

**SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE**  
**AUSTRALIAN FEDERAL POLICE**

**Questions No. 4 & 5**

**Senator Ludwig asked the following question at the hearing on 16 October 2006:**

**Senator LUDWIG**—I am happy for you to take this on notice. We seem to be getting a bit closer to where we should have been some time ago. You have articulated some of the measures, but I just want a bit more precision about the measures: how much related to each particular measure and which ones were recruitment orientated—in other words, related to recruitment or other than recruitment or, if it was a combination of both recruitment and another issue, if that can happen, what the other delay was.

**Commissioner Keelty**—Yes. As you can see, I have just discovered, in re-reading your question and the answer that was provided, that we clearly have not answered your question. If I can take that on notice rather than try and confuse the issue with an inappropriate answer tonight—

**Senator LUDWIG**—Yes. The questions that I asked were particular. I guess this is a catch-all question, but I will ask it in any event, just in case the question was seen as too particular. I will also ask you to take on notice to clarify whether there were no delays or underspends in relation to gained measures from previous budgets.

**Commissioner Keelty**—Yes, Senator.

**Senator LUDWIG**—The obvious question is: if there was not, why did the supplementary response not say so? Could you just draw that out again? If there was, then: what were the measures, how much was involved and were any in relation to recruitment or was there a combination of both? It seems there is a need to correct the record from where we started to where we are now.

**The answer to the honourable senator's question is as follows:**

There were delays and underspends in particular budget years that have contributed to our surpluses.

The answer to the previous Question on Notice 103 did not fully set out the situation concerning surpluses because the AFP did not fully understand the detail required by the question.

The surpluses were an aggregation of the unforeseen withdrawal from PNG, delays and 'start up' costs in the commencement of RAMSI and delays in negotiations with other parties to commence spending eg language training courses and the Indonesian National Police (INP) joint investigations in Bali.

While some shortfalls in recruitment are referred to for 2004-05, the recruitment issues have not been the main contributor to the AFPs surpluses.

The details of the surpluses are as follows:

**For the year 2003-04:**

- The estimated surplus of \$80 million (final actual \$85 million) consisted of:
  - Estimated \$62 million (actual \$60 million) for salaries and suppliers for PNG which reflected the AFP deployment being delayed until 26 September 2004 due to the uncertainty surrounding legislative immunity for members. Of this amount, \$14 million related to salaries, for 56 staff, and was returned to budget

in 2004-05, while the remaining \$48 million (actual \$46 million) related to set-up costs which was not able to be expensed;

- Estimated \$7 million (actual \$14.7 million) for the Regional Assistance Mission to the Solomon Islands relating to the ramp up of infrastructure services. These services are now fully in place;
  - Estimated \$2 million (actual \$2.2 million) in Protective Service which represents an operating surplus in the commercial area; and
  - \$9 million relating to the recovery of Bali expenditure from 2002-03 (provided through appropriation in 2004-05).
- The capital injection provided under new measures and remaining at the end of the year was as follows:
    - \$29.8 million PNG, \$2.2 million spent in 2004-05;
    - \$8.4 million RAMSI, spent in 2004-05;
    - \$0.5 million Budget Estimates Framework Review, which has now been fully committed; and
    - Other small variations totalling \$0.6 million which were spent in 2004-05.

**For the year 2004-05:**

- the surplus of \$24 million was made up of the following:
  - \$4 million for Fighting Terrorism at its Source due to some delay in the set up of language training courses. These courses have now been commenced;
  - \$3 million to support the INP, post the Jakarta Bombing, which is intended to go toward counter terrorism activities. Negotiations have been ongoing around suitable areas of support and agreement has now been reached to use these funds to establish an Indonesian Police DNA/Disaster Victim Identification laboratory. All remaining funding is expected to be spent in 2006-07;
  - \$8 million in the International Deployment Group made up of:
    - \$2.2 million for PNG and RAMSI as detailed in question 8;
    - \$3.3 million for support to the United Nations Mission in East Timor due to the wind up of the UN mission which resulted in lower numbers deployed than anticipated in 2004-05, however, the cost of a small number of members remaining in East Timor in 2005-06 was absorbed by the AFP.
    - \$2.2 million for the support for the police and justice institutions in East Timor due to later commencement than anticipated in the running of training courses for the East Timor Police. The project was up to date until the recent breakdown in civil order.

- Jakarta Centre for Law Enforcement Cooperation \$2.3 million (of a total of \$36 million over 5 years). \$1.6 million had already been spent in the previous year. The Centre was officially opened in July 2004 and Australian funding will continue to 2008-09;
  - Surplus of \$1.7 million in Criminal Records which was identified, and is being utilised, for investment in the systems used in that area;
  - Some shortfalls in recruitment for Forensic and Technical and Intelligence contributed to the residual surplus; and
  - \$135 million was returned to budget (for PNG) which included the capacity for 95 ASL.
- The capital injection provided under new measures and estimated as remaining at the end of the year was as follows:
    - \$2 million, to Double the Strike Team Capacity, since fully spent;
    - \$1.9 million in Rapid Deployment Capability, \$1.3 million remains available, mainly in the Technical area and will be utilised over the next two years;
    - \$3.3 million (of the total \$36 million), for Joint Centre for Law Enforcement Cooperation, which was the subject of discussions with Department of Finance and Administration to convert the funding to operating, due to the accounting treatment around the recognition of assets;
    - \$7.4 million for the National Protection Operations Centre. Expenditure is continuing on this project with equipment being installed;
    - \$2.1 million on Surge Capacity Phase 1, which was spent in 2005-06;
    - \$6 million in Fighting Terrorism at its Source, \$2 million was spent in 2005-06 and the remainder is expected to be spent in the next two years;
    - \$1 million in the National Child Protection Initiative, \$0.3 million was spent in 2005-06 and the remainder is expected to be spent in 2006-07; and
    - \$1.4 million for the Refurbishment of Police Training Facilities at Manly (as part of an \$11.2 million measure over three years), which was awaiting approval (granted this year) from the Public Works Committee.

**For the year 2005-06:**

- The estimated surplus of \$4 million was related to the Biometric Technology measure which is expected to be fully spent over the next 12 to 18 months. Phase One, which includes two trials of the basic capability, is partially completed and will culminate in a Request for Tender. Phase 2 and Phase 3 are due to be completed in the first half of 2007, with the final two phases of the pilot (operational trial and review) due to be completed in early 2008.

- Return of \$135 million was included in the estimates which included the capacity for 126 PNG staff.
- At the end of the 2005-06 year the AFP also returned \$30.7 million for Aviation Security which was not utilised. State police contributions for staff to Aviation were below initial projections.
- In the context of capital allocations, the 2005-06 estimates (reported in the 2006-07 PBS) assumed that all capital funding provided would be spent in that same year. This included budget funding of:
  - \$6.1 million for Australian Institute of Police Management and;
  - Additional Estimates (AEs) funding for Aviation Security (Community Policing at Airports) - \$33.5 million, Joint Airport Intelligence Groups - \$0.8 million, Counter Terrorism First Response - \$0.5 million.

Of this total, \$3.5 million was spent in 2005-06 with the residual deferred. These funds will be expended over the following three years on the specific projects outlined.

- In addition, a further \$17.6 million was also provided in AEs for PNG. \$17 million was returned to Government in the same year.