

## **Program 2 – Legal Services to the Commonwealth**

### **PROGRAM OBJECTIVE**

To advance and protect the interests of the Commonwealth, its ministers and agencies and other persons and bodies as appropriate, by the provision of sound, constructive and timely legal services.

### **2.1 Australian Government Solicitor**

The AGS became a prescribed agency under the *Financial Management and Accountability Act 1997* on 1 September 1998. A report on the operations of the AGS appears at page 129.



## Program 3 – Community Affairs

### PROGRAM OBJECTIVE

To enhance and promote the rights of individuals and their reasonable access to justice.

### 3.4 Family Law and Legal Assistance Division

#### SUB-PROGRAM OBJECTIVES

Access to assistance for the prevention and resolution of disputes through a range of mechanisms.

Access to justice through legal aid schemes and increased awareness of legal rights and responsibilities.

Access to a range of high-quality family law related dispute resolution services.

Development and maintenance of a family law regime appropriate to contemporary society.

#### ROLE

The sub-program is administered by the Family Law and Legal Assistance Division (FLLAD), which is located in the Department's Central Office.

While FLLAD administers some funding directly, most of the funds appropriated are allocated to various community-based service providers, either directly or through the Department of Family and Community Services, and legal aid commissions (LACs) throughout Australia.

The **Legal Aid Branch** administers the Legal Aid Program. This aims to provide reasonable access to legal assistance, particularly for those who have needs arising under Commonwealth law. This goal is pursued in cooperation with the States and Territories.

Commonwealth funding was provided for legal aid through:

- LACs in all States and Territories in accordance with Commonwealth–State agreements for provision of legal assistance throughout Australia;
- community legal centres in all States and Territories for provision of community-based legal assistance throughout Australia;
- direct grants of financial assistance in matters arising under a number of Commonwealth schemes, including matters under the Native Title Act, the *Workplace Relations Act 1996*, the Commonwealth Public Interest and Test Cases Scheme and the Overseas Custody (Child Removal) Scheme.

The **Family Law Branch** administers the *Family Law Act 1975* and the *Marriage Act 1961*, and is responsible for the development of policy on family law and marriage issues. The branch is also responsible for consideration of recommendations for reform from such bodies as the Family Law Council and the Australian Law Reform Commission. The branch advises on international child abduction, intercountry adoption and maintenance matters, and acts as the Commonwealth central authority for these matters.

The branch also administers the appointment under the Marriage Act of civil and religious marriage celebrants (other than nominees of major recognised denominations).

The branch also supports the Family Law Council.

The Family Relationships Services Program (FRSP) contributes to the development of a society in which children, young people and adults are able to develop and sustain safe, supportive and nurturing family relationships, and the emotional, social and economic costs associated with disruption to family relationships are minimised.

After the federal election in October 1998 responsibility for administration of the FRSP was transferred to the Department of Family and Community Services (FaCS). The activities and achievements of the FRSP for the year 1998–99 are outlined in the annual report for that department. However, as part of the Attorney-General's strategy for primary dispute resolution in family law, funding for family law related dispute resolution services within the FRSP is provided through the Attorney-General's Department and administered through a business partnership agreement with FaCS. The Attorney-General's Department jointly funds counselling services with FaCS and funds all mediation and children's contact services. The Department is also funding a contact-orders pilot project until June 2001. This is delivered through the FRSP.

These arrangements are managed by the Policy Development and Coordination Unit within FLLAD. This unit is also responsible for the progress of the Attorney-General's strategy in primary dispute resolution in family law.

#### Resources Summary - Sub-program 3.4 Family Law and Legal Assistance Division

	1997-98 <i>Actual</i> \$('000)	1998-99 <i>Estimate</i> \$('000)	1998-99 <i>Actual</i> \$('000)
<b>Appropriation Bill No. 1</b>			
Running Costs			
• Salaries (120-1) (p)	4,057	3,937	3,937
• Other (120-1) (p)	1,851	438	1,201
<b>RUNNING COSTS APPROPRIATIONS</b>	<b>5,908</b>	<b>4,375</b>	<b>5,138</b>
Other Program Costs			
• Grants to Australian Organisations (120-2-01) (p)	1,051	-	-
• Financial Assistance (120-2-04)	5,309	8,576	8,548
• Compensations and Legal (120-2-04)		520	464
• Grants to Family Relationship Support Organisations (120-2-09)	32,953	15,281	22,608
• Community Legal Services	-	21,971	18,659
<b>Appropriation Bill No. 2</b>			
• Provision of Legal Aid (806-02)	91,678	57,088	57,087
• Legal Aid Grants (806-03)	14,904	-	-
• Commonwealth Legal Aid Program(807-02)	18,000	45,750	45,750
<b>TOTAL APPROPRIATIONS</b>	<b>169,803</b>	<b>153,561</b>	<b>158,254</b>
Adjustments affecting outlays			
• Revenue			
- Miscellaneous	342	50	0
• Section 31 (FMA Act) Receipts	4	10	81
<b>TOTAL OUTLAYS</b>	<b>169,457</b>	<b>153,501</b>	<b>158,173</b>
STAFFING			
<b>Staff Years</b>	<b>68.6</b>	<b>68.0</b>	<b>61.0</b>

These figures are expressed in cash terms. The accompanying audited Financial Statements are presented in accrual format. 1997-98 actual figures have been adjusted to reflect actual Support Group costs on the split of the AGS from the Department.

## **STRATEGY**

Develop and implement coherent, innovative and achievable policy initiatives in conjunction with relevant stakeholders.

### **PERFORMANCE MEASURE**

*Needs-based models developed.*

### **PERFORMANCE OUTCOME**

Research associated with the development of the needs-based planning model for legal aid was completed and the model was finalised in line with the research findings. The model will be used to inform the forthcoming renegotiations of legal aid funding agreements.

### **PERFORMANCE MEASURE**

*Analysis of provision of primary dispute resolution in family law completed.*

### **PERFORMANCE OUTCOME**

A questionnaire outlining types of primary dispute resolution services provided by LACs was completed and forwarded to the Department for analysis in 1999–2000.

Research and mapping of existing primary dispute resolution services in the community began.

### **PERFORMANCE MEASURE**

*Policy response on representation of children developed.*

### **PERFORMANCE OUTCOME**

A report on research into child inclusive practice in family and child counselling and mediation was released. Preparation of a draft position paper on separate representation of children in family law continued as resources allowed.

### **PERFORMANCE MEASURE**

*Preventative strategies developed and implemented.*

### **PERFORMANCE OUTCOME**

The major responsibility for this measure was transferred to FaCS. The 1999–2000 Budget included \$15.6 million for the expansion of children's contact services.

A pilot project to test approaches to support for families experiencing difficulties with post-separation contact arrangements was established through the FRSP.

### **PERFORMANCE MEASURE**

*Policy outcomes of identified reviews implemented.*

### **PERFORMANCE OUTCOME**

An Implementation Advisory Group was set up in South Australia to pursue the objectives of that State's review of community legal services. A restructure of the State's community legal services sector was recommended.

A similar group was established in Victoria following the review of community legal services in that State.

A review of the war veterans' legal aid scheme continued throughout 1998–99. Nationally consistent benchmarks for the provision of assistance for these matters will be implemented during 1999–2000.

Work commenced on a similar review of grants of aid for family law matters. This will develop a nationally consistent approach for administering grants of assistance for family law cases.

New guidelines for the provision of financial assistance in native title cases were approved by the Attorney-General.

Guidelines implemented for the provision of services by LACs in Commonwealth law matters continued to be monitored, with a view to a full review of the guidelines in 1999–2000.

A review of the civil marriage celebrant program progressed. The review included a discussion paper, a survey of newly married couples, meetings with State and Territory Registrars of Births, Deaths and Marriages, and a national conference for civil marriage celebrants. The Government is considering the results of the review.

## STRATEGY

Fund provider organisations to deliver effective services to meet Commonwealth policy priorities, under contract or in accordance with agreements.

## PERFORMANCE MEASURE

*Whether services are provided to the community cost-effectively and in line with government priorities.*

## PERFORMANCE OUTCOME

A business partnership agreement with FaCS was negotiated for the delivery of family law related dispute resolution services through the FRSP.

Six new community legal services were funded and established in Albury-Wodonga, Port Pirie, Nowra, Albany, Kununurra and Mt Isa.

A national review of legal services under the Disability Discrimination Act was commenced.

A project to enhance service delivery and administration of women's community legal services was designed. Trials of improvement strategies will be held in individual organisations.

## PERFORMANCE MEASURE

*Community legal services agreements revised in light of the outcomes/outputs framework by the end of 1998–99.*

## PERFORMANCE OUTCOME

Community legal services agreements were revised to enable better reporting against an outcomes/outputs framework.

## PERFORMANCE MEASURE

*New contracts with family relationships services negotiated by the end of 1998–99.*

## PERFORMANCE OUTCOME

Management of the FRSP was transferred to FaCS.

**Attorney-General's Department**

## STRATEGY

Promote good management practice and greater accountability in service provision.

### PERFORMANCE MEASURE

*Effective contractual and monitoring arrangements in place.*

### PERFORMANCE OUTCOME

The business partnership agreement with FaCS ensures that funding arrangements deliver effective services which are regularly monitored.

Effective arrangements are in place through service agreements with community legal services and funding agreements for LACs.

### PERFORMANCE MEASURE

*The first stage of the redevelopment of the community legal services national information scheme completed.*

### PERFORMANCE OUTCOME

Following a tender process, contract negotiations were undertaken with the proposed consultant. Negotiations were complex and raised a number of issues which had to be resolved before the contract could be finalised.

### PERFORMANCE MEASURE

*Management information and performance measures for legal aid service delivery developed.*

### PERFORMANCE OUTCOME

Consultations took place with LACs regarding the development of performance measures. A number of working parties were established to assist in defining specific performance measures.

A national training program was provided to the community legal services sector on accrual accounting and reporting preparatory to its introduction from 1 July 1999.

Mandatory performance indicators were reported on by community legal services as a preliminary measure of efficiency, and to ensure that services are targeted strategically to the disadvantaged in the community.

The service standards and performance indicators project identified a set of core functions or outputs common to community legal services and developed program logic outcomes. The results of this project will be incorporated into service agreements for 1999–2000.

## STRATEGY

Pursue a range of measures for enhancing legal structures, processes and procedures in areas such as primary dispute resolution in family law.

### PERFORMANCE MEASURE

*The degree to which initiatives:*

- *increase equity and access to justice;*
- *implement government policy and take account of client group requirements;*
- *are effective and efficient.*

#### **PERFORMANCE OUTCOME**

*Delivery of Primary Dispute Resolution Services in Family Law: Next Steps* was published in July 1998. This publication, the result of consultation on a 1997 discussion paper on primary dispute resolution in family law, set out the key issues and identified areas for further development and research.

Development of a future long-term strategy continued through the commencement of research and information-gathering. The 1998–99 Budget provided \$15.7 million to expand counselling and mediation services in the community, together with a community and professional awareness strategy, \$3 million for increased legal aid conferencing and \$3.1 million for family law telecommunications services.

Consultations with primary dispute resolution stakeholders continued.

#### **STRATEGY**

Develop effective policy and legislation in family law, both domestic and international.

#### **PERFORMANCE MEASURE**

*Satisfaction of the Attorney-General and client groups with policy initiatives developed.*

#### **PERFORMANCE OUTCOME**

Policy on the initial stages of family law reform, relating to financial agreements and enforcement of parenting orders, was developed. The Family Law Amendment Bill (No. 1) 1999 and extrinsic material was prepared for introduction in the Parliament.

A discussion paper, *Property and Family Law – Options for Change*, was prepared and released.

The Government announced a decision to implement reforms to superannuation to allow superannuation accounts to be divided on marriage breakdown.

Compliance with international obligations relating to family law matters continued and the network of countries with which Australia can enforce the Hague Convention on the Civil Aspects of International Child Abduction was expanded. Progress was made towards bilateral agreements with Egypt and Lebanon on international child abduction.

The Division participated in a Hague special committee to try to resolve difficulties which countries, including Australia, have in ratifying or acceding to the Convention on International Maintenance. Legislation to facilitate the negotiation of bilateral agreements with the People's Republic of China for intercountry adoption was passed, and the Convention on Intercountry Adoption commenced in Australia in December 1998.

A cross-portfolio project team developed a discussion paper on options for reform of the family law property regime, and liaison with States and Territories on international family law matters continued.

Further discussions were held with States and Territories on reform of superannuation and property, and negotiations were undertaken with States and Territories on issues related to the Convention on Intercountry Adoption.

The Division continued to participate in the development of child support policy.

## 3.5 Insolvency and Trustee Service, Australia

### SUB-PROGRAM OBJECTIVE

A personal insolvency system which balances the need for rehabilitating insolvent debtors with maximising returns to creditors, producing public confidence in the system through:

- relevant and up-to-date personal insolvency laws;
  - accessible information on bankruptcy and its alternatives;
  - maintaining the public bankruptcy register;
  - the exercise of statutory powers, and the investigation of possible offences under bankruptcy legislation;
  - administration of estates where a private sector bankruptcy trustee has not been appointed;
  - regulation of the activities of the Official Trustee and private sector bankruptcy trustees.
- Contribute to the enforcement of proceeds-of-crime remedies in cooperation with other agencies.

### ROLE

The Insolvency and Trustee Service, Australia (ITSA) is responsible for the administration of the personal insolvency system in Australia and controls property subject to orders under the Proceeds of Crime Act and the Customs Act.

The principal functions of ITSA are:

- Administration of the personal insolvency system:
  - to provide information on bankruptcy and its alternatives to debtors in financial difficulty contemplating bankruptcy, and to the community;
  - to receive debtors' petitions, issue bankruptcy notices, accept debt agreements for processing and maintain and make available data on bankrupts and other debtors;
  - to exercise statutory powers regarding information-gathering, property realisation and the assessment of income contributions by bankruptcy trustees;
  - to consider applications by bankruptcy trustees for an indemnity for their costs in legal proceedings.
- Bankruptcy estate administration:
  - to administer those bankrupt estates in which a registered trustee is not appointed.
- Policy and legislation reform:
  - to provide policy advice to the Government on the *Bankruptcy Act 1966* and regulations.
- Bankruptcy regulation:
  - to regulate personal insolvency administration by all trustees.
- Proceeds of crime:
  - to control and realise property under the provisions of the Customs Act and the Proceeds of Crime Act.
- To provide other trustee services to government agencies.

### OVERVIEW

Highlights for ITSA in 1998–99 included:

- Performance standards were maintained in the face of continuing growth in ITSA's workload. For example, the number of new bankruptcies received by ITSA in 1998–99, 25 056, was 7.6 per cent above the 1997–98 figure of 23 282; the number of inquiries answered doubled to 104 638; and the number of Part IX debt agreements processed and made increased by 37 per cent. A stronger focus on client

service and improved productivity from a consultative working environment facilitated these results.

- Updating the bankruptcy estate administration best practice statements to incorporate the personal insolvency national standards (a joint exercise between ITSA and the Insolvency Practitioners Association of Australia) and to accommodate 1997 legislative amendments and developments in case law and internal policy and practice. These best practice statements improved ITSA's ability to handle its increasing workload while ensuring more consistent service standards.
- Two key initiatives arising from ITSA's 1997 staff survey were the introduction of the performance feedback scheme and considerable enhancement of ITSA's computerised case management system OTISS.

#### Resources Summary - Sub-program 3.5 Insolvency & Trustee Service, Australia

	1997-98	1998-99	1998-99
	Actual	Estimate	Actual
	\$(000)	\$(000)	\$(000)
<b>Appropriation Bill No. 1</b>			
Running Costs			
• Salaries (120-1) (p)	14,082	14,364	13,990
• Other (120-1) (p)	7,804	7,914	7,931
<b>RUNNING COSTS APPROPRIATIONS</b>	<b>21,886</b>	<b>22,278</b>	<b>21,921</b>
Other Program Costs			
• Compensation & Legal Expenses (120-2-04) (p)	1,775	1,700	1,476
<b>Appropriation Bill No. 2</b>			
• Departmental Plant & Equipment (805-1-01) (p)	99	-	561
<b>TOTAL APPROPRIATIONS</b>	<b>23,760</b>	<b>23,978</b>	<b>23,958</b>
Adjustments affecting outlays			
• Revenue			
- Miscellaneous	8,495	8,007	(5)
• Section 31 (FMA Act) Receipts	174	150	466
<b>TOTAL OUTLAYS</b>	<b>15,091</b>	<b>15,821</b>	<b>23,497</b>
STAFFING			
Staff Years	271.0	265.0	255.6
REVENUE AND/OR ITEMS NOT AFFECTING OUTLAYS			
Miscellaneous Receipts	8,847	8,940	8,913

These figures are expressed in cash terms. The accompanying audited Financial Statements are presented in accrual format. 1997-98 actual figures have been adjusted to reflect actual Support Group costs on the split of the AGS from the Department.

## EFFECTIVE ADMINISTRATION OF THE PERSONAL INSOLVENCY SYSTEM

### STRATEGY

Give the community access to information about the personal insolvency system, particularly alternatives to bankruptcy.

### PERFORMANCE MEASURE

*Increasing acceptance of debt agreements and other alternatives to bankruptcy through better-informed decisions by those in financial difficulty, by creditors and others.*

#### PERFORMANCE OUTCOME

In 1998–99 ITSA gave information to 104 638 people inquiring about bankruptcy and its alternatives, an increase of 102 per cent over 1997–98. ITSA publishes a wide range of information pamphlets about bankruptcy and its alternatives and is updating and reviewing those information pamphlets. In addition ITSA gives information sessions to creditors, particularly finance providers. Major presentations were given on 75 occasions in 1998–99, compared with 70 in 1997–98.

During 1998–99 480 Part IX debt agreements were made with creditors, compared with 349 for 1997–98. Debt agreements are a relatively new, formal alternative to bankruptcy, intended for those with low income and few assets who are able to offer something to their creditors. The trend for an increasing number made since 1997–98, an increase of 37.5 per cent, reflects a growing awareness of the benefits of debt agreements among creditors and people in financial difficulty able to avoid bankruptcy. It also reflects the emergence in some States, notably WA, Tasmania and more recently Queensland, for accountants and others to be active in administering debt agreements once they are accepted by creditors.

The number of Part X agreements, another formal alternative to bankruptcy and appropriate for debtors with higher levels of income and assets, was 495 compared with 427 matters in 1997–98.

#### STRATEGY

Maintain the National Personal Insolvency Index bankruptcy register.

#### PERFORMANCE MEASURE

*The National Personal Insolvency Index (NPII) is accurate and up-to-date; complaints about data accuracy or usefulness number fewer than 0.1 per cent of searches conducted.*

#### PERFORMANCE OUTCOME

The NPII is maintained by ITSA and is the public record of matters under the Bankruptcy Act such as creditors' petitions, bankruptcies, Part IX debt agreements and Part X arrangements. ITSA continued to improve the operation of the NPII in terms of data accuracy and clarity. While searches can be conducted at any ITSA office, information brokers provide the bulk of searches through online connection services to the NPII. During 1998–99 approximately 166 720 searches of the index were conducted — 127 534 by brokers and 39 186 by ITSA. The number of searches conducted was slightly greater than in 1997–98 (162 281).

The number of recorded complaints about NPII data accuracy and usefulness in 1998–99 was 1610, down 40 per cent on the number recorded in 1997–98, 2687. This represented one per cent of all searches conducted. The reduced number of complaints reflects the effort taken to consolidate the base data on the NPII.

#### STRATEGY

Exercise statutory powers to enable trustees to obtain information, require attendance to give evidence, gain access to premises, recover and charge property and collect income contribution liabilities.

#### PERFORMANCE MEASURE

*Official Receiver notices issued within five days of receipt of relevant supporting material.*

#### PERFORMANCE OUTCOME

On behalf of all bankruptcy trustees, Official Receivers exercise information-gathering powers and issue notices requiring the recipient to yield up property forming part of the bankrupt's estate to the trustee. In the case of people holding money for, or owing money to, any bankrupt who has been assessed by the

trustee as liable to pay an income contribution, Official Receivers issue notices requiring the payment of an amount on account of the income contribution assessed.

In 1998–99 a total of 809 notices were issued by Official Receivers to assist trustees to administer bankruptcies. The comparable figure for 1998–99 was 540. Ordinarily the performance standard of issuing notices within five days of receipt of relevant supporting material was achieved.

#### STRATEGY

Provide funding under s. 305 of the Bankruptcy Act to trustees in cases where creditor funding is not available and public confidence in the system is at stake.

#### PERFORMANCE MEASURE

*Intended benefit achieved in 75 per cent of cases where s. 305 funding is approved.*

#### PERFORMANCE OUTCOME

Bankruptcy trustees can apply for funding under s. 305 of the Bankruptcy Act regarding proposed outlays in the proper administration of a bankrupt estate where there are insufficient funds in that estate. Typical actions for which trustees seek funding are: the locating of a bankrupt for the purpose of obtaining a statement of affairs; public examination of a bankrupt before a court; and legal proceedings to recover assets transferred by the bankrupt to another person at the expense of the creditors.

In 1998–99, 38 applications for s. 305 funding were processed. Of those 33 were approved and five rejected. In 1997–98, 47 of 56 applications were approved. The funding indemnity ceiling for s. 305 applications approved in 1998–99 was \$753 750, down from \$1 516 000 the previous year. The operational standard of submitting a recommendation to the delegate within five working days (10 days in complex matters) of receipt of all relevant supporting material was met in all of the 33 approved cases.

Records were kept in 1998–99 of the extent to which assistance to trustees resulted in the achievement of the benefit identified when s. 305 funding was sought and approved. Of 31 matters completed in 1998–99, the identified benefit was achieved in 29 cases, or 93 per cent. On two occasions legal proceedings by a trustee to recover assets for the benefit of the creditors of the bankruptcy were unsuccessful. The benefits most often achieved were: locating the bankrupt and obtaining a statement of affairs; conducting a public examination of the bankrupt; and successfully defending legal proceedings where there were no funds in the estate or the creditors had insufficient financial resources either to fund the trustee or to indemnify the trustee against an award of costs.

#### STRATEGY

Identify and investigate cases of material offences under the Bankruptcy Act.

#### PERFORMANCE MEASURE

*References to the Director of Public Prosecutions accepted for prosecution, or other successful outcomes achieved, in 80 per cent of cases.*

#### PERFORMANCE OUTCOME

In accordance with the objective of producing public confidence in the personal insolvency system, ITSA is giving increased priority to the investigation of offences under the Bankruptcy Act where the facts suggest that a material offence has been committed.

During 1997–98 a training program, covering investigatory techniques and the taking of evidence, began for offence investigation officers in the State branches. Originally conducted by the Australian Federal Police, the program subsequently moved through the University of WA to a course managed by a firm of management consultants. These changes slowed down the training operation, and the final group of investigating officers from ITSA was able to attend the course only at the end of the financial year. It was foreshadowed in last year's report that measurable outcomes would take some time to be produced from the internal investigation initiative. The restructuring of the training course has added to the anticipated time.

Nevertheless, in 1998–99 ITSA offence investigation officers carried out 126 investigations, an increase of 300 per cent over the previous year. These resulted in 44 referrals to the DPP for prosecution (35 in 1997–98), all of which have been prosecuted with 11 convictions to date. Many of the offences investigated were of a relatively minor nature and were handled by the issue of a formal caution to the bankrupt by ITSA staff. It is intended that the use of formal cautions will act to reduce the number of minor offences being committed by reinforcing to bankrupts the obligations which they have while undischarged.

ITSA was a finalist during the year in the Commonwealth Executives Innovation Awards for its work in producing the *ITSA Investigation and Policy Procedure Manual*.

#### **STRATEGY**

Set performance standards and measure outputs.

#### **PERFORMANCE MEASURE**

*Achievement of performance standards.*

#### **PERFORMANCE OUTCOME**

ITSA's system administration services include not only the giving of information to people making inquiries about bankruptcy and its alternatives, but also the examination of debt agreement proposals, the issuing of bankruptcy notices, the acceptance of debtors' petitions and the handling of those bankruptcies in which no assets were identified or in which investigations were required.

The standards for the achievement of those services were generally achieved in 1998–99. The activity level and the number of outputs produced were significant: 6500 bankruptcy notices were issued, 24 929 debtor's petitions were accepted, 803 debt agreements were processed for consideration by creditors and 19 855 assetless bankruptcies were handled.

### **RELEVANT AND UP-TO-DATE PERSONAL INSOLVENCY LAWS**

#### **STRATEGIES**

- Evaluate legislative amendments within a reasonable time of their commencement;
- be informed about developments in bankruptcy practice;
- collect data about the circumstances in which bankruptcies occur.

#### **PERFORMANCE MEASURE**

*Evaluation of December 1996 amendments completed by October 1999.*

## PERFORMANCE OUTCOME

Significant changes were made to bankruptcy law and procedures by the *Bankruptcy Legislation Amendment Act 1996* which came into effect on 16 December 1996. The evaluation of the Act has been completed. It comprised a revisiting of the two amendments evaluated in 1998, together with evaluation of a further two key features of the Act. Registered trustees, private sector debt agreement administrators, Official Receivers and other ITSA staff participated in the evaluation. There were a number of key findings:

- Both the transfer of bankruptcy-related administrative functions from the Federal Court to ITSA, and ITSA's subsequent provision of services to insolvent individuals, have been a success.
- The debt agreement option is being taken up increasingly but still in low numbers which approximate the number of Part X agreements.
- Changes to the antecedent transaction avoidance provisions (ss. 120–122) have been a success in practice, although they have not yet been tested in the courts. Under them trustees can recover property from third parties who receive, for less than market value, property from debtors facing bankruptcy or insolvency.
- Changes to trustee duties and powers have been a success. Those changes:
  - modernised the statement of the duties of bankruptcy trustees;
  - made the powers of trustees discretionary, but subject to review by the court;
  - improved the investigative powers of trustees.
- The new trustee registration procedures are working well, although a particular AAT registration decision suggested a need to strengthen one aspect of them.

The Government's 'Meeting our Commitments' strategy in 1996 targeted increased revenue of \$15 million over three years to help meet the cost of administering the bankruptcy system. ITSA's 1996–97 legislative policy initiatives underpinned the enactment of the *Bankruptcy Amendment Act 1997* and the *Bankruptcy (Estate Charges) Act 1997*. The revenue target was achieved in less than the full three-year period. Revenue increased by \$14.8 million in the period from November 1997 to 30 June 1999 when compared with the base year of 1995–96.

ITSA monitors reported case law and participates in insolvency conferences and seminars. ITSA is also a member of the International Association of Insolvency Regulators, which enables insolvency developments overseas to be monitored. In February 1999 ITSA hosted a meeting of the association in Sydney.

In July 1998 ITSA published a *Profile of Debtors*. This was based on a sample of data from people in financial difficulty who either went bankrupt or made debt agreements with their creditors in 1997. These debtor profiles are used to assist in policy development and to help the finance industry better understand the circumstances in which people go bankrupt or otherwise seek to resolve their insolvency.

## STRATEGY

Consult personal insolvency system stakeholders about personal insolvency laws.

## PERFORMANCE MEASURE

*Consultation about bankruptcy law acknowledged by stakeholders as effective and constructive.*

## PERFORMANCE OUTCOME

Meetings of the Bankruptcy Reform Consultative Forum convened by ITSA were held in Sydney and Melbourne in September 1998 and May 1999. The forum comprises representatives of key stakeholders in the personal insolvency system, including finance providers, financial counsellors, lawyers and accountants. The primary focus of discussion was matters being considered for reform of the Bankruptcy Act. The forum

enabled practical issues relating to the potential impact of proposed reforms to be canvassed and an improved balance between the interests of creditors and debtors to be developed. Members of the forum expressed their appreciation at being able to participate in the development of reforms to bankruptcy law.

In addition to formal consultation, special consultation was conducted with smaller stakeholder groups in Queensland, WA, South Australia and Tasmania to get a wider range of views on possible amendments to the Act.

#### **STRATEGY**

By 2000, introduce legislation to simplify personal insolvency laws.

#### **PERFORMANCE MEASURE**

*Legislation, recognised by key stakeholders as simplifying the law, introduced by 2000.*

#### **PERFORMANCE OUTCOME**

Following consultation through the Bankruptcy Reform Consultative Forum, a proposal for amendments to simplify the Bankruptcy Act and keep it up to date was developed for submission to the Minister for Justice and Customs.

### **EFFECTIVE REGULATION OF THE BANKRUPTCY SYSTEM**

#### **STRATEGY**

In relation to the Official Trustee and private sector bankruptcy trustees:

- conduct a targeted program of inspection of trustee systems and practices;
- handle complaints within set time frames;
- liaise regularly with trustees.

#### **PERFORMANCE MEASURE**

*Program of targeted inspections achieved.*

#### **PERFORMANCE OUTCOME**

Priority was given to continued development of new methods of inspection for the Bankruptcy Regulation Unit. As a result the program of inspections for 1998–99 concentrated on conducting the minimum number of inspections of trustee estates to allow recurring problems to be identified. Administrations were targeted for inspection either as part of a randomly selected proportion of all administrations of each trustee, or as a result of complaints received.

Australia-wide, 223 estates of registered trustees and 599 estates of the Official Trustee were inspected. Problems requiring remedial action were identified in 14.5 per cent (118/822) of these estates and 10 per cent (82/822) of them were identified within 12 months of the problem first occurring. In 69.5 per cent (82/118) of those estates where remedial action was required, such action was completed within 60 days

The Bankruptcy Regulation Unit aims to improve the timeliness with which problems are identified and addressed by adopting an annual inspection program instead of biennial inspections. This will improve timeliness and lead to systemic problems being discovered earlier.

Documents filed and reports sent to creditors by trustees on proposed new Part X administrations were reviewed throughout 1998–99 to determine whether reporting requirements were being met and whether

creditors were being properly and adequately informed. As an adjunct to this work, the Bankruptcy Regulation Unit attended 55 meetings of creditors where requested to do so, or where concerns about certain aspects of the proposals warranted attendance. Remedial action was taken in relation to 21 of the Part X matters investigated, which included attending meetings.

A total of 128 (109 in 1997–98) reviews by the Inspector-General of trustee decisions were carried out in relation to income contribution assessments, applications for early discharge and objections to discharge. All reviews were completed within the required time frame of 60 days, including 63 reviews of registered trustee decisions and 65 of Official Trustee decisions. Overall 52 per cent (66/128) of trustee decisions were overturned on review. The decisions overturned were primarily in relation to income contributions where new assessments were issued, or objections where trustees had not defined their reasons for the objection in accordance with case law.

#### **PERFORMANCE MEASURE**

*Complaints handled within set timeframes.*

#### **PERFORMANCE OUTCOME**

A two-tiered approach to the investigation of complaints about trustees is applied. Complaints are investigated by the Bankruptcy Regulation Unit only in cases where the Inspector-General has the necessary power to take any remedial steps which may be required. In all other instances the complainants are advised of the courses of action available to them under the Bankruptcy Act.

During 1998–99 there were 176 complaints. Of these 57 complainants were advised of the avenues available to them under the Act and 119 were fully investigated by the Bankruptcy Regulation Unit. The target of 60 days in which to finalise an investigation of a complaint was reached in 68 per cent of cases. For most of the balance, time taken to receive required information from trustees prevented the standard being achieved.

#### **PERFORMANCE MEASURE**

*Over time, fewer justified complaints about trustees.*

#### **PERFORMANCE OUTCOME**

The number of complaints investigated and found to be justified increased from 15.8 per cent (29/183) in 1997–98 to 45.4 per cent (49/108) in 1998–99. Reasons for this increase included a more precise classification of what amounts to a complaint. There was also a marginal increase in the number of complaints involving a breach of the law from 6 per cent (11/183) in 1997–98 to 6.5 per cent (7/108) in 1998–99. The complaints were mainly attributable to incorrect meeting procedures and actions taken by trustees in realising property, failure by trustees to keep creditors and affected parties adequately informed, and the inactivity of trustees in respect of some of their administrations. Follow-up action included the counselling of the trustees involved and necessary corrective action.

In 1997–98 and 1998–99 the number of complaints in relation to recurring problem areas, such as poor communication between the trustee and others, were specifically monitored. While the overall number of justified complaints increased, complaints resulting from poor communication by trustees decreased from 49 per cent in 1997–98 to 32.4 per cent in 1998–99.

It is anticipated that one of the longer term outcomes of the new risk-based method of inspection to be implemented in July 2000 will be a reduction in the number of justified complaints.

## STRATEGY

Administer a registration scheme in relation to private-sector bankruptcy trustees.

## PERFORMANCE MEASURE

*Effective administration of trustee registration scheme.*

## PERFORMANCE OUTCOME

The Inspector-General administers the Bankruptcy Trustee Registration Scheme, which involves committees interviewing applicants for registration as a bankruptcy trustee. The committees comprise three members: the Inspector-General or his delegate, a representative from the Insolvency Practitioners Association of Australia and, usually, a senior officer from the Bankruptcy Regulation Section in the State concerned. In 1998–99 nine applications were received from people wanting to become registered as bankruptcy trustees. All but two applications were approved by a committee. In two cases the Administrative Appeals Tribunal overturned the Inspector-General's decision and registered the applicants.

At 30 June 1999 there were 203 registered trustees. Three registered trustees did not renew their registration, one was disqualified and one died.

## EFFECTIVE ADMINISTRATION OF BANKRUPT ESTATES

### STRATEGIES

- Set performance standards and measure outputs;
- act as trustee of last resort where a private sector trustee has not been appointed;
- categorise estates to maintain consistency and make cost-effective use of resources.

### PERFORMANCE MEASURE

*Achievement of performance standards.*

### PERFORMANCE OUTCOME

ITSA uses performance indicators to measure the effectiveness of its estate administration function.

Broadly, the significant indicators measure how quickly initial reports to creditors are sent out after the bankruptcy occurs; whether realisations are being achieved in those estates on which significant administrative resources are being spent (as distinct from those where the bankruptcy is recorded and creditors are notified but no other work is warranted, or where preliminary inquiries reveal that no more work is warranted); and whether, when dividends are paid to creditors, they are paid promptly after realisations are made. The aim is to encourage staff to focus resources and effort on those estates where assets can be realised cost-effectively.

Bankrupts or creditors can appoint a private trustee to administer the bankruptcy. Otherwise ITSA administers them as a safety net to ensure all necessary work in bankruptcies is undertaken. In 1998–99 ITSA received 25 056 new bankruptcies, which was 95 per cent of the total.

Upon preliminary analysis, those new bankruptcies which appear not to contain realisable assets or income contribution potential are notified to creditors. If no further information is received which warrants investigation, the matters receive little further attention unless contact is made by the bankrupt, such as an application for early discharge. All other new bankruptcies are fully investigated.

Performance in 1998–99 against the indicators showed:

- the indicators for sending initial reports to creditors (75 per cent within 14 days of receipt of a statement of affairs, and 100 per cent within 28 days) were exceeded or substantially achieved at 95 per cent and 98 per cent respectively;
- the indicator of finalising 100 per cent of less complex estates within three months of receipt of a statement of affairs was substantially achieved at 94 per cent;
- the indicator of achieving realisations in 60 per cent of estates open for more than three months was substantially achieved at 54 per cent;
- the indicator of paying 80 per cent of dividends within three months of the receipt of realisations was not achieved, the performance level being 65 per cent.

ITSA is developing a new data recording system for performance indicator reports. Some of the above figures are based on part-year reports, but are representative of full-year performance. Most of the performance information is based on performance in finalised estates. Some bankruptcies involving complex affairs can take from 18 to 36 months or more to administer. The discipline of meeting the indicators first adopted in 1997–98 is taking time to flow through to outcomes in estates which were already under administration at that time. Performance against realisations and dividend indicators will improve as those older estates are finalised.

The following table shows the amount of dividends paid by ITSA to creditors, the Official Trustee’s (ITSA) fees taken and the interest on the Common Investment Fund (CIF) paid to the Consolidated Revenue Fund during 1998–99, with 1997–98 figures for comparison.

	1997–98	1998–99
Dividends Paid to Creditors	\$13 560 976	\$11 767 491*
Official Trustee Fees	\$6 216 427	\$7 655 596*
Interest on Common Investment Fund	\$725 000	\$608 000

\* Note: The Marcus Clark estate yielded dividends to creditors of \$1.5 million and fee revenue of \$279 000. In addition, on behalf of the Official Trustee, ITSA recovered realisations amounting to \$6 434 003 from AMP shares.

In 1997–98 the Goldberg estate yielded \$3.9 million in dividends to creditors and fee revenue of \$1.1 million.

#### PERFORMANCE MEASURE

*Complaints about ITSA services other than trustee activity number less than one per cent of client base (undischarged bankrupts).*

#### PERFORMANCE OUTCOME

ITSA’s client service charter encourages clients to make contact with ITSA where they are not satisfied with an aspect of service. If the client is not satisfied with the response given by the staff member with whom they have been dealing, the matter can be referred to the staff member’s manager or branch head and is recorded as a complaint at that time.

In 1998–99 ITSA staff recorded 98 complaints about aspects of service. The most common complaints related to not taking certain action as expected by the client; delay in taking action; or a lack of understanding or insufficient information available about how the bankruptcy system works. As the relevant client base (approximate number of undischarged bankrupts) is 63 000, the performance standard has been achieved.

**PERFORMANCE MEASURE**

*Client groups satisfied, as measured by periodic client surveys.*

**PERFORMANCE OUTCOME**

Findings from the 1997 ITSA client survey continued to be followed up. During the year a number of information pamphlets about bankruptcy and its alternatives were reviewed for accuracy and clarity. A redesign of the statement of affairs, a key document completed by all bankrupts, commenced with client participation.

The amount of information available on the Internet to people in financial difficulty and the insolvency industry generally was expanded to include the Client Service Charter, details of alternative service providers, statutory forms, national standards of the industry, search facilities of the National Personal Insolvency Index database, an explanation of the legislative sections that are affected by changes to the consumer price index, and where to obtain publications.

ITSA plans to conduct another client survey in 2000 to monitor the progress made in addressing the issues raised by clients in the key findings of the 1997 survey, and clients' current opinion on ITSA's service standards.

**CONTRIBUTE TO THE ENFORCEMENT OF PROCEEDS OF CRIME REMEDIES**

On behalf of the Official Trustee, ITSA implements orders relating to the control of property under the Proceeds of Crime and Customs Acts. When ordered by the court, ITSA takes control of property pending the making of either pecuniary penalty orders, forfeiture orders or other orders. ITSA works with other law enforcement agencies, including the Australian Federal Police and the DPP, in this law enforcement initiative.

The property and assets realised under pecuniary penalty orders and forfeiture orders are paid into the Confiscated Assets Trust Fund, which ITSA manages. In 1998–99 payments to the fund totalled \$8.19 million, compared with \$4.51 million in 1997–98, and \$8.2 million was paid to the Consolidated Revenue Fund. Funds totalling \$340 000 remained available for distribution at 30 June 1999.

**STRATEGY**

Using ITSA's trustee expertise, locate, control and, if necessary, sell property under proceeds of crime legislation.

**PERFORMANCE MEASURE**

*Within one week, achieve control of property specified in the control order or otherwise identified.*

**PERFORMANCE OUTCOME**

All property was brought under control within one week of the order being received. A notable case was a joint operation in which the Australian Federal Police and 12 officers from ITSA Sydney took control of numerous motor vehicles and other assets to the value of about \$2.2 million in connection with a fraud on the Australian Taxation Office.

**PERFORMANCE MEASURE**

*All property the subject of court orders realised within six months of final orders.*

**PERFORMANCE OUTCOME**

The standard for realising property was achieved within six months of final orders. For instance, ITSA took control of the MV *Uniana*, an ocean-going vessel seized off the northern NSW coast after being involved in illegal drug importation. The vessel was escorted to Sydney, berthed and repaired and subsequently sold by tender.

In another matter ITSA, on behalf of the Official Trustee, assumed control of a rural guest house. The business was rejuvenated and sold for \$960 000.

## **Program 4 – Administration of Justice**

### **PROGRAM OBJECTIVE**

To promote the effective and timely adjudication of disputes and resolution of questions of law in courts and tribunals with appropriate jurisdictions.



## 4.6 Ancillary Program Services

### SUB-PROGRAM OBJECTIVE

To assist other elements of the program in achieving their objectives through:

- provision of services to former Commonwealth judges and spouses of former Commonwealth judges;
- provision of funding to the Family Court of Western Australia for its operations, and to the States for services provided under the Family Law Act and Child Support Scheme legislation;
- provision of appropriate and suitable physical accommodation for the operations of courts and tribunals.

### Resources Summary - Sub-program 4.6 Ancillary Program Services

	<i>1997-98</i> <i>Actual</i> <i>\$(000)</i>	<i>1998-99</i> <i>Estimate</i> <i>\$(000)</i>	<i>1998-99</i> <i>Actual</i> <i>\$(000)</i>
<b>Special Appropriations</b>			
• <i>Judges' Pensions Act 1968</i>	8,061	9,695	9,601
<b>Appropriation Bill No. 1</b>			
Running Costs			
• Salaries (120-1) (p)	38	98	93
• Other (120-1) (p)	874	744	696
<b>RUNNING COSTS APPROPRIATIONS</b>	<b>912</b>	<b>842</b>	<b>789</b>
Other Program Costs			
• Law Courts Limited - Operating Expenses (120-2-07)	2,265	2,277	2,269
• Payments to the States under <i>Family Law Act 1975</i> and Child Support Scheme Legislation (120-2-10)	4,750	5,624	3,940
• Family Court of Western Australia - Operating Expenses (120-2-12)	6,160	8,389	7,199
<b>Appropriation Bill No. 2</b>			
• Construction of Departmental Facilities (805-1-02)	524	3,579	3,178
<b>TOTAL APPROPRIATIONS</b>	<b>22,673</b>	<b>30,406</b>	<b>26,976</b>
Adjustments affecting outlays			
• Revenue			
- Miscellaneous	1	3	0
• Section 31 (FMA Act) Receipts	-	-	4
<b>TOTAL OUTLAYS</b>	<b>22,672</b>	<b>30,403</b>	<b>26,972</b>

These figures are expressed in cash terms. The accompanying audited Financial Statements are presented in accrual format.

### **4.6.1 Payments to former holders of judicial office**

This item provides for the payment of pensions to former federal judges and to spouses and dependents of deceased judges. It also allows for certain costs to former judges to be met according to conditions determined by the Government. Former Chief Justices of the High Court are provided with an office and certain support services in accordance with approved entitlements.

#### **PERFORMANCE MEASURE**

*Payments to former judges, or spouses and dependents of former judges, to be made in accordance with approved entitlements.*

### **4.6.2 Expenses associated with family law and judicial administration**

This item covers advances for, or reimbursement of, agreed costs of the States providing services through their lower courts in relation to certain family law and child support services, including maintenance collection and disbursement and the enforcement of maintenance and child support orders. Specific provision is also made for the net cost of operating the Family Court of WA, the only State court established under s. 41 of the Family Law Act.

#### **PERFORMANCE MEASURE**

*Payments to the States in respect of family law and related services to be made in accordance with agreements between the Commonwealth and the States.*

#### **PERFORMANCE OUTCOME**

Payments were made in accordance with current agreements.

### **4.6.3 Courts building services**

This component embraces the activities of the Department in the provision of major court facilities for federal jurisdictions.

The sub-program also includes the operating costs for the Commonwealth's share of the Commonwealth-State law courts building at Queens Square, Sydney.

#### **PERFORMANCE MEASURES**

- *Acceptance by client agencies, service departments and industry of user requirement briefs;*
- *meeting architectural, engineering and other professional standards;*
- *achievement of projected target dates while meeting quality control standards within funding limits;*
- *integration of feedback from post-occupancy evaluation into the planning of future projects.*

**PERFORMANCE OUTCOME**

The construction of the Melbourne Law Courts Building, which commenced in April 1997, achieved practical completion on 14 January 1999. The project was completed on time and within budget, with no disputes arising between the contracted parties.

The close working relationship that had developed between the project manager, builder and project consultants was maintained throughout, and was seen as one of the key elements in the project's successful completion. The building was opened on 26 March 1999 by the Attorney-General.



## Program 6 Maintenance of Law, Order and Security

### PROGRAM OBJECTIVE

To contribute to the maintenance of law and order, to combat crime and to respond effectively to acts of politically motivated violence.

To maintain effective measures against espionage and subversive activities and against attacks directed at individuals, information and assets.

## 6.4 Common Police Services

### SUB-PROGRAM OBJECTIVE

To manage and further develop, for the Australian police forces, common police services such as criminal intelligence, police research, exchange of police information and management training for very senior police officers.

### 6.4.4 Office of the Narcotics Control Board, Thailand, Computer Project

#### COMPONENT OBJECTIVE

To enhance regional participation in the international effort to combat crime.

#### Resources Summary - 6.4.4 Office of Narcotics Control Board, Thailand

	1997-98	1998-99	1998-99
	<i>Actual</i>	<i>Estimate</i>	<i>Actual</i>
	<i>\$(000)</i>	<i>\$(000)</i>	<i>\$(000)</i>
<b>Appropriation Bill No. 1</b>			
Running Costs			
• Salaries (120-1) (p)	116	117	121
• Other (120-1) (p)	72	136	124
<b>TOTAL APPROPRIATIONS</b>	<b>188</b>	<b>253</b>	<b>245</b>
Adjustments affecting outlays			
• Section 31 (FMA Act) Receipts	8		8
• Miscellaneous Receipts			2
<b>TOTAL OUTLAYS</b>	<b>180</b>	<b>253</b>	<b>235</b>
STAFFING			
Staff Years	1	1	1

These figures are expressed in cash terms. The accompanying audited Financial Statements are presented in accrual format. 1997-98 actual figures have been adjusted to reflect actual Support Group costs on the split of the AGS from the Department.

**PERFORMANCE MEASURE**

*Participation as a member of the Joint Management Committee of the Thai Office of the Narcotics Control Board (ONCB).*

**PERFORMANCE OUTCOME**

Information technology staff continued to provide technical and operational support to the Thai–Australian computer project in the ONCB, including attendance at the annual Joint Management Committee meeting.

**PERFORMANCE MEASURE**

*Contributing to the creation of an environment conducive to the effective enforcement of criminal laws.*

**PERFORMANCE OUTCOME**

During the year the hardware and software for the ONCB mainframe computer system installed in Bangkok was reviewed, and software upgrades undertaken. Many of these upgrades have been implemented in an effort to achieve Year 2000 compliance. This has not been achieved yet but is scheduled for completion by the end of 1999. The mainframe computer is used to automate drug intelligence and related information-gathering functions for the ONCB.

The ONCB is managed by the Thai Government, which has its own priorities with respect to Year 2000 issues. The Department provides advice on progress but does not manage resources.

## **6.5 Security and Protection**

### **SUB-PROGRAM OBJECTIVE**

To assess, enhance and protect the security of the Australian community; to assist in safeguarding Australia's interests and resources from actual and potential threats, and maintain effective prevention and response measures.

### **6.5.3 The Australian Protective Service**

#### **COMPONENT OBJECTIVE**

To provide a range of high-quality protective security and custodial services to Commonwealth government agencies protecting Australia's key assets and interests, and to be economically viable.

#### **ROLE**

The Australian Protective Service (APS) has legislated powers of arrest and security enforcement under the auspices of the *Australian Protective Service Act 1987*. The majority of APS operational services are provided to Commonwealth agencies which the Government has determined to be core areas for the APS. In addition, the APS also competes for business in areas of alarm monitoring, protective security training and security risk assessments. As part of its business development strategy, the APS is exploring mutually beneficial teaming arrangements with private-sector security operators in order to combine the higher quality of APS training with the cost-effectiveness of the private sector.

The APS will continue to provide a range of services on a cost-recovery basis. The core areas will include higher-level guarding of buildings and establishments occupied by many Commonwealth agencies throughout Australia, including sensitive defence establishments such as those at North-West Cape, Pine Gap and Nurrungar; the residences of the Prime Minister and the Governor-General; the external precincts and ministerial wing of Parliament House; and the Australian Nuclear Science and Technology Organisation's research facility at Lucas Heights, Sydney. The APS also provides diplomatic and consular security at more than 400 locations throughout Australia, and a counter-terrorist first response service at all major Australian airports.

The Commonwealth Government has determined that this counter-terrorist role is contestable between the APS, the AFP and State police authorities only. Other contestable areas of operations include high-value material and personnel escort duties; protective security consultancy services; fire, duress and intruder alarm monitoring; and training services.

The APS operates in all States and Territories, and its national headquarters is located in Canberra.

### Resources Summary - 6.5.3 Australian Protective Service

	1997-98	1998-99	1998-99
	<i>Actual</i>	<i>Estimate</i>	<i>Actual</i>
	<i>\$(000)</i>	<i>\$(000)</i>	<i>\$(000)</i>
<b>Appropriation Bill No. 1</b>			
• Business rationalisation and redundancy costs (120-2-14)	7,504	4,042	1,500
<b>Appropriation Bill No. 2</b>			
• Business Loan (805-3-01)	-	1,290	-
• Overdraft Facility (805-3-02)	-	3,500	-
<b>TOTAL APPROPRIATIONS</b>	<b>7,504</b>	<b>8,832</b>	<b>1,500</b>
<b>Adjustments affecting outlays</b>			
• Trust Account Transactions - Australian protective Service			
Trust Account			
- Receipts	74,767		
- Expenditure	71,128		
Plus: Reserved Money Fund Payments	-	54,410	58,274
Less: Reserved Money Fund Receipts	-	56,167	62,130
Section 31 (FMA Act) Receipts	-		
<b>TOTAL OUTLAYS</b>	<b>3,864</b>	<b>7,075</b>	<b>-2,356</b>
<b>STAFFING</b>			
<b>Staff Years</b>	<b>851.6</b>	<b>743.9</b>	<b>704.0</b>

These figures are expressed in cash terms. The accompanying audited Financial Statements are presented in accrual format.

#### STRATEGY

- Improve and consolidate client satisfaction by formulation of MOUs designed specifically to address client needs;
- review procedures and instructions to reflect client dictates;
- involve clients in competency training development and operational audits.

#### PERFORMANCE MEASURE

*Improved client perception of service delivery measured by seeking client feedback during regular liaison.*

#### PERFORMANCE OUTCOME

In a study undertaken by consultants Mercadier Pty Ltd of Canberra, client satisfaction with the APS in the provision of its services was highly satisfactory. More than 50 per cent of clients agreed that establishment security and access control services were performed well by the APS. Seventy per cent of clients agreed that fire and alarm monitoring services provided by the APS rated well against competitors, and 60 per cent agreed that protective training services were performed well. Other levels of satisfaction are outlined in the consultant's report. Responses to the survey represented more than 90 per cent of the APS client base.

## STRATEGY

- Improve budgeting and monitoring of accounts to control costs and to ensure that the most economical service is delivered;
- formulate methods to ensure prompt and effective financial reporting can be provided;
- enhance systems to ensure that audit and other requirements of the Financial Management Accountability Act are addressed.

## PERFORMANCE MEASURE

*Achievement of sufficient earnings, before interest and taxes, to deliver a dividend to the Commonwealth Government and to provide the APS with sufficient funds to maintain its state-of-the-art services to clients.*

## PERFORMANCE OUTCOME

The trading result for 1998–99 was an operating profit, before abnormal items and corporate tax equivalence, of \$1.96 million.

## PERFORMANCE MEASURE

*Achieve a net surplus after tax.*

## PERFORMANCE OUTCOME

The operating result, after abnormal items and corporate tax equivalence, was \$1.76 million as compared with the budget of \$1.48 million. There was an improvement of \$285 000.

## PERFORMANCE MEASURE

*Achieve a decrease in unit cost of sales.*

## PERFORMANCE OUTCOME

The operating expenses per employee increased substantially from \$70 522 in 1997–98 to \$84 415 in 1998–99. The increase in cost was mainly affected by the inclusion of a significant provision of \$1.9 million for doubtful debts and a competitive neutrality cost of \$2.49 million.

A decrease in the unit cost of sales was expected to be realised through the introduction of an Australia-wide certified agreement, but agreement could not be reached between staff and management. Negotiations are continuing, with efforts in 1999–2000 being concentrated on achieving station and area specific certified agreements which aim to effect cultural change, cost reduction to clients, increased remuneration and improved conditions and benefits for staff.

## Strategy

To introduce a culture of continuous improvement by establishment or enhancement of training and skill competencies, performance appraisal, quality assurance and audits, and new finance and human resource systems.

## PERFORMANCE MEASURE

*Completion of the APS enterprise training package.*

**PERFORMANCE OUTCOME**

The APS enterprise training package was completed, and was endorsed by the APS Training Package National Steering Committee in March 1999. The package is being initially implemented in NSW, Victoria, and the ACT, with over 300 people commencing the Certificate IV in APS Protective Security (Guarding).

**PERFORMANCE MEASURE**

*Satisfactory achievement of a certified agreement and Australian Workplace Agreements with staff by December 1998.*

**PERFORMANCE OUTCOME**

Staff voted in February 1999 against accepting a proposed certified agreement. Negotiations are continuing with efforts being concentrated on achieving station and area specific agreements.

**PERFORMANCE MEASURE**

*Development of a suitable human resource management information system (HRMIS), with implementation by December 1999.*

**PERFORMANCE OUTCOME**

The SAP HRMIS pay and allowance modules were developed during the reporting period and commenced operation on 1 July 1999.

Some problems have arisen in relation to the capacity of the SAP HRMIS to meet the demands imposed by the complexity of employment conditions and entitlements applying in the APS.

**PERFORMANCE MEASURE**

*A decrease in the level of staff absenteeism.*

**PERFORMANCE OUTCOME**

The proposed certified agreement incorporated incentives such as profit-sharing, revised rostering arrangements and variations to work practices. It was hoped these measures would have a positive influence with regard to the problem of high levels of absenteeism. In the absence of a certified agreement the performance target could not be met.

**STRATEGY**

Achieving business innovation through a number of strategies including profit contribution through new client engagements, percentage achievement of business plans and successful management of identified client losses.

**PERFORMANCE MEASURE**

*Profit contribution by all areas of APS business.*

**PERFORMANCE OUTCOME**

The core areas of business, principally related to guarding services, continue to return satisfactory profits. Security consultancies, commercial training sales and alarm-monitoring services contribute to income, and alarm-monitoring business opportunities continue to be realised.

**PERFORMANCE MEASURE**

*New profitable business generated and retained.*

**PERFORMANCE OUTCOME**

The APS was reappointed by the Sydney Airports Corporation Ltd to perform counter-terrorism first response services under a contract which commenced in August 1999 and runs until 2002. The retention of this function provides considerable income security for the APS over the three years of the contract.

The National Control and Monitoring Centre is being developed as a valuable and ongoing new source of income.

The successful tender for a Department of Defence contract to provide the guarding service at Shoal Bay in the Northern Territory provides a boost for income from core functions.



## 6.5.4 Standing Advisory Committee on Commonwealth–State Cooperation for Protection Against Violence

### ROLE

The Standing Advisory Committee on Commonwealth–State Cooperation for Protection Against Violence (SAC-PAV) is one of the principal instruments for coordinating the national capability for protecting Australia from politically motivated violence. The Protective Security Coordination Centre (PSCC) provides the executive and secretariat support to SAC-PAV and its project groups.

### Resources Summary - 6.5.4 Standing Advisory Committee on Commonwealth–State Cooperation for Protection Against Violence

	1997–98	1998–99	1998–99
	<i>Actual</i>	<i>Estimate</i>	<i>Actual</i>
	<i>\$(’000)</i>	<i>\$(’000)</i>	<i>\$(’000)</i>
<b>Appropriation Bill No. 1</b>			
Other program Costs			
• Standing Advisory Committee on Commonwealth–State Cooperation for Protection Against Violence – Operating Expenses (120–2–06)	3,507	3,741	3,738
<b>TOTAL APPROPRIATIONS</b>	<b>91,162</b>	<b>79,000</b>	<b>56,124</b>
<b>TOTAL OUTLAYS</b>	<b>3,507</b>	<b>3,741</b>	<b>3,738</b>

These figures are expressed in cash terms. The accompanying audited Financial Statements are presented in accrual format.

### PERFORMANCE MEASURE

*An effective national capability for protecting Australia from politically motivated violence.*

### PERFORMANCE OUTCOME

SAC-PAV continued its work to enhance Australia’s ability to protect the nation from politically motivated violence. The program for 1998–99 was skewed towards NSW and other jurisdictions hosting Olympics activities. A national response capability was maintained by substantially increasing the number of SAC-PAV sponsored activities conducted in the year.

After the successful completion of a pilot, SAC-PAV proceeded with the roll-out of the Australian Secure Network (ASNET) to member agencies. ASNET provides a secure email and data-sharing environment between the Commonwealth and the States and Territories for day-to-day activities and for the management of crises. In 1998–99 ASNET was provided to seven agencies with a total of 31 terminals. Another 14 State and Territory agencies and two Commonwealth agencies are due for connection in 1999–2000, with priority being given to States hosting Olympic events.

ASNET avoids duplication by utilising other Commonwealth secure communications networks for distribution. Strong support in both subscription and administration was received from a number of Commonwealth portfolios. A comprehensive security agreement was put in place between the Attorney-General’s Department and State and Territory SAC-PAV members to cover the exchange of national classified information. The system will substantially improve communication and information-sharing with the security and intelligence community.



## 6.5.5 Protective Security Coordination Centre

### COMPONENT OBJECTIVE

To provide high-quality policy advice to ministers and other client groups on protective security matters, maintain an effective counter-terrorism capability and coordinate protective security arrangements for holders of high office, visiting dignitaries and foreign diplomats.

### ROLE

The Protective Security Coordination Centre supports the Attorney-General and the Minister for Justice and Customs by providing policy advice on protective security and national security matters.

The PSCC implements government decisions in the field of protective security. This includes security awareness activities and education through training programs on physical, computer and personnel security, and the production, marketing and maintenance of the *Commonwealth Protective Security Manual*.

The PSCC is also responsible for the coordination of the Department's security interests at the Sydney 2000 Olympic and Paralympic Games.

Consistent with its responsibilities for the development and maintenance of arrangements for an effective counter-terrorism capability, the PSCC coordinates protection arrangements for high-risk persons (including ministers and their staff, visiting foreign dignitaries and foreign diplomats), premises and facilities.

The PSCC also coordinates programs through the Special Advisory Committee on Commonwealth–State Cooperation for Protection Against Violence, such as the conduct of training and the provision of appropriate equipment to Australian police services. It provides executive and secretariat support for SAC-PAV, the Special Interdepartmental Committee on Protection Against Violence and for their major sub-groups, including the Diplomat and Dignitary Security Sub-committee.

The PSCC consists of three branches. The **Community Protection Branch** is responsible for counter-terrorism and Olympics security coordination. The **Dignitary Protection Branch** is responsible for the protective security arrangements for Australian holders of high office and foreign dignitaries. The **Policy and Services Branch** is responsible for the provision of protective security policy advice, protective security training, the Department's security unit and the Australian Security Vetting Service, which provides a security clearance service to Commonwealth departments, agencies and other State and private organisations.

### Resources Summary - 6.5.5 Protective Security Coordination Centre

	1997–98	1998–99	1998–99
	<i>Actual</i>	<i>Estimate</i>	<i>Actual</i>
	\$(000)	\$(000)	\$(000)
<b>Appropriation Bill No. 1</b>			
Running Costs			
• Salaries (120–1) (p)	3,357	3,720	4,018
• Other (120–1) (p)	17,279	22,397	22,423
<b>TOTAL APPROPRIATIONS</b>	<b>20,636</b>	<b>26,117</b>	<b>26,411</b>
Adjustments effecting outlays			
• Section 31 (FMA Act) Receipts	984	1,065	1,808
<b>TOTAL OUTLAYS</b>	<b>19,652</b>	<b>25,052</b>	<b>24,633</b>
STAFFING			
<b>Staff Years</b>	<b>60.0</b>	<b>65.0</b>	<b>66.5</b>

These figures are expressed in cash terms. The accompanying audited Financial Statements are presented in accrual format.

1997–98 actual figures have been adjusted to reflect the actual Support Group costs on the split of AGS from the Department.

## STRATEGY

Implementation of government decisions on protective security, including training programs and physical, computer and personnel security.

## PERFORMANCE MEASURE

*Implementation in accordance with government policy and within agreed timeframes.*

## PERFORMANCE OUTCOME

The revision of the principal government policy document on protective security, the *Commonwealth Protective Security Manual*, was finalised in 1998–99. The revision involved extensive consultation with security personnel in Commonwealth agencies. The manual addresses a range of protective security matters, including information security and physical security. It is expected to be released in the second half of 1999 and distributed via AusInfo bookshops.

The Protective Security Policy Committee aims to promote the development of policy standards and guidelines for sound protective security management within Commonwealth agencies, and to ensure that protective security policy and procedures are efficient, effective and relevant. The PSCC chairs the committee and provides secretariat support. During 1998–99 the committee considered the draft version of the revised *Commonwealth Protective Security Manual*, endorsed its progress to the Secretaries' Committee on National Security and monitored the progress of the Personnel Security Review.

This review began in 1998 and continued in 1999. A working group comprising representatives from 12 Commonwealth agencies, and chaired by the PSCC, conducted investigations into a range of personnel security management issues. The review represents a valuable opportunity for interdepartmental cooperation in the development of policy standards and guidelines for sound personnel security management. The review is proceeding within agreed timeframes, with completion anticipated by October 1999.

The Australian Security Vetting Service (ASVS) was established in 1996 in response to a demand by a number of Commonwealth agencies for a centralised vetting service. The ASVS was established as a joint venture between the Australian Protective Service and the Security Division (as the PSCC was formerly known) in a direction issued by the Attorney-General under the *Australian Protective Service Act 1987*.

The mission of the ASVS is to provide high-quality personnel security vetting services to Commonwealth agencies or contractors in accordance with the *Commonwealth Protective Security Manual*. The ASVS has a core staff of eight permanent officers based in Canberra and 16 contractors located in Brisbane, Sydney, Canberra, Melbourne, Hobart, Adelaide and Perth. Over \$1.5 million worth of work has been billed by the ASVS since it began operating in June 1996. In 1998–99 the ASVS conducted 1365 clearances on behalf of over 75 agencies, and acquired 25 new client agencies.

The Department's security unit conducted a risk analysis of the Department to identify its resources, assess the level of threat to those resources and the consequences of that threat being realised. The unit also provided risk analysis services to external agencies, on a cost recovery basis, to assist them in complying with the requirements of the draft *Commonwealth Protective Security Manual* in preparing an agency security plan. Services were also provided to agencies facing a specific threat but lacking sufficient expertise to address that threat. Risk analysis services were provided for contractor premises, on behalf of the ASVS, engaged in security clearance work for the ASVS. The methodology used in the conduct of security surveys was in accordance with the Australian and New Zealand standard on risk management.

The security unit received 108 requests for national security and non-national security clearances during 1998–99. Of these, 80 were issued, seven were cancelled, clearance action ceased on two cases and 19 cases were still in progress. The unit also provided regular speakers at an introductory protective security course and the more advanced physical security course at the PSCC Training Centre.

The principal role of the training centre is to disseminate government protective security policy as defined in the *Commonwealth Protective Security Manual*. During 1998–99 it conducted 50 courses and seminars for a total of 476 people from 64 different agencies and organisations. Information technology security courses were conducted in conjunction with the Defence Signals Directorate, which also has a role in developing and disseminating government security policy on information systems.

#### **PERFORMANCE MEASURE**

*Evaluation of training programs by participants and by clients.*

#### **PERFORMANCE OUTCOME**

The PSCC Training Centre conducted continuous evaluation of its training programs. Formal responses by participants were overwhelmingly favourable in relation to course aims, quality of instruction and relevance of course content. Written survey material, together with informal feedback, indicated strong support for the current program. There was also a desire for greater flexibility in course delivery, including some part-time courses and some self-paced computer delivery.

During 1998–99 the centre began a joint venture with the Canberra Institute of Technology for the conduct of a diploma in security risk management. The centre's involvement included the preparation of modules for the diploma course and inclusion on the institute's examination board.

#### **STRATEGY**

Maintain and enhance coordinated protection arrangements for high-risk persons, premises and facilities, including ministers and their staff, visiting dignitaries and foreign diplomats.

#### **PERFORMANCE MEASURE**

*Level of client satisfaction with security arrangements.*

#### **PERFORMANCE OUTCOME**

The PSCC continued to provide protective security advice and services to Commonwealth holders of high office. This included collating and disseminating official programs to State and Territory police services, tasking for national threat assessments, providing security briefings, tasking guarding services and implementing physical security improvements at offices, private residences and the official establishments.

As forecast in last year's annual report, major improvements were made to security measures at the Lodge and Government House. Further security improvements were planned at the Lodge, Kirribilli House and Admiralty House following a review of security after the Greenpeace intrusion at Kirribilli in October 1997. The PSCC was involved in the development of security arrangements for temporary parliamentary offices in Melbourne while the permanent offices at 4 Treasury Place are refurbished during 2000. It was also involved in security planning for the refurbished offices.

To improve physical security arrangements for holders of high office, an audit program was implemented to review security measures at premises where security upgrades had been carried out. In line with government policy of ensuring value for money, a restricted tender process was implemented to assess potential security service providers to assist in the delivery of physical security services to office holders. The process resulted in the formation of a panel of project managers from which the PSCC may draw for the provision of services.

There was also substantial progress on the development of a security management plan covering all aspects of security for office holders.

The PSCC worked closely with partner agencies such as the AFP to ensure appropriate security arrangements were in place during the 1998 federal election campaign. Following the election, it coordinated the implementation of security arrangements for new office holders.

The PSCC continued to coordinate protective security arrangements for a number of high-level foreign dignitaries, in cooperation with Commonwealth and State agencies. Visits by foreign dignitaries requiring major security planning tripled in 1998–99 from nine to 27. Visitors included Irish President Mary McAleese, Italian President Oscar Scalfaro, Hungarian President Arpad Goncz, US Secretary of State Madeline Albright, US Defence Secretary William Cohen, Vietnamese Prime Minister Phan Van Khai, Chinese Politburo Member Wei Jianxing and Israeli Minister of the Interior Eli Suissa. A number of high-level defence officials from various countries also visited Australia during the year, including Chief of the Chinese People's Liberation Army General Fu Quanyou, Chairman of the US Joint Chiefs of Staff General Henry Shelton and the Commander-in-Chief of US Pacific Command Admiral Joseph Preuher and his successor, Admiral Dennis Blair. PSCC planning and coordination of security for these visits contributed significantly to them being free of security incidents.

The PSCC also coordinated protective security arrangements for the diplomatic and consular community in Australia, both generally and in response to specific international events. An example was the occupation by Kurdish protesters of the Greek Consulate-General in Sydney following the arrest of Kurdistan Workers' Party leader Abdullah Ocalan in Kenya in February 1999. The incident resulted in a review of practices and procedures, leading to a number of improvements. Significant Commonwealth resources were also devoted to ensuring appropriate protective security arrangements were in place at relevant diplomatic missions as a result of the situation in Kosovo and the subsequent NATO military action. This prompted wide-scale protests in Australia in April 1999.

In order to meet its protective security responsibilities successfully, and in preparation for the Sydney Olympic Games, a number of improvements to the existing information infrastructure of the PSCC were implemented. A review of the 24-hour duty officer system was undertaken to ensure that the Commonwealth is better placed to meet its responsibilities.

Potential problems associated with the 'millennium bug' and year 2000 computer compliance were identified as having possible ramifications for the security of office holders and the diplomatic and consular community. To ensure minimal disruption to services the PSCC undertook a range of activities, including testing relevant equipment, briefing staff and developing contingency plans should any equipment fail.

## **STRATEGY**

Provide high-quality policy advice to ministers and other clients in the area of protective security, including through expertise in the fields of research, analysis and liaison.

## **PERFORMANCE MEASURE**

*Level of client satisfaction with timeliness and quality of advice provided.*

## **PERFORMANCE OUTCOME**

The two major policy activities during 1998–99 were the completion of the review of the *Commonwealth Protective Security Manual* and the continuation of the personnel security review. Both activities involved wide consultation with a range of clients, including ministers, and considerable research and liaison.

The PSCC annual Security in Government Conference was held in Canberra in November 1998, attracting several hundred delegates from the private and public sectors. The Director of the Security Research Centre at the US Department of Defence, Dr James Riedel, was the international guest speaker. The Minister for

Justice and Customs addressed the conference, which ran for two-and-a-half days. Conference delegates attended plenary sessions and participated in interactive workshops which focused on the personnel security review, protective security for staff and clients, security planning for major events and meetings, and public key infrastructure. Support for the conference in the private and public sectors remains high, as indicated by responses to the post-conference evaluation forms. Suggested program improvements were considered and incorporated, where possible, into plans for the next conference, which is scheduled for 17–19 November 1999. The theme for the conference will be 'Security in the New Millennium'.

The PSCC provided advice to clients on a range of protective security matters including personnel security, information security and physical security. The PSCC also provided advice in the form of protective security bulletins and ongoing consultation with organisations and individuals involved in such security threats as the Australian Taxation Office mail bomb incident and the protests against NATO military action in Kosovo. PSCC clients include international organisations such as Africa Consulting Services, which sought PSCC advice on access control measures to coincide with a review of security arrangements in Namibia.

Protective security bulletins were also released on a range of issues relevant to Commonwealth agency security advisers. Feedback on the distribution of bulletins was consistently positive, and the bulletins were generally regarded as delivering accurate and timely advice to security practitioners.

The PSCC provided advice on the security clearance process to premiers' departments and chief ministers' departments in all State and Territories, and to State police forces to facilitate the operation of the Australian Secure Network. ASNET provides for the secure exchange of information classified up to 'secret' level between Commonwealth, State and Territory agencies. The PSCC also assisted in the development of MOUs on the processing of security clearances.

Nine agency security adviser forums were conducted in Canberra, Sydney, Brisbane and Melbourne in 1998–99. The forums, which were well-attended, are used by the PSCC to provide Commonwealth agencies with updates on major security policy developments. They also provide agency security advisers with the opportunity to share their experiences and knowledge with one another. Members of the PSCC provided updates on the progress of the *Commonwealth Protective Security Manual*, planning for the 1999 Security in Government Conference and the personnel security review. Presentations were also given by representatives of a range of organisations including the Australian Taxation Office, the Defence Signals Directorate, the Australian Bomb Data Centre and the Civil Aviation Safety Authority.

The PSCC participated in a review of security of electronic information conducted by the Office of Government Online. The review, which was requested by the Portfolio Secretaries Committee, made a number of recommendations in relation to the protection of the security of computer systems and the information they contain. The review is scheduled for completion early in 1999–2000.

The PSCC, in association with the Law Enforcement Coordination Division and the AFP, participated each month in an examination of fraud risk assessments and fraud control plans submitted by Commonwealth agencies in accordance with the Commonwealth's fraud control policy.

## STRATEGY

Continually develop a nation-wide counter-terrorism capability through the provision of exercise and training activities and specialised equipment.

### PERFORMANCE MEASURE

*Counter-terrorism capability assessed through evaluation of exercise outcomes.*

### PERFORMANCE OUTCOME

The 1998–99 SAC-PAV training and development program was weighted towards NSW to provide greater opportunities for the NSW Police Service and other agencies to refine Olympics preparations. Opportunities for other jurisdictions to maintain their counter-terrorism capabilities were achieved by increasing the number of SAC-PAV sponsored activities throughout the year by approximately 50 per cent.

General performance at exercises revealed a credible counter-terrorism capability within each jurisdiction throughout Australia. Each jurisdiction has experience in inter-jurisdiction operations and coordinating a joint response to a terrorist incident with the defence forces. Areas of counter-terrorism response capability requiring more attention were intelligence support, media management and command and control. These areas will receive extra attention in future.

ASNET has become the primary means for the distribution of classified material between subscribing agencies, and a major mechanism in the ability of the PSCC to respond to changes in the threat environment. The PSCC now provides a primary help desk service to both Commonwealth and State ASNET client agencies, as well as acting as administrative and security controllers of the network. The PSCC has developed partnerships with ASIO, the Department of Defence and the Department of Finance and Administration for the management of ASNET.

### PERFORMANCE MEASURE

*Level of client satisfaction.*

### PERFORMANCE OUTCOME

A high level of satisfaction was again expressed by SAC-PAV member agencies throughout the year. Requests for modifications to training programs or the addition of extra training activities to satisfy individual needs were generally accommodated.

### PERFORMANCE MEASURE

*Monitoring of international best practice.*

### PERFORMANCE OUTCOME

International best practice is monitored by PSCC officers participating in international counter-terrorism conferences, visiting counterparts in foreign governments and observing counter-terrorism exercises in other countries. SAC-PAV also funds the travel to Australia of foreign experts in specialist policing.

During the year officers of the PSCC visited New Zealand, the US and the United Kingdom. New Zealand continues to be represented on SAC-PAV.

## STRATEGY

Coordination of the Commonwealth's security interests in the Sydney Olympic Games.

## PERFORMANCE MEASURE

*Level of client satisfaction with coordination arrangements, including ministerial feedback and consent provided by the International Olympic Committee and scrutiny by officials.*

## PERFORMANCE OUTCOME

The PSCC coordinated the counter-terrorism and dignitary-protection elements of the Commonwealth's security responsibilities in respect of the Games to the satisfaction of the Attorney-General. The International Olympic Committee's Coordination Commission, following its review of Games preparations in April 1999, gave a positive report on Olympic security planning.

The PSCC has coordinated counter-terrorism planning with NSW through its management of the SAC-PAV program, through the ongoing work of the Special Inter-Departmental Committee on Protection Against Violence, Olympic Security Working Committee meetings, membership of several work groups and participation in Olympic security planning with the NSW Police Service, the Sydney Organising Committee of the Olympic Games and the Olympics Coordination Authority.

The PSCC provided assistance to operational agencies in their Olympic security preparations to ensure they meet Australia's international obligations in protecting international dignitaries and holders of high office. The PSCC has provided major input to the dignitary-protection measures being implemented by the Olympic Security Command Centre (OSCC) and to the mechanisms for integrating and coordinating protocol and security agencies during the Games. The PSCC also contributed to the joint Commonwealth–NSW police guidelines for foreign security personnel.

The PSCC coordinated the Commonwealth–State agreement on the policy of the non-carriage of firearms by foreign security personnel during the Games.

The PSCC provides resources and staff on secondment to the Sydney 2000 Games Coordination Task Force and the OSCC.

The PSCC and the task force have developed a strategy to supplement the Commonwealth's counter-terrorism crisis-management arrangements during the Games.



## 6.5.6 National Firearms Program

### COMPONENT OBJECTIVE

To enhance the safety of the Australian community through a national approach to the availability and use of firearms, including fair and proper compensation to those who surrender prescribed firearms. This approach includes fair and proper compensation to licensed firearm dealers for loss of business due to firearms control.

### PERFORMANCE MEASURE

*The achievement of the greatest possible withdrawal of restricted firearms from circulation within the Australian community.*

### PERFORMANCE OUTCOME

Some 643 726 prohibited guns were surrendered and compensation paid to owners under the firearms buyback scheme. As at 30 June 1999, \$458 409 288 had been spent on compensation, public education, advertising and administration.

During the year the Commonwealth advised some States and Territories that concerns were held about aspects of State and Territory compliance with the National Firearms Agreement. Some jurisdictions continue to allow broader access to restricted Category C shotguns than is allowed under the agreement.

Compliance issues were pursued departmentally and through the Australasian Police Ministers' Council (APMC). The Commonwealth advised States and Territories that it will have regard to compliance with the National Firearms Agreement when considering reimbursement of jurisdictions for compensation paid to licensed firearms dealers.

The APMC agreed to a set of national uniform checks for firearms licences and permits. These are now applied in all jurisdictions. APMC members were provided with a report into the development of national uniform standards for firearms safety training in June 1999 to allow jurisdictions to consider the issues further.

### Resources Summary - 6.5.6 National Firearms Program

	1997-98	1998-99	1998-99
	Actual	Estimate	Actual
	\$(000)	\$(000)	\$(000)
<b>Special Appropriations</b>			
• National Firearms Program			
Implementation Act 1996	91,162	79,000	56,124
<b>TOTAL APPROPRIATIONS</b>	<b>91,162</b>	<b>79,000</b>	<b>56,124</b>
<b>TOTAL OUTLAYS</b>	<b>91,162</b>	<b>79,000</b>	<b>56,124</b>

These figures are expressed in cash terms. The accompanying audited Financial Statements are presented in accrual format.

## 6.5.7 Law Enforcement Coordination Division

### COMPONENT OBJECTIVE

A cooperative and coordinated Commonwealth law enforcement strategy for the detection and prevention of criminal activity.

### ROLE

The Law Enforcement Coordination Division (LECD) is responsible for policy matters relating to the operational law enforcement agencies within the Attorney-General's portfolio and general law enforcement issues; policy advice relating to fraud, firearms and illicit drugs; administration of the National Crime Prevention program; secretariat support to the Ministerial Council on the Administration of Justice; and support to the Commonwealth Law Enforcement Board (CLEB). CLEB comprises the Secretary, Attorney-General's Department; Chairperson, NCA (Board Chair); Commissioner, AFP; the Director, AUSTRAC; and the Chief Executive Officer of the Australian Customs Service. It provides coordinated advice to the Attorney-General and the Minister for Justice and Customs, including strategic crime assessments and strategic planning, and has overall responsibility for the Commonwealth's fraud control policy under which it provides an annual report on fraud control issues.

### Resources Summary - 6.5.7 Law Enforcement Coordination Division

	<i>1997-98</i>	<i>1998-99</i>	<i>1998-99</i>
	<i>Actual</i>	<i>Estimate</i>	<i>Actual</i>
	<i>\$(000)</i>	<i>\$(000)</i>	<i>\$(000)</i>
<b>Appropriation Bill No. 1</b>			
Running Costs			
• Salaries (120-1) (p)	2,413	2,881	2,919
• Other (120-1) (p)	4,641	10,091	4,871
<b>RUNNING COSTS APPROPRIATIONS</b>	<b>7,055</b>	<b>12,972</b>	<b>7,790</b>
Other Program Costs			
• International Bodies - Membership Contributions (120-1) (p)	-	15	-
• Compensation and Legal (120-2-4)	-	-	53
<b>TOTAL APPROPRIATIONS</b>	<b>7,055</b>	<b>12,987</b>	<b>7,843</b>
Adjustment affecting outlays			
• Revenue			
- Miscellaneous	5	10	1
• Trust Account Transactions - Law Enforcement			
Projects Trust Account			
- Receipts	-	-	-
- Expenditure	80	238	238
• Section 31 (FMA Act) Receipts	227	10	8
<b>TOTAL OUTLAYS</b>	<b>6,902</b>	<b>13,205</b>	<b>8,072</b>
<b>STAFFING</b>			
<b>Staff Years</b>	<b>43.5</b>	<b>65.0</b>	<b>47.3</b>

These figures are expressed in cash terms. The accompanying audited Financial Statements are presented in accrual format.

## STRATEGY

Support the priorities of CLEB.

## PERFORMANCE MEASURE

*Satisfaction of CLEB with the services provided.*

## PERFORMANCE OUTCOME

CLEB met six times in the reporting period and discussed the following range of issues:

- operational integration of the AFP and the NCA;
- Commonwealth law enforcement coordination;
- law enforcement issues in relation to electronic commerce;
- emerging issues affecting telecommunications interception;
- revision of the fraud control policy of the Commonwealth;
- the scope for increasing inter-agency coordination and cooperation through the use of MOUs;
- the effectiveness of CLEB's operations.

The LECD supported the priorities of CLEB by providing secretariat support, submitting proposals for its consideration, preparing agenda material and implementing its resolutions.

### *Strategic assessments*

The Office of Strategic Crime Assessments (OSCA) within the LECD supports the portfolio ministers and CLEB through the provision of strategic assessments of trends in the Australian criminal environment, looking up to five years ahead. OSCA's analytical program has been determined each calendar year by a tasking directive issued by CLEB. To move to a financial year framework and away from producing an overall annual assessment of the criminal environment, OSCA developed the 1998 analytical program as a transitional mechanism. The analytical program generated five individual issue assessments covering the implications of technological change for law enforcement, telecommunication interception, the impact of Y2K issues on law enforcement, the potential impact of the Chinese heroin market on Australia, the future of fraud in Australia, and immigration malpractice. OSCA also prepared issue-specific briefings in response to client requests. Client feedback was positive with respect to the quality, utility and timeliness of OSCA's analytical product.

OSCA also facilitates coordination of the Commonwealth's law enforcement intelligence effort through chairing the Commonwealth Law Enforcement Intelligence Consultative Committee (CLEICC) and representing CLEB on national intelligence committees. The CLEICC meets quarterly and brings together the heads of the intelligence units of Commonwealth law enforcement agencies, other Commonwealth agencies having law enforcement responsibilities and representatives of the national intelligence community. Issues are discussed where a coordinated or collective approach by the intelligence community is desirable.

The committee implemented the first year of its 1998–2000 strategic plan to provide a framework for best practice development in intelligence. The Open Source Information Special Interest Group, established in 1997–98, developed a best practice framework for the exploitation of open source information by law enforcement agencies. Work continued on facilitating the use of the Internet by law enforcement agencies.

### *Fraud control*

CLEB was satisfied with the following activities undertaken to implement and enhance the Commonwealth's fraud control policy:

- preparation of the draft 1997–98 fraud annual report to the Government;
- development of the national functional competencies for fraud surveillance activity;
- evaluation of Commonwealth agency risk assessment and fraud control plans;
- finalisation and circulation of the Commonwealth’s draft revised fraud control policy.

## STRATEGY

Provide strategic policy advice to the Attorney-General and the Minister for Justice and Customs on Commonwealth law enforcement, criminal activity and related issues.

## PERFORMANCE MEASURE

*Timeliness, relevance and utility of briefings and progress in achieving government law enforcement priorities.*

## PERFORMANCE OUTCOME

### *Amendments to AFP Act*

The LECD worked with the AFP to develop a Cabinet submission proposing amendments to the *Australian Federal Police Act 1979* to support the Government’s AFP reform program and establish greater flexibility in the organisation’s employment framework. Cabinet approved the submission in June 1999 and a Bill was prepared for introduction into Parliament.

Mr Mick Palmer was reappointed for a further term as Commissioner of the AFP from 14 June 1999 to 28 August 2001.

### *Evaluation of the NCA*

The LECD, with input from other areas of the Department and in consultation with the NCA, the AFP and other departments, prepared a draft government response to the evaluation of the NCA by the Parliamentary Joint Committee on the NCA.

### *References to the NCA*

References issued to the NCA require referral to the Office of Legislative Drafting on drafting issues and to the Chief General Counsel for advice on legal status. The Minister requires briefing on the substance and procedures to be followed in approving the references, either as Minister for Justice in the case of Commonwealth references or as a member of the Inter-Governmental Committee on the NCA in the case of State and Territory references. The LECD is responsible for this activity and had carriage of over 40 references approved in 1998–99.

### *Provision of policing services to the ACT*

During 1998–99 the LECD worked with the AFP and the ACT Government to finalise a review of the arrangements for the AFP to provide community policing services to the ACT. The first stage of the review included the engagement of a consultant to examine the specific services provided, their costs and the appropriateness of the cost-sharing arrangements between the Commonwealth and the ACT. The consultant reported in late 1998 and the report was accepted by the steering committee in February 1999.

The second stage of the review included negotiations between the Commonwealth and the ACT to develop a new arrangement for the AFP to provide community policing services, including enhanced accountability mechanisms, determination of an appropriate price for specified services and the form and content of a revised policing arrangement.

## STRATEGY

Implement the Government's program on crime prevention.

## PERFORMANCE MEASURE

*Progress in achieving the aims of the campaign.*

## PERFORMANCE OUTCOME

National Crime Prevention (NCP) changed its name from the National Campaign Against Violence and Crime (NCAVAC) to reflect more accurately the broad directions of its work. Many projects have reached the end of their first stage, which consists of a literature review, an audit of programs nationally, analysis and recommendations for future action. Considerable work went into implementing the findings from research completed and published. Examples included developmental and early intervention approaches to crime in Australia, young people and public space, public events and homelessness. The Government committed \$8 million to programming activity on youth crime and families as a direct result of research conducted for the Pathways to Prevention initiative.

A number of pilot projects and other events were started, including two national demonstration projects in Queensland and South Australia to prevent residential burglary.

A pilot project on working with adolescents to prevent domestic violence commenced in WA. A national forum to examine future directions in relation to programs for perpetrators of domestic violence was held in Canberra in May 1999. A pilot project examining fear of crime issues with young people commenced in Tasmania and the ACT. A research project examining issues of violence in indigenous communities approached completion.

### *Communications and training*

NCP has published nine full and six summary reports, of which over 50 000 copies have been distributed to practitioners, policy makers, academics and members of the public in agencies such as health, education, peak non-government organisations and police. Each report received considerable positive media coverage, in particular *Pathways to Prevention: Early Intervention and Developmental Approaches to Crime Prevention* and *Ending Domestic Violence: Programs for Perpetrators*.

Substantial progress was made in developing a national framework for crime prevention education and training, including community crime prevention competency standards, guidelines for trainers and assessors and model training programs. A training needs assessment in relation to volunteers involved in crime prevention and community safety was undertaken. Following a national workshop, crime prevention and community safety discussion guidelines were drafted to assist local community groups to promote community participation in crime prevention activities. An introductory training video was commissioned to form part of these community education and training materials. Specific training programs were run for local government groups, crime prevention practitioners and a range of agencies involved in crime prevention.

### *National coordination*

The majority of NCP activities are undertaken in partnership with other agencies such as State and Territory governments, local government, Commonwealth departments and agencies or the non-government community sector. Considerable input was provided for the development of national strategies to prevent motor vehicle theft, domestic violence, homelessness, suicide and offending and victimisation of young people, as well as to the national strategy for an ageing Australia. NCP staff contribute to relevant UN activities and provide high-level crime prevention policy advice to the Government as required. NCP staff participated in the development of the national youth alcohol and illicit drug campaigns being run by the Department of Health and Aged Care.

## STRATEGY

Advance Commonwealth law enforcement policy on drugs.

## PERFORMANCE MEASURE

*Progress in achieving the Government's objectives on illicit drug supply and control.*

## PERFORMANCE OUTCOME

### *Domestic*

The LECD contributed to the development of the national drug strategic framework which was launched in January 1999. The framework promotes partnerships between the health, law enforcement, education and non-government sectors to address the problems resulting from the misuse of drugs in Australia.

The LECD participated in an inter-departmental task force to develop a package of Commonwealth proposals in relation to national initiatives addressing illicit drug use. This was presented to the Council of Australian Governments on 9 April 1999. COAG accepted the Commonwealth's proposals, including the proposal for a nationally consistent diversion program for police to divert minor drug offenders to assessment for treatment.

The LECD commissioned the Australian Institute of Criminology to undertake research to determine the links between drug use and crime. The research will be conducted over four years and will assist policy makers understand the extent of the relationship between drug use and criminality in Australia.

During 1998–99 the LECD promoted discussion of drug issues in a range of ministerial and officials forums, including the APMC, the Corrective Services Ministers' Conference and SCAG. The LECD also provided support to the Australian Bureau of Criminal Intelligence in the drafting of the *Australian Illicit Drug Report* for 1997–98.

### *International*

Because the production and trafficking of illicit drugs is an international activity, supply-reduction initiatives undertaken in Australia need to be supplemented by action on a global basis to be effective.

An officer from the LECD led the Australian delegation at the Forty-Second UN Commission on Narcotic Drugs in Vienna. The LECD made a significant contribution to the briefing of this delegation. Australia is an active participant in this forum and supports the work of the UN to address problems of illicit drugs in a global context.

Australia provided financial support to the UN to fund crop eradication programs in the Asia-Pacific region, which is the major source of illicit drugs for the Australian market.

The LECD provided financial and technical support to the Office of Narcotics Control Board, which is responsible for efforts against the illicit drug trade in Thailand. A senior officer of the LECD attended the Joint Project Coordinating Committee meeting of the ONCB in Bangkok.

The Minister for Justice and Customs, accompanied by a representative from the LECD, travelled to Thailand, Vietnam, the People's Republic of China, the United Kingdom and the United States to conduct discussions and exchange information on law enforcement matters, particularly issues in relation to illicit drug production and trafficking.

Departmental officials, including representatives from the LECD, met with Mr Keith Hellawell, the Anti-Drugs Coordinator for the United Kingdom. The meeting was constructive and provided a means for exchanging information on drug policy issues between the United Kingdom and Australia.

## STRATEGY

Support Commonwealth–State ministerial councils dealing with law enforcement and justice issues.

## PERFORMANCE MEASURE

*Effectiveness of services provided.*

## PERFORMANCE OUTCOME

The LECD provided secretariat support to the meetings of the APMC, the Intergovernmental Committee of the NCA, the Corrective Services Ministers' Conference, their related senior officials' committees and the boards of control of the National Common Police Services.

Feedback indicated a high degree of satisfaction with the effectiveness of the services provided.

## STRATEGY

Advance other issues of relevance to Commonwealth law enforcement.

## PERFORMANCE MEASURE

*Progress in implementing strategies and achieving desired outcomes.*

## PERFORMANCE OUTCOME

*CrimTrac*

One of the LECD's achievements during 1998–99 was its work in progressing the Government's \$50 million election commitment to establish CrimTrac, a new crime information system for Australia's police services.

CrimTrac involves the replacement of the national automated fingerprint identification system, the establishment of a national DNA criminal investigation system, the establishment of a national child sex offender system and the provision of improved access to operational policing information (including domestic violence orders, arrest warrants and missing persons information). The initiative was endorsed by the APMC, which has established a steering committee (chaired by a senior departmental officer) to oversee the development of the initiative by a project office established within the LECD.

The project office achieved a number of important outcomes during the reporting period, including:

- the release in December 1998 of a comprehensive request for information on CrimTrac's key elements, which attracted a significant response from industry and other interested parties;
- the analysis of responses to the request for information and the development of an agreed approach to the phased establishment of CrimTrac;
- considerable consultation with industry on key technical issues and the implementation of the CrimTrac system;
- the preparation and release of a draft request for tender on 25 June 1999 for the provision of a new fingerprint system, and the appointment of a systems integrator to assist in establishing the other CrimTrac elements.

The project office consulted Australia's police services and industry extensively throughout the reporting period. The office also provided extensive support and advice to the Minister for Justice and Customs on the development of the initiative. This included the provision of various submissions, speeches, briefing material, answers to parliamentary questions and ministerial correspondence.

### *Implementation of the AFP reform program*

In July 1998, following a review of the AFP's long-term strategic directions and resourcing requirements by Mr Tony Ayers AC, the Government announced a reform program for the AFP to maximise the organisation's capabilities and concentrate resources on criminal investigations and other core functions. The LECD worked with the AFP to develop proposals providing additional funding of \$65.02 million over three years to change the AFP's resourcing approach and improve key areas of technical support.

The reform program's implementation is being overseen by the AFP Monitoring Committee. The committee met monthly during the early stages to oversee improvements to financial discipline within the AFP and to ensure the AFP implemented an effective accountability regime for outcomes and achieved improvements in outputs. The committee consisted of representatives from the LECD, the Department of Finance and Administration, the AFP and two private sector financial experts.

In the context of the reform program, and at the request of the Minister in November 1998, law enforcement agency heads began examining how to increase efficiency and cost effectiveness through inter-agency cooperation and resource sharing. This was consistent with the general thrust of the Ayers review and certain recommendations. Specific areas of emphasis in this process included corporate support, law enforcement intelligence, operations, forensic and other technical services, and information technology.

### *Law enforcement information technology strategies*

The LECD continued working with law enforcement agencies to implement elements of a plan for improved communications, data access and data analysis. This plan was endorsed by CLEB and the Heads of Commonwealth Operational Law Enforcement Agencies (HOCOLEA) group. The LECD coordinated the implementation of the move of the HOCOLEA agencies' communications links from an x.400-based environment to the Secure Gateway Environment hosted by Agriculture, Fisheries and Forestry Australia.

The LECD also worked with the Australian Securities and Investments Commission to implement a strategy to provide improved access to the commission's data and related analysis tools to the HOCOLEA agencies. Implementation of the major functions of the new facility was completed in May 1999.

The LECD contributed to the development of strategies for the Department, HOCOLEA and the Government; to the provision of advice to the Attorney-General and the Minister for Justice and Customs; and to other initiatives with respect to the role of law enforcement in the development of the information economy and related issues.

### *Women in policing*

The LECD contributed to the integration of a number of committees formed within the law enforcement community that deal with issues regarding women in policing.

The LECD, on behalf of the Department, is a member of the Australasian Women in Policing Advisory Committee, and also plays a lead role in liaison with members of the Australasian Council of Women and Policing and related bodies.

The Minister for Justice and Customs formally launched the Women in Law Enforcement (WILES) initiative in mid-1998.

The LECD participates in the work of this initiative through membership, on behalf of the Department, of the WILES Steering Committee. This involves representation by senior women managers of Commonwealth law enforcement agencies. WILES members work to devise strategies to enhance the recruitment and promotion to senior levels of women within their agencies. The LECD also facilitates the involvement of other agencies.

## **Australian Government Solicitor**

Since July 1998 the AGS has been administratively separate from the Attorney-General's Department. On 1 September 1998 the AGS became a prescribed agency under the *Financial Management and Accountability Act 1997*. With the commencement of the *Judiciary Amendment Act 1999* on 1 September 1999, the AGS is established as a government business enterprise under the *Commonwealth Authorities and Companies Act 1997*.

### *Corporate Overview*

The Australian Government Solicitor is a leading national law practice, owned by the Federal Government and dedicated to serving the public interest, the Government and its agencies.

The AGS was once a budget-funded service provider within the Attorney-General's Department, with clients largely tied to it for legal services. Since 1992, however, user charges and the untying of work have been progressively introduced. In 1998–99 there was no budget-funded work and over half AGS work was open to competition.

### *AGS structure*

The AGS serves the Commonwealth through a network of offices in all State and Territory capitals and in Townsville. Each office is supported by an advanced technology and data network. The AGS is able to provide coordinated advice and services to clients anywhere in Australia. It has internal networking arrangements to ensure that the interests of its clients are promoted everywhere and its lawyers have the professional support they need.

### *Governance*

The AGS is completing a period of transition. For the first two months of 1998–99 the AGS was formally part of the Attorney-General's Department and many finance powers, though delegated, rested with the Secretary of that Department. The AGS became prescribed under the Financial Management and Accountability Act on 1 September 1998, and the CEO was given the powers, duties and obligations of a Secretary under the Act.

### *Client service and professional standards*

Constitutional limits mean that, unlike private law firms, the AGS's potential client base is substantially restricted to the Commonwealth Government and its agencies.

The principal objectives of the AGS, therefore, are to support ministers and Commonwealth clients in the achievement of their planned outcomes and outputs; to do so promptly, professionally and at an acceptable cost; and to offer a comprehensive service, based on its special expertise, in a way which its competitors cannot match.

The AGS has a high degree of association with its clients' objectives and has developed skills and tools for those clients. It offers high quality and long experience in the whole range of legal services, including commercial services – such as outsourcing, information technology, commercial acquisitions and sales and property – as well as dispute resolution, litigation and constitutional and statutory interpretation. The AGS evaluates its progress by closely monitoring trends in business with each client. It values and specifically seeks feedback from clients, and uses this information to improve its service.

### *Financial*

The AGS is required to operate with competitive neutrality so that it does not have competitive advantage as a result of Commonwealth ownership. The AGS is required to provide for the equivalent of taxes,

interest, dividends and other costs. It will receive no budget funding in future and is required to achieve a minimum-risk related rate of return (currently 11–13 per cent) on the Government's equity investment in the AGS.

#### *Business processes and systems*

Over time, as client needs change and developments occur in law and technology, the AGS has sought to ensure its legal and support business processes served clients and itself efficiently and cost-effectively. The AGS measures progress by comparison between its units and by benchmarking compared with legal and commercial best practice.

#### *Culture and working environment*

The AGS has created an energetic and responsive collegiate culture in which knowledge is developed and shared and talent is nurtured.

It recognises and rewards outstanding performance, provides high levels of professional interest and seeks to be regarded by staff as an attractive and rewarding place to work. The level of staff involvement and creativity in AGS business initiatives has increasingly become a measure of business progress.

#### *Future of the AGS*

The commencement of the Judiciary Amendment Act establishes the AGS as a government business enterprise from 1 September 1999 under the Commonwealth Authorities and Companies Act. It will operate under the direction of its Chief Executive Officer, who is accountable to two shareholder ministers — the Attorney-General and the Minister for Finance and Administration.

It is intended that the CEO will be assisted by an advisory board appointed by shareholder ministers. It will set up model internal corporate governance arrangements. A non-executive member of the advisory board will chair its Audit Committee. AGS revenue will continue to come exclusively from its clients, and the AGS will continue to focus on excellence of service to its client base. From 1 September 1999, 95 per cent of its business will be open to competition. It has proposed a corporate plan to shareholder ministers and expects to continue to trade very successfully. A Statement of Corporate Intent, outlining future plans, will be tabled in Parliament.

## Social Justice

The Attorney-General's Department works to an extensive social justice agenda founded on the principles of access and equity and the right of all citizens to live in a just and secure society. The implementation of this agenda involves most areas of the Department and accords with the principles of best practice set out in the *Charter of Public Service in a Culturally Diverse Society*.

The **Civil Law Division** is concerned with policy initiatives that are fair and responsive to changing circumstances in the areas of administrative law, human rights and humanitarian law, legal procedures and judicial administration.

In March 1999 the Division updated a status report to the Australian National Council on AIDS and Related Diseases (ANCARD) on the state of implementation, in each Australian jurisdiction, of the recommendations for law reform of the Legal Working Party of the Intergovernmental Committee on AIDS.

In accordance with ANCARD's work plan for 1997–98, the Division also agreed to oversee three consultancy projects encompassing certain areas of law reform and discrimination in relation to HIV/AIDS. Position papers resulting from those consultancies were finalised for possible input into the proposed Fourth National Strategy.

The Division continues to be involved with other interested agencies and non-government organisations in the development of Australia's position on the negotiation of two optional protocols to the Convention on the Rights of the Child. The protocols deal with the sale of children and the involvement of children in armed conflict. Further meetings conducted by the United Nations will be held in early 2000.

The **Office of International Law** has responsibility for the preparation of Australia's reports under a number of human rights treaties, and for responding to complaints by individuals to international committees established by those treaties.

Australia's third and fourth reports under the International Covenant on Civil and Political Rights were approved by the Attorney-General and lodged with the United Nations on 28 August 1998.

The Office prepared a draft of Australia's combined second and third report under the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, and submitted it to the Attorney-General for approval. It is expected to be lodged with the United Nations in 1999–2000.

Four communications were received under Article 22 of the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment during 1998–99. One was discontinued and submissions were prepared in relation to the other three.

During 1998–99 the Office prepared submissions on admissibility and merits for the Human Rights Committee in three communications under the International Covenant on Civil and Political Rights.

The Office coordinated and prepared Australia's response to a questionnaire from academics commissioned by the United Nations High Commissioner for Human Rights to undertake a study into improving the effectiveness of the treaty bodies.

The **Criminal Law Division** examines and advises on all draft legislation which impacts upon Commonwealth criminal law to ensure that any proposals accord with Commonwealth criminal law policy and are in a form acceptable to the Parliament. This impacts on social justice by ensuring that different regulatory regimes do not apply different standards without justification, which is particularly important where personal liberty might be at stake.

The Division worked on the Criminal Code Amendment (Slavery and Sexual Servitude) Bill 1999, a proactive measure to deal with the growing international trade in trafficking in persons for sexual exploitation. The Bill is part of a package of Commonwealth, State and Territory offences directed at both

the international and domestic aspects of the trade. The offences were developed in consultation with the States and Territories and are based on the uniform offences recommended by the Model Criminal Code Officers Committee in its report on slavery. At 30 June 1999 the Bill had been passed by the Senate and was awaiting debate in the House of Representatives.

The Division is also responsible for Crimes Amendment (Fine Enforcement) Bill 1999, a significant step in the Commonwealth's ongoing efforts to ensure that federal fines are enforced at the least possible enforcement cost to the taxpayer and at the least cost and inconvenience to the States and Territories which enforce those fines. The Bill amends the Crimes Act to allow court officers, as well as magistrates, to impose penalties on federal fine defaulters where there is some scope for an appeal to a magistrate from the officer's decision.

The completion of model domestic violence laws was another achievement in which the Division was involved. This Commonwealth, State and Territory cooperative project was launched by the Prime Minister, Premiers and Chief Ministers at the Domestic Violence Summit in November 1997 as part of the *Partnerships Against Domestic Violence* initiative. The model laws were developed after extensive nation-wide consultation, including seminars in different parts of Australia, and lay the foundations for more consistent laws. A key feature is a proposal to speed up the procedures for registering domestic violence orders by using the new CrimTrac database system for which the Federal Government has allocated funds. While CrimTrac is at an early stage of its development, the model laws provide a proposed legal framework which will maximise the benefits of the database system.

The model criminal code report on sexual offences was also completed following nation-wide consultation. A key reform is a provision to prevent unnecessary intrusion during rape-counselling sessions to ensure victims are not discouraged from seeking appropriate counselling.

The **Family Law and Legal Assistance Division** makes a significant contribution to social justice by providing access to assistance for the prevention and resolution of disputes through a range of mechanisms; access to justice through legal aid schemes and increased awareness of legal rights and responsibilities; and access to a range of high quality family relationship services.

The Division continues to pursue these social justice objectives by purchasing services through the Business Partnership Agreement with the Department of Family and Community Services. These services deliver alternative means of dispute resolution where appropriate. Funding for expansion of dispute resolution services, for the establishment of at least 25 new children's contact services and for a family law telecommunications service, was announced in the 1999 Budget.

In the area of international family law, legislation to facilitate the negotiation of bilateral agreements with the People's Republic of China for intercountry adoption was passed. The Convention on Intercountry Adoption commenced in Australia in December 1998.

The Division continued to provide access to legal assistance through legal aid schemes and dispute resolution services for people with legal problems arising under Commonwealth law. Reviews were begun during the year of the war veterans' legal aid scheme and family law legal aid, with a view to implementing consistent benchmarks to achieve equity in access.

The **Insolvency and Trustee Service, Australia (ITSA)** aims to enhance public confidence in the personal bankruptcy system through, amongst other things, accessible information on bankruptcy and its alternatives and a fair and equitable practice in the administration of the bankruptcy system, having regard to the competing interests of bankrupts and creditors.

During 1997-98 ITSA developed a Client Service Charter based on consultation with, and input from, ITSA's main client groups: bankrupts, creditors, financial counsellors, private trustees and users of public

information and records. Clients and stakeholders are formally surveyed about every two years so that service trends can be analysed and service levels can be benchmarked.

ITSA provides information about bankruptcy and its alternatives through personal and telephone contact and information packs and pamphlets, which are regularly updated and are now available on the Department's web page. In 1997 ITSA produced an information video which follows a debtor with financial problems through the process of becoming bankrupt. The video is available at all offices for viewing by the public. ITSA offices also provide a range of training seminars for debt counsellors, insolvency practitioners and credit providers.

ITSA's branches are located in the capital cities, with additional offices in Townsville and Parramatta. Staff from ITSA's offices regularly travel to regional areas to conduct seminars and information sessions. In addition staff will, on request, provide speakers for community groups and tertiary educational institutions.

ITSA has a client relationship training program in place which encourages staff to establish rapport with ongoing clients and to seek feedback from them on ITSA's performance in meeting their expectations. In addition there are regular liaison meetings with client organisations such as the Insolvency Practitioners Association of Australia, financial counsellor organisations, the Australian Institute of Credit Management, the Institute of Mercantile Agents and the Australian Finance Conference. Regular meetings are also held with major institutional creditors, such as banks, as well as the AFP, the DPP, the Australian Competition and Consumer Commission and the Australian Taxation Office.

The **Law Enforcement Coordination Division**, in partnership with other agencies, develops and implements a wide range of policies and programs concerned with law enforcement and crime prevention. Much of this work has implications for social justice. Of particular significance has been innovative work on the firearms reform program, the national illicit drug strategy, privacy issues, fraud control policy and crime prevention.

The Commonwealth renewed its commitment to lead on crime prevention through the announcement of a \$21 million national crime prevention program. The Division was responsible for the development and administration of the Government's National Crime Prevention program from its inception. The program is being implemented with a range of partners at Commonwealth and State level.

Research into early intervention to reduce crime and violence has raised the profile of this issue and led to the \$8 million Youth Crime and Families program. The research addresses social context issues and the program is expected to address equity and special needs.



## Internal and External Scrutiny

Under the *Auditor-General Act 1997* the Australian National Audit Office (ANAO) conducted an audit of the Department's financial statements. These were again passed without qualification. In the process of conducting its audit the ANAO relied, wherever possible, on the office administration reviews performed by the Department's Audit and Evaluation Section.

A full list of ANAO reports of relevance to the Department appears at Appendix 9.1. These were considered by the Audit Committee in the course of business in accordance with the ANAO's *Better Practice Guide Audit Committees*.

The Audit Committee considered the departmental Financial Statement before commending it to the Secretary for approval in accordance with the *Financial Management And Accountability Act 1997* (FMA Act). The committee met at quarterly intervals during the year to consider progress with regard to the annual work program, and to review and consider the resulting audit report. Additionally, and as prescribed by the FMA Act, the committee considered the appropriate follow-up action to be taken with regard to ANAO audit findings applicable to the Department.

In accordance with agreed performance objectives:

- the Audit Committee and Secretary endorsed the strategic audit work program within the given timeframe;
- all action specified in the departmental fraud control plan was implemented within the nominated timeframe;
- the scheduled iteration of the fraud control plan received the Commonwealth Law Enforcement Board's approval;
- all permanent officers within the Audit and Evaluation Section attended AFP fraud investigation courses in accordance with Commonwealth fraud control policy;
- continuing liaison with the ANAO ensured that there were no unexpected outcomes in ANAO reports. Due to liaison arrangements line areas were advised in advance of the ANAO's intention to audit, the ANAO provided detailed reports on activities to the Audit Committee, the ANAO expressed confidence in the Audit and Evaluation Section's work as a basis for testing, and concurrent visits of ANAO and Audit and Evaluation Section officers to line areas were avoided;
- all tasks were completed on schedule and to budget;
- audit findings were recognised as useful by senior management of audited units, and client surveys showed that, without exception, audit performance was regarded as either satisfactory or more than satisfactory.

The United Nations Committee on the Elimination of All Forms of Racial Discrimination sought information on the changes to the *Native Title Act 1993*, amongst other things. The Australian Government provided the information sought by the committee, and appeared before it in early March 1999. In its report later that month, the committee alleged four specific areas in the *Native Title Amendment Act 1998* that discriminated against indigenous title holders: validation, confirmation, primary production and restrictions on the right to negotiate.

A response to the committee's report was prepared for consideration at its next meeting, in August 1999.

In 1996 the Attorney-General established a panel to assist his delegates in making certain decisions relating to federal offenders. The delegates are a Deputy Secretary of the Department and the First Assistant Secretary, Criminal Law Division. The panel is composed of five members: two officers of the Commonwealth DPP and three members independent of law enforcement who have an administrative law background. Each case submitted to the panel is considered by one officer from the Commonwealth DPP and one non-law

enforcement member before it is submitted to one of the delegates for decision.

Cases submitted to the panel are those in which the decision relates to a complex matter or is likely to have serious consequences for either the prisoner or the community. Less complex cases are decided by the delegate alone. The delegate may refer any case to the relevant Minister (currently the Minister for Justice and Customs) if a panel member has a different view about a case from that of the delegate, if the case raises controversial or sensitive issues or if the offender has requested that the Minister review his or her case. The panel advised the delegate on approximately 30 cases during 1998–99.

The Senate Legal and Constitutional References Committee completed its final report on its inquiry into legal aid in June 1998. The Government is considering its response.

The House of Representatives Standing Committee on Legal and Constitutional Affairs tabled its report on its inquiry into the Family Relationships Services Program, entitled *To Have and To Hold*, in June 1998. Responsibility for the Government's response was taken over by the Minister for Family and Community Services. Some recommendations in the report impact upon the ongoing responsibility of the Department for civil marriage celebrants and dispute resolution in family law. The Government's response to the report was announced by the Prime Minister in June 1999 in the context of a launch of a national families strategy.

A consultant was engaged to review the provisions under the *Bankruptcy Act 1996* for the registration of private registered trustees. After extensive consultation with the industry the consultant reported that, effectively, the trustee registration provisions did not inhibit competitiveness and that, at this time, the insolvency industry recognised the benefits of the registration system administered by ITSA.

Internal reviews of protective security aspects of the mail bomb incidents of December 1998, and the occupation of the Greek Consulate of February 1999, were carried out by the Department. The first review was completed on 26 February 1999 and the second on 12 March 1999. Both were carried out by the First Assistant Secretary, Information and Security Law Division, in cooperation with other relevant agencies, particularly the AFP, ASIO and the NSW Police Service. The review into the mail bomb incidents also involved detailed discussions with representatives of agencies directly affected such as the Australian Taxation Office, the Privacy Commissioner and the Human Rights and Equal Opportunity Commission.

The reviews examined the discharge of Commonwealth responsibilities in relation to these incidents and made a number of confidential recommendations to the Secretary. Those recommendations which related to responsibilities of other agencies were referred to the heads of those agencies for consideration. Action taken to improve security arrangements was reported to the Secretaries' Committee on National Security.

The Department has a number of measures in place for monitoring relations with clients, including clients outside the Australian Public Service. A description of those measures and the nature of client comments, including complaints, is provided at Appendix 8.

A list of parliamentary committee inquiries relating to the Department during 1998–99 appears at Appendix 9.2.

## Abbreviations

AAT	Administrative Appeals Tribunal
AFP	Australian Federal Police
AGD	Attorney-General's Department
AGS	Australian Government Solicitor
ALRC	Australian Law Reform Commission
AMP	Australian Mutual Provident Society
ANAO	Australian National Audit Office
APEC	Asia-Pacific Economic Cooperation
APMC	Australasian Police Ministers Council
APS	Australian Protective Service
APS Level	Australian Public Service Level
ARC	Administrative Review Council
ASIO	Australian Security Intelligence Organisation
ASNET	Australian Secure Network
ASVS	Australian Security Vetting Service
AusAID	Australian Agency of International Development
AUSTRAC	Australian Transaction Reports and Analysis Centre
BLEC	Business Law Education Centre
CEO	Chief Executive Officer
CLEB	Commonwealth Law Enforcement Board
CLRC	Copyright Law Review Committee
COAG	Council Of Australian Governments
CONSOL	Consolidated Commonwealth Legislation
CrimTrac	Crime information system for Australian police services
DDA	<i>Disability Discrimination Act 1992</i>
DNA	Deoxyribonucleic Acid
DPP	Director of Public Prosecutions
EC	European Communities
EEO	Equal Employment Opportunity
EEZ	Exclusive Economic Zone
FaCS	Department of Family and Community Services
FLLAD	Family Law and Legal Assistance Division
FOI	Freedom of Information
FRLI	Federal Register of Legislative Instruments
FRSP	Family Relationships Services Program
GOLD	Government On-Line Directory
GST	Goods and Services Tax
HOCOLEA	Heads of Commonwealth Operational Law Enforcement Agencies
HR	Human Resources

HREOC	Human Rights and Equal Opportunities Commission
HTML	Hypertext Markup Language
IBC	Conference organising company
ICACSCP	International Child Abduction, Child Support and Civil Procedure
ICCPR	International Covenant on Civil and Political Rights
ICM	International Communications for Management group
IIR	Conference organising company
ILSAC	International Legal Services Advisory Council
IP	Intellectual Property
IT	Information Technology
ITSA	Insolvency and Trustee Service, Australia
IT&T	Information Technology and Telecommunications
LAC	Legal Aid Commission
LECD	Law Enforcement Coordination Division
LID	Legislative Instruments Database
MOU	Memorandum of Understanding
MV	Motor Vessel
NAJAC	National Aboriginal Justice Advisory Committee
NATO	North Atlantic Treaty Organisation
NCA	National Crime Authority
NCP	National Crime Prevention
NPII	National Personal Insolvency Index
OECD	Organisation for Economic Cooperation and Development
OH&S	Occupational Health and Safety
OLSC	Office of Legal Services Coordination
ONCB	Office of the Narcotics Control Board
OOS	Occupational Overuse Syndrome
OTISS	Official Trustees Information Services System
PILOM	Pacific Islands Law Officers Meeting
PSCC	Protective Security Coordination Centre
SAC-PAV	Standing Advisory Committee on Commonwealth-State Cooperation for Protection Against Violence
SAP	Systems Applications Products
SAP HR/Payroll	Human resource management system
SAR	Special Administrative Region (in relation to Hong Kong)
SCAG	Standing Committee of Attorneys-General
SCALEplus	Statutes, Cases Automated Legal Enquiry (with Internet access)
SES	Senior Executive Service
UN	United Nations
UNCITRAL	United Nations Commission on International Trade Law

US	United States (of America)
VIEWS	Computer based on-line legal information system
WIPO	World Intellectual Property Organisation
WTO	World Trade Organisation
Y2K	Year 2000