

## Chief of Navy Address to Probus Club Sydney

6 June 2017

### THE NAVY: A NATIONAL ENTERPRISE

Let me open my address today with a quotation from my predecessor of the immediate-post World War II era

Admiral Sir Louis Hamilton wrote:

*A navy does not drop from the clouds. It is a miraculous and delicate instrument, a creation of nerves as well as steel, united with blood as well as rivets, it is in many ways the greatest expression of a nation's genius.*

Nearly seventy years later, his words ring true.

As the Chief of Navy, part of my job is to ensure all Australian's are aware that a Navy...our Navy... does not simply drop from the clouds.

In many respects the Navy and the Nation are one. Indeed the future success of both the navy and the nation depends upon it being thus.

Today I would like to tell you why I think this is so.

I will be a little philosophical. I will talk a little about state power and warfare and Clausewitz. You would expect nothing less from a military type.

But it is to put into perspective the reason that this nation is about to spend so much of its national treasure on the Navy. I think I owe it you explain why. So let us start.

The navy is an intrinsic national capability, intimately connected to the social, economic, industrial and educational drivers of national well-being.

The navy, as indeed the army and the air force, is not just some kind of reserve national capability to be brought out in time of need, and then put back into the cupboard of neglect.

What many fail to realise is that the navy, as an arm of the ADF, is out in our region and across the world, representing Australia and what it stands for on the international stage. Day after day. Why?

Ultimately the government, as it acts in the interests of the nation, wants to deter conflict and contribute to the maintenance of peace and security around the world.

It can only achieve this, however, if it is able to deploy decisive lethality when needed to sanction anyone who might wish to use armed force against this nation or its interests. You see, Lethality is the ultimate purpose of the navy.

Fear of the consequences of that lethality is what deters armed adventurism — deterrence is a consequence of lethality.

(Just last weekend while I was preparing for this presentation I listened to a remarkable podcast of an ABC Radio Nation documentary on how

navies developed to be considered a legitimate instrument of national diplomacy)

Navies are, indeed, a manifestation of purposeful government. The defence of the nations' legitimacy and authority in the 21st century depends on our ability to project strategic lethal force over, on and beneath the sea.

It would be a bold national leader who, confronted by the uncertainties and ambiguities of the contemporary strategic situation, dismissed the ability to wage war as a thing of the past.

Why? Because the ability to wage war is intrinsic to the nature and purpose of the state. And because the ability to wage war is embedded in the very concept of the modern state, the Navy, as an instrument of warfare, is truly a national enterprise.

This is why, in the 21<sup>st</sup> Century, the Navy must be viewed as a national enterprise— bringing together the private and public sectors of the economy to deliver a fundamental national objective — security above, on and under the sea.

But for the navy to reinvent itself as a national enterprise, both promoting and protecting the national interest, it is critically important that we see the navy as a fighting system, not just as a collection of ships.

The Defence White Paper, released by the government in February 2016, has set the Navy on a new course. The government has mandated the biggest recapitalisation of the RAN in modern times.

Not only has the government redefined the Navy as a system rather than a collection of cobbled-together platforms but, more importantly, it has also repositioned the Navy as a national enterprise.

This represents a fundamental transformation in thinking about what the Navy actually is, where it fits in our national architecture and how it relates to the national economic infrastructure.

In short, the Navy and the substantial re-equipment program that government has decided upon sits squarely within the government's innovation agenda.

From the stump-jump plough to wi-fi, Australians have a great track record as inventors. Innovation, however, goes beyond discovery to encompass new ways of doing things, new ways of integrating invention into the way we conceive and design our national enterprise, and new ways of doing business.

And this is nowhere more evident than in the way that government envisages Navy's role in a new approach to manufacturing and industry.

At the heart of Navy's transition from a consumer of industrial output to a partner in high-tech manufacturing are the continuous and rolling

shipbuilding programs, whereby industry and the Navy combine to deliver a more efficient and more effective maritime defence system.

Partnership, of course, depends critically on trust, and that is what the Navy is absolutely intent upon building as we move to a new way of delivering defence capabilities.

The historical stop-start approach to warship acquisition, with its high start-up and termination costs, is only part of the problem.

The more acute problem has been the lack of ambition and imagination to maintain the impetus that transforms Australia from a ship purchaser to a ship producer.

If England, France, Spain and Sweden could initiate and sustain such a transformation in the sixteenth century, there is no reason that Australia cannot do so in the twenty-first century.

To realise its ambition to reposition the Navy as a national enterprise, we must focus on three core inputs that must underpin a continuous shipbuilding approach to sustaining and continually transforming naval war-fighting capabilities.

First, education and skills development are paramount. Our universities, TAFEs and research organisations play an essential role in providing the professional and technical skills without which there is no industry.

Second, workforce design and flexibility are also critical. Navy is already planning for greater flexibility in career management and greater integration between the service and civilian components of its workforce.

Similarly, industry will need to leverage the skills, especially in engineering, that the Navy already has while complementing those skills from within the industry base.

Third, investment is the essential driver of national enterprise. Here, our investment institutions will need to develop new ways of planning and managing the long-term capital investments without which a continuous shipbuilding program will be unachievable.

It is no longer sensible or even possible for Australia to pick and choose among individual elements of our national industrial capacity as though naval capability development was some kind of smorgasbord.

We now understand that the Navy is a critical part of the Australian economic and industrial landscape, and a critical part of the Australian community.

The Navy, like the Army and the Air Force, are uniformed and disciplined services—as are the police and other first response organisations—that support public order, personal safety and community well-being.

We are all volunteer services, and that goes to the heart of the compact between us and the community we come from and serve.

Our democracy is built upon the fundamental freedoms we all enjoy — freedoms based on shared values as expressed in the term ‘rule of law’. And right at the core of our democracy is the determination to defend those freedoms should they come under threat or attack.

It is for this reason that the community turns to the ADF to be prepared to defend the nation against armed aggression, and incidentally pays for it.

The Navy is a profession, built around core values, an ethos of service, and strong traditions.

But times have changed in the 40 years I have spent in the Service. When I joined, the Navy had been a particularly ‘masculine’ profession, with women recruits allocated mainly to the shore-based support functions.

Now, women serve in our submarines, on our destroyers, frigates, patrol vessels and other surface ships, in the fleet air arm and across all shore-based specialties.

Similarly, I value the diversity that our community offers. We now recruit regardless of gender, race, ethnicity or sexual orientation. As a result I have seen broader perspectives on how we do our job, greater insights and better thinking.

A nation’s strength ultimately depends on the strength of its institutions — economic, legal, justice, administrative, social, cultural, political and religious.

The Navy is proud to be a strong national institution, displaying characteristics in common with our other major institutions.

In a very important sense, the Navy serves as a custodian of our national values and our national identity.

When we attend the ANZAC Day parades around Australia, and when we observe our forces operating abroad, we cannot but appreciate the extent to which they give expression to important aspects of our national identity — perseverance, endurance, loyalty, bravery and indeed compassion.

Alongside the Army and the Air Force, Navy is proud of the place it occupies in maintaining the sense of national 'self' that identifies us as Australians, irrespective of our race, religion or social status.

Whether on patrol in the Arabian Sea, operating in the waters of south-east Asia, or providing assistance in the Pacific, our ships and their ship companies extend our national influence while contributing to security on the high seas.

Indeed, away from our shores the Navy is a clear and very identifiable representative of Australia and what it stands for.

And today, as we prepare to embark on the most significant recapitalisation of the fleet in more than a generation, Navy's connection with the community arguably is more important now than it's ever been.

The Government's policy of continuous shipbuilding holds far reaching implications—not just for the Defence Industry, but for the future economic life of the nation.

Continuous shipbuilding will dominate the remaining professional lifetimes not only of most of us here today, but also of our successors and of theirs.

Think about—in the next few years we will have commenced building 9 new frigates, 12 submarines, 12 offshore patrol vessels and the Navy will be operating 2 new tankers.

This is an era of great materiel opportunity for the Navy, for the larger ADF, for Defence Industry, for science and technology, for the education sector and the Nation's workforce to join together in a great national endeavour.

Continuous shipbuilding is more than just about ships. It is a strategy that will take the Navy and the Nation a long way on the road of sovereign development and maturity.

By investing in Australian industrial and technological competence, continuous ship building is an investment in the physical infrastructure and the human expertise that makes possible the constant improvement of ships.

This is essential so that the ADF can continue to evolve the capabilities needed to carry out the policy of future governments.

This is not just a change of pace for shipbuilding. This is a change of paradigm. And it will demand an unprecedented level of collaboration and innovation between the ADF, Defence Industry, science and technology partners, the education sector and the community.

It could lead to taxation reform, new inventions, new ways of thinking.

To conclude, it is important that I touch on the continuity that has been such a remarkable feature of Australia's development from a fledgling community of fewer than four million people at federation to the thriving nation of over twenty five million we are now.

And immersed in that identity flies the white ensign and the navy it represents.

We are a peoples' Navy.

And as the Chief appointed to lead it, it is my duty to ensure that all Australians understand their navy and to play their part in its success now and in the future.

For the Navy is inseparable from the Nation.

Thank you.