

MEDIA RELEASE

\$5.4 BILLION DEFENCE CUTS PUT AUSTRALIA'S NORTH AT RISK

The defence cuts outlined in last night's federal Budget put at serious risk Australia's northern economic and strategic interests, according to John Shipp, Director of the IPA/ANDEV North Australia Project.

"Everyone agrees we now need more strategic defence investment in Northern Australia yet the government has instead raided Australia's defence budget," said Mr Shipp.

In pursuit of a modest \$1.5 billion surplus for 2012-13, the government has cut defence by \$5.4 billion over the next four years and announced delays to submarine and fighter jet acquisitions.

"In response to the 2009 Defence White Paper, the government committed to an average annual three per cent increase in defence spending. The government has failed to deliver on this promise."

"The Americans understand the increasing strategic importance of Northern Australia, with the recent commitment to rotate Marines through Darwin. Apparently our own government does not."

"The cuts also place in jeopardy the Defence Force Posture Review, which recommended a larger footprint in North Australia to defend Australia's key strategic and economic interests."

"Billions of dollars of resources in the region could be at serious risk of terrorist or military threat without vigilant protection."

"It makes no sense to cut spending on defence at a time when Australia is facing an increasingly competitive security environment in the Asia-Pacific region," said Mr Shipp.

The Institute of Public Affairs, in conjunction with Australians for Northern Development and Economic Vision (ANDEV), is calling for the establishment of a Northern Special Economic Zone (SEZ) to harness development and growth in Australia's North.

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