

Defence Portfolio

COMMITTEE INQUIRY QUESTION

(Question No.76)

Senator Anthony Chisholm asked the Department of Defence, upon notice, on 18 October 2021:

Turning specifically to nuclear-powered submarines. Can you confirm it is the Government's intention to acquire nuclear-powered submarines following an 18-month consultation? What are the costs associated with this plan?

The Department of Defence has provided the following answer to the Senator's question:

As stated by the prime Minister on 16 September 2021, *'The first major initiative of AUKUS will be to deliver a nuclear-powered submarine fleet for Australia. Over the next eighteen months we will work together to seek to determine the best way forward to achieve this.'*

Government has approved funding of up to \$300 million for the operation of the Task Force. This will be spent in a range of areas including:

- Contributions to other entities such as DFAT, ARPANSA & ANSTO who will undertake work in direct support of the Task Force;
- Expenses incurred by our US & UK partners in direct support of the work of the Task Force;
- Technical studies; and
- Task Force operating costs including travel.

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COMMITTEE INQUIRY QUESTION

(Question No.78)

Senator Anthony Chisholm asked the Department of Defence, upon notice, on 18 October 2021:

What has the government agreed to give US and UK industry to get agreement to AUKUS? What other US and UK capabilities/programs have we signed up to as part of this agreement? What consideration was given to Australian industry in the Government's assessments and negotiations?

Senator Anthony Chisholm - The Department of Defence has provided the following answer to the Senator's question:

On 16 September the Prime Minister, alongside President Joe Biden and Prime Minister Boris Johnson announced; a new enhanced trilateral security partnership – AUKUS. This builds on the three nations' longstanding and ongoing bilateral ties to deepen practical cooperation on a range of emerging security and defence challenges. As the first initiative under the AUKUS banner, Australia will acquire a fleet of at least eight nuclear-powered (not nuclear-armed) submarines.

AUKUS is a framework to enable deeper cooperation on a range of defence and security capabilities. Accordingly, as leaders announced, our three nations will also work to enhance joint capabilities and interoperability, initially in cyber, artificial intelligence, quantum technologies and undersea capabilities. Work is underway to identify specific priorities and timeframes for this activity. AUKUS will enable our three countries' to better collaborate to enhance our defence capabilities. This will be a significant benefit to the workforces of these industries for generations to come.

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COMMITTEE INQUIRY QUESTION

(Question No. 95)

Senator Anthony Chisholm asked the Department of Defence, upon notice, on 18 October 2021:

At FADT Estimates, 29 November 2019, then-Minister Reynolds stated: I can say that, at the last estimates, I did indicate that from next estimates—early next year—we would prepare a new baseline. So the figures we gave at the last estimates we said that we're still working on. But then, from the next estimates and every estimates from then, we will have that as a baseline so that we can see progressively what the changes are as we move into greater fidelity as the projects stand up. Please confirm:

- a. If the revised baseline occurred? If so, when?
- b. What effect did that have on the revised estimates of direct jobs?
- c. Has there been additional revisions to the baseline since Senator Reynolds' comment? If so, when did each revision occur?
- d. When is the next revision of the baseline expected to occur?

The Department of Defence has provided the following answer to the Senator's question:

Workforce demand baselines are revised every six months as data is collected and analysed.

The Prime Minister's 16 September 2021 announcement of the AUKUS trilateral partnership resulted in a series of changes for the Naval Shipbuilding Enterprise. The implications for future workforce demand are currently being assessed by the Department of Defence.

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COMMITTEE INQUIRY QUESTION

(Question No.79)

Senator Anthony Chisholm asked the Department of Defence, upon notice, on 18 October 2021:

The announcement on 16 September mentioned Australia would acquire a minimum of eight nuclear-powered submarines. Where is the minimum of eight noted in the official AUKUS agreement material signed by the three countries?

The Department of Defence has provided the following answer to the Senator's question:

On 16 September 2021, the Prime Minister said that “under AUKUS, the three nations will focus immediately on identifying the optimal pathway to deliver at least eight nuclear-powered submarines for Australia.”

Determining the number of nuclear-powered submarines for the Royal Australian Navy is a matter for the Australian Government.

COMMITTEE INQUIRY QUESTION

(Question No.98)

Senator Anthony Chisholm asked the Department of Defence, upon notice, on 18 October 2021:

Q. The Government has not made a final decision on the location of Full Cycle Docking (FCD) despite promising to by the end of 2019, and an answer on notice (Q.4, to Sen. Chisholm, asked on 6 August 2021, [Attachment 35]) regarding Life of Type Extension (LOTE) says “Second pass approval for the Collins class submarine life-of-type extension core work package is planned to be sought in 2022-23”.

- a. How many South Australian direct jobs are associated with FCD?
- b. How many South Australian direct jobs are associated with LOTE?
- c. Given a final decision on the location of FCD has not been made, what are the number of direct jobs in South Australia that would be estimated to be lost or moved if some/all of FCD is not conducted in SA after 2024?

The Department of Defence has provided the following answer to the Senator’s question:

Refer to Question No. 4148 asked by Senator the Hon. Penny Wong on 14 September 2021.

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COMMITTEE INQUIRY QUESTION

(Question No.82)

Senator Anthony Chisholm asked the Department of Defence, upon notice, on 18 October 2021:

In Malcolm Turnbull's National Press Club address he stated:

Following the AUKUS announcement, I was advised by the Government that the work I had commenced on nuclear options continued and it had been concluded that Australia could use the modular HEU reactors currently deployed in the UK Astute and US Virginia class submarines which, because of their HEU fuel, do not require replacement during the 35 year life of the sub. This, it is contended, means that Australia could have a nuclear-powered submarine without any need to maintain, service or refuel the nuclear reactor.

This is very different advice to that given to the Government as recently as three years ago.

When did the Government/Defence receive the new advice on the new nuclear-powered capability?

Who provided this advice? Was it solicited by Australia? (If so, by whom?)

The Department of Defence has provided the following answer to the Senator's question:

In launching the Defence Strategic Update in July 2020, the Government outlined how rapidly Australia's strategic environment was deteriorating. In recognition of our deteriorating strategic environment and the rapid militarisation of our region, Prime Minister Morrison directed the Secretary of Defence and the Chief of the Defence Force to bring forward a strategic review focused on enhancing Australia's defence capabilities.

As the Chief of the Nuclear-Powered Submarine Task Force, Vice Admiral Jonathan Mead said at the Senate Estimates References Committee on Shipbuilding on 15 October 2021, he led a small team from February 2021 through to September 2021, undertaking a classified Defence Capability Enhancement Review.

The classified review reaffirmed the need for Australia to invest in high-end capabilities that bolster our deterrence and better prepare us to respond in the event of conflict in our region. In particular, the review reaffirmed that future submarine capability would be critical to our defence strategy and that Australia should explore the feasibility of acquiring nuclear-powered submarine technology.

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COMMITTEE INQUIRY QUESTION

(Question No.84)

Senator Anthony Chisholm asked the Department of Defence, upon notice, on 18 October 2021:

Sheridan has also commented that “Before going into nuclear-powered submarines these nations all had huge nuclear-capable workforces. Yet each found developing nuclear-powered subs a long, slow, tortuous process. We, in contrast, start from nothing”. Won’t the necessary investment in local workers, skills and training, require a long lead-in time? What are Defence’s plans on this issue?

The Department of Defence has provided the following answer to the Senator’s question:

Over the next 18 months, Australia, the UK, and US, through the AUKUS trilateral effort on conventionally-armed nuclear-powered submarines, will examine the full suite of requirements that underpin the delivery of these submarines in order to determine the optimal pathway for Australia.

Australia will leverage the technology, capability and design expertise from the UK and US and will also evaluate a variety of considerations, including but not limited to submarine design, construction, safety, operation, maintenance, disposal, regulation, training, environmental protection, installations and infrastructure, industrial base capacity, workforce, and force structure.

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COMMITTEE INQUIRY QUESTION

(Question No.85)

Senator Anthony Chisholm asked the Department of Defence, upon notice, on 18 October 2021:

As I understand it, it takes the US seven years to build a Virginia-class sub. It takes the UK 10 years to build an Astute, and there have been troubles getting the Astute to work properly. The point being there seems to be genuine concerns about delays and capability gaps. When is it likely Australia will acquire – or lease – its first nuclear-powered submarine?

The Department of Defence has provided the following answer to the Senator's question:

Pending the outcome of the 18 month trilateral effort between Australia, the UK and US to intensively examine the full suite of requirements underpinning nuclear stewardship, an Australian capability will be brought into service at the earliest achievable date. Australia will leverage the expertise of our UK and U.S partners to identify the optimal pathway to deliver a nuclear-powered submarine considering, cost, scale, complexity and delivery timeline.

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COMMITTEE INQUIRY QUESTION

(Question No.86)

Senator Anthony Chisholm asked the Department of Defence, upon notice, on 18 October 2021:

Aside from AUKUS, what additional options are Defence considering to fill the likely capability gap between the Collins and nuclear-powered subs? NAVY

- If subs are to be leased, then how many submarines are there currently available for lease?

The Department of Defence has provided the following answer to the Senator's question:

Navy does not anticipate that there will be a capability gap. The optimum pathway to nuclear powered submarines will be developed by the Nuclear Powered Submarine Task Force over the next 12-18 months.

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COMMITTEE INQUIRY QUESTION

(Question No.87)

Senator Anthony Chisholm asked the Department of Defence, upon notice, on 18 October 2021:

Are Defence considering diesel-electric submarines in addition to the nuclear-powered submarines?

The Department of Defence has provided the following answer to the Senator's question:

No.