



Disposal of Specialist Military Equipment under the spotlight

Parliament's Joint Public Accounts Committee is conducting new reviews, as part of its role of examining Australian National Audit Office reports, into the Administration of the Tariff Concession System, the Early Years Quality Fund and the Management of the the Disposal of Specialist Military Equipment.

Specialist Military Equipment disposed of in recent years includes the Royal Australian Navy's (RAN's) frigates HMA Ships *Canberra* and *Adelaide*, which were scuttled but at unexpectedly high cost, the Australian Army's fleet of Leopard tanks and the Royal Australian Air Force's (RAAF's) F-111 long-range strike aircraft. Defence disposal activity is expected to increase in the medium term due to Defence's major program of upgrading and replacing Specialist Military Equipment over the next 15 years.

Committee Chair, Dr Andrew Southcott MP, said that while the procurement of new platforms and equipment, such as ships, aircraft and vehicles, is obviously important, the disposal of Specialist Military Equipment is also very important as it can result in financial and reputational risks for Defence and the Australian Government.

"The ANAO concluded that Defence's management of Specialist Military Equipment disposals has not been to the expected standard as insufficient attention has been devoted to achieving the best outcome for the Australian Government. So this is an issue worth further inspection by the Committee," Dr Southcott said.

Interested persons and organisations are invited to make submissions to the Committee's reviews, addressing the terms of reference, by Friday, 10 April 2015. Further information about the Committee's reviews, including details on how to lodge a submission, are available on the Committee's website at www.aph.gov.au/jcpaa.

Public hearings have been scheduled for Thursday, 14 May 2015, and Friday, 15 May 2015.

The Committee has selected three ANAO reports for detailed review:

- No. 19 of (2014-15) *Management of the the Disposal of Specialist Military Equipment*
- No. 20 of (2014-15) *Administration of the Tariff Concession System*
- No. 23 of (2014-15) *Early Years Quality Fund*

For media comment: please contact Committee Chair, Dr Andrew Southcott MP, on 0402 579 674 (Matthew Hee).

For information about the inquiry and public hearing: please contact the Committee Secretariat on (02) 6277 4615, email jcpaa@aph.gov.au, or visit the Committee website <http://www.aph.gov.au/jcpaa>.