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STRATEGIC POLICY AND INTELLIGENCE GROUP

OVERVIEW STATEMENT 2017-18

The acting Deputy Secretary (DEPSEC) Strategic Policy and Intelligence (SP&I), Mr Tom Hamilton, is currently responsible for the Defence Intelligence Organisation (DIO) and the Australia Geospatial-Intelligence Organisation (AGO). The a/DEPSEC SP&I also has stewardship of Defence's strategic, international and industry policy areas.

During the 2017-18 reporting period, the 2016 Defence White Paper continued to shape how the Defence Intelligence Agencies develop their intelligence capabilities. The substantial increase to intelligence investments - in terms of both people and capabilities - continued to enable Defence to strengthen its intelligence, reconnaissance and surveillance capabilities, as well as procure modernised, all-source intelligence systems supported by enhanced information processing capabilities.

In June 2017, the Independent Intelligence Review was released. As a result of the implementation of recommendations made by the review – such as the Australian Signals Directorate (ASD) becoming a statutory authority, establishment of the Office of National Intelligence and commissioning of the Comprehensive Review of the Legal Framework governing the National Intelligence Community – Defence is enhancing its intelligence governance arrangements to support engagement with the National Intelligence Community.

DIO continues to provide valuable and timely all-source analytical support to the Australian Defence Force, Defence policy formulation and whole-of-Government decision making. DIO expanded its workforce by implementing enhanced strategies to attract, recruit, develop and retain a diverse mix of high-quality intelligence professionals, positioning the organisation to better adapt to resourcing pressures. DIO had 64 arrivals in 2017-18, which is an increase of 16 from 2016-17 and 44 more than 2015-16. It also conducted 12 bulk recruitment rounds at the EL1, EL2 and APS4-6 levels which facilitated internal promotions and is likely to have had a positive influence on retention.

The ongoing expansion of AGO's workforce and capabilities continues to be highly successful. AGO has introduced its largest intake of Canberra-based graduates and established the trainee program, which blends vendor, Technical and Further Education (TAFE), and workplace training via a combination of classroom and self-paced instruction modules. To accommodate this workforce growth, AGO has undertaken expansions to its offices in Canberra, Bendigo and Wollongong. In October 2017, the Defence Legislation Amendment Bill was passed and expanded AGO's functions and approved customer base to incorporate activities expected of the Australian Hydrographic Office (AHO) under the *Navigation Act 2012*. The AHO has since been fully integrated into AGO, enhancing the environmental intelligence provided to support Australian Defence Force (ADF) operations and bringing the role of the Australian Hydrographers to the forefront of national security. Furthermore, through DEF799 (Enhanced Satellite Intelligence, Surveillance and

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Reconnaissance Capability), AGO will improve Australia's space-based capabilities. Direct access to commercial imagery satellites will better equip AGO to support ADF operations around the world and at home, as well as the NIC.

After becoming a statutory organisation on 1 July 2018, ASD will provide its submission to the Parliamentary Joint Committee on Intelligence and Security separate to Defence. ASD continues to play a key role in supporting Defence operations and strategic decision making.

The Intelligence Services Act 2001 and other relevant legislation continue to guide and shape the Defence Intelligence Agencies' activities. Mandatory and comprehensive training of staff, regular liaison with the Office of the Inspector-General of Intelligence and Security, and in-house governance are key to ensuring compliance across the enterprise.

Collection and assessment by Australia's international intelligence and security partners continues to benefit Defence. In turn, Australia's collection and assessment is valued by its partners. The relationships between Australia and its partners remain strong and are critical to the maintenance of our national security.

The Defence Intelligence Agencies are committed to attracting, developing and retaining highly skilled APS and ADF personnel. To counter the intense competition for talent, innovative recruitment and retention strategies are being implemented, including increased work flexibility, incentives for high priority technical skills and targeted university recruitment.