



Manufacturing in the Defence Sector

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Capability through collaboration

High Australian Dollar

Cost of Labour

Geographic Location

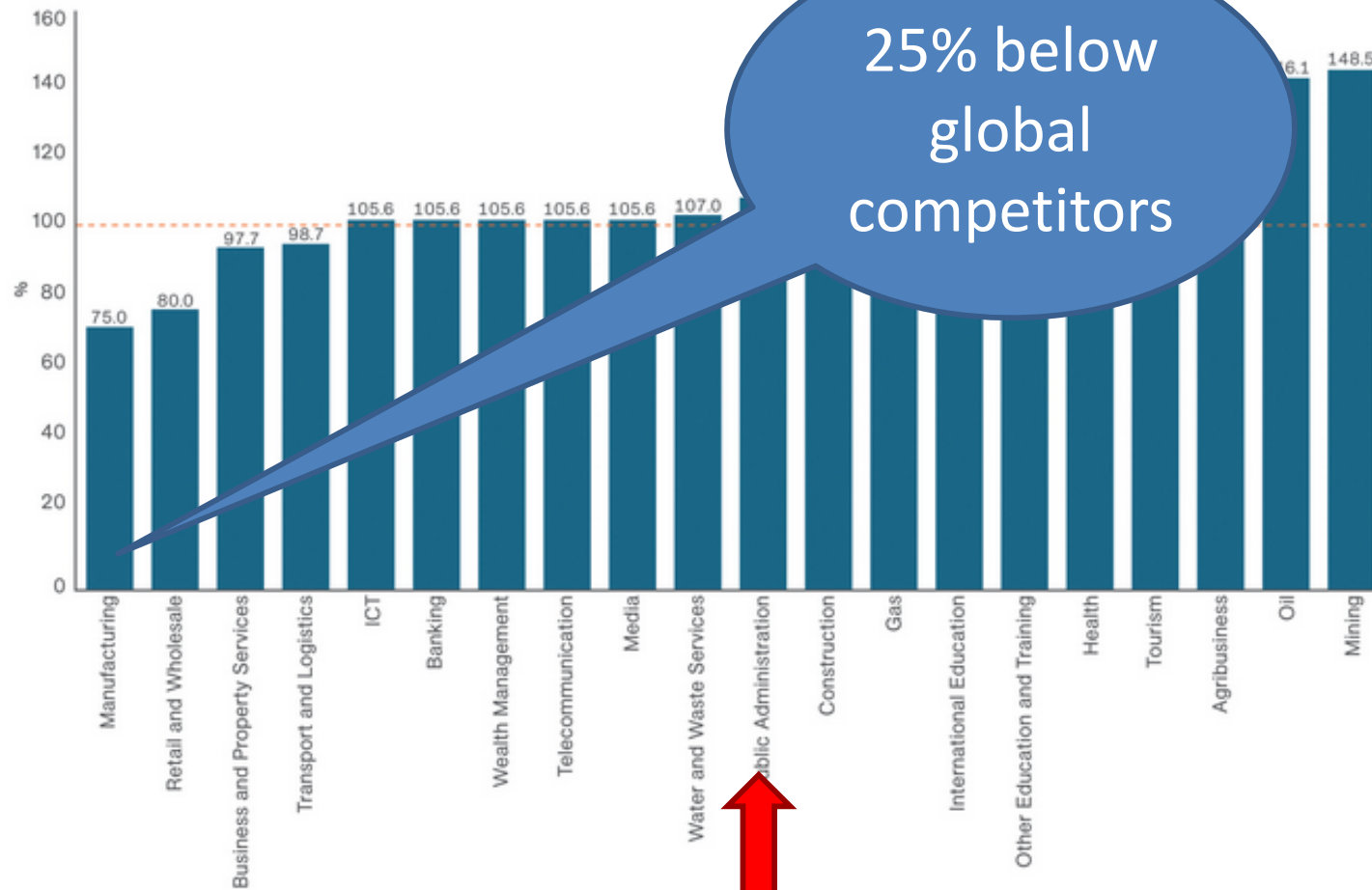
Small Domestic Market

International Trade Regulations

Low Productivity

Manufacturing Productivity

PRODUCTIVITY OF AUSTRALIAN INDUSTRY SECTORS COMPARED WITH GLOBAL COMPETITORS



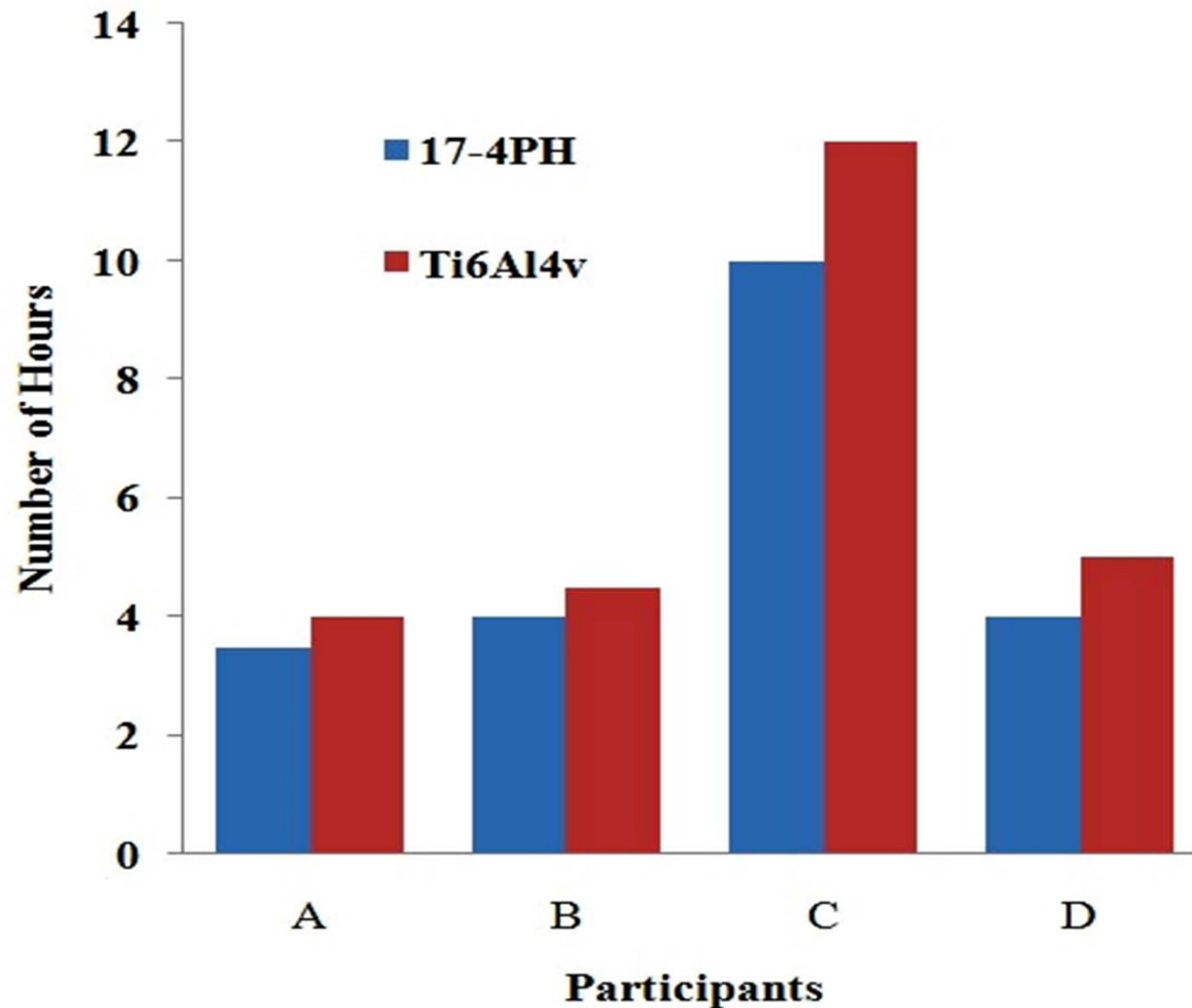
Note: A score of 110 means Australia is 10% more productive than the average productivity of global competitors in the industry.

Sources: Deloitte, *Positioning for prosperity? Catching the next wave, October Preview 2013*, Chart 39, page 63; Deloitte Access Economics based on data provided in The Conference Board, *Total Economy Database*; Austrade



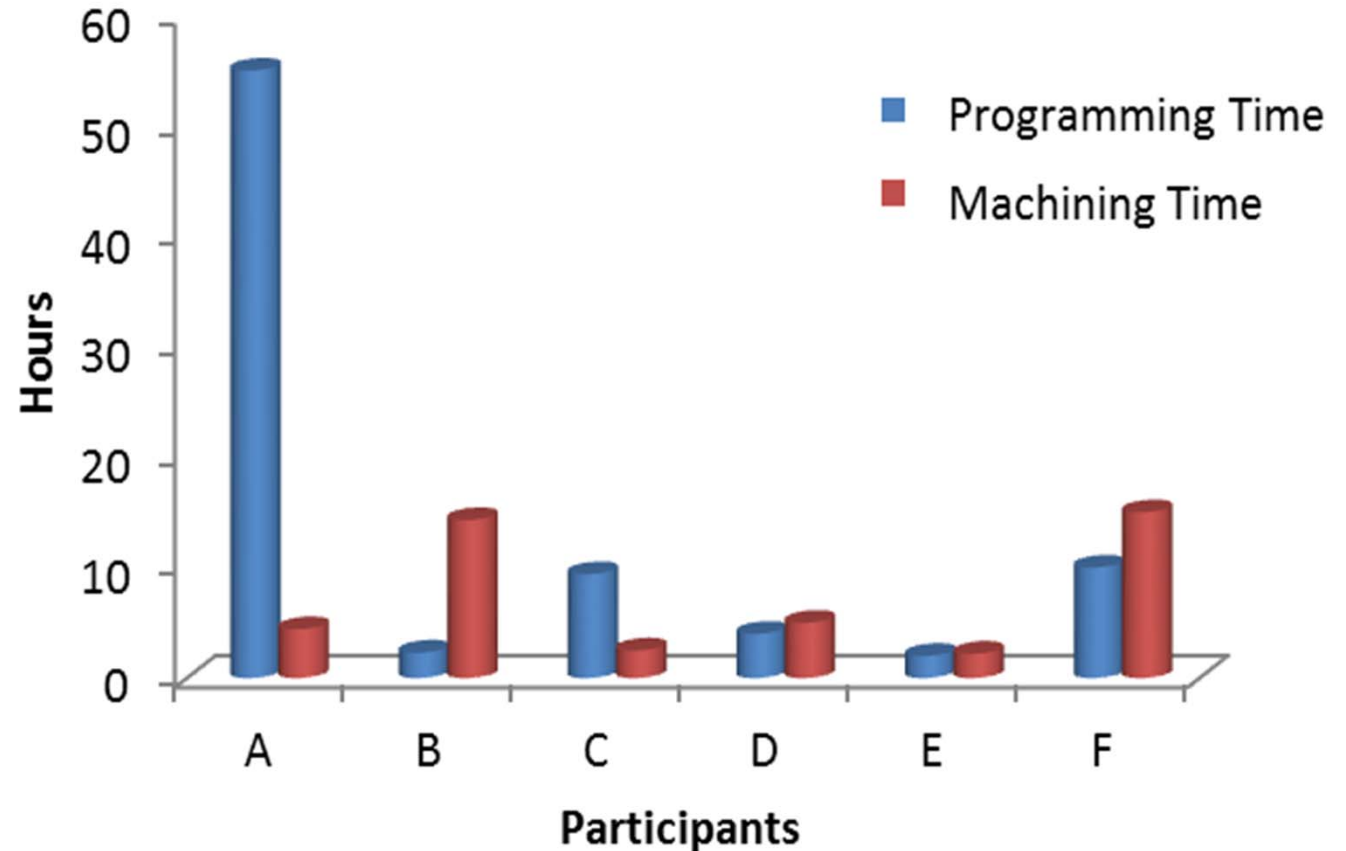


Benchmarking Example



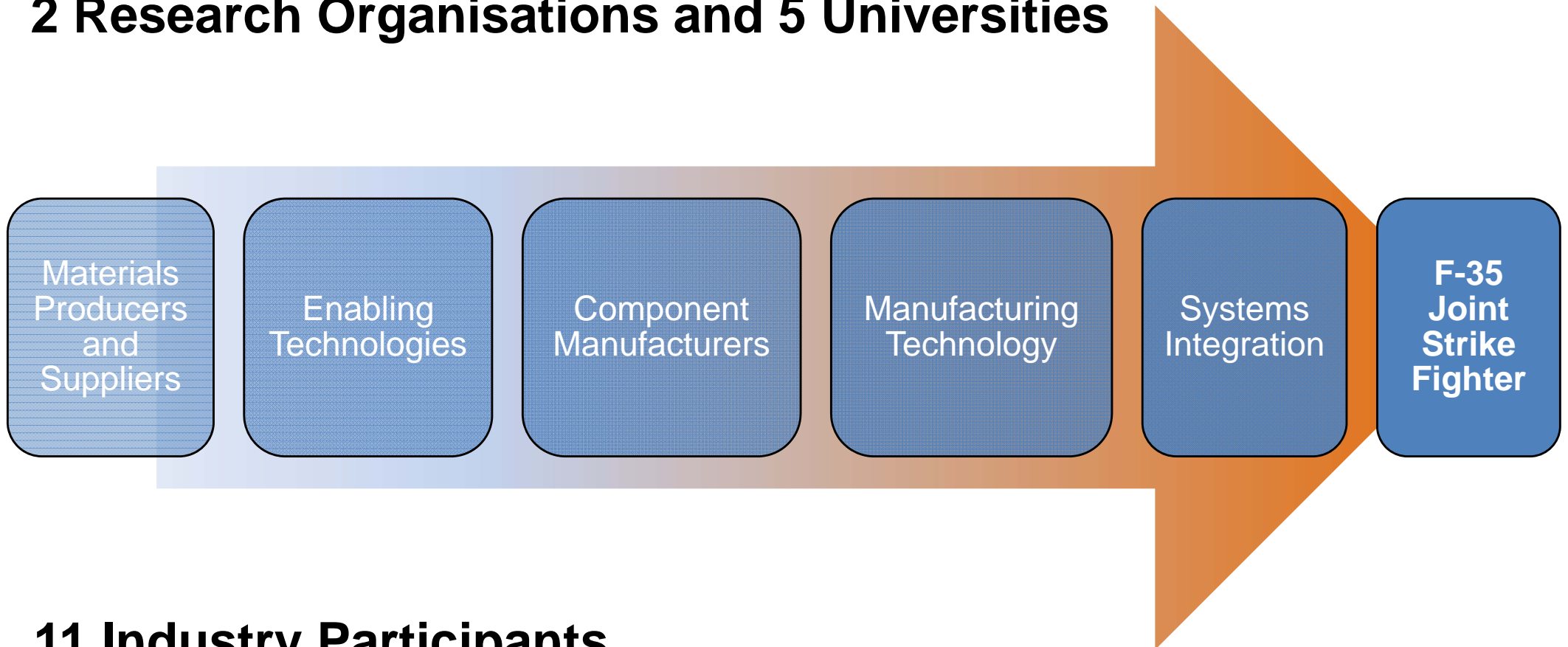
Machining time:
minimum
improvement of
33%

Benchmarking Example



New machining strategy = Double metal removal rate

2 Research Organisations and 5 Universities



11 Industry Participants



Manufacturing Opportunity



Improve productivity

Innovation

Networks

Workforce Skills

Collaboration

Dissemination

Investment

Stronger Supply Chains

Culture

