



Kristina Keneally MP

Monday, 21st March 2011

Mr Tony Harris *21/3 11am*
Acting Parliamentary Budget Officer
NSW Parliament
Macquarie Street
SYDNEY NSW 2000

Dear Mr Harris

I am writing to you to formally request, under Part 4 (Election policy costings) of the Parliamentary Budget Officer Act 2010, an official costing for the *Protecting NSW: Labor's counter-terrorism policy* policy, which has been publicly announced.

This policy document includes new commitments under Section 18(2) of the Act, specifically:

- \$500,000 a year to assist police work with ethnic community organisations
- Replace the \$300,000 'Bear Cat,' a tactical armoured vehicle for special operations units within law enforcement agencies - the Bear Cat provides ballistic protection with its life saving armour

Please find attached a copy of this policy outlining the purpose of the policy and relevant details required to complete the costing as per the requirements of the Act.

A copy of the NSW Treasury costing and budget impact statement for the policy has also been included for your reference.

Should you require any further information on this request, please contact my office on (02) 9228-5239.

Yours sincerely

Kristina Keneally
Premier of NSW
Leader of NSW Labor Party





Protecting NSW:

Labor's counter-terrorism policy

March 2011



Protecting NSW: Labor's counter-terrorism policy

While NSW remains one the safest places in the world, we can never be anything less than vigilant in protecting the freedoms we value.

This is why the NSW Labor Government set up the NSW Police Counter Terrorism Command, which has played an integral role, together with other law enforcement agencies, in protecting Australia from terrorist attacks.

Much of our counter-terrorism work is focused on hard edge police capabilities including covert activity.

But an equally important avenue to reduce the risk of terrorism is to engage with communities who can identify those who may be attempting to incite violence.

Terrorists rely on the isolated and disengaged to carry out their vile plans – so engaging directly with all our communities is the surest way to foil this intent.

Police Counter-Terrorism and Special Tactics Command have developed a relationship with many communities, delivering valuable information and keeping NSW safe.

A re-elected Labor government will expand this vital information network. Adding officers in the NSW Police Community Contact Unit will allow police to reach even more communities and guide any individuals away from unlawful actions.

In addition, we will create a community mentoring grants scheme to assist ethnic communities to maintain and enhance links with the NSW Police.

Of course, NSW Labor will also continue to strengthen the hard edge of counter terrorism: arming NSW Police with even greater ability to respond to a potential incident through the purchase of a new tactical armoured vehicle, and any other resources our police reasonably need.



We have given our police all reasonable powers, laws, equipment, networks, resources and support to ensure that terrorism remains foreign to Australian shores.

That is what we will continue to do – to keep all our communities safe.

Kristina Lennox

What this policy means for you

The Keneally Government has a four-pronged approach to counter-terrorism. They are:

- Interacting with communities who have a first hand knowledge through information and prevention through the Community Relations Commission and its grants program and inter-faith community harmony initiatives;
- Supporting our police who are active in surveillance and detection;
- Practical measures such specialist equipment such as armoured vehicles to respond to challenges; and
- New de-radicalisation programs – based on overseas models – to bring those vulnerable to influence into contact with moderate leaders – as prisons could become new breeding ground for recruits.

A re-elected Keneally Government will continue to support NSW Police and their Federal counterparts to respond to any potential terrorist activity – whether it is local or overseas based.

Community engagement is an emerging priority for Australian law enforcement bodies in their counter terrorism activities.

After the Bali Bombings in 2002, the NSW Labor Government set up what is now known as the NSW Police Counter Terrorism Command.

The Counter Terrorism Command has played an integral role, together with the Australian Federal Police and other law enforcement agencies, in protecting Australia from terrorist attacks – especially domestic ones.

Much of the police's counter-terrorism activity is focused on hard edge police capabilities including covert activity.

Another avenue to reduce the risk of terrorism is to engage with the relevant communities who are well placed to work with the authorities to identify individuals who may be radicalising and then to assist in mentoring those persons.

The NSW Police Counter-Terrorism and Special Tactics Command has operated a Community Contact Unit for some years which has developed a relationship with many communities.

However, more work needs to be done working with these communities. These communities are disparate and cannot be engaged collectively.

A re-elected Keneally Labor Government will help protect NSW families by doing everything possible to prevent a terrorist attack on our soil.

Many of these communities, in particular the smaller and more recently arrived, have few resources with which they can engage and mentor their members.

Three additional officers in the NSW Police Community Contact Unit will allow for expansion in the number of relevant ethnic communities engaged. These police officers will work with the communities to mentor and guide individuals away from criminal behaviour.

In addition, a re-elected Keneally Labor Government will create a community mentoring grants scheme to assist ethnic communities to maintain and enhance links with the NSW Police Community Contact Unit.

Labor will also strengthen the NSW Police ability to respond to a potential terrorist incident with the purchase of a new tactical armoured vehicle.

We will continue to provide the resources to allow Police to detect and prevent terrorism.

Our commitment to provide \$500,000 a year in grants to community groups will involve the police working more closely with those communities in mentoring and education programs to help counter violent extremism.

A re-elected Keneally Labor Government will give the police the resources they need to respond quickly and safely in the event of a terrorist incident.

On the practical level, the NSW Police Force Tactical Operations Unit has a counter terrorism vehicle known as a 'Bear Cat' purchased in 2003. Technological change is occurring so rapidly that much of the technology in the vehicle needs to be updated.

As technology improve always evolve and improve, a new counter terrorism vehicle will provided. This vehicle will be armour-plated and equipped with the latest technology to help police deal with a terrorist incident should one occur.

This technology includes the latest in electronic surveillance and imaging to allow police to observe building interiors from a safe distance to assess potential threats and risks. The new vehicle will be sourced through an international tender process.

ACTION:

Expand NSW Police Community Contact Unit

- Three additional officers to assist police to engage with and work with local communities

Community mentoring grants program to help police mentor individuals in ethnic communities

- \$500,000 a year to assist police work with ethnic community organisations

Provide funds to purchase a new tactical armoured vehicle for police

- Replace the \$300,000 'Bear Cat,' a tactical armoured vehicle for special operations units within law enforcement agencies - the Bear Cat provides ballistic protection with its life saving armour

Implement a de-radicalisation program for NSW inmates convicted of terrorism related crimes

- A de-radicalisation program is under development following the conviction and sentencing of a number of terrorists in 2010

Labor and Counter Terrorism

NSW Labor has always shown leadership when new threats have emerged, and following the emergence of terrorism as a real threat over the last decade, we have taken decisive action to protect NSW.

What is now known as the Counter-Terrorism Command of the Police Force, was set up in 2002 and is responsible for the investigation and prevention of terrorist attacks.

This command is also tasked with responding to high risk incidents, providing specialist dog and armoury services, undertaking bomb disposal operations, investigating and collecting intelligence on terrorist suspects and incidents, protection of critical infrastructure and the co-ordination of security operations for dignitaries and high risk visitors to NSW.

This highly specialised and well equipped Command has a staff of more than 600.

The Command supplements the work of other police units that continue to support the counter-terrorism effort, including the Public Order and Riot Squad, which has 100 officers, and the regional State Protection Support Units, which have more than 200 officers.

The Labor Government boosted the NSW Police budget by \$2.1 million a year to fund the Counter Terrorism Command.

In addition, NSW Labor has spent more than \$14 million on new equipment including a helicopter for counter-terrorist response, a bomb containment vessel and three bomb disposal robots.

The SecureNSW website, at www.secure.nsw.gov.au, was launched by the NSW Government to inform the public about preparing for a terrorist attack and what to do if one has taken place.

It also provides links to counter-terrorism legislation and news stories about terrorism around the world and includes input from the Department of Premier and Cabinet's Counter-Terrorism and Disaster Recovery Directorate and the NSW Police Counter-Terrorism Command.

A re-elected Keneally Labor Government will continue to fund the Community Relations Commission to assist in its work helping the Police interact with ethnic communities, receive advice on cultural issues and prevent younger people from being tempted to commit criminal acts.

Our Challenges

The threat of a terrorist incident on Australian soil has not changed and we should remain vigilant.

Australia remains at a 'medium' level of the threat of experiencing a terrorist attack.

We have already seen the arrest of people planning terrorist attacks on Australian soil and those people are now in prison.

Our Record

LABOR

- Established the Counter Terrorism Command.
- Developed the Secure NSW website.
- CBD Early Warning System.
- Established the Cabinet Sub-Committee on Counter Terrorism to regularly brief the Premier and senior ministers
- Supported work of the Community Relations Commission and its inter-faith and community harmony initiatives

OPPOSITION

- No policy or commitments on counter terrorism.

Three additional police for the Community Contact Unit

Three additional officers in the NSW Police Community Contact Unit will allow for the expansion in the number of relevant ethnic communities engaged.

These will be specialist police officers with skills in language, culture and religion.

ACTION:

- Fund three additional specialist positions in the Community Contact Unit of the Counter Terrorism Command

Community mentoring grants program to help police mentor individuals in ethnic communities

The community mentoring grants program would be operated by NSW Police and the programs to be funded would be jointly designed and run by Police and the relevant community organisations. Police and community leaders would work together to identify persons at risk of radicalisation.

Participation would be voluntary, but the involvement of community leaders will assist greatly in encouraging persons to participate.

Police involvement has a number of advantages. It will keep the programs strictly focused on actual de-radicalisation, as opposed to broader subjects such as 'inclusion', which are addressed by other programs across government.

The presence of police officers in the mentoring program will emphasise that ultimately police are trying to help the individual to avoid getting into a situation where they might commit a criminal offence.

The involvement of police officers (including from relevant ethnic and religious backgrounds) who are experts in radicalisation will ensure that sophisticated and complex discussions can occur with the person being mentored on the subject of the person's beliefs.

The involvement of police will promote the ongoing interaction of police and the community on the subject of radicalisation. It will demonstrate to local communities that on the subject of radicalisation, the Police Local Area Command and the Counter-Terrorism and Special Tactics Command is there to help.

By being a Police program, there is scope to access specialised assistance from other Government agencies if that is appropriate to the mentored person's needs.

ACTION:

- **\$2 million in grants to help police work with ethnic community organisations**

Provide funds to purchase a new tactical armoured vehicle for police

The Bear Cat enables NSW Police to perform critical response and rescue operations in a safe, secure and highly mobile armoured vehicle. The 'Bear Cat' vehicle of the NSW Police Tactical Operations Unit was bought in 2003. It has travelled many kilometres and is in need of a replacement.

A re-elected Keneally Labor Government will fund the replacement of the Bear Cat with a similar vehicle at a cost of \$300,000.

ACTION:

- \$300,000 to purchase a new tactical armoured vehicle for police

Fund a de-radicalisation program for convicted terrorists in our prison system

A de-radicalisation program is under development and will be introduced into NSW prisons as an essential part of the management plans for inmates convicted of terrorism.

The new program is being developed specifically for convicted terrorists and will incorporate elements of existing de-radicalisation programs from around the world, particularly the United States.

Corrective Services NSW will be rolling out de-radicalisation treatment programs to hone in on the specific nature of these inmate's crimes. De-radicalisation will be an intensive process with trained professionals from within the corrective services system working one on one with serious offenders."

The program will include measures to:

- Strengthen moderate religious and secular institutions as an alternative to radical and extremist interpretations;
- Confront socio-economic and other grievances which have fostered extremism; and
- Segregate and disengage inmates from identified 'terrorist' groups or influences.

Among the first inmates to be engaged with the program will be five men sentenced in 2010 to a maximum of 130 years between them for conspiracy to commit terrorist acts in Australia using the detonation of explosives.

ACTION:

- Begin de-radicalisation treatment for convicted and potential terrorists

Maintain funding of \$12 million for the Community Relations Commission

The Community Relations Commission maintains regular and active contact with the NSW Police Counter Terrorism and Special Tactics Command. As part of this work they have established a list of respected ethnic community members to assist the NSW Police Force and the Department of Juvenile Justice in responding to young people who commit offences.

A re-elected Keneally Labor Government will continue to fund the Community Relations Commission so they can continue to help new migrants settle in Australia and establish social networks, education and employment opportunities here to help prevent them from being tempted to commit criminal acts.

It also supports inter-faith and other community harmony initiatives such as the annual Iftar dinner to promote understanding of Islam. The dinner is held at State Parliament.

- **Maintain funding for the Community Relations Commission and its inter-faith and community harmony activity**



www.kristinakeneally.com.au



Costing of Proposal

| | |
|------------------------------|--|
| Title/Subject: | Counter Terrorism Grant Funding |
| Pink/Physical ID: | EA1642045 |
| Proposal by: | Government |
| Agency: | NSW Police Force |
| Cluster: | Police and Emergency Services |
| Detailed description: | Grants program of \$500,000 per year to be administered by the NSW Police Force to support communities in mentoring individuals at risk of radicalisation. |
| FIS No: 250 | |
| Classification: GGB | |

General Government Sector Financial Impact

| | 2010-11 \$'000 | 2011-12 \$'000 | 2012-13 \$'000 | 2013-14 \$'000 | 2014-15 \$'000 | Ongoing \$'000 |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Expenses (incl. depreciation) | | 500 | 500 | 500 | 500 | |
| Less Agency Offsets (1) | | | | | | |
| Less Agency Revenue | | | | | | |
| Less Crown Provisions | | | | | | |
| Budget Result Impact | 0 | -500 | -500 | -500 | -500 | 0 |
| | | | | | | Residual |
| Capital Expenditure | | | | | | |
| Less Capital Offsets (1) | | | | | | |
| Net Capital Cost | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation | | | | | | |
| Net Lending (2) | 0 | -500 | -500 | -500 | -500 | |

Public Trading Enterprises Sector Financial Impact

| | 2010-11 \$'000 | 2011-12 \$'000 | 2012-13 \$'000 | 2013-14 \$'000 | 2014-15 \$'000 | Ongoing \$'000 |
|--------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues | | | | | | |
| Expenses | | | | | | |
| Operating Result | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | Residual |
| Capital Expenditure | | | | | | |
| Less Capital Offsets (1) | | | | | | |
| Net Capital Cost | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation | | | | | | |
| Net Lending (2) | 0 | 0 | 0 | 0 | 0 | |

Accumulated Net Financial Liabilities as at 30 June (3)

| | 2010-11 \$'000 | 2011-12 \$'000 | 2012-13 \$'000 | 2013-14 \$'000 | 2014-15 \$'000 |
|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| General Government Sector | 0 | 500 | 1,000 | 1,500 | 2,000 |
| Total State Sector | 0 | 500 | 1,000 | 1,500 | 2,000 |

(1) Includes items such as available funding within existing estimates, expenditure offsets, recurrent savings associated with capital projects, linked assets sales.

(2) Equal to Budget Result or Operating Result Impact plus Net Capital Cost.

(3) Equals cumulative Net Lending Impact. Total State Sector equals sum of General Government and PTE (and PFE) sectors.

Key costing assumptions

Minister's Office has confirmed that the proposed program is limited to 4 years.

Key data

Nil

Caveats or qualifications





Nil

Implementation issues (including how Treasury can assist in speedy implementation and any potential difficulties and how these might be overcome)

Nil

Other comments (including explanation where Treasury costing differs from agency or PBO estimates)

Nil

| Position | Name and extension | Signature | Date |
|----------------------|---------------------|--|-----------|
| Analyst(s) | Kenny Lau x5379 |  | 22/2/2011 |
| in consultation with | Dimitri Deligiannis |  | 22/2/11 |
| | Brian Cheney |  | 22/2/11 |
| Deputy Secretary | Caralee McLiesh |  | 22/2/11 |