



RELEASE OF THE 2014 DEFENCE FORCE BUDGET

The 2014 budget announcement has again reinforced the need for us to continue to deliver capability as efficiently as possible.

People

This year's Defence budget will see no major changes to Air Force's uniformed establishment and will continue the modest reduction to our APS work force. Our entire work force – permanent, reserve and APS, together with our industry partners – are critical to maintaining our capability.

I will continue to direct our workforce into the critical areas of capability whilst maintaining our enabling activities. The budget for Reserve days remains strong and reflects how much we depend on Reserve personnel to complement our full-time work force. Rest assured, I am placing considerable effort in ensuring that we retain the necessary balance of personnel.

Military Superannuation

There is no change to superannuation for permanent Air Force members with *MSBS*. From 1 July 2016, new personnel joining Air Force will be covered by *ADF Super* as an accumulation super fund. Once established, serving Air Force personnel will have a choice of retaining their current arrangements with *MSBS* or transferring to *ADF Super*. This new arrangement will provide great flexibility for members, including the option to 'rollover' to other funds. I will continue to support initiatives that will improve workplace conditions and flexibility for Air Force members.

Capability Acquisition

The year to date has seen a number of commitments by Government for major new Air Force capabilities. The Government continues its commitment to the the F-35A Lightning II, the acquisition of the P-8A Poseidon and MQ-4C Triton, the EA-18G Growler and delivery of C-27J in 2015 is on track. The funding for these aircraft includes the required support facilities, and ongoing through-life operating costs. We will continue to undertake the workforce planning and preparation to make the transition of new platforms into service as smooth as possible for our people.

Raise Train, Sustain

The emerging financial environment means that Commanders will need to continue their close management of resource allocations and priorities to meet raise, train, sustain outcomes safely.

It is essential that we continue to maintain our cost-conscious approach to delivering capability, with a focus on improving the way we do business. The Air Force Improvement program provides a good basis, but we must continue to question our work, and develop innovative ways to deliver air power capabilities. This will put us in a good position to be responsive to a changing financial environment.

I am immensely proud of our Air Force – we are constantly retraining, reskilling and changing to meet the needs of our environment and deliver the next generation of airpower capability.

Our professional excellence, combined with our values, have placed Air Force in a good position to respond to the challenges of today, and into the future.

A handwritten signature in black ink, appearing to read 'GC Brown', with a stylized flourish at the end.

GC Brown, AO

Air Marshal
Chief of Air Force

14 May 2014