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Senator the Hon Ursula Stephens
Chair
Senate Foreign Affairs, Defence and Trade Legislation Committee
Parliament House
CANBERRA ACT 2600

Email: fadt.sen@aph.gov.au

Dear Senator Stephens

Defence Trade Controls Bill 2011

Thank you for the opportunity to comment on the *Defence Trade Controls Bill 2011*. I apologise for the delay in providing comment on the Bill. This was due to our seeking input from Ai Group Defence Council members over the Christmas/New Year period so that we could offer considered information to your Committee.

I can confirm that the Ai Group Defence Council, including representatives of a number of member companies - such as Boeing Australia, Raytheon Australia and Thales Australia - were extensively engaged, over many months, during 2011 on assisting with activities associated with the drafting of the Bill and to comment on the exposure draft. The AIDN President, Graham Priestnall, who is a member of the Ai Group Defence Council National Executive, was fully involved in those consultations.

In addition, the former Minister for Defence Materiel, the Hon Jason Clare MP, attended a number of meetings of the Ai Group Defence Council National Executive throughout last year to update members and seek their input throughout the consultative period. Additional industry briefings on the draft Bill were undertaken by former Boeing executive, Ken Peacock, in conjunction with Defence officials to assist our member companies to understand the Bill and its implications for their businesses. The level and scope of consultation was second-to-none and a fine example of how best to engage with industry on a complex initiative of both the Australian and United States Governments.

We were recently invited by Defence to offer comment on the draft regulations to accompany the Bill. We are currently canvassing our members seeking their views on the draft regulations.

During recent meetings with Defence officials and AIDN representatives, we have agreed to offer to host another round of industry briefings once the Bill receives Royal Assent. This will provide a further opportunity to defence companies, especially SMEs, to better understand what action they need to take as a consequence of introduction of the new regime, noting that it is intended to assist companies to obtain improved access to defence work with US entities, thus avoiding the many challenges, including ITAR related ones, under current arrangements.

Yours sincerely

INNES WILLOX
Director – International and Government Relations