

Barton Deakin Brief: 2020 Federal Government Strategic Defence Update

1 July 2020

Overview

The Prime Minister addressed the country from the Australian Defence Force Academy to announce the 2020 Defence Strategic Update. It follows and builds on the 2016 Defence White Paper and acknowledges the acceleration of strategic threats in the Indo-Pacific region. The update to Australia's capability and potency will see \$270 billion invested over the next ten years.

Strategic Positioning

The Strategic Update replaces the Strategic Defence Framework set out in the 2016 Defence White Paper with three new strategic objectives:

1. Shape Australia's strategic environment
2. Deter actions against Australia's interests
3. Respond with credible military force when required

Defence has been directed to:

- maintain a priority capability focus in the immediate Indo-Pacific region
- ensure that the ADF is self-reliant in delivering deterrent effects
- expand Defence's capability to respond to grey-zone activities (including responding to the use of paramilitary forces and coercive economic levers)
- augment the lethality of ADF high-intensity operations
- ensure that the ADF is able to deploy forces globally
- enhance the capability of Defence to respond to natural disasters and crises

The policy recognises that there will be an increasing need to respond to grey-zone challenges, the possibility of high-intensity conflict, and domestic crises. Defence will prioritise investment in more potent capabilities to keep adversary forces at bay with the use of longer-range strike weapons, cyber capabilities, and area denial.

Areas of Investment

- adoption of remotely piloted or autonomous systems for a range of missions, such as air combat, strike, air-to-air refueling, surveillance, undersea warfare, and land operations
- space threat capability, including Australian satellites to ensure stability of communications
- high speed missile systems
- directed energy weapons for close-range defence of naval vessels and for land forces to defeat armoured vehicles
- twelve Attack Class submarines
- nine Hunter Class frigates



- the Joint Strike Fighter (F-35)
- the Boxer combat reconnaissance vehicle
- infrastructure and supplies of deployable fuel, spare parts, stocks of advanced guided weapons, munitions, and propellants

See the following links for further information on the strategic investment areas:

| | |
|------------------------------|--------------------------|
| Maritime Factsheet | See here |
| Air Factsheet | See here |
| Space Factsheet | See here |
| Land Factsheet | See here |
| Naval Shipbuilding Factsheet | See here |
| Defence Enterprise | See here |

Budget Implication

Funding for Defence will total around \$575 billion over the next ten years and will include the \$270 billion announced today. Defence will slightly over-allocate its budget to mitigate the risk of projects and activity plans will fall to future years.

The Defence budget comprises three major categories:

1. Augmenting capability: includes the estimated costs of acquiring new military equipment, facilities and infrastructure, and Information and Communications Technology (ICT) projects.
2. Sustainment of existing capability: includes the estimated costs of planned future capability yet to be introduced into service.
3. Workforce: largely comprises military employee expenses (approximately 80 per cent) to support Defence outcomes including military capability

To effectively manage and deliver capability over time, Defence will adjust and refine its investments across capability acquisition, sustainment and personnel costs to ensure a balanced capability outcome. Through ongoing reviews, Defence will adjust its plans to meet Government priorities, emerging issues, new or enhanced risks and budget management.

See the Prime Minister's "Defending Australia and its Interests" release [here](#) and the "Long Range Strike Capabilities to Maintain Regional Security" release [here](#).

See the 2020 Force Structure Plan [here](#) and the shortened factsheet [here](#).

See the 2020 Defence Strategic Update factsheet [here](#).

See the budget factsheet [here](#).

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