



Australian Government

# TALKING POINTS

<b>Subject</b>	<b>AUKUS and Australia's Pursuit of Nuclear-Powered Submarines</b>
<b>Date</b>	23 September 2021
<b>Type</b>	Whole of Government
<b>Email</b>	<a href="mailto:taskforce.media@defence.gov.au">taskforce.media@defence.gov.au</a>

## RECENT MEDIA RELEASES, STATEMENTS etc.

JOINT LEADERS STATEMENT by Prime Minister of Australia, Prime Minister of the United Kingdom and President of the United States – [Joint Leaders Statement on AUKUS](#)

MEDIA STATEMENT by Prime Minister of Australia, Minister for Defence, Minister for Foreign Affairs, Minister for Women – [Australia to pursue nuclear-powered submarines through new trilateral enhanced security partnership](#)

PUBLIC ADDRESS by Prime Minister of Australia – [Address: AUKUS – Canberra, ACT](#)

FAQs by Nuclear-Powered Submarine Task Force – [Frequently Asked Questions](#)

## KEY FACTS

### Establishment of AUKUS:

- On 16 September 2021, Prime Minister Scott Morrison, President Joe Biden and Prime Minister Boris Johnson announced a new enhanced trilateral security partnership between Australia, the United Kingdom and the United States—called AUKUS.
- Australia's strategic environment has deteriorated more rapidly than anticipated.
  - Military modernisation is occurring at an unprecedented rate.
  - Capabilities are rapidly advancing and their reach expanding.
  - The technological edge enjoyed by Australia and our partners is narrowing.
- The Indo-Pacific—Australia's region—is now the centre of strategic competition.
- AUKUS will build on the three nations' longstanding and ongoing bilateral ties, and will enable the partners to significantly deepen cooperation on a range of emerging security and defence capabilities.



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- AUKUS will also complement Australia's network of international partnerships, including with ASEAN, our Pacific family, Five Eyes, the Quad, and other like-minded partners in the region.
- AUKUS will complement our collective efforts to meet the challenges posed by our strategic circumstances and ensure the Indo-Pacific remains stable, secure and prosperous, and free from coercion.
- The first major initiative under AUKUS is to support Australia's acquisition of conventionally-armed nuclear-powered submarines for operation by the Royal Australian Navy.
- This capability—which the Government intends to build in South Australia—will significantly enhance Australia's ability to deter threats, maintain our capability edge and to uphold stability and support security in the Indo-Pacific.
- Through AUKUS, we will also collaborate to enhance our joint capabilities and interoperability, focusing initially on cyber security, artificial intelligence, quantum technologies and additional undersea capabilities.

### **Nuclear-powered submarines:**

- Submarines are an essential part of Australia's naval capability, providing a strategic advantage in terms of surveillance and protection of our maritime approaches.
- As a three-ocean nation that relies on maritime trade and lines of communication, submarines contribute to our mission to protect Australia and its national interests.
- Submarines are designed to operate and strike without warning. They are highly versatile and can strike a range of targets, collect intelligence, conduct mine warfare and support special operations.
- Nuclear-powered submarines maintain superior characteristics of stealth, speed, manoeuvrability, survivability, and almost limitless endurance, when compared to conventional submarines.
- They can deploy unmanned underwater vehicles, and carry more advanced and a greater number of weapons.
- These abilities allow nuclear-powered submarines to operate in contested areas with a lower risk of detection and deter actions against Australia's interests.
- It is the Australian Government's intention to build these submarines in South Australia.



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- Over the next 18 months, Australia, UK, and US, through the AUKUS trilateral effort on conventionally-armed nuclear-powered submarines, will intensively examine the full suite of requirements that underpin nuclear stewardship, with a specific focus on: safety, design, construction, operation, maintenance, disposal, regulation, training, environmental protection, installations and infrastructure, industrial base capacity, workforce, and force structure.
- Australia does not and will not seek nuclear weapons.
  - The Prime Minister has unequivocally reaffirmed that this is not on our agenda – nor is it in our interests.
- Australia will continue to meet our obligations under the Treaty on the Non-Proliferation of Nuclear Weapons and other relevant agreements, including with the International Atomic Energy Agency (IAEA).

### **Attack class program workforce:**

- The Government is committed to finding a role for each and every skilled shipbuilding worker impacted by this announcement.
- The nuclear-powered submarine program will create thousands of jobs in Australia over the coming decades.
  - During the transition to the nuclear-powered submarine program, the Government is committed to ensuring that critical skills are retained in the shipbuilding sector in Australia.
- The Government will partner with our Australian-owned sovereign shipbuilder, ASC, to manage and implement the new Sovereign Shipbuilding Talent Pool.
  - The Government is committed to finding a role within the Sovereign Shipbuilding Talent Pool for each and every skilled shipbuilding worker impacted by this announcement.
  - The Sovereign Shipbuilding Talent Pool will re-deploy the existing shipbuilding workforce throughout current and new shipbuilding programs, while building the nuclear-powered submarine skills that will be crucial for the success of the nuclear-powered submarine program.
- South Australia will also continue to complete full-cycle dockings for Collins and, in 2026, will commence the life-of-type extension of HMAS *Farncomb*; the first of all six Collins class submarines to be extended.



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- The Government is investing \$4.3 – 6.4 billion in the life-of-type extension of all six Collins class submarines.
  - Collins class submarine sustainment activities, including full-cycle docking and life-of-type-extension, will this decade support over 1800 jobs in both South Australia and Western Australia.
- In addition, the Government's continuous naval shipbuilding program will create thousands of multi-generational shipbuilding and sustainment jobs. These projects include:
  - Upgrades to the Hobart class air warfare destroyer this decade in South Australia.
  - Construction of two Arafura class offshore patrol vessels and nine Hunter class frigates in South Australia.
  - In Western Australia we are committed to building 10 Arafura class offshore patrol vessels, 21 Guardian class patrol boats, and six evolved Cape class patrol boats.
  - Up to eight new mine countermeasure and military survey vessels based on a variant of the Arafura class will be delivered from Henderson from the mid-2020s.
  - The ice-rated replacement for Navy's *Ocean Protector* (and potentially Border Force's *Ocean Shield*) will be constructed at Henderson from late this decade, and a new large forward support vessel, and two to four support ships for the enhanced undersea surveillance system will be constructed at Henderson from early in the next decade.
  - Collins class submarine intermediate and mid-cycle dockings will continue to be performed at Henderson through until the mid-2040s.
  - Regional Maintenance Centres are planned for NSW, the Northern Territory, Western Australia and Queensland, providing sustainment hubs through which local businesses can contribute to nation-wide supply chains.

For more information see: [www1.defence.gov.au/nuclear-powered-submarines](http://www1.defence.gov.au/nuclear-powered-submarines)



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## AUKUS – Enhanced trilateral security partnership

- Australia, the United Kingdom and the United States have established an enhanced strategic partnership – AUKUS
- AUKUS is a step-change to our relationship that will enable deeper cooperation, including on a range of security and defence capabilities
- AUKUS complements the Australian Government's network of partnerships, including with ASEAN, our Pacific Family, Five Eyes partners and like-minded partners in the region, such as the Quad.
- The leaders of Australia, the United Kingdom and the United States share a mutual interest in maintaining security and stability in the Indo-Pacific.
- With the formation of AUKUS, our three nations recommit to protecting our shared values and promoting security and prosperity.
- Guided by a formal memorandum of understanding (MOU) agreement and our shared liberal democratic values, this momentous trilateral partnership – AUKUS – will promote security in the Indo-Pacific for decades to come.
- AUKUS is a momentous partnership in Australia's history that will significantly deepen our three countries' cooperation on a range of security and defence capabilities for decades to come.
- AUKUS will complement our collective efforts to meet the challenges posed by our strategic circumstances and ensure the Indo-Pacific remains stable, secure and prosperous, and free from coercion.
- Under AUKUS, our nations we also embark on further trilateral collaboration to enhance our joint capabilities and interoperability, focussing initially on cyber capabilities, artificial intelligence, quantum technologies and additional undersea capabilities.
- AUKUS will also enable our three countries' to better collaborate on defence science, research and education, technology, joint capabilities and industrial bases. This will be a significant benefit to the workforces of these defence industries for generations to come.
- The first initiative under AUKUS is to support Australia to acquire nuclear-powered submarines for the Australian Defence Force.
  - Over the next 18 months, the three nations will intensively examine the full suite of requirements that underpin nuclear stewardship, with a specific focus on safety, design, construction, operation, maintenance, disposal, regulation,



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training, environmental protection, installations and infrastructure, industrial base capacity, workforce, and force structure.

## Strategic environment

- Australia's strategic environment has deteriorated more rapidly than previously anticipated and the Indo-Pacific has become the centre of military competition.
- Military modernisation is occurring at an unprecedented rate. Capabilities are rapidly advancing and their reach expanding. The risk of conflict is growing.
- The technological-edge enjoyed by Australia and our allies is narrowing.
- The leaders of Australia, the United Kingdom and the United States share a mutual interest in maintaining security and stability in the Indo-Pacific.
- With the formation of AUKUS, our three nations recommit to protecting our shared values and promoting security.
- In launching the Defence Strategic Update in July 2020, the Government outlined how rapidly Australia's strategic environment was deteriorating.
  - In the Indo-Pacific, strategic competition has increased.
  - Military modernisation is occurring at an unprecedented rate.
  - Capabilities are rapidly advancing and their reach expanding.
  - The technological edge enjoyed by Australia and our partners is narrowing.
- Australia is committed to developing a more capable military force that will allow us to continue to help shape the future trajectory of the region in ways that support security and prosperity for all – Australians and our neighbours and partners, including our Pacific family.
- 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.
- This 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.



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- 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.
- As a three-ocean nation dependent on seaborne international trade, Australia requires cutting-edge naval capabilities.
- We need to invest more in the security of our region so that we can continue to support peace and security in Australia and the Indo-Pacific.
- The establishment of AUKUS enables Australia to leverage nuclear powered submarine expertise from the United States and the United Kingdom, building on decades of experience in their respective submarine programs to greater support our allies in the Indo-Pacific.
- Nuclear-powered submarines will allow Australia to make a more significant contribution to our region's stability and security.
- Submarines are an essential part of Australia's naval capability, providing a strategic advantage in terms of surveillance and protection of our maritime approaches.

## Regional reactions

- Australia has a long history of upholding the international rules based order, and working with regional partners to support a secure, stable and peaceful Indo-Pacific.
  - AUKUS reaffirms our commitment to these objectives.
- This trilateral cooperation demonstrates a shared interest to deepen diplomatic, security, and defence cooperation in the Indo-Pacific region to meet the challenges of the twenty-first century
  - it is guided by our enduring ideals and shared commitment to the international rules-based order
  - and a commitment to ensure that the nations of the region have the strategic space to make decisions in their sovereign interests.
- Strengthening Australia's defence capabilities will form part of Australia's contribution to a secure and prosperous Indo-Pacific





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- this capability will increase Australia's strategic weight and allow us to more effectively shape our region's future trajectory.
- The decision for Australia to acquire nuclear-powered submarines is not about any other nation.
  - It is about what is best for our security in a region undergoing rapid strategic change.
- Australia remains committed to working with all partners to achieve a stable, secure and prosperous Indo-Pacific.
- Investments in defence capabilities, such as this, help enable Australia to continue to make meaningful contributions to regional security.

### **Submarines are critical for defence**

- Submarines are an essential part of Australia's naval capability, providing a strategic advantage in terms of surveillance and protection of our maritime approaches.
- With their stealth, range, endurance and powerful weapons, submarines are designed to operate and strike without warning. They are highly versatile and can strike a range of targets, collect intelligence, conduct mine warfare and support special operations.
- They deter aggression and deny an adversary's use of the sea by holding them at-risk far from Australia – which in turn improves our access to, and free use of, the sea.

### **Nuclear-powered submarines (capability)**

- The accelerating changes to regional security as outlined in the 2020 Defence Strategic Update mean that conventional submarines, even one as good as the Attack class would have been, will not meet Australia's operational needs in the decades ahead.
- An assessment provided to Government through a capability review process was that nuclear-powered submarines were the only option that could meet Australia's strategic and defence capability requirements over the coming decades.



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- The Government has therefore decided to pursue nuclear powered submarine capability with the support of our American and British partners.
- Nuclear-powered submarines have superior characteristics of stealth, speed, manoeuvrability, survivability and endurance when compared to conventional submarines.
- They can also deploy unmanned underwater vehicles and carry more advanced and a greater number of weapons.
- Australia will not seek nuclear weapons.
- Australia remains a non-nuclear weapon state with an obligation under the Non-Proliferation Treaty not to acquire nuclear weapons.
- Over the next 18 months, Australia, UK, and US, through AUKUS, will intensively examine the full suite of requirements that underpin nuclear stewardship, with a specific focus on: safety, design, construction, operation, maintenance, disposal, regulation, training, environmental protection, installations and infrastructure, industrial base capacity, workforce, and force structure.
- Submarines are an essential part of Australia's naval capability, providing a strategic advantage in terms of surveillance and protection of our maritime approaches.
- In recognition of our deteriorating strategic environment and the rapid militarisation of our region, Defence conducted a strategic review focused on enhancing Australia's strategic capabilities.
- The review reaffirmed the need for a superior submarine capability and that Australia should explore the feasibility of acquiring nuclear-powered submarines.
- Nuclear-powered submarines have superior characteristics of stealth, speed, manoeuvrability, survivability and endurance when compared to conventional submarines. They can deploy unmanned underwater vehicles and can also carry more advanced, and a greater number of, weapons.
- These abilities allow nuclear-powered submarines to operate in contested areas with a much lower risk of detection, and deter actions against Australia's interests.



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## How have things changed?

- Since 2016, a number of developments have meant nuclear submarines are now an option for Australia:
  - Our strategic environment has deteriorated faster than anticipated. The Indo-Pacific is now the centre of strategic competition and we are seeing unprecedented levels of technological disruption and military modernisation. A nuclear-powered submarine maintains our capability edge in this environment.
  - We now have US and UK support to identify the optimal pathway to deliver this capability and can leverage expertise from the United States and the United Kingdom, building on decades of experience in their respective submarine programs.
  - This technology means that future Australian nuclear-powered submarines will not require refuelling during the service life of the boat therefore Australia will not require a civil nuclear power industry.
  - Improved international confidence in Australia's capacity to manage and sustain our submarine fleet following implementation of the Coles Review into the sustainment of the Collins class submarine fleet.
  - The Australian Government's commitment to provide the funding certainty to support the long-term planning to deliver defence capability. This Government has delivered on its commitment for Defence funding to reach 2 per cent of GDP in 2020-21 with substantial funding growth planned over the next decade.

## Nuclear weapons and non-proliferation

- Australia's commitment to nuclear non-proliferation is unchanged – we stand by our record.
- Australia does not and will not seek nuclear weapons.
  - The Prime Minister has unequivocally reaffirmed that this is not on our agenda – nor is it in our interests.



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- Australia remains a non-nuclear weapon state with an obligation under the Non-Proliferation Treaty not to acquire nuclear weapons.
  - This is purely about a power source for the propulsion system.
- Australia, the UK, and the United States remain steadfast in our support of the nuclear non-proliferation regime and its cornerstone, the Non-Proliferation Treaty ('NPT').
  - In undertaking this cooperation, Australia will comply with our respective non-proliferation obligations and commitments, including under the South Pacific Nuclear Free Zone Treaty (Treaty of Rarotonga).
  - Australia intends to implement the strongest possible non-proliferation standards in order to maintain the strength of the nuclear non-proliferation regime.
- The Non-Proliferation Treaty does not prohibit naval nuclear propulsion.
  - This proposal remains consistent with Australia's longstanding commitment to the NPT.
- Australia will ensure that it is a responsible steward of this sensitive technology.
  - Australia is committed to adhering to the highest standards for safeguards, transparency, verification, and accountancy measures to ensure the non-proliferation, safety, and security of nuclear material and technology.
- In the joint leaders' statement, Australia said it remained committed to fulfilling all of its obligations as a non-nuclear weapons state under the NPT, including with the International Atomic Energy Agency (IAEA).
- Australia, the UK and the US have formally advised the IAEA Director-General and Board of Governors of our plans
  - we underlined our commitment to working with the IAEA to maintain the integrity of the nuclear non-proliferation regime
  - and Australia's exemplary non-proliferation credentials.



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- Australia has a longstanding commitment to the responsible use of nuclear power and material and to our obligations under the Convention on the Physical Protection of Nuclear Material.
  - We will need to work closely with the US and UK to build very sophisticated safety and security around this submarine.
  - We will be building on our experience. For example, Australia has operated a nuclear reactor since the 1950s with an enviable track record of safety and security supported by highly sophisticated nuclear engineering and stewardship.

## **Nuclear stewardship**

- The 'nuclear' in nuclear-powered submarines refers only to the propulsion power source of the vessel.
- Australia will not seek to develop or acquire nuclear weapons.
  - Australia remains a non-nuclear weapon state with an obligation under the Non-Proliferation Treaty not to acquire nuclear weapons.
- Australia will continue to meet our obligations under the Treaty on the Non-Proliferation of Nuclear Weapons and other relevant agreements, including with the International Atomic Energy Agency (IAEA).
  - Australia's commitment to nuclear non-proliferation remains unchanged.
  - The Non-Proliferation Treaty does not prohibit naval nuclear propulsion.
- We will ensure that Australia is a responsible and reliable steward of a nuclear-powered submarine capability.
  - Over the next 18 months, Australia will intensively examine the full suite of requirements that underpin nuclear stewardship, with a specific focus on: safety, design, construction, operation, maintenance, disposal, regulation, training, environmental protection, installations and infrastructure, industrial base capacity, workforce, and force structure.
- Australia has no plans to develop a civil nuclear power industry.



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- AUKUS enables Australia to leverage expertise from the United States and the United Kingdom, building on decades of experience in their respective nuclear-powered submarine programs.
- The United Kingdom and the United States have set and maintained an exemplary safety record operating their submarine nuclear reactors.
- Australia will ensure it replicates that safety record by leveraging both countries' decades of experience as stewards of this technology.

### **Nuclear power generation**

- Australia has no plans to develop a civil nuclear power industry.
- Australia has received advice that we can operate nuclear-powered submarines without the need for a civil nuclear power industry.
- Through AUKUS, the Australia, UK, and US trilateral effort on nuclear-powered submarines will intensively examine the full suite of requirements that underpin nuclear stewardship, with a specific focus on: safety, design, construction, operation, maintenance, disposal, regulation, training, environmental protection, installations and infrastructure, industrial base capacity, workforce, and force structure.

### **Interoperability with the US Navy and Royal Navy**

- The Royal Australian Navy has a proud, long-standing history operating and exercising with the US and UK in the region, and beyond.
- Through AUKUS, Australia's acquisition of nuclear-powered submarines will align our strategic defence posture with the US and UK, and further enhance interoperability between our three nations.

### **Safety issues**

- The nuclear propulsion system used by the United States and United Kingdom has an enviable track record of safety and security.



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- American and British nuclear-powered submarines have never experienced any reactor accident or release of radioactivity that hurt human health or had an adverse impact on marine life.

### **Crew size**

- Over the next 18 months, the Nuclear-Powered Submarine Task Force will intensively examine the requirements that underpin nuclear stewardship, with a specific focus on: safety, design, construction, operation, maintenance, disposal, regulation, training, environmental protection, installations and infrastructure, industrial base capacity, workforce, and force structure.

### **Nuclear-Powered Submarine Task Force**

- Australia will establish a Nuclear-Powered Submarine Task Force in the Department of Defence.
- The task force will work closely with the UK and US over the next 18 months to identify the optimal pathway to deliver at least eight nuclear-powered submarines for Australia.
- During the 18-month consultation, Australia will leverage the technology, capability, and design expertise from the UK and US
  - Costs associated with a nuclear-powered submarine capability will be determined as part of this process.
- The Australian Government intends to build these submarines in South Australia.
- In order to acquire a nuclear-powered submarine capability as soon as possible, we will evaluate a variety of considerations during the 18 month period of work.
- Vice Admiral Jonathan Mead, AO, RAN will lead a Nuclear-Powered Submarine Task Force in the Department of Defence, which will work closely with the US and the UK.
- Over the next 18 months, Australia, UK, and US, through the AUKUS trilateral effort on nuclear-powered submarines, will intensively examine the full suite of requirements that underpin nuclear stewardship, with a specific focus on: safety, design, construction, operation, maintenance, disposal, regulation, training,



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environmental protection, installations and infrastructure, industrial base capacity, workforce, and force structure.

- The Government will always ensure that the Australian Defence Force has the capability it needs to defend Australia and our national and strategic interests.
- Through AUKUS, Australia is now commencing a period of consultation with the US and UK to determine the optimal pathway to achieve this capability.
  - As part of this process cost will be one of the many considerations examined.
- The Australian Government will make the necessary investments required to ensure they have the best capability available to deliver on its mission to defend Australia and its national interests.

## **Attack Class Submarine Program**

- Our pursuit of nuclear-powered submarines means the Australian Government is no longer proceeding with the Attack class Submarine Program.
- The rapid deterioration of our strategic environment since the announcement of the Attack class submarine program in 2016 has required the Government to reconsider the construction of conventionally-powered submarines.
- The accelerating changes to regional security as outlined in the 2020 Defence Strategic Update will make conventional submarines, even one as good as the Attack class would have been, less suited to our operational needs.
- As a three ocean nation, it is necessary for Australia to have access to the most capable submarine technology available.
- This decision was not taken lightly, but it is necessary to ensure that we have access to a submarine capability that will defend Australia and our national interests for decades to come.
- The ability to operate conventional submarines in high threat environments is closing much faster than previously anticipated.





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- The decision not to proceed with the Attack Class Submarine Program was driven by a consideration of the strategic circumstances and the impact this has on Australia's submarine capability requirements.
- It was not related to the performance of Naval Group.
- The Government commends the contribution the Attack class Submarine Program has made to strengthening Australia's shipbuilding industry.
- Modern nuclear technology also means Australia is able to operate nuclear-powered submarines without the need for a civil nuclear power industry.

**Attack workforce:**

- The Australian Government intends to build these nuclear-powered submarines in South Australia.
- Over the next 18 months, we will work with the UK and the US to determine the optimal pathway to deliver a nuclear-powered submarine capability for Australia.
- The Government is committed to finding a role for each and every skilled shipbuilding worker currently impacted by this announcement.
- Through the Government's investments in the Naval Shipbuilding Enterprise, we will see the total number of shipbuilding jobs in South Australia continue to grow.

**Workforce impacts**

- The Government is committed to finding a role for every skilled shipbuilding worker impacted by this announcement.
- The Attack class submarine workforce are prime candidates for the unprecedented work that needs to be performed across the Naval Shipbuilding Enterprise over the coming decades, where we will rely on their expertise more than ever.
- The nuclear-powered submarine program will create thousands of jobs in Australia over the coming decades.
- During the transition to the nuclear-powered submarine program, the Government is committed to ensuring that critical skills are retained in the shipbuilding sector in Australia.



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- The Australian Government intends to build these nuclear-powered submarines in South Australia.
- The Government will partner with our Australian-owned sovereign shipbuilder, ASC, to manage and implement the new Sovereign Shipbuilding Talent Pool.
  - The Government is committed to finding a role within the Sovereign Shipbuilding Talent Pool for each and every skilled shipbuilding worker impacted by this announcement.
  - The Sovereign Shipbuilding Talent Pool will re-deploy the existing shipbuilding workforce throughout current and new shipbuilding programs, while building the nuclear-powered submarine skills that will be crucial for the success of the nuclear-powered submarine program.
  - More details on how to engage with ASC on the Talent Pool will be released in the coming days.
- This national endeavour will see thousands of jobs created over the next few decades in shipbuilding and sustainment roles, from welding to advanced manufacturing and hi-tech design.
- The shipbuilding workforce is at the forefront of this modern naval ship design and construction activity, driving digital transformation and underpinning our advanced manufacturing sector.
- The Government is working with employers, universities, and the vocational education and training sector to ensure we have the right people with the right skills to fill the thousands of new jobs.
- As we determine the optimum pathway to a nuclear-powered submarine capability, we will need to build upon our existing nuclear and shipbuilding skilled, qualified and experienced workers as new opportunities emerge for Australian industry.
- AUKUS will also enable our three countries' to better collaborate on defence science, research and education, technology, joint capabilities and industrial bases.
- This will be a significant benefit to the workforces of these defence industries for generations to come.



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### **South Australian workforce**

- Retaining and growing a sovereign and capable shipbuilding and submarine workforce in Australia is critical to the success of the Australian shipbuilding enterprise, and to the defence of our nation.
- The Australian Government intends to build these nuclear-powered submarines in South Australia.
- The Government will partner with our Australian-owned sovereign shipbuilder, ASC, to manage and implement the new Sovereign Shipbuilding Talent Pool.
  - The Government is committed to finding a role within the Sovereign Shipbuilding Talent Pool for each and every skilled shipbuilding worker impacted by this announcement.
  - The Sovereign Shipbuilding Talent Pool will re-deploy the existing shipbuilding workforce throughout current and new shipbuilding programs, while building the nuclear-powered submarine skills that will be crucial for the success of the nuclear-powered submarine program.
  - More details on how to engage with ASC on the Talent Pool will be released in the coming days.
- Over the next 18 months, we will work with the UK and the US to determine an optimal pathway to deliver a nuclear-powered submarine capability for Australia.
- The Government is committed to finding a role for each and every skilled shipbuilding worker currently impacted by this announcement.
- Through the Government's investments in the Naval Shipbuilding Enterprise, we will see the total number of shipbuilding jobs in South Australia continue to grow.
- The significant investments this Government has made in fostering a sovereign Naval Shipbuilding Enterprise will support 15,000 Australian jobs by the end of the decade.
  - Including the creation of 2000 jobs for skilled industry workers in South Australia by 2030.



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- The Enterprise will support over 4000 defence industry jobs in South Australia by the end of the decade, facilitating the delivery of:
  - Nuclear-powered submarines;
  - 9 Hunter class frigates at a cost of \$45.1 billion with a projection of 1500 jobs at peak;
  - 2 Arafura class offshore patrol vessels at a cost of approximately \$800 million and a projection of 430 jobs at its peak;
  - Life-of-type extension to 6 Collins class submarines (\$4.3 - \$6.4 billion); and
  - Combat management system upgrades to 3 Hobart class air warfare destroyers (\$3.4 - \$5.1 billion).
- The Government continues to work closely with the industry and education sectors to fill the thousands of career opportunities the Enterprise will create.
- Finding enough people to satisfy the demand for skilled workers over the coming decade remains a priority of the Government.

### **Western Australian workforce**

- The nuclear-powered submarine program will create thousands of jobs in Australia over the coming decades.
- The Henderson Maritime Precinct is one of Australia's two principal shipbuilding hubs.
- WA workers will have job security and local businesses will be able to invest with confidence, in the full knowledge that naval shipbuilding in this country will continue at a steady pace for decades to come.
- The significant investments this Government has made in fostering a sovereign Naval Shipbuilding Enterprise will support 15,000 Australian jobs by the end of the decade.
- The Enterprise will support over 2000 defence industry jobs in Western Australia by the end of the decade, facilitating the delivery of more than a dozen major shipbuilding and sustainment projects, including (but not limited to):



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- Construction of 10 Arafura class offshore patrol vessels – at a cost of approximately \$3.9 billion and a projection of 400 jobs;
  - Construction of 21 Guardian class patrol boats at a cost of \$510 million;
  - Construction of 6 Evolved Cape class patrol boats at a cost of \$343 million;
  - Sustainment of 8 Anzac class frigates (approximately \$338 million annually); and
  - Sustainment of 6 Collins class submarine - at a cost of approximately \$671 million and approximately 500 jobs.
- The Government continues to work closely with the industry and education sectors to fill the thousands of career opportunities the Enterprise will create.
- Finding enough people to satisfy the demand for skilled workers over the coming decade remains a priority of the Government.
- This continues to be an exciting time for naval shipbuilding in Western Australia.

## Industry impacts

- The Government is committed to maximising local industry involvement in the construction of a nuclear-powered submarine capability for Australia.
- Our future nuclear-powered submarines will be constructed at Osborne in South Australia with the backing of a strong, sovereign defence industry.
- Building the submarines in Australia is the best way to also develop a strong and effective sustainment industry, which will enable us to meet every requirement to safely operate and maintain nuclear-powered submarines.
- This decision will increase the future opportunities for Australian defence industry to participate in the Naval Shipbuilding Enterprise.
- The AUKUS partnership will foster new opportunities for Australian industry to participate in international supply chains.
- Since the release of the *2017 Naval Shipbuilding Plan*, the Government has made significant progress towards delivering advanced new naval capabilities to protect Australia and its national interests, while supporting a sovereign and continuous naval shipbuilding industry in Australia.



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- The Naval Shipbuilding Enterprise is a major national undertaking, as bold and ambitious as anything in our history.
- Our program of concurrent naval design, construction and maintenance is unparalleled in Australia's post-war history, with the Government planning to invest over \$200 billion in naval shipbuilding out to the 2060s.
- The overall program will still encompass around 70 ships and submarines, built in Australia, by Australian workers, with Australian steel.
- The Government's investment in naval shipbuilding and sustainment will provide intergenerational employment for thousands of Australians and unprecedented opportunities for small and medium businesses in every state and territory.
- Fifteen thousand jobs will be created across shipbuilding and sustainment, from welding to advanced manufacturing and hi-tech design.
- The shipbuilding workforce is at the forefront of this modern naval ship design and construction activity, driving digital transformation and underpinning our advanced manufacturing sector.
- The Government's intention is that the nuclear-powered submarines will be built in Adelaide with the backing of a strong, sovereign defence industry.
- ASC will continue as our source of sovereign submarine industrial expertise, training and growing the workforce who will build our nuclear-powered submarines through a contemporary Submarine Design House, located in South Australia.
- The Government is committed to working with employers, universities, and the vocational education and training sector to ensure we have the right people with the right skills to fill the thousands of new jobs.
- The Government's vision is to build a robust, resilient and internationally competitive Australian defence industry base that is better able to help meet defence capability requirements, advance Australia's economy, and create and sustain Australian jobs.



Australian Government

## Naval Shipbuilding Enterprise

- The Naval Shipbuilding Enterprise is a major national undertaking, as bold and ambitious as anything in our history.
- Our program of concurrent naval design, construction and maintenance is unparalleled in Australia's post-war history, supported by billions of dollars of investment in naval shipbuilding and sustainment.
- In total, the Enterprise still encompasses the construction and upgrade of around 70 ships and submarines, in Australia, by Australian workers.
- The Government's investment in naval shipbuilding and sustainment will provide employment for thousands of Australians and unprecedented opportunities for small and medium businesses in every state and territory.

## Addressing capability gaps

- The Australian Government is already investing in advanced capabilities to ensure Australia has a potent and networked force that is responsive to the evolving strategic environment.
- We will extend the life of all six of our Collins class submarines.
  - The Collins class submarine to this day remains one of the most capable conventional submarines in the world.
  - The planned life-of-type extension, through the replacement of key systems, will help avoid a capability gap and deliver on Defence's strategic objectives.
  - The Government is investing \$4.3 – 6.4 billion in the life-of-type extension of all six Collins class submarines.
- The Government is pursuing advanced long-range strike capabilities to increase our ability to deliver military power, with greater precision and range. The capabilities include:
  - Tomahawk Cruise Missiles, which will be fielded on our Hobart-Class Destroyers. These missiles will enable our maritime assets to strike land targets at greater distances, with better precision.



## Australian Government

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- Long Range Anti-Ship Missiles for our F/A-18F Super Hornets that can strike land and maritime targets.
- Joint Air to Surface Standoff Missiles for our F/A-18F Super Hornets and in future our F-35s.
  - This will be an improved version of the long-range precision guided air to surface missile currently in use by the Air Force.
- At the same time the Government is ensuring Australia has the flexibility to deal with grey-zone challenges, to share information reliably and securely and to deny or defeat cyber threats as they arise, through enhanced offensive cyber capabilities.
- Further investments include hypersonic systems, autonomous systems, and space capabilities.
- We are confident that these additional capabilities, along with those already announced as part of the *2020 Force Structure Plan*, will address the potential security challenges in the coming decades – and during the time we are focused on developing and building nuclear-powered submarines.

## Legal

- The Australian Government anticipates that new international agreements will be required between AUKUS countries.
- The Australian Government also anticipates that the regulatory framework for the safe management of this technology will need to be developed.
- The Nuclear-Powered Submarine Task Force will examine the full suite of requirements that underpin nuclear stewardship, including: safety, design, construction, operation, maintenance, disposal, regulation, training, environmental protection, installations and infrastructure, industrial base capacity, workforce and force structure.





Australian Government

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## Decision-making

- The decision to establish an enhanced trilateral security partnership was made through existing decision-making mechanisms, including approval through Cabinet and the National Security Committee of Cabinet.



Australian Government

## **International relations**

### **Impact on relations with France**

- We regret France's decision to recall its Ambassador
  - but we understand France's disappointment that we could not proceed.
- Our decision was taken in accordance with our clear and communicated national security interests.
- It was based on an assessment of the capability Australia would require to meet the challenges of a rapidly deteriorating strategic environment in the Indo-Pacific into the 2030s and beyond.
- Australia values its relationship with France, which is an important partner and a vital contributor to stability, particularly in the Indo-Pacific. This will not change.
- We look forward to engaging with France again on our many issues of shared interest, based on shared values.
- Australia is not 'anglo-sphering' Defence procurement.
  - The Australian Government has approved \$31bn worth of Defence acquisitions that are being sourced from Europe, or through an Australian subsidiary of a European defence company.
- This does not include the UK Future Frigate Program at \$6bn, nor the Attack Class Submarine Project.
- Defence has already spent \$19bn on European projects and is forecast to spend \$2.6bn this year.

### **Engagement with France prior to the decision**

- In advance of the decision, Australia engaged with France at many levels on our assessment of the deteriorating strategic circumstances in the Indo-Pacific.
  - This included advice that Australia was reviewing its capability needs in light of that deteriorating strategic environment, including the viability of conventional submarines.

## **Europe**



Australian Government

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- As the Prime Minister has said, it was always going to be a very difficult and sensitive decision.
- Australia continues to seek close collaboration with our European and other partners on our shared interests in the Indo-Pacific.
- The decision does not change our commitment to working closely with Europe to advance an open, inclusive and secure Indo-Pacific.
- This cooperation is based on strong common interests and values.
  - Our policy is about multi-dimensional engagement through diplomacy, economic cooperation and development.
- We want the Indo-Pacific to remain an open, peaceful and stable region, consistent with the rules-based international order in which countries cooperate and can exercise sovereign decisions without coercion.
- We see the next decade as critical. We are looking for more partners, more support and more seriousness of intent.
- Europe has a crucial role to play and Australia wants to continue our close cooperation.
  - AUKUS is a part of Australia's broad range of security and technology partnerships.
- Most of Australia's partnerships are with regional countries.
  - Working with partners to shape the type of region we want is central to Australia's foreign policy.
  - Our 2017 Foreign Policy White Paper has been the basis for an unmatched level of activity, both in our region and in Europe.
- Australia continues to seek close EU collaboration on our shared interests in the Indo-Pacific
  - timing of the AUKUS announcement with the release of the EU's Indo-Pacific strategy was coincidental and regrettable
  - we want more partnership with Europe and more action.



Australian Government

***If raised: What impact will the cancellation of the Attack class submarine program have on the EU FTA negotiations?***

- Australia understands France's deep disappointment with the decision on the Attack Class submarine project.
- The decision was taken in accordance with our clear and communicated national security interests
  - it is not a reflection of the value we place on our relationship with France, or France's role as an important partner in the Indo-Pacific
  - nor our close and enduring economic and trade relationship with all EU members.
- Important that negotiations for an EU-Australia free trade agreement be completed in support of these shared interests
  - including the interests of consumers, businesses and workers in both Australia and the EU
- The FTA builds upon Australia and the EU's natural partnership arising from our shared commitment to the rule of law, global norms and free and open markets
- Australia has been a steadfast economic partner committed to deepening European trade since the initiation of the European project.
- We will continue to negotiate the free trade agreement in anticipation of an outcome that benefits both parties
- We look forward to the 12th round of negotiations in October.

**Pacific**

- Australia remains a strongly-committed member of the Pacific family.
  - Evidenced by our support through the Pacific Step Up.
  - We will continue to robustly support the interests of all states in the Pacific.
- We recognise that strategic competition can be uncomfortable and we want to cooperate with all countries to secure a stable and prosperous region



Australian Government

- But none of us are immune to these challenges – they affect us all.
- We remain fully committed to the Non-Proliferation Treaty, the Treaty of Rarotonga and the maintenance of the South Pacific Nuclear Free Zone.
  - We will ensure our actions, especially in relation to the management of nuclear material, are consistent with its provisions.
- We will continue to adhere to necessary transparency requirements.
  - And we will ensure the highest operational safety standards.
  - We will ensure our International Atomic Energy Agency obligations are met.
- We will work with the US and UK to implement the very highest standards of nuclear stewardship and safety, building on our safe and effective operation of a nuclear reactor since the 1950s.
  - As a maritime nation with a deep connection to our oceans, Australia knows there is no higher priority.
- Australia is striving to retain an inclusive regional order where the rights of all states are respected, whether they are big states or small states.
- We want to contribute to strategic reassurance measures that ensure no single country believes they can advance their strategic ambitions through conflict.
- This is not about seeking to provoke any particular regional power.
  - Rather, it is about ensuring we have capabilities that contribute to deterring the types of behaviour that threatens peace and security in the Indo-Pacific.
- Australia sees partnership with its Pacific neighbours as central to our collective security.
  - We share in each other's security and prosperity.

***If asked: Will the Pacific now be at greater risk of environmental damage?***

- The AUKUS announcement on Australia's acquisition of nuclear-powered submarines does not affect our commitment to the Treaty of Rarotonga.
- Australia does not and will not seek nuclear weapons.



Australian Government

- The Prime Minister has unequivocally reaffirmed that this is not on our agenda – nor is it in our interests.
  - Australia remains a non-nuclear weapon state with an obligation under the NPT not to acquire nuclear weapons.
  - This is purely about a power source for the propulsion system.
- We will work closely with the US and UK to build highly-sophisticated safety and security protocols around these submarines.
  - Due to the sophisticated technology, there will be no requirement to refuel these vessels during the course of their lifetime.
    - This significantly mitigates risks of nuclear contamination, increasing the safety of the vessels.
  - We will be building on our experience. Australia has operated a nuclear reactor since the 1950s with an enviable track record of safety and security supported by highly sophisticated nuclear engineering and stewardship.
- We will continue to adhere to necessary transparency requirements.
  - And we will ensure the highest operational safety standards.
  - We will ensure our International Atomic Energy Agency obligations are met.
- Australia will, of course, respect decisions states make about port visits or navigation by foreign ships through their territorial sea or archipelagic waters
  - noting that the Treaty of Rarotonga protects the rights of any State under international law with regard to freedom of the seas and innocent passage.

***If asked: Will AUKUS escalate tensions in the region?***

- This is not about seeking to provoke any particular regional power. Rather, it is about ensuring we have capabilities that contribute to deterring the types of behaviour that threatens peace and security in the Indo-Pacific.



## Australian Government

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- This decision reflects a much more challenging strategic environment.
  - Great power competition is intensifying.
  - Territorial tensions in the South China Sea, Taiwan and elsewhere are becoming more challenging.
  - And Indo-Pacific investment in military capability is proceeding at an unprecedented rate.
    - This is being driven by China, which has the largest military modernisation program in the world.
- We recognise that strategic competition can be uncomfortable and we want to cooperate with all countries to secure a stable and prosperous region
  - But none of us are immune to these challenges – they affect us all.

### ***If asked: Does AUKUS mean Australia is less focused on the Pacific?***

- Australia remains fully committed to supporting Pacific countries, including through the Pacific Step Up.
- We remain fully committed to the Non-Proliferation Treaty, the Treaty of Rarotonga and the maintenance of the South Pacific Nuclear Free Zone.
- Australia is striving to retain an inclusive regional order where the rights of all states are respected, whether they are big states or small states.
- And we want to contribute to strategic reassurance measures that ensure no one country believes they can advance their strategic ambitions through conflict.
- Australia sees partnership with its Pacific neighbours as central to our collective security. We share in each other's security and prosperity.

### **Southeast Asia**

- We have engaged with our Southeast Asian partners on the announcement and will continue to do so.



Australian Government

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- AUKUS will complement our multi-dimensional engagement in Southeast Asia.
- This partnership with the US and UK does not change Australia's commitment to ASEAN nor our ongoing support for the ASEAN-led regional architecture.
- The ASEAN-Australia partnership has grown significantly in the past year, with agreement to upgrade our Leaders' meetings to Annual Summits and new cooperation to support an effective health response to the pandemic.
- Australia is proud of our commitment to provide at least 20 million vaccines to Southeast Asia and the Pacific
  - and additional grant aid of A\$623 million to support countries across the Indo-Pacific to procure vaccines and distribute them to their citizens.
- We are committed to continuing to foster a peaceful, secure region with ASEAN at its centre, and to complementing and strengthening the existing ASEAN-led architecture.
- We look forward to taking forward our positive agenda with ASEAN and its member states.
- Australia is also committed to upholding our obligations under the Treaty of Amity and Cooperation, as we have since we acceded in 2005
  - and to working with ASEAN and its member states to advance peace and security in our region
  - so we can all grow and prosper in an open, stable and inclusive region, with ASEAN at its centre.



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## TALKING POINTS

### Minister for Defence - bilateral with Secretary of Defence

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#### ***AUKUS trilateral security partnership***

- Yesterday's announcement by our leaders of an enhanced trilateral security partnership between Australia, the United States and the United Kingdom—AUKUS—is a step-change to our relationship.
  - It will enable deeper cooperation and enhance our joint capabilities and interoperability.
  - It will make a significant contribution to peace and stability in the Indo-Pacific region.
- AUKUS complements our bilateral Alliance and Australia's network of partnerships, including with ASEAN, The Quad, our Five Eyes partners, and our Pacific family.
- While the nuclear-powered submarine initiative is our first priority for AUKUS, Australia looks forward to AUKUS cooperation on additional undersea warfare capabilities as well as cyber capabilities, artificial intelligence and quantum technology.

#### ***Nuclear-powered submarines***

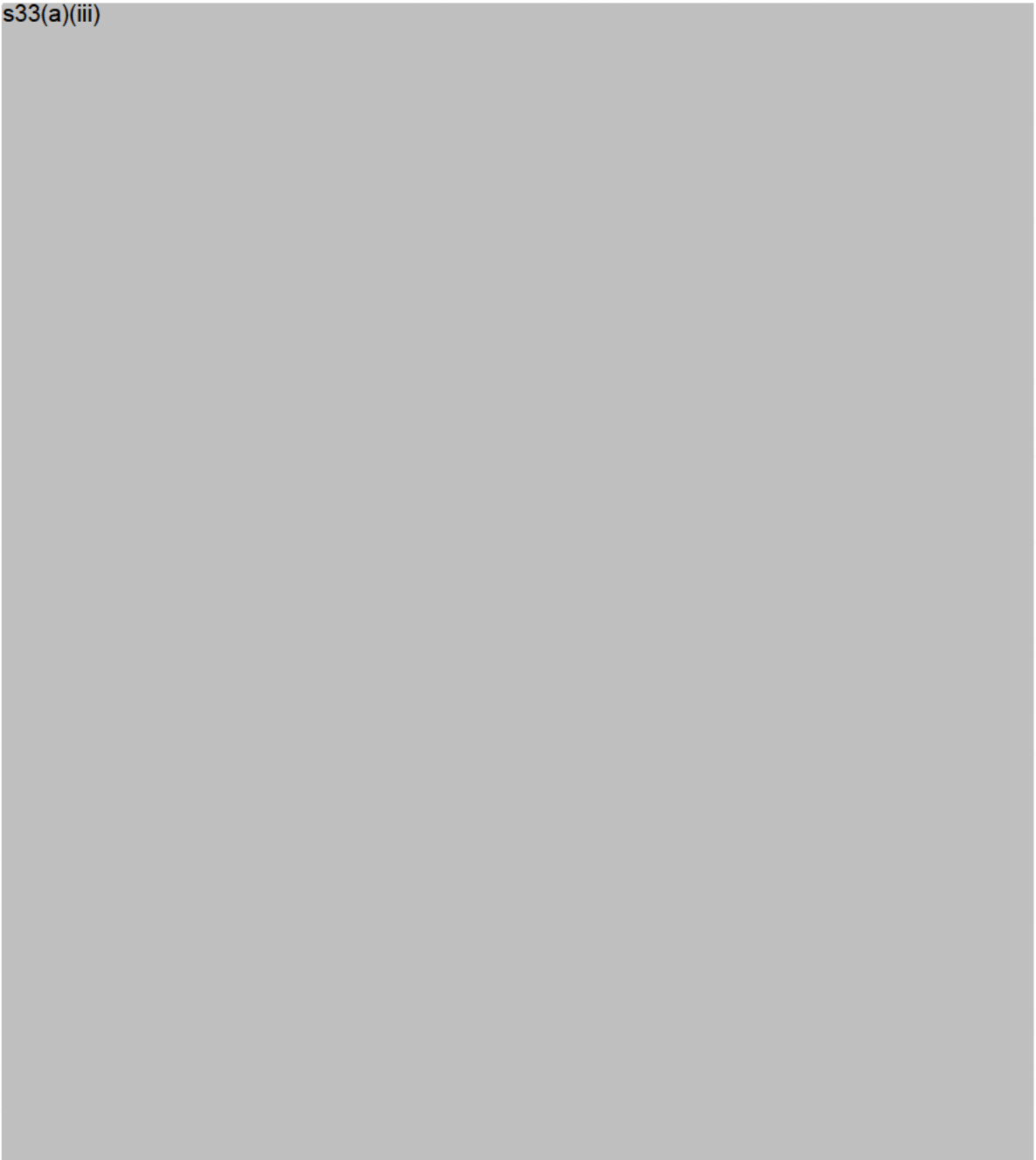
- The trilateral agreement to define the optimal pathway for Australia to acquire nuclear-powered submarines is the most significant strategic acquisition decision Australia has made since World War II.

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**Minister for Defence – AUSMIN**

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***Nuclear-powered submarines***

- The trilateral agreement to define the optimal pathway for Australia to acquire nuclear-powered submarines is the most important strategic acquisition decision Australia has made since World War II.

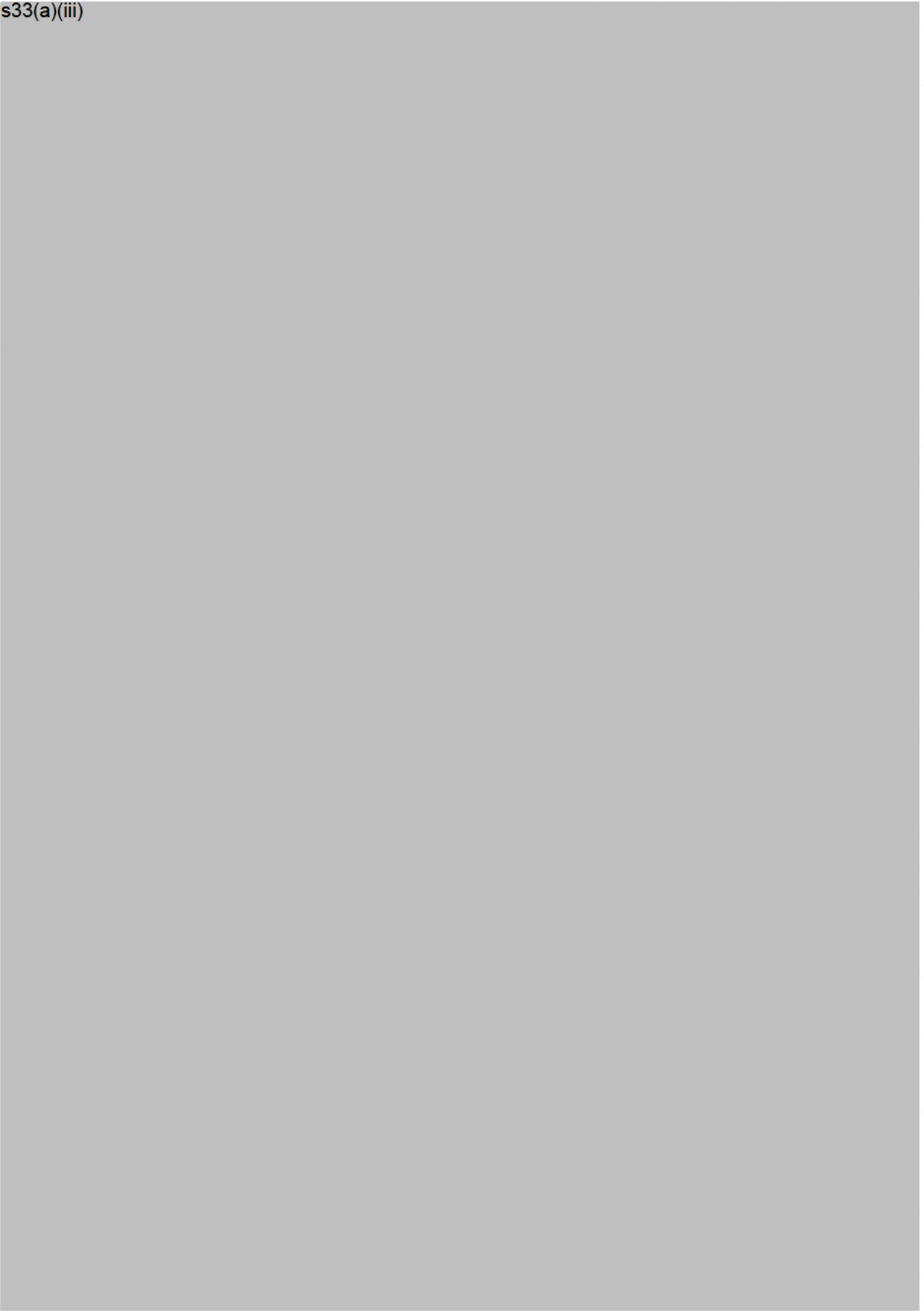
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