CONTENTS

Preface vii

Chapter one—Australia's defence policy 1
   1.5 Self-reliance 1
   1.13 Alliances and regional commitments 3
      1.13.1 Australia and the United States 3
      1.27 Australia and New Zealand 5
      1.34 Australia and the region 6
   1.43 Australia's defence capacity and influence 8

Chapter two—Australia's strategic environment and defence interests 10
   2.3 Australia and the global balance 10
   2.14 Australia and the region 12
      2.20 South-East Asia 13
      2.41 South-West Pacific 16
      2.53 Papua New Guinea 19
      2.56 Antarctica 19
   2.58 The national strategic setting 19
      2.63 Australia's physical environment 20
   2.69 National defence interests 22

Chapter three—Priorities for force development 23
   3.3 Possible forms of military pressure against Australia 23
      3.5 Low level conflict 24
      3.9 Escalated low level conflict 24
      3.15 More substantial conflict 25
      3.26 Threats to Australian trade 27
   3.33 Warning and defence preparation 29
   3.44 Australia's defence strategy 31
   3.51 Requirements for force development 32

Chapter four—The Australian Defence Force and its development 34
   4.2 Intelligence and Surveillance 34
      4.2.1 Intelligence 34
      4.6.4 Broad area surveillance 34
   4.13 Air surveillance 36
      4.17 Maritime surveillance 36
      4.20 Anti-submarine surveillance and anti-submarine warfare 38
      4.25 Ground surveillance and reconnaissance 38
      4.27 Electronic warfare 39
   4.30 Mapping, charting, and infrastructure knowledge 40
   4.35 Nuclear, biological, and chemical warfare (NBCD) 40
   4.37 Strike and interdiction 41
      4.38 Strike aircraft 41
      4.41 Submarines 41
   4.45 Maritime Warfare 43
      4.46 Surface combatant force 43
Preface

The Australian people expect that Australia shall be able to defend itself. The Australian Government accepts its duty to provide Australia with defence forces able to meet that expectation. This Paper sets the course for a decade of development towards self-reliance in the defence and security of Australia.

For Australia, defence self-reliance must be set firmly within the framework of our alliances and regional associations. The support they give us makes self-reliance achievable. They, in turn, will draw added support from a self-reliant Australia, which will be better able to discharge its responsibilities in the vast strategic region to which we belong.

Beyond our strategic region—itself an area covering one-quarter of the Earth’s surface—defence self-reliance is based firmly upon Australia’s place as a respected and self-respecting member of the Western community.

Self-reliance as a goal is based on a realistic assessment of our strengths, as well as on a rigorous appraisal of our weaknesses and deficiencies. It draws on the skilful mobilisation of Australia’s resources—physical, financial and human.

The Australian Government’s policy of self-reliance in defence requires both a coherent defence strategy and an enhanced defence capacity. This Paper defines the strategy and details the program to increase our capacity.

This program is the largest defence capital investment in Australia’s peacetime history. Over 33 per cent of the defence budget is now devoted to long term investment—a major increase since the early 1980s. This share will continue to be high throughout the decade.

The first aim of defence self-reliance is to give Australia the military capability to prevent an aggressor attacking us successfully in our sea and air approaches, gaining a foothold on any part of our territory, or extracting concessions from Australia through the use or threat of military force.

This wider concept of self-reliance rejects the narrow concept of ‘continental’ defence. The strategy on which self-reliance is based establishes an extensive zone of direct military interest.

Self-reliance means defence in depth. It gives priority to meeting any credible level of threat in Australia’s area of direct military interest. It means that any potential adversaries know that they will be faced with a comprehensive array of military capabilities, both defensive and offensive.

To be self-reliant the Australian Defence Force must be able to mount operations to defeat hostile forces in our area of direct military interest. To do that we must have forces able to track and target an adversary and able to mount sea and air operations throughout the area. It means having a
comprehensive range of defensive capabilities, including air defence, mine countermeasures and the protection of coastal trade. We must have mobile land forces able to meet and defeat armed incursions at remote locations.

Clearly, any hostile force must attempt to advance in ships or aircraft. Accordingly, the program gives priority to the air and sea defences in our area of direct military interest. Australia is now establishing a multilayered detection system which will transform our defence strategy.

We have developed in Australia the world's most advanced long range radar, the Jindalee Over-the-Horizon Radar. A system of up to three new stations is being planned to allow around the clock surveillance of Australia's vast northern approaches.

Early detection of threats allows an early response. Australia's long range strike capabilities are being developed to respond—quickly and lethally—to early warnings far from Australia's shores. These include both air and naval forces.

Australia's surface and submarine naval forces are undergoing the most dramatic expansion in peacetime history.

The Navy's fleet of major surface combat ships will be expanded from twelve to sixteen or seventeen by developing and building a new class of warship with the range and armament to operate throughout our area of direct military interest and beyond. Eight of these ships will be built over the next ten years, to serve with the destroyers and frigates now with the fleet or being built. Australia will also acquire six new submarines, with the most advanced underwater combat systems in the world.

The Royal Australian Navy will be established as a two ocean Navy. For the first time in peacetime a major portion of the Navy's surface and submarine fleet will be based in Western Australia.

In the air our long range strike forces will comprise squadrons of F-111 long range bombers and F/A-18 multirole aircraft, and our P3C Orions. In all, over one hundred of these aircraft will be armed with the Harpoon anti-ship missile, and our multirole F/A-18 aircraft will carry the Sidewinder and Sparrow air-to-air missile and a range of other smart weapons.

The effectiveness of the F/A-18s for long range missions is being greatly enhanced by the Government's decision to provide aerial refuelling. We are also completing a comprehensive network of air bases in the north to support these operations.

One squadron of F/A-18s will be based permanently at a major airbase being built at Tindal, inland from Darwin. A bare airbase exists at Learmonth, Western Australia, another is being built at Derby in north-west Western Australia, and a third is planned on the Cape York Peninsula.

Australia's long range forces are also capable of striking land targets such as enemy bases and force concentrations. The F-111s are a central element of our landstrike forces, and the Government is examining a major upgrade of these aircraft to improve their capabilities. Submarines, F/A-18s and surface ships also have the potential to mount long range strikes.

Our formidable long range detection and strike capabilities would make it difficult to land major forces on Australia's shores. But should any hostile forces land on Australian territory they would be met by a highly mobile army.

The Army's Operational Deployment Force, based at Townsville, can deploy rapidly across northern Australia to meet any land incursion. Its mobility and capability will be greatly enhanced by large numbers of state-of-the-art Blackhawk helicopters.

Even more importantly, the Government has decided—for the first time in peacetime—to strengthen our northern defences by basing major elements of the Australian Army permanently in northern Australia. A fast-moving cavalry regiment of 340 men and associated vehicles is being based in the Darwin area, and eventually the Army presence may grow to a full brigade.

The Army is studying innovative solutions to the military challenges which these units will face in our north, including new-generation armoured fighting vehicles suited to Australia's huge distances and harsh conditions.

The Army will be deployed to meet any landing in the north, wherever it should occur. Other forces will secure key military, economic and civilian areas with Reserves playing a major role.

Development of the Defence Force to include all these capabilities is planned for the next ten to twenty years. It will significantly enhance our ability to meet any threat capable of being mounted with little warning in our region.

In this way, Australia's combined air, land and sea forces can secure our continent against any possible aggressor. Equally, those forces will have the capacity to support regional security too. They will be well-suited to supporting Australia's regional role. Long range ships, submarines and aircraft, and highly mobile ground forces, will enable us to play our proper role in the region, and, if necessary, beyond it.

Thus self-reliance achieves the four fundamental objectives of Australia's national and international defence policy.

It maintains and develops our capacity for the independent defence of Australia and its interests. It promotes strategic stability and security in our region. It strengthens our ability to meet the mutual obligations we share with our chief allies, the United States and New Zealand. It enhances our ability, as a member of the Western association of nations, to contribute to strategic stability at the global level.

Self-reliance is a task involving the whole nation. Australia's greatest resource is the skill of its people.

Recognising the vital role played by the men and women in Australia's Defence Force, increasing attention is being given to improving personnel management practices, recruitment and training policies, living and working conditions, and to sustaining conditions of service and superannuation benefits in keeping with community standards.

As part of the new relationship with industry, information on defence
requirements will be provided to industry at an early stage. Wherever possible Australian firms will be prime contractors on major projects and Australian industry involvement will be a major factor in selecting new equipment.

Australian industry will be called upon to involve itself more intensively in the support, maintenance and development of Australia’s Defence Force. Benefits to industry in peace will be returned as increased capability in time of hostility.

One major beneficiary will be the shipbuilding industry. Over the next ten years, Australian companies will be offered leading roles in the largest naval shipbuilding program in Australia’s peacetime history, valued at over $7 billion. Beyond the shipbuilding industry, all Australians will benefit from the balance of payment gains of building our own ships rather than importing them.

It must be emphasised that self-reliance does not mean self-sufficiency. Australia’s access to the highest level of technology remains one of the most important benefits of our alliance with the United States. Nevertheless, this Paper sets out a comprehensive program to enable Australian industry to make a direct contribution to our defence self-reliance.

Self-reliance was foreshadowed in the last policy information paper on defence published ten years ago. The 1976 White Paper, however, failed to give substance or direction to the concept. This Policy Information Paper does so. It sets clear goals for the Australian Government, its defence advisers and planners and for the Australian Defence Force itself.

This Paper provides the comprehensive overall approach to Australian security that will be the basis for responsible defence planning in future years. It sets out, step by step, how this self-reliance will be achieved. The concept of self-reliance can now become a reality.

KIM C. BEAZLEY
March 1987
the great expanses of water that surround us, and the disproportionately small size of our population.

1.7 The Government's defence policy is to develop self-reliant solutions to our unique strategic circumstances. These are set out in this Paper. They are the product of rigorous and disciplined analysis of the force structure requirements needed to defend ourselves from direct threats to our sovereignty and vital national interests.

1.8 Self-reliance is not a new theme in Australian defence planning. It has been a central tenet of our defence posture since the end of our Vietnam commitment. And it was identified as a primary requirement in the last policy information paper on defence, the 1976 White Paper, where it was stated that:

In our contemporary circumstances we no longer base our policy on the expectation that Australia's Navy or Army or Air Force will be sent abroad to fight as part of some other nation's force, supported by it. We do not rule out an Australian contribution to operations elsewhere if the requirement arose and we felt that our presence would be effective, and if our forces could be spared from their national tasks. But we believe that any operations are much more likely to be in our own neighbourhood than in some distant or forward theatre, and that our Armed Services would be conducting joint operations together as the Australian Defence Force.

1.9 These judgements remain valid. But despite agreement on these basic issues over the last decade, a clear definition of Australia's real defence needs in an era of self-reliance did not emerge. Therefore this Government commissioned the Review of Australia's defence capabilities in 1985. The review established the comprehensive approach needed to implement the principle of defence self-reliance. It drew together all the separate considerations of self-reliance over the last decade or more and proposed an achievable and cost-effective approach to force structure planning. Its main recommendations for developing a self-reliant force structure form the basis of this Policy Information Paper and the Government's defence policy.

1.10 In developing a defence force capable of maintaining a self-reliant defence posture, priority is given to those capabilities which are needed for the defence of Australia and its direct interests. This requires a force-in-being to defeat any challenge to our sovereignty and specific capabilities designed to respond effectively to attacks within our area of direct military interest.1

1.11 This area stretches over 7,000 kilometres from the Cocos Islands to New Zealand and the islands of the South-West Pacific, and over 5,000 kilometres from the archipelago and island chain in the north to the Southern Ocean. It constitutes about 10 per cent of the earth's surface. The area of direct military interest is of fundamental importance in defining and developing a self-reliant defence force. It does not, however, mark the limits of our strategic interests nor of our military capabilities.

Our broader strategic interests extend beyond the area of direct military interest to include South-East Asia, Indochina, the eastern Indian Ocean and the South-West Pacific. Australia's security could be directly affected by developments in these areas, and our broader defence policy must be responsive to such developments.

1.12 The physical characteristics of our area of direct military interest demand a defence force with range, endurance, and mobility, and independent logistic support. The Government gives priority to this area in contingency planning for the Australian Defence Force (ADF). The activities of the ADF will continue to focus on this area to develop its familiarity with potential areas for military operations.

Alliances and regional commitments

Australia and the United States

1.13 Australia is part of the Western community of nations. Australia therefore supports the ability of the United States to retain an effective strategic balance with the Soviet Union. A redistribution of power in favour of the Soviet Union in the central balance, or an extension of Soviet influence in our region at the expense of the United States, would be a matter of fundamental concern to Australia, and would be contrary to our national interests.

1.14 Australia's alliances with the United States and other nations impose upon us the obligation to provide for our own defence. This obligation is spelled out in Article II of the ANZUS Treaty, and American expectations in this regard have been stressed by US administrations since the late 1960s.

1.15 This Government considers that basic self-reliance is the minimum that any self-respecting country should contribute to an alliance. Australia can scarcely pretend to contribute to the defence of broader Western interests if it cannot defend itself.

1.16 In the remote contingency of global conflict Australia would have regard in the first instance to the situation in our immediate region. Our responsibilities would include those associated with the Radford—Collins Agreement for the protection and control of shipping (see Chapter 3). Subject to priority requirements in our own area the Australian Government would then consider contributions further afield.

1.17 Options will always be available to Australian governments for assistance to allies, even though such assistance of itself will not be a force structure determinant. The type of Australian force structure required to protect our interests in our area of military interest entails substantial capabilities for operations further afield. For example, our guided missile frigates (FFGs) equipped with Seahawk helicopters are capable of effective participation in a US carrier battle group well distant from Australia's shores.

1.18 Defence co-operation will continue to be sustained with the United States in peacetime. There is already an extensive system of regular high level consultations on defence and security issues, including the annual Australia/US
Ministerial Talks, the Australian/US Military Representatives Meeting comprising the defence force chiefs of each country, and the Defence/Defense talks between senior officials, and annual political/military discussions and arms control talks. The web of regular formal meetings is buttressed by direct consultations between the Australian Minister for Defence and the US Secretary of Defense, and by a very wide range of working level discussions, as well as military-to-military links and combined exercises. Consultations between the two countries facilitate extensive co-operative activities including military training and exercises, intelligence exchanges, defence science and technology, communications and logistics co-operation.

1.19 The practical benefits Australia and the United States gain from our alliance during peacetime need to be clearly understood. This Government’s review of the ANZUS Treaty in 1983 confirmed the substantial day-to-day benefits of the alliance, as well as identifying its deterrent value. For example, port visits by US warships provide opportunities for ADF combined exercises with advanced technology vessels while at the same time providing rest and recreation facilities for US naval deployments in our region. Similarly, arrangements permitting USAF B-52 and KC-135 aircraft to operate over northern Australia enable the RAAF to exercise and train with these aircraft.

1.20 The United States gains information important to its global maritime intelligence system from Australian surveillance and intelligence gathering activities in an area extending from the eastern Indian Ocean to the South-West Pacific. At the same time Australia has access to the extensive US intelligence resources. This information is not confined to global superpower competition; it also complements Australia’s information on political and military developments in our own region.

1.21 Australia also receives preferred status in military equipment purchasing, access to US training courses and doctrine and operational procedures, and opportunities for honing skills in combined exercises. Our agreements with the United States also provide for the supply of munitions and equipment in an emergency, alleviating the need for large-scale stockpiling by the ADF. To this end and to facilitate mutual assistance in war or emergency, our forces will continue to develop their interoperability with those of the United States.

1.22 Privileged access to the highest level of US defence technology helps us develop our own technical capabilities for control of the approaches to our continent. The value of this co-operation is demonstrated by Australia’s development of over-the-horizon radar. Australia’s scientists have built on access to US technology to produce a radar system which, for the first time in our history, holds out the prospect of broad area surveillance of our approaches.

1.23 This Government is developing a more mature working relationship with the United States in technology transfer. One example is Project Nulka, an agreement concerning a defensive system for warships.

1.24 The defence relationship with the United States gives confidence that in the event of a fundamental threat to Australia’s security, US military support would be forthcoming. Short of this major, and less likely situation, we could face a range of other threats that we should expect to handle independently. It is not this Government’s policy to rely on combat assistance from the United States in all circumstances. Our alliance with the United States does not free us from the responsibility to make appropriate provision for our own security.

1.25 While it is prudent for our planning to assume that the threshold for direct United States combat aid to Australia could be quite high in some circumstances, it would be unwise for an adversary to base its planning on the same assumption. Allowing for the possibility that the threshold for direct combat assistance could be relatively high does not, in any case, preclude the possibility of other forms of assistance. US intelligence and logistic support would markedly enhance our operational effectiveness, while political and economic pressures could weaken an opponent’s resolve.

1.26 Australia’s alliance with the United States is and should remain a genuinely equal partnership. Benefits accrue to both of us from our enhancement of the general Western security position. Australia benefits from the deterrent effect of the alliance and our enhanced self-reliant military capability. The United States benefits from the value of the joint facilities to the central balance, the intelligence exchange, and Australia’s support for American military activities in our area. The development of our independent military capabilities and our defence activities in the region are also beneficial to US security concerns.

**Australia and New Zealand**

1.27 Australia and New Zealand share a defence relationship which is of basic importance to the security of both countries, because of our common history and traditions, our proximity, and our shared strategic concerns.

1.28 New Zealand has an important role in the South-West Pacific, where it has strong political, economic and military ties—in some cases more substantial than our own. Defence co-operation with New Zealand covers a very wide range, including assistance to the island states, maritime surveillance, combined exercises and training programs, exchanges of technical and operational information, and co-operation in intelligence, defence science and logistics.

1.29 It is important that Australian and New Zealand forces maintain and develop their ability to operate together. We will continue to promote defence co-operation and operational compatibility with New Zealand, reflecting the considerable potential for strengthening our defence relationship.

1.30 The extent to which this potential can be realised will depend, among other things, on the compatibility of the equipment and capabilities of the two forces. Priority must therefore be given to co-ordinating our policies on these matters.

1.31 The dispute between New Zealand and the United States over visits by ships and aircraft has seriously damaged the defence relationship between our two allies. Australia is not a party to the dispute. It accepts, however, that
access within reasonable environmental constraints for ships and aircraft is a normal part of an alliance relationship. Australia regrets that New Zealand policy detracts from that relationship.

1.32 This Government's policy has been directed to preserving our important bilateral defence relationships with both the United States and New Zealand, and ensuring as much as possible that the underlying framework of the trilateral relationship under ANZUS is maintained so that full co-operation can be resumed should current New Zealand policies on warship visits change.

1.33 These goals have been achieved. The ANZUS Treaty remains in place, and the mutual obligations under it between Australia and the United States and between Australia and New Zealand are preserved. This includes the security commitments embodied in the treaty.

Australia and the region

1.34 This Government believes that an Australian defence force able to deal effectively with the most credible challenges to the nation's sovereignty is the best contribution we can make to the continued stability of our region. Meeting our requirements for the defence of Australia will provide the Government with practical options for use of elements of the Defence Force in tasks beyond our area of direct military interest in support of regional friends and allies. It is therefore not necessary that such contingencies should themselves constitute force structure determinants.

1.35 This Government has sought to strengthen the commonality of strategic interests between Australia and the countries of South-East Asia and the South-West Pacific. We share a common concern with these countries to strengthen regional stability and to limit the potential for external powers to introduce tension or conflict. This Government is concerned to sustain a favourable regional strategic environment for Australia. In the years ahead, our capacity for security co-operation in the South-West Pacific and South-East Asia will expand because the numbers of major naval vessels in our fleet will increase, our Air Force will have an in-flight refuelling capability, our Army will be more mobile and deployable, and the Defence Force generally will have a better surveillance and patrol capacity.

1.36 Australia is a major power in the South-West Pacific. We have the capability now to deploy significant forces there. The current substantial capacity of Australian forces to contribute to security in the South-West Pacific will be further enhanced by the Government's decision to increase our air and naval deployments to the region and to provide practical assistance in such fields as maritime surveillance and patrol and hydrography. In the event of a regional conflict, the forces we are developing for our own defence would have direct utility in the South-West Pacific.

1.37 Our regional responsibilities have been formalised in the Five Power Defence Arrangements (FPDA) in South-East Asia and in our Defence Arrangements with Papua New Guinea.

1.38 Under the FPDA, Australia, New Zealand and the United Kingdom cooperate to support the security of Singapore and Malaysia. A squadron of RAAF Mirage fighters stationed at Butterworth in Malaysia is our primary contribution to the Integrated Air Defence System which operates under the FPDA. This contribution will be maintained after the F/A-18s replace the Mirages by rotational deployments of F/A-18s to Butterworth and Singapore, supplemented by F-111s.

One of Australia's new front line aircraft the F/A-18 pictured over Malaysia during a goodwill tour to Indonesia, Singapore and Malaysia to demonstrate its capabilities.

1.39 Australia will also continue to deploy an Army rifle company to Malaysia under the FPDA, and to operate Orion long range maritime patrol aircraft from Butterworth to maintain surveillance over the South China Sea and north-east Indian Ocean. Consistent with developing policies of Malaysia and Singapore, our South-East Asian FPDA partners, the Government believes that there is a scope for increased emphasis on logistic arrangements in regional military co-operation. Regional countries are increasingly providing for their own combat capabilities.

1.40 Our close defence relationship with Papua New Guinea is formalised by an agreement which commits us to consultation and co-operation on the full range of defence issues. Our historical ties give Australia a strong interest in the security of Papua New Guinea, and this is reinforced by Papua New Guinea's
geographic location which makes its security a major factor in our own strategic outlook.

1.41 Beyond these formal obligations, Australia recognises its responsibility to contribute to regional security through bilateral defence relationships with all the countries in our region. These relationships are described in detail in Chapter 2.

1.42 All of our defence relationships, formal and informal, impose responsibilities on Australia. Our self-reliant defence posture encompasses the capability to meet these responsibilities for regional security.

Australia's defence capacity and influence

1.43 We have dealt with the need for Australia's defence capabilities to give priority to our own national security tasks. A requirement has also been identified for Australia's defence policy to take account both of developments in the South-West Pacific and South-East Asia—our region of primary strategic interest—and to be capable of reacting positively to calls for military support further afield from our allies and friends, should we judge that our interests require it. The Government believes that Australia can deal with both, but to do so we must be alert to priorities, for the range of potential circumstances which bear on our security is very wide.

1.44 There are limits to our defence capacity and influence. As a nation of only 16 million people, Australia's ability to influence the state of world security is limited. We are remote from traditional allies and from situations important to them. These factors, on balance, favour our security. But they also impose considerable constraints on our ability to influence distant events through our defence activity. Even if Australia were prepared to spend much more on defence, we could not aspire to match the military power or influence of major powers.

1.45 There must be a realistic attitude to our defence capacity and influence. Our international political concerns and interests will always be more far reaching than our defence capabilities. There are no current or prospective situations beyond our own region where Australia's direct strategic interests require a significant defence role or local circumstances offer scope for one. Proposals for Australian defence involvement beyond our region of primary strategic concern will be considered on their merits.

1.46 Clearly the possibility of deployments beyond our region should not determine the structure and capabilities of the ADF. Should the Government wish to respond to developments in areas other than our own, the capabilities being developed for our national defence will, subject to national requirements at the time, give a range of practical options.

1.47 Australia can also usefully contribute to peacekeeping operations. They allow Australia to contribute to wider Western interests on a scale appropriate to our circumstances. Development of the Defence Force for national security provides the Government with the capability for such contributions. It is not necessary to develop forces especially for peacekeeping. Like contributions to allied efforts, such contributions can be mounted from the force-in-being.

1.48 It is, however, in our own region where we have the most realistic prospect of substantial defence influence and involvement. Australia is the largest military power in the South-West Pacific. And in South-East Asia Australia's power projection capabilities, especially for strike and interdiction, are considerable by regional standards. It is these considerations that have an important bearing on the Government's decisions about the day-to-day activities and operations of the Defence Force. They relate to Australia's military posture in its own region and to its political standing there.
Chapter two
Australia’s strategic environment and defence interests

2.1 The Government’s approach to defence is to seek to reinforce the positive aspects of Australia’s strategic environment and to provide an appropriate measure of insurance against future uncertainty. The fundamental elements of that approach are based on:
—maintaining and developing capabilities for the independent defence of Australia and its interests;
—promoting strategic stability and security in our region; and
—as a member of the Western strategic community working for a reduction in the level of tension between the superpowers and limiting the spread of influences in our region inimical to Western interests.

2.2 Australia’s defence policy has regard to an area of primary strategic interest, covering South-East Asia, the eastern Indian Ocean, and the South-West Pacific. Our defence policy in this area is supported by high level visits and consultations on strategic matters, military exercises and naval visits, maintenance of effective defence co-operation programs, and by showing our competence and capability in the operation of modern military equipment.

Australia and the global balance

2.3 The Government reaffirms Australia’s natural association with the Western community of nations and our attendant defence interests and obligations.

2.4 Australia’s security, like that of all nations, ultimately depends on preserving stability in the superpower relationship and avoiding war between them, above all nuclear war. The continuing expansion and refinement of nuclear arsenals poses a challenge to the maintenance of stable deterrence. Thus, the Government attaches importance to the achievement in both the nuclear and conventional fields of verifiable arms control agreements that provide for more stable deterrence at the lowest possible level of armaments, particularly nuclear armaments. Australia is actively engaged in international efforts to enhance global and regional security through such agreements. We recognise that progress in achieving agreements is slow. In the interim the Government considers it important to maintain a stable strategic balance to support mutual deterrence and as a basis for substantive arms control and disarmament negotiations.

2.5 The joint Australia/United States defence facilities each have an important role in helping to maintain stability in the strategic relationship between the superpowers and in helping to deter war. While Australia might appear remote from the areas of the globe where any nuclear war would be fought, it would inevitably be profoundly affected by such a conflict. The North West Cape Naval Communication Station supports our interest in the avoidance of nuclear conflict by contributing to United States confidence, and Soviet awareness, that in the event of the United States being attacked, it would still be able to communicate with its ships and submarines in the Indian Ocean and Western Pacific, and make use of their retaliatory capabilities.

2.6 United States strategy is to deter war. Australia supports the concept of deterrence. The United States considers that deterrence of the Soviet Union depends, in part, upon the credibility of the US capability for nuclear retaliation in the event of major Soviet attack upon the United States or its allies. The United States maintains a range of nuclear forces for this purpose. But ultimately deterrence rests on the possession by the United States of strategic nuclear forces which would be secure from destruction in any Soviet first strike and in these circumstances be able to inflict massive retaliatory damage. Relative to other elements of US strategic nuclear forces, the US ballistic missile submarines are the most survivable and for this reason among others will remain second strike retaliatory weapons. In view of the strategic importance of the security of the US submarine force and the advantages of very low frequency (VLF) communications for security, such vessels will continue to rely on the US VLF network of which North West Cape is a part.

2.7 There is now greater duplication in the US VLF communications network, and in other systems used to communicate with submarines such as the TACAMO airborne VLF relay system, than when the station at North West Cape was established. As a consequence of this redundancy no one component of the US VLF network is vital, but North West Cape remains an important element in the US military communications network, and so continues to support deterrence of war.

2.8 North West Cape is also available to relay VLF or HF (high frequency) communications to United States and Australian surface ships and submarines whenever they are operating in its area of reliable coverage. The support available from North West Cape to conventional forces in our region further supports deterrence of war by assisting the United States to counter Soviet conventional capabilities. Enhancement of US conventional capabilities, by increasing the range of US conventional options, can reduce the risks of escalation to the nuclear level should conflict occur. It thus represents a disincentive to the initiation of conventional or nuclear war by the Soviet Union against Australia, the United States, or other US allies.

2.9 The facilities at Pine Gap and Nurrungar enhance stability by contributing to verification of arms limitation measures of the United States and the Soviet Union and to timely United States and Australian knowledge of developments that have military significance—including early warning of ballistic missile attack on the United States or its allies. New communications links are being established with the headquarters of the ADF in Canberra to give the Government and its advisers access to data from the facilities immediately.
2.10 The most important part of the US early warning system with which we are involved is known as the Defense Support Program. This program would provide the United States with its earliest warning of intercontinental ballistic missile attack. The additional warning time assists in minimising the risk of nuclear conflict arising through accident or miscalculation, and so supports stability in the superpower strategic relationship. It complements the warning provided by ground radars, and contributes to the reliability of the US early warning function. The Soviet Union also operates a system comparable to the Defense Support Program.

2.11 The benefits and costs for Australia in co-operating with the United States in the joint defence facilities have been carefully evaluated by the Government. The operations of the joint facilities do not involve derogation from our sovereignty. They serve Australian and US interests. They are jointly managed and operated by the Australian and United States Governments and their operation is governed by a set of principles designed to protect Australian sovereignty and interests. All their functions and activities require, and have, the full knowledge and concurrence of the Australian Government. Australian personnel are fully involved in all aspects of the operations of Pine Gap and Nurrungar, and they have access to all of the product. The presence in Australia of these facilities carries with it a risk that, in the event of superpower conflict, the facilities might be attacked by the Soviet Union. However, the risk that such conflict might occur, either deliberately or as a result of some accident, is very low and the functions carried out by the joint defence facilities help to ensure that this remains the case. Were Australia to cease our co-operation in the joint defence facilities there would only be adverse consequences for international security and higher risk of global war. This would neither serve Australia's interests nor those of the international community generally.

2.12 The ability of the Defence Force to provide security for Australia in a nuclear war would be very limited and cannot be a determinant of our planning. However, we should maintain an ability to follow developments in and provide basic training for defensive and protective measures against nuclear attack.

2.13 Nuclear conflict between the superpowers is a remote possibility but if such a conflict were nevertheless to occur, the joint defence facilities could come under attack. Accordingly, there is a need for the appropriate government bodies at various levels to undertake basic civil defence planning for the protection of the population in the areas concerned.

Australia and the region

2.14 As already mentioned Australia’s region of primary strategic interest lies in South-East Asia, the South-West Pacific and the East Indian Ocean. Political, economic and military developments in this area are of fundamental concern to Australia.

2.15 Successive Australian governments have underscored the region’s importance to us. Whilst Australia’s interests in the area are primarily advanced by diplomatic and economic activity a security component in Australia’s relationship is appropriate. This conforms to local expectations, advances Australia’s other interests and enhances the mutual interest of Australia and the countries in the region in regional strategic stability.

2.16 Australia’s military co-operation with South-East Asia is modest. Local defence capabilities have increased over recent decades as regional countries meet the objective of ensuring that threats to their own security can be met from their own resources. In the South-West Pacific our defence influence is much more substantial.

2.17 In general, Australia’s strategic environment is favourable. The development of regional armed forces is oriented toward capabilities appropriate to national defence and internal security. The Government acknowledges nevertheless that, as with the capabilities being introduced for our national defence, contemporary weapons systems are likely to provide modest force projection capabilities particularly in maritime and air assets. Such developments in the region must always be a matter for careful consideration by the Government.

2.18 Without affecting the relatively favourable nature of the region’s strategic environment, there have been a number of political and economic developments with the potential to affect regional stability and security. Of particular concern is the possibility for interference by external powers in regional affairs.

2.19 Whilst the remainder of this chapter focuses on Australia’s area of primary strategic interest and area of direct military interest it should not be thought that the Government is indifferent to military developments elsewhere in the Indian Ocean and Pacific areas. The situation of major trading partners such as Japan, an understanding of all the interests pursued by the United States in the Pacific, and our own developing relations with China are all matters of substantial interest to the Government. The ADF participates in exercise activities and goodwill visits in this broader area. It is, however, well beyond our capacity to extend to this area the defence co-operation programs that are maintained in our region of primary strategic interest. Support for the positions of allies and friends in this region must be predominantly diplomatic.

South-East Asia

2.20 Major changes in regional relationships or internal instability in individual countries in South-East Asia could introduce or expand uncertainties in Australia’s strategic prospects, even though developments may not be directly threatening to us. Tensions between nations in South-East Asia could provide opportunities for increased involvement in the region by unfriendly or contending powers.

2.21 There is a need for continuous review and evaluation of strategic developments affecting the region. It is in respect of the potential impact of developments in the region upon Australia’s area of direct military interest, that
is, the area in which developments can most directly affect our security, that Australia's defence interests are primarily engaged.

2.22 The development of our role in support of regional security is sustained by the history of our co-operation with the nations of South-East Asia since the Second World War. Over that period our strategic perspectives in relation to the region have undergone a marked change. In the 1950s and 1960s, Australia's defence policy was influenced by strong anxiety about the ability of the newly independent countries of South-East Asia to withstand domestic insurgencies and external pressures. Our assessments now depict a regional situation with underlying strengths, albeit with many uncertainties.

2.23 The formation and consolidation of the Association of South-East Asian Nations (ASEAN) has not only benefited those nations but has also been of strategic benefit to Australia. It has reinforced the ability of each member to withstand external pressure and has fostered the development of a broad political and strategic consensus which supports Australia's long-term security prospects.

Prospects for change

2.24 Uncertainties in South-East Asia relate principally to:
- economic and political problems in the Philippines;
- the unresolved question of the political future of Cambodia and the pressures that arise out of the military and political situation there on Thailand and on relations between Vietnam and ASEAN members;
- the establishment of the Soviet military presence at Cam Ranh Bay.

2.25 The Philippines continues to face serious economic and political problems. Much remains to be done before the Philippines can be confident of stability and prosperity.

2.26 Two issues in the Philippines are directly relevant to Australia's strategic outlook. The first is the insurgency of the New People's Army, which not only threatens the long-term prospects for moderate reforming governments, but also raises the possibility that unwelcome external powers could become involved.

2.27 Secondly, the Philippines makes a significant contribution to regional security by hosting the major US military presence at the Subic Bay and Clarke Field bases which support the US presence throughout our region.

2.28 The situation in Cambodia remains unresolved. Whilst the Vietnamese military presence persists and armed resistance continues in Cambodia the potential for military clashes between Thailand and Vietnam remains. An additional significant element of the conflict is the close interest of China and the Soviet Union. Although a major extension of the conflict is unlikely, its continuation is of concern to the Australian Government, not least because of the potential for more extensive involvement by external powers as the conflict persists.

2.29 The continued Soviet naval and air force presence at Cam Ranh Bay in Vietnam, and the development of new support facilities there, is a significant concern for Australian defence policy. Cam Ranh Bay is now the largest Soviet military base outside the Warsaw Pact.

2.30 In peacetime, access to ports and airfields in Vietnam is a useful military asset for the Soviet Union. From Vietnam, the Soviet Union undertakes regular intelligence and maritime surveillance missions against US naval units operating in or passing through the South China Sea, it operates against Chinese military forces in the area, and it can deploy its own forces more flexibly to the Indian Ocean.

2.31 The Soviet military presence is not, however, in all respects a political asset to the Soviet Union. There is a central contradiction in Soviet strategy in the Pacific. On the one hand the Soviet Union aspires to pursue legitimate economic interests in the area and to seek friendly relations. On the other hand it is difficult for nations in the region to accept the sincerity of such gestures of co-operation whilst the Soviets engage in a substantial build-up of their Far East Fleet and use their relationship with Vietnam to expand their military presence in the region through Cam Rahn Bay.

2.32 The Soviet Union does not enjoy naval or air dominance in the region and in the event of global conflict its military assets in Vietnam would be very vulnerable. Nevertheless, the continuous presence of Soviet warships and military aircraft, based in Vietnam, is an adverse element in regional security perspectives.

Australia's defence activities

2.33 This Government's approach to the support of security in South-East Asia concentrates on practical co-operation with the countries of ASEAN in activities of common defence interest. This approach is consistent with the significant steps each ASEAN country is making to strengthen its own ability to resist external strategic pressures.

2.34 Australia has encouraged the development of a pattern of consultations with regional countries on security prospects and policies: reciprocal visits by defence representatives and military units; combined exercises; specialist consultancy arrangements to examine common problem areas; training; and joint projects concerned with the development and support of specific defence capabilities.

2.35 Developments in the archipelagic states, and especially Indonesia, are of great strategic significance to us. Australia sees a stable Indonesia as an important factor in its own security. Not only does Indonesia cover the majority of the northern archipelagic chain, which is the most likely route through which any major assault could be launched against Australia, it also lies across important air and sea routes to Europe and the North Pacific.

2.36 Indonesia forms a protective barrier to Australia's northern approaches. It possesses the largest military capability among the ASEAN nations, but this capability has been designed primarily to ensure internal security and to protect its very large and geographically diverse island chain.
2.37 Australia seeks to maintain a sound and constructive defence relationship with Indonesia. The Australian Government considers that such a relationship should recognise fundamental features of our respective political and social systems.

2.38 A practical approach is also being followed in our defence activities with the other countries of ASEAN. Combined land exercises in Australia with Malaysia and Thailand are well established. Scientific and industrial co-operation with Malaysia and Thailand has opened up promising areas for further development, including commercial opportunities for Australian defence industry. Similarly, technical co-operation, for example in the area of aircraft maintenance with Thailand, is providing mutual strategic and economic benefits. Singaporean forces train in Australia and exchanges are maintained in a number of specialist areas. Normal defence contacts with the Philippines have been resumed since the accession to power of President Aquino. Since Brunei achieved independence bilateral defence contacts have expanded, and include training in Australia, joint maritime exercises, and the sale of Australian manufactured defence equipment. The Government will continue to provide, where appropriate, financial resources to facilitate these co-operative activities and seeks to develop our defence relationships with the countries of ASEAN along these general lines.

2.39 Australia's longstanding defence interests in South-East Asia are also reflected in our participation in the Integrated Air Defence System (IADS) and other co-operative activities under the FPDA with Malaysia, Singapore, New Zealand and the United Kingdom. The Government has previously announced that the RAAF presence at Butterworth Air Base in Malaysia is to be maintained after the withdrawal of our Mirage fighters from service by rotational deployments of the new F/A-18 Hornet tactical fighter to Malaysia and Singapore, supplemented on some occasions by F-111 aircraft. The pattern of deployments will enable continued RAAF participation in the series of air defence exercises conducted each year under the auspices of IADS. Through those exercises, Australia will continue to make a significant contribution to the enhancement of Malaysia's and Singapore's air defence capability. The Government has also announced its commitment to continue to deploy an Australian Army rifle company in Malaysia under the auspices of the FPDA.

2.40 Surveillance patrols by RAAF aircraft over the South China Sea and the north-east Indian Ocean will also continue. These patrols are conducted from Butterworth by a continuous detachment of P3C Orions. They enable Australia to monitor naval movements in an area of increased strategic interest for us since the establishment of the Soviet presence at Cam Ranh Bay. The information from these flights represents a valuable contribution to Australia's intelligence database. They also represent an effective and practical contribution to shared regional strategic interests.

South-West Pacific

2.41 Although remote from areas of major contention, the South-West Pacific is important for Australian defence planning because of its geographic proximity to Australia. Important lines of communication with Australia's major trading partner, Japan, and with our major ally, the United States, run through the region. The countries in the region lie across important trade routes and approaches to Australia's east coast, where most of our major population centres are located. An unfriendly maritime power in the area could inhibit our freedom of movement through these approaches and could place in doubt the security of Australia's supply of military equipment and other strategic material from the United States.

2.42 During the 1970s, Australia's strategic focus in the South-West Pacific widened as a number of the island states attained independence and as the region received increased attention from external powers.

2.43 The small size of the national economies and the limited defence forces in the South-West Pacific fundamentally affect the ability of these countries to protect their interests. In view of significant regional concerns over sovereignty protection and economic vulnerability, bilateral Australian defence co-operation has been mainly directed toward those areas. Emphasis is being given to activities that benefit the island nations in the development and protection of maritime and other resources. Assistance is also continuing to provide technical and infrastructure support. Defence activities in the South-West Pacific thus support and complement Australia's development assistance.

2.44 The entry into force of the Treaty of Rarotonga instituting the South Pacific Nuclear Free Zone is a gain for Australian and regional security. The Treaty also protects Western strategic interests in the region.

Prospects for change

2.45 A number of recent developments affecting the South-West Pacific have increased the region's potential to pose strategic problems for Australia. While not directly threatening, they raise questions about the changing political and strategic patterns of the region.

2.46 Amongst these developments is the establishment of links between some regional states and external powers with strategic interests potentially inimical to Australia's. The Soviet Union has had a fisheries agreement with Kiribati and now has an agreement with Vanuatu. Further access by the Soviet Union, especially the establishment of a presence ashore, would be an unwelcome development because of its potential to enhance Soviet influence in the region. Soviet involvement in the region is at a low level at this stage. However, its existence imposes an obligation on Australia and its allies to properly develop and co-ordinate their security policies.

2.47 There has been continuing tension between the United States and the South-West Pacific countries over the negotiation of fees for access by US commercial fishing fleets. An agreement has now been reached and the island states will receive substantial payments from the United States. More serious damage to Western interests in the South-West Pacific has been inflicted by the continuing French nuclear testing program and tension over the future of New Caledonia.
2.48 These developments damage Western standing in the South-West Pacific and contribute to an increasingly complex political and strategic situation. The fragile and narrowly based economies of the South West Pacific countries will continue to present opportunities for exploitation by external powers.

Australia's defence activities
2.49 As with the ASEAN countries, in the South-West Pacific Australia has sought to emphasise co-operative activities centred on practical matters of common concern.

2.50 In accordance with the concern of island governments to protect national sovereignty and exercise control over their maritime resources, a considerable proportion of our current defence activities in the South-West Pacific is directed towards the development of national maritime surveillance and enforcement capabilities. A result of these activities will be the development of a set of inter-related surveillance systems that will contribute to the development of regional co-operation and provide information on ship movements in the Pacific.

2.51 To support this, a program of P-3C Orion long range maritime patrol (LRMP) deployments was instituted in 1983. The same year Australia announced the Pacific Patrol Boat project, which will now provide a total of twelve 31.5 metre boats and training and advisory assistance to six South-West Pacific states. These activities have been complemented by naval visits and bilateral activities aimed at establishing and improving communications facilities and hydrographic skills, as well as the accurate delineation of 200 mile maritime zones.

2.52 In order to build upon and reinforce the defence co-operative activities already in progress in the South-West Pacific and to meet the challenge posed by recent strategic developments, the Government has decided on a number of important initiatives, including:
—increasing the number of RAAF LRMP deployments to the region (arrangements will be made for co-ordination with deployments undertaken by New Zealand);
—increasing RAN ship visits to the South-West Pacific (a policy decision has been taken to emphasise the South-West Pacific at the expense of some of our more distant deployments);
—continued assistance in the fields of hydrography and survey and mapping;
—further assistance to help South-West Pacific countries consolidate their maritime surveillance centres; and
—the provision of training and advisory assistance to assist in fisheries surveillance and enforcement.

2.53 Apart from traditional ties, Papua New Guinea is by virtue of its geographic location an important factor in Australia's security. Because of the potential strategic implications, Australia would be understandably concerned should a hostile power gain lodgement or control in Papua New Guinea.

Papua New Guinea
2.54 The relationship of Papua New Guinea with its neighbours will always be a matter of interest to Australia. Although there have been minor incidents along the border with Indonesia, mainly as a result of the activities of the Free Papua Movement, both Papua New Guinea and Indonesia have demonstrated a co-operative approach to management of their common border. The Government welcomes the signing of the Treaty of Mutual Respect, Friendship, and Co-operation between Papua New Guinea and Indonesia in October 1986.

2.55 Australia has a continuing close relationship with Papua New Guinea in defence matters. Defence relations include Australian support in the development of the Papua New Guinea Defence Force and, at the working level, continuing close contacts between our two Defence organisations. This support increasingly comprises provision of specialist advice and exchanges of views on areas of defence policy and capabilities. The relationship also provides for formal consultation on matters affecting common security interests should either Government consider this necessary.

Antarctica
2.56 The Government strongly supports the provisions of the Antarctic Treaty, which prohibit military use of the territory. The national interest of Australia lies in ensuring that Antarctica remains demilitarised and free from political and strategic competition. So long as Antarctica remains demilitarized, no threat to the security of Australia itself is in prospect from or through that region. There is no requirement for defence activities to support our territorial or economic interests in Antarctica or for defence involvement beyond the present limited logistic support for Australia's national effort there.

2.57 The Government's policy is to pursue political, as distinct from military, solutions to any disputes. Growing international interest in the exploitation of continental and off-shore resources in Antarctica is stimulating pressures for challenges to the Treaty. With the other Treaty consultative parties, we are working on means to preserve the Treaty.

The national strategic setting
2.58 The fundamental conclusion arising from the preceding sections is that Australia's bilateral relations with its major allies and with neighbouring countries are basically sound, notwithstanding the political fluctuations which inevitably occur from time to time. No neighbouring country harbours aggressive designs on Australia, and no country has embarked on the development of the...
extensive capabilities to project maritime power which would be necessary to sustain intensive military operations against us.

2.59 This is not to argue that we have no need for defence, or for alliance. On the contrary, strategic developments in the superpower relationship have the potential to undermine our security. Moreover, uncertainties inherent in relationships in our region could pose serious problems for Australia's defence were political relationships to deteriorate.

2.60 Australia's defence interest is not confined to the presence or absence of military threat itself. We are concerned with developments that could either support Australia's security or have the potential to lead to a military threat. Prudent defence policy must insure against uncertainties and the risk that they might resolve unfavourably to our interests.

2.61 Defence planning has to contemplate the possibility that developments in our region could lead to direct military pressure or attack upon Australia. Such a development could generate requirements for defence effort fully committing the level of resources currently or prospectively allocated. In keeping with these judgements, provision for self-reliant national defence commands priority in this Government's defence planning. It guides the structure of the Defence Force and development of supporting infrastructure (see Chapter 4).

2.62 Our military capabilities and competence must command respect. This basic competence and preparedness in matters of our national defence are the necessary foundation for our defence influence further afield.

Australia's physical environment

2.63 Australia's national strategic setting is shaped in a unique and enduring way by basic facts of geography and location, population size and distribution, and our national economic resources and infrastructure. Australia is distant from the main centres of superpower rivalry and the major areas of instability in the world. The great majority of our population and industrial centres are in the south-east and south of the continent, naturally protected by vast ocean surrounds and the inhospitable tracts of our own country to the north and north-west. While our manpower base is small, we have a relatively large and sophisticated economic, scientific, technological and industrial expansion base. By regional standards, this gives us a substantial capacity to repair, support and develop our own defence equipment. Our research base and industrial infrastructure, however, cannot develop and manufacture at an economic cost the full range of high technology equipment which characterise contemporary defence forces (see Chapters 5 and 6).

2.64 More fundamentally, our geographic location and the lack of land borders, combine to provide us with natural defences against conventional attack. To minimise the problems involved in conducting combat operations at great distance from main support areas, it is most likely that any adversary would first seek to secure bases in the archipelago to our north. Even so, the mainland of our nearest neighbour, Papua New Guinea, is 160 kilometres from the Australian mainland, and Indonesia is some 250 kilometres away at its nearest point. The Asian mainland is almost 3,000 kilometres away.

2.65 These basic facts of our geographic location indicate that conventional military attack against Australia would most likely be directed against the northern part of the mainland, its maritime approaches or off-shore territories. The corollary is that those basic facts of geography highlight the fundamental importance for Australia of maritime forces capable of preventing an enemy from substantial success or control in those areas.

2.66 The military capabilities required for a large-scale conventional attack on Australia, in particular the naval and air power to project and sustain substantial operations against Australian forces, are beyond those currently possessed by any regional power. Given the long lead times and large costs involved in establishing the kind of major military capabilities which would be required, this is likely to remain so for many years. And if a regional country were to develop the motivation and capability, the features of our northern environment would complicate large scale conventional military operations. Shallow waters and large tidal variations make navigation difficult and generally hinder maritime operations. Any land forces that were to elude Australian opposition and overcome the maritime obstacles would find themselves in a harsh and inhospitable continent.

2.67 The paucity of population and of transport and other infrastructure in northern Australia, and the nature of the land, would tend to focus military operations of substance on a few areas, for example, airfields, off-shore resource projects, shipping in coastal waters, port facilities, and communication and transport links. Australia would be dependent on many of these facilities for logistic support of forces deployed along the northern coast, and an attacker would want to take them if he were to sustain a lodgement or make progress.

2.68 While all of these factors limit the potential for major military operations against Australia, many of the same factors introduce potential vulnerabilities which could be exploited by alternative, and less costly, military operations. The use of limited military force to harass, for example, remote settlements and other targets around northern Australia, our off-shore territories, or shipping in proximate areas, would pose significant problems for us. The physical characteristics of northern Australia and its distance from the major support bases in the south and south-east would also complicate our operations. In those circumstances, our vast coastline, the rugged terrain, the distances between population centres or settlements, the remoteness of our island territories, the location of our northern resource zones, and the requirement to protect focal areas and the approaches to our major ports, could be exploited to our disadvantage.

* The term 'maritime forces' means naval and air forces.
National defence interests

2.69 Arising out of the foregoing discussion, Australia's principal national defence interests can be summarised as:
— the defence of Australian territory and society from threat of military attack;
— the protection of Australian interests in the surrounding maritime areas, our island territories, and our proximate ocean areas and focal points;
— the avoidance of global conflict;
— the maintenance of a strong defence relationship with the United States;
— the maintenance of a strong defence relationship with New Zealand;
— the furtherance of a favourable strategic situation in South-East Asia and the South-West Pacific;
— the promotion of a sense of strategic community between Australia and its neighbours in our area of primary strategic interest;
— the maintenance of the provisions of the Antarctic Treaty, which ensure that continent remains demilitarised.

Chapter three
Priorities for force development

3.1 The defence interests outlined in the preceding chapters of this Policy Information Paper place considerable demands on Australia's resources. To use those resources most effectively, priorities for force development have to be determined and applied rigorously.

3.2 While it is not possible to predict the future, it is possible to indicate the principal contingencies that must shape Australia's defence planning. This Government believes that Australia must be able to provide its own defence in circumstances, presently quite unlikely but still credible as a future possibility, of a threat posed to Australia by a nation operating within our own region. Such developments would place great demands on our defence capacity. Our force structure planning will ensure that we have, and can be seen to have, the capacity to respond effectively to them.

Possible forms of military pressure against Australia

3.3 While a principal objective of our defence policy is to reinforce the positive aspects of our strategic setting, prudent defence policy must also insure against the uncertainties we have noted in our strategic circumstances and the risk that they could result in direct military pressure or attack on Australia. In considering possible forms of military pressure against Australia, account has to be taken of the enduring features of our national strategic setting described in Chapter 2 and the consequent military capabilities an opponent would require to mount and sustain hostilities. We must also compare the military capability required for this task with the existing and projected military capabilities of regional countries. And we have to consider the political and military rationale attaching to different forms of military pressure against Australia.

3.4 Chapter 2 described how basic facts of our geographic location, the lack of any shared land borders, and the difficulties of our northern environment, combine to provide Australia with substantial natural defences against major, conventional military attack. Equally, it noted that many of the same factors introduce potential vulnerabilities for Australia which could be exploited by an adversary using alternative, and less costly military options. Even the use of limited military force against Australia would pose significant problems for us and would have the potential—given the vast expanse of our territory and maritime approaches—to require a defence effort heavily committing our defence resources.
Low level conflict

3.5 Successive reviews of the strategic basis of Australian defence policy have noted the advantages an opponent might see in a campaign of sustained low level military pressure against Australia. The use of military force to harass remote settlements and other targets in northern Australia, our off-shore territories and resource assets, and shipping in proximate areas could be decided upon as an attempt to demonstrate Australia’s vulnerability and thereby force political concessions over some disputed issue. In these circumstances, the attacker could hold the operational initiative. Attacks could be widely dispersed and unpredictable. Relatively modest military pressure could oblige Australia to respond with quite disproportionate effort.

3.6 The adversary could, if he wished, sustain low level activity virtually indefinitely. For Australia, there would be the cost of undertaking a wide variety of operations and of maintaining forces at a high state of readiness. Our operations would require highly effective intelligence and surveillance capabilities and forces with significant range, endurance and mobility.

3.7 Within the capacity of its forces, the adversary would seek to hold the initiative in relation to escalation. Australia’s need to counter this and to provide against localised escalation would add significantly to the scale of our military effort. In such circumstances there would be arguments for retaliation against the attacker. A potential aggressor would recognise this and may seek to constrain Australia’s options through careful control of the scale and intensity of the military harassment and possibly through the use of covert, and therefore ostensibly disavowable, operations. While broader political considerations might caution against a policy of retaliation, its prospective advantages, both as a means of deterring attack, or if that fails deterring escalation, reinforce the need for capabilities providing the option for a retaliatory response.

3.8 The capability required to mount and sustain low level military pressure against our nation already exists in the region of primary strategic interest to Australia. This is not to identify any country as a potential threat. It is merely to address the factors which shape assessments of the possible time-scale over which threats could emerge. The existence of capability necessarily implies that threats could emerge over a shorter time-scale.

Escalated low level conflict

3.9 Within Australia’s region of primary strategic interest the capability also exists to mount more conventional but still limited military operations against Australia. These could take the form of increased levels of air and sea harassment, extending to air attacks on northern settlements and off-shore installations and territories, attacks on shipping in proximate areas, mining of northern ports, and more frequent and more intensive raids by land forces.

3.10 Essentially this level of conflict would be characterised by the attacker supplementing or substituting unconventional tactics and forces with military

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Summary judgements

3.13 The possible time-scale attaching to the development of low level and escalated low level conflicts dictate that the ADF should be capable of countering them essentially from the force-in-being. The ADF should therefore be able to conduct such operations as maritime surveillance, interdiction and protection tasks, including mine countermeasures. There may be a need for offensive strike, especially against maritime targets. As noted previously, although constraints would apply to strike against land targets in the adversary’s own territory, the ability to conduct such operations would allow an important option.

3.14 Ground and other forces (such as air defence) would be needed to protect the bases from which our forces were operating, to conduct offensive action against such enemy forces that had crossed the sea and air gap, and to protect the military and civilian infrastructure and the population. Operations would usually be joint, and their conduct may require naval, air and land forces to deploy at short notice for sustained operations at a considerable distance from their main bases. ADF operations can be expected to be conducted concurrently over widely dispersed geographic areas.

More substantial conflict

3.15 No regional country now has the capability—or the motivation—to sustain high level intensive military operations against Australia. Military attempts to take control of the maritime approaches to Australia and secure lines of approach for major ground forces would require substantial military
expansion with external support or assistance. Such an expansion would involve long lead times and be clearly evident to us. Meanwhile, the adversary would have to assume that Australia would expand its military capability to maintain a relative advantage.

3.16 The invasion and subjugation of Australia would involve exceptional difficulties. Huge distances, determined military opposition, and a harsh environment would have to be overcome in successfully transporting and protecting an invasion force. And unless an adversary gained control of our major population and industrial centres in the south-east, enemy forces lodged on the mainland would face eventual defeat as we mobilised our national effort, with allied support, to cut off their lines of communication and support.

3.17 Short of invasion of the continent, the forces that any adversary would need to attempt and sustain a major assault on Australia would also be substantial. The skills and equipment required for an opposed amphibious landing are specialised and extensive. Very few nations have this capability and there is no evidence that regional countries are developing or intend to develop their force structure in this way. The assets required to transport and resupply a lodgement force, and to protect it against our determined attack, would be large. They would be at risk to pre-emptive attack as they assembled prior to transit, and vulnerable during transit and when coming ashore.

3.18 The development of military capabilities to the stage where such operations could be seriously contemplated would imply dramatic change, not now in prospect, to a belligerent and provocative external policy on the part of a neighbouring country. Alternatively it would require major strategic lodgement in the northern archipelago by an external power, also now a remote prospect given the increased strategic resilience of our ASEAN neighbours. The interests of nations other than Australia would be threatened by the arrival in the region of such a power.

3.19 The maintenance of the vitality of our alliance relationship with the United States is obviously important as an insurance against higher levels of conflict. It provides us with confidence that assistance would be forthcoming in the event of substantial military attack on Australia or its direct interests. Moreover, United States action would be most unlikely to await the emergence of a major threat. The dramatic strategic changes that would precede such a threat would inevitably impinge on important interests the United States has in the region. Major strategic lodgement in the archipelago by an external power would affect such interests and would provide strong impetus for the United States to institute countermeasures.

3.20 These considerations provide considerable reassurance against the possibility of major attack. Nevertheless, because of the severe consequences if such threats emerged over a longer time-scale, Australian defence policy and force structure planning cannot ignore them.

3.21 The maintenance of a range of capabilities in the ADF applicable to higher levels of conflict, sufficient to provide a basis for timely expansion, has been endorsed by successive Governments as an appropriate measure of insurance against the uncertainties in our long term security prospects. Such considerations have led Governments to acquire and develop highly capable maritime and other forces.

3.22 With our present force structure and its development already approved by this Government, we have considerable military capabilities by regional standards. During the period that an adversary would need to develop the motivation, forces and skills needed for a major assault, we would be able to develop our surveillance, maritime and other forces still further. In this, we would be assisted by the relative advantage that is latent in our military and industrial base and our alliance relationship with the United States.

Summary judgements

3.23 In summary, the need to recognise that at some time in the future there could be a serious deterioration in our strategic circumstances means the ADF should contain a level of skills from which expansion to meet the developing threat could occur. As with lower levels of conflict, a priority concern would be to deny the adversary effective use of the sea and air gap. There would be a greater need for strike and other offensive measures against the adversary’s military bases and infrastructure, and there would be an increased need for such protective capabilities as mine countermeasures, anti-submarine warfare, and air defence, especially around the bases from which our maritime operations were being conducted.

3.24 Specific implications for ground force development follow from the constraints the sea and air gap imposes on the range and type of ground forces that an opponent could land and sustain against Australia. This has implications for the priority to be given in our force development planning to preparing for large scale conventional ground force operations. The primary function of our ground forces in more substantial levels of conflict would be to defeat those enemy forces that had been able to land on Australian territory. Our ground forces would be required to conduct offensive action against the enemy’s forces, to contribute to the defence of maritime and other military bases, and to protect the civil population and infrastructure.

3.25 Against the prospect that the adversary had been able to land and sustain more substantial forces, we need expansion base elements for conventional ground force conflict, but not at a high level of preparedness. The Government considers it is appropriate to make greater use of the Reserves in the expansion base for these tasks, in association as necessary with Regular personnel.

Threats to Australian trade

3.26 Ranging across the levels of conflict addressed in Australian defence planning is the issue of threat to Australian trade by attempted interdiction of shipping on our trade routes and in proximate ocean areas.

3.27 Australia’s overseas trade routes are diverse and their comprehensive interdiction would be credible only in the unlikely circumstances of protracted
global conflict. Under those conditions threats to international shipping would affect many countries. Countries which have important interests in the free flow of trade would seek to protect international shipping. Australia would then contribute to wider efforts to protect international trade, operating in our own area in accordance with the procedures of the Radford-Collins Agreement.

3.28 Australia enjoys a high degree of economic self-sufficiency. We are a net exporter of energy and self-sufficient in food. The economy has basic features which have enabled previous short-term or sporadic interruptions to trade—through industrial action—to be accommodated, though with inconvenience and economic cost. While our long term prosperity certainly requires a healthy level of commodity exports (exports now account for some 12 per cent of GDP—down from 20 per cent of GDP in the early 1950s), Australia could survive significant disruption of overseas trade in the event of global war, though at a cost to our standard of living. Most of the essential needs of the civil community could be met without external supply if appropriate measures of conservation and rationing were introduced. Those essential items that are imported (including defence equipment and spare parts, industrial machinery, transport equipment, lubricants and rubber) could be stockpiled or alternative sources arranged—even if at higher cost—if there is any change in our current judgement about the remote prospect of global conflict.

3.29 Disruption to Australia’s trade could occur in a range of other circumstances, and in particular in those contingencies assessed as credible in the shorter term. Important Australian trade passes through choke points in the archipelago to our north and these passages could be denied to us even during lower levels of conflict. In those circumstances, there would be options for re-routing shipping clear of the archipelago. Economic costs would be involved which, without Government subsidy, could adversely affect the competitiveness of our exports that normally pass through the archipelago. Again, the cost to Australia would reflect itself in reduced living standards and economic impact on some regions of the country, rather than a threat to national survival.

3.30 Effective interdiction of our trade in open ocean areas would require wide area surveillance capabilities such as satellites or over-the-horizon radar with real-time communications links to attacking forces. No regional country now has such capabilities and their development is not in prospect. Surveillance and intelligence information of this kind is unlikely to be made available to a regional adversary.

3.31 Interference with or interdiction of shipping in coastal waters and in our focal areas and ports might be seen as a more practical option for an adversary. The movement of cargo by coastal shipping contributes substantially to the national economy. Its disruption would have a serious effect on such industries as oil and petroleum, mineral ores, fertilizer and chemicals, coal, and iron and steel. Some parts of Australia and some of our remote northern settlements are heavily dependent on supply by coastal shipping. Protecting shipping in our coastal waters is an important priority for our maritime forces.

3.32 Our force structure priorities are guided by these more credible situations requiring the protection of shipping in coastal waters and in our focal areas and ports. We require significant forces to defend against this contingency, which would be very demanding for our maritime forces because of the distances involved and the dispersion of our focal areas. Such forces could contribute to protecting shipping in the unlikely event of global conflict.

**Warning and defence preparation**

3.33 Our force development planning reflects an acceptance that higher levels of threat could emerge only after a longer period of time. Our force capability priorities are structured to take account of existing and projected capabilities in regional forces and the possibility that low levels of military threat could emerge over shorter timescales.

3.34 An important objective of defence planning is to provide maximum time for defence preparations. As some of the responses that could be required involve long lead times, the Government requires a constant monitoring of international circumstances, and particularly of foreign military capabilities, to ensure that Australia makes the appropriate military preparations in good time.

3.35 Defence policy depends heavily on a high level of performance of intelligence monitoring and assessment of international events to detect changes in adequate time. Our intelligence organisations have the responsibility for monitoring developments which could produce pressures or threats against Australia’s interests and to which a defence response may be needed. Competent intelligence capabilities are an accepted and recognised component of the structure of modern government.

3.36 The concept of warning, and its application to Australian defence planning, has been given careful attention by successive Governments. The concept had its origins in the Strategic Basis documents of the early 1970s, which noted that it would take many years for any regional country to develop the substantial military capabilities required to sustain major operations against Australia. In 1976, the Defence Committee, in its document Australia’s Strategic Analysis and Defence Policy Objectives, expanded on this point, noting that:

- the emergence of a threat would be a late stage in a series of developments and Governments would need to act well in advance of it. Defence planning and preparations over the preceding years should therefore be responsive to any strategic change perceived as having potential for harming Australia’s interests.

3.37 This definition was reflected in the 1976 White Paper, which observed that defence preparations could not be delayed until a definite threat finally emerged. Preparatory planning and practical measures taken in advance and based on a capable and versatile defence force would substantially reduce the time necessary to organise an effective defence response. The concept of warning does not imply a defence force which is static until a threat has materialised, but one responsive to any significant strategic change with the potential to weaken Australia’s security.
The development of the concept of warning has been part of the process by which Australia has distinguished its unique strategic circumstances from those of its traditional friends and allies in the northern hemisphere. Australia faces no presently identifiable major military threat, except for the remote possibility of global war. All conceivable such threats from a regional power would be preceded by a build-up of forces. The two superpowers alone possess the military capabilities that could threaten Australia with invasion. The United States is a close ally of Australia and it is impossible to see, in that context, what purpose would be served by a major military threat to Australia from the Soviet Union short of global war.

Any decision to embark upon hostilities as a deliberate act of state policy is a major one for any government to make. There would need to be some matter of sufficient weight in dispute. Tensions would need to develop to the point where one side decides to use force. Australia does not have that kind of dispute with any nation. Much would need to change, therefore, in our international position for the possibility of such conflict to arise. These changes would be evident to us and to our friends.

There would also be indicators of major physical preparation. Within our region no nation has the ships, aircraft and transportable forces that would be necessary to launch and sustain an effective assault upon Australia. These are among the most expensive and sophisticated forms of defence technology for any country to acquire. Their acquisition and introduction into full operational service could not be concealed and the development of the operational expertise to use this technology effectively in an assault on Australia would take many years.

Our considerations are also influenced by the preparation necessary for military expansion. Comparison of the expansion times for other countries and Australia to become effective in the use of important military capabilities includes a careful weighing of combat training skills, the ability to operate and maintain high technology equipment, the size and scope of the economic, industrial, and scientific and technical base, and the prospects for assured external support.

Different considerations apply when low level threats are contemplated. As already pointed out these threats could range from harassment of our maritime zone and offshore rigs or mining of ports at the lower level, through to substantial raids of short term duration on important northern targets or our offshore islands. For such activity, which could heavily consume Australian defence resources, the range of indications is much smaller. The capabilities required are much less and already exist in a number of countries.

The political problems which might lead to low level threats are more diverse in nature than those which might invite more substantial attack. Less time would be needed for an adversary to prepare and Australia would also have less time to mount a military response. Thus the Government has directed that priority be given in defence planning to ensuring adequate and appropriate capabilities exist within the Defence Force to deal with such pressures.

### Australia's defence strategy

Australia's defence strategy is based on the concept of defence in depth. This strategy and our force structure planning gives priority to maintaining credible levels of threat in Australia's area of direct military interest. An adversary would be faced with a comprehensive array of military capabilities, having both defensive and offensive components. Australia is not an aggressive or expansionist nation, but an adversary must be left in no doubt about our ability to counter the escalation of his military operations against us, including by use of our strike and interdiction capabilities.

Defence in depth gives priority to the ability of the ADF to mount operations capable of defeating enemy forces in our area of direct military interest. This means that we must have forces capable of tracking and targeting the adversary, mounting maritime and air operations in the sea and air gap to our north, capable of offensive strike and interdiction missions, having a comprehensive range of defensive capabilities—including air defence, mine countermeasures, and protection of coastal trade—and embodying mobile land forces able to defeat hostile incursions at remote locations.

The fundamental importance of the sea and air gap to our security gives high priority to maritime (naval and air) forces capable of preventing an adversary from substantial operations in that area. There could be a need to be able to conduct operations against the bases that an adversary was using for his attacks on us, and against his infrastructure. As our maritime forces would not be able to prevent an adversary from at least limited use of the sea and air gap, a primary task for us would be the protection of the bases from which our maritime forces operated. Ground forces would also be needed to take offensive action against the forces the adversary had landed, and, with other force elements, to protect other areas of the military and civil infrastructure and population.

For successful operations in all levels of conflict our forces need to have effective capabilities with good range, endurance and mobility and be trained to operate in a harsh environment. The communications needed for command and control, and the logistics organisation needed for resupply, have to be designed to operate effectively over great distances. In the event of conflict, logistics would be particularly demanding and there would be a need to make best use of our civil assets.

In developing forces with the required characteristics, the prudent application of advanced technology plays an important role. In many cases the ability to apply advanced technology effectively provides the only real solution to many aspects of defending our vast continent and our interests in surrounding maritime areas. This reinforces the need for continuing national and defence expertise in selected areas of science and technology (see Chapter 5). Nevertheless, high technology equipment is very costly. Assessments of the value of constructing weapon platforms in Australia must involve a careful evaluation of the strategic requirement for maintaining or developing local capabilities. The important requirements are to be capable of sustaining and