

**THE HON RICHARD MARLES MP
SHADOW MINISTER FOR DEFENCE
MEMBER FOR CORIO**

**DR JIM CHALMERS MP
SHADOW MINISTER FOR FINANCE
MEMBER FOR RANKIN**

**THE HON DR MIKE KELLY AM MP
SHADOW ASSISTANT MINISTER FOR DEFENCE INDUSTRY AND
SUPPORT
MEMBER FOR EDEN-MONARO**

ASC STRUCTURAL SEPARATION

In response to the Turnbull Government's announcement that it will separate ASC into three individual companies, Labor has cautioned that, as with everything Malcolm Turnbull announces, the devil will be in the detail.

The Turnbull Government claims this decision is based on the outcomes of its Strategic Review into ASC – that may well be the case, but the Government has yet to release the outcomes of that review and we call on the Finance and Defence Ministers to release this report immediately.

This is a Government that has form in denigrating the professionalism and skills of the ASC workforce.

This is a Government that did nothing but create chaos in Australia's Future Submarine project with its bizarre Captain's Picks and caused damaging delay for three years – resulting in the loss of over 1,500 jobs at shipyards across Australia.

This is a Government that failed to provide Australian companies with the opportunity to compete for the contract to build the Navy's Supply Ships by conducting a limited tender process with two overseas companies.

The Turnbull Government needs to immediately guarantee that the structural separation of ASC will not result in any reduction in jobs in South Australia. It also needs to guarantee that all the submarines will be built in Australia and that key design capabilities will be established here.

Labor will be seeking further information on the implications of this announcement at Senate Estimates next week.

TUESDAY, 11 OCTOBER 2016