

Defence looking at alternatives to French submarines in case \$90 billion program falters

By defence correspondent [Andrew Greene](#)

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Naval Group is designing and building 12 new submarines for the Royal Australian Navy.

(AFP: DCNS)

The Defence Secretary says he is thinking more about alternative submarine options, as tensions with the French company designing Australia's future fleet continue to simmer.

Prime Minister Scott Morrison will discuss growing concerns over the \$90 billion project directly with French President Emmanuel Macron when he travels to Paris later this month.

At a Senate estimates hearing on Wednesday, Defence officials were extensively quizzed about what "Plan B" options were being looked at if the project with France's Naval Group company faltered.

Under questioning by Labor senator Penny Wong, Defence Secretary Greg Moriarty revealed he had "certainly thought more about this issue over the past 12 months" but declined to discuss what options were being discussed.

Key points:

- The head of the Defence department says there is "prudent" planning on what should happen if the program fails
- He says the government is committed to the plan to build the French submarines in Adelaide
- Scott Morrison is expected to hold further talks about the program with the French President later this month

"It became clear to me we were having challenges with the Attack class program over the last 15 to 12 months," he said.

"So, of course, you do reasonably prudent thinking about what one of those options might be or what you might be able to if you are unable to proceed.

"The department is doing prudent contingency planning, a number of offices, not just the navy, other parts of the department are involved from time-to-time in discussions."

The department secretary insisted, however, that Defence was determined to proceed with the plan to [build 12 conventionally powered Attack-class submarines based on a French design](#).

"The government is absolutely committed to trying to work through with Naval Group and build a regionally superior submarine in Adelaide," Mr Moriarty said.

In March, the [ABC revealed a powerful new Cabinet committee had been formed to tackle problems](#) with Australia's multi-billion-dollar Naval Shipbuilding Plan amid concerns over the complex future submarine and frigate projects.



Defence officials were grilled by Labor senator Penny Wong. (ABC News: Ian Cutmore)

During Wednesday's hearing, the Navy's director-general of submarine capability [denied an ABC report that Defence had begun examining whether a German Type 214 submarine](#) could provide a possible interim capability.

"Not in the work I'm completing, not in my work, no," Commodore Timothy Brown told the committee.

Commodore Brown declined to say what options he had examined because his work on "undersea warfare" was classified.

"Although my work is classified I think in the broad you could say we're looking at the best options for Australia or defence to be able to counter future threats and making sure we understand the requirements," he said.

Following the Senate Estimates hearing, Naval Group Australia said progress had been made on the project.

"Naval Group is fully committed to continuing to achieve important program milestones," a spokesperson said in a statement.

"Significant progress has already been made on submarine design, workforce growth and Australian industry involvement."

Later this month, Mr Morrison is planning to stop by Paris on his way back from the G7 meeting of world leaders, to hold further talks with the French President.

The Australian side is expected to "robustly" push its concerns about delays and local industry content in the French designed future submarine program.

Labor's Shadow Defence Minister demanded the government explain what changes were being made to "the largest Defence contract in our nation's history".

"The Morrison government tries to talk tough on Defence but fails to deliver the assets Australia needs," Brendan O'Connor said.