



PARLIAMENT OF AUSTRALIA

Joint Standing Committee on Foreign Affairs, Defence and Trade
Defence Sub-Committee

MEDIA RELEASE
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Chair: Senator David Fawcett
Deputy: The Hon Alan Griffin MP

Exporting to support ADF capability

The Parliament's Joint Standing Committee of Foreign Affairs, Defence and Trade today tabled the report for its inquiry into Government support for Australian defence industry exports.

The Committee has recommended the Department of Defence recognise that elements of industry are essential to Australian Defence Force (ADF) capability and take steps to identify them, and establish long-term partnerships with industry to sustain them.

Chair of the Defence Sub-Committee, Senator David Fawcett (SA), said: "The recent First Principles Review of Defence has confirmed the Committee's view that elements of industry essential to the ADF should be recognised as a Fundamental Input to Capability (FIC). Defence therefore has an interest, indeed an obligation to find appropriate ways to work with industry to ensure that these capabilities can be developed and sustained. Defence exports are just one additional way that the industrial base linked to the ADF's key capabilities can be sustained."

The Committee recommends specific areas where Defence will need to revise its approach to procurement to allow for long-term partnerships with industry, to drive innovation and maintain Australia's sovereign capability.

Defence will need to find a new approach to identifying and managing risk to encourage the development of indigenous Intellectual Property (IP). They need to adapt their policies to recognise that for complex capabilities that are FIC, value for money is more likely to be found through ongoing partnerships with industry, rather than through open competition. "In the past, there has been a sizeable gap between statements of policy and the experience of the defence industry. This must now change," Senator Fawcett said.

This report's recommendations aim to make FIC areas of industry more sustainable and more innovative. This innovation will be the basis of increased exports and more clearly define those areas where it is demonstrably in the national interest for the taxpayer to be funding support for defence exports.

Other recommendations in the report include that the Department of Defence:

- revise the role of defence attachés;
- enhance the role for the Australian Military Sales Office;
- task ADF personnel to attend trade shows and events alongside industry;
- have active ministerial advocacy on behalf of the Australian defence industry; and
- improve processes within the Defence Export Control Office.

A copy of the report and information about the inquiry, including submissions, can be obtained from the committee's website at www.aph.gov.au/jfadt.

For media comment: please contact the Sub-Committee Chair, Senator David Fawcett, on (08) 8205 1040 (Electorate Office) or (02) 6277 3418 (Parliament House)

For further information: please contact the committee secretariat on (02) 6277 2313, via email at jscfadt@aph.gov.au or visit the inquiry website at: <http://www.aph.gov.au/jfadt>