



**Australian
CUSTOMS AND
BORDER PROTECTION**

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REGARDING ACBPS REFORM AND THE AUSTRALIAN BORDER FORCE

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As the Secretary said in his opening statement, the Immigration and Border Protection Portfolio is undergoing a fundamental change. As a key element of this change initiative, on 9th May 2014, the Minister for Immigration and Border Protection announced a fundamental transformation of the Australian Customs and

Border Protection Service, which will cease to exist in its current form on 30th June 2015. Further details were contained in the 2014-15 Budget Papers.

From 1 July 2015, the Service will be merged with the Department of Immigration and Border Protection and the Australian Border Force (the ABF) will be established. The consolidation process has already begun, and as the Secretary has described what we are doing in terms of higher process and governance, I will not repeat what he has said. In addition to my general focus on overseeing these changes with the Secretary, my specific focus in the coming year will be:

- The establishment of Strategic Border Command, to oversee all ACBPS border operations, other than in the offshore maritime domain, where Border Protection Command will continue to function, as joint command operated with Defence;
 - Strategic Border Command will be the centrepiece of our new operating model, which will also include the establishment of subordinate Regional Commands situated throughout the states and territories. These changes will strengthen our approach to prioritising, directing and coordinating the Service's operational activity and performance, and will be the foundational layer of the ABF's operating model.

- The establishment of the National Border Targeting Centre, which target suspect goods and travellers;

- The NBTC will bring together nine law enforcement and national security partner agencies into a next generation profiling and targeting environment.
- Further consolidating the Service's investigations, compliance and enforcement (ICE) function, in partnership with the Australian Federal Police, a partnership which will be carried forward into the ABF;
- Increasing the level of border patrols, especially in seaports and airports, and in remote coastal areas;
- The creation of the Border Force vocational category within the Service, and the ACBPS College, as crucial precursors for the workforce elements of the ABF:
 - The Border Force vocational category will be a uniformed and multi-disciplined law enforcement workforce, some of whom will be armed, who will provide physical presence in airports, seaports, and remote and regional locations providing deterrence, enforcement, investigations, compliance.
- Delivering a variety of other funded ACBPS reform initiatives, such as improvements in intelligence, analytics, and ICT capabilities, along with the further automation of trade and travel, and improved revenue collection; and
- Preparing to consolidate from 1st July 2015 the operational border functions of immigration and customs, including investigation, compliance and enforcement

activities, as well as the immigration detention network, offshore processing centres and removals.

The Service has been on a reform journey for some time. I have previously briefed this Committee, we launched the *Blueprint for Reform 2013–2018* in July last year. Beyond simply scaling operations to meet demand, or making incremental changes, last year we recognised the need to completely transform our approach, including our systems, processes and our workforce. Future reforms, and in particular the ABF, will build on this reform programme.

As the Minister has said, the ABF Commissioner will be a statutory office holder who will report directly to the Minister on all operational matters. The Minister has said that the Commissioner will have the same standing as other heads of key national security and law enforcement agencies and will sit alongside departmental secretaries. For the purposes of financial management legislation and other related legislation, there will be a reporting link from the Commissioner to the departmental secretary.

As the Secretary said earlier, we are determined to get these changes right. This is a very significant undertaking. We are both acutely conscious of what will happen if we do not heed the lessons (both positive and cautionary) of similar efforts which have been made overseas, or those of other examples of complex government machinery changes. The Secretary and I intend to consult widely, including with our staff and other crucial stakeholders.

As I have expressed my concern to this Committee previously about the level of funding cuts that had been applied over a number of years to the Service, I should take this opportunity to brief the Committee on our funding situation and the welcome injection of resources that has been applied in recent times.

First, in January 2014, the Government announced \$88 million of additional funding to the Service to increase screening and examination of international mail, air cargo and sea cargo. *The Tackling Crime – Increased screening at the border* measure will provide the funding over four years from 2013-14 constituting \$74.3 million in operating budget and \$13.7 million in capital budget. The funding will be allocated across a number of areas, including:

- \$30 million for increased inspections in international mail and air cargo;
- \$8.5 million for expansion of the Detector Dog Program;
- \$24 million for increased sea cargo examinations;
- \$4 million for specialist examination capabilities;
- \$6 million for establishment of a cargo investigation squad; and
- \$16 million for additional related new technology.

More substantially, the Government announced as part of the 2014-15 Budget a \$480.5 million, four year package to fund the measures which the Secretary and I have been describing:

- \$99 million for enforcement capability, including the establishment of the Strategic Border Command;
- \$257 million for intelligence and systems;
- \$71 million for trade and travel system; and

- \$54 million for workforce measures and training, including the College.

As a reflection of the increased investment in the Service, our average staffing levels will only fall from an expected 5,000 at 30 June 2014 to 4,920 by 30 June 2015. This represents a dramatic slowing in annual ASL reduction and results in part from the transfer of Anti-Dumping Commission staff to the Department of Industry (35 ASL).

These resource injections are very welcome and will allow us to better deliver on routine business in 2014-15, roll out much needed ACBPS reforms, and build the platform for the new portfolio construct, especially the ABF.

ENDS