



# **Labor's second term**

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## **9 priorities for defence policy & strategy**

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Between 2022-2025 the government had spent over \$1 billion in defence investment to develop a new submarine base, speed up the Guided Weapons and Explosive Ordnance Enterprise, and bring new frigates into service.<sup>1</sup> It had also strived to deepen military ties across the Indo-Pacific, through QUAD and AUKUS Pillar Two initiative.<sup>2</sup> On the international front, Labor has been a strong supporter of Ukraine, announcing a \$250 million military aid package in July 2024.<sup>3</sup> This was Australia's biggest contribution to Ukraine since the start of the war with Russia. The first 100 days is important to reinforce Australia's defence strategy as outlined in the nine key areas that merit immediate attention.

### **1. Advance defence strategic review implementation**

In 2024, Labor launched the inaugural National Defence Strategy, which fundamentally reorients Australia's defence posture to focus on a Strategy of Denial.<sup>4</sup> This approach aims to deter potential adversaries from projecting force or its interests, especially considering increased geopolitical instability in the Indo-Pacific region and beyond. In its second term, the government needs to accelerate the rollout of concrete recommendations from the Defence Strategic Reviews and draw out a roadmap for reaching the government's goals.

### **2. Ensure budget sustainability and reform**

The government should commit to clear and accountable defence budgeting to sustain public confidence. The election emphasized a funding debate where Labor plans to raise defence spending to about 2.3% of GDP over the decade.<sup>5</sup> Given economic pressures, the government must articulate how marquee investments (AUKUS submarines, new weapons, etc.) will be paid for without hollowing out other forces given there are claims that AUKUS is already absorbing much of the increased budget, potentially at the expense of other priorities.<sup>6</sup> In the first 100 days, the government should roll out a 10-year defence capability plan with project timelines and costs, as recommended by the Strategic Review.<sup>7</sup>

### **3. Grow and retain a skilled defence workforce**

The government has acknowledged workforce shortages as a critical hurdle (for example, the submarine program needs 20,000 extra workers over 30 years).<sup>8</sup> In late 2023 the government unveiled a detailed action plan to grow South Australia's defence industry workforce. Twenty-two initiatives have been outlined in the report to increase the workforce from 3,500 to 8,500 by the 2040s, including STEM education for 27,000 students and new apprenticeship pipelines.<sup>9</sup>

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<sup>1</sup> <https://www.reuters.com/world/asia-pacific/australia-speed-up-1-billion-defence-spending-budget-says-defence-minister-2025-03-24/>

<sup>2</sup> <https://www.foreignminister.gov.au/minister/penny-wong/media-release/joint-statement-australia-new-zealand-foreign-and-defence-ministerial-consultations-anzmin>

<sup>3</sup> <https://www.9news.com.au/national/australia-provides-record-250-million-dollar-military-aid-package-for-ukraine/627f49cf-c498-4098-9468-4681a51273e7>

<sup>4</sup> <https://www.aspistrategist.org.au/what-exactly-is-australias-strategy-of-denial-meant-to-do/>

<sup>5</sup> <https://www.abc.net.au/news/2025-04-26/defence-funding-promises-coalition-aukus-navy/105213426>

<sup>6</sup> <https://www.abc.net.au/news/2025-04-26/defence-funding-promises-coalition-aukus-navy/105213426>

<sup>7</sup> <https://www.minister.defence.gov.au/speeches/2024-04-17/launch-national-defence-strategy-integrated-investment-program>

<sup>8</sup> <https://breakingdefense.com/2025/03/new-australian-submarine-industrial-base-strategy-calls-for-30-billion-aud-investment/>

<sup>9</sup> <https://www.minister.defence.gov.au/media-releases/2023-11-10/investing-our-defence-industry-workforce-future>

Labor should replicate such initiatives nationally and invest in STEM scholarships and defence trade training, expand programs to attract veterans and women into defence roles, and work with states on establishing technical colleges for shipbuilding, aerospace and cyber. An early signal could be creating a Defence Skills Taskforce to unify stakeholders (military, industry, universities, unions) and track progress.

#### **4. Continue to enhance long-range strike and munitions manufacturing**

During 2022-25, Labor secured agreements with the US to start local production of guided missiles. As per the MOU, from 2025, the government will assemble and co-produce Guided Multiple Launch Rocket System (GMLRS) munitions domestically.<sup>10</sup> An initial MoU enables a first batch to be built in Australia in 2025, a key milestone toward a sovereign missile industry. The plan includes constructing a new facility capable of turning up to 4,000 GMLRS rockets annually by 2029.<sup>11</sup> Early in the new term, the government should lock in the site and funding for this facility and ensure technology transfer and training with partner Lockheed Martin Australia proceed on schedule.<sup>12</sup>

#### **5. Progress AUKUS submarine acquisition**

Labor had previously emphasized that AUKUS is being pursued transparently and in consultation with regional partners, particularly ASEAN. They stressed the importance of stabilizing relations with China while maintaining sovereignty and security interests.<sup>13</sup> On that note, it should keep the trilateral AUKUS pact on schedule by investing in domestic capability and workforce. The government has released a strategy calling for \$30 billion to prepare Australia's industrial base for building nuclear submarines.<sup>14</sup> Initial action includes expanding local industry involvement (e.g. via a new supplier qualification pilot with US partner HII) and training skilled workers, supporting Labor's commitment to a "multi-decade, multi-billion-dollar endeavour" that strengthens Australia's military and industrial capacity.<sup>15</sup>

#### **6. Strengthen the northern defence bases**

The government must implement the Defence Strategic Review (DSR) recommendation to remediate northern bases, which are Australia's first line of defence in the Indo-Pacific.<sup>16</sup> With China's military build-up and other regional threats, the DSR called for comprehensive upgrades to northern airfields, ports, and barracks without delay. Labor has already allocated \$14-18 billion over the next decade for a logistically connected and resilient northern base network, including \$1 billion in immediate projects like runway expansions at RAAF Learmonth.<sup>17</sup>

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<sup>10</sup> <https://www.minister.defence.gov.au/media-releases/2025-03-17/albanese-government-purchases-more-guided-missiles-part-future-made-australia>

<sup>11</sup> <https://www.minister.defence.gov.au/media-releases/2025-03-17/albanese-government-purchases-more-guided-missiles-part-future-made-australia>

<sup>12</sup> <https://www.minister.defence.gov.au/media-releases/2025-03-17/albanese-government-purchases-more-guided-missiles-part-future-made-australia>

<sup>13</sup> <https://www.australiandefence.com.au/news/news/marles-addresses-regional-stability>

<sup>14</sup> <https://breakingdefense.com/2025/03/new-australian-submarine-industrial-base-strategy-calls-for-30-billion-aud-investment/>

<sup>15</sup> <https://www.minister.defence.gov.au/media-releases/2025-03-06/australian-submarine-supplier-qualification-pilot-program-supporting-local-business>

<sup>16</sup> <https://www.abc.net.au/news/2025-04-24/how-is-australias-northern-coastline-being-defended/105201488>

<sup>17</sup> <https://www.abc.net.au/news/2025-04-24/how-is-australias-northern-coastline-being-defended/105201488>

## **7. Boost cyber security defence technology**

Implement Australia's Cyber Security Strategy 2023-2030 to guard against escalating cyber threats. The strategy, launched in late 2023, outlines a whole-of-nation approach built around six cyber shields, from securing businesses and critical infrastructure to enhancing threat-sharing and international cyber partnerships.<sup>18</sup> In the first 100 days, the government should roll out priority initiatives for example, standing up the new National Cyber Security Coordinator's office and tightening cyber defences for energy, transport and defence networks.

The goal is to make the nation a world leader in cyber resilience by 2030.<sup>19</sup> Early actions could include launching Cyber Rapid Response teams for the Pacific (an initiative to help neighbours during cyber incidents) and pushing forward legislation from the 2024 Cyber Security Act package.<sup>20</sup>

## **8. Address needs of the veterans**

The new government should act on the findings of the Royal Commission into Defence and Veteran Suicide to improve the welfare of ADF members and ex-service personnel. The Royal Commission's final report (2023) exposed cultural problems and service deficiencies; the government has accepted 104 of its 122 recommendations.<sup>21</sup>

In the first 100 days, Labor should oversee the establishment of a new independent statutory body to drive and monitor reforms, an interim head is to be appointed as soon as possible ahead of legislation.<sup>22</sup><sup>23</sup><sup>24</sup> Prompt action will build momentum on critical issues like mental health support, transition assistance, and reducing DVA claim backlogs, showing Labor's commitment to "real, meaningful and enduring reform" for veterans and families.<sup>25</sup>

## **9. Deepen regional and international defence partnerships**

Labor should use the first 100 days to finalize a Defence Cooperation Treaty with Papua New Guinea (PNG), building on the Bilateral Security Agreement signed in 2023, which will broaden joint activities and support PNG's security capacity.<sup>26</sup> Similarly, the government should continue expanding ties with Southeast Asian partners. For example, follow up on Australia's new Strategic Partnership with the

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<sup>18</sup> <https://www.dfat.gov.au/international-relations/themes/cyber-affairs-and-critical-technology>

<sup>19</sup> <https://www.dfat.gov.au/international-relations/themes/cyber-affairs-and-critical-technology>

<sup>20</sup> <https://www.dfat.gov.au/international-relations/themes/cyber-affairs-and-critical-technology>

<sup>21</sup> <https://www.minister.defence.gov.au/media-releases/2024-12-02/governments-response-final-report-royal-commission-into-defence-veteran-suicide>

<sup>22</sup> <https://www.minister.defence.gov.au/media-releases/2024-12-02/governments-response-final-report-royal-commission-into-defence-veteran-suicide>

<sup>23</sup> <https://www.minister.defence.gov.au/media-releases/2024-12-02/governments-response-final-report-royal-commission-into-defence-veteran-suicide>

<sup>24</sup> <https://www.minister.defence.gov.au/media-releases/2024-12-02/governments-response-final-report-royal-commission-into-defence-veteran-suicide>

<sup>25</sup> <https://www.minister.defence.gov.au/media-releases/2024-12-02/governments-response-final-report-royal-commission-into-defence-veteran-suicide>

<sup>26</sup> <https://www.minister.defence.gov.au/statements/2025-02-20/joint-statement-australia-papua-new-guinea-defence-ministers-meeting>

Philippines by scheduling further joint patrols or exercises in the South China Sea, reinforcing a shared commitment to regional rules and sovereignty.<sup>27</sup>

From advancing the AUKUS partnership and strengthening cyber defence, to building sovereign capabilities and supporting veterans, each action is a building block toward a stronger, smarter, and more self-reliant defence force. Delivering early results will not only reinforce the government's credibility among allies and partners but also demonstrate to the general people that their government is prepared, proactive, and committed to safeguarding the nation's interests.

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<sup>27</sup> <https://www.theguardian.com/world/2023/nov/25/australia-and-philippines-begin-joint-patrols-in-south-china-sea-as-regional-tensions-rise>