

Minister for Defence Media Mail List – Tuesday, 22 September 2009

SENATOR JOHN FAULKNER
Minister for Defence

030/2009

RELEASE OF THE DEFENCE BUDGET AUDIT EXECUTIVE SUMMARY - ESTATE

The Executive Summary of the Defence Budget Audit, led by Mr George Pappas, was recently released under a Freedom of Information (FOI) request.

As he explained to the FOI applicant in his written decision, the FOI decision maker withheld two paragraphs of the Executive Summary relating to the Defence Estate because the issue is still under consideration by the Government. In accordance with Section 36 of the FOI Act, the decision maker judged that maintaining Cabinet confidentiality regarding a matter to be further deliberated on in Cabinet outweighed the public interest in disclosure.

Given the recent level of public interest in this issue, I have decided to release the relevant paragraphs.

The Government has made no decision with respect to the estate rationalisation proposed in the Defence Budget Audit.

The \$20 billion of savings that will be achieved under the Strategic reform program do not include the estimated yearly savings referred to in the relevant paragraphs that I have released.

Media contacts:

Colin Campbell (John Faulkner): 02 6277 7800 or 0407 787 181

Defence Media Liaison: 02 6127 1999 or 0408 498 664

Media Note:

The executive summary of the Pappas Report will be available on the Defence website this afternoon.

Attachment A:

PARAGRAPHS FROM THE EXECUTIVE SUMMARY OF THE DEFENCE BUDGET AUDIT THAT WERE WITHHELD BY THE DEFENCE FOI DECISION MAKER

Removing the long-term structural inefficiencies of a fragmented estate. This can be achieved by starting the process of consolidating estates into an efficient superbase model, laying the foundation for the next 'S' curve in Defence productivity. A superbase model would dramatically reduce subscale base costs, extensive travel and relocation expenses, and the costs associated with managing a complicated supply-chain network.

The estimated yearly savings from a superbase model that would meet Australia's strategic requirements would increase over time (assuming a staged consolidation), and could reach \$700 to \$1,050 million by 2035 (in 2008 dollars).

www.defence.gov.au