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Joint Standing Committee On Foreign Affairs, Defence And Trade
PO Box 6021, Parliament House
Canberra ACT 2600

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INQUIRY - GOVERNMENT SUPPORT FOR AUSTRALIAN DEFENCE INDUSTRY EXPORTS

Introduction

Thank you for your invitation to contribute to the inquiry by the Joint Standing Committee on Foreign Affairs, Defence and Trade (JSCFADT) regarding how Government can better facilitate export of Australian defence products and services.

Aspen Medical (Aspen) is the largest civilian provider of health care personnel and services to the Australian Defence Force (ADF), in Australia and overseas. We are deeply proud of the role that we play in maintaining the health and wellbeing of ADF service men and women, not only in Australia, but around the world. See Attachment 1 for detail on health services Aspen provides to the ADF.

Our capability in delivering Defence health services is underpinned by substantial experience, intellectual property, processes, procedures and financial discipline. It is this capability that we are exporting around the world right now. In turn, every export project that we win and deliver, strengthens the experience, intellectual property, process, procedures and financial discipline that we are able to deliver back to the Department of Defence and other Australian Government Departments.

The purpose of our submission is to highlight areas where we believe Government could facilitate exports. We will also provide an example of support the Government has provided, which resulted in a very positive outcome for Australian exports, and for Aspen.

Overview of Aspen Medical

Aspen is an Australian-owned, multi award-winning, global provider of guaranteed and innovative healthcare solutions across a diverse range of sectors and clients including

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wherever
we're needed

Defence, Mining & Resources, Oil & Gas, Government and Humanitarian. In just over a decade we have become the world leader in the delivery of healthcare solutions. We operate in any setting, particularly those that are remote, challenging or under-resourced. We offer our clients a tailored and flexible service wherever it is needed, from a single paramedic to a full spectrum health solution, including surgical capability.

Our competitive advantage lies in our superior project management, focus on outcomes and the quality of our delivery teams. We pride ourselves on a customer-centric approach and a 'can do' attitude.

Today, we operate across Australasia, the US, Canada, Europe and the Middle East and employ more than 2,200 dedicated, experienced and highly-trained professionals.

We were recently awarded the ACT Exporter of the Year for 2013 across all categories and subsequently judged the 2013 Australian winner of the Health and Biotechnology category at the Prime Minister's National Export Awards.

Aspen has been selected as the health care provider of choice to a broad range of highly respected organisations, including the Australian Department of Defence, the Australian Federal Police, the Office of Aboriginal and Torres Strait Islander Affairs, Department of Health, State Health Departments (New South Wales, Queensland, Victoria, South Australia, and Western Australia), Dental Health Services – Victoria, Australian Customs and Border Protection Service, and multiple resource sector clients.

What is Working – An Example of Government Support for Defence Exports

Before presenting a discussion on areas where we believe that the Government can facilitate exports, we would like to present a case example where it did.

In late December 2012, Aspen was notified that it had been shortlisted to be one of three potential suppliers to provide primary health care in Qatar; the others being a Canadian company and US consortia. This opportunity arose from a decision by the Qatar Government to outsource some primary health care activities. The body responsible for primary health care in Qatar is the Primary Health Care Corporation (PHCC), which sits under the Supreme Council of Health. PHCC control 24 primary health care clinics and as a trial the management of the largest three, with a combined staff of 350, had been put out to tender. Based on a positive outcome, it is possible the management of many, or all, of the remaining 21 centres would be outsourced.

The opportunity to provide a compliant bid was dependent upon a positive outcome from a site visit. Aspen nominated an ADF site for their visit.

Confirmation of the planned visit by a senior group from the PHCC occurred during the ADF's Christmas stand-down period with the proposed visit to occur on the 14th January 2013. The key criterion was to visit a primary health care service that resembled the potential services to be delivered in Qatar.

Aspen identified that the most appropriate ADF site was the Medical facility at Duntroon. Recognising that permission would be required to enter the Base, Aspen approached the Defence Export Unit (DEU) for assistance.

The DEU personnel involved were extremely helpful and instrumental in obtaining access to the ADF Base. This was of particular significance since one of the delegation had a Jordanian passport.

The site visit was enormously successful and demonstrated to the delegation the successful services and models of care used in Australia and delivered by Aspen. The delegation openly admitted during the visit that what they saw far exceeded their expectations and that they would go back to Qatar to rethink their strategy.

This visit, together with our financial tender and customer relationship, has recently secured Aspen the position of preferred provider for the Primary Health Care Services for the Government of Qatar. Our understanding is that this will potentially be one of the largest exports from Australia to Qatar.

Other Potential Areas of Facilitation for Defence Exports

Aspen offers the following specific areas of facilitation for consideration by the Defence Sub-Committee:

- **Advocacy by Senior Government Officials.** References often carry substantial weighting in the selection process for international contracts. Despite positive verbal feedback and instances of acknowledgement of outstanding service by Aspen, more often than not, it is very difficult to get senior ADF or Government representatives to provide a written reference. It would assist Australian companies' ability to win export contracts if there was a process whereby Senior ADF or Government representatives were able to provide written references that reflect both good relationships and service levels of performance.
- **ADF Trade Missions.** Just as Senior Ministers invite business delegates and undertake trade programs during their international travel, is it possible that the CDF / Service Chiefs could also include a trade component during their visits to other countries in support of local Defence exporters? A successful export might start with a recommendation or introduction by a senior ADF member and enable the exporter to then more easily engage with the supply chain in a foreign country. We note DEU's program to promote the collective Australian defence industry sector overseas under the banner of Team Australia.
- **Introductions in Australia.** When foreign defence related Dignitaries visit Australia, DEU might confirm if any appropriate foreign defence supply chain executives are in the delegation. If appropriate defence supply executives are

identified, then DEU might proactively coordinate an event where Australian defence exporters can introduce their services or products.

Recommendations

It is recommended that the Joint Standing Committee consider the following:

1. **Advocacy by Senior Government Officials.** DEU to setup a program whereby Senior ADF or Government representatives are able to provide written references, where appropriate.
2. **ADF Trade Missions.** CDF / Service Chiefs to include a trade component during their visits to other countries in support of local Defence exporters.
3. **Introductions in Australia.** DEU proactively coordinates events where Australian defence exporters can introduce their services or products to visiting foreign delegations.

Conclusion

Aspen is the largest civilian provider of health care personnel and services to the ADF, in Australia and overseas. We are deeply proud that we are able to play a part in maintaining the health and wellbeing of the ADF service men and women, not only in Australia, but around the world.

Our capability in delivering defence health services is being exported around the world now. We acknowledge that the Government, through the DEU, has facilitated exports by Aspen. We welcome this enquiry to explore other ways Government can better facilitate export of Australian defence products and services and commit to provide any additional support for this initiative. Please contact myself or the Aspen Medical Chief Operating Officer, Bruce Armstrong, on 02 6203 9500 if any clarification or further information is required.

Yours sincerely,

Glenn Keys
Managing Director
Aspen Medical

**Attachment 1 to
JSCFADT Enquiry**

Aspen Medical Defence Projects

Aspen Medical is the largest civilian provider of health care personnel and services to the ADF, in Australia and overseas. Across all sectors, Aspen Medical employs over 2,000 health professionals and support staff.

Defence On-Base Health Service (DOHS)

Aspen was selected as the Subcontractor to deliver complete On-Base Health Services to the ADF under the Prime Contract for the provision of Garrison Health Services. Medibank Health Services (MHS) was selected as the Prime Contractor and is also responsible for the delivery of the Off-Base Health Services. The Subcontract with MHS was executed in July 2012 and has a four year Term, with two, one year extension options. Aspen is required to deliver a broad range of multi-disciplinary, medical and allied health personnel to 52 Defence Health Facilities and Clinics around Australia, including a number in Queensland, for example: Enoggera, Canungra, Oakey, Amberley, Townsville and Cairns. The start-up for this Subcontract required the recruiting and transition of in excess of 1,000 health professional and ancillary health staff within a period of four months. This significant resourcing challenge included recruiting, credentialing and contracting multi-disciplinary health staff such as Registered Nurses, Allied Health Professionals, General Practitioners and specialist physicians including, Aviation Medical Officers and Underwater Medical Officers. To date, Aspen has recruited and employed in excess of 1,400 Health Practitioners. Aspen is meeting its contractual obligations and is dealing with challenges as they must inevitably arise.

Prior to this DOHS Subcontract, Aspen was engaged by the ADF to provide a 'turn-key' solution for the delivery of health services to the Albury-Wodonga, Puckapunyal, North Queensland and Western Australia Regional Health Facilities. In 2010, an audit of all ADF Health Facilities was conducted by the Australian National Audit Office (ANAO). The ANAO Report, supported by Joint Health Command (JHC), determined that the Puckapunyal Health Facility run by Aspen was the most efficient and cost effective in delivering health services to the ADF. There are lessons to be learnt from this and we are happy to discuss these with you.

Solomon Islands

In 2005 Aspen Medical was awarded the sub-contract (Prime Contractor being Patrick Defence Logistics and later Toll) to provide comprehensive medical & health services in support of the Regional Assistance Mission in Solomon Islands (RAMSI). The primary customer was the Participating Police Force (PPF) led by the AFP but also included a large 100+ contingent of ADF members, other Pacific military elements and various Australian and New Zealand government personnel. The ADF has since withdrawn from the Solomon Islands however Aspen continues to deliver this service to the AFP and has just had its contract extended for another period.

Timor Leste

In 2006 Aspen Medical was awarded the sub-contract (Prime Contractor being Patrick Defence Logistics and later Toll) to provide comprehensive medical & health services in

support of the ADF in Timor Leste. In March of this year, the project ceased operations as a result of the withdrawal of the ADF; however, over the preceding 7 years (circa) Aspen maintained a team of approximately 30 expatriate staff and 20+ locally employed staff to deliver services almost identical to those which we provide in support of the Solomon Islands. Of note, the Aspen team undertook successful Resuscitative Surgery and Strategic Evacuation of the Timorese President Jose Ramos Horta, post the assassination attempt by rebel forces in 2008.

Al Minhad - Care of Battle Casualty Training

Aspen has been delivering first line emergency training to every ADF Member deploying to Afghanistan. This training is the last medical training available to troops before facing combat. Aspen is deeply proud of being able to deliver this vital training to over 3,240 personnel in 2012/13 and consequently saving the lives of numerous Australian troops who have encountered Improvised Explosive Devices in the course of their duties. The innovation and success of this training has been the creation of extreme physical and mental fatigue of personnel during training so that the application of life saving skills is perfected at the highest level of stress possible. This training and the concept of physical and mental fatigue within a simulated environment has since been utilised within other areas of military medical training.

Other ADF Projects

- Olgetta Warrior 2011 to 2013 - PNG: Supply of Specialist Medical Services including trauma surgery.
- 17 Brigade - Multiple sites across Northern Australia: Currently in 2013, the supply of field medical support including personnel, kit and ambulances.
- Mount Bundy Range - Northern Territory: In 2007, the provision of Rotary Winged Aeromedical Evacuation (AME) and Primary Care Services.
- Timber Creek - Northern Territory: In 2007 Provision of Fixed Winged AME and Primary Care Services
- Kirrabati – Pacific. In 2008, the provision of Fixed Winged AME Services.
- ADF AME - multiple sites across Northern Australia: Provision of Rotary Winged AME.
- Exercise HAMEL - Shoalwater Bay: In 2012, the provision of a Trauma Surgery Team.
- Care of Battle Casualty Training - RAAF Base Richmond & RAAF Base Amberley.