



**SENATOR THE HON MARISE
PAYNE**
Minister for Defence
Senator for New South Wales

SENATOR DAVID FAWCETT
Senator for South Australia

MEDIA RELEASE

SOUTH AUSTRALIA - 2018–19 DEFENCE BUDGET OVERVIEW

South Australia continues to play an important part in the defence of our nation, as set out in the 2018-19 Budget.

Minister for Defence, Senator the Hon Marise Payne, and Liberal Senator for South Australia, Senator David Fawcett, today welcomed the significant investment that Defence makes in South Australia.

The Turnbull Government's first priority is the safety and security of Australia and its people. The 2018-19 Budget will provide national and economic security by continuing to deliver on our ongoing commitments to Defence operations around the globe and the capabilities set out in *the 2016 Defence White Paper*.

Minister Payne said South Australia is home to over 8,000 Defence personnel and a number of key operational and support bases, including RAAF Base Edinburgh and the Edinburgh Defence Precinct, the Woomera Prohibited Area, and the Cultana Training Area. Defence is expected to spend over \$2.6 billion directly into SA in 2017-18, including estate services, salaries, capital works and other expenditure.

South Australia is pivotal in the Turnbull Government national naval shipbuilding plans to regenerate the Royal Australian Navy with new capabilities, with the Future Submarines, Future Frigates and the first two Offshore Patrol Vessels to be built at the Osborne Naval Shipyard. To ensure delivery of that capability, the Government is already investing over \$500 million in upgrading the ship yard, and over \$60 million in establishing a Naval Shipbuilding College. This is in addition to the important work on the Air Warfare Destroyers and Collins-class submarines that is already underway at Osborne.

South Australia will also play a key role in the \$1.2 billion upgrade to Australia's Jindalee Operational Radar Network (JORN), which detects and tracks air and maritime targets from Australia's northern approaches. Hundreds of jobs are being created to support this project, mostly at the Edinburgh Defence Precinct in Adelaide's northern suburbs.

South Australia is also home to the RAAF's Air Warfare Centre and AP-3C Orion and P-8A Poseidon aircraft, which conduct surveillance operations through Australia and our region, and the Army's Horseshoe Barracks, which houses the 1st Armoured Regiment and the 7th Battalion Royal Australian Regiment of the 1st Brigade (Adelaide).

"South Australia is vitally important to the Australian Defence Force and the Turnbull Government is continuing to invest significantly in capability, personnel and facilities in the state as a key outcome of our 2016 Defence White Paper and \$200 billion investment in Defence capability," Minister Payne said.

"As new capabilities come on line, the Turnbull Government is investing in the facilities and infrastructure to support them and ensure that the ADF can use them effectively and appropriately."

"Our Local Industry Capability Plan program is ensuring that local businesses and trades in South Australia have the best opportunity possible to secure work on the large number of important Defence infrastructure projects in South Australia."

Senator Fawcett said that South Australia had a long history of supporting the Australian Defence Force and that the 2018-19 Budget demonstrated the Government's confidence in the state.

"South Australia is home to thousands of ADF personnel and their families, who bring hundreds of millions of dollars into the economy, as well as being a key centre for naval shipbuilding across Air Warfare Destroyers, Future Submarines, Future Frigates and Offshore Patrol Vessels, and naval sustainment of the Collins-class submarines," Senator Fawcett said.

"The opportunities available for local South Australian businesses – whether that be at Edinburgh, in the shipyards at Osborne, or at Cultana and Woomera - to help develop Australia's sovereign defence capability while at the same time, to secure millions of dollars in work as Defence upgrades its facilities in South Australia over the coming years are significant. I'm proud that the Turnbull Government is demonstrating its commitment to local businesses to deliver on this important work."

In 2018-19, work will continue or begin on a range of Defence facilities projects including:

- The *Maritime Patrol Aircraft Replacement facilities project*, which is providing new and upgraded facilities and infrastructure to support the introduction of the P-8A aircraft around the country, including at RAAF Base Edinburgh. Expenditure at RAAF Base Edinburgh in 2018-19 is budgeted to be \$57.9 million, in addition to the \$323 million invested there to date.

- The *Pilot Training System Facilities project*, which is providing fit-for-purpose facilities to support the modern joint training aircraft system at bases across the country, including RAAF Base Edinburgh. This \$330 million project is scheduled for completion in late 2020, with expenditure of \$3.7 million planned for RAAF Base Edinburgh in 2018-19.
- The *Explosive Ordnance Logistics Reform Program*, which addresses explosive ordnance storage capacity shortfalls through delivery of new and enhanced explosive ordnance facilities around the country, including at RAAF Base Edinburgh. Expenditure at Edinburgh in 2018-19 is budgeted to be \$14.6 million. This Program is one of our Local Capability Industry Plan pilots.
- The *Air Traffic Control Complex Infrastructure and Fixed Base Defence Air Traffic Management and Control System project*, which is upgrading air traffic management supporting infrastructure around the country, including at RAAF Bases Woomera and Edinburgh. Expected expenditure at Woomera is \$5.1 million in 2018-19, in addition to the \$0.7 million invested there to date; and \$0.5 million at Edinburgh in 2018-19, in addition to the \$7.3 million invested there to date.
- The *Replacement Aviation Refuelling Vehicles Infrastructure project*, which will meet the infrastructure requirements to shelter and accommodate the ADF's new fleet of refuelling vehicles. This \$40 million national project includes expenditure of \$3.9 million at RAAF Base Edinburgh and \$1.4 million at the Woomera Test Facility in 2018-19.
- The *Woomera Range Remediation Facilities project*, which will provide new and upgraded facilities and infrastructure that are capable of facilitating the operation of a new range safety and control system at Woomera. This \$48.6 million project is scheduled for completion in late 2018, with expected expenditure of \$1.0 million in 2018-19.
- The *Electronic Warfare Operational Support Facilities project*, which will provide facilities to support the Electronic Warfare Operational Support project, at the Edinburgh Defence Precinct. This \$25 million project is scheduled for completion in mid-2018, with estimated expenditure of \$2.4 million in 2018-19.

Work has also commenced on final planning for other infrastructure projects, including the *Defence High Powered Performance Computing Centre Project*. In 2018-19 the Government will be considering this \$68.7 million project, located at the Edinburgh Defence Precinct, providing facilities to support Information Communications Technology equipment and secure meeting, conference and training rooms. Subject to necessary approvals, construction is planned to commence in late 2018 with completion by early 2020, providing further opportunities for local small to medium businesses to be involved in this work.

Further, it is estimated that there will be an investment of around \$125 million in facilities and infrastructure at the Edinburgh Defence Precinct over the coming decade to support the *Armoured Vehicle Fighting program*, including an initial \$27 million to support the Combat Reconnaissance Vehicle over the coming years.

The 2018-19 Budget confirms that the Turnbull Government is committed to keeping our nation safe and secure and will grow Defence spending to two per cent of GDP by 2020-21.

