Former Telecom chief to head defence review

Former Telecom chief executive Roderick Deane will be leading a "value for money" inquiry into New Zealand's Defence Force, Defence Minister Wayne Mapp announced today.

"Dr Deane's wide-ranging experience in the public and private sectors makes him an excellent candidate to lead this exercise," Dr Mapp said.

The inquiry is aimed at improving the cost effectiveness and sustainability of the Defence Force and when the review was announced earlier in the month Dr Mapp said $50 million needed to be found within the budget to go to operational areas.

Looking at ways to save costs Dr Mapp said that different forces did not need to duplicate areas like human resource systems and some types of training and there were also opportunities for public-private partnership on bases, for example when hangars were built for new helicopters.

"The Defence Force is facing significant cost pressures in the coming years," Dr Mapp said today.

"The Government is determined to shift expenditure from the back office to the front line to ensure that Defence remains sustainable over time."

The value for money review caused the completion of the Defence White Paper to be delayed until the end of September to take the review into account.

As well as becoming chief executive of Telecom after it was privatised in 1992 until 1999 when he retired and became chairman, Dr Deane has also been chief executive of Electricorp, deputy governor of the Reserve Bank and chairman of the State Services Commission.