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31 October 2024

Mr Aaron Murphy
Joint Standing Committee on Treaties
PO Box 6021
Parliament House
CANBERRA ACT 2600

By Email Only: jsct@aph.gov.au

Dear Mr Murphy,

Thank you for the invitation to participate in the Committee's inquiry into the Agreement among the Government of Australia, the Government of the United Kingdom of Great Britain and Northern Ireland, and the Government of the United States of America for Cooperation Related to Naval Nuclear Propulsion.

ASC Pty Ltd (ASC) welcomes the opportunity to provide further information to the Committee. Answers to the written questions provided by Senator Cox in connection with ASC's attendance at the hearing on 18 October 2024 are set out below:

Q. Will the expansion of facilities involve expansion onto previously unoccupied land?

A. ASC is not responsible for the development of shipyard infrastructure. The question should be referred to Australian Naval Infrastructure Pty Ltd (ANI) and Australian Submarine Agency (ASA).

Q. If yes, who will be responsible for gauging the heritage and environmental impacts of the expansion? Has there been any planning around this?

A. This question should be referred to ANI and ASA. The ANI is responsible for the Proposed Osborne Submarine Construction Yard. The ASA is responsible agency for Environment Protection and Biodiversity Conservation Act referral. ASC in conjunction with BAES is sharing advice relating to the technical requirements for the construction of the Osborne Submarine Construction Yard.

Q. The Agreement gives the ability for the US and UK to walk away from the deal with a year's notice, taking everything with them, with no clawback for Australia. Does this concern you in terms of your business plans?

A. No.

Q. The Agreement puts Australia on the hook to indemnify the US and UK for any "liability, loss, costs, damage, or injury" associated with the use of nuclear submarines. Have you factored this into your business plan?

A. ASC is taking its future nuclear safety responsibilities very seriously and building the capability to safely build and sustain these platforms. ASC has a strong commitment to safety and an exemplary track record of environmental care in the communities it operates in. ASC will work with the Australian Government and its industry partners to ensure this risk is '*as low as reasonably practical*' and managed in accordance with the requirements of applicable legislation.

Q. Keeping in mind that the US does not make enough submarines for their own needs and won't for the foreseeable future, there is a threat that the whole deal could fall apart. How have you protected your company from the associated risk?

A. ASC is investing in its capability commensurate with its contractual position and financial risk tolerance overseen by the Board and Business Assurance and Security Committee.

Your sincerely



Stuart Whiley
Managing Director and Chief Executive Officer
ASC Pty Ltd