

Opening Address

Parari 2009, 9th Australian Explosive Ordnance Symposium

Introduction

General, distinguished guests good morning.

On behalf of Thales and the Department of Defence, Directorate of Ordnance Safety I would like to welcome all of you to Parari 2009, the Ninth Australian Explosive Ordnance Symposium, here in this excellent location at Glenelg Adelaide. My name is Ian Irving and I am the Vice president for the Land & Joint Systems Division in Thales here in Australia, and I have the responsibility as the Chairman of the Explosive Ordnance Industry Association of Australia and New Zealand. It is my very great pleasure to be able to address you today at the commencement of this important and I think pivotal symposium.

This year's Symposium is set to be a significant success for the EO safety community, we have over 80 Technical Papers to be presented here over the coming two days, we have over 300 delegates attending, with delegates and presenters attending from 16 countries around the world. Indeed, this year's symposium represents a significant growth over the last event held in 2007, which in itself was a great success. This is extremely encouraging as it shows the strength and depth of technical capability within our EO technical and operational domains, and this is vital for our Country and for our defence force.

Now the theme of this year's Parari, as I am sure you are already aware, is "Preserving Combat Power by Enhancing Munitions Safety". I think that this is a very appropriate theme for this year's symposium, particularly as we reflect on the fact that Australian Servicemen today remain engaged in a determined action in Afghanistan against a deadly and dangerous enemy, and the fact that their safety and success relies upon their ability to deliver Combat Power through the use of EO technologies. We in the EO community have a particular and important role to play in ensuring that Australia remains at the forefront of capability in delivering Combat Power through the application of EO technologies, products and systems.

I might also argue that this challenge has never been more acute as it is today, when we consider the dynamic and challenging environment within which we are required to operate to ensure the safety and capability of our specialised products and systems. We are in an environment of structural and operational reform, one with significant fiscal cost reduction pressures,

one in which Australia's local production facilities and capabilities are being substantially upgraded, an environment that is demanding the introduction of new products and safer technologies, one where future environmental legislation must be factored into our production planning, and one that requires the delivery of these capabilities in a more streamlined and integrated way right to the battle front. All of this represents substantial change and transformation, and any change or transition requires additional focus on safety, as it is often in these times of transition that risks are increased and as a consequence the safety focus must be paramount.

Today's dynamic environment

Today's environment is more dynamic and challenging than ever. We are experiencing a number of key developments that are challenging the status quo, and the way that we have approached the subject of EO and EO safety in the past. I put it to you that these developments and this transformation over the coming period will necessitate a resurgence in our profession that we need to be ready and equipped for.

In fact, as we look at the programme for the next two days, in each of the domains of our discussion streams at this symposium we face a transformational shift that will fundamentally alter how we need to manage and direct our activities.

EO Policy

Firstly in the area of EO Policy we see the opportunity and rationale to drive transformation and reform. EO policy affects every area of our operations and interaction and it is paramount to safety. I think that we would all agree that there is a significant opportunity to reform and improve the end to end operation of the EO supply chain and deliver greater effectiveness for the end user, but this will require the amendment and adaptation of EO policy to enable this to occur. Without this, other efforts at lower levels to deliver greater value for money will be stifled and still-borne.

Clearly significant efforts in EO Policy transformation are already underway being guided through the DEOC Defence EO Committee and championed by Anthony Klenthis in EO Division in DMO and AIRCDRE Bill Hayden in Joint Logistics Command. These policy transformations from procurement through to storage and distribution have the opportunity to significantly transform and improve the overall effectiveness and safety of Australia's EO capability. This is needed to underpin the opportunity for savings in the Defence Strategic Reform Programme.

EO Knowledge

In the domain of EO Knowledge we are experiencing a situation where we need to rapidly secure the future ranks of EO professionals that will provide the scientific and industrial capabilities to support the war-fighters of tomorrow. We need to act now, as the demographics of our community are

ageing. I'm sure if you look around the room today you will see few who are under the age of 40. The skill base that has transitioned from the ADF to industry over the past decade has dried up. Both Government and Industry find ourselves in the situation where we are finding it difficult to staff the skilled roles that we have in EO safety and operations. The time is now that we need to take a more active and consolidated approach to the training and development of the existing and new members of our workforce that underpin Australia's national capability. New cooperation between Government and Industry will be required to establish this training and education framework. Professionalising and expanding the community of EO professionals over the coming 5 years will be a key discriminator for the future relevance of our local national capability.

EO Design Safety

In EO Design Safety we are experiencing the most significant transformation of the local EO product portfolio for many years. The current portfolio of EO products has not kept pace with the ADF's ongoing requirements and the opportunity exists now to refresh the local production portfolio for both Munitions and Pyrotechnics to ensure that it remains relevant to the ADF into the future. With the introduction of new weapons systems into the ADF over the immediate past and the next few years we can see the opportunity for the introduction of a number of new products for local production in small, medium and large calibre. This coupled with the requirement to move to Insensitive Munitions technology is driving a significant requirement for the introduction of new intellectual property, new product offerings, new scientific and technical skills into the local capability to service these new needs. This will drive and require investment from both Government and Industry to ensure that the local portfolio remains competitive and relevant for the war-fighter of tomorrow.

Environment

In the environmental area we are experiencing the most significant change in tightening up of the Australian legislation governing emissions and operations that has yet been seen. This one of the key driving factors for the need to upgrade and replace production facilities for compliance with the new legislation and new production requirements. These changes will become fundamental for the future design and management of the complete EO supply chain, and will affect every stage of the life cycle of the EO products and systems through to the eventual environmentally compliant disposal requirements. Today, through Government investments of over \$300M AUD we are seeing the significant upgrade and modernisation of Australia's Mulwala propellant facilities to deliver a modernised plant capable of delivering Australia's future propellant requirements and maintain compliance with the environmental legislation. This programme represents the most significant upgrade and transformation of Australia's EO infrastructure since

the consolidation and establishment of the Benalla Munitions assembly facilities in the 1980's.

EO a Priority Industry Capability

At the Defence & Industry Conference in July of this year the Government identified that selected Ballistic Munitions and Explosives was to be assigned Priority Industry Capability or PIC status. This is a significant and critical step in ensuring the ongoing vibrancy of Australia's local EO industrial capability and Australia's ability to remain at the forefront of delivering Combat Power through the application of EO technologies.

The EO PIC is defined as the capability to manufacture some high usage munitions, ammunition components, propellants and explosives. This capability is important as it reduces strategic risks through providing guaranteed supply sources for some high usage munitions, as well as efficiency advantages through managing local production and inventories to reduce the cost of ownership.

Clearly this PIC from an industry perspective capability is underpinned by the local munitions industrial production facilities primarily at Mulwala in NSW, Benalla in Victoria, Lara in Victoria, and the EO storage and distribution network at the 17 EO sites across Australia. However we should not forget that it is also, underpinned by the knowledge base within many SME's, and also within Defence and in particular within Munitions Branch, and Guided Weapons Branch in DMO and within Joint Logistics Command. This can be represented very much as a partnering of defence with industry.

Ongoing local investment by both Government and Industry in these facilities and future capabilities is required in order to keep this local industrial capability relevant, effective and efficient and safe to continue to supply the ADF with value for money EO products and systems that are safe and capable.

The Strategic Reform Programme

The advent and effect of the government's Strategic Reform Programme brings a renewed focus and clarity to the immediate need to transform the EO domain without compromising safety, in order to deliver the savings targets required over the next decade. These savings bring the challenge to improve operations but whilst maintaining and indeed improving Munitions safety, another significant transformational driver on the EO domain.

International Cooperation

Now, it is really pleasing to see so many international delegates from both Government and industry at this year's symposium. Indeed it is vital for Australia to establish and maintain a close international cooperation with

foreign Government agencies and also international industrial manufacturers within the EO domain. The complexity and precision of the EO products and systems is increasing all the time. With the advent and introduction into the ADF of common electronic systems such as AFATADS and munitions systems like Excalibur we can see the increasing requirement for closer international liaison. Furthermore, the refresh of Australia's local EO production portfolio will be reliant upon the availability of intellectual property and products from other nations to transfer to Australia for local production to sustain Australia's EO Priority Industry Capability further strengthening international cooperation and liaison.

Conclusion

So I put it to you today that we have a significant challenge on our hands, in order to remain at the forefront of capability and safety, and indeed to be in a position to provide Australia's war-fighters today and into the future with the EO capabilities that they require. Our role is to be preserving Combat Power by enhancing munitions safety.

Our future vision needs to be one where we are truly enhancing munitions safety in every aspect of our activities. One where we have a streamlined EO policy that has embraced the reforms of today's environment. One where fully warranted products and systems are delivered at a significantly reduced cost of ownership, one where we have a vibrant training and skilling programme for EO professionals in both Government and Industry, one where we have world class upgraded facilities that support improved safety and are fully compliant with Australia's future environmental legislation, one where we see the refreshing of the local portfolio of products produced in this country to ensure that they remain relevant for the ADF's usage requirements, one where the EO supply chain is established as a benchmark of safe and efficient logistics, and one where the ADF places significant value on the local EO industrial and governmental capabilities.

So with this future vision in mind I commend to you the opportunity to enthusiastically participate in the debate and discussion over the coming two days, and I wish you a very stimulating, enjoyable and productive symposium.