

DG ASA OPENING STATEMENT
Senate Budget Estimates, June 2024

Thank you Chair and committee members.

With your indulgence I would like to provide a brief update since my last appearance before you.

Firstly, I would like to reaffirm that the Australian Submarine Agency, working with our AUKUS partners, continues to make strong progress across this ambitious program and is on track to deliver Australia's conventionally armed, nuclear-powered submarine capability as set out in the Optimal Pathway announced in March 2023.

On 22 March 2024, the Government announced Australia's Sovereign Submarine Partners for build and sustainment.

Two world-leading companies, ASC Pty Ltd and BAE Systems have agreed to form an incorporated joint venture, to build Australia's SSN-AUKUS submarines at Osborne, South Australia.

This model will establish a substantive and enduring sovereign Australian entity.

ASC Pty Ltd has also been selected for the sustainment of our Virginia class submarines, and in future our SSN-AUKUS submarines.

Our build and sustainment partners will be developing their supply chains, and growing a broader and more resilient AUKUS supply chain. Maximising opportunities for Australia business will be key.

This announcement represents a significant inflection point between planning and implementation and opens up opportunities for Australian industry and workers.

We continue with the critical work in building up the future workforce.

- We have Royal Australian Navy Officers graduating from both US and UK nuclear courses, performing at world class standard; and sailors in Pearl Harbour Naval Shipyard conducting extensive upskilling and hands on training with US colleagues, with Australian industry colleagues to shortly follow suit.
- These Officers and sailors are now at sea, deployed in, and conducting maintenance on US Virginia Class submarines.

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In March, the Los Angeles Class submarine USS Annapolis visited HMAS Stirling. And in Quarter three of this year a US Virginia class submarine will visit HMAS Stirling where a range of maintenance work will be led by RAN personnel embedded with the supporting US Tender support vessel, USS *Emory S Land*.

Australians sailors are currently training in Guam for this visit.

This will be an unprecedented event.

It will be the first time such work has been conducted by non-US citizens will be involved, and will take place right here in Australia.

This is the direct result of the passage of enabling legislation by the US Congress and is a clear sign of the trust and confidence the US has in this program and in Australia.

We continue to make progress at an unprecedented pace towards developing the infrastructure requirements at both Osborne in South Australia, and HMAS Stirling in Western Australia.

Indeed, this work commenced over 18 months ago, with Defence's Security and Estate Group reprioritising works to enable early commencement, and the ASA engaging both UK and US expertise during the first half of 2022 to ensure our infrastructure plans would support the AUKUS Optimal Pathways from the start.

Wharves have been upgraded, maintenance facilities built, power-supply upgraded, accommodation readied, nuclear licences granted; all these actions are readying HMAS Stirling to support Submarine Rotational Forces –West from the agreed date of 2027. We are on track

State and local government engagement in South Australia and West Australia remains central to our efforts, and a range of industry and community engagement events have been delivered.

In March 2024, Australian Naval Infrastructure contract both Kellogg Brown and Root and Aecom-Aurecon Joint Venture to further develop concept designs for the submarine construction yard at Osborne as we continue to work at pace with ASC and BAE Systems to finalise the requirements for the yard.

Stewardship, Security, and Safety remain our highest priorities.

In March 2024, the ASA submitted a licence application to the Australian Radiation Protection and Nuclear Safety Agency for a Controlled Industrial Facility at HMAS Stirling.

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This facility is to support in-water maintenance of nuclear-powered submarines at HMAS Stirling including managing of operational low-level radioactive waste from that maintenance, and from routine submarine operations.

Activities conducted inside the Controlled Industrial facility will not involve the handling, storage or disposal of any nuclear material related to the nuclear-powered submarine nuclear-fuel cycle, including spent nuclear fuel, nor any other high-level reactive material.

The strong progress is driven by the staff of the ASA which continues to welcome talent to its ranks.

As at 31 March, the Agency has 592 staff and the APS workforce has grown by 76.6 per cent since the Agency was established on 1 July 2023.

There remains a lot of work still to be done, and every day matters. We cannot rest on our laurels.

This is a nation-building program and I would like to acknowledge the collaboration, hard work and ongoing support from all Groups, Departments, Local and State governments to progress the programme.

It shows Australia at its best: Hard working, ambitious and determined.

Thank you for the time for this statement.

I welcome your questions on what I have covered here and other elements of the program which may be of interest.