

1 September 2006

Senator Steve Hutchins
Chair
Senate Foreign Affairs, Defence and Trade Committee
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Senator

INQUIRY INTO NAVAL SHIPBUILDING

I refer to evidence provided by Defence Materiel Organisation Deputy Chief Executive Mr Kim Gillis to the Senate *Inquiry into Naval Shipbuilding in Australia* on 18 August 2006, in particular Mr Gillis' misleading statement that:

The Osborne facility in South Australia, from what I have seen of the plans, is designed very much around the air warfare destroyer program; it does not have the facility to lift an LHD. (Proof Committee Hansard, Senate – References, FAD&T p35.)

South Australia's fundamental premise behind creating a shipbuilding Common User Facility at Techport Australia (Osborne) is to provide internationally competitive and flexible infrastructure for users. To this end the State has committed and announced additional investment in the CUF to ensure the development of world-class infrastructure that can support multiple users (beyond that required to service the AWD program). The infrastructure will be accessible to a range of companies, contractors and subcontractors and indeed a range of projects – central to the State's goal of creating a sustainable shipbuilding and repair industry at Techport Australia.

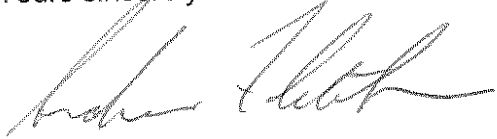
This investment means that the Techport Australia shiplift will have capability to service much larger vessels (up to 34m in width), such as panamax merchant ships and proposed navy amphibious vessels. The shiplift will initially be constructed to a length of 160m, with capacity to be extended to 240m if required. Additional rail tracks will also be constructed to enable panamax-sized vessels to transit the runway without impinging on AWD program requirements.

I am concerned that Mr Gillis' comments may disadvantage South Australia particularly at a time when various jurisdictions and infrastructure are being considered by tenderers for the LHD program.

I would appreciate if you could ensure that members of the Inquiry are informed of the factual details relating to the South Australian facility based at Techport Australia to minimise any misconception that may have been created with respect to capability limitations of the shiplift.

I have spoken and written to Mr Gillis on this matter.

Yours sincerely

A handwritten signature in black ink, appearing to read "Andrew Fletcher". The signature is fluid and cursive, with a long horizontal stroke at the end.

Andrew Fletcher
Chief Executive Officer