

# Subs vow: French lock in Aussie jobs target



Naval Group's vice president of the Future Submarine program, Jean-Michel Billig, last night pledged that local companies would be the "first point of call" for the build.

In response to concerns that hull parts for the first Attack Class sub were being made in France, Naval Group Australia chief executive John Davis also confirmed hull parts for the remaining subs would be built in Australia. "We will send Australian workers to Cherbourg to work with the French workforce to learn the skills necessary to do this, and then for the subsequent boats, two to 12, all that work will be conducted in Australia," he said.

Mr Billig said that in Naval's programs in Brazil and India, it had exceeded its ambitions for local content and capability.

"We are extremely confident we will do the same in Australia, even though Australia is a much more demanding customer," he told a parliamentary inquiry into naval shipbuilding in Canberra yesterday. "Herewith, we commit to a level of Australian industry capability that will have the effect of at least 60 per cent of the Naval Group contract value spent in Australia. We are confident this can be achieved because we will be building the entire fleet of 12 submarines in Australia."

He also criticised recent "commentary" on the company's commitment to Australian businesses as "disappointing and inaccurate".

"Make no mistake, Australian suppliers will always be the first point of call and the preferred source in our procurement process." Naval would deliver the submarines "on time" and "on budget", he said.

Debate over local defence industry involvement flared earlier this month when Mr Davis raised concerns about Australian businesses' capacity to deliver, as well as

predicting "difficult and hard conversations" with the Defence Department as the project ramped up. He backtracked on the remarks last night.

"My commentary was in relation to the fact that this is a large and complex program," he said. "And when there are such large and complex programs, invariably there will be hard and difficult conversations, and it is important as partners that we were able to have those conversations." In a submission to the inquiry, the State Government warns it will struggle to set education and migration targets to plug skills shortages for the future shipbuilding workforce without more transparency on the required jobs. It needs more information from the Naval Shipbuilding College as it maps out the workforce needed for the nation's \$90 billion naval shipbuilding projects.

"SA needs ongoing access to the National Shipbuilding College's workforce demand projections to set, monitor and adjust, as necessary, targets for education, training and migration," the State Government's submission says.

The government and Naval had not previously set a target for local content, but a Naval executive had earlier said they hoped 90 per cent of the work would be sourced in Australia.