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Community Feedback

Introduction

- 5.1 The committee inquiry received a total of forty-three submissions in response to the release of *From Phantom to Force*. While most were supportive of the intent and overall direction of the report not all the recommendations were unanimously supported.
- 5.2 The submissions themselves ranged from single page single issue letters to full detailed critiques of the report. In addition, the committee held one public hearing and talked to current, serving members of the Army.
- 5.3 In this chapter the report will address each of the *From Phantom to Force* recommendations, and detail the level of support they received. The small number of submissions received does not allow any major study to be conducted, but the concerns raised have prompted the committee to revisit each specific issue and either reconfirm their support for the recommendation or alter it.

Recommendation 1

We recommend that the Government develop and maintain a national security policy. This policy should, amongst other things, guide the Defence Forces on their role in an integrated national concept for promoting and achieving international prosperity, peace and security.

We further recommend that the Government explore the feasibility of creating a National Security Council to oversee the development and maintenance of a national security policy.

5.4	There was overwhelming, positive support for this recommendation. Twelve of the respondents supported the recommendation, one responded negatively and two respondents were equivocal or gave qualified support.
55	Those who supported the recommendation thought it was a critical

- 5.5 Those who supported the recommendation thought it was a critical requirement. Comment included the statement that 'a security policy will allow debate on the broadening role of Defence.'1, and that the recommendation would allow for greater and essential guidance from the Government of the day. There was a level of concern best expressed by Mr T King who supported the concept 'provided that the [proposed National Security Council, does not become a public service incubator, that breeds regiments of bean counters and political mates.'2
- 5.6 Those submittees who did not support the complete recommendation questioned the need for 'masking total inactivity by creating another committee..'³, or thought it may be 'treated as little more than platitudes or wishful thoughts.'⁴

Recommendation 2

We recommend that the Department of Defence:

Enhance and maintain a highly effective and regionally focused intelligence and surveillance capability.

Develop and maintain plans, processes and institutions to enable the defence force to expand to meet significant threats to Australian territory within a warning period of no more than two years.

Develop and maintain a well balanced and integrated force-in-being. This force should be capable of the sustained dominance of one major and one minor focal area located anywhere within our region, including Australia. This force-in-being should be deployable within time frames up to, but not exceeding, four months of warning.

5.7 Recommendation 2 was a complicated recommendation with three separate sections. Due to this, the general response was one of qualified support, with not all respondents agreeing with all the aspects of the

- 2 T. King, Submission 17
- 3 J. Gallaway, Submission 8
- 4 A. McCormick, Submission 36

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¹ P. McIntosh, Submission 23.

recommendation. In total, the committee received eight positive responses and six equivocal or qualified responses.

- 5.8 The sub-recommendation to enhance the intelligence and surveillance capability was universally supported, and was considered essential. A large number of responses were supportive of the recommendation, but doubted whether the funds would be made available. One respondent also noted the difficulties in democracies being able to react within warning times, and queried whether Australia would be given two years warning time⁵.
- 5.9 Several of the responses also believed that the capability to be able to sustain one major and one minor focal point is formula driven and inflexible and moves the focus of the Army away from the Defence of Australia, where it should be. As stated by Mr Copley, 'It [the recommendation] also shifts priority from national security to regional involvement.'6

Recommendation 3

We recommend that the Army be capable of:

Maintaining a force-in-being of four brigades optimised for operations within Australia's ACSI and capable of deploying within no more then four months warning.

Generating an additional eight brigades within two years of warning for operations within Australia's Area of Critical Security Interest (ACSI).

- 5.10 Recommendation 3 made some specific recommendations regarding the size of the proposed Army force-in-being, the expansion force, and warning times. There was considerable interest in this recommendation with mixed reaction. Five respondents supported the recommendation, five respondents gave negative responses and four respondents gave equivocal or qualified responses.
- 5.11 The concerns raised with this recommendation were concerns that the force itself was insufficient. Several of the negative responses believed that the recommendation 'sets its sights far too low to have any real effect'⁷, and that the 'Army that is proposed is much too small.'⁸ Along

⁵ Mr H Jennings, Submission 9

⁶ Mr R Copley, Submission 7

⁷ Mr J Gallaway, Submission 8

⁸ Mr P Stewart, Submission 11

the same lines was the concern that the proposed force is too great a reduction to be able to provide an expansion base when required.⁹

Recommendation 4

We recommend that:

The Army report on the status of each brigade within the Department's Annual Report in terms of operational criteria devised jointly between the Department of Defence and the National Audit Office.

On alternate years, the Inspector General of the Department of Defence and the National Audit Office, audit and report on the Army's capability for force expansion.

5.12 Recommendation 4 was strongly supported, with seven positive responses, two negative responses and three equivocal responses. The submissions supported the committee's thrust to ensure that regular auditing of Army capability take place. Those submissions that did not completely support the recommendation either believed further reports were not necessary, as outlined by Mr Copley, 'It is an old but valid statement that quality cannot be inspected into a product,'¹⁰ or believed that assessment of readiness should be done at unit level. The ANAO response indicated that while it was happy to support Army, the auditing was an Army management responsibility.

Recommendation 5

We recommend that the Army force structure be reviewed, such that:

There should be no single unit or formation present in the force structure unless it is able to detach useful capability in components. These components need to be in multiples of three – a component in commitment; a component returning and a component being prepared for deployment.

Where multiple units or formations exist in the force structure they must exist in multiples of three.

Where neither of these conditions can be satisfied the capability being sought should either:

Be reduced to a force size that can meet the structuring principle, or

Be removed from the force structure.

⁹ B H and S A Cooper, Submission 37

¹⁰ Mr R Copley, Submission 8

- 5.13 Recommendation 5 was positively supported with a total of seven positive responses, two negative responses and three equivocal responses. There were two main themes that ran through the comments of both supporters and detractors of the recommendation.
- 5.14 Firstly, there was concern that the recommendation that units have components in multiples of threes was too simplistic and formulaic. The RSL submission suggested that 'Experience would suggest that it is not generally applicable, for instance for very good reasons each battalion at full strength has four companies.'¹¹ Another respondent stated that 'it should not be applied to slavishly.'¹²
- 5.15 The second issue raised was the policy for force rotation underlying this recommendation. Several respondents claimed that the rotation policy, whereby forces are rotated after six or twelve months, was the driving factor behind this recommendation. These respondents claimed that forces should deploy for as along as necessary to fight whatever operations were required, as had been the case with Australian forces in previous wars. An example to support this was the claimed fact that 'rotation each twelve months emasculated 3 RAR in Korea from [sic] a period from late 1951.'¹³

Recommendation 6

We recommend that the Army maintain its capability focus on the conduct of warfighting. This focus should be based on meeting or exceeding regional technical performance parameters up to, and including, mid-intensity conflict. We further recommend that the Army enhance or develop capabilities for:

Terminal Operations (ie, the equivalent of military stevedoring operations).

Civil Affairs (ie, the capability on deployment to establish and maintain a relationship between the Army and the government, civil population and/or other agencies in order to facilitate the resolution of conflict and the re-establishment of normal civil life).

5.16 Recommendation 6 was overwhelmingly supported with ten positive responses, one negative response and four respondents who supported some aspects of the recommendation.

- 12 Confidential Submission, Submission 20
- 13 R Downey, Submission 4

¹¹ RSL Submission, Submission 18

5.17 The Army focus on warfighting had no detractors, with much of the comment being focused on the second section of the recommendation relating to terminal operations and civil affairs. A large number of the respondents argued that Reserve soldiers should carry out those functions rather that regulars, as they were potentially better qualified and enabled regular soldiers to conduct warfighting activities. Mr J Gallaway stated that, 'If it was considered imperative that the army [sic] have stevedoring or Civil Affairs personnel on tap, then they ought to be trained people enlisted on a part time basis who continue in their civilian callings.¹⁴

Recommendation 7

We recommend that the Army's funding be increased to:

Account for the yearly rise in costs associated with military personnel and equipment. (Based on historical trends this equates to an annual growth rate of four per cent which was also the rate of GDP growth at the time of the inquiry).

Provide a credible force expansion capability.

Provide, in the short term, funds necessary to implement the recommendations within this report.

- 5.18 There was strong support for Recommendation 7, with ten respondents supporting the recommendation, two opposed and two equivocal or neutral responses.
- 5.19 Some of the respondents who supported the recommendation argued that the provision of additional funding needed to be linked to outcomes as articulated by Mr D Strain who stated 'any provision of additional funding should be contingent upon achieving [sic] of specific, measurable, outcomes.'¹⁵ Several others argued that it is critical to have stability and bipartisanship in Defence funding¹⁶.
- 5.20 Concern raised by those respondents who did not support the recommendation varied from concern that additional funds would be wasted until the Army has effective governance¹⁷, to concern over whether the proposed funding model is affordable when in competition with RAN and RAAF priorities¹⁸.

17 Mr R Copley, Submissions 7 and 32

¹⁴ J Gallaway, Submission 8

¹⁵ Mr D Strain, Submission 25

¹⁶ Australian Cretan Federation, Submission 19

¹⁸ Confidential Submission, Submission 20

Recommendation 8

We recommend that the Army adopt a unified personnel structure. This structure should consist of five employment categories able to be deployed on service anywhere in the world:

Category A – Full-time service for an agreed tenure.

Category B – Initial full-time service followed by an agreed commitment for part-time service for a set tenure. This part-time service would require regular attendance at a local unit.

Category C – Part-time service for an agreed tenure. This part-time service would require regular attendance at a local unit.

Category D – Part-time service for an agreed tenure. This part-time service would be done in a local or remote location at irregular time intervals which best suit the individual.

Category E – Non-active service by fully trained personnel who remain on a recall database to support special projects or force expansion.

We further recommend that service within these categories be by voluntary enlistment and be covered by common legislation that provides for employment protection and call out.

- 5.21 Recommendation 8 elicited a significant amount of comment and had nine positive responses, two negative responses and three equivocal or neutral responses.
- 5.22 There was no clear theme to the comment with respondent's comments ranging from the RSL comment¹⁹ on the requirement for Reserve service to become a legal commitment, to concern about employer support and bipartisanship. Much of the debate has been overtaken by the change to Reserve Legislation passed in March 2001²⁰.

Recommendation 9

We recommend that:

All units are to be fully staffed to operational levels. Where a unit consists of predominantly part-time personnel it is to be staffed to 120 per cent of operational requirement.

No unit is to be staffed with less than 20 per cent full-time (Category A) staffing.

¹⁹ RSL Submission, Submission 18

²⁰ The Defence Legislation Amendment (Enhancement of the Reserves and Modernisation) Bill 2000 was passed on 7 March 2001. It allows call out of the Reserves for operations such as peace enforcement, peacekeeping and disaster relief operations and provides financial and educational protection to Reserves when called out.

Transition of soldiers between Categories is to be administratively simple. This includes:

a standardised system of performance evaluation based on merit; and

a graduated system of employment conditions that covers issues such as superannuation, injury compensation and housing assistance.

5.23 Recommendation 9 generated a significant debate and had a total of fourteen responses, with eight of them supportive, one negative and five equivocal. Several of the respondents expressed caution regarding the cost of this recommendation, with the one negative response stating that it 'may be prohibitively expensive and unnecessary to staff all units to operational levels, let alone 120%.'²¹ The equivocal responses generally supported the recommendation, but were not confident that fully staffed units could be achieved. The committee finds this surprising given Australia's need for a fully operational Army.

Recommendation 10

We recommend that no Army equipment project be approved unless it is acquiring sufficient equipment to meet the full operational equipment liability for the total force.

- 5.24 Recommendation 10 was generally supported, with seven positive responses, two negative responses and three equivocal responses. There was a level of concern across a number of submissions that this would be very expensive and one respondent perceived that 'The recommendation proposes rigidity and a loss of flexibility.'²²
- 5.25 Several of the equivocal responses thought that further information was needed before they could support the recommendation. One respondent, Mr King, suggested that the Army seek advice and information from Great Britain in this regard²³.

Recommendation 11

We recommend that the Army, in conjunction with the Department of Defence, review its equipment and stock acquisition strategy. We further recommend that this strategy be based on a coherent policy which addresses the need for the Army's equipment and stock to:

- 21 Confidential Submission, Submission 20
- 22 Mr R Copley, Submission 7
- 23 Mr T King, Submission 17

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Be sustainable.

Support plans for force expansion.

Be optimised for operations within Australia's ACSI.

Be based on, in the case of equipment, an appreciation of the whole-of-life costs associated with any particular purchase or replacement program.

5.26 There was very strong support for Recommendation 11, with nine positive responses and two equivocal or neutral responses. A common theme running through the responses was that Australia needed a more self-reliant defence industry and support base, including in one response a national capability for ammunition production. As stated by Mr I Wren 'We would emphasis the need to develop Australia's support base wherever possible.'²⁴

Recommendation 12

We recommend that the Government establish, for a period of three years, an Army Capability Enhancement Project (ACEP). The Project Team would work alongside the Army in effecting the restructuring and enhancements recommended in this report.

We further recommend that this Project provide a report to Parliament twice each year for the period of its operation.

- 5.27 Recommendation 12 did not generate the level of comment or support of some of the other recommendations. There were six respondents who supported the recommendation, two negative responses and three equivocal or neutral responses.
- 5.28 There was a level of concern that this recommendation could only be implemented within the context of changes within the RAN and RAAF²⁵, and that 'capability should be managed on a whole-of-Defence and not a single service basis.'²⁶ In addition, there were also a few respondents who were not entirely sure that another project team was needed and that the project team should not consist only of defence personnel.²⁷

²⁴ Mr I Wren, Submission 6

²⁵ Mr I Wren, Submission 6

²⁶ Confidential Submission, Submission 20

²⁷ Mr R Downey, Submission 4

Other Issues

5.29 There were several themes raised in the submissions that were not related specifically to the recommendations of *From Phantom to Force*. In particular, the topic of current rotation policy and National Service were raised. The outlines of the issues raised and the committee's response will be detailed in this section.

Rotation Policy

- 5.30 Several submissions raised the issue of the current rotation policy adopted by Defence, and argued that the policy either exacerbated or caused some of the problems with force structure. The current policy involves deployments of forces for periods of six or twelve months, depending on the type of operational deployment. For peace enforcement operations deployment times of six months are planned, and for war fighting operations twelve month rotations are planned. These rotation times are designed to ensure that units do not become fatigued and non-effective, but also that commitments can be carried out for extended periods.
- 5.31 Mr Downey argued strongly in his submission that 'the concept of annual rotation was American²⁸' and that 'prior to Korea, in times of war, Australians have volunteered on the basis of the duration of the war and six months thereafter²⁹'. He concluded that 'In the perilous situation where Australia is at risk and threatened, there must be no question of replacement other than to briefly rest the units of a formation³⁰'. Mr Downey was supported in his stance by Mr J Gallaway, who similarly stated that 'In Australia, in both world wars, soldiers enlisted for the duration.'³¹
- 5.32 While cognisant of the views of the submissions, the committee is supportive of the current rotation policy. Defence commitments of a relatively low level nature such as Bougainville and East Timor must be maintained indefinitely, and the burden shared among the units in the Army. The argument that single battalions should deploy to areas such as East Timor and stay until the job is finished, is not logically sustainable, nor is it smart leadership.

31 Mr J Gallaway, Submission 8.

²⁸ Mr R Downey, Submission 4

²⁹ ibid.

³⁰ ibid.

5.33 If, in the worst possible scenario, Australia does become involved in a war that places the country at risk, such as World War II, then indeed forces will deploy for as long as required. When not required, a sensible and structured rotation plan to support overseas contingencies should be continued. This will ensure the existence of well rested, trained troops with high morale ready for any further contingencies that may arise.

National Service

- 5.34 There were also some submissions that proposed a form of national service be reintroduced. The submission from the National Servicemen's Association of Australia was quite detailed and advocated a scheme that included a National Guard incorporating State Emergency Services, a Coastguard, a Construction Corps and a Peace Corps³².
- 5.35 While the committee is aware of some support for this issue, it feels that a National Service Scheme is neither needed nor appropriate for Australia. Indeed, it can be argued that the aim of this report is to suggest actions to ensure the enduring security of Australia, so that National Service does not become necessary in a Defence emergency.

Conclusion

- 5.36 The committee was satisfied with the amount of constructive comment received regarding *From Phantom to Force*. The vast majority of the submissions were positive, showing the level of public interest in the Australian Defence Force in general and the Army in particular.
- 5.37 The comment ranged across the range of the topics covered in *From Phantom to Force*, with several of the submissions raising issues that were not considered in depth in the original report. There were no recommendations in *From Phantom to* Force that received more negative than positive feedback. Several of the key recommendations such as the force structure and the funding increase gained overwhelming support from the respondents, indicating perhaps that there is a significant level of public support for theses issues in the community.
- 5.38 Since the release of *From Phantom to Force* there has been a significant number of large changes to the Defence and Army environment. Firstly the release of the Governments White Paper, *Defence 2000, Our Future Defence Force*, followed many of the intellectual arguments proposed in

From Phantom to Force. In addition, the *Defence Legislation Amendment (Enhancement of the Reserves and Modernisation) Act 2000* was passed on 7 March 2001, giving both greater scope for 'callout' of the Reserve and greater protection for Reservists when called out. Both of these processes were informed by the previous report, for which all those who contributed can take some measure of credit.