

# **DEFENCE CHAPTER ONE OVERVIEW**

## **OVERVIEW**

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# OVERVIEW

## STRATEGIC OBJECTIVES AND ENVIRONMENT

### Strategic Objectives

Information is as reported in the *Portfolio Budget Statements 2004-05* except for the revision detailed below.

Defence is currently preparing the Defence Planning Guidance and Defence Capability Strategy, as recommended in the Defence Procurement Review.

The Defence Planning Guidance articulates the strategic priorities (near, medium and long term) that guide further planning and action within Defence. Based on a strategic risk assessment of the types of contingencies likely to face Defence in carrying out its Government-endorsed roles, the Defence Planning Guidance shapes decision making on the fundamental inputs to capability and their enablers (such as capability development and management, force disposition and workforce planning, international engagement, science and technology and industry priorities).

The Defence Capability Strategy is a description of the Defence vision for capability transformation and provides a picture of where the organisation is headed in capability terms over the next 20 years. It reflects the agreed directions from the Government, such as the Defence White Paper<sup>1</sup> and the 2003 Defence Update<sup>2</sup>, and addresses the resultant capability goals holistically.

The guidance outlined above will seek to update, and as necessary recalibrate, both strategic objectives and the force structure priorities. These changes will be identified in the *Portfolio Budget Statements 2005-06*.

### FORCE STRUCTURE

Information is as reported in the *Portfolio Budget Statements 2004-05* except for the revisions detailed below:

- a surface combatant force of six Adelaide-class guided missile frigates, otherwise called FFGs (to be reduced to four from 2006), and six Anzac-class frigates (rising to eight by 2006), together with onboard helicopters; and
- two additional Armidale-class patrol boats.

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<sup>1</sup> *Defence 2000: Our Future Defence Force*

<sup>2</sup> *Australia's National Security: A Defence Update 2003*

# IMPLEMENTING THE DEFENCE WHITE PAPER

Defence's long-term plan to acquire the equipment necessary to meet the requirements set out in the Defence White Paper and 2003 Defence Update is contained in the Defence Capability Plan. The Defence Capability Plan will be refined by the Defence Planning Guidance and Defence Capability Strategy to ensure that it continues to reflect the effects of changes in Australia's strategic environment, changes in technology, and any other requirements.

## Initiatives to Improve Capability

Initiatives are as reported in the *Portfolio Budget Statements 2004-05* except for the revisions detailed below.

### Land Forces Goal

Revisions to the reported goal are:

- managing a foreign military sales case for the acquisition of additional Javelin direct fire guided weapons;
- assessment of tenders for a tactical uninhabited aerial vehicle system;
- delivery of thermal surveillance systems. Acceptance of ground surveillance radars and delivery of unattended ground sensor systems is now expected to occur in 2005-06;
- upgrading some C-130 Hercules aircraft with electronic warfare self-protection equipment and other measures to improve survivability; and
- the delivery of Special Forces Training Facilities (Holsworthy, New South Wales).

### Maritime Forces Goal

Revisions to the reported goal are:

- obtaining approval and initiating the installation of electronic warfare self-protection equipment in P-3 Orion maritime patrol aircraft;
- implementing the 'Sea Change' initiative to improve management of Navy personnel;
- the upgrade of Darwin Naval Base (Northern Territory); and
- rescheduling to the third quarter of 2005 the return to service of HMAS *Sydney* following a significant upgrade.

## Initiatives for Science and Technology and Australian Industry

Revisions to the reported goal are:

- expand the Capability and Technology Demonstrator program to investigate the defence capability potential of advanced technology;

- seek opportunities, via several commercialisation mechanisms, for technology transfer to Australian industry to enhance industry's ability to provide support to Defence and to increase the national wealth; and
- continue to implement the industry sector plans designed to strengthen the relationships between the Defence Materiel Organisation and industry in key areas relevant to ADF capability.

# ORGANISATIONAL STRUCTURE

## Senior Executive Changes

Mr Michael Pezzullo was appointed to the dual role of Chief of Staff Australian Defence Headquarters and Head Coordination and Public Affairs in July 2004.

Mr Norman Gray was appointed to the position of Deputy Chief Executive Officer of the Defence Materiel Organisation on 8 November 2004.

Air Vice-Marshal John Monaghan was appointed as the Chief Information Officer in the newly-formed Chief Information Officer Group on 3 December 2004. Air Vice-Marshal Julie Hammer acted in the position from November 2003.

Major General Maurie McNarn was appointed Director of the Defence Intelligence Organisation on 24 January 2005.

## Organisational Structure Changes

A new Defence Legal Division was established within the Corporate Services and Infrastructure Group on 26 July 2004 and is headed by Mr Mark Cunliffe.

On 1 September 2004, the Coordination and Public Affairs Division was established. It was drawn principally from the former Ministerial Services and Public Affairs Division and is headed by the Chief of Staff Australian Defence Headquarters and Head Coordination and Public Affairs position that was created by the Secretary and the Chief of the Defence Force in July 2004.

On 1 December 2004, a General Counsel Division was established within the Defence Materiel Organisation to oversee contracting policy and operations. It incorporates the new Office of General Counsel, contracting operations and financial investigation service and contracting policy and practices.

On 3 December 2004, the Chief Information Officer Group was established following the amalgamation of the Office of the Chief Information Officer and the Information Systems Division of the Corporate Services and Infrastructure Group. The new group encompasses all aspects of Defence Information Environment capability management, including strategy, planning, prioritising, development, implementation and support.

## Organisational Chart

The following chart depicts the structure of the organisation at 10 February 2005.

