



Andrew Barr

Welcome

Message from Andrew Barr,
Deputy Chief Minister
Treasurer
Minister of Economic Development

I congratulate the Australian Industry and Defence Network on this inaugural edition of the Defence Leader and am delighted to provide these introductory remarks.

Defence and security is one of the ACT's largest and most important industries. It directly employs more than 11,000 military and defence civilian personnel, or about 14 per cent of Australia's defence personnel. Further, the Department of Defence's annual budget of about \$24.2 billion is one of the largest of any Australian Government agency, and indirectly contributes about \$4 billion to the ACT economy each year.

ACT-based private sector defence companies are also a significant part of the overall story. As much of the market leans towards smart battlefield systems and cyber security, there are opportunities for both larger companies and innovative small and medium enterprises to establish advanced capability in Canberra, where much of the action is occurring. The ACT and region has given rise to important local firms over the past decade and a number of these are now international players on world markets; companies such as CEA Technologies, Electro Optic Systems, Kord Defence, and Aspen Medical, to name a few.

Several policy and academic centres have been established in Canberra to leverage proximity to Australian Government decision making, including the Australian Strategic Policy Institute,

the Australian National University's Strategic and Defence Studies Centre, the Strategic Policy Institute, the University of Canberra's National Security Institute, not to mention the Royal Military College Duntroon and Australian Defence Force Academy.

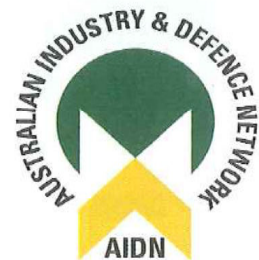
Defence companies also have much broader technical capabilities of course, and we are also seeing this capacity in closely aligned markets such as ICT, cyber security, training, secure voice and data communications.

The ACT Government welcomes the contribution of the defence and allied sector to our economy and we are keen to see it grow. In the ACT Government's recently announced business strategy – *Growth, Diversification and Jobs* – we have implemented numerous initiatives that will benefit both the sector and companies looking to extend their ACT-based activities. These include a range of tax related reforms including a reduction in payroll tax, the establishment of a dedicated investment facilitation service inside Government, expanding our support for business innovation, and reforms to the Global Connect program to further support collaboration, exporting and international business development.

The ACT Government looks forward to working with the sector to realise new opportunities for the ACT and region. If you would like more information please visit the Economic Development Directorate:
www.economicdevelopment.act.gov.au

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