

# Canberra's capabilities: Australia country briefing

[Content preview – Subscribe to **Jane's Defence Weekly** for full article]

**The disruption of long-held assumptions underpinning Australia's strategic posture has moved the country's international security outlook from stable to unsettled. Julian Kerr reports**

The three elements that have characterised Australia's strategic thinking – US military and economic primacy, the existing regional security architecture, and a rules-based global order – are being challenged.

Although the immediate focus is on China's de facto annexation and militarisation of the South China Sea, this has occurred against the broader background of long-term strategic competition to the United States from Beijing and Moscow, alongside concerns in Canberra about the unpredictability of US President Donald Trump's administration and its commitment to long-standing international alliances such as the Australia, New Zealand, and US (ANZUS) Treaty.



*The RAAF's first pair of F-35A Joint Strike Fighters (front) fly in formation with three F/A-18 Hornets in 2018. Although the service's main air power is still provided by its Hornet fleet, these will gradually be phased out and replaced with F-35As. (Commonwealth of Australia)*

1741471

Australia's 2017 Foreign Policy White Paper argued that, without American political, economic, and security engagement in Australia's region of primary strategic concern (Southeast Asia, including the South China Sea, the Eastern Indian Ocean, and the South Pacific), the speed and direction of change would accelerate – and probably not to Australia's advantage.

That document and the 2016 Defence White Paper stressed the strategic and economic importance of enhancing engagement in the Pacific, which covers vital trade routes carrying billions of dollars of Australian exports and along which flow the country's fuel and energy imports.

Development assistance to the region has since increased, despite cuts to Australia's overall aid budget, and Canberra will lay undersea internet cables to the Solomon Islands and Papua New Guinea, effectively vetoing any involvement by controversial Chinese telecommunications company Huawei.

Meanwhile, a new Australian Infrastructure Financing Facility will make AUD2 billion (USD1.44 billion) available to Pacific island countries in grants and long-term loans for 'high-priority' projects involving telecommunications, energy, transport, and water.

Also, as part of what the government has described as the 'Pacific Pivot', Australia will acquire a large-hulled humanitarian aid and disaster relief vessel to operate semi-permanently in the region.

Domestically, Canberra has pushed back against China on several issues, such as banning involvement by Huawei in the country's 5G network, blocking an AUD13 billion take-over of a gas pipeline by Hong Kong's CK Group, and introducing new laws to curb foreign (read Chinese) influence on domestic politics.

National awareness of Chinese intelligence, cyber, and influence operations against Australian targets has also greatly increased, as have countermeasures undertaken in concert with the country's 'Five Eyes' allies: Canada, New Zealand, the UK, and the US.

These developments have also raised questions concerning the relevance of the country's defence planning.

As outlined in the 2016 white paper, Australia's national defence strategy is centred on three strategic objectives:

- Deter, deny, and defeat attacks on or threats to Australia and its national interests, including incursions into its air, sea, and northern approaches;
- Make effective military contributions to support the security of maritime Southeast Asia and support the governments of Papua New Guinea, Timor-Leste, and Pacific island countries to build and strengthen their security;

- Contribute military capabilities to global operations that support Australia's interests in a rules-based international order.

Amid ongoing cracks in the strategic environment and changing capability needs, the benefits of revisiting the white paper and producing a more nationally assertive 'Plan B' update are being increasingly voiced.

Strategist Paul Dibb, emeritus professor of strategic studies at the Australian National University, has pointed out that the Trump administration is pursuing interests and values in areas that differ more obviously from Australia's than any seen before.

Nonetheless, he cautioned that Australia has no credible defence future without access to the many advantages provided through its allegiance with the US.

"Above all else we must now face the prospect – for the first time since the Second World War – of a potential major power adversary, with whom we do not share fundamental values, operating in our neighbourhood and capable of threatening us with high-intensity conflict," he warned.

Any 'Plan B' would likely take into account the rapidly changing geostrategic reality. It would also reassess the impact on Australia of adversary force projection capabilities, many of which would bypass the strategic air-sea gap to the country's north. These capabilities include aircraft carriers with supporting strike groups, fifth-generation combat aircraft; advanced conventional and nuclear-powered submarines; anti-access/area denial (A2/AD) systems; and emerging technologies including cyber, space-based capabilities, artificial intelligence, and hypersonics.

'Plan B' could focus on extending an A2/AD perimeter outwards beyond the northern air-sea gap and fast-tracking the acquisition of long-range cruise missiles for forward-deployed aircraft and the Royal Australian Navy's (RAN's) Hobart-class Air Warfare Destroyers (AWDs) and future Hunter-class frigates.

An early intimation of forward defence in depth emerged from the November 2018 Asia-Pacific Economic Co-operation (APEC) summit where Australia, the US, and Papua New Guinea confirmed their intention to redevelop the Lombrum naval base on the latter's Manus Island into a joint defence facility.

This will ensure Australian and US access to the geostrategic deep-water port, strengthen security, and provide a future deterrent to Chinese forward air and naval forces.

## **Funding**

Although there was underinvestment in Australian defence procurement in the wake of the global financial crisis, the outlook has since improved considerably. Australia's 2016 Defence White Paper undertook to increase the defence budget to 2% of GDP by 2020–21, which would provide an unprecedented capital investment of approximately AUD195 billion over 10 years for military modernisation.

Capital spending will reach its height in the early 2020s, largely as a result of naval programmes for frigates and submarines. In the shorter term the procurement of 72 Lockheed Martin F-35A Lightning II Joint Strike Fighters (JSFs) will represent Australia's largest single investment.

The 2018–19 defence budget (including the Australian Signals Directorate) grew by 1.4% compared with the previous year to AUD36.4 billion, or 1.9% of GDP, which is broadly in line with the white paper target.

Although the content and timing of the white paper's investment programme have yet to be revisited to take into account changing circumstances, worthwhile progress has been made in advancing its major projects.

Notable for its focus on maritime activities, the white paper stated that 12 conventionally powered, regionally superior 'Future Submarines' would replace the RAN's six-strong Collins-class fleet, nine 'Future Frigates' would replace its eight upgraded Anzac-class frigates, and 12 offshore patrol vessels (OPVs) would replace the service's 13 smaller Armidale-class patrol craft.

**[Continued in full version...]**

(1012 of 5788 words)

For the full version and more content:

### Jane's Defence Industry and Markets Intelligence Centre

*This analysis is taken from [Jane's Defence Industry & Markets Intelligence Centre](#), which provides world-leading analysis of commercial, industrial and technological defence developments, budget and programme forecasts, and insight into new and emerging defence markets around the world.*

*Jane's defence industry and markets news and analysis is also available within **Jane's Defence Weekly**. To learn more and to subscribe to **Jane's Defence Weekly** online, offline or print visit <http://magazines.ihs.com/>*

For advertising solutions visit [Jane's Advertising](#)