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FERROL, SPAIN - Tuesday, 27 May 2008

### **BUILDING AWDs – NAVANTIA SHOWS HOW IT'S DONE**

Premier Mike Rann had his first opportunity to see modules of a Navantia-designed Air Warfare Destroyer under construction as well as look over a Navantia-designed Amphibious ship, at the company's shipbuilding yards in the port of Ferrol in northern Spain today.

Navantia is the Spanish military shipbuilding company that has won the design contracts for three Air Warfare Destroyers to be built at Osborne's Techport facility, and the \$3 billion LHD (Landing Helicopter Dock) amphibious ships, which will be built in modules in different locations with final assembly in Melbourne.

The \$8 billion AWD contract is the largest defence contract in Australia's history.

"We are delighted that defence company Saab, based in Salisbury, has won the \$106 million contract to install the Amphibious ship's combat management system.

"Saab's contract will result in about 70 people working on the combat systems for the amphibious ships – and reinforces South Australia's position as a leader in the high-end systems integration sector of the defence industry."

Mr Rann toured the shipyards today with the head of the State's Defence SA Andrew Fletcher, who has visited the Ferrol shipyards several times to begin gaining a better appreciation of modern shipbuilding techniques, skills requirements and infrastructure.

"This shipyard specialises in a variety of warships for many nations and is equipped with advanced technological resources," Mr Rann said.

"When complete, our \$300 million + Techport facility will be even more advanced.

"We can learn much from Navantia which employs a unique and revolutionary production system known as "integrated construction" that keeps costs down and shortens delivery times.

"This means ship modules are designed to be outfitted to a very high level of completion, minimising the need for lengthy "on board" outfitting.

"Navantia's ships are built in modules and blocks in a number of shipyards and shipped to a main yard for final assembly and integration – which is exactly how Australia's Air Warfare Destroyer and amphibious ships will be built.

"Navantia is also renowned for the repair and conversion of ships, thanks to its enormous capability in carrying out highly specialised tasks and its excellent skilled and technical resources.

“It is our intention to develop our \$300 million + Techport Australia facility in the future into both a military and civilian shipbuilding hub, although like Navantia, we hope the majority of our shipbuilding contracts will be for military craft.

“Having this facility will not only build these sophisticated ships on time and on budget, it will also help us to attract other related defence companies to South Australia and help us to secure incredibly lucrative and valuable through-life support that will help sustain the SA economy for decades to come,” Mr Rann said.

## **BACKGROUND INFORMATION:**

The massive Techport Australia shipbuilding facility is currently under construction on the Lefevre Peninsula.

Since construction began in August last year, the project is moving ahead on time, on budget and due to be completed by early 2010.

There are now more than 200 people on site working to build the Common User Facility at Techport Australia, which is expected to grow to 250 as the project peaks.

In total the State Government will be spending more than \$300 million on developing the whole shipbuilding hub which also includes the supplier precinct, commercial precinct, Maritime Skills Centre and the AWD Systems Centre.

Work began in August last year, and when it is completed we will have:

- A wharf that is 213 metres long and 25 metres wide;
- A runway and dry berth with a rail based transfer systems allowing movement of modules and completed vessels around the site; and
- A ship lift that is 156 metres long and 34 metres wide, and capable of supporting a vessel of up to 9300 tonnes.

On average, 2400 tonnes (or 1000 cubic metres) of concrete is being poured at the site every two weeks.

There is another 38 640 tonnes (or 16 100 cubic metres) still to be poured for the wharf, ship lift and runway and dry berth.

More than 2500 piles will have gone into the completed site and to date about 2000 piles have been driven into the ground at Techport.

Techport Australia’s anchor tenant is ASC (formerly Australian Submarine Corporation). It is spending \$100 million on upgrading its shipyard.

At its peak, ASC’s new yard will employ 350 workers directly.