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## **Flinders report sets record straight on Collins class sustainment**

An independent review by the Australian Industrial Transformation Institute of Flinders University highlights the considerable achievements that uniquely place South Australia to continue Full Cycle Docking sustainment of the Collins Class submarine.

The report examines the workforce, infrastructure, industrial base and national interest arguments for and against relocating Collins class submarine Full Cycle Docking activities to Western Australia.

The report, commissioned by the South Australian Government, estimates a total of nearly \$650 million is required to build the appropriate infrastructure in Western Australia and ensure sufficient skilled workers are available in both states during a potential move.

Western Australia faces the challenge of recruiting and retaining enough security cleared engineers and tradespeople, with strong growth in the state's mining and construction sectors to intensify competition for suitably skilled personnel and increase wage pressure.

The total value of engineering construction projects in Western Australia is set to double from \$16 billion in 2019 to \$31 billion over the next four years, while South Australia has experienced only modest growth in mining and is still absorbing the impact of the closure of its automotive industry.

Defence SA Chief Executive Richard Price welcomed the report findings and said the case for maintaining all Full Cycle Docking activities at Osborne is overwhelming, confirming South Australia is the ideal location for submarine maintenance activity.

"South Australia has a long and proven history of naval shipbuilding and sustainment, being home to the nation's largest and most digitally-advanced shipyard at Osborne, a highly experienced and skilled workforce and a well-established supply chain," Mr Price said.

"Our state's mature naval shipbuilding sector has developed over 30 years and will be difficult to reproduce in the necessary timeframes in Western Australia.

"It is important to remember that the Naval Shipbuilding Plan needs 15,000 people nationally of which 5,500 are needed in South Australia. Today, even with the significant ramp down on completion of the Air Warfare Destroyer program the skilled workforce is 2,500.

"South Australia has managed similar naval shipbuilding workforce ramp-ups in the past, has strong funded plans underway to manage workforce demands and does not face the kind of competitive labour market pressures that Western Australia does, due to its mining and resources industry."

According to the report, a major disruption of existing sustainment arrangements could compromise Collins class operational objectives, depriving the Australian Navy of essential submarine capability.

"A world-class submarine sustainment capability exists at Osborne and is exceeding international benchmarks in putting submarines to sea," Mr Price said.

A full copy of the report, titled Prime location – Optimising submarine sustainment in Australia, can be found on the Defence SA [website](#).