



HD Australia urged to up defence spending to meet threat from rising power China

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A key Australian defence think tank has suggested more money and a broader strategy is needed to cope with emerging regional tensions.

This week has seen another flare-up in the South China Sea, with Vietnam and China trading accusations over the sinking of a Vietnamese fishing boat not far from where China has controversially parked an oil rig in the disputed area.

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Australian Strategic Policy Institute (ASPI) senior analyst Mark Thomson says the speed of deterioration is significant.

"Instability in the last few weeks has gotten worse frankly due to probing by China on a whole range of different fronts that are causing concern for many people right around the region," he said.

"We are entering a period of uncertainty and a period of risk. We are in a situation where almost every week a new event is occurring.

"A fishing vessel is being put down into the bottom of the ocean, someone is trying to seize an island here or there. Sooner or later one of these is going to go wrong and we are going to find ourselves in a crisis."

Mr Thomson was speaking to the ABC after the release of the ASPI 2014 Defence Budget Brief in Canberra.

"People in the business have been worried about this for a while. The classic story always is when you have an emergent power, at some point that emergent power is going to challenge the existing order," he said.

"What I think has surprised people is how quickly it has come on and the intensity we have seen particularly in the last six months or so."

In the federal budget, while the rest of Australia had to endure cuts, defence received a 6 per cent funding boost.

In his annual report on the defence budget, Mr Thomson conducts the most extensive independent examination available on Australia's defence spending.

He says Australia may have to spend more in the future to meet its strategic needs.

"I think it remains to be seen how serious a deterioration in the security environment we might need to hedge against in the years ahead," he said.

"We need to consider two questions - we need to consider if we are spending enough and we need to consider if we are spending the money on the right sort of capabilities for the challenges that lie ahead."

The Government has committed over time to increasing defence spending equal to 2 per cent of gross domestic product (GDP), and a white paper will be delivered next year.

"The things that we should be looking at in this current white paper are the sort of capabilities that give Australia options in what is fundamentally an air and maritime environment of the Asia-Pacific," Mr Thomson said.

"So we are talking about submarines, we are talking about maritime patrol aircraft, we are talking about combat aircraft like the F-35 [Joint Strike Fighter]. The white paper will need to respond to the environment as it is changing around us.

"I think many things that we have put in the forefront of our defence planning in the past, like the ability to do defence stabilisation **operations** in the near region, they will remain. But we are going to have to add to that serious considerations for more serious developments."

The ABC asked Defence Minister David Johnston to comment on Mr Thomson's views about the defence budget, but he is travelling to Singapore and unavailable for interview.

A spokesman for the minister said Senator Johnston stood by the current defence budget. The Minister's office supplied the ABC with the statement below:

The Government has been acknowledging these challenges for a long time now, and our principles of no more cuts to Defence as well as the commencement of our promise to climb to 2 per cent of GDP within a decade. Funding has gone from just under 1.6 per cent of GDP to 1.8 in this budget, in spite of the difficult economic climate.

The task for the Government to restore Defence spending is monumental, particularly as Labor left Government with \$123 **billion** of projected deficits over the Forward Estimates and government debt heading for \$667 **billion** within the decade. We have brought forward \$1.5 **billion** in spending from 2017-18, with an increase of \$500 **million** in 2013-14 to **purchase** vital capability, and a further \$1 **billion** distributed across 2014-15, 2015-16 and 2016-17.

Having come under consistent attack from the previous Government, the Defence budget required urgent resourcing to maintain capability and readiness.

This has been acknowledged for many years by ASPI in its annual additions of "The Cost of Defence". In our first budget we have taken on the task of repairing the damage in Defence capability which has been hollowed out, and I believe ASPI acknowledges this fact in this analysis.

Responsiveness to civil and natural disasters has been a demanding and consistent task for Defence, and our neighbourhood has come to rely upon our capacity to be responsive when they need us. Helping our neighbourhood in time of need is in our national interest and I think our Defence personnel do this exceptionally well.

I don't believe the capability and readiness to help our neighbours' needs to be mutually exclusive to our national security objectives. The Government will ensure the delivery of Defence capability to meet fast moving security challenges faced by Australia.

CO astspn : Australian Strategic Policy Institute

NS gpol : Domestic Politics | gcat : Political/General News | gpri : Politics/International Relations

RE austr : Australia | china : China | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

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