News Release





Martin Hamilton-Smith

Minister for Defence Industries

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National Defence Congress focuses on naval shipbuilding

Minister for Defence Industries Martin Hamilton-Smith has called upon the Federal Government to commit to a continuous build of frigates and submarines in Australia, and for the Offshore Patrol Vessels to be built in South Australia.

"Naval shipbuilding will feature prominently at the national Australian Defence Magazine Congress in Canberra today, as a critical element of Australia's manufacturing industry future," Mr Hamilton-Smith said.

"A continuous shipbuilding program is vital for the Australian economy, the workers involved, and our Defence capabilities."

The Congress will feature defence sector representatives, with addresses from the Minister for Defence Marise Payne; the Chief of the Defence Force, Chiefs of both the Army and Navy, and the Deputy Secretary and First Assistant Secretary from the newly created Capability Acquisition and Sustainment Group.

The Chief Executive Officer of the Defence Teaming Centre, Chris Burns, will also address the Congress about the importance of an Australian made defence industry.

"The State Government wholeheartedly supports the Australian Made Defence campaign. Australia's key Defence assets must be built here in Australia, by Australians – not overseas," Mr Hamilton-Smith said.

"The first step in a continuous shipbuilding plan for Australia is the Offshore Patrol Vessels."

"Building the Offshore Patrol Vessels in South Australia will reduce the impact of the valley of death by providing jobs for workers coming off the Air Warfare Destroyer program.

"The Federal Government has already committed to building the Future Frigates in South Australia.

"Building the Offshore Patrol Vessels anywhere else will compromise the success of the Future Frigates and lead to cost premiums associated with starting up the shipyard from scratch.

"Without the Offshore Patrol Vessels, South Australia's naval shipbuilding industry will effectively close down for around two years between the end of the Air Warfare Destroyer program and start of Frigate production in 2020.

"By building the Offshore Patrol Vessels, Future Frigates and Future Submarines all in the same precinct we are able to maintain the core skills and infrastructure allowing us to carry out each project efficiently and effectively. It just makes sense.

"Just last month ASC let another 30 electrical contractors go and we are expecting hundreds of job losses as different phases of the Air Warfare Destroyer program are completed this year.

"Should South Australia be successful in securing the build for these vessels, other states will still get a significant and fair share of work with the ships maintained and based at ports around the country.

"We also draw on the supply chain from other states including Victoria, Western Australia and New South Wales, meaning that a continuous shipbuilding program will deliver significant benefits across the country."