

Speaker 1: This is Voices of Queensland400.

Anthony F.: Hello, and welcome to Voices of Queensland400 podcast, episode one. I'm Anthony Frangi.

Queensland has a significant and growing Australian Defence Force presence that includes the largest concentration of Army personnel and assets in the nation. Not surprisingly, many of Australia's most exciting and innovative defence and advanced manufacturing companies are also based here in Queensland. They support not only the defence presence, but have chosen to headquarter their national operations in the state that is the gateway to the growth markets of the Asia Pacific.

Rheinmetall Defence Australia has chosen Queensland as the preferred location for its Australia-New Zealand Headquarters and Military Vehicle Centre of Excellence, part of its LAND 400 Phase 2 bid to the Department of Defence. According to Rheinmetall managing director Gary Stewart, Rheinmetall's Queensland-based bid has a lot to offer in building the next generation of world-class armoured vehicles to protect Australian soldiers.

Gary Stewart: Rheinmetall's offer to the Commonwealth is really made up of three related elements, delivery of a new capability for Army, delivery of a new industrial capability for Australia, and a pathway for innovation. The first is the most important, making sure that we provide the Commonwealth and Army with the best combat reconnaissance vehicle capability that we believe is out there today. The Boxer combat reconnaissance vehicle is currently in service with the German and Dutch military forces, so the Australian Defence Force can have confidence that it's getting a vehicle which is proven in combat and has a long future ahead of it with growth.

The capability itself satisfies all of the Commonwealth's key requirements. It has a very lethal fire control and weapons system, a 30-millimetre cannon which, with a turret that allows it to be manned or unmanned, allows the Army to use it in both a combat reconnaissance role and in the infantry fighting vehicle role in the next phase of this program. One of the unique features of the vehicle is that you can remove the turret and the crew space from the back of the vehicle, and you end up with something which looks like an Aussie Ute. Then, by mixing and matching different modules, you can reconfigure a base vehicle into any of the eight variants that the Commonwealth has asked for with this capability. There's no other vehicle on the planet that can do that.

It has the best protection of this vehicle class in the world, as well. That's something which is number one and critical for our Australian soldiers. They deserve the best protection, and they deserve to know that they're going out in the best equipment to ensure that they can do the mission that they're trained to go and do.

The second part is creating a new industry for Australia. That's this military vehicle industry. With the extensive work that we've done both with the Commonwealth and with ourselves over the last two years, we now appreciate the breadth of technological expertise and manufacturing and

design companies that there are here in Australia. A key feature of our program is creating a military vehicle centre of excellence here in South East Queensland. That then provides a lighthouse, a focal point for industry in Queensland and around Australia to come and contribute to designing, manufacturing, and supporting these capabilities, initially for Army, but then also to contribute towards a globally competitive export market for that industry as well.

Then the third piece is a fundamental enabler, and that's innovation. One of the challenges that small companies and entrepreneurs within Australia is that they rarely have a pathway to take their great ideas and commercialise it into something that can be available for a very demanding military market. One of Rheinmetall's strengths is that it places a lot of importance on entrepreneurship and creating those connections to universities, to research organisations like CSIRO, so that we can bring in the talent and the ideas, and do that in an environment, a military vehicle centre of excellence, where we can actually prove that these ideas and concepts work, have Army and government alongside us, and they can say, "Yep, this is a capability that we see an immediate benefit for now," and we can put it into the vehicle, prove it, qualify it, test it, and deploy it. That connection from idea to design to manufacture to fielding is something that has been rare in the automotive defence market here in Australia. We see that's a fantastic foundation for our industry, and our future workforce, and people that want to work in this industry.

Anthony F.:

While LAND 400 comprises two programs for the Australian Army, Phase 2 for the delivery of combat reconnaissance vehicles and Phase 3 for the delivery of infantry fighting vehicles, Gary Stewart says its Phase 3 offer complements the Phase 2 currently under evaluation.

Gary Stewart:

We see that there's a really strong connection and opportunity for Defence, and government, and industry to take a whole of capability approach to Phase 2 and Phase 3 for LAND 400. Setting up a manufacturing and industrial base in Australia that is designing, manufacturing, and developing these turrets for Phase 2, the combat reconnaissance vehicle, naturally lends itself well to extending that production and design activities into the Phase 3 turrets. You enjoy much greater benefits in terms of common technologies, common systems, but also common training and development for soldiers and crew, so that you're not having to learn multiple different systems when you're moving from one platform to another.

The other key feature around Phase 3 in our offering is we have developed a new infantry fighting vehicle from the ground up over the last two years, the Lynx infantry fighting vehicle. We've designed the Lynx infantry fighting vehicle to be ready for the Australian requirements. It's been purpose-designed to match Australia's requirements, but also looking beyond that to what other near-peer armies like the U.S. military, like Western European armies are looking for in these next-generation infantry fighting vehicles. We will transfer that intellectual property, we will transfer that design, and the manufacture of that entire Lynx infantry fighting vehicle into a military vehicle centre of excellence.

What we see is that with the initial investment under LAND 400 Phase 2, establishing a new military vehicle industry in South East Queensland, allows us to ramp up and get effective and globally competitive at building and designing these complex platforms, so that we're ready when the much larger Phase 3 program comes down the pipe. That we have a workforce and an industry network in Australia that is ready and able to meet that demand as well, and then naturally create a strong, globally competitive base that can go and compete with the big boys overseas and win those international infantry fighting vehicle programs worldwide.

Anthony F.: The Queensland Government recognises defence as an industry sector that has immense growth potential within the state. Queensland's defence industry currently supports around 6,500 jobs, and generates more than \$4.2 billion in annual revenue. Cameron Dick is the Queensland Minister for State Development, Manufacturing, Infrastructure and Planning, and he says that Rheinmetall's commitment to Queensland is a strong endorsement of the state's growing reputation as Australia's front line for defence industries.

Cameron Dick: This is an incredibly exciting project, not just for our state, not just for our Defence Force, but for our nation. We have been very supportive of Rheinmetall Defence Australia to be the successful tenderer for this landmark project, and this project would deliver high-skilled jobs for our state, knowledge-based jobs, advanced manufacturing jobs which we are really excited about. This is an exciting project that has multiple potential benefits for Queensland, and as the new Minister for State Development, Manufacturing, Infrastructure and Planning, I am very keen to continue to drive on that important agenda we have as a government to grow the defence industries broadly in Queensland.

Of course, the Commonwealth intends to invest very significantly in Australia's national defence capacity, \$195 billion through to 2025-26, and our government, the Palaszczuk Government, wants to ensure that we can do everything we can to attract opportunities and more importantly investment to our state to help the federal government deliver on that investment.

It also matches our vision for Queensland, which is about creating the knowledge-based jobs of the future. We're talking about high-tech manufacturing, high-tech advanced manufacturing, and that very much aligns with where we see Queensland going in the future. It's one of the things I want to do as a new, dedicated manufacturing ministry in Queensland, one we have not had for many years, to deliver those high-tech, advanced manufacturing jobs, and the defence portfolio, the defence industries, match that perfectly. 40% of permanent Australian Army personnel are based here in Queensland. We've got the largest Royal Australian Air Force base in the Commonwealth at Amberley, and two of Australia's three combat brigades are based in Queensland. We're the Australian training location for the Singapore Armed Forces. That is an incredible base to build on. We've got the people, and we want to provide the equipment that they need for the future.

We're going to establish a new agency, it's one of our election commitments, called Defence Jobs Queensland. That will oversee the new defence jobs for our state. It will be a single point of entry for Queensland defence inquiries, and will maintain a regional presence, which is very important in a state as decentralised as Queensland. We'll have a regional presence in Townsville, supported by the North Queensland Defence Advisory Board. That's a new structure that we want to create to create a pathway for investment and jobs for the defence industry in Queensland.

Anthony F.: In support of the growing military presence, Queensland has developed a well-established statewide defence industry, from major contractors through to smaller firms. Mal Lane is the Executive for Defence and Aerospace Development with the Queensland Department of State Development, Manufacturing, Infrastructure and Planning, and says that Queensland is uniquely suited to LAND 400.

Mal Lane: Queensland knows heavy vehicles. The Defence LAND 121 project, the older fleet of defence Mack and Unimog trucks, were all based here in the state. This, as well as the mining industry, the commercial heavy transport industry, heavy vehicles are an important element to the industry base here. Supporting 121 companies such as Haulmark Trailers and Holmwood Highgate are at the cutting edge of best practice of advanced manufacturing. Queensland is Australia's largest heavy vehicle manufacturing and sustainment hub. Volvo produced over 3,000 vehicles last year. Queensland knows how to sustain these heavy vehicles for defence, mining, and commercially. These skills are not only here in South East Queensland. They're across the state, in many regional hubs like Townsville, Mackay, Rockhampton, Cairns, a skill base which is extensive and complementary to the defence needs.

The mandated battle management system providers for LAND 400 are all located in Brisbane. Elbit, Harris, Raytheon are here. The next generation of battlespace communications is being provided by Boeing. The benefits of LAND 400, by having this existing, and deep expertise and skills, not only builds on the heavy industry but sustains them for the long term. Queensland's the most regionally decentralised state in Australia. Queensland has those major regional centres running up and down the coast from Cairns, Townsville, Mackay, Rockhampton, and the Wide Bay area. Singapore will invest in new defence infrastructure here in Australia over the next few years by increasing the number of troops from 6,000 up to 14,000 troops per annum. That's around Central Queensland, around the Rockhampton area, and around North Queensland, the Townsville area. The Queensland-Singapore relationship is important, and it's very complementary to Rheinmetall's aspirations here.

Anthony F.: Gary Stewart from Rheinmetall says there are many benefits for locating its military vehicle centre of excellence close to the majority of Army's operational vehicles in Queensland.

Gary Stewart: Rheinmetall has taken a long time to make a decision around where to site our military vehicle centre of excellence, and really our home base of

operations here in Australia. We were unencumbered by existing infrastructure or facilities, so we had the luxury of being able to sit back and look at what's required to deliver the immediate design and delivery of these complex vehicles. But then also what's required in order to continue to be able to support that equipment, roll in extensive upgrades and improvements to those platforms over life, and then also what does the region require. New Zealand is going to go through an upgrade of its combat vehicles within the next decade. If we look at our neighbors to the north, Singapore and other countries there are operating Rheinmetall equipment. It's much more cost-effective for us to be able to support and operate that equipment from Australia than it is back into Europe.

When we looked at selecting our location, we looked at where our primary customer is, the Australian Army. When you see that two-thirds of the military equipment the Army operates, a lot of its soldiers, is located in Queensland, and so there's a natural, long-term benefit to being located with where the equipment is primarily used. Then, if you take a step back from that, you then see many of the major exercises that the Australian Defence Force does are also conducted in Queensland or in our northern reaches. Then Singapore is making a big investment and ramping up its training ability here in Queensland, and again, looking at the equipment that it's operating and using, similar, and also some unique but Rheinmetall-delivered product. We see that there is a natural synergy to having a base of operations in Queensland to support the majority of the users.

Anthony F.:

With Rheinmetall choosing Queensland as the preferred location to produce vehicles that are highly complex in nature, many of the high-tech capabilities are already here in the state. Mal Lane says these large industries have the capacity to help Rheinmetall set up and deliver high-tech vehicles in Queensland.

Mal Lane:

There's companies which do ballistic protection, C4ISREW, satellite communications, electronics, laser designators, a whole range of capabilities, and importantly, the systems integration of these into platforms is really important. Complementing this is the R&D capability across the state in robotics, through the Centre of Advanced Materials Processing and Manufacturing, very complementary to the industry base. Also, the recent announcement that Queensland will be the headquarters of the Defence CRC in Trusted Autonomous Systems is another element in that ecosystem. Queensland has for a long time been on the forefront of Australia's expertise in remotely piloted aircraft systems, and the state's on the cusp of even greater work in that area.

Having a major international prime contractor like Rheinmetall allows for the supply chain pull-through of SMEs. It's not only to the local defence market that does that, it opens up international opportunities for Queensland companies. We have a number of major prime contractors based here in the state. Boeing Defence Australia is here, Airbus, Northrop Grumman, Raytheon, Elbit, Harris Systems, Lockheed Martin Sikorsky, complemented by an extensive SME base across the state, not just here in the south east corner. SMEs in Queensland do everything from supplying

meat to Defence Force through to satellite on the move communication systems. It's an extensive and expansive capability.

Anthony F.: The Queensland Government is committed to a long-term partnership, and shares Rheinmetall's 50-year vision for its military vehicle centre of excellence and its capacity to deliver Australia's sovereign military vehicle capability. Minister Cameron Dick says that Rheinmetall will herald the beginning of a new military vehicle manufacturing industry in the state.

Cameron Dick: Queensland's already Australia's biggest heavy vehicle manufacturing and maintenance hub. Again, we've got the capacity already in our economy. We were so excited about the potential of this long-term partnership with Rheinmetall, one of the world's biggest defence companies. They are very committed to our state and very committed to Australia. There are real opportunities for Queensland and for Australia, and we're really excited to deliver those economic benefits for our state, should we be successful with this very important project.

Anthony F.: Rheinmetall has been a trusted partner for the Australian Defence Force for more than 40 years. The ability to grow and adapt, deliver modern capability on time, and provide an array of new services for the Australian Defence Force is something that Gary Stewart and his team are very proud of.

Gary Stewart: As we've grown and understood much better how the Australian Defence Force operates, Rheinmetall has also grown and adapted the technology, the products, and services that we do as well. Over the last decade in particular, we've seen a much stronger level of engagement and investment by Rheinmetall into Australia, and a much broader range of projects where we can support the Commonwealth and the Australian Defence Force in particular. With our ammunition, with our capability partner NIOA, another Brisbane-based company, have now secured the supply of artillery training ammunition and really set up an efficient supply contract, which replaces a lot of transactional approaches over the last years. We see this as a testament to Rheinmetall being willing and flexible to approach and work with the Australian Government, the Australian Defence Force, and companies like NIOA appropriate to best service the Commonwealth.

We're also delivering 2,500 military logistics trucks to the Army under LAND 121 Phase 3 Bravo. It means we're the largest supplier of military vehicles to the Commonwealth, and it's replacing the Unimog and Mack trucks, which have been in service for many, many decades. Good vehicles for their vintage, and what they get with the Rheinmetall MAN trucks is a modern logistics truck that has all of the features that we take for granted in driving a car, air conditioning, ABS, power steering, cruise control, but it also has all of the protection and communication features that are required even for a logistics truck on the modern battlefield.

One of the nice features about German engineering and German equipment is we design all of our military trucks and hardware to be able to operate alongside all of the vehicles that operate at the front end, so our main battle

tanks, our combat vehicles, which means a logistics truck can keep up, and support, and supply those vehicles no matter where they are.

We see that as Rheinmetall has grown and understood how to adapt within the Australian market, and as the Australian customer has grown more demanding but also much more clearer about its defence industry aspirations, that we've been able to adapt and grow with them, and delivering on time, delivering modern capability, and then providing an array of new services for the Australian Defence Force is something that we're quite proud of.

Anthony F.:

If Rheinmetall is the successful bidder, its location in Queensland will complement Queensland's existing land defence and heavy vehicle manufacturing capabilities. Queensland offers an unmatched combination of competitive advantages uniquely suited to LAND 400 in building a new generation of armoured vehicles to protect our soldiers.

We invite you to join us here in Queensland, Australia's home of land defence. If you would like more information about Queensland's commitment to LAND 400, you can contact us through the Defence Industries Queensland website.

Thanks for listening to Voices of QueensLAND 400, episode one. In our next podcast, we delve deeper into why Queensland is the most advantageous location for LAND 400 and its existing high-tech defence industry capability. I'm Anthony Frangi, with music supplied by Bensound.com.