



**THE HON RICHARD MARLES MP
SHADOW MINISTER FOR DEFENCE
MEMBER FOR CORIO**

**SPEECH TO THE SUBMARINE INSTITUTE OF AUSTRALIA
4th SIA SUBMARINE SCIENCE, TECHNOLOGY AND ENGINEERING
CONFERENCE 2017**

ADELAIDE CONVENTION CENTRE, ADELAIDE

THURSDAY, 16 NOVEMBER 2017

***** CHECK AGAINST DELIVERY *****

It was a year ago that I last stood up at a SIA conference to speak about Labor's views on the role submarines will play in Australia's future.

Now, the last year has shown us that every single day is not just a year in politics, but an age. I'm a politician, and while that means I find the details of the parliamentary contest endlessly fascinating, this past year has shown me that even I have limited appetite for that.

Fortunately, there's some parts of our politics that have longer timeframes, and our approach to national security, and especially submarines, is one of them.

Last year I told that room in Canberra that for me the next couple of years were about learning, about taking in the full range of expert views from people with a much greater depth of experience than me. I've done a fair bit of that since then, but I'm a long way from done. For those of you who haven't the tap on the shoulder for a chat yet, rest assured it's coming.

One of things I've come to appreciate this past year is that our approach to submarines is given stability because the underlying strategic imperative for them is a constant we can rely on.

We are a country with a lot of coastline. There are only a handful of countries with more – and one of them is our closest neighbour. We are also a country surrounded by a lot of big oceans which separate us from much of the rest of the world. We depend on trade for our prosperity, particularly sea-borne trade.

The size of our coastline, our distance from the rest of the world, the importance of our sea lanes: these are facts that don't change with changes in the parliament, or even changes of government.

These are the unchanging facts that drive our approach to submarines, and their unchanging nature is what gives such continuity to the submarine program across changes of government.

It's why, ultimately, Australia has landed in a place where there is bipartisan agreement on the need for 12 long-range submarines.

I know there is an argument out there that emerging technology might make more difficult the environment in which submarines operate. I have no doubt it's true that, sooner or later, technology will find ways to challenge the stealth of submarines, and we'll see new forms of unmanned craft capable of doing some of the things our manned submarines do today. But this will not mean an end of manned submarines.

The invention of anti-aircraft guns and surface to air missiles didn't make using planes unviable. Neither helicopters nor drones have replaced planes, either. That's not the way the technological race is run.

The submarines we will build today will be different by the time they finish their service life. They will need to adapt to changes in technology around them, and work in an environment with new platforms around them.

Buying submarines isn't a case of set and forget. It hasn't been for Collins, and it won't be for the Future Submarine.

I know that, and Labor knows that, because we have a strong tradition of looking at Australia's submarine needs and making sure they get met. It was Labor that began the move to replace our Oberon Class submarines with what would become the Collins Class.

It was Labor that made sure the Collins Class lived up to everything it could be. It was Labor that commissioned the Coles review to get our subs back up to scratch. It was a Labor government which doubled the sustainment budget for Collins, so that we now have four boats in the water and five crews ready.

Labor knows how important submarines are for Australia, and we are now being joined in that position by our conservative counterparts, where – as I've said – the need for 12 long-range submarines is acknowledged on both sides of the aisle. This is a view Labor has held for some time, and while it took them a while, the Government has joined us.

In some ways, this is the story of the Liberals' approach to submarines: they've been slow, they've been late, they've had a terrible process, but we've wrestled them to a workable place in the end.

I don't say that as a throw away political point. It took the Abbott Government years to get this process going, in large part because they kept using the subs purchase as a bargaining chip.

We should never forget they were a chip played as part of a trade deal with Japan. Then-Prime Minister Abbott was more concerned about the politics of a win on a free trade agreement than he was in the national strategic interest.

We should also never forget that the subs procurement was played as chip in a leadership contest, tossed around the government party room in an effort to secure leadership votes in early 2015.

Then, desperate for an announcement before the 2016 election to cover for their lack of progress, they downselected to one designer far too early. Decisions like this shouldn't be made on political imperatives. When you rush big decisions to fit a political timetable, you make mistakes. In this case the mistake isn't the choice of partner – it's moving to a single tenderer this early, and taking away all the competitive pressure in the process.

Despite themselves, the Government has found a very good partner for Australia in Naval Group. They are a world-class company with a strong history of delivering submarine capability for the French and others.

I was at the shipyard at Cherbourg just two weeks ago. I've been to a lot of big manufacturing facilities. I've been to a lot of places where people are using cutting-edge technology, and developing new technology as they go. I've seen a lot of impressive machinery being put together. I'm not an easy person to impress – but At Cherbourg I certainly was.

I'd had lots of briefings about the Barracuda submarines, of course. And while I might be the least expert person on them in this room, I'd say I had a pretty good handle on how big these machines are and what goes into building them.

Yet no matter how many briefings you've had and how many statistics you've read in order to help you understand them at a theoretical level, it's only when you stand there right next to them that you appreciate just how complex these vessels are, and the effort required to make them.

Naval Group are a truly world-class outfit. They're a big part of France's success at becoming the world's second-largest defence exporter. And despite the absence of the competitive pressure that another bidder would provide at this point, I'm sure they'll deliver on what the Government is asking of them.

Now, Labor is a party with no interest in sovereign risk. And I want to assure you, as I did last year that we will honour contracts that have been signed. We'll make all the decisions that fall within the term of a future Labor government with the country's long-term interest in mind.

We will, of course, need to look at actively managing this project. Even on the current timeframe there are going to be decisions about the future of the Collins Class and how we prevent a capability gap, and we won't make the mistakes this government has made.

A focus on the extension of life of Collins is critical.

The reason we'll do that is because these decisions are bigger than either party. By the time it retires, the Collins Class project will have covered the full span of my career and most of my children's careers. That is true for our Future Submarine, too. It's a project that will be carried by more than one Labor Government, and more than one Conservative one. The only way that can work, the only way we get the

capability the country needs, is by making our decisions along the way by looking squarely at the national interest, not our political interests.

That's how historic projects succeed – and no-one should ever doubt this project is historic for Australia. It's the largest Defence purchase we've ever made, and in fact is quite possibly the largest acquisition we've made of any kind.

Something we don't talk about enough here in Australia is that this is equally historic from the French side. This is a project of an order of magnitude larger than their projects with India or Brazil.

It is a rare moment that two countries have the chance to see a step change in their strategic relationship as we will have with France. This is particularly the case among members of the G20. It's an opportunity we must grab with both hands.

We are a country fortunate in the strength of our relationships with the countries key to shaping the world's strategic decisions. We obviously have deep and enduring relationships with two of the permanent members of the UN Security Council, in the United States and the United Kingdom. One gave us our modern form, and the other is our primary security partner. A third member of the Security Council is our largest trading partner.

Now we have the chance to significantly deepen our strategic relationship with another of the permanent members of the UNSC in France.

The Pacific is a big place. As the fulcrum of the global economy and strategic change moves to Asia over the rest of the century it is a place which will be close to the centre of change in our lifetime.

The French presence in the Pacific has seen us work closely together in our own region. We share a large maritime border with France. The closest overseas population to where we now sit is Noumea which is of course a part of France. All of this gives us the base to build a closer relationship with a country who has a permanent seat at the big table, and with whom we share so many values.

This project, which will run for decades, won't just change our strategic relationship: it will help bring our countries closer together in a people to people sense. There are more Australians arriving in Cherbourg every month. French language teaching is spreading in South Australia.

One of the strategic opportunities for Australia in this global moment is to find new ways to work with countries which share our values.

That's precisely what this project represents.

For all the issues we in Labor may have had with the process until now, the substance of the Future Submarine project is a matter of bi-partisan policy in Australia. And that is good for the country.

This project will have as profound an impact on the ADF's capability as any procurement in our history. 12 long range cutting edge submarines will provide a projection of Australia that we have not really seen before. It will protect our country

and ensure ours is a voice that will be taken seriously in the world right through the middle of this century.

And that matters. Because being taken seriously is at the heart of Australia being able to navigate the waters of international relations in a way which will bring prosperity to our country for generations to come.