Portfolio Overview
DEFENCE PORTFOLIO OVERVIEW

The Defence Portfolio consists of a number of component organisations that together are responsible for supporting the defence of Australia and its nation interests. The three most significant bodies are:

- The Department of Defence – a department of state, headed by the Secretary of the Department of Defence;
- The Australian Defence Force (ADF) – which consists of the three Services, Navy, Army and the Air Force (including Reserves) commanded by the Chief of the Defence Force (CDF). Each Service Chief also administers their respective Cadet service, although the Cadet service is not a component of the parent Service; and
- The Defence Materiel Organisation (DMO) a prescribed agency within the Department of Defence headed by its Chief Executive Officer (CEO) DMO.

In practice, the bodies have to work together closely and are broadly regarded as one organisation known simply as Defence.

The Portfolio contains some smaller entities, including a number of statutory offices created by the Defence Force Discipline Act 1982 which are independent but reside administratively within Defence and various trusts and companies such as Defence Housing Australia (DHA) and the Australian Strategic Policy Institute (ASPI).

The Minister for Defence’s Portfolio also contains the Department of Veterans’ Affairs and associated bodies, as it is designated as part of the Defence Portfolio in the Administrative Arrangements Order. The Department of Veterans’ Affairs is administered separately to Defence and information related to the department can be found in Department of Veterans’ Affairs budget statements.
Ministers and their Portfolio Responsibilities

**CHANGES AFFECTING THE PORTFOLIO**

On September 18 2013, the Coalition Government was sworn in with the following Ministers in the Defence Portfolio:

- Minister for Defence – Senator the Hon David Johnston
- Assistant Minister for Defence - The Hon Stuart Robert MP
- Parliamentary Secretary to the Minister for Defence – The Hon Darren Chester MP

The Minister for Veterans’ Affairs, Senator the Hon Michael Ronaldson, is in the Defence Portfolio but reported separately in the Department of Veterans’ Affairs budget statements.


The Ministers and their portfolio responsibilities are as follows:

**Senator the Hon David Johnson – Minister for Defence**

- Oversight of all aspects of the Defence portfolio, and lead on all Cabinet and National Security Committee of Cabinet (NSC) submissions, with specific responsibility for:
  - Strategic policy
  - Operations
  - Intelligence and security
  - International policy
  - Force structure
  - Portfolio management, finances and reform
  - Defence estate policy and major projects
  - The military justice system
  - Defence export controls
  - Defence Housing Australia (as joint shareholder Minister)
  - Australian Strategic Policy Institute
- The Defence Capability Plan (DCP)
- Defence materiel acquisition - major and minor - and sustainment
- Industry capacity, structure, policy and engagement.
The Hon Stuart Robert MP – Assistant Minister for Defence

- Personnel policy and implementation, specifically:
  - Personnel policy, including workforce planning
  - Recruitment and retention
  - Pay and superannuation
  - Reserves
  - Equity and diversity
  - Personnel support
  - Defence families and community organisations
  - Housing policy
  - Defence Housing Australia contractual matters
  - Health (including Work Health and Safety)
- Science and technology policy, specifically:
  - Strategic direction
  - External engagement
  - Support to operations
- *Commonwealth Authorities and Companies Act 1997* entities other than those that are the responsibility of the Minister for Defence
- Assisting with Defence materiel acquisition at the direction of the Minister for Defence.

The Hon Darren Chester MP - Parliamentary Secretary to the Minister for Defence

- Assist the Minister for Defence on:
  - Defence estate policy and major projects
  - Garrison Support
  - Skills policy
  - Equipment disposal
  - Military justice
  - Medals and awards
  - Parliamentary exchange programme
  - Navy, Army and Air Force Cadets
- Assist the Minister for Defence on industry engagement.
PORTFOLIO STRUCTURE AND OUTCOMES

Figure 1: Defence Portfolio Structure and Outcomes

Minister for Defence
Senator the Hon David Johnston

Assistant Minister for Defence
The Hon Stuart Robert MP

Parliamentary Secretary to the Minister for Defence
The Hon Darren Chester MP

Chief of the Defence Force
General David Hurley AC, DSC

Secretary
Dennis Richardson AO

Australian Defence Force

Navy | Army | Air Force
Navy Reserves | Army Reserves | Air Force Reserves
Navy Cadets | Army Cadets | Air Force Cadets

Department of Defence
Secretary: Dennis Richardson AO
Chief of the Defence Force: General David Hurley AC, DSC

Outcome 1: The protection and advancement of Australia’s national interests through the provision of military capabilities and the promotion of security and stability.

Outcome 2: The advancement of Australia’s strategic interests through the conduct of military operations and other tasks directed by Government.

Outcome 3: Support for the Australian community and civilian authorities as requested by Government.

Defence Materiel Organisation (Prescribed Agency within the Department)
Chief Executive Officer: Mr Warren King

Outcome 1: Contributing to the preparedness of the Australian Defence Organisation through acquisition and through-life support of military equipment and supplies.

Defence Housing Australia
Managing Director: Mr Peter Howman

Outcome 1: To contribute to Defence outcomes by providing total housing services that meet Defence operational and client needs through a strong customer and business focus.

Various small trusts and companies
Figure 2: Defence Organisational Chart

Minister for Defence
Senator the Hon David Johnston

Assistant Minister for Defence
The Hon Stuart Robert MP

Parliamentary Secretary to the Minister for Defence
The Hon Darren Chester MP

Secretary
Mr Dennis Richardson

Chief of the Defence Force
General David Hurley

Enabling functions

- Chief Operating Officer
  Mr Brendan Sargeant
  - Chief Information Officer
    Dr Peter Lawrence
  - Deputy Secretary
    Defence People
    Ms Rebecca Skinner
  - Deputy Secretary
    Defence Support and Reform
    Mr Steve Grzeskowiak

- Chief Finance Officer
  Mr Phillip Prior

- Deputy Secretary Strategy
  Mr Peter Baxter

- Chief Defence Scientist
  Dr Alex Zelinsky

- Chief Capability Development
  Vice Admiral Peter Jones

- Chief Executive Officer
  Defence Materiel Organisation
  Mr Warren King
  - General Manager
    Land and Maritime
    Mr Colin Thorne
  - General Manager
    Submarines
    Mr David Gould
  - General Manager
    Joint Systems and Air
    Ms Shireane McKinnie
  - Deputy Chief Executive Officer and
    General Manager Commercial
    Mr Harry Dunstall

Capability and output managers

- Vice Chief of the Defence Force
  Air Marshal Mark Binskin

- Chief of Navy
  Vice Admiral Ray Griggs

- Chief of Army
  Lieutenant General David Morrison

- Chief of Air Force
  Air Marshal Geoff Brown

- Chief of Joint Operations
  Lieutenant General Ash Power

- Deputy Secretary
  Intelligence and Security
  Mr Stephen Meekin

Stars (*) refer to ADF Star Rank
Senior Executive Changes

The following changes have taken place since the Portfolio Additional Estimates Statements 2013-14:

- With effect 17 April 2014, Ms Carmel McGregor, Deputy Secretary Defence People, commenced leave and will resign from the Australian Public Service in July 2014.

- Ms Rebecca Skinner was promoted to the position of Deputy Secretary Defence People on 12 May 2014.
Defence Portfolio Bodies

None of the portfolio bodies described below receives direct appropriations from the Commonwealth.

Army and Air Force Canteen Service

Chairman: Mr Andrew Tregaskis

The Army and Air Force Canteen Service (AAFCANS), a Commonwealth authority established under the Army and Air Force Canteen Service Regulations 1959 supplies goods, facilities and services to, or for the entertainment and recreation of, members of the Army and the Air Force including persons employed in, or in connection with, Army or Air Force installations and dependants of those members or persons, visitors to such installations and members of the Australian Army or Air Force Cadets.

The services are designed to enhance the living conditions and social environment of the ADF by providing canteen services, comprising food beverages and convenience items; wholesale supply of alcohol and other requirements to messes and clubs; vending; dry-cleaning services; postal services; fuel and mechanical workshops; and Army Shop – the online supplier of Brand Army merchandise and Military and adventure-wear stores.

Australian Military Forces Relief Trust Fund

Chairman: Brigadier Gavin Reynolds AM

The Australian Military Forces Relief Trust Fund, a Commonwealth authority established under the Services Trust Funds Act 1947, provides benefits to members of the ADF who have served in, or in association with, the Army and to the dependants of such members.

Royal Australian Air Force Veterans’ Residences Trust

Chairman: Air Commodore D.E. Tindal AM (Retd.)

The Royal Australian Air Force Veterans’ Residences Trust, a Commonwealth authority established by the Royal Australian Air Force Veterans’ Residences Act 1953, provides residences in which eligible former members, including dependants, of the Royal Australian Air Force, Royal Australian Air Force Nursing Service and Women’s Auxiliary Australian Air Force who are in necessitous circumstances and, if the Trust so approves, the dependants of such eligible persons, may be accommodated or supported.

Royal Australian Air Force Welfare Trust Fund

Chairman: Chaplain (Air Commodore) Kevin Russell

The Royal Australian Air Force Welfare Trust Fund, a Commonwealth authority established under the Services Trust Funds Act 1947, provides benefits for members of the Defence Force who have served in, or in association with, the Royal Australian Air Force and to the dependants of such members.
**Royal Australian Navy Central Canteens Board**

Chairman: Rear Admiral Clinton Thomas AM, CSC

The Royal Australian Navy Central Canteens Board, a Commonwealth authority established under the *Navy (Canteens) Regulations 1954*, administers the Royal Australian Navy Central Canteens Fund (RANCCF). RANCCF provides facilities for the welfare or entertainment of the members of the Navy, including holiday parks, accommodation and amenities, a theatre and entertainment ticketing agency that provides theatre tickets to Naval and Defence members. It also operates a retail e-Commerce facility called SALT that sells Navy memorabilia; a raffle for Navy members; a retail operation at the Fleet Air Arm Museum in Nowra; mobile coffee services and wholesale supply services to canteens, messes and clubs. It uses its surplus to make grants and loans to canteens, clubs, cinemas or other institutions, including the Royal Australian Navy Relief Trust Fund.

**Royal Australian Navy Relief Trust Fund**

Chairman: Commodore Paul Kinghorne

The Royal Australian Navy Relief Trust Fund, a Commonwealth authority established under the *Services Trust Funds Act 1947*, provides benefits for members of the Defence Force who have served in, or in association with, the Navy and to the dependants of such members.

**AAF Company**

President: Brigadier Paul Nothard AM CSC

The AAF Company is a Commonwealth company that undertakes the management and trusteeship of the unincorporated funds known as the ‘Army Amenities Fund’ and the ‘Messes Trust Fund’. The AAF Company promotes and supports the objects of the Army Amenities Fund which provides amenities for members of the Australian Army.

**Australian Strategic Policy Institute Limited**

Chairman: Mr Stephen Loosley

The Australian Strategic Policy Institute Limited is a Commonwealth company that provides policy-relevant research and analysis to inform Government decisions and public understanding of strategic and defence issues.

**Royal Australian Air Force Welfare Recreational Company**

Chairman: Air Commodore Andrew Elfverson

The Royal Australian Air Force Welfare Recreational Company is a Commonwealth company that provides access to discounted recreational accommodation and manages and promotes the Royal Australian Air Force Central Welfare Trust Fund owned recreational facilities for the Royal Australian Air Force members, their families and other eligible persons. It also provides financial support to, and assists in the provision of, recreational facilities and services to the Royal Australian Air Force members.
## Portfolio Resource Statement

### Table 1: Portfolio Resources [1]

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### Notes
1. Figures shown include inter-agency transactions.