

# Senate Estimates – 26 February 2025

## Director-General ASA – Opening Statement

Thank you Chair, Vice Admiral Jonathan Mead, Director-General Australian Submarine Agency. I welcome the opportunity to be before this committee today and thank you for allowing me to provide you with a brief opening statement.

The Australian Submarine Agency continues to work at pace. Over the last several months, we have achieved significant milestones through the Optimal Pathway.

**Earlier this month, Deputy Prime Minister met his new US counterpart, Secretary for Defense Pete Hegseth.** During their discussion, they reaffirmed that AUKUS was a powerful symbol of our two countries working together in the Indo-Pacific and increasing Australia's capability through the acquisition of nuclear-powered submarines.

I had the pleasure of hosting a bi-partisan US Congressional delegation in Melbourne on 17 February, where they expressed their unwavering support to AUKUS and Australia's acquisition of conventionally-armed, nuclear-powered submarines.

Yesterday the US Virginia class submarine, USS *Minnesota*, arrived at HMAS *Stirling* in Western Australia, as part of a routine port visit. These visits support our progress towards delivering a sovereign conventionally-armed, nuclear-powered submarine and the arrival of the Submarine Rotational Force in Western Australia.

These visits build on one of the most significant milestones in our nuclear-powered submarine program, which was the Submarine Tendered Maintenance Period. The STMP commenced on 22 August, when USS *Hawaii*, a Virginia class submarine, came into port at HMAS *Stirling*.

In addition to the USS *Hawaii*, the STMP also involved the US tender ship, the USS *Emory S Land*, which had more than 30 Royal Australian Navy personnel embedded for a period of 6 months to learn the maintenance skills required to conduct work on SSNs.

Through this embedment program on the tender, and shore services provided by Australian industry and the broader RAN industrial workforce, for the first time Australians participated in planned maintenance on a Virginia Class submarine at HMAS *Stirling*, marking a major milestone for the Optimal Pathway.

In advance of the USS *Hawaii* visit, more than 30 Royal Australian Navy personnel were embedded as part of the crew of USS *Emory S. Land*, a US Tender ship based in Guam, to learn the maintenance work required. During this time, they built the skills, knowledge and experience in nuclear-powered submarine maintenance and applied those at HMAS *Stirling*.

It was tremendous to have Prime Minister Albanese, Deputy Prime Minister Marles, and Minister Conroy join us at HMAS *Stirling* on 2 September where they announced the 'Jobs for Subs' program. They were able to see this progress for themselves, and meet the Australians, Americans and Brits, proudly working together and learning together.

This historic visit was a tangible demonstration of the progress we are making towards Australia being sovereign ready to safely and securely own, operate and maintain our sovereign fleet of conventionally-armed, nuclear-powered submarines.

**We will continue to develop our workforce** through US and UK submarine visits to HMAS *Stirling*. This includes a visit in the second half of 2025 which will again see Australians conducting maintenance work on a US nuclear-powered submarine.

We will also continue to have our Navy personnel trained in the United States and the United Kingdom. At the end of 2024, there were approximately 100 personnel under training as part of the Nuclear Powered Submarine program in the United States and the United Kingdom. These numbers will continue to increase, with more than 100 personnel commencing training in 2025.

Since July 2024, Pearl Harbor Naval Shipyard in the United States has welcomed international placements for around 130 ASC personnel, with the expectation of reaching over 200 personnel in country by the end of 2025.

ASA also is working closely with the UK Government and BAE Systems to place Australian shipbuilding personnel in UK shipyards and facilities

with the view to growing Australia's sovereign industrial capabilities required to deliver nuclear-powered submarines.

I was very pleased to join the Deputy Prime Minister and Premier of Western Australia on 28 January 2025 to announce the new Defence TAFE Centre of Excellence. This is another pipeline for the development and delivery of the skills we will need. It is also another example of us working closely with our partners in Western Australia, as we are with our partners in South Australia. They are as committed as we and our AUKUS partners are.

**Our industrial uplift is also gaining momentum as the enterprise matures.** We now have 14 Australian companies progressing towards qualification, and four in contract under the Defence Industry Vendor Qualification Program, which commenced 12 months ago. This Program is designed to accelerate the qualification of Australian businesses and products for entry into the US and UK supply chains.

The development of Australia's supply chains and workforce will also be enhanced following the first Tasking Statements contracted underneath the tripartite mobilisation agreement between BAE Systems and ASC. This will enable us to work together to develop detailed plans, schedules and workforce initiatives for the Australian build program of the SSN-AUKUS nuclear-powered submarine.

**Meanwhile, we are progressing significant infrastructure works while working closely with communities and stakeholders.** At HMAS *Stirling*, Western Australia, where we will host the Submarine Rotational Force – West, the priority works proposal has just been through a second public consultation period. At Osborne, South Australia, where our SSN-AUKUS submarines will be built, a public consultation period is currently underway on a draft Strategic Impact Assessment Report for the Osborne Submarine Construction Yard.

On 16 October, the Deputy Prime Minister and Premier of Western Australia also announced Henderson would be developed as a consolidated Defence Precinct, which includes depot level and contingency maintenance facilities for our nuclear-powered submarines.

We recognise that Australia's commitment of US\$3 billion out to 2035-36 to help uplift the US Submarine Industrial Base has been of understandable interest to this committee.

This contribution will help uplift the US Submarine Industrial Base capacity and accelerate sustainment and production to enable the delivery of Virginia class submarines to Australia.

The Deputy Prime Minister announced during his visit that the first tranche of this contribution, valued at USD 500 million, was recently transferred to the US. This is a testament to our commitment to the successful delivery of AUKUS Pillar I outcomes.

As the Deputy Prime Minister said during his meeting with Secretary Hegseth, Australia's contribution to the US submarine industrial base is to benefit both the United States and Australia.

**Chair and Committee members, AUKUS is real and it is happening.** But we can't, and we won't rest on our laurels.

On 13 March, it will be the second anniversary since the Optimal Pathway for Australia's acquisition of conventionally-armed nuclear-powered submarines was determined. We have been breaking new ground every day since.

The Australian Submarine Agency continues to grow in staff numbers with around 800 APS and ADF staff. What they achieve every day is a tribute to their commitment, sense of purpose, and connection to the mission. It is also important to recognise that we are not doing this alone. We continue to work very closely with the state and local governments in South Australia and Western Australia, and with partners across the Department of Defence, the Commonwealth and our trilateral partners to deliver across the extent of the enterprise.

I welcome your questions.

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