
FORT WORTH, TEXAS Saturday 17 May 2008

JOINT STRIKE FIGHTERS – \$10 BILLION IN CONTRACTS UP FOR GRABS

Premier Mike Rann says the State Government will spearhead a bid to secure a slice of more than \$10 billion in contracts identified by US Aeronautics giant Lockheed Martin as being available to Australian-based companies to help build the new Joint Strike Fighter aircraft.

The Joint Strike Fighter (JSF) is the next generation of defence aircraft being manufactured by Lockheed Martin in partnership with nine countries including the US, UK, Italy, the Netherlands, Canada and Australia.

While the aircraft will be built in modules in California and the UK, with final assembly in Fort Worth Texas, companies based in those partnership countries are entitled to bid for work to supply parts and components for the JSF aircraft.

Premier Mike Rann today visited the JSF production line in Fort Worth and met Lockheed Martin executives to discuss opportunities for South Australian-based defence companies to bid for these lucrative contracts.

“Defence technology giant BAE Systems is a partner in the Joint Strike Fighter project. BAE’s Australian headquarters are in Adelaide.

“SA companies have already won more than \$12 billion in Australian Defence Force contracts and our share of defence projects – 30 per cent of the national spend – is set to grow even further.

“But we intend to build on our defence industry capabilities and continue with our Strategic Plan target to increase the number of defence jobs in SA from 16 000 to 28 000 by bidding for work in other countries,” Mr Rann said.

“There are billions and billions of dollars worth of manufacturing work available worldwide to our local defence companies.

“Our job as a Government is help SA companies to achieve the highest standards of quality assurance required by companies such as Lockheed Martin, so they can bid in a very competitive global market.

“Lockheed Martin predicts that after the first 10 year System Development and Demonstration phase, which ends in 2011, it will begin producing 3000 JSF aircraft at a cost of more than US\$300 billion.

“On this aircraft alone, there are enormous opportunities for South Australian defence manufacturing companies who produce a high quality, low cost components to reap the rewards of this long-term production program.

“BAE Systems is a key player in the JSF program and I believe that, with its Australian head office based in Adelaide, companies in our State are in a good position to win a large slice of this work.

“Adelaide-based company Levett Engineering has already secured 39 contracts from Lockheed Martin for the JSF to supply airframe components.

“Defence SA is currently preparing an *Aerospace Advanced Component Manufacturing Strategy* that addresses critical industrial capability including component machining and manufacturing for sophisticated projects such as the JSF.

“This is about ensuring our defence manufacturers have the skills, the tools and the improved productivity required to become internationally competitive suppliers.

“The State Government has also recently approved the development of a *Secure Electronic Common User Facility (SECUF)* which will make out State the national leader in the development of network centric warfare, defence electronics and systems integration.

“The State Government has put in nearly \$9 million toward the development of SECUF at Mawson Lakes.

“It is estimated that \$5 billion annually will be spent over the next 10 years on defence electronics in the Australian Defence Forces.

“This is because integrated yet secure information systems are the glue of modern defence forces.

“The ability of all parts of the ADF to communicate information securely is key to making our defence personnel safer and more effective in the field.

“SECUF will be a hub for SA universities, industry and in particular small to medium enterprises to work collaboratively on innovation and commercialisation opportunities.

“SECUF will be a common user facility unique in Australia that will provide support advanced engineering and research activities including modelling and simulation environments of complex networks.

“It will be available to a range of companies and will give our businesses a leading edge when competing for contracts,” Mr Rann said.

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