



## **Australian Government**

Australian Government response to the  
Joint Standing Committee on Foreign Affairs, Defence  
and Trade report:

Inquiry into the Department of Defence Annual Report  
2022-23

January 2025

The Government acknowledges the observations of the Joint Standing Committee on Foreign Affairs, Defence and Trade (the Committee) in the report of its inquiry into the Department of Defence Annual Report 2022–23.

The Committee made seven recommendations in its report, tabled on 19 November 2024.

The Government agrees with four recommendations relating to:

- Australia’s military support to Ukraine and encouraging Australian industry to further contribute to support efforts;
- the reopening of the Australian Embassy in Ukraine, with a permanent military attaché;
- Defence reporting on progress to remediate the Defence Force Recruiting contractor shortages; and
- Defence examining Australian supply chain resilience and vulnerabilities, with a focus of increasing sovereign capability.

The Government notes one recommendation relating to the Government reviewing arrangements that govern decisions on the placement of diplomatic personnel in high-risk locations.

The Government notes one recommendation relating to Defence publishing a statement on its approach to Ukraine and how support is prioritised.

The Government also notes that it has considered and responded to the recommendation relating to establishing a ‘one-stop-shop’ to coordinate Australia’s support to Ukraine.

The Government Response is outlined below.

Recommendation 1
<b>The Subcommittee recommends the Australian Government continue providing military assistance to Ukraine while exploring additional opportunities to encourage and support Australian industry and institutions to further contribute to the support effort.</b>
<b>Response to recommendation:</b>  The Government <u>agrees</u> to this recommendation.  The Government remains committed to supporting Ukraine’s self-defence and providing military assistance to Ukraine that is relevant, practical, aligned with Ukraine’s needs, and with no adverse impact on Australian Defence Force preparedness. The Government, through Defence, will continue to assess future options of support, including through provision of materiel from disposal processes, procurement from Australian defence industry, and through provision of grants to credible funds supporting Ukraine. The Government will also, through Defence and Austrade, continue to support industry engagement with Ukraine.

## Recommendation 2

The Subcommittee recommends Defence (inclusive of the Department of Defence and the Australian Defence Force) publish a statement on its internal policy approach to Ukraine, that is, whether it prioritises support to Ukraine, and if so, how it prioritises that support.

### Response to recommendation:

The Government notes this recommendation.

The Government remains steadfast in its support to Ukraine. A sizeable portion of Australian military assistance for Ukraine to date has been sourced through Defence disposal processes.

Through 2024, Defence refined its decision-making processes on Ukraine assistance to enable a more proactive approach to identifying options to support Ukraine. This has included:

- Elevating to the senior executive level an internal consultation process to coordinate current and future Defence support for Ukraine;
- Establishing a dedicated coordination unit within International Policy Division in Strategy, Policy, and Industry Group to provide a focal point for Defence on Ukraine, including on the provision of credible, practical military assistance; and
- Issuing internal guidance that reaffirms the intent to actively consider assistance to the Armed Forces of Ukraine when making decisions on disposals.

## Recommendation 3

The Subcommittee recommends the Australian Government establish a whole of government mechanism, a 'one-stop-shop', potentially within the Department of Prime Minister and Cabinet, for the coordination and liaison around Australia's support to Ukraine.

### Response to recommendation:

The Government notes this recommendation.

The Government has addressed the matters dealt with in this recommendation through the Government Response to the Foreign Affairs, Defence and Trade References Committee inquiry into Australian support for Ukraine.

#### Recommendation 4

The Subcommittee recommends the Australian Government review any legislation, regulations or policies that govern decisions around the placement of diplomatic personnel in high-risk locations, to enable Australia to more flexibly assert a diplomatic presence when needed, without sacrificing personnel safety.

#### Response to recommendation:

The Government notes this recommendation.

The existing legislation provides an appropriate framework to enable safe diplomatic operations, including in high-risk locations, through application of risk management processes which includes regular review. The risk-focused approach has been effective, including in extreme and high-threat locations.

#### Recommendation 5

The Subcommittee recommends that the Australian Government reopen the Australian Embassy in Ukraine, with a permanent military attaché alongside it, as soon as possible.

#### Response to recommendation:

The Government agrees to this recommendation.

On 18 December 2024, the Minister for Foreign Affairs, Senator the Hon Penny Wong, announced Australia would be reopening the Australian Embassy in Kyiv. From January 2025, Australia's Ambassador, His Excellency Mr Paul Lehmann, as well as the Deputy Head of Mission will return to Kyiv. Progress on work to enable the full return of Australia's diplomatic presence, including a Defence attaché, continues.

#### Recommendation 6

The Subcommittee recommends Defence (inclusive of the Department of Defence and the Australian Defence Force) report back to the Subcommittee in six months and 12 months' time on its progress in remediating the Defence Force Recruiting contractor shortages and any ongoing impact to Defence Force Recruiting outcomes.

#### Response to recommendation:

The Government agrees to this recommendation and Defence is available to update the Subcommittee in accordance with the recommended timeframes.

## Recommendation 7

The Subcommittee welcomes the increasingly concerted focus by Defence (inclusive of the Department of Defence and the Australian Defence Force) in its examination of Australian supply chain resilience and vulnerabilities, and recommends it continues with increasing sovereign capability by:

- reviewing and replacing current components sourced internationally with components produced domestically, and
- increasing Australia's future domestic sourcing of components.

The Subcommittee recommends that Defence (inclusive of the Department of Defence and the Australian Defence Force), through the Guided Weapons Explosive Ordnance Enterprise, create a detailed reporting framework with identified goals and performance measures on critical vulnerabilities, for six monthly reviews by the Defence executive and Australian Government more broadly.

### Response to recommendation:

The Government agrees to this recommendation.

A key objective in the Australian Guided Weapons and Explosive Ordnance (GWEO) Plan is to increase Australian Defence Force preparedness and national resilience by establishing domestic manufacturing of key components and weapons systems.

The Government has already committed to:

- Manufacturing and maintaining GWEO components.* The Government has committed more than \$500 million across GWEO domestic manufacturing projects to support Australian industry. Defence will support Australian companies to develop their industrial capability to manufacture and maintain critical components for specific weapons, so that they can compete to join global supply chains. Defence will continue working with industry partners and other Governments to increase domestic manufacturing across the spectrum of guided weapons sub-systems.
- Developing GWEO technology.* Defence will improve sovereign access to GWEO-relevant technology through targeted research and development. Defence will focus on technology that is less likely to be shared with Australia by allies and international partners (for example, seekers and guidance sections), and components that are difficult to transport (for example, warheads and rocket motors). Defence will support Australian companies to mature their technology so that it is ready for production and can be integrated into current or future weapons and their supply chains. Defence is investing up to \$60 million over the next five years to develop the next generation of guided weapon sub-systems and components.

Accurate monitoring and reporting will be critical in the evaluation of performance. This will allow for review of the effectiveness of the Australian GWEO Plan, and for appropriate corrective actions and risk mitigations to be considered and established.

Defence will improve its existing performance framework to support more precise reporting on the metrics that reflect improved resilience and uplift of the domestic

GWEO industrial base. This will include regular reporting against scope, schedule and cost, as well as risk related to the lines of effort selected to address capability investment priorities identified in the National Defence Strategy and the Australian GWEO Plan.