

# REFLECTIONS ON NEW ZEALAND'S DEFENCE POLICY FRAMEWORK AND AUSTRALIA'S GREEN PAPER



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## *Introduction*

At the annual Australia-New Zealand Defence Ministerial Talks held in Wellington in June this year, the New Zealand and Australian Ministers of Defence, Mark Burton and John Moore, reaffirmed the two governments' commitment to maintaining the strong and enduring defence relationship between New Zealand and Australia. The importance of this relationship has been reinforced by events in Bougainville, East Timor and, more recently, Fiji and the Solomon Islands. It has also been recognised in the New Zealand Government's recently released *Defence Policy Framework*. The Framework confirms that one of the key roles of the New Zealand Defence Force (NZDF) is to operate with the Australian Defence Force to protect territorial sovereignty and in support of a secure and peaceful region.

In New Zealand, the direction and priorities of defence policy are clearly espoused in the Framework. The series of capability reviews that have been set in train by the Framework will enable the Government to make long-term decisions on capital investment.

In Australia, the first stage of their defence review has been completed with the release of the public discussion paper *Defence Review 2000 – Our Future Defence Force* (the Green Paper). The public consultation process parallels the process of New Zealand's Foreign Affairs, Trade and Defence Select Committee during its inquiry into *Defence Beyond 2000*. The New Zealand Framework was substantially guided by, and builds on, the *Defence Beyond 2000* report.

Many of the issues and challenges that both countries have to confront are similar to those facing other countries. Maintaining defence forces that not only meet each country's defence and security requirements, but which are also affordable and sustainable is the key challenge. Escalating acquisition, operating and personnel costs mean that retaining existing force

structures by replacing or upgrading capabilities is impossible. It has been argued that to replicate earlier force structures would, even if desirable, require significant increases in defence spending at a time when there are competing spending priorities from other parts of the public sector and acute budgetary pressures. Compounding the challenge is the problem of managing the block obsolescence of equipment purchased in the 60s, 70s and 80s.

At the same time, a strategic environment that is more complex and uncertain puts a premium on the ability to respond rapidly to fast developing situations. This is borne out in this region by events within the last year in Indonesia, East Timor, Bougainville, Fiji and the Solomon Islands. Both Australia and New Zealand have to find the right balance between investing in the readiness of forces to meet immediate needs and the purchase of equipment to keep pace with technological changes.

## *New Zealand's Defence Policy Framework*

The need to take action on the future of the NZDF is imperative. New Zealand's defence forces have, over the last decade, had to do more with less: more in terms of the range and nature of regional and international deployments, and less in terms of the usefulness of ageing and obsolete equipment and the steadily declining purchase power of the defence budget.

The *Defence Policy Framework* released on 19 June 2000 establishes, from the Government's perspective, a more coherent and realistic view of New Zealand's defence needs and the roles that the defence force can perform effectively. It outlines the Government's goals and priorities for defence; provides a framework for future decisions about military capabilities, resources and funding; and points to the Government's defence spending priorities.

The Framework was released along with two other documents: a paper prepared by the Ministry of Foreign Affairs and Trade, which surveys New Zealand's external interests and comments on implications for defence policy and priorities; and a strategic assessment prepared by the External Assessments Bureau. While not formal government policy documents, these departmental assessments provide a useful backdrop to the international environment against which our defence policy is formulated.

The Framework describes the Government's commitment to maintain an effective and credibly resourced defence force. It outlines the requirement that New Zealand have well-equipped, combat trained land forces, which can act as effective peacemakers and peacekeepers, supported by the Navy and Air Force. To this end, the Government's priorities are to upgrade the army's mobility, communications, surveillance and fire support capabilities; provide effective air and naval transport capabilities; and to maintain effective maritime surveillance capabilities through the Air Force and Navy within New Zealand's exclusive economic zone and those of Pacific Island states.

### Priorities in New Zealand's Defence Policy Framework

- Well-equipped and combat trained land forces.
- Effective air and naval transport capabilities.
- Effective maritime surveillance capabilities through the Air Force and Navy.

The Framework outlines the process that will be taken to assess NZDF capabilities. The process has begun with a series of capability reviews (to be completed by November this year), the completion of a broader force structure review identifying options for meeting the Government's other defence policy objectives, and will

finish up with the development of a re-prioritised long-term capital equipment plan. The Framework has also made provision for urgent decisions to be made, if necessary, on key acquisitions such as those involving modernising the Army.

### *The Australian Green Paper*

The release of the Australian Green Paper on defence has been welcomed by the New Zealand Government. It is clear that Australia has to tackle similar defence issues to those that face New Zealand. These include questions on the needs of defence, the role defence forces should play, the best way to structure the defence forces, and the best way to spend the defence budget.

It is not expected that the Australian policy response will be identical to New Zealand's. Australia faces a different security environment, their focus on territorial defence is sharper, and their deeper and more inclusive alliance relationship with the United States requires from them a higher level of capability and interoperability.

However, the Australian Government's release later in the year of a White Paper on Defence Policy is being eagerly anticipated. There is a notable parallel to the work being done in both countries on the reviews and in the timing of the reviews. Each should benefit from that.

### *Conclusion*

The decisions both countries make over the next year or so will have long-term implications for the shape and structure of their defence forces. In making these decisions, both countries will, as they must, base decisions on an assessment of their own needs, interests and priorities. But these decisions will inevitably have a bearing on the direction and effectiveness of Closer Defence Relations (CDR). It would seem important, therefore, that New Zealand and Australia stay in close touch with each other as they further develop their defence policies and capabilities.