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PBS GUIDELINES CHECKLIST

This checklist is based on the *1999-2000 Portfolio Budget Statements – Final Guidelines* issued by the Department of Finance and Administration on 21 April 1999. It allows a cross-check between the generic format suggested in the guidelines and the format adopted by Defence in this document to explain as clearly as possible the proposed allocation of resources. Some of the guidelines have been reworded to reflect the fact that Defence has only one outcome.

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GLOSSARY

Appropriation: is an authorisation by Parliament to spend moneys from the Consolidated Revenue Fund.

Accrual Accounting: recognises the change in value of assets, liabilities, income and expenditure at the time that transactions and/or events occur, not at the time cash is paid or received, as is the case in cash accounting.

Combined Exercise: an exercise/activity involving one or more Services of the Australian Defence Force with the forces of other countries.

Defence Assistance to the Civil Community: is the provision of Defence resources for the performance of tasks which are primarily the responsibility of the civil community. While the provision of such assistance is in exceptional circumstances, a high priority is given to civil emergencies and natural disasters where lives or property are at risk.

Force Element: a component of a unit, a unit or an association of units having common prime objectives and activities.

Force Element Group: a grouping of force elements with an appropriate command and control structure for a specified role or roles.

Force Structure: see *Preparedness Concepts and Planning*.

Group: is an identifiable group of functions and activities. Groups form the basis upon which Defence is structured and resources are allocated. Defence Groups are subdivided into sub-groups, components, sub-components and elements.

Interoperability: the ability of systems, units or forces to provide the services to and accept services from other systems, units or forces and to use the services so exchanged to enable them to operate effectively together.

Joint Exercise: an exercise/activity involving two or more Services of the ADF.

Military Capability: see *Preparedness Concepts and Planning*.

Preparedness Concepts and Planning: To achieve its outcome, Defence develops military capabilities that enable the Government to apply military power when required. Military capability is achieved by developing a force structure appropriately prepared for operations. Preparedness is therefore of fundamental importance to Defence, which must be able to manage it effectively and communicate its status to the Government.

Military Capability

The two levels of military capability specified for forces within the ADF are derived from the concept of maintaining forces at an appropriate minimum level of capability (or MLOC) in peacetime and ensuring that those forces are ready to work up to an appropriate higher level of task-specific capability (or operational level of capability - OLOC), within a given time, in order to conduct operations effectively.

However, the maintenance of a force at a higher level of preparedness or at an operational level of capability for a prolonged period is resource intensive. A clear understanding of the implications is required before a force is raised to that level of capability in peacetime. During a time of economic constraint, Defence balances the mix of capabilities, or outputs, from within its budget to meet Government tasking priorities.

Force Structure

Force structure relates to the type of force required - personnel, equipment, facilities and military doctrine - to achieve the operational level of capability necessary to conduct operations effectively.

In the medium to long term, military capability will vary due to changes in force structure generated by the capability development process. In the short term, force structure is the more constant component of military capability and the level of capability available for operations is determined by Defence's management of preparedness of the current force.

Changes to force structure usually impact on the preparedness of the associated forces. For example, the introduction of a new capability, retirement of an old capability or capability enhancement will have a direct impact on the resource, training and facility requirements of the forces involved.

Preparedness

Preparedness is a measurement of how ready (readiness) and how sustainable (sustainability) the whole or part of the ADF is to undertake military operations. The readiness of forces to be committed to operations within a specified time is dependent on the availability and proficiency of personnel, equipment, facilities and consumables. Sustainability is measured in terms of the ability to provide personnel, equipment, facilities and consumables to enable a force to complete its period of operations.

Preparedness Planning

The preparedness planning process begins with a strategic appreciation involving an analysis of the national security objectives which are specified in Government guidance. These objectives are considered against current strategic circumstances and defence policy. In the light of this appreciation, military strategies are developed or refined to achieve the objectives. Military strategic objectives and military response options are then derived from the military strategies and are used to provide preparedness planning guidance.

The Chief of the Defence Force's Preparedness Directive

This principal strategic-level directive contains strategic planning guidance, lists military response options and sets preparedness requirements. It informs all subordinate preparedness directives at the operational level which set specified levels of preparedness and contain the capability standards against which force units measure and report.

The implementation of preparedness involves the allocation of resources to the current force to ensure that preparedness objectives can be met and managed properly. The evaluation and reporting of preparedness ensure that there is regular feedback in the process and that objectives and resource allocations are refined as necessary.

Readiness: see *Preparedness Concepts and Planning*.

Running Costs: are the full recurrent and minor capital costs consumed by an agency. Included are; salaries and related employment costs, superannuation, administrative items, minor capital items, property operating expenses and consultancy services.

Sustainability: see *Preparedness Concepts and Planning*.

Theatre: is the area in which military operations/activities take place.

ACRONYMS

AEW&C.....	Airborne Early Warning and Control
ADF.....	Australian Defence Force
ADFA.....	Australian Defence Force Academy
ADI.....	Australian Defence Industries
AFS.....	Average Funded Strength
ALG.....	Air Lift Group
APS.....	Australian Public Service
ARA.....	Australian Regular Army
ASEAN.....	Association of South East Asian Nations
ASLAV.....	Australian Light Armoured Vehicle
AST.....	Australian Theatre
ASTA.....	AeroSpace Technologies of Australia
ATSIC.....	Aboriginal and Torres Strait Islander Commission
AUSMIN 99.....	Australian/United States Ministerial Consultations 1999
C ³ I.....	Command, Control, Communications and Intelligence
CAF.....	Canadian Air Force
CDF.....	Chief of the Defence Force
CF.....	Canadian Forces
COMAST.....	Commander Australian Theatre
CPD.....	CDF's Preparedness Directive
CRU.....	Control and Reporting Unit
CSIRO.....	Commonwealth Scientific and Industrial Research Organisation
CSP.....	Commercial Support Program
CSS.....	Commonwealth Superannuation Scheme
DACC.....	Defence Aid to the Civil Community
DAO.....	Defence Acquisition Organisation
DC.....	Defence Cooperation
DCS.....	Defence Corporate Support
DDG.....	Guided Missile Destroyer
DER.....	Defence Efficiency Review
DEO.....	Defence Estate Organisation
DEWRSB.....	Department of Employment, Workplace Relations and Small Business
DFAT.....	Department of Foreign Affairs and Trade
DFRB.....	Defence Force Retirement Benefits
DFRDB.....	Defence Force Retirement and Death Benefits
DHA.....	Defence Housing Authority
DHQ.....	Defence Headquarters
DIS.....	Defence Information Systems
DJFHQ.....	Deployable Joint Force Headquarters
DoFA.....	Department of Finance and Administration
DPE.....	Defence Personnel Executive
DRP.....	Defence Reform Program
DSTO.....	Defence Science and Technology Organisation
EEO.....	Equal Employment Opportunity
EEZ.....	Exclusive Economic Zone
FBT.....	Fringe Benefits Tax
FBW.....	Fleet Base West

Section Six

FCP	Fleet Concentration Period
FEG.....	Force Element Group
FFG.....	Guided Missile Frigate
FFH.....	Anzac Class Frigate
FIG.....	Finance and Inspector General
FPDA	Five Power Defence Arrangements
FYDP	Five Year Defence Program
HMAS	Her Majesty's Australian Ship
HQAC	Headquarters Air Command
HQAST	Headquarters Australian Theatre
HQNORCOM.....	Headquarters Northern Command
HQTC.....	Headquarters Training Command
JET.....	Joint Education and Training
JORN.....	Jindalee Operational Radar Network
LPA	Landing Platform Amphibious
LTA.....	Light Tactical Aircraft
MCM.....	Mine Countermeasures
MHC	Minehunter Coastal
MLOC	Minimum Level of Capability
MPG.....	Maritime Patrol Group
MSBS	Military Superannuation and Benefits Scheme
NATO	North Atlantic Treaty Organisation
NORCOM	Northern Command
NZ.....	New Zealand
OH&S.....	Occupational Health and Safety
OLOC.....	Operational Level of Capability
PBS	Portfolio Budget Statements
PMKEYS.....	Personnel Management Key Solution
PMSA	Program of Major Service Activities
PNG	Papau New Guinea
PSS.....	Public Sector Superannuation Scheme
RAAF.....	Royal Australian Air Force
RAF.....	Royal Air force
RAN.....	Royal Australian Navy
RAR	Royal Australian Regiment
RBN	Royal Brunei Navy
ROMAN.....	Resource and Output Management and Accounting Network
RN.....	Royal Navy
RNZAF.....	Royal New Zealand Air Force
RNZN.....	Royal New Zealand Navy
RSN.....	Republic of Singapore Navy
RTAF	Royal Thailand Air force
SASR.....	Special Air Services Regiment
SCA.....	Support Command Australia
SPA	Sale and Purchase Agreement
SRG.....	Strike Reconnaissance Group
TFG.....	Tactical Fighter Group
TNI-AU	Indonesian Air Force

UK	United Kingdom
UN	United Nations
UNSW.....	University of New South Wales
USA	United States of America
USAF.....	United States Air Force
USN	United States Navy
Y2K	Year 2000 (computer 'bug')

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