The Tasmanian Defence Industry Strategy 2023

Making our contribution
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Minister’s foreword

Australia’s planned investment in defence capability is valued at over $195 billion over the next decade with worldwide allied defence spending coming in at trillions of dollars. Tasmania must not miss out on this vital economic opportunity.

Organisations such as Australian Border Force, the Australian Federal Police and respective state and territory police forces are also building and modernising their capabilities. These investments open up even more opportunity for Tasmanian businesses.

Staking our claim in the defence supply sector has the potential to bring tens-of-millions of dollars into our economy and create thousands of jobs across the state.

We have a long-term vision for Tasmania’s role in supplying Navy, Army, Air Force and enforcement agencies both at home and internationally. Our vision for growing Tasmanian business access into the defence industry market focuses on our strengths, and where we can grow those strengths and build our sector as a valued industry partner.

We have come a long way in two years since the release of our first defence strategy. Through proactive, targeted engagement and promotion of Tasmanian industry capability, our ingenuity and innovation has become quickly recognised in defence circles. Our advanced manufacturing and product design capabilities are being taken up by local and international civilian and military operations, looking for excellence and reliability.

We have moved from a position of needing to raise awareness, to a phase of working with potential business partners to consolidate and convert real defence opportunities for Tasmania. It is an exciting time.
We are becoming a trusted supply partner delivering large-scale defence projects through specialised componentry, and new and never before seen products and techniques. We have strong capability in niche safety technologies and systems and high quality, proven maritime and specialist manufacturing sectors.

We remain Australia’s leading provider of maritime education and training across our tertiary and vocational education sectors and we are building the future leaders and workforce right here in Tasmania. This is where we are and where we are going, in realising our defence supply potential.

We will play a vital part in building Australia’s defence capability, as well as delivering the know-how, skills and qualifications that will be needed in the coming decades.

This is where our efforts will continue to be focused – making sure our industries stay at the top of their game and continue to produce new materials and products, and importantly the right people, to become a trusted go to partner for our national defence future.

How we do this is the key to our success. We will deliver government and industry leadership, targeted investment strategies and programs connecting our local defence industries with opportunities and ensuring that our businesses and sectors have the know-how and ability to compete in this highly competitive market.

We will continue to encourage a collective effort across government, industry, education and support sectors in order to ensure that the principal decision makers are made fully aware of what Tasmania has to offer.

Jeremy Rockliff
Minister for Advanced Manufacturing and Defence Industries
Message from Tasmania’s Defence Advocate

In my role as Tasmania’s Defence Advocate, I have had the great fortune of routinely working with those Tasmanians who are generating quite extraordinary products or services relating to defence and national security.

I have been particularly impressed by the quality, innovation and energetic approach displayed from across the state. In so many cases, our companies and organisations are presenting world leading outcomes that are already making a highly valuable contribution to our nation’s defence and security services, along with those of many allies and friends.

Equally, the capability, capacity and many unique attributes displayed by companies and service providers such as the University of Tasmania (UTAS) and the Australian Maritime College (AMC), make it evident that there is more we can and should do. Opportunities abound and much of my focus has been on creating a greater awareness of Department of Defence policy, needs and processes. This will improve our knowledge and confidence in effectively working with the Commonwealth, states and territories to increase our participation in the many projects underway or programmed. The conduct of the inaugural Defence Futures Forum in late 2017 and programming of similar follow-on events have helped bring our state’s companies together in order to learn and share experiences.

Also of significance has been the success in bringing many defence officials and major companies to Tasmania in order to demonstrate what it is we do well and how we can contribute more. Proactive and carefully targeted participation in a number of domestic and international defence trade expositions has also made a mark in effectively demonstrating to our country and the global market, the exceptional capabilities resident in the state. This approach has already added to the level of participation our companies are achieving and highlights the need for ongoing advocacy.

It is of course not surprising to see Tasmania standing up to be counted in the defence space. There is a clearly demonstrated and long standing sense of service evident from our state. Any perusal of Australia’s military history will show the impressive role Tasmanians have played over a century or more. From the Boer War to ongoing conflict and operations around the globe, Tasmanians have made their mark. It is most noteworthy, that 14 per cent of the recipients of our nation’s highest award for valour, the Victoria Cross (VC), were born in Tasmania. A remarkable statistic from a state with just two per cent of the national population.

Many other Tasmanian service personnel have also received prestigious recognition for their contribution over many years. As an example, our nation’s six submarines are named after some of the most highly respected Royal Australian Navy personnel of the past and that three bear the names of Tasmanian sailors (Collins, Dechaniaux and Sheean) is something we should all be most proud of.

We must never become complacent and as such, the provision of a plan that assists with our greater participation in defence and national security endeavours is of enormous benefit. This ‘refreshed’ strategy is that guidance and will form the basis upon which I will work in assisting all those involved to achieve more than we already have.

I very much look forward to realising the intent behind the strategy and continuing to work alongside an extraordinary group of Tasmanians.

Rear Admiral (Rtd) Steve Gilmore AM, CSC
Tasmanian Defence Advocate
Why Tasmania?

Tasmania can and will contribute strongly to the national defence and security industry agenda.

Tasmania has many competitive advantages that enable it to confidently present its credentials to the domestic and international defence and security arena.

Tasmanian manufacturing and support service companies, as well as Tasmania’s training and research institutes, such as the University of Tasmania’s Australian Maritime College (UTAS AMC), are already globally renowned, competitive, defence ready and able to support major defence activities now and in the future.

Tasmania’s defence industry is also complemented by an additional cohort of businesses with the capability and willingness to become defence ready.

Tasmania has proven it can achieve low Australian production costs for its high quality products, through leveraging the state’s globally competitive infrastructure, its experienced and skilled manufacturing workforce and by maximising its mature, qualified supply chains.

The reliable and skilled Tasmanian workforce has evolved through many decades of delivering high quality, price competitive products and services to very contested, global, mining, construction and consumer markets.

Tasmania underpins and continues to grow its defence, engineering, manufacturing and service capabilities, through offering world class education, training and research institutes that enable and support our national and allied defence forces’ objectives.

Tasmania also recognises the strength that can be achieved through collaboration. Tasmanian companies and research organisations have for generations developed strong relationships nationally and internationally.

Tasmania is at the forefront of partnering to deliver the next generation of naval, defence and national security related capability. We will do this by capitalising on attributes distinctive to Tasmania, including promoting and utilising our highly skilled, mature, low cost and reliable workforce, and through delivering and growing the state’s unique niche manufacturing, engineering, service, research, education and training competencies.
**Why defence?**

The defence industry market offers significant economic growth opportunities for Tasmania.

The Australian Government’s 2016 Defence White Paper and supporting Defence Integrated Investment Plan (IIP), outlines the Australian Government’s commitment of over $195 billion over the next decade to strengthen Australian Defence Force (ADF) capability. This is the largest re-investment, growth and modernisation of Australia’s defence capability since World War Two.

In addition to this historic planned investment program for the ADF, there are a range of other national programs that support the objective of building Australia’s defence and security capabilities. Organisations such as Australian Border Force, the Australian Federal Police and respective state and territory police forces are also making the necessary investments to improve their operational abilities.

Australia’s most southern border Tasmania is renowned for small specialist and fast ship building expertise. There are clear opportunities for the state to contribute to the development of the aims of organisations within this space.

Complementary to this national expansion is the growing expenditure in allied defence spending which can be measured in the trillions of dollars and represents a major market opportunity for Tasmanian defence industry participants.

In 2016 the Tasmanian Government developed its first strategy to better align Tasmanian businesses with emerging opportunities in defence. The strategy focused on raising awareness within the Tasmanian business community about the opportunities available and raising the profile of Tasmania’s capability among defence industry stakeholders.

With the heightened focus on global defence activity and Tasmania having appointed its first Defence Advocate, now is the ideal time to review the original strategy to ensure that it continues to deliver relevant and appropriate direction and support to the state’s defence industries footprint.

The new five-year Tasmanian Defence Strategy 2023 recognises the fast paced nature of the global defence landscape, the need to be proactive and nimble, and supports the national view of delivering to the defence and national security agenda through a focused, cohesive and collaborative model.

It will build on the initial strategy and recognise additional initiatives that will be undertaken to support the national defence objectives.

Through the targeted delivery of key support measures, the state will both maximise the economic benefits available from defence and national security opportunities and ensure that Tasmanian industry has the opportunity to play its role in supporting the ambitious national defence agenda.
Tasmania’s focus areas

The pursuit of defence opportunities is ultimately a commercial decision for business. This strategy is deliberately designed to enable and support the diverse and innovative defence industry activities that are currently and may in the future, be undertaken in Tasmania.

At the same time it focuses support on developing a cohesive, coordinated and focused Tasmanian defence and national security sector; that strives to consistently deliver competitive products and services that reflect our unique, local expertise and skills.

The strategy targets four priority areas within the defence and national security domain, where Tasmania can position and contribute to the national defence agenda.

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<th>Tasmania’s four defence priority areas</th>
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<tr>
<td>1 Specialised watercraft, maritime products and advanced services</td>
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<td>2 Specialised support vehicle and component production</td>
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<td>3 Nutrition and food sciences</td>
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<td>4 Innovative and technologically advanced systems.</td>
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All four areas are underpinned and strengthened by the provision of delivering world class on-island research, education and skills training, particularly through the Australian Maritime College.

By prioritising our efforts, Tasmania can maximise the economic benefits derived from the significant commitment made by the Australian Government to build and strengthen Australia’s defence force capabilities and expanding Australian defence exports to our allied nations.

Tasmania’s areas of specialist competencies outlined above, set the state apart. With an ongoing focus of promoting, advocacy and developing these areas of expertise, Tasmania will be at the forefront as a ‘provider of choice’ when countries and agencies are seeking high quality defence products and services.
I. Specialised watercraft, maritime and marine products and advanced services.

The ecosystem of an island state lends itself to delivering excellence in maritime and marine products and services. Accordingly, the state has matured over many generations in its progressive knowledge of the marine environment, to a point where Tasmania offers world class capability in leading edge research, education, simulation, training and vessel manufacture and sustainment.

Tasmania offers unique capabilities in design, manufacture, testing and support of specialist small water vessels and delivers world leading maritime and marine services.

Furthermore, while there are well established large ship building, sustainment facilities and related industry clusters in other states, Tasmania has a competitive edge in catering to smaller ship to shore vessels, and high speed and support craft along with equipment and the services required to complement those vessels in service.

As the southernmost tip of Australia, Tasmania is already home to several key globally renowned advanced manufacturing facilities, based at Prince of Wales Bay, Bell Bay, and through the north west region is geared to deliver on Australia’s (and our allies) ambitious multi-billion dollar naval continuous ship building program.

Tasmania prides itself on the supply of robust, reliable and safe, specialised watercraft. Numerous local companies are leading the way in industry with successful design, construction, and testing capabilities and the capacity to deliver and maintain specialised vessels.

These include small harbour patrol boats, fast response vessels and transport craft; large catamaran high speed vessels; coastal landing craft built for extreme conditions; harbour maintenance craft and other small ships for use inshore and across the littoral domain.

Our industry offers experience in engineering and manufacturing of steel, aluminium and composites and can supply tailored solutions to meet the specific needs of defence and national security organisations.

In addition to watercraft manufacturing, Tasmania produces a range of highly specialised and often world leading accessory products and research that contributes to vessel design, manufacture, operations and safety.

The design and production of marine escape systems fitted to large vessels including warships, is a notable case where Tasmanian industry is a global provider of choice for advanced maritime products.

Other highly recognised maritime products include:

- patented marine insulation, signature management systems
- marine outfitting and modular accommodation systems currently fitted to Australian and New Zealand warships
- underwater retrieval, sensing and marking systems
- provision of specialised hydraulic componentry and maintenance services including for the Navy’s COLLINS Class Submarines
- biofouling services
- marine antenna systems currently fitted to international and Australian warships, and
- a full range of shipping supply and logistic support services.

The UTAS AMC is based in Launceston in the north of the state, with an additional campus operating in Sydney and provides a vast array of leading maritime services.

It offers extensive support to the national defence program through the provision of cavitation research, supported by a world leading Hydrodynamics Centre and underwater collision research facilities.

UTAS AMC is also home of the Australian Research Council’s Industrial Transformation Research Training Centre for Naval Design and Manufacturing.
UTAS AMC simulation, modelling and testing facilities provide specialised and advanced services including a cavitation research laboratory; human interface technology laboratory; model test basin; maritime simulation centre; emergency response centre; autonomous maritime systems laboratory; towing tank; diesel spray testing; renewable energy laboratory; and hydraulics laboratory.

These world class facilities offer unique services to the defence and national security sector.

Other highly advanced maritime simulation capabilities including the capacity for realistic, high fidelity portable systems enabling ‘in-situ’ training, certification and operations rehearsal facilities are produced locally by a prominent Tasmanian company.

More broadly, the UTAS provides facilities delivering excellence in research capabilities in renewable energy systems, oceanography, health science and human factors research, surveillance and security, space and computational modelling and analytics.
2. Specialised support vehicle and component production

Tasmania maintains an enviable reputation in the global market for manufacture of specialised vehicles, renowned for its ability to deliver innovative, low volume, high quality and high value products across the mining, services, defence and construction sectors.

Tasmanian specialised vehicles solutions include those designed and manufactured for:

- Improvised Explosive Devise (IED) search and response
- Explosive Ordnance Disposal (EOD) activities
- personnel transport
- forward operational command posts
- crime scene investigation
- ambulance and patient support, and
- buses and heavy mining support vehicles.

Situated in regional north-west Tasmania, is one of Australia’s largest and most successful heavy vehicle manufacturers, boasting a globally competitive supply chain. This lean, mature and skilled value chain has evolved over many decades and supports a workforce culture, offering skills and experience that apply to many other parts of the state’s manufacturing sector and has led to a world leading heavy vehicle manufacturing capability that is innovative, adaptive and experienced.

Other Tasmanian companies support the sector, producing componentry and whole of capability solutions to multiple domestic and international customers that include defence and national security organisations, as well as commercial clients that demand the same high quality solutions. UTAS also has research and development capability able to support this area.

For example the Centre for Renewable Energy and Power Systems is working in conjunction with the United States office of Naval Research to explore the low load capabilities of modern diesel engines and how the maximum amount of renewable energy could be integrated into a hybrid remote power system.

Tasmanian industry is well positioned to provide the solutions required to deliver cutting edge land protection and defence mobility services through the provision of functional design and agile manufacturing into an adaptable and reliable supply chain.

3. Food, food nutrition and food science

Tasmania’s food and agriculture industry is one of the state’s most prominent and successful sectors and its diversified nature provides a strong foundation for the exploration of opportunities within defence.

Tasmania is also well positioned to make a significant contribution to defence and national security organisations in the field of nutrition and food science, specifically when aligned to performance and rehabilitation.

The Defence Science and Technology Group’s facility at Scottsdale provides advanced research capabilities. In addition, UTAS’ Centre for Food Innovation is focused on innovative food and nutritional research with applications to defence.

The Centre is the home to the new Microwave Assisted Thermal Sterilisation (MATS) facility that will enable the development of new, high quality, nutritional and long shelf-life food products and is a focus point for defence and industry collaboration.

In addition, Tasmanian companies provide high quality food services with a defence application. Notably the provision of freeze dried foods used in the commercial sector by Tasmanian companies have application in the ADF’s “Meals Ready to Eat” (MRE) or combat ration pack requirements.
4. Innovative and technologically advanced systems, underpinned by the provision of world class research, education and skills training

Using the same ‘can do’ culture, expertise and innovative approaches in Tasmania’s workforce, a number of companies have developed niche capabilities that are advantageous in the defence and national security domains. These pockets of excellence are not generally well understood outside of Tasmania and offer significant opportunities for growth. The Tasmanian Government is working to further identify areas of excellence and to promote and raise awareness of the state’s capabilities to key customers.

Examples include world leading developments in small piston engine fuel injection systems that now power the small unmanned aerial vehicles (UAVs) of a number of the world’s leading manufacturers of these products. Others have developed advanced post-accident helicopter flotation systems; intelligent sensor and control systems; ICT services; leading simulation technologies; metal fabrication and welding capabilities; innovative and safe hazardous material storage solutions; and, autonomous systems.

While varied in product focus and application, they are all underpinned by the smart, adaptable, innovative and determined approach of Tasmania’s workforce. Each has considerable prospect for effective use in the defence and national security domain.

Tasmania has also developed proven capabilities in sensor technologies, big data capture, cyber security, aerospace, communications in both marine and land-based environments and is willing to grow its capacity to deliver smart national solutions.

UTAS has established a Defence Network – a collaborative network of R&D partnerships focused on innovative defence aligned developments with application in both naval and land based combat situations. UTAS is currently collaborating with the Tasmanian and Australian Government and industry partners to explore the feasibility of a defence precinct to further expand and develop contributions to defence innovation and sustainment.
The strategy

Vision

Tasmania will be recognised as a highly regarded contributor to defence and national security needs and is widely acknowledged for its excellence in delivering key capabilities and services.

Objective

The Tasmanian Government will focus on assisting Tasmanian businesses through developing a defence and national security ready industry base, building networks, advocating for our industries nationally and internationally, and facilitating investment and growth of the sector.

Initiatives

1. Increase visibility, awareness and reputation of Tasmanian defence industry capability across all sectors.
2. Support the development and retention of a skilled, innovative and collaborative defence and security industry workforce.
3. Assist to build capability, capacity and confidence of Tasmanian industry
4. Actively connect Tasmanian industry with national and international defence market opportunities
5. Support the development of world class defence and national security research, education and training capabilities
6. Attract defence related investment, defence enterprises and ADF activities to Tasmania
7. Leverage Tasmania’s unique position as the Australia’s Southern Ocean and Antarctic Gateway
INCREASE VISIBILITY, AWARENESS AND REPUTATION OF TASMANIAN DEFENCE INDUSTRY CAPABILITY ACROSS ALL SUBSECTORS

Outcome: The Tasmanian defence and national security industry is recognised in Australia and internationally as a provider of choice

Actions

1. Engage a full time Defence Advocate to advocate on behalf of the Tasmanian Government and Tasmanian defence industry.

2. Maintain regular engagement and foster collaboration with the Australian, state and territory governments, the Department of Defence and allied nations, to promote the capability of Tasmanian Industry.

3. Capture economic data to better understand and illustrate the defence industry contribution to the Tasmanian economy and to effectively catalogue defence related activity and relevant businesses within Tasmania.

4. Create greater awareness of Tasmanian industry capabilities and promote its credentials to major defence contractors and key stakeholders.

5. Promote Tasmanian industry through the Australian Defence Export Advocate's office and other agencies and encourage ongoing familiarisation and engagement with Tasmanian industry.

Context

Australia is currently undertaking the largest re-investment, growth and modernisation of our defence capability since World War Two.

The Australian Government is committed to developing a sovereign capability and has initiated a planned investment over $195 billion which will require a truly national approach to achieve the complex outcomes required.

At the same time many of Australia’s allies and regional partner nations are also embarking on ambitious programs to further develop and modernise their respective forces which deal with defence and national security.

The Tasmanian Government will continue to engage to not only ensure that Tasmanian capabilities are understood but also that initiatives reflect the challenges that Tasmanian industry faces as it continues to explore defence opportunities both in Australia and overseas.

It’s also important that we understand the current value of the sector and measure our achievements, and we will work to understand the true value of the existing Australian defence activity in the state.

Tasmanian will continue to work closely with the Australian Government stakeholders including Department of Defence, Department of Industry, Austrade, ADF and others to try and match services to need.

This will include the initiatives recently announced as part of the Defence Industrial Capability Plan and Defence Export Strategy which will be important for Tasmanian Industry.
2 SUPPORT THE DEVELOPMENT AND RETENTION OF A SKILLED, INNOVATIVE AND COLLABORATIVE DEFENCE AND SECURITY WORKFORCE.

Outcome: The Tasmanian defence and national security industry is underpinned by a reliable, nimble and appropriately skilled workforce

Actions:
1. Assist industry to attract, manage and retain a skilled workforce.
2. Work with industry and connected stakeholders to identify, understand and address identified defence industry skill needs.
3. Identify, promote and encourage Tasmanian businesses to participate in Australian and Tasmanian Government initiatives that seek to increase skills, reskill and develop industry capability.
5. Encourage industry collaboration with peers, educators, training and research organisations.
6. Support the Australian Government in developing a Defence STEM (science, technology, engineering and maths) and Innovation Strategy.
7. Collaborate with the Australian, state and territory governments on a coordinated approach to workforce development.

Context
A highly skilled workforce enhances industry competitiveness through supplier development and continuous improvement.

Tasmania already has access to an affordable, skilled and experienced workforce. In many instances the culture and career progression available to its workforce is a key characteristic of the state, and a point of difference when compared to other locations. It is a priority of government and industry to protect and maintain the workforce and work culture we already have and that serves us so well.

Partnerships will continue to be a strong feature in our future defence industry endeavours. Tasmania does not have the depth of capability to go it alone in delivering any particular platform at this time. Therefore ongoing engagement, dialogue and collaboration with key companies and institutions will be a signature of our ongoing efforts.

Research collaborations will also be significant to our future success. We must harness these wherever possible. Programs like Australian Postgraduate Intern can assist in leveraging the smartest candidates that industry needs. We will support our industry where possible to make use of bodies like the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and Defence Science and Technology Group that can allow us to make the products of the future that will support combat capability in 2050 and beyond.

The Tasmanian Government is reviewing the workforce development needs for the maritime sector. Industry and education providers will be consulted to assist in developing a practical and focused plan to ensure that government understands the skills and capacity available and to build and maintain a skilled workforce to meet future industry needs.

We will continue our strong support of UTAS. There is no other institution in Australia that is better positioned to take advantage of the enormous opportunities the current naval shipbuilding program will produce. The education, research and training at the heart of the UTAS AMC is a national asset and our advocacy for it will not diminish.

Supporting coordinate STEM (science, technology, engineering and maths) activities and programs throughout our education system will help deliver the future workforce requirements on the Defence sector.
ASSIST TO BUILD CAPABILITY, CAPACITY AND CONFIDENCE OF TASMANIAN INDUSTRY

Outcome: Create a defence ready industry base

Actions

1. Establish Tasmania's first strategic Defence Industry Advisory Committee to guide Tasmanian industry and the Tasmanian Government on appropriate opportunities and activities.

2. Resource a dedicated state wide Advanced Manufacturing and Defence Industries unit within the Department of State Growth to support the implementation of the strategy and associated actions.

3. Deliver targeted programs and support services to build existing and new industry capability and grow our industry base capacity, including in quality assurance and compliance, and other requirements that assist Tasmanian business to become defence ready.

4. Facilitate events, promote defence opportunities, support programs and services, networking and collaboration and encourage new entrants.

5. Support collaborations and strategic partnerships between Tasmanian industry and supporting agencies and services such as CSIRO, universities, Centre of Defence Industry Capability (CDIC), Export Finance Investment Corporation (EFIC) and others.

6. Continue to collaborate and partner with defence industry peak and related organisations such as the Australian Industry Defence Network, Tasmanian Maritime Network, Tasmanian Minerals and Energy Council and Tasmanian Polar Network to grow and strengthen the sector.

7. Support the delivery of services to understand and successfully pursue approvals for defence works including meeting cyber, physical and personal security clearance requirements.

8. Advocate for clearer, simpler and more efficient approvals processes where appropriate.

Context

While the ambitious national defence spend agenda presents a major opportunity for long term, continuous, reliable and lucrative supply arrangements for many industry participants, it is not without its challenges. Defence is a large, complex and highly regulated environment, operating under stringent quality and product design and manufacturing specifications, with long lead times in negotiations and often extensive delivery timeframes. However, the intent of the Tasmanian Government is to assist businesses to become defence ready so that they are an attractive proposition for Primes and other contractors.

Many of those issues faced by our Tasmanian defence industry participants and those trying to enter the market are shared with industry peers in other regions. However Tasmania has a distinct advantage already with a strong industry base from which to grow, and with sectors already delivering lean, smart operations, offering high quality, high value products in a globally competitive market.

Tasmanian business will require additional support to reduce this market entry barrier and support Australian industry to grow and develop its own sovereign capability to deliver home grown, world class defence solutions and export opportunities. The Australian Government together with the states and territories are committed to developing strategic responses that encourage participation and reduce barriers to entry to enable those outcomes to be achieved.

The Government acknowledges that in many instances Tasmanian enterprises will benefit from a progressive entry to the market, securing small, targeted niche projects initially.

The Tasmanian Government will support businesses to access existing Australian Government Defence programs and will also implement an additional skills program to assist and support businesses to gain specialist defence focused skills.
Outcomes:
• Attract a Defence Prime to operate key defence activities from Tasmania
• Support industry to secure up to six key supply contractors per annum
• Deliver up to two premium Defence Tasmania stands at major Australian exhibitions annually
• Support up to four national and/or international industry trade missions per annum

Actions
1. Deliver a dynamic Prime Engagement Program hosting Prime contractors, key tier suppliers and industry decision makers on Tasmanian industry familiarisation tours.
2. Explore mechanisms and collaborate nationally on the development of new systems to facilitate information and access to opportunities including defence projects throughout Australia.
3. Support the Tasmanian Defence Advocate and National Defence Export Advocate to identify, advance and grow export opportunities for Tasmania.
4. Encourage Tasmanian industry representation at major national and international defence expositions including collaboration with Team Defence Australia.
5. Deliver state representation at targeted exhibitions and at key market trade missions.
6. Deliver services that enable Tasmanian industry participation in key defence supply chains, including compliance with quality assurance requirements.
7. Encourage Prime defence contractors to base specific operations and/or key projects from Tasmania.
Context

For Tasmania to leverage its defence industry capability it is important to align this capability with opportunities. Connecting industry with opportunity is at the core of this strategy.

At the same time the landscape has already changed. There is growing awareness of the capability and capacity of Tasmania’s industry resulting in an increased level of defence industry engagement in the state as that capability is explored. A key emphasis will be working with industry to convert opportunities to outcomes.

Unlike other states, all decisions regarding defence acquisitions are made outside Tasmania. There is no one Prime contractor delivering key defence activities from Tasmania. Therefore continually engaging decisions makers and supporting our industry partners to do so, is a high value imperative to drive growth. As with the previous strategy, significant resources will again be harnessed to support our engagement at a national and international level and at targeted events and trade missions.

We have made the proactive decision to appoint a full time Defence Advocate, the first state to do so, to drive high level engagement and foster partnerships to increase early opportunities for defence activity.

Identifying key events and trade missions to host or participate in, is critical to our success if we are to be at the forefront of buying decisions but these activities are resource intensive and costly to deliver even when the benefits are significant. Therefore effort will be expended in ensuring that we target our efforts at accessible markets, show the highest levels of professionalism and build world-class exhibition stands where our industry and stakeholders can engage directly with business opportunities.

This will include continuing to evolve our Tasmanian quality brand, through promoting and advocating a new ‘Defence Tasmania’ illustrating that industry, education and government are collaborating as a team to drive economic growth and jobs through the defence sector.

Equally we must also encourage industry Primes, defence officials and other influencers to visit Tasmania and learn more of what we can do here. We have gained considerable experience already in conducting targeted familiarisation tours of and for industry. We have excellent industry capability in niche areas and a high quality and committed workforce.
5 SUPPORT THE DEVELOPMENT OF WORLD CLASS DEFENCE AND NATIONAL SECURITY RESEARCH, EDUCATION AND TRAINING CAPABILITIES

Outcome: Tasmania is recognised in Australia and internationally for defence industry, as the education and training provider and research partner of choice.

Actions

1. Foster close relationships between industry, government and education institutions to promote Tasmania’s world class provision in maritime/defence research, education and training.
2. Support UTAS AMC in its new partnership with the Naval Shipbuilding College in delivering the Naval Ship Building Program.
3. Work with UTAS to promote its unique capability to industry in Tasmania, Australia and abroad.
4. Seek to identify further defence related research opportunities for UTAS and with partners.
5. Work with the UTAS AMC, TasTAFE, Skills Tasmania and private Tasmanian training providers to support opportunities for reskilling, upskilling and skill transfer for the Tasmanian workforce.

Context

Tasmania boasts a highly skilled maritime and watercraft building industry supported by well-established vocational and higher education institutions and skills support programs. The sector has the capability to take advantage of more opportunities under the Naval Shipbuilding plan in addition to land based systems and international opportunities.

The UTAS is a unique, world class research led higher education institution and is ranked amongst the top 10 universities for research in Australia, and is rated 12th among Australian universities working with defence organisations. UTAS is proactively creating global solutions through collaborative research and is already a proven partner in delivering Australia’s defence and security agenda.

The recent establishment of its Defence Network now provides a cross-disciplinary approach that aims to proactively connect academia with industry to devise innovative technology-enabled solutions for a global stage.

Based at UTAS is the Australian Research Council funded Industrial Transformation Research Training Centre for Naval Design and Manufacturing.
It is transforming Australia’s naval manufacturing industry by developing a new generation of industry focused, high level and broadly skilled engineers and researchers.

In addition, advanced work is undertaken in:

- maritime autonomy
- platform performance
- non-acoustic signatures
- surface and underwater hydrodynamics
- port and vessel simulation
- oceanography
- big data
- cyber and security including intelligence systems and analytics and cyber sensing and shaping
- advanced communications capabilities
- human systems
- decision sciences and logistics
- chemical defence, and human resources support.

All have current and future applications to defence and the national security domain. AMC, located in Launceston, is Australia’s leading maritime research, education and training institute with world renowned specialist maritime engineering, global logistics and maritime management programs attracting national and international students.

AMC is also a strategic partner of the Naval Shipbuilding Institute and will deliver key maritime higher education and training programs supporting the Naval Shipbuilding Program.

AMC simulation and testing facilities provide highly specialised and advanced services including a human interface technology laboratory; model test basin; circulation water channel; towing tank; diesel spray testing; renewable energy laboratory; and hydraulics laboratory.

These world class facilities offer unique services to the defence and national security sector.

In addition to the facilities at AMC, Tasmania is home to research capability and services including the only hyperbaric/hypobaric chamber in the southern hemisphere, and one of just a few globally.

This facility offers an excellent opportunity for research and commercial applications. It provides a platform for niche defence related environmental testing, extreme medicine, high altitude exploration and space opportunities that complement existing Tasmanian expertise.

Other highly advanced maritime simulation capabilities including for realistic, high fidelity portable systems enabling in-situ training, certification and rehearsal facilities, are produced by a Tasmanian company.
Outcomes:

- Attract $50 million of increased investment and trade into Tasmania and grow new industry market entrants by 33 per cent
- Attract $20 million of Australian Government investment and supply opportunities for Tasmania in defence and national security
- Identify and secure new research and investment opportunities in space activities

Actions

1. Develop promotional materials and opportunities that sell Tasmania’s key competitive strengths to facilitate further levels of investment in defence activities in Tasmania.
2. Work at a national and international level to leverage defence investment in Tasmania that supports the existing Tasmanian brand.
3. Facilitate the establishment of new advanced manufacturing, IT and other defence focused businesses through the Department of State Growth and Office of the Coordinator-General.
4. Collaborate with UTAS to examine the feasibility of a Northern Innovation and Defence precinct.
5. Develop a capability statement for existing defence infrastructure within Tasmania to inform government planning around attracting defence activity to Tasmania.
6. Promote the credentials of Tasmania to encourage further Australian Government (ADF) investment in defence activities in Tasmania.
7. Facilitate regular visitation programs for senior defence and defence industry officials to Tasmania to engage with industry and government officials.
8. Work closely with the Australian Space Agency.

Context

Tasmania offers a number of key competitive advantages for defence related industries. It is already home to a multitude of innovative globally focused businesses that are providing world class services and products to defence forces around the world.

Tasmania is and always has been an export oriented location with supporting mechanisms which allow companies to compete and win in global markets. It has world leading research and training organisations that support industry and is one of the most affordable places to do business in Australia.

Tasmanian companies enjoy the lowest comparative workforce costs, property sale/lease costs, lowest business licensing costs; lowest tax burden and lowest days lost to industrial action, which enables us to achieve globally competitive productivity.

The state also enjoys access to high quality NBN infrastructure across the state, often with fibre directly to the site rather than the node.

The workforce offers a culture of lean manufacturing with a skilled and experienced workforce. This is proudly and widely demonstrated through an innovation-based approach by loyal employees determined to deliver their company’s products or services on time and to the highest quality.
The lean manufacturing culture and expertise across the state with decades of experience in low volume, high variation, high value vehicle and marine watercraft production offers significant potential for Tasmania to be a recognised as a national centre of excellence for the provision of these vital defence support capabilities.

The Tasmanian Government can offer a genuine, long term, strategic partnership with industry and Primes to deliver on defence programs. The Government maintains strong support networks in key industries and conducts regular programs and events to support our SMEs (small and medium enterprises) and connect them with opportunities.

The Tasmanian Government is continuing to engage with stakeholders who may be interested in investing within Tasmania and is exploring infrastructure developments that support future activities.

The Government is actively engaged with UTAS on a range of endeavours including the feasibility of a Defence and Innovation Precinct in Launceston and identifying opportunities in the space arena.

While the current defence presence in Tasmania is relatively small with approximately 600 ADF, (full time and reserve) and Defence Department public service personnel in Tasmania, all three services are represented across the state and in a wide range of existing facilities. There is a clear case for Tasmania to be identified as a key location as the southern gateway to increase ADF presence in the interests of national security.
LEVERAGE TASMANIA’S UNIQUE POSITION AS THE AUSTRALIA’S SOUTHERN OCEAN AND ANTARCTIC GATEWAY

Outcomes:
• Create opportunity across sector in maritime product, service and infrastructure provision
• Grow opportunities for Antarctic and Southern Ocean Industry participants in defence and national security
• Increase investment in the Antarctic Gateway
• Attract additional research and naval vessel visitations

Actions
1. Work with the Australian Government to recognise and grow Tasmania’s role in building, maintenance and sustainment of small defence and border patrol vessels and associated equipment.
2. Work with the Australian Government to support Tasmania as the Southern Ocean and Antarctic gateway, including ensuring Hobart as a premier destination for research (particularly through specialist, high quality institutions such as the Institute for Marine and Antarctic Studies) and naval vessels and visiting aircraft and security services such as Australia’s Border Force.
3. Work with the Australian Government to consolidate and grow Tasmania’s role as the Southern Ocean and Antarctic gateway, to underpin Australia’s national interests in the region, particularly relating to ocean governance, vigilance and protection.
4. Encourage international civilian and military vessels to utilise Tasmania as an operational base and support centre for Southern Ocean activity.
The Australian Government has international obligations for protection, monitoring and rescue in its sovereign territories, including the Southern Ocean and the sub-Antarctic Heard and Macdonald Islands and Macquarie Island. Tasmania is the southern gateway for Australia and strategically well positioned to monitor and protect Australia’s interests in the Indian, southern and South Pacific oceanic zones, amid heightened international interest.

The Australian Government is committed to building Tasmania’s status as an operational gateway to Antarctica and the Southern Ocean.

Hobart is internationally recognised as a key Antarctic and Southern Ocean gateway, offering a safe, deep and well serviced port, an international airport, and home to eight internationally respected research organisations focused on climate, Southern Ocean and Antarctic research and policy. It is well equipped to support vessels and planes operating in and from the Southern Ocean. Accordingly the Tasmanian Government believes Hobart is the ideal base for increasing Australian defence and national security activity in the region.

Tasmanian Ports Corporation Pty Ltd (Tasports) is a state-owned company responsible for 10 Tasmanian ports. Tasports has recently upgraded its Hobart port infrastructure including sea bed maintenance, wharf upgrades, terminal and storage facilities to enable increased activity.

Australia’s intercontinental air service operates from Hobart to the summer-only Wilkins Aerodrome near Casey Station in Antarctica. Recent improvements to the runway allow fully loaded C17s to operate from Hobart delivering heavy lift cargo to support the Australian Antarctic program.

The Royal Australian Air Force C-17A Globemaster III has flown flights to Antarctica since 2015. Hobart airport is well equipped and willing to cater for increased defence air traffic in the southern region.

The Australian Government’s has recently announced a $100 million investment to deliver an all year round runway at Australia’s Davis Station, to provide more efficient access to Antarctica, enhancing Hobart as an aviation gateway to the east Antarctic and surrounding Southern Ocean.

Equally, identifying and accommodating the requirements of defence and national security forces that enable future operations from Tasmania is of considerable importance.
Governance and reporting

The Tasmanian Government, through the Department of State Growth is committed to supporting the continued growth in the Tasmanian defence sector.

In developing this revised strategy, the Defence Advocate and the department through its new Advanced Manufacturing and Defence Industries unit, engaged widely with the sector through state wide forums, industry peak group meetings and one-on-one interviews.

It was agreed that to maintain the momentum of Tasmania’s defence industry evolution and growth, this new strategy, led by the Minister for Advanced Manufacturing and Defence Industries will adopt a new Defence Tasmania approach to develop and strengthen industry collaboration, clusters, innovation, communication and coordination across business and sectors.

Government, industry and key stakeholder organisations will be instrumental in the delivery of the strategy and a newly established Defence Industry Advisory Committee has been established to provide advice and guidance for the ongoing defence industry activities.

Within the Department of State Growth, Business and Trade Tasmania’s Advanced Manufacturing and Defence Industries unit, will drive the implementation of the strategy. The unit will be supported by the Tasmanian Defence Advocate, the Office of the Coordinator-General and the broader department and other Tasmanian agencies.

The Secretary of the Department of State Growth will report to the Minister for Advanced Manufacturing and Defence Industries and to Cabinet on the progress of the actions listed in this strategy.

The Advanced Manufacturing and Defence Industries unit and the Tasmanian Defence Advocate will work with key partners to achieve the objectives of the strategy. This includes leading government engagement with the private sector, associations, the Australian, state and territory governments, and the Australian Defence and Border Forces to achieve the intended outcomes.

The Advanced Manufacturing and Defence Industries unit will report on the strategy’s progress annually including actions and outcomes at an open industry forum.

The strategy will be reviewed midterm in 2020 and refined in light of emerging opportunities and issues where appropriate.

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