

► 2020 Defence Strategic Update

AUSTRALIA'S STRATEGIC ENVIRONMENT

- Australia's region, the Indo-Pacific, is in the midst of the most consequential strategic realignment since World War II.
- **Strategic competition**, primarily between the United States and China, will be the principal driver of strategic dynamics in the Indo-Pacific.
- Though still remote, the prospect of **high intensity military conflict** in the Indo-Pacific is less remote than in the past.
- Australia can no longer assume a ten-year **strategic warning time** is an appropriate basis for defence planning.
- **Grey-zone activities** – such as the use of para military forces and coercive economic levers – are being applied in ways which challenge sovereignty and habits of cooperation.
- **Threats to human security**, such as the **Coronavirus pandemic and natural disasters**, mean disaster response and resilience measures demand a higher priority in Defence planning.

BUDGET

- Over the next ten years the Government will provide Defence with total funding of around \$575 billion.
- This includes approximately \$270 billion investment in Defence capability to 2029-30.

OUR RESPONSE

- The *2020 Defence Strategic Update* sets out the Government's response to our changing environment.
- Our environment is now more complex, with Australian interests being more directly challenged than in the past, and sharper prioritisation is required.
- The Government has set three new strategic objectives to guide all Defence planning, including force structure, force generation, international engagement and operations:
 - ◆ to **shape** Australia's strategic environment;
 - ◆ to **deter** actions against Australia's interests; and
 - ◆ to **respond** with credible military force, when required.
- The Government has also directed Defence to:
 - ◆ prioritise our immediate region for the ADF's geographical focus the area ranging from the north-eastern Indian Ocean through maritime and mainland South East Asia to Papua New Guinea and the South West Pacific;
 - ◆ grow the ADF's self-reliance for delivering deterrent effects;
 - ◆ expand Defence's capability to respond to grey-zone activities;
 - ◆ enhance the lethality of the ADF for high-intensity operations;
 - ◆ maintain the ADF's ability to deploy forces globally; and
 - ◆ enhance Defence's capacity to support civil authorities in response to natural disasters and crises.

CAPABILITIES

- Defence must be able to deploy military power to shape our environment, deter actions against our interests and, when required, respond with military force.
- The new policy will require force structure and capability adjustments focussing on responding to grey-zone challenges, the possibility of high-intensity conflict and domestic crises.
- Defence will prioritise investment in:
 - ◆ enhancing **Defence's posture and partnerships** in the region, including in support of the Pacific Step-up objectives;
 - ◆ more **potent capabilities** to hold adversary forces and infrastructure at risk further from Australia, including longer-range strike weapons, cyber capabilities and area denial;
 - ◆ more durable **supply chain arrangements** and strengthened **sovereign industrial capabilities** to enhance the ADF's self-reliance;
 - ◆ capabilities to respond to **grey-zone activities**, including improved situational awareness, electronic warfare and information operations; and
 - ◆ developing detailed planning for the provision of equipment, facilities and logistics to enhance **ADF support to civil authorities** in response to natural disasters and crises.