



The Australian Industry Group
AMA Building
Ground floor, 42 Macquarie Street
Barton ACT 2600
PO Box 4986
Kingston ACT 2604
Australia
ABN 76 369 958 788

16 December 2022

Committee Secretary
Joint Standing Committee on Foreign Affairs, Defence and Trade
PO Box 6021
Parliament House
Canberra ACT 2600

Via Email: JSCFADT@aph.gov.au

Dear Committee Secretary,

Australian Industry Group submission to the Auditor General's report – Defence Industry Security Program – additional information

Thank you for the opportunity to appear before the hearing of the Committee on 9 December 2022.

During the hearing, the Committee sought clarification of a statement in the Australian Industry Group submission (at point 5 on page 4).

In that context, please see additional information at Attachment 1 to this letter.

Yours sincerely

[Redacted signature]

[Redacted name and title]

Attachment 1

On 9 December 2022, the Australian Industry Group attended a hearing of the Joint Standing Committee on Foreign Affairs, Defence and Trade in relation to the inquiry into matters contained within the *Auditor-General's Report No. 4 (2021-22) Defence's Contract Administration – Defence Industry Security Program (DISP)*.

At the hearing, the Committee sought clarification of the following statement in the Australian Industry Group submission (at point 5 on page 4):

“Some companies have recruitment and personnel management practices reflecting the standard and apply it in conduct vetting for employment to the requirements of the base level clearance. Consideration should be given to authorised DISP companies to conduct their own clearances rather than having to duplicate the process. There would be considerable savings in time and resources.”

Additional information:

The Australian Industry Group supports a general model of centralised vetting with AGSVA as the delegate responsible for issuing clearances. The comments made in the submission do not seek to change the AGSVA delegate model, but seek to find a way to streamline the assessment process so that it potentially reduces the time taken, helps to reduce duplication and increase cost effectiveness.

Currently all DISP members are required to undertake Workforce Assessment Screening in accordance with the updated Australian Standard AS4811:2022. The range and type of checks that organisations undertake is in accordance with their organisational risk and processes. For example, this might include identify confirmation, police check, employment and personal reference checks, qualification confirmation, and employment history. Where a company can demonstrate the integrity of these processes to a level for a baseline clearance, they should be able to manage the whole process up to presentation to the delegate. This would help prevent duplication of a range of employment or internal transfer issues where baseline is required.