Recommendation 1
The committee recommends that the government not enter into a contract for the future submarine project without conducting a competitive tender for the future submarines, including a funded project definition study.

The tender should invite at least two bidders, preferably up to four, to participate.

The tender for the future submarine project should be conducted in line with the committee's recommendations and the guidelines set out in the Defence Policy Procurement Manual.

A request for tender should invite the bidders to provide the Commonwealth with:
- a Project Definition Study and preliminary design that meets Top Level Requirements; and
- a pricing arrangement to build a certain number of submarines and provide ten vessel years of integrated logistics support, post commissioning.

Recommendation 2
The committee recommends that the competitive tender process for the future submarines begins immediately.

As noted by several independent witnesses, there remains sufficient time to conduct a competitive tender for the future submarines while avoiding a capability gap. This is due to the work on the future submarines undertaken by the previous government.
In his evidence, Dr John White set out a timetable that included a competitive tender process, contracting, construction, testing and introduction to service without a capability gap.

If followed, this timetable would allow the government obtain the best submarine capability at the best price, while avoiding a capability gap.

Recommendation 3

Given the weight of the evidence about the strategic, military, national security and economic benefits, the committee recommends that the government require tenderers for the future submarine project to build, maintain, and sustain Australia’s future submarines in Australia.

When selecting its preferred tenderer the government must give priority to:

- Australian content in the future submarines; and
- proposals that would achieve a high degree of self-reliance in maintaining, sustaining and upgrading the future submarines in Australia for the entirety of their lifecycle.

Recommendation 4

The committee recommends that:

- The government formally and publically rule out a MOTS option for Australia's future submarines.
- The government focus its efforts on the 'new design' or 'son-of-Collins' options for Australia's future submarines and suspend all investigations for acquiring a MOTS submarine, including the current Japanese Soryu-class.

Recommendation 5

The committee recommends that Defence and the government start immediately to:

- strengthen and build a more collaborative relationship with Australia's Defence industry and engender a co-operative environment in which industry is encouraged to marshal its resources in support of a broader Australian shipbuilding industry capable of acquiring and building a highly capable fleet of submarines;
- listen to the technical community's concerns about risk—the technical community, supplemented by outside expertise from industry and allied technology partners, understand the state of technology and the degree to which a new design extends that technology;
• consult with retired naval engineers and submariners, especially those who have been involved in reviews of the Collins class submarines and subsequent reforms, and include the most knowledgeable and experienced in a first pass gate review;

• work with Australian and Australian-based businesses, from prime contractors to small and medium businesses, to ensure that the contribution that can be made by Australian industry is identified and integrated as much as possible into the project plan;

• ensure that opportunities to improve skills and upgrade facilities, particularly those that have multiple uses, are identified so that investment in the human and physical capital required for this project is maximised;

• risks associated with the transfer of technology are anticipated, identified brought promptly to the government's attention and managed effectively—such risks go beyond securing the rights to IP and also take account of potential or real political and cultural incompatibilities; and

• experienced and senior people in key management positions are involved in the project—this requires a strategy to grow people so they are experienced in various disciplines.