



First Royal Australian Air Force F-35A Lightning II.

Opinion

Victoria cashing in on Australian Joint Strike Fighter production program

Christopher Pyne, Herald Sun
March 2, 2017 12:48pm
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AS AUSTRALIA'S newest and fiercest power in the skies roars into Avalon Airshow, it's important to recognise not just the unmatched capability our air force now has at its disposal, but also the enormous economic benefit the local production of these aircraft has to our defence industry, particularly in Victoria.

Although work is spread across the nation, with 64 per cent of Australia's Joint Strike Fighter production happening in Victoria, there is no doubt the state is the hub for the production and maintenance of these aircraft.

The economic impacts of the Joint Strike Fighter Program, released in a Price Waterhouse Coopers report today, are impressive and show for the first time the additional spin-off benefits to the economy as a result of our involvement in the global program.

It may come as a surprise to some that there have been more than 30 Australian companies which have shared already in more than \$800 million of value in the F-35 program.

That involvement has produced an extra \$470 million in annual benefit to the Australian economy. To date it currently supports an extra 2400 jobs across the economy.



Minister for Defence Industry Christopher Pyne. Picture: Mick Tsikas/AAP

In an even more exciting forecast, the jobs supported by involvement in the program are expected to grow to 5000 by 2023 and 6300 by 2038.

As a result of its already strong position in the program, Victoria is poised to be a big winner from this future growth.

The good news doesn't end there. Beyond production, in 2014, Australia was assigned as the maintenance and sustainment hub for engines in the Asia Pacific and F-35 airframes for the southern Asia Pacific.

To reinforce Australia's position as an F-35 hub, Australia was also assigned repair and maintenance for F-35 aircraft componentry as part of the F-35 Global Support Solution.

BAE Systems Australia, GE Aviation Australia, RUAG Australia and Northrop Grumman Australia were the successful companies assigned componentry work and it is likely that work will flow down to other companies in the supply chain, supporting hundreds of jobs (above the projects in the PwC report) and bringing millions of dollars to the Australian economy for decades.

Those assignments acknowledge that Australia, and particularly Victoria, has the skills and capacity to take on one of the most technically complex and expensive defence projects ever.

As a resident of a southern state which has had equally difficult economic times with the wind down of the car industry, the growth in our defence industry is an important part of the transition to advanced manufacturing of high-end products which we can export to the world.

With its large manufacturing base, the Joint Strike Fighter program and the benefits it brings is good news for Victoria and a success story the Turnbull government hopes to replicate across the country.

Christopher Pyne is the Minister for defence Industry.