

Land 400 project will create opportunities for Australian defence industry companies

MORE than 60 South Australian businesses have attended a defence industry workshop in Adelaide to find out how they can be part of building Australia's sovereign defence industry capability.

These local companies have the opportunity to share in the multi-billion dollar armoured vehicle program — known as LAND 400 — which will substantially enhance the Australian Army's combat capability while bringing much needed economic activity to Australia.

Phase 2 of the LAND 400 program will see the replacement of the Army's 25-year-old ASLAV armoured vehicle with a fleet of 225 Combat Reconnaissance Vehicles (CRV).

The new CRVs will provide significantly enhanced protection for our troops (particularly from evolving threats such as improvised explosive devices), and have a new communications suite and weapons system.

With the contract due to be finalised later next year, Defence is running workshops around the country to highlight opportunities for Australian industry to become involved with the two tenderers, BAE Systems Australia and Germany's Rheinmetall.

Over 400 Australian small and medium enterprises have registered to attend the workshops, which will be held in every capital city as well as several regional centres.

The \$4 billion program will support the establishment of an Australian assembly line and is expected to create more than 200 new jobs.

The Turnbull Government is using strategic procurement decisions to build up Australia's advanced manufacturing capability, which will support the maintenance and sustainment of this and other platforms over their multi-decade service lives.

Maintenance and sustainment typically account for two-thirds of a program's total

expenditure, with acquisition cost usually amounting to just a third.

By maximising Australian industry's involvement in the acquisition phase, we create a workforce with the skills and expertise to support the maintenance, upgrade and repair of the CRVs. Australian advanced manufacturing businesses — which are competitive on the world stage — will also benefit from becoming part of a global supply chain supporting the defence prime contractor.

The LAND 400 program represents a great opportunity for South Australian business, indeed one company has already partnered with a tenderer to see South Australian innovation and manufactured components being fitted to global fleets of heavy vehicles.

The Government is taking a long-term view of assessment of value for money, allowing us to procure military capability that is more affordable, available and effective across its service life, as outlined in the 2016 Defence Industry Policy Statement.

A further example is the flagship Future Submarine Program that will provide strategic maritime capability for generations of Australians, while supporting Australian jobs and innovation today and for many decades to come.

The Coalition government is future-proofing Australia's national security through strategic procurement programs.

Senator David Fawcett is Chair of Parliament's Joint Standing Committee on Foreign Affairs, Defence and Trade

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<http://www.adelaidenow.com.au/news/opinion/david-fawcett-land-400-project-will-create-opportunities-for-australian-defence-industry-companies/news-story/ce8cdb86ee524999d1a59a70dcf49f26>