

# AUSTRALIA'S NATIONAL SECURITY

A DEFENCE UPDATE 2007



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# PREFACE

How we defend our sovereignty, our citizens and our interests – and our success in doing so – shapes the future of our nation. This, the third Defence Update since the White Paper of 2000, provides an update on the Government's efforts to meet that responsibility.

The Update describes Australia's current strategic outlook. We are experiencing significant change in the international security environment. Serious threats to stability continue to emerge from the Middle East while in the Asia-Pacific the strategic landscape is shifting. Relations between the major powers – the United States, Japan, China and India – shape Australia's security environment. At the same time, we are contending with instability in our immediate region, as well as the global threat of terrorism and the proliferation of weapons of mass destruction. This Update points to the increasing complexity of our strategic situation and it details our Defence policy response. It's a challenging business. The demands placed on Defence, and its consequential responsibilities and tasks, are unique.

To meet these demands, the Government is building a balanced, adaptable and integrated Defence Force. We are responding to the change in the international security environment by making the necessary investments in Defence capability, including recruitment and retention of personnel. Defence is working with other agencies in support of a 'whole-of-government' national

security response. Internationally, we work closely with our friends and allies to promote stability. And we are deepening our relationship with our key ally, the United States, and with partners in our region and globally.

The military tasks undertaken by the men and women of the Australian Defence Force and the Department of Defence have increased substantially in diversity, intensity and tempo. Australia should be proud of the dedication, professionalism and versatility these military and public service professionals have shown in response. At the time of this Update, Australia has over 4,000 personnel engaged in counter-terrorism, counter-insurgency, stabilisation, border protection, and humanitarian operations in countries as diverse as Afghanistan, Iraq, East Timor and Solomon Islands. The Government is committed to making sure we have a Defence Force that is well equipped, well trained, ready to lead in our region and able to contribute to coalitions around the world wherever Australia's people, interests and values need defending.

Dr Brendan Nelson, MP  
Minister for Defence





## INTRODUCTION

Australia's strategic outlook remains challenging and dynamic. Since the last Defence Update, issued in December 2005, Australia has deployed military forces on a number of operations in the South Pacific and further afield. These have included sending Australian Defence Force (ADF) personnel to both Solomon Islands and to East Timor in May 2006 when rioting threatened stability in these close neighbours. As of mid-2007, significant Australian forces remain in both countries, working with police and military personnel from a number of countries.

Together with New Zealand, we sent a small force to restore stability in Tonga after riots broke out late last year in the capital. In November 2006, we prepared to help evacuate Australians from Fiji after that country's fourth military coup in 20 years. Defence worked with the Department of Foreign Affairs and Trade to help evacuate 5,300 Australians and 1,300 foreign nationals from the conflict in Lebanon in mid-2006. The ADF also

provided medical evacuation after the May 2006 earthquake in Indonesia, and after an earthquake and tsunami in Solomon Islands in April 2007.

In the Middle East in July 2006, Australian forces handed over responsibility for the security of Iraq's Al Muthanna Province to Iraqi authorities. Our forces in the south of Iraq now provide a security overwatch role and are helping to train the new Iraqi Army. Our ships and aircraft are doing essential work in the northern Gulf to protect Iraq's oil installations, and our Security Detachment in Baghdad protects Australian Embassy staff and other officials.

In Afghanistan our Special Forces are again performing dangerous operations against a resurgent Taliban in the south of the country. An ADF Reconstruction Task Force is working with forces from the Netherlands and other NATO countries to rebuild basic services and help bring stability to this remote part of

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**OUR FORCES ARE MORE ACTIVE ON OVERSEAS  
OPERATIONS THAN AT ANY TIME SINCE THE VIETNAM WAR.**

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Afghanistan. Good progress has been made, but reconstructing the economy and social services in Afghanistan and making the country safe from the Taliban and al Qaeda will take years.

These activities mean that the ADF has been going through a very busy period. Our forces are more active on overseas operations than at any time since the Vietnam War. The strategic situation in Australia's immediate region – and beyond that the wider Asia–Pacific and across the world – is changing in important ways. Key concerns include how we deal with the fragile island states of the South Pacific and how we help East Timor and other near neighbours who are struggling with internal problems that weaken their stability.

Terrorism is still a major threat, not just in the Middle East, but also in Southeast Asia. We have done a lot to make Australia more secure against the threat of terrorist attack but we know that terrorist groups will attack us at home or target our interests abroad if they get the opportunity. Australia's interests are also threatened by the dangers of proliferating weapons of mass destruction (WMD), including the risk that such weapons might fall into the hands of terrorist groups.

There have been no developments since the last Defence Update that suggest that we face a direct military threat either now or in the foreseeable future. However, military forces in the Asia–Pacific region are becoming increasingly sophisticated and Australia must work harder to ensure that our forces retain an edge in leading military capabilities.

The 2003 Defence Update detailed a rebalancing of military capabilities and priorities to give our forces extra flexibility, mobility and the readiness to deal with the new strategic environment. In 2005, the Update emphasised the ability to respond

to a wide range of eventualities, including conventional conflict, as well as the importance of working with other government agencies such as police and aid workers. The 2007 Update is a logical successor to these earlier documents and takes them further. Because of the increasing complexity of the international security environment, Australia must prepare for a range of possible events, both close to home and further afield, with lessened forewarning of crises. In determining our response, the Government has carefully assessed our national interests and how we might best use our armed forces in pursuit of those interests. In particular, we recognise that working in partnership with allies and friends builds our own security, and enhances regional and global stability.

The Government continues to back its commitment to Defence, and to ensure it has the capabilities and resources it needs to protect Australia, its people and national interests. The 2007–08 Defence Budget is \$22 billion which is an increase of \$2.1 billion or 10.6 per cent on the 2006–07 Budget, and represents 9.3 per cent of the Australian Government outlays and 2 per cent of GDP. Across the ten years to 2017, the 2007–08 Budget delivered an additional \$18 billion, which provides for the continued investment in the ADF of today and the immediate future. This funding will see an investment in a number of capability areas such as the purchase and support of 24 F/A–18 Super Hornet multi–role aircraft to ensure that Australia maintains its air combat capability edge during transition to the F–35 Joint Strike Fighter. The funding will also improve the preparedness and sustainability of 18 high–priority ADF capabilities such as the Collins submarines, Anzac ships and F/A–18 fighter aircraft. Recruitment and retention, a critical issue facing the ADF, will also benefit from this budgetary increase.

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## SUMMARY

Australia faces a challenging and dynamic environment, changing in many important ways. In response, the ADF has been busier overseas than at any time since the Vietnam War. The rebalancing of the ADF continues, and we are continuing to work with allies and friends to build our own security.

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