

# Submission to Inquiry into the Department of Defence Annual Report 2023-24

2 February 2025

Dear Committee,

Thank you for the opportunity to provide a submission under the theme for **Sovereign Defence Industrial Priorities** and the committee's examination of Defence's progress on **innovation, research and advanced capability acceleration**.

## About the Submitter

I provide this submission as an interested member of public. My experience is drawn from a veteran career spanning 17 years in the Australian Defence Force including six years in a capability development function with direct authority into the Capability Acquisition and Sustainment Group, Defence Science and Technology Group, and external innovation ecosystem.

## Context to Sovereign Defence Industrial Priorities

Chapter 3 of the Defence Industry Development Strategy introduces seven Sovereign Defence Industrial Priorities (SDIP).

Within Annex B of the Strategy, Defence included Detailed Sovereign Defence Industrial Priorities (Detailed SDIPs) to provide greater granularity on specific needs with each SDIP – for instance the SDIP for '*Sustainment and enhancement of the combined-arms land system*' is overly broad for industry to prioritise, therefore Defence provided a Detailed SDIP of '*Body armour*' to provide a specific product to be recognised as a sovereign priority.

Each Detailed SDIP is further prioritised according to an Industrial Lifecycle, and a defined timeframe (2024 to 2025; and 2026 to 2030) that Industrial Lifecycle is to be addressed.

## Relationship to innovation, research and advanced capability acceleration

The Industrial Lifecycle stage for 'Innovation, Science & Technology' is prioritised for a number of Detailed SDIPs and is defined as "*solutions providing an asymmetric advantage whilst capable of being pulled through to capability*". It further advises Detailed SDIPs with an Innovation, Science & Technology (IS&T) need would "*be candidates for consideration under the Advanced Strategic Capabilities Accelerator*."

When reviewed in its entirety, there are 43 Detailed SDIPs requiring IS&T support by Australian sovereign industry which by definition should be capable of being pulled through to capability.

## Defence Annual report 2023-24

Of the 43 Detailed SDIPs requiring IS&T support, 31 were scheduled to received IS&T support within 2024-2025 (epoch 1) and in partial scope of the Defence Annual Report.

Yet under the section aptly titled 'Innovation, science and technology' of Chapter 5 in the Annual Report 2023-24, there is an absence of IS&T reporting against the Detailed SDIPs and no indication

what Detailed SDIP has translated (nor accelerated) into a capability with the Australian Defence Force.

The absence of reporting is a concern as the IS&T lifecycle is defined in the Strategy to be, “*candidates for consideration under the Advanced Strategic Capabilities Accelerator (ASCA)*”. The figures in Defence Annual Report 2023-24 suggests ASCA is not supporting Detailed SDIPs, despite the direction of the Defence Industry Development Strategy.

ASCA conduct several collaboration methods with industry, yet only ASCA ‘Missions’ are “*focussed on rapidly pulling through disruptive technologies into capabilities*”.<sup>1</sup> To date, ASCA has only released one Mission in November 2023 – far less than the 31 sovereign capability priorities that had a stated need for IS&T within 2024-2025 epoch.

That is to say, the implementation of IS&T for Detailed SDIPs is not solely the responsibility of Defence. Industry body groups, Australian Defence Universities Network, and the Defence Trailblazer have all opened schemes to address the needs in the Defence Industry Development Strategy.

However the Defence Annual Report comments that, “*Defence’s approach to innovation is one that seeks to unite the national science and technology ecosystem ...*” This does not appear to be the case with currently a fractured approach to IS&T for Detailed SDIPs. This risks repeating the mistakes of the defunct Defence Innovation Hub whereby innovation was not aligned to any procurement pathway.<sup>2</sup>

By focusing on single, large scale missions and disruptive technology, ASCA is failing to provide Australian industry the opportunity to mobilise and address the SDIPs.

In conclusion, the Committee may wish to consider:

1. Recommendation that the Annual Report 2024-25 specifically address the IS&T support Defence has provided the Detailed SDIPs
2. Recommendation that ASCA open a new collaboration method to empower Australian industry to address IS&T needs of the Detailed SDIPs
3. Consider that, given the need to deliver capabilities to the ADF, that ASCA is reorganised under the Capability Acquisition and Sustainment Group, in order to provide a clear reporting and procurement pathway for any IS&T collaboration.

Thankyou for your time in reading this submission. Equally thank you for your service to our nation and to our democracy.

Regards,

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<sup>1</sup> <https://www.asca.gov.au/about/missions>

<sup>2</sup> <https://www.aspistrategist.org.au/putting-defence-innovation-into-the-hands-of-the-adf-personnel-who-use-it/>