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Mr Andrew Wallace MP
Chair Defence Sub-Committee
Joint Standing Committee on Foreign Affairs, Defence and Trade
PO Box 6021
Parliament House
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Via email: jscfadt@aph.gov.au

Dear Mr Wallace

Thank you for the invitation to provide a submission to the Joint Standing Committee on Foreign Affairs, Defence and Trade Inquiry into Australia's Defence relationship with Pacific Island nations.

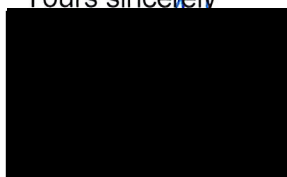
The Northern Territory (NT) supports Australia's move to step up its activities in the South Pacific including in the area of Defence cooperation.

The NT has long-standing trade, socio-cultural, education, business-to-business, interpersonal and intergovernmental ties with our Indo-Pacific neighbours. While most of the NT's current activities are focused on countries immediately to our north, our humanitarian and disaster assistance activities and related capacity building programs, education programs and employment schemes already extend to Pacific countries. The NT also recently signed a new three year Strategic Partnership Agreement to strengthen economic integration and connectivity with the Timor-Leste Government.

The NT is making significant investments to strengthen its maritime support capabilities, and there is potential for the programs and activities intended to lift industrial capability and workforce skilling in the NT to be extended to Indo-Pacific countries. The historical relationships developed by both the NT and Queensland in the region can assist in Australia's soft diplomacy efforts. Consequently, we are keen to work with Queensland to explore complementarities and areas of potential collaboration.

My Government is keen to continue working with Defence, Department of Foreign Affairs and Trade, Austrade and north Australian states to support the Defence Cooperation Program and Pacific Step-up Policy, and I look forward to this collaborative approach strengthening in 2020.

Yours sincerely



MICHAEL GUNNER

31 MAR 2020



**Northern Territory Government Submission to the Joint Standing Committee on
Foreign Affairs, Defence and Trade Inquiry into Australia's defence relationships
with Pacific island nations
March 2020**

Introduction:

The Joint Standing Committee on Foreign Affairs, Defence and Trade inquiry has called for submissions on Australia's Defence relationships with Pacific island nations, in particular South West Pacific. The Northern Territory response focuses on the following key points:

1. Diverging economic circumstances and military capabilities between South East Asian and Pacific nations are changing the nature of Australia's engagement in the Indo-Pacific.
2. Supporting the development of industrial capabilities and closer integration of military and surveillance interoperability can be powerful levers for soft diplomacy.
3. There is potential for the programs and activities intended to lift industrial capacity and capability in the Northern Territory to be extended to South East Asia and South Pacific.
4. The historical relationships developed by both the Northern Territory and Queensland in the immediate region can assist in cultivating joint national security interests and regional stability.
5. The Northern Territory recognises that geographical proximity can influence the extent of the Northern Territory's role in the South West Pacific; however, the Northern Territory is keen to work with Queensland to explore complementarities and areas of potential collaboration.

Response:

The Defence Cooperation Program (DCP) established in the 1960s has always remained an important mechanism to build much needed capacity to respond to common security challenges facing the region, and to strengthen people-to-people links. The Northern Territory (NT) supports the Australian Government's Pacific Step-up policy and the DCP. The rapidly changing strategic circumstances in the Indo-Pacific region means that it is more important now than ever that Australia continues a strong program of engagement and advocacy throughout the region to ensure we retain our level of access and influence.

The NT is well-placed to support the three key objectives underpinning Australia's defence strategy, in particular a sovereign nation, a secure South East Asia and South Pacific, and a stable, rules-based Indo-Pacific region. The NT's northern borders are strategically located with strong ties to countries of this region, including a growing industrial capability to support the operations of Defence, national security, Australia's allies, and northern neighbours.

Proximity to specific Indo-Pacific nations will be a key factor influencing the role regional locations in Australia may play. While Queensland, in particular Cairns, is closest to South West Pacific countries, the NT, in particular Darwin, is closest to South East Asia, and some parts of the Pacific such as Timor-Leste, which will also receive the Guardian Class Patrol boats. Further development of Darwin's maritime capabilities and establishment of the Australian Defence Force Regional Force Surveillance Group Training and Education Centre is likely to lead to greater links between Pacific nations and the NT.

The NT's large, sparsely populated expanses of land, free airspace and open waters are ideal for international military training exercises and other regional surveillance training. Darwin has always been a key deployment point for defence, humanitarian assistance, border surveillance and civil maritime law enforcement, including illegal fishing, terrorism and piracy.

The National Critical Care and Trauma Response Centre located in Darwin is a key element of the Australian Government's disaster and emergency medical response for health emergencies across Australia and throughout South East Asia and the Pacific. It also provides health and disaster management training and education programs for the region and has partnerships with Timor-Leste, Papua New Guinea and Indonesia.

Aside from geographic proximity, the NT has long-standing trade, socio-cultural, education, business-to-business, interpersonal and intergovernmental ties with its Indo-Pacific neighbours, in particular those immediately to the north. Most of these relationships have been established and maintained independent of the Australian Government. Bilateral ministerial agreements, trilateral agreements and memorandums of understanding have been established between the NT Government and Indo-Pacific countries such as the Philippines, Vietnam, Malaysia and Indonesia among others. The NT also recently signed a new three year Strategic Partnership Agreement to strengthen economic integration and connectivity with the Timor-Leste Government.

Since 1991, the NT has hosted a biennial international multi-sport event with significant participation from Indo-Pacific countries. Darwin's modest migrant and international student population reflects the NT's close ethnic and education ties to the region. The NT also participates in the Pacific Labour Scheme, Seasonal Workers program and the Designated Area Migration Scheme.

The NT is lifting local industrial capability and workforce capacity in particular in the maritime and aviation space.

The NT is capitalising on the Defence capability renewal program and the increasing focus of Australia's allies in the region to lift and modernise its technological and industrial capabilities.

Ultimately, the NT intends to use its natural advantages to become a primary hub for maritime sustainment services in the north and to the north of Australia. The proposal for Darwin to host the Department of Defence's Regional Maintenance Centre-North for all classes of naval vessels may also lead to the Guardian Class Patrol Boats (Pacific Patrol Vessels) operating around NT waters to be maintained, sustained and re-supplied from Darwin.

Enhancements to maritime infrastructure at the NT's Marine Industry Park and investments on strategic elements such as the Darwin Ship Lift will also attract larger maritime industry service and support players into the NT. This will increase demand and enable new sustainment services to become available from Darwin. There could be opportunities for the NT to work with the Department of Foreign Affairs and Trade, Austrade and Defence to develop programs that will facilitate partnerships and the sharing of capabilities with businesses in the Indo-Pacific to improve overall economic outcomes.

Additionally, the NT is investigating options to establish maritime and aviation training and education hubs for the north. This presents opportunities for Indo-Pacific workers to upskill and gain qualifications thereby contributing to Australia's growing need for technical and other specialised workforce such as under the national shipbuilding and sustainment program. These countries will also benefit from returning skilled and experienced workers that will contribute to the development of their own industrial capabilities.

Other opportunities for increased integration and collaboration in the areas of national security, surveillance capabilities and humanitarian assistance:

- new training activities such as a program to extend the existing Aboriginal ranger surveillance program to Indo-Pacific countries that share similar issues
- counterinsurgency, maritime security and humanitarian support deployed from Darwin
- civil maritime law enforcement training for the Indo-Pacific region complementing the regional training activities, and
- expansion of the education and training programs and other activities of the National Critical Care and Trauma Response Centre to the wider Indo-Pacific region.