

MICHAEL OUTRAM APM COMMISSIONER, AUSTRALIAN BORDER FORCE 2022–23 Supplementary Budget Estimates

Opening Statement Monday 13 February 2023

The Australian border is a strategic national asset that goes well beyond defining national territory and sovereign jurisdiction. A well-managed border protects Australia's interest and connects Australia to the world. It enables security and resilience while instilling confidence, domestically and international, that Australia as a trading partner and destination for travel and migration.

The Australian Border Force (ABF) remains focused on meeting its obligations in what continues to be an ever-evolving operating environment, but we are also focused on ensuring we are fit for purpose for the future.

As Australia's customs service, the ABF is the second highest revenue collector for the Commonwealth, collecting \$9.5 billion in border revenue between 1 July 2022 and 31 December 2022.

Efforts to evade revenue collection can be sophisticated and involve serious organised criminals deliberately looking for opportunities to launder illicit funds. The ABF's Trade Compliance Program continuously refines its methodologies to counter these attempts to cheat Australia of Commonwealth revenue.

Non-compliant behaviour can also be inadvertent, due to a misunderstanding of administrative requirements or simple human error. In these cases, the ABF works with traders to correct the record, through voluntary disclosures. And this work with traders has paid off – \$75.5 million in revenue collected through voluntary disclosures between 1 July 2022 and 31 January 2023.

Integrity and security are intrinsic to the border's ability to add future economic value.

The ABF continues to collaborate with the Department of Agriculture Fisheries and

Forestry, and like-minded international border agencies and multi-lateral forums, such as

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the World Customs Organization, to shape border intervention approaches and develop technologies that better support outcomes globally.

Many of our current approaches and technology rely predominantly on intervention approaches which are not readily scalable and have reached their efficiency limit. The adoption of new advanced technology and automation would significantly enhance border agencies ability to detect border threats, which in turn would also reduce transactional friction for business.

Investment in modernising our border is required to ensure Australia can continue to compete economically, boost industry participation, support national resilience, strengthen supply chains and protect our community from harm.

On 14 November 2022, the ABF launched a national multi-agency operation, Operation INGLENOOK, to identify individuals and entities involved in the exploitation of Australia's visa program, primary as part of the sex industry.

To date, the operation has assessed 172 persons of interest and resulted in visa cancellation, identification of unlawful non-citizens and refused immigration clearances. This is in addition to targeted disruption activities against 49 businesses.

These targeted actions have disrupted key facilitators and given law enforcement a better understanding of the operating models, criminal networks and methodologies involved in foreign worker exploitation.

ABF also remains dedicated to combating illicit tobacco. ABF keeps tonnes of tobacco products off our streets, through targeting and detecting cigarettes and loose-leaf tobacco at the border. We stop, store and dispose of hundreds of tonnes of tobacco products each year. From July 2022 to 31 December 2022, the ABF detected and seized more than 62,900 individual consignments of illicit tobacco, with a potential duty evasion of more than \$1.51 billion. The seizures comprised more than 823 million cigarette sticks and 355 tonnes of loose-leaf tobacco. Despite this effort, the availability of illicit tobacco remains a problem and border controls are not a panacea when there is high demand for an illicit product.

Recently, there has been considerable public discourse on nicotine vaporiser products and potential legislative reforms, including the creation of a new border control. Such

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border controls can be highly effective when resourced appropriately and introduced as a suite of measures to address a complex societal issues.

The ABF continues to engage with partner agencies on possible amendments to legislation to further restrict access to nicotine goods. However, any change to border controls will impact ABF frontline resources and other key obligations significantly, therefore any change will require an uplift in our capability and capacity to detect, store and dispose of such products safely.

Over the last two years the ABF has undertaken a range of activities to be prepared, agile and resilient in the face of future challenges and potential crises.

Creating an ABF culture that is built on professionalism, diversity and inclusiveness – irrespective of role, seniority or location – is key to this.

The ABF has entered into a partnership with the Australian Human Rights Commission, to help us to strengthen our leadership and culture. The Commission's previous work in areas of empowerment, inclusion, respect, collaboration and integrity aligns well with our mission and signature values.

Australia's Sex Discrimination Commissioner, Kate Jenkins, has already undertaken a series of field visits in Sydney, Melbourne and Canberra to gain an appreciation of the ABF's complex operating environment, our workplaces and the pressures that our people encounter daily.

Significant changes have already occurred in terms of implementing a more decentralised operating model. In addition, on 1 February 2023, I implemented a new organisational structure and appointed three new Deputy Commissioners, who will collectively drive a consolidated and strategic focus on the way we manage our core business. I'm pleased to introduce:

- Deputy Commissioner Tim Fitzgerald;
- Deputy Commissioner Vanessa Holben PSM; and
- Deputy Commissioner Kaylene Zakharoff.

With the breadth of knowledge and experience of our Leadership team, ABF is well placed to face the challenges of current and future operating environments with success.

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The ABF occupies a unique and strategic position at the border with our customs, maritime and immigration enforcement functions. We have a distinct sense of purpose – to underpin Australia's prosperity and wellbeing by harnessing the full benefits of a secure and seamless border.

My main focus is on enabling our officers to continue their incredible work into the future: protecting Australia against criminal actors and national security threats; being prepared for and able to respond to crises; and ensuring the nation is positioned to prosper economically through the facilitation of efficient trade and travel.

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