



**Australian Government**

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Government response to the Senate Economics  
References Committee

Future of Australia's naval shipbuilding industry—  
Final report

May 2024

### Recommendation 1

The committee recommends that the Commonwealth and state governments work together to develop a national shipbuilding plan, incorporating the existing naval shipbuilding plan. A national shipbuilding plan should include the following:

- agreed procurement principles focused on support for a continuous build of vessels in Australia utilising Australian industry and Australian shipyards;
- at a minimum, all vessels procured by the Commonwealth, scientific and research vessels, federal police and customs and border protection vessels, and agriculture vessels. These procurements should be subject to the same level of scrutiny as naval procurements have been, and be planned accordingly in the national interest;
- how remaining shipyards not identified in the government's naval shipbuilding plan will be utilised in a continuous national shipbuilding build program;
- how Australia's commercial and exports industry can be supported and planned for into the future;
- the requirement that reporting against the plan be provided every six months to the Commonwealth Parliament for scrutiny; and
- any other matters deemed essential to the development of a holistic national plan.

**Response:**

The Government notes the recommendations. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

### Recommendation 2

The committee recommends that in the absence of a national shipbuilding plan in the short term, reporting against the government's current naval shipbuilding plan and its four key enablers and three major continuous build programs be provided to the Commonwealth Parliament every six months.

**Response:**

The Government notes the recommendations. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

### Recommendation 3

The Committee recommends that the government prioritise finalising the future location of Collins Class sustainment activities and confirm plans for the future of the ASC and its employees.

**Response:**

The Government notes the recommendations. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

#### **Recommendation 4**

The committee recommends that the funding announced in MYEFO expenditure of \$29.4 million over three years from 2017-18 for ASC job retention scholarships be immediately released to the ASC to prevent further job losses from the strategically vital naval shipbuilding industry.

**Response:**

The Government notes the recommendations. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

#### **Recommendation 5**

The committee recommends that the Naval Shipbuilding College establish structured consultations mechanisms with Industry Reference Committees associated with Naval Shipbuilding Occupations.

**Response:**

The Government notes the recommendations. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

#### **Recommendation 6**

The committee recommends that the Australian Industry Skills Committee task the existing Industry Reference Committees, responsible for the development of training products associated with naval shipbuilding occupations, with establishing Technical Advisory Groups to ensure that skills gaps identified through their own industry consultations or by Naval Shipbuilding Colleges are integrated into existing training package development and maintenance work.

**Response:**

The Government notes the recommendations. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

#### **Recommendation 7**

The committee recommends that the government provide clear definitions about what constitutes Australian involvement, content, and participation, and how this will be achieved in each project outlined in the government's naval shipbuilding plan. These definitions and requirements for Australian industry involvement are to be stipulated in each contract.

**Response:**

The Government notes the recommendations. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

**Recommendation 8**

The committee recommends that Australian Industry Capability plans for new Defence naval projects are subject to examination by the Senate – conducted in a manner similar to international treaties. The committee further recommends that finalised Australian Industry Capability plans are subject to six monthly reviews against progress by the Senate.

**Response:**

The Government notes the recommendations. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.