# DEFENCE INDUSTRY FACTSHEET

## A GUIDE FOR SCHOOLS PATHWAYS PROGRAM GRANT APPLICANTS

## Understanding Defence Industry

### What is defence industry?

Defence industry is the network of private businesses that design, build, sustain and support the capability used by the Australian Defence Force. These businesses deliver equipment, technologies, products and services to Defence.

Defence industry employees are not members of the ADF. They are employed by private businesses and represent a highly skilled workforce of trade, technical and STEM professionals. The sector supports a broad range of activities, including advanced manufacturing, engineering, information technology, cyber security, logistics and professional services.

Defence industry includes a diverse range of businesses, from small to medium enterprises through to large national and international companies. Some businesses contract directly with Defence, often referred to as Prime contractors, delivering major platforms, systems and capabilities. Others provide specialised products, components and services through the broader defence industry supply chain[1].

Many defence industry businesses operate at the forefront of technology, innovation and engineering, and are recognised as leaders in their fields. For some organisations, supporting Defence is their primary focus, while for others it forms one part of a broader portfolio of commercial products and services. Defence capability is often delivered through complex supply chains, with many businesses working together to achieve Defence outcomes.

### What are Sovereign Defence Industrial Priorities (SDIPs)?

Defence has identified seven Sovereign Defence Industrial Priorities (SDIPs)[2]. Outlined in the *2026 Defence Industry Development Strategy (DIDS)*[3], the SDIPs identify industrial capabilities considered critical to Australia's national security and Defence preparedness.

The SDIPs provide guidance on the capabilities Defence considers essential to maintain within Australia and help inform industry investment, workforce development and long-term capability planning. They also provide a useful framework for understanding the skills, technologies and occupations that will be required to support Australia's future Defence capability.

The table below outlines the seven SDIPs and provides examples of associated capabilities, industries, services and careers.

**Table A – SDIPS and associated capabilities, industries, services and careers**

| SDIP | Description | Examples of Associated Capabilities, Industries and Services | Examples of Associated Careers |
|---|---|---|---|
| **SDIP 1** | Maintenance, repair, overhaul and upgrade of ADF aircraft | Aircraft maintenance and overhaul, avionics support, propulsion system maintenance, structural integrity management, aerospace sustainment, defence logistics | Aircraft Maintenance Engineer, Avionics Technician, Aerospace Engineer, Logistics Manager, Supply Chain Specialist |

[1] *Further information on the Defence supply chain can be found in the Australian Government, Department of Defence, Defence Industry Development Strategy (2024), page 3.* https://www.defence.gov.au/about/strategic-planning/2024-defence-industry-development-strategy

[2] *Further information on the Defence Sovereign Defence Industrial Priorities can be found in the Defence Industry Development Strategy (2024), page 17.* https://www.defence.gov.au/about/strategic-planning/2024-defence-industry-development-strategy

[3] *The 2026 Defence Industry Development Strategy can be located at:* https://www.defence.gov.au/about/strategic-planning/2026-defence-industry-development-strategy

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|---|---|---|---|
| **SDIP 2** | Continuous Naval Shipbuilding and Sustainment | Naval shipbuilding, maritime sustainment, submarine support, combat systems integration, marine engineering, vessel maintenance | Naval Architect, Submarine Systems Engineer, Marine Propulsion Engineer, and Submarine Maintenance Technician, as well as Hydraulic, Fire Protection, Mechanical or Electrical Engineers. |
| **SDIP 3** | Sustainment and enhancement of the combined-arms land system | Military vehicle manufacture and sustainment, land systems integration, protected mobility solutions, C4 systems integration, training and simulation, logistics support | Mechanical Engineer, Vehicle Technician, Systems Engineer, Production Manager, Maintenance Planner |
| **SDIP 4** | Domestic Manufacture of Guided Weapons, Explosive Ordnance and Munitions | Guided weapons manufacturing, munitions production, explosive ordnance, weapons systems integration, advanced manufacturing, research and testing services | Manufacturing Engineer, Quality Assurance Specialist, Production Technician, or Chemical Engineer. |
| **SDIP 5** | Development and integration of autonomous systems | Autonomous systems development, robotics, artificial intelligence, systems integration, digital engineering, advanced manufacturing | Robotics, Mechatronics, or System Engineer, Software Developer, AI Engineer, Data Scientist, Systems Integrator |
| **SDIP 6** | Integration and enhancement of battlespace awareness and management systems | Command and control systems, sensor technologies, secure communications, cyber security services, systems integration, data analytics | Cyber Security Analyst, Communications Engineer, Systems Engineer, Software Developer, Network Architect |
| **SDIP 7** | Test and Evaluation, Certification and Systems Assurance | Test and evaluation services, systems certification, verification and validation, engineering assurance, modelling and simulation, technical assurance services | Test Engineer, Quality Manager, Certification Specialist, Systems Assurance Engineer, Verification and Validation Analyst |

***Source**: Australian Government Department of Defence, Defence Industry Development Strategy (2024), Annexes B1-B7: Detailed Sovereign Defence Industrial Priorities.*

### Incorporating SDIPs when designing activities

As part of your grant application, you will be required to demonstrate how your project supports one or more SDIPs and encourages secondary students to pursue education, training and career pathways relevant to these priority areas.

Not all SDIPs will be equally suitable for secondary student-facing activities. When selecting SDIPs to incorporate, applicants should ensure students are not directly exposed to content that may be inappropriate for their age or learning environment, such as weapons and warfare. For example, activities aligned with SDIP 4: Domestic Manufacture of Guided Weapons, Explosive Ordnance and Munitions should focus on the underlying STEM concepts, skills and technologies that support these capabilities rather than the weapon systems themselves.

The industrial capabilities identified through the SDIPs are often concentrated in particular regions across Australia, creating local workforce and career opportunities. When designing activities, applicants are encouraged to consider which SDIPs are most relevant to local industry and employment opportunities.

## Career pathways

Careers in defence industry span a wide range of occupations, including trades, engineering, advanced manufacturing, information and communications technology, cyber security, logistics, project management and

professional services. These careers provide opportunities to contribute to Australia's national security while working in the private sector.

Growing national demand for workers with STEM skills provides increased opportunity for students to pursue a variety of education and career pathways. Studying STEM subjects throughout school can provide a strong foundation for further education and training through university, vocational education and training (VET), apprenticeships and traineeships.

As Australia's defence industry continues to grow and evolve, so too does the need for a highly skilled workforce capable of developing, delivering and sustaining future Defence capabilities. Building awareness of defence industry careers and supporting students to pursue STEM pathways is critical to developing the future workforce needed to support Australia's national security.

Defence Industry website[4] provides information on defence industry careers, study pathways and workforce opportunities. The WA Department of Education website[5] also contains career education materials and classroom activities to help students explore defence industry career options and make informed pathway decisions.

### Education pathways

There is no single pathway into a career in defence industry. Students may enter the sector through university study, vocational education and training (VET), apprenticeships, traineeships or a combination of these pathways.

When developing project activities and drafting your grant application, you may wish to highlight one or more education and career pathways relevant to the defence industry sectors, occupations or SDIPs supported by your project. Demonstrating clear links between STEM education, further training opportunities and future careers can help students better understand how their studies may connect to employment opportunities within defence industry.

## Defence industry across Australia

Understanding local defence industry hubs can help applicants design activities that connect students with relevant careers, education pathways and workforce opportunities within their region. A brief overview of defence industry activity in each state and territory is provided below. Applicants are encouraged to undertake further research to identify the defence industry businesses, workforce needs, SDIPs and career opportunities most relevant to their proposed project location and activities.

### South Australia

South Australia (SA) is central to naval shipbuilding and the home of the submarine construction, supporting some of the nation's largest and most complex Defence projects. There are more than 300 small and medium enterprises in SA, and it is a leader in advanced manufacturing, engineering, cyber security, defence technology, research and development, and space-related activities.

Examples of defence industry businesses operating in SA:

- BAE Systems
- Thales Australia
- Norship Marine
- Levett Engineering

[4] *The Defence Industries website can be located at:* https://www.defenceindustry.gov.au/students
[5] *The Western Australian Department of Education website can be located at:* https://myresources.education.wa.edu.au/programs/defence-industry

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Examples of major Defence industry activities in South Australia include:

- Building Hunter Class Frigates
- Supporting the SSN-AUKUS nuclear powered submarine program
- Sustainment of the Collins Class submarine fleet
- Defence research and innovation in areas such as cyber, autonomous systems and space technologies

Further information on South Australia's defence industry, workforce needs and skills priorities is available through the South Australian Defence Industry Workforce and Skills Report and associated action plans[6].

### Western Australia

Western Australia (WA) is a major maritime defence industry hub, with a strong focus on naval shipbuilding, sustainment and maintenance activities. Business are mainly located around the Perth metropolitan area, particulary the Henderson Defence Precinct and HMAS Stirling. WA is also active in engineering, advanced manufacturing, cyber security and aerospace sustainment.

Examples of defence industry businesses operating in WA:

- BABCOCK Australia
- CIVMEC
- Coffey Services
- Decimil

Examples of major Defence industry activities in Western Australia include:

- Building general purpose frigates and Army landing craft
- Collins Class Submarines sustainment and life-of-type extensions
- Deveoplement of the Henderson Defence Precinct
  Infrastructure upgrades at HMAS Stiring to support AUKUS activities

Further information on defence industry workforce and training opportunities in Western Australia is available through the WA Defence Industry Skills Centre of Excellence[7] and other state government resources such as infrastructure plans.

### Queensland

Queensland (QLD) has a strong and growing defence industry with strengths in aerospace sustainment, land systems, logistics, advanced manufacturing and emerging space technologies. Defence industry activity is concentrated in South-East QLD and North QLD, supported by a large network of industry research and training organisations such as the University of Queensland and the University of Southern Queensland's Institute for Advanced Engineering and Space Sciences.

Examples of defence industry businesses operating in QLD include:

- Boeing Defence Australia
- Airbus Australia Pacific
- Raytheon Australia
- Northrop Grumman Australia
- Leidos Australia

[6] *The South Australian Defence Industry Workforce and Skills Report and associated action plans can be located at:* https://www.defence.gov.au/about/reviews-inquiries/south-australian-defence-industry-workforce-skills-report
[7] *Further information on WA Defence Industry Skills Centre of Excellence is located at:* https://www.southmetrotafe.wa.edu.au/courses/defence

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Examples of major Defence industry activities in QLD include:

- Building facilities and infrastructure for the CH-47F Chinook helicopters in Townsville
- MQ-28 Ghost Bat unscrewed aircraft production near Toowoomba
- Manufacturing Boxer Combat Reconnaissance Vehicles in Southeast QLD

### Victoria

Victoria (VIC) is a major hub for advanced manufacturing, aerospace, land systems, cyber security and Defence research and development. The state specialises in design, engineering, testing, sustainment and upgrades of high-technology systems, supporting both Australian and global supply chains. VIC is also home to large network of defence industry businesses research organisations and small to medium enterprises that contribute to defence capability.

Strong partnerships between universities, industry and research organisations help support workforce development and innovation across the sector.

Examples of defence industry businesses operating in VIC:

- SYPAQ Systems
- Marand
- AW Bell
- Australian Precision Technologies Pty Ltd.

Examples of major Defence industry activities in VIC include:

- Manufacturing of armoured vehicles
- Production of  a deployable health facility
- Building and operating a Unified Civil-Military Air Traffic Management System

### New South Wales

New South Wales (NSW) has Australia's largest defence industry workforce and concentration of defence industry businesses. The defence industry workforce focuses on aerospace, cyber security, advanced manufacturing, systems integration, research and development, and maritime sustainment. NSW is also home to major research institutions and universities that support defence-related research, innovation and workforce development.

Defence industry activity is concentrated across Greater Sydney, the Newcastle and Williamtown regions, and other regional centres.

Examples of defence industry businesses operating in NSW:

- Lockheed Martin Australia,
- Northrop Grumman Australia
- Raytheon Australia
- Navantia Australia

Examples of major Defence industry activities in NSW include:

- F-35A Joint Strike Fighter sustainment and aerospace activities centred around Williamtown
- Naval sustainment, combat systems integration and ship repair activities at Garden Island
- Manufacturing the Army's Lighter Amphibious Resupply Cargo Vehicle in Port Macquarie
- Production of Bluebottle uncrewed surface vessels in Sydney

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### Australian Capital Territory

The Australian Capital Territory (ACT) is a major hub for cyber security, information and communications technology (ICT), systems integration, research and development. While the ACT has a smaller manufacturing footprint than other states and territories, it plays a critical role in supporting Defence capability through technology development, engineering, program management and national security expertise.

Examples of defence industry businesses operating in ACT include:

- Saab Australia
- Boeing Defence Australia
- Leidos Australia
- Babcock Australasia

Examples of major Defence industry activities in the ACT include:

- JP 2008 satellite communications projects that support secure, long-range communications and satellite network monitoring
- AIR6500 is an advanced joint air battle management system

### Northern Territory

The Northern Territory (NT) plays a unique role in Australia's defence industry, supporting Defence operations, logistics, sustainment and infrastructure across northern Australia. Its strategic location makes it an important hub for Defence activity, workforce development and allied international engagement. Defence industry businesses in the NT support maritime sustainment, aerospace operations, construction, logistics and base services, with many operating in and around Darwin and Katherine.

Examples of defence industry businesses operating in include:

- BAE Systems Australia
- Raytheon Australia
- Lockheed Martin Australia
- Northrop Grumman Australia
- Boeing Defence Australia
- Thales Australia

Examples of major Defence industry activities in NT include:

- Aerospace support activities associated with RAAF Base Darwin and RAAF Base Tindal
- Support for advanced air power capabilities, including the F-35A Joint Strike Fighter and MQ-4C Triton Remotely Piloted Aircraft System
- Defence and space-related activities that utilise capabilities such as the Jindalee Operational Radar Network (JORN)

Further information about the Northern Territory and defence industry may be found in the:

- NT Defence Industries[8]
- Northern Territory Defence Strategy 2026[9]
- Northern Territory Defence Strategy 2026 fact sheet[10]

[8] *Further information on Northern Territory Defence Industries can be located at:* https://defence.nt.gov.au/industry/nt-defence-industries
[9] *The Northern Territory Defence Strategy 2026 can be located at:* https://defence.nt.gov.au/industry/publications
[10] *The Northern Territory Defence Strategy 2026 fact sheet can be located at:* https://defence.nt.gov.au/industry/publications

- Northern Territory Space Strategy 2022 to 2026[11]

## Tasmania

Tasmania (TAS) occupies a highly specialised position within Australia's defence industry delivering niche engineering, advanced manufacturing and maritime capabilities.

Examples of defence industry businesses in the TAS:

- ADEC Kedge
- AERIUS Marine Australia
- AJL Heavy Industries
- APCO Engineering

Examples of major Defence industry activities in TAS include:

- Watercraft and maritime systems, services, education and research
- Vehicle manufacture and land component production
- Aerospace component manufacturing and support services
- Space domain awareness, communications and space-life sciences
- Food technology and food processing
- Cyber security, advanced digital technologies and human systems integration

Further information on defence industry in Tasmania can be found in the Tasmanian Skills Plan 2024-28[12] and the Tasmanian Defence Industry Strategy 2029[13].

[11] *The Northern Territory Space Strategy 2022 to 2026 can be located at* : Territory space strategy | Department of Trade, Business and Asian Relations
[12] *The Tasmanian Skills Plan 2024-28 can be located at:* https://www.skills.tas.gov.au/strategic-documents-and-policies/skills_tasmania_skills_plan
[13] *The Tasmanian Defence Industry Strategy 2029 can be located at:* https://www.cg.tas.gov.au/investment_opportunities/sector_opportunities/defence