

The following statement can be attributed to a Defence spokesperson:

The Defence grant program provides an important mechanism that directly supports the development of Australia's Defence capability.

Defence implemented a new management framework in July 2019 as part of the Department's commitment to strengthening accountabilities as set out in the Commonwealth Grant Rules and Guidelines. Five of the seven grants audited by Price Waterhouse Coopers were executed before the framework was established. The audit concluded that the new framework aligned with the Commonwealth Grant Rules and Guidelines and provided an effective approach to ensuring taxpayer funds are being managed appropriately.

The audit also made it very clear that the instances of non-compliance were related to general administration issues only and no serious wrongdoing was identified.

Defence has implemented all of the recommendations from the audit and undertakes an annual compliance assessment.