

Back to Ottawa announces 30-year shipbuilding program for navy and coast guard

Ottawa announces 30-year shipbuilding program for navy and coast guard

June 03, 2010

OTTAWA—The federal government has outlined a new shipbuilding strategy that will cost at least \$35 billion and take 30 years to complete.

Defence Minister Peter MacKay says he expects to sign agreements with two shipyards within two years to build 28 large vessels and 100 smaller ships for the navy and coast guard.

“This is, indeed, an historic moment for Canada,” MacKay told a defence industry trade show on Thursday. “The national shipbuilding procurement strategy is a major step forward.”

The program will produce equipment that is essential to the Canadian Forces, he said.

Two shipyards will be chosen “through a fair, transparent, competitive process to build the large vessels required by the coast guard and navy.”

“We expect to have signed agreements with these shipyards within two years, which should clear the way toward contracts for large-vessel projects that the navy desperately needs,” he said.

“However, what's even more important is that the strategy will be making available equipment that is essential to the Canadian Armed Forces. Canada's navy will continue to do the remarkable work that it is doing for Canada and has done in the past 100 years.”

Several high-profile ship-replacement programs for both the navy and coast guard have been sidelined because cost estimates have come in far above what the Conservative government was willing to pay.

Federal officials have tried over the last year to get the country's notoriously competitive shipyards to agree on sharing the construction.

MackKay has often been quoted as saying there was more than enough work to go around.

The country's top military commander told the defence industry on Wednesday that new ships for the navy is his No. 1 procurement need and noted that it has been 14 years since the last major warship was launched in Canada.

“We need to cut steel on new ships,” said Gen. Walter Natynczyk, chief of the defence staff.

Buying aircraft and tanks, sometimes off-the-shelf, is much easier than building warships which, because of their size, complex designs and high-tech machinery, often take a decade of planning before actual construction begins.

To emphasize the need to modernize the Canadian navy, the defence chief pointed to the 5,100-tonne destroyer HMCS Iroquois, which is 38 years old.

The navy's two supply ships, HMCS Preserver and Protecteur, turned 40 last year.

The federal government began searching for a different approach to the time-consuming construction process after the failure of two high-profile projects in the summer of 2008.

Both National Defence and Fisheries and Oceans were sent back to the drawing board on a project for the construction of three naval joint supply ships and coast guard mid-shore patrol boats when bids from industry came in far over the budget the Conservatives had set aside.

Senior defence officials pledged at the time to restart the project within a year, but they were hobbled by the lack of full-fledged shipbuilding strategy.

04/06/2010 13:06:46