Security Community Integration in Australia

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.

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Australia’s 21st century national security challenges were once fairly predictable but are now broader, more dynamic, and more complex. Consequently, Australia has to exercise a comprehensive whole-of-government and -society approach to national security in a period of extreme fiscal constraint that requires agencies to conduct business in a more prudent and smarter manner than ever before. Thus, the Australian NSC has now generally interconnected across government, non-government, and private industry in pursuit of a well-rounded, fully-enabled Australian security platform.

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.
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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.

**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-
nia’s national security environment increasingly fluid and fraught with a complex and dynamic mix of continuing and emerging challenges and opportunities.9,10,11,12 This new range of international risks and pressures means that one agency or single tier of government acting unilaterally cannot address all the issues: creating a whole-of-government approach was therefore vital.13,14

Facing a host of new security challenges, both external and “home-grown,” Australia’s implementation of a coherent national security framework was designed to establish a comprehensive approach to respond to those challenges. The NSC was restructured to ensure collaboration and interoperability among the agencies responsible for national and domestic security. The diagram below details the organisations that comprise the present Australian NSC and the national security concerns they are resourced to address.

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 all 13 areas.15

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.16

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.17

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.18 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 coördination 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;
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 agencies now push for their share of the national security budget, which totals eight percent of the overall Commonwealth budget. Thus, some in government and society questions.

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, 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.

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.

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.

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. Thus, some in government and society ques-

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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 its 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 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.

The BPC has built the foundations of collaborative leadership into its organisational infrastructure, thus allowing the organisation to act as an operations and intelligence centre for maritime security. The division of roles and responsibilities of the four agencies are clear and the way each agency conducts its operations is respected; therefore, BPC can effectively combine information and intelligence from multiple sources, in addition to drawing on resources from both Customs and Border Protection marine and aviation units and ADF assets. Additionally, BPC coordinates with 16 Commonwealth and state and territory agencies to create a platform to develop counterterrorism policies, legislation, plans, and prevention strategies at the national level.

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...
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agencies. As such, the evidence suggests that, in general, there has been adequate coordination and integration in the NSC. But despite these successes, there remains a need to improve; for instance, many security agencies possess identical collection capabilities. ASIO, AFP, and state police individually maintain collection, surveillance, and analysis capabilities. Thus, a broad estimate means there are 10 domestic collection and surveillance capabilities, all feeding into 10 databases that—due to connectivity problems, source protection, and compartmentalisation—do not effectively disseminate information into the security community.

Additionally, some argue that there are fragmentation and clash-of-culture issues that further prevent smooth interagency cooperation, yet this is likely a by-product of organisational structures that foster collaborative leadership, insofar as they rarely grant supreme authority to one agency head.

In a joint response to an issue, each agency head retains sole authority for his or her organisation’s output but has to manage collaboratively within a new team setting. The likely obstacles for smooth integration include entrenched practices, organisational structures, and the particular cultures of each agency. It has also been observed that efforts to synchronize goals, improve information sharing, and align computer systems tend to be isolated events; however, efforts have been made with some success.

Despite the current whole-of-government approach, some argue there is still a hierarchy of power and responsibility within the NSC. The NSC agencies that have had a traditional connection to national security policy vis-à-vis their roles as advisers to the National Security Committee of Cabinet (NSCC)—such as the AIC agencies and the AFP—have more power in the relationship than newly incorporated agencies like the Department of Health and Ageing (DOHA) and ACC.

The hierarchy that exists between the former and the latter and the ongoing barriers among these agencies include information classification systems, obstacles to information technology connectivity, and the embedded cultures of each agency. As such, bureaucratic bottlenecks and unnecessary stovepiping still exist in some agencies, and the NSC is not as totally cohesive as many would like it to be.

An example of the need for greater cohesion is the handling of the Sydney hostage siege of December 2014. At the time of the siege, the general terrorism threat level in Australia had been raised to “high” due to increasing numbers of Australians connected with, or inspired by, terrorist groups such as the Islamic State of Iraq, Jabhat al-Nusra, and al-Qaeda—all determined to attack Western countries, including Australia.

The gunman, Man Haron Monis, had been well known to Australian intelligence agencies, including ASIO, AFP, New South Wales (NSW) State Police, and the Department of Immigration since the late 2000s, due to his extremist behaviour and domestic criminal history. Monis became notoriously known to national security agencies due to his public declaration of support for ISIL and the offensive letters he sent to the families of fallen Australian soldiers. Monis also came into contact with a broad range of government agencies—social support services, courts, and corrective services—over many years.

It is possible that such intelligence information about the gunman could have been shared among national security agencies and among Commonwealth, state, and territory agencies. However, the extent to which information held by one government agency may be shared with other government agencies is guided by the legislation and relevant privacy acts under which each agency operates. With regard to health-related information, a state government agency or health organisation can pass information they hold directly to ASIO only if they believe that passing this information is necessary to lessen the severity of or to prevent a serious and imminent threat to life or to public health and safety.

In the case of Monis, ASIO had access to law enforcement intelligence about him but did not have access to his mental health records. In other words, some further information on Monis held by Australian government agencies was not considered by those agencies to be relevant to the national security interest and was therefore not shared with ASIO or police. ASIO did not seek to access Monis’s information from other agencies because there seemed no reason to do so.

Strict legislation governing information sharing among Australian national security agencies prevented smooth cooperation among them and,
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 reorganising 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.41

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-
Further reforms are needed for a more cooperative and integrated NSC.

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

17. Ungerer, *Reform and Renewal*.
18. Ungerer, *Connecting the Docs*.
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.