

# Brief for Land Environment Working Group

3<sup>rd</sup> September 2009



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Co-Chair - Industry

# Scope of my presentation...

- Welcome
- What has happened since Oct 08?
  - LWC (past and future)
  - Senior Defence Changes
  - Defence White Paper
  - Defence Capability Plan
  - Strategic Reform Program
- What's Going On Now?
- Networking Drinks

# LWC – Past and Future...

- ◆ Last LWC back in Oct 08 in Brisbane.
- ◆ Feedback passed to MINDEF and Combet ref this being an annual event.
- ◆ Letter back from Combet confirming bi-annual activity which sees Avalon and D+I run every odd year, then Pacific and LWC run every even year.
- ◆ LWC 2010:
  - Dates: Sun 14 – Fri 19 Nov 10:
    - Golf Day: Sun 14 Nov
    - LEWG: Mon 15 Nov
    - Chief of Army Exercise Walkthrough: pm Tue 16 Nov
    - LWC Opens: Wed 17 Nov
    - LWC Closes: Fri 19 Nov
  - Location: Brisbane Convention Centre
  - Website for more info: <http://www.dsto.defence.gov.au/lwc2010/>
  - Start booking your accommodation now!

# Conferences...

## ◆ Gap Filler:

### ➤ **Armoured Vehicles Australia**

- November 05 - 06, 2009 Hyatt Hotel, Canberra, ACT
- Presentations on:
  - **Land 400 Future Combat Vehicle System**
  - **Stryker Modernisation Program**
  - **ASLAV**
  - **Warrior IFV Platform**
  - **Bushmaster 4x4 Protected Mobility Vehicles**
  - **Mine Resistant Ambush Protection (MRAP)**
- Presentations by BRIG Paul McLachlan, COL Roger Noble et al
- **Early Bird Discount, Register & Pay Before 04/09/2009** Conference Only \$2499 + GST = \$2748.90
- Standard Price: \$2,999 + GST = \$3,298.90

# Senior Defence Changes

- ◆ MINDEF changed from Joel Fitzgibbon to John Faulkner
- ◆ Combet left, and then come back again.
- ◆ Secretary changed: Was Nick Warner, now Ian Watt.
- ◆ Governance:
  - Defence now has an Audit Division which will work with the ANAO and do its own internal investigations. Upcoming areas include:
    - Operational contracts in the MEAO
    - Eradication of asbestos
  - ANAO Potential Audits for 09/10
    - Land 121 Phase 3 Overlander
    - Explosive Ordnance Services Contract
- ◆ DGLD:
  - Brigadier Stephen Dunn changes with Brigadier Mal Reardon: Dec 09
  - Propose a Farewell/Welcome Dinner in Canberra around late Nov 09, hosted by Industry for these two gentlemen. Open to LEWG members. Seek your feedback today/tonight/by email.
  - LTC Steve Costable posted out and LTC Andy Mergens posted in as Secretary of the LEWG (Deputy Director Science and Industry).

# Defence White Paper

- ◆ Released by PM on HMAS Stuart on 2 May 09.
- ◆ Under the Rudd Government, expect a new White Paper in every five years (no longer)
- ◆ Key points:
  - 12 new submarines and eight new larger frigates and 20 offshore combatant vessels.
  - Confirmed around 100 JSF
- ◆ Land: I thought there was nothing really new.
  - It announced the Land 121 Phase 3 and 4 vehicles, Land 17 (both **SP** and towed), Land 75 for improved C2, and Land 19.

# Defence Capability Plan

- ◆ Released at D+I together, with a public definition of a PIC.
- ◆ DCP confirmed the importance of the LEWG:  
*“Early contact with industry in the capability definition stages is facilitated through the various Environmental Working Groups. The points of contact provided for each project can provide further information on the timing and nature of industry involvement.”*  
(DCP, page 3)
- ◆ In addition: VADM Matt Tripovich, Chief of Capability Development believes,  
*“The Public DCP 2009 is just the opening statement of a long conversation that we need have with Government, Central Agencies, the Capability Managers, DMO, DSTO, DSG and Industry so we can together understand what is required for us to deliver Force 2030”*  
(Defence Magazine, Issue 6, 2009, page 24)

# Defence Capability Plan

- ◆ My impression of the DCP:
  - Highly politically sensitized:
    - Four year window, not ten. Hard decisions are all in 4-10 year horizon.
    - YOD and ISD now spread over two year window – more wriggle room.
    - Project budget now vague and difficult for industry to work with. ACAT system was strongly rejected by industry as per the survey provided by the Australian Business Defence Industry Network.
  - Scant information for industry on projects such as Land 19 and Land 400.
    - Ground Based Air Defence Enhancements or Replacement. Under LAND 19 this phase is intended to enhance or replace the existing Ground Based Air Defence (GBAD) system (RBS 70 based). It will include technologies and weapon systems that are also capable of Countering Rockets, Artillery and Mortars (CRAM). This is likely to be an ACAT II project and Defence will be developing this phase for Government consideration after 2013.
    - Land Combat Vehicles. The LAND 400 project will aim to replace and enhance those combat systems currently provided by M113, ASLAV and Bushmaster. The project is likely to be split into phases to deal with vehicle classes or capabilities. This is likely to be an ACAT I Program and Defence will commence work on developing this project for Government consideration after 2016.

# Defence Capability Plan

- ◆ PIC = Priority Industry Capability
- ◆ PICs are defined ***“as those capabilities that confer an essential strategic advantage by being available from within Australia and which, if not available, would significantly undermine defence self reliance and Australian Defence Force (ADF) operational capability”***.
- ◆ Not named in the White Paper as this could, “compromise commercial leverage” (page 129). Please.
- ◆ Common sense prevailed and at D+I the PICs were named as:
  - Electronic Warfare.
  - High Frequency and Phased Array Radars.
  - ‘High end’ System and ‘System of Systems’ Integration.
  - Through-life and Real Time Support of Mission and Safety Critical Software.
  - Anti-Tampering Capabilities.
  - Signature Management.
  - In-service Support of Collins Combat System.
  - Acoustic Technologies and Systems.
  - Ship Dry Docking Facilities and Common User Facilities.
  - Selected Ballistic Munitions and Explosives.
  - Infantry Weapons and Remote Weapons Stations.
  - Combat Clothing and Personal Equipment.
- ◆ [http://www.defence.gov.au/dmo/id/pic/PIC\\_Factsheet.pdf](http://www.defence.gov.au/dmo/id/pic/PIC_Factsheet.pdf)
- ◆ Note a PIC can include a overseas OEM established in Australia.
- ◆ Remains somewhat unclear how Defence will help to sustain them and I suggest this will occur on a case-by-case basis.

# Strategic Reform Program

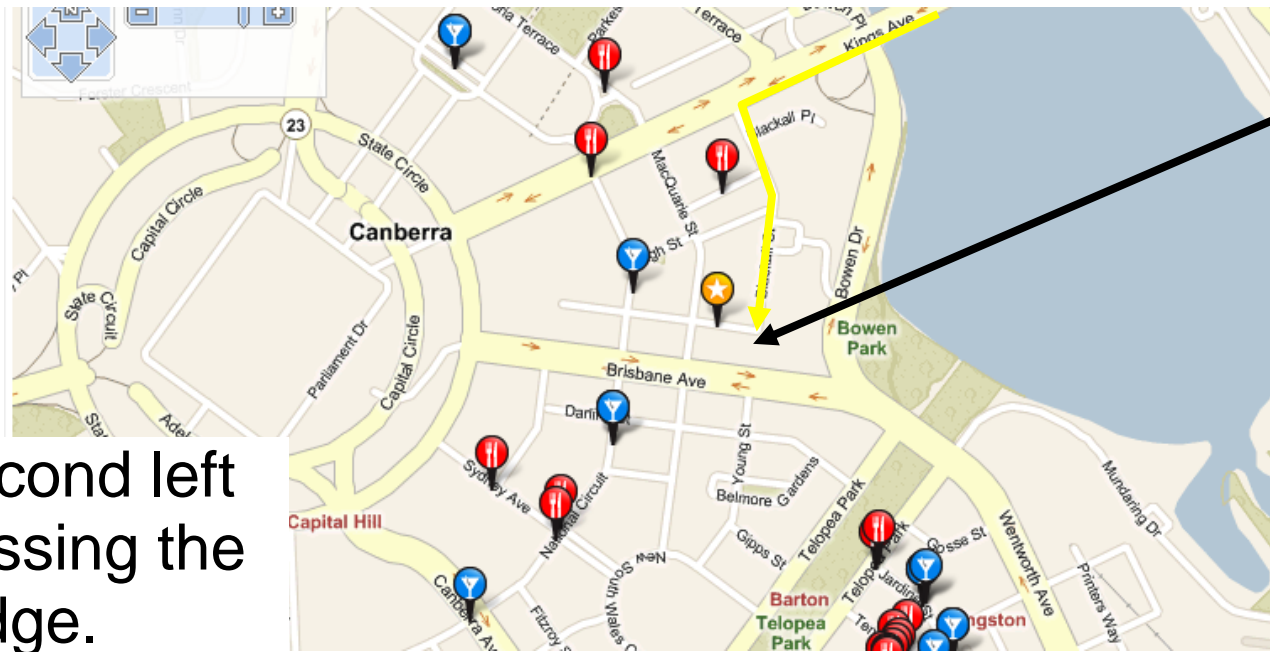
- ◆ Save \$20b over next 10 years. Reinvest in Defence...
- ◆ Predecessor was the Defence Reform Program (1997 – 2000) which saved \$1.137b over three years.
- ◆ So a \$2b saving every year (on average) for 10 years? Challenge...
- ◆ Kim Beazley's advice at D+I....
- ◆ Defence have identified 15 streams such as (amongst others):
  - Capability Development
  - Defence Estate
  - Information and Communications Technology
  - Procurement and Sustainment
  - Smart Maintenance, etc
- ◆ Each Stream headed by SES Band 3 or 3 star officer. High level committee beneath them.
- ◆ Impact on the DCP?
  - Some projects may get cut? Or scope reduced?
  - Greater emphasis on “off-the-shelf”?
  - Less support for high technical risk?
- ◆ Keep your critics close: Allan Behm and Mark Thomson now

# So what's going on now?

- ◆ Land 121 Phase 4 RFP. Due on Wed 16 Sep (two weeks).
- ◆ Following tenders remain under evaluation:
  - Tank / ASLAV TLS
  - Land 40-2 Direct Fire Support Weapon
  - Land 17 (SP)
  - Land 121 Phase 3 (road test now complete)

# LEWG Networking Drinks

- ACT Rugby Union Club, 51 Blackall Street BARTON
- Timings: 1730 onwards, earlier if you wish.
- Dress Code: Casual through to lounge suit
- Cash Bar, 8 beers on tap
- Food: can order counter meals, gourmet pizzas and heavy bar snacks as required.
- Industry reps more than welcome to put money over the bar (through me).
- **THANKS** again to **SAAB (x2), BAE Systems, Elbit, GDLS-A, Thales** who all contributed last time.



The RUC  
Virtually on  
outside corner

Take second left  
after crossing the  
bridge.

# Conclusion and Questions

- ◆ Been an interesting year so far
- ◆ Promised so much, delivered not as much, but the year is not over yet...
- ◆ Provide feedback/ideas for dinner in November...
  
- ◆ Damon Howes
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