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REMUNERATION

The following table provides aggregated information on salary benefits to which people in the DMO were entitled under certified agreements, workplace remuneration arrangements and Australian workplace agreements of the Department of Defence.

ADF SALARY RANGES

Refer to Table 6.3 in the *Defence Annual Report 2005–06*—Volume One (Defence) for

the salary ranges of ADF staff working in the DMO during 2005–06.

NON-SALARY BENEFITS

Refer to Table 6.6 in the *Defence Annual Report 2005–06*—Volume One (Defence) for non-salary benefits.

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TABLE 7.1

DMO APS SALARY RANGES BY CLASSIFICATION AS AT 30 JUNE 2006

Classification	Salary Range ⁽¹⁾	
	Minimum	Maximum
SES Band 3 ⁽²⁾	-	-
SES Band 2	128,072	202,633
SES Band 1	105,111	128,603
Non-SES AWA's	56,588	135,460
Certified Agreements		
Executive Level 2	84,368	101,942 ⁽³⁾
Executive Level 1	73,148	89,572 ⁽⁴⁾
APS 6	57,876	66,114
AP 5	52,830	56,588
APS 4	47,366	51,997
APS 3	42,499	46,439
APS 2	37,311	41,944
APS 1	32,969	37,008

Notes:

1. These salaries are base levels only and the value of superannuation of at least 16 per cent must be added. Non-SES AWAs and SES AWAs might also include other salary elements such as vehicles, retention pay opportunities, performance pay opportunities and incidentals.
2. SES Band 3 salary has not been included, as it would enable the identification of an individual employee's package.
3. Includes rates for Legal specialist and Public Affairs structures.
4. Includes rates for Legal specialist and Public Affairs structures.

COMPETITIVE TENDERING AND CONTRACTING

DEFENCE AND THE DMO REPORT ON CONTRACTS IN SEVERAL COMPLEMENTARY LOCATIONS

The *Commonwealth Procurement Guidelines* require Defence and the DMO to report certain procurement activities on the AusTender website. These include:

- All open business opportunities are to be published on the Government Advertising Website <https://www.tenders.gov.au/federal/index.shtml>.
- All contracts, including contracts made against a standing offer and agency agreements, of a value of \$10,000 or more are to be published at <http://www.contracts.gov.au> within six weeks of entering into the agreement.
- All standing offers with an estimated liability of \$10,000 or more are to be published at <http://www.contracts.gov.au> within six weeks of entering into the agreement.
- Contract amendments with a value of \$10,000 or more.

Contracts and purchase orders valued at \$100,000 and over have separate and additional reporting requirements:

- Senate Order 192 on Departmental and Agency Contracts requires reporting on the Interim Defence Contracts register at http://www.defence.gov.au/dmo/id/cic_contracts.cfm.
- The Buy Australian policy requires reporting on the Buy Australia Website <http://www.defence.gov.au/dmo/buying/>.

During 2005–06, the number of contracts valued at \$100,000 or above entered into by the DMO was 3,047 and by Defence was 2,765.

Access by the ANAO to a contractor's premises, records and accounts, is currently provided for in a number of different ways, depending upon the Defence Group concerned. Standard practice in the DMO is to include provisions in contracts permitting the Australian Government Representative to arrange for ANAO access to contractor and major subcontractor premises, records and accounts. This arrangement ensures that Defence is aware of the ANAO's intentions, that effort is not duplicated when Defence already holds the information and that the interests of the contractor are taken into account.

Other Groups with Defence provide for direct ANAO access to contractor premises or include the model ANAO access clauses promulgated by the Department of Finance.

SMALL TO MEDIUM SIZED ENTERPRISES

Defence encourages the engagement of Small to Medium Enterprises (defined as a company with less than 200 employees) in its direct purchases and through prime contractors.

Small businesses are important as they contribute to the delivery of a wide range of goods and services essential to the establishment and sustainment of Australia's defence capability. Small to Medium Enterprises are a vital element in major defence acquisition contracts through the supply of sub-systems and components. Many innovative specialist technologies that contribute to Australia's defence capability edge come from Small to Medium Enterprises.

The DMO supports Small to Medium Enterprises:

- The Defence Small Business Access portal is based on a website that provides information on policies and provides guidelines about doing business with Defence. It also includes an interactive website where companies can register and detail their company's capabilities. Defence and major prime contractors can access the information. To the end of June 2006, over 450 companies, mostly Small to Medium Enterprises, had registered on the site. A '1 800' number and email address were established to facilitate direct enquiries.
- The DMO encourages prime contractors to engage fairly with Small to Medium Enterprises in major defence acquisition contracts by agreeing to a code of conduct and supply chain management plans.

AUSTRALIAN INDUSTRY INVOLVEMENT

The main objective of the Australian Industry Involvement Program is the development and sustainment of Australian industry capabilities to support the ADF. The program is given effect through Defence acquisition projects. Industry Capability Outcomes reflect increased emphasis on developing and sustaining strategically important industry capabilities. The outcomes are developed in the early stages of the capability development process and guide the development of Australian industry capabilities as a normal part of the acquisition cycle.

This program will be considered during the Defence Industry Policy Review.

THE PURCHASER-PROVIDER AGREEMENTS

A Memorandum of Arrangements was signed by the Secretary, the Chief of the Defence Force and the CEO DMO on 15 June 2005, and is intended to document the relationship between Defence and the DMO. Under this document sits a large number of detailed agreements covering major and minor acquisition projects, sustainment of ADF fleets, and services provided to facilitate these activities.

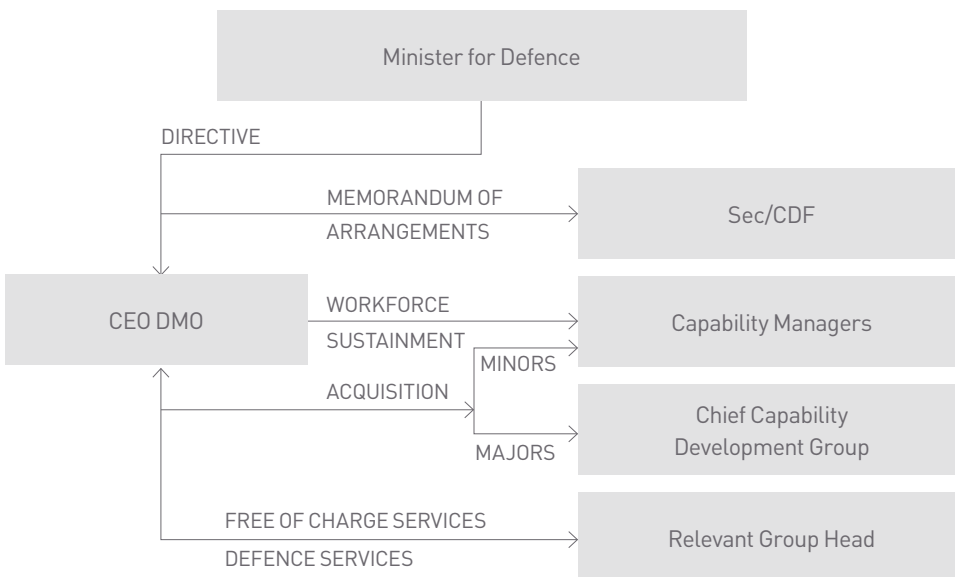
Two principal purchaser-provider arrangements have been established to support equipment acquisition and

sustainment in the new relationship with Defence: Materiel Acquisition Agreements and Materiel Sustainment Agreements.

Materiel Acquisition Agreements cover the DMO's acquisition services to Defence for both major and minor capital equipment. Agreements are between the Chief of the Capability Development Group, on behalf of Defence, and the CEO DMO for major capital equipment. For Minor Capital Equipment projects, these are between the relevant Capability Managers, on behalf of Defence, and the CEO DMO.

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CHART 7.1 DMO WITHIN THE DEFENCE PORTFOLIO



Material Sustainment Agreements cover the sustainment of current capability, including services such as repairs, maintenance, and the provision of fuel and explosive ordnance. These agreements are between the Capability Managers and the CEO DMO.

The DMO reports monthly to the Defence Committee and the Minister on its performance in relation to these agreements through the Acquisition Overview Reports and Sustainment Overview Reports.

Other purchaser-provider arrangements between the DMO and Defence are the Shared Services Agreements. Shared Services Agreements cover a broad range of services provided by each agency to the other. Services covered by these agreements include payroll, accommodation and banking services provided by Defence, and contracting policy and advice provided by the DMO.

ENTERPRISE RISK MANAGEMENT ARRANGEMENTS

Risk management is integral to the DMO governance framework. During 2005–06, the DMO strengthened its risk management framework through a series of initiatives.

On 30 October 2005, the CEO DMO authorised the first Enterprise Risk Management Plan for the DMO. This plan has included strengthening the links between the enterprise, division and project levels and the initiation of a comprehensive risk management policy.

Projects and sustainment activities are required to develop risk management plans in accordance with the Organisation’s Project Risk Management Manual.

The DMO revised its Chief Executive Instruction on Risk Management and will formulate a Risk Management policy guideline during 2006–07.

INTERNAL AUDIT ARRANGEMENTS

The Management Audit Branch, within the Inspector-General Group, provided an internal audit capability in accordance with an annual audit work program approved by the Materiel Audit Committee. The Branch undertook a number of investigative tasks requested by Ministers and senior Defence officials, and as a result suspect transactions were identified through computer-aided audit techniques.

In 2005–06, the Management Audit Branch completed nine audits and 14 Management Directed Tasks. Management Directed Tasks can be requested by Ministers and very senior Defence managers and are given priority for action.

The Inspector-General is an adviser to the Materiel Audit Committee which was established prior to the DMO becoming a prescribed agency on 1 July 2005.

ETHICS AWARENESS AND FRAUD CONTROL

The DMO maintains consistency with Defence policy on ethics awareness and fraud control. This outcome is facilitated through a Shared Services Agreement between the DMO and the Inspector-General Division. In 2005–06, the Inspector-General Division provided training on ethics awareness and risk management, investigation of complaints of misconduct and fraud, and guidance on fraud and risk management policy.

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ETHICS AWARENESS

Training on ethics awareness included face-to-face sessions along with online interactive packages and training videos.

FRAUD CONTROL

On 30 October 2005, in accordance with the *Financial Management and Accountability Act 1997* and Commonwealth Fraud Control Guidelines, the CEO DMO authorised an updated Fraud Control Plan. The DMO revised its Chief Executive Instruction on Fraud Control and expects to formulate a fraud control policy guideline during 2006–07.

Under the Shared Services Agreement, the Inspector-General Division investigates misconduct and fraud for the DMO. The proposed development of a Defence incident database will benefit the DMO by improving the reporting and management of incidents. The DMO statistics for incidents and investigations are included within the Defence report.

PORTFOLIO EVALUATIONS

PORTFOLIO EVALUATION STRATEGY

The Defence Portfolio Evaluation Strategy is promulgated as a Defence Instruction (General). In accordance with that strategy, the Defence Committee authorised a schedule of portfolio evaluations covering 2005–06 and 2006–07. The DMO contributes to the Portfolio Evaluation Strategy and participates in relevant reviews as an active member of the Defence Portfolio.

SCHEDULE OF PORTFOLIO-LEVEL EVALUATIONS FOR 2005–06

See Volume One (Defence) for a list of the evaluation activities completed in 2005–06.

EXTERNAL SCRUTINY

PARLIAMENTARY COMMITTEES

The DMO interacted with a number of parliamentary committees throughout 2005–06. This section reports on the status of inquiries or other action by parliamentary committees in relation to the DMO as at 30 June 2006.

Information on the parliamentary reports, inquiries and hearings detailed below can be accessed through the Australian Parliament House website at: <http://www.aph.gov.au>.

See Volume One (Defence) for the following:

- Public Accounts and Audit**
- Public Works**
- Joint Standing Committees**
- Foreign Affairs, Defence and Trade**
- Senate Standing Committees**
- Foreign Affairs, Defence and Trade Legislation Committee**
- Foreign Affairs, Defence and Trade References Committee**
- Senate Select Committee**
- House Standing Committees**
- Standing Committee on Science and Innovation**

JOINT STATUTORY COMMITTEES

The Joint Committee of Public Accounts and Audit inquires into and reports on progress in implementing systematic reforms in the areas of financial reporting and equipment acquisition at the Department of Defence and the DMO, as identified in ANAO financial and performance audits, the Defence Procurement Review 2003 (the Kinnaird Review) and the Senate Foreign Affairs, Defence and Trade References Committee's 2003 *Report on the Inquiry into Materiel Acquisition and Management in Defence*, including the following:

- Progress in implementing Defence's financial remediation plans, relative to international best practice in these areas, and recommend any further measures that can be adopted.
- Progress in implementing the Kinnaird Reforms, relative to international best practice in these areas, and recommend any further measures that can be adopted.
- Review Australia's relative achievements in procurement and financial reform relative to international best practice in these areas of defence administration.
- Assess progress in Defence's adoption of international business accounting standards relative to international best practice in this area of defence administration.

In May 2006, the Joint Committee of Public Accounts and Audit conducted an inquiry into financial reporting and equipment acquisition.

The submission to the Joint Committee of Public Accounts and Audit was jointly prepared by Defence and the DMO. The submission was forward looking and focused on remedial and reform work in relation to financial management. It also addressed the post-Kinnaird review changes in acquisition.

The inquiry was initiated as a result of the Committee's regular reviews of the Auditor-General's reports:

- The Committee investigated the ANAO's findings of inability to form an opinion on the Department of Defence's financial statements.
- The Committee concluded that this audit finding was a culmination of a number of years of some poor record-keeping, information system failures and a failure to fully recognise the impact of accrual accounting.

At the conclusion of the Committee's review of the Defence financial statements, the committee resolved to conduct a broader review of Defence financial reforms and equipment acquisition, taking into account:

- Defence's progress in implementing financial remediation plans;
- the Kinnaird reforms;
- Defence's reforms relative to overseas defence agencies; and
- progress in adopting international best practice accounting standards.

AUDITOR-GENERAL'S REPORTS

The Inspector-General Group is responsible for identifying Auditor-General reports that have implications for Defence. Seven Auditor-General reports, relating specifically to Defence, were tabled during the year. The key findings and recommendations of each report were referred to relevant areas within Defence for implementation.

AUDIT REPORT NO. 3, 28 JULY 2005— MANAGEMENT OF THE M113 ARMoured PERSONNEL CARRIER UPGRADE PROJECT

The objective of the audit was to provide an independent assurance on the effectiveness of the management of the upgrade of the M113 fleet for the ADF. The audit sought to identify the initial capability requirements and approval process; analyse the contract negotiation process; and examine the management of the project and contracts.

- Three Audit recommendations were raised from this audit.
- Defence agreed with all recommendations.
- All three recommendations have been implemented.
- Two of the three recommendations raised by the ANAO during this audit were already being addressed by Defence. The control mechanism to ensure changes in scope are approved at the appropriate level (in Materiel Acquisition Agreements and the processes to amend Materiel Acquisition Agreements, and management of liquidated damages Australian Defence Contract Templates, Defence Procurement Policy Manual, Defence Procurement Policy Instructions, Finance Instructions and Chief Executive Instructions).

The ANAO reports and information on the audit office's operations, including the audit timetable, can be accessed through the ANAO's website at: <http://www.anao.gov.au>.

AUDIT REPORT NO. 10, 23 SEPTEMBER 2005—UPGRADE OF THE ORION MARITIME PATROL AIRCRAFT FLEET

The audit objective was to examine the adequacy of Defence and DMO management of the nearly completed elements of Project AIR 5276. The ANAO identified a number of causes for time delays and cost escalation in those elements. Those causes are outlined in the overall audit conclusions, to assist in the

achievement of improvements in future planning and management of capital equipment acquisitions.

- There were no recommendations raised as part of this audit.
- There were a series of lessons learned raised.

The ANAO acknowledges in the report that “The *Orion* Upgrade Project met its performance objectives. The modified aircraft have achieved, and in a number of roles exceeded, the expected operational performance. The capability enhancements allow the aircraft to cover a given surveillance area in greater detail and in a third less time.”

**AUDIT REPORT NO. 24, 24 JANUARY 2006—
ACCEPTANCE, MAINTENANCE AND
SUPPORT MANAGEMENT OF THE JINDALEE
OPERATIONAL RADAR NETWORK SYSTEM**

The audit scope covered key lessons learnt from the Jindalee Operational Radar Network Project’s acquisition and acceptance phases, and the Jindalee Operational Radar Network and joint facilities maintenance and support. The audit objective was to assess the effectiveness of the DMO’s Jindalee Operational Radar Network and joint facilities maintenance and support arrangements. The audit examined the maintenance and operation of the Jindalee Operational Radar Network and joint facilities radars, and their facilities.

**AUDIT REPORT NO. 36, 2 MAY 2006—
MANAGEMENT OF THE TIGER ARMED
RECONNAISSANCE HELICOPTER
PROJECT—AIR 87**

The objective of the audit was to assess the effectiveness of management of the procurement of a major, new capability for the ADF by the DMO and Defence. The audit reviewed the initial capability requirements and approval process; analysed the contract negotiation process; and examined management of the acquisition and

through-life support contracts. Coverage of the audit extended from development of the concept for the requirement, to acceptance of deliverables in the period prior to the award of the Australian Military Type Certificate (see shaded area of Figure 1). The audit fieldwork was undertaken during the delivery phase of the Project, following delivery of 1, 2 and 5.

**AUDIT REPORT NO. 40 17 MAY 2006
PROCUREMENT OF EXPLOSIVE
ORDNANCE FOR THE AUSTRALIAN
DEFENCE FORCE (ARMY)**

The objective of the audit was to examine processes used by Defence and the DMO to procure explosive ordnance for the ADF, with an emphasis on Army requirements. The audit reviewed the extent to which the DMO effectively translated the explosive ordnance requirements of the ADF, and particularly of Army, into procurement and through-life support arrangements.

DEFENCE SERVICE CHARTER

For information on the Defence Service Charter, refer to the Appendices in the *Defence Annual Report 2005–06, Volume One—Defence*.

CONSULTANTS

Table 7.2 provides details of consultancy contracts let during 2005–06 with total contract values (inclusive of GST).

TABLE 7.2

SUMMARY BY DIVISION OF CONSULTANCY SERVICES LET DURING 2005–06

Division	Number of Contracts Let	Total Contracts Value \$
Deputy Chief Executive Officer	2	60,500
Chief Operating Officer	11	1,435,674
Chief Finance Officer	1	76,230
Industry Division	8	350,342
General Counsel Division	–	–
Aerospace Division	3	48,261
Maritime Division	9	842,106
Land Systems Division	26	2,589,653
Electronic & Weapon Systems Division	6	3,766,812
Total	66	9,169,578

ADVERTISING

Particulars of all amounts relating to advertising paid by, or on behalf of the DMO during 2005–06 are shown in the tables below.

TABLE 7.3
DMO TOTAL ADVERTISING EXPENDITURE BY TYPE OF AGENCY

	2005–06 Expenditure \$
Advertising and Media Advertising	2,334,773
Total	2,334,773

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TABLE 7.4
DMO TOTAL ADVERTISING EXPENDITURE⁽¹⁾

Organisation	2003–04 Expenditure \$	2004–05 Expenditure \$	2005–06 Expenditure \$
DMO	572,510	1,291,394	2,334,773

Note:

1. The vast majority of expenditure was for advertising tenders and contracts, and staff recruitment.

APPENDICES

TABLE 7.5 PARTICULARS OF PAYMENTS BY DIVISIONS FOR ADVERTISING

2005–06 Expenditure \$	Purpose
DEPUTY CHIEF EXECUTIVE OFFICER	
Advertising and Media Advertising	
HMA Blaze Pty Ltd	145,192 Recruitment advertising for Deputy Chief Executive Officer Division and AEWG Project.
CHIEF OPERATING OFFICER	
Advertising and Media Advertising	
HMA Blaze Pty Ltd	582,104 Recruitment advertising and general advertising
Banksia Media Group	3,850 Advertising – Project Management Achievement awards 2005
Hobsons Guides	9,405 Recruitment Advertising—Materiel Graduate Scheme
CHIEF FINANCE OFFICER	
Advertising and Media Advertising	
HMA Blaze Pty Ltd	35,581 Recruitment advertising for Finance Division
INDUSTRY DIVISION	
Advertising and Media Advertising	
HMA Blaze Pty Ltd	14,815 Advertising – for Skilling Australia’s Defence Industry program and recruitment advertising for Industry Division
GENERAL COUNSEL DIVISION	
Advertising and Media Advertising	
HMA Blaze Pty Ltd	55,918 Recruitment advertising for General Counsel Division.
AEROSPACE SYSTEMS DIVISION	
Advertising and Media Advertising	
HMA Blaze Pty Ltd	565,636 Tender advertising and recruitment advertising for Aerospace Systems Division.
MARITIME SYSTEMS DIVISION	
Advertising and Media Advertising	
Maria Skettos Marketing	13,508 Advertising –newsletter for staff and customers.
HMA Blaze Pty Ltd	160,834 Advertising and recruitment advertising for Maritime Systems Division.
LAND SYSTEMS DIVISION	
Advertising and Media Advertising	
HMA Blaze Pty Ltd	286,333 Recruitment advertising for Land Systems Division.
Australian Public Service Commission	2,073 Panel member costs
Market Link Solutions	4,409 Advertising—Team Army Cap

TABLE 7.5

CONTINUED

2005–06 Expenditure		
	\$	Purpose
ELECTRONIC AND WEAPON SYSTEMS DIVISION		
Advertising and Media Advertising		
HMA Blaze Pty Ltd	329,148	Advertising and recruitment advertising for Electronic and Weapon Systems Division.
Maria Skettos Marketing	54,515	Recruitment advertising for Electronic and Weapon Systems Division.
Recruitment Management	7,142	Recruitment & Scribe Services
AMPHIBIOUS DEPLOYMENT AND SUSTAINMENT		
Advertising and Media Advertising		
HMA Blaze Pty Ltd	8,650	Advertising and recruitment advertising for the ADAS program office.
AIR WARFARE DESTROYER		
Advertising and Media Advertising		
HMA Blaze Pty Ltd	55,660	Recruitment advertising for AWD program office.
Total	2,334,773	

CONTRACTS EXEMPT FROM PUBLICATION IN AUSTENDER

The DMO's commitment to efficient and effective competition requires that procurement is visible and accessible and that there is an opportunity for suppliers to do business with the DMO. The DMO's commitment to accountability requires that the Parliament and the public have the right to know the extent and type of goods and services needed to support Government programs, including the cost and who supplied it. This visibility is provided through the Australian Government Tender System (AusTender).

In 2005–06, the DMO had a total of 22 contracts or standing offers with a total value of \$27.8m exempted from publication because publication could cause damage to the national security, defence or international relations of the Commonwealth, in accordance with Section 33(1)(a) of the *Freedom of Information Act 1982*.

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The DMO must report details of any contract or standing offer arranged with a value of \$10,000 or more in AusTender. In the context of AusTender requirements, a contract means any agreement for the procurement of goods and services under which the DMO is obliged to make payment of public money to a supplier and includes a purchase order, oral or written contract or lease or corporate credit card transaction. Contract also covers agency agreements, that is, agreements for the procurement of goods and services under which an agency is obliged, or may become obliged, to make a payment of public money to another agency.

The *Commonwealth Procurement Guidelines* provide that if the Chief Executive of an agency considers gazettal of procurement details to be exempt under the *Freedom of Information Act 1982*, the Chief Executive may direct in writing that these details are not to be published.

LEGAL EXPENSES

General Counsel Division was established in July 2005 to assist DMO and Defence in managing commercial, legal and process risk with respect to procurement projects, process integrity, contract formation and contract management consistent with Defence's accountability framework.

To achieve this mission, General Counsel Division provides DMO and Department of Defence personnel with a range of professional services related to contracting and procurement including, legal advice and the coordination of external legal tasking, procurement and procurement policy advice, probity advice, and financial investigation services.

General Counsel Division is also responsible for a number of initiatives relating to the DMO Reform Agenda including the Procurement

Improvement Program, development of an Accredited Procurement and Contracting Training Program for Defence personnel, Interim Defence Contract Register Upgrade initiative, development of an intellectual property Register, development of Custodial Service for Defence Contracts, and the investigation of a Defence wide Contract Lifecycle Management System.

The Division manages the Strategic Commercial Legal panel, one of 16 panels through which Defence obtains external legal advice. General Counsel Division business processes have been adapted in keeping with the establishment of this new panel in order to ensure that performance of legal panellists is monitored, that requests for external legal services from DMO and Defence clients are effectively coordinated, and that legal expenditure is accurately reported.

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TABLE 7.6
EXPENDITURE ON INTERNAL AND EXTERNAL LEGAL SERVICES ⁽¹⁾

Type of Legal Expenditure	2005–06 \$m
Internal	2.369
External	9.091
Total	11.460

Note:

1. Trend data is not supplied for 2004–05 as the General Counsel Division of the DMO was not yet formed and the DMO figures were reported in the total amount for Defence.

A P P E N D I C E S

TABLE 7.7

COST BREAKDOWN FOR INTERNAL LEGAL EXPENSES ⁽¹⁾

Items	2005-06 \$m
Salaried legal staff cost	1.661
General Counsel Division operating costs attributable to legal services	0.708
Total	2.369

Note:

1. Trend data is not supplied for 2004-05 as the General Counsel Division of the DMO was not yet formed and the DMO figures were reported in the total amount for Defence.

TABLE 7.8

COST BREAKDOWN FOR EXTERNAL LEGAL EXPENSES ⁽¹⁾

Type of Legal Expenditure	2005-06 \$m
Professional Fees—Defence Legal	6.479
Professional Fees—Attorney General's and other agencies	1.011
Legal Expenses—other	1.601
Total	9.091

Note:

1. Trend data is not supplied for 2004-05 as the General Counsel Division of the DMO was not yet formed and the DMO figures were reported in the total amount for Defence.

FREEDOM OF INFORMATION

For the purposes of administration of requests under the *Freedom of Information Act 1982* (FOI Act), the DMO continues to be treated as part of the Department of Defence. The Defence Freedom of Information Directorate continues to include information about Freedom of Information requests dealt with by the DMO in periodical statistical and other reports submitted to the Attorney-General's Department. Information relating to the DMO, which is required to be published in accordance with section 8 of the *Freedom of Information Act 1982*, is included in Volume One of this report.

SYSTEM PROGRAM OFFICES

TABLE 7.9 LOCATION OF DMO SYSTEM PROGRAM OFFICES

System Program Office Name	Location
AEROSPACE SYSTEMS DIVISION	
Training Aircraft SPO	RAAF Base East Sale, VIC
Maritime Patrol SPO	RAAF Edinburgh, SA
Navy Aviation SPO	HMAS Albatross, Nowra, NSW
Air Lift SPO	RAAF Richmond, NSW
Tactical Fighter SPO	RAAF Williamtown, NSW
Strike Reconnaissance SPO	RAAF Amberley, QLD
Army Aviation SPO	Oakey, QLD
AIRBORNE EARLY WARNING & CONTROL	
Airborne Early Warning & Control SPO	Williamtown, NSW
MARITIME SYSTEMS DIVISION	
Collins SPO	Garden Island, WA
Submarine Combat SPO	Canberra, ACT, Garden Island, WA
Maritime Ranges SPO	Canberra, ACT
Guided Missile Frigates SPO	Garden Island, Sydney, NSW
Anzac SPO	Rockingham, WA
Amphibious and Afloat SPO	Garden Island, Sydney, NSW
Mine Warfare & Clearance Diving SPO	HMAS Waterhen, Sydney, NSW
Hydrographic SPO	Cairns, QLD
Pacific Patrol Boat SPO	Canberra, ACT
Patrol Boat SPO	Darwin, NT
ELECTRONIC & WEAPON SYSTEMS	
Battlespace Communications SPO	Canberra, ACT, Victoria Barracks, VIC
Radio Frequency SPO	Canberra ACT, Defence Plaza Sydney, NSW, Exmouth, WA

continued

SYSTEM PROGRAM OFFICES

TABLE 7.9

CONTINUED

System Program Office Name	Location
Satellite Communications SPO	Canberra, ACT
Command Intelligence Sustainment System Office	Canberra, ACT
Combat and Operational Support Systems Office	Canberra, ACT
Military Geographic Information Office	Canberra, ACT
Joint Command Support Environment Office	Canberra, ACT
Information Assurance SPO	Canberra, ACT
Navigation Warfare SPO	Canberra, ACT, Los Angeles, USA
Tactical Electronic Warfare SPO	Canberra, ACT, Cabarlah, QLD, Melbourne, VIC, Nowra, NSW, Edinburgh, SA
Tactical Information Exchange Integration Office	Canberra, ACT
Airborne Self Protection SPO	Canberra, ACT, Edinburgh, SA
Intelligence and Security SPO	Canberra, ACT
Maritime Electronic Warfare SPO	Canberra, ACT, Mulwala, VIC
Land Self Protection SPO	Canberra, ACT
Air Guided Weapons Acquisition	Canberra, ACT
Non - Guided Explosive Ordnance SPO	Orchard Hills, NSW
Surface Launched Guided Weapons SPO	Canberra, ACT
Guided Weapons Inservice Sustainment Office	Orchard Hills, NSW
Ground Telecommunications Equipment SPO	Williamstown, NSW
Over The Horizon Radar SPO	Edinburgh, SA
LAND SYSTEMS DIVISION	
Wheel Manoeuvre SPO	Victoria Barracks, VIC
Tracked Manoeuvre SPO	Victoria Barracks, VIC
Engineering SPO	Victoria Barracks, VIC
Land Vehicle SPO	Victoria Barracks, VIC
Armaments SPO	Victoria Barracks, VIC
ADF Clothing SPO	Victoria Barracks, VIC
General Support SPO	Victoria Barracks, VIC
Combat Support SPO	Victoria Barracks, VIC
CHIEF OPERATING OFFICER DIVISION	
Logistic SPO	Laverton, VIC
Business SPO	Canberra, ACT

CORRECTIONS TO THE DEFENCE ANNUAL REPORT OF 2004-05

The number of consultancies reported in Table 7.7—*Summary by Group of Consultancy Services Let During 2004-05* (p. 306 of the *Defence Annual Report 2004-05*) reported an incorrect number and total expenditure of consultancies used by the DMO in 2004-05. The correct number was 150 contracts valued at \$10,153,205.

The following entries were erroneously omitted from the previous annual report.

SUMMARY BY DIVISION OF CONSULTANCY SERVICES LET DURING 2004-05, OF TOTAL CONTRACT VALUE (INCLUSIVE OF GST)

Division	Number of Contracts Let	Total Contracts Value \$
Deputy Chief Executive Officer	2	67,758
Chief Operating Officer	25	1,498,812
Chief Finance Officer	5	649,925
Industry Division	3	145,798
General Counsel Division	-	-
Aerospace Division	8	484,971
Maritime Division	4	119,262
Land Systems Division	20	1,746,463
Electronic & Weapon Systems Division	10	315,066
Total	77	5,028,055

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