

Office of Hon Gerry Brownlee

MP for Ilam

Minister for Canterbury Earthquake Recovery

Minister of Defence

Leader of the House

Minister Responsible for the Earthquake Commission

J. Walters

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Dear J. Walters

Thank you for your email of 28 July 2015 regarding the restructuring of the Armed Forces Canteen Council.

The Armed Forces Canteen Council conducted a thorough review of the options for the provision of in-Camp and on-Base café and convenience store services. The Council's objective was to ensure that future operations would be modern, relevant, flexible and sustainable. Any change would also have to continue to provide a steady return to the Service welfare funds.

Following the review, the Council decided that the operation of café and convenience stores should be outsourced to Compass Group.

Compass Group, which already has a hospitality contract with the New Zealand Defence Force, will be investing in updating and rebranding the outlets providing Armed Forces Canteen Council services. As well as upgraded cafés, the convenience stores will be tailored to meet the needs of New Zealand Defence Force customers at each Defence Force location. The grocery outlets at Waiouru and Burnham will also be retained and refreshed.

Compass Group will formally assume responsibility for the provision of cafés and convenience stores on and from Monday 31 August 2015.

Yours sincerely

Hon Gerry Brownlee Minister of Defence