

Minister Martin Hamilton-Smith

Minister for Defence Industries

Sunday, 2 November, 2014

Defence White Paper - South Australia makes the case for defence jobs

The South Australia Government has submitted its contribution to the Defence White Paper 2015 calling on the Federal Government to reform naval shipbuilding across the nation and to optimise local industry participation in the States for Army Combat Vehicles.

Minister for Defence Industries Martin Hamilton-Smith said that, “without a defence industry, Australia has no defence capability.”

“Our submission advises the Federal Government to adopt a competitive tender process for the build and maintenance of our future submarines using capacity in the State.

“The South Australian Government is arguing for local industry capabilities to be prioritised to maintain Defence’s strategic self-reliance. The States will need to share work and coordinate an industry and work force capacity to meet national defence needs.

“The submission argues that workflow continuity will reduce costs and increase productivity.

“We need consistent strategy, policy and investment surety from the customer; the Federal Government including a continuous build approach to provide certainty for industry.

“Procurement planning must be overhauled after decades of failure to apply a whole-of-lifecycle approach.

“Prime Minister Tony Abbott and Defence Minister David Johnston have a unique opportunity to pioneer a reformed and vibrant multi-billion dollar local defence industry by establishing a dependable and transparent 10-year horizon for defence procurement.

“This will allow industry and State Governments to plan their forward investments in infrastructure and skills with confidence,” Mr Hamilton-Smith said.

“The South Australian Government is also encouraging the establishment of industry clusters by consolidating specialist workforces and infrastructure to improve productivity.

“Defence is a critical sector for South Australia’s economic prosperity and currently employs 27,000 workers direct and indirect, and contributes around \$2 billion to our economy annually.

“Years of reduced Defence spending, coupled with Defence’s traditional stop-start work programming, have been a challenge for an industry that is seeking to maintain effective use of capability and capacity in readiness for upcoming major projects.

“The Defence White Paper 2015 is an opportunity to provide robust industry direction.”