

**UNCLASSIFIED**



**Australian Government**  

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**Office of National Assessments**

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**Submission to the  
Parliamentary Joint Committee  
on Intelligence and Security**

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**Review of  
Administration and  
Expenditure No.13**

**Financial year 2013-2014  
Unclassified Summary**

27 November 2014

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# Unclassified Summary of ONA PJCIS Report for financial year 2013-2014

## Introduction

ONA is charged with ensuring that international matters of political, strategic or economic significance to Australia are assessed on a continuing basis. ONA's core mission is to help government understand the world and so inform policies which advance and protect Australia's national interests.

ONA was established under the *Office of National Assessments Act 1977 (ONA Act)* and began operations on 20 February 1978. The open source collection function was added to the Office in 2005.

The *ONA Act* was not changed in 2013/14.

ONA is a statutory body that reports directly to the Prime Minister. It is not subject to external direction as to the content of its assessments. The Director-General attends meetings of the National Security Committee of Cabinet (NSC), and is a standing member of the Secretaries Committee on National Security (SCNS) and the National Intelligence Coordination Committee (NICC).

The *ONA Act* sets out three primary functions for the office:

- reporting and assessment on matters of political, strategic and economic significance to Australia;
- coordination of Australia's foreign intelligence activities; and
- evaluation of Australia's foreign intelligence activities.

## External accountability

A detailed legislative framework defines and regulates Australian Intelligence Community (AIC) powers, and provides three pillars of oversight for ONA: Ministers; Parliament; and the independent Inspector-General of Intelligence and Security (IGIS).

### *Parliamentary Joint Committee on Intelligence and Security*

ONA provided submissions to the PJCIS in February 2014 and November 2014 covering all aspects of our administration and expenditure for the 2012/13 and 2013/14 reporting periods.

The Director-General appeared before the PJCIS on 16 May 2014.

### *Senate Committee for Finance and Public Administration*

The Legislative and General Purpose Senate Standing Committee on Finance and Public Administration has coverage of the Prime Minister and Cabinet portfolio for the regular hearings into Budget Estimates. The Director-General appeared before the Committee on 26 May 2014.

### *Inspector-General of Intelligence and Security*

The *Inspector-General of Intelligence and Security Act 1986 (IGIS Act)*, provides the Inspector-General with the authority to conduct enquiries and inspections with respect to a wide range of our operations.

In November 2013, the IGIS conducted a routine review of our application of the privacy guidelines, relating to the communication and retention by ONA of intelligence information about Australian persons or entities. No breaches were found.

### *Legislative change affecting ONA administration*

The *Public Interest Disclosure (PID) Act 2013* came into effect on 15 January 2014. ONA provided training to staff, including *PID Act* delegates, on the significant changes associated with commencement of the *PID Act*. ONA also prepared for the 1 July 2014 introduction of the *Performance, Governance and Public Accountability (PGPA) Act 2013*.

## Assessments

ONA produced a broad range of intelligence assessments on international developments for Ministers and Federal Government Departments and agencies in 2013/14.

In producing intelligence assessments, ONA draws on all-source material including: diplomatic reporting; classified intelligence reports from ASIO, ASIS, AGO and ASD; assessments produced by DIO; reporting from other Australian departments and agencies; intelligence assessments provided by Australia's foreign counterparts; and open source material.

ONA applies the discipline of a regular structured review of assessments to evaluate the judgements made at the time. This analyst-led review process has substantial benefits for analyst development. The regular review also encourages careful thought about analytical methods and work practices.

## Budget

ONA's operating budget for 2013/14 was \$29.521 million, 65% of which was allocated to staffing costs, 10% to property costs, and 25% to routine running costs. In addition, we received a Departmental Capital Budget (DCB) of \$3.947 million. The DCB is used to fund the purchase of minor assets and asset replacements. ONA prepares annual financial statements in accordance with provisions outlined in the *FMA Act*. The Australian National Audit Office (ANAO) scrutinises ONA's accounts and audits the financial statements. ONA's accounts were given an unqualified audit report by the ANAO this year.

## People Management

ONA relies on the quality of its people and the application of high quality analytical tradecraft to maintain the efficacy and reputation of ONA outputs. Effective workforce planning, selection and employment screening, focused learning and development and effective performance management systems provide essential support to ONA's people management.

This reporting period we focused on:

- Improving our workforce planning and reporting capability, ensuring synergies with budget reporting;
- Transition of our overseas staff from DFAT payroll to ONA's payroll arrangements;
- Compliance with the APS Interim Recruitment Arrangements;
- The process of commencing negotiations for a replacement Enterprise Agreement.

## Security

ONA continued to apply robust and effective security arrangements to maintain compliance with Protective Security Policy Framework requirements. This included review of security mitigation for the "Trusted Insider" threat and enhanced focus on ICT security.