



BUDGET*

PORTFOLIO BUDGET STATEMENTS 2013-14
BUDGET RELATED PAPER NO. 1.4A

DEFENCE PORTFOLIO

BUDGET INITIATIVES AND EXPLANATIONS OF
APPROPRIATIONS SPECIFIED BY OUTCOMES
AND PROGRAMS BY AGENCY

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MINISTER FOR DEFENCE

PARLIAMENT HOUSE

CANBERRA 2600

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President

Dear Speaker

I hereby submit Portfolio Budget Statements in support of the 2013-14 Budget for the Defence Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the portfolio.

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

Best Wishes

A handwritten signature in blue ink, appearing to read 'Steve S'.

Stephen Smith MP
Minister for Defence

Abbreviations and Conventions

The following notations may be used:

NEC/nec	not elsewhere classified
-	Nil
..	not zero, but rounded to zero
Na	not applicable (unless otherwise specified)
Nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Table of Contents

User Guide	x
DEFENCE PORTFOLIO OVERVIEW	2
Ministers and their Portfolio Responsibilities	3
Changes Affecting the Portfolio	3
Portfolio Structure and Outcomes	6
DEPARTMENT OF DEFENCE	12
Section 1: Defence Overview and Resources	12
1.1 Strategic Direction Statement	12
1.2 Defence Resource Statement	14
1.3 Budget Measures	15
1.4 Capital Investment Program.....	17
1.5 People.....	19
Section 2: Defence Outcomes and Planned Performance	23
2.1 Outcomes and Performance Information.....	23
Section 3: Defence Explanatory Tables and Budgeted Financial Statements	82
3.1 Explanatory Tables.....	82
3.2 Resource Summary	86
3.3 Budgeted Financial Statements	91
3.4 Consolidated Budgeted Financial Statements for the Department of Defence (including DMO)	107
Appendices	114
Appendix A: Defence Cooperation Program	115
Appendix B: The Unapproved Major Capital Investment Program (also known as the Defence Capability Plan)	118
Appendix C: Major Capital Facilities Program	121
Appendix D: Approved Projects being Developed for Private Financing Arrangements.....	128
Appendix E: Status of Major Projects Foreshadowed for Government and Parliamentary Standing Committee on Public Works Consideration in 2013-14.....	129

DEFENCE MATERIEL ORGANISATION	134
Section 1: DMO Overview and Resources.....	134
1.1 Strategic Direction Statement	134
1.2 DMO Resource Statement	139
1.3 People.....	142
Section 2: DMO Outcomes and Planned Performance.....	144
2.1 Outcomes and Performance Information.....	145
Section 3: DMO Explanatory Tables and Budgeted Financial Statements.....	191
3.1 Explanatory Tables.....	191
3.2 Budgeted Financial Statements	194
DEFENCE HOUSING AUSTRALIA	206
Section 1: DHA Overview and Resources	206
1.1 Strategic Direction Statement	206
1.2 DHA Resource Statement.....	209
1.3 Budget Measures	210
Section 2: DHA Outcomes and Planned Performance	211
2.1 Outcome and Performance Information	211
Section 3: DHA Explanatory Tables and Budgeted Financial Statements	214
3.1 Explanatory Tables.....	214
3.2 Budgeted Financial Statements	214
Glossary	220
Acronyms	226

User Guide to the Portfolio Budget Statements

User Guide

The purpose of the 2013-14 Portfolio Budget Statements (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by agencies within the portfolio. Agencies receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills No. 1 and No. 2 2013-14 (or Appropriation Bill [Parliamentary Departments] No. 1 2013-14 for the parliamentary departments). In this sense the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, non-general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates and accordingly, these entities are not reported in the PB Statements.