



Government funding for weapons exports

2 November 2001

Kia ora,

From 14 to 16 November, the NZ Defence Technologies Joint Action Group Inc (DTJAG) will be having their annual bash in Wellington, another sinister gathering funded in part by taxpayers.

The DTJAG was one of several JAGs set up through Trade NZ in the early 1990s. Trade NZ was established as a Crown Entity under the New Zealand Trade Development Board Act in 1988, it receives public funding, and its activities are directed by the government. It describes its role as being "part of a wider Government strategy to increase New Zealand's economic prosperity."

As part of the then government's strategy to increase overseas earnings (and as they were keen to follow Australia's extraordinary 'success' in developing an 'arms' industry which produces a range of weapons from guns through to frigates and submarines) they decided to promote a 'defence technologies' industry. There's a lot of private profit to be made from involvement in the weapons trade - higher profits than most industries because it is taxpayer subsidised and the overwhelming majority of its customers are governments using public money to purchase weapons and other military equipment.

Trade NZ provided funding to the DTJAG to promote their wares at arms fairs overseas, and NZ's defence exports increased dramatically - particularly during the period 1996 to 1999 when they went from under \$70 million to more than \$130 million, an increase which supporters boasted at the time rivalled the growth of the wine industry.

Most of the defence related exports are components, weapon and missile guidance system parts, and shoot-to-kill training equipment. The exports also include non-military production for military purposes - for example, the ANZAC frigates project involved around 417 NZ companies making various bits and pieces, including furnishings and wiring, for the Australian warships.

The companies involved in the DTJAG were a tad secretive about their involvement in weapons production (last year we were unsuccessful in our attempts to extract the company names from Trade NZ CEO Fran Wilde under the Official Information Act), but now the 23 member companies are listed on the NZ Defence Technologies Joint Action Group Inc website <http://www.defencetech.co.nz>

They include some real charmers:

* Babcock New Zealand Limited - who took over the management of the navy's refit and repair facility at Devonport Dockyard, Auckland, under a ten-year facilities management contract in 1994. They advertise themselves as having "all of the necessary project management and technological capabilities to refit and support naval warships and auxiliaries."

Babcock NZ Ltd is a wholly owned subsidiary of Babcock International, a company involved with Britain's nuclear weapons arsenal. They currently manage Rosyth, the naval yard in Scotland where the rotting radioactive hulks of seven British nuclear submarines are moored because no-one knows what else to do with them. In January 2001 they signed a memorandum of understanding with the British Ministry of Defence to manage Faslane and Coulport (also in Scotland), they are the sole bidders for that contract and it is expected to be finalised within the next few months. Faslane is the base for Britain's Trident nuclear armed submarines, each Trident submarine carries 48 independently-targeted nuclear warheads. The submarines are deployed in shifts, so that there are usually two out on patrol at any given time. Coulport is where the nuclear warheads are stored when the submarines are not on patrol. Babcock International has just been awarded the refit contract for HMS Invincible, one of the British aircraft carriers.

* Osmar Limited - based in Mt Eden, Osmar are "a world leader in the field of Realistic Combat Simulation". They make infantry weapons effects simulators, have produced laser based equipment for the Miles 2000 controller gun, and shoulder launched anti-tank weapon simulators. They describe their products as "providing realistic Force on Force Combat Simulation", that is, they are used for training soldiers to kill. They have exported more than 60,000 simulators to 15 countries - including Australia, Thailand, Denmark, India, and France. There have been reports that they have sold more than 9,000 simulator sets to the Indonesian armed forces.

* Marine-Air Systems - based in Lower Hutt, have been secretive about their contracts in the past but are reported to have been involved in the development, manufacturing and marketing of electronic systems for military use including the 'Vanguard' artillery computer and the 'Bullseye' aerial bombing scoring system.

* Safe Air - based in Blenheim, they are particularly well known because of the protests about their refurbishment of two Indonesian Skyhawks at the very time East Timor was erupting in violence and bloodshed in 1999. As you are no doubt aware, the Indonesian airforce used their warplanes in the past to terrorise the people of East Timor, and more recently, the people of West Papua.

* Pacific Aerospace - based in Hamilton and particularly known for their delight in being short listed last year for a contract to supply the Israeli airforce with up to fifty CT4 air trainers ...

The purpose of the DTJAG is to build "international commercial networks ... with the assistance of Trade New Zealand, Ministry of Defence and the New Zealand Defence Force." They do this by "Attending international defence conferences and exhibitions [arms fairs] plus operating offshore missions targeted to members specific commercial interests are a regular feature of Defence Technologies' activities."

One of the pages on their website describes the NZ economy as "strong, open, internationally competitive" and comments that the "far reaching and comprehensive economic reforms introduced in the mid-80s" have delivered, among other things, "labour market flexibility". Perhaps the increase in poverty in this country as a result of those far reaching and comprehensive economic reforms is not something those who are in the business of making profit out of death and suffering by contributing to the global weapons glut would notice. They also mention the privatisation of state-owned enterprises as one of the key features of the reforms - strange how those whose activities are subsidised by public money always seem to think 'privatisation' is a good thing.

The DTJAG annual meeting is "an event for Australian and New Zealand companies who are involved in the Defence Industry business, Australian and New Zealand Defence personnel and any International Defence Organisation interested in doing business in New Zealand." They describe four reasons for going to it as: "hear about New Zealand's Acquisition plans; hear about New Zealand's new Defence direction; learn about successful International partnerships; opportunities for Defence Business in Australia and Singapore."

And of course the meeting includes the Defence Industry Committee Awards of Excellence - inaugurated in 1998, one wonders what criteria is used to determine excellence in this context - the most killing power? the biggest public subsidy for private profit?

If you think that the development and promotion of weapons related industries is not a good way to earn export dollars, and that public funding could be better spent on socially useful production, you could contact the following and give them your views on this:

* Jim Sutton, Minister for Trade Negotiations, Minister responsible for Trade New Zealand, tel (04) 470 6558, fax (04) 495 8449, or write to him at Parliament Buildings, Wellington (no stamp needed);

* Pete Hodgson, Associate Minister of Foreign Affairs & Trade, responsible for export capability development, tel (03) 688 6844 electorate office or (04) 470 6556 Wellington office, fax (03) 688 6944 electorate office or (04) 495 8447 Wellington office, or write to him at Parliament Buildings, Wellington (no stamp needed);

*Trade NZ CEO, Fran Wilde, PO Box 8680, Symonds Street, Auckland, tel (09) 366 4768, fax (09) 366 4767. She is based at the Trade NZ Auckland office which is located on Levels 11 and 12, The ANZ Centre, 23-29 Albert Street (cnr of Albert, Federal and Swanson Streets).

Fran Wilde has an interesting perspective on the attacks in New York and Washington, you can read it on the Trade NZ website <http://www.tradenz.govt.nz>

Index page on Military alliances and spending

Index page on Response to attacks in US



Action Alerts



PMA's newsletter



What's on where



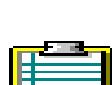
Peace links



Help PMA grow



How PMA can help you



Petition Forms



Site Map