



RESPONSE TO DEFENCE STRATEGIC REVIEW



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OWEN KEANE

Director



REVIEW

Keane Consulting (Keane) has reviewed the recent Defence Strategic Review 2023 and, considering the recent Defence Cyber Security Strategy and Defence Information and Communications Technology Strategy, makes the following observations and comments. The following editorial relates to our industry and the Keane business of placing long-term contractors into the National Intelligence Community.

Keane sees the implementation of strategic, holistic change as vitally important. We are extremely supportive of, and heartened by, the recommendations made and that the review “includes specific directions to Defence with immediate effect.” Furthermore, the fact that the Government has either agreed or agreed in principle to all recommendations is an indication that change will occur at the rate needed to secure our nation, its assets, and our sovereignty. Of note to Keane is the context to our industry, and how we are preparing our business to support the resourcing requirements of Defence in its transition to a National Defence strategy. Areas of specific interests are:

The Department’s commitment to addressing the skills and people resourcing issues plaguing the current market. This issue will not be resolved without conscious planning and action. Keane understands the recommendations and associated commitment to reducing the contractor market. We appreciate the pros and cons of contracting versus APS staff and agree that the current balance, as identified in the report, is not sustainable and is detrimental to the ability for Defence to reach its objectives in the future. We also acknowledge the inherent benefits of the contractor workforce. Keane is a subject matter expert in provision of highly skilled contractors to the Defence capability lifecycle, and we are confident Defence and National Intelligence Community will continue to utilise contingent resources to meet the transient resourcing needs of the agencies.

Keane believes that further investment, resources, planning and action is needed to meet what the review terms “innovative and bold approach to recruitment”. This especially relates to the ongoing obstruction surrounding the current approach to security clearances in general, and specifically the TSPV level. We know that other nations utilise different systems and technology to significantly reduce delays in the security clearance process and would like these approaches to be researched and tested and, if successful, implemented. This will help meet the reviews request for recruitment to take days not months! We would also like to see a change to how the skills, knowledge and experience of individuals who are citizens of our FVEY partners, with equivalent clearances, are able to be leveraged in Australia with clearance recognition being more efficient and seamless. This is especially important for new technologies, the AUKUS arrangements, and sharing technical innovation. We see the above as part of a complex equation to meet the reviews recommendation that Defence “look to new markets and make further major changes to risk and policy settings to increase retention and the speed of recruitment”. This aligns well with the recommended changes to the Integrated Investment Program (IIP) to ensure that resources are allocated to the most important programs and projects...another piece of the puzzle solved! The review states “options should be developed to change the policy and risk settings to improve the achievement of recruitment targets by 2024” which we assume will help address the points raised above.

The review does note some of the inherent issues and challenges with the current workforce, including too few senior APS staff and projects being managed by layers of contractors. Keane believes these challenges may require national workforce policies and a long-term increase to immigration to support transitioning of suitable resources to the Defence portfolio.

We would like further clarity on the relatively short reference in the review: "The transfer of Defence's Positive Vetting (PV) vetting authorities to the Top Secret Privileged Access (TSPA) Authority should be accelerated". Specifically, will this help with the current clearance issues faced by Defence and Government more broadly?

The preliminary statement by the Minister for Defence identifies cyber and space as being key capabilities requiring development and we are reassured by the focus provided within the recommendations:

- A comprehensive framework should be developed for managing operations in the cyber domain.
- Defence's cyber domain capabilities should be strengthened to deliver the required breadth of capability with appropriate responsiveness to support ADF operations.
- Defence's cyber security arrangements should be enhanced in close collaboration with the Australian Signals Directorate.
- Defence's cyber security operations capability in Chief Information Officer Group should be increased.

Not related to our core business of providing long term contractors to the National Intelligence Community, yet a key corporate value of Keane, is the recommendations relating to the environment. We welcome the recommendations and decisions that Defence "accelerate its transition to clean energy to increase our national resilience, with a plan to be presented to the Government by 2025". We see Defence's role in supporting the Whole-of-Government approach to reducing the impact of climate change and harnessing our renewable resources within a clean energy market as vital. The focus of Defence on clean energy transition is wonderful to see in this review.

Keane is extremely supportive of diplomacy being a significant aspect of our nation's ability to deter foreign attack, influence, and interference. We applaud the recommendation to approach our defence in a holistic manner and incorporate greater resources to DFAT (Department of Foreign and Trade) with the mission to secure and maintain stronger relationships and to market and voice a unified, Australian perspective. We see this as instrumental in reaching the goal of peace and believe this recommendation to be noble, well-constructed, and a Whole-of-Government approach. The success of the Defence Cooperation Program, which includes development of our neighbours, is testament to the importance of this recommendation being implemented.

Lastly, we welcome the recommendation that Defence move away from white papers and move to a National Defence Strategy delivered biennially.