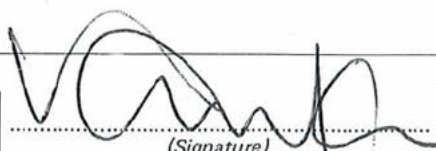


FOR CONSIDERATION BY THE MINISTER/MINISTER ASSISTANT through Secretary

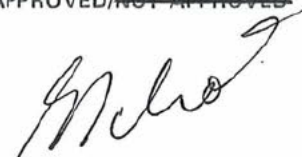
Subject	NEW DSD ANALYSIS COMPUTER - APPROVAL TO INCUR EXPENDITURE
Purpose	To obtain approval to incur expenditure on a new analysis computer for Defence Signals Directorate (DSD) at an estimated cost of \$11.05m.
Considerations	<p>At its meeting of 27 July 1984, the National and International Security Committee of Cabinet agreed that a computer system based on a Cray Research Incorporated processor be acquired for DSD at an estimated cost of \$12.95m (April 1984 prices, June 1984 exchange rate). Cabinet Submission No. 958 refers.</p> <p>The proposed computer will be used for cryptanalysis (codebreaking) to allow continued production of signals intelligence. An increase in computer power is required to counter improvements in communications security achieved through the introduction of new technology. DSD's present analysis computer has reached the limits of its capability and unless a new computer is installed and made operational by 1987, the degradation in the effectiveness of intelligence production could reach serious levels.</p> <p>Approval to incur expenditure is now sought for the equipment at an estimated cost of \$11.05m to allow procurement to proceed in a timeframe which will permit the new computer to become effective by 1987. Approval to incur expenditure for facilities at an estimated cost of \$1.90m is being sought separately.</p> <p>In accordance with departmental procedures for the purchase of ADP equipment, procurement will be handled by the Department of Administrative Services.</p> <p>The project will be referred to you again for approval to proceed to contract at which time it is proposed that an appropriate public statement be issued.</p>
Resource Aspects	Equipment acquisition funds of \$11.05m have been programmed for obligation in 1984-85 with expenditure of \$7.35m in 1985-86, and \$3.70m in 1986-87. Facilities funds are programmed for obligation and expenditure in 1984-85. Manpower requirements will be met from within existing resources.
Consultation	The resource aspects have been coordinated and agreed by FASPB. The proposal is endorsed by DEP SEC B and FASDIMP (in the absence of CCP).
Recommendation	That you agree to the incurring of expenditure of \$11.05m for the acquisition of a new analysis computer for DSD.

Declassified by ASD - 15/03/2022
Information removed for national security and/or personal sensitivities

DISTRIBUTION	
Secretary	
CDFS	
FAS PB	
CCP	


(Signature)
T.W.S. JAMES
(Name)

Director, DSD
(Designation)
10 / 8 / 84
(Date)

APPROVED/ NOT APPROVED

13 / 8 / 84