

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Prime Minister and Cabinet Portfolio

Department of the Prime Minister and Cabinet

Budget Estimates Hearing 24 May-3rd June 2010

Question: PM94

Topic: Independent review of the Intelligence Community

Type of Question: Written

Date set by the committee for the return of answer: 9 July 2010

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- a) Why has the government decided to undertake a review of the Intelligence community?**
- b) To what extent has the review been prompted by the increasing demands for intelligence on the need to protect Australia's borders, stem the increase in asylum seekers and respond to the rise of China?**
- c) Why are savings made from the budget of Australian Security and Intelligence Organisation in 2009-10 being used to fund this review?**
- d) When will the review be conducted?**
- e) Who will conduct the review?**
- f) How long is the review expected to take?**
- g) What are the terms of reference for the review?**

Answer:

- a)** The intelligence community is subject to external review from time to time. The last wide-ranging review was the Inquiry into Australian Intelligence Agencies in 2004 (the Flood Inquiry). One of that inquiry's recommendations was that the intelligence community should be subject to periodic external review every five to seven years as a good governance practice.
- b)** In contrast to previous intelligence reviews, this review has not been prompted by a failure or problem. Rather, the intention is to help ensure Australia has a well-coordinated, strongly integrated, efficient and adaptable intelligence

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system that meets the national intelligence needs of government now and into the foreseeable future.

- c) The Government sought to offset all new spending in the 2010-11 Budget and a coordinated approach to the national security budget enabled the Government to ensure funding was directed to national security priorities. As PM&C was not in a position to absorb the cost of the review, offsetting savings were sought from across the budgets of all six Australian Intelligence Community (AIC) agencies, including the Australian Security Intelligence Organisation (ASIO). Savings were identified from ASIO's 2009-10 Budget, as a one-off measure, which was sufficient to cover the full expected cost of the review, without impacting on ASIO's operational activities or affecting service delivery to operational areas.
- d) Planning for the review is at any early stage, but the intention is for the review to commence in early 2011.
- e) PM&C is currently engaged in a process to identify possible candidates to lead the review, for consideration in due course by the Government. An announcement would be made at the appropriate time following that consideration.
- f) Planning for the review is at any early stage, but the intention is for the review to be completed and report to the Government before the end of 2011.
- g) Draft Terms of Reference for the review are in the process of being developed, and involve consultations with relevant departments and agencies before being considered by the Government.