



THE HON. GREG COMBET MP
Minister for Defence Personnel, Materiel and Science

Tuesday, 13 October 2009

085/2009

UPDATE ON AIR WARFARE DESTROYER PROJECT

Greg Combet, Minister for Defence Personnel, Materiel and Science, announced today that Australia's \$8 billion Air Warfare Destroyer (AWD) project was progressing well and would commence hull construction in the next few months.

During a visit to Adelaide to inspect the progress of the project, Mr Combet said that work had now begun on fabricating what is known as a 'pilot block' at ASC's shipyard in Adelaide. This followed the successful testing of the steel plate cutting capabilities of the South Australian company Ferrocut.

The AWDs are being constructed using the block method, with 30 per cent of the blocks being made at ASC in Adelaide and 70 per cent at BAE Systems in Victoria and at Forgacs in NSW.

Similar fabrication of blocks will commence in November at BAE's facilities in Williamstown, Victoria and December at the Forgacs's facilities in Newcastle, NSW.

"Successful completion of pilot blocks is a key step in the move to full-scale production of the three AWDs and demonstrates that the project is successfully moving from the design to construction phase," Mr Combet said.

Mr Combet also said today Australian companies were continuing to demonstrate their ability to win work on the AWD project.

The AWD Alliance has recently signed six contracts worth approximately \$18 million with Australian companies for the supply of a wide range of services and equipment for the three Air Warfare Destroyers.

"Scientific Management Associates has won a contract initially worth \$13 million to supply a range of integrated logistic support services to the project. This is crucial work which will ensure the highly sophisticated AWDs are well supported to meet the Navy's operational requirements."

Mr Combet said five South Australian companies had also recently won work on the AWD project.

"Ottoway Engineering, based in Adelaide, has won a contract potentially worth up to \$3.7 million and United Fasteners, Priority Engineering Services, Century Products and Whyalla Fabrications have also won work on the AWD project to provide a range of materials and services," he said.

The AWD Alliance has also signed a \$12 million contract with Eurotorp for the provision of the torpedo launch system for the three ships.

The AWD Alliance is made up of the DMO, ASC as the shipbuilder and Raytheon Australia as the Combat System Systems Engineer. The first ship is scheduled for delivery in 2014.

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