

Defence industry in New South Wales

Site visit report

Nowra and Wollongong
June 2017



Site visit to Nowra and Wollongong

Friday 30 June 2017

On Friday 30 June 2017 the Standing Committee on State Development undertook site visits in Nowra and Wollongong in relation to its inquiry into the Defence industry in New South Wales.

Defence and defence industry has a considerable presence in Nowra. It is estimated that defence and manufacturing accounts for approximately 25 per cent of the local economy.¹ The committee visited a number of defence-related industry representatives operating at Flinders Industrial Estate in South Nowra, as well as the Albatross Aviation Technology Park. The committee also visited HMAS Albatross, including its 723 Squadron Joint Helicopter School. The committee then travelled to the University of Wollongong to visit the Defence Materials Technology Centre.

Global Defence Solutions, Flinders Industrial Estate, Nowra

Global Defence Solutions is a wholly owned Australian company based in Nowra. It is a solutions and service provider, delivering a range of products including deployable shelter and tent systems, air conditioning and generation in support of the Australian Defence Force, Security Services and other Defence Forces within the South Pacific Region. The company was founded in 1998, and today employs approximately 30 people, primarily in the electronics field.²

The committee met with: Mr Laurie Koster, Managing Director, Global Defence Solutions. Mr Koster provided committee members with a demonstration of some of the innovative and unique products being developed for defence clients including liquid repellent technology, nanotechnology and mobile field utilities.

In discussing what steps the NSW Government could take to further support the defence industry, Mr Koster raised the following points:

- Defence procurement opportunities can appear inaccessible to SMEs. The NSW Government could assist further with connecting small business with end users such as Defence and prime contractors.
- Defence procurement is undoubtedly unique and often has standards and regulations at higher levels than other sectors. Further assistance could be provided in assisting industry to become 'defence ready' including assistance on navigating the comprehensive set of regulations and requirements that underpin defence procurement.
- Existing procurement channels are silo based, by area of capability. This makes building relationships even more challenging for SMEs, particularly those seeking to break into the sector.

¹ Mr Greg Pullen, Economic Development Manager, Shoalhaven City Council. 30 June 2017.

² Global Defence Solutions, <https://www.globaldefence.com/>

Mr Laurie Koster, Managing Director, Global Defence Solutions, 30 June 2017.

Air Affairs Australia – Nowra

Established in 1995, Air Affairs Australia is an Australian company that specialises in aviation engineering. Air Affairs owns and operates a fleet of special mission Learjet and Kingair aircraft, providing specialised air training support services to the Australian Defence Force. It also manufactures and provides full operations services for the Phoenix Unmanned Ariel Target Drone.³

The committee met with Mr Darren Bramley Production Manager, at the Air Affairs facility in Flinders Industrial Estate, and Mr Chris Seivers, Managing Director, at its purpose built facility at Albatross Aviation Park, Nowra. In discussing what steps the NSW Government could take to assist the industry, Mr Bramley and Mr Seivers, raised the following points:

- Strong State leadership is essential to assisting the industry. A coordinated, collaborative advocacy approach by the State is necessary to ensure that opportunities emerging from Defence expenditure are realised in New South Wales.
- Local industry can find it challenging to access domestic and international markets. This work can require considerable resources to complete. The NSW Government could assist businesses make connections with markets.
- International trade shows can provide considerable results for local industry. State investment in this area would be welcomed.
- Research and Development work is an important aspect of defence industry work and is often undertaken at the company's own risk.
- Enabling infrastructure, such as NBN, must be supported by the State Government if industry is to realise its full potential.

BAE Systems – Nowra

BAE Systems is a prime contractor for the Australia Defence Force specialising in aerospace technology. It has provided services to the ADF for over 60 years, and its Nowra facility has been in place for over 20 years. BAE Systems currently employs approximately 50 people at its Nowra site. BAE Systems provides maintenance and support services for a range of ADF capabilities including Black Hawk, Sea Hawk, Romeo, and Squirrel assets.

The committee met with Mr Ian Gibney, SSC Project Manager, Aircraft Maintenance and Support who advised the committee of the nature of global contracting arrangements and potential future opportunities for the BAE site at Albatross Aviation Technology Park.

³ Air Affairs Australia, Welcome to Air Affairs Australia, <http://www.airaffairs.com.au/>

HMAS Albatross Naval Air base – Nowra

HMAS Albatross is home of the Royal Australian Navy's Fleet Air Arm. It is currently the largest operational Naval establishment and the Navy's only air station. Its primary task is to support the three Naval Air Squadrons which provide air support to the Fleet. The 723 Squadron helicopter training school, a new multi-million dollar facility, is also located at the base. The facility is characterised by strong collaboration between ADF and private contractors such as Boeing and Airbus. The committee met with the following representatives from HMAS Albatross and 723 Squadron Helicopter Training School:

- Commanding Officer, Captain Fiona Sneath
- Lieutenant Mark Johnson
- Lieutenant Commander Chris Smith, 723 Squadron
- Mr Mark Brownsey, HATS Support Project Manager, Boeing Defence Australia
- Mr Darren Tickner, Manager, Capability Acquisition and Sustainment Group, Helicopter Systems, Naval Aviation Systems Department of Defence.

Captain Sneath and Lieutenant Johnson escorted the committee around the HMAS Albatross Site advising of recent Defence investment at the facility. Lieutenant Smith, Mr Brownsey, and Mr Tickner then briefed the committee on the work and facilities of the 723 Squadron helicopter training school, a world-leading and modernised facility. Committee members visited the training school which incorporates high-end simulation and virtual reality with actual flight time at the state-of-the-art institution. Discussing issues and opportunities facing the defence industry, Mr Brownsey and Mr Tickner advised:

- Workforce development is important. Efforts from the NSW Government to create more apprenticeship opportunities and encourage trainees to enter the industry would be welcomed.
- State Government support would also provide an opportunity for the advancement and refinement of modernised technology such as unmanned aerial vehicles.
- Infrastructure such as modern road and air transport facilities is important to enabling the mobilisation of future workforces, and promoting collaboration across the defence industry in New South Wales and other states and territories.



University of Wollongong – Wollongong

University of Wollongong's Defence Materials Technology Centre (DMTC) is a multi-partner, collaborative research centre aimed at providing the defence industry with materials and manufacturing solutions to enhance Australian defence capability. DMTC collaborates with a diversity of areas within Australian industry. DMTC also conducts research and liaises with government agencies to advance technologies in priority areas. A primary emphasis is to deliver enhanced defence and national security capabilities in an effort to strengthen Australian industrial capacity.



The New South Wales node of DMTC is established at University of Wollongong and is conducting research into materials and production techniques associated with the fabrication of land and marine platforms. DMTC have developed an automated offline programming system for robotic welding which has been used on to construct the hull of Bushmaster vehicles utilised by the ADF.

The committee met with the following representatives from DMTC:

- Dr Stephen Van Duin, Program Leader
- Professor Valerie Linton, School of Mechanical, Materials, Mechatronic and Biomedical Engineering, Faculty of Engineering and Information Sciences
- Mr Damien Israel, Chief Finance Officer
- Mr Mark Roberts, Senior Manager, Strategic Projects.

Discussing what actions the NSW Government could take to assist the defence industry, the following issues were raised:

- Exposure of capabilities to Defence decision makers is paramount.
- A coordinated, state wide approach to advocacy is needed to position New South Wales as a contender for further Defence projects.