approved values reflected in a MAA or MAA amendment.

5. Based on 2012-13 Pre ERC budget position
6. The above tables only include projects that have transferred to DMO and where the approval has been reflected in a MAA or MAA amendment and also only include DMO elements of project expenditure.

(e) The tables below provide details of DMO actual spend on individual First Pass projects each year since 2007/08 up until February 15<sup>th</sup> 2012.

**2007-08**

<b>Pass Approved</b>	<b>Date Approved</b>	<b>Project no.</b>	<b>2007-08 (\$m)</b>	<b>2008-09 (\$m)</b>	<b>2009-10 (\$m)</b>	<b>2010-11 (\$m)</b>	<b>2011-12 (\$m)</b>
1	16-Jul-07	AIR7000 Ph 2B (1)	-	-	-	-	-
1	21-Sep-07	AIR9000 Ph 5C	0.019	0.588	0	0	0
1	03-Mar-08	JP2089 Ph2	0	1.668	1.286	1.387	0.254
<b>Total</b>			<b>0.019</b>	<b>2.255</b>	<b>1.286</b>	<b>1.387</b>	<b>0.254</b>

Note:

1. AIR7000 Phase 2B approval for operating and personal costs, no capital expenditure recorded

**2008-09**

<b>Pass Approved</b>	<b>Date Approved</b>	<b>Project no.</b>	<b>2008-09 (\$m)</b>	<b>2009-10 (\$m)</b>	<b>2010-11 (\$m)</b>	<b>2011-12 (\$m)</b>
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1	29-Jul-08	AIR9000 Ph SCAP 1	1.672	1.261	0	0
1	01-Oct-08	LAND121 Ph 4	0.286	0.969	22.420	9.129
1	12-Dec-08	JP154 Ph 1	0.111	1.416	0	0
1	24-Feb-09	JP2048 Ph 3	0.066	0.357	0.647	0
<b>Total</b>			<b>2.135</b>	<b>4.003</b>	<b>23.066</b>	<b>9.129</b>

**2009-10**

<b>Pass Approved</b>	<b>Date Approved</b>	<b>Project no.</b>	<b>2009-10 (\$m)</b>	<b>2010-11 (\$m)</b>	<b>2011-12 (\$m)</b>
1	22-Jul-09	AIR5428 Ph 1	0.210	0.211	0.154
1	24-Feb-10	AIR9000 Ph 8	0.750	0	0
1	22-Mar-10	JP2090 Ph 1C (1)	-	-	-
1	28-Apr-10	AIR5416 Ph 4B.2 (2)	-	-	-
1	18-Aug-09	Classified Project	13.387	17.129	3.740
1	18-Jan-10	Classified Project		0.002	0
<b>Total</b>			<b>14.347</b>	<b>17.341</b>	<b>3.894</b>

Note:

1. JP2090 Phase 1C approval for DSTO and CIOG funding. Approval did not include a DMO component.
2. AIR5416 Phase 4B.2 DMO actual spend recorded in 2nd Pass table for 2010-11

**2010-11**

<b>Pass Approved</b>	<b>Date Approved</b>	<b>Project no.</b>	<b>2010-11 (\$m)</b>	<b>2011-12 (\$m)</b>
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1	06-Dec-10	AIR5431 Ph 1	0	0.011
1	06-Dec-10	SEA1442 Ph 4	0.259	0.733
1	14-Feb-11	SEA1448 Ph 4A	0.049	1.256
1	14-Feb-11	JP2097 Ph 1B	0.149	0.469
1	14-Feb-11	JP2047 Ph 3 (1)	-	-
1	02-May-11	JP2072 Ph 2B	0.075	0.149
1	16-Jun-11	JP2008 Ph 3H	0	3.739
1	24-May-11	Classified Project (2)	-	-
<b>Total</b>			<b>0.532</b>	<b>6.357</b>

Note:

1. JP2047 Phase 3 approval for CIOG funding. Approval did not include a DMO component.
2. Classified project did not include a DMO component.

**2011-12**

<b>Pass Approved</b>	<b>Date Approved</b>	<b>Project no.</b>	<b>2011-12 YTD (\$m)</b>
1	29-Aug-11	JP2008 Ph 5B	0
1	21-Nov-11	AIR5431 Ph 2/3	0
1	21-Nov-11	AIR5438 Ph 1A	0
1	05-Dec-11	JP3024 Ph 1	0
1	15-Dec-11	JP3021 Ph 1	0
<b>Total</b>			<b>0</b>

Note: The above tables only include projects that have transferred to DMO and where the approval has been reflected in a MAA or MAA amendment and also only include DMO elements of project expenditure.

(f) The tables below provide details of DMO actual spend on individual Second Pass projects each year since 2007/08 up until February 15<sup>th</sup> 2012.

**2007-08**

<b>Pass</b>	<b>Date</b>	<b>Project no.</b>	<b>2007-08 (\$m)</b>	<b>2008-09 (\$m)</b>	<b>2009-10 (\$m)</b>	<b>2010-11 (\$m)</b>	<b>2011-12 (\$m)</b>
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<b>Approved</b>	<b>Approved</b>						
2	16-Jul-07	JP126 Ph 2	4.040	22.716	5.875	7.499	0.918
2	20-Jul-07	LAND144 Ph 1 (1)	-	-	-	-	-
2	14-Aug-07	LAND121 Ph 3	1.584	13.848	30.833	58.506	66.942
2	29-Aug-07	AIR5440 Ph 1	3.676	3.966	4.056	3.124	3.040
2	28-Sep-07	JP2008 Ph 4	17.997	95.653	99.219	174.418	44.048
2	17-Oct-07	LAND144 Ph 1 (1)	2.895	9.202	2.069	7.584	0.312
<b>Total</b>			<b>30.192</b>	<b>145.385</b>	<b>142.053</b>	<b>251.131</b>	<b>115.260</b>

Note:

1. LAND144 Phase 1 received a Partial and also a Second Pass approval in 2007-08. DMO actual spend for LAND144 Ph1 recorded on a single line.

**2008-09**

<b>Pass Approved</b>	<b>Date Approved</b>	<b>Project no.</b>	<b>2008-09 (\$m)</b>	<b>2009-10 (\$m)</b>	<b>2010-11 (\$m)</b>	<b>2011-12 (\$m)</b>
2	29-Jul-08	AIR5276 Ph SCAP1	0	0	0.176	0
2	21-Aug-08	AIR5440 Ph 1	3.966	0	0	0
2	01-Oct-08	JP2089 Ph 2A	2.600	17.880	24.045	11.124
2	22-Oct-08	LAND106	143.923	149.144	87.574	35.986
2	03-Feb-09	JP2068 Ph 2B.1 (1)	-	-	-	-
2	20-Mar-09	JP2008 Ph 5A	38.607	85.752	122.469	18.738
2	23-Jun-09	JP2030 Ph 8 (2)	18.664	26.785	31.429	0
2	15-Jun-09	LAND40 Ph 2	0.155	1.554	29.207	0.235
2	15-Jun-09	JP2008 Ph 3F	0.597	18.172	19.045	8.140
2	22-Oct-08	Classified Project	4.211	20.729	16.909	4.993
2	26-May-09	Classified Project	0.687	14.651	13.384	4.874
<b>Total</b>			<b>213.410</b>	<b>334.667</b>	<b>344.238</b>	<b>84.090</b>

Note:

1. JP2068 Phase 2B.1 approval for DSG funding. Approval did not include a DMO component.

2. JP2030 Phase 8 received an additional Second Pass approval in 2011-12. DMO actual spend for JP2030 Ph8 in FY2011-12 recorded in 2<sup>nd</sup> Pass table for 2011-12.

**2009-10**

<b>Pass Approved</b>	<b>Date Approved</b>	<b>Project no.</b>	<b>2009-10 (\$m)</b>	<b>2010-11 (\$m)</b>	<b>2011-12 (\$m)</b>
2	22-Jul-09	LAND 17 Ph 1A	9.547	79.320	28.969

2	18-Aug-09	SEA1397 Ph 5A	1.913	4.630	2.179
2	24-Nov-09	AIR5416 Ph 4B.1	0.632	3.752	1.867
2	25-Nov-09	LAND75 Ph 3.4	19.911	57.017	21.873
2	25-Nov-09	LAND125 Ph 3A	3.264	25.090	9.471
2	25-Nov-09	AIR6000 Ph 2A/2B	0.199	70.982	24.394
2	04-Dec-09	JP2089 Ph 2B	4.705	2.414	1.070
2	22-Dec-09	JP2110 Ph 1A	0	6.688	0.753
2	21-Feb-10	AIR5440 Ph 1 (1)	4.056	3.124	3.040
2	24-Feb-10	JP2008 Ph 5A	85.752	122.469	18.738
2	24-Feb-10	AIR9000 Ph 5C	11.804	1.729	12.852
2	28-Apr-10	LAND19 Ph 7A	3.570	91.936	16.763
2	31-May-10	LAND112 Ph 4	2.786	17.780	4.263
<b>Total</b>			<b>148.139</b>	<b>486.931</b>	<b>146.232</b>

Note:

1. AIR5440 Phase 1 received an Intermediate approval in 2008-09 for program payment to US partners. DMO actual spend for AIR5440 Phase 1 from FY2009-10 recorded in 2<sup>nd</sup> Pass table for 2009-10.



**2010-11**

<b>Pass Approved</b>	<b>Date Approved</b>	<b>Project no.</b>	<b>2010-11 (\$m)</b>	<b>2011-12 (\$m)</b>
2	16-Jul-10	JP154 Ph 1 (1)	-	-
2	21-Jul-10	LAND17 Ph 1B (2)	15.049	0.000
2	29-Oct-10	JP154 Ph 1 (1)	15.091	31.394
2	25-Nov-10	AIR5416 Ph 4B.2	0.839	11.173
2	08-Mar-11	JP2044 Ph 4 (3)	-	-
2	16-Mar-11	AIR8000 Ph 4	199.513	0.175
2	16-Mar-11	JP3030 Ph 1	100.092	17.657
2	12-May-11	LAND116 Ph3.1	0.009	1.105
2	03-Jun-11	AIR9000 Ph SCAP1	0.176	0
2	15-Jun-11	AIR9000 Ph8	39.462	7.273
2	14-Jul-10	Classified Project	5.346	8.516

2	12-Apr-11	Classified Project	0.009	1.105
2	24-May-11	Classified Project	0	1.767
<b>Total</b>			<b>375.586</b>	<b>80.165</b>

Note:

1. JP154 Phase 1 received two Second Pass Approvals in 2010-11. DMO actual spend for JP154 Phase 1 recorded on a single line.
2. LAND17 Phase 1B received an additional Second Pass approval in 2011-12.
3. JP2044 Phase 4 approval for ISG funding. Approval did not include a DMO component.

### 2011-12

Pass Approved	Date Approved	Project no.	2011-12 YTD (\$m)
2	29-Aug-11	LAND 121 Ph 5A	0
2	29-Aug-11	SEA1352 Ph 1	8.678
2	29-Aug-11	SEA4000 Ph 3.2	1.412
2	20-Sep-11	JP2048 Ph 3	8.004
2	20-Sep-11	JP2030 Ph 8 (1)	22.630
2	12-Oct-11	JP2069 Ph 2	5.712

2	10-Oct-11	JP3027 Ph 1	0
2	21-Nov-11	JP2072 Ph 2A	0
2	22-Nov-11	JP5408 Ph 3	1.315
2	23-Nov-11	AIR9000 Ph 5D	9.618
2	05-Dec-11	LAND17 Ph 1B (2)	2.182
2	04-Dec-11	JP154 Ph 3A (3)	-
2	05-Dec-11	JP154 Ph 3A (3)	1.776
2	29-Aug-11	Classified Project	1.654
2	29-Aug-11	Classified Project	0.321
2	15-Dec-11	Classified Project	0.000
<b>Total</b>			<b>63.302</b>

Note:

1. JP2030 Phase 8 received a previous Second Pass approval in 2008-09. DMO actual spend for JP2030 Ph8 for previous approval recorded in 2<sup>nd</sup> Pass table for 2008-09.
2. LAND17 Phase 1B received a previous Second Pass approval in 2010-11. DMO actual spend for Land 17 Phase 1B from FY2011-12 recorded in 2<sup>nd</sup> Pass table for 2011-12.
3. JP154 Phase 3A received two 2<sup>nd</sup> Pass approvals. DMO actual spend recorded against a single line.

4. The above tables only include projects that have transferred to DMO and where the approval has been reflected in a MAA or MAA amendment and also only include DMO elements of project expenditure.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q160 - Capability and Sustainment**

**Senator Johnston provided in writing.**

It was said in Estimates that 30 projects worth more than \$2 billion had been approved through to the end of January 2012 and expects to achieve about 40 project-based approvals for this financial year:

- (a) What projects have been approved, or are on track to be approved, from 1 July 2011 until 30th June 2012?
- (b) Specify at what level the approvals were made – First or Second Pass.
- (c) Specify the funding approved for each project.
- (d) How much per project, at both First and Second Pass levels, is to be spent in the 2011/12 and 2012/13 periods?

**Response:**

(a - d) – The tables below address all four questions and provide information on the total 37 project based approvals achieved during financial year 2011-12, as at 23 March 2012. The total is made up of nine First Pass approvals, 18 Second Pass approvals, and 10 ‘other approvals’ (such as studies, project re-scoping and real cost increases), with a combined value of approximately \$2.5 billion.

Additionally, a revised list of projects scheduled for Government consideration during the period 26 March to 30 June 2012, will be finalised post ERC Budget Outcomes.

**Government Approvals Financial Year 2011-12 (as at 23 Mar 12)**

**Summary**

		<b>Projects Approved</b>	<b>Total (\$m)</b>	<b>FY 2011-12 (\$m)</b>	<b>FY 2012-13 (\$m)</b>
01 Jul 11 – 23 Mar 12	First Pass	<b>9</b>	<b>95</b>	<b>15</b>	<b>40</b>
01 Jul 11 – 23 Mar 12	Second	<b>18</b>	<b>2,316</b>	<b>423</b>	<b>236</b>

	Pass				
01 Jul 11 – 23 Mar 12	Other	<b>10</b>	<b>121</b>	<b>37</b>	<b>59</b>

Note: Summary includes 'other' project approvals such as studies, project re-scoping, real cost increases, Capability Technology Demonstrator and Project Development Funding

### First Pass Approvals

<b>Env</b>	<b>No</b>	<b>Ph</b>	<b>Project Title</b>	<b>Date Approved</b>	<b>Total (\$m)</b>	<b>FY 2011-12 (\$m)</b>	<b>FY 2012-13 (\$m)</b>
AIR	5431	2/3	Fixed Base Air Traffic Management and Control System	21-Nov-11	7	1	2
AIR	5438	1A	Lead In Fighter Capability Assurance Program	21-Nov-11	43	7	18
JP	90	1	ADF Identification Friend or Foe (ADF IFF)	20-Feb-12	16	0	12
JP	1770	1	Rapid Environmental Assessment	21-Feb-12	3	1	1
JP	2008	5B	Military Satellite Capability - Wideband Terrestrial Terminals	29-Aug-11	12	2	2
JP	3021	1	Joint Combined Training Capability - Mobile Electronic Warfare Threat Emitter System	15-Dec-11	1	0	0
JP	3024	1	Woomera Range Remediation	05-Dec-11	8	3	2
LAN D	136	1	Land Force Mortar Replacement	21-Feb-12	2	0	1

SEA	1778	1	Deployable MCM – Organic Mine Counter Measures	21-Feb-12	4	1	2
<b>Total</b>				<b>9</b>	<b>95</b>	<b>15</b>	<b>40</b>

Note: All figures have been rounded. Totals may not match due to rounding.

### Second Pass Approvals

Env	No	Ph	Project Title	Date Approved	Total (\$m)	FY 2011-12 (\$m)	FY 2012-13 (\$m)
AIR	8000	4	Additional c-17 Globemaster	13-Mar-12	270	183	33
AIR	9000	5D	Additional Chinooks	23-Nov-11	40	18	6
JP	154	3A	Counter IED – Ningai – HMEE	04-Dec-11	23	9	2
JP	154	3A	Counter IED – Ningai – Full System	05-Dec-11	57	2	20
JP	2030	8	Joint Command Support Environment	20-Sep-11	111	18	33
JP	2048	3	Amphibious Watercraft Replacement	20-Sep-11	254	15	50
JP	2069	2	High Grade Cryptographic Equipment	12-Oct-11	28	7	9
JP	2072	2A	Battlespace Communications Systems (Land)	21-Nov-11	450	3	1
JP	3027	1	JDAM Enhancements	10-Oct-11	64	5	10
JP	3033	1	Interim humanitarian Assistance and	14-Mar-	130	130	0





AIR	5438	1 A	Lead In Fighter Capability Assurance Program (Spares buy)	05-Jul-11	3	3	0
AIR	7000	2B	Maritime Patrol Aircraft Replacement (Intermediate Pass)	05-Dec-11	95	6	24
JP	2070	2	Light Weight Anti-Submarine Torpedo Replacement (release of preserved funds)	05-Dec-11	-	0	0
LAN D	112	4	ASLAV Enhancement Project (Cancellation)	05-Dec-11	-277	0	0
LAN D	116	3. 2	Thales Production (Long Lead Items)	28-Feb-12	16	0	11
LAN D	121	3B	Field Vehicles & Trailers – Down select decision	05-Dec-11	-	0	0
LAN D	121	4	Field Vehicles & Trailers – PMV-L MSA (Intermediate Pass)	05-Dec-11	56	17	21
LAN D	121	5B	Field Vehicles & Trailers – Bring forward decision	05-Dec-11	-	0	0
LAN D	125	3C	Soldier Enhancement Version 2 – Lethality	26-Sep-11	13	4	3
SEA	1448	2B	ANZAC Anti-Ship Missile Defence Upgrade – Ships 2-8	21-Nov-11	215	7	0
<b>Total</b>				<b>10</b>	<b>121</b>	<b>37</b>	<b>59</b>

Note: All figures have been rounded. Totals may not match due to rounding.

Note: Land 112 Ph 4 – ASLAV – Cancellation of the previously approved second pass project

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES Senate Additional Estimates**

#### **Q161 - F-35 Joint Strike Fighter**

#### **Senator Johnston provided in writing:**

As at February 15th 2012:

- (a) How much will be spent on the acquisition of the JSF - F-35 (JSF) in each of the years 2011/12 to 2023/24?
- (b) How many JSF are to be purchased, and paid for, in each of the years 2011/12 to 2023/24?

#### **Response:**

- (a) In 2011-12, the New Air Combat Capability (NACC) Project expects to expend approximately A\$58.0 million. Approximately A\$2.3 - A\$2.6 billion (then year prices at exchange rate of 1.03) of approved Stage 1 funds is expected to be spent from 2012-13 to 2017-18. The remainder of the NACC project is unapproved but constitutes approximately a further A\$10.0-12.0 billion to be spent between 2014/15 and 2021/22.
- (b) This information has previously been provided through response to Q116 from the October 2011 Supplementary Budget Estimates hearing and, prior to that, through response to Q79 from the May 2011 Budget Estimates hearing.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q162 - F-35 Joint Strike Fighter**

**Senator Johnston provided in writing:**

As at February 15th 2012: What impact does the Minister's decision to only proceed with the purchase of 2 JSF have upon the program to equip our Air-force with this area dominating FEG?

**Response:**

In 2009, the Government approved the purchase of 14 F-35s. The Government is committed to acquiring two aircraft as a first tranche in the 2014 timeframe. A decision on the timing to acquire the second tranche (of 12 aircraft) will be made during 2012. The Government will not allow a gap in air combat capability to occur.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**  
**Senate Additional Estimates**

**Q163 - F-35 Joint Strike Fighter**

Senator Johnston provided in writing.:

As at February 15th 2012: The Minister has said that it is not a major priority for the Government to have replacement aircraft available for the FA/18 Hornet Classics.  
What is being done to avert this forth-coming capability gap?

**Response:**

Government is committed to ensuring that a capability gap will not occur between the planned withdrawal of the F/A-18 A/B Hornet aircraft fleet and the introduction of the F-35 Joint Strike Fighter aircraft. Australia has acquired 24 Block II F/A-18F Super Hornet aircraft and specific weapons to reduce the risk of an air combat capability gap during the transition to a mature Joint Strike fighter capability.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**  
**Senate Additional Estimates**

**Q164 - Joint Strike Fighter**

Senator Johnston provided in writing:

As at February 15th 2012: What contingency plans are currently in place, or planned to be in place, to purchase a further 24 Super Hornets?

**Response:**

No decision has yet been made by Government in considering the option to purchase further Super Hornets.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**  
**Senate Additional Estimates**

**Q165 - F-35 Joint Strike Fighter**

**Senator Johnston provided in writing:**

As at February 15th 2012: What is the schedule to introduce the JSF into full operational status for each year 2013/14 to 2023/24?

**Response:**

This information has been provided previously through response to Q116 from the October 2011 Supplementary Budget Estimates hearing and, prior to that, through response to Q79 from the May 2011 Budget Estimates hearing.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**  
**Senate Additional Estimates**

**Q166 - F-35 Joint Strike Fighter**

**Senator Johnston provided in writing:**

As at February 15th 2012: What is the expected total cost of maintaining, sustaining and operating the JSF's for each year 2013/14 to 2023/24?

**Response:**

This information has been provided previously through response to Q116 from the October 2011 Supplementary Budget Estimates hearing and, prior to that, through response to Q79 from the May 2011 Budget Estimates hearing.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**  
**Senate Additional Estimates**

**Q167 – Super Hornet Sustainment Costs**

Senator Johnston provided in writing:

As at February 15th 2012: What is the expected total cost of maintaining, sustaining and operating the current Super Hornets for each year 2010-11 to 2023-24?

**Response:**

The direct cost budgets to maintain, sustain and operate the Super Hornets for each year 2010-2011 to 2019-2020 are provided in Annex A. Noting that the approved plan is to withdraw Super Hornet aircraft from operation in 2020, there are no approved expenses beyond Financial Year 2019-2020.



**DIRECT COSTS OF OPERATING, MAINTAINING AND SUSTAINING SUPER HORNET AIRCRAFT  
FROM FINANCIAL YEAR 2010-2011 TO APPROVED WITHDRAWAL DATE OF FINANCIAL YEAR 2019-2020**

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total Costs
Costs	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
<b>Operating Costs</b>	<b>50.214</b>	<b>50.272</b>	<b>51.754</b>	<b>53.049</b>	<b>55.684</b>	<b>58.005</b>	<b>60.425</b>	<b>62.945</b>	<b>65.572</b>	<b>68.310</b>	<b>576.230</b>
Employee Costs											
ADF	46.004	47.231	48.642	49.858	52.397	54.624	56.946	59.366	61.889	64.519	
Reserves	0.545	0.560	0.577	0.591	0.620	0.646	0.674	0.702	0.732	0.763	
Civilian	0.091	0.093	0.096	0.098	0.102	0.107	0.111	0.116	0.121	0.126	
Suppliers	3.573	2.388	2.440	2.501	2.564	2.628	2.694	2.761	2.830	2.901	
<b>Sustain/Maintain Costs</b>	<b>129.881</b>	<b>150.480</b>	<b>217.678</b>	<b>209.656</b>	<b>207.742</b>	<b>206.644</b>	<b>213.393</b>	<b>233.796</b>	<b>192.082</b>	<b>194.621</b>	<b>1955.973</b>
Sustainment	74.752	85.942	117.769	122.387	145.326	147.688	152.835	171.583	128.160	131.436	
Fuel	16.093	24.697	25.241	25.883	26.525	29.458	30.180	30.929	31.705	30.007	
EO	23.095	19.606	20.184	27.814	28.644	29.498	30.378	31.284	32.217	33.178	
Upgrades (AIR 5439 Ph2)	15.941	20.235	54.484	33.572	7.247						
<b>Annual Costs</b>	<b>180.095</b>	<b>200.752</b>	<b>269.432</b>	<b>262.705</b>	<b>263.425</b>	<b>264.649</b>	<b>273.817</b>	<b>296.741</b>	<b>257.654</b>	<b>262.931</b>	<b>2532.202</b>

Note:

1. The costing data is in out turned dollars
2. AIR 5439 Ph2 – Bridging Air Combat capability - Weapons

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**  
**Senate Additional Estimates**

**Q168 - Joint Strike Fighter**

**Senator Johnston provided in writing:**

As at February 15th 2012: What is the anticipated Fly Away and Unit Cost for the JSF in each of the years 2011-12 to 2023-24?

**Response:**

This information has been provided previously through response to Q116 from the October 2011 Supplementary Budget Estimates hearing and, prior to that, through response to Q79 from the May 2011 Budget Estimates hearing.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**  
**Senate Additional Estimates**

**Q169 - F35 Joint Strike Fighter**

**Senator Johnston provided in writing:**

As at February 15th 2012:

- (a) What is the anticipated total cost in purchasing 72 JSF?
- (b) What is the anticipated total cost in purchasing 100 JSF?

**Response:**

In current 2012 prices and at an exchange rate of 1.03 (the rate as at January 2012), 72 F-35As (aircraft only) will cost an average of A\$83.0 million each. This equates to about A\$6.2 billion for 72 aircraft. 100 F-35As (aircraft only) will cost an average of A\$80.0 million each which equates to about A\$8.0 billion for 100 aircraft.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**  
**Senate Additional Estimates**

**Q170 - F-35 Joint Strike Fighter**

**Senator Johnston provided in writing:**

As at February 15th 2012:

- (a) What would be the anticipated Fly Away and Unit Cost for 24 additional Super Hornets in each of the years 2011/12 to 2023/24?
- (b) What savings would be made in purchasing 24 Super Hornets (12 fitted with Growler suites) instead of 24 JSF in the period 2012/13 to 2023/24?

**Response:**

- (a) and (b)

There are currently no plans to acquire additional Super Hornets.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**  
**Senate Additional Estimates**

**Q171 - F-35 Joint Strike Fighter**

**Senator Johnston provided in writing:**

As at February 15th 2012: What would be the expected savings in delaying the planned JSF project by 2 years; 3 years; 4 years and 5 years?

**Response:**

The Government has not indicated any intention to delay the New Air Combat Capability Project as the question suggests.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**  
**Senate Additional Estimates**

**Q172 - F-35 Joint Strike Fighter**

**Senator Johnston provided in writing:**

As at February 15th 2012: What will be the average unit cost of the JSF per plane over the full purchase period?

**Response:**

This information has been provided previously through response to Q116 from the October 2011 supplementary Budget Estimates hearing and, prior to that, through response to Q79 from the May 2011 Budget Estimates hearing.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q173 - F-35 Joint Strike Fighter**

**Senator Johnston provided in writing:**

As at February 15th 2012: What is the current schedule in training fighter pilots capable of operating both JSF and Super Hornets for the period 2011/12 to 2023/24?

**Response:**

Air Force pilots are qualified to fly only one aircraft at a time operationally (unless exceptional circumstances dictate otherwise).

Super Hornet training currently occurs at Number 6 Squadron, RAAF Base Amberley. This training will continue until the withdrawal from service of the F/A-18F, which is planned for 2020.

F-35A pilot training will occur in the US for a period of up to six years, starting with two fighter pilots from Australia in 2014. Upon completion of this six-year period, Number 2 Operational Conversion Unit at RAAF Base Williamtown will train all Australian F-35A pilots.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**  
**Senate Additional Estimates**

**Q174 - F-35 Joint Strike Fighter**

**Senator Johnston provided in writing:**

As at February 15th 2012: What is the current schedule in training support staff capable of servicing and maintaining both JSF and Super Hornets for the period 2011-12 to 2023-24?

**Response:**

This information has been provided previously through response to Q79 from the May 2011 Budget Estimates hearing.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q175 - HMAS Success**

**Senator Johnston provided in writing:**

It was said at Estimates that following a double hulling conducted in Singapore, the RAN identified a long-standing defect with HMAS Success's propulsion system alignment that requires correction. The correction is being overseen by Lloyd's Register's technical investigations department.

- (a) What will be the cost of repairing this specific problem?
- (b) Is HMAS Success currently capable, as at 15 February 2012, of going to sea at 48 hours notice?
- (c) If not, how long would it take to have HMAS Success ready for full operational duties?
- (d) Where has the HMAS Success been since it returned from having the double hull fitted?
- (e) When will HMAS Success be ready for further operational duties?
- (f) When is it planned for HMAS Success to go into scheduled full cycle maintenance?
- (g) What is the estimated cost of this full cycle maintenance?
- (h) Where will the maintenance be undertaken?
- (i) What has been the total cost spent on repairs, sustainment and upgrades of HMAS Success since January 2010?
- (j) What arrangements will the RAN make to have a resupply and on-sea functionality capability to cover the gaps that will eventuate whilst she undergoes this maintenance schedule?
- (k) What will be the cost of providing this resupply and on-sea functionality capability whilst HMAS Success is unavailable during this planned maintenance cycle?

**Response:**

- (a) The estimated cost to conduct corrections to the main engine to propulsion alignment is \$4.10 million.

(b) No.

(c) HMAS Success is currently undergoing maintenance and repairs and is expected to return to sea in late May or early June 2012 to commence a thorough program of material condition assessments, contractor sea trials and system qualifications trials. These are all standard requirements following deep level maintenance designed to provide the appropriate level of assurance that the work completed during maintenance was completed to the required specifications. Following these trials, individual and unit level training will be conducted at sea and alongside.

(d) On completion of the International Maritime Organisation (IMO) double hulling project HMAS Success returned from Singapore via Cairns to Fleet Base East (FBE) in Sydney Harbour for scheduled deep level maintenance.

(e) Success is scheduled to conduct a workup to full operational capability that is expected to be formally assessed in August 2012.

(f) HMAS Success is scheduled to commence a full cycle maintenance period in December 2012.

(g) \$37.00 million.

(h) The major maintenance and repair of Navy vessels is conducted in Australia. As a requirement to complete and recommence a 5 year maintenance cycle the ship is required to conduct an out of water docking. Due to this requirement and the physical dimensions of Success the maintenance activity is limited to one of two certified docks which are located in Sydney or Brisbane. The decision on the location and preferred supplier will be made based on value for money to the Commonwealth.

(i) HMAS Success expenditure for the period 1 January 2010 - 31 January 2012 is \$75.5 million including \$21.1 million on the support contract and inventory items.

(j) The Afloat Support force consists of two vessels, the other being HMAS Sirius. The maintenance programs of these two ships are harmonised to the extent possible, within the bounds of appropriate technical management, to maximise operational availability of at least 1 vessel. With a force of just two vessels, inevitably there will be occasions where neither is available, particularly when one of the vessels is in deep maintenance and the other requires either routine maintenance and / or the rectification of unforeseen defects which have safety implications and may require the ship to revert to extended readiness to conduct the work.

Both the United States (USN) and New Zealand (RNZN) operate replenishment units that may be able to be utilised if these nations commit to the same operation. While there is ongoing dialogue with these Navies in order to understand their broad regional tanker availability, actual availability of a tanker can not be guaranteed until the location, timing and nature of the operation is known and the respective Government/s formally agree to the provision of their ship/s.

(k) Nil additional cost when HMAS Sirius is the response vessel. Any arrangements established with the USN/ RNZN would be through a contingent commitment at a national level and be within the boundaries of established logistic exchange agreements. Such arrangements limit the costs of providing this resupply to the cost of the fuel embarked and other supplies that would be taken on as embarked cargo after the Royal Australian Navy had paid for the these supplies at the point of origin of their purchase.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q176 - Submarine sustainment**

**Senator Johnston provided in writing:**

On what dates are HMAS SHEEAN and HMAS RANKIN due to complete their Full Cycle Docking?

**Response:**

HMAS SHEEAN is scheduled to complete Full Cycle Docking on 31 July 2012.

HMAS RANKIN is scheduled to complete Full Cycle Docking on 25 October 2013.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q177 - Submarine sustainment**

**Senator Johnston provided in writing:**

What are the dates for commencement and completion of the second FCD for each of the six vessels in the Collins fleet?

**Response:**

Planned commencement and completion dates for the second Full Cycle Dockings (FCD) for each of the Collins Class submarines are:

<b>Submarine</b>	<b>Planned Commencement</b>	<b>Planned Completion</b>
COLLINS	01 Aug 2012	22 May 2015
FARNCOMB	31 May 2014	20 Mar 2017
WALLER	29 Mar 2016	17 Jan 2019
DECHANEUX	26 Jan 2018	15 Nov 2020
SHEEAN	25 Nov 2019	14 Sep 2022
RANKIN	23 Sep 2021	13 Jul 2024

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q178 - Submarine sustainment**

**Senator Johnston provided in writing:**

What is the current planned maintenance cycle for the Collins fleet? i.e. the duration of, and interval between, Full Cycle Dockings, Mid-Cycle dockings, Intermediate Dockings, Battery Replacement etc.

**Response:**

The planned maintenance cycle is based on the eight year operational Usage Upkeep Cycle (UUC) as reflected in the approved Integrated Master Schedule for Collins Class submarines. The following planned durations and gaps apply, noting that these are subject to variation depending upon capability insertions, and the treatment of critical defects and obsolescence:

Full Cycle Docking (FCD) – nominal duration of 33 months, the gap between completion of the most recently completed FCD and commencement of the next is notionally eight years +/- two months. FCDs include a main battery replacement;

Mid Cycle Docking (MCD) – nominal duration of 27 weeks and is conducted mid-way between FCDs, with a typical FCD to MCD gap of four years. MCDs also include a main battery replacement;

Intermediate Docking (ID) – nominal duration of 20 weeks and is conducted mid way between FCD and MCD, with a typical gap FCD/MCD to ID of 22-24 months. IDs do not normally include a main battery replacement.

Intermediate Maintenance Availability (IMAV) – nominal duration of 10 weeks and unlike docking availabilities, does not require removal of the submarine from the water. An IMAV occurs mid-way between successive dockings (FCD/MCD/ID), with a typical gap of 8-10 months from the last docking. IMAVs do not normally include a main battery replacement.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q179 - Submarine sustainment**

**Senator Johnston provided in writing:**

What was the original intended maintenance cycle for the Collins fleet? i.e. the duration of, and interval between, Full Cycle Dockings, Mid-Cycle dockings, Intermediate Dockings, Battery Replacement etc.

**Response:**

The original maintenance cycle for the Collins Class was based on a 6 year operating period followed by a FCD, which effectively makes up the Usage Update Cycle (UUC). The following planned maintenance durations and gaps applied to this UUC:

Full Cycle Docking (FCD) - duration of 52 weeks, the gap between completion of the most recently completed FCD and commencement of the next was notionally 6 years;

Mid Cycle Docking (MCD) - duration of 16 weeks conducted mid-way between FCDs with a typical FCD to MCD gap of 146 weeks;

Intermediate Docking (ID) - duration of 10 weeks conducted mid-way between FCD and MCD, with a typical gap FCD/MCD to ID of 72 weeks; and

Assisted Maintenance Period (AMP) - duration of 4 weeks and unlike docking availabilities does not require removal of the submarine from the water. Three AMPs were evenly planned between docking availabilities, allowing a typical 15 week operational window between maintenance availabilities. The exception to this timing was only a three week period for sea acceptance trials between completion of FCD and the commencing the first AMP of a cycle.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q180 - Submarine sustainment

Senator Johnston provided in writing:

What has been the labour requirement in person-hours, and duration in weeks, for each of the Full Cycle Dockings completed so far (and currently underway) for the six vessels of the Collins Fleet?

#### Response:

The labour hours associated with the conduct of Full Cycle Dockings (FCD) have varied dramatically due to the workscope of a FCD not being accurately defined since build, incorporation of enhancements and the need to remediate a range of legacy issues, eg generators and main motor.

The production workforce labour hours for the first six Collins Class FCDs are detailed below:

Submarine	Labour (hours)	Duration (weeks)
COLLINS	776,521 <sup>1</sup>	232
FARNCOMB	528,978	100
WALLER	780,000	156
DECHANEUX	1,014,133	200
SHEEAN	939,239 <sup>2</sup>	235
RANKIN	924,854 <sup>2</sup>	235

Notes:

1. COLLINS labour hours include 140,000 hours to repair weld defects from build.
2. SHEEAN and RANKIN are currently in FCD and labour hours reflect the current estimated duration.



## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q180 - Submarine sustainment

Senator Johnston provided in writing:

What has been the labour requirement in person-hours, and duration in weeks, for each of the Full Cycle Dockings completed so far (and currently underway) for the six vessels of the Collins Fleet?

#### Response:

The labour hours associated with the conduct of Full Cycle Dockings (FCD) have varied dramatically due to the workscope of a FCD not being accurately defined since build, incorporation of enhancements and the need to remediate a range of legacy issues, eg generators and main motor.

The production workforce labour hours for the first six Collins Class FCDs are detailed below:

Submarine	Labour (hours)	Duration (weeks)
COLLINS	776,521 <sup>1</sup>	232
FARNCOMB	528,978	100
WALLER	780,000	156
DECHANEUX	1,014,133	200
SHEEAN	939,239 <sup>2</sup>	235(276)
RANKIN	924,854 <sup>2</sup>	235(290)

Notes:

1. COLLINS labour hours include 140,000 hours to repair weld defects from build.
2. SHEEAN and RANKIN are currently in FCD and labour hours reflect the current estimated duration. The figure in brackets includes a period of lay-up prior to entering into the FCD.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q181 - Submarine sustainment**

**Senator Johnston provided in writing:**

How many person-hours are expected to be needed for each of the forthcoming six FCD?

**Response:**

The planned production labour hours for future Full Cycle Dockings (FCD) is 756,000 hours to conduct preventative and scheduled maintenance activities, with an additional 122,000 hours planned for treatment of obsolescence and other system upgrades. This provides for a planned production labour total of 878,000 hours per FCD. Additional hours may be required to address unscheduled corrective maintenance discovered during the course of the FCD, as noted in the response to Q180.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q182 - Submarine sustainment

#### Senator Johnston provided in writing.

What responsibility does ASC have for monitoring the long-term logistical and engineering sustainability of the Collins fleet? What resources within ASC are directed towards this task? How well does ASC understand the long-term logistical and engineering sustainability of the Collins fleet?

#### Response:

Overall responsibility for monitoring the long-term logistical and engineering sustainability of the Collins fleet rests with Navy. Navy relies on the Defence Materiel Organisation (DMO) and ASC to provide sustainment system information, professional services, advice and guidance.

In support of this requirement, ASC provides:

- design and engineering services,
- configuration management services,
- integrated logistics support services,
- certification (including SUBSAFE) and trials,
- contract management,
- maintenance engineering management,
- support to Ships Information Management System/Ships Information System, and
- support to Integrated Ships Control and Management System.

Departmental records presently show that ASC directs resources to these tasks, as follows:

- forty three permanent staff and 6 contractors in integrated logistics support and logistics engineering.
- One hundred and sixty five staff in engineering.

ASC understanding of the long-term logistical and engineering sustainability of the Collins fleet is being assessed through the Coles Study '*Review of the Business of Sustaining the Collins Class Submarines*'. The results of this study will be available during the latter half of 2012.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 183**

**Senator Johnston provided in writing:**

Since 2004-05, what have average annual workforces devoted to (a) shipbuilding and (b) submarine work undertaken by ASC? What has been the break-down of the two workforces in terms of executives, engineers, production workers and administrators?

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture the data that is being sought by the Committee. A complete view is more likely to be available through ASC's financial and management records, which would be visible to the company's owner, the Department of Finance and Deregulation.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q184 - Submarine sustainment**

**Senator Johnston provided in writing:**

Please provide a definition of “Materiel Ready Days”.

**Response:**

A Materiel Ready Day is a day when a vessel is not conducting planned maintenance and is not encumbered by defects that prevent it from proceeding to sea.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 185**

**Senator Johnston provided in writing:**

Since 2004-05, what have been the annual revenues and profits recorded for (a) shipbuilding and (b) submarine work undertaken by ASC?

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture the data that is being sought by the Committee. A complete view is more likely to be available through ASC's financial and management records, which would be visible to the company's owner, the Department of Finance and Deregulation.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 186**

**Senator Johnston provided in writing:**

Since 2004-05, what percentage of ASC's revenue was derived from the Department of Defence?

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture the data that is being sought by the Committee. A complete view is more likely to be available through ASC's financial and management records, which would be visible to the company's owner, the Department of Finance and Deregulation.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 187**

**Senator Johnston provided in writing:**

Since 2004-05, what have been the expenses incurred for (a) shipbuilding and (b) submarine work undertaken by ASC in terms of employees, materials and subcontractors, professional fees, depreciation etc.

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture the data that is being sought by the Committee. A complete view is more likely to be available through ASC's financial and management records, which would be visible to the company's owner, the Department of Finance and Deregulation.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q188 - Submarine Financials - ASC**

**Senator Johnston provided in writing:**

For 2010-11 what was the billed cost breakdown with respect to shipbuilding work:

- (a) Direct Labour
- (b) Materials
- (c) Overhead
- (d) Margin

**Response:**

The information requested is commercial-in-confidence and can only be provided through a private briefing.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q189 - Submarine Financials**

**Senator Johnston provided in writing:**

For 2010-11 what was the billed cost breakdown with respect to submarine work:

(a) Direct Labour

(b) Materials

(c) Overhead

(d) Margin

**Response:**

The information requested is commercial-in-confidence and can only be provided through a private briefing.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q190 – ASC Performance**

**Senator Johnston provided in writing:**

To what extent are ASC's revenues from the AWD project based on performance? What measures are used to measure performance and how has ASC performed against those measures each year since the inception of the project? How much revenue has been gained or foregone as a result of ASC performance in the AWD Alliance.

**Response:**

The AWD Alliance operates within the terms of the Alliance Based Target Incentive Agreement (ABTIA).

The ABTIA is a target cost incentive contract where the Industry Participants' (IPs) costs are reimbursed by the Commonwealth subject to various limitations, with the IPs' profits being at risk depending on overall performance against Target Cost Estimate (TCE). It is an alliance based contract under which the Commonwealth and the IPs share outcomes and risks, including schedule risks, principally through putting the IPs' Fee entitlements at risk (and giving potential for additional fee for favourable Program outcomes), while providing that the IPs' cost outcomes are protected through Commonwealth reimbursement of actual Direct Project Costs.

As such, the fee paid, which is the IPs' profit and recovery of corporate overheads, is based on achieving project milestones determined by a baseline performance schedule, toward the completion of the Program. The amount of the fee is determined primarily on earned value performance and is paid on a quarterly basis. To date both ASC and Raytheon have been paid their fee appropriate to project progress and the earned value progress. Looking into the future, with the current schedule slippage it appears likely the fee will be reduced and the IPs and the Commonwealth will be in painshare. That will be covered by the current funding from the Second Pass approval. Refer to the response to Q197 for further details.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 191**

**Senator Johnston provided in writing:**

What is Deep Blue Tech's Business Model/Plan?

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture what is sought by the Committee. A complete view is more likely to be available through ASC's records, which would be visible to the company's owner, the Department of Finance and Deregulation.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 192**

**Senator Johnston provided in writing:**

Who within the government signed off/approved Deep Blue Tech's Business Model/Plan?

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture what is sought by the Committee. A complete view is more likely to be available through ASC's records, which would be visible to the company's owner, the Department of Finance and Deregulation.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 193**

**Senator Johnston provided in writing:**

- (a) How is executive remuneration set within ASC?
- (b) What was the value of the annual remuneration packages of the top 10 individuals employed by ASC in 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12. i.e the value of each of the 10 individual packages for each year.
- (c) To what extent is executive remuneration in ASC based on performance? What measures are used to measure individual performance? How much money has been paid to individuals by way of incentive bonuses each year since 2004-05?

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture the data that is being sought by the Committee. A complete view is more likely to be available through ASC's financial and management records, which would be visible to the company's owner, the Department of Finance and Deregulation.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 194**

**Senator Johnston provided in writing:**

Please provide a list of consultants engaged across the ASC Group and the amount of money paid to each consultancy

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture the data that is being sought by the Committee. A complete view is more likely to be available through ASC's financial and management records, which would be visible to the company's owner, the Department of Finance and Deregulation.

## Senate Standing Committee on Foreign Affairs, Defence and Trade

### QUESTIONS ON NOTICE - COMMITTEES

#### Senate Additional Estimates

#### Q195 - Sponsorships

Senator Fawcett provided in writing:

Please provide a list of sponsorships made to universities, professional institutes/ foundations and think tanks and local organisations and sponsorship amounts.

#### Response:

The below table outlines sponsorships made to universities, professional institutes/ foundations and think tanks and local organisations and sponsorship amounts for the accounting period from 1 July 2011 to 31 January 2012 inclusive.

Organisation/Event	Amount
Dickson College, 2011 Uninhabited Airborne Vehicle (UAV) Outback Challenge	\$1,000
University of Adelaide, Mechanical Expo – Prize for ‘Best Energy Project’.	\$500
Australian Maritime College, Navy sponsorship of two annual Australian Maritime College prizes for excellence.	\$4,000
Safeskies Australia, Safeskies International Safety Conference	\$10,000
Australian Council for International Development Inc, Asia Pacific Civil-Military Centre of Excellence (APCMCoE) Sponsorship of Australian Council for International Development 13-14 October 2011.	\$2,000



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q196 - AWD Alliance**

**Senator Johnston provided in writing:**

- (a) How is executive remuneration set within the AWD Alliance?
- (b) What was the value of the annual remuneration packages of the top 10 individuals employed by the AWD Alliance each year since its inception. i.e., value of each of the top 10 individual packages for each year.
- (c) To what extent is executive remuneration within the AWD Alliance based on performance? What measures are used to measure individual performance? How much money has been paid to individuals by way of incentive bonuses each year since the inception of the alliance?

**Response:**

(a) – (c)  
The AWD Alliance operates within the terms of the Alliance Based Target Incentive Agreement (ABTIA).

The AWD Alliance does not employ personnel. The Industry Participants (Raytheon and ASC) and the Commonwealth employ all personnel on the Program.

Any details of industry remuneration packages should be directed to the Industry Participants. The levels of salaries are subject to normal Industry and Commonwealth practices and charged to the Project based on ABTIA contract rates and escalations. Bonuses are based on the Industry Participant's internal processes, but must also comply with the relevant ABTIA clauses. Executive remuneration, including bonuses, is set by the respective companies and the contractual arrangements between the employee and the company is generally treated as a confidential matter.

To ensure the Program is not incurring excessive salary and associated overhead costs the Financial Investigation Services (FIS) of the Commonwealth review labour rates across all industries and provide independent assurance to the AWD Program it is being charged competitive rates based on industry standards. The total value of labour charged for each 12 month period plus the breakdown of project overhead is audited each year in the True-Up Audit carried out by FIS and AWD officers.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q197 - AWD Alliance**

**Senator Johnston provided in writing:**

- (a) It is noted that Mr Ludlum told the Estimates committee that the AWD program is not profitable at this stage. Please provide details on the profit/losses to date (by FY) and the profit/losses forward estimates.
- (b) Please provide details on how the project is to be funded in the event of cost over-runs.
- (c) Please provide details on the current financial state of the AWD project.
- (d) Is there sufficient revenue reserves to cover any cost over-runs?

**Response:**

- (a) ASC profit declaration is determined by ASC internally. ASC determines how it accounts for the AWD Program in its Annual Accounts and this will help shape its profitability. The ASC profitability is outlined in its financial statements and Annual Report.
- (b) The AWD Alliance operates within the terms of the Alliance Based Target Incentive Agreement (ABTIA). The ABTIA is a cost reimbursement contract where the Industry Participants' (IPs) costs are reimbursed by the Commonwealth subject to various limitations, with the IPs' profits being at risk depending on overall cost performance against Target Cost Estimate (TCE). If there is cost overrun, project contingency funds held by the Commonwealth are used within the limits set at Second Pass approval.
- (c) The Program expenditure to date (as at December 2011) is \$3,369 million of a total outturn budget of \$7,925 million. This represents approximately 42% of the total Program and aligns with the planned expenditure to date. The current forecast cost to complete the Program is also within Budget.
- (d) Based on the current forecast there are sufficient funds to complete the project within the approved Budget, and contingency.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q198 - AWD Alliance**

**Senator Johnston provided in writing:**

How much was paid to the contractor BAE for the initial 'blocks' that provided the well publicised challenges for ASC, DMO and the AWD Alliance?

**Response:**

The amount paid to BAE Systems Australia for the initial blocks is commercial-in-confidence.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q199 - AWD Alliance**

**Senator Johnston provided in writing:**

What additional amount was paid, above the agreed contract price, to BAE for these problematic initial 'blocks'?

**Response:**

No additional amount has been paid. The payments are in accordance with the contract between ASC and BAE Systems Australia for the initial blocks.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q200 – AWD Alliance**

**Senator Johnston provided in writing:**

Provide the specific details on how the project is proceeding against the designated milestones?

**Response:**

The designated milestones for the AWD project are the Key Event Dates as specified in the ABTIA. Fee payments to the Industry Participants are tied to achieving each milestone.

The Commonwealth has made Fee payments in accordance with milestone achievements to the end of 2011.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q201 - ISSC**

Senator Johnston provided in writing:

- (a) What Government direction has been provided to ASC with respect to the negotiation of the ISSC?
- (b) Please provide a list of the performance metric categories with respect to the ISSC.
- (c) Please provide a description of the types of sanctions imposed on ASC for non-compliance with the performance metrics
- (d) What are the FCD time frames and costs being proposed by ASC (i.e. on the table) in the new ISSC?
- (e) Do the terms of the ISSC, as proposed by Defence, allow Defence to get submarines fixed elsewhere.

##### **Response:**

- (a) Negotiation of the In-Service Support Contract (ISSC) has been undertaken in accordance with the approved procurement strategy and negotiation directive. In May 2011, the Government–ASC Steering Committee (jointly chaired by Secretary of Defence, Chief of the Defence Force and Secretary of Finance and Deregulation) was briefed on progress towards the new ISSC. Following this meeting, a Heads of Agreement was signed between the Defence Materiel Organisation (DMO) and ASC, which subsequently guided negotiations. In late 2011, Minister for Defence confirmed that a number of matters should be resolved prior to contract signature along with preliminary consideration of Ph 1 Coles' advice.
- (b) The ISSC remains subject to final negotiation between the parties. The ISSC employs a Performance Based Target Cost Incentive Model (TCIM) that rewards superior performance with increased profit but reduces profit as a consequence of inferior performance. The TCIM is an integrated model that employs a performance management framework combined with Target Cost pain / gain-share. The performance framework employs key performance indicators relating to Navy's safety, cost, availability, reliability, maintainability and supportability requirements.
- (c) The ISSC remains subject to negotiation between the parties. As noted above, the Performance Based TCIM rewards superior performance with increased profit but reduces profit as a consequence of inferior performance. Other standard Commonwealth rights exist with respect to stop payment, the right to de-scope the work program and to engage third parties, and ultimately termination rights.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 202**

**Senator Johnston provided in writing:**

According to ASCs annual reports, insurance cost for the group are as follows:

- \$1,987,000 in FY07/08
  - \$2,307,000 in FY08/09
  - \$5,161,000 in FY 09/10
  - \$8,008,000 in FY 10/11
- 
- (a) Over the FY07/08 to FY10/11 period please provide a list of insurance policies taken out, the nature and extent of the coverage, excess associated with them and the name of the underwriter.
  - (b) Over the FY07/08 to FY10/11 period please provide a list of all insurance claims made by the company and the payout.
  - (c) What has been the main drivers with respect to the 400% increase in cost in insurance?

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture the data that is being sought by the Committee. A complete view is more likely to be available through ASC's financial and management records, which would be visible to the company's owner, the Department of Finance and Deregulation.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 203**

**Senator Johnston provided in writing:**

What is the A3 Future Submarine Project mentioned in ACS's Financial Report?

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture what is sought by the Committee. A complete view is more likely to be available through ASC's records, which would be visible to the company's owner, the Department of Finance and Deregulation.

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**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 204**

**Senator Johnston provided in writing:**

What is the break-down of the Deep Blue Tech workforces in terms of executives, managers, engineers, and administrators?

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture the data that is being sought by the Committee. A complete view is more likely to be available through ASC's financial and management records, which would be visible to the company's owner, the Department of Finance and Deregulation.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 205**

**Senator Johnston provided in writing:**

How many of Deep Blue Tech's engineers have been involved in a submarine design program that resulted in a submarine which has been accepted into service in any Navy?

**Response:**

Defence, as ASC's customer, does not have a comprehensive view of this information. As a consequence, a Defence response would not accurately capture what is sought by the Committee. A complete view is more likely to be available through ASC's records, which would be visible to the company's owner, the Department of Finance and Deregulation.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q 206**

**Senator Johnston provided in writing:**

*The Coles review stated (at clause 5.13) that *Another aspect of the ASC that is recommended to be covered in Phase 2 is the degree to which there may be duplication of skills between the DSTO and the ASC. The Review Team understands need for the Commonwealth to be able to retain the necessary intellectual and manufacturing know how on submarines. What is less clear is what precisely these skills are and whether they are duplicated in other Commonwealth institutions, such as the DSTO. Elimination of unnecessary duplication would minimise overall resource consumption.**

- a. Does ASC acknowledge that there is an overlap in function between Deep Blue Tech and DSTO?

**Response:**

Defence, as ASC's customer, does not hold this information. As a consequence, a Defence response would not accurately capture what is sought by the Committee. A complete view is more likely to be available through ASC's records, which would be visible to the company's owner, the Department of Finance and Deregulation.

# **Senate Standing Committee on Foreign Affairs, Defence and Trade**

## **QUESTIONS ON NOTICE - COMMITTEES**

### **Senate Additional Estimates**

#### **Q207 - Future Submarines**

Senator Johnston provided in writing:

Defence released a tender last year for a land based test rig study.

- (a) Did Deep Blue Tech bid for this study?
- (b) If yes, can you please provide a summary of the Defence debrief regarding Deep Blue Tech's proposal?

#### **Response:**

- (a) Yes.
- (b) Deep Blue Tech provided a reasonable response to the CoA Statement of Work showing a good understanding of the lessons learnt through the Collins program and the ability to research other land based test and integration concepts. However, the tender has been unsuccessful for the following reasons:
  - 1) The ASC / Deep Blue Tech key personnel experience is limited to Collins Class submarine design and in-service support.
  - 2) There is limited direct experience with submarine / marine land based propulsion and energy test, integration and support systems when compared to those demonstrated by other responses in relation to Highly Desirable Criterion 1.

These conclusions were supported by five independent Technical Evaluation Working Groups (including Future Submarine Program / Defence Science Technology Organisation / Directorate of Submarine Engineering).

(d) The final commercial structure and price of the ISSC remains subject to negotiation. In the short term, the forecast costs to deliver the work program, in support of the Integrated Master Schedule, includes efficiency factors. In the medium to long term, the commercial structure is expected to improve both effectiveness (guarantee of outcome) and efficiency (level of resources required to deliver the capability). Any Full Cycle Docking (FCD) that falls within a performance period of the ISSC will be conducted in accordance with the Integrated Master Schedule, however, as the ISSC maintenance efficiencies are gained they will be applied to the IMS, in order to improve availability to Navy.

(e) The terms of the ISSC remain subject to negotiation. The ISSC recognises ASC's traditional role as Platform System Integrator (PSI), but provides Defence with the right to engage third party contractors under certain circumstances, including work that is not inherent in ASC's traditional PSI role or where ASC fails to meet an obligation under the contract.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q208 - Review of the Defence Capability Plan**

Senator Fawcett provided in writing:

- (a) What were the costs of the Review of the Defence Capability Plan?
- (b) Does the cost for the reviews come out of the Defence overall operating Budget or is funding provided from other sources and if so what sources?
- (c) Are implementation costs included in the above costings?
- (d) How are implementation costs funded?

##### **Response:**

- (a) and (b)

In August 2011, Defence established a Defence Capability Plan (DCP) review team. This team comprised members from Defence at no additional cost.

In addition to the DCP review team, the Boston Consulting Group (BCG) was engaged in September 2011 to provide external independent expertise. The cost of the BCG contract was \$2.8 million excluding GST. This was funded from within Defence's current budget.

- (c) No implementation costs are included in the above costings.

- (d) Implementation costs for financial year 2011-12 and financial year 2012-13 are being funded within Defence's current budget.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

#### **Q209 - Review of the Defence Preparedness, Personnel and Operating Costs**

Senator Fawcett provided in writing:

- (a) What were the costs of the Review of the Defence preparedness, personnel and operating costs?
- (b) Does the cost for the reviews come out of the Defence overall operating Budget or is funding provided from other sources and if so what sources?
- (c) Are implementation costs included in the above costings?
- (d) How are implementation costs funded?

#### **Response:**

- (a) The Review of the Defence preparedness, personnel and operating costs incurred salary and travel costs. Limited contractor support was provided from White Paper funding toward the end of the companion review.
- (b) The cost of the review was funded from the Defence overall operating budget. Contractor support was funded from the White Paper Team.
- (c) No, the implementation cost is not included in the cost of the review.
- (d) The White Paper companion reviews formed the basis of the Strategic Reform Program (SRP). The Government appropriated Defence \$2.4 billion at the start of the SRP as investment funding for long-term reform projects.

SRP investment funds are being used to develop and deliver reform projects that will create sustainable efficiencies and effectiveness.

The implementation costs of the Review of the Defence preparedness, personnel and operating costs are funded through SRP funds.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q210 - Review of the Defence Logistics**

**Senator Fawcett provided in writing:**

- (a) What were the costs of the Review of the Defence logistics?
- (b) Does the cost for the reviews come out of the Defence overall operating Budget or is funding provided from other sources and if so what sources?
- (c) Are implementation costs included in the above costings?
- (d) How are implementation costs funded?

**Response:**

- (a) A number of reviews contributed to the development of the Logistics Companion Review to the Defence White Paper 2009. Contractor support for these reviews amounted to \$2.827m (GST inclusive).
- (b) The reviews were funded from the Defence operating budget.
- (c) No, implementation costs are not included in the above costing.
- (d) Implementation costs are to be funded from the provision for the Logistics Stream of the Strategic Reform Program, which is supported by savings generated in Defence's budget.



## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q211 - Review of the Defence estate**

Senator Fawcett provided in writing:

- (a) What were the costs of the Review of the Defence estate?
- (b) Does the cost for the reviews come out of the Defence overall operating Budget or is funding provided from other sources and if so what sources?
- (c) Are implementation costs included in the above costings?
- (d) How are implementation costs funded?

##### **Response:**

- (a) As at January 2012, cost for work undertaken by consultants to Defence in support of the comprehensive review of the Defence estate is \$5.2 million.
- (b) The cost for the comprehensive review of the Defence estate comes out of the Defence overall operating Budget.
- (c) No, the implementation costs are not included in the above amount. Implementation costs are yet to be determined at this stage as the review of the Defence estate is not yet complete. The review was put on hold following announcement of the Australian Defence Force Posture Review by the Minister for Defence on 22 June 2011. The Force Posture Review is scheduled to provide its final report to the Minister for Defence by the end of March 2012. The final report will feed into the 2014 Defence White Paper process. The outcomes of the Force Posture Review will guide the development of further work on the comprehensive review of the Defence estate.
- (d) As the review of the Defence estate is not yet completed, implementation costs and the associated source of funding have not yet been considered. Government consideration of the Force Posture Review will guide the development of further work on the review of the Defence estate.

# Senate Standing Committee on Foreign Affairs, Defence and Trade

## QUESTIONS ON NOTICE - COMMITTEES

### Senate Additional Estimates

#### Q212 - Review of the Defence workforce

Senator Fawcett provided in writing:

- (a) What were the costs of the Review of the Defence workforce?
- (b) Does the cost for the reviews come out of the Defence overall operating Budget or is funding provided from other sources and if so what sources?
- (c) Are implementation costs included in the above costings?
- (d) How are implementation costs funded?

#### Response:

(a) Defence understands that the review mentioned in this question is the Workforce Companion Review, conducted in the lead up to the 2009 Defence White Paper. Defence engaged Jacobs Australia and Monash University to assist with this review, at a total cost of \$123,296.

(b) These costs were funded from Defence's overall operating budget.

(c) and (d) There were no implementation activities of costs stemming directly from the Workforce Companion Review.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q213 - Review of the Defence Industry Capacity**

Senator Fawcett provided in writing:

- (a) What were the costs of Review of the Defence industry capacity?
- (b) Does the cost for the reviews come out of the Defence overall operating Budget or is funding provided from other sources and if so what sources?
- (c) Are implementation costs included in the above costings?
- (d) How are implementation costs funded?

##### **Response:**

- (a) The Review of the Defence industry capacity incurred salary and travel costs.
- (b) The cost of the Review was funded from the Defence overall operating budget.
- (c) No, the implementation cost is not included in the cost of the Review.
- (d) The White Paper Companion Reviews provided background information for the development of the 2009 White Paper. The Review of the Defence industry capacity also informed the development of the 2010 Defence Industry Policy Statement, which announced the Government's investment of \$445.7 million in programs over the period 2009-10 to 2018-19.

The implementation costs of these industry investment programs are funded from the Defence Materiel Organisation's direct appropriation for policy advice and management services.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q214 - Review of the Defence information and communications technology**

Senator Fawcett provided in writing:

- (a) What were the costs of the Review of the Defence information and communications technology?
- (b) Does the cost for the reviews come out of the Defence overall operating Budget or is funding provided from other sources and if so what sources?
- (c) Are implementation costs included in the above costings?
- (d) How are implementation costs funded?

**Response:**

- (a) (b) and (c) The Companion review was conducted by Defence personnel as part of their normal duties. As such the only costs were general workforce expenses to Defence.
- (d) Implementation costs were not covered by the Companion review but were covered by the broader White Paper.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Additional Estimates**

**Q215 - Review of the Defence Science and Technology**

Senator Fawcett provided in writing:

- (a) What were the costs of the Review of the Defence science and technology?
- (b) Does the cost for the reviews come out of the Defence overall operating Budget or is funding provided from other sources and if so what sources?
- (c) Are implementation costs included in the above costings?
- (d) How are implementation costs funded?

**Response:**

- (a) (b) and (c)

The Science and Technology Companion review was conducted by Defence personnel as part of their normal duties and the majority of costs were general workforce expenses to Defence.

As a component of the review, two consultancies were engaged at a cost of \$73,695.

- (d)

The cost of implementing recommendations from the Science and Technology Companion review was funded from the Defence budget. Where costs were not met by the Defence budget, additional funding was sought through New Policy Proposals.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q216 - Review by Defence of the determination for generating a “Hot Issues Briefs”**

**Senator Fawcett provided in writing:**

- (a) What were the costs of the Review by Defence of the determination for generating a “Hot Issues Briefs”
- (b) Does the cost for the reviews come out of the Defence overall operating Budget or is funding provided from other sources and if so what sources?
- (c) Are implementation costs included in the above costings?
- (d) How are implementation costs funded?

**Response:**

There were no direct costs incurred in the review by Defence of the determination for generating Hot Issue Briefs. The review was undertaken by Defence staff in the normal course of their duties.

## **Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **QUESTIONS ON NOTICE - COMMITTEES**

#### **Senate Additional Estimates**

##### **Q217 - Base Security Review**

Senator Fawcett provided in writing:

- (a) What were the costs of the Base Security review?
- (b) Does the cost for the reviews come out of the Defence overall operating Budget or is funding provided from other sources and if so what sources?
- (c) Are implementation costs included in the above costings?
- (d) How are implementation costs funded?

##### **Response:**

- (a) and (b)

The resources and staffing required to undertake the Base Security review were managed and absorbed internally by the Defence Security Authority (DSA). No additional funding was allocated to the DSA for this activity.

- (c) and (d)

Implementation costs are being funded from within the existing Defence budget. The proposed cost of all initiatives from the Base Security Improvement Program (BSIP) is \$328.3 million over the forward estimates and \$686.8 million over the 10 years to 2019-20.

BSIP is a capped program. All costs including implementation, maintenance and support are to be met from the BSIP budget.

**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE - COMMITTEES**

**Senate Additional Estimates**

**Q218 - MRH-90 Helicopter Review**

Senator Abetz provided in writing:

- (a) What were the costs of the MRH-90 Helicopter Review?
- (b) Does the cost for the reviews come out of the Defence overall operating Budget or is funding provided from other sources and if so what sources?
- (c) Are implementation costs included in the above costings?
- (d) How are implementation costs funded?

**Response:**

- (a) The indicative process and costs for gate reviews were provided in response to Senate Question on Notice No.1441 (tabled on 9 February 2012). The cost of the MRH-90 gate review would be characterised by these figures. Specific costs are not routinely captured and recorded for each gate review.
- (b) Gate reviews are funded from the Defence Materiel Organisation's direct appropriation for work force and operating expense budget.
- (c) No.
- (d) Any implementation costs are funded by the project. There were no costs incurred due to the outcomes of the gate review for MRH-90.



**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**QUESTIONS ON NOTICE – COMMITTEES**

**Senate Additional Estimates**

**Q219 - Australian aid and training for the Indonesian military**

**Senator Di Natale provided in writing:**

Regarding Australian aid and training for the Indonesian military:

- (a) How much was spent on military and police aid to Indonesia over the last 5 years?
- (b) How much of this was allocated to counter-terrorism?
- (c) How much of this was spent on Detachment 88?
- (d) How many Detachment 88 officers have received training in Australia?

**Response:**

**(a) – (d)**

Australia's defence engagement with Indonesia aims to: encourage practical cooperation in areas that support our mutual interests in the region (counter-terrorism, maritime security, humanitarian assistance and disaster relief, peacekeeping and intelligence); and develop a stronger, more reciprocal partnership.

Defence funds a range of training activities with the Indonesian military including: air, land and maritime service-specific training courses; staff college (instructor and student) exchanges; mobile training teams; English language training; bilateral exercise programs; senior visits; and information exchanges.

Defence counter-terrorism engagement with Indonesia is limited to training with the Indonesian Armed Forces' specialist counter-terrorism unit, Kopassus, and focuses on counter-hijack and hostage recovery exercises.

Over the past five financial years to 29 February 2012, Defence has spent AUD 27,806,000 on defence cooperation including training to the Indonesian military. Of that total amount, AUD 397,000 was spent on counter-terrorism training.

<b>Activity</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12*</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
Australian aid and training for the Indonesian military	5,943	5,751	6,860	5,409	3,844
Australian counter-terrorism training for the Indonesian military	0	16	0	186	195

*\* Figures for financial year 2011-12 are actual expenditure to 29 February 2012.*

Defence does not provide support or training to Indonesian police units, including the counter-terrorism focused Detachment 88