

**Foreign Affairs, Defence and Trade Legislation Committee**  
**QUESTIONS ON NOTICE—ADDITIONAL ESTIMATES, 25 FEBRUARY 2015**  
**Department of Defence**

Q No.	Program: Division or Agency	Senator	Broad topic	Question	Proof Hansard, page & hearing date or Written Q	Date rec'd	Date tabled
1.	Defence	Conroy	Number of Daesh fighters	<p><b>Senator CONROY:</b> This may be impossible to answer, but do you have any idea what their rough numbers are?</p> <p><b>Air Chief Marshal Binskin:</b> I would have to take that on notice and look at it because the numbers vary depending on how you measure them.</p> <p><b>Mr Richardson:</b> I might add that the estimates vary enormously.</p> <p><b>Senator CONROY:</b> As I said, it may be impossible to give even a rough ballpark figure.</p> <p><b>Mr Richardson:</b> When you think of the estimates, if you get within 5,000 of the actual figure you are probably doing pretty well.</p> <p><b>Senator CONROY:</b> It depends whether you are counting Syria—</p> <p><b>Mr Richardson:</b> Yes.</p> <p><b>Air Chief Marshal Binskin:</b> Is it in Iraq? Is it in Syria?</p> <p><b>Senator CONROY:</b> Yes, I know. But your best estimate—</p> <p><b>Air Chief Marshal Binskin:</b> I will grab the latest number before we break.</p>	8	23/03/15	26/03/15
2.	Defence	Conroy	Rate of Effort - Iraq	<p><b>Senator CONROY:</b> Thank you very much for that. Last time we chatted back in October-November, there was a relatively small number and you were able to easily take us through the RAAF's activities. It may be too large now, given the volume of activity you have had, but I am happy to take a summary. I am just interested to know how many times the super hornets have flown into Iraqi airspace. Has the rate of effort changed since the last estimates? How many missions are we flying daily? The volume may be too large. I know you were able to rattle them off very simply last time, but it may be now your answer would be, 'Oh, my goodness.'</p> <p><b>Air Chief Marshal Binskin:</b> We will take on notice to give you all the details.</p> <p><b>Senator CONROY:</b> Great.</p> <p><b>Air Chief Marshal Binskin:</b> It has been quite significant. I would think up until today we have dropped about 200 precision guided weapons. That is to give you an idea of the number of weapons. But I will give you all the details on notice. For a small force, it is quite significant.</p> <p><b>Senator CONROY:</b> From what you have been describing in your opening statement, it does sound like we are right there in the heart of it.</p> <p><b>Air Chief Marshal Binskin:</b> They are in the thick of it.</p>	9	23/03/15	26/03/15

3.	Defence	Conroy	Red card system	<p><b>Senator CONROY:</b> I am hoping that we have even outdone the 95 per cent. We did talk about what is informally referred to as the 'red card system', I think, last time. Have we had any more occurrences of the red card for our forces?</p> <p><b>Air Chief Marshal Binskin:</b> Not that I am aware of, but I think sometimes people misconstrue the red card. Because we have our air task group command element in the Combined Air and Space Operations Centre in the Middle East, the considerations of your rules of engagement of the various nations are factored into the planning.</p> <p><b>Senator CONROY:</b> So we would be not on the missions where that could become a possibility?</p> <p><b>Air Chief Marshal Binskin:</b> Could become a possibility, but I do not believe that we have been in forced into a position where we have had to play it. The fact that all the nations that are there understand that the whole aim here is minimum collateral damage, minimum risk to civilians and the fact that we need to focus on the Daesh and targeting the Daesh has meant that we have not been in that situation. But I will confirm that. I will take that on notice.</p>	9	23/03/15	26/03/15
4.	Defence	Conroy	Reports of fire on aircraft in Iraq	<p><b>Senator CONROY:</b> I appreciate that. I think you did speak to this last time, but just to get an update—have any of our assets been fired upon while undertaking operations since the last estimates? I think you said that there was a report that was wrong last time we were here.</p> <p><b>Air Chief Marshal Binskin:</b> That was a report of, I think, a C130J doing the airdrop into Amirli. There was a lot of ground fire and I think someone had reported that, or it might have been one of the Sinjar missions. I do not know specifically if the fighters have, but I would assume they have been, to be honest with you. They are going in harm's way, and I would assume they have been shot at. Has there been any significant engagement put to me? No. And I would think, though I will check for you, that there have been reports of some of the aircraft observing fire. I will take that on notice and get back to you.</p>	9-10	23/03/15	26/03/15

5.	Defence	Conroy	International partners in Iraq	<p><b>Senator CONROY:</b> Who are the international partners we will be operating with in Iraq at the moment? Has it grown since our last conversation?</p> <p><b>Air Chief Marshal Binskin:</b> I will have to get the list of nations that we are operating with.</p> <p><b>Senator CONROY:</b> Great. Thank you.</p> <p><b>Air Chief Marshal Binskin:</b> In the Air Task Group it is very widely reported what air forces are operating out there. I think there are seven air forces, and I am talking about the coalition. Some operate into Syria, some operate into Iraq.</p> <p><b>Senator CONROY:</b> Are you comfortable with the level of integration and cooperation?</p> <p><b>Air Chief Marshal Binskin:</b> Very much so. The Air Task Group is very well integrated with the coalition air operations. With regard to the AA mission, they are working with the US and with the Iraqi security forces.</p> <p><b>Mr Richardson:</b> In terms of countries that are on the ground in Iraq, I think we have—</p> <p><b>Air Chief Marshal Binskin:</b> I would have to go and get that.</p> <p><b>Senator CONROY:</b> I am happy for you to just table that later.</p>	12-13	23/03/15	26/03/15
----	---------	--------	--------------------------------	--	-------	----------	----------

6.	Defence	Xenophon	Government statements on submarines – guidance from Department	<p><b>Senator XENOPHON:</b> Air Chief Marshal Binskin, I have two distinct lines of questioning, and Mr King might find the first line of interest. On 3 May 2013, the then Prime Minister and then Defence minister announced a way ahead for future submarines. They stated: The Government has now taken the important decision to suspend further investigation of the two Future Submarine options based on military-off-the-shelf designs in favour of focusing resources on progressing an 'evolved Collins' and new design options that are likely to best meet Australia's future strategic and capability requirements. When they stated that their decision was based on Australia's future strategic and capability requirements, I presume they would have been provided those strategic and capability requirements from Defence. <b>Air Chief Marshal Binskin:</b> I would assume so, but I was not involved in that, so I could not qualify that answer. <b>Senator XENOPHON:</b> Could you please take that on notice. Presumably, that statement of the former prime minister and the former defence minister would have been made on advice from Defence. Last week, we saw a definitive change in the direction away from an evolved Collins and new design options. I presume the current defence minister's most recent announcement, and the Prime Minister's most recent announcement, was based on advice from Defence. <b>Air Chief Marshal Binskin:</b> Yes. <b>Senator XENOPHON:</b> What I am trying to establish is that there appears to be a world of difference between the 2013 remarks, presumably based on Defence advice, and the advice some 22 months later. <b>Air Chief Marshal Binskin:</b> A lot happens in 22 months. As you look at a program developing, you learn more and more about a program. I can put that to the submarine guys here to be able to take you through how we got to where we got to. <b>Senator XENOPHON:</b> If I could take it on notice—I am worried about time constraints. The chair has been very generous to slot me in at this time. But if I could get some of that on notice. I am just trying to understand that, and I appreciate that a lot can change. When they say a week is a long time in politics, it seems—</p>	18-19	23/03/15	26/03/15
----	---------	----------	--	--	-------	----------	----------

7.	Defence	Xenophon	Submarine maintenance	<p><b>Senator XENOPHON:</b> Let me put something to you then: I am advised that the anti-ship missile defence upgrade to the Anzacs would not have been possible in Australia without the understanding derived from the Australian build. I understand the same is also true of many of the deep maintenance activities and other modifications on Collins—for instance, hull cuts for diesel remediation. It is much harder to conduct diesel work on board the submarine. We now cut the hull, pull the diesels out and reinsert them. The welding techniques are those gained in the build process; the confidence to do this safely has been gained through the build process. As a general proposition, do you agree with that, particularly in terms of what I have put to you in respect of the Anzacs?</p> <p><b>Mr Gould:</b> I cannot comment on ASMD. I do not know enough about that project.</p> <p><b>Senator XENOPHON:</b> Right.</p> <p><b>Mr Gould:</b> I cannot say yes or no—</p> <p><b>Senator XENOPHON:</b> Perhaps DMO might want to take that on notice.</p> <p><b>Mr Gould:</b> but somebody else may well be able to. I am sure Mr King could. In terms of the hull cuts, yes, you do need to know about the materials, the material nature of the steel and the specific welding techniques that are needed to both do the cut and then restore the cut. That knowledge needs to be transferred from the build program, but you do not have to have built the submarine to be able to do that.</p> <p><b>Senator XENOPHON:</b> You do not even concede that building them here, having those skills, having those expert welders, for instance, being part of the build would be able to better manage and reduce the risks involved with a local build rather than an overseas build?</p> <p><b>Mr Gould:</b> I would say there are other ways of doing it. It is really important not to get distracted by the build to maintain argument to the point where you forget that the really important thing is to be planning and understanding the maintenance and the design intent during the design phase. That is the really important connection to make.</p> <p><b>Mr King:</b> And the skills that you need to do that maintenance. I am not sure of the very latest figures, but if you take the Collins example—I do not want to be overly negative about Collins; I happen to think it was broadly successful program from a greenfield site—</p> <p><b>Senator XENOPHON:</b> Which I think is a very fair comment.</p> <p><b>Mr King:</b> The cost of maintaining Collins still sits at about 70 per cent above benchmark.</p> <p><b>Senator XENOPHON:</b> But there are lessons we need to learn from Collins.</p>	20-21	23/03/15	26/03/15
----	---------	----------	-----------------------	--	-------	----------	----------

			<p><b>Mr King:</b> That is what this process is about: bringing together evaluation of the options, marrying them with the lessons we have learnt from Collins and, after we have the information, rather than broad statements or generalities, we will be able to present those to government, and government will be able to make an informed decision about the balance of where things should be done, where it should be built. But one thing is for sure—</p> <p><b>Senator XENOPHON:</b> I am running out of time here. Could you take it on notice? I am sorry, I have to ask the Air Chief Marshal some other questions. I appreciate that this is a very important issue, but if you could take that on notice.</p> <p><b>Mr King:</b> We can.</p>			
--	--	--	---	--	--	--

8.	Defence	Conroy	Martin Place seige	<p><b>Senator CONROY:</b> Liaison can be formal or informal. Were the ADF providing advice to the New South Wales police? I appreciate the point you have just made, that they all just work together. They were very integrated and they knew each other, but were they providing formal advice?</p> <p><b>Air Chief Marshal Binskin:</b> They may have in a particular specialist area, which I do not want to discuss openly. We have certain capabilities.</p> <p><b>Senator CONROY:</b> I am trying to understand. Were any of those specialist capabilities deployed?</p> <p><b>Air Chief Marshal Binskin:</b> I would have to take that on notice. Again, I think you are heading down a path that is different to what I am thinking. They are specialist technical areas, if I were to be precise. You can see where that might be.</p> <p><b>Senator CONROY:</b> Media reports suggest that New South Wales police had a prepared direct action DA plan many hours before their emergency action plan had to be implemented. Did the ADF provide advice to the New South Wales police in relation to tactics or weaponry in relation to the direct action plan?</p> <p><b>Air Chief Marshal Binskin:</b> I would have to take that on notice. I do not believe so. The New South Wales police is one of the more capable forces in Australia to handle this situation.</p> <p>(...)</p> <p><b>Senator CONROY:</b> Did ADF personnel, liaison specialists or others provide any input into that direct action plan?</p> <p><b>Air Chief Marshal Binskin:</b> I would have to take that on notice. I would think that that would be more an area that the coroner would want to look at, so I would have to be careful on how I answered that. I am not trying to be evasive.</p> <p>(...)</p> <p><b>Senator CONROY:</b> Did the ADF have any personnel deployed in Martin Place?</p> <p><b>Air Chief Marshal Binskin:</b> That is what I will take on notice, from a specialist point of view. And that I do not have exactly to hand. But I will get that for you.</p> <p><b>Senator CONROY:</b> Did the ADF provide advice to the New South Wales police in relation to the weapons and ammunition that should be used in the storming of the cafe?</p> <p><b>Air Chief Marshal Binskin:</b> I will have to take that on notice.</p>	30	23/03/15	26/03/15
				31			
				32			
9.	Defence	Williams	Tamworth Flying School	<p><b>Senator WILLIAMS:</b> The Tamworth basic flying school has been operated by BAE Systems under contract to the ADF to train pilots for the Army, Navy and Air Force and they have been there since 1992. My first question is, in the short history of BAE operating the Tamworth flying school, has there ever been a problem or breaches of contract?</p> <p><b>Mr Richardson:</b> I would need to take that on notice, Senator.</p> <p>(...)</p>	39	23/03/15	26/03/15

				<p><b>Senator WILLIAMS:</b> Good. How much many has been spent on the Tamworth facility since the flying school started?</p> <p><b>Mr Richardson:</b> I need to take that on notice.</p> <p><b>Senator WILLIAMS:</b> Take it on notice.</p>		23/03/15	26/03/15
10.	Defence	Urquhart	Environmental Impact Statement (EIS) - JSF	<p><b>Senator URQUHART:</b> I just want to ask some questions about the environmental impact statement that is being developed for the flying operations of F35As. According to the RAAF site, the first aircraft will arrive in Australia at the RAAF base in Williamtown in late 2018, with the complete fleet arriving by 2022. I understand that public information sessions have been held in Williamtown, Tindal, Darwin and Townsville. There were some questions asked on notice at the supplementary estimates asking for a summary of the reactions and feedback that you have had at your public information and consultation sessions at Williamtown, Tindal, Darwin and Townsville. The written answer that we received indicated that there would be a supplementary report to the draft EIS. Has that supplementary report been completed.</p> <p><b>Air Vice Marshal Davies:</b> I do not believe that report is complete yet.</p> <p><b>Senator URQUHART:</b> Do you know when it will be?</p> <p><b>Air Vice Marshal Davies:</b> No, Senator. I will take that on notice and get it to you today if I can.</p> <p>(...)</p> <p><b>Senator URQUHART:</b> Thank you. The same report also mentioned concerns from Darwin residents about the effect on house values. Did either of these issues emerge in your public consultations?</p> <p><b>Air Vice Marshal Davies:</b> There was some mention of effects on houses. I would like to ask the SRG representative to comment on the movement of houses in the Darwin area, but there are some changes already underway for new houses to be built in Darwin and the older houses to be removed. I am not sure of the outcome of those in terms of noise effect.</p> <p><b>Senator URQUHART:</b> Will any of those issues about the house values be addressed in the supplementary report?</p> <p><b>Air Vice Marshal Davies:</b> I will take that on notice and I will include that in getting back to you today.</p>	41	23/03/15	26/03/15



11.	Defence	Conroy	Submarines - Sweden	<p><b>Senator CONROY:</b> Thank you. Given that virtually everybody is at the table or in the room, how many designers does Saab have in Sweden?</p> <p><b>Mr King:</b> It is in the presentation I had. I can get it for you.</p> <p><b>Senator CONROY:</b> Any idea?</p> <p><b>Mr Richardson:</b> Mr King gave an answer.</p> <p><b>Senator CONROY:</b> Mr Gould?</p> <p><b>Mr Gould:</b> We will get the information for you.</p> <p><b>Senator CONROY:</b> How many of them are submarine designers?</p> <p><b>Mr Gould:</b> I thought that was the first question—how many submarine designers.</p> <p><b>Senator CONROY:</b> How many designers?</p> <p><b>Mr Gould:</b> How many designers does Sweden have, would be, a very large number.</p> <p><b>Mr King:</b> Senator, can I—</p> <p><b>Senator CONROY:</b> I understand there is quite a large number of submarine designers too.</p> <p><b>Mr King:</b> There is. We will get that information for you, and it is being considered. But there is a great misunderstanding in this country and others about what it takes to have an effective organisation. It is not simply a matter of adding up whether you have 100 or 120 or 300 designers, specialist engineers, production managers, production drawing, it is: do you have all them and do you have a totally efficient and effective functioning organisation? It is all of that. If it was simply a matter of assembling 300 engineers, you would do it every other day; it is having 300 engineers who have all the design standards, design tools, the production standards, the engineering standards to form a cohesive capacity to do this work.</p> <p><b>Senator CONROY:</b> Thank you. So you will come back to me on how many designers? Perhaps I can help: there are 400 designers of which 300 are submarine designers.</p> <p><b>Mr King:</b> It was presented to us.</p> <p><b>Senator CONROY:</b> How many production engineers and workers do Saab have?</p> <p><b>Mr King:</b> Again, Senator, I had presentations on my visit, and I am sure we have had it on other ones about how big Saab is, how many people it has, where they have them, we had all that information.</p> <p><b>Senator CONROY:</b> That is why I am hoping you can answer these questions.</p> <p><b>Mr King:</b> I can but I do not have it off the top of my head.</p> <p><b>Senator CONROY:</b> Mr Gould?</p> <p><b>Mr Gould:</b> I do not have it on the top of my head.</p> <p><b>Senator CONROY:</b> I believe it is 700, just to help—to save anyone running round.</p> <p><b>Mr Gould:</b> I take it you are talking about Saab Kockums, Senator? Because that would be very small.</p> <p><b>Senator CONROY:</b> Saab in Sweden.</p>	50-51	30/03/15	14/05/15
-----	---------	--------	---------------------	--	-------	----------	----------

				<p><b>Mr Gould:</b> But Saab is a very big organisation. It depends what we are talking about.</p> <p><b>Senator CONROY:</b> How many people does Saab employ on naval projects?</p> <p><b>Mr King:</b> We can keep giving you the same answer Senator.</p> <p><b>Senator CONROY:</b> I think it is 2000.</p> <p><b>Mr King:</b> But that would—</p> <p><b>Senator CONROY:</b> Just to save you running around.</p> <p><b>Mr King:</b> But that would include all naval projects.</p> <p><b>Senator CONROY:</b> That would be when I ask: how many people do they have on naval projects?</p> <p><b>Mr Gould:</b> In particular naval combat systems, surface ships, all sorts of things which are not directly related to submarines.</p> <p><b>Senator CONROY:</b> Are you aware that Saab can call on more engineers than the ones I have just mentioned, as required, to ramp up design work?</p> <p><b>Mr Gould:</b> I am sure that they can.</p> <p><b>Senator CONROY:</b> Could you name any of their subcontractors that they have traditionally called upon?</p> <p><b>Mr Gould:</b> I do not know the answer to that one.</p>			
12.	Defence	Sinodinos	Air Warfare Destroyer	<p><b>Senator SINODINOS:</b> We have already seen some people in the industry, in broad terms, lose their jobs—particular categories of workers?</p> <p><b>Mr King:</b> Yes.</p> <p><b>Senator SINODINOS:</b> When will the bulk of the job losses occur? In the next couple of years?</p> <p><b>Mr King:</b> In the next year or two they will get quite significant. In the case of the AWD we have two module builds outside the ship consolidation yard. The ships are consolidated in Adelaide but there are modules being built in Melbourne and in Newcastle. Obviously the module work finishes well before the ship is finally brought together.</p> <p><b>Senator SINODINOS:</b> Do you have a broad figure for impending job losses?</p> <p><b>Mr King:</b> I do. I just do not have it in front of me.</p> <p><b>Senator SINODINOS:</b> It would be appreciated if you could get back to us with that at some stage.</p> <p><b>Mr King:</b> I will.</p>	55	16/04/15	14/05/15

13.	Defence	Fawcett	Landing craft for LHD	<p><b>Senator FAWCETT:</b> So with the—I think it was 12—landing craft the government ended up getting Spain—Navantia, I think—to construct for the LHD: what was the process that led to that? Was there an open tender process for that? Was it a sole source decision by government? What year was that taken in?</p> <p><b>Mr King:</b> I will have to check both the year and the method, but I recall that Navantia was the designer of the landing craft which is called an LCM-1E, which was purposely designed for the LHD. Within the Navantia offer, I know we asked them for a combination of solutions: offshore build, partly offshore and partly onshore build, and a full onshore build.</p> <p><b>Senator FAWCETT:</b> I am happy to put this on notice. What I am trying to establish, though, is that if, as a nation, we want to look towards a continuous utilisation of our manufacturing workers and facilities, despite that desire, since the commissioning of LHD and AWD the only commissioning of vessels that has occurred was a decision taken—was it about four years ago?—to send the work for 12 vessels to Spain, which I do not believe involved an open tender.</p> <p><b>Mr King:</b> It certainly did not involve an open tender. I am not sure whether it involved multiple tenderers.</p> <p><b>Senator FAWCETT:</b> Could you take that on notice?</p>	56	23/03/15	26/03/15
14.	Defence	Macdonald	LHD	<p><b>Senator IAN MACDONALD:</b> I wanted to speak about Land 400, but before I do can I ask Mr King, perhaps on notice, how long it takes to build the hull of an LHD?</p> <p><b>Mr King:</b> I would have to take in on notice, but I think it was in the order of three years. It might have been a bit longer. It depends what you mean. I am not trying to avoid your question—I will get to the answer. But you have to finalise the design drawings for the changes that we in Australia want and then you start construction and then they were shipped to Australia. They arrived only a few months after the intended date that we first contracted for.</p>	57	23/03/15	26/03/15

15.	Defence	Macdonald	LAND 400	<p><b>Senator IAN MACDONALD:</b> Does the tender provide for trials in different climatic zones?</p> <p><b>Lt Gen. Morrison:</b> Yes.</p> <p><b>Senator IAN MACDONALD:</b> Does the tender indicate what warranty provisions are required?</p> <p><b>Major Gen. McLachlan:</b> Yes, it does, Senator.</p> <p><b>Senator IAN MACDONALD:</b> Can you briefly tell me what they are?</p> <p><b>Major Gen. McLachlan:</b> I might have to take the specific detail on notice and provide that to you.</p> <p><b>Senator IAN MACDONALD:</b> Can you recall the time of the warranty? Is it two years, five years, ten years, a hundred years?</p> <p><b>Major Gen. McLachlan:</b> No, not off the top of my head, Senator, so I will take that one on notice and get it back to you.</p>	60	23/03/15	26/03/15
-----	---------	-----------	----------	---	----	----------	----------

16.	Defence	Conroy	Defence visit to SAAB	<p><b>Rear Adm. Sammut:</b> I was asked whether we might be visiting them earlier this year. It would have been the January time frame.</p> <p><b>Senator CONROY:</b> So in January you send an email that could have been interpreted by Saab that you were going to visit them again in February, March, April?</p> <p><b>Rear Adm. Sammut:</b> At that stage we indicated that we were potentially visiting in the first quarter of the year and then also provided advice, in a follow up to that, that we were considering doing so in the March time frame.</p> <p><b>Senator CONROY:</b> Rear Admiral Sammut, you are on this committee that formed the view that Mr Richardson has been talking about?</p> <p><b>Rear Adm. Sammut:</b> We were part of the deliberations; I was.</p> <p><b>Senator CONROY:</b> Yes, you were part of the discussions that reached the view—</p> <p><b>Rear Adm. Sammut:</b> Yes, I was part of the discussions.</p> <p><b>Senator CONROY:</b> in the first half of December—</p> <p><b>Rear Adm. Sammut:</b> Yes.</p> <p><b>Senator CONROY:</b> that Saab should be excluded.</p> <p><b>Rear Adm. Sammut:</b> Yes, I was.</p> <p><b>Senator CONROY:</b> Okay. Were you comfortable sending an email that might mislead them like that?</p> <p><b>Mr King:</b> Until government make an announced decision, despite whatever recommendations we have made to government, we obviously continue to deal with the prospective suppliers or whoever as if we are proceeding. You cannot, for example, pre-empt the government's decision by saying, 'Well, I'm not coming.' We do not know that. The government has to consider—</p> <p><b>Senator CONROY:</b> When did you send that email, Rear Admiral Sammut?</p> <p><b>Rear Adm. Sammut:</b> The exchange I had would have been in January—</p> <p><b>Senator CONROY:</b> When in January? That is what I asked.</p> <p><b>Rear Adm. Sammut:</b> I will need to check my records of that email and get back to you on that.</p> <p><b>Senator CONROY:</b> If you could, that would be great.</p>	68	23/03/15	26/03/15
-----	---------	--------	-----------------------	---	----	----------	----------

17.	Defence	Back	SPA costs	<p><b>CHAIR:</b> I have a couple of questions about 34 Squadron, which you might need to take on notice. There were three flights, and the first goes back to 4 February 2009, which the then Treasurer, Mr Swan, took from Canberra to Melbourne to give a speech to the Business Council. From publicly available information, it cost \$5,200. Can you confirm that? Would a commercial option have been available that day, that would not have cost \$5,200 to go Melbourne? The second flight was in June 2010, when, just after becoming the Prime Minister, Ms Gillard took a special purpose RAAF aircraft to Brisbane to attend, I think, a Labor Party fundraiser for Mr Ludwig, who is Senator Ludwig's father. I again would like to know whether the flight was repaid by the ALP? What was the cost of the flight? And thirdly, in March 2013, again Ms Gillard using a special purpose aircraft flew to Ballina to attend the wedding of her press secretary and the then Treasurer's chief-of-staff, now the Member for Rankin, Dr Chalmers.</p> <p><b>Senator CONROY:</b> I do not think that is not true.</p> <p><b>CHAIR:</b> I understand she did hold a press conference during the visit with the local MP Ms Elliot. I wonder attending a private wedding was an appropriate use of the asset, given the guidelines say that the special purpose aircraft are for 'commitments associated with official responsibilities, and other purposes, including parliamentary business.' I do not expect you to have that information, but if you can give it to me on notice. As part of that, can you also advise the committee the cost of flying the Challenger special purpose aircraft on an hourly basis?</p>	69	23/03/15	26/03/15
18.	Defence	Ludlam	Number of JSF in first delivery to Williamtown	<p><b>Air Vice Marshal Davies:</b> In 2018, the first JSFs are going to RAAF Base Williamtown.</p> <p><b>Senator LUDLAM:</b> How many are you expecting in that first batch?</p> <p><b>Air Vice Marshal Davies:</b> I will get the exact number for you, but they flow out between 2018 and 2019 to form the first squadron, which is No. 3 Squadron.</p>	78	23/03/15	26/03/15

19.	Defence	Ludlam	Encryption keys	<p><b>Senator LUDLAM:</b> Thanks for joining us, Mr Meekin. I put a couple of very quick questions to ASIO last night on the SIM card encryption keys hack that has been in press since last Friday. Mr Lewis was not sure who the lead agency was, but your name came up. Firstly, are you aware of the issue that I am referring to—the compromising of a Dutch SIM card manufacturer's encryption keys?</p> <p><b>Mr Meekin:</b> No, I am not aware of the detail of that.</p> <p><b>Senator LUDLAM:</b> Are you aware of the broad outlines?</p> <p><b>Mr Meekin:</b> No, I am not.</p> <p><b>Senator LUDLAM:</b> Really? Okay, this is going to be interesting. Have you been asked to provide a brief to anybody either in government or in industry?</p> <p><b>Mr Meekin:</b> I have not.</p> <p><b>Senator LUDLAM:</b> Do you know whether anybody in ASD has been asked to provide a brief?</p> <p><b>Mr Meekin:</b> I am not aware that they have, but we can take that on notice.</p> <p><b>Senator LUDLAM:</b> I would appreciate that. Do you know or could you confirm for me—and it sounds as though it is not ASD—who the lead agency is, if any, within the Australian government providing advice within government on this issue?</p> <p><b>Mr Richardson:</b> And precisely what is the issue, Senator?</p> <p><b>Senator LUDLAM:</b> Mr Richardson, it is a story that broke on Friday that Telstra, Optus and Vodafone are busy trying to verify the truth or otherwise that United States and British signals intelligence agencies stole encryption keys for mobile phone devices, and potentially passports and credit cards, from a Dutch SIM card manufacturer, Gemalto, which produces around 2 billion SIM cards a year. Now this potentially affects and compromises devices carried by millions of Australians including, presumably, people in this room. I would have thought that would be something that ASD would be interested in or at least aware of.</p> <p><b>Mr Richardson:</b> If the allegation is that the UK counterpart of ASD stole the keys, if there were questions within our government, that would normally come to ASD.</p> <p><b>Senator LUDLAM:</b> Okay. That is indeed the allegation. Not just GCHQ, but GCHQ in partnership with the US NSA. That is why I have asked ASD to come forward. But now I am hearing, which I am actually a bit surprised about, that you have no idea what I am talking about. That is a bit confusing to me. Not you, Mr Richardson, because I know you are extremely busy. Mr Meekin does not know anything about the issue.</p> <p><b>Mr Meekin:</b> I am aware of a media article, broadly, but I am not involved in any detail.</p>	81-82	23/03/15	26/03/15
-----	---------	--------	-----------------	--	-------	----------	----------

**Senator LUDLAM:** Okay. That is indeed the allegation. Not just GCHQ, but GCHQ in partnership with the US NSA. That is why I have asked ASD to come forward. But now I am hearing, which I am actually a bit surprised about, that you have no idea what I am talking about. That is a bit confusing to me. Not you, Mr Richardson, because I know you are extremely busy. Mr Meekin does not know anything about the issue.

**Mr Meekin:** I am aware of a media article, broadly, but I am not involved in any detail.

**Senator LUDLAM:** Okay. Is this not something that would have come across ASD's desk? Is the potential compromising of the mobile phone handsets of millions of Australians, including diplomats, justices, members of parliament, members of the ADF and your own staff, not something you thought to follow up?

**Mr Richardson:** ASD could be aware of it. But, one, I am not aware whether the report is accurate—

**Senator LUDLAM:** That is what I am trying to ascertain, and I thought you guys would be an excellent source of advice on that.

**Mr Richardson:** and, secondly, we would have to take on notice what we know or do not know.

**Senator LUDLAM:** Great. I might run through a couple of questions to give some specifics to what I will be asking you to take on notice. I notice, Mr Richardson, that you are stepping in. Would you rather that I go through you or through Mr Meekin?

**Mr Richardson:** No, you can ask them. It is possible that Mr Meekin may well have the answers that I do not.

**Senator LUDLAM:** Let me step through these, and you can tell me if you know anything at the moment, or if you are able to take some of this material on notice. The principal question was: is Australia doing anything about this? Who should I go and talk to?

Do you think this is a consumer issue I should put to the ACCC?

**Mr Richardson:** First of all, it would be necessary to ascertain whether the reports are accurate or not.

**Senator LUDLAM:** Right. And you guys would be quite well placed to do that. I do not have the phone number for anybody at GCHQ; Mr Meekin possibly does.

**Mr Richardson:** I do not think GCHQ would publicly comment on such an allegation.

**Senator LUDLAM:** Indeed. So how are ordinary Australians whose mobile phones may have been compromised by overseas intelligence agencies best placed to ascertain whether these stories are true or not?

**Mr Richardson:** I think the best thing you could do is put the question on notice and we will see what answer we are able to provide.



				<p><b>Senator LUDLAM:</b> Okay. Let's work through them then. My first question is: are you able to identify whether these allegations are true? Gemalto has made some claims that they 'do not believe their systems were compromised'. There is some room for ambiguity, so: can provide us with something to help us verify that or not? What is your advice to Australian users of telecommunications services who may not want to use devices that are compromised by overseas intelligence agencies? Does the Australian government plan to do anything—whether within this building, the defence community, the community more broadly, diplomatic services? And would your response would have been different—perhaps had different a sense of urgency—if Chinese or Russian intelligence services were alleged to have compromised potentially every mobile handset in the country? That seems like a reasonable place to start. Would either of you like to provide any comment on the scope—</p> <p><b>Mr Richardson:</b> We will take all of that on notice. In terms of your last question, I will be very open. Of course there would be a greater sense of urgency, if you want—for obvious reasons.</p>			
20.	Defence	Xenophon	Hughes Aircraft Systems International and Airservices Australia	<p><b>Senator XENOPHON:</b> Again, I am happy for that to be checked. I go very quickly to the issue of Hughes Aircraft Systems International and Airservices Australia—the federal court decision of Justice Finn on 30 June 1997, which is a pretty seminal decision about the whole issue of tender processes and the like. It is an issue that I imagine DMO and other government agencies would know backwards.</p> <p><b>Mr King:</b> I am familiar with it.</p> <p><b>Senator XENOPHON:</b> This case changed the procurement of goods through taxpayers' money. In essence, the judge said that these processes can be construed as a tender. It raises an issue as to whether a competitive evaluation process could trigger the sorts of considerations that were in the Hughes aircraft case. All I ask, in general terms, is: is that a factor that will be taken into account in terms of potential legal liabilities that may arise as to how any competitive evaluation process is carried out so that it does not trigger the sort of litigation that occurred in the Hughes Aircraft Systems International case?</p> <p><b>Mr King:</b> We are certainly conscious of that. I will ask Mr Dunstall to respond in detail, but we have already been tested by the ANAO in terms of the appropriateness of the process.</p> <p><b>Senator XENOPHON:</b> I am constrained by time, I am sorry. I am happy for it to be taken on notice.</p> <p><b>Mr King:</b> We will take it on notice.</p> <p><b>Mr Dunstall:</b> I can give you a more detailed answer if you want me to take it on notice, or I can—</p> <p><b>Senator XENOPHON:</b> If you could take it on notice.</p>	85	23/03/15	26/03/15

21.	Defence	Conroy	WRA	<p><b>Senator CONROY:</b> Are you familiar with the government's submission to the Defence Force Remuneration Tribunal? Have you seen a copy of the Defence Force Remuneration Tribunal submission by the government? Did they make it or it is yours that is made but ticked off?</p> <p><b>Air Chief Marshal Binskin:</b> It is ours.</p> <p><b>Senator CONROY:</b> My understanding, and I am hoping that you can help because I am a bit confused, is that it indicated that the changes would provide an annual saving of \$69 million. I thought—and please correct me—that was the savings from the offsets, and that is reflected in the Defence Force Welfare Association submission to the DFRT as well. I am trying to understand the difference between what looks—</p> <p><b>Air Chief Marshal Binskin:</b> And I am having a hard time understanding what your question is, sorry.</p> <p><b>Senator CONROY:</b> The Defence Force Welfare Association believe that the cost of those offsets is \$69 million. The government have given them back to you.</p> <p><b>Air Chief Marshal Binskin:</b> They never actually took it.</p> <p><b>Senator CONROY:</b> I am talking in a nominal sense—in a different sense of the word 'nominal'. I am just trying to understand whether the \$69 million figure was an incorrect figure, or the \$17 million. You are being very clear: \$17 million worth of offsets have been returned to you, or not taken from you, as had been proposed, but the figure \$69 million keeps cropping up.</p> <p><b>Air Chief Marshal Binskin:</b> I do not have the exact costs here. I will have to go to Air Vice Marshal Needham.</p> <p><b>Senator CONROY:</b> That is why I was a bit confused when I said—</p> <p><b>Air Chief Marshal Binskin:</b> I can understand.</p> <p><b>Senator CONROY:</b> Did all of them go back? I thought maybe a proportion of them were handed back, which would explain the difference between \$17 million and \$69 million. That is what I am trying to understand.</p> <p><b>Ms Skinner:</b> I will ask Mr Oliver if he can give you a bit of a description of why those numbers crop up, but in detail we might take it on notice to provide you something that is more substantial.</p>	101-102	16/04/15	14/05/15
-----	---------	--------	-----	--	---------	----------	----------

				<p><b>Mr Oliver:</b> In the original submission to the DFRT, I think you are correct: it was about \$69 million worth of offsets when built. But, post the announcement, there was a decision made by government to not apply the offsets until March of the following year. Those offsets, when not applied, took away a good amount of the savings, because in the first year, over the leave period and from when the agreement started, losing that three or four months depleted the offsets. The remaining amount of offsets, as I understand it, was \$17 million worth of value.</p> <p><b>Senator CONROY:</b> Okay. That makes absolute sense now. They were forecast to save \$69 million over the three years of the agreement, then they were deferred, pushed back, 12 months. That is a big reduction from just losing 12 months, though.</p> <p><b>Mr Oliver:</b> It would be better to take the question on notice. We can provide a breakdown on when the offsets were about to apply and how that was done.</p>			
--	--	--	--	---	--	--	--

22.	Defence	Xenophon	Ex-gratia payment to Sea King aircraftman	<p><b>Senator XENOPHON:</b> I will be very quick, and you may want to take this on notice. I have just spoken to Leading Aircraftman Scott Nicholls, who was seriously injured in that catastrophic Sea King helicopter accident off the island of Nias, on 2 April 2005. He has contacted me. His father has contacted me in relation to trying to negotiate an ex gratia payment after four years of negotiations. There has still not been an ex gratia payment.</p> <p>I do not understand why this case. Mr Nicholls, whom I spoke to just a moment ago, said that on 2 April it is the 10-year anniversary of the helicopter crash. He has been invited to attend a memorial. He cannot bear to be here—he is just so distressed at his treatment over the last four years in trying to finalise this matter. He lost his friends on that occasion. What we do about this?</p> <p><b>Air Chief Marshal Binskin:</b> I will take it on notice, because I am not fully across the—</p> <p><b>Senator XENOPHON:</b> Is it a matter for Defence, is it DVA or is it Defence legal?</p> <p><b>Air Chief Marshal Binskin:</b> To be honest with you, I really do not know until I get the details.</p> <p><b>Senator XENOPHON:</b> I have undertaken to do what I can to assist this man. Can we arrange with your office to meet urgently about this on his behalf?</p> <p><b>Air Chief Marshal Binskin:</b> I will find out exactly where it sits at the moment.</p> <p><b>Senator XENOPHON:</b> It is just that he is—</p> <p><b>Air Chief Marshal Binskin:</b> As always, I am sure there is a lot that sits behind the couple of pieces of paper that you have there, and I would really like to get across it. I feel for him.</p> <p><b>Senator XENOPHON:</b> If we could, I would like to give him that reassurance. I will give him a call now.</p> <p><b>Air Chief Marshal Binskin:</b> I think we should acknowledge it is the 10-year anniversary coming on.</p> <p><b>Senator XENOPHON:</b> Yes. He lost some very good friends in that accident. If I may, I will liaise with your office about that.</p> <p><b>Air Chief Marshal Binskin:</b> That is quite all right.</p>	107	31/03/15	14/05/15
-----	---------	----------	---	---	-----	----------	----------

23.	Defence	Xenophon	Chief of Army's directive 21/13	<p>In the Supplementary Estimates in October, 2014, Defence in response to QoN #174 gave a defining answer to the Senate on the term 'purporting to act'. Can the Chief of Army explain why is so confusingly different from the Chief of Army's directive 21/13 dated the 13<sup>th</sup> June 2013 which includes: "Uphold the standard of behaviour contained in Defence Instructions and orders, on and off duty, when purporting to act as a Defence member and in any activity with a connection to Defence."</p> <p>Does the Chief of Army and the Army's command officers stand by this directive to the troops, or must the Army now apply the much narrower explanation provided by the Department of Defence to the Senate in 2014?</p>	Written	26/03/15	14/05/15
24.	Defence	Xenophon	Fraud reported to AFP	<p>In the QoN #174 of the Supplementary Estimates in October 2014 in 1 (vii) the question was asked, 'how many instances of fraud were referred to the Australian Federal Police in the period 1995-2010 with key word "procure", "contract", "corruption" and "fraud" were used to report relevant cases?'. I was advised that 228 instances of 'fraud' were referred to the AFP.</p> <p>In a 2011 FOI 82/2012 of the AFP PROMIS database, AFP FOI could only identify five (5).</p> <p>(1) Can Defence give a detailed explanation as to the huge discrepancy between the Defence's reported figures and those of the AFP? If not, why not?</p> <p>(2) Can Defence corroborate its reported 228 cases by providing the Investigation Number (INV#) the date of the offence, and the monetary value attached to each reported INV# and or case? If not, why not?</p>	Written	30/03/15	14/05/15
25.	Defence	Xenophon	Fraud - underreporting	<p>In QoN #29 and #33 of the Supplementary Estimates of December 2004, Senator Ludwig asked about 'Incidents of theft' and 'Incidents of fraud'. In the answer to these two questions, Defence supplied the following definition: 'The current Commonwealth Fraud Control Guidelines define fraud as 'dishonestly obtaining a benefit by deception or by other means' and specifically includes theft as a sub-set of fraud.'</p> <p>My question is why, for the last decade and more, has Defence been under reporting instances of fraud in their Annual Reports, by only apparently on the figures provided, reporting the fraud sub-set of theft and not the full fraud? Given the length of time-frame, I believe a detailed explanation would be in accordance with Senate Standing Orders 25(20).</p>	Written	30/03/15	14/05/15

26.	Defence	Xenophon	Non – compliance of financial rules	<p>In February 2014, it was reported by the Department of Finance that Defence had accounted for 22 per cent of non-compliance of financial rules in the entire public service for the financial year 2012-13.</p> <p>(1) What was the nature of the non-compliance in each incidence?</p> <p>(2) Can the Department of Defence put a Dollar value to that 22 per cent so that the Senate can visualise what the 22 per cent is in a monetary and budgetary framework? If not, why not?</p> <p>(3) Are you now able to supply the equivalent percentage and monetary value for 2013-14? If not, why not?</p>	Written	10/04/15	14/05/15
-----	---------	----------	-------------------------------------	--	---------	----------	----------

27.	Defence	Xenophon	Future Submarine Program - Soryu	<p>On Monday Feb 23 the Prime Minister said in Question Time:  <i>“It is true that those discussions, up till now, have been more detailed with the Japanese, because the Japanese make the best large conventional submarine in the world.”</i></p> <ol style="list-style-type: none"> <li>1. How many large conventionally powered submarines are operating currently in the world, including Collins?</li> <li>2. Has Defence/DMO provided advice to the Prime Minister that amounts to, or justifies, the assertion that the Soryu submarine is “the best large conventional submarine in the world”?</li> <li>3. Without asking for any technical information that is classified secret, does the ADF have sufficient technical information to support such an assertion that Soryu is the best large conventionally powered submarine in the world?</li> <li>4. Have any Australian submarine experts, commanders or engineers gone to sea in a Soryu and made an official assessment? If so, when and what qualifications did the Australian personnel have?</li> <li>5. A paper was published on the Australian Strategic Policy Institute website in September 2014, written by Rear Admiral (ret.) Peter Briggs AO. In his paper Rear Admiral Briggs compares the Collins Class with the Soryu Class, or at least what is publicly known about Soryu. It’s clear from the paper that Soryu lacks many capabilities that Collins possesses, including range, endurance, speed, more usable weight and arguably better crew comfort/space (see table in the paper). Obviously Collins is older and faces big challenges linked to its age, which make it increasingly costly. Is the Soryu class submarine, as a matter of capability alone, as opposed to age-related maintenance and sustainability costs, superior to the Collins Class subs we currently operate?</li> <li>6. If so, specifically what factors are considered to be superior?</li> <li>7. Have Defence obtained empirical sustainment cost data from Japan?</li> <li>8. The Government has confirmed that there is no military off the shelf submarine option for Australia currently. Upon what basis has the Government concluded that Soryu is an unsuitable submarine for Australia?</li> </ol>	Written	16/04/15	14/05/15
-----	---------	----------	----------------------------------	---	---------	----------	----------

28.	Defence	Xenophon	Collins Class submarines	<ol style="list-style-type: none"> <li>1. How does Defence rate the success or otherwise of the Collins Class submarine, please address separately: <ol style="list-style-type: none"> <li>(a) the selection process for design partner</li> <li>(b) the design development</li> <li>(c) the build</li> <li>(d) planning for taking delivery by Navy</li> <li>(e) operations</li> <li>(f) sustainment</li> </ol> </li> <li>2. Has the predominantly Australian supply chains for the Collins build (about 60 per cent) and sustainment phases (up too 90 per cent) been an advantage, disadvantage or made no difference to the outcomes of the Collins Class submarine fleet? Pease give reasons for the answer.</li> </ol>	Written	10/04/15	14/05/15
-----	---------	----------	--------------------------	--	---------	----------	----------



29.	Defence	Xenophon	Future Submarine Program – Exclusions	<p>1. On February 15 the Defence Minister said in a statement:  <i>The Government's approach to acquiring replacement submarines will follow the process in place for major defence projects since the 2003 Kinnaird reforms to Defence procurement. This process was used by Labor when they were in government. There will be a thorough "two pass" Cabinet process, and we will receive advice from Defence to ensure we get the very best capability.</i></p> <p>In what ways does the announced Competitive Evaluation Process, or any other Government process currently in train in relation to Future Submarines, relate to or resemble the recommendations of the Kinnaird review? What were or are to be the points at which the two pass decisions will be made? Could there be more than two passes? In what circumstance could more than two passes be considered necessary?</p> <p>2. Upon what basis has Defence excluded the option of an evolved design based on the existing and successful Collins Class?</p> <p>3. Has Defence made a detailed examination and assessment of an evolved design of Collins that was not limited to the same diameter hull? If not, why not?</p> <p>4. Why did Defence limit its assessment of an evolved Collins option to a submarine of the same hull diameter as the current Collins class?</p> <p>5. In the February 2015 Estimates Defence officials cited a Kockums study commissioned by Defence of the evolved Collins option that found that it would be just as expensive as developing a new submarine design. Is this an accurate reflection of comments by Defence officials?</p> <p>6. Upon what basis did Defence decide to exclude an evolved Collins class design from further consideration for Future Submarines? Please provide details that justify the answer provided</p> <p>7. Why has SAAB-Kockums been excluded from the Future Submarine acquisition?</p> <p>8. What studies, evaluations, risk assessments or similar processes were followed in order to arrive at a decision to exclude SAAB-Kockums? What reports or documents contained these assessments?</p> <p>9. Was SAAB-Kockums provided the opportunity to address the concerns of Defence as to SAAB-Kockums' suitability to participate in the competitive evaluation process?</p> <p>10. If not, why not?</p> <p>11. If so, what did this amount to?</p> <p>12. In what way, if at all, did Defence's decision to exclude SAAB-Kockums relate to Defence's earlier decision not to consider an evolved Collins solution for Future Submarines?</p>	Written	10/04/15	14/05/15
-----	---------	----------	---------------------------------------	---	---------	----------	----------

30.	Defence	Xenophon	Rossi Boots	<p>In July last year it emerged that DMO had decided to award a contract for 20,000 work boots a year to a supplier sourcing boots made in Indonesia. The then-Defence Minister, Senator Johnston, was quite troubled by the decision and ordered a review. Due to the limitations of Commonwealth Procurement Rules, which fail to take into account the secondary economic benefits of sourcing high quality supplies from inside Australia, the contract remained in place. Since that time the Australian dollar has depreciated considerably both against the Indonesian rupiah and the US dollar (<b>see charts attached</b>). Specifically, the Aussie dollar has dropped 11 per cent against the Rupiah and 18 per cent against the US dollar, since July 1 2015.</p> <ol style="list-style-type: none"> <li>1. When were the contracts for which Rossi competed signed?</li> <li>2. Were the contracts for the work boots in this case made out in Australian dollars, Indonesian rupiah or US dollars?</li> <li>3. (If the contracts were made out in one of the foreign currencies) by how much has the cost to Defence for this contract increased?</li> <li>4. (If the contracts were made out in Australian dollars) was there a currency-price mechanism included that takes account of shifts in either the Indonesian or US currencies?</li> <li>5. If so, by how much as the cost to Defence increased for these contracts due to currency movements?</li> <li>6. As part of the debriefing and review process, Rossi was informed that its boots were some 15 per cent more expensive than the Indonesian-made boots. There were no quality concerns raised and Defence told Rossi that, technically, it was free to choose Rossi to fulfil the contract, but it went with the foreign-made boots for 'value for money' reasons. Will the contracts for the work boots for which Rossi competed end up costing Defence more, due to currency movements or any other reason, than if Defence awarded the contract to Adelaide's Rossi Boots?</li> <li>7. More broadly, each year Defence spends billions on equipment and supplies brought in from overseas – much of which can only be found overseas but much of which could, if our procurement rules allowed, be sourced here in Australia, with great value achieved for money to Australians. In the financial year 2013-14, by how much did costs to Defence increase (or decrease) for defence procurement due to currency changes?</li> <li>8. What risk assessment or official consideration is Defence required to carry out, as part of the defence procurement system, of the risks of additional costs of currency movements?</li> </ol>	Written	02/04/15	14/05/15
-----	---------	----------	-------------	--	---------	----------	----------

31.	Defence	Xenophon	Issues in relation to employment of Mr Rex Patrick	<p>1. At hearing Vice Admiral Barrett stated <i>“At the time of that discussion, there was an article that Mr Patrick wrote and the question that was discussed at the time was whether someone who was in an employable situation as a contractor would be under the same constraints as one of our own—a sailor, for instance—who may choose to make comment adverse to the service. We had just gone through an issue with social media about how we dealt with people making comments within social media that would clearly put the service into disrepute. There was a question that arose to ask: does this also apply to contractors? There was an ensuing discussion as to whether we actually had an obligation to review contractors saying those things. It continued, to see whether there was an obligation for us to do that or indeed whether there was a need for us to do that, and eventually we drew the conclusion that there was not an obligation. What you see in the subsequent reports and responses to Senate estimates was when we came to the conclusion that that was not a path that we could or should take.”</i></p> <p>(a) On what date did Defence conclude that “that was not a path that we could or should take”?</p> <p>(b) Was, if any, legal advice sought in relation to these deliberations?</p> <p>2. After being advised by Captain Will Martin on 19 December 2012 that <i>”, There appears to [sic] no case to terminate Acoustic Force’s contract with TA-MW however it is recommend that the contract be amended and a clause added to bind Mr Patrick in what he says to the media and what he writes in the public domain. If these amended terms do not suit him then another contractor could be sourced”</i> Commodore Noonan sent an email on 21 January 2013 to his training authorities indicating recommendations in relation to Mr Patrick would be put to the Chief of Navy as follows:</p> <ul style="list-style-type: none"> <li>• Immediate termination of the contract under the provisions of clause 10.5.1</li> <li>• Not renewing the Contract on 22 Jun 13</li> <li>• Sticking with the Contract until 22 June 14 (i.e. full 5 years) and amending the contract so as to limit Mr Patrick making further public comment about Defence.</li> </ul> <p>As a simple statement of fact (i.e. yes or no):</p> <p>(a) Was Mr Patrick’ contract terminated immediately?</p> <p>(b) Was Mr Patrick’s contract not renewed on 2 Jun 13?</p> <p>(c) Was Mr Patrick’s contract left to expire without renewal on 22 Jun 14?</p> <p>(d) Was an attempt made to amend Mr Patrick’s contract so as to limit him making further public comment about Defence?</p> <p>3. Please provide the Committee a copy of Commodore Noonan’s 21 January 2013 email described above.</p>	Written	16/04/15	14/05/15
-----	---------	----------	--	---	---------	----------	----------

				<p>4. Noting Captain Martin was Mr Patrick's contract manager, and that Commodore Martin requested in his 21 January 2013 email that "What I need from the three of you in short order is the consequences of each of the three option [sic]", please provide Captain Martin's short order responses to the three options.</p> <p>5. Please provide the committee with the April 2013 brief entitled "Brief for CN: Options Regarding Mr Patrick" – which has a stated purpose of seeking Chief of Navy's "direction regarding which of the several options for the management of Mr Patrick Navy is to follow" and a reference number S6073029.</p>			
32.	Defence	Xenophon	Sexual Misconduct Prevention and Response Office (SeMPRO)	<p>The Sexual Misconduct Prevention and Response Office (SeMPRO) provides assistance to ADF members and Defence APS employees who have experienced sexual abuse. Can you advise:</p> <ol style="list-style-type: none"> <li>1. How much federal government funding SeMPRO has received to date?</li> <li>2. Can you provide a breakdown of that funding year by year?</li> <li>3. Does SeMPRO have a physical presence at major defence establishments (such as training bases)?</li> <li>4. If not, how much additional funding would be necessary in order to establish a physical presence on one major establishment?</li> <li>5. How many reports have been made to SeMPRO in relation to alleged sexual or physical abuse to date?</li> <li>6. How many of these reports have been referred to state or territory police?</li> </ol>	Transferred from DVA	16/04/15	14/05/15
33.	Defence	Conroy	ADF Operations in Iraq	Can we please be provided with a timeline of ADF activities in Iraq, including indicative dates, since last estimates?	Written	31/03/15	14/05/15
34.	Defence	Conroy	Martin Place Seige	<p>Chief Air Marshal Binskin confirmed in Senate Estimates that 'specialist individuals' had been deployed by the ADF to assist with the Martin Place siege:</p> <ol style="list-style-type: none"> <li>1. How many specialist individuals were deployed by the ADF?</li> <li>2. What were the respective specialisations of each of these individuals?</li> <li>3. Under what command structure were these individuals operating?</li> <li>4. Did any of these individuals have the capacity to resolve the situation at any time prior to the implementation of the NSW Police's emergency action plan?</li> </ol>	Written	26/03/15	14/05/15

35.	Defence	Conroy	Future Submarine Program - Competitive Evaluation Process	<ol style="list-style-type: none"> <li>1. In the West Australian, Andrew Probyn wrote that the Government talking points to explain the competitive evaluation process were as follows: <i>“Decisions on a design partner and construction of the submarines will be based on a competitive evaluation process managed by the Department of Defence that takes fully into account capability requirement, cost, schedule, technical risk and value for money considerations,”</i> the talking points say. <i>“Any Australian company that can credibly meet these criteria will be considered on merit, as will potential international partners.”</i> Did the Department prepare any talking points in relation to the competitive evaluation process prior to the Government’s announcement of it?</li> <li>2. The Prime Minister announced the competitive evaluation process on 8 February 2015, but the details of that process were not fully released until 20 February 2015. <ol style="list-style-type: none"> <li>(a) Had the department prepared the details of the process prior to the Prime Minister’s announcement?</li> <li>(b) Why did it take 12 days to for the full details of the competitive evaluation process to be released?</li> </ol> </li> <li>3. The Prime Minister announced that there would be a competitive evaluation process for the Future Submarines on 8 February. Did the DMO know that this process was going to be announced on 8 February (prior to the announcement)?</li> <li>4. The Defence Minister held a press conference on 10 February in Adelaide confirming the competitive evaluation process. Did the DMO provide the Minister lines, talking points or any other information to help him for this press conference? If so, what were those lines or talking points?</li> <li>5. Is the competitive evaluation process a change to what was formerly being followed for SEA 1000?</li> <li>6. Why was a competitive evaluation process chosen for Australia’s Future Submarine Program?</li> <li>7. Why would DMO conduct a competitive evaluation process over a competitive tender process with a funded definition study?</li> <li>8. What is the biggest procurement for which this process has previously been used? <ol style="list-style-type: none"> <li>(a) What was the acquisition cost?</li> </ol> </li> <li>9. In your briefings to the potential builders, whether before or after the competitive evaluation process announcement, did DMO advise them that they shouldn’t build in Australia?</li> <li>10. The Government’s process says that an expert advisory panel will be appointed to oversee the competitive evaluation process. <ol style="list-style-type: none"> <li>(a) How will those people be appointed?</li> <li>(b) Who will appoint them?</li> <li>(c) How will the appointment process work?</li> </ol> </li> </ol>	Written	16/04/15	14/05/15
-----	---------	--------	---	---	---------	----------	----------

36.	Defence	Conroy	Future Submarine Program - Japan	<ol style="list-style-type: none"> <li>1. Is there any understanding, agreement or commitment between Prime Minister Abbott and Prime Minister Abe to have Japan build our new submarines?</li> <li>2. Has there been any preparatory work conducted within the Department in anticipation of our new submarines being built by Japan?</li> <li>3. Has the Department prepared any press releases, talking points, or any other documents announcing that Japan would build Australia's new submarines?</li> <li>4. Were there any discussions relating to the Future Submarine program included as part of the Free Trade Agreement process between Australia and Japan?</li> <li>5. There are recent reports that said the Japanese would not be involved in a competitive tender process. Is that correct?</li> <li>6. Has the DMO briefed the Government of Japan, either in Australia or Japan, regarding SEA 1000, and any changes arising from the Prime Minister's undertaking to his SA backbenchers?</li> <li>7. Has all information relevant to SEA 1000 sought from Japan been provided? <ol style="list-style-type: none"> <li>(a) If not, on what grounds was it refused?</li> </ol> </li> <li>8. What Japanese company would the Government work with if Japan was to win the Future Submarine contract? <ol style="list-style-type: none"> <li>(a) Would it be a government-to-government deal?</li> <li>(b) Or would it be a commercial arrangement with Mitsubishi and/or Kawasaki?</li> </ol> </li> <li>9. Is it correct that Japan's shipbuilding industry is at full capacity?</li> <li>10. Is it correct that new ship yards would have to be built in order for Japan to build Australia's new submarines?</li> <li>11. Does Japan subsidise its shipbuilding companies?</li> <li>12. What assurance can the Government provide that any plan to purchase Japanese submarines won't be subject to changes in the Government of Japan?</li> <li>13. Do DMO agree that a Japanese design and build presents a number of risks to the capability gap including: <ol style="list-style-type: none"> <li>(a) Delay caused by the political debate inside Japan around releasing military technologies;</li> <li>(b) Delay caused in Japan because of a lack of design and shipbuilding capacity;</li> <li>(c) The challenge of working with Japanese designers and plans that have never been exported offshore. Has the Government and/or DMO and Defence made an assessment of these risks?</li> </ol> </li> <li>14. What assurances can the Government give that any plan to purchase Japanese submarines will be supported by the United States so that we can continue to access key technologies including the US Combat System and MK-48 heavyweight torpedo?</li> </ol>	Written	16/04/15	14/05/15
-----	---------	--------	----------------------------------	---	---------	----------	----------

37.	Defence	Conroy	Future Submarine Program - Announcement of Process	Some further detail for this process was announced on 20 February. This came after a cabinet meeting on 19 February. If Cabinet didn't sign off on the process until 19 February, why was it announced by the Prime Minister on 8 February?	Written	02/04/15	14/05/15
38.	Defence	Conroy	Future Submarine Program - Funded Definition Study	The Kinnaird Two-Pass Process, which the Government says they are going to follow, allows for a funded definition study with industry. Will such a study take place for SEA 1000?	Written	10/04/15	14/05/15
39.	Defence	Conroy	Future Submarine Program - Evaluation Process	<ol style="list-style-type: none"> <li>1. Has DMO briefed DCNS and TKMS regarding this new process for SEA 1000?</li> <li>2. Has DMO provided any specifications regarding weight, design, endurance, range, yet to those included in the process – DCNS/TKMS/Japan?</li> <li>3. Will DMO now tour the shipyards of DCNS and TKMS to see what they have to offer? <ol style="list-style-type: none"> <li>(a) Who will go on these visits?</li> <li>(b) Will the Prime Minister's international advisor also go on these visits?</li> </ol> </li> <li>4. How confident is DMO that the Government will get the information they need to properly assess the bidders?</li> </ol>	Written	16/04/15	14/05/15

40.	Defence	Conroy	Future Submarine Program - Industry	<ol style="list-style-type: none"> <li>1. In the press release announcing the competitive evaluation process, it says: <i>“The process outlined by the Government today provides a pathway for Australian industry to maximise its involvement in the program.”</i> <ol style="list-style-type: none"> <li>(a) TKMS has already said it can build 12 new submarines in Australia for a fixed price of around \$20 billion – doesn’t that maximise Australian industry involvement in the program?</li> <li>(b) How can building our new submarine fleet overseas meet the criteria of maximising Australian industry involvement?</li> </ol> </li> <li>2. The Government says there will be at least 500 more jobs through the Future Submarine Project, regardless of where they are built. How many more jobs will be created if the submarines are built in Australia? <ol style="list-style-type: none"> <li>a. Has the Government modelled this option?</li> </ol> </li> <li>3. It has been estimated that if the submarine is procured overseas some 440,000 FTE jobs will be lost over 40 years. Has the Government made any assessment of potential job losses caused by building a submarine overseas? <ol style="list-style-type: none"> <li>(a) Will that be factored into the policy of ‘maximising’ Australian industry involvement?</li> </ol> </li> <li>4. How does the Government plan to maximise Australian industry involvement in the Future Submarines if they are procured overseas?</li> </ol>	Written	07/04/15	14/05/15
41.	Defence	Conroy	Future Submarine Program - Project Costs	When the Prime Minister and the Defence Minister made the announcement they said that the project cost is around \$50 billion. How was that figure arrived at?	Written	10/04/15	14/05/15
42.	Defence	Conroy	Future Submarine Program - Economy	<ol style="list-style-type: none"> <li>1. Will the Australian Government provide a proper economic impact comparison of the different alternatives regarding building the Future Submarines? <ol style="list-style-type: none"> <li>(a) Is Government considering undertaking an economic impact statement for any overseas build vs an Australian build?</li> </ol> </li> <li>2. What are the costs to the economy of these job losses and ensuing costs to Government in terms of training, loss of skills, loss of taxation, payment of unemployment benefits and so forth? <ol style="list-style-type: none"> <li>(a) Will that analysis be done before a decision on the Future Submarines is taken?</li> </ol> </li> </ol>	Written	16/04/15	14/05/15
43.	Defence	Conroy	Future Submarine Program - Assessment of Prof Roos work	Has the Government and/or DMO and Defence made an assessment of the work of Professor Goran Roos in terms of assessing the cost to the Australian economy of buying the Future Submarines from overseas? What are the results of this assessment?	Written	10/04/15	14/05/15



44.	Defence	Conroy	Future Submarine Program - Minister's Statement on what Competitive Evaluation Process will involve	<p>The Minister's statement outlined what the Competitive Evaluation Process would involve. It includes those involved providing:</p> <p>(a) Pre-concept designs based on meeting Australian capability criteria:</p> <ol style="list-style-type: none"> <li>i. Will these criteria be communicated formally to those involved?</li> <li>ii. Will it include, for example, the service life of the design and the reliability performance that is required?</li> <li>iii. How will this criterion be communicated – will it be translated into Japanese, German and French? Or only in English?</li> <li>iv. Will their designs be in English?</li> <li>v. How will the designs be verified and validated?</li> <li>vi. Will this be an iterative process? Will DMO provide feedback or will the bidders receive the criteria and then be expected to meet them?</li> <li>vii. Who at DMO will be evaluating the designs? Will the expert panel oversee the process?</li> </ol> <p>(b) Rough order of magnitude (ROM) costs and a schedule for each option:</p> <ol style="list-style-type: none"> <li>i. How will these costs be tested? What validation process will occur for these costs?</li> <li>ii. Will there be a cost audit?</li> </ol>	Written	10/04/15	14/05/15
45.	Defence	Conroy	Future Submarine Program - Consideration of Collins expertise	Are Government and/or the DMO and Defence making any consideration for the embedded knowledge, technology capabilities, specialised equipment, and specific co-specialised assets that have been developed and assembled in Australia to support the build and sustainment of the Collins?	Written	10/04/15	14/05/15
46.	Defence	Conroy	Future Submarine Program - Arrangements for Overseas Bidders	<p>Can you please outline how each potential overseas bidder would establish a design office in Australia, how they would transfer IP to Australia, and how they would ensure a substantial Australian defence industry participation plan to secure sovereign capability?</p> <p>(a) How is Japan planning to do this, given they have never exported a submarine before?</p> <p>(b) How will the Government ensure full national control over the Future Submarine project, avoiding an over reliance on any direct foreign assistance?</p> <p>(c) Has the Government determined that for through-life support, the Future Submarine would not have to go back to the country of origin for any form of service, upgrade or modification?</p>	Written	10/04/15	14/05/15

47.	Defence	Conroy	Japanese delegation to ASC	<ol style="list-style-type: none"> <li>1. What role did the Department of Defence have in arranging for a Japanese delegation to visit ASC in November 2014?</li> <li>2. If none – Was the Department notified of the delegation <ol style="list-style-type: none"> <li>(a) How was the Department notified?</li> <li>(b) Who within the Department was notified?</li> <li>(c) When was the Department notified?</li> <li>(d) By who was the Department notified?</li> </ol> </li> <li>3. Did anyone from the Prime Minister’s office attend this visit?</li> <li>4. Is Defence planning any further visits from the Japanese or any other company?</li> </ol>	Written	16/04/15	14/05/15
48.	Defence	Conroy	ADF and Civilian Pay	<ol style="list-style-type: none"> <li>1. Will ADF pay levels be reviewed throughout the life of the recently amended agreement to ensure that annual pay increases do not fall below inflation?</li> <li>2. Non-ADF Defence staff support our military personnel to ensure that they are safe, well equipped and appropriately provided for. Will these employees also have their agreements amended to ensure that their pay increases are above inflation?</li> <li>3. Are there concerns that a real pay cut for Defence Staff, with loss of conditions, could have serious effects on the Department’s ability to recruit the skilled people it needs?</li> </ol>	Written	10/04/15	14/05/15
49.	Defence	Conroy	2015 Defence White Paper	<ol style="list-style-type: none"> <li>1. When is the current expected delivery date on the 2015 White paper?</li> <li>2. Has the White Paper draft required significant amendments since the change of Minister late last year?</li> <li>3. How many people from the Australian Strategic Policy Institute are working on the White Paper – either in a direct writing role or in an advisory capacity? What are their positions?</li> <li>4. The Coalition’s election policy document says that the White Paper will include “costed” ways to meet Australia’s defence and national security objectives. Will the 2015 White Paper be fully costed?</li> <li>5. Will the White Paper include the number of submarines that the Government believes Australia needs?</li> </ol>	Written	26/03/15	14/05/15

50.	Defence	Conroy	First Principles Review	<ol style="list-style-type: none"> <li>1. Has the First Principles Review team presented its report to the Minister, the Assistant Minister, or the Department, or given a preliminary report?</li> <li>2. If not, what stage has the Review reached and when it is expected to provide its report?</li> <li>3. If the report has been presented: <ol style="list-style-type: none"> <li>(a) What was the final cost to the Department of supporting the Review, including the six Departmental staff assigned to the role?</li> <li>(b) What was the cost of engagement of the Boston Consulting Group to assist with the Review?</li> <li>(c) Will the report be made public?</li> <li>(d) Does the Review make recommendations about the number of APS staff?</li> <li>(e) Does it recommend significant structural changes in the organisation of the Department, including DMO?</li> <li>(f) Has the Review provided “Further options for the enhanced commercialisation of Defence functions, including DSTO but excluding DHA”, as requested in issues for consideration number 3e?</li> </ol> </li> </ol>	Written	12/05/15	14/05/15
-----	---------	--------	-------------------------	---	---------	----------	----------

51.	Defence	Conroy	Fraud Issues	<ol style="list-style-type: none"> <li>1. The Sunday Telegraph reported on the 4<sup>th</sup> January 2015 that \$1.8 million was stolen by Defence staff last financial year, double the previous year. Is this figure accurate?</li> <li>2. The same article reported that 322 investigations were finalised during the 2013/14 financial year, 288 of these “fresh” investigations [investigations that started in the 2013/14 financial year), but only \$133,000 was recovered. Are these figures accurate?</li> <li>3. The report says that \$393,000 was recovered the previous financial year, is that accurate?</li> <li>4. What was the cost of conducting these 322 investigations?</li> <li>5. How many of these 322 investigations resulted in recovery of money?</li> <li>6. The same article reported that 69,000 personnel completed the Department’s ‘Ethics and Fraud Awareness Program’ in 2013/14. Is this figure accurate?</li> <li>7. What was the cost of putting 69,000 personnel through the Department’s ‘Ethics and Fraud Awareness Program’ in 2013/14?</li> <li>8. Is there any research to confirm that this program will reduce the extent of fraud within the Department?</li> <li>9. The Australian reported on the 8<sup>th</sup> January 2015 that the Department of Defence launched a fraud investigation into the Government contractor ‘Writeway Research Service’. Can you confirm that this is correct?</li> <li>10. Is this investigation still going? What was the cost of this investigation?</li> <li>11. What work had Writeway conducted for the Department and what was the cost of this work?</li> <li>12. What were the findings of this investigation?</li> <li>13. How do these findings impact decisions or assessments made by the Department?</li> </ol>	Written	10/04/15	14/05/15
52.	Defence	Conroy	HMAS Canberra and LHDs	<ol style="list-style-type: none"> <li>1. What sort of activities has the HMAS Canberra undertaken since her commissioning?</li> <li>2. Is the crew fully trained yet or is that an ongoing task? (a) When do you expect the crew to be fully trained?</li> <li>3. Is HMAS Canberra on target to reach full operational capability by the expected date?</li> </ol>	Written	02/04/15	14/05/15

53.	Defence	Conroy	Unmanned Aerial Systems	<ol style="list-style-type: none"> <li>1. What is the status of the Triton purchase?</li> <li>2. Are you still looking to acquire seven Tritons and will they still be based at RAAF Edinburgh?</li> <li>3. Why have 2 Heron aircraft been retained?</li> <li>4. There has been an announcement from the Parliamentary Secretary to the Minister for Defence that training has started on MQ-9 (the Reaper Unmanned Aerial System (UAS)) for aircrew and support staff. The MQ-9 Reaper isn't mentioned on either the ADF's or RAAF's website as a platform we own. What's the purpose of this training?</li> <li>5. Until recently, the US Government refused to export the Reaper system. Now that they've relaxed that, are we looking to buy them?</li> <li>6. Why are we training ADF personnel to utilise a system we don't own or plan to buy?</li> <li>7. How is the Reaper different to the Triton, or other more tactical Unmanned Aerial Systems?</li> <li>8. Does the Reaper have the capacity to be weaponised?</li> </ol>	Written	30/03/15	14/05/15
54.	Defence	Conroy	C17 Globemasters	<ol style="list-style-type: none"> <li>1. It was reported in November that the RAAF had formally made representation to the US for up to four new C17s. Have these been requested yet? What is the status of this acquisition?</li> <li>2. How much is the procurement likely to cost for four new C17s?</li> </ol>	Written	16/04/15	14/05/15
55.	Defence	Conroy	C27 Spartan	<ol style="list-style-type: none"> <li>1. Flight training is about to start on Australia's newest transport aircraft C-27J Spartan Battlefield Airlift aircraft. Is it on target to meet Initial Operation Capability of late 2016?</li> <li>2. What training have pilots and crew already undertaken on this platform?</li> <li>3. Is RAAF still expecting ten C27 Spartans?</li> <li>4. When will they be delivered?</li> <li>5. When are you expecting to have Final Operational Capability for this platform?</li> </ol>	Written	26/03/15	14/05/15
56.	Defence	Conroy	Defence Redundancies - IT	<p>In relation to the planned redundancies among IT staff following the contract with Lockheed Martin Australia for the provision of centralised processing services (as reported in Defence Media Release of 10 September):</p> <ol style="list-style-type: none"> <li>1. An answer on notice said that there would be 125 APS employees made redundant. Is this still correct?</li> <li>2. How many of these people have already been made redundant?</li> <li>3. How many were voluntary? How many were forced?</li> </ol>	Written	10/04/15	14/05/15

57.	Defence	Conroy	Cyclones Marcia and Lam	<ol style="list-style-type: none"> <li>1. What support has the ADF provided to areas damaged by Cyclone Marcia? <ol style="list-style-type: none"> <li>(a) In which regions is the ADF working?</li> <li>(b) What ADF assets have been deployed?</li> <li>(c) How many personnel have been deployed?</li> <li>(d) How long do you expect the ADF to be providing this assistance for?</li> </ol> </li> <li>2. What assistance is the ADF providing to areas damaged by Cyclone Lam? <ol style="list-style-type: none"> <li>(a) What ADF assets have been deployed?</li> <li>(b) How many personnel have been deployed?</li> <li>(c) How long do you expect the ADF to be providing this assistance for?</li> <li>(d) Do you expect more ADF personnel or assets to be deployed?</li> </ol> </li> </ol>	Written	26/03/15	14/05/15
58.	Defence	Conroy	SEA 4000 AWD	<ol style="list-style-type: none"> <li>1. Please provide an update on the cost and schedule of the AWD project.</li> <li>2. Have there been any new risks identified since October that may affect the cost and schedule of the project?</li> <li>3. What is the update on the FMI Assessment of the AWD Program, given that the last update was a figure from late 2013 (149 man hours per compensated tonne)?</li> <li>4. Can you provide us with these figures disaggregated over the three ships?</li> <li>5. Has an estimate been prepared for Government on the cost of a fourth AWD? <ol style="list-style-type: none"> <li>(a) Has the Government taken another look at building another AWD since the reshuffle?</li> <li>(b) Is it still under consideration?</li> <li>(c) Would a fourth AWD support the Prime Minister's commitment to the US to enable an expanded missile-defence shield?</li> </ol> </li> <li>6. The Winter report was commissioned by Government to provide it with advice concerning the AWD project, the operation of the AWD alliance, and a road map going forward concerning Australian Shipbuilding Industry. <ol style="list-style-type: none"> <li>(a) When is the Government intending to make the report public?</li> <li>(b) Please advise what recommendations of the report have been implemented. Are they all being implemented?</li> <li>(c) Has the Minister, the Department or DMO briefed the Australian Shipbuilding Industry on the content of the final Winter report and its recommendations? If not, why not?</li> </ol> </li> </ol>	Written	10/04/15	14/05/15

59.	Defence	Conroy	SEA 5000 Future Frigate	<ol style="list-style-type: none"> <li>1. Has the Department completed the requirements definition phase? <ol style="list-style-type: none"> <li>(a) Are the Future Frigates intended to be Anti-Submarine-Warfare (ASW) specialists?</li> <li>(b) Is it envisaged that each Frigate would need 2 Helicopters and their associated Hangars and support facilities?</li> <li>(c) Would the Frigates have the full 48 cell vertical launch system found on the AWD?</li> <li>(d) Will the air-defence solution developed for the ANZAC Frigate be identified as a requirement on the Future Frigate?</li> <li>(e) Will the Future Frigate play any part in building a capability in ballistic missile defence?</li> </ol> </li> <li>2. Has DMO and/or the Navy formed a view about the suitability of the AWD Hull for the Future Frigate program?</li> <li>3. Has any decision been taken on the design of the Future Frigates?</li> <li>4. Is it still the case that the Government will only make a decision on the Future Frigates after they see an improvement in productivity on the AWDs?</li> <li>5. Is the Department considering the option of an overseas build for SEA 5000?</li> <li>6. Can you please advise the committee whether the SEA 5000 program was discussed at the recent AUKMIN? <ol style="list-style-type: none"> <li>(a) Has Australia entered into any agreement with the UK and/or BAE concerning the Global Combat Ship?</li> <li>(b) Can you please advise the committee what opportunities are offered by collaboration between Australia, the UK, Canada and potentially NZ in the task of building up to 25 Frigates and establishing a Global Supply Chain for their sustainment?</li> </ol> </li> </ol>	Written	10/04/15	14/05/15
60.	Defence	Conroy	Shipbuilding	<ol style="list-style-type: none"> <li>1. How many organisations make up the supply chain for Australia's current Frigates – The ANZAC Class?</li> <li>2. I note that the Department has a policy called "Building Defence Capability: A Policy for A Smarter And More Agile Defence Industry Base." Would you please explain how the Department can achieve this policy while exporting Australia's Navy shipbuilding industry?</li> </ol>	Written	10/04/15	14/05/15

61.	Defence	Conroy	LAND 400	<ol style="list-style-type: none"> <li>1. What is the current schedule for completion of the LAND 400 project?</li> <li>2. What are the reasons for the continuing slippage in the schedule?</li> <li>3. Is it not the case that the de-linking of phases for IVF and CRV vehicles in LAND 400 mean that the successful bid in Phase 2, has an advantage when bidding for future phases?</li> <li>4. Can you please provide specific information on precisely how many vehicles and of what type is being sought in LAND 400 Phase 2?</li> <li>5. In reference to QoN 74 from October 2014 Estimates (LAND 400 Phase 2), the answer indicates that – <ol style="list-style-type: none"> <li>(a) Defence assesses that there are MOTS solutions available for each of the individual requirements;</li> <li>(b) There is no requirement for tenderers to offer both wheeled and tracked vehicles;</li> <li>(c) Defence has no preference regarding wheeled or tracked vehicles; and</li> <li>(d) Defence has not prioritised the requirements found in the Key Requirements Matrix. Is that correct?</li> </ol> </li> <li>6. How can it be that industry is being asked to look at a document, the key requirements matrix, without them knowing which requirements Defence is prioritising?</li> <li>7. Has Defence advised industry that LAND 400 requirements include interoperability with ADF air-mobility and amphibious assets, capabilities and operational concepts? If not, why not?</li> <li>8. Is Defence intending to make a decision concerning a preference for wheeled or tracked vehicles? In the absence of such a decision, how can industry reasonably tailor its tenders or requests for information?</li> </ol>	Written	30/03/15	14/05/15
-----	---------	--------	----------	--	---------	----------	----------



62.	Defence	Conroy	LAND 121 Phase 4 Hawkei	<ol style="list-style-type: none"> <li>1. Can you please provide an update on the timeline for LAND 121 Phase 4 (the Hawkei)?</li> <li>2. Why has there been a significant delay in the final approval for this important project?</li> <li>3. Can the Department advise if the delay in approving this project will have any effect on Thales Australia's Bendigo factory, given that their work on Bushmaster is nearing completion and construction of the Hawkei is not expected to commence until 2016?</li> <li>4. Has the recent reshuffle delayed this important project going to Cabinet for final approval? Has there been any substantive work done in relation to Phase 4 of LAND 121 in 2015? <ol style="list-style-type: none"> <li>(a) Is it the case that the work done so far on Hawkei has satisfied Army and DMO and that there is no substantial reason for the delay in approving this project?</li> </ol> </li> </ol>	Written	26/03/15	14/05/15
-----	---------	--------	-------------------------------	---	---------	----------	----------

63.	Defence	Conroy	Projects of Concern List	<ol style="list-style-type: none"> <li>1. In reference to JP2008 Phase 3F, the Australian Defence Satellite Communication Capability Terrestrial Enhancement. This project has been added to the projects of concern list. <ol style="list-style-type: none"> <li>(a) When was it added?</li> <li>(b) Tell us about the schedule, technical and cost risks facing this project?</li> <li>(c) Is it the case that final delivery is now forecast to be some five years late?</li> </ol> </li> <li>2. Can you please provide an update on the Collins Class submarine sustainment? <ol style="list-style-type: none"> <li>(a) Is Defence meeting the benchmarks established in the Coles Review?</li> <li>(b) It has been often stated that the sustainment of our Collins Class submarines has dramatically improved as measured by their availability and reliability, has this continued to be the case and what metrics can you provide the committee?</li> <li>(c) When is it expected that the sustainment of the Collins Class will meet the final benchmarks set out in the Coles review?</li> </ol> </li> <li>3. In reference to SEA 4000 Phase 3, the AWD project: <ol style="list-style-type: none"> <li>(a) On the 9<sup>th</sup> of December 2014, the then Minister for Defence and the Minister for Finance announced that three companies had been contracted for the AWD Reform Strategy interim phase. Can you please advise the committee how the Winter Report informed the AWD reform strategy interim phase?</li> <li>(b) The interim phase of the reform strategy was said to be six months long, and would then be replaced by a long term solution. Is this process on schedule? Will the Government be announcing a long term strategy regarding the AWD in June 2015?</li> <li>(c) How does the addition of BAE Systems, Navantia SA, and Raytheon Australia to the AWD Reform Strategy Interim Phase change the work and structure of the existing AWD Alliance?</li> <li>(d) What does the contracting of these companies to undertake this work cost the project?</li> </ol> </li> </ol>	Written	10/04/15	14/05/15
-----	---------	--------	--------------------------	--	---------	----------	----------

64.	Defence	Conroy	Valour Inquiry	<ol style="list-style-type: none"> <li>1. How many of the 140 nominations for recognition of acts of gallantry and valour listed in Chapter 25 of the report of the inquiry into ‘Unresolved Recognition for Past Acts of Naval and Military Valour’ have been completely assessed and a decision made on their future treatment?</li> <li>2. When will those who have submitted these nominations be informed of the outcome of the process?</li> <li>3. In light of the concerns expressed about the time this process has taken by a number of those who have made nominations or been the subject of nomination: <ol style="list-style-type: none"> <li>(a) Can you identify particular factors to explain the length of time it has taken?</li> <li>(b) How many staff have been assigned to completing this process?</li> </ol> </li> </ol>	Written	30/03/15	14/05/15
65.	Defence	Conroy	DSTO Staff Morale	<ol style="list-style-type: none"> <li>1. How many staff days have been lost as a result of stress related injuries in the past 12 months? <ol style="list-style-type: none"> <li>(a) How does this compare to the previous 3 years?</li> </ol> </li> <li>2. How many staff have accepted redundancies or been made compulsorily redundant since 1 January 2014?</li> <li>3. How many positions are currently not permanently filled?</li> <li>4. How many staff are currently acting in their positions? <ol style="list-style-type: none"> <li>(a) How do these numbers compare with the previous 3 years?</li> </ol> </li> <li>5. How many complaints related to alleged misconduct within DSTO have been raised in the last 12 months? <ol style="list-style-type: none"> <li>(a) How does this compare to the previous 3 years?</li> </ol> </li> <li>6. What were the results for DSTO of the most recent internal surveys on staff morale and satisfaction? <ol style="list-style-type: none"> <li>(a) What are the changes if any since the previous survey?</li> </ol> </li> </ol>	Written	16/04/15	14/05/15

66.	Defence	Conroy	DSTO - Outsourcing and Commercialisation	<p>Question on Notice 59 from Supplementary Estimates:</p> <p>a. <i>The First Principles Review has as a Term of Reference, 'Issues for Consideration, 3f. Recommend further options for the enhanced commercialization of Defence functions, including DSTO but excluding DHA'. Is the first principles review of Defence contemplating the outsourcing of DSTO?</i></p> <p>b. <i>Has the Department provided to the review team with information to consider DSTO privatisation or commercialisation? If so, what is the nature of this information?</i></p> <p>1. The answer advised that these were matters for the Review which had not completed its work.</p> <p>2. Has the Review now completed its work?</p> <p>3. If yes, what is the response to the questions raised in Question on Notice 59?</p>	Written	30/03/15	14/05/15
67.	Defence	Gallacher	Development and Construction of Housing for Defence at RAAF Base Tindal, NT	<p>In reference to the DHA referral made December 2013 to the Public Works Committee – Development and Construction for Defence at RAAF Base Tindal, Northern Territory. Who was the official and their position that authorised the '50 new bespoke tropically designed dwellings and associated supporting roads and infrastructure for the use by Defence personnel and their families' at RAAF Base Tindal (NT), at an estimated cost of \$89.4 million?</p>	Transferred from DHA	02/04/15	14/05/15