COROWA SHIRE COUNCIL

Corner Bow Street and Honour Avenue Corowa Postal Address: P.O. BOX 77, Corowa, N.S.W. 2646

REFERENCE: BJC:MTH – Thales Australia P/N 6084 CONTACT: MR BRUCE CORCORAN

8 December 2006

Secretary Public Works Committee Parliament House CANBERRA ACT 2600

Dear Sir

RE: REDEVELOPMENT OF THE PROPELLANTS MANUFACTURING FACILITY AT MULWALA

Corowa Shire Council thanks you for the opportunity to provide this submission in support of the proposal to spend \$338.7M on the redevelopment of the Propellants Manufacturing Facility at Mulwala NSW.

The current facility to be redeveloped is situated in Corowa Shire and Council strongly supports the redevelopment of this important infrastructure for the benefit of the shire, region and the nation as a whole.

Council's reasons for supporting the redevelopment include the following:-

- (1) The Defence/ADI strategic review conducted in 1999 concluded that a substantial redevelopment was required at the Mulwala factory and that it was important the propellants manufacturing operations at Mulwala continue so that Australia would not be exposed to international supply, ship availability, loss of employment expertise and continue to contribute to maintaining the strategic integrity of the nearby Thales Benalla ammunitions manufacturing plant.
- (2) The Mulwala facility is very important to the local economy of the Shire and the region as it directly employs some 350 people.
- (3) The original factory was constructed in 1942 and is in urgent need of modernisation to meet the needs of today's manufacturing standards and occupational health and safety requirements.
- (4) The redevelopment of the Mulwala factory has support from the local and district community as evidenced by a rally held at Mulwala/Yarrawonga attended by an estimated 6,000 people supporting the facility. This rally was supported by a petition of 16,000 signatures.
- (5) The Australian Government through the Prime Minister on 20 September 2001 signed with the Mayors of Corowa and Moira Shires and the Rural City of Benalla a Memorandum of Understanding committing the Commonwealth Government to a long term domestic production of propellant and high explosives at Mulwala to meet the requirements of the Australian Defence Force. The funding of \$338.7M for the

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All correspondence to be addressed to the General Manager <u>Telephone: (02) 6033 8999</u> Facsimile: (02) 6033 3317 - Email: council@corowa.nsw.gov.au <u>M:\Daily Correspondence\public works commutee redevelopment adr.doc</u> <u>ABN 43 874 223 315</u> redevelopment of the propellant manufacturing facility at Mulwala confirms that commitment.

(6) Since the signing of the Memorandum of Understanding in 2001 Australia's military has had an increased involvement overseas and therefore it is very important that we continue to produce locally manufactured propellants in Australia rather rely on overseas supplies.

Again Council thanks you for the opportunity to make this submission to your report on the redevelopment of an important manufacturing facility for the Shire and the region.

If you require any further information please do not hesitate to contact me at the Shire Office on 02 6033 8999.

Yours faithfully

BJ CORCORAN GENERAL MANAGER

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