Doorsstop - Future submarine project

May 8, 2013

Re: Future submarine project, women in combat

JOHNSTON - I want to confirm on behalf of the Coalition that we are firstly committed to submarines for the Royal Australian Navy, they are a very important and vital and special capability as a deterrent. Second, I want to confirm that the 12 submarines as set out in the 2009 Defence White Paper and then again in last Friday’s Defence White Paper are what the Coalition accepts and will deliver.

We will deliver those submarines from right here at ASC in South Australia. Now why ASC? Right across Australia there is only one place that has all of the expertise that’s necessary to complete one of the most complex, difficult and costly capital works projects that Australian can undertake. It’s ASC here in Adelaide. We believe that all of the expertise that is necessary for that project is here.

The sad fact is, that this project was on the books from 2008, the National Security Committee of this current Labor Government considered this project, adopted it, and has done absolutely nothing in the last five years. We are facing a capability gap with the ageing Collins Class submarine and we need to fill that gap with a new submarine or repair Collins, everything is very urgent.

The Coalition today is committed to building 12 new submarines here in Adelaide, we will get that task done, and it is a really important task, not just for the Navy but for the nation. And we are going to see the project through, and put it very close after force protection, as our number priority if we win the next Federal Election. Over to you Steve.

MARTHA - Can I just say I am very grateful for Senator Johnston coming to South Australia and confirming the Coalition’s policy, to build 12 submarines here in South Australia. It’s fantastic news for South Australia, it’s fantastic news for the people who work in the defence sector in South Australia, there has been a big cloud hanging over their heads for an extended period of time, the Government announced this in 2009 and as Senator Johnston said has done very little since then, we still have no clarity about the time frame, the cost for the project from the Government whatsoever, but what we have got today is a real focus from the Opposition, this a major priority for us as the Federal level and we are just so delighted here in South Australia that Senator Johnston has been able to come along and confirm that for us today.

JOURNALIST - The Federal Government has not put a time frame on the new subs, if elected to government when will a Liberal Government construct the subs here?

JOHNSTON - This is a really important question. You must realise that we in the Opposition are outside the tent. The Minister has down-selected from four options to two options. Now we accept the Minister’s decision that he is taking the best available professional and technical advice, to down selected to an evolved Collins Class submarine or a completely new design. So we will be picking up, if we win the next election, the cudgel for this project as fast as we possibly can. We have said that we want to re-do this White Paper, we want to put some numbers in it. When you turn to Chapter 7 on the White Paper, headed “Defence Budget and Finance” over one and half pages there is not one single dollar figure.

Secondly throughout the document there is not one single scheduled date. So this is a document that really is smoke and mirrors, this is in line with all of the broken promises of this Government, be it no carbon tax, be it stopping the boats, all of those sorts of things is very typical of a Government that is full on splash, very little on a delivery. We will have a White Paper that will spell out the plan, the road forward will be mapped out in a clear, transparent way as to how we make this project actually start and come to fruition.

JOURNALIST - I think you have talked about it taking 18 months to put something like that together, won’t that contribute to the ‘valley of death’ that we here about between projects now at ASC?

JOHNSTON - There a lot of things that innovatively can be done to maintaining the workload here at ASC. That’s a different question to submarines, what we want to do is to under promise and over deliver and I want to get into this program as quickly as we possibly can, I want to see a really stable, risk averse design for these submarines. I want to map out the funding schedule so that Government, in the out years, and bearing in mind this Government has said they have got a four year funding cycle in this White Paper, this is a project that will last beyond 2030, so a four year funding cycle is just ridiculous. Now the fact is, we will have a plan that you can pick over, you can point to, you can see dates, times and money.

JOURNALIST - But in terms of the valley of death, the Federal Government talks about potentially bringing forward supply ships and patrol boats, what commitments can you give the workforce here that there will be work for them, post 2019, up until the new subs are built?

JOHNSTON - Look there are a whole host of projects that we desperately need. For instance, replenishment ships, we are currently paying the Spanish Navy $10 million a year to bring their replenishment ship Cantabra out to the Pacific because ours is broken down. Now obviously we are in urgent need of these ships to be replaced.

Now there is plenty of work around but the really hard task, given last week we found out we are in deficit to the tune of $7 1/2 billion, yesterday we find out its $17 billion, the hard part on all of these things is finding the money. Now I think we can do that because that we are going to cut the waste, run things more efficiently, we are going to get to the economy going properly.

I want to have a look at what Navy wants. I believe it has said that it doesn’t operationally require a fourth Air Warfare Destroyer, that’s pretty persuasive. But lets have a look at all of those matters, put them on the table, and you will be able to see the plan in our new White Paper that deals with all of these issues and gives some hope, and something that industry can invest in.

Remember, Defence industry in the last five years has lost 5,000 jobs, those jobs have mainly come out of South Australia, that’s what this Government has delivered to South Australia, a lot of job losses because they have not invested in Defence industry in Australia. So we’re looking at turning that around as fast as we can, it’s a huge task, but our White Paper will spell out what we are going to do.
JOHNSTON - Look, I accepted the Minister's down-selected to those two options, the evolved Collins and a new design. He's said that the first two, that is, the military off the shelf option and a modified military off the shelf option will be, and he's used a bit of a wasted word, he said they will be suspended. Now I don't know what suspended really means.

This whole document that we had, this White Paper on Friday is full of words like 'modest' 'suspend' and 'some time around' these are vagaries that I think are wasted words. Now Navy has obviously, I hope, told him that the best way forward is either an evolved Collins or a completely new design and I accept that. With respect to the military off the shelf options, I know that the European submarines are small, have very minimal, relative range, and do not suit the requirements that we have for probably our most significant deterrent capability. So on that basis I accept what the Minister has said. Now look if everything that the Minister has said is based on fantasy, we'll tell you and we'll revisit this. But at the moment I believe he has accepted the best advice technically and professionally that he can.

JOURNALIST - Where does that leave us though, you said you didn't like the idea of a new Collins, but you are accepting now that perhaps with the improvements that have been made over recent years that is still an option?

JOHNSTON - Well I think that the ASC has done a really remarkable job in getting this Collins Class back into the state that it's almost in now. It's getting better by the day; HMAS Rankin is sitting in a shed over there, it's been out of the water for five years and it's actually the youngest of the six boats. Now the drive train is a problem, there is a whole host of issues with the Collins, it's been extraordinarily unreliable, nobody else has any of the motor or parts, the drive train parts in their submarines, we've had to do everything on our own, re-machining parts and pieces, it has been a very expensive operation.

The cost of ownership for Collins, with about two on the water at any given day, is $1 billion a year. Now that's a huge burden on Navy, it's a huge burden on the taxpayer. So when someone says to me, lets go with an evolved Collins, I get a little bit nervous about that.

JOURNALIST - So when the Government also says that they want to extend the life of the existing fleet up to potentially 2038, you mention Rankin, is this going to be possible? Would a Liberal Government carry through on that plan?

JOHNSTON - Given the Government has done nothing for the last five years, with submarines, the new submarine and very little to repair and maintain Collins, and we've had the Coles Reports recently, we are in a very bad place in respect to the capability gap in terms of having submarines out into the future, consistently in the water, protecting Australia's sea lanes and doing the work that submarines do.

Now we've got to get a handle on how realistic it's going to be to continue to repair and maintain the Collins Class submarine into the future, if it's realistic, cost effective and viable we'll do it, and we'll spell out a plan.

But the fact is, history would suggest that it has been a very problematic class, a very expensive class, it was originally sold to us as being low maintenance, low manning and highly capable. Now it has been very highly capable at times, but the reliability has been a huge problem for us.

So we want to avoid the capability gap, we want to get the new project running as fast as we possibly can, it's a highly complex project, we've got to be very careful, we want to get it right and we are going to need a lot of overseas design assistance.

JOURNALIST - Could we ask you, I think we've had a bit of an overhaul on women in the Defence Forces, we've got a lot more roles that they can have a go at. But we've only had one application, we are told, since that capability was lifted in January 1 for various roles, what's your reaction to that?

JOHNSTON - The combat roles I think you are talking about. Look there are 18 per cent of women in the Royal Australian Navy, they are now such a vital component in the Navy that I don't think the Navy is capable in any respect without all the women that contribute to maintain our national security in Navy.

14 per cent across Air Force, 14 per cent across Army. Now the test is not one based on gender, it's about the intellectual and physical capacity, it's a very simple, non-gender specific test – if you pass it you can go into combat.

How many have made that grade I think is not reflective of any bias or anything else but can I say Navy is using women more and more every day, their performance and contribution is simply outstanding.

JOURNALIST - One of the issues being raised here is not necessarily whether or not (inaudible) but only one person has even applied. So has it been a little bit oversold as an issue in the military?

JOHNSTON - Look it may have been and time will tell. Maybe there are some candidates and recruits that knowing they can go all the way and maybe be part of say, the SAS, maybe they will join the ADF, who can tell. But in five years we'll look back and we'll see and review all the data and we'll see what having those tests has meant in terms of women make the grade and what contribution they make in terms of combat capability – but elsewhere, Navy particularly – fabulous job.

JOURNALIST - Do you think people have moved beyond this suggestion that women could be a liability in combat roles?

JOHNSTON - Well look like the mining industry, the mining industry in Western Australia depends upon women driving 3 and 400 tonne dump trucks every single day, now they've learnt that women can be a very vital, underutilised labour resource in terms of productivity. Navy is coming to that conclusion here and I think the future is very bright for women in the ADF more broadly.

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