

MEDIA ALERT

29 August 2012

Senate Foreign Affairs, Defence and Trade References Committee

Inquiry into procurement procedures for Defence capital projects

Senator Alan Eggleston, Chair of the Senate Foreign Affairs, Defence and Trade References Committee, has announced that tomorrow the committee will table its report on Defence's procurement of major capital equipment.

This is the final report following the committee's extensive consideration of Defence's procurement procedures. In December last year, the committee tabled a preliminary report which highlighted long-standing problems with major projects. The committee was concerned that, despite numerous reviews and reform programs, problems persist. The committee decided that it would seek additional evidence targeted at identifying the root causes of Defence's underperformance. It even raised the question whether entrenched structural impediments to efficient and effective leadership within Defence could be the source of the organisation's procurement woes requiring reallocation and redefinition of roles, functions and responsibilities. Indeed, whether the current management matrix model needed to be overhauled or even dismantled.

Having considered responses to its preliminary findings and evidence taken at additional hearings, the committee has prepared its final report. The central question shaping this report concerns the forces at work undermining Defence's efforts to achieve high performance when undertaking major acquisition projects. In this report, the committee looks beyond the obvious shortcomings in a significant number of major projects and seeks to find solutions that would put an end to the continuing pattern of troubled projects.

Copies of the final report will be available on the internet or from the Secretariat soon after it is tabled.

For a copy of the preliminary report:

http://www.aph.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=fadt_ctte/procurement/interim_report_2/index.htm

Members of the committee:

Senator Alan Eggleston, Chair

Senator the Hon Ursula Stephens, Deputy Chair

Senator Mark Bishop, Senator David Fawcett, Senator Helen Kroger, and Senator Scott Ludlam.

Participating members who actively contributed to the inquiry: Senator Gary Humphries, Senator the Hon David Johnston, and Senator Nick Xenophon.

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