

AUSTRALIAN HOMELAND SECURITY
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- When ADBR first took up reporting on homeland security issues in the aftermath of the 11 September 2001 terrorist attacks, the outcome seemed reasonably predictable. The first to benefit, of course, was Australia's intelligence services, although instead of additional resources, the new tools provided to increase their effectiveness was a package of legislation to fix identified deficiencies stretching back to the 1995 ASIS/DSD Inquiry.
- With the cash register frantically ringing, in terms of the cost of supporting Australia's military commitment to Afghanistan, the Government promised in October 2001 a modest (\$175.5m) package to boost border protection measures, particularly in relation to resources for the Australian Customs Service and 'Coastwatch', including the acquisition of military-specification digital surveillance and satellite-based communications capabilities (refer article page 21).
- By the end of that year, however, the Government had started to shake-up governmental responses to counter domestic terrorism threats, centred around the Attorney-General's Department and its assumption of

responsibility (from Defence) of Emergency Management Australia (EMA). Defence also started to get some serious money in order to double counter-terrorist forces, boost specialised equipment purchases, and build incident response infrastructure.

- The accounting for these initiatives came to better public visibility with the May 2002 Budget, when a special edition of ADBR logged - for the first time - over a billion dollars in new military related counter-terrorism expenditures (2001/02-2005/06), and over \$800m in new domestic security measures. This was just the beginning, however, with the real boost to homeland security market expenditures coming as part of Government responses to the Bali bombings.
- Aside from the military component and establishment of special forces in their own operational command, Prime Minister Howard now says the total homeland security spend since 2001/02 (and including forward projections to 2007/08) is \$3.081 billion. The breakdown is roughly: \$872m for strengthening intelligence capabilities; \$1462m for additional protective security and border security; \$660m for building response capacity; and \$87m for enhancing security capacity and cooperation in the region. So how has the money been spent?
- In the first instance, and beyond initial specialist equipment sets purchased over 2002, the majority hasn't been on equipment. In fact, a recent study

estimates this as being not much more than 20% of the total. The majority of the expenditure has been on people, processes and partnerships - in terms of building consultative and coordination systems.

- Walk this money trail and a few familiar icons emerge: national counter-terrorism exercises; resourcing the COAG, NCTC and the PSCC Watch Office; establishing/sustaining the National Security Hotline; strengthening intelligence and monitoring agencies, including the likes of AUSTRAC; and upgrading protection/guarding services, including those on domestic and international airlines.
- So who have been the principal beneficiaries of the Howard Government's homeland security spending? In the main, it's been public servants and contractors - many of whom are former public servants in the form of ex-forces, whether specialist military or the police.
- Industry has also benefited through supplying innovation to support intelligence gathering and analysis - computer hardware, sensors, biometrics, communications, predictive software and databases. Is this the end of it? Barring another major terrorist incident, it may be that Government expenditures have now reached their first plateau.
- The real homeland security market, yet to emerge over the next few years if the threat environment continues to deteriorate in the manner predicted by John

Howard, is the money industry will have to spend itself to ensure their staff, businesses and critical infrastructure are adequately protected (or response proofed) from a major terrorist incident on Australian soil.