

The Australian

Defence firms vie for \$1bn deal

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MAJOR problems in a massive US program to build a blast-proof armoured vehicle to protect its soldiers from bombs have brought three Australian companies back into the race to build a troop carrier for our special forces.

In 2008, Australia contributed \$40 million to the American program to develop a Joint Light Tactical Vehicle for the US Army and marines.

The intention was to give Australian special forces, in particular, access to top US technology to help protect them against the improvised bombs that are the biggest killers of coalition troops and civilians in Afghanistan.

The vehicles have to be light enough to be carried into battle under a helicopter but heavy enough for those inside to survive a massive explosion.

The Australian government is scheduled to put up to \$100m more into the next stage of the US project.

But the US has tested nine prototype vehicles developed by three American companies and found none of them fulfilled the purpose.

Those vehicles have been sent to Australia and are undergoing testing in Victoria.

In the meantime, three Australian companies have produced armoured vehicles they believe would meet the requirements.

None can speak about the project because of secrecy provisions in their contracts with Australia's Department of Defence.

Designing the vehicle is proving extremely difficult.

A vehicle light enough to be slung under a helicopter is likely too light to slow the acceleration that can prove lethal to its crew if it detonates a massive bomb.

As an insurance policy of sorts, and in response to demands from politicians and industry to give local companies a chance at the contract, worth well over \$1 billion, the government launched a separate development program in Australia.

Three companies -- Thales Australia, with its Hawkei military vehicle; Force Protection, with its Ocelot; and General Dynamics, with its Eagle IV -- have produced prototypes which are being tested by Defence.

A Defence spokesman told The Australian a decision would be made later this year when testing had been completed.

It is understood the government is considering whether to invest further in the US program, put its money into the next stage of the local program or stick with both programs until a superior vehicle is developed.

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