

Chair, Senators,

Since I last appeared before this Committee, much has occurred in the global and regional security domains.

We have seen a very welcome – if fragile – ceasefire agreement in Gaza. There has been a spate of unattributed attacks on critical undersea ICT infrastructure. This week the Government observed the three year anniversary of Russia's illegal, full scale invasion of Ukraine. Over the last week we have seen the deployment of a highly capable People's Liberation Army (PLA) task group to conduct live fire activities in the Tasman Sea, the furthest south any PLA task group has come before.

These events reflect an unpredictable global setting, and inform what Defence has often referred to as a deteriorating strategic environment in the Indo-Pacific. The Government's National Defence Strategy – and the rebuild of the Integrated Investment Program – require Defence to deliver a more potent, focused Australian Defence force that can deter force projection against us in a more uncertain world; and, by working more closely with

our international partners, help prevent intensifying strategic competition tipping over into confrontation.

Our Ministers and the Department remain focused on this task. Earlier this month, the Deputy Prime Minister travelled to Washington DC to meet with the new US Secretary of Defense. The DPM was the first of Secretary Hegseth's counterparts to meet with him. They discussed the enduring strength of our Alliance, US force posture initiatives in Australia, AUKUS and our shared commitment to advancing defence industrial base cooperation.

Since the last Senate Estimates the Deputy Prime Minister has also held ministerial consultations with his counterparts in the United Kingdom, New Zealand and in Singapore, and bilateral visits to Saudi Arabia, the United Arab Emirates, Kiribati and Solomon Islands. And just last week, the Deputy Prime Minister, alongside his counterpart from Papua New Guinea, announced the commencement of negotiations on a bilateral defence treaty between our two countries.

Defence has also invested in greater dialogue with the PLA. On 17 February, the 23rd Australia-China Defence Strategic Dialogue was held, the first since 2019. This allowed a frank exchange on the PLA Navy's deployment of a Task Group positioned off Australia's east coast which is continuing. The

Government expects the PLA provide ample warning about live fire activities. As the PLA continues to expand in size, reach and operational tempo, dialogue will be an increasingly necessary mechanism to register the importance of all countries in the region operating in a safe and professional manner.

It is important to acknowledge as well the commencement of US negotiations with Russia to bring an end to the devastating war in Ukraine. The Government has made clear Australia stands with Ukraine and its people, and will continue to support Ukraine achieve a just and lasting peace on its terms.

I wish to advise the Committee that since the last hearing, Defence has continued to progress delivery of capabilities that will enhance the ability of the ADF to deliver the National Defence Strategy.

We have accepted the first Arafura class Offshore Patrol Vessel, NUSHIP *Arafura*, for further testing and evaluation ahead of delivery to the Royal Australian Navy.

We have also taken delivery of the final nine of Australia's fleet of 72 F-35A Lightning II aircraft for the Royal Australian Air Force.

These aircraft are the first in the fleet to receive upgrades that will support the new and enhanced capabilities required to meet the evolving threats of the future.

Last week, the Government announced the ADF had achieved initial operating capability of the Australian Army's UH-60M Black Hawks, marking one of the fastest initial phases of a capability acquisition in recent times.

We are also working hard to translate next-generation technologies into defence capabilities. ASCA is in the process of transitioning to the Vice Chief of the Defence Force Group, ensuring investments are directly informed by operational needs and delivering an integrated, focused force as required by the National Defence Strategy

The Government has also released the 2024 Naval Shipbuilding and Sustainment Plan.

This is a critical body of work, articulating a 30-year pipeline of construction and sustainment projects, including conventionally armed, nuclear-powered submarines, an enhanced lethality surface combatant fleet and landing craft for the Australian Army.

Important decisions have been made in relation to the future fleet, including the down-selection of two shipbuilders to progress three designs for Australia's future general purpose frigates and the selection of a preferred design option for the Landing Craft Heavy.

To ensure the timely delivery of these capabilities, Defence is focused on designing and delivering the necessary upgrades to Australia's maritime industrial base, including for the new Defence Precinct at Henderson in Western Australia and the Nuclear-Powered Submarine Construction Yard at Osborne in South Australia.

Finally, since I last appeared before the Committee, the Government has made a number of significant announcements to support our people.

In December 2024, the Government released its response to the Royal Commission into Defence and Veteran Suicide and committed to swift action on key recommendations.

Delivering these reforms will change the way we work and support our workforce and their families.

The CDF and I are committed to these reforms and I can advise the Committee that work on delivery in Defence is well underway.

The CDF will talk further to this issue.

I thank the Committee for its indulgence, and welcome your questions.