

News Release

www.ministers.sa.gov.au



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

Monday, 20 November 2006

ADELAIDE ON SHOW TO SPANISH SHIP DESIGNERS

Deputy Premier Kevin Foley will spend the next three days promoting Adelaide's defence capabilities to Navantia – home to Spain's military ship building sector.

Navantia are one of two international contenders that will submit designs for the Royal Australian Navy's Air Warfare Destroyers - one of Australia's largest and most complex Defence projects worth up to \$6 billion.

"Together with senior staff from the Port Adelaide Maritime Corporation, I will be meeting Navantia's ship designers who will showcase what their designs have to offer," Mr Foley says.

"Navantia has been contracted by the Federal Government to design a "Military Off the Shelf" (MOTS) Air Warfare Destroyer option, based on its existing F-100, to compete with the Gibbs & Cox Inc evolved Arleigh Burke design.

"Earlier this year I travelled to Virginia in the United States to visit Gibbs & Cox Inc.

"Should Navantia be successful in their bid the company would need to set up operations in Australia.

"Over the next three days I will be meeting with senior Navantia executives to promote Adelaide as the logical site to set up operations should Navantia be successful in their bid.

"Techport Australia in Port Adelaide will be the base for the Air Warfare Destroyers and it is shaping up to be the largest ship building facility of its type in the southern hemisphere.

"The State Government has committed \$243 million towards developing the critical common user shipbuilding facilities at the precinct.

"The combination of location, facilities and billion dollar contracts already in place make Techport Australia, the prime destination for any business involved in the naval and defence industries.

"The Air Warfare Destroyer program is already having an enormous impact on the South Australian economy.

"More than \$7 million worth of contracts have been awarded, mostly to local companies, as a result of the project."

The Commonwealth Government is scheduled to consider the two ship designs in mid 2007.