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PO Box 7901
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Subject:

Submission to Australian Defence Force Posture Review by Rheinmetall MAN Military Vehicles (Australia)

Rheinmetall MAN Military Vehicles Australia (RMMV Aust) is providing this submission to the 'Australian Defence Force Posture Review' in its role as an Australian subsidiary of a German multinational mixed mode manufacturing company. The term 'mixed mode' describes in this context an OEM that operates globally in the civil and defence industry sector.

The submission intends to reflect the group of multinational mixed mode manufacturing companies which not only supply to but are linked in with a number of Defence Forces worldwide. These companies have also strong links to Governments which are members of multilateral security organisations such as ABCA, NATO or ANZUS.

1. Company Information

RMMV is a provider of complete military solutions for military wheeled vehicles, covering the entire range of protected and unprotected logistic command and role-specific tactical vehicles, protected mobility vehicles and for CBRN (NBC) solutions to the international market place. RMMV unites MAN's truck and bus high volume automotive expertise in commercial and military logistic vehicle capability with that of Rheinmetall's technological know-how in the broader military hardware systems design and integration of C4I, weapons and sensor systems, simulation and soldier system combined with defence specific hardware (e.g. protection) integration into the 'wheeled' domain.

RMMV (Aust) is headquartered in Canberra and also supports a regional capability for RMMV for most countries in Southeast Asia including Singapore, Australia and New Zealand.

2. Terms of Reference

This submission touches on the following terms of reference:

- a. Defence White Paper 2009 Defending Australia in the Asia Pacific Century: Force 2030 (Chapter 15, Supporting the ADF; Joint Logistics)
- b. consider how the future ADF Force Posture will support Australia's ability to respond to a range of activities including:
 - i. support of operations in our wider region; and

- c. assess the impact on the ADF's Force Posture of a range of domestic, demographic and economic issues including:
 - i. more intense minerals and petroleum resource activities around Defence training and exercise ranges;
 - ii. Increased productivity of logistic support, inventory management, supply chain
- d. make recommendations in relation to the basing options for Force 2030 across Australia including in relation to:
 - i. Army's additional northern basing requirements.

3. Summary of Submission

RMMV's submission focuses on the relationship between the Australian Defence Force (ADF), Commonwealth of Australia (CoA) and Industry. In particular, how these relationships can be advanced in order to improve Australia's national security capabilities.

This approach is based on the premise that a sound industry and a strong relationship between industry, the ADF and CoA is critical to enable and maintain Australia's national security. Industry is capable of providing logistic support and services to the ADF and CoA nationally, to military deployments overseas and to humanitarian missions nationally and internationally.

This submission concentrates on Australian companies which operate as multinational mixed mode manufacturing/service companies. These companies have strong links with Governments and their Defence Forces of multilateral agreements such as ABCA, NATO and ANZUS.

The key suggestion revolves around creating a structured 'Framework of Cooperation' between the ADF, CoA and Australian Industry to improve their collaboration on the strategic, operational and tactical level in a formalised manner as real strategic partners in the Defence of Australia.

4. Suggestions for Improving Relationship between ADF, CoA and Industry

- a. Develop a structured 'Framework of Cooperation' between the ADF, CoA and Industry on the strategic, operational and tactical level.
 - i. **Strategic Level (long term overall aim)**
 - 1. Create advisory board to the National Security Council of Cabinet (NSC) consisting of industry leaders to advise on strategic national security capabilities of industry (logistic support), e.g. Lindsay Fox on national distribution nodes and capacity;
 - 2. Develop coherent and integrated industry policy framework including a more open and regular review of SICs and PICs;
 - a. Develop coherent, integrated and strategic framework for joint logistic capabilities of industry; (Military logistic support is currently based on purchase orders and support contracts and not on strategic planning.)
 - b. Formalise the framework and dialogue between ADF, CoA and industry leaders;
 - 3. Develop a national and international emergency response plan which includes Federal, State & Local Governments; ADF; Emergency Services; Non Government Organisations and Industry;

4. Framework for 'User Club' membership for major equipment platforms (i.e. exchange of information on operational concepts, military doctrines, upgrades, training, R&D, capability growth path).

ii. Operational Level (in or ready for use)

1. Industry capabilities for logistic support:
 - a. Flexible Australia-wide distribution network & warehousing;
 - b. Australia-wide global supply chain;
 - i. Australia wide cost effective and efficient existing service network. Service network is commercially viable because of synergies between civilian and military logistic support in Australia (i.e. mining industry);
 - c. Flexible and experienced global service network.
2. Industry capabilities to assist interoperability with and independence of ADF
 - a. Training of military personal in product capabilities, R&D and ILS. Increased involvement of military personnel in 4th line support and increased involvement of industry personnel in 3rd line support. Increased information exchange increases ADFs readiness level.
3. Industry & ADF Reservists
 - a. Increase use of Reservists which are sponsored by industry (long term and short term);
 - b. Increase exchange of information between industry based Reservists and ADF;
 - i. Increase operational availability of Reservists to ADF for national and international missions;
 - ii. Examples of industry sectors which are already involved in ADF missions or have for ADF relevant operational experience:
 1. Defence industry;
 2. Coast Watch;
 3. Fisheries;
 4. Mining;
 5. Medical;
 6. Translation Services.
4. More coherent and efficient management of technologies
 - a. Examples: Modern fuel system; HUMS for military platforms and systems; telematics; shorter intervals between component upgrades (i.e. engines).

iii. Tactical Level (immediate support)

1. Use industry's surge capacity for high tempo periods.
2. Supplementation – for ongoing day-to-day operations, delivered under a 'temp' like employee model. E.g. this may provide a mechanism for ADF personnel to take extended leave particularly with significant build up of personal leave credits gained through multiple operational rotations or for assistance to members requiring extended medical leave.
3. Use existing industry resources for national and international emergency responses.

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