



Industry and Strategic Partners

Defence Legislation Amendment (Accelerating Capability and Protecting Bases) Bill 2026

Working with industry, universities and research institutions

Australia's Defence capability is increasingly developed through collaboration between Defence, Australian industry, universities, research organisations and trusted international partners. Modern capability programs rely on advanced technologies, testing and evaluation activities, integrated supply chains and strong industry participation.

The Bill modernises Defence's legislative framework to better support the way capability is developed, tested, protected and sustained today, supporting collaboration, innovation and capability development.

Why are these reforms important for industry?

Industry now contributes across the capability lifecycle, including research and development, systems integration, software development, advanced manufacturing, testing and evaluation, sustainment and upgrades. Defence capability activities increasingly occur through partnerships involving Defence, industry, universities and trusted international partners.

The reforms provide a clearer and more coherent legislative framework supporting these activities and recognising the important role of industry in delivering Defence capability.

How do the reforms support Defence-industry partnerships?

The reforms recognise that modern Defence capability is increasingly developed through collaboration with Australian industry.

The Defence Capability Framework can support capability activities undertaken by, or in partnership with, authorised contractors, businesses, universities and research organisations. This provides a clearer legal framework supporting collaboration across the capability lifecycle.

Will businesses need new approvals, licences or certifications?

No.

The reforms do not create a new industry licensing regime or impose broad additional compliance obligations on Australian businesses. Industry participation in Defence activities will continue to be governed primarily through existing contractual arrangements, project governance frameworks and security requirements.



Can Defence activities occur at industry facilities?

Yes.

Modern Defence capability development increasingly occurs at industry facilities, testing sites, manufacturing locations and other non-Defence premises.

The Defence Capability Framework can support authorised capability activities undertaken in partnership with industry. The Defence Security Zone Framework may also, where necessary, provide security protections for Defence personnel, activities, information and capability located at industry facilities.

What does the Defence Security Zone Framework mean for industry?

The Defence Security Zone Framework provides modern security arrangements to protect Defence personnel, facilities, activities, information and capabilities.

In limited circumstances, industry facilities supporting Defence activities may be subject to Defence Security Zone arrangements where additional security protections are necessary. The framework is designed to protect Defence activities and capabilities, not to regulate industry generally.

How do the reforms support innovation and advanced technology?

The reforms are intended to support capability development involving emerging and advanced technologies, including artificial intelligence, cyber capabilities, autonomous systems, advanced sensing technologies, electronic warfare systems and space capabilities.

The objective is to ensure Defence's legislative framework can support these activities as technology evolves and capability requirements change.

How do the reforms support small and medium enterprises?

The reforms recognise that many emerging Defence technologies are being developed by Australian small and medium enterprises.

SMEs contribute innovation across areas such as cyber technologies, artificial intelligence, robotics, autonomous systems, software development and advanced manufacturing. The reforms are intended to support capability activities across the broader Defence industrial base, not only major Defence contractors.

How do the reforms support universities and research organisations?

The reforms recognise the important role universities and research institutions play in developing future Defence capability.

The Defence Capability Framework can support authorised capability activities involving universities and research organisations collaborating with Defence on research, testing, evaluation and capability development activities.



How do the reforms support AUKUS and international partnerships?

Future capability development will increasingly involve trusted international partnerships.

While the Bill is not AUKUS-specific legislation, modern legislative frameworks are an important foundation for advanced technology programs, multinational capability development, industrial cooperation and trusted defence partnerships.

The reforms support Defence's ability to work with trusted international partners within a clear and contemporary legislative framework. They do not give foreign governments or organisations independent powers under Australian law.

What safeguards apply?

The reforms are supported by statutory safeguards, governance arrangements, reporting obligations, compensation arrangements, review mechanisms and independent oversight.