

Making informed choices as Aussies go to polls on May 3.



Thoughts, analysis, and comments on 4 key electoral issues.



IPAG Asia Pacific

**Level 14, 380 St. Kilda Road
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Australia Election 2025

Economy, Trade, & Investment

Thoughts, analysis, and comments



Level 14, 380 St. Kilda Road
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Australia Election 2025

◇

Economy, Trade, & Investment

Australia Election 2025: Economy, Trade, & Investment

As Australia heads into the 2025 federal election, the question on everyone's mind is whether the economic recovery is truly sustainable or merely a temporary respite. On the surface, key indicators such as GDP growth and inflation suggest that the country is on a path to stabilization. GDP growth is projected to be between 2% and 2.1% in 2025, an improvement from 2024's 1.3%, the slowest in over three decades. Inflation, which peaked in previous years, moderated to 2.4%, partly due to the Reserve Bank's monetary policy tightening; however, government's continued household spending support has somewhat counteracted these anti-inflationary measures.

A deeper look at the numbers reveals a more complex and precarious situation. The recovery has been driven largely by government stimulus measures and public spending, but questions arise about whether this approach can sustain long-term growth as we assess the current economic landscape, scrutinize strategies of the Albanese government, explore opposition's proposals, and analyze what the 2025 election could mean for Australians.

Australia's trade in 2025 is driven by key partnerships with China, Japan, South Korea, and India. As the election approaches, Labor focuses on trade diversification, digital modernization, and public investment, while the Coalition prioritizes deregulation and private sector growth. Both parties aim to strengthen trade to ensure economic stability amid global uncertainty. China remains Australia's largest trading partner, with bilateral trade rising significantly under ChAFTA. Japan's trade continues to grow, especially in agriculture, and trade with South Korea reached \$20.9 billion in exports. Trade with India surged to \$24 billion after the ECTA. However, President Trump's 2025 tariff policy, imposing a 10% tariff on Australian exports, strains Australia-US relations. The policy impacts industries like steel, aluminum, and beef, but Australia seeks to diversify trade and avoid retaliatory tariffs. While immediate economic effects are small, risks remain if global tensions escalate, requiring strategic adaptability.

Labor's Electoral Promises (2022-25)	Policies	Actions	Impact	Comments
Create 1.2 million new jobs by 2030 through clean energy and advanced manufacturing ¹ .	Investments in clean energy and healthcare, public sector job expansion.	Funded public programs, increased healthcare and clean energy hiring.	Unemployment at 3.8%, but mostly due to public sector jobs.	Partially met - job numbers improved, but sustainability and private sector growth remain concerns.
Build 100,000 new affordable and social housing units ² .	Home Guarantee Scheme, Commonwealth Rent Assistance increased by 45%.	Initiated construction projects and expanded assistance programs.	Housing supply increased but still falling short of demand.	In progress - promise acknowledged but delivery delayed.
Boost digital trade and modernize trade frameworks ³ .	AUD 1.2 billion investment in Digital Economy Strategy.	Digital customs pilots, blockchain tracking, digital trade agreements.	Reduced trade friction but uneven adoption and regulatory issues persist.	Partially met - direction is correct but implementation lagging.
Strengthen international trade ties and diversify partners ⁴ .	Free trade agreements, support for renewable energy and tech exports.	Signed digital and regional trade deals, promoted export diversification.	Mixed results - digital trade gains, but export volumes falling due to global tensions.	Mixed - proactive diplomacy but external factors limit success.
Improve wage growth and reduce cost of living pressures ⁵ .	Energy subsidies, infrastructure spending, targeted social benefits.	Implemented subsidies and benefits, wage support measures.	Wages go up slightly, but still lagging inflation and cost of living.	Underperforming - economic support helped but wage growth remains slow.
Enhance visa processes and support international students as skilled workers ⁶ .	Visa streamlining and PR pathways for high-demand sectors.	Policy updates to ease student transitions and prioritize skill alignment.	Limited scale impact - skilled worker shortages remain in critical sectors.	In progress - vision aligned but implementation still early-stage.

What has worked well

The Albanese-led Labor government has implemented economic and social reforms to stabilize Australia's post-pandemic recovery. Key initiatives include reducing unemployment, modernizing trade systems, and enhancing social protections, yielding visible benefits in clean energy, digital innovation, and fiscal relief, showcasing the government's commitment to inclusive growth and structural transformation.

- **Stage 3 tax cuts:** Modified to benefit middle and lower-income households, improving income redistribution.
- **Wage increases in care industries:** Significant pay hikes in childcare and aged care via award system adjustments and additional government funding.

- **Competition reforms:** Updates to merger laws and wage thresholds for non-compete clauses, along with state-level competition incentives.
- **Low unemployment:** The unemployment rate reached a historic low of 3.7%, reflecting significant public sector hiring, through approximately 14,000 positions replaced external contractors and concerns remain about the sustainability of this growth.
- **Inflation control:** Inflation moderated to around 2.4%, due to the Reserve Bank's monetary policy tightening; however, the government's continued household spending support has somewhat counteracted these anti-inflationary measures.
- **Digital trade advances:** Significant progress in digitizing trade through blockchain-enabled customs and regional trade partnerships, reducing inefficiencies.
- **Social spending:** Expansion of Commonwealth Rent Assistance and enhanced healthcare services benefiting lower- and middle-income Australians.
- **Climate policy:** Efforts to invest in renewables and improve grid infrastructure, though progress has been delayed by regulatory hurdles.

Unfulfilled expectations

The Albanese government has faced criticism for delays and shortcomings in housing affordability, private sector confidence, and real wage growth. Concerns about bureaucratic inefficiencies, slow policy execution, and reliance on state-led interventions have raised doubts about the recovery's sustainability. As Australia approaches the 2025 election, these issues have become key points for opposition parties and frustrated voters.

- **Overdependence on public sector for jobs:** While employment has increased, much of it is public sector driven. Private sector investment remains weak, raising concerns about long-term job sustainability and economic dynamism.
- **Wage growth lags behind living costs:** Real wage growth has not kept pace with inflation and housing costs, leaving many households under financial pressure despite overall economic recovery narratives.

- **Slow housing rollout:** Labor's promise to build 100,000 homes is behind schedule, and housing affordability remains one of the nation's most pressing crises—exacerbated by high migration levels and urban demand.
- **Digital trade implementation challenges:** Although promising on paper, cybersecurity concerns, regulatory inconsistency, and SME digital adoption gaps have hindered the full realization of digital trade reforms.
- **Skilled labor shortages persist:** Even with visa reforms and migration support, Australia is still facing acute shortages in key sectors like tech, engineering, and healthcare, partly due to bureaucratic lags and insufficient retention strategies.
- **Proactive climate policy:** Although Labor's proactive climate policies have laid groundwork through renewable investments, actual progress remains well short of promises due to regulatory and permitting delays in essential grid infrastructure—a challenge neither party has effectively addressed beyond acknowledging the issue.

What lies ahead

As the 2025 election approaches, voters seek future-focused, private sector-driven, and equitable solutions. Key demands include housing reform, real wage growth, skilled workforce expansion, and climate-smart transitions. The next government must show both vision and the ability to implement these reforms to secure voter trust and address these pressing challenges.

- **Private sector revival:** Voters expect the next government—regardless of party—to stimulate private investment, reduce business uncertainty, and shift away from over-reliance on public jobs.
- **Affordable housing at scale:** One of the top electoral priorities is mass-scale delivery of social and affordable housing, as voters grow impatient with delayed rollouts and rising rents.
- **Real wage growth and living cost relief:** Australians want tangible improvements in wages that outpace inflation, alongside continued relief for essentials like rent, energy, and food.

- **Climate action with economic payoffs:** There's growing support for green energy transitions—but with a demand for more visible job creation and regional development, especially in areas affected by fossil fuel phase-outs.
- **Resilient trade and skilled workforce policies:** Voters seek leadership that can diversify trade partners beyond China and fix migration and skills pathways to ensure domestic industries are well-staffed and competitive.
- **Trade diversification urgency:** Recent US tariffs reinforce the need to broaden Australia's export markets and reduce reliance on major partners.
- **Strategic industry support:** Affected sectors like agriculture and metals will need targeted support to remain competitive amid shifting global trade dynamics.

2025 election manifesto by the two major parties

Issues & Challenges	Labor	Coalition
Overreliance on <u>public</u> sector for job creation.	Pledges to boost clean energy and tech sector jobs to transition toward more private sector-driven employment.	Focuses on reducing public spending and incentivizing private sector growth through tax cuts and deregulation.
Sluggish wage growth and rising living costs.	Promises targeted wage increases, enhanced social benefits, and cost-of-living relief like energy subsidies.	Proposes reducing income taxes to boost disposable income and cut government costs that may fuel inflation.
Digital trade reform implementation delays.	Commits to strengthening cybersecurity frameworks and expanding support for SMEs in digital transitions.	<u>Emphasizes</u> cutting red tape and aligning trade tech with private sector needs for faster uptake.
Delayed housing delivery and rising unaffordability.	Pledges to fast-track <u>construction</u> of 100,000 homes and expand the Home Guarantee Scheme.	Focuses on unlocking land via infrastructure funding and increasing private housing supply with incentives.
Skilled workforce shortages despite migration reform.	Plans to ease visa processes and expand PR pathways in critical sectors like health and engineering.	Supports tightening net migration but offering incentives for <u>high-skilled</u> sectors and regional placements.
Export vulnerability due to reliance on China and US-China tensions.	Aims to diversify trade partners and promote clean tech exports through new FTAs and trade missions.	Pledges to defend mining exports while expanding markets in India and Southeast Asia.
Overreliance on <u>public</u> sector for job creation.	Pledges to boost clean energy and tech sector jobs to transition toward more private sector-driven employment.	Focuses on reducing public spending and incentivizing private sector growth through tax cuts and deregulation.

The Greens Party

- Greens would target net-zero emissions by 2035, investing heavily in renewables and green jobs.
- Introduce Universal Basic Income and expand affordable housing with rent controls.
- Fund programs through progressive taxes on the wealthy and high-polluting industries.
- Face challenges from traditional industries and concerns over financial sustainability.

Labor vs Coalition: Pros and Cons of new economic strategies



Figure 1: Labor government's strategical policies pros and cons

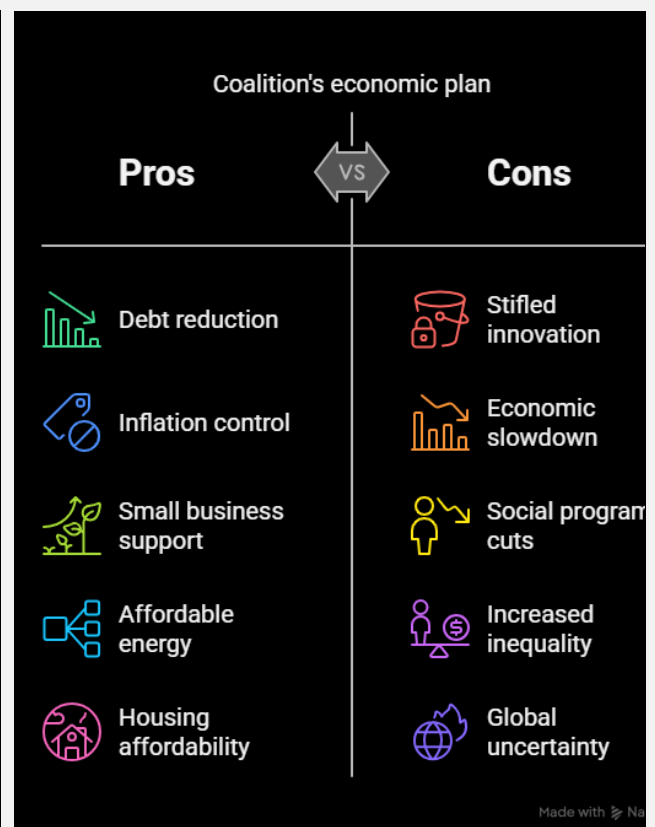


Figure 2: Coalition's strategical policies pros and cons

Labor government's economic growth: A recovery built on borrowed time?	The Coalition's economic stance: A counterpoint to Labor's strategy
• The Albanese government's fiscal measures have driven a modest economic recovery, mainly through public spending. • The recovery's sustainability is uncertain, given its heavy reliance on government debt rather than private sector growth. • Wage growth has been slow compared to the rising cost of living. • Private sector investment remains weak due to ongoing economic and geopolitical uncertainties. • The Reserve Bank plans to cut interest rates in 2025 to stimulate economic activity. • Concerns persist over whether the economy can maintain momentum without stronger private sector engagement.	• The Coalition, led by Peter Dutton, positions itself as a fiscally conservative alternative to Labor's public spending strategy. • Their key focus is on reducing government debt and controlling inflation by cutting unnecessary public expenditure. • They criticize Labor's \$347 billion spending increase, warning of a growing debt burden with national debt interest nearing 1% of GDP. • Proposals include targeted tax cuts for small businesses and deregulation to stimulate private sector growth. • Their energy and housing policies prioritize affordability, reliability, and faster development compared to Labor's slower renewable and housing initiatives. • The Coalition advocates reducing migration levels to alleviate housing shortages and cost-of-living pressures. • A challenge to their strategy is whether heavy fiscal restraint could stifle essential investment and innovation amid global uncertainties.

The stakes for Australia's economic future

- The 2025 election presents Australians with two distinct economic visions.
- Labor advocates increased government investment in infrastructure, and renewable energy.
- Labor also plans to boost public investment, create public sector jobs, and build more affordable housing, with risks of rising public debt.
- On the contrary, Liberal-led Coalitions aim for fiscal discipline, private sector-led growth, and a balanced energy mix, but risk underinvestment in clean energy and public services.
- The Liberal Party emphasizes deregulation, targeted tax cuts, and reduced government intervention to do so.
- Voters must weigh the risks between sustained public spending, which may increase national debt, and potential austerity, which could limit essential public investments.

- The election will shape key issues like cost of living, housing affordability, and job creation for Australians.
- Both major parties face challenges in addressing persistent wage stagnation and rising living costs without exacerbating inflation.
- Ensuring resilience against external economic shocks, such as global trade tensions and tariffs, will be critical for the next government.
- There is an urgent need for both parties to clearly articulate how they will manage climate transitions effectively, balancing environmental commitments with economic and employment impacts.
- Regardless of the election outcome, Australia's future government must prioritize diversifying international trade relationships to reduce vulnerability to geopolitical disruptions.
- Strategic policy responses, particularly around housing affordability and skilled workforce shortages, will be crucial to securing voter confidence and ensuring sustainable economic growth.



Australia Election 2025

◆ Climate & Energy

Thoughts, analysis, and comments



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Australia Election 2025

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Climate and Energy

Election 2025: Climate and Energy

As Australia nears 2025 federal election, climate change has become one of the central electoral issues by growing public demand. Major political parties, Labor, the Coalition, and the Greens have been positioning themselves on this crucial policy front as stakes could hardly be higher. Australia remains one of the world's most vulnerable developed nations to climate change impacts, with intensifying bushfires, devastating floods, and prolonged droughts affecting communities nationwide.

This election presents voters with fundamentally different visions for Australia's future: Labor's emphasis on renewable transition; the Coalition's mixed-energy approach including nuclear power; and the Greens' ambitious climate targets. Decisions at the ballot box will shape Australia's climate response for years, influencing energy prices, emissions targets, and infrastructure investment.

Climate & Energy: Labor's Scorecard (2022–2025)

Electoral Promises for 2022-25	- Achieve 43% reduction in greenhouse gas emissions by 2030 (from 2005 levels) and net-zero emissions by 2050.¹ - Create 604,000 jobs, with five out of six in regional areas, and attract \$76 billion in investment.² - Reduce household power bills by \$275 annually by 2025.³ - Increase renewable energy share to 82% in the National Electricity Market by 2030.⁴
Policies	- Powering Australia Plan (2022)⁵ - National Electric Vehicle Strategy (2023)⁶ - New Energy Apprenticeships Program (2023)⁷ - National Reconstruction Fund (2023)⁸ - Hydrogen Headstart Program (2023)¹⁶ - Climate Change Act 2022⁹

¹ [Stronger Action On Climate Change | Prime Minister of Australia](#)

² [Stronger Action On Climate Change | Prime Minister of Australia](#)

³ [Stronger Action On Climate Change | Prime Minister of Australia](#)

⁴ [82% Renewables by 2030 - Smart Energy Council Welcomes Labor's Powering Australia Plan - Smart Energy Council](#)

⁵ [Powering Australia](#)

⁶ [Joint media release: Delivering Australia's climate and energy transformation | Ministers](#)

⁷ [Joint media release: Delivering Australia's climate and energy transformation | Ministers](#)

⁸ [National Reconstruction Fund](#)

⁹ [Climate Change Bill 2022](#)

	• Powering the Regions Fund (2023)¹⁰ • Disaster Ready Fund (2022)¹¹ • Future Made in Australia (Guarantee of Origin) Act 2024¹²
Actions	• Committed \$20 billion investment to upgrade the electricity grid through the <i>Rewiring the Nation</i> initiative.¹³ • Allocated \$3 billion allocation from the National Reconstruction Fund for green metals, clean energy manufacturing, and hydrogen technologies.¹⁴ • Provided \$1.9 billion for the <i>Powering the Regions Fund</i> to support emissions-intensive industries in transitioning to cleaner practices.¹⁵ • \$4 billion investment in the Hydrogen Headstart Program supporting both decarbonization and industrial growth.¹⁶ • Introduced tax incentives and infrastructure development under <i>National EV Strategy</i>.¹⁷ • Legislated the <i>Climate Change Act 2022</i>, enshrining the 43% emissions reduction target and net-zero by 2050 into law.¹⁸ • Reformed the <i>Safeguard Mechanism</i> to enforce a 4.9% annual reduction in emissions intensity for major polluters.¹⁹ • \$200 million for 400 community batteries and \$100 million for 85 solar banks to enhance energy storage and accessibility.²⁰ • Initiated funding for over 100 community battery projects and solar banks to support renewable energy uptake.²¹ • Funded \$100 million for the New Energy Apprenticeships Program to train 10,000 apprentices.⁷ • Launched the Guarantee of Origin Certificate scheme to certify renewable electricity and green commodities.²² • Committed \$1 billion over five years for flood levees, bushfire infrastructure, and cyclone shelters.²³ • Rejoined UN Green Climate Fund and signing the Global Methane Pledge, aimed to collectively reduce methane emissions across energy and resources, agriculture and waste sectors.²⁴
Impact	• Emissions declined by 1.7% in 2022, though reductions were uneven across sectors.²⁵ • Australian Conservation Foundation's assessment of parties' and candidates' climate and nature policies has given the Labor a bare pass (54%)²⁶
Comments	• Labor's climate strategy represents a significant shift from previous government, emphasizing renewable energy and economic growth. • Ongoing challenges include balancing economic interests with environmental commitments, particularly concerning fossil fuel approvals. • Given Australia's scale of climate risks, only \$200 million commitment per year to disaster risk reduction (less than 0.01% of GDP) remains underwhelming.²³ • Continued monitoring and policy adjustments are essential to meet long-term climate objectives.

¹⁰ [Powering the Regions Fund](#)

¹¹ [Disaster Ready Fund](#)

¹² [Future Made in Australia \(Guarantee of Origin\) Bill 2024](#)

¹³ [Joint media release: Delivering Australia's climate and energy transformation | Ministers](#)

¹⁴ [Australia's National Reconstruction Fund to help renewables, hydrogen | S&P Global](#)

¹⁵ [Joint media release: Delivering Australia's climate and energy transformation | Ministers](#)

¹⁶ [Hydrogen Headstart program](#)

¹⁷ [Joint media release: Delivering Australia's climate and energy transformation | Ministers](#)

¹⁸ [Federal Register of Legislation - Privacy Legislation Amendment \(Enforcement and Other Measures\) Act 2022](#)

¹⁹ [Australia's biggest industrial polluter receives millions in carbon credits despite rising emissions | Energy | The Guardian](#)

²⁰ [Green Review | Labor's solar banks and community batteries a good start but design and delivery critical - Green Review](#)

²¹ [Community Batteries Funding Round 1 - Australian Renewable Energy Agency \(ARENA\)](#)

²² [Joint media release: Delivering Australia's climate and energy transformation | Ministers](#)

²³ [Disaster Ready Fund](#)

²⁴ [Australia to re-join UN's green climate fund after Morrison government withdrawal](#)

²⁵ [Australia's GHG emissions decreased slightly in 2022 | Enerdata](#)

²⁶ [ACF election scorecard: from abysmal to amazing - Australian Conservation Foundation](#)

What has worked well?

The passage of the Climate Change Bill establishing a 43% emissions reduction target by 2030 represents a fundamental policy transformation in Australia's approach to climate action.²⁷ This legislation not only provides a clear statutory framework for emissions reduction but also aligns the country more closely with international climate commitments. The reformed Safeguard Mechanism introduced a binding emissions cap on around 215 major polluters, with steadily declining limits to ensure Australia stays on track to meet its national targets. **Error! Bookmark not defined.** This marks a historic first in regulating industrial emissions.

The government has launched several renewable energy initiatives that are beginning to take shape across the country.²⁸ Community battery installations are emerging in suburban areas, providing localized energy storage solutions that enhance grid stability while reducing reliance on fossil fuels. Solar banks are being developed to expand clean energy access to renters and apartment dwellers previously excluded from rooftop solar benefits. These projects represent tangible progress in democratizing renewable energy access while building essential infrastructure for Australia's energy transition.

Unfulfilled expectations

A major contradiction in climate policy has emerged with industrial polluters like Chevron's Gorgon carbon capture facility.²⁹ Despite increasing its overall emissions, the facility received carbon credits under the safeguard mechanism's intensity-based framework. This regulatory design permits baselines to rise with production growth, prioritizing emissions intensity over absolute reductions. Such a system raises doubts about whether intensity-based mechanisms can genuinely reduce total emissions while enabling industrial expansion, exposing tensions between economic and environmental goals.

²⁷ [Australia: 43% by 2030 emissions reduction is a law](#)

²⁸ [What policies have the major parties proposed to tackle climate change? - ABC News](#)

²⁹ [Australia's biggest industrial polluter receives millions in carbon credits despite rising emissions | Climate crisis | The Guardian](#)

The continued approval of new fossil fuel extraction projects further undermines government's stated climate ambitions.³⁰ Although Australia's climate targets apply only to domestic emissions, not exported emissions, this creates a major disconnect in Australia's climate response. Most coal and gas projects serve export markets, and while this approach aligns with domestic accounting frameworks, it complicates global efforts to meet the Paris Agreement's goal of limiting warming to well below 2°C. This accentuates the tension between Australia's climate commitments and its fossil fuel exports, casting doubt on the overall effectiveness of current policy.

Comparative electoral synopsis: Climate policies of major political parties

Labor's Approach

Net Zero by 2050: Labor remains committed to achieving net-zero emissions by 2050.

Renewable Energy Investments: Plans to expand funding for solar, wind, and hydrogen energy projects, aiming for 82% renewable energy in the national grid by 2030.

Electric Vehicles (EVs): Incentives for EV adoption, including rebates and funding for charging infrastructure.

Signature Policy: The Powering Australia Plan, which outlines strategies for reducing emissions while creating jobs in clean energy sectors.

Coalitions Approach

Practical Climate Action: Focuses on technology, not taxes, to address climate challenges, emphasizing investments in carbon capture and storage and low-emission technologies.

Energy Security: Promotes a balanced energy mix, including renewables and natural gas, to ensure reliability and affordability.

EV Skepticism: While supportive of EV technology, the Coalition prioritizes reducing costs for all vehicle types rather than exclusively subsidizing EVs

Nuclear Policy: Unveiled seven sites in five states where it proposes to **build nuclear power plants** if it is elected.

³⁰ [New fossil fuel projects in Australia](#)

Policy Area	Labor	Coalition	Greens
2030 Emissions Target³¹	43% reduction	30–35% reduction (projected)	75% reduction
Net-Zero Target	2050	2050	2035
Renewable Energy	82% share in National Electricity Market by 2030	Support for renewables alongside fossil fuels	100% renewable energy by 2030
Fossil Fuels	Approval of new projects under certain conditions	Strong support for new gas and coal projects	Phase out all fossil fuel projects
Electric Vehicles	Incentives and infrastructure investment, New Vehicle Efficiency Standard legislation to encourage EVs	Limited support	Comprehensive support including grants and loans
Carbon Pricing	No explicit carbon tax; relies on safeguard mechanism	Opposes carbon pricing; favors technology solutions	Supports carbon pricing mechanisms
Nuclear Energy	Opposes nuclear power	Plans to build nuclear power plants by 2035	Opposes nuclear power
Climate Policy Score (ACF)³²	54/100	1/100	98/100

³¹ [Election Policy Scorecard: How do the biggest parties measure up on climate policy? | Climate Council](#)

³² [ACF Election Scorecard: From Abysmal To Amazing | Mirage News](#)

Election policy scorecard: How do the parties measure up on climate & energy?³³

ACTION REQUIRED	LIBERAL-NATIONAL COALITION	AUSTRALIAN LABOR PARTY	AUSTRALIAN GREENS
 Legislating science-backed targets to cut climate pollution	✗ No 2030 target. ✗ No 2035 target. ✗ Net zero by 2050, but no credible plan.	✓ Legislated 43% cut by 2030. ✓ Committed to setting a 2035 target. ✓ Net zero by 2050, with policies and investments to support.	✓✓ 75% cut by 2030. ✓✓ Net zero by 2035.
 Ending new fossil fuel development	✗ Plans to expand gas projects and weaken approval requirements.	✗ No plan to phase out fossil fuel development.	✓✓ No new coal and gas. ✓✓ No public funding for fossil fuels.
 Powering the country with renewables backed by storage	✗ Opposes 82% renewables by 2030. ✗ Pursuing nuclear, more coal and gas.	✓✓ 82% renewable power by 2030. ✓✓ Significant policies and investments to support.	✓✓ 100% renewable power ASAP.
 Electrifying industry and switching to zero-emission fuels	✗ No clear policies.	✓✓ Supports industrial electrification. ✓✓ Significant policies and investments to support. ✗ More work needed to tighten pollution limits.	✓ Supports sustainable fuels and technologies. ✗ Lacks detailed industrial decarbonisation policies.
 Accelerating shared, active, and electric transport	✗ Wind back fuel efficiency standards. ✗ No public or active transport policies.	✓ Supports fuel efficiency standards. ✓ Rolling out investment in active transport.	✓✓ Doubling public transport services and reducing fares. ✓✓ Supports more investment in active transport.
 Better protecting Australians from climate impacts	✗ No resilience or adaptation policies. ✗ Conflicting statements on insurance policies.	✓ Demonstrated commitment to deliver National Climate Risk Assessment, National Adaptation Plan, and disaster funding.	✓ Insurance reforms funded by polluters. Supports a national disaster risk map.
OVERALL RATING	HARMFUL	RIGHT DIRECTION	STRONG

What lies ahead?

While cost of living, housing, and leadership remain primary concerns in 2025, climate policy continues to influence electoral dynamics. Climate considerations increasingly intersect with economic priorities, as voters assess the costs and benefits of various transition strategies. The success of climate-focused independents in traditionally conservative seats reflects growing cross-partisan concern and demand for more substantial action.³⁴

The upcoming election is expected to intensify scrutiny of climate policy effectiveness, with voters evaluating not only emissions targets but also concrete

³³ [Election-Policy-Scorecard-Table.pdf](#)

³⁴ [Climate election 2022: Unpacking how climate concerned Australians voted | Climate Council](#)

plans for industrial transition, renewable energy expansion, and climate impact management. Candidates must address both immediate economic challenges and longer-term resilience strategies to engage an increasingly climate-conscious electorate.

The vote that shapes a generation: Australia's climate crossroads

Australia stands at a turning point in its climate journey. Labor offers a proactive approach with legislated targets, aggressive renewable investment, and international re-engagement. Their manifesto declares that "Australians voted for action on climate change and the Albanese Labor Government is delivering," positioning their renewable energy agenda as a mandate from the electorate.

The Coalition, while establishing some renewable investment frameworks, has pivoted to a two-track strategy of immediate gas expansion and longer-term nuclear development. Their manifesto directly challenges Labor's renewable-focused approach as economically damaging and technically insufficient, offering instead what they frame as a more balanced energy mix that maintains affordability and reliability while still pursuing emissions reduction.

Voters now face a choice between two divergent visions for Australia's climate and energy future - one prioritizing rapid renewable expansion, conservation, and international leadership; the other emphasizing energy security, affordability, and technological diversification, including nuclear power. However, polling suggests a hung Parliament is possible, with the crossbench, comprising Greens and climate-focused Independents, potentially holding decisive influence over Australia's environmental agenda.

As the world accelerates toward a green economy, Australia must decide whether to embrace Labor's ambitious renewable agenda or the Coalition's more cautious, mixed-technology approach. The outcome of this election could shape the nation's climate legacy for generations. The potential power-sharing dynamics of a hung Parliament could catalyze even more progressive climate action than either major party platform currently promises, transforming Australia's approach to emissions reduction, renewable energy expansion, and international climate diplomacy.



Australia Election 2025

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International relations and strategic affairs

Thoughts, analysis, and comments



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Australia Election 2025



International relations and strategic affairs

Australia Election 2025: International relations and strategic affairs

Since coming to power in 2022, Prime Minister Anthony Albanese has pursued an ambitious strategy to reset diplomatic relationships, strengthen defense partnerships, and expand Australia's role in regional forums. While significant achievements are evident, particularly in stabilizing foreign ties and expanding strategic networks, challenges persist. With 2025 federal elections approaching, Australia's foreign position are critical lens through which leadership credibility and future security are reviewed.

2022 election foreign policy promises by Labor Party: Where does Australia stand today?

While not without contradictions and delays, the government has demonstrated substantive intent and follow-through on many of its foreign policy commitments, as evident from the table below:

Promises	Policies	Actions	Impact	Comments
<i>Repair relations with Pacific Island nations through climate diplomacy and increased aid.</i>	Established Pacific Climate Infrastructure Financing Partnership (PCIFP) with a commitment of AUD350 million for regional climate-resilient infrastructure. ³⁵	- Invested AUD2.1 billion in the Pacific Maritime Security Program, delivering patrol boats and training to 12 Pacific nations, and doubled aerial surveillance. - Development aid to hit a record AUD2 billion in 2022-23. - Foreign Minister Penny Wong visited every Pacific Islands Forum	- Following the partnership, Australia is in the process of disbursing \$75 million for a program for off-grid and community scale renewable energy to support the remote and rural parts of countries in the Pacific Islands. - At present the Australian government also has agreed to disburse \$50 million for the enhancement of existing projects under the above agreement.	improved engagement helped counter Beijing's influence as no new China-Pacific security pact has emerged since Solomon Islands' 2022 deal.

³⁵ <https://www.aifp.gov.au/pacific-climate-infrastructure-financing-partnership#:~:text=Pacific%20Climate%20Infrastructure%20Financing%20Partnership>

Promises	Policies	Actions	Impact	Comments
		member in her first year.		
Increase global aid to 0.5% of Gross National Income (GNI).	Committed to annual growth of 2.5% from 2026-27 and adopted 0.5% GNI target in 2023 policy platform. Boosted aid to Southeast Asia and Pacific by AUD 1.4 billion.	- Australia increased its Official Development Assistance to \$4.55 billion in 2022-23, restoring key regional programs. - Introducing a Pacific Engagement Visa.	Aid remains far below the 0.5% GNI goal. In 2023-24 Australia's aid was only 0.19% of GNI, placing Australia among the least generous OECD donors.	Budget constraints and domestic priorities have limited large aid increases. Hence, the 0.5% target may not be realized for years without intervention.
Increase Defense spending to 2% of GDP.	Committed to the trajectory set by the 2020 Defense Strategic Update and subsequent budgets to exceed 2% of GDP on defense. Likewise, 2023 National Defense Strategy outlined raising defense funding above AUD 100 billion by 2033.	- Australia met its 2% defense spending target ahead of schedule, reaching 2.04% of GDP in 2023–24. - Initiatives include the AUD10 billion REDSPICE program and creation of the Advanced Strategic Capabilities Accelerator (ASCA).	- Australia's military budget is now above the NATO 2% benchmark abc.net.au, reinforcing its alliance credentials. - New funds are flowing into space, cyber, and long-range strike projects.	ADF faces lagging capability in certain areas: for example, Australia is still lagging behind nations like China and the US in cyber defense.
Balancing security and diplomacy in the Indo-Pacific, including support for AUKUS.	Reaffirmed commitment to AUKUS with US and UK, and to Quad partnership. Also, pursued diversified trade agreements.	- In March 2023, Australia unveiled plans to acquire eight nuclear submarines under AUKUS, backed by AUD 9 billion for initial setup. - Deepened Quad cooperation through joint exercises and ratified a major trade deal with India, while also advancing an EU	- AUKUS plan will modernize Australia's navy, though at a high cost and with delivery stretching to the 2050s. - Ties with China have stabilized, with resumed dialogue and lifted trade bans, as trade with India and Southeast Asia grows.	Albanese government managed a diplomatic reset with China while still investing in deterrence. Beijing still opposes AUKUS (citing non-proliferation concerns.)

Promises	Policies	Actions	Impact	Comments
		free trade agreement.		

Diplomacy & strategic engagement: What has worked well?

Since taking office, Prime Minister Anthony Albanese has reshaped Australia's global engagement through diplomacy, strategic defense partnerships, and regional cooperation.

Strategic Engagement with QUAD

- **Steps taken:** Australia actively engaged in the Quad, focusing on initiatives like the Quad Cancer Moonshot, maritime security cooperation, cybersecurity, and improving Pacific digital resilience. Foreign Minister Penny Wong reinforced maritime and cybersecurity collaboration during the 2024 Quad Foreign Ministers' Meeting.
- **Funding/Outcome:** AUD 16.5M for the Quad Cancer Moonshot initiative.³⁶
- **Comment:** Smart blend of hard and soft power; however, risks overpromising without consistent follow-through, and anti-China messaging needs sharpening.

AUKUS Expansion

- **Steps taken:** Australia committed to a long-term roadmap for acquiring nuclear-powered submarines under AUKUS, introduced a new regulatory regime, and tabled a treaty to enable seamless nuclear tech transfer. The deal also includes safeguards to prevent nuclear waste dumping.
- **Funding/Outcome:** AUD 368B projected by 2055.³⁷
- **Comment:** Strengthens Australia's strategic posture but at a colossal cost; doubts persist over industrial capacity and public acceptance.

Relationship with the US

- **Steps taken:** Since Trump's return in 2025, Australia and the US quickly reaffirmed their alliance, with Foreign Minister Penny Wong visiting

³⁶ <https://in.usembassy.gov/fact-sheet-quad-countries-launch-cancer-moonshot-initiative-to-reduce-the-burden-of-cancer-in-the-indo-pacific/>

³⁷ <https://edition.cnn.com/2023/03/16/australia/australia-tomahawk-missiles-aukus-intl-hnk/index.html>

Washington early in the year. Both sides committed to advancing AUKUS and Quad cooperation, maintaining strong defense and regional security ties despite leadership changes.

- **Funding/Outcome:** The US continued supporting Australia's AUKUS nuclear submarine program, now estimated at AUD 368 billion. However, Trump's renewed tariffs on Australian aluminum and beef exports risks straining trade relations.³⁸
- **Comment:** There is a decline of public trust in the US (two-thirds believe the US is not a reliable military ally anymore, following recent developments in the Trump 2.0 administration).³⁹ However, relations remain on good terms yet, it is only reasonable for Australia to expand ties with India, Japan, and ASEAN partners to hedge against growing uncertainty in US policy.

Resetting relations with China

- **Steps taken:** Prime Minister Albanese resumed high-level dialogue with China, securing lifting of major trade tariffs on Australian goods and release of journalist Cheng Lei. Diplomacy restored channels frozen since 2020 while maintaining a measured stance on sensitive security issues.
- **Funding/Outcome:** WTO case suspended; barley tariffs lifted.⁴⁰
- **Comment:** Restored economic ties pragmatically without surrendering values but could risk complacency in security and rights confrontations.

Indo-Pacific Strategy

- **Steps taken:** The government prioritized Pacific engagement through major aid, security, and policing initiatives, including a AUD 118M package for the Solomon Islands. New security pacts with Pacific states aimed to limit external military influence in the region.
- **Funding/Outcome:** AUD 118M policing support package.⁴¹
- **Comment:** Corrected historic neglect, but deeper political partnerships are needed to prevent China from regaining influence through transactional diplomacy.

³⁸ <https://www.reuters.com/world/australias-albanese-expects-one-on-one-discussion-with-trump-tariffs-2025-03-30/#:~:text=Trump%2C%20who%20exempted%20Australia%20from,during%20his%20first%20presidential%20term>

³⁹ <https://www.abc.net.au/news/2025-04-27/younggov-poll-united-states-alliance-donald-trump-relationship/105210660>

⁴⁰ <https://www.foreignminister.gov.au/minister/penny-wong/media-release/resolution-barley-dispute-china#:~:text=Today%20the%20Australian%20Government%20was,Australian%20producers%20and%20Chinese%20consumers.>

⁴¹ <https://www.voanews.com/a/australia-announces-118-million-deal-to-enhance-policing-in-solomon-islands-/7908092.html>

Deepening ties with ASEAN

- **Steps taken:** Labor launched the Southeast Asia Economic Strategy to 2040, offering 75 targeted recommendations to deepen economic ties. Australia hosted the ASEAN-Australia Special Summit to mark 50 years of engagement, signing agreements on climate, cybersecurity, and education.
- **Funding/Outcome:** Over AUD 500M committed.⁴²
- **Comment:** A major step forward, but delivering tangible infrastructure, education, and green economy projects fast is essential to retain credibility.

Indian Ocean Focus (IORA)

- **Steps taken:** Australia deepened its engagement with IORA by attending ministerial meetings, supporting the IORA Outlook on the Indo-Pacific, co-chairing the Maritime Safety and Security Working Group with India, and opening new diplomatic missions in the region.⁴³ | ⁴⁴ | ⁴⁵ | ⁴⁶
- **Funding/Outcome:** Funding included continued investment in blue economy projects and contributions to IORA's institutional reforms.
- **Comment:** Prime Minister Albanese has significantly reinvigorated Australia's relationship with IORA, with a clear strategy of engagement backed by resources. That said, IORA operates by consensus and includes diverse members, so progress can be slow.

Where did Labor falter?

<u>Foreign aid shortfalls</u> <u>undermine reputation</u>	Labor's platform committed to increase aid each year with a goal of reaching 0.5% of GNI over time but actual funding has fallen well short. Australia's Official Development Assistance remains stuck around 0.19% of GNI, a level so low it places Australia among the "stingiest" of OECD donors.⁴⁷
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⁴² <https://aseanaustralia.pmc.gov.au/resources/outcomes-summary>

⁴³ <https://ministers.dfat.gov.au/minister/tim-watts/speech/indian-ocean-roundtable-remarks-perth-usasia-centre#:~:text=We%20are%20committed%20to%20IORA,forum%20for%20the%20Indian%20Ocean>

⁴⁴ <https://ministers.dfat.gov.au/minister/tim-watts/speech/indian-ocean-roundtable-remarks-perth-usasia-centre#:~:text=first%20bilateral%20visit%20by%20an,to%20Bangladesh%20in%2026%20years>

⁴⁵ <https://iora-italy.org/think-tank-meeting-del-blue-carbon-hub/#:~:text=Referring%20to%20the%20Vebal%20Notice,2025>

⁴⁶ <https://www.dfat.gov.au/international-relations/regional-architecture/indian-ocean/iora/iora-priorities#:~:text=with%20India>

⁴⁷ <https://devpolicy.org/2025-australian-aid-update/#:~:text=holding%20the%20aid%20program%20steady,18>

<u>Defense capability gaps</u>	Many of the government's defense projects, like new submarines and advanced missiles, have long lead times. In the near term, some aging assets will retire before replacements arrive. For instance, the Collins-class diesel submarines, which is the backbone of Australia's Navy begin retiring in the 2030s, yet the new nuclear subs won't be ready for years after.⁴⁸
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A close look at party manifestos for election 2025

Australia's major parties present sharply contrasting foreign policy visions. Labor emphasizes regional partnerships, climate leadership, and balanced ties with global powers. The Liberals

How do Australia's major parties' 2025 election manifesto differ on foreign policy ?

The Labor Party Strengthening Regional Relationships: • Emphasis on deepening ties with Southeast Asian nations, including Indonesia, Malaysia, and Vietnam. • Focus on collaborative infrastructure and climate initiatives in the Pacific region. Engagement with Major Powers: • Advocates for a balanced approach to relations with both the United States and China. • Supports the AUKUS partnership, aiming to enhance Australia's defense capabilities. Climate Change and Global Leadership: • Host a future global climate summit in Adelaide, showcasing climate leadership. • Target 82% renewable electricity and a 43% emissions cut below 2005 levels by 2030.	The Liberal Party Climate Change and Global Leadership: • Establishing a series of nuclear power plants over the coming decades, staying away from green energy • Committed to achieving net zeroemissions by 2050 Rebalance Migration Program • Urgently address the record levels of migration intake under Labor by reducing the permanent migration intake by 25 per cent. • Reduce the number of international students studying at metropolitan universities. International Alliances: • Repair ties with allies like Israel and boost cooperation in the Quad and Five Eyes. • Partner with the Pacific and Southeast Asia for regional security and prosperity.	The Greens Peace and Non-Violence: • Advocate for an independent foreign policy centered on peace, proposing the cancellation of the AUKUS agreement and renegotiation of the ANZUS treaty. Human Rights and Ethical Trade: • Plan to legislate a ban on the import of goods produced using forced labor, aligning with global efforts to combat human rights abuses. Nuclear-Free Commitment: Propose formalizing Australia's commitment to a nuclear-free world by signing and ratifying the Treaty on the Prohibition of Nuclear Weapons.
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focus on nuclear energy, tighter migration controls, and strengthening Western alliances. The Greens call for an independent, peace-oriented foreign policy, with strong stances on human rights and nuclear disarmament.^{49|50|51}

⁴⁸ <https://www.theguardian.com/commentisfree/2024/mar/26/australia-aucus-deal-us-uk-submarines-virginia-class#:~:text=It%20seems%20to%20me%20the,scenario%20was%20a%20serious%20possibility>

⁴⁹ <https://www.abc.net.au/news/2022-04-20/federal-election-liberal-labor-nationals-greens-policy-positions/100482298>

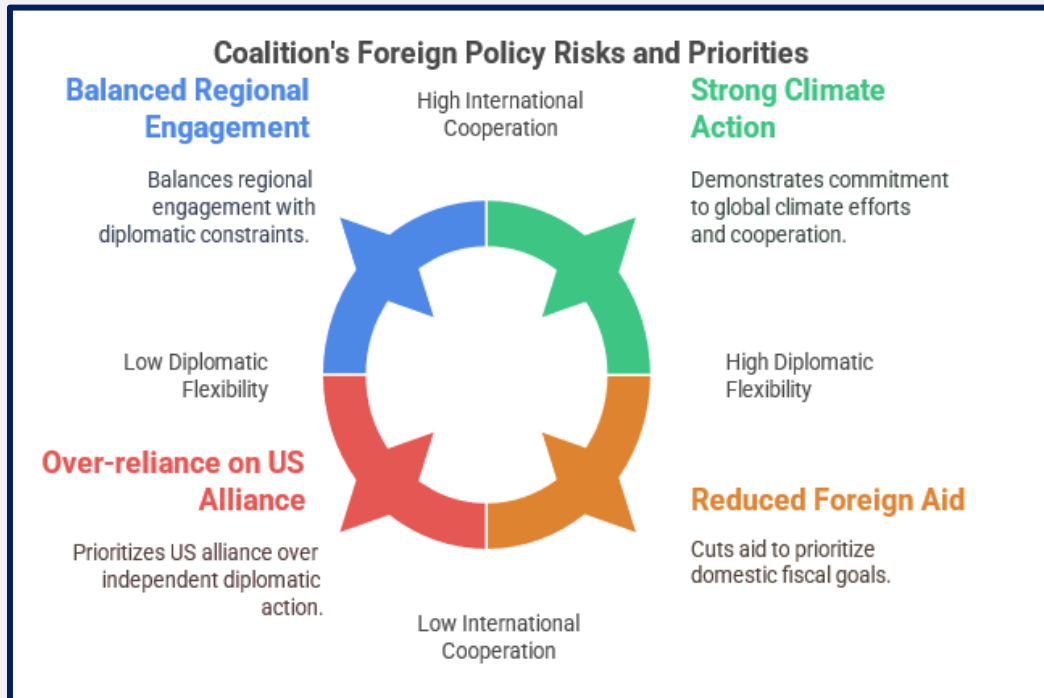
⁵⁰ <https://alp.org.au/securing-australia-s-place-in-the-world/>

⁵¹ <https://greens.org.au/platformb>

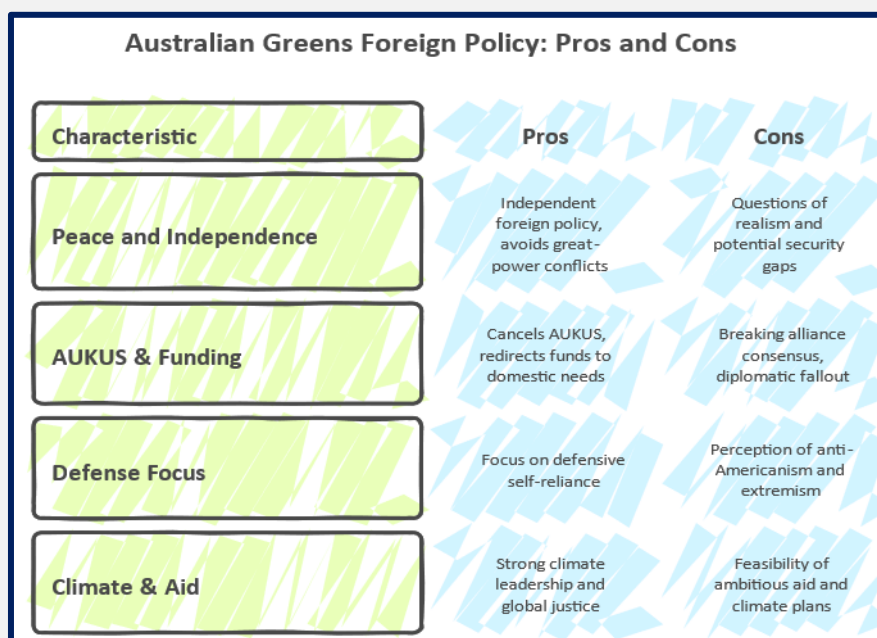
Labor: In the 2025 election, Labor presents a pragmatic and balanced foreign policy, having stabilized relations with China while maintaining strong US alliance commitments. It has prioritized Indo-Pacific diplomacy, moderately increased climate aid, and kept AUKUS on track with some strategic recalibration. However, Labor faces criticism for being slow in defense spending, vulnerable to internal left-wing pressure against AUKUS, and having only modest climate and aid ambitions. There are concerns about how it will handle alliance dynamics with Trump now back in the White House.



liberal: The Liberal-National Coalition offers a hard-security-first approach, promising faster defense buildup, tougher rhetoric and policies toward China, and full commitment to the AUKUS pact. Their strategy reassures allies and projects strength, but it risks escalating tensions with China, cutting foreign aid, weakening Australia's regional diplomacy, and over-relying on the US for strategic direction, especially if US foreign policy becomes more unpredictable.



Greens: The Greens seek to cancel AUKUS, massively boost climate diplomacy and aid, and focus purely on territorial defense. Their vision appeals to those wanting to reduce militarization and global inequality. However, their approach risks undermining Australia's defense deterrence, alienating critical allies like the US and UK, and faces major challenges in delivering on ambitious aid and climate plans realistically.



What lies ahead?

International issues vs. domestic pressures	Albanese's foreign policy efforts
- Foreign policy matters like the AUKUS pact and China relations are significant but often take a back seat to immediate economic concerns. - Rising cost of living and housing affordability dominate public attention.	- The Prime Minister has focused on stabilizing ties with China and strengthening alliances through AUKUS and the Quad. - However, voters are more concerned with how these efforts translate into real benefits at home.
2025 election stakes	Global and domestic significance
- The winning party must convince Australians it can deliver both security and prosperity. - Voters may assess candidates on their ability to navigate global challenges and deliver national growth.	- The election outcome will influence not just Australia's direction but also its standing with global partners and rivals. - Australia is entering a new political era, marked by fragmentation, pluralism, and a move beyond traditional centrist politics.
Rising political engagement	Desire for inclusive governance
- A record 98.2% voter enrolment, including 92% among youth.²⁰ - Millennials and Gen Z now outnumber older generations at the polls.²¹	Australians seek a political system that serves all citizens, including renters, workers, students, and small business owners.

The Albanese government has rebalanced Australia's foreign posture by softening rhetoric where needed, holding firm on principles, and investing in regional partnerships. However, the next administration will need to accelerate delivery on strategic promises if it wants to sustain public and international confidence.



Australia Election 2025

Cybersecurity, digital, and AI

Thoughts, analysis, and comments



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Australia Election 2025

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Cybersecurity, digital, and AI

Australia Election 2025: Cybersecurity, digital, and AI

Australia's 2025 federal election is drawing near, and alongside housing, healthcare, and climate policy, safeguarding digital infrastructure and personal data is another pressing electoral concern. A recent report reinforces urgency of the issue - Australia ranking among the top five most targeted countries for cyberattacks on critical infrastructure.

The Albanese government has made headway to scale up Australia's digital resilience. Including appointment of a cybersecurity minister, launching a comprehensive national strategy, and introducing a range of legislative reforms. However, continuous high-profile data breaches, service disruptions, national security risks, system tampering, and malicious surveillance undermine that effort. The debate expands beyond technical terminology and legislative detail. It concerns public trust, governance, and government's capacity to safeguard a digitally integrated society against future risks.

Promises made and.....

Labor Electoral Promises (2022-25)	Policies	Actions	Impact	Comments
Appointing a dedicated Minister for Cybersecurity Error! Bookmark not defined..	Created a cabinet-level Minister for Cyber Security.	Clare O'Neil was appointed as the first Minister for Cybersecurity Error! Bookmark not defined..	Improved coordination; gave cybersecurity more visibility.	Consolidating Cybersecurity within a "mega-Department" like Home Affairs could diminish contestability, efficiency, and oversight.
Developing a national Cyber Security Strategy Error!	Released the 2023 – 2030 Cyber Security Strategy ⁵² .	Launched six-shield framework; allocated \$586.9M to support the strategy + \$2.3B to	This multi layered framework boosted support for	Notable progress, but effectiveness depends on consistent implementation.

⁵² <https://www.homeaffairs.gov.au/about-us/our-portfolios/cyber-security/strategy/2023-2030-australian-cyber-security-strategy>

Bookmark not defined..		existing cyber uplift programs ⁵³ .	SMEs and citizens, ransomware reporting and standards.	
Expanding the tech workforce, including cyber talent⁵⁴.	Commitment to create 1.2M tech jobs by 2030; cyber training grants and TAFE programs ⁵⁵ .	Announced rounds of grants up to \$3 million for projects that will boost Australia's cyber security workforce ⁵⁶ .	Australia's tech workforce has seen impressive growth, with 8% increase in tech jobs, the successful introduction of fee-free TAFE courses leading to over 111,000 courses completed. ⁵⁷⁵⁸ However, lack of cybersecurity specialists, heavy reliance on migrants persists. ⁵⁹	On a steady course, but somewhat underwhelming results; ⁶⁰ urgent need to accelerate domestic talent pipeline.
Modernizing public services (e.g., myGov, Digital ID)⁶¹	Data and Digital Government Strategy (DDGS); ⁶² Digital ID Act 2024 ⁶³ .	Launched upgraded myGov portal/app; over 1M users in 3Error! Bookmark n months; 10M+ signed up for Digital ID; introduced AI Policy for responsible government use. ⁶⁴	Enhanced public service access; modest rise in public trust (61%); ⁶⁵ Digital ID streamlined secure access to 130+ services; growing trust but privacy concerns linger. 66	Success in digital transformation, though reliant on privacy assurance; Digital ID well-received but needs strong safeguards for broader trust.

⁵³ <https://www.landern.com.au/legal-insights-news/australian-cyber-security-strategy-factors-for-success-and-how-we-compare>

⁵⁴ <https://www.minister.industry.gov.au/ministers/husic/media-releases/mapping-out-australias-path-tech-jobs-future>

⁵⁵ <https://dynamicbusiness.com/topics/news/labor-pledges-million-tech-jobs-2030-election.html>

⁵⁶ <https://www.grantmart.com.au/news/grants-up-to-3-million-for-projects-that-will-boost-australias-cyber-security-workforce>

⁵⁷ <https://www.forbes.com.au/news/innovation/australia-on-track-to-hit-1-2-million-tech-jobs-by-2030/>

⁵⁸ <https://ministers.dewr.gov.au/giles/more-110000-australians-have-skilled-and-saved-big-thanks-free-tafe>

⁵⁹ <https://www.techrepublic.com/article/stickmancyber-report-australia-cybersecurity-skills-crisis/>

⁶⁰ <https://www.theaustraliatoday.com.au/australias-weak-digital-competitiveness-and-workforce-skill-shortages-exposed-by-new-figures/>

⁶¹ <https://www.itnews.com.au/news/labor-promises-audit-to-improve-mygov-579444>

⁶² <https://ministers.dss.gov.au/media-releases/14681>

⁶³ <https://www.digitalidsystem.gov.au/what-is-digital-id/digital-id-act-2024>

⁶⁴ <https://industrialcyber.co/ai/australian-government-rolls-out-ai-policy-for-responsible-government-use/>

⁶⁵ <https://publicsectornetwork.com/insight/public-trust-how-much-does-the-australian-government-really-have>

⁶⁶ <https://theconversation.com/australias-new-digital-id-scheme-falls-short-of-global-privacy-standards>

Enhancing broadband and digital access⁶⁷	NBN Full-Fibre Upgrade Legislation ⁶⁸	Upgraded NBN in 1.5M premises investing \$2.4B, ⁶⁹ targeted regional areas ⁷⁰ .	Improved speeds/access; supports inclusion and online services.	Effective investment in equitable digital infrastructure.
Introducing strong data protection and cybercrime deterrence⁷¹	Amended Privacy Act; passed Cyber Security Act 2024 ⁷² ; Online Safety Amendment (Social Media Minimum Age) Act 2024 ⁷³ .	Increased penalties for breaches; mandated ransomware and IoT standards; Banned social media access for teens under-16s.	Set stronger compliance norms; yet breaches (Optus, Medibank, MediSecure, etc.) continue; Aims to safeguard young Australians' mental and physical health, sparked controversy.	Robust laws but enforcement and corporate governance remain weak; Ambitious step but far too controversial, there are risks overlooking both the technological limitations and the social nuances involved. ⁷⁴

The Albanese government entered office with a forward-leaning digital agenda. Among others, the government introduced the 2023 - 2030 Cyber Security Strategy, an ambitious plan structured around six key “cyber shields.”⁷⁵ The creation of a National Cyber Security Coordinator and the passage of supporting legislation followed.

Public service delivery has seen marked improvements. The modernized myGov app and investments in fibre broadband enhanced digital access, particularly in regional areas.⁷⁶ Together, these platforms streamlined access to services and strengthened digital identity protections, reflecting a growing public appetite for secure and convenient digital engagement. Significant investments were made in infrastructure and institutional capacity. The fibre broadband upgrade improved connectivity, especially in underserved areas.

⁶⁷ <https://www.theguardian.com/technology/2022/oct/19/labor-promises-full-fibre-nbn-access-to-15m-homes-and-businesses-by-2025>

⁶⁸ <https://www.pm.gov.au/media/only-labor-will-finish-nbn-and-keep-it-public-hands>

⁶⁹ <https://www.afr.com/politics/federal/labor-says-35b-investment-in-nbn-enough-to-finish-the-job-20250113-p5l3rz>

⁷⁰ <https://www.infrastructure.gov.au/departments/media/news/final-nbn-upgrades-works>

⁷¹ <https://alp.org.au/news/cyber-strategy-signals-generational-shift-in-response-to-growing-threat/>

⁷² <https://privacymatters.dlapiper.com/2024/12/australia-privacy-act-amendments-and-cyber-security-act-become-law/>

⁷³ <https://www.corrs.com.au/insights/social-media-use-in-australia-to-be-restricted-for-under-16s#>

⁷⁴ <https://pursuit.unimelb.edu.au/articles/banning-kids-from-social-media-theres-a-better-way>

⁷⁵ <https://www.innovationaus.com/new-cyber-strategy-to-protect-australia-with-six-shields-oneil/>

⁷⁶ <https://www.afr.com/politics/federal/labor-says-35b-investment-in-nbn-enough-to-finish-the-job-20250113-p5l3rz>

In parallel, the government has ramped up efforts to secure critical infrastructure and the broader digital arena. The Australian Signals Directorate (ASD) benefited from increased funding under the \$9.9 billion REDSPICE initiative.⁷⁷

Where the system still falters

Despite visible progress, persistent and large-scale data breaches have raised critical questions about the effectiveness of the measures implemented. Between 2022-24, Australia experienced four of its most significant cyberattacks; targeting Optus, Medibank, Latitude Financial, MediSecure, etc.^{78, 79, 80} These breaches compromised the personal data of millions, sparking public concern over institutional safeguards.

Substantial financial toll: Optus lost around AUD \$140 million,⁸¹ while Medibank's breach added over AUD \$125 million in damages.⁸² Including Latitude and MediSecure, total losses exceeded AUD \$200 million.^{83, 84}

Enduring vulnerabilities: Following the high-profile breaches, the government responded promptly through joint task forces, legislative adjustments, and international sanctions.⁸⁵ Subsequent cyberattacks, however, like the recent case of major pension funds, prove ongoing gaps in security practices i.e., the lack of stronger authentication measures and proactive monitoring to safeguard against suspicious activity.^{86, 87}

Security risks stemming from AI: Australia has been slow to formally recognize AI as a core cybersecurity threat, despite warnings from a Senate inquiry that generative AI could be exploited to create bioweapons, launch advanced phishing attacks, and spread deepfake-driven misinformation.⁸⁸ While voluntary safety standards and proposed guardrails for high-risk AI use have been introduced, it is argued that only enforceable regulations and targeted cybersecurity investments can effectively manage the growing risks.

⁷⁷ <https://www.theguardian.com/australia-news/2022/mar/29/redspice-budget-ushers-in-australias-biggest-ever-cybersecurity-spend>

⁷⁸ <https://www.techrepublic.com/article/optus-medibank-data-breaches-australia/>

⁷⁹ <https://www.latitudefinancial.com.au/latitude-cyber-incident/>

⁸⁰ <https://www.theguardian.com/australia-news/article/2024/jul/18/medisecure-reveals-about-129-million-australians-had-personal-data-stolen->

⁸¹ <https://www.smh.com.au/business/companies/optus-puts-aside-140m-to-replace-customers-hacked-identity-documents-20221110-p5bx4g.html>

⁸² <https://ia.acs.org.au/article/2024/data-breach-to-cost-medibank-more-than-125m-.html>

⁸³ <https://www.businessnewsaustralia.com/articles/2023--most-challenging-year--for-latitude-as-group-posts--158-5m-loss.html>

⁸⁴ <https://www.bankinfosecurity.asia/medisecure-files-for-liquidation-following-major-data-breach-a-25420>

⁸⁵ <https://www.foreignminister.gov.au/minister/penny-wong/media-release/further-cyber-sanctions-response-medibank-private-cyberattack>

⁸⁶ <https://www.reuters.com/technology/cybersecurity/multiple-australian-pension-funds-hit-by-coordinated-hacking-media-reports>

⁸⁷ <https://dinospeaks.medium.com/cyberattacks-on-australian-superannuation-funds-accountability-and-policy-gaps>

⁸⁸ <https://www.theaustralian.com.au/nation/senate-inquiry-calls-for-more-government-regulation-of-generative-ai/>

Severe workforce limitations: A major bottleneck remains workforce capacity. There are only 11,387 core cybersecurity professionals in the country, roughly 1 for every 240 businesses. Women represent just 5% of senior cybersecurity specialists, and more than half of all professionals in the field are from overseas.⁸⁹ This not only limits national resilience but reflects an unaddressed gap in the domestic pipeline.

Coordination remains inconsistent: The Albanese government has made international cooperation a priority, but coordination across state governments, private firms, and federal agencies remains a work in progress.

Governance gaps persist at the top: Moreover, cybersecurity is often treated as a compliance box to tick, not a strategic priority. Many corporate boards still lack directors with relevant cyber expertise. Superannuation breaches in 2025 revealed that even Australia's \$4.2 trillion retirement system lacked foundational protections.⁹⁰

Lack of investment in cybersecurity R&D: Although Australia's cyber sector contributed \$9.99 billion to Gross Value Added (GVA) and secured \$348 million in investment,⁹¹ targeted investment in cybersecurity R&D remains critically low.

2025 election: Diverging visions in the digital age

The Labor Party is campaigning on a platform of continued reform, citing the Cyber Security Act 2024, new mandates for Internet-of-Things (IoT) device security, and a framework for ransomware reporting. These measures are framed as part of a steady, multi-phase strategy.⁹²

The Coalition, on the other hand, is advocating for a re-centralization of authority. It proposes restoring the Department of Home Affairs as the central command for national security, including cyber. This approach emphasizes tighter structural oversight, critiquing the current model for its perceived fragmentation.⁹³

⁸⁹ <https://www.techrepublic.com/article/stickmancyber-report-australia-cybersecurity-skills-crisis/>

⁹⁰ <https://archive.is/20250407103045/https://www.afr.com/policy/tax-and-super/cyberattack-exposes-labor-big-super-weakness-20250407-p5lps1>

⁹¹ <https://www.cyberdaily.au/security/11990-australian-cyber-network-releases-inaugural-state-of-the-industry-2024-report>

⁹² <https://www.landars.com.au/legal-insights-news/cyber-security-bill-2024-australias-first-whole-of-economy-cyber-security-law-revealed>.

⁹³ <https://www.senatorpaterson.com.au/news/paterson-outlines-security-overhaul?ref=cybernewscentre.com>

The Greens, meanwhile, are focusing on emerging technologies and ethical governance, championing stronger controls on AI, safeguards against deepfakes, and broader civil liberties protections in the digital sphere.⁹⁴

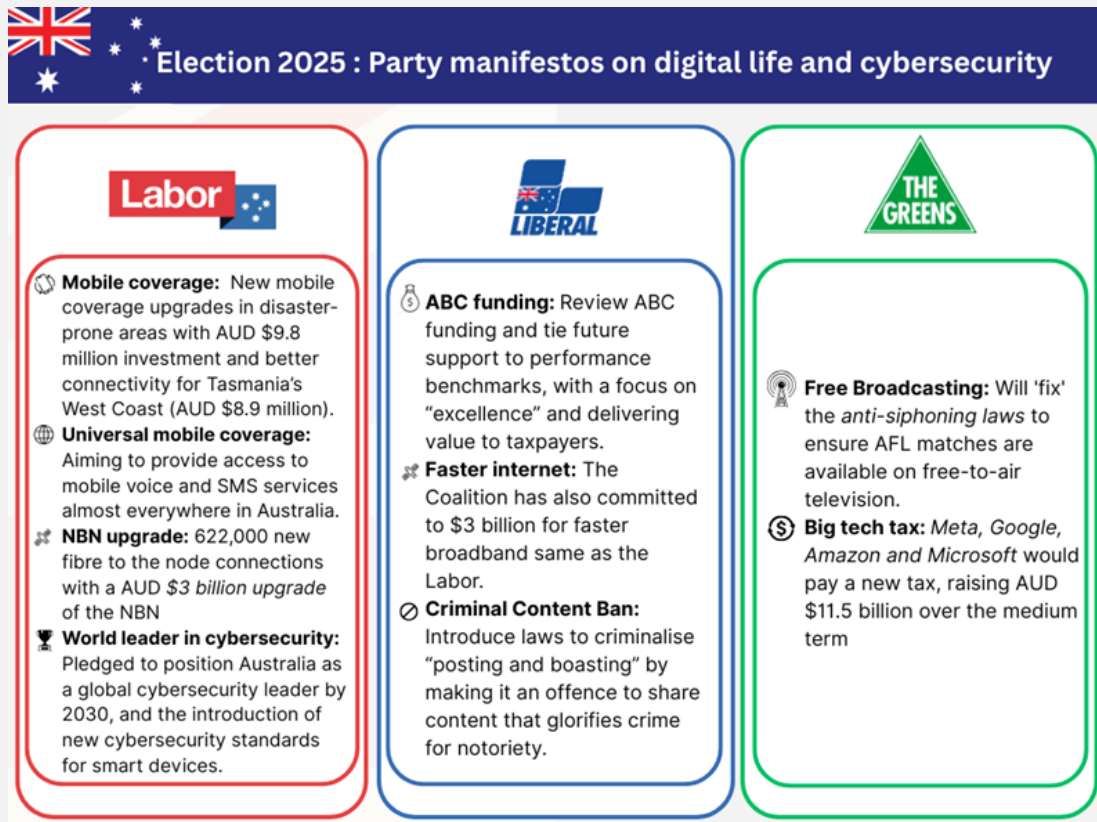


Figure: Australia's major party manifestos of the 2025 election

What lies ahead?

As Australia moves into Horizon Two of its Cyber Security Strategy, it is about far more than preventing "hacks." It's about securing democracy, defending privacy, and building resilience in a world that grows more connected, and more vulnerable, by the day. The focus needs to shift to effective implementation.

- **Turning plans into practice:** Key reforms like ransomware reporting, IoT security standards, and cyber incident reviews are still in early stages. Their effectiveness depends on timely, coordinated rollout across government and industry.

⁹⁴ <https://greens.org.au/policies/digital-rights-and-information-technology>

- **Adapting to a shifting threat landscape:** AI-driven scams, digital sabotage, and supply chain vulnerabilities are already testing national resilience.⁹⁵ Australia must be proactive, not reactive, in addressing these risks. Furthermore, The Australian Security Intelligence Organisation has identified espionage and foreign interference as the most pressing security concerns, surpassing terrorism. Foreign entities are actively targeting Australia's defense systems, including attempts to infiltrate military personnel and the use of surveillance devices.⁹⁶
- **Closing Australia's Cyber R&D Gap:** Australia ranks 15th in the IMD World Digital Competitiveness Index,⁹⁷ reflecting a growing gap between its digital ambitions and its limited investment in cybersecurity R&D. Without stronger funding for academic research and industry innovation, the country risks deeper talent shortages, overreliance on foreign tech, and greater exposure to large-scale cyber threats.
- **Securing emerging technologies:** As AI, cloud computing, and connected devices become integral to public infrastructure, securing these systems must go hand-in-hand with adopting them. This also extends to safeguarding critical infrastructure, i.e., energy grids, transportation systems, and the electoral process. Additionally, addressing strategic risks through increased investment in cyber capabilities for defense and national security.⁹⁸
- **Closing the human gap:** Workforce shortages and a lack of cyber-literate leadership continue to undermine progress. It is essential to strengthen Australia's cybersecurity workforce by enhancing training and inclusivity.
- **Embedding cybersecurity in governance and business:** Transparency and accountability must be guaranteed from the state's side. The government should mandate board-level accountability and embed cybersecurity standards into corporate governance policies to ensure cyber resilience is treated as a core strategic priority, not just a backend IT concern.

The next government must build on today's progress with long-term vision and decisive action, ensuring that Australia's digital future is secure, inclusive, and resilient. Voters will not only assess past performance but also weigh each party's capacity to deliver credible, consistent leadership in securing Australia's digital future.

⁹⁵ <https://www.theaustralian.com.au/breaking-news/greens-say-ai-deepfakes-could-influence-the-next-election/news-story/>

⁹⁶ <https://www.intelligence.gov.au/news/asio-annual-threat-assessment-2025>

⁹⁷ <https://www.innovationaus.com/ai-lifts-australias-sluggish-digital-competitiveness/>

⁹⁸ <https://industrialcyber.co/critical-infrastructure/australia-expands-cybersecurity-coverage>