



The Australia/NZ Defence Industry & Aerospace Report On-Line

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Welcome to Vol. 11, No. 08 of the Weekly DIAR.com e-Newsletter – ‘Serving the national Defence, homeland security & border protection communities’

Each week the [Defence Industry & Aerospace Report \(DIAR.com\) e-Newsletter](#) provides an up-to-date listing of all Australia’s major Defence & National Border Protection corporate press releases, speeches and reports by way of a headline and brief summary extract, as well as other international defence business news items relevant to current Defence Capability Plan (DCP) acquisition proposals. Full digital copies of source material are available by request to the contact numbers below, if you are a documentary retrieval service (DRS) subscriber. DIAR.com is provided to individual subscribers under a single user licence (SUL), or on a group or corporate user licence (CUL) arrangement. On-forwarding of the e-Newsletter is thus strictly prohibited in the absence of subscribers having first concluded a copyright authority with the publishers.

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WHITE PAPER COMMUNITY CONSULTATION LOOKS OVER THE HORIZON: Defence Minister Fitzgibbon has released the report of the findings of a White Paper Community Consultation Program, submitted 11 November 2008 by a specialist Panel comprising: Stephen Loosley (Chair); Arthur Sinodinos (Deputy Chair); Peter Collins; RAdm Simon Harrington (Rtd); and Professor Tanya Monro. Entitled - ‘Looking over the Horizon: Australians Consider Defence’ – the report was conducted as part of the new Defence White Paper development process. Fitzgibbon says the views presented in the report “reaffirm the value and importance of Defence to the Australian community, and support the need for the re-assessment of our strategic circumstances and the roles, responsibility and structure of the Australian Defence Force.” Stephen Loosley was also confirmed by the Minister as having been appointed the new Chairman of the Australian Strategic Policy Institute (ASPI). [15.04.09] (*DIAR.com*)

CONCLUSIONS REFLECT A PRE-GLOBAL FINANCIAL CRISIS VIEW: Conducted between July and November 2008 and involving thirty community meetings attracting over 600 people and 450 written submissions, the ‘Looking Over the Horizon’ report builds on the experience of a 2000 activity credited with having firmly confirmed in the mind of former Prime Minister, John Howard, the importance of defence-sympathetic voters, especially in rural areas. The 2008 report similarly confirms the strength of community regard for the ADF and its personnel, and their courage and professionalism in conducting stabilisation & reconstruction operations. Noting the review was completed prior to the global financial crisis taking its fuller national effects, the Review Chairman notes “the current economic situation makes it even more important that the resources allocated to Defence are not wasted, and a number of submissions addressed methods of improving efficiencies.” [15.04.09] (*DIAR.com*)

DEFENCE LOSING ITS GRIP ON NATIONAL SECURITY AGENDA: The Review Panel primarily notes an important and recurring concern in the consultations was that the new Defence White Paper needed to be derived from a clear national security strategy – with a number of participants arguing that Defence should be considered in a whole of government security context, and including aid programs & diplomacy, and contributions by non-government organisations. Further, there was broad consensus the strategic environment was relatively benign in terms of a major military threat to Australia. Still, a number of Australians are said to “be aware of a changing geo-strategic landscape and are alert to the possibility of great power rivalry in the region with the rise of China and India.” Australia’s maritime security is also observed in the report as assuming a greater prominence in the national security discourse, whilst the ‘threat of terrorism’ was found to be “not ‘front of mind’ for most people in discussions about defence policy.” [15.04.09] (*DIAR.com*)

LOBBYISTS CROWD OUT COMMUNITY IN 2008 CONSULTATION?: Beyond the large number of individual submissions, the list of contributors acknowledged in the ‘Looking Over the Horizon’ report includes a large number of defence interests, which in recent times has extended out to repositories of science & research, including universities. The strength of such representations appears to have had a major influence on the Review Panel’s distillation of ideas, as represented by comments: “most people want the ADF to maintain a force capable of self reliance in most scenarios; there is broad support for the acquisition of LHDs (amphibious ships) & C-17 (airlifters), not only for military applications but also for use in humanitarian missions; there is strong support for the maintenance of a Blue Water capability for the Navy; particular support exists for a long range strike

capability, especially from submarines; industry is anxious for the Government to identify and provide meaningful support to Priority Local Industry Capabilities.” [15.04.09] (DIAR.com)

WISDOM OF NAVY ACQUISITION RECOGNISED IN ‘SMART 100’ INDEX: An underwater retrieval system incorporating an acoustic release, floatation and retrieval line all in the one market buoy – and currently used by the Australian and US navies - has been named one of Australia 100 most innovative products in the ‘SMART 100’ innovation index. Developed by Tasmanian-based Fiomarine, the ‘Fiobuoy’ submersible marine marker buoy and retrieval system is said to provide ‘simple and economic retrieval’ of a range of underwater equipment spanning military and civil applications. Beyond Defence, the system is used by a range of universities and marine research institutions around the world. The ‘SMART 100’ index aims to bring a greater commercial focus to the concept of innovation. [14.04.09] (DIAR.com)

MOVES TAKEN TO DELIVER PROJECT ‘PROTECTOR’ VESSELS: In part confirming ‘noise’ the New Zealand Government had resolved to apply liquidated damages to capability delivery delays associated with project ‘Protector’ contracts inherited from Tenix Defence by BAE Systems (BAES) Australia, NZ Defence Minister Wayne Mapp says that having been the Government’s “highest priority since taking office”, new arrangements concluded with BAES will now see HMNZS ‘Rototiti’ - the first of the four new IPVs - handed over on 16 April, and commissioned at Whangarei’s IPV Wharf on 17 April. The vessel will then sail to the Devonport Naval Base in Auckland on 24 April, with the other three IPVs to be delivered by end-May. Once at Devonport, all vessels will undergo a series of sea trials & crew training activities to become ready for operations. Project ‘Protector’ comprises seven ships: one multi-role vessel, HMNZS ‘Canterbury’; two offshore patrol vessels (OPVs); and four IPVs. [14.04.09] (DIAR.com)

OFFSHORE PATROL VESSEL DISPUTE NEXT UP FOR RESOLUTION: Dr Mapp went on to say he and Defence Ministry officials were now working towards delivery of the two offshore patrol vessels (OPVs) currently located at Williamstown, in Melbourne. He further conceded there were “a number of outstanding issues in respect of HMNZS ‘Canterbury’ and the OPVs that would now be referred to mediation, which is intended to start on 25 May.” Dr Mapp added, “although we have begun a mediation process, we are still working hard to resolve the outstanding issues through negotiation with the contractor.” In a separate release, BAES Australia Maritime Director, Merv Davis, revealed the company had been engaged in discussions with the NZ Ministry of Defence since late-2008 to resolve issues causing IPV delivery delays. Recognising the RNZN’s desire to commission the ‘Protector’ fleet into service as soon as practicable, Davis says BAES has “agreed to install ‘Zodiac’ sea boats so that this can happen”. [14.04.09] (DIAR.com)

‘SCANEAGLE’ ACHIEVEMENTS BEG QUESTION ON JP 129 REPLACEMENT: The Boeing/Insitu ‘ScanEagle’ unmanned aircraft system (UAS) is reported to have flown its 150,000th hour in service with the US Marine Expeditionary Forces, US Navy, US Special Operations Command, Australian Army and Canadian Forces. The UAS has provided persistent in-theatre intelligence, surveillance and reconnaissance (ISR) to the joint forces in Iraq & Afghanistan since 2004, with Australia reportedly spending up to \$40m a year to have in-theatre Boeing engineers supply the service. Now capable of flying above 16,000ft and loitering over the battlefield for more than 24 hours, the fully autonomous ‘ScanEagle’ vehicle is equipped with inertially stabilised electro-optical and infrared cameras. With the new Defence White Paper expected to define a new way forward for tactical UAVs by way of redefined requirements for Joint Project 129, Boeing next month is poised to demonstrate at RAAF Base ‘Williamstown’ the ability to control multiple ‘ScanEagle’ units from a project Air 5077 ‘Wedgetail’ aircraft. [13.04.09] (DIAR.com)

‘LITENING’ ADVANCED TARGETING PODS RACK UP THE HOURS: Northrop Grumman Corporation’s ‘Litening AT’ advanced targeting & sensor system - currently deployed with US and allied forces – is reported to have achieved over one million operational hours since its introduction in 1999 – with just under half of these logged under deployed/combat conditions. The ‘Litening AT’ system (now in RAAF service vide project Air 5376) has since undergone four spiral upgrades, with deliveries of the latest G4 system beginning mid-2009. Officials indicated the ‘Litening’ had pioneered such advanced targeting technologies as precisely aligned & stable sensors, coordinated air-to-ground and air-to-air capabilities through laser spot search & track and laser markers, data links for coordinated air-ground attack and J-series weapons employment capabilities. A G4 upgrade kit is also proposed to be made available to existing AT pod users. [13.04.09] (DIAR.com)

SPOT CHECK UNDERTAKEN ON HIGH PROFILE DEFENCE ACQUISITIONS: Subsequent to the conclusion of high level AUSMIN talks in Washington DC, Defence Minister Fitzgibbon has visited Northrop Grumman’s Long Island (New York) facility to discuss the company’s involvement with the F/A-18F ‘Super Hornet’ (project Air 5349), EA-18G ‘Growler’ and Joint Strike Fighter (Air 6000) projects. Fitzgibbon also sought commentary (along with Boeing representatives) on the company’s progress in delivering the Multi-role Electronically Scanned Array (MESA) radar for the project Air 5077 ‘Wedgetail’ airborne early warning and control (AEW&C) aircraft. Reflecting upon recent Defence project reports that delivery of the capability is now 38 months late, Fitzgibbon stated “we are still looking for (Boeing & Northrop’s) continued commitment and sustained effort to deliver a world class AEW&C aircraft that meets Australia’s war-fighting capability requirements”. [12.04.09] (DIAR.com)

‘PROOF OF THE PUDDING’ SOUGHT IN AEGIS RADAR SYSTEM VISIT: Defence Minister Fitzgibbon went on to visit Lockheed Martin’s (LM) ‘Aegis’ combat system production test centre in Philadelphia, inspecting SPY-1D(V) phased array radar panels and related ‘Aegis’ combat system equipment destined for installation in Australia’s first project Sea 4000 air warfare destroyer (AWD) – the future HMAS ‘Hobart’. Tests on the Hobart’s ‘Aegis’ system will begin in May, with completion expected in November 2009. After discussions with Fred Moosally, LM President for Maritime systems & Sensors – and contrasting his AEW&C experience - Fitzgibbon commented, “this visit has given me the opportunity to see at first hand the high degree of success achieved to date in delivering ‘Aegis’ capability.” Fitzgibbon’s visit to Philadelphia followed earlier discussions with LM CEO, Bob Stevens, in which they discussed progress on the Joint Strike Fighter (JSF) program. [12.04.09] (*DIAR.com*)

AUSMIN TALKS FOCUS ON SECURITY CHALLENGES IN AFGHANISTAN: Australia’s Defence (Joel Fitzgibbon) and Foreign Affairs (Stephen Smith) ministers have travelled to Washington DC to attend the 24th annual Australia-United States Ministerial Consultations (AUSMIN). The two Ministers were accompanied by the Chief of the Defence Force, Air Chief Marshal Angus Houston, and the Secretary of Defence, Nick Warner. Discussions (significantly held within the first 100 days of the new Obama administration) with US Secretary of Defense, Robert Gates, and Secretary of State, Hillary Rodham Clinton, focussed on mutual security challenges faced in Afghanistan, as well as concerns over Iran’s nuclear activities. The two countries went on to condemn North Korea’s (DPRK) 5 April launch of a U’nha 2 long-range rocket (described by Defence officials as a ‘Taepo-Dong 2’ missile), noting the launch was in violation of United Nations security resolution 1718. Smith took time to personally welcomed Ms Rodham Clinton to the “AUSMIN Club”. [10.04.09] (*DIAR.com*)

DISCUSSION AGENDA LOOKS TO WORLD WITHOUT NUCLEAR WEAPONS: AUSMIN officials had last met in Canberra on 23 February 2008 with Bush Administration officials. This year’s talks build on Prime Minister Rudd’s recent (ie: Washington visit & G20) discussions with President Obama, as well as Minister Smith’s meeting with Secretary Clinton in The Hague on 31 March, and Minister Fitzgibbon’s meeting with Secretary Gates, in Poland, on 20 February. The two nation’s pursuit of a shared goal of a world free of nuclear weapons follows closely from President Obama’s landmark speech on nuclear security in Prague, and the DPRK’s long-range rocket launch. Achievements arising from the 2008 AUSMIN meeting were said by Fitzgibbon to be “our countries will be able to work more closely together (ie: via improved alignment of doctrine & procedures) in responding to humanitarian disasters in the Asia Pacific region, and closer collaboration in our already valuable intelligence relationship.” [10.04.09] (*DIAR.com*)

RE-AFFIRMING COMMON INTERESTS & SHARED OBJECTIVES COMMITMENT: A formal Communique issued after the AUSMIN discussions noted approval of the recently released Riedel ‘Afghanistan & Pakistan’ strategic policy review undertaken by the US, ... agreement between the two countries “on the importance of a comprehensive approach to regional challenges ... (and) the continuing priority attached to curbing the ability of al-Qaeda and other terrorist groups to operate in the region”. Both nations pledged “continued support for capacity building among Pakistan’s security forces in counter-terrorism and counter-insurgency. A Pakistan aid donors conference is to be held in Tokyo on 17 April. Turning to regional challenges and opportunities, both sides called upon China “to increase regional confidence in its intentions, including by pursuing a more transparent approach to military modernisation.” Disapproval of North Korea’s long-range rocket launch was referenced back to announcements by Australia & South Korea of enhanced security cooperation. [10.04.09] (*DIAR.com*)

ENHANCED AFGHANISTAN CONTRIBUTION FLICKED BACK TO RUDD: Foreign Affairs Minister Smith told a joint AUSMIN media conference discussions had raised “what, if anything, more Australia could do in the (Afghan) civil reconstruction or training area, in military contribution, and also ... any temporary contribution we could make for the election in August. Those discussions were very helpful, and (we) will take the benefit ... back to Australia to discuss with the Prime Minister and our other cabinet colleagues. No decisions were made, nor request made, and no commitment given, but it was a very helpful discussion so far as the Australian Government coming to a conclusion about what, if anything, we can do further to help. We expect that decision will be made in a matter of weeks.” Defence Minister Fitzgibbon added, “the important thing from our perspective is: would an additional contribution from us in concert with additional contributions from other partner nations further achieve progress in Afghanistan and, on that basis, allow us all to go home sooner rather than later?” [10.04.09] (*DIAR.com*)

DEFENCE WHITE PAPER TO SHRINK-WRAP QUADRENNIAL DEFENCE REVIEW?: The AUSMIN Communique went on to acknowledge both sides had discussed ‘strategic level guidance’ within the context of the forthcoming Australian Defence White Paper and US 2009 Quadrennial Defense Review (QDR) – to which Australia is to contribute an ‘exchange officer’ to assist in QDR development. Noting the value of interoperability between the two countries’ military forces, the two sides looked forward to the recently concluded Joint Combined Training Capability (JCTC) Memorandum of Understanding being “put to good use” in the forthcoming 2009 Exercise ‘Talisman Saber’. Reference was also made to an agreement on new ‘principles’ to guide greater cooperation on intelligence, surveillance & reconnaissance, and military satellite communications, to better support US and Australian deployed forces. Additionally, principles have been agreed for enhancing intelligence collaboration and cyber cooperation. [10.04.09] (*DIAR.com*)

CHAIN BEING DRAGGED ON MILITARY-INDUSTRIAL AGREEMENTS: The AUSMIN Communique concluded by noting the US & Australia had endorsed the results of a March 2009 AUSMIN Defence Acquisition Committee

report, with a follow-on meeting to be held this November, in San Diego. From the new Obama administration's perspective, the US was also said to have "reaffirmed its desire for quick US Senate ratification of the Defense Trade Cooperation Treaty (aiming to) enhance the two countries' interoperability in defence & counter-terrorism activities and improve cooperation on joint research and capability development projects. Australia was nominated as host for the 2010 AUSMIN meeting – the 25th to be held since discussions first commenced in 1985. Fitzgibbon also later met with the Director of the Central Intelligence Agency (CIA), Leon Panetta, and the agency's deputy director, Stephen Kapes. [10.04.09] (DIAR.com)

AUSTRALIAN DEFENCE COOPERATION INITIATIVE IN THE WINGS FOR PAKISTAN: Following conclusion of the 2009 AUSMIN talks, Defence Minister Fitzgibbon went on to address Washington's Center for a New American Security (CNAS). Fitzgibbon noted Australia's recent decision to provide \$21m to support the Afghan Government to deliver national programs in health, education, rural development and microfinance – all designed to underpin existing military involvement to eradicate terrorism and build capacity within the Afghan national security forces "so they can take the lead in providing their own national security." Fitzgibbon went on to welcome the Reidel Review's focus on Afghanistan & Pakistan as a single strategic issue, adding "we cannot hope to make progress in the fight against terrorism without concerted actions in other areas ... the Australian Government is also looking for ways we can expand our overall engagement with Pakistan, including in the defence sphere." [10.04.09] (DIAR.com)

REGIONAL DEFENCE FOCUS COMING THROUGH AS MAIN WHITE PAPER THEME: Moving beyond the current discussion on Afghanistan, Fitzgibbon told the Centre for New American Security that "the Asia Pacific region remains the centre of gravity for the Australia-US alliance ... in just ten years, Asia will account for 45% of global GDP, and one-third of global trade. In this time of great change, Australia's security & prosperity will depend on the stability of our region. Our alliance with the US underwrites that stability. But China's rise will inevitably change, in significant ways, the strategic dynamics of the Asia Pacific region." The Minister added, "like the US, Australia encourages China to work constructively with the international community and to improve regional confidence in its intentions, especially by pursuing a more transparent approach to its military modernisation ... we want to expand our defence engagement with China, in order to generate trust, mutual understanding and greater openness. This does not mean that we will accept uncritically all that China says or does. Where we have concerns about China's human rights, or military capabilities or intentions, we will raise these concerns frankly and act in our national interest, and the interests of the region." [10.04.09] (DIAR.com)

PATENTED SUSPENSION SYSTEM FOR AFGHANISTAN MRAPs: Oshkosh Corporation's Defense business has received a US\$122m order from Force Protection Incorporated (FPI) to supply its 'TAK-4' independent suspension system to equip Mine Resistant Ambush Protected (MRAP) 'Cougar' 4x4 and 6x6 axle configuration vehicles, to deliver improved off-road mobility. The 'TAK-4' system – which has undergone more than 400,000 miles of government durability testing – is featured on over 10,000 Medium Tactical Vehicle Replacement (MTVR) chassis supplied to the US Marine Corps. The MTVR – being similarly bid into Australia's 'refreshed' project Land 121 requirement – is said to be "renowned for its survivability and off-road capability in severe environments, including conducting missions on Afghanistan's rugged terrain while maintaining high readiness rates." Work is to be completed by December 2009. [10.04.09] (DIAR.com)

UK FORCES TO HAVE THEIR OWN 'MULE' FOR AFGHANISTAN SURGE: The UK Ministry of Defence (MoD) has awarded Derbyshire-based Enhanced Protection Systems (EPS) a £7m contract to supply around 75 'Springer' vehicles from mid-year to help move vital equipment to troops fighting on the frontline in Afghanistan. The Springer 'dune buggy' – designed specifically for rugged, desert conditions – will have a crew of two, and the ability to carry a combat load of one tonne – with the specific application being to move combat supplies from helicopter landing sites into forward operating bases. UK forces are expecting to take delivery of the new 'Springer' vehicle this northern summer. [10.04.09] (DIAR.com)

FITZGIBBON FLESHES OUT AFGHANISTAN STRATEGY WITH GENERAL PETRAEUS: As a precursor to the 2009 Australia-United States Ministerial Talks (AUSMIN), Defence Minister Fitzgibbon has met with US Central Command (CENTCOM) Commander, General David Petraeus, in Washington DC. The two are said to have spoken about the progress of operations in Afghanistan, and the outcomes of the recently released US Strategic Review on Afghanistan & Pakistan. ADF personnel are known to be embedded as members of General Petraeus' staff at CENTCOM Headquarters in Tampa (Florida), while Australian forces deployed in southern Afghanistan work closely with their US and NATO partners in the campaign to defeat the broadly-labelled Taliban insurgency. Fitzgibbon says he "took the opportunity to reaffirm to General Petraeus the Australian Government's full commitment to winning the war against insurgents in Afghanistan, and welcomed President Obama's decision to increase US forces in southern Afghanistan." [09.04.09] (DIAR.com)

VICTORIAN GOVERNMENT TO PICK UP MARIBYRNONG DEFENCE SITE: A long process to de-militarise and remediate former defence land associated with experimentation and the production of explosives and munitions at Maribyrnong in Victoria – and first substantively commenced with the corporatisation of the former 100% Federal Government-owned ADI Limited – is set to end following a decision by Finance Minister Tanner that the west Melbourne site – also formerly used by the Defence Science and Technology Organisation (DSTO) – will be sold to the Victorian Government. Subsequent to the sale, development of the site (for mixed-use, including

commercial & residential) will become the responsibility of the Victorian Government through VicUrban. Final remediation of the site is scheduled to commence in mid-2010, and it is expected to take two years to secure all required approvals. [09.04.09] (*DIAR.com*)

NEW VISION TO ACHIEVE FOUR 'COLLINS' SUBMARINE CREWS: The Chief of Navy, Vice Admiral Russ Crane, has released a new plan to dramatically improve Australia's 'Collins'-class submarine workforce after extended high operational tempo over recent years was blamed for rapidly depleting submariner ranks. Picking up on the 29 recommendations of a Submarine Workforce Sustainability Review conducted by Rear Admiral Rowan Moffitt, Crane is now looking to implement a yet to be costed five-phase strategy from 2008 to 2015 designed to stabilise, recover and grow a sustainable submarine workforce (ie: meaning future numbers will be sufficient to absorb losses, transfers and rotations). Heading the program is a decision to expand crew sizes from 46 to 58, supported by a pool of 27 persons to provide high priority technical & administrative support whilst boats are alongside. Crane envisages the new crewing program will "lay the foundations for the transition from the 'Collins'-class submarines to the Navy's future (project Sea 1000) submarines. [08.04.09] (*DIAR.com*)

CRANE RESIGNED TO FACT THAT SUBS WILL NEVER BE FULLY CREWED: Crane told media the Navy had taken an historic decision to separate its crews from its submarine hulls, and move to a new form of multi-crewing. New internal recruitment and retention initiatives (including poaching submariners from other nations) are expected to realise a fourth submarine crew by the end of 2011 – meaning Australia would sport a prime submariner force of 259 (including support pool). From 2012-2015, the Navy proposes to look at evaluating alternate crewing arrangements – "three crews to perhaps two platforms, as was recommended in the (Moffitt) review." From the current state where the Navy is struggling to muster 165 combat-qualified submariners on any one day – and using the new manning numbers – such an initiative would require the labour force to exceed 500 after 2015 in order to sustain six boats at sea. Crane admitted that in crafting his new plan, he had been "careful not to put in place deliverables that we can't meet". The 'Collins' fleet is scheduled to commence retirement from 2025. [08.04.09] (*DIAR.com*)

OPPOSITION CUTS INTO SUBMARINE CREWING FANTASIES: The Shadow Minister for Defence, Senator David Johnston, says release of the Submarine Workforce Sustainability Review "highlights the dire situation of Australia's submarine force, which is on the verge of collapse ... the Navy (is) so short of qualified submariners that only two of its fleet (of six) 'Collins'-class submarines could be operational at one time." Senator Johnston says submarine Unit Ready Days have "gone from 1,463 days in 2005, to 600 in 2008 – the lowest levels since targets were introduced in 2003. The Minister's bonus retention scheme was an abject failure, and at the moment we have a shortfall of 37% on submarine personnel." The shadow Minister added the review "fails to adequately address what is keeping many men and women away from submarines – the amount of money the Navy is prepared to pay them ... in spite of the economic slowdown, there are still many well paying jobs in areas such as the mining industry, and the Navy simply has to become more competitive." [08.04.09] (*DIAR.com*)

'BUSHMASTER' FLEET TO RETROFIT 'SOTAS' COMMUNICATIONS HARNESS: Thales Australia has been contracted by Defence to provide its 'SOTAS' vehicle communications system to the full 'Bushmaster' protected mobility vehicle fleet. The 'SOTAS' communications harness provides vehicle intercom, Ethernet Local Area Network and internet protocol routing services, and allows further integration of VoIP services, Battle Management System, vetronics services, inter-platform communications, wireless LAN services, video on demand and mounted soldier systems into one rugged, reliable system. Thales will supply over 700 complete systems, plus spares, to be installed in the ADF's 'Bushmaster' fleet from July, with in-service vehicles set for retrofit at its Vehicle Support Centre in Brisbane, and potentially at ADF bases around the country. The application of SOTAS aims to provide full communications connectivity within the ADF, thus extending the command and control chain to dismounted troops. [08.04.09] (*DIAR.com*)

EIGHTH 'EXCALIBUR' 1B FIRING EXHIBITS CONTROLLED FLIGHT: Raytheon reports it has successfully fired its eighth 'Excalibur' 1b 155mm precision-guided artillery projectile during a February test at the Yuma Proving Ground, in Arizona. The firings - the first tests witnessed by officials from the US Army program office - were designed to exhibit stable controlled flight and safe muzzle exit. The testing is also said to have validated a simulation used to earlier predict the performance of the new titanium-based 'Excalibur' 1b – which builds on the combat-proven 1a projectile in terms of delivering reduced cost (fewer parts & simpler manufacturing) and increased reliability. 'Excalibur' 1a rounds have been purchased by the ADF (via Joint Project 2058) to equip (interim) both the legacy M-198 howitzers, and tracked & air mobile artillery replacements being considered under project Land 17. [08.04.09] (*DIAR.com*)

'SUPER HORNET' DEALS BEING CUT FROM DENMARK TO LATIN AMERICA: Boeing has confirmed it will showcase an F/A-18E/F 'Super Hornet' Block II flight simulator at the 14-17 April 2009 Latin America Aerospace and Defence (LAAD) trade show, being held in Rio de Janeiro. Currently in-service with the US Navy, and on order for the RAAF by way of project Air 5439, the aircraft is similarly being proposed for new fighter competitions in Denmark, Greece and India. In February, Boeing also submitted the 'Super Hornet' for the Brazilian Air Force's F-X2 competition. To woo the Danish government, Boeing has offered substantive industrial benefits, commencing with the signing of three Memoranda of Understanding with Danish systems integration and software development company, Systematic, and relating to: developing software applications for the Insitu family of unmanned aircraft

systems; opportunities for collaboration in the development of a ground forces interoperability laboratory, as well as command & control (C2) solutions for land, sea and air domains; and addressing opportunities for 'Super Hornet' industrial cooperation. [08.04.09] (DIAR.com)

NEW SPY-3 DUAL BAND RADAR ACHIEVES INITIAL TEST MILESTONE: Raytheon and the US Navy report they have successfully completed initial 'lightoff' testing of the dual band integrated active phased-array radar suite comprising the X-band AN/SPY-3 Multi-Function Radar, and the S-band Volume Search Radar, both of which are said to have radiated at high power during the lightoff at the Navy's Engineering Test Centre, Wallops Island, Virginia. The dual band radar system is proposed to be installed on the new DDG 1000 'Zumwalt'-class destroyer (three of which are now expected to be built), the Ford-class aircraft carrier (CVN 78), and other potential future surface combatants. The dual band system is claimed to provide superior surveillance capabilities and support ship self-defence across a broad range of missions in deep water and littoral environments. The new radar suite will now move into an extended period of operational performance testing. [08.04.09] (DIAR.com)

SAVI EXTENDS 'SMART CHAIN' TOTAL ASSET MANAGEMENT SUITE: Lockheed Martin-owned Savi Technology is to extend its integrated global unique identification enterprise solution (I-GUIDES) to its 'SmartChain' asset management software – in order to create a modular solution – for the US Department of Defense and its suppliers to enable them to uniquely identify, track and manage items and inventory throughout the supply chain. I-GUIDES is said to simplify compliance with the Department's new Item Unique Identification (IUID) Policy, by creating a unique identification code that is applied to mission-critical assets via a two-dimensional barcode. Savi is similarly contesting phase 2D of Joint Project 2077, which aims to improve ADF logistics information systems. [08.04.09] (DIAR.com)

WARNER CONFIRMS BLITZ ON STATUTORY DECLARATIONS: The Secretary of Defence, Nick Warner, has confirmed that since releasing 27 March the Department's initial assessment of allegations regarding Defence Minister Fitzgibbon's relationship with Ms Helen Liu, Defence has conducted extensive inquiries to determine if there is any substance to allegations of unauthorized Departmental investigations. Warner says around 200 staff have now been interviewed, including senior officers in Defence intelligence & security. Additionally, over 850 staff in relevant areas of the Department are said to have signed statutory declarations saying they had no knowledge or involvement in the alleged investigation activities. Fuller revelations are to be detailed when Defence releases its final report after Easter. Warner added, "It remains the case that Defence has found nothing to give credibility to these allegations." The Inspector General of Intelligence & Security, Ian Carnell, is also preparing a separate report into the Fitzgibbon-Liu controversy. [07.04.09] (DIAR.com)

BORDER PROTECTION COMMAND TRAINS FOR DRUG INTERDICTION: Customs and Border Protection officers are reported to have wrapped up Exercise 'Eastern Exile', a wide-ranging operational readiness training exercise just unfolded across Port Macquarie, Mackay and St Helen's, with a culmination event in Bywong. National Manager for Enforcement Operations, Malcolm Wright, says this year's test scenario challenged intelligence and operational teams to detect and stop an international criminal syndicate attempting to import a large quantity of drug precursors into Australia, via the east coast. The attempted importations occurred simultaneously in three regions: Queensland, NSW and Tasmania. [07.04.09] (DIAR.com)

UNITED KINGDOM UP-ARMOURS VEHICLES FOR AFGHANISTAN CAMPAIGN: The UK Ministry of Defence has signed a US\$180m contract with Navistar Defense to purchase 262 tactical wheeled vehicles, parts and support for International MXT-based units - in three vehicle types: patrol, ambulance and command vehicle - to undertake missions in Afghanistan. Procured through the UK's Tactical Support Vehicle (TSV) program, the new 'Husky' – a medium TSV variant - is designed to fill a gap that exists between smaller traditional armoured 4x4s that have become 'payload challenged', and the larger class of Mine Resistant Ambush Protected (MRAP) vehicles that may be 'mobility restrained' for certain mission requirements. Israel-based Plasan is to provide the survivability solution for the vehicle. Deliveries are scheduled to begin in the second half of the 2009. [07.04.09] (DIAR.com)

FI SAYS GLOBAL FINANCIAL CRISIS STARTING TO HIT THE DEFENCE SECTOR: A new Forecast International (FI) report says the world command, control, communications, computers & intelligence (C⁴I) market is expected to move into decline over the next several years as major 'Networking the Force' initiatives are completed (and prospectively, not replaced), however, the world C⁴I market is expected to fare much better than most other major defence industry sectors during the economic downturn. FI projects a C⁴I market worth at least US\$67.9b over the next 10 years – segmented as \$10.1b in 2009, but declining \$4.1b in 2018. Raytheon, Boeing, General Dynamics, Northrop Grumman and Thales are credited as being the top five C⁴I companies over the next 10 years, based on forecast sales volume and percentage of market share. [07.04.09] (DIAR.com)

NORTHROP GRUMMAN ONE OF FOUR TO CONTEST NEW RFID CONTRACT: Northrop Grumman Corporation has been selected (as one of four companies) to receive a contract to provide radio frequency identification (RFID) hardware, software, and engineering services to the US Department of Defense under its new RFID III multiple award, indefinite delivery/indefinite quantity contract, featuring a US\$429m ceiling available for task order awards. Work on the contract will be conducted over a three-year base period, with up to seven, one-year options. Under the terms of the contract, Northrop Grumman's Information Systems sector will supply

active RFID tags, readers, mobile kits, software, and the technical engineering services to implement this technology. Also required to be provided is the hardware, maintenance, design, development, integration, deployment, training, and data management of the tags. [07.04.09] (*DIAR.com*)

IED ACTION IN SOUTHERN AFGHANISTAN WOUNDS TWO SOLDIERS: The Department of Defence has confirmed two Australian soldiers serving with the Special Operations Task Group (SOTG) were wounded when the vehicle they were travelling in struck an improvised explosive device (IED) in southern Afghanistan. One soldier is said to have sustained very serious wounds to his lower limbs, requiring immediate helicopter evacuation to a coalition medical facility, and on-flight to Germany for further treatment. The other soldier suffered minor wounds, and was later evacuated to Tarin Kowt. [06.04.09] (*DIAR.com*)

AUSTRALIAN 'WEDGETAIL' MULTI-UAV CONTROL DEMO SET FOR MAY: Boeing has confirmed it plans to repeat at RAAF Base 'Williamtown' (NSW) in early-May a recent US demonstration which saw three 'ScanEagle' unmanned aircraft systems (UAS) simultaneously commanded and controlled from a RAAF project Air 5077 'Wedgetail' AEW&C aircraft. Using the company's UAS battle-management software, airborne operators are said to have issued NATO-standard sensor and air-vehicle commands via a UHF satellite communication link and ground-station relay. Operators tasked the subject UAS' with area search, reconnaissance, point surveillance and targeting – with each sending back real-time video imagery of ground targets. The Australian demonstration will see a 'Wedgetail' aircraft taking control of 'ScanEagle' UAVs launched by Boeing Defence Australia personnel from the Woomera Test Facility in South Australia, some 1,730km away. [06.04.09] (*DIAR.com*)

GENERAL SERVICE MEDAL FOR POST KOREA ARMISTICE SERVICE: Her Majesty The Queen has given her in-principle approval to the award of the Australian General Service Medal for Korea (AGSM) – to be issued to those former Defence Force personnel who completed 30 days in South Korea during the post-Armistice period - from 28 July 1953, to 19 April 1956. Irrespective of receiving in-principle approval, the AGSM still needs to be formally established through the development of Letters Patent and Regulations, which again require approval by The Queen. Issuance of the new medal is expected to begin from early-2010. [06.04.09] (*DIAR.com*)

DRAFT US FY2010 DEFENCE BUDGET FLAGS CUTS TO WEAPONS PROGRAMS: The US Secretary of Defense, Robert Gates, has told a Washington press conference he aims to recommend to President Obama fiscal year (FY) 2010 Defense Budget proposals set at reshaping the priorities of America's defence establishment towards wars currently being fought. Gates told the news conference "we must re-balance this department's programs in order to institutionalise and enhance our capabilities to fight the wars we are in today, and the scenarios we are most likely to face in the years ahead ... in order to do this, we must reform how and what we buy, meaning a fundamental overhaul of our approach to procurement, acquisition, and contracting." [06.04.09] (*DIAR.com*)

GATES PITCHES JOINT STRIKE FIGHTER PROGRAM TO DOUBLE UNDER OBAMA: Secretary Gates will propose to Obama that Joint Strike Fighter (JSF) purchases be increased from the 14 aircraft approved in FY2009, to 30 in FY2010, with corresponding funding increases from US\$6.8b to \$11.2b. The change implies the administration would buy 513 F-35s over its five-year defence plan, and ultimately, 2,443 for the USAF, USMC and US Navy. Naval aviation would still buy 31 FA-18 'Super Hornet' fighters FY2010, however, with the USAF retiring 250 of its oldest tactical fighters over the financial year and bringing to an end production of the F-22 'Raptor' fighter at 187 aircraft. Gates says production of the C-17 airlifter (at 205 aircraft) will also cease, albeit with the KC-X aerial refuelling tanker acquisition retaining schedule and funding, with the intent to solicit bids this northern summer. [06.04.09] (*DIAR.com*)

VEHICLE COMPONENT OF FCS PROGRAM SET TO BE CANCELLED: Gates has also recommended cancellation of the C-130-transportable vehicle component of the US Army's Future Combat Systems (FCS) program, with a view to re-evaluating its requirements, and then re-launching the program by way of a competitive bid process. The Defense Secretary stated the present design "did not adequately reflect the lessons of counterinsurgency and close quarters combat in Iraq and Afghanistan. Nor did the program include a role for MRAP vehicles being used to good effect in today's conflicts." In proposing vehicle component cancellation, Gates said the current contract's fee structure gave the government little leverage to promote cost efficiency. FY2010 FCS funding will nevertheless retain and accelerate initial program increments aimed at spinning out technology enhancements to all combat brigades. [06.04.09] (*DIAR.com*)

UNMANNED AERIAL VEHICLES BIG WINNERS FROM GATES REFORM: Secretary Gates has also proposed to President Obama a substantive increase in intelligence, surveillance and reconnaissance (ISR) support for US warfighters, headed by the fielding and sustaining of fifty 'Predator'-class unmanned aerial vehicle (UAV) orbits by FY2011. Reflecting on the high demand for such assets in Iraq & Afghanistan, Gates said new funding will see a 62% increase in capability over the current level, and a 127% increase from over a year ago. Manned, turboprop-type aircraft ISR capabilities are also proposed to be increased, as part of 'Task Force Odin' in Iraq. New research and development initiatives on a number of ISR enhancements for existing platforms and new experimental platforms will similarly be undertaken. An extra \$500m more in the base budget (than spent last year) will go towards building the US military's capacity to field and sustain more helicopters. [06.04.09] (*DIAR.com*)

SECOND WGS SATELLITE SENDS FIRST SIGNALS FROM SPACE: Boeing reports it has acquired the first 'on-orbit' signals from the second (of six) Wideband Global SATCOM (WGS) satellites recently put into space via a United Launch Alliance 'Atlas V-421' configuration launch vehicle. Post-launch signals are said to have been received by a ground station in Dongara (Australia) 44 minutes after lift-off. Boeing said the signals indicated the spacecraft was healthy and ready to begin orbital manoeuvres and operational testing. WGS-1 entered service in April 2008, with WGS-2 operation to augment the existing WGS-1 service by providing additional information broadcast capabilities for troops in the field. Australia is funding the WGS-6 satellite under Joint Program 2008. [06.04.09] (*DIAR.com*)

AMMONIUM NITRATE THREAT CONTAINED BY NAVY MINEHUNTERS: Royal Australian Navy coastal minehunters (MHCs) – HMA Ships 'Yarra' & 'Norman' - have reported the location of what is believed to be the last six (of 31) containers full of ammonium nitrate lost overboard from the cargo ship 'Pacific Adventurer' during Cyclone 'Hamish'. The two MHCs searched 32 square nautical miles of seabed with their variable depth sonars, subsequently identifying and obtaining vision of the containers with their Saab-Bofors 'Double Eagle' mine disposal vehicles. Weather and sea conditions, however, prevented the ships obtaining video imagery of all 31 containers before they returned to their Sydney base. The positions of all containers have now been passed to Emergency Management Australia, and Maritime Safety Queensland. [04.04.09] (*DIAR.com*)

ROYAL AUSTRALIAN NAVY VESSELS TO CHINA FOR FLEET REVIEW: Two RAN vessels – HMA Ships 'Success' & 'Pirie' - have departed Darwin for Qingdao (China) to take part in an International Fleet Review (IFR). The two vessels will join ships from 15 other nations gathering from 20-24 April to celebrate the 60th anniversary of the establishment of the People's Liberation Army – Navy (PLA-N). The IFR coincides with an international naval symposium being attended by the Chief of Navy, Vice Admiral Russ Crane, which will discuss 'Strengthening Maritime Cooperation – Building Harmonious Oceans Together'. The 'Success' and the 'Pirie' will remain in Qingdao after the symposium to conduct ANZAC Day commemorative activities in support of the Australian Embassy. [03.04.09] (*DIAR.com*)

ADDITIONAL JSF FUNDING WELCOMED BY LOCKHEED MARTIN: Lockheed Martin has reported its receipt of a US\$265m contract to start work on 28 additional Joint Strike Fighters (JSF), comprising Lot 4 of the program's low-rate initial production (LRIP) phase. The subject contract is designated to apply to long-lead materials for 12 USAF conventional take-off and landing (CTOL) aircraft, 14 US Marine Corps short take-off and landing (STOVL) variants, one US Navy (F-35C) carrier variant, and one CTOL variant for the Netherlands. Three more US Navy F-35Cs are said to have been also approved as part of the buy, with one additional aircraft pending. [03.04.09] (*DIAR.com*)

TECTONICA TO DELIVER JP 5408/2B M113 GPS ENHANCEMENT: Melbourne-based Tectonica Australia has won a \$10m Defence contract to provide the Army's project Land 106 M113 armoured personnel carriers (APCs) with enhanced global positioning system (GPS)-based navigation systems. Delivery of the systems will see troops provided with situational awareness on the battlefield by having access to continuous, self-contained, accurate, location and pointing information. Tectonica's contribution has been to develop a unique user interface based on a Windows Embedded CE real-time operating system - the CDU2000N – and integrating it with Honeywell's TALIN 500 inertial navigation unit to deliver a system that can navigate effectively and accurately in GPS denied environments. Under phase 2B of Joint Project 5408, Tectonica will complete the GPS Enhancement System design for all seven variants of the M113 fleet, and manufacture 390 navigation equipment sets over four years. [02.04.09] (*DIAR.com*)

STEVENS WORKS HIS WAY AROUND BURGEONING AUSTRALIAN EMPIRE: During the course of a visit to Australia to familiarise himself with the company's Australian investments and business partners, Lockheed Martin CEO, Robert (Bob) Stevens, has met with Melbourne-based Marand Precision Engineering to discuss the company's future plans, and to personally present its executives and staff with a plaque commemorating the company's work in support of the Joint Strike Fighter (JSF) program. Marand was the first company in the F-35 program, worldwide, to receive (June 2003) a contract for the design and development of JSF ground support equipment. Since then, it has delivered a number of engine installation and removal trailers, and has received continuing orders. The company has also been contracted by Lockheed Martin to supply tooling for the manufacture of advanced composite parts for the JSF. [02.04.09] (*DIAR.com*)

BOEING ADDS INDIA TO GLOBAL RESEARCH & TECHNOLOGY BASE: Boeing has opened in Bangalore (India) a new Research & Technology Centre designed to help sustain the company's competitive technological edge for its bid to supply 'Super Hornet' fighters to the Indian Air Force, whilst also enhancing in the medium-term India's aerospace capabilities. The centre is proposed to carry out continued collaboration with Indian R&D organisations, including government agencies and private sector R&D providers, universities and other companies. The research agenda is described as breaking "new ground" in aero structures, aerodynamics and electronic networks with a team of senior researchers, scientists and engineers. The Bangalore establishment is Boeing's third investment outside of the US, the other two being in Europe and Australia. [02.04.09] (*DIAR.com*)

LOCKHEED MARTIN CHIEF COMMITS TO EXPANED AUSSIE FOOTPRINT: Speaking to selected defence media in Canberra, the Chairman, President & Chief Executive Officer of Lockheed Martin Incorporated, Robert

(Bob) Stevens, has cited the company's "strong balance sheet and cash reserves" – in spite of the global financial crisis – as continuing to assist it in embracing a global business expansion program spreading beyond defence to information technology (IT) activities, as well as the provision of non-military services (ie: 'smart' power) to multiple national governments. Currently anticipating a 2009 Defence White Paper decision for Australia to order the company's Joint Strike Fighter (JSF), Stevens anticipates Lockheed Martin's local 'footprint' of 430 persons would certainly double in the near term, adding he would also like to see that number "double again". Stevens told DIAR.com a JSF partners CEO meeting would shortly review the concept of a JSF 'consortium buy', with a more definitive answer to be made available to partner Governments in early-May. [01.04.09] (DIAR.com)

INSURGENT LEADER MULLAH ABDUL BARI KILLED IN ORUZGAN: The Department of Defence has confirmed that senior Taliban insurgent leader, Mullah Abdul Bari - alleged to have facilitated Improvised Explosive Device (IED) and suicide bomb attacks in Oruzgan province - has been killed in an operation by Australian Special Forces and Afghan National Army troops. The Chief of Joint Operations, Lieutenant General Mark Evans, said the removal of Mullah Abdul Bari "will significantly disrupt Taliban insurgent efforts to conduct actions that injure and kill Afghan and coalition troops." He added the recent operation - believed to have been undertaken in the adjacent Helmand Province - also killed several other Taliban insurgents. [01.04.09] (DIAR.com)

COUNTER-TERRORISM FINANCING REGIME ACHIEVING REAL OUTCOMES: Speaking at an anti-money laundering and counter-terrorism financing (AML/CTF) conference in Sydney, the Attorney-General, Robert McClelland, has said information provided by the Australian Transactions Reporting Agency (AUSTRAC) over the last financial year had been used in nearly 2,700 operational matters – including the seizure of ecstasy by Australian Federal Police (AFP) worth A\$440m, and the recovery of taxes amounting to \$76.7m. A second tranche of reforms to counter-terrorism financing measures is now proposed to extend existing (2006) legislation to services provided by accountants, lawyers, real estate agents and jewellers. Last month, AUSTRAC signed Australia's first Memorandum of Understanding for the international exchange of regulatory information with the Financial Transactions & Reports Analysis Centre of Canada. [01.04.09] (DIAR.com)

AML SYSTEMS IN PLACE IN NEARLY EVERY PACIFIC ISLAND COUNTRY: McClelland went on to say that in recent years, Australia had assisted in the establishment and strengthening of anti-money laundering (AML) systems in nearly every Pacific Island country, including supporting the establishment of Financial Intelligence Units (FIUs). The subject units have worked to train local police and legal officers in the prosecution of financial crime, build skills to restrain and recover tainted assets, as well as promote the development of robust AML legislation. McClelland said results from such work are "so far are very encouraging". Activities in the Pacific Islands community has been carried out through the AFP, AUSTRAC and the Anti-Money Laundering Assistance Team in the Attorney-General's Department. [01.04.09] (DIAR.com)

CANADIANS INVESTING TO ENSURE SADI PROGRAM SUCCESS: CAE says it will invest up to C\$714m in a new five-year R&D program aiming to expand the company's current modelling & simulation technologies, develop new ones and increase its capabilities beyond training into other areas of the aerospace and defence market, such as analysis and operations. The new endeavour (known as project 'Falcon') is being supported by the Government of Canada through a repayable investment of up to \$250m made through its Strategic Aerospace and Defence Initiative (SADI). Project 'Falcon' will focus on applying investments into six main technology thrusts, including: the development of an augmented visionics system - a technology enabling pilots to take off and land safely even when visibility outside the cockpit is restricted. CAE will also expand its R&D initiatives in its traditional training markets, including simulation and modelling for new types of aircraft, unmanned vehicles, and replacement models for current aircraft. CAE will also develop networking technologies to allow multi-national defence to participate simultaneously in real time training and mission rehearsal exercises. Approximately 1,000 jobs will be created or maintained through the course of the program. [01.04.09] (DIAR.com)

NEW WEAPONS & SENSORS UNIT HEADS NORTHROP BUSINESS REVAMP: Northrop Grumman Corporation has appointed Patricia Newby, as vice president of Weapons & Sensors for its Land Forces Division, effective immediately. The Land Forces Division is a component of the company's Baltimore-based Electronic Systems sector. Newby will have executive responsibility for the development, deployment and customer interface of all weapons & sensors programs at Land Forces Division locations in Baltimore and Huntsville, Alabama. Newby joined the company in 1975 and over the years has held numerous positions of increasing responsibility in engineering, program and site management. Most recently she served as director of airborne warning systems. [01.04.09] (DIAR.com)

ITT CONFIRMS DELIVERY OF SOLDIER RADIO WAVEFORM 1.0C: ITT Communications Systems has announced the qualification and release of the Soldier Radio Waveform (SRW) 1.0C for the US Department of Defense's Joint Tactical Radio System (JTRS) program, having begun work on the JTRS contract in November 2006. Claiming to be the first qualified waveform to reach Software Communications Architecture 2.2.2 compliance, ITT says its SRW 1.0C represents "the reference waveform functionality for performance, networking and porting onto various radio types." Throughout 2009, the company proposes to engage in a number of integration & test activities to finalise the porting of the waveform onto other JTRS radio platforms. A study to cooperatively define future SRW enhancements with all stakeholders has also been initiated. [01.04.09] (DIAR.com)

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