

From: [Hoad Wendy](#)
To: §22 [Danks Andrew](#)
Subject: CASG Response to Questions from §22 [SEC=UNCLASSIFIED]
Date: Monday, 10 July 2017 12:34:35 PM

UNCLASSIFIED

Dear §22/Andrew

Below are questions put to CASG by §22 in relation to Marc Ablong's testimony at the Naval Shipbuilding Inquiry and CASG's responses – CASG have indicated that they stand by the comments made.

ASC remains of the view that the evidence given by Marc Ablong is of concern and does not reflect our understanding of the impact of the announcements made by Government around separation. If Government has made a decision that ASC's future role will not involve any FSM activities (as per Marc Ablong's evidence) then this has not been communicated to ASC, nor does it reflect our Corporate Plan or public statements made by the Shareholder Minister.

Are you able to advise any further?

Kind regards
Wendy

Wendy Hoad
COMPANY SECRETARY

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----- Forwarded message -----

From: Media <media@defence.gov.au<<mailto:media@defence.gov.au>>>
Date: Tuesday, 4 July 2017
Subject: RE: Questions re future subs asc etc.. [SEC=UNCLASSIFIED]
To: §22
Cc: Media <media@defence.gov.au<<mailto:media@defence.gov.au>>>

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Good morning §22,

Thank you for your enquiry.

Please find your response below.

Should you choose to use this please attribute it to a Defence spokesperson rather than a specific individual.

Questions

§22 has some questions re the debate over the Future Subs and ASC's role etc.

1. Does CASG agree with First Assistant Secretary Mark Ablong's statement in the Senate Economics References Committee hearing of 20 June that Government has decided (he cites the National Security Committee of Cabinet and a joint announcement by Ministers Pyne and Cormann of 11 October 2016) that ASC's submarine business is to only engage in Collins Class sustainment work?
2. Does CASG agree with Mr Ablong's statement that Government has decided that ASC Shipbuilding is to only engage in the "finalization of the Air Warfare Destroyer project"?
3. If not, what is Defence's position in relation to what ASC will be permitted or considered for in the future, noting that ASC's shareholder owner Minister Cormann has indicated in Senate Estimates that he encourages the company to engage in business development work beyond its current contracts?
4. Will Mr Ablong or the Department be clarifying or correcting his statements to the Committee?
5. If CASG does agree with Mr Ablong's statements, what other public statements by senior Defence officials or Government

ministers supports this position, and when in what way was this decision communicated to ASC and can I request a copy of this advice?

Response to all

ASC plays a crucial role as part of our naval shipbuilding, repair and maintenance industry.

To ensure that it is best placed to support the future needs of Australia's future shipbuilding capability, the Government is separating ASC into three individual Government owned companies.

These three new companies will support the key capabilities of:

- shipbuilding
- submarine sustainment
- infrastructure.

The separation of ASC will deliver a more flexible approach to managing the investment required in shipbuilding infrastructure to support the Government's historic continuous shipbuilding program.

CASG stand by what was said at the Committee hearing and has nothing more to add. For the Hansard transcript of this hearing please see the below link:

<http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;adv=yes;db=COMMITTEES;id=committees%2Fcommsen%2F0974cd36-7493-4b22-90b6-bc3d70276b67%2F0002;orderBy=customrank;page=0;query=Dataset%3AcomSen.estimate;rec=2;resCount=Default>

Regards,

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