



EMBARGO: 5.00pm

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PRIME MINISTER

FOR MEDIA

SUNDAY, 2 MAY 1982

ELECTORATE TALK

Last Thursday, the Minister for Defence, Mr Killen, made a major statement in the Parliament. It came on the eve of events to mark the fortieth anniversary of one of Australia's most critical moments in history, the Battle of the Coral Sea.

Australia's circumstances today are very different from those we faced in early May 1942, but the memory of those frightening days and the substance of last week's defence statement point to two things. First, that there is a continuing need for a strong defence force, tailored to meet the threats and challenges of the times; and second, that the Government has been meeting its commitment to building that strong defence force.

Defence requires adequate funding and appropriate manpower and equipment. The Government's defence spending has been increasing substantially in recent years, bringing with it significant real improvements in Australia's defence capability. Indeed, defence outlays in 1981/82 have increased by 19.1% over 1980/81, well above the general price increases of between 10 and 11 per cent, and although the Budget for 1982/83 has not yet been competed, there will be a further substantial increase in the defence vote next year, adding further to our real defence capacity.

In relation to manpower, since service pay and allowances were increased late last year, there are already early indications that more service personnel are staying with the forces. There is sometimes the feeling that increases in service pay are not really a part of an increased defence effort, but this is quite wrong.

Apart from the common justice of adequately paying those who are charged with the defence of Australia, it is important to attract appropriate people, to train and educate them to the high levels demanded today and then to retain them in the forces. Paying to attract, train and retain service personnel is an integral part of Australia's defence effort.

In relation to equipment, the Government has made two major changes to its on-going defence programme. We will acquire a new aircraft carrier and ten new Orion aircraft earlier than planned. They were in the programme but they have both been brought forward.

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The decision to replace HMAS Melbourne with the new British carrier, HMS Invincible, is well known. We wanted a new carrier, the Invincible became available, and it was a bargain price. We had to take advantage of the offer and make an early commitment or pay a lot more in the future for another aircraft carrier.

Australia will also take early delivery of ten new P3C Orion aircraft. In doing so we have gained an advantage from getting into the current production run in the United States. They will replace the existing squadron of P3B aircraft and their purchase will increase the number of P3C's Australia has available to a total of twenty. These are modern long-range maritime patrol aircraft, they are the best in the world.

The defence programme has to be flexible, we must be able to respond to changed circumstances. The pay increases and the early acquisition of the aircraft carrier and the Orions have led to a rescheduling of some other items of the programme but without detriment to our overall defence capacities.

We will continue to maintain and develop all of our defence capabilities. This financial year, we will spend more than four billion dollars on the nation's defence and in the last 18 months, we have more than doubled our commitment to future defence purchases to almost six billion dollars.

We have now, in the words of the recently retired Chief of Defence Force Staff, the best-equipped and best trained force we have ever had in peacetime, and the programme we have developed for the future will continue to build it up.

As well as the new aircraft carrier and the 10 extra P3C Orions, we have decided to buy 75 highly sophisticated F/A-18 fighter aircraft. Two new frigates have entered service and a further 2 will enter service over the next couple of years. Our existing destroyers are being modernised and our defence industries are being upgraded to support and maintain the complex equipment entering service in this decade.

Australia's defences are strong and relevant to today. The Government is fulfilling its fundamental responsibility to keep this nation secure.