

# Chapter 1

## Introduction

### **Background to the Australian Crime Commission**

1.1 The *Australian Crime Commission Establishment Act 2002* commenced on 1 January 2003, enabling the Australian Crime Commission (ACC) to commence operations. The ACC replaced the National Crime Authority (NCA) and was established to improve upon perceived weaknesses in the governance, strategic direction, administration and structure of the NCA.<sup>1</sup> The ACC is able to carry out intelligence operations and to use coercive powers in support of its intelligence and operational capabilities.

### **Requirement for the examination of the annual reports of the Australian Crime Commission**

1.2 Under paragraph 55(1)(c) of the *Australian Crime Commission Act 2002* (the Act), the Parliamentary Joint Committee on the Australian Crime Commission (the committee) must examine and report on any matter appearing in, or arising out of, each annual report of the ACC.

### **The role of the Parliamentary Joint Committee on the Australian Crime Commission**

1.3 The duty to examine the ACC's annual reports imposed by section 55(1)(c) is one of a number of duties set out in section 55 of the Act, which collectively establish the committee as the main agent of parliamentary scrutiny of the ACC.

1.4 Sections 55(1)(a) and (b) require the committee to monitor, review and report on the ACC's performance of its functions under the Act. Section 55(1)(d) requires the committee to examine and chart trends and changes in criminal activities, practices and methods in Australia and to report to the parliament any recommended changes to the functions, structure, powers and procedures of the ACC. Section 55(1)(e) empowers the committee to inquire into and report on any matter referred to it by a house of the parliament.

1.5 Along with its other statutory duties, the committee's duty to examine each annual report of the ACC is a part of the oversight, accountability and policy mechanisms that balance the wide powers granted to the ACC against the need to protect the civil rights and freedoms of Australian citizens. The committee's task is not to be reflexively critical, or to seek to examine individual cases, incidents or actions

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1 Parliamentary Joint Committee on the National Crime Authority, *Australian Crime Commission Establishment Bill 2002*, p. 5.

ascribed to the ACC, but to provide a conduit for public consideration of and input into the ongoing performance and development of the ACC, and to 'consider and promulgate changes to the ACC'.<sup>2</sup>

1.6 The committee acknowledges the cooperation of the Chairman of the ACC Board, Australian Federal Police Commissioner Mick Keelty; the Chief Executive Officer of the ACC, Mr Alastair Milroy; and officers of the ACC. Throughout the 2005-06 reporting period the ACC has met with and briefed the committee on a number of occasions and provided monthly written reports on its activities and outputs. The provision of this information is critical to the maintenance of an effective working relationship between the ACC and the committee and to the committee's important oversight role.

1.7 The committee wishes to also acknowledge the work of the Commonwealth Ombudsman, Professor John MacMillan; the Acting Commonwealth Ombudsman, Dr Vivienne Thom; and their staff. Through its investigative and auditing functions, the Ombudsman's office is central to the accountability framework surrounding the ACC. The Ombudsman's office also provides the committee with an annual briefing on the ACC's conduct of controlled operations.

### **Tabling of the *Australian Crime Commission Annual Report 2005-06***

1.8 The *Australian Crime Commission Annual Report 2005-06* was tabled in the Senate on 5 December 2006, in accordance with section 61(6) of the Act. The current report is the third full-year report to be examined by the committee.

### **Conduct of the inquiry**

1.9 The committee held a public hearing to examine the report in Parliament House, Canberra, on 30 March 2007. Witnesses from the ACC that appeared were Mr Alastair Milroy, Chief Executive Officer; Mr Kevin Kitson, Executive Director, Intelligence Strategies; Mr Lionel Newman, Executive Director, Strategy and Governance; and Mr Michael Outram, Executive Director, Operational Strategies.

### **Adoption of the report examining the *Australian Crime Commission Annual Report 2005-06***

1.10 The committee adopted this report at a private meeting on 21 May 2007.

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2 Parliamentary Joint Committee on the Australian Crime Commission, *Review of the Australian Crime Commission Act 2002*, appendix 3, p. 126.