
DEFENCE

This chapter outlines Australia's defence policy and its defence relationships with other countries; the higher Defence organisation; defence personnel and equipment developments; the functions, organisations, staffing and training of the three Services; and the functions and activities of the Defence support organisations.

Further information on current defence planning and activities is available in the Defence Report and other publications of the Department of Defence, and in statements to the House of Representatives by the Minister for Defence and the Minister for Defence Science and Personnel.

Current Defence Policy

In March 1987 the Government released its White Paper on the Defence of Australia which outlined a comprehensive approach to Australian security and a basis for future planning, force development and defence activities.

The policy of defence self-reliance emphasises the ability to defend Australia and its direct interests using our own resources. This policy is pursued within an international framework of alliances and agreements which reflect Australia's commitment to contribute to peace and stability.

The security of our immediate geographic region is of fundamental strategic importance to Australia, and the continued development of an independent defence capability enhances our ability to contribute to peaceful development within the region. Priority in defence activity is consequently given to areas in Australia's region and high value is placed on fostering defence relationships with the countries of South East Asia and the South West Pacific.

Australia's security arrangements with the United States and New Zealand remain an important element of our defence policy. Although trilateral defence cooperation activities under the ANZUS alliance have been in abeyance due to the New Zealand Government's policy on visits by nuclear-powered and nuclear-weapon capable warships, the ANZUS alliance itself remains in force and continues to provide a background for a wide range of mutually beneficial bilateral defence cooperative activities with the United States. At the same time cooperative activities and projects undertaken with New Zealand continue to sustain Australia's close defence relationship with that country.

Australia's security prospects are favourable. Our relationships with our allies and neighbours are basically sound and we face no identifiable military threats. Nevertheless, our defence planning recognises the possibility that threats could arise, which would have consequences for our security. A high priority is given to the development of military capabilities in the Australian Defence Force (ADF) which will enable it to defeat more limited threats that could arise at shorter notice. Defence planning also aims to ensure that there are options for a future response to more serious challenges to our security.

Industry policy

Defence policy for industry forms an integral part of overall defence policy in meeting the requirements for defence self-reliance. The capacity of industry to maintain, repair, modify and adapt defence equipment independently of overseas sources is fundamental to the self-reliant defence of Australia. The development of this capacity as well as the maintenance of an adequate supply of replacement equipment and stores are prime defence policy objectives.

Higher Defence Organisation

The higher organisation of the ADF is dealt with in the *Defence Act 1903*, which provides that responsibility for the general control and administration of the ADF rests with the Minister for Defence. Under arrangements introduced in 1987, the Minister for Defence Science and Personnel has particular responsibilities within the Defence portfolio for the oversight of the Defence Science and Technology Organisation and ADF personnel matters.

The Minister for Defence has issued three directives laying out the responsibilities, both individually and jointly, of the Secretary and the Chief of the Defence Force (CDF). Under these directives the Secretary administers the Department of Defence and is responsible for advice to the Minister for Defence and the Minister for Defence Science and Personnel on policy, resources and organisation.

The CDF commands the Australian Defence Force and is responsible for advice to the Minister on the military aspects of ADF development including the size of the ADF and the balance within it in relation to strategic requirements.

The Secretary and the CDF are jointly responsible for advice on personnel policy requirements, including conditions of service, for the ADF; on promoting the efficient and economical use of resources within the ADF; for the continuing review of the adequacy of the organisation and administration of the Department of Defence and the ADF; and for recommending promotions and postings of two star officers and above, and the posting of one star officers to appointments which have more than single Service implications.

Major Defence Committees include the Council of Defence and the Defence Committee.

The function of the Council is to consider and discuss matters relating to the control and administration of the ADF and its respective arms referred to it by the Minister.

The Committee advises the Minister on:

- defence policy as a whole;
- the coordination of military, strategic, economic, financial and external affairs aspects of defence policy;
- matters of policy or principle and important questions having a joint Service or interdepartmental defence aspect; and
- such other matters having a defence aspect as are referred to the Committee by or on behalf of the Minister.

Defence Expenditure

The following tables give information about levels, categories and major items of defence expenditure.

**DEFENCE FUNCTION EXPENDITURE, REVENUE AND OUTLAY, PERCENTAGE OF
BUDGET OUTLAY AND GROSS DOMESTIC PRODUCT 1977-78 to 1988-89**

	<i>Expenditure \$m</i>	<i>Less revenue \$m</i>	<i>Outlays \$m</i>	<i>Per cent of budget sector outlays</i>	<i>Per cent of GDP</i>
1977-78	2,434	94	2,340	8.8	2.5
1978-79	2,658	90	2,568	8.8	2.4
1979-80	3,064	99	2,965	9.3	2.4
1980-81	3,657	166	3,491	9.6	2.5
1981-82	4,262	207	4,055	9.8	2.6
1982-83	4,940	239	4,701	9.5	2.8
1983-84	5,538	239	5,299	9.3	2.8
1984-85	6,229	291	5,938	9.2	2.8
1985-86	6,982	308	6,674	9.5	2.8
1986-87	7,578	370	7,208	9.5	2.8
1987-88	7,754	332	7,422	9.4	2.5
1988-89	8,171	391	7,780	9.5	2.3

EXPENDITURE ON DEFENCE FUNCTION

<i>Major categories</i>	<i>1987-1988</i>		<i>1988-89</i>			
	<i>Achieved</i>		<i>Budget</i>		<i>Achieved</i>	
	<i>\$m</i>	<i>per cent</i>	<i>\$m</i>	<i>per cent</i>	<i>\$m</i>	<i>per cent</i>
Capital equipment	1,733.296	22.4	1,845.627	22.9	1,778.571	21.8
Capital facilities	359.016	4.6	416.879	5.2	383.568	4.1
Personnel						
Service	2,136.485	27.6	2,201.117	27.3	2,262.621	27.7
Civilian	638.288	8.2	646.628	8.0	676.885	8.3
DFRDB and Special appropriations	558.094	7.2	614.733	7.6	594.447	7.3
<i>Total personnel costs</i>	<i>3,332.867</i>	<i>43.0</i>	<i>3,462.478</i>	<i>43.0</i>	<i>3,533.953</i>	<i>43.3</i>
Defence cooperation	57.538	0.7	60.212	0.7	60.596	0.7
Other operating costs						
Maintenance stores	723.655	9.3	755.632	9.4	747.185	9.1
Equipment repair	267.042	3.4	295.309	3.7	278.954	3.4
Building repair	167.785	2.2	165.081	2.0	170.866	2.1
Administrative expenses and other services	874.638	11.3	836.806	10.4	990.035	12.1
Rent	27.842	0.4	32.822	0.4	31.709	0.4
<i>Total other operating costs</i>	<i>2,060.962</i>	<i>26.6</i>	<i>2,085.650</i>	<i>25.9</i>	<i>2,218.749</i>	<i>27.2</i>
Defence housing	210.552	2.7	186.364	2.3	195.487	2.4
<i>Expenditure</i>	<i>7,754.231</i>	<i>100.0</i>	<i>8,057.210</i>	<i>100.0</i>	<i>8,170.924</i>	<i>100.0</i>
<i>Revenue</i>	<i>-339.890</i>		<i>-456.108</i>		<i>-433.807</i>	
<i>Trust accounts</i>	<i>7.818</i>		<i>-2.908</i>		<i>43.301</i>	
<i>Prospective wage and salary increases</i>	—		<i>60.000</i>		—	
<i>Defence function outlay</i>	<i>7,422.159</i>		<i>7,658.194</i>		<i>7,780.418</i>	
Defence appropriations attributable to other functions						
Cultural and recreation	1.895		1.949		1.967	

MAJOR ITEMS OF INVESTMENT EXPENDITURE IN 1988-89

<i>Projects</i>	<i>Expenditure</i>
	\$m
F/A 18 project and associated equipment	387.2
Six submarines	372.8
Black Hawk helicopters	87.0
Seahawk helicopters	83.3
Basic trainer aircraft	50.1
Army light field vehicles	47.3
Construction of 2 FFG frigates	36.3
Defence integrated secure communication network	35.7
DDG modernisation	31.0
Tindal Air Base	30.0
Acquisition of 4 FFG frigates	28.6
105mm Army field gun	28.4
HF and VHF single channel radios	27.8
Wheeled armoured fighting vehicles	25.3
Medium trucks for Army	23.6
Acquisition of small arms	22.7
Precision guided weapons	18.3
Jindalee upgrade	16.9
Mulwala project	11.6
Seahawk flight simulator/weapons system trainer	11.1
ANZAC Ships	10.0

AUSTRALIAN DEFENCE FORCE

The objective of the ADF is to plan, develop and maintain forces for contingencies within Australia's area of direct military interest and to defend Australia and its interests. The ADF is to be structured to be able to undertake current and foreseeable peacetime operational tasks as directed by the government; deal effectively with the levels of credible contingencies that could arise over shorter timescales; and provide a suitable basis for timely expansion to meet higher levels of threat if Australia's strategic circumstances deteriorated over the longer term.

Meeting the requirements for the defence of Australia provides the government with practical options for the use of elements in the ADF in tasks beyond Australia's area of direct military interest in support of regional friends and of allies.

The CDF commands the ADF and is principal military adviser to the government. Headquarters Australian Defence Force has been expanded and strengthened over recent years to reflect the importance of integrated planning for ADF operations, and for effective joint operations in credible contingencies.

Royal Australian Navy

The objective of the RAN is to raise, train and maintain seaborne forces structured to be able to deal with credible maritime contingencies in Australia's area of direct military interest (generally as part of a joint force) and provide a base for longer term expansion should this be required.

Higher organisation

The Chief of Naval Staff has command of the RAN, subject to the command of the ADF by the CDF. Principal staff officers to the Chief of Naval Staff are the Deputy Chief of Naval Staff, the Assistant Chief of Naval Staff (Development), the Assistant Chief of Naval Staff (Personnel), the Assistant Chief of Naval Staff (Logistics), the Assistant

Chief of Naval Staff (Materiel) and the Director General of Supply (Navy). Other senior officers of the RAN include the Flag Officer Naval Support Command and the Flag Officer Commanding HM Australian Fleet.

Ships of the Royal Australian Navy

The Fleet

Guided missile destroyers: *Perth, Hobart, Brisbane*; guided missile frigates: *Adelaide, Canberra, Sydney, Darwin*; destroyer escorts: *Parramatta, Stuart, Torrens, Derwent, Swan*; submarines: *Oxley, Otway, Ovens, Onslow, Orion, Otama*; coastal minehunter: *Curlew*; inshore minehunters: *Rushcutter, Shoalwater*; amphibious heavy lift ship: *Tobruk*; landing craft heavy: *Balikpapan (a), Wewak (a), Tarakan (a), Labuan (b)*; attack class patrol boats: *Aware (b), Adroit (b), Ardent (b)*; Fremantle class patrol boats: *Fremantle (b), Wollongong, Dubbo, Geraldton, Bunbury, Ipswich, Townsville, Bendigo, Whyalla, Gladstone, Warrnambool (b), Cessnock, Launceston, Gawler, Geelong*; training ship: *Jervis Bay*; fleet oiler: *Success*; auxiliary tanker: *Westralia*; hydrographic survey ships: *Moresby, Flinders*; oceanographic survey ship: *Cook*; interim survey ships: *Betano (c), Brunei (c)*.

NOTES:

(a) Operational Reserve. (b) Crewed by Reserves. (c) Landing craft heavy.

Fleet Air Arm

The RAN currently operates three different types of helicopters (anti-submarine Sea King Mk50 and Mk50A, and Kiowa and Squirrel) and HS748 electronic warfare training aircraft from HMAS *Albatross*, the Naval Air Station at Nowra in New South Wales. Seahawk helicopters are being acquired. The RAN also operates Jindivik pilotless target aircraft from the Jervis Bay Range facility.

Force structure

The future structure of a numerically larger surface combatant force is based upon development of three tiers of capability as set out in the 1987 White Paper.

The FFG-7 Class frigates (FFGs) and the guided missile destroyers (DDGs) satisfy the first tier requirements. The DDGs are undergoing a modernisation program and the FFGs are being modified to accept the Seahawk helicopter. Two additional FFG-7 Class frigates, *Melbourne* and *Newcastle*, are under construction at Williamstown, Victoria.

The destroyer escorts are effective general purpose warships which presently fill the second tier level of capability. These ships played a major part in expanding the RAN presence in South-East Asia with deployments to Singapore and participation in exercises under the Five Power Defence Arrangements. The new ANZAC Class frigates will also be in this tier.

The third tier capability is provided by the Fremantle Class patrol boats. These vessels, amongst other duties, maintained 1,839 days on patrol in the Australian Fishing Zone and made 40 arrests of foreign vessels illegally fishing in the Zone.

Australian Army

The objective of the Australian Army is to raise, train and maintain ground forces structured to deal with credible land contingencies in the defence of Australia, its territories and interests, generally as part of a joint force, using both Regular and Reserve forces; and provide a basis for longer term expansion.

Higher organisation

Command of the Army is the responsibility of the Chief of the General Staff, subject to the overall command of the ADF by the CDF. His principal staff officers are the Deputy Chief of the General Staff, Assistant Chief of the General Staff—Operations, Assistant Chief of the General Staff—Personnel, Assistant Chief of the General Staff—Logistics,

Assistant Chief of the General Staff—Materiel and the Assistant Chief of the General Staff—Army Reserve.

The Army is organised into three commands as follows:

- *Land Command*—commands all field army units of the Australian Army, both Regular and Army Reserve.
- *Logistic Command*—commands the principal logistic elements of the Army.
- *Training Command*—is responsible for all individual training and commands all Army training establishments and schools with the exception of the Royal Military College, Duntroon which is under the command of the Chief of the General Staff.

Military districts as listed below provide administrative support for the three commands and, in certain cases, act as intermediate headquarters for them. The military district headquarters also handle those matters in which both Commonwealth and State governments are involved.

- *1st Military District*—the State of Queensland.
- *2nd Military District*—the State of New South Wales, less those parts included in 3rd and 4th military districts.
- *3rd Military District*—the State of Victoria and part of southern New South Wales.
- *4th Military District*—the State of South Australia plus a portion of south-western New South Wales.
- *5th Military District*—the State of Western Australia, less the Kimberley Local Government Area.

Force structure

The Army's structure must include highly mobile forces capable of rapid deployment anywhere within Australia, its territories and its area of direct military interest, and able to conduct protracted and dispersed operations in harsh terrain where the existing infrastructure and resources are sparse.

The Army combat force structure is based on provision of a ready deployment force, a manoeuvre force, ready deployment force augmentation units, expansion base force for higher levels of conflict and communication support forces. These forces include:

- ground surveillance and reconnaissance capabilities;
- a light air portable force, including an airborne (parachute) element, capable of rapid deployment within Australia and its territories;
- tactical battlefield air support and mobility, including helicopters;
- a force in support of the civil authorities capable of resolving high risk terrorist incidents;
- forces capable of following up initial deployments;
- forces of greater combat power to reinforce deployed formations if necessary; and
- forces capable of deploying to defend vital defence installations and national infrastructure.

Royal Australian Air Force

The function of the RAAF is the conduct of operations in the air for the defence of Australia and Australian interests.

Higher organisation

The RAAF is commanded by the Chief of the Air Staff (CAS) who is responsible to the Minister for Defence through the CDF for that command. He is assisted by the Deputy Chief of the Air Staff and Assistant Chief of the Air Staff (Development), Assistant Chief of the Air Staff (Materiel), Assistant Chief of the Air Staff (Personnel), Assistant Chief of the Air Staff (Engineering) and Assistant Chief of the Air Staff (Supply), all located in Air Force Office.

RAAF commands

The RAAF is organised into two functional commands—Air Command with headquarters at Glenbrook and Support Command with headquarters in Melbourne. Air Command is responsible for the conduct of air operations and operational training while Support Command is responsible for basic training logistics and maintenance of RAAF equipment. Air Command comprises the following groups: Strike/Reconnaissance Group (SRG), Tactical Fighter Group (TFG), Airlift Group (ALG), Maritime Patrol Group (MPG), and Tactical Transport Group (TTG).

Aircraft

Air Command

SRG — F-111 (Amberley)

TFG — F/A-18 Hornet, Macchi (Williamstown and Tindal)

ALG — C130 Hercules, Boeing 707, Falcon 900, HS748 (Richmond, East Sale and Canberra)

MPG — P3C Orion (Edinburgh)

TTG — Caribou, Squirrel (Townsville and Canberra)

Support Command

Basic Pilot Training—CT4, Macchi and PC9 (Point Cook and Pearce)

Instructor Pilot Training—CT4, Macchi and PC9 (East Sale)

Navigator Training—HS748 (East Sale)

Force structure

The Air Force structure reflects the need for air forces to be capable of conducting independent as well as supporting maritime and land operations. The Air Force is to provide:

- national airspace surveillance and control together with broad area surveillance and a capability for air intercepts;
- combat aircraft for air defence and offensive air support;
- combat aircraft for reconnaissance and strike against maritime and land targets;
- a long range maritime patrol force for sea surveillance, maritime targeting and strike, antisubmarine warfare, aerial mine laying and search and rescue;
- an air transport force for strategic transport and air to air refuelling;
- a tactical air transport force to support land operations;
- transport aircraft for special transport operations such as VIP tasks and aeromedical evacuation;
- a search and rescue capability for RAAF and foreign military aircraft operating in the Australian area;
- a command and control organisation; and
- a logistics organisation for supporting the operation and deployment of forces.

Defence Personnel

In keeping with the requirements of the Defence Policy Information Paper, a Personnel Resource Strategy has been introduced. The objective of the Strategy is to promote the most effective use of all Defence personnel resources including Regular and Reserve Forces, civilians and contractors.

Service personnel

An important element of the Personnel Resource Strategy is the creation of a Trained Force and a Training Force in the ADF. The Trained Force is designed to effectively

meet the operational tasks required by the government. The Training Force is conceived as a flexibly-sized element of the ADF whose main objective is to provide comprehensive pre-employment training to newly recruited cadets and trainees. When trained, these personnel are made available to the Trained Force to maintain its strength. The strategy insulates the Trained Force from the influences of variable separation rates in ADF personnel.

**DISTRIBUTION OF SERVICE PERSONNEL AND CIVILIAN STAFF
AVERAGE STRENGTH 1988-89**

	<i>Navy</i>	<i>Army</i>	<i>RAAF</i>	<i>ADF</i>	<i>Civilians(a)</i>	<i>Total</i>
<i>Current Defence Forces</i>						
ADF Command	432	623	442	1,497	270	1,767
Navy	14,974	..	..	14,974	5,114	20,088
Navy Reserves (b)	156	..	..	156	..	156
Army	7	31,118	..	31,125	6,769	37,894
Army Reserves (b)	..	2,663	..	2,663	..	2,663
Air Force	..	..	21,696	21,696	3,097	24,793
Air Force Reserves (b)	..	..	222	222	..	222
<i>Total</i>	<i>15,569</i>	<i>34,404</i>	<i>22,360</i>	<i>72,333</i>	<i>15,250</i>	<i>87,583</i>
<i>Defence development</i>						
Procurement of capital equipment	17	9	40	66	669	735
Procurement of capital facilities	..	2	20	22	137	159
<i>Total</i>	<i>17</i>	<i>11</i>	<i>60</i>	<i>88</i>	<i>806</i>	<i>894</i>
<i>Defence support</i>						
Natural disasters and civil defence	1	2	..	3	62	65
Defence housing	..	1	..	1	..	1
Defence production (c)	28	..	..	28	234	262
Defence science and technology	8	12	13	33	3,965	3,998
<i>Total (d)</i>	<i>37</i>	<i>15</i>	<i>13</i>	<i>65</i>	<i>4,261</i>	<i>4,326</i>
<i>Corporate services</i>						
Executive	..	..	..	..	5	5
Personnel, management improvement and financial services	128	24	152	304	4,044	4,348
Strategic planning	43	91	87	221	408	629
Logistics organisation	3	14	18	35	554	589
<i>Total</i>	<i>174</i>	<i>129</i>	<i>257</i>	<i>560</i>	<i>5,011</i>	<i>5,571</i>
Total	15,797	34,559	22,690	73,046	25,328	98,374

(a) Civilian figures include paid inoperative staff, part-time staff and casual labour expressed as full-time equivalents. (b) The figure for Reserves shows the average number of full-time equivalent Reserves for the year. For budget purposes the average number of staff years is calculated from the number of training days used. (c) On 3 May 1989 Australian Defence Industries Pty Ltd took formal control of the defence factories and Garden Island Dockyard. (d) The defence support total excludes 6,997 staff funded through Trust Accounts.

Defence Support Organisations

Acquisition and Logistics Organisation—ALO

On 17 March 1989 the Secretary announced that the Capital Procurement Organisation and the Defence Logistics Organisation were to be merged into a single entity, the ALO. The Defence Contracting Organisation was to remain autonomous. The merger is designed to enhance departmental efficiency and productivity.

Major activities

The major areas of activity during 1988–89 were:

- policy development on ADF stockholdings, rehabilitation of lands affected by unexploded ordnance, safety principles for storage of ammunition and explosives, defence calibration and testing laboratory requirements;
- reviews of ADF supply services, the Defence Quality Assurance Organisation, procurement approvals processes, the Defence Contracting Organisation, the provision of fuel and lubricants to the ADF and the Defence/ADF commercial vehicle fleet;
- development of rationalisation plans for bombing ranges, explosive ordnance facilities and reserve stocks in support of the manufacture of munitions;
- provision of project material and management support for Defence cooperation activities and negotiation of logistic support arrangements with a number of countries;
- initial work on the establishment of a single Defence Quality Assurance Organisation;
- enhancement of numerous computer applications systems, provision of additional on-line enquiry-update network terminals and increased mass storage capacity of the logistics development back-up site, and upgrade network minicomputer system hardware and software;
- progression of the Supply Systems Redevelopment Project;
- reorganisation of the Defence Contracting Organisation including the establishment of a regional office in Canberra;
- finalisation and implementation of the Desine computer acquisition contract;
- the development of policy for the management of information into the 1990s; and
- the assumption of management responsibility for the Melbourne computing bureau which services the ADF and the Department.

Defence Contracting Organisation

The Organisation arranged 2,447 contracts in 1988–89, valued at \$1,453 million. Specific achievements were the revision of contract escalation provisions; implementation of revised tender advertising procedures; and the expansion of the existing ADP network to provide on-line functions between all regions as well as software enhancements to provide greater management reporting. The development of a computerised system for the construction of tender and contract documents, and of a market intelligence database, is near completion.

Defence Science and Technology Organisation—DSTO

DSTO forms the second largest research organisation in Australia, employing some 1,000 professional scientists and engineers in its total staff of about 4,300. It has representatives in London and Washington, and establishments in five States.

DSTO develops and maintains a base of skill and knowledge in defence science and technology, and fosters scientific and technological expertise in industry. It interacts with tertiary institutions in selected fields, concentrating on areas of priority to the Australian strategic and natural environment. It contributes to the solution of scientific and technological problems of the Defence organisation and relevant Australian industries.

Structure

The reorganisation of the DSTO laboratory structure has now been implemented, resulting in five mission-oriented laboratories with integrated scientific and engineering functions, as follows:

- Aeronautical Research Laboratory, based in Melbourne, with a Salisbury (SA) component;
- Electronics Research Laboratory, based in Salisbury;
- Materials Research Laboratory, based in Melbourne, with components in Pymont (Sydney), Scottsdale (Tasmania) and Innisfail (North Queensland);
- Surveillance Research Laboratory, based in Salisbury; and
- Weapons Systems Research Laboratory, based in Salisbury, with components of two divisions in Pymont.

Defence Production

The defence production sub-program up to 3 May 1989 was administered by the Office of Defence Production which operated a complex business to provide products and services primarily for the ADF. The scope of the business ranges from major ship repair and heavy engineering work such as the manufacture of gun-based weapons systems, through chemicals, explosives and clothing manufacture to the overhaul, testing and repair of complex weapons systems and equipment and testing of antennae. Progress towards improving the efficiency and competitiveness of the industrial capability which supports the ADF took a major step forward with the decision to move the principal defence production capabilities outside the Department of Defence and form a government-owned company to manage them. Formation of the company, Australian Defence Industries Pty Ltd (ADI), was announced by the Minister for Defence in August 1988. On 3 May 1989 ADI took formal control of the defence factories and Garden Island Dockyard.

Transition to a government company

The formation of ADI completes the transition of most government-owned, departmentally operated establishments, to the private sector. Only the Explosives Factory, Maribymong remains as an operating facility in government hands. This factory will be progressively closed, with its capabilities being transferred to other establishments by the end of 1990.

Since the formation of ADI was announced, rationalisation of the Office of Defence Production's factories and its headquarters has taken place in preparation for the transition to a corporate body, with progressively more autonomy for factories and less day by day management from headquarters. After transition, the company will operate with four business divisions:

- Naval Engineering Division:
 - ADI Garden Island Facility,
 - ADI St Marys Electronics Facility;
- Ammunition and Missiles Division:
 - ADI Footscray Facility,
 - ADI Mulwala Facility,
 - ADI St Marys Facility,
 - ADI Salisbury Facility;
- Weapons and Engineering Division:
 - ADI Bendigo Facility,
 - ADI Maribymong Facility,
 - ADI Lithgow Facility; and
- Military Clothing Division:
 - ADI Coburg Facility.

Extensive consultations with trade unions were undertaken, and have led to the ratification by the Industrial Relations Commission of a 'demarcation free award'. A workforce reduction program took place prior to the transition to ADI in order to remove excess overheads and realign staffing levels to present workloads.

Natural Disasters Organisation—NDO

NDO has a number of responsibilities aimed at minimising the effects of natural disasters on the Australian community and provides infrastructure and training to cope with natural disasters. In discharging these responsibilities it:

- develops national counter-disaster plans and civil defence policy and plans;
- coordinates the provision by the Commonwealth of physical assistance to the States and Territories in the event of a disaster;
- operates the National Emergency Operations Centre;

- coordinates government and non-government disaster relief to Papua New Guinea and the South-West Pacific nations at the request of the Australian Development Assistance Bureau;
- directs Commonwealth support programs to the State and Territory Emergency Services;
- maintains fallout shelter survey expertise; and
- directs the Australian Counter Disaster College in training and educating disaster managers and researching aspects of disasters and of disaster management.