

News Release

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Hon Kevin Foley
Deputy Premier
Treasurer
Minister for Industry and Trade
Minister for Federal/State Relations

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SOUTH AUSTRALIA WINS ANOTHER DEFENCE CONTRACT

Deputy Premier Kevin Foley today welcomed the announcement that South Australian based BAE Systems has been declared preferred tenderer for a major slice of the \$3 billion defence contract Project Land 121 Overlander.

The contract is to supply the Australian Defence Forces with land vehicles, to replace a fleet that was acquired between 1959 and 1994.

“We launched South Australia’s bid for this project in 2005, and Premier Mike Rann personally lobbied the Prime Minister, the Defence Minister, and Army chiefs.

“Federal Defence Minister Brendan Nelson has this morning awarded BAE Systems, preferred contractor status for the medium and heavy vehicles to be supplied under this contract.

“These are sophisticated items of equipment that play a vital role in the protection of our armed forces, helping to deliver humanitarian aid to those in need, and transporting supplies and weaponry to our personnel. They save lives when they move casualties and our personnel from harm’s way.

“This announcement complements the vote of confidence already made in SA through the decision to establish a new battalion at Edinburgh. It helps in the SA Government’s plan to position the Edinburgh defence precinct in our city’s north as an ADF Centre of Excellence in the nation’s defence capability.

“Edinburgh is perfectly placed to fulfil the ADF’s need to integrate its operations into much larger units, with low operating costs and plenty of land for growth.

“Its close proximity to the Adelaide-to-Darwin railway is an added advantage for rapid northward deployment.

“This will help the ADF reap economies of scale and scope to achieve the technological and operational capabilities required of a modern defence force.

“It is also located near excellent research institutions, such as the Defence Science Technology Organisation, and a network of leading defence electronics and systems companies, “ Mr Foley said.