

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

Answers to questions on notice from Department of Defence

Budget estimates 2003–2004; June 2003

**Outcome 1—Command of operations in defence of Australia and its interests**

**Prisoners of war in Iraq**

**QUESTION 12**

SENATOR: Senator Evans

HANSARD: Page 275

Does Defence know the identity of the 59 Iraqis captured by United States forces who were supported by the Special Air Service Regiment?

**RESPONSE**

No.

**SIEV X**

**QUESTION 13**

SENATOR: Senator Collins

HANSARD: Pages 256–257

In response to W43 from the February 2003 additional estimates hearing, Defence stated that “there were no RAN investigations into the owner of SIEV X”.

- a) Did any information provided by Defence to the Department of the Prime Minister and Cabinet lead to the conclusion that the vessel known as SIEV X sank in Indonesian waters, as indicated in a 24 October 2001 brief to the Prime Minister?
- b) Does Defence have any information about the owner of SIEV X?

**RESPONSE**

- a) Defence did contribute to the 24 October 2001 Department of the Prime Minister and Cabinet (PM&C) brief. Initially, and following telephone advice from the Australian Embassy in Jakarta in the early hours of 23 October 2001, a situation report dated 230800K OCT 01, noted that a vessel “... is suspected to have sunk inside ID TS [Indonesian Territorial Sea]”. Subsequent verbal reporting from the Australian Federal Police to the People Smuggling Task Force at 1515 that afternoon, an intelligence note from the Department of Immigration and Multicultural and Indigenous Affairs (83/2001) and the Department of Foreign Affairs and Trade cable of 23 October (O.JA25691) provided greater detail and more up-to-date information.
- b) Defence holds no information as to the owner of SIEV X.

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**Repatriation of equipment from the Gulf**

**QUESTION W4**

SENATOR: Evans

HANSARD: Written question

What is the total cost of repatriating ADF equipment in the Gulf back to Australia, including cleaning and transport costs? What are the main items of this cost? Will any equipment be left in the Gulf. If so, what?

**RESPONSE**

ADF equipment has been repatriated from the Gulf back to Australia by commercial and Service means. As at 24 June 2003, the cost of dedicated air charters to repatriate ADF equipment to Australia was \$3.4m. This cost excludes equipment returned to Australia on the regular sustainment flights supporting the force in the Middle East and did not incur any additional cost.

The cleaning of the equipment was done in two stages: a primary clean by Service personnel in the Gulf and secondary cleaning by a commercial contractor to comply with Australian Quarantine and Inspection Service requirements. The cost for the primary clean by Service personnel, as at 24 June 2003, was approximately \$2,500 for additional cleaning equipment. The cost incurred by Defence, as at 24 June 2003, for the secondary cleaning performed by the contractor was \$380,000. It is anticipated that the total cost for the secondary cleaning will not exceed \$600,000.

There were no commercial sea charters used for repatriating equipment.

Due to ongoing operations within the Gulf, Defence is unable to provide a list of equipment that may be left once all Australian forces are withdrawn. The general policy is that:

- all military pattern stores and equipment, or stores and equipment that are identifiable as belonging to the Commonwealth, are to be returned to Australia; and
- all non-military pattern stores and equipment will be assessed to determine the cost effectiveness of return to Australia.

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**Outcome 2—Navy capability for the defence of Australia and its interests**

**Shortages of specialist personnel**

**QUESTION W32**

SENATOR: Evans

HANSARD: Written question

- a) Please provide a report outlining those areas of specialist personnel shortage in the Navy. What are currently the most critical areas that are experiencing shortages?
- b) What is the impact on Navy capability of continued shortages of specialist personnel?
- c) What action is being undertaken to address the continued shortage of Navy personnel with specialist skills?
- d) Where is the \$40 million that will be spent over the next 4 years on Navy personnel initiatives coming from? Please indicate from where else in the budget this money was sourced.
- e) What are some of the practical initiatives that the Navy plans to implement using this funding?
- f) When does the Navy expect that this expenditure might have a noticeable impact on the shortages?

**RESPONSE**

- a) The most significant areas of current critical personnel shortages are:
  - i) Officers—pilots, observers, seaman officers (including principal warfare officers, hydrographic officers, mine warfare and clearance diver officers, and patrol boat navigators and executive officers), weapons electrical engineers and doctors.
  - ii) Sailors—electronic technicians, marine technicians, electronic warfare linguists, combat systems operators, communications and information systems operators, naval police coxswains, naval stores personnel, and submariners in the marine technician, electronic technician and communication information trades.
- b) There are currently sufficient personnel to support key operations and training. However, further deterioration in numbers could potentially affect capacity to support these operations.
- c) The Navy is addressing personnel shortfall problems through a combination of critical category management and measures aimed at addressing recruiting, retention, training throughput, workforce structure and conditions of employment. These measures include:
  - developing a complete study of the warfare officer structure;
  - identifying training risks and better educating commanding officers and navigating officers to optimise that training;
  - developing remuneration cases through the Remuneration Reform program; and
  - rationalising positions across the Navy in line with ability to train and retain.

The Navy has developed a formal critical category management program designed to maximise recruitment, training throughput and retention. As part of this program, two sailor categories, writers and electronic warfare technicians, have been removed from the critical category list.

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Quarterly reporting is conducted on categories assessed as critical. These reports provide information on shortfalls, required strengths, recovery times and initiatives that address matters perceived to be causing the category shortfall. These initiatives include:

- development of selective remuneration initiatives;
- reorganisation of categories and primary qualifications using manpower models for each class of ship or aircraft squadron;
- development of critical category recovery plans;
- occupational analysis of selected categories and primary qualifications across the ADF increased recruiting targets;
- remodelling of watchkeeping routines; and
- identification of low priority positions for disestablishment/downgrading.

To allow the Navy to manage personnel shortages in the trained force, regular assessment of the sea training throughput is managed in concert with operational commitments.

Recruiting targets are set to achieve maximum training throughput and allow the Navy to recruit to maximum capacity. The long lead-time to recruit and develop personnel means that, in general, critical category recovery is a medium to long-term process. A regular assessment of the hard-to-recruit primary qualifications and categories, such as pilots, seaman and seaman officers and marine technicians, is maintained.

Retention efforts are focusing on critical categories by conducting collaborative management within the Navy of personnel and training, category sponsors, force element groups and maritime command.

A rationalisation of workforce requirements has commenced. Early progress has resulted in the reduction of personnel required in some categories. Categories such as seaman officers and marine and electronic technician sailors require further structural reform. Recovery rates in other categories are improving due to rationalisation of numbers and focused increases in training capacity.

- d) The \$40m over four years will be sourced internally in Defence through the program of administrative savings discussed on page 159 of the *Portfolio Budget Statements 2003–04*.
- e) The Navy intends to utilise this funding to address retention in critical trades by means of a targeted retention strategy that may include a bonus and non-financial incentives such as education assistance. The strategy will focus on personnel considered critical to the delivery of capability or to the structural stability of the category.
- f) The framework to govern the application of retention incentives is under development. More detailed research and modelling is required before accurate predictions can be made as to when the Navy might see a significant improvement in retention rates for critical categories.

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**Outcome 4—Air Force capability for the defence of Australia and its interests**

**F–111 pilots**

**QUESTION 16**

SENATOR: Evans

HANSARD: Page 408

How many RAAF pilots are qualified to fly F–111s?

**RESPONSE**

The number of qualified F–111 pilots in the RAAF is classified for operational security reasons.

**Shortages of air traffic controllers**

**QUESTION W33**

SENATOR: Evans

HANSARD: Written question

- a) Please provide a base-by-base breakdown of the shortage of RAAF air traffic controllers.
- b) How many air traffic controllers have been deployed to Iraq? Please provide a base-by-base breakdown of where these personnel came from.
- c) Was the ongoing shortage of these personnel considered before agreeing to the deployment? If not, why not?
- d) Do any commercial airports use RAAF air traffic control personnel to perform the air traffic control function? If so, which airports?
- e) Who made the decision to commit RAAF air traffic control personnel to Iraq?
- f) Were any regional airlines consulted about the decision to deploy air traffic control personnel to Iraq? If not, why not? Were any of the commercial airports that use RAAF air traffic control personnel consulted about the deployment to Iraq not, why not? If they were consulted, did the regional airlines/regional airports express any concerns about the Iraq deployment? What was the nature of the concerns raised? Were these concerns taken into account? If not, why not?
- g) What action is being undertaken to address the continued shortage of air traffic controllers?
- h) Has the reported number of incidents increased at any Air Force bases as a result of the shortage of air traffic controllers?
- i) How many incidents have there been at RAAF bases over the last 12 months? Please provide this information for each of the bases.
- j) Has the number of incidents increased/decreased over recent years? Please provide a table indicating the number per base for each year since 1999–2000.
- k) Does Defence agree with the ANAO's assessment (at page 83 of ANAO Report No. 31 of 2002–03) that the shortage is expected to remain for several years?

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- l) What is happening with the study that was examining the feasibility of merging Australia's military and civil air traffic management systems? Has there been a report to the Government on this issue yet? When is that report expected? Please provide a copy of that report.
- m) What exactly was proposed?
- n) How would such a merger affect RAAF capability/deployability?

### RESPONSE

- a) At the Senate Estimates hearing on 5 June 2003 (see page 580 of the Official Hansard), the Chief of Air Force advised of air traffic control staffing at various locations around Australia. That advice was taken from Question on Notice (W30) from the 2002–03 Budget Supplementary hearing held in November 2002. Below are the figures as at 1 July 2003.

Base	Air Traffic Controllers Required	Actual Numbers of Air Traffic Controllers <sup>(1)</sup>	% of Target Level
Amberley	19	14	74
Darwin	42	38	90
East Sale	19	11	58
Edinburgh	11	9	82
Nowra	20	11	55
Oakey	19	17	89
Pearce	28	26	93
Richmond	13	11	85
Tindal	18	7	39
Townsville	31	28	90
Williamtown	28	20	71
<b>Total</b>	<b>248</b>	<b>192</b>	<b>77</b>

#### Note:

- 1. Actual numbers are adjusted to take into account those members who are deployed long-term or on long-term leave and Reserve members on full-time duty.
- b) A total of 13 air traffic controllers have been deployed to Iraq—three from Darwin, two from Townsville and one each from Edinburgh, Nowra, Oakey, Pearce, Tindal, Williamtown, Amberley and Headquarters 44 Wing.
- c) Yes. The numbers and the locations of the deployed personnel were taken into account to ensure that the level of domestic air traffic control services was not affected.
- d) Yes. Darwin, Townsville, and Newcastle (Williamtown).
- e) The Government, on advice from the Chief of the Defence Force after a specific request from United States Central Command.
- f) No consultation with regional airlines or commercial airports that use RAAF air traffic control personnel was undertaken, as there was no likelihood of any changes in the level of service provision.

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- g) A competency-based air traffic controller allowance has been introduced. For more information see response to question W30 from the Budget Supplementary hearing held in November 2002. The increments in the allowance relate to the number of competencies gained. The Air Force is introducing individual career plans as an initiative to allow personnel, including air traffic controllers, to have a greater say and more certainty in regard to their future posting stability. Initial use of these career plans has produced some short-term resolution, particularly in staffing less desired locations.
- h) No.
- i) The figures listed below include all air safety incidents attributable to air traffic control, from 1 June 2002 to 1 June 2003. Incidents since 1 June 2003 are yet to have investigation action completed. The numbers by base include:
- all separation breakdowns involving military airspace or controllers;
  - air traffic control coordination breakdowns by a military controller;
  - air traffic control errors or lapses by military controllers; and
  - occasions where military controllers have not followed rules or procedures.

<b>Base</b>	<b>Number of Incidents</b>
Amberley	16
Darwin	26
East Sale	7
Edinburgh	3
Nowra	7
Oakey	8
Pearce	7
Richmond	3
Tindal	7
Townsville	23
Williamstown	30

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- j) The numbers of reported incidents are reasonably stable. If anything, they are showing a downward trend at most bases in recent years.

<b>Number of incidents by calendar year</b>					
<b>Base</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003<sup>(1)</sup></b>
Amberley	7	8	10	19	5
Darwin	15	29	35	33	9
East Sale	4	4	7	6	2
Edinburgh	1	3	2	1	2
Nowra	4	5	10	2	5
Oakey	5	8	6	6	4
Pearce	14	20	9	7	2
Richmond	3	6	0	4	1
Tindal	5	6	4	3	4
Townsville	4	10	18	17	13
Williamtown	11	23	12	37	10

**Note:**

1. The figures in this column represent numbers of incidents up to 16 June 2003

k) Yes.

l) A feasibility study is being conducted jointly by Airservices Australia and Defence into the provision of air traffic services at Darwin and Townsville. The final report is expected in August 2003.

m) The integrated operating concept proposes a single air traffic management system and aims to determine where efficiencies can be achieved between Defence and Airservices Australia. The integrated operating concept document is a concept only and does not commit any party to implementation.

n) It would be premature to comment until the feasibility study is completed.



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**Outcome 5—Strategic policy for the defence of Australia and its interests**

**Deferral of projects in the defence capability plan**

**QUESTION W10**

SENATOR: Evans

HANSARD: Written questions

- a) What is the status of the following capital projects? Please indicate in tabular form:
- i) the date each project was approved by the Government (if unapproved, please indicate);
  - ii) the date the RFT for the project was issued (if an RFT was issued);
  - iii) the date the contract for the project was signed;
  - iv) the current planned year of delivery;
  - v) the current project budget; and
  - vi) cumulative expenditure on the project to date.

AIR 5046 Phase 5/6	Additional Troop Lift Helicopters
AIR 5190 Phase 1A	Caribou Life Extension
AIR 5376 Phase 3.1	Hornet Structural Refurbishment – Stage 1
AIR 5416 Phase 1A/1B	EWSP Countermeasures Development and Validation Capability
DEF 224 Phase 2A	Force Level Electronic Warfare
JP 141 Phase 1A	Chemical, Biological and Radiological Response Capability
JP 2059 Phase 2A	Bulk Liquid Distribution
JP 2059 Phase 3	Water Purification
JP 2068 Phase 1A	Defence Network Operations Centre
JP 2070 Phase 2	Lightweight ASW Torpedo
JP 2077 Phase 1	Improved Logistics Information Systems
JP 8001 Phase 3B	JTFHQ Concurrency
LAND 19 Phase 6	Additional Point GBAD Weapons Systems
LAND 132 Phase 1	Full Time Commando Capability
LAND 134 Phase 1	Combat Training Centre – Live Instrumentation System
SEA 1428 Phase 2B/3	Evolved Sea Sparrow Missile
SEA 1429 Phase 2	Replacement Heavyweight Torpedo
SEA 1439 Phase 4	Collins Full Operational Capability
SEA 1444 Phase 1	Patrol Boat Replacement
SEA 1448 Phase 2	ANZAC Anti-ship Missile Defence Upgrade
AIR 5402 Phase 1	ADF Air Refuelling Capability
AIR 5416 Phase 2	EWSP for selected ADF Aircraft
JP 2047 Phase 2	Defence Wide Area Communications Network
JP 2064 Phase 2	Geospatial Information and Infrastructure Services
JP 2072 Phase 1	Battleship Communications System Land/ Air
JP 2080 Phase 2	Defence Management Systems Improvement
JP 8001 Phase 3C.2	Secure Intelligence Facility
LAND 40 Phase 1	Direct Fire Guided Weapon
LAND 75 Phase 3.3B	Battlefield Command Support System
LAND 139 Phase 1	Enhanced Gap Crossing Capability
SEA 1229 Phase 4	Active Missile Decoy
JP 8001 Phase 2B	Headquarters Australian Theatre

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- b) What is the status of each of the projects that were scheduled to be approved in 2003–04? For each of these projects, please indicate (in tabular form):
- (i) the original year of decision;
  - (ii) the current year of decision;
  - (iii) the original year of delivery;
  - (iv) the current year of delivery;
  - (v) the original budget; and
  - (vi) the current budget.

AIR 6000 Stage 3	New Aerospace Combat Capability—Options Definition
LAND 125 Phase 3	Soldier Combat System
AIR 5376 Phase 3.2	Hornet Structural Refurbishment—Stage 2
DEF 224 Phase 2B	Force Level Electronic Warfare
DEF 7013 Phase 4	Joint Intelligence Support System
JP 126 Phase 2	Joint Theatre Distribution
JP 129 Phase 2	Tactical Unmanned Aerial Vehicles
JP 2025 Phase 5	JORN Enhancements
JP 2060 Phase 2	ADF Deployable Medical Capability
LAND 58 Phase 3	Weapon Locating Radar Life of Type Extension
LAND 121 Phase 2C	Field Vehicle Fleet Modernisation
SEA 1405 Phase 3B	Seahawk Mid-life Upgrade
SEA 1442 Phase 3	Maritime Communications and Information Management Architecture Modernisation

**RESPONSE**

The information requested is provided in the attached tables.

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Government Approval	Project No.	Title	Request For Tender issued	Contract signature	In-Service Date	Project Budget \$m	Spend to date \$m <sup>(1)</sup>
May 2001	JP 141 Phase 1A	Chemical, Biological and Radiological Response Capability	Request for tender issued for base level capability items – this is a rolling procurement program		2006	30-50	2
May 2001	JP 2059 Phase 2A	Bulk Liquid Distribution	Multiple tenders to be released by the end of 2003		2005	50-75	9
May 2001	JP 2059 Phase 3	Water Purification	August 2002	April 2003	2005	20-30	6
May 2001	JP 2068 Phase 1A	Defence Network Operations Centre	January 2002	May 2002	2003	15-25	15
May 2001	JP 2070 Phase 2	Lightweight Anti Submarine Warfare Torpedo	Not applicable; continuation of Phase 1 agreement		2005	250-350	30
May 2001	JP 2077 Phase 1	Improved Logistics Information Systems	This was supplementary funding provided to support activities already under way		2004	20-30	26
May 2001	JP 8001 Phase 3B	Deployable Joint Force Headquarters (second mobile facility)	Several low value tenders	August 2001	2002	10-20	8
May 2001	SEA 1428 Phase 2B/3	Evolved SeaSparrow Missile	Multiple tenders	Multiple contracts	2004	250-350	141
May 2001	SEA 1429 Phase 2	New Heavyweight Torpedo	Memorandum of understanding with United States Navy signed June 2002		2006	400-500	22
May 2001	LAND 19 Phase 6	Additional Point Ground Based Air Defence Weapons Systems	March 2002	May 2003	2005	100-150	2
May 2001	LAND 132 Phase 1	Full Time Commando Capability	51 contracts		2003-06	70-80	20
May 2001	LAND 134 Phase 1	Combat Training Centre – Live Instrumentation System	May 2002	January 2003	2006	50-75	8
May 2001	AIR 5190 Phase 1A	Caribou Fleet Life Extension	Multiple low value tenders	Multiple contracts	2002	100-150	10
May 2001	AIR 5376 Phase 3.1	Hornet Structural Refurbishment – Stage 1	April 2002 for engineering design	August 2002 for engineering design	2002	30-50	8
May 2001	AIR 5416 Phase 1A/1B	Electronic Warfare Self Protection Countermeasures Development and Validation Capability	Several simple procurement tenders (ongoing)	Multiple contracts	2002	20-30	2

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May 2001	DEF 224 Phase 2A	Force Level Electronic Warfare	Several low value tenders	February 2002	2002	30-50	2
4A – September 2002 4B – July 2001	SEA 1439 Phase 4A & 4B	Collins Submarines – Replacement Combat System	May 2003 April 2003	Not yet achieved Not yet achieved	2005	350-450	3
May 2002	SEA 1444 Phase 1	Patrol Boat Replacement	October 2001	Not yet achieved	2004	350-450	4
June 2002	JP 2064 Phase 2	Geospatial Information Infrastructure and Services	Request for tender release scheduled for March 2004	Not yet achieved	2005-08	10-20	Nil
June 2002	JP 2072 Phase 1	Battlespace Communications Systems (Land)	Draft request for tender scheduled to be released in August 2003	Not yet achieved	2005	75-100	Nil
November 2002	JP 8001 Phase 3C.2	Accredited Secure Intelligence Facilities	May 2003 – several low value tenders	Will be several low value contracts	2003	10-20	Nil
September 2002	SEA 1229 Phase 4	Nulka - Active Missile Decoy	To be progressed through change to existing contract	Under negotiation	2003	20-30	Nil
September 2002	LAND 40 Phase 1	Direct Fire Weapon	November 2002	Currently under negotiation	2005	150-200	19
September 2002	LAND 75 Phase 3.3B	Battlefield Command Support System	October 2002	March 2003	2004	20-30	8
November 2002	LAND 139 Phase 1	Enhanced Combat Support Bridging Capabilities	January 2003	Not yet achieved	2005	10-20	Nil
April 2003	AIR 5402 Phase 1	Air to Air Refuelling Capability	June 2003	Not yet achieved	2007	2,000-2,500	Nil
April 2003	AIR 5416 Phase 2	Electronic Warfare Self Protection for Tactical Aircraft	Preferred supplier identified	Not yet achieved	2004	250-300	Nil
Not Yet Approved	JP 2047 Phase 2	Defence Wide Area Communications Network	Not applicable	Not applicable	2005	30-50	N/A
Not Yet Approved	JP 2080 Phase 2	Defence Management Systems Improvement	Not applicable	Not applicable	2004	30-50	N/A
Not Yet Approved	JP 8001 Phase 2B	Headquarters Australian Theatre	Not applicable	Not applicable	TBD	150-200	N/A
Not Yet Approved	SEA 1448 Phase 2 <sup>(2)</sup>	ANZAC Anti-ship Missile Defence Upgrade	Not applicable	Not applicable	2007	450-600	N/A
Not Yet Approved	AIR 5046 Phase 5/6 <sup>(3)</sup>	Additional Troop Lift	Not applicable	Not applicable	2006	450-600	N/A

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Government Approval	Project No.	Title	Request For Tender issued	Contract signature	In-Service Date	Project Budget \$m	Spend to date \$m <sup>(1)</sup>
Approved		Helicopters					

**Notes:**

1. Spend figure is to 31 May 2003 rounded to nearest million.
2. Funded integration studies were completed in May 2002 and February 2003 under SEA 1448 Phase 1.
3. The acquisition phase for the additional troop lift helicopters is now referred to as AIR 9000 Phase 2.

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b)

		<b>Initial year of decision</b>	<b>Current year of decision</b>	<b>Initial in-service date</b>	<b>Current in-service date</b>	<b>Initial budget</b>	<b>Current budget</b>
LAND 125 Phase 3 <sup>(1)</sup>	Soldier Combat System	2002-03	2003-04	Studies and initial acquisition.	Studies and initial acquisition.	50-75	50-75
AIR 6000 Stage 3 <sup>(2)</sup>	New Aerospace Combat Capability – Options Definition	2002-03	Approved	Study only	Study only	50-75	30-50
DEF 224 Phase 2B	Force Level Electronic Warfare	2003-04	2003-04	To be determined <sup>(3)</sup>	To be determined <sup>(3)</sup>	100-150	150-200 <sup>(4)</sup>
DEF 7013 Phase 4	Joint Intelligence Support System	2003-04	2003-04	To be determined <sup>(3)</sup>	To be determined <sup>(3)</sup>	30-50	30-50
JP 126 Phase 2	Joint Theatre Distribution	2003-04	2003-04	2005	2005	100-150	150-200 <sup>(4)</sup>
JP 129 Phase 2	Tactical Unmanned Aerial Vehicles	2003-04	2003-04	2007	2007	100-150	100-150
JP 2025 Phase 5	JORN Enhancements	2003-04	2003-04	2006	2006	50-75	50-75
JP 2060 Phase 2	ADF Deployable Medical Capability	2003-04	2003-04	2006	2006	30-50	30-50
LAND 58 Phase 3	Weapon Locating Radar Life of Type Extension	2003-04	2003-04	2005	2005	20-30	20-30
LAND 121 Phase 2C	Field Vehicle Fleet Modernisation	2003-04	2003-04	2007	2007	150-200	150-200
SEA 1405 Phase 3B	Seahawk Mid-life Upgrade initial design activity	2003-04	2003-04	Study only	Study only	10-20	10-20
SEA 1442 Phase 3	Maritime Communications and Information Management Architecture Modernisation	2003-04	2003-04	To be determined <sup>(3)</sup>	To be determined <sup>(3)</sup>	30-50	30-50
AIR 5376 Phase 3.2	Hornet Structural Refurbishment – Stage 2	2003-04	2003-04	2006	2006	200-250	200-250

**Notes:**

1. Land 125 Phase 3 will be restructured into a revised Phase 2B/2C, which is for decision in 2003–04. This revised phase will progress studies and acquire an initial limited capability. The main acquisition will now proceed under Land 125 Phase 3 (previously Phase 4), which is for decision in 2007–08.
2. AIR 6000 Stage 3 was originally scheduled for approval in 2002–03, not 2003–04. With Australia’s participation in the Joint Strike Fighter program, the original level of funding planned for this phase of AIR 6000 is no longer required.
3. The in-service date will be determined in the Defence Capability Plan review.
4. The revised cost band reflects the influence of price and exchange updates to the project cost estimate.

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**Business processes**

**Trilateral agreement on treatment of prisoners of War in Iraq**

**QUESTION 11**

SENATOR: Senator Evans

HANSARD: Pages 271-272

Could you provide the committee with a copy of the trilateral agreement on the treatment of prisoners of war in Iraq?

**RESPONSE**

The trilateral arrangement on the treatment of prisoners of war in Iraq is a coalition document and may not be released without the consent of the other parties. Defence is seeking such consent at present but the process could take some time. Defence will advise the committee of the outcome when this is known.

**Coronial inquiry into the Fire aboard *HMAS Westralia***

**QUESTION 14**

SENATOR: Senator Evans

HANSARD: Pages 387–388

- a) Were criticisms made by counsel assisting the coroner concerning Defence's failure to provide information regarding contact details of witnesses? If so, why did this occur?
- b) Is there currently legal action by the Commonwealth against ADI for issues relating to the fire on *HMAS Westralia*? Apart from the commercial mediation between the Commonwealth and ADI, are there any other matters outstanding?

**RESPONSE**

- a) Yes. At the inquest, on 2 December 2002, the counsel assisting the Western Australia state coroner made two criticisms concerning the provision of information regarding the contact details of witnesses, namely:
  - i) he stated that, in late September 2002, he had written to the Navy's lawyers, the Australian Government Solicitor, seeking contact details of five members and former members of the Navy. He stated that a response, received on 5 November 2002, indicated that the requested information would not be forthcoming; and
  - ii) he stated that, on 29 November 2002, he had written to the Australian Government Solicitor seeking details of the counsel representing the five individuals.

As to the first criticism, the Navy responded (through the Australian Government Solicitor), on 4 November 2002, advising the counsel assisting that it was unable to disclose contact details for individuals for privacy reasons. The Australian Government Solicitor advised that the Navy had already written to each of the five persons concerned. Further, the Australian Government Solicitor undertook to forward any correspondence from the counsel assisting to those parties. The Navy was asked by counsel assisting, on 28 November 2002, to forward correspondence to them. This was done promptly.

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As to the second criticism, it was not clear at that time who would appear as counsel for each of the five individuals. The Australian Government Solicitor contacted the solicitors representing the five people and informed them that the counsel assisting was seeking the names and details of their respective counsel. Those solicitors were asked to contact counsel assisting directly. The counsel assisting was informed, on 29 November 2002, that this action had been taken.

Against that correspondence, senior counsel for the Commonwealth informed the state coroner, on 2 December 2002, that:

- the information requested was considered to be subject to privacy restrictions which bind the Commonwealth on the provision of information concerning the personal contact details of members of the ADF;
  - the Australian Government Solicitor had volunteered to contact the persons concerned;
  - those persons were all legally represented; and
  - the actions of the Commonwealth were intended to address the request of the counsel assisting in a way consistent with the obligations that the Commonwealth recognised, not only to the coroner but to the individuals involved.
- b) Yes, there is currently legal action by the Commonwealth against ADI for issues relating to the fire on HMAS *Westralia*. Apart from the commercial mediation between the Commonwealth and ADI, there are no other matters outstanding.

### **Allegations of mistreatment of prisoners in East Timor**

#### **QUESTION 15**

SENATOR: Senator Evans

HANSARD: Page 393

- a) On what date did the Chief of Army receive the report arising from the military police investigation into allegations of misconduct in East Timor?
- b) Who provided advice to the Chief of Army in relation to the charge under the Crimes Act?

#### **RESPONSE**

- a) The consolidated outcomes of all 19 allegations were provided to the Chief of Army on 21 March 2003.
- b) Lieutenant Sofronoff QC RAN Reserves provided advice to the Chief of Army.



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**Defence Force Discipline Act**

**QUESTION 17**

SENATOR: Senator Evans

HANSARD: Page 396

Please provide an outline of the various charges appropriate for a court martial, Defence Force magistrate, summary authority and discipline officer.

**RESPONSE**

The jurisdiction of each of the Service tribunals, established under the *Defence Force Discipline Act 1982*, does not necessarily relate to the types of charges that can be tried or dealt with by them but, rather, relates to:

- the seriousness and circumstances of the allegations that constitute the alleged offence;
- the rank of the person charged; and
- whether the tribunal has sufficient powers of punishment in relation to the offence.

The offences available under the Act fall under three general categories: disciplinary offences, offences with civilian equivalents and civilian offences against the ordinary law which are triable by Service tribunals.

The Service tribunals that are available under the Act, in a descending order in relation to the jurisdiction that is granted to them, are:

- general court martial;
- restricted court martial;
- defence force magistrate;
- superior summary authority;
- commanding officer;
- subordinate summary authority; and
- discipline officer.

**General court martial**

A general court martial may try any charge against any person, except for offences committed while a person is in custody and prescribed offences, such as murder, treason and bigamy.

The punishments that may be imposed by a general court martial range from imprisonment for life to a reprimand. Only the most serious of offences would be referred to a general court martial.

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### **Restricted court martial**

A restricted court martial has the same jurisdiction as a general court martial, but its powers of punishment are less severe. The punishments that may be imposed by a restricted court martial range from imprisonment for a period not exceeding six months to a reprimand.

Only offences of a serious nature would be dealt with by a restricted court martial.

### **Defence force magistrate**

A defence force magistrate has the same jurisdiction and powers as a restricted court martial, including the powers of the judge advocate of a restricted court martial. The punishments that may be imposed by defence force magistrates are the same as for a restricted court martial.

Only serious charges that relate to substantial issues of law and do not require a court martial are referred to a defence force magistrate. A defence force magistrate will not try a charge in which Service customs practices or procedures are a material element or a charge which concerns a matter which is manifestly injurious to Service discipline. Such charges, such as prejudicial behaviour and failure to comply with a lawful general order, are best dealt with by a restricted court martial comprising military members who have an integral understanding of current Service practices and customs.

All civilian offences under the Act are dealt with by courts martial and defence force magistrates, together with offences such as serious fraud, theft, assault and all serious breaches of discipline by officers or senior non-commissioned officers.

### **Superior summary authority**

Superior summary authorities have jurisdiction to try a charge against any officer who is two or more ranks junior to them, being an officer of or below the rank of lieutenant commander, major or squadron leader.

The types of charges referred to a superior summary authority are limited due to the restricted level of punishment available and would generally relate to disciplinary breaches by officers.

The punishments that may be imposed by superior summary authorities, in decreasing order of severity, are a fine not exceeding the amount of the convicted person's pay for 14 days; a severe reprimand; and a reprimand.

### **Commanding officer**

Commanding officers derive their disciplinary powers by virtue of their military appointment as a commanding officer. They have jurisdiction to try a charge against a member of the defence force who is two or more ranks junior to them, being a member of or below the naval rank of lieutenant, the military rank of captain or the rank of flight lieutenant, in respect of a Service offence that is not a prescribed offence. Such offences include offences ranging from assault, minor theft and use of cannabis to absence from duty and disobeying a command. The punishments available to commanding officers range from detention for a period not exceeding 42 days to a reprimand.

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### **Subordinate summary authority**

A subordinate summary authority may deal with a charge against a soldier, sailor or airman or an officer cadet in respect of a Service offence that they are authorised, by the commanding officer who appointed them, to deal with.

The specific offences which it is appropriate for a subordinate summary authority to deal with will vary according to the officer's rank and to the nature of the unit and its particular functions at the relevant time, but, above all, with the extent of the power to punish. Generally, the offences will be purely disciplinary.

The punishments available to a subordinate summary authority range from a fine not exceeding the amount of the convicted person's pay for seven days to a reprimand.

### **Discipline officer**

A hearing before a discipline officer does not attract the formalities that apply to hearings before Service tribunals. The aim is to achieve the dispensation of punishment for minor disciplinary infringements in an efficient and timely manner. A finding of guilt and the imposition of a penalty by a discipline officer do not constitute a conviction.

A discipline officer may deal with defence members in respect of 'disciplinary infringements' such as absence from duty, absence without leave, disobedience of a lawful command, failure to comply with a lawful general order, negligent performance of duty and prejudicial conduct.

A commanding officer may, in writing, appoint any officer or a warrant officer as a discipline officer. A discipline officer has jurisdiction to deal with a defence member who holds a rank below non-commissioned rank in respect of a disciplinary infringement where the member has not been charged with a Service offence and where the member has elected to be dealt with by a discipline officer. The punishments that may be imposed by discipline officers range from a fine not exceeding the amount of a member's pay for one day to a reprimand.

### **Director of Military Prosecutions**

#### **QUESTION 18 (Interim answer)**

SENATOR: Senator Hogg

HANSARD: Page 397

Who holds the budget for 2003–04 for the office of the Director of Military Prosecution and is there an ongoing budget allocation?

#### **RESPONSE**

The budget for the Director of Military Prosecutions for 2003–04 will be held by Corporate Services and Infrastructure Group and managed by the Defence Legal Service.

There will be an ongoing budget allocation for the Director of Military Prosecutions.

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### Legal advice

#### QUESTION W34

SENATOR: Evans

HANSARD: Written question

What is the total amount spent on legal advice by Defence in 1999–2000, 2000–01, 2001–02 and 2002–03 (to date)?

#### RESPONSE

Due to the manner in which Defence's accounts are recorded, it is not possible to separate payments for legal advice from associated legal expenses. The figures in the table below comprise payments for legal professional fees, disbursements and other legal expenses associated with provision of legal advice. The figures do not include payments related to the settlement of common law claims against the Commonwealth.

Year	Expenditure \$m
1999–2000	17.0
2000–2001	18.9
2001–2002	23.6

Defence's accounts for 2002–03 are still being finalised and the information will be available for the 2003–04 Budget supplementary estimates hearing in November.

### Security at ADF Bases in Darwin

#### QUESTION W35

SENATOR: Evans

HANSARD: Written question

- a) Is Defence aware of any security problems at ADF bases in Darwin?
- b) Has Defence been informed of a recent attack on a security guard at the Winnellie4 Compound facility in Darwin?
- c) Has Defence investigated this incident? If so, what were the findings of the investigation? Is an investigation under way? Would Defence normally conduct an investigation into such incidents which occur on one of its bases? If no investigation has been carried out, will Defence commit to investigate the matter? If not, why not?
- d) Does the company responsible for security at this facility, Serco, report such incidents to Defence? Is it required to report such incidents?
- e) What action does Defence take to monitor the performance of the contract with Serco for security at the bases in Darwin? What are the performance indicators included in that contract? Can a copy of those indicators be provided? If not, why not?

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- f) What control, if any, does Defence have over the day-to-day management of security at the bases in Darwin under the contract with Serco? Under the contract, can Defence direct Serco to take certain actions in order to ensure security of the bases?

#### RESPONSE

- a) Defence is not currently aware of any security problems at ADF sites in Darwin.
- b) Defence is aware of an incident on the evening of 26 April 2003, which was reported to both the Northern Territory Police and the RAAF Security Police.
- c) The Northern Territory Police are investigating the incident and Defence has compiled a report on the security breach. While Defence would normally conduct an investigation into such incidents which occur on one of its bases, in this case Defence will determine whether further investigation or action is required once the police investigation is completed.
- d) Yes, under the conditions of the Garrison Support Services contract, SercoSodexo is required to report all security-related incidents.
- e) The monitoring of contractor performance occurs through stipulated key performance indicators detailed in the Garrison Support Services contract. The performance indicators included in the Garrison Support Services contract for security are shown below and the performance level requirement is 100 per cent compliance.
- Physical presence shall be provided at designated access control points at each site.
  - No unauthorised persons shall be admitted to Defence establishments.
  - An alarm monitoring service shall be provided to all designated sites.
  - Patrol surveillance services shall be provided to all designated sites.
  - A key control service shall be provided at all designated sites.
  - An occurrence register shall be provided and maintained at each site.
  - Temporary issue pass registers shall be provided and maintained for all sites.
  - Number of unauthorised persons admitted to Defence establishments. Method via customer feedback.
  - Number of alarm activations. Method via monthly incident report. Number responded to within five minutes.
  - Security guards should be dressed to the specified standard, and shall be professional in their conduct. Measurement by complaints.
  - Number of patrol surveillances. Method via weekly report.
- f) The security of all Defence bases and establishments is governed by the application of the *Commonwealth Protective Security Manual* and the *Defence Security Manual*. Defence personnel and contractors involved in security activities apply the policy and procedure requirements of those policy documents. Defence can direct the Garrison Support Services contractor—SercoSodexo—to undertake specific security activities at a Defence base in the Northern Territory/Kimberley region.

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**Legal proceedings brought by Sandra Jenkins**

**QUESTION W38**

SENATOR: Evans

HANSARD: Written question

All of the following questions relate to the legal action brought against the Commonwealth by Sandra Jenkins in the ACT Supreme Court (SC 816 of 2000). (Herein referred to as ‘the matter’).

- a) Has a date been set for trial? If so, what is it?
  - i) Have any pre-trial hearings been held?
  - ii) What was decided at the pre-trial hearings?
  - iii) Has the Commonwealth made any formal submissions, written or oral, to defer commencement of the trial?
- b) Has the Commonwealth made any offer to the plaintiff to settle the matter? Has the plaintiff or her lawyer formally indicated to the defendant directly or its lawyers that she would be willing to consider a settlement offer? Has the plaintiff made a settlement offer to the defendant?
- c) Which Department(s) or Commonwealth agency(s) are instructing the Australian Government Solicitor?
- d) Which Department or Commonwealth agency is paying the legal costs involved in defending this claim? If the cost is being shared, please indicate in what proportions. Please indicate how much has been paid to AGS so far in relation to the matter, and by which Department(s) and agencies.
- e) What is the level or position of the solicitor or solicitor(s) working for the defendant on this matter, and what is their billing rate per hour?
- f) How many hours in total has the Commonwealth been billed for by AGS on this matter so far?
- g) Have any solicitors other than AGS provided any advice to the defendant in relation to this matter so far? If so, how much has been charged for this advice?
- h) Has a barrister been retained yet to represent the Commonwealth at the trial? What has he/she charged so far?
- i) What is the daily charge-out rate for court appearances by each barrister that has been retained by the Commonwealth in relation to this matter?
- j) Which section of the Department of Defence, and/or which agency, is primarily responsible for instructing AGS on the Commonwealth’s defence in this matter?
- k) Has the Department of the Prime Minister and Cabinet and the Department of Foreign Affairs and Trade been consulted in regard to preparing the Commonwealth’s defence?
- l) Please indicate which Ministers (if any) have approved
  - iv) the instructions given to the Commonwealth’s lawyers in relation to this matter; and
  - v) the defence itself.
- m) In relation to the amended defence submitted by AGS to the ACT Supreme Court on 27 November 2002, did the defendant give AGS instructions to amend the defence? Or were the changes made to the original defence due to an error made by the Commonwealth’s lawyers? Which Department or agency was primarily responsible for giving these instructions?

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#### RESPONSE

- a) No date has been set for the trial and no pre-hearings have been held.
- b) No. Discussions between a plaintiff and defendant in legal proceedings relating to settlement are subject to without–prejudice privilege. It would not be appropriate to disclose the details of such discussions without the plaintiff’s consent. Such consent has been sought but has not yet been obtained. The Commonwealth has not put any settlement offer to the plaintiff.
- c) Defence.
- d) & f)  
Defence. It is not appropriate to reveal how much has been paid to, or how many hours have been billed by, the Australian Government Solicitor so far. The amount of legal costs incurred by a party in a litigation is a factor in determining the terms upon which that party may be prepared to settle the litigation. Premature disclosure of this information could therefore prejudice the Commonwealth’s interests in relation to any possible future settlement of Ms Jenkins’ claim. Once the matter has been resolved Defence would have no objection to indicating how much was paid to the Australian Government Solicitor.
- e) The solicitors with principal carriage of this matter have been the Australian Government Solicitor’s Chief Counsel, Litigation and a senior executive lawyer. Other solicitors have been involved from time to time as necessary. The billing rate per hour of these officers is commercially sensitive information and public disclosure of this information, at this stage, would prejudice the Australian Government Solicitor, which operates on a fully commercial basis in a competitive market for the provision of legal services to the Commonwealth. Public disclosure would also prejudice the Government’s negotiating position in relation to individual contracts with legal service providers.
- g) No.
- h) No. However, barristers have been retained for the purposes of providing advice to the Commonwealth.
- i) See h) above. In relation to the barristers retained to provide advice, in accordance with longstanding Government policy, the Commonwealth will not publicly disclose information on the daily or hourly rates at which the Commonwealth has engaged legal counsel. This policy was developed to protect the Government’s financial interests and to maintain the Government’s negotiating position in relation to individual contracts with legal counsel.
- j) The Defence Legal Service.
- k) Yes.
- l) No ministerial approval has been sought.
- m) The amendment to the original defence was to correct a typographical error by the Commonwealth’s lawyers.

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**People**

**ADF health services in Sydney**

**QUESTION 19**

SENATOR: Senator Evans

HANSARD: Page 452

What is the name of the contractor who is conducting the rationalisation study for health services in Sydney?

**RESPONSE**

Keatsdale Pty Ltd Management Consultants is assisting the Defence project team in conducting this study.

**Optometry services to the ADF**

**QUESTION 20**

SENATOR: Allison

HANSARD: Written question

What effect will a possible takeover of OPSM by an Italian company have on OPSM's contract for optometry services to the ADF?

**RESPONSE**

None. OPSM is one firm in a panel of eight suitably qualified providers appointed for an initial term of two years to provide optometry and optician services for eligible ADF personnel in all states and territories in Australia, except Victoria where OPSM does not currently hold a contract for the provision of these services to the ADF.

**Civilian employee numbers**

**QUESTION W36**

SENATOR: Evans

HANSARD: Written question

- a) Why is the number of Defence civilian personnel now higher than it was prior to the start of the Defence Reform Program (DRP)?
- b) Does Defence expect this trend to continue? What is being done to ensure that this trend does not continue?
- c) Does this trend indicate that, while the DRP had short-term impact on civilian numbers, the impact over the longer term has resulted in the 'J-curve' effect (ie cuts at the start, but increases over the long term)?



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- d) Has Defence undertaken an evaluation of the impact of the recruitment restrictions that were in place during the first half of 2003? What were the results of this evaluation? Please provide a copy of this evaluation.
- e) Why has the budget estimate for civilian employee expenses (page 179 of the 2003–04 PBS) not factored in the savings expected as part of the program of administrative savings? What does this mean? Are there any estimates of what these savings might be?
- f) In relation to the employee expenses table (page 179 of the 2003–04 PBS), can a breakdown of both ‘military employee expenses’ and ‘civilian employee expenses’ be provided? Please provide these estimates for 2003–04, along with the expected outcomes for 2002–03. If this cannot be provided, why not? Previous Defence financial statements did include a full breakdown of estimates of employee expenses for future financial years (see, for example, page 49 of 2000–01 PBS). Why can’t this information be provided now?

### RESPONSE

- a) The number of Defence civilian personnel is currently at a lower level than the number employed by Defence prior to the start of the Defence Reform Program. In 1996–97, the year the Defence Reform Program commenced, civilian strength for the year was 18,744 (full-time equivalent average). Civilian staffing strength for 2002–03 is estimated to be 18,385 (full-time equivalent average).
- b) There was an increase in civilian personnel numbers between July 2001 and January 2003. Recruitment restrictions were put in place on 28 January 2003 to constrain this growth.
- c) The growth of civilian personnel resulted from a number of factors, some of which occurred after the Defence Reform Program commenced. Investigation undertaken as part of the recent recruitment restrictions revealed that the growth was due to (in order of magnitude):
  - Civilianisation of military positions. One of the tenets of the Defence Reform Program was to undertake a program of civilianisation of military positions, which resulted in an increase in the civilian personnel numbers. Since late 2000, this process has accounted for about 1,000 additional civilian staff.
  - The need to develop new Defence capability flowing from the White Paper, subsequent Government directives and changes in the strategic environment.
  - Increased corporate governance requirements.
  - Management reform and improvement initiatives.
- d) Defence did not undertake an evaluation of the impact of the recruitment restrictions as the restrictions had the effect of arresting the growth in civilian numbers.
- e) At the time of the preparation of the *Portfolio Budget Statements 2003–04*, the estimated savings for 2003–04 had not been finalised as the effect of the recruitment restrictions and the subsequent reduction program were not fully known or agreed. As a result, the budget estimate for civilian employee expenses was not reduced to take account of these savings.

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The program of administrative savings is expected to deliver \$50m in a mature state across the three years of the program. The estimated savings for 2003–04 are likely to be in the order of \$15m but this is subject to realising restructuring in the civilian workforce during 2003–04. Further reductions of this magnitude can be expected in 2004–05 and 2005–06.

- f) The breakdown of employee expenses in Table 5.1 of the *Portfolio Budget Statements 2003–04* is as follows:

<b>Employee expense</b>	<b>2002–03 Projected Result \$m</b>	<b>2003–04 Budget Estimate \$m</b>
Military salaries and allowances	3,112.7	3,474.8
Superannuation	613.9	637.9
Compensation	213.4	226.3
Rations	42.6	43.2
Military housing	372.0	405.4
Health	123.0	133.0
Fringe benefits tax	269.0	284.7
Other conditions of service	90.3	92.8
<b>Sub-total military</b>	<b>4,836.9</b>	<b>5,298.1</b>
Civilian salaries and allowances	1,046.0	1,170.1
Superannuation	153.3	171.5
<b>Sub-total civilian</b>	<b>1,199.3</b>	<b>1,341.6</b>
<b>Total employee expenses</b>	<b>6,036.2</b>	<b>6,639.7</b>