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**Opening Statement**
**Legal and Constitutional Affairs Legislation Committee**
**Supplementary Budget Estimates Hearing**
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The re-establishment of the Department of Home Affairs was announced on 18 July 2017, with a commencement date of 20 December 2017. A department of state known as Home Affairs has been in existence at various times in the Commonwealth's history since 1 January 1901. On 20 December 2019, the Department of Home Affairs achieved two years of operation in its re-established form.

I have since 23 October 2017 used my opening statements to this Committee to update the Senate on the formation of the Department and the broader portfolio, which consists of the Department itself, the statutorily independent agencies – ASIO, the AFP, the Australian Criminal Intelligence Commission, and the Australian Transaction Reports and Analysis Centre (AUSTRAC) – and the Australian Border Force, which for budget and management purposes is a component of the Department, but which otherwise exercises powers independently in the areas of customs, immigration detention and enforcement, and civil maritime security.

After two years of sustained effort, the Department and the broader portfolio have been fully established. The portfolio leaders (that is, the statutory Agency Heads and me) have come together as a Portfolio Board, which I chair. Through the Board, we are able to harness our combined resources and authorities to drive collaboration and business improvement across the portfolio, without the statutorily independent roles and functions of the agencies being in any way infringed.

We meet regularly to explore ways to pool resources and achieve previously unattainable synergies. The Board oversees portfolio-wide initiatives in relation to improved strategic and financial planning, capability development and acquisition, technology collaboration, intelligence and data sharing, consolidated business services and workforce mobility.

The Department has delivered on the core direction which underpinned its establishment in 2017 – to take the disparate domestic security, law enforcement, immigration, border management and civil resilience functions of state, which had been scattered across a number of Departments and Agencies, and to integrate them into a single apparatus which

can both advise and act on the array of risks that the nation faces as a consequence of the otherwise highly beneficial connectivity and openness to global forces which characterises our society and our economy.

In 2017, the Government took a calculated decision to move in this direction before a catastrophic crisis might have otherwise forced its hand. Doing so calmly and in a planned fashion is always better than doing something on this scale in the aftermath of a shocking crisis.

Relevantly, such risks are apparent in:

- Supply chains, which can be penetrated by criminal elements for economic gain from transnational criminal activity;

- Trade and travel networks, which can mask the illicit movement of people and goods in the vast volumes of trade and travel movements, the latter of which can also act as a transmission vector for pandemics;

- Aviation and shipping, which can be a vector for terrorist attack, and for enabling transnational serious and organised crime;

- Global capital flows, which can mask investments and economic activities which might be detrimental to national security;

- Social media, which can be a vector for disinformation and electoral interference, and the fragmentation of social cohesion;

- Cyber connectivity, which can be a vector for attacks on critical national infrastructure, as well as a platform for the Dark Web which lies deep beneath the Surface Web;

- Telecommunications and internet-connected supply chains and networks which can be an enabler for espionage as well as cyber-enabled disruption and sabotage;

- The changing profile of disaster and climate risk, which will require enhanced civil resilience and response capabilities.

As I have advised this Committee before, global connectivity and openness are overwhelming positive public goods, but we have to be vigilant in relation to the risks and vulnerabilities which come with such connectivity and openness. While we should not see darkness everywhere, we should not think for a moment that all is light.

That is why for instance we have done so much work on protecting mass gatherings and mass transit networks – not with a view to prevent such gatherings and movements from taking place, but with a view to putting in place sensible security precautions, and thereby mitigating risks to the extent that is responsibly possible without there being imposed undue infringements on our liberties and our lifestyle.

Similarly, while connectivity is a positive force for global human interaction and prosperity, in the shadowy creases of the Surface Web lies the demonically evil phenomenon known as the Dark Web. As I have previously advised this Committee, it is the expert view of my colleagues and myself that the only way to hunt and disrupt on the Dark Web is to better use the lawful capabilities of our law enforcement and technical intelligence functions in closer partnership and under strict oversight. As Ministers have said, this is something to which detailed consideration should be given. That process is underway.

Again, the cyber domain brings with it great enhancements to human existence, but it is also a vector for malicious criminal and hostile state action. To this end, the Government will soon consider a new Cyber Security Strategy (to succeed the strategy which was launched in 2016). This strategy is being developed across government by my department, which is playing a leadership and convening role. Industry and other stakeholders are being closely consulted and the Government will soon have more to say on this issue.

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After consultation with our staff and senior executive deliberation in 2017-18, we developed a departmental mission and motto of Prosperous // Secure // United. That is, everything that we do is tested not just against the standard of security, but the extent to which the proposed action will enhance – or at least not detract from – national prosperity and unity.

The benefit of bringing these elements together is that we now spend less time on "coordinating" and more on policy development, planning and delivery, under clear and integrated chains of authority and accountability. Instead of spending valuable time and energy "coordinating" across fragmented lines, we have been able to consolidate effort and resources in centres of excellence such as the Counter-Terrorism Centre, the Counter Foreign Interference Centre, the Cyber Security Policy Division, the Joint Agency Task Force *Operation Sovereign Borders*, the Aviation and Maritime Security Division, Emergency Management Australia, and the Critical Infrastructure Centre, all of which are components of the Department.

Over the past two years, we have been able to blend previously disparate functions, achieving greater multi-disciplinary cohesion and effectiveness, in integrated teams which work under clear lines of authority. Some examples include:

- The Citizenship, Social Cohesion and Multiculturalism divisions bring together our work on national identity and values, citizenship, multiculturalism, community liaison, social cohesion and countering violent extremism. These functions were previously spread across different Departments and Agencies, to the detriment of effective policy development and outreach to different communities and faith groups.

- The social cohesion teams are working with our ABF and visa staff who are dealing with the border and quarantine issues associated with COVID-19. The social cohesion teams are tracking community sentiment around the virus, and proposing appropriate actions in relation to the racism which can sometimes rear up in such circumstances. Again, these functions were previously spread across different parts of the machinery of government. Often this meant that staff in different areas did not even fully appreciate what they could bring to such an operation. With the advent of Home Affairs, we were able to consider border, visa, quarantine and social cohesion issues in the single motion.

- Staff in the countering foreign interference team are able to bring a wider range of perspectives to bear on the challenge of protecting our democracy – perspectives concerning citizenship, social cohesion, civics, multiculturalism, social media, broadcasting, university research and electoral processes. In times past this field of work was typically located behind secure doors in a world that seemed to come straight from the pages of a le Carré novel. While certain aspects of this field of work will always be highly classified, and known to very few of us, it is otherwise now a standard line of policy development and coordination work.

I could also refer to the previously fragmented areas of aviation, maritime and transport security, which is now more tightly integrated with our border, ports and criminal intelligence functions; and to the closer synergies that we have been able to achieve in the area of cyber security and critical national infrastructure; and more besides, but in the interests of time I will leave the point there.

Taken together, these and other functions bear out this thesis – if threats have become "hybrid", and the line between peace and conflict has now become a grey zone of shaded threats, risks and responses, then a liberal democracy faces this choice: set up an apparatus such as Home Affairs before the crisis hits, or be forced to take action in the aftermath of the shock of a crisis.

The departmental and portfolio structure and our functional arrangements also allow us to flex and surge our resources. This firepower, depth and capacity has been in evidence over the past two months as we have:

- swung resources on to emergency management and disaster recovery (enabling more than $100 million in disaster recovery payments to impacted individuals, working hand-in-glove with the National Bushfire Recovery Agency);

- tightened border controls in the face of the COVID-19 outbreak and established in short order biosecurity quarantine facilities;

- while at the same time operating our standard business systems and processes (e.g. the visa programme); and

- while ever keeping a watchful eye on the terrorist threat at home and abroad, the emergence of threats to our democracy through espionage, foreign interference and disinformation, and the alarming rise in abhorrent child exploitation and abuse through online means and especially on the Dark Web.

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I refer the Committee to the recently published fourth edition of the Department's *Administration of the Immigration and Citizenship Program* paper.

Notwithstanding increased numbers of visa applications, the Department achieved productivity improvements in visa programme delivery, supported by the increased digitisation of services such as online lodgement. As testimony to heightened levels of integrity within the migration programme, refusal rates for visa applications nearly doubled between 2016-17 and 2019-20.

Following unprecedented growth in citizenship applications, we achieved a 58 per cent increase in conferrals in 2018-19 as compared with 2017-18, and have reduced the on-hand caseload by more than 48 per cent since its peak in July 2018.

I should like to refer to the data in the report that addresses the number of Airplane Arrivals, as they are known, who claim protection. The report notes that of the some 45.5 million Temporary visas granted between 1 July 2014 and 31 December 2019, around 105,000 protection visas were subsequently applied for, in Australia. This equates to approximately 0.23 per cent of total Temporary visa grants. Between 1 July and 31 December 2019, only 16 non-citizens who had claimed protection were identified as suspected victims of modern slavery or human trafficking by the Australian Federal Police. This is in the context of 4.7 million Temporary visas granted in the same period.

I look forward to the Committee's questions.

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