AUKUS Deal Buoys Submarine Suppliers



President Joe Biden greets British Prime Minister Rishi Surnak and Australian Prime Minister Anthony Albanese the AUKUS bilateral meeting in San Diego, Calif, March 13, 2023. (DoD photo by Chad J. McNeeley)

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ARLINGTON, Va. — The suppliers of components and materials to the nation's submarine shipyards praised the AUKUS agreement's plan for building three or potentially five Virginia-class attack submarines (SSNs).

The AUKUS agreement between Australia, the United Kingdom, and the United States to provide nuclear-powered attack submarines for Australia will involve supplying three Virginia-class SSNs to Australia (with an option for two more) starting in the early 2030s, followed by a new class of SSNs — the SSN-AUKUS — built in the United Kingdom in the late 2030s, followed by

further SSN-AUKUS submarines built in Australia in the early 1940s.

Steven Dobos, chairman of the Submarine Industrial Base Council, said in an interview with Seapower that the timing of when the three-to-five Virginia-class SSNs are slotted in the production presents a challenge and an opportunity.

“It’s a good problem,” Dobos said. “For years it was, are they going to fund a boat? Are they going to fund two boats? Are they going to put two Virginias in the same year? What are we going to do with Columbia? … It comes with an extensive set of challenges, but they are all opportunities. The defense industry, and particularly the submarine industrial base, they have met the challenges of the past and I don’t think there’s anything in the future preventing it from doing it in the future with adequate planning.”

Dobos said that Congress is “extremely” supportive of the submarine industrial base, “probably more than ever.”

“I would expect to see some plus-ups put in there, but I think everybody would be happy if it went in at the president’s budget [level],” he said.

“Everything is pie in the sky until the contract is awarded,” he said. “The supply chain now is being told that they’re going to go to a larger block buy for most of this, where they’re going to package five Columbias and seven Virginias gives you visibility as to what your cadence is going to be, and that allows you to accurately staff your work force and give you the time to build up what you need.”

As with the submarine-building shipyards, the submarine suppliers face the challenges of recruiting and retaining a skilled workforce.

“As fast as we can hire skill, we lose skill for varying reasons,” said Dobos, whose own company in Cameron, Texas.

“Texas is in the middle of the oil field. You’re fighting with oil and gas [industry] for your welders, your fitters and your machinists.”

Dobos said the SIBC was pleased with the $636 million proposed in the president’s 2023 budget for supplier and workforce development.

Dobos is the president and CEO of Butler Weldments in Cameron, Texas. His company produces components for the prime contractors that build submarines, HII’s Newport News Shipbuilding and General Dynamics’ Electric Boat. The products include foundations for heavy machinery such as turbine sub-bases for the main propulsion unit for the Virginia-class, numerous components for the Columbia-class, large fixtures for Newport News and Electric Boat to support the Columbia construction, and large power-generation frames.

The SIBC’s membership includes approximately 2,000 suppliers.