

## Minister Martin Hamilton-Smith

Minister for Defence Industries

Monday, 27 April, 2015

### Local Advanced Manufacturing industry taking off

The Minister for Defence Industries Martin Hamilton-Smith has met with the South Australian companies supplying the world's largest and most complex military aircraft project.

Adelaide-based BAE Systems Australia, RUAG Australia and Levett Engineering are all operating on the international stage, manufacturing and exporting components for the global F-35 Joint Strike Fighter program.

Visiting RUAG's facilities, Mr Hamilton-Smith said it's incredible to think that F-35 aircraft around the world will feature components manufactured here in South Australia.

"South Australian companies are punching well above their weight."

Collectively, the three companies have secured orders that could potentially result in over 30 years of work, valued up to AU\$685m.

"This represents a significant contribution to South Australia's advanced manufacturing future," Mr Hamilton-Smith said.

"The long-term prosperity of our manufacturing sector is dependent on our ability to develop niche, high value-add products that are internationally competitive and linked to global supply chains, just as these three local firms are doing.

"Our support of these businesses reinforces the government's commitment to build and grow our state's advanced manufacturing industries."

In a South Australian government-supported build, BAE Systems constructed a new advanced manufacturing facility enabling the company to manufacture large titanium components for both Defence and commercial markets.

BAE Systems Australia's Mr Graeme Bent, Director Land & Integrated Systems, said production at the Edinburgh Parks facility is well and truly underway.

"We've been delivering small and medium components to be incorporated into the vertical tails for the F-35 aircraft since 2009. Last year we delivered our first large components and production is steadily increasing. We expect our advanced manufacturing investment may lead to new opportunities in Defence and commercial aviation," Mr Bent said.

RUAG Australia boasts extensive capabilities in both complex component manufacturing and metal processing, including treating and painting parts produced by BAE Systems for the F-35 aircraft.

Mr John Teager, Vice President Sales and Marketing, RUAG Australia, said “We are fully committed to growing the manufacturing sector in South Australia. Our facility at Wingfield is unique in Australia, and provides the necessary services and global competitiveness to allow Australian aircraft component manufacturers to compete for lucrative contracts.”

Based in Elizabeth, Levett Engineering manufactures several F-35 components, including parts for the F135 engine which powers the aircraft.

“We’re living proof that a small to medium enterprise based in South Australia can be a successful link in a global supply chain. We pride ourselves on delivering high quality products at competitive prices, in turn keeping jobs and technical knowledge within our local industry,” said Levett Engineering Managing Director, Mr Paul Levett.

The global F-35 Program will see over 3000 F-35 Lightning II aircraft produced between now and 2030 for air forces around the world. The first F-35 aircraft are due to arrive in Australia in 2018.

### **BAE Systems**

BAE Systems is a leading employer, manufacturer and a major provider and maintainer of capability for the Army, Navy and Air Force with more than 35 major Defence contracts. With a supply chain bigger than any other defence prime in Australia, it also provides many opportunities for small to medium suppliers. Each year, \$650 million worth of work is placed with around 2,200 suppliers.

### **RUAG Australia**

At its Wingfield facility in South Australia, RUAG Australia delivers specialized treatment and metal finishing services for the aircraft components manufactured by BAE Systems Australia and other Australian manufacturers.

The new, state of the art facility is unique in Australia, offering high volume, automated chemical plating capable of handling large size components.

### **Levett Engineering**

Based at Elizabeth, South Australia, Levett Engineering uses state-of-the-art high performance equipment to manufacture components in defence aviation, aerospace, aeronautical and electrical engineering.

Levett Engineering’s work on the F-35 aircraft alone has a potential value of \$235m over the life of the program.