

News Release

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Premier Mike Rann

Minister for Economic Development
Minister for Social Inclusion
Minister for the Arts
Minister for Sustainability and Climate Change

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MORE AWD WORK BOUND FOR SOUTH AUSTRALIA

Premier Mike Rann this morning welcomed the decision by the Australian Government to reallocate more construction work for the \$8 billion Air Warfare Destroyer (AWD) Project to Adelaide.

Mr Rann said yesterday's announcement will be worth many millions of dollars and secure even more jobs for our fast growing defence sector.

Federal Defence Minister Stephen Smith told Parliament yesterday that up to 13 steel blocks from the first two AWDs would be reallocated among the three Australian shipyards in Adelaide, Melbourne and Newcastle.

Seven of those would be for advanced fit out and six for construction.

Up to a further five steel blocks will be reallocated to Navantia in Ferrol, Spain which is the home of the original design of the AWD selected by the Australian Government.

The Australian Government decided to reallocate the work to relieve pressure on the BAE Systems' Williamstown shipyard which is also constructing the 14 steel blocks for the superstructure of two new 27,500 tonne Landing Helicopter Dock ships due for delivery in 2014 and 2015.

In February 2011, BAE Systems advised the AWD Alliance of potential schedule issues at the Williamstown shipyards which could flow on to further delay the delivery of the first AWD ship.

"Today's decision is certainly welcome for South Australia's team working on the AWD project at Techport Australia," Mr Rann said.

"South Australian industry has the skills, infrastructure and capacity to deliver additional blocks for this massive project.

"It's further recognition that the State Government's investment in the infrastructure at Techport Australia is delivering jobs and money for South Australia."

Mr Rann said that a decision on the reallocation of blocks, if any, on the third AWD will be made later in the project.

"If there is extra work to be won, South Australians can be assured that I will be in there fighting hard to win it."