



Submission No 39

Inquiry into Australia's Maritime Strategy

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**THE RETURNED & SERVICES LEAGUE
OF AUSTRALIA
SUBMISSION
TO
THE JOINT STANDING COMMITTEE ON FOREIGN
AFFAIRS, DEFENCE AND TRADE
DEFENCE SUB COMMITTEE
ON AN
INQUIRY INTO AUSTRALIA'S MARITIME STRATEGY**

Mr Chairman, the Returned and Services League of Australia thanks the Sub Committee for this opportunity to put its views on the important topic of Australia's Maritime Strategy. As the nation's primary body representing the views of the Veteran community, we hope the outcome of your inquiry will lead to three things. These are:

- . greater security for Australia in the future;
- . greater combat effectiveness for our fighting forces in any future conflict; and
- . enhanced survival prospects for our servicemen and servicewomen whenever they are sent in harm's way.

In addressing this subject, we look to the future. We do not intend to comment on the origins or meaning of the words *strategy* or *maritime strategy* or to focus on past conflicts. Instead this presentation addresses your Principal Term of Reference and what we consider the six specific issues in your Terms of Reference should mean for the future defence of our nation.

Principal Term of Reference

The Australian Defence Organisation's ability to deliver the necessary capabilities to meet Australia's strategic interest and objectives as defined in Defence 2000.

Much has transpired since the release of "Defence 2000" and this has been recognised by the publication of "Australia's National Security - A Defence Update 2003". As a consequence, we have based our comments on the strategic outlook in this document, focusing on the Chapter "Implications for Defence". We have restricted our comments to Australia's current strategic interest and objectives and the implications of these factors for the Australian Defence Force given that there is no formal entity called the Australian Defence Organisation.

With respect to Australia's strategic interest and objectives, we question the assertion in the 2003 Defence Update that "for the present, the prospect of a conventional military attack on Australian territory has diminished because of the stabilising effect of US determination and willingness to act, the reduction in major power tensions and the increased

deterrent effect of the US-Australia alliance flowing from US primacy.”

The prospect of conventional military attack on Australian territory has been negligible for many years and Australian governments over the past quarter century appear to have accepted this strategic outlook. Moreover, it is a matter of historical record that over this very long period Australia has been the beneficiary of the deterrent effect of the US-Australia alliance. In other words, nothing has changed.

Also, the assertion that “the implication is that for the near term there is less likely to be a need for ADF operations in defence of Australia” is ambiguous. Is this intended to mean ADF operations in defence of Australia on Australian territory are less likely in the near term ? If so, less likely than at what time given that all ADF operations in defence of Australia since the Second World War have been undertaken distant from our territory. If the statement means ADF operations in defence of Australia are less likely in the near term wherever else in the world they may be conducted, this is contradicted by recent ADF deployments to Afghanistan and Iraq, both of which were undertaken to defend Australia against the threat of terrorism.

Because Australia’s strategic outlook is uncertain, we consider our maritime strategy must specify the requirement for the ADF to be capable of mounting substantial pre-emptive deployments of expeditionary Australian sea, land, and air forces to counter developing threats however remote these may be from Australian territory. Prudence and the lessons of history also suggest the maritime strategy must include an ongoing ability to project an Australian maritime force into the sea/air gap surrounding our nation of such combat capability that it can by itself deter or counter developing threats to the nation’s security.

Now to the assessment in the 2003 Defence Update that ADF involvement in future coalition operations is “likely to be of the type witnessed in Afghanistan and which the Government (at the time the document was written) considered in Iraq - that is, limited to the provision of important niche capabilities.” We question this assertion on three grounds. First it implies over reliance on great and powerful friends. Second, it suggests a mindset which perceives military operations in Afghanistan and Iraq as setting a new benchmark for the future in terms of what might be required for the defence of the nation.

Third there is no definition of the words "important niche capabilities."

Regarding the first matter, circumstances could arise which would require Australia to mount an operational deployment of our Defence Force with little or token help from friends and allies. Whilst the RSL continues to support Australia's alliances, it is not unknown for nations to give priority to domestic political considerations or self interest over alliance obligations. There are also other alliance considerations such as whether allies will continue to perceive the Australian national defence effort as being of sufficient substance to warrant them risking their armed forces in our defence; and whether our armed forces will remain sufficiently compatible with those of our allies to enable us to continue to form combined forces. In this context it is worth noting that as the technology gap between the war fighting equipment operated by Australia's Navy, Army and Air Force and that of our most powerful ally widens, so our compatibility with our major ally lessens.

Our second ground for querying words in the 2003 Defence Update has to do with the extent of ADF capability which might be needed to combat future threats to the nation's security. Military operations in Afghanistan and in Iraq were each so unique and there were such differences between the two that it is difficult to understand how they could singularly or collectively be conceived as somehow setting a blueprint for the future. As to the differences in these campaigns, consider the fact that Afghanistan did not possess an Army in the conventional sense whereas Iraq did. Then take into account that Afghanistan is a land locked nation with no maritime force or involvement whereas Iraq is a maritime nation where the taking of its primary port and its subsequent clearance of mines and other navigational dangers was a significant part of the coalition military operations. For these reasons alone we question the apparent implication that the future force structure of the Australian Defence Force might be determined as a result of either of these operations.

This leads to the third of our queries - what is the meant by the statement that future Australian involvement in military operations might be "limited to provision of important niche capabilities?" One worrying implication is that Australia might abandon the fundamentals of a balanced Defence Force, complete with all necessary combat and combat support elements and capable of undertaking concurrent ground, sea and air operations in a conventional war. Another possible implication is that the provision of

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"important niche capabilities" might mean, for example, the expansion and development of Special Forces at the cost of significant diminishment of other key combat elements of the ADF. As resources for Defence appear likely to remain about the same as a percentage of Australia's gross domestic for the foreseeable future, we sincerely hope this is not intended.

One of the greatest dangers in times of changing strategic outlook is to abandon specific defence force capabilities in the expectation they will no longer be needed. Once given up, such capabilities are exceptionally difficult to resurrect, not least because of the loss of expertise, professionalism and corporate memory about the capabilities and the ways in which they are integrated into a whole defence effort. In this context it is noteworthy that Australian naval gunfire has very recently been used to great effect in support of land forces proximate to an enemy coastline. It is not all that long ago that powerful voices were raised in this country against the need for such a capability. Many in Defence and Government argued long and hard to prevent a 5 inch gun being fitted to our Anzac frigates. Indeed, so powerful were the opponents of this combat capability that the matter was eventually decided at the highest level in government. Had the opponents of the 5 inch naval gun prevailed on that occasion, our Navy would have been found wanting in the recent conflict against Iraq.

Whilst technological innovation continues to bring changes to the way in which elements of our Defence Force operate, the principles of warfare remain the same. To remain credible and effective the Australian Defence Force must be equipped with state of the art fighting equipment and the force must be maintained and sustained with all essential combat and combat support elements.

Specific Terms of Reference

Mr Chairman, our comment on your specific terms of reference is in a sequence somewhat different from that published on the Parliament's web site. Defence being but one part of our nation's endeavours, it seems sensible to consider the inquiry into

Australia's maritime strategy by starting with the specific term of reference which relates maritime strategy to other aspects of Australian national power.

The Integration of maritime strategy with the other elements of Australian national power to achieve specified national strategic interests and objectives.

Australia's primary national strategic interest and objective is, and will remain, the ongoing security of the nation. As this is unlikely to change, it is the focus of our comments under this part of the sub committee's terms of reference.

Any strategy relies on a range of factors, and this is the case for Australia's maritime strategy. The extent to which the maritime strategy is integrated with other elements of national power need not necessarily be specified in all instances because some are fundamental to our existence as a strong nation state. These include:

- . the will of the people of Australia to defend themselves and their interests;
- . the ongoing economic well being and accumulation of wealth by the nation;
- . the continued cohesiveness of our society; and
- . the national commitment to tolerance and respect for the rule of law.

Elements of Australian national power which we contend need to be specifically integrated into our maritime strategy include:

- . the relations we maintain and nurture with other nation states, including most particularly our defence and economic alliances;
- . our developing ability in weapon and sensor research for the ADF and our modest capability to build and construct defence force equipment; and
- . our position on the world stage as a major trading nation including our vulnerability of almost complete dependence for our way of life on the unfettered continuation of maritime trade.

We also believe it important that Australia's maritime strategy takes account of significant weaknesses in our national power. Our almost total reliance on foreign registered and foreign owned merchant shipping and our diminishing and small national merchant fleet are significant national factors which must be taken into account when crafting Australia's

maritime strategy

Conflict is most likely to be avoided or ameliorated by diplomacy whether conducted under the auspices of the United Nations, or by bilateral or multilateral negotiations with the states involved. If diplomacy fails, military operations are most likely to have the desired outcome with the least casualties in circumstances where Australia takes part in joint and combined operations with allied or friendly forces. Conflict may also be avoided if disagreements with other nations are able to be argued from a position of economic and military strength. Australia will only be regarded as militarily strong if it continues to maintain a professional, well armed combat force complete with technologically advanced weapons and sensors deployable at sea, on land, and in the air. For these reasons Australia's maritime strategy must be fully integrated with all other relevant elements of Australian national power. More to the point, Australia's maritime strategy must be sufficiently flexible to be able to continually adjust to changes in other relevant elements of Australian national power.

A final point we consider important in the context of the integration of other elements of national power with the Australian Defence Force under the framework of an Australian maritime strategy is the need to avoid unwarranted complexities or duplications. In the maritime environment this means limiting involved organisations to the minimum and resisting the creation of new organisations.

The impact of Australia's maritime strategy on ADF capacity to participate in combined multinational regional and global coalition military operations.

Australia's maritime strategy must by all means complement and enhance the capacity of the Australian Defence Force to participate in combined multinational regional and global military operations. There are several reasons for this assertion, some of which have already been addressed, but two of which will suffice to make the point.

The first is the credibility of the Australian Defence Force - its belief in itself as an elite and fully combat capable entity able to participate without reservation in combined multinational regional and global coalition military operations. An essential element of this

credibility is the reputation and standing of the Australian Defence Force with other nations. If the ADF is a well equipped, modern and technologically advanced fighting force which can take on enemies and win it will earn the respect of friends and allies and be effective as a deterrent to potential adversaries. Australia's maritime strategy must include the need for all relevant elements of the Australian Defence Force to be maintained at such a level of combat effectiveness and readiness that its ability to be included in combined, multinational, regional or global coalition operations is never in doubt on capability grounds. Included in this must be the same level of effectiveness and readiness of all combat support elements and its logistic support backup.

The second key reason for supporting the ongoing involvement of the Australian Defence Force in combined multinational and global military operations as part of an Australian maritime strategy is that it would allow Australia to make much more informed choices about the military equipment needed to maintain a credible combat capability. Experience gained in combined operations with Australia's major military allies has the added benefit of making Australia a much better informed customer when it comes to selecting the most appropriate fighting equipment for our forces and of providing essential combat support and logistic backup.

The Australian Defence Organisation capability to apply the Maritime strategy outlined in Defence 2000 in the current strategic environment

The RSL considers the Australian Defence Force has a variable capability to apply the maritime strategy outlined in Defence 2000 in the current strategic environment.

Capability limitations are of little consequence at the lower end of operations such as peace keeping; or when the Australian Defence Force is engaged under United Nations auspices or in combined operations with powerful allied forces. In the latter circumstances, the capability shortcomings of the Australian defence Force are inconsequential because of the overwhelming power of our allies; for example, the provision of allied air power over Australian naval and ground forces deployed to areas remote from Australia.

However, at the higher end of operations, such as war, and in circumstances when unequivocal support from friendly or allied forces is not guaranteed, capability limitations of the ADF could be severe. It is not inconceivable that these shortcomings could be so substantial in some circumstances as to deny the nation the option of using force.

Our assessment is that the capability of the Australian Defence Force to apply the Maritime strategy in the current strategic environment is largely dependent upon significant assistance from powerful allied or friendly forces in peace enforcing or warlike operations. This judgement is based on several factors.

The first is that although Australia has a highly professional Defence Force it is very small, totalling less than 60,000 personnel. Whilst the training, ethos and competence our service personnel is the equal of or better than any other fighting force, the same cannot be said for its equipment. The land force is lightly armed and the scant heavy war fighting equipment it holds is technologically obsolescent or obsolete by world standards. The air force is somewhat better equipped but lacks sufficient force multiplying assets such as air to air refuelling tankers to maximise its effectiveness. The maritime force with the exceptions of the submarine and mine warfare and clearance diving elements is in much the same state of technological and capability decline as the land force.

In the current strategic environment, uncertainty dominates, and this outlook seems likely to continue. A not unreasonable consequence of this widely supported assessment is that Australia's future involvement in conflict will be unexpected in its development, manifestations and consequences. Given that a population of about 20 million and its ability and willingness to fund its own defence dictates the extent to which Australia can prepare for its future security, we contend Australia must not merely maintain the key capabilities of the Australian Defence Force called up by a maritime strategy but improve them. These capabilities are directed towards, but are not limited to, two fundamental needs.

The first and most difficult is to defend Australia and its interests from threat of attack or actual invasion. The second is to mount and deploy, by sea and air, a land force of sufficiently effective contemporary combat power to prevail at the destination to which it

is delivered; and the ability to defend such a deploying force during transit to the operational area from sub surface, surface and air threats.

Whilst invasion of Australia appears highly unlikely in the current strategic environment, the same cannot be said for mounting and deploying elements of the Australian Defence Force to other parts of the world. All indications are that such deployments are possible in the current strategic environment; and it is conceivable an Australian Government might unilaterally deploy a combat capable force of modest size to a destination in Australia's area of strategic interest or further away as part of a United Nations or other coalition combat force. It is to the most difficult of these possibilities, a unilateral deployment by sea and air to somewhere in Australia's strategic area of interest, that we have turned our attention when making a judgement about the capability of the Australian Defence Force to apply the maritime strategy.

Any opponent will look for weaknesses in the offensive or defensive capabilities of the Australian Defence Force and seek to exploit these. The optimum time to take action against weaknesses is during the force deployment or landing phases of any such operation. This raises the question of capability limitations in these circumstances. Two of these limitations will serve to illustrate our belief that the capability of the Australian Defence Force might be unable in these circumstances to match the maritime strategy.

The first capability limitation is the lack of effective air protection for any force deploying. The further it has to deploy from Australia, the less likely it is that our air assets would be able to provide protection against air threat. The second limitation is the lack of combat capability and self defence capability in our major surface combatants. Roughly one half of the force lacks a gun of sufficient range to be effective against many other warships; the other half lacks a surface to surface missile capability; and the area surface to air missile systems fitted lack the range now needed to combat some threats. To put it bluntly, our surface combatants lack the modern weapon and sensor suites needed for full combat effectiveness in contemporary blue water operations.

Primary Roles in Australia's maritime strategy of the key components of the ADO, including the three services, Defence Intelligence Organisation and ADF Command and Control Structure.

We wish to make only three points about this specific term of reference.

The first and fundamental point is that in time of conflict when the Australian maritime strategy is fully in effect, all the nation's endeavours must be directed towards the primary role of the Australian Defence Force - to fight and win. We consider it essential that the Department of Defence, the Defence Intelligence Organisation and all other non combat defence supporting agencies have written into their roles that the primary reason for their existence is to support the combat force and its combat support elements in time of conflict.

The second point we make is that nothing in Australia's maritime strategy should be allowed to stand in the way of or in any way detract from the focus of the Australian Defence Force to fight as one joint force. The RSL believes it is crucial that in future peacekeeping operations, peace enforcing operations or in war that the Australian Defence Force operates as a joint force.

The third point is the need to ensure that the advice of experienced members of the Australian Defence Force is given full weight when making decisions about the primary role in Australia's maritime strategy of the key components of Australia's defence effort. Too greater reliance on advice from other sources runs the real risk of devising primary roles which are not clearly aimed at fighting and winning.

The impact of the evolving strategic environment on Australia's maritime strategy.

Given that Australia's evolving strategic environment has recently focused more on the threat of global terrorism than on threats from nation states, there is a danger that some timeless fundamental issues impacting on the way Australians arrange for the defence of the nation may be overlooked in the inevitable search for new or innovative solutions to this new strategic dilemma. In so far as Australia's maritime strategy is concerned, abandonment of the importance of these fundamental issues could significantly weaken our defence preparedness over time.

We consider some factors influencing the security of our nation are timeless and retain their importance regardless of the changing threats we face. These include:

- . our geographic isolation as an island continent with no land borders, giving us both security advantages and disadvantages in arranging for our defence;
- . the fact that well in excess of 90% of all our imports and exports arrive and depart by sea with this situation unlikely to change in the foreseeable future;
- . Australia's economy being dependent upon the unfettered continuation of maritime trade to and from our country;
- . Australia being largely dependent upon foreign flagged and foreign owned hulls to carry its imports and exports; and
- . the nation having a miniscule and declining ship building and ship repair capacity.

Global terrorism seeks out weaknesses and exploits them and in the maritime environment Australia is vulnerable. Australia's maritime strategy must acknowledge these weaknesses and advance propositions which would remove or ameliorate them. Threats to our maritime trade could have an immediate devastating negative impact on the nation's economy and as we have virtually no national claim over the merchant ships or crews which might be involved, our power to limit damage to our way of life could be severely constrained.

The integration of Australian Defence Industry into capability development to support a maritime strategy.

Successive Governments have attempted to integrate Australian Defence Industry into our defence effort with varying degrees of success. Factors influencing the extent to which these industries can be integrated into Australia's maritime strategy include:

- . for major defence acquisitions such as combat aircraft and naval combatants,
- . the fact that there is not sufficient prospective business to support a number of industries which can compete in normal tendering processes;

the reality that Australia's small research and development capability and, by world standards, our modest economic capacity restrict us in our efforts to design and develop major weapon and sensor systems and combat platforms;

the likelihood that political considerations will distort the defence need in future

steps aimed establishing new Australian defence industries or in obtaining agreements to manufacture foreign designed weapons or sensors under licence in Australia.

We consider there should be a long term broadly agreed national plan to develop defence industries in Australia and to integrate them to the extent feasible in a maritime strategy. In the case of defence industries specific to our naval surface and subsurface forces, we consider the above factors suggest Australia can support only one warship building firm; but that it could support two warship refitting firms provided one was east coast based and the other in the west. If, over time, this was to eventuate, special tendering arrangements would be needed in dealing with such firms owing to the lack of competition.

Conclusion

Whilst the RSL input to this Inquiry is but one of many, it represents the ongoing concern of the many Australians who have fought for our country and who contend there is a need for Australia to stay militarily strong so as to be able to cope with an uncertain future.

Mr Chairman, we believe your committee would do a great service to our nation if the findings of your inquiry gave rise to the formulation of an Australian maritime strategy which strengthened the ability of the nation to defend itself and gave Australian servicemen and servicewomen deployed to future wars a high degree of confidence that the force they brought to bear would both prevail and give them a very good chance of returning home safe and sound.