



Australian Government
Department of Defence

Dr Ian Watt AO
Secretary

SEC/OUT/2011/241

Dr Kathleen Dermody
Secretary
Senate Standing Committee on
Foreign Affairs, Defence and Trade
Parliament House
CANBERRA ACT 2600



Dear Dr Dermody

I write to correct evidence that I gave at the Budget Estimates hearing held on 30 May 2011 concerning financial estimates around Strategic Reform Program (SRP) savings.

In answer to a question from Senator Johnston (page 28 of Proof Hansard dated Monday 30 May 2011), I stated that "First, our own audit executives confirm the cost reductions we are making. Second, these go to the Defence Audit Committee, and the Materiel Audit Committee in the case of DMO". This information was incorrect and should have been "First, our Group Heads, Service Chiefs and SRP Stream Leaders confirm the cost reductions we are making. Second, these go to the Defence Audit and Risk Committee, and the Materiel Audit and Risk Committee in the case of DMO".

I apologise for any misunderstanding that may have arisen.

Yours sincerely

I.J. Watt
8 July 2011