

# DEFENCE ANNUAL REPORT 2005–06 —WEB SECTION

This section contains additional detailed information, further to that contained in the hardcopy of the *Defence Annual Report 2005–06*.

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# SENIOR COMMITTEE ATTENDANCE

## DEFENCE COMMITTEE

Position and Name	Meetings Held	Meetings Attended
Secretary (Mr Richard Smith)	10	8/2*
Chief of the Defence Force (Air Chief Marshal Angus Houston)	10	9
Chief Executive Officer of the Defence Materiel Organisation (Dr Stephen Gumley)	10	10
Vice Chief of the Defence Force/Chief Joint Operations (Lieutenant General Ken Gillespie)	10	9
Chief of Navy (Vice Admiral Russ Shalders)	10	8/2*
Chief of Army (Lieutenant General Peter Leahy)	10	9/1*
Chief of Air Force (Air Marshal Geoffrey Shepherd)	10	6/4*
Chief of the Capability Development Group (Lieutenant General David Hurley)	10	7/3*
Chief Defence Scientist (Dr Roger Lough)	10	8/2*
Chief Finance Officer (Mr Ken Moore acting from March 2005 to January 2006)	5	5
(Mr Phillip Prior from January 2006)	5	5
Deputy Secretary Corporate Services (Mr Alan Henderson)	10	10
Deputy Secretary Intelligence and Security (Mr Ron Bonighton until January 2006)	5	4/1*
(Mr Shane Carmody from January 2006)	5	4/1*
Deputy Secretary Strategy (Mr Shane Carmody until January 2006)	5	4/1*
(Mr Michael Pezzullo from January 2006)	5	3/2*
Chief Information Officer (Air Vice-Marshal John Monaghan)	10	10
Head Defence Personnel Executive (Major General Mark Evans)	10	10

\* Substitute attended in place of member.

## SENIOR COMMITTEE ATTENDANCE

### CHIEFS OF SERVICE COMMITTEE

Position and Name	Meetings Held	Meetings Attended
Chief of the Defence Force (Air Chief Marshal Angus Houston)	22	22
Secretary (Mr Richard Smith)	22	19/1*
Vice Chief of the Defence Force (Lieutenant General Ken Gillespie)	22	19/3*
Chief of Navy (Vice Admiral Russ Shalders)	22	17/5*
Chief of Army (Lieutenant General Peter Leahy)	22	13/9*
Chief of Air Force (Air Marshal Geoffrey Shepherd)	22	19/3*
Deputy Secretary Strategy (Mr Shane Carmody until January 2006)	14	8/2*
(Mr Michael Pezzullo from January 2006)	8	6/2*

\* Substitute attended in place of member.

### DEFENCE CAPABILITY AND INVESTMENT COMMITTEE

Position and Name	Meetings Held	Meetings Attended
Secretary (Mr Richard Smith)	14	12/1*
Chief of the Defence Force (Air Chief Marshal Angus Houston)	14	13
Chief Executive Officer of the Defence Materiel Organisation (Dr Stephen Gumley)	14	10/4*
Chief of Navy (Vice Admiral Russ Shalders)	14	10/4*
Chief of Army (Lieutenant General Peter Leahy)	14	7/7*
Chief of Air Force (Air Marshal Geoff Shepherd)	14	10/4*
Chief Capability Development Group (Lieutenant General David Hurley)	14	12/2*
<b>Advisers</b>		
Vice Chief of the Defence Force/Chief Joint Operations (Lieutenant General Ken Gillespie)	14	12
Chief Defence Scientist (Dr Roger Lough)	14	12/2*
Chief Finance Officer (Mr Ken Moore acting from March 2005 to January 2006)	11	10/1*
(Mr Phillip Prior from 9 January 2006)	3	1/2*
Deputy Secretary Strategy (Mr Shane Carmody until 9 January 2006)	10	7/3*
(Mr Michael Pezzullo from 9 January 2006)	4	3/1*
Chief Information Officer (Air Vice-Marshal John Monaghan)	14	7/1*

\* Substitute attended in place of member/adviser.

## DEFENCE CAPABILITY COMMITTEE

Position and Name	Meetings Held	Meetings Attended
<b>Members</b>		
Chief Capability Development Group (Lieutenant General David Hurley)	10	10
Head Strategic Policy (Mr Brendan Sargeant)	10	6/4*
Chief Operating Officer of the Defence Materiel Organisation (Mr Frank Lewincamp)	10	5/5*
Deputy Chief Defence Scientist (Dr Ken Anderson)	10	10
First Assistant Secretary Budgets and Financial Planning (Mr George Veitch)	10	8/2*
Deputy Chief of Navy (Rear Admiral Max Hancock)	10	5/5*
Deputy Chief of Army (Major General Ian Gordon)	10	6/4*
Deputy Chief of Air Force (Air Vice-Marshal Roxley McLennan until 13 January 2006) (Air Vice-Marshal John Blackburn from 16 January 2006)	6 4	4/2* 4
First Assistant Secretary Capability, Investment and Resources (Dr Ralph Neumann)	10	9/1*
Head Capability Systems (Rear Admiral Matt Tripovich)	10	6/4*
<b>Permanently Invited Members</b>		
Deputy Secretary Intelligence and Security or representative	10	10
Deputy Chief Joint Operations Command or representative	10	5
Head Information Capability Management Division	10	10
Head Infrastructure or representative	10	10
Head Defence Personnel Executive or representative	10	0
Department of Finance and Administration representative	10	10

## DEFENCE AUDIT COMMITTEE

Position and Name	Meetings Held	Meetings Attended
Mr Paul McGrath (Chair until October 2005)	14	7
Mr Will Laurie (Chair from October 2005)	14	11
Mr Graeme Lawless	14	11
Mr Norm Gray (Defence member until October 2005)	14	5
Brigadier Paul Symon (Defence member from June 2006)	14	1
Commodore Clint Thomas (Defence member)	14	13
Mr Ian McKenzie (Defence member)	14	11

\* As members of the committee are personally appointed by the Secretary and membership is not linked to substantive positions, substitutes are not permitted. Commencement and finishing dates for members relate specifically to committee meeting dates.

## SENIOR COMMITTEE ATTENDANCE

### DEFENCE PEOPLE COMMITTEE

Position and Name	Meetings Held	Meetings Attended
Head Defence Personnel Executive (Major General Mark Evans)	6	6
(Mr Peter Sharp—Acting Head Defence Personnel Executive on 13 July 2005)	1	1
Vice Chief of the Defence Force/Chief Joint Operations (Lieutenant General Ken Gillespie)	7	1
Deputy Secretary Corporate Services (Mr Alan Henderson)	7	0/6*
Deputy Chief of Navy (Rear Admiral Max Hancock)	7	3/4*
Deputy Chief of Army (Major General Ian Gordon)	7	3/4*
Deputy Chief of Air Force (Air Vice-Marshal Roxley McLennan until 13 January 2006)	4	3/1*
(Air Vice-Marshal John Blackburn from 16 January 2006)	3	1/2*
First Assistant Secretary Budget and Financial Planning (Mr George Veitch)	7	6/1*
Head Defence Health Services (Member from 20 October 2005) (Air Vice Marshal Tony Austin)	5	5
First Assistant Secretary Personnel (Commodore Russ Baker—acting First Assistant Secretary Personnel until 15 July 2005)	1	1
(Mr Peter Sharp from 15 July 2005)	6	6
Ms Noela L'Estrange (independent member)	7	6

\* Substitute attended in place of member.

## DEFENCE INFORMATION ENVIRONMENT COMMITTEE

The Defence Information Environment Committee was reconstituted under a new charter on 2 February 2006, and attendance to 30 June 2006 is shown below.

Position and Name	Meetings Held	Meetings Attended
Chief Information Officer (Air Vice-Marshal John Monaghan)	2	2
Deputy Chief of Navy (Rear Admiral Max Hancock)	2	0/2*
Deputy Chief of Army (Major General Ian Gordon)	2	1/1*
Deputy Chief of Air Force (Air Vice-Marshal John Blackburn)	2	0/2
Deputy Chief, Joint Operations (Rear Admiral Rowan Moffitt)	2	0/2*
Head, Strategic Policy (Mr Brendan Sargeant)	2	0/2*
Head, Defence Personnel Executive (Major General Mark Evans)	2	1/1*
Head, Capability Systems (Rear Admiral Matt Tripovich)	2	1/1
Head, National Operations Division (Mr Frank Roberts)	2	2
Chief Operating Officer, Defence Materiel Organisation (Mr Frank Lewincamp)	2	1/1*
Deputy Chief Defence Scientist (Mr Neil Bryans)	2	2
Head, Electronic and Weapons Systems (Ms Shireane McKinnie)	2	2
Head, Information Capability Management Division (Major General Michael Clifford)	2	0/2*
Head, Information Systems Division (Mr Peter Lambert)	2	1/1*
First Assistant Secretary, Financial Services (Ms Di Fielding until April 2006)	1	1/1
Chief Finance Officer (Mr Phillip Prior From January 2006)	1	1/1

\* Substitute attended in place of member.

## SENIOR COMMITTEE ATTENDANCE

### DEFENCE OCCUPATIONAL HEALTH AND SAFETY COMMITTEE

Position and Name	Meetings Held	Meetings Attended
Head Defence Personnel Executive (Major General Mark Evans)	4	4
Director General Occupational Health, Safety and Compensation Branch (Mr Steve Grzeskowiak)	4	4
Vice Chief of the Defence Force/Chief Joint Operations (Lieutenant General Ken Gillespie)	4	2/1*
Deputy Chief of Navy (Rear Admiral Max Hancock)	4	4*
Deputy Chief of Army (Major General Ian Gordon)	4	4
Deputy Chief of Air Force (Air Vice-Marshal Roxley McLennan until 13 January 2006)	3	3/1*
(Air Vice-Marshal John Blackburn from 16 January 2006)	1	1
Deputy Chief Executive Officer, Defence Materiel Organisation (Mr Norm Gray to April 2006)	3	1/2*
Chief Operating Officer, Defence Materiel Organisation (Mr Frank Lewincamp from April 2006)	1	0/1*
Head National Operations Division (Mr Frank Roberts)	4	4
First Assistant Secretary Budget and Financial Planning (Mr George Veitch)	4	2/1*
Head Defence Health Services Division (Air Vice-Marshal Tony Austin)	4	3/1*

\* Substitute attended in place of member.

### FINANCIAL STATEMENTS PROJECT BOARD

Position and Name	Meetings Held	Meetings Attended
Secretary (Mr Richard Smith)	10	9/1*
Chief Finance Officer (Mr Ken Moore acting—to January 2006)	5	5
(Mr Phillip Prior from January 2006)	5	5
Vice Chief of the Defence Force/Chief Joint Operations (Lieutenant General Ken Gillespie)	10	6/4*
Chief of Navy (Vice Admiral Russ Shalders)	10	2/8*
Chief of Army (Lieutenant General Peter Leahy)	10	3/7*
Chief of Air Force (Air Marshal Geoffrey Shepherd)	10	6/4*
Chief Executive Officer of Defence Materiel Organisation (Dr Stephen Gumley)	10	9/1*
Deputy Secretary Corporate Services (Mr Alan Henderson)	10	8/2*
Head Defence Personnel Executive (Major General Mark Evans)	10	8/2*
Department of Finance and Administration Representative	10	10
External Accounting Representative	10	9

\* Substitute attended in place of member.

# STATUS OF FINANCIAL STATEMENTS REMEDIATION PLANS

An overview of all financial management remediation activities is contained in Chapter One. The following table provides a more detailed report on the progress made in 2005–06 in relation to the Financial Statements Remediation Plans developed by defence to better manage its financial statements audit findings.

## FINANCIAL STATEMENTS REMEDIATION STRATEGIES

Remediation plan	Activity	Major outcomes
<p><b>G1: Financial Reporting Framework</b></p> <ul style="list-style-type: none"> <li>The Defence financial management system has been subject to many Australian National Audit Office (ANAO) findings over a period of years. The aim of the remediation activity is to provide a robust control regime for the financial management of Defence business. The financial controls framework will draw together, in a structured and integrated fashion, all of the control elements necessary to build a best practice financial management environment for Defence. It will encompass the standardisation of financial processes, reporting and data requirements, a financial staff certification strategy and a change management program. The remediation plan is Australian equivalent to International Financial Reporting Standards (AIFRS) compliant.</li> </ul> <p>Accountable officer: Chief Finance Officer</p>	<p>Develop and embed a comprehensive Defence Financial Controls Framework that includes:</p> <ol style="list-style-type: none"> <li>Establishing the elements of the financial controls framework;</li> <li>Assigning responsibility to Group Heads to implement the financial controls framework;</li> <li>Implementing standardised processes and practices; and</li> <li>Establishing business skilling and competency assessment.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>The Financial Control Framework used Tiger Teams to identify key controls and risks across Defence’s balance sheet and document key processes and procedures;</li> <li>Financial training has been strengthened; and</li> <li>The substantive testing of employee records completed, 80 per cent of the leave controls testing program completed and analytical reviews commenced.</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>Continue the implementation of a comprehensive financial management and controls framework for Defence which embeds best practice financial controls and ensures conformance and performance; and</li> <li>Continue to develop and implement tailored financial management training, maintaining the framework, and a robust financial risk management regime.</li> </ul>

## STATUS OF FINANCIAL STATEMENTS REMEDIATION PLANS

Remediation plan	Activity	Major outcomes
<p><b>G2: Improving the Australian National Audit Office Annual Audit Process</b></p> <p>Having a clear agreement with the ANAO on timelines, methodologies and expectations of deliverables from both parties is crucial to the finalisation of the annual financial statements.</p> <p>Accountable officer: First Assistant Secretary Financial Services</p>	<p>Establish an accountable officer to manage audit activities between Defence and the ANAO. Key tasks include:</p> <ol style="list-style-type: none"> <li>a. Negotiating an engagement plan;</li> <li>b. Agreeing to a consistent approach for terminology, quality and format of responses; and</li> <li>c. Establishing comprehensive procedures for quality assurance and clearing audit findings.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>• Defence Audit Liaison Officers network was established;</li> <li>• A series of position papers on accounting treatment issues was released, and comprehensive procedures for quality assurance and clearing audit findings were established; and</li> <li>• Regular meetings were held with ANAO staff to improve the relationship between Defence and the ANAO.</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>• Continue to clear Australian National Audit findings; and</li> <li>• Continue to improve the relationship between Defence and the ANAO.</li> </ul>
Remediation plan	Activity	Major outcomes
<p><b>G3: Financial Management and Systems Training—Financial and Business Management</b></p> <p>A consistent theme in the ANAO audit findings is the requirement for enhanced skills in the execution of financial management procedures and adherence to approved procedures in the use of Defence corporate information technology systems. The ANAO made some targeted recommendations with regard to enhanced training to address the lack of knowledge in accounting, financial and business management (ROMAN), transactor knowledge (PMKeyS), and the supply system (Standard Defence Supply System). These are complemented by a number of other observations about failures in the application of policy and procedures.</p> <p>Accountable officers: Chief Finance Officer and Director-General Defence Education and Training Development</p>	<p>Develop, conduct and deliver business capability training to improve officers' underpinning knowledge and skills:</p> <ol style="list-style-type: none"> <li>a. Accrual accounting;</li> <li>b. Diploma of Government (Financial Management);</li> <li>c. Graduate Certificate in Professional Management (Finance); and</li> <li>d. Financial management processes for Senior Executive Service (SES) and Executive Level (EL) 1 and 2 officers and ADF equivalents.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>• A new set of three induction/introductory level financial management courses was developed and rolled out including regional delivery across Australia;</li> <li>• Financial management training for the Senior Leadership Group (Service and civilian) continued to be delivered; and</li> <li>• Three financial management courses were developed and delivered to Senior Officers at the EL1/2 (and military equivalent) levels. These programs included tailoring to meet specific Group requirements as well as being rolled out to meet regional needs.</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>• Complete development of Certificate IV level competency aligned courses and release during 2006–07;</li> <li>• Continued development and delivery of Financial Management Training for SES, EL1/2 and ADF equivalents with an increased regional delivery focus; and</li> <li>• Develop and pilot new courses as training needs are identified.</li> </ul>

Remediation plan	Activity	Major outcomes
<p><b>S1: Stores Record Accuracy</b></p> <p>Defence 'self-qualified' stock quantities relating to general stores inventory and repairable items in 2003–04, following adverse stocktake results.</p> <p>The ANAO noted material weaknesses in the internal controls over stocktaking, failure to accurately record and report physical asset quantities, and inadequate system controls to safeguard the accuracy of data. This resulted in a significant range of uncertainty around general stores inventory and repairable items balances.</p> <p>During the 2004–05 systems audit of the Standard Defence Supply System (SDSS), the ANAO indicated that the control and compliance mechanisms were not adequate and did not provide assurance about the data in the system. Due to the limitation of scope for the opening balances for 2005–06, the qualification was not resolved this financial year.</p> <p>Full remediation of all inventory issues is forecasted for completion by 2008.</p> <p>Accountable officer: Commander Joint Logistics</p>	<p>Remediate the general stores inventory and repairable items qualification by:</p> <ol style="list-style-type: none"> <li>a. Implementing control and compliance mechanisms for SDSS to provide assurance for the systems information for Joint Logistics Command warehouses;</li> <li>b. Correcting errors in stores record quantities in the SDSS; and</li> <li>c. Promulgating and ensuring compliance with stocktaking policy to improve stocktaking practices and reporting.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>• Defence continued to improve the processes, procedures and controls for all stock quantities, including Repairable Items;</li> <li>• SDSS IT controls framework implemented;</li> <li>• New stocktaking practices and procedures implemented;</li> <li>• Policies and procedures implemented to ensure that SDSS stock locations are verifiable.</li> <li>• Performance measures developed to drive timely reconciliation of returns from Navy ships;</li> <li>• The policies, procedures and practices for the movement and disposal of explosive ordnance (EO) implemented and effective;</li> <li>• The instances of serial number and equipment tracking mismatch were reduced;</li> <li>• The monitoring of Disposed EO Discrepancies was implemented and a formal risk assessment undertaken;</li> <li>• Inventory sample tool rolled out to JLC warehouses;</li> <li>• Increased disposal volume over 2004–05 achievements; and</li> <li>• \$1.036 billion Repairable Item quantities verified.</li> </ul> <p><b>Planned for 2006–07:</b></p> <ul style="list-style-type: none"> <li>• Complete verification of the remainder of Repairable Items;</li> <li>• Segmentation of General Stores Inventory to allow analysis and verification of an aged profile;</li> <li>• Second year of the recommenced two-year cyclic stocktake; and</li> <li>• Prepare for the implementation of JP2077 as the replacement for SDSS in 2008.</li> </ul>

## STATUS OF FINANCIAL STATEMENTS REMEDIATION PLANS

Remediation plan	Activity	Major outcomes
<p><b>S2: General Stores Inventory Pricing and Accounting</b></p> <p>The 2003–04 Financial Statement had a limitation of scope qualification of approximately \$2,026m with regard to uncertainty around the general stores inventory balance, of which approximately \$610m relates to uncertainty around general stores inventory pricing carried over from 2002–03.</p> <p>At issue was Defence’s inability to produce, in a timely manner, invoice and contract documentation to validate the prices in the SDSS. The concerns of the ANAO also included the lack of accounting policy in place to ensure the correct treatment of general stores inventory.</p> <p>Inventory pricing issues continue to be assessed against the requirements of the AIFRS. The implementation of an even more onerous reporting requirement places greater long-term uncertainty across inventory pricing issues.</p> <p>General Stores Pricing and accounting issues are not expected to be fully resolved until 2008.</p> <p>Accountable officer: Chief Finance Officer, Defence Materiel Organisation</p>	<p>Remediate the general stores inventory pricing and accounting qualification by:</p> <ol style="list-style-type: none"> <li>a. Developing a statistical model to validate legacy (pre-1997) priced items;</li> <li>b. Implementing an exception reporting regime to provide quality assurance;</li> <li>c. Establishing policies and procedures for inventory pricing controls on the SDSS; and</li> <li>d. Establishing policy to ensure the correct treatment of general stores inventory.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>• AASB consulted in relation to inventory accounting issues;</li> <li>• Statistical sampling of data undertaken and identified prices potentially requiring error correction where available.</li> <li>• Quantification of excess or insurance stock calculated;</li> <li>• Established an exception reporting regime to provide quality assurance of in-year inventory prices; and</li> <li>• Promulgated financial accounting general stores inventory policy.</li> </ul> <p><b>Planned for 2006–07:</b></p> <ul style="list-style-type: none"> <li>• Remediation of the audit issue relating to Limitation of Scope— Inventory pricing carried forward from 1999–2000 to continue with respect to potential surrogate price sources;</li> <li>• Complete the financial requirements specification for the Material Logistics Financial Framework for inclusion in a replacement logistics system; and</li> <li>• Review AIFRS implementation to determine system and data retention impacts for multiple pricing records.</li> </ul>

Remediation plan	Activity	Major outcomes
<p><b>S3: Supply Customer Accounts</b></p> <p>A supply customer account is a location indicator within the SDSS used to track and manage assets and accountable inventory moving through the supply chain, predominantly outside a warehouse structure.</p> <p>The 2003–04 financial statements had a limitation of scope qualification of \$2,857m with regard to the uncertainty around the repairable items balance, of which supply customer accounts are a subset (\$1,000m). The ANAO concerns rested with the controls and management of supply customer accounts, including repairable items, and adherence to stocktake procedures.</p> <p>Accountable officer: Chief Joint Logistics</p>	<p>Remediate the supply customer account element of the repairable item quantities qualification by:</p> <ol style="list-style-type: none"> <li>Allocating an accountable owner to all supply customer accounts;</li> <li>Ensuring all supply customer account balances recorded on the SDSS are correct; and</li> <li>Improving business processes and controls for supply customer accounts.</li> </ol> <p>Note: These include improvements to data creation, maintenance and reporting to ensure accurate quantity, ownership and location details are entered and maintained for all supply customer accounts on the SDSS.</p>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>Accountable owners identified for all supply customer accounts;</li> <li>Stocktaking completed for 89 per cent of supply customer accounts and corresponding balances corrected on SDSS;</li> <li>Defence recommenced its stocktaking program;</li> <li>Revised the repair vendor supply customer accounts arrangements to improve management and control between repair vendors and system program offices; and</li> <li>Provided enhanced reporting to assist the responsible managers to fulfil their obligations and improve the quality of supply customer account data.</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>Continue stocktaking supply customer accounts and correcting balances recorded on the SDSS; and</li> <li>Continue to improve business processes regarding management and use of supply customer accounts, incorporate these processes into the Defence Supply Chain Manual and transition the new controls into standard corporate governance activities of all Groups .</li> </ul>

## STATUS OF FINANCIAL STATEMENTS REMEDIATION PLANS

Remediation plan	Activity	Major outcomes
<p><b>S4: Explosive Ordnance</b></p> <p>The 2003–04 financial statements had a limitation of scope qualification of \$845m relating to uncertainty around explosive ordnance pricing. At issue was Defence’s inability to produce, in a timely manner, invoice and contract documentation to validate the explosive ordnance inventory prices recorded in the explosive ordnance procurement management system, Computer System Armaments (COMSARM).</p> <p>The qualification represented approximately 38 per cent of explosive ordnance inventory and predominantly relates to direct purchase items and items acquired as part of asset under construction contracts between 1982–2000.</p> <p>Accountable Officer: Head Electronic and Weapon Systems Division, Defence Materiel Organisation</p>	<p>Remediate the explosive ordnance inventory pricing qualification by:</p> <ol style="list-style-type: none"> <li>a. Sourcing (where possible) original documentation to substantiate explosive ordnance inventory prices;</li> <li>b. Developing tools to substantiate explosive ordnance inventory values when appropriate supporting documentation cannot be located to support prices; and</li> <li>c. Improving and integrating explosive ordnance inventory accounting and systems management processes. These changes are designed to confirm the accuracy of asset values and enable adherence to financial management standards.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>• Addressed a total of \$590m of the \$845m price qualification comprising \$346m in audit approval requests sent to the ANAO and \$244m in identified provisions and other movements relating to the explosive ordnance price qualification;</li> <li>• Implementation commenced of a training program to better identify and mitigate UNIX risks;</li> <li>• Formulation and implementation of a compliance framework to ensure user access is managed effectively;</li> <li>• Periodic reviews implemented to ensure access management is effective; and</li> <li>• Improved integration of explosive ordnance asset and accounting inventory processing and reconciliation procedures.</li> </ul> <p><b>Planned for 2006–07:</b></p> <ul style="list-style-type: none"> <li>• Resolve AIFRS issues in relation to explosive ordnance pricing;</li> <li>• Continue the improvement in explosive ordnance inventory processing and reconciliation policies and procedures;</li> <li>• Implement financial reconfiguration policies to improve the pricing accuracy of complex inventory assets; and</li> <li>• Continue the program of enhancing computer systems to automate accurate pricing of explosive ordnance assets.</li> </ul>

Remediation plan	Activity	Major outcomes
<p><b>S5: Military Leave Records</b></p> <p>The 2002–03 financial statements had a limitation of scope for military leave provisions because insufficient supporting documentation was available for leave records and, where documentation was available, unacceptable error rates existed in the recording of leave transactions. These shortcomings were mainly attributed to inadequate controls and processes within the military personnel systems and the inability to locate source documentation.</p> <p>The prior year limitation had resulted in a wide-ranging military leave remediation program but Defence did not expect to resolve the problems before 2005. Defence again ‘self-qualified’ the military leave provision in 2003–04.</p> <p>Accountable officer: Head Defence Personnel Executive</p>	<p>Remediate the military leave provisions qualification by:</p> <ol style="list-style-type: none"> <li>Implementing a risk stratification and sampling methodology to quantify the risk to Defence accounts;</li> <li>Providing an accurate representation of the military leave liability by ensuring the integrity of military leave data captured and recorded in PMKeyS; and</li> <li>Applying quality assurance to business processes, record keeping strategies, reporting structures, relevant policy foundations, training initiatives and a controls framework.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>An auditable validation of military leave records and balances for 2005–06 was completed. This included leave record substantiation, a review of controls and analytical review of PMKeyS data;</li> <li>The validation tasks have confirmed the integrity of military leave data captured and recorded in PMKeyS, and have demonstrated, to management’s satisfaction, that Defence’s 2005–06 military leave balances are materially correct;</li> <li>Application of quality assurance to key business processes, including the refinement and release of instructions on leave management, and the ongoing checking of leave records, has enhanced the management of military leave; and</li> <li>The Leave Control Review demonstrated that a robust internal control environment in and around the military employee leave processes exists.</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>Continue to embed an ongoing regime for the testing of leave controls, and</li> <li>Continue to enhance leave management processes through ongoing refinement of management structures, operating procedures and information technology support.</li> </ul>

## STATUS OF FINANCIAL STATEMENTS REMEDIATION PLANS

Remediation plan	Activity	Major outcomes
<p><b>S6: Civilian Leave Records</b></p> <p>In 2003–04, the ANAO noted problems with civilian leave and payroll processing. The systems issues identified in the management of military leave provisions also affect civilian leave balances.</p> <p>Accountable officer: First Assistant Secretary Personnel, Defence Personnel Executive</p>	<p>Remediate the civilian leave provisions qualification by:</p> <ol style="list-style-type: none"> <li>a. Implementing a risk stratification and sampling methodology to quantify the risk to Defence accounts;</li> <li>b. Providing an accurate representation of the civilian leave liability by ensuring the integrity of civilian leave data captured and recorded in PMKeyS; and</li> <li>c. Applying quality assurance to business processes, record keeping strategies, reporting structures, relevant policy foundations, training initiatives and a controls framework.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>• An auditable validation of civilian leave records and balances for 2005–06 completed. This included leave record substantiation, a review of controls and analytical review of PMKeyS data;</li> <li>• The validation tasks have confirmed the integrity of civilian leave data captured and recorded in PMKeyS, and have demonstrated, to management’s satisfaction, that Defence’s 2005–06 civilian leave balances are materially correct;</li> <li>• Application of quality assurance to key business processes, including the refinement and release of instructions on leave management, and the ongoing checking of leave records, has enhanced the management of civilian leave; and</li> <li>• The Leave Control Review demonstrated that a robust internal control environment in and around the civilian employee leave processes exists.</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>• Continue to embed an ongoing regime for the testing of leave controls; and</li> <li>• Continue to enhance leave management processes through ongoing refinement of management structures, operating procedures and information technology support.</li> </ul>

Remediation plan	Activity	Major outcomes
<p><b>S7: Executive Remuneration</b></p> <p>The Executive Remuneration Note (containing information pertaining to civilian and military leave provisions) could not be reliably certified in 2004–05 because of the limitation of scope within the ANAO 2002–03 audit report regarding military leave provisions.</p> <p>A separate limitation of scope was applied to the Executive Remuneration Note in respect of any accruals effects arising from the military leave balances. During the 2005–06 period, Defence focused on further improving the accuracy of leave records for the SES and military equivalents by gaining written agreement with the Auditor General on appropriate actions for remediation. These are outlined under activities.</p> <p>Accountable officer: First Assistant Secretary Personnel, Defence Personnel Executive</p>	<p>Remediate the Executive Remuneration Note qualification by:</p> <ol style="list-style-type: none"> <li>Accepting current leave balances, after a 30 day personnel review period, with a process of appeal;</li> <li>Requiring leave records to be subject to a 100% audit confirmation for validity of movements in the last 12 months;</li> <li>Requiring performance of a 100 per cent audit of leave records accepting self confirmation where there is missing documentation;</li> <li>Providing a signed declaration from the Secretary and the Chief of the Defence Force deeming the balances to be materially correct; and</li> <li>Improving the standardisation of processes and controls with mandatory quality assurance checks and the development of an explanatory manual outlining Executive Remuneration Note processes and controls.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>Self confirmation received from all SES and military equivalents of their current annual and long service leave balances;</li> <li>A 100 per cent audit completed of all SES and military equivalents, including validity of movements in the last 12 months;</li> <li>A signed declaration gained from the Secretary and the Chief of the Defence Force deeming the balances to be materially correct;</li> <li>Mandatory quality assurance checks and the Executive Remuneration Note manual developed; and</li> <li>The Executive Remuneration Note being no longer qualified as a result of the achievements outlined above.</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>Continue to review and verify leave balances for SES and military equivalents.</li> </ul>

## STATUS OF FINANCIAL STATEMENTS REMEDIATION PLANS

Remediation plan	Activity	Major outcomes
<p><b>S8: Property Valuations</b></p> <p>The ANAO issued a 'limitation of scope' for land, buildings and infrastructure and other plant and equipment as significant flaws were identified in associated project management, reporting practices and management review functions. The requirements to be met by the Australian Valuation Office were not fully and adequately documented and Defence was considered to have misinterpreted the results of revaluations and incorrectly applied depreciation. A particular consequence has been the misapplication of remaining useful life data provided by the independent valuer. This affected both the valuation adopted by Defence and the reported depreciation expense.</p> <p>Accountable officer: Deputy Secretary Corporate Services/ Chief Information Officer</p>	<p>Remediate the land, buildings and infrastructure and other plant and equipment qualification by:</p> <ol style="list-style-type: none"> <li>a. Revising the Australian Valuation Office engagement letter to clarify valuation policy, procedures and outcomes;</li> <li>b. Contracting the Australian Valuation Office to revalue all land, buildings and infrastructure and other plant and equipment assets to fair value in accordance with policy guidance;</li> <li>c. Undertaking quality assurance on Australian Valuation Office site reports to ensure completeness;</li> <li>d. Entering revaluation data into the financial system (ROMAN) and completing revised depreciation calculations;</li> <li>e. Engaging a valuation contractor for the next three year cycle, i.e. 2005–06 to 2007–08; and</li> <li>f. Fully documenting the revaluation process in the Corporate Services Asset Management and Accounting Manual.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>• Completed all land, buildings and infrastructure valuations by 30 June 2005;</li> <li>• Completed other plant and equipment valuations, except for Chief Information Officer by 30 June 2005;</li> <li>• ICT valuations completed;</li> <li>• Undertook quality assurance of valuation data and progressively load the data into the financial system (ROMAN);</li> <li>• Australian Valuation Office contracted to conduct the next three year valuation cycle; and</li> <li>• Documented the revaluation process in the Asset Management and Accounting Manual.</li> </ul> <p><b>Planned for 2006–07:</b></p> <ul style="list-style-type: none"> <li>• Complete the loading of valuation data into ROMAN;</li> <li>• Complete the depreciation calculations; and</li> <li>• Undertake quality assurance of ICT valuation data and load the data into ROMAN.</li> </ul>
Remediation plan	Activity	Major outcomes
<p><b>S9: Preventing the Escalation of Category A and B Findings</b></p> <p>Audit findings which could not be allocated to a General or Specific Remediation Plan were grouped under Remediation Plan S9 to ensure each finding is remediated. Any audit findings that are not resolved could escalate from Categories B and C to the most serious category, Category A. Defence has recognised the clear need to improve the outcome, focus and management of the implementation of solutions to ANAO findings.</p> <p>Accountable officer: First Assistant Secretary Financial Services</p>	<p>Prevent the escalation of Category A and B findings by:</p> <ol style="list-style-type: none"> <li>a. Assigning responsibility across Defence for remediation of each of audit findings not already allocated to a remediation plan;</li> <li>b. Establishing a project-based management system for tracking and managing resolution of these ANAO audit findings;</li> <li>c. Undertaking progressive and final quality assurance of the remediation outcomes; and</li> <li>d. Reporting progress to the Financial Statements Project Board.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>• The progress on and completion of remediation activities in relation to this plan has been good.</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>• Continue to remediate outstanding audit findings.</li> </ul>

Remediation plan	Activity	Major outcomes
<p><b>S10: Stock Holding Controls</b></p> <p>Items first found are assets and inventory items that, because of threshold and deployment policies, are not or no longer registered in a corresponding Defence register or were previously considered consumed. Where a check of stock holdings shows that the Defence register record varies from the physical quantity, an investigation into the discrepancy is undertaken and the outcome may be an adjustment to the Defence register record, and/or a corresponding financial adjustment.</p> <p>While it is accepted that the normal stock adjustment process will require a certain level of adjustment activity, current levels of adjustment are considered too high and indicate poor adherence to currently approved business processes.</p> <p>Accountable officer: Chief Operating Officer, Defence Materiel Organisation</p>	<p>Improve stock holding controls by:</p> <ol style="list-style-type: none"> <li>a. Preventing or reducing the instance of items first found and write-offs; and</li> <li>b. Accounting for and monitoring those instances first found and write-offs considered legitimate or expected.</li> </ol> <p>Note: The remediation activities focus on preventing errant transactions on the SDSS through improvements in policy, procedure and system process, and the introduction of the investigative reporting measures to ensure compliance.</p>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>• All components of S10 Plan are complete. A closure package has been delivered to the ANAO for inclusion in the 2005–06 audit.</li> <li>• Developed and implemented a suite of reports in the SDSS in relation to:             <ul style="list-style-type: none"> <li>– repair vendors</li> <li>– tracking of repairable items</li> <li>– items in transit</li> <li>– receipting discrepancies; and</li> </ul> </li> <li>• Enhanced the SDSS controls by restricting the ability to change item classifications between inventory and asset, to improve adherence to the accounting guidelines.</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>• Continue to modify the SDSS to increase the rigour applied to tracking of repairable items and receipting discrepancies to improve data accuracy; and</li> <li>• Enhance compliance and audit capability, to ensure that all users are complying with the SDSS business processes.</li> </ul>

## STATUS OF FINANCIAL STATEMENTS REMEDIATION PLANS

Remediation plan	Activity	Major outcomes
<p><b>S11: Standard Defence Supply System Items Not-in-Catalogue</b></p> <p>Defence is investigating the extent to which items may have been incorrectly accounted for in the Statement of Financial Position. This may occur when an item is purchased via the ROMAN financial system and then not recorded and managed on the SDSS. Such items are managed and tracked locally with no central visibility. This may lead to the incorrect recording and treatment of an item's value.</p> <p>Remediation of this plan is not due for commencement until all SDSS IT Controls are implemented and are operational (30 September 2006).</p> <p>Accountable officer: Chief Operating Officer, Defence Materiel Organisation</p>	<p>Address the potential Not-in-Catalogue issues as they may affect the financial statements by implementing measures to prevent and remediate Not-in-Catalogue items. The activities include:</p> <ol style="list-style-type: none"> <li>a. Clarifying and simplifying policy directives to better support effective item identification, purchasing and management process.</li> <li>b. Use the redrafted policies on item identification (codification), ADF Logistics Managers' roles and responsibilities, and procurement routing rules to drive new processes and procedures that will prevent the future incidence of Not-in-Catalogue;</li> <li>c. Developing a 'self remediation' methodology for use by units across Defence to transition Not-in-Catalogue items into the SDSS and the standard financial management regime, including development of a value proposition for the management of legacy items;</li> <li>d. Developing a compliance monitoring and reporting framework to assist with adherence to new policy and process;</li> <li>e. Implementing an ongoing compliance monitoring and reporting regime; and</li> <li>f. Establishing a change management structure to introduce the changes to processes and procedures across Defence, which includes the coordination of training, compliance monitoring and communications.</li> </ol>	<p><b>Achieved in 2005-06:</b></p> <ul style="list-style-type: none"> <li>• Baseline count training disseminated. The schedule for remediation and prevention training agreed.</li> <li>• Reviewed and revised policies relating to item identification (codification), procurement routing rules and ADF Logistics Managers roles and responsibilities; and</li> <li>• Commenced quantification of the items in Not-in-Catalogue category across Defence.</li> </ul> <p><b>Planned for 2006-07:</b></p> <ul style="list-style-type: none"> <li>• Commence remediation in July 2006;</li> <li>• The remediation stream of work is targeted for completion by 30 June 2007;</li> <li>• Complete baseline count activity by 31 December 2006;</li> <li>• Commence unit count training;</li> <li>• Remediation tools finalised for the reporting of progress and the transmission of Not-in-Catalogue for codification and tracking in SDSS;</li> <li>• Prevention strategies formulated and promulgated; and</li> <li>• The prevention stream of work is targeted for implementation by 30 December 2006.</li> </ul>

Remediation plan	Activity	Major outcomes
<p><b>S12: Provisions for Contaminated or Potentially Contaminated Land, Buildings and Infrastructure</b></p> <p>Defence is required to include a provision for land decontamination in the financial statements. The ANAO was unable to verify the adequacy of current procedures or the accuracy/valuation and completeness of the reported provisions for land decontamination.</p> <p>Accountable officer: Deputy Secretary Corporate Services</p>	<p>Remediate the provision for land decontamination qualification by:</p> <ol style="list-style-type: none"> <li>a. Ensuring accounting policies reflect current reporting requirements;</li> <li>b. Ensuring that sufficient and appropriate policies, procedures and practices are formalised and implemented for the identification of contaminated land, valuation of required decontamination and review of procedures undertaken and assessments made; and</li> <li>c. Obtaining a clear understanding from the Australian Valuation Office regarding matters included in valuation assessments.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>• Successfully achieved the first milestone of the S12 plan by using a probabilistic model in identifying provisions and contingent liabilities for contaminated sites in the Australian Capital Territory / Southern New South Wales region;</li> <li>• A review of the balance of the estate based on assessment reports and a desktop exercise was undertaken. Provision and contingencies have been identified/calculated;</li> <li>• A set of procedures for the Contaminated Sites Register was developed; and</li> <li>• A position paper on amended site restoration was presented to the Financial Statements Project Board and the ANAO.</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>• Progress the S12 methodology across the estate; and</li> <li>• Review of project milestones and amendments as appropriate based on the outcomes of the review of activities undertaken to identify the 2005–06 provision and the results of the ANAO audit of the financial statements.</li> </ul>

## STATUS OF FINANCIAL STATEMENTS REMEDIATION PLANS

Remediation plan	Activity	Major outcomes
<p><b>S13: Commitments and Accounting for Leases</b></p> <p>The ANAO was dissatisfied with the methods used by Defence to recognise and record leases and commitments.</p> <p>Accountable officer: Chief Finance Officer</p>	<p>Remediate the audit finding issued for Commitments and Accounting for Leases carried forward from 2002–03 by:</p> <ol style="list-style-type: none"> <li>a. Defining the criteria for recording commitments; and</li> <li>b. Establishing a lease register that identifies cashflows, revenues, expenses, liabilities, receivables and commitments.</li> </ol>	<p><b>Achieved in 2005–06:</b></p> <ul style="list-style-type: none"> <li>• A quality assurance (QA) process implemented which ensures that a new lease register is established that identifies cash flows, revenues, expenses, liabilities, receivables and commitments;</li> <li>• The Benalla Munitions facility lease has been assessed to be a finance lease. This will not have any impact on the underlying cash statement. There is a QA process now in place to ensure that the commitments schedule is complete and auditable;</li> <li>• Ongoing progress made in enhancing the schedule of commitments in relation to completeness and measurement criteria; and</li> <li>• Master Lease Register completed to support reporting of the Schedule of Commitments with all leases correctly reported and classified.</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>• Continue refining QA process for the Schedule of Commitments and Master Lease Register.</li> </ul>

# EXERCISE TABLES

## ADF JOINT EXERCISES

Exercise	Forces	Objective	Status
Mercury 05 October 2005	Navy, Army, Air Force and Special Forces	To test the ADF interaction within a national multi-jurisdictional exercise.	Conducted
Sea Eagle 05 October– November 2005	Navy and Army	To plan and conduct a basic amphibious operation in a non-hostile environment.	Conducted
Pluto II <sup>(1)</sup> February 2006	Navy, Army, Air Force and Special Forces	To exercise the command and control of the ADF Joint Task Force for Operation Acolyte.	Conducted
22 Sea Eagle 06 March 2006	Navy and Army	To plan and conduct a basic amphibious operation in a non hostile environment.	Conducted as part of Croix du Sud
Swift Canopy <sup>(1)</sup> May–June 2006	Army and Air Force	To conduct a Battalion Group parachute drop.	Not Conducted due to operational tempo and 3 Brigade involvement in Operation Astute

Note:

1. These exercises were approved after the *Portfolio Additional Estimates Statements 2005–06* was published.

## COMBINED ADF/UNITED STATES EXERCISES

Exercise	Australian Forces	Objective	Status
Pacific Reserve 05 July 2005	Army	To foster relations and interoperability between Australian and United States Army Reserve sub units.	Cancelled by United States Army Pacific Command due to operational tempo
Tamex 05-4 July–August 2005	Navy and Air Force	To practise combined Anti Submarine Surveillance/ Anti Submarine Warfare operations with a Royal Australian Navy guided missile conventional submarine.	Cancelled and replaced by Submarine Commanders course

## EXERCISE TABLES

Exercise	Australian Forces	Objective	Status
Extendex 05 August 2005	Air Force	To conduct maritime patrol aircraft undersea warfare training.	Cancelled by United States as their submarine unavailable for the exercise
Tacit Response 05 September 2005	Special Forces	To conduct the Australian portion of a United States-led multilateral activity. Special Forces elements will deploy to a Forward Operating Base and conduct tactical training in surrounding training areas.	Cancelled by United States and planned for 2007
Tamex 05-5 October 2005	Navy and Air Force	To practise combined Anti Submarine Surveillance/ Anti Submarine Warfare operations with a Royal Australian Navy guided missile conventional submarine.	Cancelled due to non-availability of submarine
Lungfish 05 September–October 2005	Navy	To practise undersea warfare with independent maritime patrol aircraft cooperation and to practise and develop combined Royal Australian Navy/ United States Navy submarine operations.	Conducted
Dugong 05 October–November 2005	Navy	To practise mine warfare and explosive ordnance disposal.	Conducted
Extendex 06-1 February–March 2006	Navy and Air Force	To conduct maritime patrol aircraft undersea warfare training.	Conducted
Lone Arrow 06 <sup>(1)</sup> April 2006	Air Force	To conduct an advanced C130 course in the United States.	Conducted
Tricrab 06 April 2006	Navy	To improve interoperability with the United States Navy by conducting explosive ordnance demolition and mine clearance diving exercise.	Conducted
Tamex 06-1 April 2006	Navy and Air Force	To practise combined Anti Submarine Surveillance/ Anti Submarine Warfare operations with a Royal Australian Navy guided missile conventional submarine.	Cancelled due to submarine unavailability—92 Wing conducted weapons training camp
Aces North 06 May–June 2006	Air Force	To practise combined/joint strike operations as part of a fighter combat instructors' course.	Conducted United States did not participate
Lone Arrow 06 <sup>(1)</sup> May–June 2006	Air Force	To conduct an advanced C130 course in the United States.	Cancelled due to operational tempo and will be conducted next financial year
Tamex 06-2 May 2006	Navy and Air Force	To practise combined Anti Submarine Surveillance/ Anti Submarine Warfare operations with a Royal Australian Navy guided missile conventional submarine	Conducted
Gold Eagle 06 June–July 2006	Army	To further develop interoperability between the Australian Army and the United States Marine Corps in combined operations by conducting a field training or amphibious exercise.	Rescheduled for August 2006

Note:

1. These exercises were approved after the *Portfolio Additional Estimates Statements 2005–06* was published.

**COMBINED ADF/FIVE POWER DEFENCE ARRANGEMENT EXERCISES**

<b>Exercise</b>	<b>Australian Forces</b>	<b>Participating Countries</b>	<b>Objective</b>	<b>Status</b>
Bersama Lima 05 September 2005	Navy, Army and Air Force	Malaysia, New Zealand, Singapore, United Kingdom	To practise and develop operational procedures and tactics with Five Power Defence Arrangement units in a joint/combined maritime exercise.	Conducted
Suman Warrior 05 September 2005	Army	Malaysia, New Zealand, Singapore, United Kingdom	To exercise elements of the Five Power Defence Arrangement Armies/Land Forces in combined land operations in a command post exercise.	Conducted
Bersama Shield 06 April 2006	Navy and Air Force	Malaysia, New Zealand, Singapore, United Kingdom	To practise and develop Air Defence procedures and tactics with Five Power Defence Arrangement units in a joint/combined air exercise.	Conducted
Haringaroo 1-06 <sup>(1)</sup> April 2006	Army	Malaysia	To conduct a command post exercise and field training exercise with the Malaysian Armed Forces during Rifle Company Butterworth Rotation 73.	Conducted

Note:

1. These exercises were approved after the *Portfolio Additional Estimates Statements 2005-06* was published.

**COMBINED ADF/NEW ZEALAND EXERCISES**

<b>Exercise</b>	<b>Australian Forces</b>	<b>Objective</b>	<b>Status</b>
PWO Sea Assessment Week 05-1 July 2005	Navy and Air Force	To ensure the ability of students to act as Defence Watch Principal Warfare Officers at sea, by conducting training and subsequent assessment.	Conducted
Tasman Exchange 05 September 2005	Army	To further develop interoperability between the Australian and New Zealand armies by conducting a field training exercise.	Cancelled by mutual agreement at New Zealand's request
Anti Submarine Warfare Exercise 05 October–November 2005	Navy and Air Force	To improve undersea warfare skills in all participating maritime units and exercise interoperability between maritime undersea warfare platforms.	Conducted
PWO Sea Assessment Week 05-2 November 2005	Navy and Air Force	To ensure the ability of students to act as Defence Watch Principal Warfare Officers at sea, by conducting training and subsequent assessment.	Conducted
Tasman Reserve 06 January–February 2006	Army	To further develop interoperability between the Australian and New Zealand armies by conducting a field training exercise.	Conducted
Ocean Protector 06-1 January–February 2006	Navy and Air Force	To return the surface combatant, major amphibious and afloat support, submarine and mine counter measures, force element groups to the minimum level of capability following a reduced activity period.	Conducted
Tasmanex 06 February 2006	Navy and Air Force	To elevate closer defence relations between Australia and New Zealand in a maritime warfare exercise environment.	Conducted
ANZAC Series 06 <sup>(1)</sup> March–May 2006	Navy, Army and Air Force	To broaden ADF experience and professional knowledge of selected ADF and New Zealand Defence Force personnel.	Conducted

**Note:**

1. These exercises were approved after the *Portfolio Additional Estimates Statements 2005–06* was published.

**OTHER COMBINED EXERCISES**

Exercise	Australian Forces	Participating Countries	Objective	Status
Northern Trident Deployment 2005 March–August 2005	Navy	Crete, Egypt, France (including La Reunion), India Turkey, Germany, Malta, South Africa, Spain, United Kingdom.	HMAS <i>Anzac</i> to conduct an extended overseas deployment to the Indian, European and African sub continents, to conduct multi national exercises and attend events including the 90th anniversary of the landing at Gallipoli, 200th anniversary of the Battle of Trafalgar and the death of Lord Nelson.	Conducted
Long Look 05 June–September 2005	Navy, Army, Air Force and Special Forces	United Kingdom and New Zealand	To broaden the experience and professional knowledge of the ADF, United Kingdom and New Zealand armed forces through mutual exchange.	Conducted
Dawn Caracha 05 July 2005	Special Forces	Philippines	To develop relations and enhance interoperability with element of Philippines Special Forces.	Conducted
Dawn Panther 05 July–August 2005	Special Forces	Thailand	To develop relations and interoperability between Thai Special Forces and Australian Special Forces/Commando Regiment.	Conducted
Kakadu vii/05 July–August 2005	Navy and Air Force	Indonesia, Malaysia, New Zealand, Singapore, Papua New Guinea	To develop relations and interoperability with participating regional nations.	Conducted
Night Panther 05 July–August 2005	Special Forces	Thailand	To develop relations and interoperability between the Thai Special Forces and Australian Special Forces/Commando Regiment.	Conducted
Star Panther July–August 2005	Special Forces	Thailand	To develop relations and interoperability between the Thai Special Forces and Australian Special Forces/Commando Regiment.	Conducted
Deep Sabre 05 Proliferation Security Initiative 05-1 August 2005	Navy	Canada, France, Germany, Holland, Japan, New Zealand, Russia, Singapore, United Kingdom, United States	To conduct a maritime weapons of mass destruction interdiction exercise in Singapore.	Conducted

## EXERCISE TABLES

Exercise	Australian Forces	Participating Countries	Objective	Status
Mastex 05 August 2005	Navy	Malaysia	To improve the interoperability of the ADF and the Republic of Malaysia Forces in combined maritime procedures and tactics.	Conducted Revised forces— Air Force did not participate
Pacific Airlift Rally 2005 August 2005	Air Force	Bangladesh, Brunei, Canada, India, Indonesia, Japan, Laos, Malaysia, Mongolia, Philippines, Papua New Guinea, Republic of Korea, Russia, Singapore, Sri Lanka, Thailand, United States, Vietnam	To enhance regional engagement and coalition airlift development through a military airlift symposium and command post exercise to exchange humanitarian airlift, airland and airdrop delivery techniques for specific regional aircraft.	Conducted
Regional Counter Terrorist Subject Matter Expert Exchange August 2005	Special Forces	Cambodia, China, India, Indonesia, Japan, Malaysia, New Zealand, Papua New Guinea, Philippines, Singapore, Thailand, United States, Vietnam	To improve interoperability by sharing counter-terrorist methodology and policy and to align tactics, techniques and procedures.	Conducted
Chimera Beaver August–September 2005	Special Forces	Canada	To conduct Chemical and Biological Defence live agent training.	Conducted
Thai Boomerang 05 August–September 2005	Air Force	Thailand	To develop relations and interoperability between the Royal Thai Air Force and the Royal Australian Air Force.	Conducted
Night Leopard September 2005	Special Forces	Brunei	To improve interoperability by conducting training with the Brunei Armed Forces Special Forces Combat Squadron.	Conducted
Night Falcon 2005 September–October 2005	Special Forces	Papua New Guinea	To develop relations and enhance interoperability with elements of Papua New Guinea Defence Force.	Conducted
Equateur 05 October 2005	Navy, Army, Air Force and Special Forces	France (New Caledonia), New Zealand, Tonga, Vanuatu, Papua New Guinea (Observer Only)	To conduct operational level planning for a non-combatant evacuation operation (protection and evacuation of several hundred civilians) in a permissive environment with French Armed Forces, New Caledonia.	Conducted

**W E B S E C T I O N**

<b>Exercise</b>	<b>Australian Forces</b>	<b>Participating Countries</b>	<b>Objective</b>	<b>Status</b>
Southern Tiger 05 September 2005	Army	Malaysia	To enhance interoperability between the Australian and Malaysian armies at the tactical level, in an environment unfamiliar to the Malaysian troops.	Conducted
Taa Nok Insii 05-2 August 2005	Navy and Air Force	Thailand	To progressively develop Royal Thai Navy maritime air surveillance capability and combined Royal Thai Navy and Royal Australian Air Force surveillance procedures.	Cancelled
AusThai 06 August 06 (includes Taa Note Insii 06-1)	Navy	Thailand	To progress basic interoperability in aspects of maritime warfare common to the Royal Australian Navy and Royal Thai Navy.	Conducted
Vigilant Pacific 05 October 2005	Navy, Army and Air Force	Canada, United Kingdom, United States	To practise command control and combined joint intelligence using reality-based scenario and incorporating a high level threat (ie terrorism) in a country within the Asia-Pacific region.	Conducted as a planning conference
28 Wantok Warrior 05 October 2005	Army	Papua New Guinea	To develop relations and interoperability with element of Papua New Guinea Army.	Conducted
Exploring Themis: Proliferation Security Initiative 05-2 November 2005	Navy, Army and Air Force	United Kingdom, United States and other Proliferation Security Initiative nations	To conduct a maritime weapons of mass destruction interdiction exercise in the Indian Ocean.	Conducted
Red Flag 06 February 2006	Air Force	United States and United Kingdom	To conduct coalition air combat training within the integrated Air Defence System environment.	Conducted
Balikatan 06 <sup>(1)</sup> February-March 2006	Navy, Army, Air Force, and Special Forces	United States and Philippines	To send observers to a combined United States Philippines Exercise.	Conducted
Pacific Kukri 06 April 2006	Army	United Kingdom	To promote cross-army relationships and identify any training gap requirements.	Conducted
Western Protector: Proliferation Security Initiative 06-1 April 2006 Renamed Pacific Protector	Navy, Army, Air Force and Special Forces	Proliferation Security nations invited to participate (United States, New Zealand, United Kingdom, Singapore and Japan)	To conduct an air/ground interdiction exercise hosted by Australia.	Conducted
Croix du Sud 06 <sup>(1)</sup> April-May 2006	Navy, Army, and Air Force	France (New Caledonia)	To exercise a non-combatant evacuation operation in an uncertain environment.	Conducted

## EXERCISE TABLES

Exercise	Australian Forces	Participating Countries	Objective	Status
Vital Launch <sup>(1)</sup> April 2006	ADF	United States, United Kingdom	To practise the Deployable Joint Force Headquarters' role of planning and conducting a combined joint task force operation.	Conducted
Albatross AusIndo 06 May 2006	Navy and Air Force	Indonesia	To foster closer relationships between the Indonesian Air Force and the Royal Australian Air Force, and enhance maritime security.	Postponed Rescheduled for December 2006
Cassowary 06 <sup>(1)</sup> May 2006	Navy	Indonesia	To develop maritime interoperability between Australian and Indonesian maritime patrol forces.	Postponed Rescheduled for November 2006
Mastex 06 <sup>(1)</sup> May 2006	Navy and Air Force	Malaysia	To improve the interoperability of the ADF and the Republic of Malaysian Forces in combined maritime procedures and tactics.	Conducted
Vital Prospect <sup>(2)</sup> 06 May 2006	ADF	United States	To practise the Deployable Joint Force Headquarters' role of planning and conducting a combined joint task force operation.	Conducted
Mallee Bull <sup>(1)</sup> April–May 2006	Army	Brunei	Field Training Exercise with a sub unit of Brunei Armed Forces.	Postponed Rescheduled for August 2006
Goodwilllex 06 <sup>(1)</sup> May–June 2006	Air Force	Japan	To build a greater bilateral relationship between the Japanese Maritime Self Defence Force and the Australian Defence Force.	Conducted
Neptune Warrior/ Fincastle 06 June 2006	Air Force	United Kingdom, New Zealand and Canada	Anti-Submarine Warfare competition.	Conducted
Rimpac 06 June–July 2006	Navy and Air Force	Canada, Chile, Japan, Peru, Republic of Korea, United Kingdom, United States	To improve interoperability with regional forces to operate in coalition arrangements by conducting a combined maritime warfare exercise in a coalition.	Conducted

**Notes:**

1. These exercises were approved after the *Portfolio Additional Estimates Statements 2005–06* was published.
2. Exercise Vital Prospect was listed in the *Portfolio Budget Statements 2005–06* as a trilateral exercise. The United Kingdom was unable to participate. The exercise was undertaken in a bilateral form.

# GROUP CONTRIBUTIONS

## CAPABILITY DEVELOPMENT GROUP

The role of the Capability Development Group is to develop and gain Government approval for future defence capabilities. The Group has a close relationship with the Defence Materiel Organisation and oversees the implementation of a number of the Defence Procurement Review recommendations.

The Capability Development Group consists of:

- **Capability Systems Division**, which manages the development of future capability options to assist government decision making on investment in major capital equipment for the ADF.
- **Capability, Investment and Resources Division**, which provides independent analysis and review of capability issues including the overall balance of investment in capability (current and future), the future structure of the ADF, major investment proposals, preparedness and priorities.
- **Capability and Plans Branch**, which seeks to ensure that current and future capabilities align with the Government's strategic priorities. The branch oversees issues relating to capability guidance, preparedness management, ordnance war reserves, mobilisation and network centric warfare implementation.
- **Directorate of Trials**, which supports Capability Development Group staff in defining the test and evaluation concepts

that will inform capability development, acceptance and utilisation decisions. The directorate also coordinates joint test and evaluation policy and conducts Defence trials that cross Service, Defence and international boundaries.

- **Australian Defence Simulation Office**, which develops and oversees the implementation of Defence simulation policy and the Defence Simulation Plan providing guidance on and sponsorship of simulation projects to enhance capabilities, save resources and reduce risk across the Defence organisation.
- **Office of Interoperability**, which oversees the ability of the ADF to operate with key allies and within coalition forces. The office is also responsive to the Chief of Joint Operations for interoperability issues with an operations perspective, and to the Strategy Group for policy issues that might affect Australian and coalition allies.

## RESOURCES

The Group's total spend for 2005–06 was \$67.6m, consisting of \$3.0m capital budget, \$64.4m operating budget, including military salaries expenditure of \$15.9m (of which \$30.4m was managed on behalf of the portfolio), and \$0.2m depreciation expense.

As at 30 June 2006, the Capability Development Group had 151 military personnel and 123 Australian Public Service staff<sup>1</sup>.

<sup>1</sup> The military and civilian personnel numbers are based on headcount not full-time equivalent/average funded strength.

## KEY ACHIEVEMENTS FOR 2005–06

The following significant projects progressed for Government decision included:

- the acquisition of four C-17 Heavy Airlift aircraft and associated support equipment. (AIR 8000 Phase 3);
- an additional 34 MRH-90 helicopters to replace the current Blackhawk and Sea King helicopter fleets (AIR 9000 Phase 4);
- the upgrade of the Anzac-class frigate anti-ship missile defence system (SEA 1448 Phase 2B);
- the acquisition of the AEGIS weapon systems for the Air Warfare Destroyer (SEA 4000 Phase 3.1);
- the acquisition of the Joint Air to Surface Stand-off Missile for the F/A-18 (AIR 5418 Phase 1); and
- first pass approval for the Amphibious Ships project, and the provision of funding to conduct further design, technical and through-life support studies (JP 2048 Phase 4A/4B).

Other initiatives and activities in support of capability development included the:

- public release of the *Defence Capability Plan 2006–16*;
- public release of the second version of the Defence Capability Development Manual;
- reinvigoration of the Capability Development Advisory Forum, a CEO-level forum for Defence and defence industry;
- public release of the Network Centric Warfare Roadmap;
- update of the Defence Capability Strategy;
- management of a number of major Defence trials to assist in reducing risk of Defence Capability Plan projects, for example, experimental scram-jet (hypersonic) engines; and
- implementation of a Network Centric Warfare Compliance Assessment Process to support capability integration.

## CHIEF FINANCE OFFICER GROUP

The role of the Chief Finance Officer Group is to define financial policy and practice in accordance with the Finance Ministers Orders, the *Financial Management and Accountability Act 1997*, accounting principles and standards. The Group is also responsible for delivering and publishing financial plans and performance reports, as well as assisting and advising those responsible for the outputs and outcomes of Defence.

The major functions of the Group are to:

- advise on key resourcing issues within the guidance provided by the Defence Committee;
- deliver a financial strategy that mandates the provision of financial advice and management to the whole of Defence in order to achieve the results required by the Government;
- assist the Secretary in exercising his statutory responsibilities and authority, particularly under the *Public Service Act 1999* and the *Financial Management and Accountability Act 1997*;
- develop and manage the Defence budget; and
- provide independent financial analysis and review of capability and investment issues.

The Chief Finance Officer Group consists of:

### Budget and Financial Planning Division

The Budget and Financial Planning Division provides a whole-of-Defence focus on the planning, management, monitoring and reporting of key deliverables to the Government, including Defence's outcomes. This role encompasses the coordination of the annual Defence Management and Finance Plan, the annual budget, and monitoring performance levels. The Division plays a key role in ensuring that business processes and management information are available to support Defence decision-making and in preparing budget documentation for external

agencies and the Parliament. The Budget and Financial Planning Division is also responsible for clearing the resource aspects of Ministerial submissions and Cabinet submissions, as well as costings associated with the acquisition of major capital equipment.

**Financial Services Division**

The Financial Services Division delivers a range of financial services encompassing:

- managing accounting business systems including Defence’s general ledger system;
- undertaking treasury and tax management functions;
- developing accounting policies;
- coordinating monthly financial data and preparing the annual financial statements;
- developing whole-of-Defence costing policies;
- analysing, maintaining, updating and distributing the Chief Executive Instructions and delegations;
- supporting Ministers in their role as shareholders of the Defence Housing Authority and other Defence portfolio bodies; and,
- supporting the application of private financing and commercial support activities.

**Financial Controls Framework Branch**

The Defence Financial Controls Framework Project aims to develop and implement a comprehensive financial controls framework across Defence, which will provide users with intuitive access to a comprehensive and integrated library of the policies, processes and procedures necessary to manage all aspects of Defence’s finances. Where practical, financial controls including policies, processes, procedures and reporting will be standardised across Defence through this project. The project will also be responsible for the development and implementation of a financial certification framework and a comprehensive change management program to ensure that Defence employees

understand and work within the financial controls framework.

**Financial Training Branch**

The Financial Training Branch develops and implements the financial and business skilling strategy for Defence and works with Business Process Owners to ensure the development and delivery of financial training products. The Financial Training Branch provides support to the development of appropriate training to meet finance domain requirements, the delivery of an effective finance domain people strategy, and the development and delivery of the broader outcomes of the Defence Business Skilling Review. The Branch also coordinates financial skilling development within the Logistics and Human Resources domains.

**RESOURCES**

The Group’s total spend for 2005–06 was \$57.2m, consisting of \$1.2m capital budget and \$56m operating budget.

For 2005–06, the Chief Financial Officer Group had 249 Australian Public Service employees and 31 Professional Service Providers.

**KEY ACHIEVEMENTS**

*Financial Management Reforms*

- Sixteen remediation plans are currently under way to resolve outstanding ANAO audit recommendations.
- The Financial Controls Framework Project has been established within the Chief Finance Officer Group which, over the next four years, will put in place a robust controls framework and fundamentally redesign financial management training in Defence. It is expected that the framework will contain approximately 1,000 key controls to manage the financial risks across all aspects of the business. At the end of June 2006, 865 key controls had been identified and documented.

- Implementation of the AIFRS.
- Managed the extensive financial reporting changes following the prescription of the DMO.

### **Financial Training**

- Improvements in financial management resulting from financial training, including the establishment of a Financial Training Branch.
- Planned development of selected financial management training courses.
- Financial management courses for the Senior Leadership Group and Senior Officer Group developed, piloted and in delivery.

### **Planning and Budgeting**

- Ministerial recognition given to the provision of quality financial policy and resource advice to the Ministers, Secretary, Chief of the Defence Force and other senior executives in Defence.
- Developed Defence's 2006–07 Portfolio Budget Submission on time, and obtained a favourable 2006–07 Budget outcome, including a continuation of the three per cent increase in Defence funding to 2015–16.
- Completed and published the *Defence Management and Finance Plan 2006–16*.
- Coordinated the financial input to the *Portfolio Budget Statements 2006–07*.
- Allocated the 2006–07 Defence Budget to the Services and Group Heads in June 2006, together with business rules.
- Managed the cash component of the 2005–06 Defence Budget to within \$7.3m of the final estimate.
- Developed a paper for consideration by the Minister for Defence and the Minister for Finance and Administration on a new outcomes and output structure for Defence, as required by Government.

- Progressed the \$200m Program of Administrative Savings initiative and continued to develop options for management reform, savings and productivity gains for consideration by the Secretary and the Chief of the Defence Force.
- Ongoing improvements to the Budget and Output Reporting Information System as a corporate budgeting and reporting tool.

### **Financial Statements Remediation**

- Made significant progress on remediation of the 141 findings from the 2003–04 and 2004–05 audits:
  - 77 closure packages have been sent to the ANAO, and
  - 47 of these have been closed by the ANAO.

## **DEFENCE PERSONNEL EXECUTIVE**

During 2005–06, the Defence Personnel Executive's top priorities were to shape the Defence workforce to deliver capability and to develop and apply policies to sustain and conserve the Defence workforce. We continued to support our people, both military and civilian, by consolidating and improving our personnel planning, policies and services. With the expanded demands on the ADF, the focus for this year has been on keeping people in the military and recruiting new military personnel, especially in critical areas.

In 2005–06 the Defence Personnel Executive comprised:

- **Workforce Planning, Research and Retention**—responsible for Defence-wide strategic personnel planning and research, including the Defence Workforce Plan, the Defence People Plan, critical categories recovery strategies, and implementing a Ministerial directed review of retention and recruitment.

- **Defence Force Recruiting**—responsible for ADF recruitment policy, contracts and operations, including providing input into the strategic planning process and promoting ADF careers.
- **Defence Education, Training and Development**—provides non-operational education and training policies and delivers services, including business skilling, a variety of on-line training courses and senior management training.
- **Personnel Policy and Employment Conditions**—develops policies relating to salaries, allowances and conditions of service for military and civilian personnel.
- **Occupational Health, Safety and Compensation**—provides an administrative framework for the management of health and safety issues as well as the supporting products and services. The branch is also responsible for Defence’s occupational health and safety management system.
- **Defence Health Service**—provides a range of medical, dental and mental health care for Australian Defence Force members, including injury and suicide prevention, drug education, mental health during and after deployment, and long-term health studies.
- **Personnel Systems**—delivers a human resource and payroll management system, including self service options, a data storage strategy and software upgrades.
- **Defence Community Organisation**—provides support for ADF members and their families. Programs include child care, education support (including for families with special needs), support for families of new ADF members and spouse employment assistance.
- **Career Management Policy**—responsible for managing and developing senior ADF and APS senior staff, honours and awards, equity and diversity, military personnel policy and formal complaints. On 30 January

2006, a new **Fairness and Resolution Branch** was formed within the Defence Personnel Executive. It combined into one branch the responsibility for complaint resolution, equity and diversity issues, and alternative dispute and conflict resolution processes.

- **Resource Management—Personnel Executive**—responsible for governance and coordination, financial and business management, and human resource management resources for the Group.

Organisationally and administratively the Australian Defence College is also part of the Defence Personnel Executive. The College is responsible for providing career education to military officers and other officials from Australia and overseas to promote the learning and development of leaders and managers. The College comprises three tri-Service educational organisations: the Centre for Defence and Strategic Studies, the Australian Command and Staff College and the Australian Defence Force Academy.

## RESOURCES

The Group’s total spend for 2005–06 was \$489.8m against a budget of \$482.2m. This included:

- \$252.8m for Group managed items,
- \$236.6m for items managed on behalf of the portfolio, and
- \$0.4m against a capital budget of \$1m.

As at 30 June 2006, the Defence Personnel Executive included 996 military personnel, 1,362 Australian Public Service staff and 884 Professional Service Providers.<sup>2,3</sup>

## KEY ACHIEVEMENTS FOR 2005–06

The key achievements for the Defence Personnel Executive are listed and summarised in Chapter Three—People.

<sup>2</sup> Figures are actual staff numbers and are not average funded strengths.

<sup>3</sup> Includes 873 Defence Health Service Professional Service Providers.

## INTELLIGENCE AND SECURITY GROUP (DEFENCE SECURITY AUTHORITY)

The Canberra headquarters of the Defence Security Authority (DSA) and its seven state and territory offices continued the development, implementation and management of security policy and provision of specialist security services for Defence.

The DSA contributed to the Intelligence and Security Group's performance through its efforts in cooperation with ADF commanders, civilian managers and Defence industry, to protect Defence people, information and assets. (Reported separately in Outcome Six in Chapter Two—Outcome Performance.)

Key strategies for 2005–06 were to raise security awareness, establish a strong security culture and improve security management. These were supported by the new computer based security training and complementary specialised advanced training. The DSA quarterly newsletter, *Security, Everybody's Business* was launched electronically as part of the agency's commitment to educating Defence members on security matters.

### DEFENCE SECURITY AUTHORITY RESOURCES

The total operating budget for DSA in 2005–06 was \$27.9m. At 30 June 2006, the Authority had ten military personnel and 333 Australian Public Service staff.

### DEFENCE SECURITY AUTHORITY KEY ACHIEVEMENTS 2005–06

During 2005–06, the DSA maintained a high level of effort in its security screening of personnel, security intelligence—including Defence-specific threat assessments, technical counter-measures services and security investigations into serious and complex incidents.

The security clearance processes were the subject of review and, as a result, the National Coordination and National After-Care Centres were established and the negative screening security clearance process was streamlined. The Task Force set up to review the positive screening security clearance process will make specific recommendations for implementation in 2006–07.

In September 2005, the DSA released the revised Defence Security Manual. The Authority was able to significantly improve the level of security awareness in the Department with the Manual released on-line and a range of revamped training programs. Over 9,000 personnel were trained face to face in 2005–06 and a further 2,500 personnel completed the new on-line Introduction to Security Training. These training programs were consistent with the recommendations of the Defence Attitude Survey which had identified the need for a better security culture.

The DSA Security Investigations Unit completed 124 formal investigations in 2005–06 and reported a rise in the number of initial reports by Defence personnel. While the number of formal investigations is a slight increase over the previous year, the increased reporting of security incidents by Defence members demonstrated the effectiveness of the security education program. The Authority continued with its tailored security training which addressed topical areas of concern in a timely manner.

In 2005–2006 the DSA Security Investigations Unit responded as follows:

Security investigation action <sup>(1)</sup>	Number
Acknowledged referral	280
Accepted for investigation	124
Completed	124 <sup>(2)</sup>
Referred to another area for further action	156
Ongoing	71

Notes:

- 1 A formal investigation is initiated when the reported offence is suspected or assessed as falling within either 'a reportable major security incident, a serious and complex security incident or a major security incident' as defined in the *Defence Security Manual*.
- 2 Investigations completed included figures from previous years.

The Defence Security Authority improved the Defence counter-intelligence capability with the establishment of the Security Intelligence and Investigations Coordination Cell and its formal links with other Government agencies. Its technical counter-measures capability has been reconfigured to meet future requirements and has an increased surge capacity.

The Defence Security Authority led the effort on new and revised bilateral instruments for the shared protection of classified information with United Kingdom, United States, Canada, Korea, India, the Netherlands and North Atlantic Treaty Organisation. Similar support for revisions of domestic security was provided with the Authority leading the review into the *Defence Act 1903*.

## VICE CHIEF OF THE DEFENCE FORCE GROUP

The Vice Chief of the Defence Force is both a Group Head and the Chief of Joint Operations. In this role, he commands ADF operations on behalf of the Chief of the Defence Force, and he acts as Chief of the Defence Force

whenever the Chief of the Defence Force is absent from duty.

The Vice Chief of the Defence Force Group includes both the Joint Operations Command (which delivers Outcome 1: Command of Operations which is outlined in Chapter 2—Outcome Performance) and a number of support functions.

Support elements of the Group include:

- **Joint Logistics Command**—responsible for planning and managing logistics support to the Service groups and to ADF operations and exercises, for the operation of the ADF physical logistics network and for strategic logistics;
- **Reserve Policy Division**—provides advice to the Chief of the Defence Force on matters concerning Reserve personnel, and assists with the coordination of single-service Reserve non-operational activities;
- **Cadet Policy Division**—develops strategies to improve the experiences provided by ADF cadet program and to encourage cadets to join the ADF;
- **The ADF Parliamentary Program**—aims to provide parliamentarians with a rewarding, memorable and educational experience with the ADF, and so enable them to contribute to debate on defence and national security issues in an informed and constructive manner; and
- **The National Welfare Coordination Centre**—provides welfare and family support to personnel deployed on, and in support of, operations who are away from their home, including visitors and Defence civilians.

## RESOURCES

The total budget for the support function of Vice Chief of the Defence Force Group in 2005–06 was \$259.6m, consisting of \$2.4m capital budget and \$257.2m operating budget (of which \$18.4m was managed on behalf of the portfolio).

As at 30 June 2006, the support functions of the Group had 412 military personnel and 774 Australian Public Service staff.

### KEY ACHIEVEMENTS FOR 2005–06

During 2005–06, the support elements of the Vice Chief of the Defence Force Group:

- implemented arrangements for the transition of Joint Logistics Command to form a separate, directly accountable Group—Joint Logistics Group—from July 2006, reporting directly to the Chief of the Defence Force and the Secretary;
- provided logistic support to operations in the Solomon Islands, Timor-Leste and humanitarian assistance in Pakistan, in addition to ongoing operations in the Middle East;
- concluded a range of international logistic support arrangements in support of current and anticipated operations;
- continued to consolidate the provision of contracted logistics support to Defence;
- further implemented Stocktake Remediation Project initiatives, including the endorsement of the Defence Logistics Compliance and Assurance Framework;
- provided welfare and family support assistance to 12,042 ADF families;
- completed amendments to the *Cadet Forces Regulations 1977* to clearly define the responsibilities of Defence, Cadet staff and Cadets;
- engaged an expert in the “human rights of the child” to provide advice and guidance to ensure the ADF Cadets comply with all relevant legislation including the United Nations Convention on the Rights of the Child; and
- completed the Reserve Remuneration Review in September 2005. The report was considered by Defence and recommendations were agreed by the

Government and announced as part of the 2006 Budget. The key outcomes were:

- Provision of a \$5,000 per year completion bonus for the newly established Army and Air Force High Readiness Reserves, together with a \$2,500 per year Health Support Allowance to assist High Readiness Reservists in maintaining deployable medical standards.
- Provision of a \$600 per year Health Support Allowance for Active Reservists to help in meeting Service directed minimum health and fitness standards.
- Provision of a \$10 per day Reserve Service Allowance for all Reserves up to, and including, the rank of Major (and equivalents).
- Higher daily rates of pay, based on work value, for all Reservists who meet the full Permanent Force competencies.

### AUSTRALIAN DEFENCE FORCE CADETS

The Australian Defence Force Cadets is a community-based youth development organisation of 22,000 cadets and 2,100 cadet staff in 475 units throughout Australia.

As cadets, young Australians between 12-and-a-half and 20 years of age take part in unique, adventurous, fulfilling and educational activities in a military-like setting.

Through these activities, cadets develop:

- a sense of purpose;
- responsibility;
- respect for themselves and others;
- their leadership ability;
- their self-confidence; and
- a commitment to voluntary service.

**CONTRIBUTORS TO DEFENCE**

Cadets are a significant and important part of the Defence community.

Cadets make up 25.4 per cent of the uniformed Defence community, when considered as part of the permanent and reserve forces.

The 2003 ADF census indicated there were 14.6 per cent former cadets in the permanent forces and 17.6 per cent in the reserves.

Cadets comprise just over one per cent of all 12-and-a-half to 18 year olds in Australia. Since 2000, cadets have made up 10.4 per cent of Australian Defence Force applications.

While Army cadets have provided the greatest number of cadets recruited into the ADF, Air Force cadets have contributed a significantly higher quantity since 2000 relative to the size of the respective organisations. From 2000 onwards, recruitment figures show that for every 7.7 enquiries made by cadets about a career in the ADF, 3.4 applications subsequently resulted in an enlistment. By comparison, for every 18.6 enquiries from non-cadets, 3.6 applications resulted in an enlistment.

From 2002-03, around 35 to 40 per cent of all Australian Defence Force Academy students were former cadets.

Almost half of the cadets that responded to the 2004 cadet study survey indicated that they would definitely consider a career in the ADF and 87.3 per cent felt that being a cadet had improved their understanding of the Services and the Defence organisation as a whole.

**CONTRIBUTORS TO THE COMMUNITY**

Cadets also make a significant contribution to their local communities and regions, particularly in remote areas.

While not members of the ADF, local communities associate cadets with Defence. In fact, in some communities they represent

the sole visible ADF presence, providing the only uniformed contribution to events such as ANZAC and Remembrance Day ceremonies.

**RESOURCING**

In 2004-05, the Navy, Army, Air Force, the Defence Materiel Organisation, Defence Support Group and the Defence Personnel invested almost \$36m in cadets for programs, boots and equipment, accommodation and a range of other resources. This included a \$6m annual allocation to the Cadet Policy Branch under the Cadet Enhancement Program.

For more information about the Australian Defence Force Cadets visit [www.cadetnet.gov.au](http://www.cadetnet.gov.au)

**CHIEF INFORMATION OFFICER GROUP**

**OVERVIEW**

The Chief Information Officer Group manages the Defence information environment, and is accountable for planning and delivering secure, dependable and integrated information infrastructure to support business and military operations.

The Group's structure incorporates the following elements:

**Information Capability Management Division** is responsible for delivering the Defence information environment as a global end-to-end capability, including the provision of satellite communications, electromagnetic spectrum and networks to support military operations. The head of the Division is the principal strategic adviser to the Chief of Joint Operations on communications and information systems and the electromagnetic spectrum;

**Information Systems Division** is responsible for the development of the major Defence networks and most enterprise applications

that support Defence management processes. The Defence information architecture provides support for all other information infrastructure development affecting Defence's major networks; and

**Business Management Branch** provides portfolio-level resource and contract management services for the Defence information environment, and provides governance and financial management services to the Group.

## RESOURCES

The Group's total spend for 2005–06 was \$495.8m, consisting of \$37.8m capital budget and \$458.0m operating budget (of which \$23.6m was managed on behalf of the portfolio).

As at 30 June 2006, the Chief Information Officer Group had 406 military personnel and 635 Australian Public Service staff.

## KEY ACHIEVEMENTS FOR 2005–06

During 2005–06, the Chief Information Officer Group:

- transitioned central information and communications technology infrastructure support and related services to KAZ Technology Services in November 2005;
- provided continuous information and communications technology support to all current operations such as Operation Catalyst and Operation Anode, and short-term operations such as Operation Astute and Operation Acolyte (Commonwealth Games);
- established Memoranda of Understanding with the United States and the United Kingdom for development of initiatives relating to satellite communications exchange and military communications exchange;

- transferred responsibility for development and support of the Personnel and Financial Enterprise Resource Planning systems into the Group, in accordance with the recommendations of the 2004 Boston Consulting Group study into Defence Information and Communications Technology organisational arrangements;
- developed the first rolling three year Defence Information Infrastructure Plan, including an indication of forward information and communications technology investment, which was launched at the Defence and Industry Conference 2006;
- at short notice, developed and delivered, in partnership with the Defence Materiel Organisation, deployable local area network solutions for the ADF and international partners deploying to Timor-Leste;
- engaged with the United States at a strategic level to improve interoperability, information sharing and support to allied military operations;
- established and implemented an Investment Planning and Programming function. This includes processes for managing minor information and communications technology projects, making it easier to map these projects against Chief Information Officer Group strategies;
- processed 40,000 information technology assets for donation as part of the Computer Technology for Schools program; and
- rationalised the number and versions of software resident on Defence networks and created policies and processes to control the growth and distribution of new software.

## COORDINATION AND PUBLIC AFFAIRS

### OVERVIEW

The role of the Coordination and Public Affairs Division is to assist the Chief of Staff Australian Defence Headquarters/Head Coordination and Public Affairs in supporting the Secretary and the Chief of the Defence Force in the effective management of Defence.

The Head of the Coordination and Public Affairs Division is responsible for ensuring the provision of timely, accurate, coordinated and considered advice to the Ministers, the Parliamentary Secretary, the Government and the Parliament; working with the Services and Groups to improve coordination, communications, issues management and governance in Defence; actively managing and coordinating whole-of-Defence issues; providing public affairs support for the Defence Portfolio including for military operations; and progressing the organisational renewal program in Defence.

While the division is mainly located in Canberra, regional public affairs offices are located in Sydney, Brisbane, Townsville, Darwin, Perth, Adelaide and Melbourne.

### RESOURCES

As at 30 June 2006, CPA Division comprised 139 APS staff and 58 military personnel.

The division's total spend for 2005–06 was \$21.9m.

### KEY ACHIEVEMENTS FOR 2005–06

During 2005–06, CPA Division:

- provided, through the 1st Joint Public Affairs Unit, deployed public affairs support to ADF operations in Iraq, Afghanistan, Solomon Islands, Timor–Leste and Pakistan, as well as to the Melbourne Commonwealth Games and cyclone assistance at Innisfail, Queensland. Tactical public affairs support

was also provided to 18 major ADF combined/joint exercises and events. In recognition of its support to over 20 significant ADF operations since it was formed in 2002, the unit was awarded a Chief of the Defence Force commendation;

- undertook 2,200 imagery tasks, processing 40,000 new still images and digitally archiving 5,000 historic images. In addition, 49.5 hours of vision of Defence activities was processed, with 67 Defence video news releases, 70 compiles and 79 web videos being issued;
- fielded 5,908 media inquiries and issued 1,465 media releases and alerts in support of Ministerial and departmental announcements, media launches, events and in response to emerging issues. In addition, we responded to more than 700 direct inquiries from the public;
- conducted 27 formal public affairs training courses for 415 Defence participants and provided 10 media awareness training and media operations simulation sessions in support of Defence colleges, organisations and military units preparing to deploy for operations, as well as individual media training and preparation for Defence leadership;
- continued to improve the useability and service delivery of the Defence Internet homepage. There were more than 332 million hits on the Defence Internet webserver, representing over 6 million visits and nearly 36 million page views;
- produced 69 issues of the Navy, Army and Air Force newspapers, distributing a total of 1.57 million copies to Defence members and subscribers. In addition, there were 2,833,486 visits to the Service newspapers' Internet sites with nearly 11 million page views;
- received and processed 241 requests in support of books, commercial film and television productions/documentaries and applications for use of Commonwealth copyright material;

- wrote and distributed 589 news articles highlighting the achievements of individual military members with approximately 81 per cent being published in 163 regional and suburban newspapers across Australia.
- produced 11 editions of the official Defence magazine—distributing 132,000 copies (12,000 per month) to Defence personnel and subscribers.
- extended the Results through People Network to 50 regional leaders in bases across Australia to promote better management practices and individual responsibility. Network activities attract up to 300 people, who come together to address improvement ideas for their region and allow a sounding board for regional perspectives on topical Defence issues.
- continued to expand the Results through People philosophy, which seeks to create an organisational climate in which people can do their best, by delivering 62 workshops to all regions and many workplaces across Australia. This is an increase of 15 workshops from last year.
- in conjunction with Defence Personnel Executive, consolidated the Defence Values message of Professionalism, Loyalty, Integrity, Courage, Innovation and Teamwork by the introduction of a comprehensive communications strategy.
- managed a high volume of ministerial correspondence coming into Defence from the Ministers' Offices, coordinated the briefing and attendance requirements of senior Defence officials at numerous parliamentary committee hearings (including three Senate Estimates hearings), and coordinated the publication and tabling of Defence's primary statutory documents.

# ADF UNITS AND ESTABLISHMENTS



## ADF UNITS AND ESTABLISHMENTS

ADF units and establishments are shown below. The information is correct as at 30 June 2006.

### ADF UNITS AND ESTABLISHMENTS

Name	Location	
Joint Units and Organisations		
Headquarters Joint Operations Command	Sydney, NSW	
Headquarters Joint Logistics Command	Melbourne, Vic	
Australian Defence Force Warfare Centre	Williamstown, NSW	
Headquarters Northern Command	Darwin, NT	
1st Joint Movement Group	Sydney, NSW	
Australian Defence College	Canberra, ACT	
Australian Defence Force Academy	Canberra, ACT	
Defence Communications Station	Canberra, ACT	
Defence National Storage and Distribution Centre	Liverpool, NSW	
Joint Logistics Unit (North)	Winnellie, NT	
Joint Logistics Unit (South)	Edinburgh, SA	
Joint Logistics Unit (West)	Rockingham, WA	
Joint Logistics Unit (North Queensland)	Townsville, Qld	
Joint Logistics Unit (South Queensland)	Bulimba, Qld	
Joint Logistics Unit (Victoria)	Bandiana, Vic	
Joint Proof and Experimental Unit	Orchard Hills, NSW	
<b>Royal Australian Navy</b>		
Name	Location	
Navy Headquarters	Canberra, ACT	
Maritime Command	Sydney, NSW	
Navy Systems Command	Canberra, ACT	
Type of vessel	Name	Base
<b>Surface Combatants</b>		
6 Guided missile frigates (FFG)	HMAS <i>Adelaide</i>	Garden Island, WA
	HMAS <i>Canberra</i> <sup>(1)</sup>	Garden Island, WA
	HMAS <i>Darwin</i>	Garden Island, WA
	HMAS <i>Melbourne</i>	Sydney, NSW
	HMAS <i>Newcastle</i>	Sydney, NSW
	HMAS <i>Sydney</i>	Sydney, NSW
7 Anzac-class frigates (FFH)	HMAS <i>Anzac</i>	Garden Island, WA
	HMAS <i>Arunta</i>	Garden Island, WA
	HMAS <i>Ballarat</i>	Sydney, NSW
	HMAS <i>Parramatta</i>	Sydney, NSW
	HMAS <i>Stuart</i>	Sydney, NSW
	HMAS <i>Warramunga</i>	Garden Island, WA
	HMAS <i>Toowoomba</i> <sup>(2)</sup>	Garden Island, WA

W E B S E C T I O N

Type of vessel	Name	Base
<b>Mine Countermeasures</b>		
6 Coastal mine hunters (MHC)	HMAS <i>Diamantina</i>	Sydney, NSW
	HMAS <i>Gascoyne</i>	Sydney, NSW
	HMAS <i>Hawkesbury</i>	Sydney, NSW
	HMAS <i>Huon</i>	Sydney, NSW
	HMAS <i>Norman</i>	Sydney, NSW
	HMAS <i>Yarra</i>	Sydney, NSW
2 Clearance diving teams (CDT)	AUST CDT 1	Sydney, NSW
	AUST CDT 4	Garden Island, WA
2 Auxiliary minesweepers (MSA)	HMAS <i>Bandicoot</i>	Sydney, NSW
	HMAS <i>Wallaroo</i>	Sydney, NSW
<b>Amphibious and Afloat Support</b>		
1 Replenishment ship (AOR)	HMAS <i>Success</i>	Sydney, NSW
1 Oil tanker (AO)	HMAS <i>Westralia</i>	Garden Island, WA
1 Heavy landing ship (LSH)	HMAS <i>Tobruk</i>	Sydney, NSW
2 Amphibious landing ships (LPA)	HMAS <i>Kanimbla</i>	Sydney, NSW
	HMAS <i>Manoora</i>	Sydney, NSW
6 Heavy landing crafts (LCH)	HMAS <i>Balikpapan</i>	Darwin, NT
	HMAS <i>Betano</i>	Darwin, NT
	HMAS <i>Brunei</i>	Cairns, Qld
	HMAS <i>Labuan</i>	Cairns, Qld
	HMAS <i>Tarakan</i>	Cairns, Qld
	HMAS <i>Wewak</i>	Cairns, Qld
<b>Patrol Boat</b>		
14 Fremantle-class patrol boats (FCPB)	HMAS <i>Bendigo</i>	Cairns, Qld
	HMAS <i>Bunbury</i> <sup>(3)</sup>	Darwin, NT
	HMAS <i>Dubbo</i>	Darwin, NT
	HMAS <i>Fremantle</i>	Darwin, NT
	HMAS <i>Gawler</i>	Darwin, NT
	HMAS <i>Geelong</i>	Darwin, NT
	HMAS <i>Geraldton</i>	Darwin, NT
	HMAS <i>Gladstone</i>	Cairns, Qld
	HMAS <i>Ipswich</i>	Cairns, Qld
	HMAS <i>Launceston</i>	Darwin, NT
	HMAS <i>Townsville</i>	Cairns, Qld
	HMAS <i>Whyalla</i> <sup>(4)</sup>	Cairns, Qld
	HMAS <i>Warnambool</i> <sup>(5)</sup>	Darwin, NT
	HMAS <i>Wollongong</i> <sup>(6)</sup>	Darwin, NT

## ADF UNITS AND ESTABLISHMENTS

Type of vessel	Name	Base
3 Armidale-class patrol boat (ACPB)	HMAS <i>Armidale</i>	Darwin, NT
	HMAS <i>Larrakia</i> <sup>(7)</sup>	Darwin, NT
	HMAS <i>Bathurst</i> <sup>(8)</sup>	Darwin, NT
<b>Submarine</b>		
6 Collins-class submarines (SSG)	HMAS <i>Collins</i>	Garden Island, WA
	HMAS <i>Dechaineux</i>	Garden Island, WA
	HMAS <i>Farncomb</i>	Garden Island, WA
	HMAS <i>Sheean</i>	Garden Island, WA
	HMAS <i>Rankin</i>	Garden Island, WA
	HMAS <i>Waller</i>	Garden Island, WA
<b>Hydrographic</b>		
2 Hydrographic ships (HS)	HMAS <i>Leeuwin</i>	Cairns, Qld
	HMAS <i>Melville</i>	Cairns, Qld
4 Survey motor launches (SML)	HMAS <i>Benalla</i>	Cairns, Qld
	HMAS <i>Mermaid</i>	Cairns, Qld
	HMAS <i>Paluma</i>	Cairns, Qld
	HMAS <i>Shepparton</i>	Cairns, Qld
1 Laser airborne depth sounder (LADS) aircraft	LADS Flight	Cairns, Qld
<b>Aviation</b>		
<b>Squadron</b>	<b>Aircraft</b>	<b>Base</b>
723 SQN helicopter training squadron	13 <sup>(9)</sup> AS350BA Squirrel	Nowra, NSW
805 SQN anti-surface helicopter squadron	10 <sup>(10)</sup> SH-2G(A) Super Seasprite	Nowra, NSW
816 SQN anti-submarine helicopter squadron	16 S-70B-2 Seahawk	Nowra, NSW
817 SQN maritime support helicopter squadron	6 SK50 Sea King	Nowra, NSW
<b>Non-Defence Administered Activity</b>		
1 Youth sail training ship	STS <i>Young Endeavour</i>	Sydney, NSW
<b>Description</b>	<b>Name</b>	<b>Location</b>
<b>Commissioned Establishments</b>		
Ship base (Fleet Base East)/Headquarters/area administration	HMAS Kuttabul <sup>(11)</sup>	Sydney, NSW
Naval air station	HMAS Albatross	Nowra, NSW
Ship and submarine base (Fleet Base West)/area administration	HMAS Stirling <sup>(12)</sup>	Garden Island, WA
Patrol boat and marine science base	HMAS Cairns <sup>(13)</sup>	Cairns, Qld
Patrol boat base/area administration	HMAS Coonawarra	Darwin, NT
Mine warfare	HMAS Waterhen	Sydney, NSW
Communications station/area administration	HMAS Harman <sup>(14)</sup>	Canberra, ACT

## WEB SECTION

Description	Name	Location
Training establishments	HMAS Cerberus	Western Port, Vic
	HMAS Creswell	Jervis Bay, ACT
	HMAS Penguin	Middle Head, NSW
	HMAS Watson	Watsons Bay, NSW
Facility/unit	Location	
Australian Navy Cadets <sup>(15)</sup>	National HQ ANC	East Fremantle, WA
Non-Commissioned Establishments		
Jervis Bay Range Facility	Jervis Bay, NSW	
Naval Ammunitioning Facility	Eden, NSW	
Naval Transmitting Station	Sale, Vic	
Naval Headquarters South Queensland	Brisbane, Qld	
Naval Headquarters South Australia	Adelaide, SA	
Naval Headquarters Tasmania	Hobart, Tas	
Naval fuel installations	Chowder Bay, NSW	
	Darwin, NT	
West Head Gunnery Range	Flinders, Vic	

### Notes

1. HMAS *Canberra* was decommissioned on 12 November 2005.
2. HMAS *Toowoomba* was commissioned on 8 October 2005.
3. HMAS *Bunbury* was decommissioned on 11 February 2006.
4. HMAS *Whyalla* was decommissioned on 2 September 2005.
5. HMAS *Warrnambool* was decommissioned on 29 November 2005.
6. HMAS *Wollongong* was decommissioned on 11 February 2006.
7. HMAS *Larrakia* was commissioned on 10 February 2006.
8. HMAS *Bathurst* was commissioned on 10 February 2006.
9. Twelve aircraft are operated, the thirteenth aircraft is held for attrition purposes.
10. The eleventh Super Seasprite helicopter had not been delivered from the United States to Australia as at 30 June 2006.
11. HMAS Kuttabul has administrative responsibility for Fleet Base East (adjoining Garden Island Dockyard), and the adjacent Maritime Headquarters, and includes the previously reported Naval Communications area local station, Sydney, NSW.
12. HMAS Stirling includes the previously reported Naval Communications area master station, Rockingham, WA.
13. HMAS Cairns includes the previously reported Naval Communications area local station, Cairns, Qld.
14. HMAS Harman includes the previously reported Naval Communications Station, Canberra, ACT and the Naval Communications area master station, Canberra, ACT.
15. The Australian Navy Cadets National Headquarters commands almost 100 Navy Cadet Units nationally, supporting a Navy community partnership.

### Australian Army

Name	Location	
Army Headquarters	Canberra, ACT	
Formation/unit	Designation	Location
1 Army Headquarters	AHQ	Canberra, ACT
1 Aviation Support Group Workshop	Avn Spt Gp Wksp	Oakey, Qld
1 Land Warfare Studies Centre	LWSC	Canberra, ACT
1 Army History Unit	AHU	Canberra, ACT
1 Army Financial Services Unit (Army Reserve)	AFSU	Canberra, ACT

## ADF UNITS AND ESTABLISHMENTS

Formation/unit	Designation	Location
1 Australia's Federation Guard	AFG	Canberra, ACT
1 Directorate of Officer Career Management—Army	DOCM-A	Canberra, ACT
1 Soldier Career Management Agency	SCMA	Queenscliff, Vic
1 Directorate of Reserve Career Management—Army	DRCM-A	Canberra, ACT
8 Regional Cadet Units	HQ NTH QLD AAC BDE	Townsville, QLD
	HQ STH QLD AAC BDE	Enoggera, QLD
	HQ NSW AAC BDE	Moorebank, NSW
	HQ VIC AAC BDE	MacLeod, Vic
	HQ SA AAC BDE	Hampstead Gardens, SA
	HQ WA AAC BDE	Fremantle, WA
	HQ TAS AAC BN	Glenorchy, Tas
	HQ NT AAC BN	Palmerston, NT
1 Australian Army Cadets	AAC	Canberra, ACT
<b>Combat Forces</b>		
1 Land Headquarters	LHQ	Paddington, NSW
1 Deployable Joint Force Headquarters (Integrated)	DJFHQ	Enoggera, NSW
1 Divisional Headquarters (Army Reserve)	HQ 2 Div	Randwick, NSW
9 Brigade Headquarters (6 Army Reserve, 1 Integrated)	HQ 1 Bde	Palmerston, NT
	HQ 3 Bde	Townsville, Qld
	HQ 4 Bde	Macleod, Vic
	HQ 5 Bde	Holsworthy, NSW
	HQ 7 Bde	Enoggera, Qld
	HQ 8 Bde	Dundas, NSW
	HQ 9 Bde	Keswick, SA
	HQ 11 Bde	Townsville, Qld
HQ 13 Bde	Karrakatta, WA	
1 Special Operations Headquarters	SO HQ	Canberra, ACT/ Garden Island, NSW
2 Commando Battalions	1 Cdo Regt	Randwick, NSW
	4 RAR (Cdo)	Holsworthy, NSW
1 Special Air Service Regiment	SASR	Swanbourne, WA
1 Incident Response Regiment	IRR	Holsworthy, NSW
1 Special Operations Combat Service Support Company	SO CSSC	Holsworthy, NSW
1 Logistic Brigade Headquarters (Integrated)	HQ 17 Bde	Randwick, NSW
1 Ground Liaison Group (Integrated)	1 GL GP	Glenbrook, NSW
1 Combat Training Centre	CTC	Lavarack, Qld

**W E B S E C T I O N**

<b>Formation/unit</b>	<b>Designation</b>	<b>Location</b>
1 Armoured Regiment (Integrated)	1 Armd Regt	Palmerston, NT
4 Reconnaissance Regiments (1 Army Reserve, 1 Integrated)	2 Cav Regt	Palmerston, NT
	1/15 RNSWL	Parramatta, NSW
	4/19 PWLH	Macleod, Vic
	2/14 LHR	Enoggera, Qld
1 Armoured Personnel Carrier Regiment (Army Reserve)	12/16 HRL	Tamworth, NSW
1 Independent Reconnaissance Squadron (Army Reserve)	A Sqn 10 LH	Karrakatta, WA
2 Independent Armoured Personnel Carrier Squadrons (1 Army Reserve)	B Sqn 3/4 Cav Regt (APC)	Townsville, Qld
	3/9 LH (SAMR)	Smithfield, SA
1 Medium Artillery Regiment	8/12 Mdm Regt	Palmerston, NT
6 Field Artillery Regiments (4 Army Reserve, 1 Integrated)	1 Fd Regt	Enoggera, Qld
	4 Fd Regt	Townsville, Qld/ Holsworthy, NSW
	2/10 Fd Regt	St Kilda, Vic
	7 Fd Regt	Pymble, NSW
	23 Fd Regt	Kogarah, NSW
	6/13 Fd Regt	Keswick, SA
1 Air Defence Regiment (Integrated)	16 AD Regt	Woodside, SA
4 Independent Field Artillery Batteries (3 Army Reserve)	7 Fd Bty 3 Fd Regt	Karrakatta, WA
	16 Fd Bty	Launceston, Tas
	48 Fd Bty	Keswick, SA
	A Fd Bty	Holsworthy, NSW
1 Locating Battery (Integrated)	131 STA Bty	Enoggera, Qld
6 Combat Engineer Regiments (CER) (3 Army Reserve, 1 Integrated)	1 CER	Palmerston, NT
	2 CER	Enoggera, Qld
	3 CER	Townsville, Qld
	4 CER	Ringwood East, Vic
	5 CER	Penrith, NSW
	8 CER	Adamstown, NSW
9 Command Support Regiments (CSR) (6 Army Reserve, 1 Integrated)	1 CSR	Palmerston, NT
	3 CSR	Lavarack, Qld
	108 Sig Sqn (4 CSR)	Macleod, Vic
	142 Sig Sqn (5 CSR)	Holsworthy, NSW
	7 CSR	Enoggera, Qld
	155 Sig Sqn (8 CSR)	Dundas, NSW
	144 Sig Sqn (9 CSR)	Keswick, SA
	11 CSR	Townsville, Qld
109 Sig Sqn (13 CSR)	Karrakatta, WA	

## ADF UNITS AND ESTABLISHMENTS

Formation/unit	Designation	Location
1 Headquarters Engineer Support Regiment	HQ 6 ESR	Enoggera, Qld
2 Construction Regiments (Army Reserve)	21 Const Regt	Holsworthy, NSW
	22 Const Regt	Oakleigh South, Vic
3 Field Engineer Squadrons, Combat Engineer Regiments (Army Reserve)	3 Fd Sqn, 9 CER	Warradale, SA
	13 Fd Sqn, 13 CER	Karrakatta, WA
	35 Fd Sqn, 11 CER	Mount Isa, Qld
2 Construction Squadrons	17 Const Sqn	Holsworthy, NSW
	21 Const Sqn	Enoggera, Qld
1 Chief Engineer Works (Integrated)	19 CE Wks	Randwick, NSW
1 Topographic Survey Squadron (Integrated)	1 Topo Svy Sqn	Enoggera, Qld
1 Joint Support Unit (Integrated)	1 JSU	Enoggera, Qld
2 Signal Regiments (1 Army Reserve)	7 Sig Regt	Cabarlah, Qld
	8 Sig Regt	Randwick, NSW
3 Independent Signal Squadrons (2 Integrated)	110 Sig Sqn	Paddington, NSW
	130 Sig Sqn	Holsworthy, NSW
	145 Sig Sqn	Holsworthy, NSW
19 Infantry Battalions (13 Army Reserve, 1 Integrated)	1 RAR	Townsville, Qld
	2 RAR	Townsville, Qld
	3 RAR	Holsworthy, NSW
	5/7 RAR	Palmerston, NT
	6 RAR	Enoggera, Qld
	9 RQR	Enoggera, Qld
	25/49 RQR	Enoggera, Qld
	31 RQR	Townsville, Qld
	42 RQR	Rockhampton, Qld
	1/19 RNSWR	Orange, NSW
	2/17 RNSWR	Pymble, NSW
	4/3 RNSWR	Holsworthy, NSW
	41 RNSWR	Lismore, NSW
	5/6 RVR	Hawthorn, Vic
	8/7 RVR	Ballarat, Vic
	10/27 RSAR	Keswick, SA
	11/28 RWAR	Karrakatta, WA
16 RWAR	Karrakatta, WA	
12/40 RTR	Glenorchy, Tas	

## WEB SECTION

Formation/unit	Designation	Location
3 Regional Force Surveillance Units (Army Reserve)	Norforce	Larrakeyah, NT
	Pilbara Regt	Karratha, WA
	51 FNQR	Cairns, Qld
1 Aviation Brigade	16 Bde (Avn)	Enoggera, Qld
2 Aviation Regiments	1 Avn Regt	Palmerston, NT
	5 Avn Regt	Townsville, Qld
2 Independent Avn Sqns	171 Avn Sqn	Townsville, Qld
	173 Survl Sqn	Oakey, Qld
1 Intelligence Battalion (Integrated)	1 Int Bn	Paddington, NSW
9 Combat Service Support Battalions (CSSB) (6 Army Reserve, 1 Integrated)	1 CSSB	Palmerston, NT
	3 CSSB	Townsville, Qld
	4 CSSB	Broadmeadows, Vic
	5 CSSB	Banksmeadow, NSW
	7 CSSB	Enoggera, Qld
	8 CSSB	Dundas, NSW
	9 CSSB	Warradale, SA
	11 CSSB	Townsville, Qld
	13 CSSB	Karrakatta, WA
3 Force Support Battalions (2 Integrated)	2 FSB	Glenorchy, Tas
	9 FSB	Randwick, NSW
	10 FSB	Ross Island, Qld
1 Force Support Group	HQ FSG	Randwick, NSW
3 Ships Army Detachment (SAD)	SAD HMAS <i>Tobruk</i>	Garden Island, NSW
	SAD HMAS <i>Manoora</i>	Garden Island, NSW
	SAD HMAS <i>Kanimbla</i>	Garden Island, NSW
3 Health Support Battalions (HSB) (1 Army Reserve, 2 Integrated)	1 HSB	Holsworthy, NSW
	2 HSB	Enoggera, Qld
	3 HSB	Keswick, SA
1 Petroleum Company (Army Reserve)	1 Petr Coy	Oakleigh South, Vic
1 Recovery Company (Army Reserve)	3 Recov Coy	Dandenong, Vic
1 Military Police Battalion (Integrated)	1 MP Bn	Paddington, NSW
1 Psychology Unit	1 Psych Unit	Randwick, NSW
1 Deployed Forces Support Unit (Integrated)	DFSU	Randwick, NSW
<b>Individual Training</b>		
Headquarters Training Command	HQ TC-A	Paddington, NSW
Headquarters Royal Military College of Australia	HQ RMC-A	Canberra, ACT
Royal Military College	RMC	Canberra, ACT
Army Logistic Training Centre	ALTC	Bandiana, Vic
Army Recruit Training Centre	ARTC	Kapooka, NSW

## ADF UNITS AND ESTABLISHMENTS

Formation/unit	Designation	Location
Parachute Training School	PTS	Nowra, NSW
Combat Arms Training Centre	CATC	Puckapunyal, Vic
Special Forces Training Centre (part of Special Ops)	SFTC	Singleton, NSW
Army Aviation Training Centre	AAVNTC	Oakey, Qld
Defence Intelligence Training Centre	DINTTC	Canungra, Qld
Training Technology Centre	TTC	Sydney, NSW
Defence Police Training Centre (Integrated)	DPTC	Holsworthy, NSW
Joint Telecommunications School (Integrated)	JTS	Cabarlah, Qld
Land Warfare Development Centre	LWDC	Puckapunyal, Vic
Headquarters Regional Training Centres	HQ RTC	Canungra, Qld
Command Staff and Operations Training Centre (Integrated)	CS&OTC	Canungra, Qld
8 Land Warfare Centres (LWC) (7 Army Reserve, 1 Integrated)	LWC (NSW)	Moorebank, NSW
	LWC (VIC)	Macleod, Vic
	LWC (SA)	Greenacres, SA
	LWC (WA)	East Fremantle, WA
	LWC (TAS)	Hobart, Tas
	LWC (NT)	Palmerston, NT
	LWC (SQ)	Enoggera, Qld
	LWC (NQ)	Townsville, Qld
7 Tertiary Institution Training Units (Army Reserve)	QUR	St Lucia, Qld
	SUR	Darlington, NSW
	UNSWR	Kensington, NSW
	MUR	Carlton, Vic
	MON UR	Mt Waverley, Vic
	AUR	Adelaide, SA
	WAUR	Fremantle, WA
Defence Force School of Signals	DFSS	Macleod, Vic
Defence Force School of Music	DFS of Music	MacLeod, Vic
12 Army Bands (6 Army Reserve)	AAB (B)	Enoggera, Qld
	AAB (S)	Paddington, NSW
	AAB (N)	Adamstown, NSW
	RACT Pipes and Drums	Adamstown, NSW
	AAB (K)	Kapooka, NSW
	AAB (M)	Macleod, Vic
	AAB (A)	Warradale, SA
	AAB (P)	Karrakatta, WA
	AAB (T)	Hobart, Tas
	AAPD (P)	Karrakatta, WA
	AAB (D)	Berrima, NT
	RMC Band	Canberra, ACT

**W E B S E C T I O N**

<b>Formation/unit</b>	<b>Designation</b>	<b>Location</b>
<b>Royal Australian Air Force</b>		
<b>Name</b>	<b>Location</b>	
Air Force Headquarters	Canberra, ACT	
<b>Formation/unit</b>	<b>Designation</b>	<b>Location</b>
<b>Air Force Headquarters</b>	<b>AFHQ</b>	<b>Canberra, ACT</b>
Directorate General of Technical Airworthiness—ADF	DGTA-ADF	Laverton, Vic
Directorate of Air Force Safety/Directorate of Flying Safety—ADF	DAFS/DFS-ADF	Canberra, ACT
Airworthiness Coordination and Policy Agency—ADF	ACPA-AF	Canberra, ACT
Air Power Development Centre	APDC	Canberra, ACT
RAAF Aeronautical Information Services Agency	AIS-AF	Melbourne, Vic
Joint Centre for Airspace Management	JCAM	Canberra, ACT
Infrastructure Development Agency	IDA	Canberra, ACT
Directorate of Security and Policing—Air Force	DSP-AF	Canberra, ACT
Management Services Agency	MSA	Canberra, ACT
<b>Air Command</b>		
Headquarters Air Command	HQAC	Glenbrook, NSW
<b>Headquarters Aerospace Operational Support Group</b>		
Information Warfare Units	IW WG	Edinburgh, SA
Intelligence Squadron	87SQN	Edinburgh, SA
Test and Evaluation Wing Operation	T&E WG OPS	Edinburgh, SA
Aerospace Systems Test Squadron	AOSGASTSQN	Edinburgh, SA
Aerospace Systems Engineering Squadron	AOSGASESQN	Edinburgh, SA
Aircraft Stores Compatibility Engineering Agency	AOSG-ASCEA	Edinburgh, SA
Joint Electronic Warfare Unit	JEWOSU	Edinburgh, SA
Aeronautical Information Services	AIS-AF	Edinburgh, SA
Information Operations Squadron	462SQN	Edinburgh, SA
RAAF Institute of Aviation Medicine	AVMED	Edinburgh, SA
Woomera Test Facility	WTF	Edinburgh/ Woomera, SA
<b>Headquarters Air Combat Group</b>		
Headquarters No 82 Wing	HQ82 WG	Amberley, Qld
2 x Strike and Reconnaissance squadrons	1 SQN	Amberley, Qld
	6 SQN	Amberley, Qld
Forward Area Control Development Unit	FACDU	Williamtown, NSW
Headquarters No 81 Wing	HQ 81 WG	Williamtown, NSW

## ADF UNITS AND ESTABLISHMENTS

Formation/unit	Designation	Location
3 x Tactical fighter squadrons	3 SQN	Williamtown, NSW
	75 SQN	Tindal, NT
	77 SQN	Williamtown, NSW
Headquarters No 78 Wing	HQ 78 WG	Williamtown, NSW
Tactical Fighter Operational Conversion unit	20CU	Williamtown, NSW
2 x Lead-in Fighter Training Squadron	76 SQN	Williamtown, NSW
	79 SQN	Pearce, WA
Tactical Fighter Training Squadron	278 SQN	Williamtown, NSW
<b>Headquarters Surveillance and Response Group</b>	<b>HQSRG</b>	<b>Williamtown, NSW</b>
Surveillance and Control Squadron	2 SQN	Williamtown, NSW
Headquarters No 44 Wing	HQ 44 WG	Williamtown, NSW
11 Air traffic control (ATC) Detachments	ATC DET AMB	Amberley, Qld
	ATC DET DAR	Darwin, NT
	ATC DET ESL	East Sale, Vic
	ATC DET EDN	Edinburgh, SA
	ATC DET NOWRA	Nowra, NSW
	ATC DET OAK	Oakey, Qld
	ATC DET PEA	Pearce, WA
	ATC DET RIC	Richmond, NSW
	ATC DET TDL	Tindal, NT
	ATC DET TVL	Townsville, Qld
	ATC DET WLM	Williamtown, NSW
Headquarters No 41 Wing	HQ41 WG	Williamtown, NSW
Radar surveillance unit	1RSU	Edinburgh, SA
Mobile Control and Reporting unit	114MCRU	Darwin, NT
Control and Reporting unit	3 CRU	Williamtown, NSW
Surveillance and Control Training unit	SACTU	Williamtown, NSW
Headquarters No 92 Wing	HQ92 WG	Edinburgh, SA
2 x Maritime Patrol Squadrons	10 SQN	Edinburgh, SA
	11 SQN	Edinburgh, SA
Operational Conversion Squadron	292 SQN	Edinburgh, SA
No 92 Wing Detachment	92WG DET A	Butterworth, Malaysia
<b>Headquarters Air Lift Group</b>	<b>HQALG</b>	<b>Richmond, NSW</b>
Air Mobility Control Centre	AMCC	Richmond, NSW
Headquarters No 84 Wing	HQ 84 WG	Richmond, NSW
Long-range transport squadron	33 SQN	Richmond, NSW

## WEB SECTION

Formation/unit	Designation	Location
VIP Transport Squadron	34 SQN	Canberra, ACT
Air Movements Training and Development Unit	AMTDU	Richmond, NSW
Transport Training Squadron	285 SQN	Richmond, NSW
Headquarters No 86 Wing	HQ86WG	Richmond, NSW
2 x Medium Lift Transportation Squadrons	36 SQN	Richmond, NSW
	37 SQN	Richmond, NSW
Light Transport Squadron and Detachment	38 SQN	Amberley, Qld
	38 SQN DET B	Townsville, Qld
Air Command Band	ACBAND	Richmond, NSW
<b>Headquarters Combat Support Group</b>	<b>HQCSG</b>	<b>Amberley, Qld</b>
5 x Combat support units	CSU AMB	Amberley, Qld
	CSU WLM	Williamtown, NSW
	CSU EDN	Edinburgh, SA
	CSU RIC	Richmond, NSW
	CSU GBK	Glenbrook NSW
Headquarters No 395 Expeditionary Combat Support Wing	HQ395ECSW	Townsville, Qld
3 x Expeditionary combat support squadrons	381ECSS	Williamtown, NSW
	382ECSS	Amberley, Qld
	386ECSS	Richmond, NSW
Combat Communications Squadron	1 CCS	Richmond, NSW
Combat Logistics Squadron	1 CLS	Townsville, Qld
Headquarters Air Terminal Squadron	HQ1ATS	Richmond, NSW
7 x Air Terminal Detachments	1ATSDETRIC	Richmond, NSW
	1ATSDETWIL	Williamtown, NSW
	1ATSDETAMB	Amberley, Qld
	1ATSDETTVL	Townsville, Qld
	1ATSDETDAR	Darwin, NT
	1ATSDETTDL	Tindal, NT
	1ATSDETPEA	Pearce, WA
Headquarters No 396 Combat Support Wing	HQ396CSW	Darwin, NT
4 x Combat Support Squadrons	321CSS	Darwin, NT
	322CSS	Tindal, NT
	323 CSS	Townsville, QLD
	324 CSS	Butterworth, Malaysia

## ADF UNITS AND ESTABLISHMENTS

Formation/unit	Designation	Location
3 x Military airfields (bare bases)	RAAF Learmonth	Learmonth, WA
	RAAF Curtin	Curtin, WA
	RAAF Scherger	Scherger, Qld
Headquarters Air Field Defence Wing	AFDW	Amberley, QLD
3 x Air Field Defence Squadrons	1AFDS	Amberley, QLD
	2AFDS	Edinburgh, SA
	3AFDS	Amberley, QLD
Headquarters Health Services Wing	HQ HSW	Amberley, QLD
2 x Air Transportable Health Squadrons	1ATHS	Amberley QLD
	2ATHS	Williamtown, NSW
Combat Support Hospital	3CSH	Richmond, NSW
<b>Headquarters Air Force Training Group</b>	<b>HQAFTG</b>	<b>Laverton, Vic</b>
Headquarters Air Training Wing	HQ ATW	East Sale, Vic
Australian Defence Force Basic Flying Training School	ADFBFTS	Tamworth, NSW
2 x Flying Training School	CFS	East Sale, Vic
	2FTS	Pearce, WA
School of Air Navigation	SAN	East Sale, Vic
School of Air Traffic Control	SATC	East Sale, Vic
Combat Survival Training School	CSTS	Townsville, QLD
Navigation Training Squadron	32 SQN	East Sale, Vic
Combat Support Unit East Sale	CSUESL	East Sale, Vic
Headquarters Ground Training Wing	HQ GTW	Wagga, Wagga, NSW
RAAF School of Technical Training	RAAFSTT	Wagga Wagga, NSW
RAAF School of Administration and Logistic Training	RAAFSALT	Wagga Wagga, NSW
RAAF Security and Fire School	RAAFSFS	Amberley, QLD
ADF School of Languages	ADFLANGS	Laverton, Vic
Defence International Training Centre	DITC	Laverton, Vic
Defence Explosive Training School	DEOTS	Orchard Hills, NSW
RAAF College	RAAFCOL	Point Cook, Vic
Offers' Training School	OTS	Point Cook, Vic
Recruit Training Unit	1RTU	Edinburgh, SA
School of Post-Graduate Studies	SPS	Wagga Wagga, NSW, Laverton, Vic
Central Band	Central Band	Laverton, Vic
Museum	RAAF Museum	Point Cook, Vic
3 x Combat Support Units	CSU WIL	Laverton, Vic
	CSU PEA	Pearce, WA
	CSUWAG	Wagga Wagga, NSW

# WEB SECTION

Formation/unit	Designation	Location
Headquarters, Reserve Training Wing	RTW	Amberley, QLD
10 Reserve Squadrons	13 Sqn	Darwin, NT
	21 Sqn	Laverton, Vic
	22 Sqn	Richmond, NSW
	23 Sqn	Amberley, Qld
	24 Sqn	Edinburgh, SA
	25 Sqn	Pearce, WA
	26 Sqn	Williamtown, NSW
	27 Sqn	Townsville, Qld
	28 Sqn	Canberra, ACT
	29 Sqn	Hobart, TAS

# CONSULTANCIES

Defence engages consultants where it lacks specialist expertise or when independent assessments are required. Consultants investigate assigned problems under limited direction or supervision and provide recommendations or options for management decisions.

The process for selecting consultants is consistent with Defence's procurement policies and the Commonwealth Procurement Guidelines. Selection methods are as follows:

## METHODS OF SELECTION

Open Tender	A procurement procedure in which a request for tender is published inviting all businesses that satisfy the conditions for participation to submit tenders.
Select Tender	A procurement procedure in which the procuring agency selects which potential suppliers are invited to submit tenders in accordance with the mandatory procurement procedures.
Direct Sourcing	A procurement process, available only under certain defined circumstances, in which an agency may contact a single potential supplier or suppliers of its choice and for which conditions for direct sourcing apply under the mandatory procurement procedures.
Panel	An arrangement under which a number of suppliers, usually selected through a single procurement process, may each supply property or services to an agency as specified in the panel arrangements.

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### Reason for engagement

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

## CONSULTANCY SERVICES LET DURING 2005-06, OF TOTAL CONTRACT VALUE OF \$10,000 OR MORE (INCLUSIVE OF GST)

Consultant Name	Description	Contract Value \$	Selection Process	Justification
<b>Navy</b>				
2nd Road Thinking Systems Pty Ltd	Design of strategic conversation workshops	128,126	Direct Sourcing	B
Changedrivers Pty Ltd	Advice on senior office mentoring program	150,750	Direct Sourcing	B
Dr Kay Wilhelm	Advice to board of inquiry	19,994	Direct Sourcing	C
<b>Total Navy</b>		<b>298,870</b>		

## WEB SECTION

Consultant Name	Description	Contract Value \$	Selection Process	Justification
<b>Army</b>				
Australian Technology Airwarfare Consulting Services Pty	Advice on capability development paper	72,325	Select Tender	B
Booze Allen Hamilton (Australia) Ltd	Advice on operations training needs analysis	101,698	Direct Sourcing	B
Major Training Services	Advice on financial business skilling development needs	48,500	Select Tender	B
Noetic Solutions Pty Ltd	Design of workshop for senior leadership group	11,000	Direct Sourcing	B
Noetic Solutions Pty Ltd	Advice on future operating concept	33,000	Direct Sourcing	B
Noetic Solutions Pty Ltd	Advice on future operating concept	11,000	Single Source	B
Noetic Solutions Pty Ltd	Review the raise, train and sustain function	35,200	Select Tender	B
<b>Total Army</b>		<b>312,723</b>		
<b>Strategy</b>				
Strategia Advising Pty Ltd	Benchmarking study of Defence trade control and compliance operations	80,000	Direct Sourcing	A
<b>Total Strategy</b>		<b>80,000</b>		
<b>Intelligence and Security</b>				
Butlin & Lloyd Pty Ltd	Design staff survey	44,000	Direct Sourcing	B
Capstoneblack Pty Ltd	Advice on software engineering methodology	48,950	Direct Sourcing	B
Communications Design & Management	Advice on project management	348,806	Panel	B
Dotsec Pty Ltd	Advice on information technology project	31,523	Panel	A
Fujitsu Australia Ltd	Advice on information technology project	169,196	Direct Sourcing	B
HRM Consulting Pty Ltd	Advice on human resource strategy	1,721,695	Open Tender	B
Inquirion Pty Ltd	Advice on database project	350,493	Standing Offer	B
James D Taylor	Analysis and reporting review	78,350	Direct Sourcing	A
Kinetic Defence Services Pty Ltd	Design software system	390,165	Panel	A
Right Management Consultants	Design occupational health and safety survey	27,236	Direct Sourcing	C

## CONSULTANCIES

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Right Management Consultants	Advice on staff survey	54,000	Direct	B
RLM Systems Pty Ltd	Advice on information technology project	24,389	Panel	B
RLM Systems Pty Ltd	Advice on information technology project	55,000	Panel	B
RLM Systems Pty Ltd	Advice on information technology project	100,000	Direct Sourcing	B
RLM Systems Pty Ltd	Design customer relationship database	126,722	Panel	B
Spotless	Design office refurbishment	49,184	Direct	B
Sun Microsystems	Advice on project management services	160,050	Panel	A
Thoughtstreams Pty Ltd	Advice on strategic review	19,250	Direct Sourcing	B
<b>Total Intelligence and Security</b>		<b>3,799,009</b>		
<b>Vice Chief of the Defence Force/Chief of Joint Operation</b>				
Acumen Alliance	Advice on employer support payments	13,000	Direct Sourcing	B
Adaptions Pty Ltd	Design business improvement system	20,000	Open Tender	B
Cogent Business Solutions Pty	Review business improvement system	33,000	Open Tender	B
Deloitte Touche Tohmatsu	Advice on business improvement system	1,430,000	Open Tender	B
Drake Australia Pty Ltd	Advice on stocktaking remediation project	120,000	Open Tender	B
Greg Seberry & Associates Pty Ltd	Advice on strategy for absence management and civilian compensation	24,200	Direct Sourcing	B
Jackson Management Consulting	Advice on explosive ordnance contract	590,991	Direct Sourcing	A
Jacobs Australia	Advice on business improvement system	350,000	Open Tender	B
James Patrick O'Sullivan	Advice to board of inquiry	30,000	Direct Sourcing	A
James Patrick O'Sullivan	Advice to board of inquiry	50,000	Direct Sourcing	A
KPMG	Advice on business improvement system	220,000	Open Tender	B
KPMG	Advice on explosive ordnance contract	1,120,849	Direct Sourcing	A
Lewis Troutman & Associates Pty	Advice on firearms management	64,776	Direct Sourcing	B
PS Management Consultants	Advice on project management	139,714	Direct Sourcing	A

**W E B S E C T I O N**

<b>Consultant Name</b>	<b>Description</b>	<b>Contract Value \$</b>	<b>Selection Process</b>	<b>Justification</b>
Robson Huntley & Associates Pty Ltd	Advice on management in Australian Defence Force cadets program	45,755	Direct Sourcing	C
Tenix Defence Systems Pty Ltd	Advice on stocktaking project	32,505	Direct Sourcing	B
Walter & Turnbull Pty Ltd	Advice on employer support payments	13,000	Direct Sourcing	B
Yellow Edge Pty Ltd	Advice on training enhancement project for Australian Defence Force cadets	49,500	Direct Sourcing	B
<b>Total Vice Chief of the Defence Force</b>		<b>4,347,290</b>		
<b>Chief Finance Officer</b>				
ACSPRO Pty Ltd	Advice on the Chart of Accounts Project	96,800	Panel	A
Acumen Alliance	Advice on the financial management information system solution	35,508	Panel	B
Acumen Alliance	Advice on review the management of Frontline	66,316	Panel	B
Acumen Alliance	Advice on financial management	130,680	Panel	B
Acumen Alliance	Advice on the Chart of Accounts Project	220,940	Panel	B
Changedrivers Pty Ltd	Advice on the Financial Controls Framework Cultural Change Program	148,525	Panel	A
Cordelta	Advice on business and systems changes dealing with DMO	78,400	Direct Source	A
Duesburys Nexia	Independent assurance of the prepayments to DMO and the opening balance sheet on the prescription of DMO	39,167	Panel	A
Ernst & Young	Advice on preparation of a submission to Joint Committee of Parliament Accounts and Accountability	24,005	Panel	A
Ernst & Young	Quality Assurance advice to Chart of Accounts Project	42,323	Panel	A
Ernst & Young	Advice on 04/05 financial statements	65,120	Panel	B
Ernst & Young	Advice to the financial management strategy	73,491	Panel	B
Ernst & Young	Advice to the financial management strategy	75,443	Panel	B
Ernst & Young	Advice to inventory accounting strategy papers	78,393	Panel	A
Ernst & Young	Advice on identifying embedded derivatives	78,819	Panel	B
Ernst & Young	Advice to the financial management strategy	78,936	Panel	B
Ernst & Young	Advice to the financial management strategy	78,970	Panel	B

## CONSULTANCIES

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Ernst & Young	Advice to the financial management strategy	79,031	Panel	B
Ernst & Young	Advice on developing execution plans for embedded accounting positions	79,630	Panel	B
Ernst & Young	Advice on Due Diligence and Reform Program	173,373	Panel	B
Ernst & Young	Advice on financial statements for AIFRS compliance	210,042	Panel	B
Ernst & Young	Technical on emerging accounting and reporting issues	417,498	Panel	B
Ernst & young	Advice to the financial management strategy	556,380	Panel	B
Ernst & Young	Advice on Due Diligence and Financial Reform	2,609,428	Panel	B
KPMG	Address inventory accounting issues and increased requirements of AIFRS	71,644	Panel	B
McGrath Nicol	Review of financial delegations for the Department	56,925	Select Tender	C
Morison Consulting	Advice on improving the quality of internal and external reporting to the Chart of Accounts Reform Project	74,800	Panel	A
Morison Consulting	Advice on the Chart of Accounts Reform Project	79,220	Direct Source	B
Protiviti	Quality assurance of working papers supporting the hard close and year end financial statements	43,313	Panel	B
Robson Huntley	Advice on financial accounting management issues	74,250	Panel	A
Tactics Consulting Pty Ltd	Review and advice to the Defence Financial Control Framework Project	77,220	Panel	B
Total Decision Support	Advice on the Chart of Accounts Project	192,390	Panel	B
Walter Turnbull	Technical and strategic advice to Chief Financial Officer	108,405	Panel	A
<b>Total Chief Finance Officer</b>		<b>6,315,385</b>		
<b>Defence Science and Technology Organisation</b>				
Adelaide Innovation & Research Pty Ltd	Scoping study of risk measures and utility functions with regard to Defence investments and strategic flexibility	27,500	Direct Sourcing	A
ANU Finance & Business Service	Advice on formal theories for information fusion	42,326	Direct Sourcing	B
Ball Solutions Group	Business processes review relating to library and publications	17,820	Direct Sourcing	C
Blue Swimmer Consulting	Advice on radio frequency	66,014	Direct Sourcing	A

## WEB SECTION

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Bob Seymour & Associates	Advice on fibre- and solid-state lasers	60,000	Direct Sourcing	B
Booz Allen & Hamilton Australia	Scoping study on joint integrated capability project	40,320	Select Tender	B
Ernst & Young	Advice on business process review	374,180	Select Tender	B
IISM Group	Scoping study on disposition projects	49,990	Direct Sourcing	C
Midspar Systems Pty Ltd	Business review on systems analysis	24,640	Panel	A
Select Appointments	Scoping study on disposition projects	16,282	Direct Sourcing	A
University of Melbourne	Research on distributed electronic warfare	25,000	Direct Sourcing	A
University of SA Financial Services	Advice on co-channel speaker separation and its integration with transcription services	25,000	Direct Sourcing	B
University of South Australia	Professional advice on minimisation of geolocation bias	16,500	Direct Sourcing	C
<b>Total Defence Science and Technology Organisation</b>		<b>785,572</b>		
<b>Defence Personnel Executive</b>				
Adept Associates Pty Ltd	Specialist human resource advise on general occupational health safety and compensation branch	21,719	Panel	C
Australian Government Actuary	Actuarial valuation advice on employee entitlements	99,130	Direct Sourcing	B
Australian Government Solicitor	Design a workshop on principles based decision making in human resources	73,913	Direct Sourcing	A and B
Australian Strategic Policy	Review into recruitment and retention	78,000	Direct Sourcing	C
Brodtmann Communications	Development of a change communication strategy including qualitative and quantitative measures	32,720	Direct Sourcing	B
Changedrivers Pty Ltd	Scoping study of the PKMeyS Self Service intranet website	16,300	Panel	C
CIT Solutions	Advice on mapping Navy and Air Force training against Public Safety Certification III for military recruits	10,464	Direct Sourcing	B
Comsuper	Advice on a Unit Pricing error by National Custodian Services	39,600	Direct Sourcing	A
Essence	Review into recruitment and retention	75,000	Sole Sourcing	C
Fellows Medlock & Associates	Advice on strategy and tactics to the Defence Workplace Relations Negotiation Team	21,120	Direct Sourcing	A

## CONSULTANCIES

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Greg Seberry & Associates Pty Ltd	Development of an overarching Group strategy to absence management and civilian compensation profile	52,272	Direct Sourcing	C
Grosvenor Management Consulting	Review into health services at Albury Wodonga military area	72,000	Panel	C
I & SK Pauza	Review into Cert IV in Public Safety and the Diploma of Public Safety	38,500	Direct Sourcing	B
Intercept Consultancy Services	Development of a tiered definitional framework for Australian Defence Force disability allowance	49,500	Direct Sourcing	A
Kamira Stacey Consulting Pty Ltd	Advice on resolving an unacceptable behaviour claim	12,800	Direct Sourcing	A
KAZ Technology Services	Advice on Independent system security of Cognos Cubes and ReportNet	15,752	Panel	C
KPMG Australia	Development of tools for reporting of leave audit check results	29,506	Open Tender	B
Labrynth Consulting	Advice on internal audit training	20,000	Panel	A and B
Leadr	Advice on mediator training in Canberra	21,450	Direct Sourcing	B
Livingstones Australia	Review and development of models for consideration in relation to the Australian Defence Forces other ranks pay structure	73,880	Direct Sourcing	A
Peter Sheahan Pty Ltd	Review into recruitment and retention	41,000	Direct Sourcing	C
Proactive Resolutions Australia Pty Ltd	Advice on awareness and skills training in dialogue for solutions and workplace conferencing	54,080	Direct Sourcing	A and B
Robson Huntley & Associations Pty Ltd	Independent review of the HealthKeyS project	33,000	Panel	B and C
Saville Holsworthy Ltd	Review into the Leadership Framework	22,345	Direct Sourcing	C
Strategic Revelations	Review into recruitment and retention	78,000	Sole Sourcing	C
Tactics Consulting	Advice and guidance on the development of the Defence recruitment manual	11,475	Direct Sourcing	A
The Trillium Group	Advice on mediation to Defence staff from locations across Australia.	76,531	Select	A and B
Training Systems Services Pty Ltd	Advice on units of competency for advanced medical assistants	12,000	Direct Sourcing	B
Training Systems Services Pty Ltd	Advice on units of competency for advanced medical assistants	17,000	Direct Sourcing	B
Training Systems Services Pty Ltd	Develop, validate and gain endorsement for units of competency	27,565	Direct Sourcing	B

## WEB SECTION

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Training Systems Services Pty Ltd	Analysis of draft and national units of competency relevant to three Army occupational groups	37,000	Direct Sourcing	B
Uniquest Pty Ltd	Advice on assisting in the Australian Defence Force officer initial entry review	35,931	Direct Sourcing	B
<b>Total Defence Personnel Executive</b>		<b>1,299,553</b>		
<b>Corporate Services and Infrastructure</b>				
Achieve Training Employment	Advice on project management	16,335	Panel	B
Acor Consultants Pty Ltd	Advice on design of establishment reinvestment project	27,170	Select Tender	A
Acumen Alliance	Review of service agreements with Defence Housing Authority	104,176	Panel	B
Acumen Alliance	Review of library service	61,356	Panel	B
Acumen Alliance	Specialist insurance advice	25,000	Panel	B
Acumen Alliance	Review of call centre management performance	15,822	Panel	B
64 ADI Pty Ltd	Technical advice on further characterisation and source zone practicability of Mulwala	29,017	Panel	B
ADI Pty Ltd	Investigation and review of characterisation and source zone practicability of Mulwala	662,050	Panel	B
APA Management Systems Pty Ltd	Advice on modification of the environmental risk tool for risk assessment in environmental management systems	16,500	Direct Sourcing	A
APA Management Systems Pty Ltd	Advice on funding transfer	29,434	Panel	B
APA Management Systems Pty Ltd	Technical advice on Air Force base Williamstown remediation and validation	38,500	Select Tender	A
APA Management Systems Pty Ltd	Development of a garrison support and management system	762,300	Panel	B
APA Management Systems Pty Ltd	Development of the infrastructure appraisal	363,000	Panel	B
ARUP	Advice on project management and development of business case for Special Operations Forward Mounting facility	211,438	Direct Sourcing	A
Australian Government Solicitor	Legal advice on duty of care issue	17,600	Panel	B
Australian Government Solicitor	Legal advice on tender evaluation	32,328	Panel	B
Australian Government Solicitor	Legal advice on tendering activities	44,000	Panel	B

## CONSULTANCIES

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Australian Government Solicitor	Legal advice on probity issues for the garrison support contract tendering	33,000	Panel	B
Australian Government Solicitor Canberra	Legal professional advice	24,762	Panel	B
Australian Government Solicitor Melbourne	Legal advice on recruitment activities	10,545	Panel	B
Australian Laboratory Services Pty	Advice on project management—ground water and weather monitoring	222,608	Select Tender	A
Australian Valuation Office	Advice on valuation to Defence properties	11,550	Panel	B
Australian Valuation Office	Advice on valuation to Defence properties	12,430	Direct Sourcing	A
Australian Valuation Office	Technical advice on environmental investigation at Moorebank	28,897	Select Tender	A
Bill Ross & Associates Pty Ltd	Advice on heritage and environment management plan	110,000	Select Tender	B
BIS Shrapnel	Advice on Australian construction industry escalation factors	34,100	Direct Sourcing	A
Blake Dawson Waldron Canberra	Legal advice on service agreements	322,740	Panel	B
Blake Dawson Waldron Canberra	Advice on due diligence reporting and corroboration Initiative	330,000	Panel	B
Blake Dawson Waldron Sydney	Legal advice	46,200	Panel	A
Blue Visions Management Pty Ltd	Advice on the combined strategic and detailed business case for relocation	70,070	Direct Sourcing	A
Blue Visions Management Pty Ltd	Design and engineering advice for relocation to HMAS Penguin	94,600	Direct Sourcing	B
Brodtmann Communications	Advice on unexploded ordnance clearance	46,750	Panel	A
Butler Caroye	Advice on project definition phase	43,000	Select Tender	A
Cadability Design & Draughting	Advice on project management—European cultural assessment	17,364	Direct Sourcing	A
Cardno CCS	Design engineering services survey on the Cairns Sugar Terminal Wharf	22,880	Direct Sourcing	B
Carson Group Pty Ltd	Advice on heritage management plan	285,615	Panel	A
Carson Group Pty Ltd Brisbane	Advice on the garrison support services and comprehensive maintenance contracts	103,540	Direct Sourcing	A
Carson Group Pty Ltd Brisbane	Scoping study of property and future options disposals	105,189	Panel	B
Carson Group Pty Ltd Sydney	Engineering advice on the Land 144 countermine capability	30,000	Direct Sourcing	A

## WEB SECTION

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Catalyst Interactive	Development of a Defence wide energy management system	159,500	Direct Sourcing	A
Change Drivers Pty Ltd	Review into Property services directorate	51,697	Panel	B
Change Drivers Pty Ltd	Redesign of improved planning and business processes	449,020	Panel	B
Chris Hunt	Advice on code of conduct investigation	11,700	Direct Sourcing	B
Chubb Security Aust Pty Ltd	Advice on security installation works at Air Force Richmond combined headquarters	383,922	Open Tender	A
CIC SECURE Pty Ltd	Scoping study of green book bid for projects and to develop cost estimates for these projects	65,120	Select Tender	A
Clayton Utz	Review of national environmental measures	21,310	Direct Sourcing	A
Clayton Utz	Development of Air Force Amberley environmental management system	902,066	Select Tender	A
Clayton Utz Melbourne	Legal advice on contracts	11,000	Panel	A
Clayton Utz Melbourne	Review into the national recovery plan	26,840	Panel	B
Clayton Utz Melbourne	Development and implementation of the Canberra offices environmental management system	55,000	Select Tender	A
Clayton Utz Melbourne	Legal advice on HMAS Cairns redevelopment	58,399	Direct Sourcing	A
Clayton Utz Melbourne	Technical advice on environmental investigation	120,524	Direct Sourcing	A
Clayton Utz Sydney	Advice on disposal contract and tender document	12,270	Direct Sourcing	A
Clifton Coney Group Pty Ltd	Independent review	16,500	Select Tender	A
Connell Wagner (WA) Pty Ltd	Advice on project management for services and detailed business design	155,447	Open Tender	A
Connell Wagner Canberra Pty Ltd	Technical advice on emergency access works	17,908	Direct Sourcing	A
Connell Wagner Canberra Pty Ltd	Advice on infrastructure cost estimates for adaptive reuse option and overall base redevelopment to inform the relocation	21,604	Direct Sourcing	A
Connell Wagner Canberra Pty Ltd	Technical advice on boundary fence	31,433	Direct Sourcing	A
Connell Wagner Canberra Pty Ltd	Scoping study of Queanbeyan traffic	63,564	Direct Sourcing	A
Connell Wagner Canberra Pty Ltd	Development of the detailed business case for redevelopment projects	168,757	Select Tender	A

## CONSULTANCIES

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Connell Wagner Darwin Pty Ltd	Development of the detailed business case and provide design services for the Airborne early warning and control operations facility	495,000	Select Tender	A
Connell Wagner Pty Ltd	Design advice	168,757	Panel	A
Connell Wagner Pty Ltd	Development of monitoring plan	110,000	Select Tender	C
Connell Wagner Pty Ltd	Development of environment management system	136,747	Select Tender	A
CSG Demining Consultants Pty Ltd	Advice on cultural heritage management	1,009,335	Panel	A
Deloitte Touche Tohmatsu	Advice on property disposal	535,810	Select Tender	A
Deloitte Touche Tohmatsu	Advice on contamination investigations at Defence integrated distribution system sites	885,771	Select Tender	A
Deloitte Touche Tohmatsu	Advice on project management	57,499	Direct Sourcing	A
DLI Safety Services Pty Ltd	Advice on compliance of plant special license requirements	21,263	Panel	B
Earth Tech Engineering Pty Ltd	Legal advice on the drafting of managing contractor contract	24,250	Panel	A
Earth Tech Engineering Pty Ltd	Review into tender contract documents	30,389	Select Tender	B
Earth Tech Engineering Pty Ltd	Technical advice on environmental investigation	70,000	Panel	B
Earth Tech Engineering Pty Ltd	Technical advice on environmental investigation	274,365	Select Tender	A
Earth Tech Engineering Pty Ltd	Technical advice on environmental investigation	310,490	Select Tender	A
Earth Tech Engineering Pty Ltd	Advice on assessment of potential contamination	480,356	Direct Sourcing	A
ECOZ Environmental Services	Professional advice on addressing wildfire risk and management on training areas	25,000	Panel	B
Elementum Pty Ltd	Specialist industry advice on tender evaluation and contract negotiation	55,908	Select Tender	B
ENS International	Advice on collaborative workshops	97,130	Select Tender	B
Environmental Resource Management	Advice on disposal of unexploded ordnance	426,800	Open Tender	A
Environmental Resource Management	Advice on environmental investigation	285,615	Panel	B
Environmental Resource Management	Advice on environmental investigation	14,630	Select Tender	A

## WEB SECTION

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Environmental Resource Management	Advice on environmental investigation	14,630	Select Tender	A
Environmental Resource Management	Review into documents	16,500	Direct Sourcing	A
Environmental Resource Management	Advice on environmental investigation	535,810	Panel	B
Environmental Resource Management	Design of heritage management plan	230,817	Open Tender	A
Environmental Resource Management	Advice on property disposal	203,500	Direct Sourcing	A
Environmental Resource Management	High level heritage advise	44,859	Direct Sourcing	A
Environmental Resource Management	Advice on environmental management System and pilot	159,747	Direct Sourcing	A
Environmental Resource Management	Advice on environmental investigation	50,001	Panel	B
Environmental Resource Management	Advice on environmental investigation	140,800	Select Tender	A
68 Environmental Resource Management	Review into environmental services on consultancy service contracts	53,075	Direct Sourcing	A
Environmental Resource Management	Advice on environmental investigation	94,435	Select Tender	A
Environmental Resource Management	Development of business requirements	110,000	Direct Sourcing	A
Environmental Resource Management	Advice on environmental investigation	260,181	Panel	B
Environmental Resource Management	Advice on environmental investigation	265,363	Select Tender	A
Environmental Resource Management	Advice on environmental investigation	265,363	Select Tender	A
Environmental Resource Management	Advice on environmental investigation	450,000	Panel	B
Environmental Resources Management	Advice on environmental investigation	21,086	Select Tender	A
Ernst & Young Consulting Canberra	Advice on garrison support contract	16,500	Direct Sourcing	B
GHD Pty Ltd	Disposal and remediation study at Rockhampton	115,286	Select Tender	A
GHD Pty Ltd	Disposal study at Bullsbrook	125,400	Panel	A
GHD Pty Ltd	Development of Shoalhaven environmental management system.	55,000	Direct Sourcing	A
GHD Pty Ltd	Design and project management advice for Salt ash library.	59,570	Panel	A
GHD Pty Ltd	Advice on disposal of Lee Point	60,500	Panel	A

## CONSULTANCIES

Consultant Name	Description	Contract Value \$	Selection Process	Justification
GHD Pty Ltd	Advice on property disposal at Darwin	211,438	Select Tender	A
GHD Pty Ltd	Advice on environmental investigation	412,693	Select Tender	A
GHD Pty Ltd	Advice on contamination characterisation	426,800	Open Tender	A
GHD Pty Ltd Adelaide	Development of infrastructure requirements	48,285	Direct Sourcing	A
GHD Pty Ltd Canberra	Development of management plan and procedures to address the environmental and public management issues within the Honeymoon Bay camping ground	110,000	Select Tender	B
GHD Pty Ltd Melbourne	Advice on environmental investigation	116,339	Panel	B
Gibson Nominees Pty Ltd	Advice and recommendations on investigations outside QLD	55,000	Panel	B
Giles & Associates	Advice on possible breach of code of conduct	80,000	Direct Sourcing	B
Godden Mackay Logan Pty Ltd	Advice on delivery plan of replacement tanks	59,510	Direct Sourcing	A
Godden Mackay Logan Pty Ltd	Advice on environmental investigation	198,000	Select Tender	A
Gordon Consulting	Review of code of conduct	69,300	Panel	B
Graybridge Pty Ltd	Advice on Sydney Central tender selection	33,000	Panel	B
Green Building Council Of Australia	Advice on base reinvestment project	12,100	Direct Sourcing	A
Grosvenor Management Consulting	Review of project cost benchmark on operating costs	38,500	Select Tender	A
Grosvenor Management Consulting	Professional independent and expert advice on assisting Defence in management decisions	98,568	Panel	B
Gutteridge Haskins & Davey Pty Lte Sydney	Advice on the infrastructure requirements	51,700	Direct Sourcing	A
Gutteridge Haskins & Davey Pty Lte Sydney	Review options for Defence business centre Williamtown	66,000	Direct Sourcing	A
Heggies Australia Pty Ltd	Advice on heritage management plan	198,000	Panel	A
HLA-Envirosciences Pty Ltd	Advice on environmental investigation at Learmonth base	330,000	Select Tender	A
HLA-Envirosciences Pty Ltd	Expert legal advice on Lava rack Barracks Redevelopment	257,785	Direct Sourcing	A
HLA-Envirosciences Pty Ltd	Advice on small arms training section services design	518,155	Open Tender	A

## WEB SECTION

Consultant Name	Description	Contract Value \$	Selection Process	Justification
HLA-Envirosciences Pty Ltd	Review of qualifications to conditions of contract	60,500	Direct Sourcing	A
HLA-Envirosciences Pty Ltd	Advice on external stakeholder engagement	15,755	Direct Sourcing	A
HLA-Envirosciences Pty Ltd	Advice on contingent liability project	26,862	Panel	B
HLA-Envirosciences Pty Ltd	Advice on environmental investigation	132,660	Select Tender	A
HLA-Envirosciences Pty Ltd	Advice on environmental investigation	230,817	Select Tender	A
HLA-Envirosciences Pty Ltd	Advice on designing the Special Operations Working Accommodation	2,981,000	Open Tender	A
HMA Blaze Pty Ltd	Advice on Australian construction industry escalation factors	34,100	Direct Sourcing	A
HMA Blaze Pty Ltd	Review and update of the risk assessment and development of a planning guide	43,989	Direct Sourcing	A
Independent Conveyor	Scoping studies of disposal	115,500	Panel	A
Jerringa Local Aboriginal Land	Advice on land project management	138,813	Panel	B
KAZ Technology Services	Expert advice on the management of hardware and software of the Special Training Facilities	46,200	Panel	B
KPMG Corporate Finance (Aust)	Development of an interim heritage management plan for Pialligo	265,502	Panel	A
Landcorp	Review of national environmental protection measures	132,660	Direct Sourcing	A
Leadagility Pty Ltd	Advice on change management for work practices	102,388	Direct Sourcing	B
Libraries Alive Pty Ltd	Review of Defence library service	70,350	Select Tender	B
Mallesons Stephen Jaques	Development of measurements for managing and reporting training area sustainability performance	20,723	Panel	B
Maunsell Australia Pty Ltd	Advice on environmental investigation	61,501	Select Tender	A
Maunsell Australia Pty Ltd	Advice on environmental investigation for Wagga Wagga	247,693	Select Tender	A
Maunsell Australia Pty Ltd	Advice on environmental investigation	94,457	Select Tender	A
Maunsell Australia Pty Ltd	Advice on projects at Townsville and Oakey.	103,540	Direct Sourcing	A
Maunsell Australia Pty Ltd	Advice on contamination investigation at Defence integrated distribution system sites	176,552	Select Tender	A

## CONSULTANCIES

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Maunsell Australia Pty Ltd	Advice on environmental investigation	177,650	Select Tender	A
Maunsell Australia Pty Ltd	Advice on environmental investigation	237,351	Select Tender	A
Maunsell Australia Pty Ltd	Advice on environmental investigation	248,380	Select Tender	A
Maunsell Australia Pty Ltd	Advice on environmental investigation	411,565	Select Tender	A
Maunsell Australia Pty Ltd	Advice on environmental investigation	275,000	Select Tender	A
Maunsell Australia Pty Ltd	Advice on environmental investigation	411,565	Select Tender	A
Maunsell Australia Pty Ltd	Advice on environmental investigation	32,670	Panel	B
Maunsell Australia Pty Ltd	Advice on environmental investigation	489,341	Select Tender	A
Minter Ellison	Advice on members occupancy arrangements	11,914	Panel	B
Navin Officer Heritage Consultants	Development of Defence green building tool box sites	86,203	Panel	A
Ove Arup Pty Ltd	Specialist advice on pest control inspections at Wallangarra	148,254	Direct Sourcing	A
Ove Arup Pty Ltd	Specialist advice on fire retardant rubber	77,176	Direct Sourcing	A
Parsons Brinkhoff	Review into Strategic Training Area and Ranges	16,189	Panel	A
Parsons Brinkhoff	Advice on the Cultana training range expansion project management	416,363	Panel	A
Paul Mitchell	Advice on the Defence employment partnership project	22,440	Direct Sourcing	B
Phillips Fox	Legal advice	14,606	Panel	B
Phillips Fox	Legal advice	24,565	Panel	B
Phillips Fox Canberra	Development of strategic plans	257,785	Direct Sourcing	B
Phillips Fox Sydney	Development of university alliance template	25,365	Panel	B
Phillips Fox Sydney	Traffic studies	46,200	Direct Sourcing	A
Planning Workshop Australia	Design and documentation of relocation project	1,058,079	Open Tender	A
Power Initiatives	Advice on conducting future infrastructure assessment at Edinburgh	67,063	Direct Sourcing	A
Property Know-How Australia	Review of key business planning and development	10,560	Direct Sourcing	B

## WEB SECTION

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Rail Corporation	Compliance audit and development of a heritage and environment management plan	330,000	Panel	A
Resonate Solutions Pty Ltd	Scoping study for knowledge system	30,800	Select Tender	B
Robson Huntley & Associates Pty Ltd	Development of spatial information training needs	29,590	Select Tender	A
Robson Huntley & Associates Pty Ltd	Advice on disposal valuation at Rockhampton	16,653	Direct Sourcing	A
Rosslogic Pty Ltd	Technical advice and evaluation on Tasmis operational support	21,622	Panel	B
Russell Professional Group	Advice on professional conflict resolution	11,184	Direct Sourcing	B
Sigma Management Science Pty Ltd	Advice on environmental investigation	72,457	Direct Sourcing	A
Sinclair Knight Merz Pty Ltd	Advice on contract renewal matters	11,182	Panel	A
Sinclair Knight Merz Pty Ltd	Advice on facility operations	476,905	Direct Sourcing	A
72 Sinclair Knight Merz Pty Ltd	Advice on airport pavement risk management	286,032	Panel	B
Sinclair Knight Merz Pty Ltd	Development of cost estimate for Enoggera	23,370	Panel	B
Sinclair Knight Merz Pty Ltd	Advice on Australian Defence air traffic system project	94,600	Select Tender	A
Sinclair Knight Merz Pty Ltd	Scoping study for explosive ordnance safeguarding	31,526	Direct Sourcing	A
Sinclair Knight Merz Pty Ltd	Advice on infrastructure appraisal	54,872	Panel	B
Sinclair Knight Merz Pty Ltd	Advice on chapter development	80,590	Direct Sourcing	A
Sinclair Knight Merz Pty Ltd	Advice on environmental investigation	115,286	Select Tender	A
Sinclair Knight Merz Pty Ltd	Advice on contamination investigations	120,005	Panel	B
Sinclair Knight Merz Pty Ltd	Advice on Lavarack barracks redevelopment	137,920	Select Tender	A
Sinclair Knight Merz Pty Ltd	Development of new HMAS Stirling master plan and review of functions	373,630	Direct Sourcing	A
Sinclair Knight Merz Pty Ltd	Advice on installations compliance audit project	789,099	Panel	B
Sinclair Knight Merz Pty Ltd	Advice on environmental investigations	984,794	Panel	A
Sinclair Knight Merz Pty Ltd	Advice on Single Leap	94,600	Direct Sourcing	A

## CONSULTANCIES

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Sinclair Knight Merz Pty Ltd	Advice on Single Leap	1,773,122	Panel	A
SMEC Australia	Advice on environmental investigations	984,794	Select Tender	A
SMEC Australia	Advice on environmental investigations.	77,000	Select Tender	A
SMEC Australia	Advice on environmental investigations	209,491	Select Tender	A
Spotless	Advice on collaborative workshop	80,000	Panel	B
Spotless	Advice on contract management for regional consultancies for developing new works	1,170,000	Open Tender	B
Spotless Brisbane	Design of tenant fit out	71,280	Direct Sourcing	B
Strategic Facility Services Pty Ltd	Development of the functional design brief for the Air Force project	63,490	Direct Sourcing	A
Strategic Facility Services Pty Ltd	Review into maintenance specification	113,340	Panel	B
Thinc Projects Pty Ltd	Review into environmental spatial data library	173,198	Direct Sourcing	A
TNS Social Research Pty Ltd	Electrical design upgrade at Holsworthy barracks	63,800	Open Tender	A
Tracey Brunstrom & Hammond	Development of environmental auditor (contamination)	71,500	Select Tender	A
TT Building Consultants Pty Ltd	Audit of fire safety surveys	56,223	Panel	B
United Group Services	Advice on aeronautical ground lighting inspection and manual update	147,418	Select Tender	A
URS Australia Pty Ltd	Scoping study of water contamination project	17,798	Direct Sourcing	A
URS Australia Pty Ltd	Review and assess tender documents in relation to environmental management	31,469	Direct Sourcing	A
URS Australia Pty Ltd	Development of policy for the framework and content of operations and maintenance manuals	52,800	Direct Sourcing	A
URS Australia Pty Ltd	Design, develop and implement a performance management system	57,499	Direct Sourcing	A
URS Australia Pty Ltd	Development and implementation of the Oakey Army Aviation Centre environmental management system	125,400	Select Tender	A
URS Australia Pty Ltd	Technical advice on tender assessment	222,608	Select Tender	A
URS Australia Pty Ltd	Environmental advice on Bushmead Rifle Range	1,009,335	Select Tender	A

**W E B S E C T I O N**

<b>Consultant Name</b>	<b>Description</b>	<b>Contract Value \$</b>	<b>Selection Process</b>	<b>Justification</b>
Walter & Turnbull Pty Ltd	Independent and expert advice to assist Defence in management decisions	77,000	Panel	B
WB + Property Solutions	Advice on Darwin area master planning project	1,215,258	Direct Sourcing	A
Webfm Pty Ltd	Advice on assessments for Perth metro	12,595	Panel	B
Webfm Pty Ltd	Advice on infrastructure appraisal development	189,410	Panel	B
Woodhead International	Advice on Broadmann Communications Contract	110,000	Direct Sourcing	A
Woodhead International	High level advice on heritage assets	29,536	Direct Sourcing	A
Woodhead International	Development of community attitudinal research surveys	44,000	Select Tender	A
Woodhead International	Development of a heritage impact assessment for the ammunition depot buildings at the West Wattle Grove	44,000	Select Tender	A
Woodhead International	Advice on laboratory services at former ammunition depot Moorebank	275,500	Open Tender	A
74 Workplace Research Associates	Development of assessment centre for Defence library service restructure recruitment	72,675	Select Tender	B
WR Hyles and Company	Land Acquisition Advice	134,984	Select Tender	B
<b>Total Corporate Services and Infrastructure</b>		<b>42,121,244</b>		
<b>Chief Information Officer</b>				
Acumen Alliance	Development an request for tender for the provision of program and project support services	64,350	Direct Sourcing	A
APIS Consulting Group	Development of project management training needs	22,440	Panel	C
CapGemini Pty Ltd	Investigate and assist development of transformation strategy	436,920	Panel	B
Cognos Pty Ltd	Advice on installing environment and testing project	15,700	Direct Sourcing	B
CSC Australia Pty Ltd	Technical advice on common access card	50,715	Select Tender	B
EDS (Australia) Pty Ltd	Advice on the PeopleSoft Version 8 upgrade project	201,753	Direct Sourcing	B
EDS (Australia) Pty Ltd	Advice on implementing and supporting the Cadets Online Administrative System	282,161	Direct Sourcing	A
Gartner Australasia Pty Ltd	Development of telecommunications services benchmark and price validation	28,600	Panel	C

## CONSULTANCIES

Consultant Name	Description	Contract Value \$	Selection Process	Justification
Gartner Australasia Pty Ltd	Development of benchmark and price validation for voice services tender	42,900	Panel	B
Gartner Australasia Pty Ltd	Development of benchmark in support of voice statement of work	271,700	Panel	C
IBM Australia Ltd	Advice on Implementation of the Tivoli toolset	75,985	Direct Sourcing	B
IBM Australia Ltd	Technical advice on process improvement and the implementation	298,454	Direct Sourcing	B
Jacobs Australia	Identify and provide accurate end of year project funding for projects and provide task categories for grouping Work.	15,019	Direct Sourcing	B
KAZ Technology Services Pty Ltd	Review into Defence tools and processes	71,138	Direct Source	B
Noetic Solutions Pty Ltd	Technical advice on architect to enable departmental administrative applications	28,600	Direct Sourcing	A
Phillips Fox	Review into probity services for voice services request for tender	385,000	Panel	B
Rossllogic Pty Ltd	Review into PMKeyS Transition Impact	66,000	Panel	B
S-3 Consulting Pty Ltd	Review into Capability Maturity Model for integration appraisal awareness	216,150	Direct Sourcing	B
Storgetek	Review into Defence Computing Bureau back up scripts and procedures	19,800	Direct Sourcing	C
Tanner James Management Consultants	Development of training program for program and project methodology environment	64,240	Direct Sourcing	B
Tanner James Management Consultants	Advice on environment project management	110,707	Direct Sourcing	B
Tanner James Management Consultants	Advice on environment project management	243,801	Direct Sourcing	B
Tanner James Management Consultants	Advice on project management	297,083	Direct Sourcing	B
Tanner James Management Consultants	Advice on project management	406,058	Panel	B
Tanner James Management Consultants	Advice on transition into service for program and project methodology environment	443,748	Direct Sourcing	B
West Pacific Pty Ltd	Advice on system upgrade and maintenance	88,000	Direct Sourcing	B
<b>Total Chief Information Officer</b>		<b>4,247,022</b>		

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W E B S E C T I O N

Consultant Name	Description	Contract Value \$	Selection Process	Justification
<b>Secretary/Chief of the Defence Force</b>				
Allen Consulting Group	Development of stakeholder engagement and consultative arrangements	12,850	Direct Sourcing	B
Noetic Solutions	Review into Australian Defence Force higher command and control arrangements	11,000	Restricted tender	B
Noetic Solutions	Review into Australian Defence Force higher command and control arrangements	99,000	Restricted tender	B
SMS Management & Technology	Advice on Defence Cabinet secretariat processes	43,395	Direct Sourcing	B
<b>Total Secretary/Chief of the Defence Force</b>		<b>166,245</b>		
<b>Capability Development Group</b>				
Nous Group	Advice on workplace climate	31,158	Direct Sourcing	B
<b>Total Capability Development Group</b>		<b>31,158</b>		
<b>Total Defence</b>		<b>63,834,071</b>		

# DECISION MAKING AND OTHER POWERS AFFECTING MEMBERS OF THE PUBLIC

It should be noted that many powers invested in the specific positions described in this section may be delegated formally to subordinate officers.

**Secretary**

Under Clause J9 of the *Defence Employees' Certified Agreement 2004–2006* and clause G15 of the *Defence Collective Agreement 2006–2009*, which came into effect on 1 July 2006, the Secretary may authorise the payment of entitlements and benefits to the partner, dependants or legal representative of a deceased employee. Under Part 16 (sections 333–347) of the *Telecommunications Act 1997*, the Secretary may require a carriage service provider to supply a specified carriage of service for the use of Defence or the ADF and may enter into an agreement with a carrier or carriage service provider about planning for network survivability or operational requirements in times of crisis. Under regulation 101.065 and 101.430 of the Civil Aviation Safety Regulations, the Secretary may give permission to a person to launch a rocket (including a model rocket) or to operate an unmanned aircraft in or over a prohibited area.

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**Vice Chief of the Defence Force/  
Chief of Joint Operations**

May make decisions relating to the planning and conduct of campaigns, operations and other activities to achieve national objectives within Australia and overseas; may make decisions regarding the planning and conduct of combined and joint training activities and major exercises at the operational and tactical levels; oversees the provision of Defence assistance to the civil community at the operational level and, up until 11 June 2006, may summon civilian witnesses to attend courts martial and Defence Force Magistrate trials [changes to the *Defence Force Discipline Act 1982* that came into effect on 12 June 2006 transferred responsibility to the Registrar of Military Justice].

**Chief of Navy, Chief of Army and  
Chief of Air Force**

May prescribe conditions for entry or re-entry, however described (for example, appointment, re-appointment, recruitment, enlistment, re-enlistment, engagement, and re-engagement) to their respective Service; place names of officers and former officers on the retired list; grant to officers on the retired list military title or rank and authorise such persons to wear uniform and insignia; determine appointments in respect of cadets; approve the provision of Defence assistance to the civil community; authorise the use of words and letters protected under the Defence (Prohibited Words and Letters) Regulations; approve the wearing, manufacture or supply of protected Service emblems, crests and flags; determine who should be employed, reside or stay in a Service establishment; approve the possession, sale, supply and consumption of intoxicating liquor at gatherings of Service members and their guests; declare an area in or adjacent to Australia to be a firing or practice area; and grant licences to trade in an establishment of their respective Service.

## WEB SECTION

<p><b>Commander Joint Logistics</b></p>	<p>May issue invitations to register interest and requests for tender, evaluate tenders, recommend source selection and award contracts and, up until 11 June 2006, may summon civilian witnesses to attend courts martial and Defence Force Magistrate trials.</p>
<p><b>Capability Development Group Delegates</b></p>	<p>Delegates within Capability Development Group have the authority to determine the method of procurement; issue invitations to register interest and requests for tender; evaluate tenders; recommend source selection; and approve contracts.</p>
<p><b>Chief Finance Officer</b></p>	<p>May exempt notification of contract details in accordance with the <i>Freedom of Information 1982</i>; approve a payment pending probate; approve a payment of a debt by instalments; approve non-recovery of a debt; approve deferred payment of a debt; approve gifts of public property; approve the loan or hire of public property; determine rates and charges for goods and services provided or lent by Defence; approve the waiving of charges for public property provided or lent or services provided by Defence.</p>
<p><b>Chief Executive Officer of the Defence Materiel Organisation</b></p>	<p>May determine methods of procurement and approve contracts for major capital equipment and through-life support requirements, issue invitations to register interest and requests for tender, evaluate tenders and recommend source selection.</p>
<p><b>Chief of Staff Australian Defence Headquarters</b></p>	<p>Has the authority to issue invitations to register interest and requests for tender; evaluate tenders; and recommend source selection in relation to contracts for the provision of public affairs services for Defence.</p>
<p><b>Chief Information Officer</b></p>	<p>May determine the method of procurement; issue invitations to register interest and requests for tender; evaluate tenders; recommend source selection; and approve contracts.</p>
<p><b>Maritime Commander Australia</b></p>	<p>May make decisions relating to public access to naval ships and military (Navy) areas; may provide assistance to civilian authorities in disaster relief or rescue situations; may make public comment in relation to visiting naval forces or ships; up until 11 June 2006, may summon civilian witnesses to attend courts martial and Defence Force Magistrate trials.</p>
<p><b>Land Commander Australia</b></p>	<p>May make decisions relating to public access to military (Army) areas; select private, state or Commonwealth property for training exercises; provide Defence assistance to the civil community; may release Army personnel information; may approve local hire or lease of Army property; up until 11 June 2006, may summon civilian witnesses to attend courts martial and Defence Force Magistrate trials.</p>
<p><b>Air Commander Australia</b></p>	<p>May provide Defence assistance to the civil community and, up until 11 June 2006, may summon civilian witnesses to attend Air Force courts martial and Defence Force Magistrate trials.</p>
<p><b>Commander Australian Navy Systems Command</b></p>	<p>May make decisions relating to public access to naval establishments and military (Navy) areas; may provide assistance to civilian authorities in disaster relief or rescue situations; may provide Defence assistance to the civil community; and up until 11 June 2006, may summon civilian witnesses to attend courts martial and Defence Force Magistrate trials.</p>
<p><b>Commander Training Command—Army</b></p>	<p>May authorise the provision of Defence assistance to the civil community by any of the schools, colleges or training establishments within the Command; up until 11 June 2006, may summon civilian witnesses to attend courts martial and Defence Force Magistrate trials and may release information from the records of any member and ex-member who has undergone training by the Command.</p>

## DECISION MAKING AND OTHER POWERS AFFECTING MEMBERS OF THE PUBLIC

<b>Heads of Maritime Systems, Land Systems, Aerospace Systems, Electronic Systems, Management Information Systems and Airborne Surveillance and Control Divisions</b>	<p>May issue invitations to register interest and requests for tender; evaluate tenders; and recommend source selection for major and minor capital equipment. In specific cases, they have the authority to determine the method of procurement and approve major and minor capital equipment contracts.</p>
<b>Head Industry Division</b>	<p>Accepts tenders and recommendations about quotations for the purchase of supplies and services.</p>
<b>Head National Operations Division</b>	<p>May provide Defence assistance to the civil community; control public access to military areas; approve the loan, hire or purchase of defence stores and equipment and, in defined cases, determine the method of procurement; issue invitations to register interest and requests for tender; evaluate tenders and recommend or approve sourcing; and approve contracts and the purchase of supplies and services.</p>
<b>Head Infrastructure Division</b>	<p>May determine the method of procurement; issue invitations to register interest and requests for tender; evaluate tenders; recommend source selection; approve contracts for capital facilities, property transactions, and the purchase of services; and has responsibility for environmental and heritage issues within Defence. Head Infrastructure has the delegated authority to determine Defence facilities and infrastructure construction standards. Head Infrastructure has the delegated authority for implementation of Defence (Areas Control) Regulations which are made under the <i>Defence Act 1903</i> and to give the legal basis for restrictions to be placed by Defence on the height of buildings and other structures and introduced objects, such as trees, in the vicinity of Defence airfields and related facilities.</p>
<b>Head Strategic Policy Division</b>	<p>May issue approvals for the export of certain defence equipment and goods with dual civil and military applications.</p>
<b>Head Defence Health Services</b>	<p>May authorise the release of serving and former members' medical and dental records.</p>
<b>Director-General Career Management Policy</b>	<p>May authorise the release of serving and former ADF members' honours and awards histories.</p>
<b>Director-General Personnel Policy and Employment Conditions, Director Workplace Relations</b>	<p>Under the <i>Financial Management and Accountability Act 1997</i> (FMA Act), the Director-General Personnel Policy and Employment Conditions and the Director Defence Workplace Relations may exercise powers to approve claims against the Department brought by former employees in respect of the termination of their employment. These claims of unfair dismissal are made under Section 170CE of the <i>Workplace Relations Act 1996</i> and are lodged with and heard by the Australian Industrial Relations Commission. The powers are exercised in accordance with the Attorney-General's <i>Legal Services Directions</i>.</p>
<b>Director-General Navy Personnel and Training</b>	<p>May authorise the release of serving and former Navy members' military records.</p>
<b>Registrar of Military Justice</b>	<p>From 12 June 2006, may summon civilian witnesses to attend courts martial and Defence Force Magistrate trials.</p>
<b>Director Classified Archival Records Review</b>	<p>In accordance with an arrangement made between Defence and the National Archives of Australia pursuant to section 35 of the <i>Archives Act 1983</i>, the Director Classified Archival Records Review provides advice to the Director-General National Archives of Australia and the Director of the Australian War Memorial specifying which matter, if any, contained in Defence archival records requested by the public under the Archives Act, is considered to be exempt under paragraphs 33(1)(a) and (b) of the Act.</p>

W E B S E C T I O N

**Director Defence Force  
Psychology Organisation**

May allow the release of information from individual psychological records.

**Director of Service Delivery**

May authorise the release of individuals' confidential counselling records to those individuals concerned.