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PARLIAMENTARY DEBATES



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Defence Budget
SPEECH

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SPEECH

<p>Date Tuesday, 14 August 2012 Page 116 Questioner Speaker Fawcett, Sen David</p>	<p>Source Senate Proof Yes Responder Question No.</p>
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Senator FAWCETT (South Australia) (19:00): I rise tonight to talk about the cuts to the Defence budget, particularly the remarks from the minister in response to people who have had their lives involved with Defence—people such as the previous Chief of Army, Professor Leahy, who is now Director of the National Security Institute of the University of Canberra and who has commented that the minister just does not get it and is missing the point when he says that the cuts will not impact on Australia's national security. The minister replied with the fact that funding to operational troops has been quarantined, corralled so people in the theatre will have all that they need. But he misses the point that people in the theatre are one part of the Defence organisation.

The Secretary of Defense in the United States, Mr Leon Panetta, as he is facing the massive cuts the American military is having to make, gave a warning that Australia should heed. He gave a warning about the danger of hollowing out the force—what happened after Vietnam and what has happened to many militaries after a time of conflict, when people expect a peace dividend, the ability to wind down their capability. Mr Panetta identified that if you keep your force at the same size and reduce the amount of funding then something has to give, in particular given that we are operating in an environment where over the last number of years funding has been cut year after year and we have seen a number of efficiency programs. Defence is not some organisation with layers and layers of fat that can be milked to get more savings; this is already an organisation that is running in a fairly lean manner.

I would like to take one particular area to highlight the fallacy of the view that you can quarantine funding for people who are deployed but cut elsewhere with no impact. This goes to the issue of reserves. If we look at the reserve forces we see that on 30 June this year the current Chief of Army, General David Morrison, was addressing Australian Reserve Forces Day and he talked about the fact that the ADF has engaged in uninterrupted operations since 1999. He was making comments about the high tempo. He said specifically:

We could not have sustained this demanding tempo without the contribution of the Defence Reserves.

Many people tend to think of the Defence Reserves as being Tuesday night parade and perhaps some people who parade on the occasional weekend and do training, but the role of the reserves has changed significantly, particularly under Plan Beersheba, where the Army is looking to reshape the structure of its forces and the close integration of reserves. I note that the Air Force and Navy are also using their reserves in a far more integrated manner. It means that, when people are deployed, often the folk who backfill to keep things running here in Australia are reservists, whether they be on part-time duty or continuous, full-time service—for example, selection courses.

People who go off in one of the most actively engaged group that Australia has at the moment are the Special Air Service Regiment, who have frequent deployments. But while they are deployed what is occurring behind the scenes is that people still need to actually run through the cadre course—the selection course—and the training programs. To date, much of that activity is done by the reservists. The benefit that gives people who are deployed is that when they come back they get time to do their promotion courses, to have some leave, to have some time with their families and to do some other training for themselves as opposed to having to fill a number of these functions. So, very simply, reducing the budget and taking away the training days for reservists does have a direct consequence for the ability of the military not only to deploy but to sustain a deployment overseas, because you need forces that are rested, re-worked up and able to be rotated back into theatre.

Those cuts behind the scenes, even to things like equipment, do have an influence. People deployed overseas rely on equipment. At the moment, the organisation within Defence that looks after procurement of equipment is the Defence Materiel Organisation. In estimates in February this year I asked some questions of both the CDF and the CEO of the DMO about the role of reservists, and it is illuminating to see that in DMO, for example, there are a large number of reservists—some 351 individual reservists—who work within the DMO to make sure that there is a military presence on acquisition projects. So, if days are cut and funding is cut to the behind-the-scenes operations, which include DMO, which include operations officers in RAAF units and which include communications specialists—and many reservists also

provide services in areas such as medical, legal, dental and other critical services that the ADF requires—saying that you are quarantining funding for troops in the front line and that it will not affect the Defence Force is a fallacy. That is why many commentators are taking issue with the comments that the minister has made. General Morrison highlights that, of the 30,000-strong regular Army, there are some 17,000 reservists involved in supporting them. So cutting the funds is going to have an impact, particularly when you consider that cutting the funds now is on the back of the cuts that caused so much controversy at the end of 2009 and 2010.

The whole Plan Beersheba assumes that there is going to be a significant increase in the operational focus of the reserves, which is going to be affected through the development of the habitual relationships between reserve brigades and the regular multirole manoeuvre brigades. Just this last week I had the pleasure of attending the 9th Brigade welcome home parade for soldiers of 10/27 Battalion who had been serving in the Solomon Islands. It is a good example of where the reserves pick up tasks that would otherwise have to be fulfilled by regular forces. And so, again, cutting funding and cutting training days means that the aspirations of things like Plan Beersheba, the ability of the government to have a regional influence and still sustain our forces, will be cut.

Ultimately, the service chiefs are responsible for the raise, train and sustain function of making sure that their personnel are ready to deploy in accordance with the readiness notice that the government requires. The outcome of budget cuts such as that of the most recent budget, whereby we are mothballing a squadron of tanks and a squadron of armoured personnel carriers, reducing flying hours and delaying the purchase of combat gear, is that they have a flow-on effect. You cannot just make a cut and then keep your forces at the same size and keep the same operational tempo overseas without causing stress and strain in the organisation. That is what is known as 'hollowing out the force'.

There are even effects on things such as submarine maintenance. Many people like to talk about how poor the availability of Collins class submarines is, when in actual fact they generally meet world standards of having two out of a fleet of six, given that the others are undergoing maintenance. But it is not going to make the Navy's job any easier with ASC now not maintaining submarines because of the lack of funding. There is a submarine out of the water, waiting for maintenance, but it looks like there will be a delay of months before work on it can actually start because there is no money coming from Defence to pay for the

maintenance. So the flow-on effects that come from these cuts are damaging national security.

Despite the promises of this government back in 2009, which were backed up again by the new minister, that we would have Force 2030 and a real growth in funding, we have seen cuts that take us back to levels that we have not seen since 1938. So, whilst I applaud the fact that funding is being provided to people who are in theatre, I echo the concerns of many Australians who have long experience in the national security space that the sustained cuts over a number of years are hollowing out the force and we run the danger of having a Defence Force in years to come that does not have the depth or the capacity to fulfil the tasks that the government requires of it.