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**Opening Statement
Legal and Constitutional Affairs Legislation Committee
Estimates Hearing
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The Department and the Portfolio of Home Affairs has been in existence for almost 14 months. As I noted in my statement to this committee on 26 February 2018, Home Affairs would observe four key principles of implementation:

- First, preserve the traditional strengths of the Home Affairs agencies, respecting their statutory independence, professional skill and tradecraft, which are deeply embedded in their workforces;
- Second, take advantage of the creation of this larger and more integrated Portfolio to build ‘scaled-up’ capabilities and exploit previously unattainable synergies—such as intelligence, data exploitation and highly advanced digital systems;
- Third, preserve the statutory independence of Home Affairs agencies and decision makers, and ensure that all Home Affairs activities and operations are always conducted under law, and subjected to the supervisory checks that this Parliament decrees; and
- Fourth, ensure that ‘protection’ and ‘security’ are means to pursue greater ends—namely economic prosperity, social cohesion and an open society.

I should like to take this opportunity to outline some examples of how Home Affairs has gone about this integration process.

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Transnational, serious and organised crime—or TSOC—threatens the safety, security and trust of our citizens, the prosperity of our businesses and economy, and the integrity of our institutions.

The appointment last year of Mr Karl Kent—a serving Deputy Commissioner of the Australian Federal Police—to the role of Commonwealth Transnational Serious and Organised Crime Coordinator signalled a more integrated and strategic national response to this pernicious crime.

The Commonwealth TSOC Coordinator has significantly strengthened our fight against TSOC by drawing together capabilities across the Home Affairs Portfolio, more broadly across the Commonwealth, and the States and Territories.

In December last year, the Council of Australian Governments agreed to the National Strategy to Fight TSOC. The National Strategy sets out how Australian Governments will align our efforts to combat TSOC, providing a framework for government agencies, the private sector and the broader community to address the threat.

Countering foreign interference is a whole-of-society challenge, requiring the mitigation of vulnerabilities which extend beyond the traditional national security realm. Australia's institutions of democracy, our academic and research sectors, our social cohesion, critical infrastructure and the media are all potential targets of foreign interference.

The Office of the National Counter Foreign Interference Coordinator—also established last year—has leveraged its access to other agencies under the umbrella of the Home Affairs Portfolio to develop an integrated national effort to identify, assess and respond to foreign interference; and is drawing together the key policy, operational and social cohesion levers to respond. The Coordinator, Mr Chris Teal—a serving Deputy Director-General of the Australian Security Intelligence Organisation—is working with Federal, State and Territory entities to focus on foreign interference, and engaging with those sectors of Australian society most at risk from foreign interference, including diaspora communities. The Coordinator is supporting the Australian Electoral Commission and the Department of Finance to ensure the integrity of Australia's electoral processes, including in the lead up to the federal election.

Moreover the Department of Home Affairs and the Department of Foreign Affairs and Trade have worked closely to ensure that there is close synergy between the domestic and international elements of Australia's counter foreign interference approach. This has included active engagement with the valuable network of Australia's international Posts to strengthen links with like-minded countries and the secondment of a senior DFAT officer to the Office of the National Counter Foreign Interference Coordinator.

I also welcome the appointment of Ms Linda Geddes to the position of Commonwealth Counter-Terrorism Coordinator. Along with the National Cyber Security Adviser—Mr Alastair MacGibbon, a serving Deputy Director-General of the Australian Signals Directorate—and the aforementioned National Counter Foreign Interference Coordinator and the Commonwealth TSOC Coordinator, the Coordinators are ensuring that a unified, whole-of-government approach is taken to protecting Australia's security, sovereignty, values and national interests.

The beneficial synergies afforded by Home Affairs are also experienced by industry and the broader community alike.

Australia's Aviation and Maritime Security functions are now co-located in the Department of Home Affairs, supporting their integration and coordination with the Australian Border Force, the Australian Federal Police and the Australian Security Intelligence Organisation. This construct is enabling Home Affairs to work more closely with industry to deliver future solutions to ensure the security of the travelling public.

In collaboration with industry, Home Affairs has pushed greater integration between security screening requirements and border clearance processes at major airports. This close partnership is working towards a more secure and ultimately seamless movement of people and goods across the border, providing joined up border protection, trade integrity and security outcomes.

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To ensure that the Department is best positioned to achieve its outcomes, we monitor and adjust our budget settings and apportion our resources toward prioritised objectives. I wish to reassure the Committee that the Department of Home Affairs continues to work increasingly efficiently and effectively, but I would take this opportunity to stress that this effectualness is challenged by a range of ongoing factors.

First, with the establishment of the Home Affairs Department and Portfolio, our core functions have expanded far beyond the remit of the former Department of Immigration and Border Protection—now incorporating all of Australia’s domestic national security and law enforcement functions. These areas will be of increasing importance to Australia’s domestic security in the years ahead, and will have implications for resourcing—particularly in ensuring that we have the necessary capabilities to work cross-jurisdictionally and internationally.

Second, we continue to grapple with increasing volumes.

Over the last four financial years; 2014-15 to 2017-18:

- air cargo consignments processed increased by more than 50 per cent,
- and visa applications and grants each increased by more than 20 per cent.

These trends are forecast to continue over the coming years and decades.

Additionally, we are continuing to see increasing demand for Australian citizenship. Over the last four financial years the number of citizenship applications increased by almost 25 per cent (from more than 244,700 to more than 305,000). More than 16,000 people became new citizens on Australia Day this year—the largest number ever to take the pledge on Australia Day.

Third, we are managing a more complex threat environment that demands greater focus on integrity. Professionally resourced individuals and sophisticated groups continue to seek ways to exploit border flows for criminal opportunism and self-profit; to embed themselves into legitimate supply chains to obfuscate their activities; and to circumvent border controls for nefarious ends. The increased proportion of high risk cases across Australia’s visa programs—stemming from our better intelligence capability and the shifting risk profile of many markets traditionally considered low risk—means more applications require greater scrutiny, including more identity, character and bona fide checks.

While we have been able to resource these functions largely within existing budgetary instruments, these areas will be of increasing importance to Australia’s domestic security in the years ahead, particularly in having the necessary capabilities to work cross-jurisdictionally and internationally.

While it takes considerable and intensive effort to assess 21st century risks it is essential to do so to support the prosperity and security of the Australian community.

For example, the skilled visa reforms that the Government introduced in March 2018—including the introduction of the Temporary Skill Shortage visa—strengthened the integrity of skilled migration and resulted in better quality skilled migration applications.

This is being seen in higher approval rates and faster processing for Australian businesses.

In the permanent employer sponsored caseload, applications lodged since the reforms have a 90 per cent approval rate, compared to a 65 per cent approval rate for those lodged prior to the reforms.

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In closing, while Home Affairs is charged with carrying out the security functions of the state, our goals go beyond security and protection. Home Affairs exists to support and enable Australia's economic prosperity, social cohesion and the maintenance of a free, united and open society.

I thank the committee for its time.

Thank you.