

## **SOUTH AUSTRALIA SET TO BENEFIT FROM RUDD GOVERNMENT'S INVESTMENT IN DEFENCE**

Greg Combet, Minister for Defence Personnel, Materiel and Science, today at the Defence and Industry Conference in Adelaide outlined the benefits for South Australia of the Rudd Government's Defence Program.

South Australia currently supports the Defence Material Organisation (DMO) in a wide range of projects including support for the AP-3C Orion maritime surveillance aircraft, the construction of three new Air Warfare Destroyers and through-life-support for Collins Class submarines.

The White Paper has also confirmed that the State is also set to be the assembly site for the Future Submarine project.

As of April this year, there were 7,800 Department of Defence personnel including civilians working in South Australia. Construction worth some \$700 million was also occurring to support the Department of Defence's expansion in the State, primarily within the Edinburgh Defence Precinct.

"Given South Australia's recent success in winning major acquisition contracts, the state has a great chance to win some of the work that is outlined in the Defence Capability Plan released today," Mr Combet said.

"The South Australian defence industry specialises in Maritime and Electronics and is very strongly positioned to benefit from the growth in defence expenditure under our plan.

"While growth will vary from sector to sector the local expenditure in maritime sector is projected to grow by over 8 per cent per annum over the next four years due to projects such as the Air Warfare Destroyer.

"The ever increasing reliance on electronic systems with complex military equipment will also see a significant increase in local industry expenditure within the Electronic Systems Sector. It is projected that local expenditure in electronics sector will grow by about 4.8 per cent per annum over the next four years."

In addition to this, and as announced by the Government today, defence industry policy will be strongly focussed on supporting the Priority Industry Capabilities (PICs).

These capabilities confer an essential strategic capability advantage by being available from within Australia and which, if not available, would significantly undermine defence self reliance and ADF operational capability.

Of the 12 PICs announced today, 6 could be associated with core activities of the South Australian defence industry:

- \* Electronic Warfare
- \* High End Systems Integration
- \* Signature Management
- \* In Service Support of Collins Combat System
- \* Acoustic Technologies and Systems
- \* Ship Dry Docking Facilities and Common User Facilities

"The Government is also helping the South Australian Defence Industry to take full advantage of its increased defence investment," Mr Combet said.

"To help support the Defence industry meet the skills challenge it faces, the Government announced a \$61 million investment in Defence Industry Skilling with South Australia set to benefit from up to a third of that expenditure."

This includes a Schools Pathways Program, a Professional Doctorates Program, a Masters of Systems Support Engineering and an expansion of the Masters of Military Systems Integration.

"As a strong advocate for the South Australian defence industry, the Premier of South Australia, Mike Rann, has every reason to be pleased by the performance in recent times of the local defence industry.

"The hosts of this year's conference, South Australia, will be well positioned to take advantage of the significant investments that the Rudd Government is making in our nation's defence capabilities," Mr Combet said.

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