

## Appendix 3

### Extract from Foreign Affairs, Defence and Trade References Committee, *Procurement procedures for Defence capital projects*, Final Report, August 2012 Recommendation 16

#### Future submarines SEA 1000

*Recommendation 16—Early planning and analysis*

*paragraph 3.20*

Because the future submarine project is still at an early stage, and based on the RAND study, the Coles Report, independent defence analysts and the past performance of major Defence acquisition projects, the committee recommends that government and Defence start work immediately to:

- ensure that the program is directly managed by the Chief of Navy supported by the ASC and DMO where relevant, the scientific community and the public—support must be both external to the program and internal within the navy and submarine community;
- avoid early lock-in through premature weapons systems choices;
- ensure that the capability sought is available and minimises developmental risks;
- take drastic action to address the serious skill shortages identified by RAND before a decision on assembly in Australia is made, regardless of type and design;
- ensure that the program is open and transparent—full disclosure throughout the program is necessary to obtain government, industry and public support;
- involve experienced people in key management positions—this requires a strategy to grow people so they are experienced in various disciplines—a top-level strategic lesson must be implemented far in advance of any specific program; and
- listen to technical community concerns about risk—the technical community, supplemented by outside expertise from industry and allied technology partners as necessary, should understand the state of technology and the degree to which a new design extends that technology.<sup>1</sup>

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1 A number of the recommendations are taken from, or based on, RAND, *Learning from Experience, Volume IV, Lessons from Australia's Collins Submarine Program* 2011, pp. xiii–xiv.

