<u>Director-General ASA – Draft Opening Statement</u> Senate Estimates – February 2024

(660 words at 120 wpm ~ 5-6 mins)

Thank you Chair. I welcome the opportunity to appear before this committee today.

As the Government's response to the DSR makes clear

- Australia must be in a position to deter conflict before it
begins, and certainly before it reaches our shores.

Nuclear Powered Submarines will enable us to hold an adversary's assets at risk at the greatest distance possible from Australia's shores, and put a substantial question mark in the mind of any adversary. No other platform matches the stealth, endurance, mobility and mix of capabilities.

The defence of Australia is also underpinned by the security of our region and a settled global rules-based order. At the heart of Australia's strategic intent behind

acquiring a nuclear-powered submarine capability is that it enables us to make a far larger contribution to preserving the rules based order and regional security and stability.

As outlined by the Pathway this program is a partnership

– it is a trilateral effort that underpins work to create a

national industry in this country and to uplift the

resilience of the trilateral supply chain as a whole.

We are working at all levels with our US and UK counterparts to deliver one of the most technically complex systems in the world.

Progress made over the last 11 months shows the significant commitment and resourcing that each Government is putting into making AUKUS a reality.

We have also tabled the Agency's latest Organisation chart, and I am also pleased to inform the committee of

two important senior appointments made since our last appearance at Estimates in October:

- On 6 November 2023, Mr David Hallinan
 commenced as Deputy Director-General Program
 and Policy.
- And on 22 January 2024, Mr Tim Hodgson commenced as the Deputy Director General Technical.

The ASA continues to grow, and currently has over 450 APS and ADF staff across its domestic and international footprint.

The passage through the US Congress of the 2024

National Defense Authorisation Act in December

included fundamental enabling provisions for Australia's

AUKUS nuclear-powered submarine program.

We have concluded a land exchange agreement with South Australia for the new submarine construction yard at Osborne and preliminary enabling work has commenced. Land will also be secured for the Skills and Training Academy, which will be a key part of educating and training Australia's critical submarine and naval shipbuilding workforce.

The ASA is working closely with state and local governments in South Australia and Western Australia across the breadth of the program, and has regular programs of engagement with officials at all levels.

Australian workers and ADF personnel are already training in UK and US institutions, and will bring back the skills and knowledge to develop the Australian workforce.

Just last month, 37 RAN personnel departed for Guam to embed on board USS Emory S. Land, a US submarine tender. They will use this experience to support the first ever Submarine Tender-Supported Maintenance Period at HMAS Stirling in the second half of 2024.

In December, we announced that 16 Australian universities have been allocated an additional 4001 Commonwealth-supported places in STEM courses – building the pipeline for the technical know-how we need and uplifting Australia's STEM base overall.

A number of officers have completed nuclear reactor training in the United States and eight Sailors are in the US and will shortly commence their studies.

In the United Kingdom, I am pleased to announce that three Navy engineer officers are undertaking Nuclear

Submarine training courses, and performing exceptionally well.

The Agency is currently involved in sensitive commercial negotiations on our build and sustainment partners and is in the process of providing considered advice to government. Through this process and across all phases we are working to ensure Australian industry involvement is central.

An example of this can be seen in the contract announced in December between ASA and Australian steel manufacturer Bisalloy Steels for the qualification of Australian steel for use on Australia's SSN-AUKUS conventionally-armed nuclear-powered submarines.

Thank you Chair, and I welcome questions from the Committee.