



**Government Response to the Third Report
of the Parliamentary Joint Committee on ASIO, ASIS and DSD**

Private Review of Agency Security Arrangements

The Government has considered the Committee's report on its private review of Agency security arrangements. The Government has decided to implement most of the Committee's recommendations. This response sets out the action taken to deal with each of the recommendations.

Recommendation 1

That, as a first priority, the agencies address any existing or anticipated backlog in initial vetting and re-evaluation of TSPV security clearances to ensure that these processes meet PSM standards by 2003-2004 at the latest. Further, that the agencies include statistics on the number of outstanding TSPV re-evaluation cases and the times taken to process clearances in the reports made to this Committee as part of the annual review of administration and expenditure.

Accepted with a qualification.

ASIO reports that it does not have a backlog in initial vetting or re-evaluation of TSPV security clearances. ASIS and DSD report they have given priority to, and made substantial progress on reducing backlogs in initial vetting of TSPV cases, and anticipated increases in initial TSPV clearances. DSD was unable to complete the backlog of overdue re-evaluations in FY2003-04. The responsibility for re-evaluations transferred from DSD to the Defence Security Authority (DSA) in 2004. While priority has been given to clearances for new DSD staff, the increased demand for initial and upgrade TSPVs across Defence (particularly for operational deployments) and Defence industry, has placed increased pressure on DSA's capacity to complete initial and upgrade TSPVs and to complete re-evaluations. The Secretary of Defence has issued a formal waiver of the Commonwealth Protective Security Manual requirements in this area and DSD has implemented more rigorous internal management of its staff in the meantime. The backlog of TSPV re-evaluations is unlikely to be completed before FY 2006-07.

Statistics on the number of outstanding TSPV re-evaluations in each agency, and the current timeframes for processing TSPV clearances, will be reported to the Committee as part of the annual review of administration and expenditure.

Recommendation 2

That the IASF review urgently areas where agencies are experiencing difficulties obtaining security-related information about personnel, such as the refusal by credit reference agencies to provide information direct to the Commonwealth, and develop proposals for appropriate legislative or policy action by the Commonwealth Attorney-General.

Accepted.

The IASF recognises that there are some difficulties in obtaining security-related information for vetting purposes. The Forum was of the opinion that legislative change may not be feasible at this time and other avenues should be explored first. The IASF directed the Personnel Security Working Group to look at current research and programs being undertaken by government departments, to help develop proposals for change to address these difficulties.

Recommendation 3

That, as a priority, DSD implement random bag inspection procedures at all its headquarters facilities and all other installations in Australia.

Accepted.

DSD reports that it has implemented random carried items inspections at the required locations.

Recommendation 4

The Committee recommends that, subject to the outcomes of the IASF working group findings, ASIO, ASIS and DSD allocate funding for the development and implementation of electronic article surveillance systems for all Australian offices and installations.

Not Accepted.

The Government will not be immediately implementing the Committee's final recommendation to fund development and implementation of electronic article surveillance systems. Electronic tagging systems are easy to defeat, and readily circumvented unless the functionality of the item being protected is almost completely compromised.

ASIO has monitored electronic tagging technology continually since 2002. ASIO advised that research by its own T4 Protective Security element, and recent liaison with sister agencies in the UK and USA failed to reveal any systems in existence or development that are capable of overcoming the identified deficiencies.

The Government believes that the large investment costs needed to attempt to develop an electronic article surveillance system incapable of being easily defeated, or circumvented, cannot be justified. The limited areas of application of the system (in Australia and abroad) deny the prospect of any sensible returns on this investment in the unlikely event of successfully developing such a system. The Government considers investing in more effective through-life management of the personnel security processes, improving protective security education and awareness, and increasing auditing and accountability processes will deliver better security outcomes that deter and prevent the unauthorised removal of security classified assets.