Cooperation and Integration among Australia’s National Security Community

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Introduction

The Australian National Security Community (NSC) encompasses Australia’s intelligence, diplomatic, defence, law enforcement, infrastructure development, and border protection agencies. These agencies play a vital role in keeping Australian society secure and free from attack or the threat of attack—often in the background—in an effort to maintain the Australian lifestyle. Subsequently, it has been argued that coordination and integration with agencies and businesses that have distinct cultures, embedded prejudices, and highly compartmentalised business practices is not easy. The siege at Martin Place in Sydney on 15 December 2014—amidst many warning signs that the gunman, Man Haron Monis, had previously been identified by law enforcement and intelligence agencies as a potential domestic threat—proved the difficulty implicit in such coordination and integration.

Historically, Australian national security organisations were structured around the four pillars of diplomacy, defence, domestic security, and intelligence. As circumstances have changed, the Australian government implemented several institutional transformations to ensure effective coordination and integration within the NSC.

The end of the Cold War heralded changes in the general nature of intelligence work and refocused intelligence organisations’ roles, but more aggressive changes commenced after the September 11th attacks on America, refocusing efforts on the growing terrorism threat. The election of the Labor Government in 2008 saw regional security concerns gain further momentum with Kevin Rudd’s seeking a more exacting approach to Australian security. These changes in approach can be grouped into three domains: centralising decisionmaking authority, increasing policy coordination, and increasing funding.
The success of such changes in the current environment of fiscal constraint depends heavily on the development and implementation of consistent and connected approaches, with effective legislation, that complement existing individual agency arrangements.

This article focuses on the coordination and cohesion of the Australian National Security Community with an aim of reviewing whether the roles, responsibilities, and cultures of each agency were sufficiently articulated as overarching improvements to the community were implemented. The article commences with an overview of the NSC structure and the whole-of-government approach within the present environment. It then seeks to analyse decision centralisation, policy coordination, and funding in the NSC before highlighting achievements as well as remaining challenges in the quest for a seamless and interconnected national security structure. Finally, the article will offer some suggestions to better connect the NSC.

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Australia’s National Security Community

In 2008, the Rudd government adopted a new national security concept designed to move toward a whole-of-government approach, which would replace the longstanding Department of Defence-centric system. This shift was marked by the creation of the role of national security advisor within the Department of the Prime Minister and Cabinet (a position formally known as the PM&C Associate Secretary) and by the release in 2008 of The First National Security Statement, Australia’s then-newly articulated national security policy, which described for the first time “the scope of national security; [Australia’s] national security interests, principles and priorities; and . . . the government’s vision for a reformed national security structure.” The Australian perception of threat has also significantly changed from traditional, conventional state-based threats to include the asymmetric threat posed by non-state and rogue state actors such as al-Qa’ida and ISIS and issues such as international crime networks, climate change, health pandemics, and natural disasters. The Australian security concept now encompasses both internal and external threats, with a very strong focus on terrorism. Additionally, complicating factors such as regional economic power and influence shifts and advancements in communications and technology have opened up new pathways for transnational crimes, making Austra-
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As illustrated by the diagram on the facing page, the distinguishing feature of the whole-of-government approach is the incorporation of a much broader policy agenda whilst maximising existing resources. In this schema, individual National Intelligence Community (NIC) agencies perform overlapping and complementary functions; for instance, the Australian Security Intelligence Organisation (ASIO) operates in eight of the 13 national security areas, including threat detection, identification and monitoring, intelligence collection, knowledge sharing and dissemination, and policy, national governance, and capability development, whereas Australian Federal Police (AFP), Defence, the Department of Foreign Affairs and Trade (DFAT), and the Department of Infrastructure and Transport (DIT) operate in all 13 areas.

Although interconnected at the strategic level, individual NIC agencies are also expected to perform specific roles to minimise duplication and operational costs; therefore, within the larger NIC, all six Australian Intelligence Community (AIC) agencies—i.e., Australian Secret Intelligence Service (ASIS), Australian Security Intelligence Organization (ASIO), Australian Geospatial-Intelligence Organisation (AGO), Australian Signals Directorate (ASD), Office of National Assessments (ONA), and the Defence Intelligence Organisation (DIO) perform a specific intelligence function and conduct intelligence assessments.

Mindfulness of NIC and AIC agencies’ capabilities at the highest levels of government leadership level is important in order to avoid duplication of roles and to ensure effective cooperation across the broader NSC. Additionally, there must be consideration of agencies’ cultures to ensure flexibility and adaptability in the whole-of-government and -society capability approach.

The networked and multifaceted threat environment has challenged government departments such that they can no longer continue to operate in cultures that preserve compartmentalised ways, and based on divisions of labour originally designed to respond to traditional threats. Consequently, the government has distributed key instruments of the national security strategy across multiple agencies and, as such, whilst our broad national security interests remain unchanged, the institutional framework of the NSC is evolving to manage the complexity of threats.

This whole-of-government approach has forced NIC agencies to take new steps to create effective policy and intelligence outcomes and encompassed a much wider range of traditional and non-traditional security concerns. Concurrent with the implementation of a more connected government effort, Australia has seen an increase in public sector involvement in security policy, which has complicated the broad national security agenda, making a holistic approach to management more convoluted and complex. Such complexity is evidenced by the large number of policy reviews and commissions of inquiry into various aspects of national security written or convened since 2008.

An Analysis of Decision Centralisation, Policy Coordination, and Funding in the National Security Community

The National Security Community since 2008 has strengthened its coordination and integration using decision centralisation, policy coordination, and funding strategies. Decision centralisation saw the renewal of the appointment of the PM&C Associate Secretary. The PM&C Associate Secretary, acting as the prime minister’s principal security advisor, has responsibility for and broad authority to direct national security efforts;
In terms of prioritizing funding, there is still no formal agreement regarding which agency or agencies should be afforded higher priority and why.

The PM&C Associate Secretary also chairs the National Intelligence Coordination Committee (NICC) and the Border Protection Taskforce. The PM&C Associate Secretary’s office coordinates engagements with NIC departments and agency heads as well as with ministers and key representatives from business, industry, and academia. This centralised approach ensures a generally collaborative response to issue-based problems and facilitates cross-agency interaction among policy, intelligence, and other government departments and generally eliminates the stovepiped culture at the leadership level.\(^{19}\)

Additionally, decision centralisation ensures more effective collaboration among ministers and agency heads. This type of collaboration was undertaken in an effort to achieve common goals, whilst working across boundaries in multi-sector and multi-actor relationships; it increased national security agencies’ interdependence and modified the way agency employees perform their work, as they were required to build new, critical linkages with other agencies in order to achieve more effective output.\(^{20,21}\) Conversely, this approach saw a dismantling of bureaucratic structures, which was evidenced in the reduction of rules, position levels, and job boundaries. Less rigid structures and cost efficiencies emerged as a result.\(^{22}\)

Policy coordination was one of Prime Minister Kevin Rudd’s key priorities and the NSC responded by reducing its complicated and conflicting regulations using policy coordination. Thus, the National Security Policy Coordination Group (NSPCG) was established as the Commonwealth coordination agent.

The NSPCG, chaired by the PM&C Deputy Secretary National Security and International Policy,\(^{a}\) was envisaged to assist in the whole-of-government national security approach. Members of the NSPCG included the Australian Customs and Border Protection Service (ACBPS), Australian Crime Commission (ACC), Australian Federal Police (AFP), Attorney-General’s Department (AGD), ASIO, DFAT, Defence, Department of Immigration and Citizenship (DIAC), Department of Infrastructure and Transport (DIT), and PM&C—all with enduring, central interests in national security issues. In this context, ASIO provided policy coordination of critical infrastructure protection and cyber security, including technical inputs from the private sector.\(^{23}\)

Policy coordination is achieved through consultation among all members of the NSPCG and relevant stakeholders at different state and territorial levels determine the national response required for a given security issue. For instance, for a terrorism threat assessment, ASIO prepares assessments on the likelihood and nature of acts of terrorism against Australia at home and abroad, using its own and other agency outputs. Based on ASIO’s threat assessment, state and territory police then manage ongoing threat information at the tactical and operational levels. Additionally, state and territory analysts produce tactical risk assessments to support their operations.\(^{24}\)

Making funding commensurate with agency roles and responsibilities is another effort that requires greater cohesion in the NSC. The number of agencies encompassed in the NSC has increased and their allocated budgets have increased accordingly; for example, ASIO’s budget increased from $69 million in 2001 to $430 million in 2010, a rise in keeping with the increasing level of complex threat. By 2010, the annual funding for national security agencies, excluding Defence, had reached more than $4 billion.\(^{25}\)

In terms of prioritizing funding, there is still no formal agreement regarding which agency or agencies should be afforded higher priority and why. This may be caused by the rise in emerging and mostly non-military issues, such as transnationally-organised or -motivated crime, pandemics, cyber-attacks, natural resource reduction, climate change, and unregulated population movements—all of which come to bear on the whole-of-government approach to security.

As a result, the once-dominant influence of Department of Defence has diminished as other departments and agencies now push for their share of the national security budget, which totals eight percent of the overall Commonwealth budget.\(^{26}\) Thus, some in government and society ques-

\(^{a}\) In the PM&C organizational chart, the deputy secretary for national security and international policy reports to the secretary of the prime minister and cabinet through the associate secretary for national security and international policy, also known as the national security advisor.
tion the still sizable funding of the Department of Defence in the overall national security budget. Detractors of the current Defence funding model claim that non-military agencies are seriously under-resourced, thus limiting their capabilities to meet demanding national security roles in a democratic state where police have primacy over the military. Some point out that DFAT has a proportionately small public diplomacy budget of $5 million, compared with the Defence budget of $25.4 billion, despite the tendency of many in government and society to regard diplomacy as primary—the cornerstone of good relations, and therefore of Australia’s national security.

Regardless of the criticism, there are not many insights into the rationale behind the way Defence allocates it funding. The argument for preserving its generous share of the budget includes the importance of acquiring national security assets, such as EA-18G Growler electronic warfare aircraft, new antisubmarine helicopters, and long-range anti-aircraft naval missiles—all key in international threat detection and deterrence. Additionally, the signals intelligence Defence entity, AGO, collects information enabled by satellite networks, again incurring high establishment and maintenance costs, but nonetheless providing a [It should be noted that the acquisition of 12 Growler aircraft, as announced in the 2013 Defence White Paper, represents $200 million, over and above baseline funding, provided to Defence during the 2014–15 fiscal year. Source: Stephen Smith, Minister for Defence—Budget 2013–14: Defence Budget Overview, 14 May 2013, http://www.minister.defence.gov.au/2013/05/14/minister-for-defence-budget-2013-14-defence-budget-overview.]

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All agencies, both federal and state, with geospatial intelligence in events such as the G20 Summit and Commonwealth Games. The argument continues that, if the prioritised budget—with investments as highlighted above—is not implemented, Australia’s exposure to security threats will be unacceptably high.

**Achievements and Remaining Challenges**

The whole-of-government approach and efforts to improve cohesion in the National Security Community and cultures have led to smoother coordination and integration—and thus, to a better security outcome for Australia. An example of a successful change in roles, responsibilities, and cultures is the Border Protection Command (BPC), a multi-agency task force comprising Commonwealth, state and territory agencies, and the private sector: the BPC consists of personnel from ACBPC, Australian Defence Force (ADF), and embedded liaison officers from the Australian Fisheries Management Authority and the Australian Quarantine and Inspection Service.

Another sound example of clear consideration of agencies’ existing capabilities, roles, and responsibilities is seen in Australia’s intelligence collection agencies. AGO and ASD have been working in collaboration since 2004 to created fused signal and imagery intelligence products. Thus each agency still provides government with tailored single-discipline intelligence product, as well as fused intelligence outputs—with little overlap in roles and responsibilities. These are two of the many encouraging cases of successful coordination and integration within Australia’s security community.

Most recently, in the context of new terrorism threats, ASIO raised the threat level in Australia to “high”. Consequently, legal departments issued new laws indicating that Australian travel to terrorism hotspots can attract prison terms and the new laws will enable law enforcement organisations to act faster when they identify a threat. This is yet another example of leadership collaboration and policy coordination among
An example of the need for greater cohesion is the handling of the Sydney hostage siege of December 2014...
as a result, the Sydney siege went unforeseen when it might have been prevented. Further improvements are needed to ensure coordination and cooperation among all security and intelligence agencies—including the police and judiciary, which are charged with protecting Australia—both domestically and internationally.

**Lessons Learned: How to Better Connect the National Security Community**

Improving cohesion and integration in the National Security Community can be accomplished by better considering the roles and culture in each agency. This will entail re-organising the community around concepts of functional responsibility and accountability, as unintended stovepiping can occur as a result of incompatible objectives among individual agencies. Reorganisation may create common objectives and further improve interagency integration.

Additionally, the role of the PM&C Associate Secretary may need to be elevated to that of an authoritative and directive figure, such that the relationship between the PM&C Associate Secretary and the directors of AIC collection and analytical agencies is streamlined and made hierarchical. This would ensure that no personal relationships or animosities would interfere in the cooperation and integration of agencies, in addition to ensuring clear, authoritative direction.

As highlighted previously, there appears to be a disconnection between the coordination functions of the PM&C Associate Secretary and the operational agencies, most of which are under the auspices of the Attorney-General’s Department or the Department of Defence, or fall under state control.

The linkages among policy, budgets, and outcomes would also be improved if the government were to create a single department with responsibility for both the national security strategy and the operational capabilities in intelligence, policing, emergency management, border protection, and counterterrorism. In light of existing powers and what appears to be the intention of the 2008 reforms, I would suggest the single department would best be headed by the PM&C Associate Secretary.

The staff function of the PM&C Associate Secretary would also utilise the current role of the ONA by continuing efforts to meet Government National Intelligence Priorities [cite] via the National Intelligence Collection Management Committee (NICMC). The collection agencies of the NIC and AIC would receive the National Intelligence Collection Requirements (NICR) as formal direction. In other words, the NICR would become a directive from the PM&C Associate Secretary to each NIC and AIC collection agency head.

The function and membership of the National Intelligence Coordination Committee (NICC) would also become a formal and primary responsibility of the PM&C Associate Secretary and staff, using permanent embedded liaison officers from the non-NIC and -AIC intelligence and security organisations such as the AFP, ACC, customs, and state police. All reports formulated from the NICR directions by the agencies would then be analysed by the ONA to create the strategic intelligence for government.

The creation of an authoritative department would formalise relationships and provide authoritative power to the PM&C Associate Secretary to direct events and operations but would not undermine the whole-of-government and -society approach. It would, however, significantly shift the existing pow-

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er paradigm of the NIC and AIC agencies such that they would have a clear, authoritative figure to report to—a departure from the present, fragmented situation of reporting to the relevant minister through a particular department secretary. This change would increase the efficiency and productivity with which intelligence relevant to Australian national security is generated.

Conclusion

Since 2008, the National Security Community has notably increased in both size and capability to meet the rapid changes of the modern security environment. The networked and multi-faceted threat environment has moved the Australian government to dissolve its traditional, compartmentalised structure in order to adopt a whole-of-government approach that encourages cohesion and integration across agencies.

To make the whole-of-government approach effective, security agencies should develop a supportive culture and skilled-based institutional structure and introduce appropriate governance, budget, and accountability frameworks. Information sharing and communication would be maximised, government’s engagement with individuals and communities would be improved, and the capacity to respond quickly and more effectively to security threats would be executed more cooperatively.

In general, cooperation and integration in the NSC is sound; the Australian NSC has achieved notable advancements and integration as a result of improvements implemented since 2008 and has now become a robust organisation that protects and promotes Australia and its interests. However, the roles, responsibilities, and cultures of individual agencies have not been fully reconsidered and some stovepiped practices remain. As a result, fully effective NSC integration is still better in theory than in practice.

Further reforms are needed for a more cooperative and integrated NSC. These reforms could begin by establishing a single department, headed by the PM&C Associate Secretary, who would have overall responsibility for both the national security strategy and the operational capabilities of the various agencies in the NSC.
Endnotes


13. Ungerer, Reform and Renewal.


17. Ungerer, Reform and Renewal.

18. Ungerer, Connecting the Docs.

19. Ungerer, Reform and Renewal.


25. Ungerer, Reform and Renewal.


27. Ungerer, Reform and Renewal.


29. Ibid.


31. Sheridan, “For Defence, Diplomacy and Attitude.”

36. Coates, *Collaborative Leadership*.
38. Ungerer, *Reform and Renewal*.
39. Ibid.