



Australian Government
Department of Home Affairs

Submission to the Inquiry into the integrity of Australia's border arrangements

Joint Committee on the Australian Commission for Law
Enforcement Integrity

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Introduction

1. The Department of Home Affairs (the Department) welcomes the opportunity to provide an additional submission to the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity (ACLEI) inquiry into the integrity of Australia's border arrangements.
2. The Department was created as part of the Home Affairs Portfolio on 20 December 2017. The Department of Home Affairs continues to deliver immigration and customs border policy functions previously delivered by the Department of Immigration and Border Protection. It also includes:
 - a. national security, emergency management and criminal justice functions from the Attorney-General's Department;
 - b. the Office of Transport Security from the Department of Infrastructure and Regional Development;
 - c. multicultural affairs from the Department of Social Services; and
 - d. the counter-terrorism coordination and cyber security policy functions from the Department of the Prime Minister and Cabinet.
3. The Australian Border Force is an operationally independent agency under the Home Affairs Portfolio.
4. This submission should be read in conjunction with previous submissions made by the Department of Immigration and Border Protection dated October 2015 (Submission #8) and 12 January 2017 (Submission #13).

Updates to Previous Submissions

5. The Department's 2015 submission (as amended by its 2017 submission) remains relevant, however given the passage of time since these submissions were made, more current information is available in relation to a number of sections. Relevant updates to the 2017 submission are outlined below.

Paragraph 8

6. In March 2020, the Department finalised its *Integrity Strategy 2025*. The *Integrity Strategy 2025* seeks to position the Department to respond to integrity risk over the period 2020-25. Our vision is that by 2025, the Department will have:
 - a. a strong integrity culture, and a sophisticated and mature integrity management and response capability
 - b. embedded high integrity work practices and will respond proactively and proportionately to adverse workplace behaviours and integrity concerns as and when they occur, and
 - c. leading edge and agile capability to identify and respond to integrity threats, both in terms of the tools and technologies that support our day to-day work and in our highly trained and skilled operators, who understand our threat environment and provide an effective counter balance to the capability and expertise of our adversaries.
7. Looking towards 2025, the *Integrity Strategy 2025* will see a strategic focus on prevention, education and early intervention. This will be achieved by:
 - a. undertaking proactive, targeted and tailored training, education and awareness-raising activities, informed by our understanding of threats, issues and emerging corruption vulnerabilities
 - b. addressing workers engaging in high risk behaviours with a view to disrupting and deterring inappropriate conduct, and

- c. promoting a culture of openness and transparency regarding integrity issues and outcomes to raise awareness about the consequences of conduct that is not aligned with the Department's Integrity Framework.
8. The *Integrity Strategy 2025* was informed by our current understanding of environmental challenges, risks and other vulnerabilities. Based on this understanding, we will strengthen our Integrity Framework through a series of initiatives through to 2025. Key initiatives include:
- a. driving a clear understanding of the Department's core values and expected behaviours through prevention, education and early intervention strategies and better targeted communication and awareness
 - b. working with Portfolio agencies to align our collective Integrity Frameworks and promote a strong and united integrity culture
 - c. improving the training, tools and resources available to frontline managers, recognising the critical role of our frontline managers at all levels to model high standards of integrity and workplace behaviours
 - d. modernising our integrity systems and processes to ensure they can efficiently and effectively scale-up, including by implementing digital solutions to modernise current business processes, and
 - e. pursuing legislative and policy reform to enable greater access to Commonwealth, State and Territory information holdings that support us to prevent, detect and respond to integrity issues.

Paragraph 12

9. The Department's current Integrity Framework mirrors the Integrity Framework of the former Department of Immigration and Border Protection.

Paragraph 18

10. In 2018-19, the Department facilitated the movement across the Australian border of:
- a. 47.4 million travellers (passengers and crew)
 - b. 109,713 permanent skilled migrants
 - c. 47,247 family migrants
 - d. 18,762 humanitarian migrants
 - e. 53.1 million air cargo consignments, and
 - f. 2.3 million sea cargo consignments.

Paragraph 19

11. In 2018-19, the Australian Border Force detected a total of 633.18 tonnes of illicit tobacco at the Australian border, representing \$670.46 million in evaded duty.

Paragraph 20

12. In 2018-19, the Department:
- a. completed 14,203 location events of unlawful non-citizens
 - b. completed 1,615 location events of illegal workers, and
 - c. assisted or managed the departure of 9,206 people from Australia.

Paragraph 22

13. In 2018-19, the Department:
- a. processed 37,594 international vessel movements,
 - b. inspected:
 - i. 1.1 million air cargo consignments
 - ii. 70,238 sea cargo consignments
 - iii. 36.4 international mail items
 - c. made 35,763 detections of illicit and restricted drugs, with a combined weight of all major illicit drug and precursor detections totalling 19,440kg, and
 - d. made 2,271 detections of undeclared conventional firearms, parts and accessories.

Paragraphs 21 and 23

14. Broadly, the challenges to the Australian border in the Department's current operating environment as outlined in Paragraphs 21 and 23 remain. A further update on the Department's operating environment (completed prior to the current COVID-19 pandemic) is outlined below, noting that the impact of the current COVID-19 pandemic on the Department over the medium and long term cannot yet be fully assessed.
15. In particular, the Department's pre COVID-19 assessment is that its operating environment will continue to be characterised by increasing complexity and volume over the next four years, while the diminishing influence of geography and traditional borders will continue to make asserting sovereignty more challenging.
16. Australia continues to experience economic growth driven in part by increasing wealth and trade across the Indo-Pacific. The Department needs to be prepared to manage the implications of evolving global trade relationships that have an effect on Australia's industries, supply chains and labour markets.
17. Australia's continuing prosperity and stability makes it an attractive destination for temporary and permanent migration, resulting in sustained demand for temporary and permanent visas and citizenship. Migration contributes to our prosperity, with new citizens, migrants and refugees enabling population growth and enriching Australian society. The integrity of Australia's migration program, and maintaining public confidence in it, will continue to be challenged by unauthorised arrivals, illegal workers and over-stayers.
18. Growing volumes of goods and people are moving through our border, placing pressure on Australia's ports and the Department's capacity to facilitate efficient trade and travel while preventing illicit activity. Australia is also experiencing increasing volumes across its virtual borders in the trade of services, knowledge, data and ideas.

19. Australia's borders are at risk from transnational, serious and organised criminal groups who seek to undermine Australia's sovereignty by exploiting the global flow of people, goods, money and information, and profiting from illicit activities. Within Australia, they seek to take advantage of our stable financial systems and strong economy to launder criminal profits, while using sophisticated methods to avoid detection.
20. Australia continues to benefit from more diverse investment flows and its connection to global supply chains. This provides economic benefits by way of improved productivity, enhanced information availability, reduced transaction costs and increased competition. However, this also brings increased risks to be managed. For example, the offshoring of data complicates and challenges economic and business boundaries, requiring new legal frameworks and policy to respond to these challenges.
21. Australia's infrastructure enables our way of life and improves our prosperity. It is increasingly internet-connected and automated, bringing significant economic benefit. Australia's infrastructure attracts investment from international, public and private entities. This investment is welcomed. The ownership of critical infrastructure must be managed in our best interests to ensure that increasingly internet-connected systems cannot be compromised by organised criminals, issues-motivated groups or foreign actors.
22. The transformative influence of internet-connected systems is being felt across nearly every aspect of Australian life, with individuals, businesses and governments increasingly using online platforms. This is driving the digitisation of information and the generation of big data. The rate of cyber-enabled crime is increasing due to our reliance on cyber capabilities. Cyber-enabled crime arguably poses one of the most significant risks to our economic prosperity and sovereignty through its pervasiveness, made all the more powerful by being conducted at arm's length from an often unknown source.
23. Globally, there is increasing cyber-enabled activity focused on influencing the direction of public discourse. This activity poses a threat to the ability of Australians to make independent decisions, and erodes public confidence in our political and government institutions. This trend is exemplified by the phenomenon of 'fake news' and other forms of disinformation spreading through social media.
24. Digital platforms are also being used by terrorists and extremists overseas to reach across our physical and virtual borders, and radicalise vulnerable members of our communities. Amplifying this is the potential for foreign fighters to return from conflict theatres and either inspire and influence others, or directly engage in terrorist acts themselves.
25. Natural hazards and extreme weather events like flood, fire and drought continue to be a feature of Australia's environment. The economic, social and environmental costs of adapting and responding to natural hazards and disasters continues to rise. As a nation we need to be prepared to manage and mitigate the implications of natural disasters, including minimising the adverse impacts on our systems of national significance.

Paragraph 27

26. In November 2019, the Department released the latest iteration of its *Fraud and Corruption Control Plan*. The Plan continues to acknowledge that the dynamic economic and security environment within which the Department operates continues to expose it to unique fraud and corruption risks.

Paragraph 39

27. In August 2017, the Department launched Operation Arête, a three year operation to:
 - a. increase the positive integrity culture of the Department and ABF
 - b. increase staff awareness regarding integrity expectations through consistent messaging, communications and training

- c. decrease inappropriate behaviour of staff and contractors, and
 - d. raise the professional standards of the Department and the ABF.
28. The intent of Operation Arête is to reaffirm the accountabilities and responsibilities of staff and contractors in the performance of their duties and to extend the positive integrity culture of the Department. The core functions of Integrity and Professional Standards Branch enable the delivery of Operation Arête.
29. In 2018-19, work progressed under the auspices of Operation Arête included:
- a. Educating staff and contractors about integrity expectations:
 - i. 63 integrity information sessions were delivered, including two sessions delivered offshore
 - ii. 83 per cent of staff completed online integrity training (as at 30 June 2019), and
 - iii. Integrity and Professional Standards Branch continued to promote integrity related reminders and messages through internal communication channels.
 - b. Assisting managers and staff to manage less serious integrity issues at local level. In particular, it is noted that of the integrity matters received by the Integrity and Professional Standards Branch in 2018-19, most were referred to line management to address with advice and support from the branch.
 - c. Enhancing the ability of the Integrity and Professional Standards Branch to undertake criminal investigations in response to matters including internal fraud and corruption, including by:
 - i. establishing partnership arrangements with the Commonwealth Department of Public Prosecutions' International Assistance and Specialist Agencies Practice Group to progress criminal prosecutions, and
 - ii. conducting joint operational activities and sharing enhanced information with partner agencies, including the Australian Commission for Law Enforcement Integrity, state and federal police and the Australian Criminal Intelligence Commission.
 - d. Implementing improvements to the drug and alcohol testing program, streamlining program administration and enhancing the assurance provided by the Department's drug and alcohol testing program.
 - e. Expanding the intelligence capability within Integrity and Professional Standards Branch, using dedicated teams of analysts and technologists to lead an active detection program and support integrity, including by:
 - i. providing intelligence support to referrals, investigations and Australian Commission for Law Enforcement Integrity operations
 - ii. improving the risk-based approach to employment screening, and
 - iii. supporting the delivery of administrative efficiencies associated with drug and alcohol testing.
30. The *Integrity Strategy 2025* outlined above will replace Operation Arête, which is due to formally conclude in August 2020.

Paragraph 46

31. In 2019, the Integrity and Professional Standards Branch consolidated its Special Investigations Unit and Code of Conduct investigations functions into a single, integrated investigations team. This change allowed the Branch to realise efficiencies and ensure investigative resources can be dynamically assigned based on current operational priorities. These arrangements also provide a capability to cross-skill investigators and facilitate a closer alignment of investigative expertise across both the Branch's administrative and criminal investigation streams.

Paragraph 48

32. The Department continues to maintain a strong strategic, operational and collaborative working relationship with ACLEI in terms of both minimising risks to the Department and also dealing with threats both to the organisation and officers.

Paragraph 59

33. The Department continues to engage through the B5 and the World Customs Organisation to share and learn how partners use, or are planning to use, their organisational culture and emerging technologies to help minimise integrity risks to their respective organisations.

Paragraph 62

34. The Department reiterates that the overall protection of Australia's border integrity will continue to rely on cooperative arrangements between the Department and its Portfolio, Commonwealth, State and Territory partner agencies. Arrangements to facilitate the sharing of information (including criminal intelligence) between agencies will remain critical to enabling all agencies to identify and respond to hard to detect corruption.

ACLEI's expanded jurisdiction

35. The Department notes the Committee's intention to focus on impacts to the integrity of Australia's border arrangements arising from ACLEI's expanded jurisdiction in recent years. The Department notes that its workforce comprises a significant proportion of the total personnel under ACLEI's jurisdiction. From the Department's perspective, the 2015 expansion of ACLEI's jurisdiction to encompass the entirety of the workforce of the then Department of Immigration and Border Protection has had a positive effect on the prevention and investigation of corruption at Australia's border.

36. For example, this expansion in turn enabled the establishment of the Visa Integrity Taskforce. This Taskforce was established in 2017 to investigate allegations and collect intelligence and evidence of visa fraud. The Taskforce was successful in identifying alleged corrupt activity in visa processing – particularly involving off-shore locally engaged staff. The Taskforce's findings assisted the Department to strengthen its ability to identify and investigate potential inappropriate activity in the processing of visa applications, as well as in hardening the Department's systems and processes.

Integrity mechanisms for border agencies in Pacific nations

37. The Department notes the Committee's intention to focus on impacts to the integrity of Australia's border arrangements arising from the integrity mechanisms for border agencies in Pacific nations.
38. The Department maintains a broad range of international partnerships within the Indo-Pacific region that provide opportunities to share information and enhance capability. Through these partnerships, the Department contributes to national and multilateral solutions to global problems, including terrorism, transnational, serious and organised crime, and the security of borders, which in turn has positive impacts on the management and security of Australia's own border.
39. The Department's international engagement activities include capacity-building with a focus on assisting countries in the Pacific region to enhance their integrity and anti-corruption measures. For example, in 2019, the Department hosted a Short Term Mission with a representative from the Papua New Guinea (PNG) Immigration and Customs Authority (ICA). As part of this Short Term Mission, the Department provided a comprehensive briefing on its Integrity Framework, with a view to supporting the PNG ICA to enhancing its own internal integrity framework and anti-corruption mechanisms.

Authorised by:

Penny McKay
First Assistant Secretary Integrity, Security and Assurance
Department of Home Affairs