

The Australian

Collins sham points to enemy within

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Collins-class submarines HMAS Dechaineux and HMAS Waller on exercise off the Western Australia coast in 2010.

Picture: Defence Department

Source: Supplied

ON August 28, 1993, Paul Keating launched the first Collins-class submarine. The fanfare was impressive. Led by the ABC, the media hailed the event as a triumph. But it was a hoax.

Steel plates were timber painted black. The engine had never been tested in salt water. The pipe fabrication was not finished. Nor was the design of the vessel itself. And the combat system didn't work. As the champagne bottle cracked, the gleaming submarine posed a greater threat to Australia's taxpayers than to its enemies.

Had Keating been the director of a listed company, the stunt would have landed him in hot water. Instead, the experience left a legacy of distrust about defence programs. Now a series of reports, all issued late last year, suggest that distrust is still merited.

They confirm that the lessons of the Collins have not been learned. Governments continue committing to weapons systems costing billions of dollars without proper analysis. And the programs themselves remain plagued by poor management.

No decision better highlights the problems than the Rudd government's pledge to purchase 12 new submarines, "to be assembled in South Australia", as a replacement for the Collins. Compared with the Collins, these vessels will apparently "travel further, stay on patrol longer, support a wider range of missions and provide more capabilities".

Yet a fundamental flaw in Collins was that the commitment to proceed was made without proper cost-benefit appraisal either of the program as a whole or of key design choices within it.

As the Phase 1 report of the Coles review notes, this led the Hawke Labor government, "perhaps without fully appreciating the potential consequences", to specify a vessel "quite unlike any other in the world". And as a review of

Collins by the RAND Corp finds, options to reduce the resulting risks by "backing off requirements slightly, especially for the combat system" were ignored, as were the "trade-offs between operational requirements and technological risks, and their associated cost and schedule implications".

But, flawed as the Collins process was, even less work was done by the Rudd government on the Future Submarine program before it was announced. As with the National Broadband Network, only the most cursory costing was carried out. Little serious consideration was given to the vessel's specifications. And the decision to assemble the submarines in Adelaide, thus excluding imports of fully built vessels, was entirely political.

Unsurprisingly, the naval shipbuilding industry has endorsed that decision. It argues Australia's geography and strategic positioning translate into operational requirements existing conventional (non-nuclear) submarines, largely designed for European coastal waters, cannot meet.

Since the government has ruled out nuclear-powered submarines, which otherwise might fulfill our requirements, that makes bespoke design and production inevitable. We are, it says, as well placed to lead those bespoke efforts as any overseas source, especially with Collins and a substantial surface combatant program driving us down the naval vessel "learning curve". Indeed, it warns that unless we build the submarines we will not be able to maintain them.

These arguments are unconvincing. True, geography and strategic positioning may increase the value we place on features such as the capacity to handle long mission durations. But, according to the RAND study, merely designing a vessel with those features would require at least eight to 12 million hours (five to eight thousand person-years) of proficient and experienced design personnel.

Even if that expertise could be found, and that involves doubling to trebling current supply, the question is whether the greater capabilities of a bespoke vessel have a military value that exceeds their added cost. That question has never been addressed, much less answered.

The industry prefers to assert that local build is essential if we are to maintain the vessels. But the Coles report contradicts that, as "the skill sets required for sustainment are quite different from those required for design and build". Collins' predecessors, the Oberons, were imported from Britain but serviced and refitted at Cockatoo Island. And while we built the Collins, we have never been able to maintain them.

As for being down the learning curve, our submarine capability seems more problematic than ever. Full-cycle docking (essentially, periodic refurbishment) for the first Collins took two years. That has blown out to three years which, the Coles review comments, "is long even by modern nuclear submarine standards".

Nor are the difficulties confined to the submarine program. Rather, the Rizzo review, which examined fleet sustainment after the early decommissioning of HMAS Manoora and the unavailability of HMAS Kanimbla, identifies a general decline in efficiency, as "a critical shortage of maritime engineering talent" has led to a situation in which "rigorous annual inspections (of ship condition) have disappeared altogether", with basic repairs left undone.

All this hardly seems a prudent foundation for engaging a design, construction and through-life support program that would challenge even the best producers. Given that reality, there are three things the government should do.

First, carry out a proper cost-benefit appraisal of the Future Submarine program. If we do not proceed with this program, or reduce its ambition, how much more would have to be spent on other defence assets to ensure an acceptable level of security? And are the outlays for this program greater or lesser than that amount? Without answers to such questions, a sensible decision is impossible.

Second, if the result is that a replacement for Collins is warranted, put all options on the table, including those that are politically unpalatable. For example, even though it might require a facility in Guam, it is irresponsible to rule out US Virginia-class nuclear submarines, as their costs are known and their capabilities outstanding.

And, third, get serious about resolving the management issues that undermine our defence programs. The Rizzo review found the Naval Technical Regulatory System was simply not being adhered to, yet not one individual had been held responsible for the resulting failures. That is a scandal. But it is understandable. For real accountability would raise awkward questions for this government. After all, who has been held to account for pink batts? For school halls? Or for the NBN's failure to meet its targets? No one.

Far easier to rely on shams such as Keating's while shifting the costs to future taxpayers. Little wonder cynicism is widespread in our public service. And little wonder the dollars thrown at these vast programs result in more and more of worse and worse.
