



Australian Government  
Department of Home Affairs

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# **Submission to the Select Committee on the effectiveness of the Australian Government's Northern Australia agenda**

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the Australian Government's Northern  
Australia agenda**

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# 1. Introduction

This submission has been prepared by the Department of Home Affairs (the Department) inclusive of the Australian Border Force, to provide information to the Select Committee on the effectiveness of the Australian Government's Northern Australia agenda. The Department supports the Australian Government's Northern Australia agenda and welcomes the opportunity to provide a submission to the Select Committee on the effectiveness of the Australian Government's Northern Australia agenda.

This submission recognises that the Department—alongside many other agencies and organisations—contributes to delivering the Australian Government's Northern agenda through a range of initiatives including joint activities.

This submission is consistent with the terms of reference of the Select Committee to inquire into and report on the effectiveness of the objectives, design, implementation and evaluation of the Australian Government's Northern Australia agenda, with particular reference to:

- a. facilitation of public and private investment in infrastructure and economic development;
- b. economic and social benefit arising from that investment for Northern Australians, in particular First Nations people;
- c. funding models and policy measures that capture the full value of existing and emerging industries;
- d. measures taken to develop an appropriately skilled workforce;
- e. emerging national and international trends and their impact on the Northern Australia agenda; and
- f. any related matters.

This submission provides an overview of the Department's activities most relevant to the Australian Government's Northern Australia agenda and the Senate Select Committee's Terms of Reference.

# 2. Background

The former Department of Immigration and Border Protection provided a submission to the Joint Select Committee on Northern Australia's 2014 report—Pivot North: Inquiry into the Development of Northern Australia (submission 119). The Department of Immigration and Border Protection also contributed to the White Paper on Developing Northern Australia (2015), and the related Green Paper, through intergovernmental consultations with the Department of the Prime Minister and Cabinet's Northern Australia Taskforce.

# 3. The Home Affairs Portfolio

The Home Affairs Portfolio's (the Portfolio) mission is to support a prosperous, secure and united Australia. The Portfolio brings together the Australian Government's functions and agencies relating to law enforcement, customs and immigration, multicultural affairs, emergency management, transport security, transnational serious and organised crime, criminal justice policy, national and transport security and counter-terrorism coordination, cyber policy and countering foreign interference.

The Portfolio consists of the Department as the central policy agency, the Australian Border Force, the Australian Criminal Intelligence Commission, the Australian Federal Police, the Australian Security Intelligence Organisation, and the Australian Transaction Reports and Analysis Centre.

## 3.1. Our northern operating environment

The Portfolio's mission is to work together with the trust of our partners and community through global engagement and to help keep Australia prosperous, secure and united.

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The Department's presence in northern Australia is driven, in part, by a commitment to secure the air and maritime border, facilitate trade, travel and migration, emergency management and disaster resilience, and manage critical infrastructure. The management of these interconnected priorities contributes to the achievement of the Australian Government's Northern Australia agenda. Through a far-reaching and longstanding presence in northern Australia, the Portfolio provides a variety of services, programs, jobs and career pathways, each with tangible economic, security and social benefits to communities in northern Australia.

For the north, just as anywhere in Australia, a strong and secure border, open and free access to global and domestic markets, robust institutions and a cohesive society provide the stability required to maximise prosperity. The delivery of each of these outcomes supports continued growth in trade, industry productivity, economic competition, and revenue collection across this vast region.

A growing volume of goods and people are moving across our border, increasing our need to facilitate efficient trade and travel, while preventing illicit border activity. Northern Australia continues to benefit from the improved productivity and access to ideas and information, reduced transaction costs and increased competition afforded by more diverse investment flows and secure connections to global supply chains.

The Department continues to facilitate, support and secure ports to connect northern Australia to global markets and supply chains. Three of Australia's five main maritime trade routes pass north-east of Australia's eastern seaboard through the Pacific, and account for around 45 per cent of Australia's maritime exports. The Department provides border clearance services at a growing number of regional seaports for the people and goods traversing these maritime routes, while supporting new channels for trade, tourism and investment.

The Department supports northern Australia in meeting the necessary labour demands for continued prosperity across this region. Through the introduction of various visa-related programs and provisions, the Department assists communities in northern Australia to address gaps in specific skills requirements. To maximise the effectiveness of such initiatives, the Department also engages with culturally and linguistically diverse communities, and local and state governments across northern Australia to enhance the region's social cohesion.

Protecting infrastructure in northern Australia is critical to enabling prosperity and attracting needed investment from international, public and private entities. The Department assists in safeguarding northern Australian infrastructure by managing potential risks to maximise the benefits afforded by secure and connected infrastructure.

The northern portion of Australia's vast Exclusive Economic Zone contains significant resources, including natural gas and fisheries. Northern Australia also contributes significantly to the economy through aquatic and coastal tourism, strengthened by its proximity to Asia. However, global trends including population growth, intensifying natural hazards and associated extreme weather events, and the potential illegal exploitation of natural and marine resources, will have impacts in our northern regions.

The Department must counter a growing range of challenges to Australia's borders, including unauthorised maritime arrivals; prohibited trade; piracy, robbery and violence at sea; attacks on maritime critical infrastructure, vessels and commercial interests; biological and environmental attacks; illegal fishing; and illegal removal or destruction of wildlife.

Transnational serious and organised crime groups continue to exploit gaps in our border security. They take advantage of Australia's vast air and sea approaches, and the remoteness of our coastline, particularly in the north. Unauthorised maritime arrivals undermine the integrity of Australia's migration arrangements, and impede the necessary checks and screening of travellers prior to their arrival. Northern Australia has historically been a desirable point of entry for unauthorised maritime arrivals from source and transit countries. Though the Australian Border Force continues to successfully deter and manage the unauthorised movement of people across our northern border, maritime people smugglers have maintained a desire and capability to resume activity in this region.

A significant proportion of serious and organised crime in Australia has links with, or origins in, other countries. The South Pacific continues to experience capacity limitations in combatting transnational, serious and

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organised crime. Regional states are already being used as transit points for illicit drugs and precursor chemicals, weapons and small arms and people smuggling. There is potential that this could increase. The Department undertakes a range of border-related activities across northern Australia to mitigate these risks. Home Affairs is also working with regional airports, including those across northern Australia, to support the introduction of advanced aviation security screening technologies, so that regional aviation is better protected against terrorist threats.

Home Affairs manages the various challenges presented by a changing climate and the varied, and often harsh, environmental conditions across northern Australia. Natural hazards and extreme weather events like flood, fire and drought have always been a feature of Australia's environment. The economic, social and environmental costs of adapting and responding to natural hazards and disasters continues to rise. Australia's average temperature is expected to rise and more extreme rainfall events and more extreme tropical cyclones are expected in the north. As the north develops, more people, assets and services will be exposed to natural hazards. Weather events will increasingly impact infrastructure across northern Australia, including important resource and transport infrastructure.

Home Affairs is engaged with governments, industry and communities to implement disaster risk programs that reduce the impacts of disaster. The Department, through Emergency Management Australia, is working with state and local governments to fund programs that reduce disaster risk. This funding will also support communities to adequately prepare, recover from natural disasters, and build community resilience in response.

## **4. Supporting Government's Northern Australia agenda**

### **4.1. Facilitation of public and private investment in infrastructure and economic development**

The Department was identified as a relevant government stakeholder in the Northern Australian Infrastructure Facility (NAIF) upon its establishment on 1 July 2016. In accordance with the NAIF Investment Mandate, the Department is consulted on infrastructure investment proposals considered by the NAIF. Specifically, the Department provides advice on issues of national security concerns on NAIF investments.

The Department provides advice early in the investment project proposal process through the Department of Industry, Innovation and Science Office of Northern Australia, which coordinates consultation on behalf of the NAIF. NAIF investment decisions often proceed to the Treasury-led Foreign Investment Review Board (FIRB) for decision. The Department again provides advice to Treasury for NAIF-related FIRB applications. Any investment decisions by the NAIF are not binding on the FIRB, and the Treasurer may reject a foreign investment application that the NAIF has previously approved, including on national security grounds.

### **4.2. Economic and social benefit arising from that investment for Northern Australians, in particular First Nations people**

#### ***Our presence***

As at 31 July 2019, the Department employs 341 staff working in northern Australia. These staff work across 16 locations, including offices in Darwin, Nhulunbuy, Weipa, Mackay, Townsville, Cairns, Thursday Island, Dampier, Port Headland, Broome and Christmas Island. Of the employees working across these regions, 35 self-identify as Aboriginal and Torres Strait Islander. The Department's footprint in northern Australia supports major infrastructure including ports, and Defence and law enforcement facilities. In addition, the Department contracts service staff to provide security, health, welfare and other support services across northern Australia.

The Department's Reconciliation Action Plan and Indigenous Employment Strategy support reconciliation between Indigenous and non-Indigenous Australians, by providing Indigenous employment opportunities,

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contracting Indigenous-owned business partners and celebrating the rich Aboriginal and Torres Strait Islander cultures and history, particularly those in northern Australia. The Department's affirmative employment measures attract Indigenous Australians to a variety of employment initiatives, particularly in locations where they reside, including our workplaces across northern Australia.

The Department is exploring ways to enhance Indigenous community engagement and pathways for them to contribute to border security.

### ***Disaster response, resilience and recovery***

At the national level, the Australian Government Disaster Response Plan (COMDISPLAN) provides non-financial Australian Government assistance to Australian states and territories when the scale of an emergency or disaster exceeds or exhausts the jurisdiction's response capacity and capabilities, or where resources cannot be mobilised in time. The 2018-19 period saw multiple, concurrent and consecutive hazard events with compounding impacts across a broad range of services and capabilities from Australian Government agencies. During the concurrent bushfires, floods and cyclones across Queensland, the Northern Territory and Western Australia, the Department, through Emergency Management Australia, provided assistance to northern Australia through COMDISPLAN activations.

Through the Preparing Australia Package, the Australian Government has provided \$26.1 million in 2018-19 for targeted investments in key emergency management and disaster preparedness initiatives, including initiatives across northern Australia. The package continues to bolster the capabilities of state and territory emergency agencies and support community preparedness by providing funding for a number of activities. These included a funding boost to aerial firefighting capabilities across Australia, the national emergency warning system, the national fire danger rating system, and other state and territory community initiatives to improve disaster preparedness and resilience.

Administered by Home Affairs, the Government is investing in the Disaster Recovery Funding Arrangements to help regional communities recover from a range of natural disaster events, such as widespread flooding in north Queensland. Under these joint Commonwealth-State Government funded arrangements, the Australian Government provides up to 75 per cent of the financial assistance to state and territory governments for counter disaster operations, restoration of essential public assets, community recovery packages and recovery grants for farmers and small business owners.

At the individual level, the Australian Government Disaster Recovery Payment assists with the short-term recovery needs of disaster affected individuals. One-off payments under the *Social Security Act 1991* provide \$1,000 for eligible adults and \$400 for eligible children who have been adversely affected by a major disaster. As of 30 June 2019, \$116.5 million has been provided directly to individuals affected by the north and far north Queensland flood event. For individuals whose income has been demonstrably affected as a direct result of a disaster, the Disaster Recovery Allowance provides short-term income support payment as further assistance. As at 30 June 2019, \$1.2m has been provided to individuals affected by the recent North and Far North Queensland flood event through this allowance, assisting a range of short-term recovery needs.

### **4.3. Funding models and policy measures that capture the full value of existing and emerging industries**

The Department is committed to supporting the Government's efforts to promote tourism growth in northern Australia and the key role tourism plays in driving economic growth in the regions. This includes helping to strengthen Australia's competitiveness as an attractive tourist destination by reducing red tape, reforming visa products and facilitating passenger movement, while protecting the integrity of our borders.

The White Paper on Developing Northern Australia highlighted the need for visa reform to help maximise the social and economic benefits of the booming inbound tourism market from China and India. To remain competitive and to meet this increasing demand, the Department has implemented new visa reforms and visa types, including new visa products to provide a more accessible and streamlined online experience. This contributes to Government's Northern Australia agenda to make northern Australia a more welcoming investment environment and to meet future business, trade and investment needs. The Department regularly engages with the Northern Territory State Government and Tourism Australia regarding implementation of new or improved services and initiatives.



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The Department's Frequent Traveller Visitor Visa provides greater access to northern Australia for growing tourism and business visitor markets by providing eligible visa holders a period of up to ten years for travel across the border. Since its inception in December 2016, 11,843 applications have been lodged for this stream, with 4754 applications lodged in the 2018-19 financial year alone. The Department has also extended online lodgement for visitor visas, introduced in July 2017, to key markets, including China and India, as identified in the White Paper on Developing Northern Australia. Prior to this, applicants were required to submit paper applications. As at 30 June 2019, the take up rates for these has been 95 per cent for China and 81 per cent for India.

Commencing in December 2016, the Department introduced an online Mandarin language lodgment form for visitor visa applications. The uptake of the lodgement form has been lower than anticipated (6,000 cases per year). However, online lodgement rates are high and visitor visa application volumes from Chinese nationals have increased 7 per cent since 2016-17. Globally, 82 per cent of visitor visa applications were lodged online in the 2018-19 Financial Year, demonstrating that the market is responding well to the online lodgement opportunity and that this is a successful channel for processing large volumes of visitor visa applications. The Department introduced a fast-track visa service in March 2016 to expedite visa processing for an additional fee to citizens of China, India and the United Arab Emirates.

Home Affairs has policy and operational responsibility, and legislative authority, to perform functions and regulate activities that maximise the full value of border, trade and travel-related industries to northern Australia. Home Affairs provides ongoing funding for security initiatives to improve the security of Australian ports—important infrastructure that underpins regional tourism and economies, including those across northern Australia. These initiatives include upgrading screening equipment at airports, strengthening port precinct security, and strengthening security measures in air cargo and mail.

The Australian Government recognises the importance of international transport security to Australia's trade and tourism, along with the need to balance efficient movements of people and goods across Australia's border.

### **4.4. Measures taken to develop an appropriately skilled workforce**

The Department is committed to supporting the Government's efforts to address specific skills shortages in northern Australia. The Department assists in developing an appropriately skilled workforce by provision of visa services required to attract skilled migrants to regions such as northern Australia. This is particularly critical where there is a gap in the availability of suitably skilled Australians.

Specifically, the Department provides incentives for migrants to live and work in regional areas, and prioritises the processing of visa applications from skilled migrants wanting to work and live in regional Australia. This supports key industries—including agriculture, forestry, fisheries, tourism, hospitality, mining, construction, and disability and aged care—to attract skilled staff to northern Australia. Departmental programs such as Designated Area Migration Agreements (DAMA) help address the difficulties faced in recruiting and retaining Australian workers in regional areas regions. The agreements allow employers in areas experiencing skills and labour shortages to sponsor skilled and semi-skilled overseas workers, as long as they recruit Australians as a first priority.

#### ***New Visas to Support Regional Australia***

Commencing in November 2019, three new visas will be available to support migration to regional Australia, including northern Australia. The Skilled Work Regional (Provisional) and Skilled Employer Sponsored Regional (Provisional) visas will require visa holders to live and work in regional Australia. Permanent Residence visas will provide a permanent pathway for Skilled Work Regional and Skilled Employer Sponsored Regional visa holders once the visa holder has met a minimum taxable income threshold and regional compliance visa conditions for three years.

#### ***Extension of Temporary Graduate Visa Period for Certain Regional International Graduates***

International students who complete a bachelors or higher qualification in a regional area and who reside in a regional area for the duration of their first Temporary Graduate visa (granted for periods of two to four years, depending on the study completed) will be eligible to apply for a second Temporary Graduate visa (for a period

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of one year). This will help share the benefits of the education industry across northern Australia and help address regional skill shortages.

### ***Attracting Skilled Migrants to Regional Areas***

The Department is introducing initiatives to attract prospective skilled migrants to regional areas such as northern Australia, with up to 23,000 places in the 2019-20 Migration Program for regional Australia. This includes expanding the use of DAMAs, supporting enhanced visa processing for regional areas, and enhancing regional outreach to support regional employers' access to skilled migrant workers. Increasing the points awarded under the Skilled Migration Points Test to migrants who work in regional Australia also incentivises skilled migrants to move to regional Australia. The Department works with the Northern Territory Department of Trade, Business and Innovation, the Cairns Chamber of Commerce and the Office of Northern Australia, Department of Industry, Innovation and Science, and the Department of Employment, Skills, Small and Family Business to ensure these initiatives remain tailored to meet the needs of northern Australia.

The Department recently executed two new five-year DAMAs in northern Australia to provide flexibility and agreed concessions to access overseas workers to fill skilled and semi-skilled labour needs—the Northern Territory DAMA in December 2018 and Far North Queensland DAMA in April 2019.

Additional incentives for temporary visa holders in the Working Holiday Maker program encourage such visa holders to stay longer by working in northern Australia. These include the optional extension of the six-month limit on working for any one employer to 12 months for high-demand industries across northern Australia, and the introduction of a third year visa for Working and Holiday visa holders who undertake six months work in tourism, agriculture, forestry, fisheries or hospitality in northern Australia whilst on their second visa. These initiatives will help employers retain trained and experienced employees for longer. In July 2019, the option of a third visa was introduced for second Work and Holiday visa holders who complete six months of work in the same specified industries in northern Australia.

### ***Fostering Social Cohesion in northern Australia***

The Department fosters social cohesion within northern Australia through active engagement with people from culturally and linguistically diverse communities, as well as local and state governments. This supports the Department to identify any existing or emerging issues that may be limiting development of a socially cohesive northern Australia that is receptive to, and welcoming of, migration initiatives that provide an appropriately skilled workforce.

## **4.5. Emerging national and international trends and their impact on the Northern Australia agenda**

Home Affairs manages various emerging national and international trends affecting northern Australia, seeking to maximise their benefits and minimise their harm.

### ***Travel and trade***

Australia continues to be a desirable destination for foreign students and travellers given our high standard of living and education, transparent legal, business and governance systems, and clean natural environment. Secure and seamless travel across Australia's border significantly contributes to our economic prosperity and national security. Tourism Research Australia predicts growth of 75 per cent in international visitors through to 2026-27, including a 168 per cent increase in Chinese visitors. Travellers now expect to rely on quick and automated travel and online services. Meeting this demand for streamlined travel will underpin Australia's, including northern Australia's, future economic growth.

The Department works with other relevant Departments to ensure that the continued growth in travel and tourism meets national demand, whilst satisfying the national interest. As part of the Government policy framework, the Department provides advice to the Department of Infrastructure, Transport, Cities and Regional Development on the costs associated with border services, in relation to new or redeveloped ports.

### ***Environment***



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Extreme weather events and natural disasters will continue to disrupt the livelihoods of Australians, with considerable economic and social impacts. Climate change is making weather patterns less predictable and more extreme, and natural disasters are expected to become more frequent and severe. Without taking into account the impacts of climate change, the economic cost of disruption from natural disasters is estimated to be around \$39 billion per annum by 2050. The impacts of climate change will see Australian experience—as we did this year—more national-scale heatwaves, bushfires, floods and cyclones.

Northern Australia has long experienced the impact of natural disasters. Further, growth in northern Australia, resulting in more people, assets and services, creates the potential for more disaster risk, with more exposure and vulnerability to disaster impacts. This will exacerbate existing stresses for Australians living and working in the north. Disaster resilience, and the ability to quickly recover from catastrophic disasters, is essential to ensuring that these communities continue to prosper.

Potential escalation in the frequency and magnitude of hazards, and Australia's increasing vulnerability to disasters, is likely to result in unprecedented calls on Government resources and expertise, potentially creating unrealistic expectations and unsustainable dependencies on governments. Disaster resilient communities that take shared responsibility for coping with disasters will become essential to maintaining a secure, prosperous and united Australia.

Weather events in a changing climate will continue to impact coastal infrastructure. With more than 85 per cent of Australia's population living within 50 kilometres of the coast, the vulnerability of critical maritime infrastructure has been identified as a barrier to upholding Australia's interests in the maritime domain. The effects of this will be particularly acute across northern Australia where the majority of Australia's maritime infrastructure, resources and operations exist.

The Department, through its national emergency management function—Emergency Management Australia—is contributing to Government's effort to build national disaster preparedness and resilience.

### ***Disaster Risk Reduction and Response Initiatives***

Emergency Management Australia is leading the implementation of a National Disaster Risk Reduction Framework (NDRRF) to reduce the risk of disaster impacts on Australian communities and the economy. This includes working with the Queensland, Northern Territory and Western Australian Governments and other sectors to improve the long-term resilience of northern Australia, including infrastructure, the built environment, supply chains and communities. The NDRRF is building disaster resilient communities in northern Australia that are prepared, not only to withstand more frequent and intense natural hazards, but to thrive and prosper in their aftermath. Implementation of the NDRRF is a shared responsibility for individuals, households, businesses, communities and governments, and success will be dependent on the achievement of sustained behavioural change and enduring partnerships.

The Emergency Response Fund will enable the Government to provide disaster affected areas across northern Australia with funding to support disaster preparedness and community resilience in response to a natural disaster that has a significant or catastrophic impact. The Emergency Response Fund Bill was introduced to Parliament on 11 September 2019.

### ***Civil Maritime Security***

Our maritime environment is a vast and complex system. Commonwealth, State and Territory agencies and industry bodies located in northern Australia are key to effective systems operations and management of emerging challenges.

This includes increased flows of displaced people and irregular migration throughout the world and the potential growth in unauthorised attempts of irregular migrants to enter Australia by sea and by air. The imperative to manage migration would be accentuated if there are unforeseen shocks precipitating sudden people movements in the region. Further, any instability in the region that affects maritime security would require trade routes to be diverted, adding significant time and costs to Australia's maritime transport industry and the economy more generally.

The Department is currently developing a National Civil Maritime Security Strategy to provide overarching direction on Australia's civil maritime security interests and inform national policy considerations on the effects, posture and capability requirements to deliver effective civil maritime security over the next 30 years. This will address the risks posed by illegal, unregulated or otherwise harmful activity. The Department has engaged federal government agencies, industry and academia in the development of the strategy.

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### 4.6. Related matters

#### ***Border Security***

Australia has several remote Island Territories north of the mainland, including Christmas Island and Ashmore and Cartier Islands. These territories provide access to significant fishing resources through Australia's extensive Exclusive Economic Zone. They similarly provide an offshore footprint for meteorological and security (space, weather and satellite monitoring) capabilities that enhance Australia's physical security and maritime surveillance capability.

The Australian Border Force's Northern Command, created in April 2018, has responsibility for strengthening Australia's northern border by developing and maintaining situational awareness across the inshore, coastal, riverine, remote area and inland environment. The Northern Command functions in relation to threats including unauthorised maritime and air movements and serious organised crime. Critical to the success of these functions, the Northern Command conducts joint remote area and border patrols and has on-going engagement with Indigenous communities. Capabilities such as these are essential to addressing the emerging national and international trends and their impact on the northern Australia (see section 4.5).

Ultimately, the Department's work across its spectrum of national security functions directly supports the prosperity and unity of northern Australia and the nation as a whole.