8 May 2007

Submission No: ..../

Chairman Joint Committee of Public Accounts and Audit Department of the House of Representatives PO Box 6021 Parliament House Canberra ACT 2600 AUSTRALIA

Dear Mr Chairman,

I write to you in relation to the hearing of 28 March 2007 of your Committee's inquiry into the financial management and equipment acquisition of the Department of Defence and the Defence Materiel Organisation.

After being made aware of the Committee Hansard of that date it has come to my attention that a witness before the Committee, Mr Joe Moharich, made the following remarks in relation to me:

"I cannot quote the date, but I ran into the then Head of Aerospace Systems Division, Air Vice Marshal Ray Conroy, in the lounge at Los Angeles airport. It was before Air 87 was announced – I do not say that that had any influence on him – and I cannot remember the actual words he said, but it was a case of: 'don't think you're going to be doing any business with this organisation while I'm around'. It was words to that effect."

I am writing to deny this accusation.

I retired from the RAAF in 2003 and I am no longer a Commonwealth official. While I have no recollection or record of the alleged meeting, I wish to place firmly on the record that I *have never* said such things to anyone in the defence industry during my Government employment, nor *would* I have done so, particularly when live tenders were afoot.

I would add that in over two decades of association, in different capacities, with Defence acquisitions, I have never heard any Commonwealth officer speak to a representative of industry in such terms.

I trust that this correspondence will help to set the record straight.

Yours sincerely,

Bulay