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**Opening verbal statement to Legal and Constitutional Affairs Legislation
Committee**

Estimates Hearing

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Senators, in July this year the Australian Border Force marked its second anniversary.

The first two years of the ABF have included considerable successes and many challenges.

We have continued to contend with escalating volumes at the border. In the first two years of operations the ABF processed more than 84 million air and sea travellers and crew, risk assessed more than six million sea cargo consignments, and inspected more than 100 million international mail items.

At the same time, we have disrupted transnational crime and trade in illicit goods. In the past two years, the ABF has worked with domestic and international partners to detect more than 12 tonnes of illicit drugs and precursors at the Australian border, and has detected more than 170

tonnes of illicit tobacco and 250 million illicit cigarettes. This represents about \$230 million in attempted duty evasion.

Already this financial year, we have again made significant seizures of illicit drug and tobacco importations, including record seizures of ephedrine.

In August, multiple people were arrested in connection with the illegal importation of tobacco and conspiracy to import narcotics following Joint Organised Crime Group's Operation Astatine.

Among those arrested was a serving ABF officer, who is alleged to have used his position to assist with the importation of tobacco.

The ABF holds a trusted position at the border. What we do and the information we are privy to is sensitive and this means we will always be a target for serious and organised crime. While this is not a surprise, it is completely unacceptable. In response, we have reinforced mechanisms under our Integrity Framework. These measures are working and we will catch the small number who turn to corruption and fraudulent activity.

These individuals do not represent the vast majority of ABF officers who uphold the highest standards of professional conduct.

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In the past 12 months we have continued our increased operational focus to deter and detect goods suspected of containing asbestos. In 2016-17 we targeted more than 8500 shipments resulting in 63 positive detections, compared with more than 1100 shipments and 13 positive

detections the previous year. Despite intensified and targeted effort, there has not been a proportionate increase in the number of positive detections.

The ABF is also committed to preventing exploitation of vulnerable foreign workers through Taskforce Cadena. Since June 2015, Taskforce Cadena has undertaken 16 large-scale disruption activities under the authority of 46 separately issued warrants. As a result, the Commonwealth Director of Public Prosecutions has accepted three briefs of evidence, with the intention of pursuing criminal prosecution, and additional briefs are being prepared. Taskforce Cadena is also working with international authorities to target organised visa fraud and worker exploitation before it reaches the Australian border.

The threat of extremism is ever-present. The ABF increased its presence and security activities at international airports, cargo facilities and mail gateways earlier this year in response to counter terrorism operations in Sydney that disrupted plans to place an explosive device on an international aircraft. In addition, since 1 July, our counter terrorism teams at our international airports have conducted more than 70,000 assessments resulting in more than 200 positive outcomes.

Clearly, our threat environment is evolving and increasingly challenging. The announcement in July of a Home Affairs portfolio acknowledges this and highlights the importance of safeguarding the border as an essential component of our national security.

The ABF will remain Australia's border protection and customs service, operating as an operationally independent agency under Home Affairs.

Our ability to perform our border compliance and enforcement role will be enhanced, but this does not reduce our commitment to facilitation.

We are committed to further building the Australian Trusted Trader program, with more than 100 fully accredited trusted traders now participating. In July we signed new Mutual Recognition Arrangements with Korea, Canada and Hong Kong, to provide Australian exporters with faster access to markets in those countries. The Department and ABF will continue to partner with industry to understand their needs, to fully realise the benefits of the ATT program and inform its future development.

We have also made significant advances in travel facilitation with plans to roll out the next generation of Arrivals SmartGates by mid-2019. We expect 90 per cent of travellers will use automated border clearance processing by 2020.

The increasing volumes at the border and rapidly evolving threat environment mean that we have to do things differently—to innovate, modernise and adapt. We have embarked on the journey to transform our work, through investments in technology and automation, partnering with industry, intelligence sharing, and re-designing our core processes, services and systems. The move to Home Affairs will continue that journey.

During the successes and challenges of the Australian Border Force's first two years, our officers have demonstrated outstanding dedication and commitment. I commend them for their ongoing professionalism during this period of change, and for their unwavering commitment to

delivering the essential facilitation services expected of us every day,
while maintaining a safe and secure border for the Australian community.

Thank you.

ENDS