

With the committee's indulgence I would like to make an opening statement

Madam chair and distinguished members of the committee, can I thank you for the opportunity to make a submission to this inquiry and to appear today

The National Shipbuilding Plan is strategic and truly nation changing and we commend the Commonwealth on embarking on this exciting endeavour

Naval Group is proud to be playing our role as Australia's design and build partner for the Attack Class submarines and significant progress has been made since we last appeared before a parliamentary committee

Last year we signed the Strategic Partnering Agreement, setting out the principles of cooperation for the program and have subsequently signed the design and mobilisation contract

Through the SPA, Naval Group and Defence have established the formal arrangements necessary for the effective administration of the program

The recent ANAO report confirmed we are working within a fit for purpose strategic partnership framework that addresses the government's objectives for the program.

We have laid the foundations for a successful long-term partnership and we are incredibly proud of this achievement.

We are playing a significant role in ushering in a new era of sovereignty and submarine design, build and sustain capability in Australia

The final product, a formidable and advanced submarine, will be something the entire nation has been part of delivering

Importantly, developing Australian industry goes hand in hand with this delivery and is a priority for Naval Group

We are committed to maximising industry opportunity at every phase of the program

There has been recent commentary questioning Naval Group's commitment to industry which has been both disappointing and inaccurate.

In the programs we have been associated with in Brazil and India, we exceeded our ambitions for local content and capability and we are extremely confident we will do the same in Australia even though Australia is a much more demanding customer.

Therefore herewith we commit to a level of Australian industry capability that will have the effect of at least 60% of the Naval Group contract value spent in Australia.

We are confident this can be achieved as we will be building the entire fleet of 12 submarines in Australia.

We always anticipated this would be the case.

Notwithstanding this commitment we will continue to maximise further opportunities for Australian Industry.

Make no mistake, Australian suppliers will always be the first point of call and the preferred source in our procurement process.

We want the highest possible Australian industry capability in the program

Not only is this good for Australia but it is good for Naval Group to have as much local participation as possible

We are committed to maximising opportunities for Australian industry

Under the National Shipbuilding Plan one of the key enablers is activating a national enterprise approach

I am pleased to report that we have taken a significant role in ensuring we collaborate with other primes as we recognise that collaboration is fundamental to the success of the various national defence programs.

Last year we signed a framework agreement with ASC.

The aim of this is to maximise the capability, economic and industrial benefits for the submarine enterprise.

We recently signed our first training initiative under the agreement

In the first placement of its kind, ASC will integrate our apprentices into its existing, highly competitive fabrication program.

Our apprentices are being given the opportunity to train to the highest standards, fit for the demanding work of welding submarine hull steel.

We also recently signed the Naval Shipbuilding Industry Strategic Workforce Plan.

In an industry first, major primes and the Naval Shipbuilding College are sharing workforce demand and skillset data to ensure the programs have access to people, with the right skill set, at the right time.

This level of collaboration is unprecedented and is a historic moment for shipbuilding in Australia.

Can I finally say a few words about our workforce.

At the time of the bid, Naval Group Australia numbered 18 people.

We now have 198 people in Australia working on all aspects of the program – from submarine and shipyard design to procurement.

This year we will continue our ramp-up with a focus on engineering and Information Communication Technologies, to ensure we continue to build our local capability in regards to our knowledge, systems and tools.

Soon, the next cohort of Design Authority engineers will relocate to Cherbourg in France to undertake specific submarine design training

At our peak we will have approximately 1800 direct jobs and will create thousands more in the supply chain.

People are being given a once in a lifetime opportunity to contribute to the Program.

It truly is a job for life.

As Executive Vice President of this program, I am thankful for our dedicated workforce both in France and in Australia

They are all focused on one thing – delivering sovereignty and regional superiority to the Royal Australian Navy.

I would like to take the opportunity to again re-affirm Naval Group's commitment to delivering and building the 12 Attack Class submarines in Australia

We will meet Australia's requirements on time, on budget and through maximizing Australian industry involvement.

I thank you again for inviting us to appear.