

2013 Defence White Paper May 2013

On Friday 3 May 2013, Prime Minister Julia Gillard and Defence Minister Stephen Smith released the 2013 Defence White Paper. The White Paper concludes an economic, strategic and military shift to the Indo-Pacific means growing prosperity for Australia, although it also represents some uncertainty and risk. It addresses a range of significant domestic as well as international developments since 2009, which influence Australia's national security and defence settings. These include their impact on force posture, future force structure and the Defence budget.

The 2013 Defence White Paper is available <u>here</u>. The Prime Minister and Minister for Defence's joint media release is available <u>here</u>.

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Background

The 2013 Defence White Paper complements the *National Security Strategy* released in January, and the *Australia in the Asian Century White Paper* from October last year. The White Paper points to significant developments Australia's strategic circumstances warranting a new Defence White Paper and review of Australia's security and defence strategy. These developments include:

the ongoing economic strategic and military shift to the Indo-Pacific;

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- the Australian Defence Force's (ADF) operational drawdown from Afghanistan,
 Timor-Leste and Solomon Islands;
- the United States' re-balance to the Asia-Pacific;
- Australia's substantially enhanced practical cooperation with the United States pursuant to our Alliance relationship; and
- the ongoing adverse effects of the Global Financial Crisis, which have continued to have a significant deleterious impact on the global economy, domestic fiscal circumstances and the Budget.

National Security Strategy is available <u>here</u>.

Hawker Britton's Occasional on Australia in the Asian Century White Paper is available here.

Main themes

- **Capability** The White Paper White Paper outlines the capabilities needed in the coming years to address Australia's strategic challenges.
- ADF posture In order to respond to the changes in Australia's strategic outlook the
 White Paper presents adjustments to the positioning of Australia's defence
 capability.
- Industry development As part of the plan to build 12 conventional submarines the White Paper focuses on how to enhance and maintain the necessary skills, expertise and capacity in Australia's naval shipbuilding industry.
- **Support for ADF personnel and veterans** The White Paper outlines exciting programs along with new investments in health care for ADF Personnel, veterans and their families, with a particular focus on mental health..

Capability

Since the 2009 Defence White Paper, the Government has approved more than 125 proposals for new or enhanced defence capabilities with a total value of over \$17.3 billion. Building on these acquisitions, the 2012 Force Structure Review assessed capability priorities against the backdrop of Australia's contemporary strategic environment.

The 2013 White Paper outlines the capabilities the Australian Defence Force will need in the coming years to address strategic challenges. The new capability commitments will assure Australia's air combat capability in the transition to the Joint Strike Fighter, and enhance the country's maritime security capabilities while contributing to the long-term sustainment of Australia's critical naval shipbuilding industry.

Significant new capabilities outlined in the 2013 White Paper include:



Naval Forces

The 2013 Defence White Paper confirms the Government's commitment to replacing the existing Collins Class fleet with an expanded fleet of 12 conventional submarines to be assembled in South Australia. The Future Submarine Program will be the largest and most complex Defence project ever undertaken by Australia. It is a capability design, construction and sustainment challenge of unprecedented scale and complexity, and will span decades.

Consequently the Government has taken the decision to suspend further investigation of the two other future submarine options based on military-off-the-shelf designs. Resources will now be focused on progressing an 'evolved Collins' and new design options that are likely to best meet Australia's future strategic and capability requirements.

The Government has also decided to use the United States AN/BYG-1 combat system as the reference system for future design work. It allows the submarine design to proceed utilising more accurate projections of space, weight and power requirements.

The new Submarine Propulsion Energy Support and Integration Facility located in Adelaide will be extended with elements of the facility to be located in Western Australia and Victoria.

Air Forces

The Government remains committed to acquiring the fifth-generation Joint Strike Fighter (JSF) aircraft, with three operational squadrons planned to enter service beginning around 2020. The Government has decided to retain the current 24 F/A-18F Super Hornets (one operational squadron) in their current air combat and strike capability configuration to assure Australia's air combat capability through the transition period.

The Government has also decided to acquire 12 new-build EA-18G Growler electronic attack aircraft instead of converting 12 of Australia's existing F/A-18F Super Hornet aircraft into the Growler configuration.

The 2013-14 Federal Budget provides \$2,974.4 million over nine years from 2013-14 to 2021-22 to acquire 12 EA-18G (Super Hornet) Growler aircraft, weapons and associated support systems. In addition, the Government has given First Pass approval for personnel and operating costs of \$3,143.8 million to support this capability until 2029-30.

To see the capital expense measures for Defence in the 2013-14 Budget click here.

Land Forces

The Defence White Paper outlines the requirement to provide around 2,700 protected and unprotected Medium and Heavy Vehicles under Project LAND 121 Phase 3B.



Subject to satisfactory completion of all final issues and formal approval processes, Defence will acquire up to 2,700 protected and unprotected trucks from Rheinmetall MAN Military Vehicles Australia and trailers from Haulmark Trailers Australia.

Later this year the Government will formally consider Defence's proposal for the acquisition of the vehicles and trailers. It is expected that the work to be undertaken in Australia by the successful vehicle and trailer contractors and their network of Australian sub-contractors will include manufacture of the trailers, installation of locally-supplied modules and parts, vehicle integration and testing. The maintenance and through-life support for the vehicles is also expected to be undertaken in Australia.

The acquisition includes 2150 unprotected Mercedes Benz G-Wagon 4×4 and 6×6 vehicles and trailers to enable tactical training.

Defence Force posture

In 2011, the Government commissioned the first major review of the Defence Force's posture in over 25 years, to assess whether it is correctly geographically positioned to meet Australia's current and future strategic and security challenges.

On 3 May 2012 the Government released the final report of the Australian Defence Force Posture Review. A key conclusion was Australia's need for the posture to support operations in Australia's Northern and Western approaches, as well as operations with our partners in the wider Asia Pacific region and the Indian Ocean Rim.

The report found that the changing strategic environment does not require widespread changes in the location of the Defence Force bases, but that some adjustments should be made to meet future needs. As the White Paper notes, substantial progress has already been made in implementing many of the Review's recommendations. The 2013 White Paper outlines that the Government will proceed with plans to:

- develop Fleet Base East as the home port for the Landing Helicopter Dock ships and Air Warfare Destroyers;
- enhance Fleet Base West to support submarine and major surface combatant capability and operations;
- implement infrastructure requirements (as they are refined) to support major future naval capabilities including the Future Submarine, Future Frigate, Offshore Patrol Vessel and the earlier replacement of the Armidale Class Patrol Boat;
- upgrade Royal Australian Air Force (RAAF) bases Tindal and Learmonth to enhance KC-30 air-to-air refuelling tanker operations and Cocos (Keeling) Islands airfield facilities to support P-8A maritime surveillance aircraft operations;
- enhance RAAF bases Darwin, Edinburgh, Pearce and Townsville to support future P-8A operations (enhancements which will also support KC-30 aircraft operations); and



 upgrade airfields to support Joint Strike Fighter operations at RAAF bases Darwin, Tindal, Williamtown, Amberley, Edinburgh, Townsville, Learmonth, Curtin and Scherger.

The Government will also implement plans for enhancing amphibious mounting base capacity in Darwin and Townsville and if required in future, will exercise commercial arrangements using existing infrastructure to allow large amphibious ships to embark Defence personnel based in Brisbane and Adelaide.

The Review's recommendations to retain the disposition of the Australian Army's 1 Brigade centred in Darwin and 7 Brigade in Brisbane will also be implemented, and 6 Brigade will be consolidated in south-east Queensland as opportunities arise and funding permits.

In addition, the Government has decided not to proceed with the Review's recommendation to build a second major fleet base on the east coast, and nor will we acquire a new major coastal Defence Force training area in the near term.

Industry Development

In addition to the 2013 Defence White Paper the Government has released the *Future Submarine Industry Skills Plan* which reaffirms its commitment to enhancing and maintaining the necessary skills, expertise and capacity in Australia's naval shipbuilding industry to ensure successful delivery and sustainment of Australia's future naval capabilities, particularly the Future Submarine Program.

The skills needed include systems design, naval architecture, propulsion and combat system engineering, production engineering, project planning and control, production scheduling, material procurement, risk management, budget control, financial accounting, contract management, systems integration, and trade skills such as welder, boilermaker, and electrician.

The Plan makes a range of recommendations to develop and retain the skills needed to build the future submarines and other warships for the future fleet.

These recommendations include:

- Naval shipbuilding projects should be planned with the aim of retaining wherever practical current workforce skills to place Defence and industry in the best position possible at the start of the next generation of projects;
- Defence should structure the Future Submarine Program as a rolling build program, including establishing structured, funded and ongoing engineering and science and technology programs to deal progressively with equipment obsolescence and capability upgrades; and



 The Defence Materiel Organisation should engage in detailed discussion on a frequent and ongoing basis with companies, unions and industry groups involved in naval shipbuilding. No plan should be approved that is not broadly practical in terms of industry capability and capacity, schedule and budget.

The Government supports the recommendations will implement the *Future Submarine Industry Skills Plan* as it takes decisions on future naval platforms.

The Future Submarine Industry Skills Plan is available here.

Support for ADF personnel and veterans

The 2013 Defence White Paper continues the Government's commitment to ensuring that current Defence Force personnel, veterans and their families receive the highest quality health care and support.

The White Paper confirms the Government's intention to make available to all dependants of permanent personnel members and dependants of Reserve members on Continuous Full-Time Service health care arrangements for the provision of basic medical and dental care from 1 January 2014.

In addition to measurers to better coordinate support services between Defence and Veterans' Affairs announced in February this year, The Government has also decided to provide a further \$25.3 million for enhanced mental health programs, involving:

- Extending the Veterans and Veterans Families Counselling Service coverage to a
 number of current and former personnel not currently eligible ie: border protection
 personnel, disaster zone personnel, personnel involved in training accidents, ADF
 members medically discharged and submariners; partners and dependant children
 up to the age of 26 of these high risk peacetime groups; and families of veterans
 killed in operational service.
- Extending mental health non-liability health cover to include access for former ADF members with three years continuous peacetime service after 1994 and expansion of current conditions of PTSD, depression and other anxiety disorders to also include alcohol and substance misuse disorders for veterans.
- Implementing a post discharge GP health assessment, using a specially developed a screening tool, for former ADF members, including regular and reserve forces.
- Additional funding for the Defence resilience platform, LifeSMART (Stress Management and Resilience Training) for veterans and families. Additional modules may include anger management, substance misuse, depression, anxiety, grief and loss.
- Developing and maintaining a Peer-to-Peer Support program to support recovery of veterans with a mental health condition by providing a non-clinical support network.



- Additional funding for improving processing time for compensation claims by veterans and current serving personnel.
- Additional assistance for veterans and current serving personnel making claims for injury.

To see the Defence expense inclusions in the 2013-14 Budget $\underline{\text{click here}}$.