



10 April, 2018

Additional Support Committee  
Parliament House  
Canberra ACT 2600

Via email: [committee.sen@aph.gov.au](mailto:committee.sen@aph.gov.au)

To the Secretary,

### **Inquiry into the Future of Australia's naval shipbuilding industry**

The AMWU represents workers in Australia's ship building industry. The workers who design, build, maintain, sustain and upgrade our naval ships provide an important sovereign capability that is vital to our national security. Most of the workers in this industry are not directly engaged by the government through ASC, but are private sector employees engaged by prime contractors or their suppliers.

#### **Service and support fleet**

The RAN relies on hundreds of vessels for supply, service, support and training in order to keep their fleet of capital ships and submarines operating at maximum efficiency. A large number of these ships are managed by DMS Marine, which operates across the country. This company has designed, built and operates over 100 vessels, including 15 capital ships. As such, their workforce forms an integral part of the skills base needed to support the Royal Australian Navy (RAN).

The important skills that go into designing and building these vessels should be part of Australia's sovereign capacity. While the major capital ships have attracted much of the attention to date, these smaller vessels still have an important role to play in sustaining a viable shipbuilding industry in Australia. As such, the AMWU believes that these ships should be included in the wider ship building plan and form part of the rolling build program.

Ensuring that these ships are built in Australia would grow the number of skilled ship building workers in Australia, diversify the skills of the shipbuilding workforce and help to smooth demand in the future.

All available tools at the government's disposal should be used to help to build a strong and sustainable naval ship building industry. Inclusion of all RAN vessels as part of the ship building plan, with a requirement that they be designed and build in Australia, will assist with developing this vital sovereign capability.

#### **Maintenance Workforce**

While there has been significant attention on the larger ship yards, there is a significant workforce around Australia that play an important role in maintaining and sustaining Australia's naval vessels.

In Cairns, for example, recent investment in the facilities of Norship Marine, BSE Cairns Slipways and Tropical Reef Shipyard highlight the importance of this facility to Australia's naval capacity. Workers in these yards – as well as the suppliers and contractors that work for them – are an important asset that keep our navy running.

However, the current method of assigning maintenance work to these workers is ad hoc and does not allow for the proper development, maintenance and advancement of skills. Many of these highly skilled workers are casual or labour hire workers, being called in when there is a ship to service and effectively let go when the work is done. This makes it hard to train new apprentices and makes it much more likely that these skilled workers will be lost to other industries where they can find more reliable employment opportunities.

The same benefits that flow from a continuous program of building work would also apply to the maintenance of RAN vessels, large and small. An unpredictable program with long breaks in employment will see skilled and experienced workers leave the industry, it makes it hard to train new apprentices and provide experience to workers as they learn to master their trade. At a business level, it makes it harder to achieve economies of scale and to invest in the infrastructure that will make work more productive and efficient.

The AMWU encourages the Committee to further investigate options to plan the maintenance workload across all shipyards to ensure a consistent supply of work that will support a skilled and experience workforce to be engaged and trained.

Kind regards,



Glenn Thompson  
NATIONAL ASSISTANT SECRETARY