
The Parliament of the Commonwealth of Australia

Review of Administration and Expenditure: No.6 – Australian Intelligence Agencies

Parliamentary Joint Committee on Intelligence and Security

September 2009
Canberra

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ISBN 978-0-642-79115-3 Printed Version

ISBN 978-0-642-79116-0 HTML Version



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Foreword

The Parliamentary Joint Committee on Intelligence and Security's (PJCIS) oversight of the Australian Intelligence Community (AIC) is a key element of our national security architecture. I am therefore pleased to present the sixth review of the administration and expenditure of the AIC by the PJCIS.

The review examined a wide range of aspects of the administration and expenditure of the six intelligence and security agencies, including the financial statements for each agency, the reorganisation and consolidation of agency structures, the impact of any recent legislative changes, their human resource management including separation rates, training, recruitment and accommodation and budget growth and financial governance systems associated with expenditure.

With regard to human resource management, the Committee found that maintaining adequate levels of language skills, especially with expertise in local dialects, remains a challenge for a number of the agencies. The Committee also noted that some agencies experienced higher separation rates in 2006–07, exacerbated by a competitive job market and internal policies encouraging staff mobility.

All AIC agencies indicated that performance management and evaluation continued to be a key service delivery priority. In some agencies this process has involved developing more user friendly intelligence product, more stakeholder engagement programs, annual customer surveys and formal performance reviews.

The Committee also noted that, in recognition of an upward trend in its litigation workload, ASIO introduced a new Legal Division and a Terrorism Litigation Advice Branch within the Investigative Analysis and Advice Division. The Committee identified the challenges associated with e-security across the AIC. It heard that agencies are working collaboratively and diligently to maintain optimum levels of e-security in a fast paced and global threat environment.

The Committee found that, despite facing the challenges associated with considerably increased budgets and the rapid, large-scale recruitment of staff, all agencies are currently managing expenditure appropriately.

The Committee is satisfied that the administration and expenditure of the six intelligence and security agencies is sound, and it thanks the Heads of the AIC agencies and all those who contributed to this review.

The Hon. Arch Bevis MP
Chair



Membership of the Committee

Chair The Hon. Arch Bevis MP

Deputy Chair The Hon. Philip Ruddock MP

Members Mr Daryl Melham MP

Mr Mark Dreyfus QC MP

The Hon Andrew Robb AO MP
(till 3 December 2008)

Mrs Kay Hull MP
(from 3 December 2008)

Senator Gavin Marshall

Senator Fiona Nash
(till 6 December 2008)

Senator Michael Forshaw

Senator Julian McGauran

Senator the Hon Helen Coonan
(from 6 December 2008 till 25 June
2009)

Senator Russell Trood (from 25 June
2009)

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Terms of reference

This review is conducted under paragraph 29(1)(a) of the *Intelligence Services Act 2001*:

- to review the administration and expenditure of ASIO, ASIS, DIGO, DIO, DSD and ONA, including the annual financial statements (of) ASIO, ASIS, DIGO, DIO, DSD and ONA.



List of abbreviations

AIC	Australian Intelligence Community
ANAO	Australian National Audit Office
APS	Australian Public Service
ASIO	Australian Security Intelligence Organisation
ASIS	Australian Secret Intelligence Service
DFAT	Department of Foreign Affairs and Trade
DIGO	Defence Imagery and Geospatial Organisation
DIO	Defence Intelligence Organisation
DSA	Defence Security Authority
DSD	Defence Signals Directorate
EL1/EL2	Executive Level 1/2 within APS
IGIS	Inspector-General of Intelligence and Security
ONA	Office of National Assessments
PM&C	Department of Prime Minister and Cabinet
SES	Senior Executive Service
TS(PV)	Top Secret (Positive Vet) security clearance



List of recommendations

Recommendation:

An additional classified section with one recommendation was provided by the Committee to the appropriate Minister

