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**REPORT IS SCATHING OF GOVERNMENT'S MISMANAGEMENT OF
FUTURE SUBMARINES PROGRAM**

The Australian National Audit Office (ANAO) has released a damning [report](#) into the Abbott/Turnbull/Morrison Government's mismanagement of the Future Submarine program.

This is just the latest example of the Government's delays and blow outs when it comes to the critical Future Submarines project, the most expensive defence acquisition in our history.

It is deeply concerning that the ANAO report found that this critical program is already experiencing a nine-month delay in the design phase.

It also found that Defence cannot demonstrate that expenditure of nearly \$400 million taxpayer's money has been fully effective in achieving two major design milestones.

In addition, the ANAO reports that fabrication of some complex hull parts of the first Future Submarine was sacrificed, with the Government offshoring this work to France.

This comes on top of recent revelations that the Future Submarines will cost around \$80 billion to acquire and \$145 billion to sustain, and that construction of the first Future Submarine has been pushed back a year.

The strategic risks of the Government's mishandling of the Future Submarines are highlighted by the ANAO's finding that a delay of more than three years will create a gap in our critical submarine capability.

Despite this critical risk, the ANAO found that planning for extending the life of the Collins class is only at an early stage.

This report is yet another sign of serious mismanagement of this critical project by the Abbott/Turnbull/Morrison Government and its revolving door of Defence Ministers.

On all three measures of this program – on time of delivery, on the cost of the project, and on the amount of the Australian content – the numbers are all going the wrong way.

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