

The need for prioritisation in our industrial base

Industrial prioritisation

The Government will always seek to maximise Australian industrial capability and content. However, Australia's challenging strategic circumstances require establishing clear priorities for investing in Australian defence industry as part of the move towards a focused industrial base.

The Government has adopted 7 Sovereign Defence Industrial Priorities (SDIPs) to identify the things we must be able to do in Australia to build, sustain and enhance defence capability.

Sovereign Defence Industrial Priorities

- ▶ Maintenance, repair, overhaul and upgrade of Australian Defence Force aircraft.
- ▶ Continuous naval shipbuilding and sustainment.
- ▶ Sustainment and enhancement of the combined-arms land system.
- ▶ Domestic manufacture of guided weapons, explosive ordnance and munitions.
- ▶ Development and integration of autonomous systems.
- ▶ Integration and enhancement of battlespace awareness and management systems.
- ▶ Test and evaluation, certification and systems assurance.

Each SDIP has a Defence Capability Manager and Delivery Manager responsible for the growth and health of the SDIP.

Detailed definitions and specific outcomes are embedded into each SDIP. These will be reviewed biennially in line with the National Defence Strategy to ensure industry regularly gets the information needed to guide investment.

The Government is committed to investing in the industrial capabilities necessary to grow and sustain the SDIPs. Examples include:

- ▶ Building Australia's first dedicated stealth coating facility in the Hunter region, which will support maintenance of F-35 aircraft.
- ▶ Manufacture of Guided Multiple Launch Rocket System missiles from 2025, the first step towards establishing domestic missile manufacturing in Australia.
- ▶ Establishing continuous naval shipbuilding in South Australia and Western Australia.