THE GOVERNMENT'S DEFENCE POLICY

FRAMEWORK

June 2000

Introduction

1. A new approach to defence was one of the key policies of the Government when it was elected. This statement covers the Government's goals and priorities for defence. It provides a framework for future decisions about military capabilities, resources and funding.

2. The Government's approach to defence has been substantially guided by, and builds on, the *Defence Beyond 2000 Report,* which was released last year by Parliament's Foreign Affairs, Defence and Trade Select Committee. The select committee process provided opportunity for wide public involvement and debate on defence issues and priorities. The resulting report gained considerable public and parliamentary support. The Government believes that it provides a sensible foundation for building a lasting, long-term consensus on defence.

3. Defence is one aspect of New Zealand's foreign and security policy. Defence policy and foreign policy are a partnership aimed at securing New Zealand's physical, economic, social and cultural well being, and meeting our regional and global responsibilities. The Government will work to promote a comprehensive approach to security.

4. New Zealand's primary defence interests are protecting New Zealand's territorial sovereignty, meeting shared alliance commitments to Australia and fulfilling obligations and responsibilities in the South Pacific. The wider Asia-Pacific strategic environment, of which we are a part, is also relevant. New Zealand is not directly threatened by any other country and is not likely to be involved in widespread armed conflict.

5. The Government believes that New Zealand can best contribute to regional stability and global peace by promoting comprehensive security through a range of initiatives including diplomacy, the pursuit of arms control and disarmament, addressing global environmental concerns, providing development assistance, and building trade and cultural links. New Zealand will continue to meet its UN Charter commitments to the maintenance of international peace and security. Underpinning this approach is the Government's strong commitment to maintaining New Zealand's nuclear free status and promoting a nuclear free South Pacific.

6. There are a number of technical terms used in this statement. These are explained in an attached glossary.

The Strategic Setting

7. Events in the region over the past decade have included:

   - the Asian economic meltdown;
   - India and Pakistan acquiring a nuclear capability;
   - continuing tension on the Korean Peninsula and between China and Taiwan;
   - civil unrest and tension in Pacific Island States;
   - constitutional change in Indonesia, and the creation of an independent East Timor;
   - the rebuilding of Cambodia and continuing repression in Myanmar.

8. There are positive signs. Neither South East Asia nor the Pacific faces an obvious external security threat; the damaged Asian economies are recovering; and in some troubled areas, collective action is helping to lower tensions. But there are challenges as well, including:

   - increasing intra-state conflict;
   - competition for marine resources in the waters around us;
   - problems arising from weak governments;
   - controlling global illegal trades.

9. Circumstances can change. It is important to keep a close watch on developments of strategic importance. The Government will do this by way of regular assessments of:

   - the strategic environment;
   - military technology;
   - regional capabilities;
   - economic and social developments.

10. These assessments, to be undertaken by appropriate Government agencies, will inform defence policy, capability formulation and planning, programming and budgeting actions. They will also inform what the Government wants the New Zealand Defence Force (NZDF) to do, in New Zealand, in the region, and in the rest of the world.

New Zealand's Security Interests

11. The Government endorses the broad strategic outcomes identified by the Foreign Affairs, Defence and Trade Select Committee in its *Defence Beyond 2000* report:

    - A secure **New Zealand** including its people, land, territorial waters, exclusive economic zone, natural resources and critical infrastructure;

    - A strong strategic relationship with **Australia** in support of common interests for a secure and peaceful region;

    - A political environment in the **South Pacific** in which national economies, societies and identities continue to evolve in a climate of good governance and internationally agreed standards of compliance with human rights;

    - An expanding role in the regional dialogue of **South East and North East Asia** and, where appropriate, a role in regional security consistent with New Zealand's interests and capabilities;

    - A **global** approach which supports New Zealand's place in an international community committed to the maintenance of human rights and the collective security responsibilities enshrined in the United Nations (UN) Charter, and which strengthens New Zealand's international economic linkages.

The Key Elements of the Government's Approach to Defence

12. New Zealand's defence and security policies will be based on New Zealand's own assessment of the security environment and on what action is considered to be in New Zealand's best interests.

13. The primary reason for maintaining a defence force is to secure New Zealand against external threat, to protect our sovereign interests, including in the Exclusive Economic Zone (EEZ), and to be able to take action to meet likely contingencies in our strategic area of interest.

14. The Government recognises the need to work collaboratively with like-minded partners. In this context, there is no strategic partnership closer than that with Australia. New Zealand will continue to meet its obligations as a member of the Five Power Defence Arrangements (FPDA).

15. New Zealand has special obligations to Pacific neighbours to assist in maintaining peace, preserving the environment, promoting good governance and helping achieve economic well being. We want a secure neighbourhood and we must work towards that. East Timor and Bougainville have demonstrated that New Zealand has a role to play in helping keep the peace in

our region. The Government believes that this role extends beyond the provision of military support. It also includes assisting peace processes through diplomacy and mediation.

16. The Government considers peace support operations are important for maintaining security and stability. New Zealand will make as full a contribution to such actions as is reasonably possible. We will continue to base our global engagement on active support for, and participation in, UN and appropriate multi-national peace support operations.

17. The Government will continue to maintain a nuclear free New Zealand and protect the integrity of the nuclear free policy. It will also promote a nuclear free South Pacific.

18. New Zealand will not engage in military co-operation or exercises with the armed forces of states which sanction the use of their armed forces to suppress human rights. This does not preclude New Zealand involvement in UN peace support or other appropriate multinational peace support operations where the armed forces of such countries are also involved.

The Government's Defence Policy Objectives

19. The Government has established five key objectives for New Zealand's defence policy. These are:

- to defend New Zealand and to protect its people, land, territorial waters, EEZ, natural resources and critical infrastructure;
- to meet our alliance commitments to Australia by maintaining a close defence partnership in pursuit of common security interests;
- to assist in the maintenance of security in the South Pacific and to provide assistance to our Pacific neighbours;
- to play an appropriate role in the maintenance of security in the Asia-Pacific region, including meeting our obligations as a member of the FPDA;
- to contribute to global security and peacekeeping through participation in the full range of UN and other appropriate multilateral peace support and humanitarian relief operations.

Roles and Tasks of the NZDF

At home and in our neighbourhood

20. Within New Zealand and its neighbourhood, the NZDF will be used to:

- ensure the sovereignty of our EEZ and territorial waters;
- protect our interests in the Southern Ocean and Ross Dependency;
- counter any threat posed by terrorism or acts of sabotage;
- provide support in civil defence and other emergencies;
- contribute to the Government's social and economic priorities by providing opportunities for training and rewarding careers.

With Australia

21. The NZDF will operate with the Australian Defence Force to protect territorial sovereignty and in support of a secure and peaceful region.

In the South Pacific

22. In the South Pacific, the NZDF will be used to:

- meet our constitutional responsibilities for defence of the Cook Islands, Niue and Tokelau;
- contribute to maintenance of peace and stability in the South Pacific;
- meet our international obligations for search and rescue and for emergency medical evacuation;
- strengthen our relationships in the Pacific through our Mutual Assistance Programme (MAP), including providing defence assistance and ODA delivery;
- assist with surveillance of Pacific Islands countries' EEZs;
- provide protection for, and if necessary assist in the evacuation of, New Zealand nationals in civil emergencies;
- provide assistance after natural and humanitarian disasters.

In the Asia-Pacific Region

23. In the Asia-Pacific region the NZDF will:
    - continue to participate in FPDA activities;
    - build upon existing co-operative bilateral defence relations with Singapore, Malaysia, Thailand and the Philippines;
    - develop a broader-based defence dialogue with other nations in East Asia.

24. In East Asia, New Zealand's security policy will include active participation in important regional fora such as APEC and the ASEAN Regional Forum; a constructive approach to regional human rights initiatives; and, where necessary and feasible, mediation and peace support operations.

Globally

25. New Zealand will meet its UN Charter commitments to maintenance of international peace and security. The NZDF will contribute to United Nations and other appropriate multilateral peace support and humanitarian relief operations. Due regard will be given to the increasing complexity and danger of these operations. The Government supports development of a permanent UN military capacity.

Shaping and Rebuilding the NZDF

26. To meet the Government's defence policy objectives the NZDF must be able to offer an adequate range of capabilities which are realistically attainable.

27. Priority will be given to investing in force elements which are trained, equipped and maintained at appropriate levels of combat viability and readiness. Available resources will be concentrated in areas where they are most needed. This will mean a shift towards a range of military capabilities which are sustainable, safe and effective in combat and in peacekeeping, and structured for maximum operational and political impact.

28. The three armed services work most effectively when they work together. To ensure a fully coordinated and structured approach to joint operations, the existing Navy, Army and Air Force operational headquarters will be combined into a joint operational headquarters.

29. Seven principles will guide the Government as it reshapes and structures the NZDF. They are that the NZDF is:

- **Equipped and trained for combat and peacekeeping.** In order to fulfil the key tasks the Government envisages for the NZDF, it must be appropriately equipped and trained for both combat and peacekeeping.
- **Deployable.** Being able to bring forces to bear when they are most needed is dependent on deployability. This is of particular concern to New Zealand. To be able to deploy and sustain our forces, particularly over large distances, requires a flexible and adaptable mix of air and sealift capabilities.
- **Able to operate alongside other forces.** Exercising bilaterally with Australia and multilaterally through the FPDA builds up the NZDF's interoperability.
- **Held at appropriate levels of readiness.** It is a false economy not to have the NZDF equipped and trained at appropriate levels of readiness.
- **Sustainable.** Deployments may be for long periods and involve rotation of personnel and equipment. NZDF resources will be managed to ensure that commitments can be sustained.
- **Up to date in technology and doctrine.** It is essential that the NZDF keep abreast of technological and other changes in military operations, the so called Revolution in Military Affairs (RMA), in order to retain operational effectiveness. The costs these developments pose are a considerable challenge for small countries like New Zealand. The Government believes that a programme of progressively introducing new technology can help meet this challenge, but consideration will also need to be given to retaining a lesser range of capabilities.
- **Fiscally sustainable.** The Government wants to ensure that our defence dollars are spent wisely. We will focus our rebuilding efforts in areas of most urgent need.

Priorities for Rebuilding the NZDF

30. It is a concern that NZDF resources are spread thinly across a range of capabilities not all of which can be well sustained. Sensible prioritisation of projects against available resources is essential.

31. A capital investment programme will concentrate defence resources in a range of affordable and sustainable military capabilities that contribute to meeting our objectives. Priority will be given to the acquisition and maintenance of essential equipment. Our core requirement is for well-equipped, combat trained land forces which are also able to act as effective peacekeepers, supported by the Navy and Air Force.

32. The greatest needs are:

- to upgrade the Army's mobility, communications, surveillance, and fire-support capabilities;
- to provide effective air and naval transport capabilities;
- to maintain effective maritime surveillance capabilities of the Air Force and Navy within the New Zealand EEZ and the EEZs of Pacific Island States.

33. Addressing these priorities will ensure that available money is spent where it is most needed, to give the NZDF the depth it requires in the capabilities it retains. Not everything can be done overnight.

Process and Timing for Reviewing Capabilities

34. The Government will complete reviews by November 2000 which identify the options for:

- ensuring the core requirement for well-equipped land forces capable of meeting our most immediate needs;
- providing effective air transport and military sealift for deployment and support;
- surveillance of the maritime environment and meeting international obligations for search and rescue.

35. These reviews will be complemented by a broader force structure review identifying options capable of meeting the Government's other defence policy objectives. A re-prioritised long-term capital equipment plan will flow from these reviews.

36. Urgent capital acquisitions which are fully consistent with the Government's defence policy goals and priorities may be considered before these reviews are completed. These include:

- capital acquisitions associated with modernising the Army;
- the future of HMNZS *Charles Upham;*
- appropriateness of the proposal to replace the Orions' maritime surveillance and patrol capabilities.

Other Issues

37. The Government will address some other specific issues which are consistent with its broad defence strategy. These include:

- Consideration of the Defence **National Real Estate Review**. There will be full public disclosure of any proposals for real estate rationalisation.
- Reconsideration of the recommendations of the **1991 Review of Defence Funding**.
- A review of **NZDF pay, allowances and other conditions**.
- A review of **accountabilities and structural arrangements** between the Ministry of Defence and the New Zealand Defence Force.
- A review of the **Defence Act** to cover the deployment of NZDF personnel overseas on warlike operations.

Conclusions

38. Defence policy decisions made now are important. East Timor has highlighted the need to ensure that New Zealand can respond quickly and effectively to situations which require our involvement. We want to be sure we have the resources and capability to get on with the job.

39. The Government's defence policy outlined in this statement envisages a coherent set of roles and tasks for the NZDF. These include protection of New Zealand's interests including our maritime interests, our alliance commitments to Australia, contingencies in the South Pacific, and peace support and relief operations further afield. There is a consequential set of priorities for force development and capital investment. The Government accepts that this could mean a reduced range of capabilities.

40. The roles and tasks of the NZDF in the Asia-Pacific region and globally will be met by the commitment of appropriately trained, equipped, and deployable forces. Under the Government's defence policy New Zealand will continue to have a high quality force structure which keeps abreast of technological developments, is affordable and can be sustained over the longer term.

Glossary

ODA

New Zealand Official Development Assistance (NZODA) provides support for economic and social development in developing countries, especially in the South Pacific and Asia regions. It is managed by the Development Co-operation Division (DEV) of the Ministry of Foreign Affairs and Trade in conjunction with New Zealand's Diplomatic Posts.

MAP

The Defence Mutual Assistance Programme (MAP) aims to contribute in practical terms to the achievement of the NZDF's mission to promote secure and stable neighbourhoods through the provision of training, technical and other support to selected South Pacific and South-East Asian defence forces.

Deployable

Deployability is the ability of a designated force to be safely transported within a specific time frame to a theatre of operations.

Interoperable

Interoperability is the level of standardisation required for New Zealand to work with other countries.

Readiness

Readiness describes the level of a particular unit's availability to conduct combat operations. The term covers all the elements necessary for a force to go into combat, such as levels of training, manning, equipment, stores and supplies, and morale.

Units described as being at a 'high level of readiness' will normally be available for combat operations after reasonably short preparation. Units described as being at a 'low level of readiness' will normally need additional training, personnel, equipment, and/or stores and supplies and will take a considerable period to be ready for combat.

The NZDF works on the basis of units being held at a level of capability directed and funded by the Government (known as a "Directed Level of Capability" or "DLOC"), which states the number of days a unit has before it is expected to be ready for combat. This might be a period of, for example, 30 days. When a unit is ready for combat it is described as being at an "Operational Level of Capability" or "OLOC". To bring a unit up to OLOC requires additional funding.

Sustainability

Sustainability is the ability to support a designated force through the duration of an operation. It includes, for example, sufficient personnel for initial deployment, rotation and casualties, and logistic stocks required by the deployed forces.

Doctrine

The fundamental principles by which military forces guide their actions in support of objectives. It is authoritative, but requires judgement in application.

Joint and Combined Operations

With very few exceptions, the NZDF will be involved in joint operations, that is, operations that involve more than one service. It is accepted that maintaining three services is the most effective way of developing expertise peculiar to land, sea and air operations. While the single services are the basic building blocks of military capabilities, they must be structured to operate in a joint environment. For local, low level tasks, this involves the New Zealand Navy, Army and Air Force working together. For most other operations the NZDF would likely be part of a larger multinational force. In these circumstances, the NZDF force elements may be combined with single service elements of other nations. For example, in East Timor the New Zealand Army battalion was part of the INTERFET ground forces, RNZN vessels were part of the supporting naval forces; and RNZAF C-130 Hercules were part of the supporting air transport forces.