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THE FAWCETT FLYER

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Over the last couple months, the scale of the COVID-19 pandemic's impact on Australia and our economy is beginning to be realised, with growing debt, unemployment and business closures. The Government is working to find the optimal balance of economic recovery and health outcomes. In much of Australia, including South Australia, case numbers have slowed to a very manageable level. However, the state of Victoria, and to a lesser extent New South Wales, are showing us just how quickly an outbreak can occur. Witnessing the damage caused by a second wave – visible in ongoing outbreaks – we cannot allow ourselves to become complacent as a result of our success here in South Australia.

Tackling Australia's longer term response to health throughout regional Australia is newly appointed National Rural Health Commissioner, Associate Professor Ruth Stewart. Associate Professor Stewart has begun to support the Government's ongoing rural response to COVID-19, while also examining the impact on health workforce planning in regional, rural and remote communities. I would like to thank the inaugural Rural Health Commissioner, Emeritus Professor Paul Worley, who has served since 2017. His tireless work greatly contributed to improving rural health policy, including the development of the National Rural Generalist Pathway – the first program of its kind in the world – which is changing the way we train doctors, giving them the ability to handle the extra responsibilities that come from working in a regional practice.

While on the topic of new appointments, I would like to congratulate the 7 South Australian Liberal Party Legislative Council candidates – the Hon Michelle Lensink MLC, the Hon Dennis Hood MLC, Nicola Centofanti MLC, Laura Curran, Heidi Girolamo, Kathleen Bourne and Tania Stock – nominated to contest Upper House seats at the next SA State Election.

Several significant announcements and changes at a federal level have occurred recently, including the release of the 2020 Defence Strategic Update and Force Structure Plan. I go into greater depth regarding what this means for Australia's national security and defence presence in our region on *Page 5*. Developments also include the Australian Government's investment in our cyber security (*Page 8*) and the strengthening of Australia's foreign investment framework (*Page 7*).

For more information on these changes or another matter of a Federal nature, please contact my office via the details available on the back cover.

Kind regards,

SENATOR DAVID FAWCETT



GOVERNMENT INVESTMENT GROWING SPACE AND DEFENCE

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Significant Australian Government investment in the defence and space industries has formed the foundation upon which a number of developments have occurred within South Australia in recent months.

In June, BlueScope Steel signed a contract with ASC Shipbuilding - a subsidiary of BAE Systems Australia and lead contractor for the \$35 billion Hunter Class Frigates Program – to deliver steel plate for the construction of 5 ship blocks in the Frigate's initial prototyping phase. This upholds ASC's commitment to use Australian steel and secures local jobs along the supply chain.

Also partnering with BAE Systems, SA-based Axiom Precision Manufacturing has been tasked with machining complex components for Lockheed Martin's F-35 Joint Strike Fighter Program – a global

defence program utilising local SA manufacturing capability.

A \$1.1 billion contract was secured in June by Thales Australia to supply the Australian Defence Force (ADF) with 30,000 strategic munitions – guaranteed to be manufactured locally and generating approximately 100 jobs.

The Government has also committed to purchase an additional 8,500 Australian-made EF88 rifles offering improved range, accuracy, and reduced system weight for ADF personnel.

This month, I had the pleasure of visiting Supashock's Holden Hill facility (*pictured, above*), where a new missile launcher - the Retractable Anti-tank Missile Platform (RAMP) - has been pioneered. Supashock is an exemplar of the ongoing development of Australia's sovereign

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defence industry, delivering world class capability – like the RAMP – for our ADF, creating new and innovative technology produced here in SA. Supashock also contributed their expertise and parts to recently completed LAND 121 Phase 5B program.

In response to changing strategic circumstances, the Australian Government's \$270 billion investment in defence capability over the next 10 years will enhance our ability to deter aggression and respond with force, if required. It also continues to create and sustain local jobs, driving economic recovery and delivering world-class defence assets. (*More on Page 5*)

Expected to triple in size by 2030 and create up to 20,000 new jobs, the Australian Government has also invested almost \$700 million in two years towards the Australian space sector. A sizeable portion of this investment has been delivered to South Australia – as the home of the Australian Space Agency (ASA). The \$26 million investment in the ASA allocated \$6 million – alongside \$2.5 million from the State Government – for the ASA Missions Control and Space Discovery Centre to be built in Adelaide by Saber Astronautics by early 2021.

Federal Government investment, delivered by the ASA through

various grant programs, includes funding for cutting-edge technology projects to be developed by SA companies X-Tek and Human Aerospace. XTek, in conjunction with Skykraft, has been awarded \$878,193 for the design, development, and manufacture of a carbon fibre launch structure capable of deploying constellations of microsatellites. Receiving \$844,000, Human Aerospace will develop space-suit technology to combat the negative health impacts of long-term space missions. These grants demonstrate Federal support for local SMEs to create jobs and engage with SA's rapidly growing space sector, including for upcoming NASA missions.

As home of the Osborne Naval Shipyard, the future ASA Missions Control Centre, and leading SMEs in technology and manufacturing, SA is a frontrunner in defence and space innovation through industry expertise and capability supported by the Federal and State Governments.

To keep up-to-date on Federal investment in defence and space industry, visit my Facebook page [here](#) or via the QR Code below.



The Joint Standing Committee on Foreign Affairs, Defence and Trade's (JSCFADT) Inquiry into implications of the COVID-19 pandemic for Australia's foreign affairs, defence and trade continues. Context for this Inquiry is available in the last edition of the Fawcett Flyer. The Committee is considering the need for a systemic approach to identifying and managing risk, to ensure that Australia has resilience across key enablers such as our health, transport, food, and defence sectors. Witnesses at the Inquiry's June and July public hearings included academics, government agencies and non-governmental organisations.

JSCFADT's Defence Sub-Committee has been asked to consider Australia's defence relationships with Pacific Island nations – one of several Sub-Committee Inquiries into Australia's connection with the Pacific. This Inquiry held public hearings in both June and July which included experts from the Australian National University, the Lowy Institute, and DFAT, among others. This Inquiry comes at a unique and challenging time, with Australia's support – both financial and functional – proving critical to our wider Pacific family.

As a member of the Parliamentary Joint Committee on Intelligence and Security (PJCIS), the Committee

is required to review amendments to the Telecommunications and Other Legislation Amendment (Assistance and Access) Act 2018. A public hearing was held via video conference to hear from Atlassian and the Software Alliance, among others, on their perspectives regarding the legislation as well as closed hearings with agencies. Other PJCIS inquiries include a review into the effectiveness of the ASIO Amendment Bill 2020, and an inquiry into the impact of the exercise of law enforcement and intelligence powers on the freedom of the press.

As Chair of the Environment and Communications Legislation Committee, I held public hearings in July for the Inquiries into 'The future of Australia Post's service delivery', and 'Product Stewardship Amendment (Packaging and Plastics) Bill 2019', and the References Committee held hearings for the Inquiry into the 'Impact of feral deer, pigs and goats in Australia'.

For an update on any completed inquiry or one currently before a parliamentary committee, click [here](#) or scan the QR Code below.





IN OUR REGION: AUSTRALIA'S NEW DEFENCE OUTLOOK

Australia's security environment is changing rapidly, with militarisation, disruptive technological change and grey zone threats making our region less safe. Our region, the Indo-Pacific, is in the midst of the most consequential strategic realignment since World War II.

Though still unlikely, the prospect of high intensity military conflict throughout the region is less remote than in the past. Australia can no longer assume a 10-year strategic warning time is an appropriate basis for defence planning.

Grey-zone activities – such as the use of paramilitary forces and coercive economic levers – are being applied in ways which challenge sovereignty and the established

norms of international cooperation. Threats to human security, such as the Coronavirus pandemic and natural disasters, mean disaster response and resilience measures demand a higher priority in Defence planning.

In response to these dynamic threats, Prime Minister Scott Morrison announced a Strategic Update and revisions to Australia's Defence Force Structure (*pictured, above*). The 2020 Defence Strategic Update and 2020 Force Structure Plan provides Defence with the strategic guidance and funding certainty it needs to deliver greater regional stability and security, with \$270 billion to be invested in Australia's defence capability over the next 10 years.

Our environment is now more complex, with Australian interests being more directly challenged than in the past, and sharper prioritisation is required. The Government has set three new strategic objectives to guide all Defence planning, including force structure, force generation, international engagement and operations: to shape Australia's strategic environment; to deter actions against Australia's interests; and to respond with credible military force, when required. The new policy will require force structure and capability adjustments focussing on responding to grey-zone challenges, the possibility of high-intensity conflict and domestic crises.

The acknowledgement of considerably reduced warning time has led to a decision to significantly invest in the responsiveness and lethality of the Australian Defence Force (ADF) including long range strike weapons, area denial, ballistic missile defence and cyber capabilities. Over the next ten years, the Australian Government will provide Defence with total funding of around \$575 billion, including approximately \$270 billion investment in Defence capability to 2029-30. This investment includes:

- ✓ \$75 billion improving maritime warfare – including precision strike, undersea combat

and surveillance systems, and communications;

- ✓ \$65 billion in supporting air-force capabilities – including anti-ship missiles, long-range strike weapons, and research into hypersonic capabilities;
- ✓ \$55 billion for land warfare – including long-range rocket fires, artillery systems, and two regiments of self-propelled howitzers; and
- ✓ \$15 billion to bolster Australia's offensive and defensive cyber capabilities.

Through our sovereign defence industry and supply chains, this investment in improved Defence capability will benefit around 15,000 Australian businesses, which employ approximately 70,000 workers. Through our Defence and Space sectors, SA is well-placed to contribute to this development of sovereign capability while growing long term jobs and our economy.

For more information on the 2020 Defence Strategic Update and Force Structure Plan, click [here](#) or scan the QR Code below.



FINDING THE BALANCE ON FOREIGN INVESTMENT REFORM

Foreign investment is a key driver of economic growth, helping boost productivity, create jobs, and improve access to overseas markets. About 1 in 10 Australian jobs are supported by local firms with direct foreign investment. Though crucial to our long-term success and stability, foreign investment is not without its risks.

Since coming into office in 2013, our Government has closely monitored the potential security risks arising from foreign investment and enacted reform to ensure the preservation of Australia's sovereignty, including the Foreign Influence Transparency Scheme and the Foreign Espionage & Interference Act 2018. In 2015, the former head of ASIO, Mr David Irvine was appointed as the head of the Foreign Investment Review Board (FIRB) to ensure the Board adequately considers national security when making decisions. Subsequently, FIRB has blocked the overseas acquisition or investment in defence-related activities – including the acquisition and investment of land and business adjacent to sensitive defence-related sites. FIRB has also blocked the selling of critical infrastructure to a number of foreign companies, for example the attempted purchase of APA gas networks by Chinese-owned company CKI. As a result of strengthening FIRB and tightening regulations, 131 foreign property

owners who breached Australian rules were forced to sell their properties back onto the Australian market, in 2018/19 alone.

Considering Australian companies' potential vulnerability to opportunistic take-over during this pandemic, the Treasurer recently announced all proposed foreign investments into Australia will require approval, regardless of the value or the nature of the foreign investor – to safeguard the national interest as COVID-19 puts intense pressure on our economy and businesses. More substantial foreign investment reforms have been proposed to secure the ongoing protection of Australia's national interest. These changes respond to the evolving security implications of foreign governments, or their proxies, owning, influencing or accessing things such as sensitive intellectual property, critical infrastructure, or strategically located land. Exposure draft legislation has now been released for consultation. Available here: <https://bit.ly/30WTEH2>

For more information on foreign investment reform, click [here](#) or scan the QR Code below.



STRENGTHENING AUSTRALIA'S CYBER SECURITY

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As cyber attacks against Australia increase in frequency, scale, and complexity, the Government has announced Australia's largest-ever investment in cyber defences, totalling \$1.35 billion over the next decade.

To be delivered through our Cyber Enhanced Situational Awareness and Response (CESAR) package, this funding will significantly enhance national cyber security capabilities and assistance provided to Australians through the Australian Signals Directorate (ASD) and Australian Cyber Security Centre (ACSC). Included within the \$1.35 billion investment, \$118 million is being used to expand ASD's data science and intelligence capabilities to better identify malicious hacks, and \$62 million is bolstering ASD's capacity to interpret and respond to cyber threats on a national scale. Funds have also been directed towards the strategic mitigation and disruption of cyber threats offshore, the creation of a cyber threat-sharing platform, and more.

Industry support for increased protection against cyber threats has been demonstrated following the Prime Minister's announcement on June 19, regarding the malicious cyber activity of a state-based actor against Australian networks. The CESAR package will not only strengthen national security, but

also prevent cyber-attacks from reaching millions of Australians as ASD works to block computer viruses and other threats at speed.

This month, I attended the official opening of Adelaide's new Australian Cyber Collaboration Centre (A3C) at Lot Fourteen (*pictured, below*). Following a \$10 million investment by the SA State Government, A3C is set to be a leading facility for research, training, testing and collaboration in cyber security, and is expected to facilitate the creation of between 5,000 and 7,000 new jobs in the growing cyber security sector over the next five years.



For more information on the Government's cyber security investment, click [here](#) or scan the QR Code below.



9 IN THE MEDIA

Over the last few months, we have seen social unrest worsen around the world, further exacerbated by the economic, health and social impact of the COVID-19 pandemic. We are seeing widespread protests and riots across the United States, ongoing protests in Hong Kong in response to the Chinese Communist Party's limiting of free speech, and broad concern about how our nation has been weakened as a result of COVID-19.

I wrote a series of Opinion Editorials on these topics as the Government considers the most appropriate course of action to mitigate the damage caused by potential future crises.

The first article, published in the Australian Strategic Policy Institute's *The Strategist*, argued the need for a national sovereignty strategy in light of the impact of COVID-19. The pandemic has exposed weaknesses in Australia's supply chains and manufacturing capacity and prompted a re-examination of the concept of sovereignty more broadly. An Australian national sovereignty strategy requires government investment to find and maintain the optimal blend of global connectivity and self-reliance. In the

article, I recommend Australia apply engineering principles to identify, quantify and manage systemic risk to the security of lives and livelihoods.



My second piece, published in *The Australian*, bore the headline "China's 'tank man' stood for transparency" and was written as we approached the anniversary of the Tiananmen Square Massacre. With governments around the world applying pressure on the Chinese Government for greater transparency regarding an investigation into origins of the Coronavirus, we are reminded that this call for greater transparency is not new. The pro-democracy protests which occurred over 20 years ago demonstrate the Chinese Communist Party's often violent suppression of movements that encourage democracy or

transparency.

It is important that we understand the fundamental difference between the protests and riots seen in the United States (*pictured, below*) to those in Hong Kong. This formed the basis of my third article, entitled “Lafayette is not Tiananmen”. The circumstances which surround those rioting and protesting across



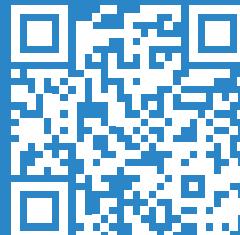
the United States and those protesting within Hong Kong are different, despite the images we see in the media appearing similar. I write in this piece: “Those of us who have the freedom to, should condemn brutality by authorities and destructive violence by protestors. Those of us who have the freedom to, should work to bridge divisions that run along racial or ethnic grounds. Those of us who have the freedom to, must speak up for democratic values at home and abroad.”

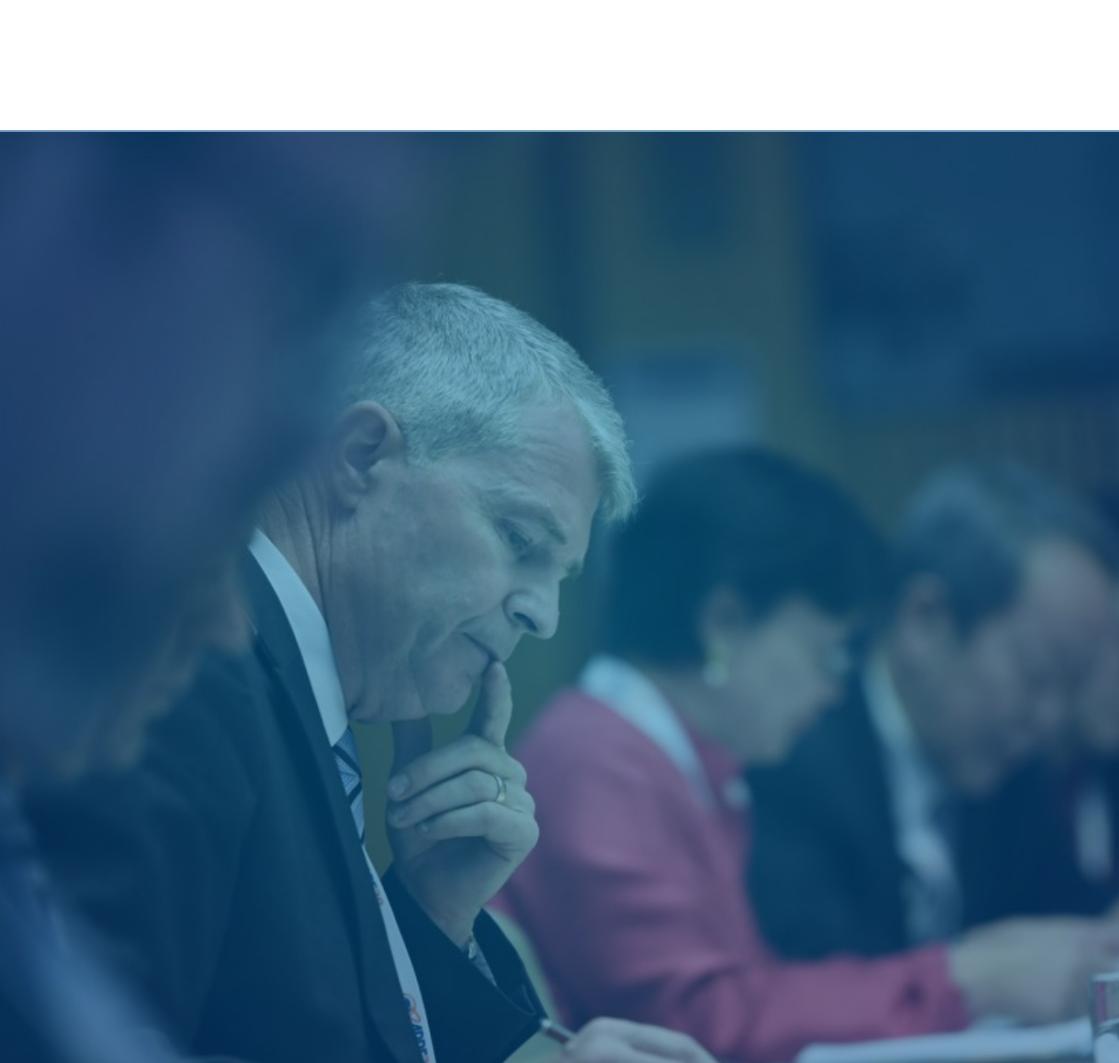
As many physical events have either been postponed or cancelled due to the physical distancing measures required as a result of COVID-19, several opportunities arose recently to appear on podcasts. I featured on three podcasts – facilitated respectively by the Australian Defence Magazine, Defence Teaming Centre and Defence Connect – all of which included some discussion on the JSFCADT’s Inquiry into the implications of COVID-19, among other topics.

For the complete Opinion Editorials and Podcast appearances mentioned above, visit my website [here](#) or scan the QR Code below.



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