GOVERNMENT TO REPLACE AND CONSOLIDATE OUTDATED LOGISTICS INFRASTRUCTURE

The Minister for Defence, the Hon. Joel Fitzgibbon MP, today announced that the Government will make a significant investment to replace outdated warehousing facilities, and consolidate Defence’s 24 wholesale warehouse and distribution sites to seven.

“A robust, flexible and responsive logistics system is at the heart of the Defence Forces’ military capability,” Mr Fitzgibbon said.

This rationalisation will streamline storage and distribution functions to ensure that the logistics support to the Australian Defence Force is both sustainable and efficient.

“The Government will deliver modern, purpose built facilities employing efficient, best practice processes and technologies. This will result in significant reductions in management overheads and efficiencies through improved inventory management” Mr Fitzgibbon said.

The future Defence storage and distribution network will be streamlined to closely align with Australia’s transport network with the seven major sites being located at Darwin, Townsville, Amberley, Bandiana, Edinburgh, Perth and Moorebank, and supported by seven specialist logistics units.

“The current storage and distribution system has suffered from years of underinvestment, operates with outdated infrastructure, is not enabled by industry standard technology and automation, incurs relatively high costs and can not deliver efficient outcomes in line with commercial best-practice,” Mr Fitzgibbon said.

Defence will pursue the most cost-effective procurement of new infrastructure and services, and develop a final proposal for Government consideration later this year.

Once approved, construction of the new network is planned to commence in 2013-14.
The 2009 Defence White Paper represents the most comprehensive statement on Defence ever produced. It affirms the Government’s commitment to the defence of Australia, the protection of our sovereign interests and the security and stability of our region.

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