



Inspector-General of  
Intelligence and Security

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Mr Robert Little  
Secretary  
Parliamentary Joint Committee  
on Intelligence and Security  
Parliament House  
CANBERRA ACT 2600

*Dear Mr Little,*

***PJCIS Review of AIC finance and administration FY 2006-07***

Thank you for your letter of 10 September 2008 concerning the current review by the Parliamentary Joint Committee on Intelligence and Security of the administration and expenditure of the six intelligence and security agencies which comprise the Australian Intelligence Community (AIC), for the financial year 2006/07.

In your letter you invited me to submit to the Committee any specific concerns I may have had about the administrative functions of the AIC agencies during the period under review.

I am pleased to accept the Committee's invitation and offer brief comments, which I believe are pertinent to the Committee's review, with respect to five of the six agencies within my purview.

***ASIO***

In the period between 1 July 2006 and 30 June 2007, one matter which was especially evident to me was an increase in the number of complaints received by my office about purported delays by ASIO in processing security assessments in relation to visa applications.

During 2004/05 and 2005/06 my office received 31 and 34 such complaints respectively, but in 2006/07 the figure increased to 76 (with a further substantial increase in 2007/08).

In my 2006/07 annual report I ascribed this increase to both the pressure which workload increases had placed on ASIO, and to what seemed to be increasing awareness on the part of migration agents and migrant networks about the right to complain to my office about such cases.

ASIO advised me at the time that it was acutely aware of the issue and was taking remedial steps by way of allocating additional resources and upgrading various information technology (IT) systems.

One significant IT project which was launched in this period was aimed at significantly improving electronic connectivity between ASIO and the Department of Immigration and Citizenship, with anticipated attendant benefits including a reduced amount of manual data entry, enhanced accuracy, and improved timeliness.

ASIO touched on this issue in its unclassified submission to the Committee's current inquiry (see pages 6-7, 11-12 and 26-28).

ASIO advised in its unclassified submission that it had completed 53387 visa security assessments in 2006/07, although it did not directly address the timeliness with which those applications were processed. It is, of course, possible that Organisation may have provided information about the timeliness of its visa related security assessment activities in its classified submission to the Committee (to which I am not privy).

As the number of complaints about ASIO's timeliness in processing visa related security assessments has continued to increase, this is a matter to which my office continues to pay attention.

### ***ASIS***

The longstanding policy of ASIS has been that unsuccessful candidates for employment with the Service should not be provided with any feedback as to why their applications had been unsuccessful.

While this policy has been adopted on security grounds, this blanket approach can cause undue and inadvertent concern to applicants who assume that they have been rejected on security grounds when the underlying reason is often more prosaic.

As a result of inquiring into several complaints made to my office on selection matters, I raised with the Director-General of ASIS whether or not a limited exception to the blanket "no feedback" policy could at least be made, on a case-by-case basis, for applicants who are currently employed in an AIC agency, or who otherwise hold a current Top Secret (Positive Vetting) level security clearance.

I pursued this line with the Director-General of ASIS because it is natural for individuals who are placed in this situation to worry that there may be a security-related concern which could conceivably adversely impact upon their current employment, when in many instances they have simply been judged to be not competitive, or as competitive, as other applicants for the position for which they have applied.

In the course of 2006/07 the Director-General agreed with this and modified relevant ASIS policy and procedures.

### ***DSD, DIGO and DIO***

In the later part of 2006/07, my office received a small number of complaints about Organisational Suitability Assessment (OSA) processes within the Defence intelligence agencies (i.e. DSD, DIGO and DIO).

I chose not to conduct formal inquiries into any of these individual matters, but instead guided the complainants to other means of having their individual cases reconsidered.

I was, however, generally interested in inquiring into the OSA process, given that it had sprung from recommendations made by my predecessor as Inspector-General, Mr Bill Blick AM PSM.

Following preliminary discussions with relevant stakeholders I formally commenced this inquiry on 5 June 2007 (i.e. at the end of the period of current interest to the PJCIS) and concluded it on 15 February 2008.

The Committee may wish to consider the outcomes of this inquiry when it conducts its review of the administration and expenditure of the AIC agencies for the 2007/08 financial year.

In the meantime, I plan to provide some information of the outcome of this inquiry in my forthcoming annual report to Parliament, which I expect to be tabled prior to the end of October 2008.

### ***ONA***

The sixth agency within the remit of my office is the Office of National Assessments.

I engaged with the Director-General of ONA and a number of his staff on a frequent basis during 2006/07, as I initiated an 'own motion' inquiry into ONA's statutory independence on 14 February 2007 and concluded this inquiry on 5 December 2007.

My decision to conduct this inquiry, which straddled financial years, was influenced by a recommendation made in the Flood Review into Australia's Intelligence Agencies (and subsequently reflected in legislative amendments), that the IGIS should conduct such inquiries on a periodic basis.

As the matters considered as a part of this inquiry do not pertain to administration or expenditure I will not provide details in this letter, but additional information about this inquiry can be found in my most recent annual report and will also be dealt with in my forthcoming annual report.

***Conclusion***

I hope the above comments are helpful. If there is anything else I can do to assist the Committee with respect to their current inquiry, please do not hesitate to let me know.

Yours sincerely



Ian Carnell

Inspector-General of  
Intelligence and Security

1 October 2008