

Minister Martin Hamilton-Smith

Minister for Defence Industries

Wednesday, 26 August, 2015

State Government briefs Japanese submarine delegation on local build benefits

The State Government has accepted an invitation to meet with a Japanese Government and industry delegation bidding for the Future Submarines today.

Premier Jay Weatherill will be joined by Minister for Defence Industries Martin Hamilton-Smith, who said building the next generation of submarines is the most significant project on Australia's defence agenda.

"This visit gives the State Government another chance to demonstrate that South Australia is equipped, ready and capable of building world-class submarines," Mr Hamilton-Smith said.

"The global interest in naval manufacturing presents an opportunity to showcase our industry competencies and achievements and maximise opportunities for local industry."

As part of its three-day visit, the Japanese delegation is meeting with local companies involved in the Collins submarine project including BAE Systems, PMB Defence and Babcock.

It will also brief more than 100 members of local industry on potential supply chain opportunities, before touring the ASC's submarine yard and Techport Australia shipbuilding facility tomorrow.

Mr Hamilton-Smith will also host a private dinner for senior members of the delegation tonight.

"This will be another opportunity to highlight South Australia's impeccable credentials as a centre for excellence in naval shipbuilding underpinned by our world class infrastructure, research and industry base," Mr Hamilton-Smith said.

"We have demonstrated our commitment through the State's major investment in Techport Australia, and we're determined to see the naval shipbuilding sector grow.

"The South Australian Government and the local defence industry stand ready to partner with the preferred international partner to deliver Australia's future submarines.

"Defence remains a central pillar of South Australia's economy, employing 28,500 South Australians and contributing about \$2 billion to the economy each year.

"The State Government, local defence industry and workers are committed to protecting Australia, by building a strong defence industry, which supports the workers in our shipyards.

"The Federal Government has delayed its Defence White Paper release - there is still time to provide industry with the certainty it needs and rule out a hybrid or overseas submarine build.

“The only way the Federal Government can successfully deliver a sustainable industry is by committing to an Australian build of both surface ships and submarines.

“The number of surface ships and submarines must also be sufficient to ensure a continuous build of both. Defence strategists and economists agree that only 12 submarines will provide Australia’s industry with a continuous build. The Federal Government must keep its promise.

“A benchmark of 70 per cent local worker participation must be achieved to provide a consistent level of Australian content to previous projects and international standards,” Mr Hamilton-Smith said.