



NEW SOUTH WALES  
Crime Commission

12 March 2013

Ms Rachel Simpson,  
Director, Committees,  
Parliament of New South Wales,  
Macquarie Street,  
SYDNEY. NSW. 2000.

Dear Ms Simpson:

**RE: FIRST GENERAL MEETING OF THE COMMITTEE ON THE OMBUDSMAN, THE POLICE INTEGRITY COMMISSION AND THE CRIME COMMISSION WITH THE CRIME COMMISSION**

I refer to your letter dated 28 February 2013 (ref: D13/04674) and the enclosed material.

Please find enclosed a copy of the transcript with proposed corrections marked on it.

A document responding to further post hearing Questions of Notice and the material sought by Question 5 is also enclosed.

Please let me know if the Committee seeks any further information or assistance.

Yours faithfully,

  
Peter Hastings QC,  
Commissioner.



NEW SOUTH WALES  
Crime Commission

**First General Meeting of the Parliamentary Committee on the  
Ombudsman, the Police Integrity Commission and the Crime  
Commission with the Crime Commission**

**Post Hearing: Further Questions on Notice**

**Responses to Questions**

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**1. *What do you see as the proper relationship between the NSW Crime Commission and the NSW Police Force?***

The proper relationship between the Commission and the Police Force is, as it must be, based on and defined by relevant law, including the *Crime Commission Act 2012* and instruments made under it (e.g., directions and guidelines issued by the Management Committee of the New South Wales Crime Commission). Within that context, the Commission sees the proper relationship between the Commission and the Police Force as being one of partnership and co-operation. The agencies' joint work features each agency focusing on its specialties and responsibilities and working to co-ordinate their respective efforts. The precise details of how the agencies work together will vary from case to case, but typically, as is proper, the Police undertake most of the field work such as surveillance, the execution of search warrants and work related to the deployment of police undercover officers, undertake other standard police work associated with criminal investigation (e.g. canvassing for witnesses), and prepare briefs of evidence for using in criminal proceedings, and the Commission undertakes intelligence analysis and forensic accounting, discharges its

functions under the *Criminal Assets Recovery Act 1990* and the *Crime Commission Act*, and undertakes telecommunications interception and monitoring.

*2. How is the Crime Commission working to combat the use by criminals of internet services such as Skype or Google chat, that frustrate attempts to intercept and record conversation?*

Whether or not the Commission has effective means for combating criminals' use of internet services such as Skype and Google chat, and the extent of any means that it might have, and the efforts that it is making to meeting the challenges that have arisen in this regard, must remain confidential lest criminals be provided with information that would better enable them to evade detection by law enforcement authorities. It is, however, fair to say that the challenges are considerable but if resources are available then progress can be made.

*3. Subsequent to a shoot-out between the occupants of two cars in Greenfield Park in January 2012, a person was summonsed in July 2012 to appear to give evidence to the Commission. The media reported in October 2012 that this individual—whose name was suppressed by the Supreme Court—challenged the Commission's powers to force him to answer questions and keep its hearings secret:*

*Can you provide the Committee with further information in relation to this Supreme Court matter?*

The matter mentioned in the question was the subject of a judgment of the Supreme Court on 18 October 2012, known as *SD v. NSW Crime Commission* [2012] NSWSC 1642. The Court ruled in favour of the Commission. The individual in question appealed to the Court of Appeal. On 8 March 2013, the Court delivered its judgment (*SD v. NSW Crime Commission* [2013] NSWCA 48): the Court granted leave to appeal but dismissed the appeal and ordered the individual to pay the costs of the Commission. For the convenience of the Committee, a copy of each of these two judgments is enclosed.

4. *The Committee has reference to the Operation Winjana Report, which was tabled in Parliament in October 2012. The report notes allegations in relation to Mr Novakovic, a senior officer of the Crime Commission, and allegations that there were shortcomings and failures in the management by the Crime Commission in the way that the Commission dealt with Mr Novakovic and his relationship with Ms Sadiq.*

*Do you have any comment in relation to these allegations?*

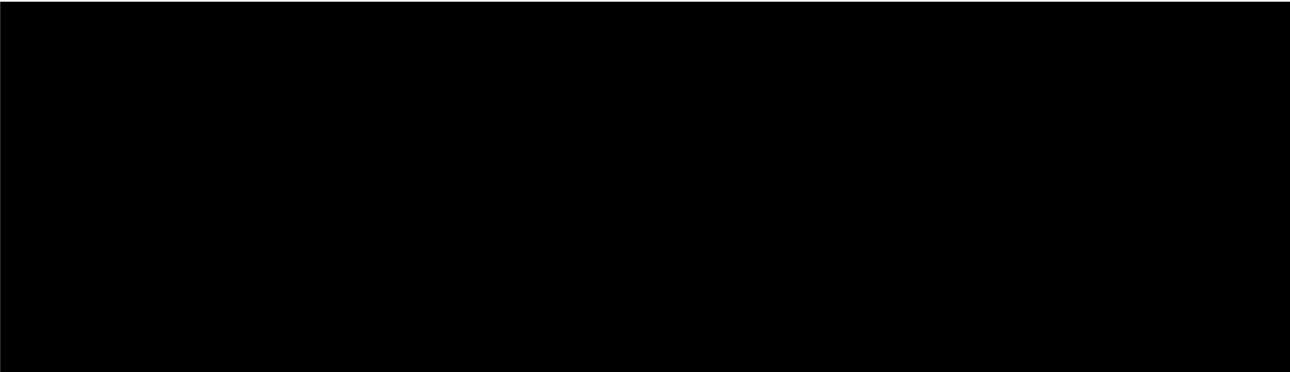
The Police Integrity Commission's Report *Operation Winjana* ('the Report') noted (at par. [10]) that it was '*alleged* there were shortcomings and failures in the management by the NSWCC in the way it dealt with the relationship' (emphasis added). However, the PIC did not make *findings* against the Commission or its personnel in this regard.

The essential concern that arose in respect of Mr Novakovic's relationship with Ms Sadiq was that he:

- might have assisted her by providing her with Crime Commission information;
- might have assisted her in some matter in which she was acting as the solicitor for a defendant against whom the Crime Commission was taking action; or
- might have been involved in a case in which he was acting for the Crime Commission and she was acting for the defendant.

That concern was demonstrated to be unfounded. There was no evidence or finding that Mr Novakovic provided Crime Commission information to Ms Sadiq, assisted her in any matter that she had against the Crime Commission, or was acting for the Crime Commission in a matter when Mr Sadiq was acting for the defendant. The fact that none of these problems arose during the whole of the approximately eight year period during which Mr Novakovic was both in a relationship with Ms Sadiq and an employee of the Commission is strong testament to the effectiveness of the Commission's management of the risks arising from the situation.

It should be noted that the Report was the culmination of an investigation that lasted approximately four years and involved an investment of significant resources in a range of investigative activities including telecommunications interception, the deployment of covert surveillance personnel, the use of listening devices, the dispatching of PIC staff overseas, the issuing of production notices requiring the production of (this Commission estimates) well over 100,000 pages of documentation, and the holding of hearings. The Crime Commission believes that it is fair to say that the PIC made a concerted effort to obtain evidence adverse to the management of the Crime Commission, and it is significant that it was unable to find evidence capable of supporting any adverse formal finding in this respect. Indeed, the PIC obtained and was offered evidence favourable to the Crime Commission's management that it refused to accept or publish.



*6. Please provide the Committee with a copy of your Corporate Plan.*

The Plan is provided herewith.



**New South Wales Government**  
New South Wales Crime Commission

Home Corporate Plan

## Corporate Plan

### Background

The Commission does not provide services directly to the public. The Commission conducts its operations in conjunction with a number of other agencies. These include the New South Wales Police Force, the Australian Crime Commission, the Australian Federal Police, the Independent Commission Against Corruption, and other law enforcement agencies. The Commission also has close working relationships with its Management Committee, the Director of Public Prosecutions and other State and Commonwealth government agencies.

### Values

The Commission values its staff as its greatest asset. The Commission places very high value on the personal integrity and honesty of its staff and persons working with the Commission. The Commission is committed to conducting its operations in the public interest and in a way that fully accounts for its allocated public resources.

### Corporate Objectives

The Commission has four main corporate objectives under this Plan:

#### Corporate Objective 1

**To identify high level organised crime figures and their associates, and to conduct effective criminal investigations with a view to prosecution of those persons.**

#### Strategy

- Deploy multi-disciplinary teams to conduct investigations.
- Develop information sources in an environment of trust in order that the Commission can be kept informed about criminal activities.
- Make arrangements for effective collaboration with agencies with similar objectives.

#### Performance Indicators

- The extent to which criminal networks are damaged by the apprehension of key members.
- The extent to which criminal activities, such as drug supply, money laundering, violent crime and other serious crime, are prevented or reduced by the apprehension of offenders.
- The extent of confiscation of criminal assets.

#### Corporate Objective 2

**To identify persons who have gained substantial financial benefit from criminal activities; to identify the benefits acquired and confiscate assets, returning the proceeds to the Crown.**

#### Strategy

- Work in conjunction with investigators who are conducting criminal investigations to identify criminal assets and subjects for confiscation action.
- Raise awareness of law enforcement officers from a range of agencies in the confiscation process in order that they are aware of the potential for confiscation action, and in order that they may refer relevant matters to the Commission for action.
- Encourage staff to approach financial investigations creatively, in order that new avenues of investigation can be found to identify money-laundering and locate proceeds of crime.
- Prosecute civil actions effectively to ensure maximum public benefit.

**Performance Indicators**

- The value of assets recovered through confiscation action.
- The extent to which confiscation action inhibits future criminal activity by criminals.
- The numbers of relevant matters referred to the Commission by officers of other law enforcement agencies.
- The numbers of matters prosecuted.

**Corporate Objective 3**

**Ensure that investigations are carried out utilising the most advanced technological facilities.**

**Strategy**

- Ensure that the Commission is aware of the most advanced technology.
- Deploy technology to optimise the effectiveness of other resources.
- Make available appropriate training for staff working in technical surveillance, investigative ICT research and development, and computer-based crime.
- Identify new ways of conducting electronic surveillance.
- Identify and investigate new forms of computer-based crime and other serious crimes utilising electronic technology.
- Acquire appropriate hardware, software and skills to achieve these objectives.
- Address issues relating to law reform in e-crime.

**Performance Indicators**

- The extent to which the Commission is informed of new technology.
- The amount of advanced technology deployed.
- The extent to which the Commission is aware of new forms of computer-based crimes.
- The skill levels achieved by Commission staff.
- The amount of hardware and software acquired and utilised in this area.
- The effectiveness of liaison with public and private sector agencies working in this area.
- The incidence of crime detected and persons apprehended for crimes in this area.
- The extent of law reform occurring as a result of Commission initiatives.

**Corporate Objective 4**

**To administer the New South Wales Crime Commission Act and the Criminal Assets Recovery Act effectively, while managing the organisation responsibly and equitably, and use public resources for maximum public benefit.**

**Strategy**

- Ensure the principles of responsible leadership and management are practised.
- Ensure that all decisions can be scrutinised and that senior managers are accountable.
- Ensure that all activities are recorded in accordance with the law and best practice.
- Ensure that staff and stakeholders are treated with respect, and in an equitable way.
- Ensure that complaints are rigorously investigated and that complainants are treated with courtesy and respect.
- Ensure that public funds are spent responsibly to achieve maximum benefit.
- Ensure that the amount of funding spent on support services is minimised compared with that spent on the core operational work of the Commission.
- Administer the Commission's records management program effectively by ensuring that the Commission's business requirements are developed in accordance with the State Records Act 1998 and AS4390 Standards on Records Management.

**Performance Indicators**

- The extent to which the reputation of the Commission in the general community and in the law enforcement community reflects the above values.
- The number of high-calibre applicants for positions at the Commission.
- The level of staff morale and commitment.
- The numbers of complaints of inequitable management and harassment.

- The extent to which the NSW Audit Office is satisfied with the Commission's management practices including management of its finances and records.
- The ratio of spending on support services compared with spending on core functions, benchmarked against other law enforcement agencies.
- The numbers of complainants who express dissatisfaction about the Commission's handling of their matter.
- The extent to which the records management program is utilised across all units within the Commission.
- The overall cost of the Commission.