

Minister for Defence
Opening Statement
Budget Estimates - 29 May 2017

I would like to update the Committee on the international campaign to defeat Daesh in Iraq and Syria, and also our support to the NATO-led Resolute Support Mission in Afghanistan.

Protecting Australia and Australians is the first priority of the Government, and in this context this morning I refer to defeating Daesh, disrupting terrorist networks and denying them safe haven. No reminder of that imperative is required, however last Friday in Egypt, 29 people, including many children, were attacked and killed while riding a bus to a Monastery. While in Manchester earlier in the week we saw the cowardly and sinister terrorist act that targeted children and young adults attending a music concert. These attacks, claimed by Isis, in the name of their perverted extremist Islamist ideology, on the most vulnerable and innocent demonstrate yet again that we must remain unwavering in our support of the global fight against terrorism. I join the Prime Minister in offering my condolences to the families of those who were killed and to those injured and affected by these attacks.

Counter-Daesh Operations

From my discussions with my counterparts during the Counter-ISIL Defence Ministers meeting in Copenhagen on the 9th of May, I can assure the Committee that, as Australia is, our Coalition partners remain staunchly committed to destroying Daesh. I can note today that significant progress has been made by the Iraqi Security Forces, with the support of the international Coalition. The Iraqi Security Forces and Counter Terrorism Service have demonstrated great resilience in the face of significant losses in the fight against Daesh.

In January, Iraqi Security Forces liberated eastern Mosul and are now close to clearing the western half of the city.

To date, 55 per cent of Daesh territory in Iraq and Syria has been retaken and importantly, held. More than 4 million people have been liberated from Daesh control and an estimated 1.5 million displaced people have returned home. More than 250,000 children—boys and girls—have returned to the 320 schools that have reopened. Daesh revenue is the lowest it has been since 2014 following 2,600 strikes on Daesh-held gas and oil targets and 1,500 tanker trucks.

After Mosul is retaken by the Iraqi Security Forces, the fight will continue to smaller towns in Iraq such as Tal Afar, Hawijah and along the Euphrates River Valley; and to Syria, where we expect efforts to isolate and ultimately liberate Raqqah will be particularly tough, given the symbolic significance of Raqqah as the self-described capital of its “Caliphate”.

At the Counter-ISIL Defence Ministers meeting chaired by Secretary Mattis it was widely acknowledged that there is substantial work still to be done in Iraq. Once Daesh is defeated as a military force it will likely morph into an insurgency, and will continue to pose a threat in the region. Notwithstanding the aim of the Coalition to eliminate Daesh fighters, some will return to regional and home countries, including here in the Indo-Pacific.

The Government, Ministers and agencies, including the ADF, are working closely with our partner countries in this region on addressing the threats posed by both returning foreign fighters and the terrorist groups who are active in the region who broadly adhere to the toxic Daesh ideology.

Middle East Visit

Mr Chairman, in the ANZAC Day week with the Chief of the Defence Force, I met with Australian personnel contributing to this important mission against Daesh and the security and stability of the Middle East more broadly.

At the CAOC, the Combined Air and Space Operations Centre in Qatar—the headquarters for the air campaign across the Middle East region providing command and control for all coalition air operations over Iraq, Syria and Afghanistan—I was particularly impressed with the professionalism of the ADF personnel and the high regard in which they are held as they work seamlessly with our coalition partners. It is an intense and high energy working environment, and to a woman and man, the ADF members are totally focussed on the vital task in front of them. They are highly valued for their focus and skill.

Aboard HMAS Arunta in the Arabian Gulf as she left Bahrain and transited the Straits of Hormuz, the CDF and I spent time with the Ship's company which was commencing the final months of their nine-month long deployment. As part of Australia's contribution to the Combined Maritime Forces in the Middle East, in fact the 64th rotation of that contribution since 1990, these Australians are undertaking extremely important work to counter terrorism, counter piracy, and contribute to the maritime security of the Gulf. Indeed, on 12 May, Defence announced the successful interdiction by the Arunta of 250kg of heroin off the coast of Africa.

During my visit, I also undertook bilateral meetings with the King of Jordan, His Highness Abdullah II bin Al-Hussein, and my Qatari counterpart, Minister Khalid bin Mohammed Al Attiyah. I thanked both for their commitment to defeating violent extremism and assured them of Australia's ongoing commitment to international security and defeating Daesh.

Afghanistan

I turn now to the NATO-led Resolute Support Mission in Afghanistan. The Prime Minister and I reaffirmed Australia's commitment to Afghanistan during President Ghani's visit to Australia in April of this year, when he announced that Australia would maintain military support for

Afghanistan until at least June 2018 as part of a long-term commitment to training Afghan forces.

This is an enduring and significant contribution that continues the development of the Afghan National Defence and Security Forces so they can provide security for their country and deny terrorists the safe havens that threaten Australia and the international community.

Australians should be extremely proud of the contribution the more than 34,500 personnel and civilians have made as part of Operation SLIPPER in supporting the coalition in Afghanistan—be it in combat roles, mentoring the Afghan National Defence and Security Forces or helping with reconstruction efforts. We remember and commemorate the service of those soldiers whose lives were lost in Afghanistan.

Since 2001, we have seen important progress including:

- a gross domestic product now five times higher than in 2002;
- a dramatic increase in school enrolments, from around one million in 2001, none of whom were girls, to over nine million today, of whom around 40 per cent are girls;
- quadrupled availability of basic health services, improved average life expectancy (from 42 to over 62 years) and a 75 per cent decline in maternal mortality rates; and,
- a marked increase in the Afghan National Defence and Security Forces capability, which enabled the Government of the Islamic Republic of Afghanistan to again take responsibility for the security of the entire country in 2015.

Despite this progress, however the international community has consistently recognised that Afghanistan will require support for years to come and in 2016 the Turnbull Government agreed to:

- Continue providing military support to Afghanistan through the non-combat NATO-led train advise and assist Resolute Support mission; and

- Provide development aid of \$80 million per annum and security sector sustainment funding of US\$100 million until 2020.

There have been some expected setbacks in the security situation since 2015, however Afghan security institutions continue to demonstrate resilience in face of what is a challenging security environment.

Earlier this year, the commander of the Resolute Support mission, General Nicholson, described the security situation in Afghanistan as a 'strategic stalemate' in favour of the Government, but positively noted that it still maintains control over major population centres. General Nicholson also noted that Resolute Support mission was currently short a few thousands troops and these forces would be required to fully implement NATO's training mission and support the Afghan's efforts to break the current stalemate.

To assist the Afghan National Defence and Security Forces to meet its challenging security environment, NATO then requested troop contributing nations, including Australia, to consider enhancing their contributions to the Resolute Support training mission and address current shortfalls.

In response to NATO's request, which I note has been supported by the United States, I can advise today that the Australian Government has agreed to increase the Australian Defence Force commitment to Afghanistan by 30 personnel, from around 270 to 300 personnel. These additional personnel will allow Australia to commit additional advisors to further develop the long-term capabilities of the Afghan security forces as part of our current Train, Advise and Assist mission. Their role will be to continue in the train advise and assist roles. Air Chief Marshal Binskin, the Chief of the Defence Force, remains in discussion with NATO officials regarding the training allocation of these additional forces, which will be confirmed in coming weeks.

Given the centrality of Afghanistan in the global fight against terrorism, an enhanced contribution to the Resolute Support mission is both timely and appropriate.

These adjustments have been considered by the Government in light of broader ADF commitments across the globe, and the extremely dynamic strategic environment in which we currently find ourselves, not least in our own region, and it is important that we remain flexible to respond to changing circumstances.

We expect other partners to also enhance their contribution to the Resolute Support mission.

In response to the NATO request, Australia's actions are responsible, appropriate and commensurate with our broader strategic interests.

Conclusion

I would like to again express my deepest sympathies to the families, ADF colleagues and friends of the two soldiers who recently lost their lives during training activities —Trooper Stuart Reddan and Private Jason Challis. By all accounts both were fine young men committed to serving their nation and dedicated to excelling in the profession of soldiering.

Whether on deployment or training, the men and women of the Australian Defence Force undertake hazardous activities to ensure our safety and security. That said, wherever possible, we must ensure risks are mitigated. I continue to oversee the progress of reviews into these incidents and investigations by the relevant State and Territory police and coronial authorities are ongoing. I will ensure this Committee is updated as additional information becomes available.

Finally, as you have already noticed and noted, Chair, I am joined this morning by Acting Secretary Brendan Sargeant. Former Secretary Dennis Richardson did indeed retire earlier this month after an incomparable 48-year career in the Australian public service. That early retirement simply to avoid another Budget Estimates seemed to me an extreme cheek.

However, I want to acknowledge his contribution to our nation through his public service and place on the record my deep appreciation for his counsel and what has broadly been described as his frank and fearless advice during my time as Defence Minister and in the preceding decades as we encountered each other across tables and in committee rooms very much like this one over many, many years. I wish him all the best in his future endeavours. I have no doubt that all Committee members here today will undoubtedly miss sparring with him perhaps some more than others.

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