



DEPARTMENT OF BUSINESS AND INNOVATION

# Victoria's Defence Industry

## ICN Major Projects Forum

### August 2011

# Victoria's Defence Industry Facts - 2010



- **5** primes and over **300** SME's
- captured around **\$(AS) 2 billion** in revenue
- won around **20%** of domestic Australian Defence business
- employed over **8,000** Victorians
- supplied over **\$(AS) 226 million** in exports

# Victoria's Defence Industry Key Capability Areas - 2010



Maritime	\$442M	27%
Military Vehicles	\$335M	17%
Weapons & Munitions	\$268M	14%
Logistics	\$166M	9%
Military Equipment	\$151M	8%
Aerospace	\$95M	7%

# Victoria's Defence Industry Characteristics



## Positives

- Significant DMO presence
- Significant DSTO presence
- Diverse and robust economy
- Broad manufacturing base
- Ability to generate and sustain a workforce with the required skills and qualifications
- Long and successful history as a centre for the production and support of military equipment
- Strong performance in the defence equipment export market

# Victoria's Defence Industry Characteristics



## Negatives

- No major ADF operating bases in Victoria
- DMO equipment support philosophy
- Strong competition from South Australia, New South Wales and Queensland

# The role of the State in supporting defence industry



The State plays a key role in supporting defence industry in six principal ways:

- Investment Facilitation Programs
- Advocacy
- Skills Development
- Infrastructure
- Regulation
- Export Assistance
- Teaming Services

# Defence Industry Unit – Business Development Team



**MANAGER, DEFENCE BUSINESS DEVELOPMENT/  
PROGRAM MANAGER - LAND,  
MUNITIONS & SYSTEMS**

**MANAGER, DEFENCE & AEROSPACE  
NORTH AMERICA**

**PROGRAM MANAGER, AEROSPACE &  
MARITIME**

**MANAGER, DEFENCE & AEROSPACE  
UK & EUROPE**

**SENIOR PROGRAM OFFICER - MARKETING,  
PROMOTIONS AND TRADE FAIRS & MISSIONS**

**MANAGER, DEFENCE & AEROSPACE  
FRANKFURT**

**MANAGER, DEFENCE & AEROSPACE –  
WEST METRO OFFICE (SUNSHINE)**

**MANAGER, DEFENCE & AEROSPACE  
INDIA**

**MANAGER, DEFENCE & AEROSPACE –  
NORTH WEST METRO OFFICE (BUNDOORA)**

**MANAGER, DEFENCE & AEROSPACE –  
SOUTH EAST METRO OFFICE (DANDENONG)**

# Victorian Government Business Offices: Overseas



London • Frankfurt

Nanjing • Tokyo  
Shanghai  
Dubai • Hong Kong

Bangalore

Kuala Lumpur

Melbourne  
(Head Office)

San Francisco

Chicago

New York

**MANAGER, DEFENCE & AEROSPACE  
UK & EUROPE**

**MANAGER, DEFENCE & AEROSPACE  
NORTH AMERICA (based in Washington DC)**

# Victoria's Defence Industry

## Current Issues



- Slow down in defence procurement
- MOTS and COTS purchasing
- International opportunities for domestic defence industry
- Continuity of work for naval shipbuilding
- Lack of support for proven local industries

# Victoria's Defence Industry

## Targeting high returns



- Support companies bidding for work in Project LAND121 Phase 4.
- Support companies bidding for work in Project LAND121 Phase 3.
- Support companies bidding for the Defence Munitions Management Arrangement (DMMA) contract.
- Win the major share of JSF design, aerospace component manufacturing and assembly work awarded to Australian companies.
- Support companies bidding for early work in Project SEA1000 Future Submarines.

# Victoria's Defence Industry

## Targeting high returns



- Provide improved capacity and arrangements for SMEs to access the systems laboratories of defence Primes.
- Develop Bendigo as a major centre of military vehicle manufacture.
- Establish an improved capacity and capability to participate in the global supply chain programs being established by the defence Primes / Facilitate export and global supply chain opportunities.
- Work with the Commonwealth Government to smooth future demand to ensure there are opportunities for work at the Williamstown shipyard beyond 2014.



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## May 2011