



Labor's Plan for Defence

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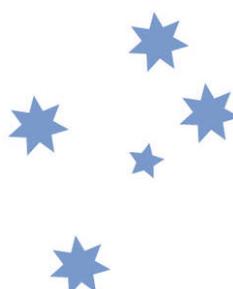
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Introduction

The primary responsibility for any Australian government is to secure, protect and defend its people, territory and national interests.

The foundation of Labor's defence policy is the principle of Australian self-reliance. Labor believes that the Australian Defence Force (ADF) must be able to defend Australia without relying on the combat forces of other nations. Self-reliance fundamentally reflects Australia's sense of itself as an independent nation.

Defence policy is a core component of Australia's national security strategy.

In an interdependent world, national security cannot be achieved without effective international relationships – bilateral, regional and multilateral.

Labor's approach is based on three pillars:

- § Australia's membership of the United Nations.
- § Australia's alliance with the United States.
- § Comprehensive engagement with Asia.

Australia benefits from a stable, rules-based multilateral system with the United Nations at its centre. Australia must be prepared to contribute to UN-mandated initiatives to secure peace, stability and humanitarian goals.

Our alliance with the US is fundamental to Australia's long-term strategic interests. US engagement in our region plays a critical stabilising role. Joint exercises with Australia, intelligence sharing and Australian access to US equipment and technologies add enormously to the ADF's power and reach.

But nowhere in the world are Australia's strategic interests more concentrated, our responsibilities more exacting and our vulnerabilities greater, than in our own region, the Asia Pacific.

Labor believes that fostering peace, stability and security in our South Pacific neighbourhood and the broader Asia Pacific region is critical to Australia's national security. Regional engagement is an enduring defence priority, and the best way for Australia to discharge its global responsibilities.

As a medium-sized power in the Asia Pacific region, it is in Australia's interests to comprehensively engage with our neighbours to better meet our shared security challenges.

The increased threat of terrorism against Australia, Australian interests and our neighbours is the key strategic challenge in the Asia Pacific region. The regional threat has been underscored by the bombing of the Australian Embassy in Jakarta in September 2004, the bombing of the Marriott Hotel in Jakarta in August 2003, and most savagely of all, the Bali atrocity in October 2002.

Strategic priorities for the Australian Defence Force

Labor endorses the principles, strategies and tasks set out in the 2000 Defence White Paper¹. Labor strongly supports the five ADF strategic tasks identified in the White Paper, namely:

- § To defend Australia without having to rely on the combat forces of other countries.
- § To control the air and sea approaches to our continent.
- § To contribute to the security and stability of our immediate neighbourhood.
- § To contribute to coalitions of forces in our wider national interests beyond our immediate neighbourhood.
- § To undertake occasional tasks in support of peacetime national priorities.

Without reservation, Labor champions all five ADF strategic tasks in the pursuit of our national interests.

These strategic tasks are enduring. They define our security priorities now and into the future. They provide the inherent discipline that brings shape, size and balance to the development of the ADF. They also identify the underpinnings of Labor's defence policy:

- § The importance of self-reliance.
- § A strong commitment to international operations led by the United Nations and Australia's key allies in the pursuit of broader national strategic objectives.
- § The objective of a secure and stable neighbourhood.
- § The common sense of a maritime strategy for Australia.

Labor will enhance Australia's capacity for independent military operations in our own region, with strong military capabilities able to dominate our air and sea approaches and to move joint forces quickly, with superior firepower, to carry out their missions.

The dramatic events over recent years serve to remind all Australians of the importance of having in place a strong, effective and sustainable ADF, well served by an efficient Defence bureaucracy.

A Labor Government will initiate a new Defence White Paper in its first year of office.

After a four-year period of profound change, Labor believes that now is the time to articulate the key strategic developments faced by Australia. Labor's new White Paper will ensure that Australia's defence capability needs are achievable and disciplined by our long-term strategic priorities, rather than the short-term political imperatives of the government of the day.

International and regional defence relationships

Labor recognises the importance of both bilateral and multilateral defence relationships in achieving security for Australia and maintaining stability in our region.

Australia's Alliance with the United States

Australia's alliance with the United States is one of the three pillars of Labor's national security policy. Labor values this alliance as a partnership between equal sovereign nations. Labor will strengthen and add maturity to the US alliance, ensuring an independent voice is always heard.

Labor believes that the US alliance is fundamental to Australia's national security.

Labor regards the international role of the US as a force for good and will continue to value and encourage engagement by the US in the Asia Pacific region.

The ANZUS Treaty has stood the test of time and proven its relevance to our contemporary security environment. Labor endorsed the invocation of the ANZUS Treaty in support of the United States after the terrorist attacks on 11 September 2001.

Australia derives substantial benefits from intelligence sharing arrangements with the US. The Joint Facility at Pine Gap makes an important contribution to the deterrence and avoidance of international conflict. This contribution is consistent with Labor's national security, disarmament and non-proliferation objectives.

A Federal Labor Government will enhance cooperation and joint training between the ADF and the military forces of our allies.

Many advantages accrue to the ADF through its close relationship with the US military. Access to new equipment, exchange postings, individual training opportunities and participation in high intensity combined military exercises – these are excellent opportunities and entry points to sustain the close defence relationship, and add considerably to ADF capability.

Missile defence

Labor believes that the proliferation of weapons of mass destruction and ballistic missile delivery systems is a serious threat to international security. Effective efforts to combat these developments require sustained multilateral cooperation and diplomacy.

As a unilateral response to the problem of ballistic missile proliferation, national missile defence is disproportionate, technically questionable, costly and likely to be counterproductive. National missile defence has the potential to undermine non-proliferation and accelerate the development of missile capabilities that could threaten Australia's national security.

The Howard Government's poorly-communicated decision to commit to Australian participation in the US missile defence program has already

generated severe disquiet in the region, which could undermine Australia's capacity to contribute to regional activities in the war against terror.

A Federal Labor Government will ensure that all efforts are made to protect ADF personnel deployed on operations.

The Defence Capability Plan includes the acquisition of three air warfare destroyers to provide a maritime in-theatre missile defensive capability by 2013.

Labor strongly endorses the need for this capability, which will provide in-theatre missile defence for convoy operations, littoral operations and complement anti-missile defences for deployed forces and key strategic assets.

Relationships and alliances in the Asia Pacific Region

Australia's well-being is inextricably linked to the security and stability of our neighbourhood. Labor is committed to bilateral and multilateral defence arrangements that make a real contribution to regional security.

Labor will actively use arrangements and forums, like the Five Power Defence Arrangements (FPDA), Asia Pacific Defence Ministers' Forum, and ASEAN Regional Forum, to promote effective regional responses to shared strategic challenges, including the threat of terrorism.

Labor will work to improve Australia's defence relationship with Indonesia, based on equality and partnership, to the benefit of both countries and the region, while ensuring that our commitment to liberal democratic values and human rights is not compromised.

Labor will re-invigorate Australia's defence relationship with New Zealand, harmonise our responsibilities in the South Pacific, and improve the complementarity of our defence forces. Labor will encourage regular military exercises with NZ and will create greater synergies between our two defence forces.

Consistent with our strong support for the Regional Assistance Mission to the Solomon Islands, Labor will engage with the nations of the South Pacific to raise standards of governance, improve law enforcement and modernise security forces. In April 2004, Mark Latham and NZ Prime Minister Helen Clark outlined the basis for future Australia-NZ cooperation in the South Pacific, including joint development and security initiatives. A Federal Labor Government will appoint an Assistant Minister for the South Pacific under the Minister for Foreign Affairs and International Security.

Defence management

With an annual budget of over \$16 billion a year, defence remains one of the most expensive of our national undertakings. Given the magnitude of this investment, Labor believes that Australians are entitled to demand that robust and accountable processes exist in the Defence organisation.

The Australian community strongly supports the ADF. The ADF's outstanding performances in East Timor, Afghanistan, Iraq, the Solomon Islands and elsewhere attest to the professionalism, discipline and dedication of Australian military personnel in action.

In contrast to their open and strong admiration of the ADF, the Australian community and the Parliament are increasingly concerned about the adverse influence of the Howard Government on the core values and efficiency of the Defence organisation.

Labor will maintain a strong, efficient and responsive Defence organisation that possesses the equipment, personnel and skills that are needed to meet the demands placed upon it by the Australian Government.

A Federal Labor Government will implement a number of initiatives to address shortcomings in the Defence organisation. These will include:

- § A review of the management processes between government and Defence Headquarters, including an examination of the role and organisation of Defence Headquarters.
- § A comprehensive audit of Defence's financial management to ensure that the corporate performance of the organisation meets best practice standards.
- § A judicial inquiry into Australia's intelligence community, of fixed and limited duration with specific terms of reference.
- § A formal evaluation of the effectiveness of the reforms to the Defence Materiel Organisation that were implemented following the review of defence procurement.
- § Measures to ensure greater parliamentary oversight of the major defence acquisition program.

This approach will ensure that Labor's *Plan for Defence* will be funded within the Defence budget.

Defence Capability Plan

The Howard Government has politicised and compromised the integrity of the Defence Capability Plan (DCP) through its interference in the strategic basis for the Plan. Decisions have been made to satisfy the Government's short-term political objectives rather than Australia's long-term strategic priorities and capability needs.

Defence Update 2003² – which was supposed to underpin a revised DCP in light of changes in Australia's strategic environment since the 2000 White Paper – was nothing more than a lightweight news summary. Rather than provide a clear statement of Australia's changed circumstances and capability requirements, the Defence Update merely attempted to justify the Howard Government's decision to participate in the United States led war in Iraq.

As a product of the flawed Defence Update, the current DCP lacks credibility, transparency and strategic direction. Although the new Plan is quite different

from the 2001 DCP, the Howard Government has done nothing to fix the problems which led the Australian Strategic Policy Institute to describe the earlier Plan as "undeliverable, unaffordable and uncertain".³

The ADF is now suffering because of the Howard Government's failure to effectively manage the DCP. For instance:

- § Not one of the top 20 equipment projects that were planned when the Howard Government came to office has been delivered. Four projects have been cancelled, and each of the rest is an average of six years late and hundreds of millions of dollars over budget.
- § 34 projects that were in the 2001 DCP have been abandoned.
- § The budget for the 65 equipment projects carried forward into the 2004 DCP has increased by 20 per cent, and these projects are now running an average of between nine and 15 months late.
- § In the 2004 budget, it was announced that \$884 million worth of planned new equipment projects had been delayed to 2008-09 and beyond. This now means that a total of \$2.2 billion worth of equipment projects promised by the Government in the 2000 White Paper has not been delivered.

Howard Government mismanagement has resulted in important capabilities being delayed or abandoned. As part of the review process which culminated in the current DCP, the Government announced that it would send the F-111s into early retirement in 2010, decommission two warships, and mothball two of the new mine hunters, all of which are needed in the war on terrorism.

A Federal Labor Government will review the Defence Capability Plan to ensure that military acquisitions over the next decade deliver the necessary capabilities for our Land, Sea, Air and Special Forces.

The early retirement of the F-111s in 2010, coupled with the likely delay in the arrival of the Joint Strike Fighter until after 2012, will produce an air combat capability gap. Labor is seriously concerned by this prospect because any gap in air combat capability destroys the basis of Australia's self-reliant defence strategy.

A Federal Labor Government will ensure that there is no air combat capability gap.

Without superior combat aircraft in the ADF's inventory, Australia's ability to control the air and sea approaches to our nation and implement a maritime strategy is greatly limited. In these circumstances, Australia's capacity to contribute to future coalition operations is also limited.

Labor supports the acquisition of an amphibious capability for operations in our neighbourhood. The Howard Government has failed to justify its proposal to acquire two very large 26,000 tonne amphibious ships. Two ships are too few to guarantee that the ADF is capable of undertaking the 2000 Defence White Paper's requirement of two simultaneous operations in different locations. More than two amphibious platforms are required.

Labor is committed to a more robust amphibious capability and will review the Howard Government's current flawed proposal.

Australian Coastguard

Labor will transfer the maritime policing role currently performed by the Navy to a single, dedicated agency – the Australian Coastguard. The creation of the Coastguard reflects Labor's view that border protection should be performed on a full-time basis by a specialist agency.

The Australian Coastguard will undertake maritime border protection with eight new vessels and three helicopters. These new resources will complement the eight vessels already operated by the Australian Customs Service.

The establishment of the Australian Coastguard will not result in a reduction of the Navy's existing fleet of patrol boats. Labor is committed to the Navy's important maritime surveillance and interdiction roles, and strongly supports the acquisition of the 12 new Armidale-class patrol boats, which will enhance the Navy's capabilities.

Defence industry and procurement

Defence procurement

The Howard Government has wasted hundreds of millions of taxpayers' dollars through its gross mismanagement of defence procurement.

Despite eight and a half years of reviews and reform programs, four Ministers and unprecedented staff turnover within the Defence Department, delays and budget blow-outs are still accepted by the Howard Government as the norm rather than the exception.

The constant cycle of delays and mismanagement means that the ADF is not receiving the new equipment that it needs. As the Government's own review of defence procurement concluded in 2003:

*"...continuing delays in the delivery of major defence equipment mean that the ADF has failed to receive the capabilities it expects, according to the schedule required by the Government."*⁴

The worst examples of the Howard Government's procurement bungling include:

- § Its decision to buy eleven 40-year old Seasprite helicopters that were used in the Vietnam War at a cost of \$1 billion – double the original price-tag. The delivery of these aircraft is three and a half years late.
- § The \$1.4 billion upgrade of the Navy's six guided missile frigates is running two years late. Despite this, the Government still agreed to pay the contractor a bonus of up to \$14 million so long as the project was delivered 'only' two years late.
- § Its decision to pay \$161 million extra for the Bushmaster infantry mobility vehicle project, even though the ADF will now only get 299 vehicles instead of the planned 360. This project is also four years late.

Absurdly, for the latter two projects, the Howard Government renegotiated the contracts to allow for the massive delays rather than penalise the contractors for failing to deliver.

Labor believes that an effective and efficient system for evaluating, acquiring and maintaining defence equipment is central to the effectiveness of the ADF, and ultimately to Australia's national security.

Fundamental change is needed to overcome the shambles that defence procurement has become under the Howard Government. The efficient and timely delivery of new equipment is more important than ever at a time of increased demands on Australia's defence resources.

A Labor Government will appoint a Minister for Defence Procurement to be responsible for the delivery of major equipment projects on time and on budget.

The Minister for Defence Procurement will set the strategic direction for the defence purchasing agency, the Defence Materiel Organisation (DMO); approve the organisation's annual budget; and oversee the production of an annual business plan.

In contrast to the Howard Government, Labor will enforce penalty provisions in defence contracts when agreed delivery deadlines and budget milestones are not met. This is standard commercial practice in the private sector, and there is no reason why Defence should manage its business any differently.

A Labor Government will penalise contractors if they fail to deliver new equipment on time and on budget.

Labor will ensure that the DMO implements fully the recommendations from the 2003 review of defence procurement. To ensure that this occurs, Labor will commission an independent evaluation of these reforms to report by the end of 2006.

Labor will also strengthen parliamentary oversight of the major defence acquisition program. Currently, regular reports on major defence projects are provided to Cabinet, but are not made public. Public release of these reports, subject to any security caveats, will help to ensure that major projects are delivered on time and on budget.

Labor will also task the Australian National Audit Office to undertake independent evaluations of major defence equipment projects on a regular basis.

Defence industry

The Australian defence industry plays a vital role in supporting the ADF.

A competitive Australian defence industry is a vital element of Australia's defence capability and integral to Labor's policy of defence self-reliance.

Given the amount of spending on defence, at over \$16 billion each year, a vibrant defence industry creates highly-skilled jobs, generates investment and makes a major contribution to economic development and growth.

Australian industry involvement in defence acquisitions has fallen considerably over recent years, and is now at its lowest level in decades.

The Australian National Audit Office recently reported that the Defence Department is unable to monitor accurately the extent of Australian industry involvement in major and minor equipment projects.⁵

A Federal Labor Government will ensure that as much of the defence budget as possible is spent in Australia.

As part of the selection process for defence contracts, Labor will emphasise a strong preference for Australian content and require all tenderers to develop strategies for involving Australian industry to the greatest extent possible.

To ensure that Australians receive maximum benefits from their defence spending, Labor will introduce new reporting obligations on Defence to include in its Annual Report a specific section outlining Australian involvement in major defence projects.

Labor supports the development of defence industry sectoral plans for aerospace, electronics, and land and weapons. Labor believes that the sectoral plans represent a sound strategic approach to defence industry policy that will enable Australia to sustain key industry capabilities necessary to meet our national security needs.

A Labor Government will also:

- § Publish the Defence Capability Plan on a regular basis to better inform Australian industry about major acquisition projects.
- § Implement new systems to provide better access for Australia's small and medium enterprises (SMEs) to information on minor capability projects.
- § Formalise assessment processes in the Defence Materiel Organisation for unsolicited capability proposals that are submitted by industry.
- § Review the existing arrangements for defence exports in consultation with industry to maximise opportunities for the Australian defence industry.
- § Further expand and encourage the links between the Defence Science and Technology Organisation and the Australian defence industry, to ensure better technology transfer to Australian industry.

Naval shipbuilding, maintenance and repair

Government investment in the shipbuilding sector is an industry policy priority for Labor. A dynamic naval shipbuilding, maintenance and repair industry adds to the economy's skills base, creates jobs and brings broader economic benefits.

A Federal Labor Government will maintain a competitive Australian naval shipbuilding, maintenance and repair industry. This sector is a strategic asset and a vital element of Labor's self-reliant defence policy.

It was Labor that re-introduced a naval shipbuilding capability to Australia, and Labor will continue to promote the strategic value of this industry.

A Labor Government will ensure that Australian shipyards undertake future naval ship construction, maintenance and upgrades.

Labor's commitment to Australian-built naval ships provides much-needed certainty about the future of the shipbuilding industry. This commitment will also secure the future of the naval shipbuilding workforce and ensure that the existing skills base is maintained and developed.

Labor is also committed to maintaining a viable Australian Submarine Corporation (ASC), which is vital to Australia's strategic interests, given its unique role in servicing and supporting our Collins-class submarine fleet.

Labor believes that the Australian Submarine Corporation is a strategic national asset.

Labor recognises that the long-term future of the ASC will not involve public ownership.

A competitive ASC ensures that the economic benefits from Australia's investment in the submarines are maintained and employment in the sector continued – it is also consistent with the strategic requirement that a strong submarine industry be maintained in Australia.

A competitive ASC will also be well-placed to compete for shipbuilding work in the Defence Capability Plan.

Defence personnel

Defence workforce

The Defence workforce is an essential part of Australia's military capability and is an important asset in its own right.

Labor recognises that the Defence workforce is not just about ADF personnel.

Currently, around 120,000 Australians are involved in the overall defence effort, comprising:

- § just over 52,000 permanent ADF personnel;
- § 20,000 Defence Reserves;
- § 18,000 Defence Australian Public Servants (APS); and
- § around 30,000 people involved in defence industry.

The 2000 White Paper provides no clear guidance on workforce preparedness for the ADF. The DCP contains scant detail on future specialist workforce requirements, despite the fact that a large number of major projects require a highly-skilled workforce.

The long-term availability of this workforce is not guaranteed, with evidence of skills shortages in certain areas and intense competition between employers for specialist personnel. Competition for skilled people in aerospace, information, health and project management will become fiercer. These have traditionally been the defence employment areas targeted by outside organisations.

Defence's workforce plans will also be affected by more general labour market trends, including demographic change, outsourcing, changing work patterns and an ageing population.

In Australia, the population of 17-24 year olds will begin to decline from 2014. This age group is the main target group for ADF recruitment, and so recruitment target groups will need to be reviewed.

The lack of proper workforce planning extends to Defence APS. The requirement for these personnel has never been informed by its contribution to military capability. There is no government agreement on the functions of the APS workforce and no explicit planning for the future development of this capability.

Nor has there been any detailed forward planning on the role of the Defence Reserves, despite changes in their role and functions. The Reserves are now required to provide surge and sustainment capacity for operational deployments, yet there is no detailed workplace plan to guide the future use of the capability that these personnel provide.

A Federal Labor Government will implement a comprehensive approach to Defence workforce planning.

Australia's Defence Force

Labor endorses the proposed changes to the shape of the ADF that were outlined in the 2000 White Paper. The White Paper argued that changing strategic requirements demand that the ADF is able to:

- § Deploy more units at higher readiness levels.
- § Deploy at shorter notice.
- § Sustain operations for longer periods.

A Federal Labor Government will ensure that a balanced force structure is maintained.

A balanced ADF offers flexibility and versatility to government, offering a wider range of capabilities to undertake any given operational mission. A balanced force contributes to the objective of deploying superior strategic weight irrespective of the task.

Greater balance can also enhance the ADF's capacity to sustain itself during and after operations. The recent history of ADF operations has highlighted a number of shortcomings in this area, including resupply troubles, insufficient specialists for rotation of units and personnel and equipment maintenance problems. In addition, due to the high tempo from multiple deployments (exacerbated by the expensive use of unsuitable platforms for Australian border protection in Operation *Relex II*), naval refit and other maintenance programs have also been severely delayed.

A Labor Government will review the preparedness of all ADF units to undertake their assigned missions.

If preparedness is not properly managed, the ADF will not be able to undertake the 2000 White Paper mission requirements.

Labor endorses the 2000 White Paper, which states that the ADF needs forces large enough to undertake some types of operation simultaneously in widely-separated locations. In our region, the ADF may need to be able to sustain one major deployment and undertake a lesser deployment at the same time.

For the Army, this means being able to sustain a brigade-size force of 3,000 personnel in our immediate neighbourhood and at the same time deploy a battalion group of about 1,000 personnel to a different location and with a different tasking.⁶

The Army is short of light infantry and specialists to carry out the 2000 White Paper's design for simultaneous deployments in our immediate region.

Labor will increase the size of the Army by raising an additional light infantry battalion over four years to be based in Townsville.

In its first year of government, Labor will initiate steps to relocate the Parachute Battalion Group currently based at Holsworthy in NSW to Townsville. This relocation will commence in 2008-09. New facilities and accommodation will be constructed for the Parachute Battalion Group.

With the additional light infantry battalion and the relocation of the Parachute Battalion Group, Townsville will accommodate the Army's air-mobile forces available for immediate deployment.

Defence Reserves

Labor believes that the Defence Reserves are a crucial part of our defence capability. The Reserves contribute to ADF capability in their own right, and are an important source of recruitment for both the permanent force and defence industry.

The 2000 White Paper identified new strategic roles for the Reserves, including "supporting and sustaining the types of contemporary military operations in which the ADF may be increasingly engaged". This may include contributing fully-trained personnel within the ADF's permanent units as well as providing skills that are "either scarce or unavailable".⁷

The Howard Government's efforts to re-shape the Reserves have stalled. No substantial planning has been initiated by the Government since the 2000 White Paper on:

- § The capabilities and skills that the Reserves should contribute to the ADF.
- § The priorities for training the Reserves.
- § Modifications to common induction training to assist in the recruitment and retention of Reserve personnel.
- § Whether civilian contractors in the operational area should become Reserves.
- § Whether specialist Reserve schemes should be developed for use in base support activities in operational areas.
- § The lack of an ADF plan or long-term forecast to guide allocations and recruitment to the major Reserve employment categories.

§ The lack of agreement on the priority to be given to Reserve recruitment and development in the difficult ADF employment areas – aerospace, information technology, linguists, health and project management.

Labor supports the principle of properly preparing the Reserves for a role in sustaining the permanent ADF on operations. In particular, key ADF capabilities can be preserved through ongoing Reserve employment of particular individuals with specialist skills.

Labor also believes that greater effort should be made to encourage former permanent ADF members to serve in the Reserves. Labor supports recent initiatives to widen the range of tasks for Reserves, particularly those associated with domestic terrorist threats, chemical and biological incidents and domestic protective security roles.

A Labor Government will, as a matter of priority, re-invigorate the critical role of the Reserves.

Cadets

A Labor Government will maintain the Cadet program.

The Cadet program is a valuable initiative through which many thousands of young people are challenged and their self-esteem enhanced through direct military experience.

The Cadet program is an important source of recruitment for the ADF. According to a recent review, some 30 per cent of young people who serve in the Cadets for over two years join the ADF. The Cadet program provides 9 per cent of entrants to the permanent ADF, 18 per cent of the ADF's lower ranks and 50 per cent of the most senior star ranks of the ADF. In addition, 25 per cent of Reservists were formerly Cadets.⁸

Under Labor, a vibrant and well-equipped Cadet program will continue.

Enhanced entitlements for ADF personnel

Labor believes that non-custodial parents in the ADF have the same need to see their children as custodial parents.

A Labor Government will create a new entitlement of reunion travel for non-custodial parents in the ADF who are posted away from their children.

These personnel will be entitled to three return flights each year to the city where their child or children live. This new entitlement will be regarded as reunion travel, and thus will not be reportable for fringe benefits tax purposes.

ADF personnel posted to locations away from home often work in harsh climates and difficult conditions. In some remote posts, these personnel do not have access to the many services and infrastructure available in larger cities.

A Labor Government will increase travel entitlements for remotely posted personnel and their families.

In recognition of this sacrifice, Labor will improve the existing allowances by:

§ Giving personnel and their dependents posted in remote locations one extra return airfare each year to the nearest capital city.

§ In the case of personnel posted to Darwin with their families, allowing them and their dependents to travel to any Australian capital cities – not just Adelaide.

The remote locality classifications (Grade A – Grade D) will stay the same, as will the ways in which personnel can vary their travel claims.

Military Awards

Labor recognises the inequity that resulted from the Howard Government's decision in 2001 to create the National Service Medal but to deny similar recognition to volunteer members of the ADF.

A Labor Government will create an Australian Defence Force Medal for volunteers who served three years in the ADF, as Regulars or Reservists, since World War II.

Labor's new medal will give volunteers the same level of recognition as recipients of the National Service Medal.

The Howard Government's belated announcement in June 2004 of a medal for ADF volunteers does not rectify its earlier failure to recognise this service. Under the Government's guidelines, volunteer personnel will not be eligible for the new medal unless they have achieved 6 years service.

The 6 year requirement is unfair because many worthy people who have served for less than this period will still not have their service recognised. Personnel not eligible for the new medal could include women who were forced to resign because of the previous requirement for them to discharge upon marriage or pregnancy, or personnel who were discharged early because of injury.

Labor also recognises that there are a number of other anomalies about Australian military awards that need to be resolved:

- § The claim by the Ubon service group for the Vietnam Logistic Support Medal.
- § The treatment of those personnel recommended for awards immediately following the battle of Long Tan but subsequently denied recognition.
- § The claim by some personnel who served in Korea for the Australian Active Service Medal and Returned from Active Service Badge.

A Labor Government will review unresolved anomalies associated with Australian military awards.

Labor's medal review will accept public submissions, conduct its business in a public and transparent manner and report to the Government within twelve months of Labor taking office.

Defence housing

Labor believes that the Australian Government has a responsibility to provide ADF personnel and their families with secure and affordable housing when they need it.

It was Labor that established the Defence Housing Authority (DHA) in 1988 to improve the quality of housing for ADF families. And it is Labor which in 2004, after eight and a half years of Howard Government inaction, believes that it is time to take further steps to improve defence housing.

While the quality of housing for ADF families has improved since the creation of the DHA, the accommodation options for single ADF personnel have become increasingly unsatisfactory. In addition to concerns about the quality of on-base housing, off-base options for single personnel are limited by price, availability and the reality of life in the ADF.

A Federal Labor Government will improve the standard of accommodation for single members of the ADF.

Labor will review the existing program of defence capital facilities projects to ensure that planned upgrades of on-base accommodation occur at the locations of greatest need.

Labor will use the DHA's expertise to improve the standard of accommodation for single ADF personnel. This will include broadening the Authority's operations so that it can provide accommodation options for single personnel.

Labor will undertake a nationwide pilot project to provide a total of 1,000 off-base accommodation places for single ADF personnel. The pilot will operate at seven locations around Australia, and will not involve any capital costs for Defence.

A Labor Government will create a total of 1,000 new accommodation places for single ADF personnel in Sydney, Darwin, Townsville, Brisbane, Williamstown, Wagga Wagga and Puckapunyal.

Military compensation

Labor supported legislation introduced by the Government in 2004 for a new military compensation scheme. For the first time, this legislation provides one scheme for all service. The new scheme reflects the unique characteristics of military service in Australia and preserves the traditions of veterans' recognition.

Labor will continue to honour that philosophy and will defend the interests of serving personnel when they are injured to ensure that not only is the best health care and treatment available, but that proper rehabilitation and compensation are provided.

Furthermore, Labor will ensure that in making compensation claims, serving and non-serving personnel are treated with dignity and respect and can rely on natural justice and procedural fairness at all times.

HMAS Melbourne litigation

The Commonwealth Government has been involved in protracted litigation with ADF personnel who were serving on either the HMAS *Voyager* or HMAS *Melbourne* when those vessels collided in 1964. A process of mediation commenced by a former Labor Government has resulted in all claims arising

from *Voyager* victims being settled. However, there are still over 100 outstanding claims by personnel who were on the HMAS *Melbourne*.

This litigation is costing both plaintiffs and the Commonwealth an enormous amount of money. Labor is determined to expedite this process and ensure that justice is done in all cases. To this end, a Federal Labor Government will review urgently all outstanding claims by personnel who have a court-ordered extension of time to sue the Commonwealth. This review will be undertaken by an independent civil claims expert and will report to Cabinet within six months.

The review will include a realistic assessment of the Commonwealth's likely outstanding liability to HMAS *Melbourne* claimants and a cost-benefit analysis of all viable options for resolving claims, including the possibility of settlement schemes.

Reforms to military justice

There have been too many examples in recent years of ADF personnel and their families being denied natural justice and procedural fairness by the military justice system. Some investigations have lacked rigour and professionalism. In other cases, there has been inadequate or slow follow-up on reforms needed to restore the professional environment that ADF personnel have a right to expect. In several tragic cases where young personnel have died, families have not been given full information about the circumstances of the deaths.

A Federal Labor Government will ensure that ADF personnel and their families receive just and fair treatment in military investigations.

In 2003, Labor initiated a Senate inquiry to hear evidence from ADF personnel and their families about the effectiveness of the military justice system. The inquiry has not yet finished its hearings. While Labor does not wish to pre-empt its findings, it is clear that there are significant deficiencies in the existing military justice system.

The Howard Government has largely failed to act on these problems. The Howard Government's complacency and inaction means that service personnel cannot be confident that unacceptable behaviour towards them will be investigated properly and appropriately sanctioned.

Labor will rectify deficiencies in the current arrangements to ensure that ADF members and their families have full confidence in the military justice system.

- ¹ Australian Government (2000), *Defence 2000: Our Future Defence Force*, Commonwealth of Australia, Canberra.
- ² Australian Government (2003), *Australia's National Security: A Defence Update 2003*, Commonwealth of Australia, Canberra.
- ³ Australian Strategic Policy Institute (2003), *Sinews of War: the Defence Budget in 2003 and How We Got There*, ASPI Limited, Canberra, p.4.
- ⁴ Australian Government (2003), *Defence Procurement Review 2003*, Commonwealth of Australia, Canberra, p.iii.
- ⁵ Australian National Audit Office (2003), *Australian Industry Involvement Program*, Commonwealth of Australia, Canberra.
- ⁶ Australian Government (2000), *Defence 2000: Our Future Defence Force*, Commonwealth of Australia, Canberra, p.80.
- ⁷ *Defence 2000: Our Future Defence Force*, pp.69 and 82.
- ⁸ Australian Government (2000), *Cadets: The Future*, Commonwealth of Australia, Canberra, p.3.