

**PORTFOLIO ADDITIONAL
ESTIMATES STATEMENTS 2008-09**

DEFENCE PORTFOLIO

EXPLANATIONS OF ADDITIONAL ESTIMATES 2008-09

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THE MINISTER FOR DEFENCE
THE HON JOEL FITZGIBBON MP

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

28 NOV 2008

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President and Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2008-09 Additional Estimates for the Department of Defence, the Defence Materiel Organisation and Defence Housing Australia.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the Defence Portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J. Fitzgibbon', written over a circular stamp or seal.

JOEL FITZGIBBON

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**USER GUIDE
TO THE
PORTFOLIO ADDITIONAL
ESTIMATES STATEMENTS**

USER GUIDE

The purpose of the Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements, is to inform Senators and Members of Parliament and the public of the proposed allocation of resources to Government outcomes by agencies within the portfolio. However, unlike the Portfolio Budget Statements, the PAES summarise only the *changes* in resourcing by outcome since the Budget, that is, they update the resourcing for the agency. The PAES include for the first time an Agency Resource Statement, in addition to the information on new measures and the Appropriation Bills.

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) 2008-09. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook 2008-09* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for agencies within the portfolio.

STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The PAES are presented in three parts with subsections.

PART ONE: DEFENCE	
Chapter One — Overview	Chapter One provides an update of Defence's budget, Defence's strategic objectives and environment, and Defence's organisational structure.
Chapter Two — Resourcing	Chapter Two provides an update of Defence's finances for 2008-09, including a revision of Defence's budget and measures, and an update of Defence's purchaser-provider arrangements.
Chapter Three — Defence Reform	Chapter Three provides an update of the implementation of internal reforms and efficiencies.
Chapter Four — Capital Investment Program	Chapter Four provides an update of Defence's capital budget including medium and major capital facilities projects, other capital purchases and capital receipts.
Chapter Five — People	Chapter Five provides an update on Defence's personnel initiatives and workforce summary.
Chapter Six — Planned Outcome Performance	Chapter Six provides an update of the cost and performance targets for Defence's outcomes and outputs.
Chapter Seven — Explanatory Tables and Budgeted Financial Statements	Chapter Seven provides an update of Defence's budgeted financial statements.
PART TWO: DEFENCE MATERIEL ORGANISATION	
Chapter One — Overview	The overview provides an update of the Defence Materiel Organisation's (DMO) challenges and opportunities, and structure.
Chapter Two — Resourcing	The resourcing chapter provides an update on the DMO's appropriations, cost recovery arrangements and purchaser-provider arrangements.
Chapter Three — Management Reforms and Governance	This chapter provides an update of the DMO's reforms.
Chapter Four — People	This chapter provides an update of the DMO's personnel initiatives and the organisation's workforce overview.
Chapter Five — Planned Outcome Performance	This chapter provides an update of the DMO's outcome and outputs, planned performance targets and planned evaluations.
Chapter Six — Explanatory Tables	This chapter provides an update of the DMO's budgeted financial statements.
PART THREE: DEFENCE HOUSING AUSTRALIA	
	This section provides an update of Defence Housing Australia's performance forecasts, outcome and output information, and budgeted financial statements.
APPENDIX	
	A list of tables and figures, a glossary and a list of acronyms and abbreviations.

STYLES AND CONVENTIONS

(a) The following notations may be used:

NEC/nec	not elsewhere classified
AEST	Australian Eastern Standard Time
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million

(b) Figures in tables and in the text may be rounded. Discrepancies in tables between totals and sums of components are due to rounding.

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A copy of this document can be located on the Australian Government Budget website at www.budget.gov.au and the Defence website at www.defence.gov.au/budget.

REFERENCES

Previous years' Defence Portfolio Budget Statements, Portfolio Additional Estimates Statements and Annual Reports can be found at www.defence.gov.au/budget.

PORTFOLIO OVERVIEW

PORTFOLIO OVERVIEW

The Department of Defence's portfolio structure and outcomes remain as reported in the *Portfolio Budget Statements 2008-09*.

