



# CDPP

*Australia's Federal Prosecution Service*



## ANNUAL REPORT 2017–18

COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS

# COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS



Australia's  
independent  
federal  
prosecution  
service

**SERVICE**



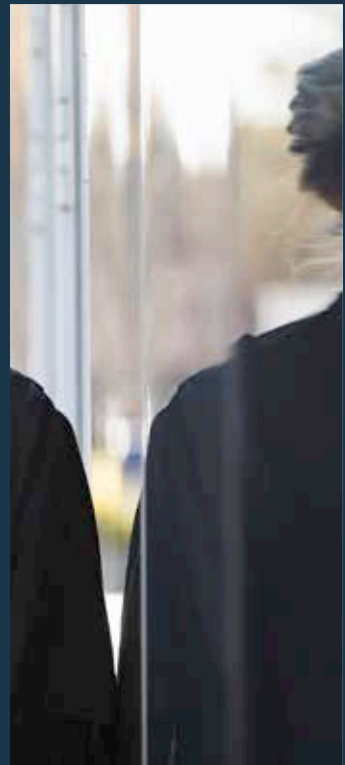
Contributing  
to a fair, safe and  
just society

**SOCIETY**



Prosecuting  
crimes against  
Commonwealth  
law for more  
than 30 years

**JUSTICE**





Providing advice  
to assist the  
investigative  
process

**ADVISE**



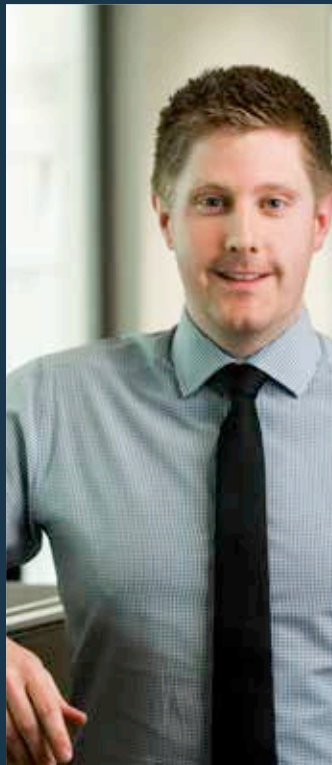
Bringing cases  
to a close  
through effective  
prosecutions

**PROSECUTE**



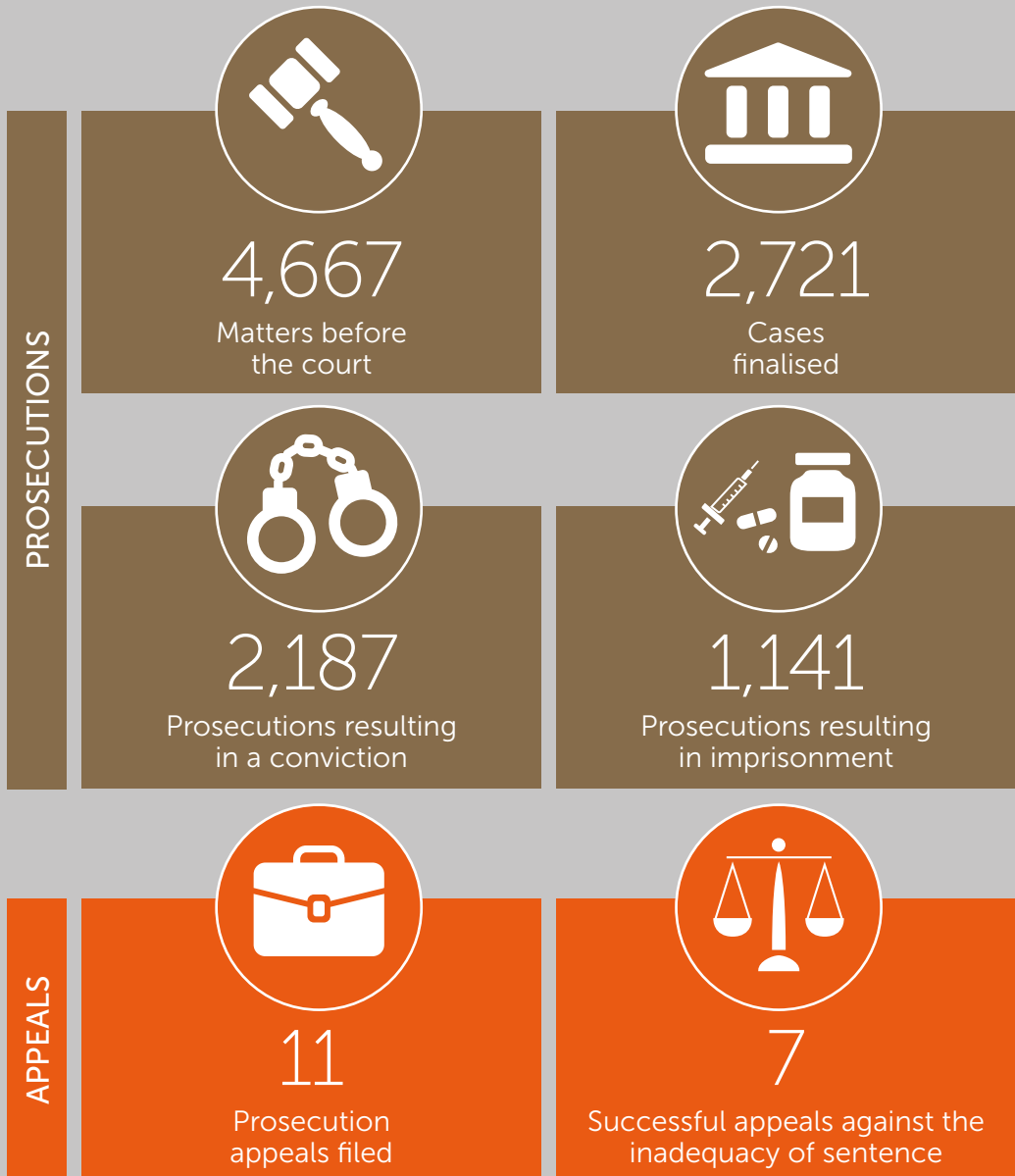
Publishing  
case outcomes  
to deter offenders  
and educate the  
community

**EDUCATE**



# SUMMARY OF 2017–18 PERFORMANCE AT A GLANCE

We work closely with partner agencies to bring cases to a close through effective prosecution.





60

Partner agencies referred cases



40

Commonwealth agencies



20

State and territory police partners



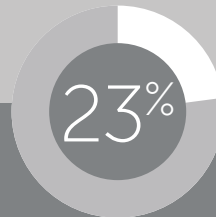
2,700

Total cases referred

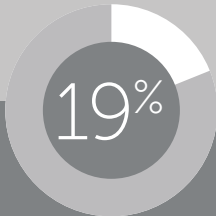
PARTNERS



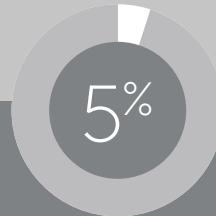
Australian Federal Police



Department of Human Services—Centrelink



State and territory police



Australian Financial Security Authority

TOP REFERRING AGENCIES



# LETTER OF TRANSMITTAL



**CDPP**

*Australia's Federal Prosecution Service*

24 September 2018

Attorney-General  
The Hon Christian Porter MP  
Parliament House  
Canberra ACT 2600

Dear Attorney-General

I am pleased to present the annual report for the Commonwealth Director of Public Prosecutions (CDPP) for the year ended 30 June 2018.

Section 46 of the *Public Governance, Performance and Accountability Act 2013* requires the Commonwealth Director of Public Prosecutions to prepare a report to the Attorney-General regarding the CDPP's operations during the year.

As required by section 10(b) of the *Public Governance, Performance and Accountability Rule 2014*, I certify that the CDPP has prepared fraud risk assessments and a fraud control plan; that the CDPP has fraud prevention, detection, investigation and reporting mechanisms that meet its needs; and that I have taken all reasonable measures to minimise the potential incidence of fraud in the CDPP. There have been no instances of fraud identified during the period.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. McNaughton'.

Sarah McNaughton SC  
Commonwealth Director of Public Prosecutions

# CONTENTS

<b>COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS</b>	<b>i</b>
<b>SUMMARY OF 2017–18 PERFORMANCE AT A GLANCE</b>	<b>iii</b>
<b>LETTER OF TRANSMITTAL</b>	<b>1</b>
<b>DIRECTOR'S REVIEW</b>	<b>4</b>
<b>OVERVIEW</b>	<b>13</b>
About us	14
Our outcome	14
Our purpose	14
Our aim	14
Our strategic themes	15
Australia's independent prosecution service	16
<b>NATIONAL PRACTICE—HOW WE OPERATE</b>	<b>25</b>
Organisation structure	26
Commonwealth solicitor for public prosecutions	32
National practice group model	38
Prosecution services for partner agencies	42
<b>NATIONAL PRACTICE GROUPS</b>	<b>47</b>
Commercial, Financial and Corruption Practice Group	49
International Assistance and Specialist Agencies Practice Group	56
Human Exploitation and Border Protection Practice Group	66
Illegal Imports and Exports Practice Group	76
Organised Crime and Counter-Terrorism Practice Group	84
Revenue and Benefits Fraud Practice Group	92
Prosecution appeals	98
<b>PERFORMANCE</b>	<b>107</b>
Annual performance statement	108
Prosecution statistics	113



<b>SUPPORTING THE LEGAL PRACTICE</b>	<b>121</b>
National Business Improvement Practice Group	122
Corporate Services Group	130
Governance, Audit and Accountability	131
People	136
National administrative support	148
Communications and media	148
Technology	149
Library, research and information services	152
Records management	152
Finance	153
<b>FINANCIALS</b>	<b>155</b>
<b>FINANCIAL STATEMENTS</b>	<b>161</b>
Office of the Commonwealth Director of Public Prosecutions financial statements	163
<b>APPENDICES AND REFERENCES</b>	<b>189</b>
Appendix 1: List of requirements 2017–18	190
Appendix 2: Information publication scheme	196
Appendix 3: Work health and safety	196
Appendix 4: Advertising and market research	197
Appendix 5: Ecologically sustainable development and environmental performance	198
Appendix 6: Entity resource statement and expenses by outcome	199
List of tables and figures	200
Acronyms and abbreviations	201
Glossary of terms	202
Photos and graphics	203
Index	204
Our offices	217

# DIRECTOR'S REVIEW



## INTRODUCTION

The CDPD has had an extremely productive year.

Our prosecutors and external counsel have continued to work hard to progress matters through the prosecution process. Our commitment to bringing cases to a close efficiently remains unwavering, driven by the expectations of our partner agencies and our commitment to achieving outcomes in the public interest.

## PERFORMANCE

We measure and report on our performance to assure the public that we are achieving our purpose, which is:

To provide an independent prosecution service that contributes to the respect and maintenance of Commonwealth criminal law and public respect in the justice system through the prosecution of crimes.

While there are several performance measures associated with our program of work, the following three headline measures encapsulate how well we deliver an efficient, effective and independent prosecution service:

- 100 per cent compliance with the terms of the test for prosecution
- 90 per cent of partners are satisfied or very satisfied with the way we deliver our services
- 90 per cent of prosecutions result in a conviction.

*See page 108 for our Annual Performance Statement.*

In addition to these headline performance measures, a key goal for us this year was improving our prosecution services by more efficiently assessing complex multi-faceted briefs. We aimed to reduce this to a maximum of 90 days, and during the year our prosecutors assessed 94 per cent of briefs within 90 days. We will continue to evaluate our efforts to identify ways to further improve this in the years ahead.

Reflecting on our achievements, it is clear the CDPP's digital transformation—coupled with the willingness of staff to innovate, collaborate and adopt new work practices being embraced by our partners and stakeholders—has been integral to our performance over the past 12 months.

## EMERGING CRIME TYPES

While the prosecution work continued, our prosecutors were also engaged in important legislative reform relating to national security, in particular espionage and foreign interference.

I am proud of the contribution the CDPP made in shaping legislation, from providing valuable insights on the structure of reform, to practical insights regarding its eventual application as law. We continue to bring a unique and profoundly valued perspective to these forums, which also provide indications as to the likely future profile of our prosecutions and legal practice.

Being party to the Government's legislative reform program allows us to plan ahead, anticipate and engage in early discussions with partner agencies regarding the potential impact of such reforms, and to continually review resourcing within our legal practice groups and the capability of our prosecutors to respond, should emerging crime types be referred for prosecution.

Preparing our prosecutors for change, in our operating environment and within our legal practice, was a continuing central theme during the reporting year.

## DIGITAL TRANSFORMATION

Upskilling our staff for the digital age has become increasingly important as we aim to work within the budget and resource parameters set for the CDPP, while keeping pace with the practices adopted by our partner agencies and the wider justice system.

During the year, I challenged staff to ‘think digital’—to develop and refine core technology skills and capability as building blocks for an agile and flexible workplace. I recognise that their willingness to embrace technology, to be innovative, generate ideas and share knowledge is essential to improving our prosecution services.

This challenge was formalised in our THINK DIGITAL strategy. It explains how we connect and support our people to use systems, tools and technology to transform our workplace for the better. It draws together what we have already done, provides a cohesive roadmap for the future and, importantly, encourages staff to be open to technological innovation.

## BUILDING CASEHQ—OUR NEW VIRTUAL HEADQUARTERS FOR CASE AND DOCUMENT MANAGEMENT

There are a range of projects under the THINK DIGITAL banner that we will look back on as being pivotal in the history of the CDPP. Our virtual headquarters for case and document management is one example.

It is remarkable to witness the rate of progress. In less than 12 months, the solution has been procured, tailored to

our prosecution process, tried, tested and improved through agile development cycles in readiness for its launch in late 2018.

Named by our people, the system known as caseHQ is one of the most transformative projects the CDPP has ever undertaken.

## FROM PAPER TO ELECTRONIC BRIEFS

Our digital transformation reaches beyond our internal systems to also focus on ways to improve the investigative/prosecution process.

During the year we collaborated with partner agencies to develop and implement referral standards for submitting electronic briefs, and developed and trialled a new secure Digital Referrals Gateway to enable their submission.

The gateway was the focus of a trial with the Department of Human Services (DHS). The trial started in October 2017 and saw teams of investigators work alongside our prosecutors to test the gateway to securely submit electronic briefs online. The trial expanded to include DHS nationally in February 2018. More recently the Australian Taxation Office and Australian Financial Security Authority (AFSA) also joined the trial, before the Digital Referrals Gateway’s gradual rollout to all partner agencies from July 2018.

This approach demonstrates our commitment to consultation and collaboration as we work to develop and implement robust and proven solutions, which are flexible enough to adapt to the different processes inherent within partner agencies.

## OPTIMISING OUR LEGAL PRACTICE

Our national practice model is embedded within the CDPP, with specialist teams of lawyers dedicated to prosecuting specific categories of crime nationally. We are now optimising this model.

During 2017–18, we focused on the critical role of our middle management cohort. Through consultation we recast the role of Work Group Coordinators to better reflect the scope of what they do, and retitled them Prosecution Team Leaders to emphasise the critical part they play in the operation of the legal practice, as well as the essential link they provide between senior leaders and frontline prosecutors.

To support our Prosecution Team Leaders, we introduced new communication tools to consistently cascade information to frontline prosecutors from the leadership group. This, coupled with dynamic reporting methods, now provides a streamlined way to report on our case load and escalate issues before problems emerge.

Combined with new ways of working and reporting, this has created a transparent view of the legal practice for managers and the Executive Leadership Group. It has proven to be particularly effective and is a practical example of how we continue to look for ways to optimise our national practice model.

We will continue to optimise this model next year by providing staff with further opportunities to grow and advance professionally, while also forging ahead with our transformation into a digitally-enabled workplace.

## COLLABORATING WITH PARTNER AGENCIES

During 2017–18, legal practice groups collaborated with partner agencies in a variety of ways, including participating in joint conferences and identifying opportunities to improve the investigative/prosecution process.

Partner agencies rely on us to bring cases to a close through effective prosecutions—underscoring the ongoing importance of our office transforming in sync with their evolving internal processes.

I am particularly proud of the temporary transfer of staff into partner agencies to share specialist knowledge, build a common understanding of the prosecution process, and help agencies improve their brief preparation processes for specific categories of crime.

This year we also extended our prosecution expertise and capability by expanding our External Junior Counsel Panel. In late 2017 we invited junior counsel to apply for our annual intake, which involves a formal online application process. In March 2018 we added 141 new counsel to our panel, bringing the total to 491.

This experienced group helps us respond effectively to the changing nature, volume and complexity of matters referred by partner agencies, and achieve both an early resolution and effective conclusion of matters before the courts.

As an extension to our national legal practice, our External Counsel Panel works effectively with our prosecutors and partners to help us achieve our outcome.

*See page 34 for more information about the role of our External Counsel Panel.*

## DIVERSITY AND CULTURE

Built on a foundation of ethics and integrity, the CDPP values innovation, collaboration and diversity.

This year, we renewed our commitment to embracing diversity within our workplace with the launch of our Diversity Network. Chaired by a Deputy Director, and involving a broad cross-section of staff, this network is actively engaging in a dialogue across our organisations, designed to highlight and celebrate diversity in all its forms.

I am heartened by the work of this group.

Another significant activity we carried out during the year to strengthen our positive workplace culture was to formalise and extend our flexible work arrangements. Comprising policy, guidelines and technological solutions to enable our staff to work remotely, this initiative has seen our digital transformation agenda converge with our workplace culture.

I look forward to seeing staff take advantage of these additional flexible work arrangements. Whether they work remotely from court or home, staff now have the ability to access options, where appropriate, that will ultimately contribute to improved productivity. This is a significant step forward in establishing a connected and flexible workforce.

Finally, the results from our 2017 APS Employee Census were very encouraging, after a record 81 per cent of staff (351 people) took part. The results reassured me that we are making positive progress in many areas.

## CONNECTING WITH THE COMMUNITY

Our role in the Australian justice system requires us to deliver Australia's federal prosecution service. We recognise a key driver behind this is achieving effective outcomes for the broader community.

We appear in courts across the nation, including before juries made up of members of the community. We also continue to promote prosecution outcomes through media releases and case reports to explain our vital role and deter potential offenders by highlighting the consequences of offending. While this is a very public representation of our prosecution work, our commitment to the Australian community is also demonstrated in more subtle ways.

For example, during the year, we launched a notable staff-led initiative. Known as 'Together Let's', the program aims to unite our workforce behind a charity, to raise funds to help it achieve its objectives during the calendar year.

The inaugural charity chosen this year was Yalari.

Since 2005, Yalari has been providing Indigenous children from regional, rural and remote communities across Australia the opportunity to receive a full boarding school scholarship for their entire secondary education. Here at the CDPP we value education, and the opportunity to support Indigenous students to achieve their goals and dreams resonated with our workforce.

I am pleased to report that we easily surpassed our modest fundraising target of \$4,000 within the first six months, through a series of National Pledge Days and fundraising activities planned by ambassadors in each office.

This initiative demonstrates so many of the values that underpin the work of our office—partnership, collaboration, innovation, diversity and a shared drive to achieve results.

## LOOKING FORWARD

In the year ahead we will focus on consolidating and embedding underlying systems, procedures and work practices to modernise our workplace as well as support staff to operationalise new systems. Critical to our success—and a continuing focus for us—will be making sure all staff are supported during this change process, with training, online tools and supportive management.

I am pleased and inspired that our people continue to champion our change program and are open to new opportunities and methods of working, enabled by digital tools and technology solutions. This is further evident in our priorities for the year ahead, which include:

- consistently assessing complex multi-faceted briefs within a period of 90 days
- continuing to identify cases with potential for early resolution
- strengthening early engagement and collaboration with partner agencies to inform and drive more effective investigation and prosecution outcomes
- expanding access to the Digital Referrals Gateway to all partner agencies for the secure submission of electronic briefs
- introducing new resources to support victims and witnesses through the prosecution process, including the development of a micro website to improve access to relevant support and key information
- implementing caseHQ, our new case and document management system
- delivering an innovative training program to build the capability of our staff as they transition to caseHQ
- improving the management of complex cases by providing innovative databases and digital litigation support services to the legal practice
- providing staff with opportunities to build their skills and capability through a central technical toolbox—connecting them to systems, training and experienced users.

These are just some of the key activities that will advance our work practices, our relationships with our partners, and our people.

As we take significant steps forward in our digital transformation, the benefits will be reflected in our performance and flow through to our stakeholders, partner agencies and the broader Australian community.

I am proud of our achievements and pleased to present the CDPP's 2017–18 Annual Report.

**Sarah McNaughton SC**  
**Commonwealth Director of Public Prosecutions**



# THINK DIGITAL ENCOURAGES A NEW WAY OF WORKING

Our THINK DIGITAL strategy draws all our technological improvements together to form a cohesive blueprint for the future.

'THINK DIGITAL aims to provide the right balance between technology and support—to encourage our people to embrace new opportunities, work practices and technology to advance and improve our prosecution services, while nurturing the critical thinking required to innovate and continuously improve.'

Sarah McNaughton SC, Director

To achieve this shift, our THINK DIGITAL strategy identified six elements fundamental to change:



**MINDSET:** embrace new ways of working



**TALENT:** attract, retain and recognise talent



**LEARNING:** encourage and promote continuous learning



**LEADERSHIP:** guide, communicate, demonstrate and encourage staff to thrive



**CULTURE:** embed a culture of innovation, collaboration and diversity

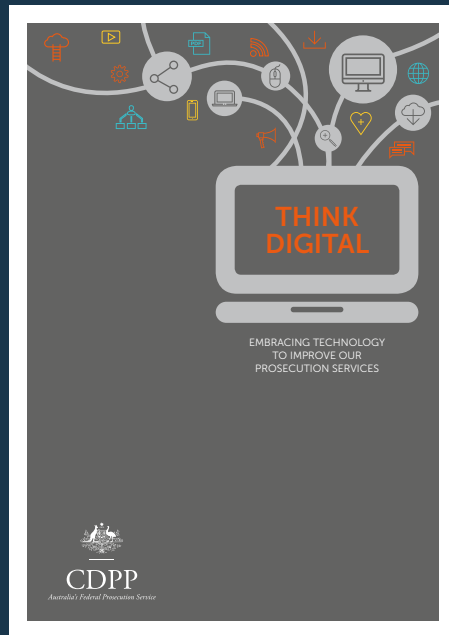


**TECHNOLOGY:** adopt cost effective and fit-for-purpose technology solutions



At CDDP, we strongly believe that if we adopt these six elements and ultimately THINK DIGITAL, we will develop new ways of working innovatively, challenge old practices, collaborate with each other, learn new skills and, through this, we will create a positive and productive workplace well-equipped to deliver Australia's federal prosecution service.

Projects and initiatives that have been part of this digital transformation range from the launch of our intranet service e-hub and the Digital Referrals Gateway for partners, to tools and systems like CaseLink (see below) and caseHQ, our virtual headquarters for case and document management that will launch in late 2018.



## INNOVATIVE WORK PRACTICES SAVE TIME

CaseLink is a suite of internally developed litigation support databases. Ideal for use in larger, more complex cases, CaseLink databases are designed to be a one-stop shop for case analysis, summaries and chronologies.

CaseLink can map relationships between items of evidence, witness statements, summaries, chronologies and factual and legal concepts, as well as allow subsets of evidence to be extracted.

CaseLink gives prosecutors the ability to summarise and make notes on each individual piece of evidence, and create links between evidence and events, the accused or elements of the offence.

By creating these links, prosecutors are able to identify and effectively evaluate strengths and weaknesses in a case as well as quickly retrieve information to prepare minutes, summaries and chronologies for trial.

CaseLink is just one example of a technology solution that has the capability to save time, whether that is hours or days or, in some instances, even weeks and months.

This is just one practical example of how THINK DIGITAL is encouraging us to work smarter by continually improving, taking advantage of new tools and technology, and sharing that knowledge with each other. By doing so, we aim to create a culture that is agile, flexible, capable, connected and efficient.

A professional photograph of two women standing side-by-side. The woman on the left has dark hair and is wearing a black turtleneck. The woman on the right has blonde hair, wears glasses, and a black blazer. They are both smiling. The background is a light blue wall with a dark blue vertical stripe on the left. A dark blue horizontal bar is at the bottom, containing the text 'CHAPTER ONE'.

# CHAPTER ONE



# OVERVIEW

## ABOUT US

The Office of the Commonwealth Director of Public Prosecutions (CDPP) is an independent prosecution service established by Parliament to prosecute alleged offences against Commonwealth law.

We are a Commonwealth statutory agency with staff in offices around the country. While the CDPP is in the Commonwealth Attorney-General's portfolio, we operate independently.

## OUR OUTCOME

Contribute to a fair, safe and just society by delivering an effective, independent prosecution service in accordance with the *Prosecution Policy of the Commonwealth*.

By delivering this outcome, we build public confidence in the Australian justice system—where the laws of the Commonwealth are respected, offenders are brought to justice and potential offenders are deterred.

## OUR PURPOSE

To provide an independent prosecution service that contributes to the respect and maintenance of Commonwealth criminal law and public respect in the justice system through the prosecution of crimes.

To achieve our purpose, we build effective relationships with partner agencies and bring cases to a close through successful prosecutions.

## OUR AIM

To be fair, consistent and professional in everything we do—recognising, valuing and developing the knowledge, skills and commitment of our people to deliver Australia's federal prosecution service.

Our aim ensures we invest in and build the capability of our people, and enable and support their effort through our digital transformation to modernise our systems, processes and practices. This demonstrates our commitment to innovation, collaboration and diversity as a means to develop our prosecution service in step with the expectations of partner agencies and the broader community.

# OUR STRATEGIC THEMES

Our strategic themes focus and direct our effort.

THE MATTERS WE PROSECUTE ARE DIVERSE AND COMPLEX, REFLECTING THE EVOLVING AND EXPANDING NATURE OF OFFENCES AGAINST COMMONWEALTH LAW.



Providing an efficient and effective prosecution service delivery.

## OUR SERVICE



Engaging with partner agencies and stakeholders.

## OUR PARTNERS



Investing in our people.

## OUR PEOPLE



# AUSTRALIA'S INDEPENDENT PROSECUTION SERVICE

The CDPP was established under the *Director of Public Prosecutions Act 1983* (DPP Act) and started operating on 5 March 1984.

The DPP Act sets out the functions and powers of the Director, including independent responsibility for carrying out prosecutions for offences against Commonwealth laws.

The Commonwealth Solicitor for Public Prosecutions takes a lead role in supporting the Director to fulfil our statutory obligations, with the Executive Leadership Group overseeing legal and corporate functions.

See *Chapter 2 National practice—How we operate for more information about the role of the Director, Commonwealth Solicitor for Public Prosecutions and Executive Leadership Group.*

While the CDPP is within the Commonwealth Attorney-General's portfolio, we operate independently of both the Attorney-General and the political process.

However, the Commonwealth Attorney-General has power under section 8 of the DPP Act to issue directions or guidelines to the Director. These must be in writing and tabled in Parliament, and there must be prior consultation between the Attorney-General and the Director. The CDPP is bound by such directions or guidelines issued by the Attorney-General.

In the past 30 years, seven directions have been issued, with none issued in the current reporting period.

## OUR ROLE PROSECUTING OFFENCES AGAINST COMMONWEALTH LAW

We work in an increasingly dynamic environment prosecuting a diverse range of complex crimes, often transnational in nature and regularly involving large quantities of electronic evidence.

Complex offending continues to expand and evolve. Criminal cartels, foreign bribery, child exploitation (using carriage services), sophisticated revenue and benefits fraud, large-scale and cross-border organised crime activity including drug offences, human trafficking, slavery and terrorism offences—these are just some of the diverse matters we prosecute.

While the profile of our work has not changed dramatically, emerging crime types, for example foreign interference and espionage as well as cybercrime, are anticipated to shape our prosecutions in the future.

In addition to actively participating in legislative reform, we also provide pre-brief advice to Commonwealth investigators and apply for superannuation forfeiture orders under Commonwealth law, as an extension of our core work.

## PROSECUTION SERVICES FOR PARTNER AGENCIES

We continue to refine and improve our prosecution services for partner agencies. These services cover every aspect of the criminal prosecution process, from pre-brief advice to brief assessment, specialist resources and liaison activity, as well as providing services throughout the entire court process.

We collaborate extensively with our partners to build capability and drive improvements in the prosecution process. This collaboration ranges from tailored training and secondments to joint initiatives such as developing and implementing referral standards for electronic briefs.

The need for digital practices has seen us work closely with partners to design standards to prepare for electronic briefs, and this year we trialled submitting electronic briefs through a new Digital Referrals Gateway with a range of agencies.

*See page 126 for more information about our e-brief standards and Digital Referrals Gateway.*

Each legal practice group connects with partner agencies to establish and build strong working relationships. Insights gained influence our prosecution services, which must adapt to the changing nature of criminality and partner agency needs.

*See page 42 for more information about our prosecution services.*

## WORKING ACROSS ALL JURISDICTIONS NATIONALLY

We have offices in Sydney, Brisbane, Melbourne, Adelaide, Perth, Canberra, Hobart, Darwin, Cairns and Townsville and carry out legal work in the courts of every Australian state and territory.

We are also responsible for prosecuting offences against the laws of Jervis Bay and Australia's external territories, such as Norfolk Island, Christmas Island the Cocos Islands.

We have offices located in every state and territory, though our prosecutions extend beyond this, to include Australia's external territories.



Heard and McDonald Islands

## A RESPONSIVE NATIONAL LEGAL PRACTICE

Our national legal practice operating model provides an efficient, effective and nationally consistent federal prosecution service.

This national approach means we can harness the expertise of our staff to improve the timeliness and effectiveness of our prosecutions. Importantly, this dynamic model means we can be agile and focus our efforts, adapting as required by allocating matters to specialists in our national network of prosecutors.

### Our national practice group model



#### Commonwealth Director of Public Prosecutions

Independent responsibility for conducting prosecutions against Commonwealth law



#### Commonwealth Solicitor for Public Prosecutions

Lead role in supporting the Director and overseeing the operations of the legal practice



#### Commercial, Financial and Corruption

Prosecutes serious financial crimes and corruption offences



#### International Assistance and Specialist Agencies

Prosecutes matters referred by specialist agencies and provides international assistance



#### Human Exploitation and Border Protection

Prosecutes child exploitation, trafficking, people smuggling, migration offences and more



#### Illegal Imports and Exports

Prosecutes offences associated with protecting Australia's borders



#### Organised Crime and Counter-Terrorism

Prosecutes counter-terrorism and large-scale organised crime offences



#### Revenue and Benefits Fraud

Prosecutes general tax, social security, Medicare and identity fraud



#### Corporate Services Group

Enables and supports the activities of the legal practice through a range of services—Finance, Technology, People, Communications, Records, Library, Governance, Risk and Audit

NATIONAL LEGAL PRACTICE GROUPS

CORPORATE SERVICES GROUP



Each practice group is led by a Deputy Director who is responsible for:

- prosecutions conducted by the practice group across Australia
- national liaison and delivering prosecution services in relation to the practice group
- policy development for issues that concern the practice group
- the CDPP's contribution to law reform related to the crime types prosecuted by the practice group.

While the legal practice groups conduct prosecutions on behalf of the Director, the Commonwealth Solicitor for Public Prosecutions takes a lead role in supporting the Director to fulfil her statutory obligations, and overseeing the day-to-day operation of the national legal practice.

*See page 29 for more information about our Deputy Directors and page 47 for detailed information about their practice groups.*

Our legal practice groups are supported by our customer focused and collaborative Corporate Services Group, led by our Chief Corporate Officer.

This group provides essential services and solutions necessary to support the efficient operations of our busy legal practice. Functions include finance, people, specialist national legal administrative support, library and research services, records management, internal audit, governance, communications, and information technology.

*See page 31 for more information about the role of the Chief Corporate Officer, and page 130 for an overview of corporate functions.*

## TREATING VICTIMS OF CRIME WITH COURTESY, DIGNITY AND RESPECT

An important dimension of our work is treating victims and witnesses involved in prosecutions with respect.

We recognise they play an important role in the prosecution process and our dedicated and valued Witness Assistance Service supports the most vulnerable of those involved in matters we are prosecuting.

To ensure the most vulnerable victims of Commonwealth crime are treated in an appropriate and consistent manner, all identifiable child victims and victims of slavery, sexual servitude and forced marriage offences must be referred to the Witness Assistance Service.

Following extensive research and user testing, in 2018–19 we will launch a new micro website for victims and witnesses on the CDPP website. It will provide tailored and timely information and resources to support victims, witnesses and carers through the prosecution process.

It is important to note the CDPP does not act on behalf of victims; this is the role of private sector solicitors. Rather we act on behalf of the whole community.

Our *Victims of Crime Policy* guides and supports victims and witnesses through the prosecution process and we have established effective processes and procedures linked to the *Prosecution Policy of the Commonwealth*. In all prosecutions, we treat victims with courtesy, compassion, cultural sensitivity and respect for their dignity and entitlements.

*See page 73 for more information about this service.*

## SERVING THE PUBLIC INTEREST FOR MORE THAN 30 YEARS

We serve the public interest by maintaining effective working relationships with partner agencies.

In 2017–18, a total of 60 partner agencies referred cases to the CDPP, comprising 40 Commonwealth investigative agencies including the Australian Federal Police, and 20 state and territory agencies including state and territory police.

This year our top referring agencies, representing more than 75 per cent of all cases referred, were the:

- Australian Federal Police
- Department of Human Services—Centrelink
- state and territory police
- Australian Financial Security Authority
- Australian Border Force.

As we have no investigative function, we rely on our partner agencies to provide briefs of evidence. The matters they refer must pass a two-stage test before we decide to prosecute:

- there must be sufficient evidence to prosecute the case
- the prosecution must be in the public interest.

Throughout the prosecution process we work closely with partner agencies, including requisitioning additional evidence when required. However, we make decisions in relation to a prosecution independently of those responsible for investigating.

## EDUCATING THE COMMUNITY ABOUT OUR ROLE

To educate the community about our role and build confidence in the federal justice system we:

- promote prosecution outcomes on [www.cdpp.gov.au](http://www.cdpp.gov.au)
- highlight the positive working relationships we have with partner agencies and state and territory counterparts
- regularly participate in legal working groups and committees
- attend relevant conferences and events
- provide input into legislative reform.

Promoting prosecution outcomes educates the community about the consequences of committing crimes against Commonwealth law, and also deters potential offenders.

## CONNECTING WITH STATE AND TERRITORY DIRECTORS OF PUBLIC PROSECUTIONS

We have established procedures with each Director of Public Prosecutions throughout Australia for trials that involve both Commonwealth and state or territory offences.

We can prosecute indictable offences against state and territory laws where our Director holds an authority to do so under the relevant jurisdiction's laws. In addition, our Director can carry out committal proceedings and summary prosecutions for offences against state and territory law where a Commonwealth officer is the informant.

Liaison between Commonwealth and state prosecuting authorities takes place at both the national and regional level. Valuable forums include the Conference of Australian Directors of Public Prosecutions and National Executive Officers' Meeting.

## WORKING AS AN INTEGRAL MEMBER OF THE AUSTRALIAN JUSTICE SYSTEM

We are an integral member of the Australian justice system and remain committed to upholding the highest professional and ethical standards.

We work with our legal counterparts at every level of the justice system. We actively participate in legislative reform and procedural forums to advance our prosecution service to meet the expectations of the broader community.

Our national reach allows us to work efficiently and effectively with partner agencies and state and territory counterparts, to progress our prosecution work and strengthen our working relationships with all stakeholders in the justice system.

We also make sure alleged offenders and others affected by the criminal justice process are treated fairly, and we work hard to promote and maintain an organisational culture that values fairness, equity and respect.

We expect our staff to maintain high ethical standards, as set out in our Guidelines on Official Conduct for CDPP Staff, which all staff sign.



We provide advice to referring agencies, stakeholders and international counterparts about matters, law reform and the application of Commonwealth law.

**ADVISE**



We contribute to a fair, safe and just society by successfully prosecuting crimes against Commonwealth law.

**PROSECUTE**



We treat victims and witnesses with respect and support the most vulnerable through the prosecution process.

**SUPPORT**



We educate the community about the consequences of breaking the law, which sends a strong message of deterrence.

**EDUCATE**



## PRACTICAL CRIMINAL LAW INSIGHTS VALUED IN DRAFTING NEW LEGISLATION

Federal Parliament passed the *National Security Legislation Amendment (Espionage and Foreign Interference) Act 2018* on 28 June 2018. This significant legislative reform was spearheaded by a taskforce within the Attorney-General's Department, which worked on the Bill for more than 11 months.

The Act tackles what Prime Minister Malcolm Turnbull described as 'unprecedented' threats of espionage and foreign interference. It modernises and expands the scope of some existing espionage, secrecy, treason and sabotage offences, and creates new foreign interference and economic espionage offences.

Melbourne-based Mathew Sinnett, Assistant Director Organised Crime and Counter-Terrorism, and Emma Jaber, Practice Group Coordinator Organised Crime and Counter-Terrorism, provided practical prosecutorial input on the new offences as they were created and refined. They responded to a wide range of requests for assistance from the Espionage and Foreign Interference Taskforce, often within very tight timeframes and while also maintaining their ongoing work.

'Many of the existing offences were old or had rarely been prosecuted, so we drew on our experience in prosecuting counter-terrorism and other federal offences to provide feedback from a prosecution perspective,' said Emma.

While the process was lengthy, Mathew noted that they developed a strong working relationship with their counterparts in the Attorney-General's Department. Emma commented that the process helped her better understand the work of department and the significant effort required to develop new legislation in a short timeframe.

The Secretary of the Attorney-General's Department, Chris Moraitis PSM, wrote to our Director, Sarah McNaughton SC, to thank her for the contribution the CDPP made in developing the new legislation. He said: 'It would not have been possible for the Taskforce to prepare the legislative reforms to espionage and foreign interference laws without the contribution of the CDPP.'

He specifically acknowledged the work of Emma and Mathew, saying ‘they provided essential insight from a prosecutorial perspective and assisted with the development of the criminal offences in the Bill, which will ensure that the offences are practical and workable in the future’.

He said their advice ‘was of a high quality and was always timely and responsive’, and that ‘their contribution to the Taskforce was highly valued’.

The Director also thanked Emma and Mathew, saying: ‘That is truly important work that you have both done. Thank you so much for representing the office with such wisdom and distinction ... you have brought great honour to the office.’



*It would not have been possible for the Taskforce to prepare the legislative reforms to espionage and foreign interference laws without the contribution of the CDPP.*

The Secretary of the Attorney-General’s Department

Image: Stock photo



## CHAPTER TWO



NATIONAL PRACTICE—  
HOW WE OPERATE

# ORGANISATION STRUCTURE

Our organisation is made up of specialist legal practice groups supported by our corporate services group. Together they form our national practice group model.

This model enables us to deliver a unified and nationally consistent federal prosecution service, which harnesses the expertise of our knowledgeable and professional staff and allows us to respond to the changing nature and complexity of criminal activity. It creates national consistency in our approach—we are agile, flexible and able to allocate staff to practice groups in response to partner agency referrals and changes to our budget or operating environment.

A priority for the Director and Executive Leadership Group is optimising the model to ensure it continues to evolve and deliver benefits, including improvements in our brief assessment timeframes, early resolution of matters, timely pre-brief advice, and effective investigative/prosecution outcomes.

## EXECUTIVE LEADERSHIP GROUP

The Executive Leadership Group is the key advisory group to the Director, offering a broad range of expertise and specialist knowledge. It is made up of the Director as Chair, the Commonwealth Solicitor for Public Prosecutions, the Chief Corporate Officer, and the Deputy Directors who lead our specialist legal practice groups:

- Sarah McNaughton SC, Commonwealth Director of Public Prosecutions
- Andrea Pavleka, Commonwealth Solicitor for Public Prosecutions
- David Adsett, Deputy Director, International Assistance and Specialist Agencies/National Business Improvement
- Scott Bruckard PSM, Deputy Director, Organised Crime and Counter-Terrorism
- James Carter, Deputy Director, Revenue and Benefits Fraud
- Mark de Crespigny, Deputy Director, Illegal Imports and Exports/Human Exploitation and Border Protection
- Berdj Tchakerian, Acting Deputy Director, Commercial, Financial and Corruption
- Simon A. Ash, Chief Corporate Officer.

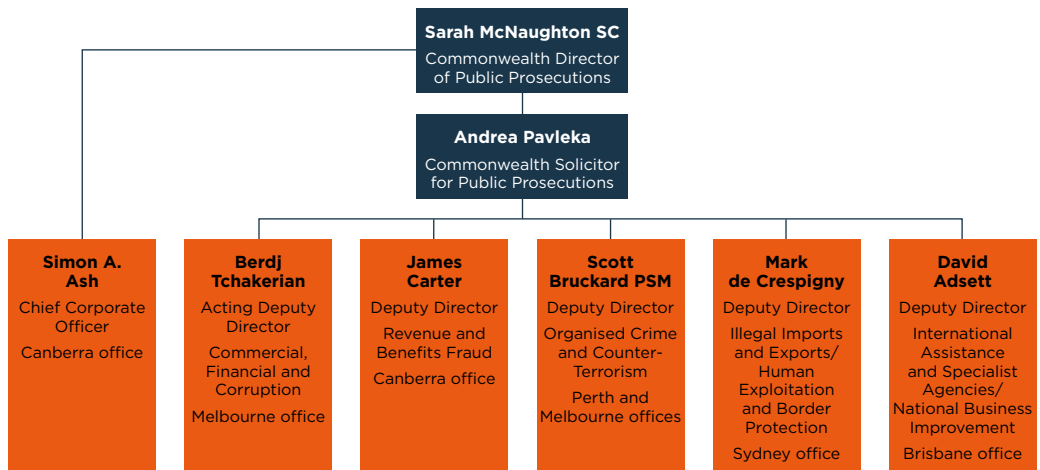




Left to right: David Adsett, James Carter, Scott Bruckard PSM, Sarah McNaughton SC, Andrea Pavleka, Berdj Tchakerian, Simon A. Ash, Mark de Crespigny.

The Commonwealth Solicitor for Public Prosecutions, the broader Executive Leadership Group, and all CDPP staff work together to support the Director in delivering Australia's federal prosecution service.

Figure 1: Organisation chart at 30 June 2018



## COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS, SARAH McNAUGHTON SC

On 5 May 2016, the former Attorney-General, Senator the Hon George Brandis QC, announced the appointment of Ms Sarah McNaughton SC as Commonwealth Director of Public Prosecutions for five years.

Ms McNaughton has 30 years' experience as a legal practitioner, having held a range of roles in private practice and with the CDPP. She has been a respected member of the New South Wales Bar since 1996 and was appointed Senior Counsel in 2011.

Ms McNaughton has appeared as both prosecution and defence counsel in complex criminal trials and has specialist expertise in offences related to taxation, corporate crime, drug importation and terrorism.

Ms McNaughton holds degrees in arts (Hons), law (Hons) and a Master of Laws from the University of Sydney.

## The role of the Director

Our legislative policy and framework establishes the role of our organisation and the statutory position of Director. Key elements include the:

- *Director of Public Prosecutions Act 1983* (DPP Act)
- *Public Governance, Performance and Accountability Act 2013* (PGPA Act)
- *Public Service Act 1999*
- *Prosecution Policy of the Commonwealth*.

The DPP Act established the Office of the Commonwealth Director of Public Prosecutions. It sets out the functions and powers of the Director including independent responsibility for carrying out prosecutions for offences against laws of the Commonwealth.

The Director delegates most of those functions or powers to CDPP staff. The Director and staff together constitute a statutory agency and the Director is the head of that statutory agency.

The Director also has a number of miscellaneous functions, including to:

- provide legal advice to Commonwealth investigators
- apply for superannuation forfeiture orders under Commonwealth law.

The Commonwealth Solicitor for Public Prosecutions takes a lead role in supporting the Director to fulfil her statutory obligations.

## **COMMONWEALTH SOLICITOR FOR PUBLIC PROSECUTIONS, ANDREA PAVLEKA**

In February 2017, the Director appointed Ms Andrea Pavleka as the *Commonwealth Solicitor for Public Prosecutions* for 18 months.

Ms Pavleka was previously Deputy Director of the Illegal Imports and Exports/Human Exploitation and Border Protection Practice Group.

Ms Pavleka joined the CDPP's Melbourne office 27 years ago. Before joining the Executive Leadership Group she was a member of the senior executive in the Melbourne office for more than 10 years, where she was Assistant Director for branches including general prosecutions (encompassing drug and fraud prosecutions), tax and people smuggling and organised crime and counter-terrorism. Prior to that, she was a Federal Prosecutor responsible for major criminal litigation, including some of our most complex and long-running trials.

Ms Pavleka holds a law degree from the Australian National University.

*See page 32 for more information about the role of the Commonwealth Solicitor for Public Prosecutions.*

## **DEPUTY DIRECTOR INTERNATIONAL ASSISTANCE AND SPECIALIST AGENCIES/ NATIONAL BUSINESS IMPROVEMENT, DAVID ADSETT**

Mr Adsett has been a Federal Prosecutor for more than 30 years. During his extensive legal career he has carried out prosecutions for a wide range of Commonwealth offending, including money laundering, tax fraud, commercial fraud, drug importation, people smuggling and terrorism.

He currently leads the National Business Improvement Practice Group, and also heads the International Assistance and Specialist Agencies Practice Group, overseeing specialist agency work and the international functions of extradition and mutual assistance.

Mr Adsett is a barrister and holds degrees in law and arts from the University of Queensland and a Master of Laws degree from the University of Sydney.

## **DEPUTY DIRECTOR ORGANISED CRIME AND COUNTER-TERRORISM, SCOTT BRUCKARD PSM**

Mr Bruckard leads the Organised Crime and Counter-Terrorism Practice Group and has national responsibility for prosecutions related to terrorism, large-scale drug and tobacco importation, firearms trafficking, money laundering, war crimes and national security. Mr Bruckard, who joined the CDPP in 1987, has managed this practice group and been a member of the CDPP senior executive since 2014.

Mr Bruckard is committed to improving law enforcement outcomes and developing better ways to manage large criminal litigation, particularly through early and more effective partnerships, and smarter use of technology. He has represented Australia at international conferences and forums, including at the United Nations in New York and a Global Counterterrorism Forum in Frankfurt.

In June 2016, Mr Bruckard was awarded a Public Service Medal (PSM) in recognition of his distinguished service to the law enforcement and justice community, after he spearheaded counter-terrorism prosecutions. He holds degrees in arts and law from the University of Melbourne.

## **DEPUTY DIRECTOR REVENUE AND BENEFITS FRAUD, JAMES CARTER**

Mr Carter commenced his legal career at the CDPP as a graduate legal officer in 1987. After prosecuting in the Australian Capital Territory and New South Wales he moved to national legal, liaison, law reform and practice management roles.

Mr Carter has extensive experience in Commonwealth criminal law and working with partner agencies to successfully investigate and prosecute the wide range of Commonwealth criminal offences. He has contributed to the work of the Australian Law Reform Commission, particularly in relation to sentencing federal offenders and to the development of Commonwealth criminal law.

The breadth of this experience has led to leading the Revenue and Benefits Fraud Practice Group. In this role he is responsible for prosecuting general tax, social security, internal and identity fraud cases nationally, to protect the integrity of Commonwealth programs.

Mr Carter has been a member of the senior executive of the CDPP since 2004 and a Deputy Director since 2007.

He holds degrees in law and arts from the Australian National University.

## **DEPUTY DIRECTOR ILLEGAL IMPORTS AND EXPORTS/ HUMAN EXPLOITATION AND BORDER PROTECTION, MARK DE CRESPIGNY**

Mr de Crespigny has national responsibility for a large variety of crime types, including general drug and precursor importation offences, money laundering, child exploitation offences, human trafficking, slavery and people smuggling.

He has had a long and distinguished career with the CDPP, having joined in 1989. He is currently based in our Sydney office but has previously worked in our Canberra and Adelaide offices. In addition to carrying out Commonwealth prosecutions across numerous crime types, Mr de Crespigny has provided national coordination for specific areas of practice and managing the CDPP's relationship with a variety of partner agencies.

Mr de Crespigny has been a member of the senior executive for more than 12 years, initially as the Assistant Director of our Legal Advice branch in Canberra and then playing an integral role in leading our Hobart and Canberra offices as part of the International Assistance and Specialist Agencies Practice Group, before taking on responsibility for the Illegal Imports And Exports Practice Group and the Human Exploitation And Border Protection Practice Group in 2017.

Mr de Crespigny holds degrees in law and commerce from the Australian National University.

## **ACTING DEPUTY DIRECTOR COMMERCIAL FINANCIAL AND CORRUPTION, BERDJ TCHAKERIAN**

Mr Tchakerian started his career at the CDPP as a legal officer in 1986 in the General Prosecutions branch, where he prosecuted a wide range of cases, including fraud and drug matters. He then moved to a management role and has held various local and national positions.

Mr Tchakerian was the CDPP representative on Project Wickenby, a whole-of-government taskforce focused on combatting tax fraud using off shore tax havens. He worked closely with partner agencies in this role for a number of years and contributed to the success of the taskforce.

Mr Tchakerian has been a member of the senior executive of the CDPP since 2000 and was a member of the senior executive in our Melbourne office for approximately 10 years, before starting his current role in late 2017.

He holds degrees in law and arts from Monash University.

## **CHIEF CORPORATE OFFICER, SIMON A. ASH**

Mr Ash has had a long and accomplished career in the Australian Public Service. As a senior economic adviser to two Prime Ministers, he was instrumental in preparing Commonwealth Budget and Financial Statements, and he has also been Chief Financial Officer of five Commonwealth agencies.

Mr Ash has extensive experience in leading corporate services. He has introduced innovative information and communications technology (ICT) solutions, automated purchasing and procurement systems, and assimilated all corporate functions following the merger of two departments.

He was a key participant in the Australian Government's movement to accrual budgeting in 1999 and the introduction of the *Financial Management and Accountability Act 1997*, and has provided extensive strategic policy and budgeting advice to the Expenditure Review Committee of Cabinet.

Mr Ash has been a member of the Senior Executive Service within the Australian Public Service for more than 20 years, and joined the CDPP in 2017.

He holds a degree in commerce and economics from the Australian National University.

# COMMONWEALTH SOLICITOR FOR PUBLIC PROSECUTIONS

The Commonwealth Solicitor for Public Prosecutions (CSPP) works with our legal practice groups and corporate services group to make sure we have the essential systems, processes, people and culture to fulfil our purpose and deliver on strategic themes.

The CSPP is committed to ensuring the CDPP is a contemporary and innovative legal practice that operates in a nationally consistent manner. The CSPP focuses on:

- ensuring CDPP staff have access to key legal resources and harness their combined knowledge and experiences in the most efficient way possible
- encouraging early and efficient preparation and management of cases, including appropriate digital solutions and engagement of counsel
- fostering a greater team-based approach to the way we manage our matters
- continuing our deep engagement with partner agencies when it comes to liaison, pre-brief advice and court work
- continuing to improve our service to partner agencies, including timeliness
- developing a strong culture and agile workforce by embracing more flexible ways of doing our work
- developing staff via diverse work experiences (within and outside our organisation) and ensuring access to relevant and high-quality training and education.

The CSPP leads the Legal Business Improvement branch. Elevating this function to the Commonwealth Solicitor has reinforced the Director's emphasis on transforming the CDPP, improving day-to-day operations of the legal practice, and achieving national consistency.

## LEGAL BUSINESS IMPROVEMENT BRANCH

The branch focuses on the many operational aspects of enabling, supporting and modernising a busy legal practice. Key activities include:

- developing and maintaining key resources, internal policies and guidelines relating to the legal practice
- maintaining and refreshing a list of experienced barristers appointed to the CDPP's External Counsel Panel
- maintaining resources integral to the work of partner agencies including various warrant manuals
- managing content and proactively communicating time-critical information to partner agencies through our secure Partner Agency Portal

- managing and developing a continuing legal education program for all prosecutors
- developing and maintaining induction resources for new prosecutors
- coordinating external advocacy training and technology training opportunities
- providing partner agencies and CDPP prosecutors with analysis of post-trial reports to identify systemic issues arising in investigations and prosecutions
- assisting external auditors
- helping to develop and implement the biennial Partner Agency Satisfaction Survey held in March 2018
- liaising and engaging with the Attorney-General's Department regarding law reform issues.

The branch also supports the Director by providing statistical briefing and specialist advice and support. Major projects and contributions for the branch this year are set out below.

## Sentencing Guide

In consultation with CDPP lawyers, the Legal Business Improvement branch oversaw the development of the Guide for the Sentencing of Federal Offenders, which was drafted by external counsel and completed in June 2018. The Guide is now available to CDPP lawyers and is also available on our website at [www.cdpp.gov.au](http://www.cdpp.gov.au). It assists legal practitioners, judicial officers and others who deal with the sentencing of federal offenders. This significant resource was launched in June 2018, along with the new National Legal Direction on the Role of the Prosecutor at a Sentencing Hearing.

These resources will help ensure a nationally consistent approach by CDPP staff in the complex area of federal sentencing.

## Practice management project

During the year, the Legal Business Improvement branch led a practice management project designed to improve the efficiency of our prosecution team leaders and Senior Executive Service managers. The focus was on helping managers use data and metrics, and improving the effectiveness of our meeting structure to more effectively cascade information through our organisation.

## Legal learning and professional development

The Legal Business Improvement branch incorporates the Legal Learning and Professional Development team. This team delivers a coordinated and structured education program designed to build the knowledge and skills of our Federal Prosecutors.

These programs and activities align with our strategic objective of investing in our people and our goals of:

- providing the skills to build the technical and digital capability for lawyers at all stages and levels
- delivering sustainable continuous improvement both as prosecutors and public servants
- instilling confidence so lawyers perform their work knowing they are supported
- reinforcing national consistency of approach in our prosecution work.

Embedding a learning culture through induction, comprehensive e-resources, on the job learning, and targeted activities and training programs is key to building and maintaining an agile, diverse, healthy and highly skilled legal workforce. It is also essential to attracting, managing, and retaining high performing legal staff, in order to provide a high-quality prosecution service.

Through our national programs and activities, we strive for a healthy and resilient legal workforce that is collaborative, innovative and diverse. We support our employees in their career pathways by building their capabilities and confidence to enable them to reach their full potential.

As part of our Legal Learning and Development program, in early 2018, the Legal Business Improvement branch took the lead in developing a series of five e-Learning modules authored by subject matter experts within the CDPP. The modules now form part of our national Federal Prosecutor induction package, removing the need for repeated 'in person' presentations on these topics to newly appointed prosecutors.

Our updated and refreshed Induction Guide, which incorporates the e-Learning modules, plans the first four weeks of a new lawyer's career with us and provides a comprehensive, contemporary and consistent approach to training our lawyers in those early weeks. The Legal Business Improvement branch is now identifying additional areas that might benefit from e-Learning modules.

During 2017–18, this branch also:

- delivered a software skills program for lawyers and administrative staff
- helped deliver a Continuous Legal Education program for lawyers on a diverse range of topics and in line with the legal training needs identified by staff
- developed a Subject Matter Expert Network for lawyers to readily access specialist technical skills, knowledge and experience in less common areas or aspects of our work
- worked with our new prosecutors on project-based initiatives, to help them quickly develop an understanding of our organisation.

## External Counsel Panel

One of the most significant stakeholders we partner with is the private bar—we engage counsel from the bar to appear and advise on some of our more complex cases.

In late 2016, the Legal Business Improvement branch established the External Junior Counsel Panel to help us select counsel for our cases. After considering applications from around Australia, 364 counsel were selected to establish a formal panel of advocates from the junior bar.

In early 2018 the panel was refreshed and additional appointments brought the list of counsel up to 491 nationally. In addition, there are approximately 50 silks we brief to carry out the most complex work.



Our panel approach has led to an increase in the number of junior counsel briefed, improving gender equity in our briefing practices<sup>1</sup> and creating a quick and easy application process for members seeking to work with the CDPP. Further, by having a panel that is reviewed every four years and refreshed every 12 months, we can ensure the advocates we brief have up-to-date and relevant experience to carry out prosecution work for us.

We also streamlined our internal processes for briefing counsel for national consistency, developing a national letter of engagement with standard terms and conditions for counsel and a template 'observations to counsel' document.

## External Counsel Survey

The Legal Business Improvement branch carried out an anonymous external counsel survey in February 2018, which sought candid feedback from counsel on our briefing practices and how we engage with them.

Overall the responses were extremely positive. The survey identified some areas for improvement that led to internal policy changes. These included reviewing counsels' pay rates biennially and improving our practices in calculating the amount of preparation needed in matters.

## PARTNER AGENCY SATISFACTION

Our biennial survey was introduced in 2015–16 to measure partner agency satisfaction with CDPP service delivery across a range of issues.

This year was the second time the survey has been carried out and we achieved an overall satisfaction rate of 87 per cent. The score was just short of our 90 per cent target, but represents a four per cent increase on 2016, which means we are making positive progress.

We achieved a statistically robust response rate of 49.5 per cent with 284 individuals taking part in the survey—up from 121 participants in 2015–16. Satisfaction is derived by a response of greater than 7 in a 10-point scale.

This level of engagement indicates that the survey provides a thorough and reliable snapshot of what our main partner agencies are thinking about critical issues such as our timeliness, and the quality of information we provide.

---

<sup>1</sup> In 2017 the CDPP adopted the National Model Gender Equitable Briefing Policy set out by the Law Council of Australia, and the Legal Business Improvement branch provides both internal and external reporting on gender diversity.

# 2017–18 PARTNER AGENCY SATISFACTION SURVEY HIGHLIGHTS



We achieved an overall satisfaction score of

87%



SATISFACTION



284

individuals participated in our survey

PARTICIPATION



A statistically robust response rate of

49.5%

RESPONSE



Satisfaction with overall services provided improved to

92%



SERVICE



All Practice Groups scored well in regard to legal representation before courts and tribunals

85%



LEGAL REPRESENTATION



Our responsiveness to requests relating to brief assessments improved to

74%



RESPONSIVENESS



74%

agreed they are 'sufficiently informed as a matter progresses through court'

**BRIEF ASSESSMENT**



70%

were satisfied with the training services we offer

↑4%

**TRAINING**



95%

agreed that seeking legal advice early assists investigators

**LEGAL ADVICE**



66%

agreed the information provided through the Partner Agency Portal was of high value

↑23%

**PARTNER AGENCY PORTAL**



82%

agreed that the CDPP effectively participates in inter-agency collaboration and interactions

↑5%

**COLLABORATION**



74%

agreed the CDPP contributes valuable specialist expertise to taskforces, joint agency operations

↑11%

**JOINT AGENCY OPERATIONS**

# NATIONAL PRACTICE GROUP MODEL

The volume, timing and complexity of incoming briefs of evidence cannot be predicted; our partner agencies work to keep the public safe, apprehending and charging offenders as crimes are committed and preparing briefs for assessment. This has a significant impact on our prosecution workload and our people. We must work diligently to meet our performance targets.

## OPTIMISING THE MODEL

By building the capability of our people within our practice groups and enabling them to develop their skills across crime types, we are able to respond effectively and meet these demands.

Since introducing this model in 2014, we have made only minor changes to the categories of crime prosecuted by our national practice groups. This has allowed prosecutors to specialise in a range of crime types for a period of time, while still having the flexibility to explore work in different jurisdictions and practice groups where opportunities and need arises.

The *Prosecution Policy of the Commonwealth* provides the framework for all our prosecutions. This means our prosecutors can move seamlessly from one practice group to another.

*See page 47 for more information about the prosecution work of each Practice Group.*

## PROSECUTION POLICY OF THE COMMONWEALTH

The *Prosecution Policy of the Commonwealth* applies to all Commonwealth prosecutions. It outlines the principles, factors and considerations our prosecutors must take into account in prosecuting offences against the laws of the Commonwealth.

This policy underpins and promotes consistency and efficiency, and guides decision making throughout the prosecution process for every matter, regardless of crime type or practice group.

## TWO-STAGE PROSECUTION TEST

The *Prosecution Policy of the Commonwealth* provides a two-stage test for all matters referred by partner agencies—there must be sufficient evidence to prosecute a case and prosecution must be in the public interest. Both criteria must be satisfied before a prosecution starts.



*Through our National Practice Group Model we have established a dynamic and agile prosecution service that can adapt and respond to the ever changing nature and complexity of matters referred by partner agencies.*

Andrea Pavleka, Commonwealth Solicitor for Public Prosecutions

Figure 2: Two-stage test for all prosecution matters



To determine if there is sufficient evidence to prosecute a case, we must be satisfied that there is *prima facie* evidence of the elements of the offence, and a reasonable prospect of obtaining a conviction.

In making this decision, our prosecutors must evaluate how strong the case is likely to be when presented in court. They must take into account matters such as the availability, competence and credibility of witnesses, their likely effect on the arbiter of fact (magistrate or jury), and the admissibility of any alleged confession or other evidence. Our prosecutors also consider any lines of defence open to the alleged offender and any other factors that could affect the likelihood of a conviction.

In addition, our prosecutors consider if any evidence might be excluded by a court. If that evidence is crucial to the case, this may substantially affect the decision whether or not to prosecute. Our prosecutors need to look beneath the surface of the evidence in a matter, particularly in borderline cases.

Once satisfied there is sufficient evidence to justify starting or continuing with a prosecution, our prosecutors then consider whether pursuing a prosecution is in the public interest. This involves assessing all provable facts and surrounding circumstances.

Public interest factors vary from case-to-case and may include:

- whether the offence is serious or trivial
- mitigating or aggravating circumstances
- the youth, age, intelligence, physical health, mental health or special vulnerability of the alleged offender, witness or victim
- the alleged offender's criminal history and background
- the passage of time since the alleged offence
- the availability and efficacy of any alternatives to prosecution
- the prevalence of the alleged offence and the need for general and personal deterrence
- the attitude of the victim
- the need to apply regulatory or punitive imperatives
- the likely outcome in the event of a finding of guilt.

A non-exhaustive list of relevant factors is contained in the *Prosecution Policy of the Commonwealth*.

The decision to prosecute must be made impartially and must not be influenced by any inappropriate reference to race, religion, sex, national origin or political association. The decision to prosecute must not be influenced by any political advantage or disadvantage to the government.

The policy is available on our website at [www.cdpp.gov.au](http://www.cdpp.gov.au).

## COMPLIANCE WITH THE PROSECUTION TEST

Since 1 November 2015, our prosecutors have certified compliance in addressing the two-stage test for prosecutions in the *Prosecution Policy of the Commonwealth* by completing a Prosecution Policy Declaration.

Since introducing this performance metric, we have achieved 100 per cent compliance.

Initially, compliance was measured at the brief assessment and indictment signing stages of the prosecution process, based on a sampling of cases and certification by the relevant case officer or supervisor. From June 2017, we extended the performance metric to apply to all our practice, including partner agency arrests, indictable matters at post-committal stage, and breach matters. These declarations are entered electronically into our case recording and information management system, CRIMS.

This has been an important initiative to confirm and capture evidence that the *Prosecution Policy of the Commonwealth* has been addressed, and specifically whether there is a *prima facie* case, reasonable prospects of a conviction, and whether a prosecution is in the public interest at each stage of the prosecution process.

See page 108 for more information about our performance metrics and results.

## WORKING WITH PARTNER AGENCIES

The formation of our national practice groups has provided new opportunities to collaborate with, and support, partner agencies. We now engage with them earlier and more frequently, and work together to consider strategic issues and how our prosecution services can advance our partner agencies' enforcement strategies.

Our practice group model also encourages consistent liaison and coordination arrangements, including proactively identifying and addressing common or systemic issues, providing pre-brief advice, and other prosecution services.

We have formalised our prosecution service offering by establishing guidance for prosecutors to inform their dealings with partner agencies and stakeholders nationally.

As a result, our effective investigation–prosecution partnerships result in well-targeted prosecutions that:

- help partner agencies meet their enforcement and regulatory objectives
- build public confidence in Commonwealth law enforcement and regulatory frameworks.

The insights gained from working effectively with, though independent from, partner agencies continually shape our prosecution services, ensuring improvements to keep pace with changing processes and procedures.

# PROSECUTION SERVICES FOR PARTNER AGENCIES



## Liaison

Our national liaison activities strengthen the relationship between partners and the CDDP, leading to better outcomes. Liaison occurs through coordinated meetings, supported by a network of dedicated liaison officers, and timely inter-agency working groups or conferences. Our National Legal Direction on Prosecution Services for Partner Agencies and memoranda of understanding with a range of partner agencies also guide how we liaise with partners.



## Pre-brief advice

Providing pre-brief advice helps strengthen our investigation–prosecution partnerships to assist partner agencies to meet their law enforcement objectives, while enabling us to deliver effective prosecution outcomes. Pre-brief advice is available to all partner agencies when matters are sensitive, significant and complex, or of particular importance to a partner agency's enforcement strategy.



## Brief assessments

Brief assessments are a fundamental part of the prosecution services we provide to partner agencies. Each brief assessment is an opportunity for us to provide feedback that assists prosecutors and investigators to identify areas for ongoing improvement.



## Prosecutions—summary prosecutions, bail committals, trials and appeals

Our engagement with partner agencies varies during the court phase of the prosecution process. We aim to provide regular and timely updates on progress and, where further enquiries are required, consult with the informant on all critical decisions throughout the court process, deal with victims, in conjunction with the informant, and in accordance with our *Victims of Crime Policy*.



## Partner Agency Portal—online resources

We provide a range of resources relevant to the investigation process through this dedicated and secure portal. The portal provides agencies with guidelines for dealing with us, e-brief referral guidelines, offence guides and manuals relating to search warrants, telephone intercepts and surveillance devices.





## Case reviews

We offer partner agencies a range of reports after matters conclude in court, including prosecution reports for matters that proceed to court, post-trial reports following trials in intermediate and superior courts, and case reviews, provided through face-to-face meetings to review all aspects of a matter.



## Training

We work collaboratively with partner agencies to deliver training to investigators on a range of topics to improve our role in the justice system.



## Secondments

These placements allow us to better understand the enforcement objectives of the host agency, its operating environment and internal processes, while providing partner agencies with ongoing access to tailored advice for specific matters, processes or systemic issues.



## Commonwealth Sentencing Database

The Commonwealth Sentencing Database is a joint project with the National Judicial College of Australia and the Judicial Commission of New South Wales. It provides judicial officers and other users with rapid and easy access to information about sentencing for federal offences, to assist with their sentencing decisions.



## Ensuring proper disclosure

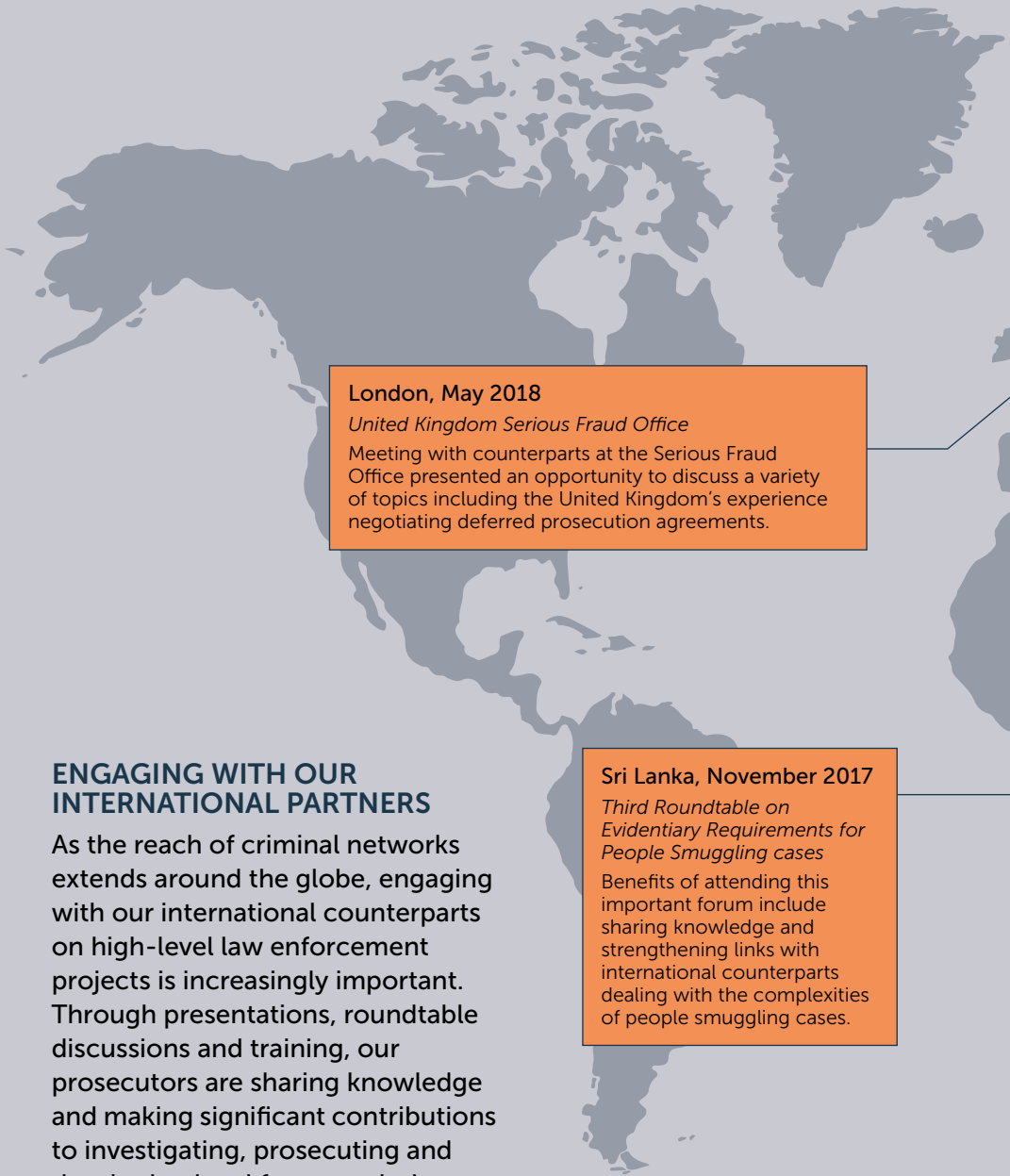
An important and ongoing issue is ensuring proper disclosure in prosecutions. Our Statement on Disclosure in Prosecutions Conducted by the Commonwealth supports clear understanding and compliance with our very important disclosure obligations in every case.



## Digital Referrals Gateway

This secure online platform enables the submission of electronic briefs in line with the e-brief Referral Guidelines. The gateway has been tried and tested by select partner agencies before being introduced to all partner agencies from July 2018.

## INTERNATIONAL ENGAGEMENT HIGHLIGHTS



### London, May 2018

*United Kingdom Serious Fraud Office*

Meeting with counterparts at the Serious Fraud Office presented an opportunity to discuss a variety of topics including the United Kingdom's experience negotiating deferred prosecution agreements.

### ENGAGING WITH OUR INTERNATIONAL PARTNERS

As the reach of criminal networks extends around the globe, engaging with our international counterparts on high-level law enforcement projects is increasingly important. Through presentations, roundtable discussions and training, our prosecutors are sharing knowledge and making significant contributions to investigating, prosecuting and developing legal frameworks in our region and beyond.

### Sri Lanka, November 2017

*Third Roundtable on  
Evidentiary Requirements for  
People Smuggling cases*

Benefits of attending this important forum include sharing knowledge and strengthening links with international counterparts dealing with the complexities of people smuggling cases.

**London, May 2018**

*International Foreign Bribery Taskforce (IFBT)*

The IFBT enables like-minded countries to work collaboratively to strengthen investigations into foreign bribery crimes, and support the Organisation for Economic Co-operation and Development and United Nations anti-bribery conventions.

**Vienna, Austria, February 2018**

*Group meeting of United Nations Office on Drugs and Crime and Counter-Terrorism Executive Directorate*

This meeting was aimed at developing a practical guide for obtaining electronic evidence from communications service providers in foreign jurisdictions.

**Semarang, Indonesia, April 2018**

*Jakarta Centre for Law Enforcement Co-operation*

The conference, organised by the Australian Department of Home Affairs and the Indonesian Attorney General's Office, examined issues that arise when collecting and using electronic evidence in counter-terrorism investigations and prosecutions.

**China, January 2018**

*Second Financial Action taskforce/Asia-Pacific Group/Eurasian Group Workshop for Judges and Prosecutors*

The conference focused on money laundering, criminal assets confiscation, and terrorism financing.

**Tonga, June 2018**

*Pacific Island Law Officers Network Cybercrime Workshop*

Combating online child abuse was the focus of this important workshop hosted by the Pacific Island Law Officers' Network. The CDPP prosecutor attending delivered a presentation on advocacy and presenting child abuse material to the court.

**Sri Lanka, April 2018**

*Australia Police Pairing Program*

At this forum, we shared information about our Witness Assistance Service, *Victims of Crime Policy* and a case study related to Vulnerable Witness Protection and People Smuggling Prosecutions in Australia.

**Bangkok, Thailand, January 2018**

*13th Regional Workshop for Judges, Prosecutors and Police Officers in South Asia on Effectively Countering Terrorism*

The theme of the workshop was 'Engaging Communities and Criminal Justice Officials in Developing Joint Strategies to Counter Violent Extremism and Incitement'.

**Sydney, Canberra, Australia, November 2017**

*United States Department of Justice*

Counter-terrorism matters, and streamlining the mutual assistance process for requests made to the United States, was the focus of a workshops held with our United States counterparts, including members of the Federal Bureau of Investigation.



## CHAPTER THREE



NATIONAL PRACTICE  
GROUPS



Commercial,  
Financial and  
Corruption



International  
Assistance and  
Specialist Agencies



Human  
Exploitation and  
Border Protection



Illegal Imports  
and Exports



Organised  
Crime and  
Counter-Terrorism



Revenue and  
Benefits Fraud

## OUR PROSECUTION SERVICES IN PRACTICE

Our national practice groups work individually and collectively to achieve our purpose: to provide an independent prosecution service that contributes to the respect and maintenance of Commonwealth law and public respect in the justice system through the prosecution of crimes.

While our practice groups focus on different categories of crime, a common approach underpins all efforts:

- the *Prosecution Policy of the Commonwealth* guides decisions
- proactive liaison activities strengthen partner agency relationships
- referrals, while unpredictable in their complexity and volume, are assessed within set timeframes
- action plans focus efforts on achieving our outcome, as defined annually in our corporate plan.

The unwavering commitment of our people enables us to meet our prosecution targets year-on-year. The diversity and complexity of our prosecution work is demonstrated in each practice group profile.

Together, our practice groups deliver Australia's federal prosecution service.

# COMMERCIAL, FINANCIAL AND CORRUPTION PRACTICE GROUP



Acting Deputy Director: Berdj Tchakerian

## MATTERS MANAGED

- » Complex tax fraud, often with an international dimension
- » Fraud by company directors and employees, and other breaches of company directors' duties
- » *Corporations Act 2001* offences, including insider trading, market manipulation, insolvent trading, and publishing false or misleading information about company affairs
- » Offences involving financial services or consumer credit, such as operating unregistered managed investments schemes and breaches of relevant licensing requirements
- » Bribery of foreign public officials and corruption involving Commonwealth officials
- » Serious cartel offences, for example where businesses agree with their competitors to fix prices, rig tenders, share markets for goods or services, or restrict outputs
- » Money laundering linked to financial crime



## TOP REFERRING AGENCIES

In 2017–18 the top referring agencies to this practice group were:



AUSTRALIAN  
SECURITIES AND  
INVESTMENTS  
COMMISSION



AUSTRALIAN  
FEDERAL  
POLICE



AUSTRALIAN  
COMPETITION  
AND CONSUMER  
COMMISSION



AUSTRALIAN  
TAXATION  
OFFICE

## REFERRALS

Referrals during  
2017–18

139

Matters on hand  
as at 30 June 2018

257

## THE ROLE OF THE COMMERCIAL, FINANCIAL AND CORRUPTION PRACTICE GROUP

**The Commercial, Financial and Corruption Practice Group prosecutes serious financial crimes with a focus on offences involving corporations, financial markets and services, large-scale tax fraud, and bribery and corruption of Commonwealth and foreign officials.**

These white collar crimes are typically complex and difficult to detect and investigate, and prosecutions are often hard-fought by well-resourced defendants. The Issakidis case study on page 54 is an example of how protracted these prosecutions can be.

In March 2018, Shane Kirne announced his retirement after a career spanning over 30 years with the CDPP, the last four years as head of the Commercial, Financial and Corruption Practice Group. The group is currently led by Acting Deputy Director Berdj Tchakerian.

### TRENDS IN 2017–18 PROSECUTIONS

Most referrals to the Commercial, Financial and Corruption Practice Group came from the Australian Securities and Investments Commission (64 per cent), followed by the Australian Federal Police (16 per cent) and the Australian Competition and Consumer Commission (14 per cent).

Referrals relating to cartel offences from the Australian Competition and Consumer Commission increased significantly in 2017–18.

Last year we reported on Australia's first prosecution for cartel offences. It related to market sharing agreements in the international motor vehicle shipping industry. Another company, Kawasaki Kisen Kaisha Ltd subsequently pleaded guilty to giving effect to those agreements. That matter will be finalised in the Federal Court later in 2018.

Charges have been also initiated against an Australian company, its director and a former employee relating to alleged bid rigging and price fixing in the course of government tenders to supply 'assistive technology' products used in hospitals, rehabilitation and aged care facilities.

In addition, charges have been initiated against three banks and six of their senior executives involving alleged cartel arrangements relating to trading in another bank's shares following a large institutional share placement in August 2015.

Foreign bribery prosecutions continued to be a focus in 2017–18, including the prosecution of Mamdouh Elomar, Ibrahim Elomar and John Jousif detailed on page 55.



In May 2018, Clifford Gerathy pleaded guilty to false accounting for his role in concealing the true nature of a payment made to a Malaysian agent, who had been engaged by Securrency International Pty Ltd and Note Printing Australia Pty Ltd to facilitate a business selling polymer banknotes. On 1 June 2018, Gerathy was sentenced in the Supreme Court of Victoria to three months' imprisonment, wholly suspended for six months.

A large company is facing two charges of conspiracy to bribe foreign public officials. The charges relate to alleged payments made to officials in the Philippines and Vietnam to obtain work on various infrastructure programs. Six of the company's employees have also been charged for their roles in one or both of the alleged conspiracies. These prosecutions are ongoing.

We are also continuing to prosecute cases arising from Project Wickenby—a multi-agency operation to combat international tax evasion. Although Project Wickenby ended on 30 June 2015, eight cases remained before the courts in 2017–18.

See page 54 for more details about a Project Wickenby prosecution.

## PROSECUTION SERVICES

We continue to play an active role in providing pre-brief advice to our partner agencies, including legal advice during active investigations.

We meet our partner agencies on a regular basis at both national and regional levels and regularly collaborate to deliver training and, increasingly, in law reform initiatives. In November 2017, we hosted a foreign bribery workshop attended by approximately 25 Australian Federal Police investigators and lawyers, as well

as members of the Australian Securities and Investments Commission and the Australian Taxation Office.

We also held regional joint workshops with the Australian Securities and Investments Commission in Sydney and Brisbane.

We continued to work as an active member of the Serious Financial Crime Taskforce, which was established after Project Wickenby ended in 2015. The focus of the taskforce is to investigate offshore tax evasion, the fraudulent use of trust structures and superannuation funds, phoenix fraud and fraudulent gold bullion schemes.

## LEGISLATIVE REFORM

This year, our Commercial, Financial and Corruption Practice Group was consulted on a number of proposed legislative reforms. The most significant was the Crimes Legislation Amendment (Combatting Corporate Crime) Bill 2017, which was introduced into Parliament in December 2017 (but at the time of writing had not yet been passed).

The Bill amends the existing offence of bribing a foreign public official with the aim of removing undue impediments to successful investigation and prosecution of foreign bribery offending. It also introduces a new offence of failing to prevent foreign bribery.

Significantly to our practice, the Bill also introduces a Deferred Prosecution Agreement scheme, enabling us to enter into an agreement with a company that is alleged to have committed offences against specified provisions of the *Criminal Code*, *Corporations Act 2001* and other legislation.

A Deferred Prosecution Agreement would typically require the company to pay a financial penalty, improve its compliance practices, disgorge any financial benefits from the offences, and cooperate in investigating and prosecuting any co-offenders. Provided the company complies with the terms of the Deferred Prosecution Agreement, no prosecution is instigated.

The Commercial, Financial and Corruption Practice Group worked closely with the Attorney-General's Department and other agencies developing the Bill, and we are continuing to collaborate to prepare guidance material and a Code of Practice to underpin its operation.

Our former Practice Group Leader Shane Kirne was a member of a panel leading the government taskforce reviewing the Australian Securities and Investments Commission's enforcement regime. The panel was chaired by the Treasury and included senior representatives of the Australian Securities and Investments Commission and the Attorney-General's Department, as well as the CDPP. The panel submitted its report to the Government in December 2017, recommending reforms to improve the Australian Securities and Investments Commission's regulatory and enforcement regime, all of which have been accepted (or accepted in principle) by the Government.

## STAKEHOLDER ENGAGEMENT

The Organisation for Economic Co-operation and Development (OECD) Working Group on Bribery monitors implementation and enforcement of the OECD Anti-Bribery Convention.

In July 2017, lawyers from the Commercial, Financial and Corruption Practice Group took part in the Working Group's onsite evaluation of Australia's compliance with the Convention. In the following months, we worked with the Attorney-General's Department and the Australian Federal Police to provide additional information to help the Working Group compile its report, which was delivered in December 2017. The report noted a marked increase in Australia's enforcement of foreign bribery laws, and highlighted recent reforms to the Australian Federal Police and the CDPP that had contributed to that result.

An earlier OECD report had recommended implementing measures to encourage self-reporting of foreign bribery. Work on that measure came to fruition with the publication in December 2017 of the *AFP-CDPP Best Practice Guideline on self-reporting of foreign bribery by corporations*.

The guideline aims to encourage companies to self-report foreign bribery, and was produced in response to a call by companies for information about how a self-report would be handled by the Australian Federal Police and the CDPP. It describes the public interest factors we will take into account in deciding whether or not to prosecute a corporation that self-reports suspected foreign bribery (and related offences) and, if a prosecution is started, describes how the self-report may be taken into account by a court when sentencing the corporation.

Foreign bribery and Deferred Prosecution Agreements have been a focus of stakeholder engagement, with Commercial, Financial and Corruption Practice Group lawyers speaking on those topics at forums convened by the Australian network of the United Nations Global Compact and by private law firms.

## INTERNATIONAL ENGAGEMENTS

In May 2018, a CDPP lawyer attended the annual meeting of the International Foreign Bribery Taskforce (IFBT) in London with representatives of law enforcement agencies from Australia, the United States, the United Kingdom and Canada. The IFBT enables like-minded countries to work collaboratively to strengthen investigations into foreign bribery crimes, and support the OECD and United Nations anti-bribery conventions. It is an acknowledgement by law enforcement of the cross-jurisdictional nature of this crime type.

The IFBT seeks to ensure that law enforcement in the United States, Canada, Australia and the United Kingdom is in a much better position to investigate and bring to justice those responsible for crimes that are causing serious economic, social and personal harm in countries located thousands of kilometres apart.

While in London, the CDPP lawyer also had the opportunity to meet representatives of the United Kingdom Serious Fraud Office to discuss various issues, including their experience with negotiating deferred prosecution agreements.



# CASE STUDY

## ISSAKIDIS JAILED AFTER SIX-YEAR COURT CASE

On 29 March 2018, 67-year-old Michael Issakidis was sentenced to 10 years and three months' jail in the Supreme Court of New South Wales, for his role in a \$135 million tax fraud and money laundering case, the largest ever successfully prosecuted in Australia.

Michael Issakidis and his co-accused Anthony Dickson masterminded a corporate tax scam that netted them more than \$63 million.

Dickson, who in 2015 was sentenced to 11 years' jail, later had his sentence increased to 14 years on appeal. It marked the longest ever jail time for a tax fraud and money laundering matter. The significant sentences handed down to both Issakidis and Dickson brought an end to a six-year court case and fraud investigation.

Issakidis and Dickson were directors of a company called Neumedix Health Australasia Pty Ltd. This company purportedly purchased and invested in medical technologies from a Cayman Islands company known as Athena, with the funds partly provided by a Samoan financier. The technologies were valued by a supposedly independent valuer.

The court found, however, that all of these entities were set up and controlled by Dickson and Issakidis. The inflated valuations of the technologies then allowed the pair to claim massive tax deductions based on the depreciation of their value over time.

The pair created a web of false identities and siphoned money through the United Kingdom, Hong Kong and the United Arab Emirates via fake domestic and international companies before the money came back to them—often disguised as loans—to fund their lavish lifestyles, which included luxury cars, boats, properties, jewellery, and a shopping centre in Queensland.

These proceeds of crime were seized by police after the two were arrested in April 2012.

Details of this case are on our website at [www.cdpp.gov.au](http://www.cdpp.gov.au)

*This matter was investigated by the Australian Taxation Office and the Australian Federal Police as part of Project Wickenby.*

# CASE STUDY

## OPERATION BLARE

**On 27 September 2017, John Jousif, Ibrahim Elomar and Mamdouh Elomar were sentenced in the Supreme Court of New South Wales for conspiring to bribe a foreign public official.**

Ibrahim Elomar and Mamdouh Elomar were directors and equal shareholders of Lifese Pty Ltd (Lifese), an Australian-based engineering company involved in construction and infrastructure projects in Australia and overseas.

Between 7 July 2014 and 20 February 2015, the three offenders (along with an Iraqi based co-conspirator) agreed that money would be used to bribe Iraqi government officials within either the Ministry of Industry Minerals and/or Al Rasheed (a state-owned company) who were involved in approving and/or executing Iraqi government project work.

The project work was estimated to be worth approximately \$450 million, and the conspirators intended that the payments would result in Lifese being awarded contracts to perform the project work. To this end, Ibrahim Elomar and Mamdouh Elomar authorised John Jousif to remit at least \$1,035,000 to the Iraqi based co-conspirator between 3–4 September 2014.

In sentencing the offenders, the court accepted that general deterrence was of 'paramount importance' and there was a need to ensure an element of denunciation so 'Australians who carry on business overseas appreciate that bribery of foreign officials is as serious and as criminal as bribery of local officials, and can never be excused, much less justified, on the basis of a business imperative'.

The Court imposed the following sentences:

- John Jousif—four years' imprisonment with a minimum non-parole period of two years
- Ibrahim Elomar—four years' imprisonment with a minimum non-parole period of two years and \$250,000 fine
- Mamdouh Elomar—four years' imprisonment with a minimum non-parole period of two years and \$250,000 fine.

In imposing fines on Ibrahim Elomar and Mamdouh Elomar, the Court expressed the need that 'the units of punishment' be expressed in 'both time and money' given they committed the crime for financial reasons.

The successful prosecution of these complex matters saw the CDPP work closely with Australian Federal Police officers on many challenging and difficult issues.

Ibrahim Elomar and Mamdouh Elomar have appealed the severity of their sentences.

*This matter was investigated and referred by the Australian Federal Police.*



# INTERNATIONAL ASSISTANCE AND SPECIALIST AGENCIES PRACTICE GROUP

Deputy Director: David Adsett

## MATTERS MANAGED

- » Administration of justice offences
- » Aviation compliance
- » Bankruptcy
- » Building and construction industry
- » Census offences
- » Crimes at sea
- » Defence
- » Education and training compliance
- » Electoral offences
- » Environment
- » Extradition and mutual assistance
- » Family day care fraud
- » Fisheries
- » Indigenous corporations
- » Industrial chemicals
- » Intellectual property
- » Marine safety
- » Offences against Commonwealth officials and property
- » Radiocommunications
- » Royal Commissions Act offences
- » Secrecy and browsing offences
- » Specific regulatory offences
- » Therapeutic goods
- » Tobacco advertising
- » Work, health and safety compliance

## TOP REFERRING AGENCIES

In 2017–18 the top referring agencies to this practice group were:



AUSTRALIAN FEDERAL POLICE



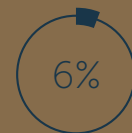
AUSTRALIAN FINANCIAL SECURITY AUTHORITY



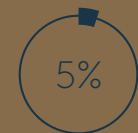
GREAT BARRIER REEF MARINE PARK AUTHORITY



AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY



AUSTRALIAN BUREAU OF STATISTICS



AUSTRALIAN ELECTORAL COMMISSION

## REFERRALS

Referrals during 2017–18

528

Matters on hand as at 30 June 2018

370

## THE ROLE OF THE INTERNATIONAL ASSISTANCE AND SPECIALIST AGENCIES PRACTICE GROUP

The International Assistance and Specialist Agencies Practice Group is responsible for international assistance, including extradition and mutual assistance, and prosecuting matters referred by specialist agencies. It also coordinates our proceeds of crime functions, and manages our obligations under the *Freedom of Information Act 1982* and *Privacy Act 1988*.

### TRENDS IN 2017–18 PROSECUTIONS

#### Fighting serious non-compliance in the family day care sector

During 2017–18, the International Assistance and Specialist Agencies Practice Group started building its capability and resources to support the multi-agency Family Day Care Integrity Surge Initiative led by key partner, the Department of Education and Training.

We entered into a Memorandum of Understanding with the Department of Education and Training, which outlines our responsibilities in ensuring the efficient prosecution of family day care service operators, educators and parents who engage in collusive fraud.

During the year, the practice group:

- established a Family Day Care Focus Group to identify and consider emerging strategic issues relevant to the prosecution of these matters—this focus group is the key advisory group responsible for advancing a nationally consistent approach to the assessment and prosecution of family day care referrals within the CDPP
- engaged in a secondment with the Department of Education and Training—a CDPP Senior Federal Prosecutor has been supporting the needs of the department, upskilling investigators, and facilitating the provision of quality briefs to the CDPP.

In February 2018, the CDPP was invited to sit on the Family Day Care Payment Integrity Inter-Departmental Committee (IDC). This enables us to engage strategically with a number of Australian Government agencies to:

- pursue joint initiatives
- enhance collaboration
- facilitate the exchange of intelligence.

## Failure to vote in a federal election

By mutual arrangement with the CDPP, the Australian Electoral Commission carries out prosecutions for non-contested failure to vote matters.

During 2017–18, in relation to non-voter matters arising from the 2016 federal election, the Australian Electoral Commission finalised a further 631 cases. Of these cases:

- 37 were discontinued
- 90 summons were unable to be served
- 467 were proven and resulted in a conviction
- 34 were proven but did not result in a conviction
- three were proven and dismissed.

A further 25 cases were referred to the CDPP during the reporting period.

## An independent prosecution service for Norfolk Island

An independent, quality prosecution service is critical to building confidence in the Norfolk Island justice system. During 2017–18, we partnered with the Department of Infrastructure, Regional

Development and Cities to deliver prosecution services to Norfolk Island.

Starting on 5 August 2017, we assumed responsibility for prosecuting Norfolk Island matters by way of amendments made to the *Director of Public Prosecutions Regulations*. A combination of Commonwealth laws, continued Norfolk Island laws and applied New South Wales laws apply on Norfolk Island. We appear via video link and regularly send prosecutors to appear on the island.

During the reporting period, we completed 34 Norfolk Island matters. We also assisted the Norfolk Island Police Force in applications for domestic violence orders and liquor prohibition orders.

The work included advising the Department of Infrastructure, Regional Development and Cities on legislative reform of criminal laws applicable on Norfolk Island.

On 23 May 2018, amendments to the *Director of Public Prosecutions Act 1983* completed the changes required to extend the functions, powers and duties of the CDPP to the laws of Norfolk Island.

## Jervis Bay Territory

The International Assistance and Specialist Agencies Practice Group is responsible for prosecuting matters in the Jervis Bay Territory. Matters prosecuted tend to primarily involve driving offences, assault, family violence and theft.

The Jervis Bay workload increased significantly this year, with a total of 28 matters finalised before the Jervis Bay court.



## PROSECUTION SERVICES

### Working with specialist agencies

Specialist agencies refer matters relating to a diverse range of Commonwealth criminal laws. Much of this work is specialised and compliance-focused.

To respond efficiently, the International Assistance and Specialist Agencies Practice Group has established a Centralised Referral Model. It operates through specialist prosecutors based primarily in our Canberra and Hobart offices, each with expertise in specific areas. Supported by the national practice model, these matters are processed centrally but prosecuted in all jurisdictions throughout Australia.

Our practice group's partners have important regulatory and compliance activities and include:

- Australian Building and Construction Commission
- Australian Bureau of Statistics
- Australian Commission for Law Enforcement Integrity
- Australian Communications and Media Authority
- Australian Criminal Intelligence Commission
- Australian Electoral Commission
- Australian Fisheries Management Authority
- Australian Federal Police and state and territory police
- Australian Financial Security Authority
- Australian Maritime Safety Authority
- Australian Pesticides and Veterinary Medicines Authority
- Australian Skills Quality Authority
- Australian Small Business and Family Enterprise Ombudsman
- Civil Aviation Safety Authority
- Clean Energy Regulator
- Comcare
- Department of Defence
- Department of Education and Training
- Department of the Environment and Energy
- Department of Health
- Department of Industry, Innovation and Science
- Department of Infrastructure, Regional Development and Cities
- Department of Jobs and Small Business
- Director of National Parks
- Fair Work Ombudsman
- Foreign Investment Review Board
- Great Barrier Reef Marine Park Authority
- Murray Darling Basin Authority
- National Measurement Institute
- National Offshore Petroleum Safety and Environmental Management Authority
- Office of the Australian Information Commissioner
- Office of the Director of Military Prosecutions
- Office of the National Data Commissioner
- Office of the Registrar of Indigenous Corporations
- Sydney Harbour Federation Trust
- Tertiary Education Quality and Standards Agency
- Therapeutic Goods Administration (within the Department of Health)
- Wine Australia.

## **Liaison—building relationships with partner agencies**

Engaging proactively and effectively with our specialist partner agencies is a key strategic theme for our International Assistance and Specialist Agencies Practice Group. Our strategy is to:

- enhance our liaison relationship with specialist agencies
- foster expertise dealing with their referrals
- work efficiently and effectively with our partners
- assist these agencies to achieve their strategic objectives.

During the reporting period, the practice group held more than 30 national liaison meetings with our key partners. This was supplemented by case-based communications, training opportunities, workshops, field trips and secondments.

We also trialled regular fortnightly liaison meetings with the Australian Financial Security Authority and the Office of the Registrar of Indigenous Corporations. The trials have been successful in establishing an open dialogue between the CDPP and our major partners, enabling key issues to be identified at an early stage. We are considering setting up similar schedules with other key agencies on an agency-by-agency basis.

## **Second Annual Bankruptcy Workshop**

Building on the success of our inaugural workshop held in 2017, the CDPP and Australian Financial Security Authority held our second joint annual workshop on 17 May 2018 to discuss key issues impacting the practice group's bankruptcy practice.

The forum provided a valuable opportunity for investigators and prosecutors to share knowledge and discuss lessons learnt.

## **Support for international capacity building and Australian Federal Police liaison officers**

Based on our expertise and practical experience in prosecuting, the International Assistance team within our practice group contributes to legal capacity programs internationally, particularly within the Asia-Pacific region. This helps to strengthen effective investigation and prosecution of criminal activities such as people smuggling, human trafficking, terrorism, and cybercrime. This contribution is also significant in building international and regional relationships.

During the year, the International Assistance team continued to provide support to Australian Federal Police International Liaison Officers, providing training on the admissibility of foreign evidence as part of their pre-embarkation program.

## **INTERNATIONAL ASSISTANCE A VITAL TOOL IN PROSECUTION OF TRANSNATIONAL CRIME**

International assistance, which includes extradition and mutual assistance, is vital for the effective investigation and prosecution of serious offences such as terrorism, people smuggling, drug trafficking, sexual servitude, bribery of foreign officials, money laundering and offences relating to child exploitation and abuse material.

Increasingly, we seek cooperation from countries to assist in prosecuting transnational crime and to apprehend and extradite fugitives. The primary responsibility for these areas rests with the Attorney-General's Department, Australia's central authority for mutual assistance in criminal matters and extradition, and we play an important part in assisting with requests.

## **MUTUAL ASSISTANCE UNDERPINS INTERNATIONAL COOPERATION FRAMEWORK**

Mutual assistance is a formal process countries use to assist each other to investigate and prosecute criminal offences and recover the proceeds of crime.

The formal mutual assistance regime runs parallel with the less formal system of international cooperation between investigating agencies, known as 'agency-to-agency' assistance. Formal mutual assistance channels are most commonly used when the request for assistance involves the use of coercive powers or when the material requested is required in a form that is admissible in criminal proceedings.

The mutual assistance regime rests on a network of international relations and obligations together with the willingness of participating countries to provide assistance to each other. This international network is underpinned by a number of bilateral treaties and multilateral conventions. Australia has ratified 30 bilateral mutual assistance treaties and a number of multilateral conventions, which bind the signatories to provide mutual assistance to each other.

These include the:

- *United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances*
- *United Nations Convention against Transnational Organised Crime*
- *Convention on Laundering, Search, Seizure and Confiscation of the Proceeds of Crime.*

Countries that are not signatories to mutual assistance treaties or conventions may also request mutual assistance from, and provide mutual assistance to, each other. This is done under the principle of reciprocity, where countries agree to provide assistance to each other on a case-by-case basis on the understanding that each will receive similar assistance in return.

We are responsible for drafting mutual assistance requests to foreign countries to support Australian criminal proceedings for federal offences where charges have been laid against the alleged offender. During the reporting period, we were involved in preparing 63 outgoing requests made by Australia to 25 foreign countries in relation to matters where charges were laid by a Commonwealth investigative agency, or where we received specific funding to draft mutual assistance requests related to a particular matter or type of matter.

These outgoing requests were generally made in conjunction with Commonwealth investigative agencies or joint taskforces comprising law enforcement officers from Commonwealth, state and territory agencies.

## **EXTRADITION ENSURES CRIMINALS CAN'T EVADE JUSTICE BY CROSSING BORDERS**

Extradition is a formal process where offenders who are outside the jurisdiction are returned to the country requesting extradition to be prosecuted or to serve a sentence of imprisonment. Extradition is an important and effective mechanism in law enforcement.

The Attorney-General's Department has sole responsibility for international extradition for all countries except New Zealand. Our role in extradition is confined to requesting that extradition be sought in Commonwealth matters and the execution of incoming requests from New Zealand.

In the case of outgoing extradition requests, we prepare documents in support of requests for extradition in serious cases where a person is wanted for prosecution for an offence against Commonwealth law or to serve a sentence of imprisonment, and is found to be in a foreign country.

### **Outgoing requests**

During the reporting period, we requested that the Attorney-General's Department make 14 extradition requests to foreign countries in relation to prosecutions we were conducting.

Seven people were surrendered to Australia during 2017–18 as a result of extradition requests made in previous years. A further 10 requests from previous years are ongoing, including one request to New Zealand.

### **Incoming requests**

Requests from New Zealand are made on a police-to-police basis and are referred to us by the Australian Federal Police. We appear on behalf of New Zealand in extradition proceedings before a magistrate to determine whether a person will be surrendered, and in any review or appeal arising from those proceedings.

During the reporting period, we appeared on behalf of New Zealand in relation to five matters. Those proceedings resulted in five people being surrendered to New Zealand.

## **INTERNATIONAL ENGAGEMENT WITH OUR UNITED STATES PARTNERS**

During the year our International Assistance team participated in a series of workshops in Canberra and Sydney, with the United States Department of Justice and the Federal Bureau of Investigation. The aim was to streamline the mutual assistance process for requests made to the United States.

The meetings provided a forum for discussing what protections can be offered to United States material or witnesses under Australian law, with a view to facilitating responses from United States authorities to our requests for assistance.

## **CONFISCATION OF CRIMINAL ASSETS**

Following the establishment of the Criminal Assets Confiscation Taskforce in 2012, the Australian Federal Police has primary responsibility for confiscation and recovery action under the *Proceeds of Crime Act 2002* (POCA).

Under a Memorandum of Understanding signed in 2014, the CDPP has responsibility for conducting applications for:

- a forfeiture order pursuant to section 48 of the POCA where no restraining order has been sought at the time the application is made
- a pecuniary penalty order pursuant to section 116 of the POCA relating to a person's conviction where no restraining order has been sought at the time the application is made.

Between 1 July 2017 and 30 June 2018, a total of \$4,155,927 was recovered through action we took under the POCA.

## **CORRUPTION OFFENCES AND SUPERANNUATION ORDERS**

Pursuant to the *Crimes (Superannuation Benefits) Act 1989* and Part VA of the *Australian Federal Police Act 1979*, the CDPP has the function of bringing applications to forfeit the employer-funded component of superannuation payable to Commonwealth and Australian Federal Police employees who have been convicted of corruption offences.

Superannuation orders were made against three people in 2017–18 related to the *Crimes (Superannuation Benefits) Act 1989*. No forfeiture action was taken in relation to Part VA of the *Australian Federal Police Act 1979*.

## **PRIVACY**

Our obligations under the *Privacy Act 1988* and the *Australian Privacy Principles* are guided by a National Legal Direction. This covers all privacy considerations in relation to the CDPP's collection and release of personal information.

With effect from 22 February 2018, the CDPP also became subject to the Notifiable Data Breaches (NDB) scheme implemented by the *Privacy Amendment (Notifiable Data Breaches) Act 2017*.

The scheme requires us to undertake a reasonable and expeditious assessment to determine if a notifiable data breach is likely to result in serious harm to any individual affected.

In response to the introduction of the scheme, we appointed a Privacy Champion and developed and implemented an effective data breach response plan.

No notifiable data breaches were reported in the period 22 February to 30 June 2018.

## **FREEDOM OF INFORMATION (FOI)**

The International Assistance and Specialist Agencies Practice Group is responsible for producing national FOI guidance, coordinating reporting responsibilities, and liaising with the Office of the Australian Information Commissioner to ensure the CDPP complies with our obligations pursuant to the *Freedom of Information Act 1982*.

During 2017–18, we received 25 FOI requests. Due to their complexity this resulted in FOI officers spending approximately 58 days completing FOI related activities. This is almost three times the amount of effort directed to FOI during the previous reporting period.

# CASE STUDY

## RECKLESS OPERATION OF AIRCRAFT DURING DESERT RACE

On 23 March 2018, Lyndon Warwick Curr was convicted and sentenced in the Northern Territory Supreme Court to six months' imprisonment for recklessly operating an aircraft in a way that could endanger the life of another person. He was released immediately upon giving security by recognisance in the sum of \$500, and subject to good behaviour for 12 months.

On 7 June 2015, Curr was engaged to fly a helicopter between Alice Springs and Finke during the Finke Desert Race. The race is an annual off-road motor vehicle race that takes place on a 226 kilometre track over two days. Curr was hired to follow one of the race vehicles.

Four passengers were on board the helicopter when it was flown very low (15–25 feet) and fast above spectators along the race track in a way that endangered the lives of the passengers on board, and spectators on the ground (12 people in total). Video footage of the encounter was uploaded to Facebook and this, together with GPS expert evidence provided via audio video link from New Zealand, was used in the trial.

In sentencing, the court noted that the seriousness of the offending demanded a conviction be recorded. But for Curr's guilty plea, the court stated it would have sentenced him to imprisonment for eight months.

Curr's licence was also suspended for three months and he was required to pass a flight test before resuming flying.

*This matter was referred by the Civil Aviation Safety Authority.*

# CASE STUDY

## FORMER CHIEF EXECUTIVE OFFICER OF WAGGA MEDICAL SERVICE CONVICTED

On 12 February 2018, Selena Lyons was sentenced in the Wagga Wagga Local Court to 15 months' imprisonment, with a minimum nine months to serve, to be released on \$500 recognisance for six months.

On 24 occasions between October 2011 and April 2014, Selena Lyons used her position as Chief Executive Officer (CEO) of Riverina Medical and Dental Aboriginal Corporation (RivMed) to authorise payments to herself for travel or accommodation. These payments were either for days that she was not travelling for work purposes, or when another organisation had already paid for her travel, accommodation and meals.

RivMed is a large, well-established medical and dental centre providing high quality and culturally safe health care to Aboriginal people in and around Wagga Wagga, New South Wales.

Lyons was convicted of 24 offences of dishonestly misusing her position to gain a personal advantage, contrary to section 265-25(3)(a) of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act). She was also ordered to pay \$24,187.25 reparation.

In sentencing, Magistrate Kennedy took into account the importance of the RivMed organisation within the Aboriginal community, the number of charges, and the position of trust Lyons held within the organisation—all of which elevated the seriousness of her offending.

The matter concluded after a nine-day hearing, where 14 witnesses were called. At the end of the sentence, her Honour thanked the parties before the court and thanked Counsel and the CDPP instructing solicitor for their assistance to the court in leading the complex evidence involved.

Note: The defendant has lodged a conviction appeal.

*This matter was referred by the Office of the Registrar of Indigenous Corporations.*

# HUMAN EXPLOITATION AND BORDER PROTECTION PRACTICE GROUP



Deputy Director: Mark de Crespigny

## MATTERS MANAGED

- » Child exploitation
- » Trafficking in persons and slavery
- » People smuggling
- » Passport, visa and other migration offences
- » Telecommunications offences
- » Computer offences
- » Aircraft and airport offences
- » Federal community policing

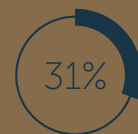


## TOP REFERRING AGENCIES

In 2017–18 the top referring agencies to this practice group were:



STATE AND TERRITORY POLICE



AUSTRALIAN FEDERAL POLICE



STATE AND TERRITORY DEPARTMENTS OF CORRECTIVE SERVICES

## REFERRALS

Referrals during 2017–18

**602**

Matters on hand as at 30 June 2018

**595**



## THE ROLE OF THE HUMAN EXPLOITATION AND BORDER PROTECTION PRACTICE GROUP

**The Human Exploitation and Border Protection Practice Group prosecutes a wide variety of offence types including child exploitation offences, trafficking in persons and slavery, people smuggling, passport and migration offences, offences committed by way of telecommunications services or computers, and offences arising from federal community policing.**

This practice group works closely with partner agencies including the Australian Federal Police, Australian Border Force, the Department of Foreign Affairs and Trade (Australian Passport Office), and state and territory police. A significant proportion of the work involves victims, including child victims. Our prosecutors in this area work with investigators and our Witness Assistance Service to ensure that, in the course of dealing with this very challenging work, victims are treated with courtesy, compassion, cultural sensitivity and respect for their dignity.

In the past 12 months we prosecuted 268 people for offences relating to the use of a carriage service for sexual or indecent purposes relating to children. These offences include accessing, soliciting and transmitting child pornography and child abuse material, grooming and procuring children to engage in sexual activity and transmitting indecent material to children. The conviction rate for people charged with these offences was 96 per cent, with 72 per cent of those convicted receiving an immediate custodial sentence and a further 22 per cent receiving a suspended custodial sentence.

The Human Exploitation and Border Protection Practice Group regularly provides information to government and Parliament about human trafficking and slavery prosecutions, the operation of Criminal Code offences and the protections contained in the Crimes Act for vulnerable witnesses. The practice group has active members of the Operational Working Group and Labour Exploitation Working Group, which are part of the Interdepartmental Committee on Human Trafficking and Slavery.

Through these forums we provide input into whole-of-government responses to international trafficking reports and to inquiries, such as the Parliamentary Joint Committee on Law Enforcement Inquiry into Human Trafficking, Slavery and Slavery-like practices and the Joint Standing Committee on Foreign Affairs, Defence and Trade Inquiry into Establishing a Modern Slavery Act in Australia.

## TRENDS IN 2017–18 PROSECUTIONS

The practice group is continuing to see a steady increase in victim-based crime. There is a general trend towards child abuse matters becoming more complex, with investigators concentrating on more sophisticated offending involving a mix of state and Commonwealth offences, and some matters involving international offending including physical contact offending.

This has led to a greater emphasis on digital forensics, mutual assistance requests and time allocated to dealing with vulnerable witnesses, both from an evidential point of view and providing support through our Witness Assistance Service.

Similarly, labour exploitation matters are challenging to investigate, assess and prosecute because of the complexity of the evidence and the ability of offenders to distance themselves from the offending by interposing different entities, making it difficult to prove knowledge.

## PROSECUTION SERVICES

### Liaison activities—regional and national

The Human Exploitation and Border Protection Practice Group maintains strong relationships with partner agencies and engages in regular national and regional liaison with the Australian Federal Police, Australian Border Force, state and territory police, the Attorney-General's Department, the Department of Home Affairs and other agencies.

These forums are an opportunity to discuss trends, identify issues and enable us to provide information to policy makers about legislative reform, including highlighting issues that arise during the practical application of the legislation.

### Pre-brief advice

We regard providing pre-brief advice to investigation agencies as a valuable practice that is in the interest of both the CDPP and the investigation agencies. During the year, the Human Exploitation and Border Protection Practice Group provided pre-brief advice in a significant cybercrime case involving offending across multiple international jurisdictions and with two juvenile suspects in Adelaide and Melbourne.

Ultimately an e-brief in relation to the Victorian offender was referred in February 2018, the first under the new process. The brief has been assessed and charges issued. We received an e-brief in relation to the South Australian offender in April 2018, which we were assessing at the end of the reporting year.

### Conferences

The Illegal Imports and Exports and Human Exploitation and Border Protection Practice Groups held a conference on 5–6 June 2018 in Sydney. The main focus of the conference was the human exploitation and border protection practice. The conference was attended by CDPP prosecutors and representatives from our key partner agency, the Australian Federal Police, on the second day.

The main focus of the first day was victim impact statements, dealing with vulnerable witnesses and interactive sessions where child exploitation scenarios were considered with a view to ensuring a nationally consistent approach in charging. The second day was devoted to developing ways to innovatively engage with the Australian Federal Police, with a particular focus on identifying measures to increase the focus and efficiency of digital forensic reports.

Practice group members prepared and disseminated a Draft Guide for Briefs of Evidence in Straightforward Child Abuse Prosecutions, which was well received by the Australian Federal Police.

Practice group members also joined about 160 other participants at the Inaugural Forced Marriage Conference organised by Anti-Slavery Australia at the University of Technology in Sydney on 18–19 June 2018. An observation was that mothers, aunties and other community members play a very significant role in forcing marriages.

It was also highlighted that consent and coercion need to be considered in a longer timeframe and in the survivor's community context. So too was the importance of the criminalisation of forced marriage as being an absolute marker that the practice was unacceptable. Criminalisation enabled police, educators and others in the community to take pre-emptive action. A practice group member presented on behalf of the CDPP as a member of a panel on the topic of 'Legal challenges: prosecution consent and coercion'.

## Training

In addition to our regular regional and national liaison with the Australian Federal Police, CDPP prosecutors provide training for the Australian Federal Police Human Trafficking Investigations Course.

## Stakeholder engagement

The practice group participates in a number of working groups, including the Operational Working Group on Human Trafficking and Forced Marriage, convened to discuss issues particularly around the support of victims of human trafficking, and the Labour Exploitation Working Group.

We also take opportunities to engage with civil society more broadly, for example through participating in the Inaugural Forced Marriage Conference in June 2018, and contributing to the National Roundtable on Human Trafficking and Slavery.

Our Witness Assistance Service regularly engages with the Red Cross—Support for Trafficked Persons Program, including giving presentations about our role and the prosecution process and, with the permission of the victim concerned, liaising with the Red Cross caseworker throughout the prosecution process, to make sure victims are given adequate information and support.

The CDPP is a member of an Interdepartmental Committee responsible for coordinating a whole-of-government response to the recommendations of the Royal Commission into Institutional Responses to Child Sexual Abuse. The practice group has commented on the recommendations that are relevant to the prosecution process and is now compliant with a majority of the recommendations.

Our new micro website for victims, to be launched in 2018–19, will make it much easier for this group to access relevant information concerning their rights.

## Legislative reform

This year, the Human Exploitation and Border Protection Practice Group continued to work closely with the Attorney-General's Department and the Department of Home Affairs and other agencies in the important area of legislative reform. The practice group provided input and comment on a number of legislative proposals such as child sex offender reforms, vulnerable witnesses and a new offence for possession of child abuse material in the Criminal Code.

## International engagements

Through the Australian Government, we continue to engage with our regional neighbours by providing training and assistance about cybercrime, human trafficking and slavery-related offences and protecting vulnerable witnesses. For example:

- Sri Lanka, 26–27 November 2017—Third Roundtable on Evidentiary Requirements for People Smuggling cases. A member of the practice group presented a session on a prosecutor's perspective and an in-depth case study, to build on links formed from the first two Roundtables in November 2016 and March 2017.
- Sri Lanka, 11–12 April 2018—Australia Police Pairing Program, Melbourne. Practice group members carried out several sessions including on the topics of Prosecution Witness Assistance Service and *Victims of Crime Policy*, and a case study on vulnerable witness protection and people smuggling prosecutions in Australia.
- Tonga, 12–15 June 2018—Pacific Island Law Officers Network Cybercrime Workshop, 'Combatting Online Child Abuse'. A member of the practice group delivered a presentation on advocacy and presenting child abuse material to the court. In conjunction with other presenters, they then led a small breakout group of 15–20 to discuss approaches to various case studies, which the participants presented on the final day.

# CASE STUDY

## TRAFFICKER SENTENCED FOR TRICKING FRIEND INTO SEX WORK

On 28 November 2017, Lay Foon Khoo was sentenced to three years and four months' jail, with a non-parole period of 18 months, backdated to start 11 August 2017, after being found guilty of trafficking a Malaysian woman for sex work in a Perth brothel.

The offender arranged for her friend to travel to Australia from Malaysia, but deceived her about the purpose of the trip. On 29 December 2015, the victim travelled to Perth where she was met at the airport by Khoo. The victim assumed she was going to stay with her, but instead was taken to a brothel in East Perth known as 'Sarah's Massage'.

Once inside, Khoo told the victim she owed her \$1,900 for immigration, flights and transport fees and she would have to do sex work in order to pay her this money back. Khoo also took the victim's passport.

Over the coming days the victim engaged in sex work and argued with Khoo using WeChat, telling her that she had tricked her into coming to Australia and asking for her passport back. Khoo then demanded a further \$10,000 from the victim and on 31 December 2015 took \$900 and a new Apple iPhone from her.

On 3 January 2016, the victim began talking to a friend in Malaysia via social media. He put her in touch with someone living in Australia who told her to leave the brothel immediately and go to the police.

The next morning the victim caught a taxi to the Perth Police Station where she was referred to the Australian Federal Police, who placed her in the Support for Trafficked People program.

*This matter was investigated and referred by the Australian Federal Police.*

# CASE STUDY

## SENTENCE INCREASED ON APPEAL FOR LIVE-STREAM PORNOGRAPHY

Live-stream technology allows offenders to sexually abuse children from another location, even another country.

In *DPP (Cth) v Beattie* (2017), the CDPP recently appealed against the leniency of a sentence of 10 years' imprisonment with a non-parole period of six years, for an offender who was charged with 22 offences of causing children in the Philippines to engage in sexual intercourse, via instructions he gave over a real-time video link.

The offender paid a man to perform sexual acts on children, or cause them to perform sexual acts, while the offender watched and gave instructions. The appeal court held the sentences did not adequately acknowledge the separate harm done to each child and increased the total effective sentence to 14 years' imprisonment with a non-parole period of 10 years.

The court stated it should not necessarily be inferred that moral culpability for an offence of 'causing a child to engage in sexual intercourse in the presence of the defendant' involves lesser moral culpability than a sexual assault physically committed by an offender.

The impoverished circumstances and vulnerability of the children were factors in assessing the seriousness of the offending.

*This matter was investigated and referred by the New South Wales Police Force.*

## VICTIMS AND WITNESSES

It is important in all prosecution action that victims are treated with courtesy, compassion, cultural sensitivity and respect for their dignity and entitlements.

The CDPP *Victims of Crime Policy* sets out our obligations towards victims of crime including our responsibility to keep them informed of the progress of the prosecution and to consult with them where appropriate.

In addition to establishing effective processes and procedures linked to the *Prosecution Policy of the Commonwealth*, we have a dedicated and valued Witness Assistance Service (WAS) to support the most vulnerable victims and witnesses involved in the matters we prosecute.

### Witness Assistance Service

Our WAS is a national service provided by dedicated staff with social work backgrounds who are located in our Sydney and Melbourne offices.

In response to the ever increasing number of referrals to the WAS and associated policy obligations towards victims of crime, the WAS increased by two full-time staff this year. This takes the total staffing levels to 3.8 full-time equivalent positions.

Our WAS staff provide a range of information and support services including updates on the progress of a prosecution, general information about the prosecution process, court tours, referrals to support services, support at court and during conferences with legal staff, and information concerning victim impact statements.

The WAS delivers these services in accordance with the *Prosecution Policy of the Commonwealth* and *Victims of Crime Policy*.

### Referrals to the service

The Witness Assistance Service Referral Guidelines require that our prosecutors refer all identifiable child victims and victims of slavery, sexual servitude and forced marriage offences to the WAS. Such matters must be referred to the WAS within 21 days of their arrival in our office, in order to ensure the most vulnerable victims of crime are provided with information and support as early as possible in the prosecution process.

In 2017–18, the WAS received and accepted 630 new victims/witness referrals, relating to 138 matters. A total of 160 (25 per cent) of all new victims/witnesses referred were children. There were 2,798 instances of contact with victims/witnesses referred to the service.

This year there was a significant increase in the total number of WAS referrals compared with previous years, with several new referrals involving adult victims and witnesses being declined due to a lack of capacity within the WAS.

**Table 1: New Witness Assistance Service referrals in 2017–18**

Offence type	Victims/witnesses*	Matters
Online child sex exploitation	262	76
Child sex offences outside Australia	2	1
Trafficking (sexual)	4	2
Terrorism	230	2
Drugs	4	1
Miscellaneous	128	56
<b>Total</b>	<b>630</b>	<b>138</b>

\* Includes parents/caregivers of child victims

Information resources for victims including the Witness Assistance Service Referral Guidelines are available on our website at [www.cdpp.gov.au](http://www.cdpp.gov.au).



## Training and education

The WAS also provides training to CDPP staff in relation to victims' issues. During the reporting period the Witness Assistance Manager, in collaboration with the Assistant Director of the Sydney Illegal Imports and Exports/Human Exploitation and Border Protection Practice Group, delivered national victim training to staff from across the CDPP.

This national training raised awareness regarding our policy obligations towards victims of crime, promoted policy compliance, increased knowledge and understanding of victim-related issues, and increased confidence when communicating with victims of crime.

In August 2017, the Witness Assistance Manager delivered a presentation at the Bi-Annual National Witness Assistance Service conference in Sydney, concerning the delivery of victim training within a prosecution setting.

In June 2018, the Witness Assistance Manager delivered a presentation at the Illegal Imports and Exports/Human Exploitation and Border Protection conference regarding victim impact statements. Topics covered included the role and approach of Witness Assistance staff, the core principles of trauma informed practice, victims and the victim impact statement process.

In addition, the Witness Assistance Manager provided victim-related training to a number of external agencies that work with victims of Commonwealth offences, including staff from the Red Cross Support for Trafficked Persons Program, and Anglicare.

Also in June 2018, the entire WAS team attended training in relation to 'Managing Vicarious Trauma for the Legal and Justice Sector'.

## National Victims of Crime Liaison Group

Our National Victims of Crime Liaison Group is co-chaired by the Assistant Director (Legal Business Improvement) and the Witness Assistance Manager. It is made up of staff from each office around the country, and met quarterly during 2017–18 to help the CDPP provide the best possible support for victims of crime. This group is also an important channel to share information and identify opportunities for ongoing improvement.



# ILLEGAL IMPORTS AND EXPORTS PRACTICE GROUP

Deputy Director: Mark de Crespigny

## MATTERS MANAGED

- » Serious drug and precursor importations
- » Tobacco importation
- » Firearms importation
- » Money laundering
- » Other importation and exportation offences



## TOP REFERRING AGENCIES

In 2017–18 the top referring agencies to this practice group were:



AUSTRALIAN  
FEDERAL  
POLICE



AUSTRALIAN  
BORDER  
FORCE



STATE AND  
TERRITORY  
POLICE



DEPARTMENT OF  
AGRICULTURE  
AND WATER  
RESOURCES

## REFERRALS

Referrals during  
2017–18

**365**

Matters on hand  
as at 30 June 2018

**597**

## THE ROLE OF THE ILLEGAL IMPORTS AND EXPORTS PRACTICE GROUP

The Illegal Imports and Exports Practice Group is responsible for prosecuting offences associated with protecting the integrity of Australia's borders, including general drug and precursor importation offences, drug-related money laundering, general money laundering, firearms importation, quarantine offences, wildlife imports and exports, and other import and export offences such as those involving illicit tobacco, weapons or steroids. Offences of these types can have devastating impacts on the Australian community and the Australian economy.

The work of the Illegal Imports and Exports Practice Group is performed across all of our offices. This practice group is arrest driven and carries out the largest number of trials conducted by the CDPP.

The majority of the practice group's trial work relates to the importation of illicit drugs and drug precursors and associated money laundering activities. Precursors are an essential part of the production process for illicit drugs. Money laundering involves dealing with money or other property used in or derived from committing crimes.

Prosecuting those involved in the importation of illicit drugs, drug precursors and associated money laundering activities sends an important deterrent message.

Prosecutors in this practice group are skilled criminal litigators and negotiators and spend a significant proportion of each year undertaking committal hearings, instructing in trials and appearing at sentence hearings.

Cases are complex and involve transnational offending. They can also involve large amounts of evidence.

### TRENDS IN 2017–18 PROSECUTIONS

During 2017–18, there was a marked increase in the complexity of matters being referred to this practice group, especially in relation to importations where those involved were more aware of law enforcement techniques and had adjusted their activities accordingly. The roles of those prosecuted appear to be more piecemeal and distinct, and offenders appear to regularly destroy potential evidence such as phone contacts and email traffic. This means it is becoming more challenging to prove circumstantial cases and critical decisions as to whether a person is a potential witness or should be charged, are being made earlier in the assessment of the evidence.

During the year there was an increased focus on the investigation and prosecution of tobacco importation matters, which have also become more complex and difficult to prove, requiring detailed brief assessment and analysis. There was a trend towards providing more pre-brief advice and involvement in mutual assistance requests both before and after charges were laid.

With the establishment of the Illicit Tobacco Taskforce, the number and complexity of briefs of evidence being referred to the CDPP for consideration and prosecution is expected to increase, along with providing pre-brief advice.

## **PROSECUTION SERVICES**

### **Liaison activities—regional and national**

The Illegal Imports and Exports Practice Group works closely with partner agencies, forging strong relationships that are essential given the time-critical nature of these matters. Our partner agencies include the Australian Federal Police (including the Investigations Standards and Practices Portfolio), Australian Border Force, the Department of Agriculture and Water Resources, AusTrade, and state and territory police.

Apart from providing core prosecution services to agencies during the year, the practice group also engaged in regular national and regional liaison meetings with partner agencies to ensure a comprehensive understanding of the strategic objectives of each agency.

These forums also provided a valuable opportunity to discuss trends, identify systemic issues within the investigative or prosecution processes, and identify potential law reform and training requirements. This also led to the practice group delivering targeted training to the Australian Federal Police, Australian Border Force, and state and territory police.

With the creation of the Department of Home Affairs in December 2017, the practice group started liaising with Home Affairs in addition to the Attorney-General's Department each quarter, to maintain continuity in areas such as law reform and new policy proposals, as the implementation of the Machinery of Government changes continue to evolve.

### **Taskforce participation (operations)**

The CDPP is a member of the Illicit Tobacco Taskforce established to expand the current capability to combat illicit tobacco. The ongoing multi-agency taskforce was established to prioritise targets, ensure consistency of jurisdictional activity, coordinate the strategic deployment of powers and resources to tackle illicit tobacco, and develop a coherent national picture in relation to the significant actors involved.

The Illegal Imports and Exports Practice Group was proactive in engaging with members of the taskforce at a very early stage to create relationships, and assist our partners make informed and effective decisions when carrying out complex investigations.

## Conferences

The Illegal Imports and Exports Practice Group/Human Exploitation and Border Protection Practice Group conference took place on 5–6 June 2018 in Sydney. While the main focus was human exploitation and border protection practice, members of the Illegal Imports and Exports Practice Group also presented sessions on tobacco importation and the challenges and potential for legislative reform. This session was valuable in provoking discussion and sharing insights, which can be used to promote discussions with stakeholders and potentially may lead to law reform.

## Training

Members of the Illegal Imports and Exports Practice Group routinely provide training to our referring agencies and stakeholders. During the year, practice group members provided training to Australian Border Force investigators in Melbourne and Sydney, focusing on investigation powers in the *Crimes Act 1914* (Cth), and the *Customs Act 1901* (Cth), and at the Border Force Investigations Course in Canberra. We also provided training to New South Wales Police prosecutors on Commonwealth sentencing.

## Stakeholder engagement

The Illegal Imports and Exports Practice Group has a close and effective working relationship with stakeholders and other agencies to improve prosecution outcomes, and keep abreast of the impacts of legislative reforms and changing practices, both within the CDDP and partner agencies.

This is a very important aspect of our practice as agencies are changing and modernising their activities in response to environmental changes and budgetary constraints. By staying connected to partner agencies we are aware of proposed changes and are able to provide constructive input if appropriate.

On 29 June 2018, the practice group hosted the inaugural Illicit Tobacco Taskforce Workshop in Sydney. Participants from Australian Border Force, the Australian Transaction Reports and Analysis Centre (AUSTRAC), the Australian Taxation Office and the Australian Criminal Intelligence Commission attended the conference, which focused on best practice in investigating and prosecuting tobacco-related offences, including those in the *Excise Act 1901* and *Customs Act 1901*.

CDDP participants from around the country presented on a range of topics including challenges in prosecuting tobacco-related offences, law reform, using intercepted telecommunications in a taskforce setting, e-briefs, disclosure and tobacco sampling. Feedback from the partner agencies was overwhelmingly positive and constructive relationships were established.



## Legislative reform

During 2017–18, the Illegal Imports and Exports Practice Group provided significant input into a number of legislative reform proposals. These included state proposals related to bail and criminal procedure, and Commonwealth proposals related to the Export Control Bill 2017 and new illicit tobacco offences contained in the Treasury Laws (Illicit Tobacco Offences) Bill 2018 and the Customs Amendment (Illicit Tobacco Offences) Bill 2018.

## International engagements

The practice group is often called on to contribute to forums and reports at an international level. For example:

- China, 11–12 January 2018—Second Financial Action Task Force/Asia-Pacific Group/Eurasian Group Workshop for Judges and Prosecutors. A prosecutor from our Melbourne office Illegal Imports and Exports branch attended the workshop and delivered a presentation on prosecuting terrorism financing. The conference focused on money laundering, criminal assets confiscation and terrorism financing.
- Sri Lanka, 11–12 April 2018—Australia Police Pairing Program, Melbourne. Practice group members conducted several sessions including on the topic of government and legal decision making.

# CASE STUDY

## MECHANIC CAUGHT ILLEGALLY IMPORTING MACHINE GUNS

On 23 April 2014, Victoria Police seized a fully automatic Thureon machine gun imported illegally from the United States. It was the first time this type of automatic firearm, which can fire 1,000 rounds of ammunition per minute, had been seized in Australia.

Victoria Police seized another of these machine guns on 3 February 2015, and again on 20 January 2016. In all three cases, the firearms were seized from men who were charged alongside others with trafficking commercial quantities of methamphetamine.

In one of the cases, the offender was also charged with the armed robbery of a cash-in-transit vehicle where approximately \$280,000 was stolen, while the other was arrested in possession of another illegal firearm.

Victoria Police contacted the Bureau of Alcohol, Tobacco, Firearms and Explosives to help investigate how firearms manufactured by Thureon Defence were imported into Australia.

As a result of the investigation, and with assistance from the Australian Federal Police, Paul Robert Munro was arrested and charged with importing and attempting to import firearms and firearm parts from the United States.

A self-employed motor mechanic specialising in building and importing car engines from the United States, and a former licensed firearms dealer, Munro had hidden firearm parts in false bottoms of car engine crates.

Munro pleaded guilty to four counts of importing tier two goods contrary to s. 233BAB(5) of the *Customs Act 1901* (including 12 automatic rifles, six receivers and 30 handgun frames), and two counts of attempting to import firearm parts with the intention of trafficking contrary to s. 11.1 and 361.2 *Criminal Code* (Cth) (96 handgun frames and six automatic rifles).

On 8 May 2018, Munro was sentenced to 10 years three months' jail, to serve a minimum of six years before being eligible for parole. On 6 June 2018, the CDPP filed an appeal against sentence on the grounds that it was manifestly inadequate. The matter continues.

*This matter was investigated and referred by Victoria Police.*



# CARD SKIMMING ON THE GOLD COAST

In 2015, detectives from the Queensland Police Service started an investigation into a card skimming and money laundering syndicate operating on the Gold Coast and Sunshine Coast in Queensland as well as in Melbourne, Victoria. The principal offender was Steven Patrick Scott.

On 9 November 2017, Scott pleaded guilty in the Southport District Court to the following offences:

- dishonestly obtaining or dealing in personal financial information contrary to s480.4 of the *Criminal Code* (Cth), between April 2009 and August 2015
- dealing in proceeds of crime worth \$100,000 or more contrary to s400.4(1) of the *Criminal Code* (Cth), between April 2009 and July 2015
- possession or control of a thing with intent to dishonestly obtain or deal in personal financial information contrary to s480.5(1) of the *Criminal Code* (Cth)
- importation of a thing with intent to dishonestly obtain or deal in personal financial information contrary to s480.6 of the *Criminal Code* (Cth).

Between April 2009 and August 2015, Scott used card-skimming equipment on ATMs at the Gold Coast, Sunshine Coast and Melbourne to dishonestly obtain the bank card numbers and personal identification numbers of individuals who used the compromised machines.

On a hard drive seized from Scott's residence, police located more than 100 hours of video recordings of ATM keypads that captured individuals entering their PINs, as well as documents containing bank card numbers recovered from card readers used in the skimming, and PINs identified from the video footage.

In total, Scott obtained at least 2,150 PINs and 1,200 bankcard numbers.

During the same period, Scott transferred, or caused to be transferred by 15 other people at his direction, proceeds of the card skimming offending totalling \$557,176.94 to 68 recipients in Bulgaria, Germany and France, via 147 Western Union or bank transfers. Including transfer fees, the total amount of proceeds of crime that Scott dealt with in relation to those transfers was \$565,320.28.



He also dealt with a further \$171,557.50 in proceeds of the card skimming offending, which he deposited into his personal bank accounts or used to make payments to his credit card. In total Scott dealt with \$736,877.78 that was proceeds of the card skimming offending.

Between 2013 and 2015, Scott also possessed, in a storage facility in Labrador, a number of items that he intended would be used (by him or another person) to commit card-skimming offences, including soldering equipment, plastic gloves, wigs and fake beards, microchips and electrical components, lithium batteries, adapters and chargers. He also imported six lithium batteries into Australia that he intended to use in the card-skimming equipment.

On 5 March 2018, Scott was sentenced to seven years' imprisonment with a non-parole period of three years and six months.

A related offender, Ben-Lewie McDonald, was sentenced on the same date for skimming two ATMs, for possessing items that he intended would be used in card-skimming offences, and for dealing in \$79,462.34 in proceeds of Scott's card-skimming offending by transferring that money to 11 different recipients in Bulgaria and Germany. He was sentenced to three years imprisonment, to be released after having served 18 months.

Five other offenders were also prosecuted and convicted for transferring overseas, at Scott's direction, money that was proceeds of his card-skimming offending:

- Ahmed Zerrin was sentenced to 10 months' imprisonment with immediate release for negligently dealing with \$45,744.60 that was proceeds of crime
- Tammy Cherie Flandorfer was sentenced to 10 months' imprisonment with immediate release for recklessly dealing with \$57,433.72 that was proceeds of crime
- Craig Andrew McPherson was sentenced to 10 months' imprisonment with immediate release for recklessly dealing with \$31,569.60 that was proceeds of crime
- Peter Denis Comerford was sentenced to four months' imprisonment with immediate release for negligently dealing with \$36,778.34 that was proceeds of crime
- Thomas Mathew Russell was sentenced to 12 months' imprisonment with immediate release for recklessly dealing with \$59,371.15 that was proceeds of crime.

*This matter was investigated and referred by the Queensland Police Service.*

# ORGANISED CRIME AND COUNTER-TERRORISM PRACTICE GROUP



Deputy Director: Scott Bruckard PSM

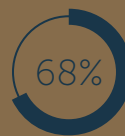
## MATTERS MANAGED

- » Terrorism
- » Organised crime offending such as transnational drug importations, firearms trafficking and money laundering
- » Security of the Commonwealth
- » War crimes

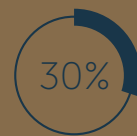


## TOP REFERRING AGENCIES

In 2017–18 the top referring agencies to this practice group were:



AUSTRALIAN  
FEDERAL POLICE  
(INCLUDING THE JOINT  
COUNTER-TERRORISM  
TEAMS)



STATE AND  
TERRITORY  
POLICE



NEW SOUTH  
WALES CRIME  
COMMISSION

## REFERRALS

Referrals during  
2017–18

177

Matters on hand  
as at 30 June 2018

376

## THE ROLE OF THE ORGANISED CRIME AND COUNTER-TERRORISM PRACTICE GROUP

The Organised Crime and Counter-Terrorism Practice Group prosecutes terrorism, national security and more significant organised crime offending.

Terrorism prosecutions include domestic terrorism plots, as well as matters where the offender engaged in, or prepared to engage in, hostile activity in a foreign country. Organised crime prosecutions include transnational drug importations, firearms trafficking and money laundering prosecutions.

The Organised Crime and Counter-Terrorism Practice Group will also manage prosecutions arising from the new Commonwealth espionage and foreign interference laws, which were enacted in late June 2018.

The matters prosecuted by this practice group are routinely large, complex and resource intensive. They often involve multiple offenders, police informers, undercover operatives and voluminous briefs of evidence.

Due to the unique nature of some of this work, prosecutors in this practice group are regularly called on to provide legal advice to partner agencies during the course of active police investigations. This advice, often sought within tight timeframes, aims to better inform police operational decision making and deliver more effective law enforcement outcomes.

*See page 90 for a case study on our successful prosecution of a terrorism matter.*

### TRENDS IN 2017–18 PROSECUTIONS

An increasing number of the referrals received by the Organised Crime and Counter-Terrorism Practice Group are arising out of joint-agency investigations. These often involve several Commonwealth, state and territory agencies, all of whom may hold relevant material gathered for different purposes.

Where these investigations are complex or long-running, they collect significant volumes of potentially relevant material. Some of this material will provide valuable evidence to support the prosecution. Other material will not be required as evidence but may still need to be made available to an accused in order to satisfy the prosecutor's disclosure obligations.

To more effectively manage these very large cases, the Organised Crime and Counter-Terrorism Practice Group works closely with partner agencies to seek more evidence and disclosure material in a digital form. Digital materials are easier to manage and enable prosecutors to more quickly search, identify and collate relevant evidence.

A team-based model has also proven very effective in prosecuting these cases and developing the skills of our staff. Nevertheless, the very large volumes of data now being collected in an increasing number of cases remains a challenge. Significant resources are often consumed examining large data sets to identify relevant evidence and meet prosecution disclosure obligations.

The prosecution of organised crime and terrorism offences takes place in a global setting. Many of the matters referred to us for prosecution involve criminal conduct that has taken place wholly or partly outside Australia. Where prosecutors in Australia seek to rely on foreign evidence, difficult legal and practical challenges can arise as a result of different laws, customs and procedures that operate in different jurisdictions.

Our prosecutors increasingly work with partner agencies at home and abroad to secure foreign evidence, support extradition applications, and contribute to international capacity building activities.

## **PROSECUTION SERVICES**

### **Liaison activities—regional and national**

The Organised Crime and Counter-Terrorism Practice Group continues to strengthen its relationships with key partner agencies including the Australian Federal Police, Australian Security Intelligence Organisation, Australian Border Force, Australian Criminal Intelligence Commission, and state and territory police.

Prosecutors in the practice group regularly liaise with partner agencies at a regional and national level to help develop strategies to deal more effectively with current and future matters, as well as any broader issues or trends that impact on the work of the office.

In addition to regular liaison meetings, the practice group provides specialist support services to our partners in the form of specialist pre-brief legal advice, brief building assistance and training. Providing pre-brief advice during active investigations is an effective way of helping partner agencies make better informed operational decisions regarding the conduct of significant investigations.

## **Conferences**

The Organised Crime and Counter-Terrorism Practice Group holds an annual conference that brings together select prosecutors from around Australia. Key stakeholders are also invited to attend with the aim of building stronger relationships and promoting cross-agency collaboration.

The 2017 Organised Crime and Counter-Terrorism conference was held in Melbourne. It opened with a keynote address from Mr Tony Sheehan, Australia's Counter-Terrorism Coordinator, followed by a panel discussion involving senior police and prosecutors on agency responses to a mass casualty terrorism incident. Attendees heard from a variety of internal and external presenters on counter-terrorism and organised crime related topics.

## Training

The Organised Crime and Counter-Terrorism Practice Group provides targeted training to the Joint Counter-Terrorism Teams around Australia to build their capacity and knowledge of terrorism offences, evidence selection and prosecution issues. Prosecutors from the practice group provided training presentations and took part in panel discussions at numerous training workshops during 2017–18.

## Stakeholder engagement

The Organised Crime and Counter-Terrorism Practice Group engages with partners and stakeholders in a timely and effective manner to support their work and build more effective partnerships. We continue to have strong and productive working relationships with staff from the Attorney-General's Department and the Department of Home Affairs.

We regularly engage with these agencies on various legal, policy and legislative issues, and provide weekly and quarterly reports to partners and stakeholders to make sure they have access to timely and accurate information regarding current counter-terrorism prosecutions.

Practice group prosecutors also engage with staff from state and territory prosecution agencies, legal aid commissions, corrections services and the courts to foster collaboration on key issues across the criminal justice system.

## Legislative reform

The Organised Crime and Counter-Terrorism Practice Group continued to support the important legislative and policy work of government in 2017–18. We provide feedback on the practical application of federal criminal laws to better inform effective legislative and policy development.

Prosecutors from the practice group worked closely with the Attorney-General's Department on the *National Security Legislation Amendment (Espionage and Foreign Interference) Act 2018*. Our prosecutors also worked with stakeholders in a number of other areas where legislative reform was proposed or considered, including bail and parole, money laundering and counter-terrorism.

In addition, prosecutors responded to requests related to the Independent National Security Legislation Monitor's review of 'the prosecution and sentencing of children for Commonwealth terrorism offences'.

*See page 22 for more details about our contribution to the National Security Legislation Amendment (Espionage and Foreign Interference) Act.*

## International engagements

Practice group prosecutors were involved in an increasing number of international engagements over the past 12 months. These engagements allow prosecutors to develop cross-jurisdictional contacts and exchange expertise with prosecutors, judges and law enforcement officials in other countries. They also provide an opportunity to strengthen relationships with other domestic stakeholders who take part.

During 2017–18, Organised Crime and Counter-Terrorism prosecutors took part in the following international engagements:

- Australia, November 2017—Prosecutors attended a number of meetings in Canberra and Sydney, Australia with Department of Justice and Federal Bureau of Investigation personnel to discuss mutual assistance in counter-terrorism matters. The meetings were productive, allowing Australian and United States counterparts to discuss their respective legal systems and relevant issues regarding mutual assistance processes.
- Bangkok, Thailand, January 2018—A prosecutor took part in the 13th Regional Workshop for Judges, Prosecutors and Police Officers in South Asia on Effectively Countering Terrorism. The theme of the workshop was ‘Engaging Communities and Criminal Justice Officials in Developing Joint Strategies to Counter Violent Extremism and Incitement’. The workshop was hosted by the United Nations Counter-Terrorism Committee Executive Directorate, in coordination with the Global Centre on Cooperative Security.
- Vienna, Austria, February 2018—A prosecutor attended an expert group meeting at the invitation of the United Nations Office on Drugs and Crime and United Nations Counter-Terrorism Committee Executive Directorate. This meeting was aimed at developing a practical guide for obtaining electronic evidence from communications service providers in foreign jurisdictions. The prosecutor took part in a second meeting in Vienna in June 2018 and continues to support this initiative.
- Semarang, Indonesia, April 2018—A prosecutor delivered a presentation on electronic evidence at the Jakarta Centre for Law Enforcement Co-operation. The conference, organised by the Australian Department of Home Affairs and the Indonesian Attorney General’s Office, examined issues concerning the collection and use of electronic evidence in counter-terrorism investigations and prosecutions.

# CASE STUDY

## OPERATION SHENZI

On the evening of 1 May 2016, police intercepted a commercial fishing vessel in poor condition approximately 120 nautical miles off the coast of Western Australia. No drugs were on board the vessel, but forensic traces of methamphetamine were detected.

Earlier that day, the boat had been used to facilitate the delivery of over 182 kilograms of methamphetamine to a remote beach south of Port Denison in Western Australia. The methamphetamine was collected at the beach by at least four further offenders, who transported it to the Perth metropolitan area. Police subsequently located the methamphetamine, valued at an estimated \$91 million, at two Perth residences on 21 and 23 May 2016.

The matter was investigated by the Australian Federal Police, Australian Border Force, Australian Criminal Intelligence Commission and Western Australia Police. Fourteen people were charged and prosecuted for their part in the importation, including eight crew and six people involved in collecting and distributing the drugs onshore.

One offender pleaded guilty before the trial and the remaining 13 accused pleaded not guilty. A trial in the Supreme Court of Western Australia started on 9 October 2017, with 134 witnesses called over a period of 10 weeks.

After deliberating for less than a day, the jury convicted seven of the 13 men for their involvement in the offending.

On sentence, Justice Fiannaca said: 'The trafficking in such substances for commercial gain is regarded by decent members of the community as abhorrent criminal behaviour that deserves severe punishment'.

Six of the seven offenders received head sentences of 23 years or more, with the collective sentences imposed totalling over 164 years.

A dedicated team of CDPP prosecutors and support staff worked closely with Australian Federal Police and Western Australia Police investigators throughout matter.

Full details of this case are on our website at [www.cdpp.gov.au](http://www.cdpp.gov.au).

*This matter was jointly investigated by the Australian Federal Police, Australian Border Force, Australian Criminal Intelligence Commission, and Western Australia Police.*



# SUCCESSFUL PROSECUTION OF TERROR CELL

In late 2014, six young men began planning a domestic terrorism attack in the suburbs of Sydney. Their plans were disrupted by police and all six subsequently pleaded guilty to terrorism offences.

The matter involved a conspiracy between Sulayman Khalid, Jibryl Almaouie and a juvenile referred to as IM, to prepare or plan a domestic terrorism attack. Three other accused—Mohamed Al Maouie, Ibrahim Ghazzawy and Farhad Said—were also involved in the planning as they prepared handwritten documents discussing plans for the attack.

The conspiracy took place between 2 November 2014 and 18 December 2014. During this period, the offenders spoke and wrote about how an attack could be carried out and discussed possible targets. They all believed they had a religious obligation to engage in violence to advance the interests of Islam.

Six handwritten documents found at Sulayman Khalid's residence evidenced the steps taken by the group in planning the attack and also showed the group had considered engaging in guerrilla warfare from a location in the Blue Mountains. Other evidence established the group had access to a number of firearms—the offender IM had located four firearms at his uncle's home—and Jibryl Almaouie had a rifle and two shotguns.

This matter was investigated by Australian Federal Police and the New South Wales Police Force as part of a larger operation. The CDPP worked closely with both police agencies as the investigation unfolded and provided pre-brief advice before the group was arrested. We also recommended upgrading the original charge against Khalid, from possessing a thing connected with a terrorist act (handwritten documents) to conspiracy to commit acts in preparation for a terrorist act.



The offenders were sentenced as follows:

- **Sulayman Khalid**—22 years and six months' imprisonment with a non-parole period of 16 years and nine months
- **Jibryl Almaouie**—18 years and 10 months' imprisonment with a non-parole period of 14 years and two months
- **IM**—13 years and six months' imprisonment with a non-parole period 10 years and one month
- **Mohamed Almaouie**—nine years' imprisonment with non-parole period six years and nine months
- **Farhad Said**—nine years and six months' imprisonment with a non-parole period seven years and one month
- **Ibrahim Ghazzawy**—nine years and six months' imprisonment with a non-parole period seven years and one month.

The offender IM lodged an appeal against his sentence, which was heard by the New South Wales Court of Criminal Appeal just after the reporting period on 9 July 2018. Judgment is reserved.

*This matter was investigated and referred by the New South Wales Joint Counter-Terrorism Taskforce.*



Image: Stock photo



# REVENUE AND BENEFITS FRAUD PRACTICE GROUP

Deputy Director: James Carter

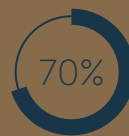
## MATTERS MANAGED

- » General tax fraud and tax compliance including income tax and goods and services tax (GST) fraud
- » Social security fraud
- » Medifraud
- » Fraud-related money laundering
- » Identity fraud
- » Child support offences
- » Counterfeit currency offences
- » Other frauds against the Commonwealth



## TOP REFERRING AGENCIES

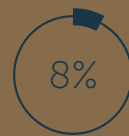
In 2017–18 the top referring agencies to this practice group were:



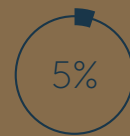
DEPARTMENT OF HUMAN SERVICES—CENTRELINK



AUSTRALIAN TAXATION OFFICE



STATE AND TERRITORY POLICE



DEPARTMENT OF HUMAN SERVICES—MEDICARE

## REFERRALS

Referrals during 2017–18

**889**

Matters on hand as at 30 June 2018

**1,002**

## THE ROLE OF THE REVENUE AND BENEFITS FRAUD PRACTICE GROUP

The Revenue and Benefits Fraud Practice Group is responsible for prosecuting fraud against the Australian Government, including general tax fraud, social security fraud, Medicare fraud (patient and provider fraud), postal, grants and identity fraud. The practice group also prosecutes fraud-related money laundering, counterfeit currency and child support offences.

Commonwealth revenue and benefit systems rely heavily on the integrity and honesty of all Australians. Revenue and Benefits Fraud practice group prosecutions play an essential role in protecting Commonwealth resources and ensuring support is provided where it is needed most in the community.

Briefs typically relate to allegations that people have intentionally engaged in conduct and, as a result, received social, health or welfare services or payments, taxation refunds or grant funds they knew they were not entitled to. These prosecutions are fundamental in protecting the resources of the Commonwealth for the benefit of all Australians.

### TRENDS IN 2017–18 PROSECUTIONS

Prosecuting fraud offences is a major part of the overall practice for this group. Of all partner agencies, the Department of Human Services (Centrelink) refers the largest number of briefs for prosecution. In 2017–18, the practice group saw continued broadening and complexity in the range of Centrelink matters referred for prosecution. These prosecutions have included redirected payments involving people using other identities and directing payments made to those identities into bank accounts under their control.

These frauds require evidence of Centrelink systems, financial analysis and marshalling of evidence from various sources to establish the identity of the alleged offender and the complex transactions involved.

Prosecutions also included frauds involving people falsely claiming single parent benefit payments when they were in a relationship. This required evidence to prove the existence of the relationship, including evidence obtained via search warrant and third parties such as employers, real estate agents and hospitals.

This year, the practice group also worked with the Department of Human Services to address alleged offending against the social security system, such as providing false documentation or information to the department in order to obtain early access to superannuation benefits. The practice group worked closely with the department to develop a prosecution response.

Fraud and non-compliance in the family day care sector impacts several partner agencies including the Department of Human Services, the Australian Taxation Office and the Department of Education and Training. These frauds can include multiple accused, and present risks to multiple agencies. The CDPP is a member of the Family Day Care Fraud Interdepartmental Committee, and the Revenue and Benefits Fraud Practice Group has been working closely with the Department of Human Services to address this significant risk to revenue.

During 2017–18, the practice group also saw an increase in the complexity of Medifraud referrals received from the Department of Health, including medical practices operating via corporate structures and claiming benefits they were not entitled to. The practice group is working closely with Department of Health to effectively prosecute in this area.

We are also continuing to work closely with the Australian Taxation Office in a range of areas including investigating and prosecuting intermediaries such as tax agents and accountants who use their clients' taxation accounts and details to obtain benefits they are not entitled to. The prosecution of GST fraud continues to form a significant part of the group's practice.

## **PROSECUTION SERVICES**

As the breadth and complexity of fraud work continues to evolve, this year the Revenue and Benefits Fraud Practice Group focused on supporting and developing our lawyers and managing work flows and work types through the effective use of teams, tools and technology. The practice group has been drawing on the expertise of lawyers across the country to work with partner agencies to address new and emerging crime types.

## **Liaison and committees**

To further enhance the timeliness and quality of our service, the practice group continued to focus on engaging early with partner agencies. This assistance is appreciated by our partner agencies and supports their development of enforcement strategies and their investigation of particular crime types.

We maintained our focus on liaison in 2017–18, with regular regional and national liaison meetings. This is supported by regular contact at the regional and national level.

In September 2017, we launched the Australian Taxation Office/CDPP Engagement Framework on the CDPP Partner Agency Portal. This interactive tool enables prosecutors and Australian Taxation Office investigators to access important resources and information from a single source. The second stage of this collaboration commenced in November 2017 with the establishment of the Australian Taxation Office/CDPP Capability Committee. This committee is working on a number of projects aimed at developing investigative and prosecutorial capability.

The practice group is also working with the Australian Taxation Office in relation to illicit tobacco and cash economy offences via this committee.

During the year, we continued working with the Department of Human Services/CDPP Capability Review Committee on a number of projects to help in the brief preparation and brief assessment process. A particular focus for the committee is identifying training needs and developing resources in relation to Medicare and family day care fraud.

The committees we work with provide us with the opportunity to identify areas for capability development within our respective agencies, and to assist our partner agencies to respond to identified crime risks.

## Training

This year we provided targeted training for our partner agencies at the regional and national level including at national conferences with the Department of Human Services and the Australian Taxation Office.

The practice group provided national training on working in teams and using tools and technology in our fraud prosecution practice. We also arranged workshops and developed resources to help prosecutors appearing in sentencing hearings for social security offences.

## Legislative reform and advice

During 2017–18, the practice group provided significant input into several legislative reform proposals related to illicit tobacco and the cash economy. We also assisted the Department of Human Services in relation to recent amendments to its information gathering powers.

The practice group also supported agencies in relation to new policy proposals by providing advice on the practical application of laws in the prosecution context.

# CASE STUDY

## BUSINESSMAN TRIES TO AVOID PAYING LUXURY CAR TAX FOR LAMBORGHINI

On 18 January 2018, 48-year-old Asoka Alahakone was sentenced in the Brisbane District Court to 18 months' imprisonment, to be released after serving four, after he defrauded the Commonwealth of \$169,424.19 in luxury car tax.

Alahakone bought a Lamborghini Aventador for \$625,000 through his business, Citigroup Consultants. He claimed the purchase as trading stock. This allowed him to avoid paying the luxury car tax, which is in addition to any GST that may be payable.

However, Alahakone treated the car as his own property, driving it for almost 6,000 kilometres and attaching his personalised plates.

In sentencing, Judge Clare SC DCJ said: 'Your conduct was tax evasion, which means, in effect, that you stole from the nation. The amount involved was \$169,000 and the only explanation is greed. It was a calculated and sustained course of dishonesty. You chose to buy a car that cost more than the properties that house most Australians. A Lamborghini is a luxury usually only associated with the very rich.

'In addition to its hefty price tag, it attracts a luxury car tax. While a tax of \$169,000 is a lot of money, it was part of the full price of acquiring such a decadent status symbol. You had previously owned Lamborghinis, you wanted another one, but you were not prepared to pay the tax.'

Further, the Judge said: 'The \$169,000 was revenue that the government was entitled to. It was entitled to have that money to apply it to other purposes. It could have paid the pensions of needy people for a year.'

Alakhaone was ordered to repay the Commonwealth \$169,424.19.

*This matter was investigated and referred by the Australian Taxation Office.*

# CASE STUDY

## HUSBAND AND WIFE CAUGHT OUT IN CENTRELINK LIE

Between 20 October 2010 and 30 June 2016, Kathleen and Dane Armstrong repeatedly lied about their marital status to Centrelink, which saw them receive \$235,144.98 in social security benefits they were not entitled to.

The pair routinely misled Centrelink officials, claiming they were not a couple and lodging false information and forged documents in relation to multiple benefits, as they knew they would be eligible to receive higher social security benefits if they pretended to be single parents, rather than a married couple with shared care of their children.

Twice, Kathleen Armstrong even made false claims to receive the Australian Government Disaster Relief Payment, saying she lived in an area that was affected by natural disasters.

In reality, the pair married on 6 September 2003 and throughout their offending, lived together and held a joint bank account. Their children were born in 2009 and 2011.

During the periods of offending, the pair received the Parenting Payment Single, Newstart Allowance, Family Tax Benefit, Disability Support Pension, and Australian Government Disaster Recovery Payments.

The pair was detected after the Department of Human Services (DHS) asked them to come in for a mandatory review, at which Kathleen Armstrong admitted her guilt. DHS then referred the two briefs of evidence to the CDPP as part of Taskforce Integrity.

A joint partnership between DHS and the Australian Federal Police, Taskforce Integrity detects serious welfare fraud. CDPP's commitment to our Taskforce partner agencies is to complete brief assessments within 30 days, and work on matters from the brief assessment phase to sentence.

Kathleen and Dane Armstrong were charged separately, each with several dishonesty offences. They received custodial sentences with lengthy recognisance periods.

*This matter was referred to the CDPP by the Department of Human Services and the Australian Federal Police as part of Taskforce Integrity.*

# PROSECUTION APPEALS

**Table 2: Prosecution appeals and outcomes**

Description of appeal	2016–17 outcome	2017–18 outcome
Prosecution sentence appeals in summary prosecutions	4 appeals, of which all were upheld	1 appeal, which was upheld
Prosecution sentence appeal in a prosecution on indictment	22 appeals, of which 10 were upheld	9 appeals, of which 5 were upheld
Prosecution appeals to High Court in respect of an acquittal on appeal	No appeals	1 appeal, which was upheld <sup>2</sup>

The *Prosecution Policy of the Commonwealth* provides that the prosecution right to appeal against sentence should be exercised with appropriate restraint. Factors we may consider when deciding to appeal include whether:

- the sentence is manifestly inadequate
- the sentence reveals an inconsistency in sentencing standards
- the sentence proceeded on the basis of a material error of law or fact requiring appellate correction
- the sentencing is substantially and unnecessarily inconsistent with other relevant sentences
- an appeal to a Court of Appeal will enable the court to lay down some general principles for the governance and guidance of sentencing courts
- an appeal will enable the court to establish and maintain adequate standards of punishment for crime

- an appeal will ensure, so far as the subject matter permits, uniformity in sentencing
- an appeal will enable an appellate court to correct an error of legal principle.

We only institute appeal proceedings when there are reasonable prospects of success.

The CDPP’s appellate practice assists in providing an effective prosecution service—one that contributes to public respect in the justice system by seeking to remedy sentences that are significantly out of touch with proper sentencing standards.

Occasionally, appeals may not be upheld, despite the court finding that an error in law or in the application of sentencing principles has occurred. In all appeal cases, the appellate courts have a residual discretion not to intervene and re-sentence if the court believes that to do so would result in an injustice to the offender due to other circumstances.

<sup>2</sup> The successful appeal resulted in the conviction being reinstated by the High Court and the case being remitted back to the Victorian Court of Appeal for determination of the prosecution appeal against sentence.



Such cases are still critically important as they provide future guidance as to the proper application of legal principles in the sentencing of Commonwealth offenders.

In 2017–18, a total of nine prosecution sentence appeals were decided in indictable matters. Five of those appeals were successful and resulted in significant increases in the offender’s sentence in each case. This outcome (56 per cent of appeals upheld) was just short of our target of 60 per cent, and a significant improvement on the 2016–17 result, when 45 per cent of appeals were upheld.

While appellate intervention did not occur in four appeals brought by the CDPP, the judgments provided useful guidance in relation to sentencing principles and in the exercise of the residual discretion on appeal.

In one of the five successful appeals, two separate prosecution appeals were filed. One was to the High Court, which overturned a decision of the Victorian Court of Appeal acquitting the offender. The other was an appeal to the Victorian Court of Appeal against the inadequacy of the sentence, which resulted in a substantially increased sentence.

Prosecution appeals for indictable matters fell into two serious crime types, namely those relating to importation and trafficking of drugs and associated money laundering, and those involving online child sexual exploitation.

**Table 3: Prosecution appeals by practice group**

Practice Group	Offence	Total number of appeals	Number of appeals upheld	Number of appeals not allowed
Illegal Imports and Exports	Serious drug offences (importation and trafficking)	6	3 <sup>3</sup>	3 <sup>4</sup>
Human Exploitation and Border Protection	Online child sexual exploitation	3	2 <sup>5</sup>	1 <sup>6</sup>
<b>Totals</b>		<b>9</b>	<b>5</b>	<b>4</b>

These five appeals are summarised on pages 100–103.

<sup>3</sup> Appeals upheld were in Victoria (2) and Queensland (1).

<sup>4</sup> Appeals not allowed were in New South Wales (1), Victoria (1) and South Australia (1).

<sup>5</sup> Appeals upheld were in New South Wales (1) and Victoria (1).

<sup>6</sup> Appeal not allowed was in Queensland (1).

## DPP (Cth) v Afford [2017] VSCA 201

This case involved two successful appeals by the Director, one to the High Court and the other to the Victorian Court of Appeal. Steven Afford, who is a New Zealand citizen, was living in Western Australia when he became involved in an elaborate overseas scam resulting in the importation of 2.4 kilograms of pure heroin into Victoria. The heroin had an estimated street value of between \$2.3 and \$3.9 million.

Afford pleaded not guilty to one count of importing a commercial quantity of a border controlled drug and maintained he was initially approached by a person overseas by email with a business opportunity. This person claimed he was a Minister in the United Arab Emirates government. Afford claimed that, through a series of emails, he came to believe that if he travelled to Manila in the Philippines to collect a suitcase with bottles of 'separation oil' and return to Australia, he would be rewarded with a building contract in Australia worth half a billion United States dollars.

Afford claimed he believed the 'separation oil' was needed to 'clean' the cash funds for the building project in Australia. The suitcase, in fact, contained 2.4 kilograms of pure heroin.

After a nine day trial, Afford was found guilty of knowingly importing a substance, being reckless to the fact that the substance he imported was a border controlled drug. He was sentenced to three years and two months' imprisonment with a non-parole period of 24 months.

The trial Judge determined that Afford's moral culpability was low because, as a naïve, uneducated man, he was vulnerable as a victim of a relatively sophisticated international internet scam, and he had acted on a promise of a lucrative contract, which he thought was legitimate.

Afford lodged an appeal against conviction and the Director lodged an appeal against the sentence. The Victorian Court of Appeal allowed Afford's appeal on the basis that the trial Judge had erred in his directions to the jury on the elements of the importation offence, and acquitted the offender.

The Director sought leave and appealed this decision to the High Court. The High Court confirmed the Director's argument regarding the elements of an importation offence, overturned the decision of the Victorian Court of Appeal, and restored Afford's original conviction for the offence.

The matter returned to the Victorian Court of Appeal to determine the Director's first appeal against the inadequacy of the sentence, which was allowed. In upholding the Director's appeal, the court held that even if Afford had pleaded guilty, the sentence imposed was manifestly inadequate given the objective seriousness of the offending, and that a substantially heavier sentence was warranted.

The majority of the court found that the offending involved a significant degree of moral culpability, and that the offence of importing a commercial quantity of a border control drug is one of the utmost seriousness, demonstrated by the fact that it carries a maximum penalty of life imprisonment.

Afford's sentence was more than tripled on appeal, from three years and two months' imprisonment with a non-parole period of 24 months, to 10 years' imprisonment with a non-parole period of seven years.

### **R v Ostrowski; Ex parte Attorney-General (Cth) [2018] QCA 62**

Kyle Ostrowski, a 24-year-old unemployed man from Queensland, pleaded guilty to importing a commercial quantity of methamphetamine in a parcel from the United States, delivered to him by Australia Post. The maximum penalty for the offence is life imprisonment.

The amount imported was 7,793 tablets equating to 3.14 kilograms of pure methamphetamine, which had an estimated street value of between \$2.7 million and \$8.1 million depending on the method of sale. Ostrowski was not the principal offender but played an essential role by agreeing to use his grandfather's residential address to receive the consignment of drugs. At the time of the offence, Ostrowski was a drug addict and expected to receive money and drugs for his assistance.

Taking into account Ostrowski's personal circumstances including his plea of guilty, his youth and his progress and prospects for rehabilitation, the District Court Judge at first instance sentenced him to eight years' imprisonment with a non-parole period of 2.5 years.

The Director appealed to the Queensland Court of Criminal Appeal, which agreed that the non-parole period of the sentence did not adequately reflect the objective seriousness of the offending and was far too lenient.

The court held that while no error could be discerned in the sentencing remarks, the sentence itself revealed that there must have been an error of principle. The court determined that the shortness of the non-parole period rendered the sentence imposed by the sentencing judge manifestly inadequate.

While the court declined to interfere with the head sentence of eight years, it increased the non-parole period to four years, agreeing with the Director that the sentencing judge placed too much weight on the favourable prospects for rehabilitation, namely that Ostrowski had sought treatment for his drug addiction before and after the offending, and had been drug free for nine months by the time he was sentenced.

The court agreed with the sentencing judge that while Ostrowski did not know the type of drug being imported, or the amount, he knew he was a party to the importation of a dangerous drug and willingly took part for reward.

### **DPP (Cth) v Masange and DPP (Cth) v Kachunga [2017] VSCA 204**

Kiza Masange and Gilbert Kachunga were both sentenced in relation to drug offences arising from their respective participation in the same overseas drug syndicate.

Masange facilitated the importation of 10 postal consignments from overseas over a six-month period by organising addresses and attempting to collect the various consignments on behalf of others. Nine of the consignments contained a total of 2.4 kilograms of pure methamphetamine, with the remaining consignment containing 20.1 grams of pure heroin.

The drugs were concealed in various items including books, candles and handbags. The estimated value of the methamphetamine was at least \$540,000 wholesale and \$2.025 million retail. Using false identification, Masange also conducted five cash transactions over a seven-month period totalling \$77,000 connected to his drug importation activities, and was found in possession of \$22,000 in cash.

Additionally, Masange applied for a passport in a false name when he was on bail for the importation and money laundering offences.

During the same period, Kachunga conducted six money transactions under false names relating to the importation of drugs, totalling \$88,000, including transferring large sums of money to Peru and China. On one occasion, Kachunga attended a residential address and asked the occupant to collect a parcel from China from a nearby post office, which contained 504 grams of methamphetamine. The parcel was addressed to the residential address in a fictitious name. The occupant refused to collect the parcel.

When Kachunga's home was searched pursuant to a search warrant, he was found to be in possession of two suitcases containing 2.79 kilograms of pure methamphetamine and 12.2 grams of pure cocaine.

Masange pleaded guilty and was convicted of importing a commercial quantity of methamphetamine and cocaine, dealing with money reasonably suspected of being proceeds of crime and making a false statement in relation to a passport application.

Masange was sentenced to a total effective sentence of seven years and six months' imprisonment with a non-parole period of four years.

Kachunga pleaded guilty and was convicted of dealing with money reasonably suspected of being proceeds of crime, attempting to possess a marketable quantity of methamphetamine, possession of a commercial quantity of methamphetamine and possession of a marketable quantity of cocaine. Kachunga was sentenced to a total effective sentence of five years' imprisonment with a non-parole period of two years and six months.

The Victorian Court of Appeal jointly heard the prosecution appeals against sentence, allowing the appeal in respect of Masange and dismissing the appeal in respect of Kachunga. The court found that both sentences were manifestly inadequate, and resented Masange to nine years and six months' imprisonment with a non-parole period of six years.

In respect of Kachunga, the majority of the court exercised the residual discretion not to intervene and re-sentence, on the basis that to do so would result in an injustice. This was because by the time the appeal was determined, Kachunga had been on parole for six months. He had complied with all his conditions of parole, was in full-time employment, and had started IVF treatment with his wife to start a family.

However, the majority of the members of the court indicated that, but for his release on parole, they would have resented Kachunga to a total effective sentence of seven years and six months with a non-parole period of four years and six months.

## **R v Dittman; Ex parte Director of Public Prosecutions (Cth) [2017] QCA 302**

Brock Dittman pleaded guilty and was sentenced to concurrent terms of imprisonment for offences relating to the possession and making available of child pornography material. The most serious offence involved 103 occasions, on 97 separate dates, on which Dittman made child pornography material available to two or more people concurrently. Dittman was sentenced on four Commonwealth charges to an overall period of imprisonment of five years with a minimum of 12 months to serve.

At the time of his sentence, he had already begun to serve a sentence for an unrelated state offence of maintaining a sexual relationship with a child. He needed to serve 12 months of this sentence before the Commonwealth sentence started, meaning he would be in prison for a minimum of two years.

The Director appealed on the basis that the sentence for the Commonwealth offences was manifestly inadequate. In dismissing the appeal, the Queensland Court of Appeal found that a sentencing court must consider the entirety of the offender's criminal conduct to ensure the sentence it is imposing is appropriate. This totality principle also applies where a prisoner is sentenced for an offence while already serving a term for a different offence.

As Dittman was serving an unrelated state sentence of 12 months' imprisonment before the Commonwealth sentence started, the application of the principle of totality meant that the sentence imposed in the District Court of Queensland was held to be within the sentencing discretion of the sentencing Judge, and the Director's appeal was dismissed.

However, the appeal court acknowledged that the sentence for the Commonwealth offences was low, and the appeal may have been allowed in different circumstances.

## **DPP (Cth) v Beattie [2017] NSWCCA 301**

In DPP (Cth) v Beattie (2017), the CDDP appealed against the leniency of a sentence of 10 years' imprisonment with a non-parole period of six years, for an offender who was charged with 22 offences of causing children in the Philippines to engage in sexual intercourse, via instructions he gave over a real-time video link.

The offender paid a man to perform sexual acts on children, or cause them to perform sexual acts, while the offender watched and gave instructions. In upholding the Director's appeal, the appeal court held the sentences did not adequately acknowledge the separate harm done to each child and increased the total effective sentence to 14 years' imprisonment with a non-parole period of 10 years.

The court stated it should not necessarily be inferred that moral culpability for an offence of 'causing a child to engage in sexual intercourse in the presence of the defendant' involves lesser moral culpability than a sexual assault physically committed by an offender.

The impoverished circumstances and vulnerability of the children were factors in assessing the seriousness of the offending.

*This matter was originally reported in the 2016–17 Annual Report.*

## EXERCISE OF STATUTORY FUNCTIONS AND POWERS

The Director has various statutory functions and powers, including in relation to filing a 'no bill' (that is discontinuing a prosecution), granting an indemnity from prosecution to a witness, taking over a private prosecution, filing an *ex officio* indictment, and consenting to conspiracy charges being laid in a particular case.

### 'No bill' applications

After a defendant has been committed for trial, the question sometimes arises whether the prosecution should continue. This can arise either as a result of an application by the defendant or on the CDDP's own initiative. The Director's power to discontinue a prosecution is derived from section 9(4) of the *Director of Public Prosecutions Act 1983* (DPP Act). A submission made to the Director to discontinue such a matter is known as a 'no bill' application.

The Director's power to discontinue is delegated to the Commonwealth Solicitor for Public Prosecutions, Practice Group Leaders (Deputy Directors) and branch heads (Assistant Directors) who make these decisions in certain circumstances.

In 2017–18, a total of 11 prosecutions were discontinued, following decisions by the Director or Practice Group Leaders. These prosecutions were discontinued either because there was insufficient evidence to proceed, or for compelling public interest reasons.

More particularly, in the past year there were seven 'no bill' applications received from defendants or their representatives, of which two were granted and five were refused.

A further nine prosecutions were discontinued on the basis of a recommendation from a prosecutor without prior representations from the defendant.

The discontinued matters were primarily commercial frauds, tobacco importations and drugs offences, with a small number involving other offences such as people smuggling and human trafficking.

### Indemnities

The DPP Act empowers the Director to give an undertaking—referred to as an indemnity—to a potential witness in three circumstances:

- section 9(6) authorises the Director to give an indemnity to a potential witness in Commonwealth proceedings that any evidence the person may give, and anything derived from that evidence, will not be used in evidence against the person, other than in proceedings for perjury
- section 9(6B) empowers the Director to give an indemnity to a person that any evidence he or she may give in proceedings under state or territory law will not be used in evidence against them in a Commonwealth matter
- section 9(6D) empowers the Director to give an indemnity to a person that he or she will not be prosecuted under Commonwealth law in respect of a specified offence.

In the past year, the Director provided indemnities under section 9(6) to nine persons, and granted nine indemnities under section 9(6D), usually in relation to drug and related offences.

## Taking matters over—private prosecutions

Traditionally it has been open to any person to bring a private prosecution for a criminal offence. That right is protected in Commonwealth matters by section 13 of the *Crimes Act 1914* and is expressly preserved under section 10(2) of the DPP Act.

Under section 9(5) of the DPP Act, the Director has the power to take over a prosecution for a Commonwealth offence that has been instituted by another person. The Director is empowered to either carry on the prosecution or, if appropriate, to discontinue it.

The Director was required to exercise this power on four occasions during 2017–18. In each case, the Director took over the prosecution and discontinued it as the evidence was either insufficient for the charges to proceed or alleged an offence not known to law.

## Ex-officio indictments

The Director has the function under section 6(2A)–(2D) of the DPP Act to institute prosecutions on indictment, referred to as *ex officio* indictments. These powers in section 6(2A)–(2C) are used in circumstances where a defendant consents to a prosecution on indictment without being examined or committed for trial, or where a defendant having been committed on either Commonwealth, state or territory offences, is indicted on different charges from those on which they were committed.

Section 6(2D) of the DPP Act provides that in any other case, where the Director considers it appropriate to do so, the Director may institute a prosecution of a person on indictment for an indictable offence against the laws of the Commonwealth, in respect of which the person has not been examined or committed for trial.

In certain circumstances the decision to present an *ex officio* indictment is delegated to the Commonwealth Solicitor for Public Prosecutions, Practice Group Leaders and branch heads. In 2017–18, the Director or a Practice Group Leader exercised *ex officio* powers on 19 occasions.

## Consent to conspiracy proceedings

The Director's consent is required before proceedings for Commonwealth conspiracy offences can commence. In 2017–18, the Director consented to the commencement of conspiracy proceedings against 87 defendants in relation to 41 alleged conspiracies.

## Consent under section 121(8) of the *Family Law Act 1975*

The Director's consent is required before proceedings are commenced for an offence against section 121 of the *Family Law Act 1975*, which restricts publication of court proceedings.

During 2017–18, the Director gave consent to commence proceedings in one such matter.



## CHAPTER FOUR

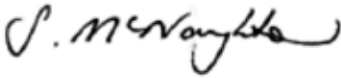




PERFORMANCE

# ANNUAL PERFORMANCE STATEMENT

I, Sarah McNaughton SC, as the accountable authority of the Commonwealth Director of Public Prosecutions, present the 2017–18 annual performance statements of the Commonwealth Director of Public Prosecutions, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, the annual performance statements are based on properly maintained records, accurately reflect the CDPP's performance in the reporting period and comply with subsection 39(2) of the PGPA Act.



Sarah McNaughton SC  
Commonwealth Director of Public Prosecutions

## ENTITY PURPOSE

To provide an independent prosecution service that contributes to the respect and maintenance of Commonwealth criminal law and public respect in the justice system through the prosecution of crimes.<sup>7</sup>

---

<sup>7</sup> The wording of the CDPP's entity purpose was slightly modified during 2017–18. The entity purpose is now:

The CDPP's purpose is to prosecute crimes against Commonwealth law through an independent prosecution service, which is responsive to the priorities of our law enforcement and regulatory partners and that effectively contributes to the safety of the Australian community and the maintenance of the rule of law.

<b>PERFORMANCE CRITERION— NUMBER 1: PROSECUTION POLICY COMPLIANCE</b>	<b>PERFORMANCE CRITERION— NUMBER 2: PARTNER AGENCY SATISFACTION</b>	<b>PERFORMANCE CRITERION— NUMBER 3: PROSECUTIONS RESULTING IN A CONVICTION</b>
<p>Compliance in addressing the terms of the test for prosecution in the <i>Prosecution Policy of the Commonwealth</i>, namely existence of a <i>prima facie</i> case, reasonable prospects of conviction and that prosecution is required in the public interest, when deciding to commence or continue a prosecution.</p>	<p>Quantitative and qualitative evidence is gathered about partner agency satisfaction with CDPP timeliness, relevance to partner agency business, responsiveness and level of communication via a biennial survey. The results deliver a comprehensive evidence base to inform continuous improvement.</p>	<p>The conviction/finding of guilt rate is calculated by taking the number of defendants convicted as a percentage of defendants convicted or acquitted. The calculation does not include defendants where the CDPP discontinued the prosecution against them in its entirety. It does include findings of guilt that do not result in a conviction.</p>
<p>Criterion source: Portfolio Budget Statements 2017–18 Program 1.1: page 264; CDPP Corporate Plan 2017–21 page 15</p>	<p>Criterion source: Portfolio Budget Statements 2017–18 Program 1.1: page 264; CDPP Corporate Plan 2017–21 page 16</p>	<p>Criterion source: Portfolio Budget Statements 2017–18 Program 1.1: page 264; CDPP Corporate Plan 2017–21 page 17</p>
<p>Result against performance criterion 2017–18 Target: 100% Result: 100% 2016–17 Target: 100% Result: 100%</p>	<p>Result against performance criterion 2017–18 Target: 90% Result: 87% 2015–16 Target: 90% Result: 83%</p>	<p>Result against performance criterion 2017–18 Target: 90% Result: 97% 2016–17 Target: 90% Result: 99%</p>
<p>This performance measure has been in place since 1 November 2015. Just prior to the 2017–18 financial year, the CDPP moved from a paper file based internal audit and compliance framework to a wholly electronic one. Prosecution Policy Declarations (PPDs) generated from within the CDPP’s Case Recording Information Management System (CRIMS) database were utilised throughout the prosecution process.</p>	<p>The independent biennial survey is sent out in March/April every two years, collecting information on the previous 12 months, and reported in the Annual Report relating to the 12 month collection period. The next survey will be activated in March/April 2020 and results reported in the 2019–20 Annual Report.</p>	

## ANALYSIS OF PERFORMANCE AGAINST OUR PURPOSE

### Performance criterion 1: Compliance in addressing the terms of the test for prosecution in the *Prosecution Policy of the Commonwealth*

This performance measure has been in place since November 2015. The prosecution test under the Prosecution Policy requires the prosecutor to determine whether there is a *prima facie* case and reasonable prospects of a conviction and whether a prosecution is required in the public interest, when deciding to commence or continue the prosecution. Compliance for this measure occurs via a Prosecution Policy Declaration (PPD), which must be completed by the decision maker, confirming the application of the prosecution test. The PPD is directed at providing assurance that the prosecution test has been addressed and also references information on the file that supports the decision made (for example, summaries, file notes, submissions). The test set out in the Prosecution Policy is integral to all cases considered and prosecuted by the CDPP. It is of fundamental importance to the manner in which we undertake our work, and its proper application reinforces the independence of the CDPP. Consequently, assurance that the policy is being applied at key junctures in the prosecution process is vital.

From shortly before the start of 2017–18, the CDPP moved from a paper file based internal audit and compliance framework to a more reliable wholly electronic one. During 2017–18, PPDs were generated from within the CDPP’s Case Recording

Information Management System (CRIMS) database and were utilised throughout the prosecution process. The move to electronic PPDs has streamlined reporting and allowed us to measure the application of the Prosecution Policy at a greater number of points in the prosecution process than occurred in the previous financial year. This has given us a greater data set, which has increased the overall reliability and completeness of the measure and enhanced the CDPP’s capacity to monitor and audit performance against this measure on an ongoing basis, and address any potential lack of timely compliance.

Throughout this period, there has been quarterly progress reporting to the Audit Committee and publication annually in the Annual Report.

### Performance criterion 2: Partner agency satisfaction with CDPP service delivery

A partner agency satisfaction survey was conducted in 2015–16. This survey has established a methodology and baseline to track satisfaction on an ongoing basis. Understanding partner agency perceptions of the CDPP across a range of service areas provides valuable insights that help shape and improve processes, procedures and performance, thereby allowing us to be responsive to the priorities of our law enforcement and regulatory partners. To align with the introduction of the biennial satisfaction survey in 2015–16, the CDPP set a partner agency satisfaction target of 90 per cent<sup>8</sup> and achieved an initial satisfaction rating of 83 per cent, based on a 60 per cent response rate.

---

<sup>8</sup> Agencies are asked to score the CDPP on a scale of 0–10, where 10 is ‘extremely satisfied’ and 0 is ‘extremely dissatisfied’. For the purposes of the survey results and Performance Criterion 2, the CDPP regards a score of between 7–10 as evidencing ‘satisfaction’.

While this result fell slightly short of the target, it captured valuable feedback to assist the CDPP to meet the target in the future.

Following analysis of that feedback from our first stakeholder survey in 2016, we delivered a number of initiatives to improve our services, including:

- reducing our brief assessment timeframe from 120 days to 90 days, and eliminating our backlog of unassessed files
- strengthening our regular liaison meetings
- holding national conferences where partner agencies can take part, to explore topical issues, share knowledge and improve communication
- redeveloping our Partner Agency Portal, including updating a large number of National Offence Guides and Manuals
- launching our National Legal Direction on Prosecution Services for Partner Agencies to ensure that expectations of CDPP lawyers around service delivery are clear and service delivery is consistent
- developing e-brief Referral Guidelines and our new Digital Referrals Gateway
- continuing to actively participate in local, national and international engagements with partner agencies
- providing more training to frontline investigators
- participating in secondments with partner agencies.

The effectiveness of these measures was apparent in the 2018 partner agency satisfaction survey. An 87 per cent overall satisfaction score was achieved. This result is now just under the target set of 90 per cent, and represents a four per cent increase on the results of the 2016 survey. The agency response rate also increased from 163 in 2016 to 284 in 2018 (an increase of 74 per cent). Moreover, this year's survey included participants that were randomly selected from our CRIMS database, as well as participants nominated by CDPP staff.

The 2018 survey provides a thorough and reliable snapshot of what our main partner agencies are thinking about critical issues such as our timeliness, and the quality of information we provide. Importantly, the increased level of engagement from our partner agencies and more randomised selection means the three-week survey was more statistically robust than the 2016 survey, allowing more weight to be placed on the findings.

This survey comprehensively assessed partner agency satisfaction with our day-to-day dealings and our service delivery. The results were very positive across the board and showed a definite improvement on 2016. The CDPP will analyse the outcomes and continue to look for areas where we can strengthen and improve our service delivery to agencies in the future. It is anticipated that the CDPP will need to be particularly responsive to the needs of partner agencies investigating new and emerging crime types of significant complexity.

### **Performance criterion 3: Prosecutions resulting in a conviction**

The CDPP has consistently exceeded the target of 90 per cent set for this measure. This measurement of court outcomes evidences the CDPP's contribution to ensuring the safety of the Australian community and the maintenance of the rule of law. This year's result of 97 per cent was achieved through the commitment and hard work of CDPP staff working in collaboration with partner agencies.

This measure is calculated by taking the number of defendants convicted as a percentage of defendants convicted or acquitted within a prosecution phase. The calculation does not include defendants where the CDPP discontinued the prosecution against them in its entirety. During 2017–18 we also monitored an adjusted figure (of approximately 89 per cent), which included discontinuances. Formally making provision for discontinuances will be considered as part of a review of Performance criterion 3 during 2018–19. It does include findings of guilt that do not result in the recording of a conviction.

'Conviction' includes any finding of guilt by jury or tribunal of fact including but not limited to where a conviction is recorded. As to the latter, a court may proceed to impose a 'non-conviction' disposition. This most commonly occurs in less serious matters, where extenuating circumstances exist.

A 'prosecution phase' means summary, committal, trial and sentence phases.

Defendants may be prosecuted for more than one offence; a defendant is counted as being 'convicted' if at least one offence is recorded with an outcome of 'proven'.

Progress reports are provided monthly to the Executive Leadership Group, quarterly to the Audit Committee and published annually in the Annual Report.

This measure is inter-related with Performance criterion 1, in that a proper application of the Prosecution Policy test should inevitably link to prosecution outcomes, including the level of convictions. Over the next 12 months we intend to review, refine and develop our performance measure framework, in cooperation with key stakeholders, to better measure and assess our performance in achieving our Outcome and Purpose.

# PROSECUTION STATISTICS

The following tables set out details of prosecutions we conducted in 2017–18. Cases were referred by 40 Commonwealth agencies as well as 20 state and territory agencies.

**Table 4: Outcomes of successful prosecutions in 2017–18**

Description	No.
Defendants convicted of offences prosecuted summarily	1,509
Defendants convicted of offences prosecuted on indictment	678
Defendants committed for trial or sentence	693

**Table 5: Summary prosecutions in 2017–18**

Description	No.
Defendants convicted after a plea of guilty	1,446
Defendants convicted after a plea of not guilty	63
Total defendants convicted	1,509
Defendants acquitted after a plea of not guilty	15
<b>Total</b>	<b>1,524</b>

**Table 6: Committals in 2017–18**

Description	No.
Defendants committed after a plea of guilty	345
Defendants committed after a plea of not guilty	348
Total defendants committed	693
Defendants discharged after a plea of not guilty	3
<b>Total</b>	<b>696</b>

**Table 7: Prosecutions on indictment in 2017–18**

Description	No.
Defendants convicted after a plea of guilty	613
Defendants convicted after a plea of not guilty	65
Total defendants convicted	678
Defendants acquitted after a plea of not guilty	46
<b>Total</b>	<b>724</b>

**Table 8: Prosecution appeals against sentence in 2017–18**

Appeal type	Outcome	Summary	Indictable
Appeals against sentence	Upheld	2	5
	Dismissed	0	4
<b>Total</b>		<b>2</b>	<b>9</b>

**Table 9: Defence appeals against sentence in 2017–18**

Appeal type	Outcome	Summary	Indictable
Against conviction only	Upheld	1	3
	Dismissed	4	12
Against sentence only	Upheld	43	16
	Dismissed	12	21
Conviction and sentence	Upheld	5	2
	Dismissed	6	4
<b>Total</b>		<b>71</b>	<b>58</b>

## **PROSECUTION PERFORMANCE INDICATORS 2017–18**

In 2017–18 we met all of the following prosecution performance indicators:

- prosecutions resulting in a conviction
- defendants in defended summary hearings resulting in a conviction
- defendants in defended committals resulting in a committal order
- prosecution sentence appeals in summary prosecutions upheld.

However, we did not meet the following prosecution performance indicators:

- defendants tried on indictment and convicted
- prosecution sentence appeals in a prosecution on indictment upheld.



**Table 10: Prosecution indicators for 2017–18**

Description	Target	Outcome	No.successful (total)
Prosecutions resulting in a conviction*	90%	97%	2,187 (2,248)
Defendants in defended summary hearings resulting in conviction	60%	81%	63 (78)
Defendants in defended committals resulting in a committal order	80%	99%	348 (351)
Defendants tried on indictment and convicted	70%	59%	65 (111)
Prosecution sentence appeals in summary prosecutions upheld	60%	100%	2 (2)
Prosecution sentence appeals in a prosecution on indictment upheld	60%	56%	5 (9)

\* The conviction rate is calculated by taking the number of defendants convicted as a percentage of defendants convicted or acquitted. The calculation does not include defendants where the CDPP discontinued the prosecution against them in its entirety.

**Table 11: Prosecution performance indicators for 2015–16, 2016–17 and 2017–18**

Description	Target	2015–16 outcome	2016–17 outcome	2017–18 outcome
Prosecutions resulting in a conviction*	90%	97%	99%	97%
Defendants in defended summary hearings resulting in conviction	60%	64%	73%	81%
Defendants in defended committals resulting in a committal order	80%	99%	99%	99%
Defendants tried on indictment and convicted	60%	69%	85%	59%
Prosecution sentence appeals in summary prosecutions upheld	60%	25%	100%	100%
Prosecution sentence appeals in a prosecution on indictment upheld	60%	77%	45%	56%

\* The conviction rate is calculated by taking the number of defendants convicted as a percentage of defendants convicted or acquitted. The calculation does not include defendants where the CDPP discontinued the prosecution against them in its entirety.

## STATISTICS ABOUT RELEVANT LEGISLATION AND PARTNER AGENCIES

We received the most referrals from the Department of Human Services, Australian Financial Security Authority, Australian Federal Police, Australian Border Force, Australian Bureau of Statistics and Australian Taxation Office.

The following tables provide statistics covering relevant legislation and referring agencies in relation to matters dealt with in 2017–18.

**Table 12: Legislation under which charges were dealt with summarily and on indictment in 2017–18**

Legislation	Summary (charges)	Indictable (charges)
Airports (Control of On-Airport Activities) Regulations 1997	7	0
Anti-Money Laundering and Counter Terrorism Financing Act 2006	8	19
Australian Citizenship Act 2007	5	0
Australian Crime Commission Act 2002	0	1
Australian Federal Police Act 1979	4	0
Australian Meat and Live-stock Industry Act 1997	1	0
Australian Passports Act 2005	14	9
Australian Securities and Investments Commission Act 2001	4	0
Aviation Transport Security Act 2004	3	0
Aviation Transport Security Regulations 2005	10	0
Bankruptcy Act 1966	393	5
Biosecurity Act 2015	16	0
Census and Statistics Act 1905	209	0
Child Support (Registration and Collection) Act 1988	11	0
Civil Aviation Act 1988	11	1
Civil Aviation Regulations 1988	46	0
Civil Aviation Safety Regulations 1998	4	0
Commonwealth Electoral Act 1918	31	0
Commonwealth Places (Application of Laws) Act 1970	1	0
Competition and Consumer Act 2010	0	1
Copyright Act 1968	0	7
Corporations (Aboriginal and Torres Strait Islander) Act 2006	61	38
Corporations Act 2001	32	44
Crimes (Aviation) Act 1991	25	4
Crimes (Currency) Act 1981	188	46

Legislation	Summary (charges)	Indictable (charges)
<i>Crimes (Foreign Incursions and Recruitment) Act 1978</i>	0	1
<i>Crimes Act 1914</i>	27	12
<i>Criminal Code (Cth)</i>	3,533	1,640
<i>Criminal Code 2007 (Norfolk Island)</i>	5	5
<i>Customs Act 1901</i>	139	334
<i>Dangerous Drugs Act 1927 (Norfolk Island)</i>	4	0
<i>Defence (Special Undertakings) Act 1952</i>	0	7
<i>Defence Act 1903</i>	2	0
<i>Environment Protection and Biodiversity Conservation Act 1999</i>	111	3
Environment Protection and Biodiversity Conservation Regulations 2000	12	0
<i>Export Control Act 1982</i>	37	0
<i>Extradition Act 1988</i>	1	0
<i>Family Law Act 1975</i>	0	1
<i>Financial Management and Accountability Act 1997</i>	2	0
<i>Financial Transaction Reports Act 1988</i>	0	1
<i>Fisheries Management Act 1991</i>	41	0
<i>Foreign Passports (Law Enforcement and Security) Act 2005</i>	8	4
<i>Great Barrier Reef Marine Park Act 1975</i>	17	0
Great Barrier Reef Marine Park Regulations 1983	19	0
<i>Health Insurance Act 1973</i>	82	0
Historic Shipwrecks Regulations 1978	5	0
Imported Food Control Regulations 1993	1	0
<i>Liquor Act 2005 (Norfolk Island)</i>	2	0
<i>Marine Safety (Domestic Commercial Vessel) National Law Act 2012</i>	8	0
<i>Marriage Act 1961</i>	2	2
<i>Migration Act 1958</i>	21	80
<i>National Measurement Act 1960</i>	3	0
<i>National Vocational Education and Training Regulator Act 2011</i>	7	0
<i>Passports Act 1938</i>	6	0
<i>Primary Industries Levies and Charges Collection Act 1991</i>	17	0
<i>Protection of the Sea (Prevention of Pollution from Ships) Act 1983</i>	10	0
<i>Public Order (Protection of Persons and Property) Act 1971</i>	13	0
<i>Quarantine Act 1908</i>	18	0
<i>Radiocommunications Act 1992</i>	6	0

Legislation	Summary (charges)	Indictable (charges)
<i>Service and Execution of Process Act 1992</i>	1	0
<i>Social Security (Administration) Act 1999</i>	3	0
<i>Social Security Act 1991</i>	13	0
<i>Statutory Declarations Act 1959</i>	1	1
<i>Summary Offences Act 2005 (Norfolk Island)</i>	7	0
<i>Taxation Administration Act 1953</i>	310	0
<i>Therapeutic Goods Act 1989</i>	21	14
<i>Torres Strait Fisheries Act 1984</i>	1	0
<i>Traffic Act 2010 (Norfolk Island)</i>	49	0
Non Commonwealth legislation	252	431
<b>Total</b>	<b>5,901</b>	<b>2,711</b>

**Table 13: Referring agencies—defendants dealt with summarily and on indictment in 2017–18**

Appeal type	Summary	Indictable
Australian Federal Police/Australian Commission for Law Enforcement Integrity Joint Task Force	0	4
Attorney-General's Department	1	1
Australian Border Force	40	72
Australian Bureau of Statistics	37	0
Australian Communications and Media Authority	1	0
Australian Competition and Consumer Commission	0	1
Australian Criminal Intelligence Commission	0	1
Australian Electoral Commission	31	0
Australian Federal Police	328	418
Australian Financial Security Authority	161	1
Australian Fisheries Management Authority	27	0
Australian Maritime Safety Authority	6	0
Australian Postal Corporation	8	0
Australian Securities and Investments Commission	23	15
Australian Skills Quality Authority	1	0
Australian Taxation Office	36	23
Australian Trade and Investment Commission	1	0
Civil Aviation Safety Authority	4	1
Department of Agriculture and Water Resources	18	1

Appeal type	Summary	Indictable
Department of Defence	4	0
Department of Education and Training	7	1
Department of Foreign Affairs and Trade	6	1
Department of Health	28	2
Department of Human Services—Centrelink	923	26
Department of Human Services—Medicare	10	1
Department of Immigration and Border Protection/ Department of Home Affairs	4	4
Department of Industry, Innovation and Science	0	1
Department of Jobs and Small Business	8	0
Department of Social Services	0	2
Department of the Environment and Energy	4	3
Department of the Prime Minister and Cabinet	1	0
Department of Veterans' Affairs	1	0
Director of National Parks	5	0
Great Barrier Reef Marine Park Authority	31	0
National Measurement Institute	3	0
Office of the Registrar of Indigenous Corporations	29	1
Therapeutic Goods Administration	4	0
Non Commonwealth agencies	138	208
<b>Total</b>	<b>1,929</b>	<b>788</b>

The above table contains names of only current Commonwealth agencies as at 30 June 2018.

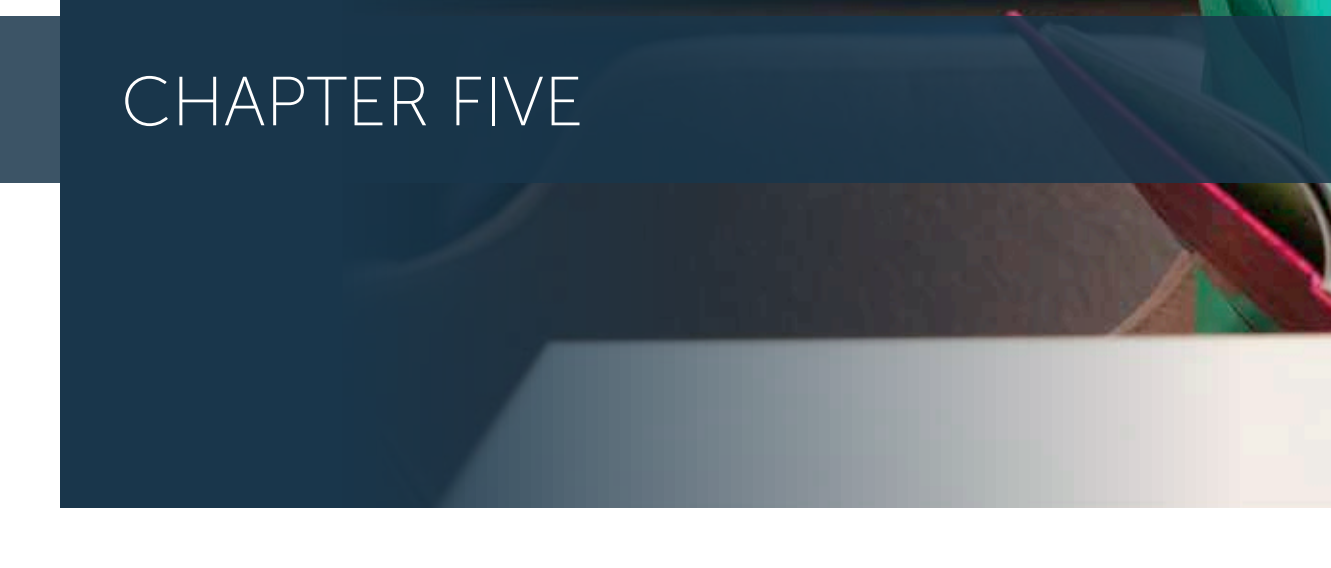
'Defendants dealt with' includes not only convictions and findings of guilt, but also matters resulting in acquittals, prosecutions that are discontinued in accordance with the *Prosecution Policy of the Commonwealth* based on evidentiary or public interest considerations or as part of a charge negotiation, as well as when there is a hung jury, a warrant has been issued as the defendant has absconded, and determinations that a defendant is unfit to be tried. It also includes matters where a charge is issued but is unable to be served and prosecutions commenced in one jurisdiction and recommenced in another jurisdiction because the defendant has moved. It does *not* include matters where the CDPP has provided pre-brief advice to an investigation agency, brief assessments that do not proceed to prosecution on evidentiary or public interest grounds, breach proceedings, or matters determined on appeal.

In addition there were four private prosecutions initiated by private citizens that were taken over and discontinued by the Director, on the basis of insufficiency of evidence.

See page 105 for more details on private prosecutions.



## CHAPTER FIVE





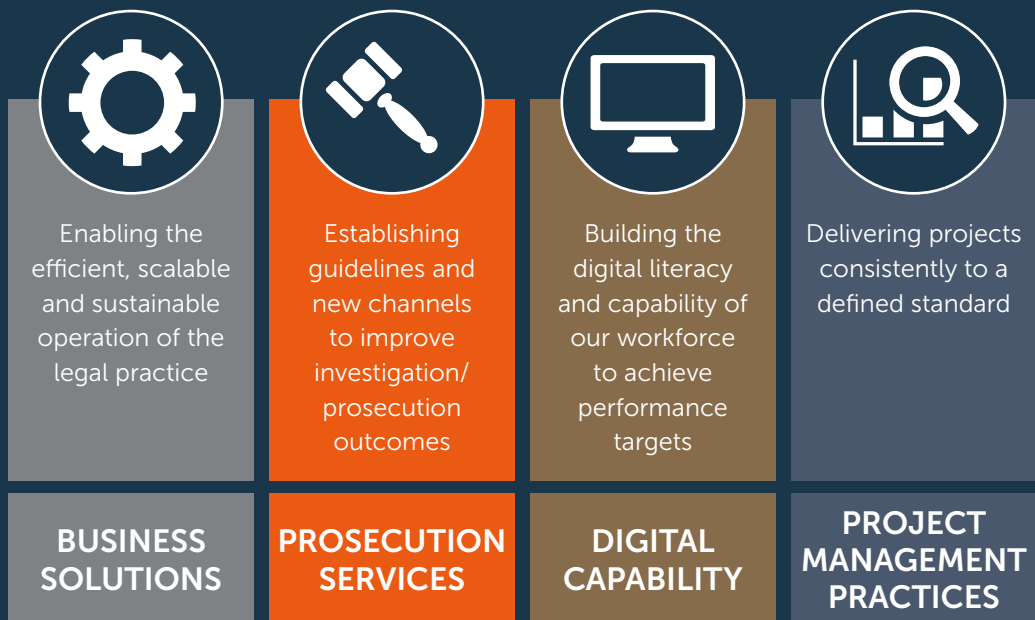
SUPPORTING THE  
LEGAL PRACTICE

# NATIONAL BUSINESS IMPROVEMENT PRACTICE GROUP

Deputy Director: David Adsett

The National Business Improvement Practice Group fosters innovation and drives business improvements across the legal practice.

During 2017–18, this practice group advanced some of the most transformative projects in the CDPP’s history, within the following streams:



In addition to these areas, this practice group was also accountable for Legal Learning and Development before the function was transferred to the Legal Business Improvement branch. In exchange, it assumed responsibility for data management and reporting across the CDPP due to the synergies of this function with our new case and document management solution, caseHQ.

The effective management of our prosecution lifecycle connects all the projects managed by the National Business Improvement Practice Group.



## **BUSINESS SOLUTIONS— BUILDING THE FOUNDATION FOR caseHQ**

This year we developed caseHQ, our new virtual headquarters for case and document management. To be launched nationally in late 2018, caseHQ will provide end-to-end case management, with embedded document and workflow management functions—revolutionising our work practices.

In the 2017–18 budget we received \$4.5 million through the Government’s Modernisation Fund to develop a new Legal Business Management Solution, to include the following functionality:

- case management
- document assembly (precedents)
- document storage and access
- advanced search
- workflows
- contact management
- system administration
- reporting.

For the first time, caseHQ is bringing together into one place a range of tasks and functions previously completed across multiple systems and platforms—hence the apt name, caseHQ.

In October 2017 a project team was established and in just eight months, the team progressed methodically through the critical milestones:

- analysis and design
- configuration
- user acceptance testing.

The caseHQ project vision is to provide a secure, flexible and contemporary system that supports the business processes of the CDPD and offers end-to-end case management with embedded document and workflow management functions. The system will provide the CDPD with an efficient and effective business tool for managing information related to criminal prosecution matters.

In March 2018, the system underwent User Acceptance Testing, which involved a group of subject matter experts and caseHQ Champions helping to identify any defects in the system so they could be corrected, and shape the training program being developed and customised for the different user groups.

In July 2018, caseHQ will be piloted by the Sydney legal practice, with the national launch to follow in late 2018.

caseHQ will significantly improve the way our lawyers and administrative support staff carry out their work. It will also position us to meet our case and document management needs into the future.

## **IMPROVING OUR PROSECUTION SERVICES— ENABLING THE SUBMISSION OF ELECTRONIC BRIEFS**

During the year, we delivered two key projects to enable our partner agencies to submit briefs electronically: the e-Brief Referral Guidelines; and the Digital Referrals Gateway.

## e-Brief Referral Guidelines

A quality digital brief helps prosecutors and defence lawyers quickly identify key evidence. This helps to narrow issues in dispute and generate earlier guilty pleas, saving valuable time and resources.

In collaboration with the Australian Federal Police, the e-Brief Referral Guidelines project established a set of agreed standards for electronic briefs covering metadata, structure and file formats.

In July 2017, partner agencies were invited to provide feedback on the guidelines and, following some minor improvements, we introduced the e-Brief Referral Guidelines in September 2017.

Since then, we have been working proactively with key partner agencies to tailor brief submission templates to ensure they meet the standards outlined in the guidelines, while accommodating different internal processes and procedures across our partner agencies' varying operating models.

Partner agencies are embracing electronic document management practices to deal with the extensive amount of material that typically makes up a single brief of evidence. The e-Brief Referral Guidelines have improved both the standard and completeness of briefs submitted in this format.

### Key project benefit:

- **Improved efficiency in brief analysis and assessment thanks to comprehensive electronic indexing and searchability of material.**

## Digital Referrals Gateway

The Digital Referrals Gateway is a new platform that allows us to securely receive e-briefs and requisitioned material via the internet.

We established the gateway in July 2017. Following extensive functional and software integration testing, the gateway was trialled by a select group of investigators from the Department of Human Services in Brisbane and their counterpart CDPP prosecutors.

This first phase of testing identified opportunities for improvement within the system and the related training material, to enable the gateway to be adopted by partner agencies. With the improvements made, we scaled up the trial to include additional teams from the Department of Human Services.

In May 2018, the trial expanded again to include the Australian Taxation Office and the Australian Financial Security Authority. To drive broader adoption, we included a link to the Digital Referrals Gateway in our Partner Agency Portal, making it easy to access the gateway and related training material.

In 2018–19, the gateway will be introduced to all partner agencies. This will signal a significant shift in work practices, for us and for our partner agencies, making them more streamlined and in step with the digital transformation of the broader justice system.

### Key project benefit:

- **Increased speed, security and ease of transferring and allocating files both internally and externally.**

## WE DEVELOPED AN INTRODUCTORY VIDEO TO HELP PARTNERS USE THE NEW DIGITAL REFERRALS GATEWAY



*To drive broader adoption, we included a link to the Digital Referrals Gateway in our Partner Agency Portal, making it easy to access the gateway and related training material.*



## **BUILDING OUR DIGITAL CAPABILITY—INTRODUCING SOFTWARE SOLUTIONS TO IMPROVE LEGAL PRACTICES**

A key theme during 2017–18 was providing relevant digital tools and software to prosecutors to improve their practices.

In particular, we advanced two software projects—dtSearch and CaseLink—to enable lawyers to view multiple sources of information at once and analyse evidence more efficiently.

### **dtSearch**

dtSearch is a powerful search tool that enables our prosecutors to search across documents. Key uses include searching e-briefs, trial materials and other documents stored on network drives. Search results are returned efficiently, allowing prosecutors to find results based on search parameters. dtSearch is a licensed program that has been installed on all prosecutors' personal computers.

### **CaseLink**

CaseLink is a suite of internally developed litigation support databases ideal to use in larger, more complex cases. CaseLink databases are designed to:

- be a one-stop-shop for all summaries and chronologies
- map relationships between items of evidence, witness statements, summaries, chronologies and factual and legal concepts
- enable all CDPP prosecutors to easily extract subsets of evidence according to how they have categorised or tagged the evidence or summaries.

The CaseLink Categories Database is one of our new user-friendly digital litigation support tools.

It is ideal for complex cases with voluminous evidence because it allows our prosecutors to easily review, analyse and categorise evidence, as well as order written summaries of evidence in a variety of ways, for example by theme, category, witness and applicable law.

The database can also generate multiple reports for use in trial, including exhibit lists, jury books and witness bundles.

In addition, it helps legal teams work efficiently, as it can delegate and assign work to multiple team members and enable team members to work collaboratively and contemporaneously.

It was used by prosecutors in the Operation Rune trial, which was a complex foreign bribery matter.

### **Driving adoption of these solutions**

To drive the adoption of these tools, dedicated project leads were assigned from the legal practice to demonstrate the capability of each tool, carry out training and provide ongoing guidance.

#### **Key project benefit:**

- **Building prosecutors' capability to use digital support tools in complex legal matters, saving them valuable time and enabling them to gain full control of their material.**

## PROJECT MANAGEMENT PRACTICES—ESTABLISHING A CONSISTENT AND PROVEN METHODOLOGY

In March 2018, following a complete review of the CDPP's project management methodology, we introduced a new process and supporting templates to ensure the consistent initiation, management, reporting and closure of projects.

The CDPP Project Management Framework draws on methodologies as appropriate to provide suitable procedures and templates for use in CDPP projects across the organisation. For simplicity, the framework does not include a program level as there are insufficient projects to justify an additional governance level.

The templates ensure that all aspects of CDPP projects can be considered, controlled and approved at the appropriate level and that regular progress and risk reports are delivered.

The methodology has been thoroughly tried and tested during the various phases of the caseHQ project.

### Key project benefit:

- **Applying the project management methodology and templates establishes a standard for the delivery of projects to ensure the effective management of project schedules, budgets and risks.**





# caseHQ – ENGAGING AND SUPPORTING STAFF THROUGH THE MODERNISATION OF OUR WORK PRACTICES

caseHQ delivers a sustainable and virtual headquarters for case and document management—modernising our work practices for this digital era.

For our workforce, it represents the most significant transformation of work practices since the CDPP was established. At the project's inception, we asked the critical question: How are we going to help our workforce transition to caseHQ while minimising the disruption to our legal practice?

In response, a dedicated Business Change Manager was appointed from the legal practice to contribute subject matter expertise to the project, and design the communication, engagement and change program—the staff journey through this significant change and transition to caseHQ.

Working collaboratively with the communications team, five key stages of change were defined in a way that would resonate with the office:



**INFORM**—raise awareness and generate interest.



**ENGAGE**—mobilise the project and manage expectations.



**ENABLE AND EDUCATE**—deliver a tailored training program for different user groups and learning styles.



**SUPPORT**—offer a multi-faceted support program.



**SUSTAIN AND EMBED**—build on change and our workforce capability.

This underpinning framework for change informed the project's communication, engagement and change program. To date, we have executed the two first critical phases of that program to establish a common understanding of the project, what will be delivered and how our workforce will be affected and supported.

## Inform

The initial working title for the project was 'Business Management Solution'. Soon after the project began, we launched a naming competition to encourage workforce ownership of the new system.

The competition created an opportunity to explain the solution and all of its elements so staff could submit informed competition entries. Entries were then shortlisted and the name that attracted the most support was caseHQ.

A strong visual identity was developed and the new caseHQ name and logo was launched.

Our e-hub intranet served as the perfect digital platform for the competition using online forms, news articles and promotions to raise awareness and generate interest.

## Engage

The engage phase of the change program ran in parallel to key phases of caseHQ's development—analysis and design, agile build cycles and user acceptance testing involving project team members and a broad cross-section of subject matter experts. While this activity was occurring, the change program continued to engage CDPP staff via:

- news and updates—ongoing news and project briefings published on the e-hub intranet
- caseHQ champions—a network of change champions with representatives in every office conveyed key messages to staff informally and through meetings, answered questions, and escalated any issues or concerns back to the project team to further refine and improve the change program
- national video conferences—all-staff video conferences were held periodically to explain and preview the solution, and reinforce how our staff would be supported through a multi-faceted approach to training that considers their transition to caseHQ 'one matter at a time'.

caseHQ will significantly improve the way CDPP staff carry out their work. It will also position us well to meet our case and document management needs into the future.

From July 2018, caseHQ will be piloted in the CDPP's Sydney office before it, and the national training program, is delivered.

caseHQ is an exciting digital step forward for the CDPP.



# CORPORATE SERVICES GROUP

Chief Corporate Officer: Simon A. Ash

The Corporate Services Group provides a customer-focused and collaborative approach to tailoring and strengthening the support services for the legal practice. This approach has delivered many transformational projects across the CDPP—designed and delivered in close partnership with prosecutors and partner agencies.

The work of the Corporate Services Group is ongoing and prioritised to balance both our office's immediate and long-term needs.

The Corporate Services Group is made up of a number of Service Centres.

These dedicated teams of specialist corporate staff work behind the scenes and directly with legal staff to deliver support services, and ensure these services are always maintained, improved and advanced in line with the needs of the business.



Deliver support services to underpin and enable the day-to-day operations of the legal practice.

**SUPPORT**



Implement innovative solutions through continuous business improvement that aligns with government standards and guidelines.

**ENABLE**



Provide fit-for-purpose business systems that support a highly connected and technology-enabled workplace.

**INNOVATE**



Work collaboratively to build a high performing and engaged workforce.

**COLLABORATE**



# GOVERNANCE, AUDIT AND ACCOUNTABILITY

The Governance team is responsible for both organisational governance and internal audit. The team provides strategic, operational advice and support to the Executive Leadership Group and senior management on all aspects of public sector governance, in accordance with the relevant legislation and government policy.

In 2017–18, the team continued to strengthen our governance practices and relationships with our stakeholders in the Department of Finance, and the Attorney-General's Department.

The internal audit team provides independent assurance on compliance with procedures and systems of internal control, and helps management improve business performance.

## INTERNAL GOVERNANCE

### Guiding policies

Our legislative and policy framework establishes the role of our organisation and the statutory position of Director. Key elements include:

- *Director of Public Prosecutions Act 1983* (DPP Act)
- *Public Governance, Performance and Accountability Act 2013* (PGPA Act)
- Public Governance, Performance and Accountability Rule 2014 (PGPA Rule)
- *Public Service Act 1999*
- *Prosecution Policy of the Commonwealth*.

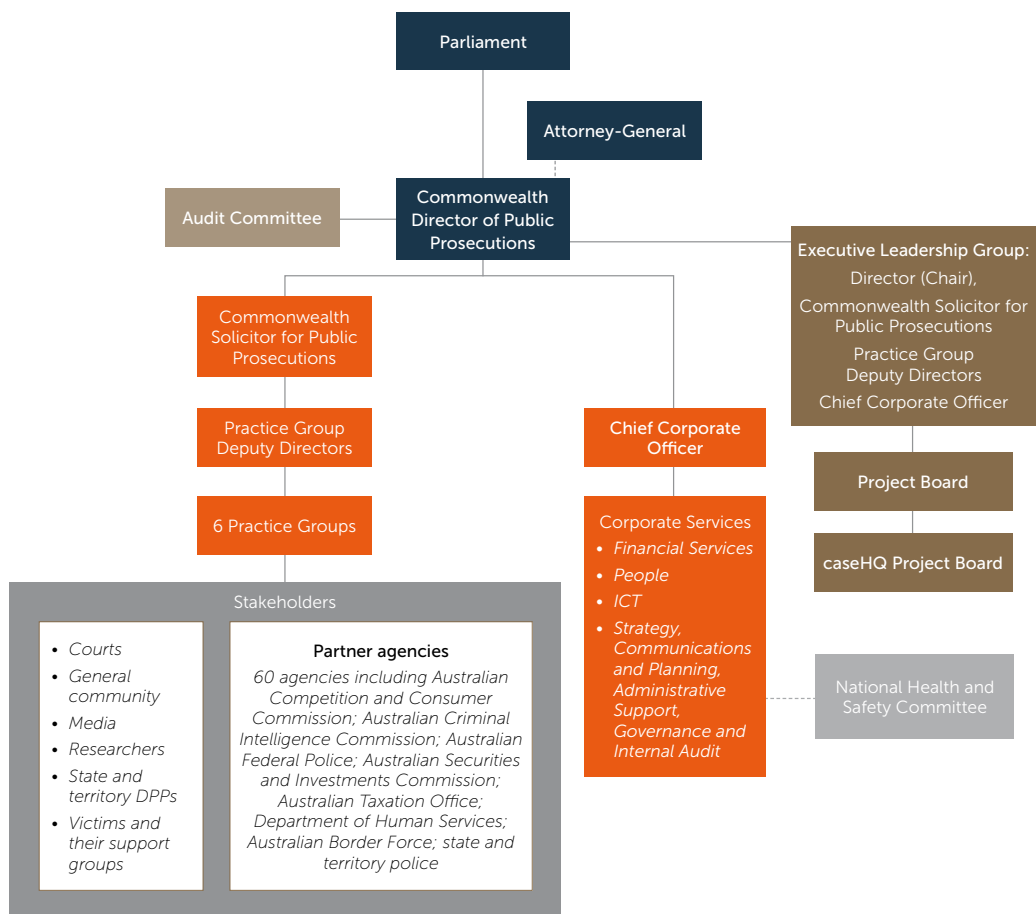
### Corporate governance

Governance in the CDPP provides a framework to ensure we meet the standards of fairness, openness, consistency, accountability and efficiency in prosecuting offences against the laws of the Commonwealth and, in meeting these standards, maintain the confidence of the public we serve.

Good governance considers both performance and accountability within a risk management framework rather than trading one off against the other.

We continually refine our governance arrangements to ensure they are fit-for-purpose and clear to everyone. Our governance structure provides clarity on accountabilities and aligns our work and relationships with our stakeholders, to work together to achieve the outcome and purpose expressed in our corporate plan.

Figure 3: CDPP governance structure at 30 June 2018



## EXECUTIVE LEADERSHIP GROUP

Our Executive Leadership Group is the key advisory group to the Director and includes the Director as Chair, Commonwealth Solicitor for Public Prosecutions, Deputy Directors and Chief Corporate Officer. The Executive Leadership Group meets monthly in person to:

- identify and consider emerging strategic issues
- monitor and consider legal practice performance and outcomes
- consider, endorse and oversee CDPP strategies and policies on matters such as human resource management, communications, planning, information and communications technology, information management, security and governance
- oversee budget reporting and financial strategy
- ensure national consistency in legal practice and corporate policies and processes
- oversee projects to drive innovation and the digital transformation of our work practices

- oversee strategic planning, including risk identification and management
- oversee implementation, evaluation and improvement of our governance structures and processes
- monitor and provide oversight on significant issues of national interest to the CDPP
- consider and approve work plans and outcomes of its sub-committees
- contribute to a culture of innovation, collaboration and diversity.

The Executive Leadership Group is an accomplished team of highly experienced professionals offering a broad range of expertise and specialist knowledge.

## AUDIT COMMITTEE

Our Audit Committee provides independent advice and assistance to the Director on the CDPP's financial and performance reporting responsibilities, risk management, and system of internal control.

The committee is made up of three external members. Management representatives who attend regular meetings are the Commonwealth Solicitor for Public Prosecutions, the Chief Corporate Officer, the Chief Financial Officer and the Chief Audit Executive. Representatives from the Australian National Audit Office and others attend meetings to address particular agenda items or as agreed with the Chair.

The Audit Committee met five times in 2017–18.

## NATIONAL HEALTH AND SAFETY COMMITTEE

In accordance with the *Work Health and Safety Act 2011*, we take all reasonably practicable steps to protect the health, safety and wellbeing of our staff and other workers. This includes consulting with workers who are, or are likely to be, directly affected by a work health or safety matter.

The independent National Health and Safety Committee assists and advises on matters affecting the health, safety and wellbeing of staff and other workers at CDPP workplaces. As the central point of cooperation and consultation between management, staff and other workers, the committee is responsible for disseminating work health and safety information, particularly in the regional offices, in a regular and timely manner. In the past 12 months the committee has assisted in the consultation process regarding the new work health and safety management system and its associated policies and procedures. The committee has also been a key forum to promote the identification and management of work health and safety risk.

Membership is agreed between management and staff, with representatives drawn from across the functions and locations of the CDPP.

## PROJECT BOARD

Our Project Board chaired by the Commonwealth Solicitor for Public Prosecutions provides focused oversight of the feasibility and achievement of agreed outcomes for all projects across the CDPP. It monitors, evaluates and reports on project progress and risk profiles to the Executive Leadership Group. The Project Board meets monthly and provides a status update to the Executive Leadership Group on a quarterly basis.

## PLANNING PERFORMANCE AND REPORTING

We manage our performance through a combination of careful planning, effective measurement and monitoring of performance, and appropriate, transparent reporting.

Our *2017–21 Corporate Plan* focused on 2017–18 and provides this year's performance measures, building on the baseline set in 2016–17. It aligns with our Portfolio Budget Statement 2017–18 and was developed in accordance with the requirements of the PGPA Act.

As with all other elements required by the Act, we are working to ensure we meet these requirements with incremental improvements. Our resulting integrated performance, planning and reporting framework will ensure our operational performance aligns to, and supports achievement of, our strategic outcome.

## RISK MANAGEMENT

Risk management is part of our strategy and planning processes and is seen as a preventative measure, rather than a back-end control.

The Executive Leadership Group and Audit Committee actively monitor and manage our Strategic Risk Register and Management Plan. The plan identifies the following risks to achieving our outcome and purpose:

- inability to deliver a timely, highest quality prosecution service
- partner agency goals and priorities not enhanced and supported
- high-quality staff not attracted, retained and developed.

We are actively building a true risk management culture where operational risks are identified in our Business Plan and then assessed and analysed, with treatments recorded and monitored in the Strategic Risk Register and Corporate Services Operational Risk Register and Management Plan.

## FRAUD PREVENTION AND CONTROL

We work diligently to minimise the potential for fraud and corruption through continuous improvement of our fraud control framework and mechanisms. Our Fraud Control Policy helps employees, contactors, consultants and the public understand what fraud is, and encourages employees at all levels to participate in protecting public resources.

Through reporting in the Strategic Risk Register and Management Plan and the Corporate Services Operational Risk Register and Management Plan, we assure our Audit Committee and senior management that fraud prevention, detection, investigation and reporting mechanisms are in place to meet the requirements of the Commonwealth Fraud Control Framework 2014,

and specifically section 10(b) of the Public Governance, Performance and Accountability Rule 2014.

## FRAUD REPORTING

During the period 1 July 2017 to 30 June 2018 there were no reported incidents of fraud.

## PUBLIC INTEREST DISCLOSURE

We are committed to the highest standards of ethical and accountable conduct, encouraging, supporting and protecting public officials who report disclosable conduct in accordance with the *Public Interest Disclosure Act 2013*.

We recognise it is important to have an effective system for reporting and investigating disclosable conduct. We provide training for our Authorised Officer network, and have a dedicated email address for disclosures to be made to Authorised Officers, who report to the Director.

Our Public Interest Disclosure Policy and supporting documents are on our intranet for our staff, and on our external website at [www.cdpp.gov.au](http://www.cdpp.gov.au).

## ETHICAL STANDARDS

Part of developing strong leadership for an organisation like the CDPP is bringing an ethical framework to our decision making. Everyone at the CDPP undertakes to follow these standards on joining our organisation, and is expected to adhere to the standards throughout their time with us.

The Ethics Advisory Service is available to all employees who wish to discuss and seek advice on ethical issues that occur in the workplace and make sound decisions around these issues. Our people can also access policies, guidance and support from our People team and through the Employee Assistance Provider.

We rigorously pursue disclosure and management of conflicts of interest.

Our Governance team reviews and strengthens the conflicts policy and related guidance and procedures each year to enable all officials under the PGPA Act, including the Director as the accountable authority, to meet their disclosure requirements.

## INTERNAL AUDIT

We carry out an internal audit each year to provide independent assurance on compliance with procedures and systems of internal control, assist CDPP management improve business performance, and monitor the implementation of audit outcomes. The internal audit program is approved by the Executive Leadership Group and endorsed by the Audit Committee.

In 2017–18, we completed a performance audit on the Application of the *Victims of Crime Policy*, which is the first performance audit on the legal side of the business. In addition, we have completed an audit on our Wellbeing Checks Program and started an audit on the Compliance with the Decision Making Matrix.

# PEOPLE



Employees  
**388**  
Female 66%  
Male 34%

**EMPLOYEES**



Working in  
**10**  
offices across  
the nation

**OFFICES**



**260**  
practicing lawyers  
working across all  
jurisdictions and  
levels of court

**PRACTICING  
LAWYERS**

The People branch supports the CDPP's operation by implementing strategic workforce measures and providing efficient and effective client-focused human resource (HR) services, advice and support. Services include:

- dedicated HR business advisers
- Workplace Wellbeing Program
- payroll, recruitment and HR reporting services
- work health and safety advice and support
- case management and rehabilitation services.

The wellbeing of our people is integral to our work and the operations of the CDPP. During the reporting period, our Workplace Wellbeing Program continued to support the wellbeing of all staff.

The program includes regular wellbeing checks, a dedicated Employee Assistance Program, and other health initiatives including a Health and Wellbeing Portal.

Due to the diversity and nature of our prosecution work, it is essential that we support staff who may be exposed to confronting imagery and information, contained in briefs of evidence that could cause trauma or stress.

We conduct regular wellbeing checks, with more frequent checks for prosecutors and support staff working in high-risk areas, or considered at risk of psychological injury or accumulative stress. During each wellbeing check, staff are offered strategies and resources to support workplace participation while coping with challenging work situations.

This is just one example of the many initiatives designed to support our people.

## PEOPLE PROFILE

At 30 June 2018, the CDPP had 388 employees with a full-time equivalent (operative employees only) of 349.

A total of 67 per cent of our employees were lawyers assigned to legal roles across practice groups. Our prosecution function is supported by a range of corporate services, including legal administrative support, finance and business services, information technology, people services, communications and governance.

During 2017–18, the number of Principal Federal Prosecutors increased by 11.6 per cent, while Senior Federal Prosecutors reduced by 16.5 per cent and the number of employees at Federal Prosecutor Levels reduced by 13.4 per cent. The ratio of Senior Executive Service employees to total employee numbers increased slightly, from 4.0 to 4.6 per cent of total employees.

Our employees were previously employed under either the *Public Service Act 1999* or the *Director of Public Prosecutions Act 1982*. As at 30 June 2018, all employees were employed under the *Public Service Act 1999*.

See page 138 for more information on our workforce statistics.

## HR INITIATIVES

Our workplace is collaborative, innovative and diverse. Empowered by strong leadership, we attract, manage and retain high performing and engaged staff in all our locations. Implementing HR initiatives that support these objectives is integral to achieving our strategic themes. Key initiatives delivered in 2017–18 included:

- national recruitment processes for our legal practice, ensuring a consistent practice across the organisation in attracting and securing required capability
- implementing the Performance Excellence Program, supported by coaching and mentoring our managers in best practice performance management
- implementing the Flexible Working Arrangements Framework, demonstrating our commitment to a flexible and agile working environment
- implementing our Diversity and Inclusion Strategy 2018–20.

## WORKFORCE STATISTICS

**Table 14: Employee headcount by classification level and region at 30 June 2018**

Classification	ACT	NSW	VIC	QLD	SA	WA	TAS	NT	Total
Director	-	1	-	-	-	-	-	-	1
SES Band 3	-	-	-	-	-	-	-	-	0
SES Band 2	2	-	2	1	-	-	-	-	5
SES Band 1	3	4	3	1	1	1	-	-	13
Principal Federal Prosecutor	3	15	14	7	2	2	-	-	43
Senior Federal Prosecutor	4	42	25	15	5	7	2	1	101
Federal Prosecutor Level 2	2	33	22	11	7	4	1	-	80
Federal Prosecutor Level 1	6	10	5	7	2	3	2	1	36
Executive Level 2	6	2	-	1	-	-	1	-	10
Executive Level 1	12	-	2	-	-	-	-	-	14
APS Level 6	11	7	2	2	-	1	-	-	23
APS Level 5	4	2	4	2	1	1	-	-	14
APS Level 4	5	5	5	5	2	3	1	1	27
APS Level 3	-	11	3	1	-	-	-	-	15
APS Level 2	-	1	2	-	-	-	-	-	3
APS Level 1	-	2	1	-	-	-	-	-	3
<b>Total</b>	<b>58</b>	<b>135</b>	<b>90</b>	<b>53</b>	<b>20</b>	<b>22</b>	<b>7</b>	<b>3</b>	<b>388</b>

Notes:

1. This table includes inoperative employees.
2. Employees are reported at their substantive classification.



**Table 15: Workforce profile by classification at 30 June 2018**

Classification	2016–17	2017–18
Director	1	1
SES Band 3	-	-
SES Band 2	5	5
SES Band 1	14	13
Principal Federal Prosecutor	38	43
Senior Federal Prosecutor	121	101
Federal Prosecutor Level 2	60	80
Federal Prosecutor Level 1	74	36
Executive Level 2	10	10
Executive Level 1	17	14
APS Level 6	17	23
APS Level 5	20	14
APS Level 4	28	27
APS Level 3	39	15
APS Level 2	6	3
APS Level 1	2	3
<b>Total</b>	<b>452</b>	<b>388</b>

Notes:

1. This table includes inoperative employees.
2. Employees are reported at their substantive classification.

**Table 16: Workforce profile by location at 30 June 2018**

Location	2016–17	2017–18
ACT	73	58
NSW	153	135
VIC	90	90
QLD	70	53
SA	24	20
WA	27	22
TAS	8	7
NT	7	3
<b>Total</b>	<b>452</b>	<b>388</b>

Notes:

1. This table includes inoperative employees.
2. Employees are reported at their substantive classification.

**Table 17: Average staffing levels (ASL) by location at 30 June 2018**

Location	2016–17	2017–18
ACT	62.09	56.63
NSW	141.95	128.32
VIC	86.74	83.72
QLD	60.6	57.59
SA	21.16	18.69
WA	24.62	20.79
TAS	8.08	8.68
NT	5.86	4.24
<b>Total</b>	<b>411.1</b>	<b>378.66</b>

Notes:

1. ASL includes employees who received salary or wages based on the hours they worked during the year.
2. Excludes people paid through a third party, that is employment agency or any hours associated to cash out payments.

**Table 18: Full-time equivalent (FTE) employees by location at 30 June 2018**

Location	2016–17	2017–18
ACT	64.91	52.24
NSW	136.70	123.11
VIC	84.21	82.03
QLD	65.14	46.15
SA	20.80	18.40
WA	22.60	18.29
TAS	7.41	6.81
NT	6.40	2.00
<b>Total</b>	<b>408.17</b>	<b>349.03</b>

Note:

1. This table excludes inoperative employees.

**Table 19: Staffing by relevant legislation at 30 June 2018**

Category	2016–17	2017–18
Total employees employed under the <i>Public Service Act 1999</i>	449	387
Total employees employed under the <i>Director of Public Prosecutions Act 1983</i>	2	0
Statutory Office holders	1	1
<b>Total</b>	<b>452</b>	<b>388</b>

**Table 20: Workforce profile by category at 30 June 2018**

Category	30 June 2017				30 June 2018			
	Full-time	Part-time	Casual	Total	Full-time	Part-time	Casual	Total
Director	1	0	-	1	1	0	0	1
SES Band 3	0	0	0	0	0	0	0	0
SES Band 2	5	0	0	5	5	0	0	5
SES Band 1	14	0	0	14	13	0	0	13
Federal Prosecutors	244	49	0	293	227	33	0	260
Executive Level Officers	24	3	0	27	24	0	0	24
APS Level 1 – APS Level 6	94	18	0	112	73	12	0	85
<b>Total</b>	<b>382</b>	<b>70</b>	<b>0</b>	<b>452</b>	<b>343</b>	<b>45</b>	<b>0</b>	<b>388</b>

Notes:

1. This table includes inoperative employees.
2. Employees are reported at their substantive classification.

**Table 21: Staff by employment type and gender at 30 June 2018**

Category	Ongoing		Non-ongoing		Total	
	Female	Male	Female	Male	Female	Male
Director	-	-	1	-	1	-
SES Band 3	-	-	-	-	-	-
SES Band 2	-	4	-	1	-	5
SES Band 1	6	7	-	-	6	7
Legal Officers	174	86	-	-	174	86
Executive Level Officers	15	6	2	1	17	7
APS Level 1 – APS Level 6	52	24	7	2	59	26
<b>Total</b>	<b>247</b>	<b>127</b>	<b>10</b>	<b>4</b>	<b>257</b>	<b>131</b>

Notes:

1. This table includes inoperative employees.
2. Employees are reported at their substantive classification.

## WORKFORCE REMUNERATION

Salary ranges applying to CDPP employment classifications are provided in the table below.

**Table 22: Salary scales at 30 June 2018**

Classification	Salary scales
<i>SES remuneration ranges</i>	
SES Band 3	\$268,596–\$320,021
SES Band 2	\$229,726–\$254,622
SES Band 1	\$194,240–\$218,555
<i>CDPP Enterprise Agreement 2017–2020</i>	
Principal Federal Prosecutor	\$125,993–\$134,021
Executive Level 2	\$115,473–\$130,701
Senior Federal Prosecutor	\$95,835–\$116,617
Executive Level 1	\$95,835–\$104,591
APS Level 6	\$75,665–\$86,921
Federal Prosecutor 2	\$69,289–\$84,988
APS Level 5	\$68,840–\$74,399
Federal Prosecutor 1	\$61,796–\$68,362
APS Level 4	\$61,796–\$68,362
APS Level 3	\$55,521–\$61,052
APS Level 2	\$50,158–\$55,148
APS Level 1	\$26,058–\$48,657

## ENTERPRISE AGREEMENT AND COMMON LAW CONTRACTS

The terms and conditions of non-SES employees are covered by the *CDPP Enterprise Agreement 2017–2020*. The terms and conditions of employment for substantive and longer-term acting Senior Executive Service (SES) staff are provided under individual common law contracts. As at 30 June 2018, there were 24 of these contracts in place.

## PERFORMANCE PAY

The CDPP does not provide for performance pay.

## SECTION 24(1) DETERMINATION

In 2017–18, there were three determinations pursuant to section 24(1) of the *Public Service Act 1999*.

## WORK HEALTH AND SAFETY

We are committed to providing and maintaining a safe and healthy workplace for all staff, in accordance with the requirements of the *Work Health and Safety Act 2011* and the *Safety, Rehabilitation and Compensation Act 1988*.

See Appendix 3 for information about our work health and safety arrangements (in accordance with Schedule 2, Part 4 of the *Work Health and Safety Act 2011*).

## WORKPLACE WELLBEING PROGRAM

Our wellbeing program is part of our commitment to investing in our people. It is an integral part of our Work Health and Safety (WHS) arrangements and establishes a framework to strengthen and synchronise wellbeing policy and practice across the CDPP. The program is centred on two pillars:

- **Healthy People**—encourages workers to adopt healthy lifestyles through education, awareness and activities
- **Healthy Places**—creates a healthy, supportive workplace environment through culture, policies and facilities.

The program comprises eight key initiatives that represent a holistic approach to support the health and wellbeing of all staff through a range of tailored initiatives, promotions, education and wellness strategies.

Activities under the program include:

- **Wellbeing checks.** All legal and support staff are required to undertake wellbeing checks. Wellbeing checks assess our employees' wellbeing at regular intervals and support staff by providing strategies and assistance or a referral pathway where there is a potential risk of psychological injury or cumulative stress. More frequent checks are undertaken of employees who are working in areas at high risk of exposure to material that could result in trauma or stress. In addition, employees are required to undertake a check before working in these higher risk areas. Since the start of the program, we have completed a total of 435 wellbeing checks across the CDPP.
- **The Employee Assistance Program (EAP).** This provides CDPP staff and their immediate family members 24/7 access to free confidential counselling services by experienced psychologists.
- **Awareness sessions.** These sessions, carried out across all our offices for managers and staff, focused on general awareness of WHS, staff and managers' responsibilities and duty of care, as well as sessions on vicarious trauma, resilience and constructive communication.
- **Flu vaccination.** Our annual flu vaccination program in March 2018 offered all staff free influenza vaccinations. A total of 167 staff registered to have influenza vaccinations through the program.

- Ergonomic Workstation Assessments (EWA). These are offered to staff who have completed an online self-assessment to ensure workstations are suitably adjusted and to reduce the risk of injury. External qualified assessors have carried out 52 EWAs since September 2016.
- Wellbeing reimbursements. We recognise that staff who are fit and healthy will be more productive in the workplace. Staff are therefore encouraged to participate, in their own time, in activities that promote good health. A total of 138 staff were reimbursed for expenditure on approved health and wellbeing activities and equipment as part of the Employee Health Initiative.
- Health and Wellbeing Portal. This online resource offers our staff health and wellbeing resources and interactive lifestyle programs to proactively assist them with their own holistic health and wellbeing journey. Since it was launched, the portal has been accessed 3,228 times.
- Workplace Wellbeing Program Stakeholder Committee. We established this committee as a collaborative working group, which brings together representatives from all practice groups and corporate areas, with a senior executive as its sponsor. The committee reviews the operation and effectiveness of the Workplace Wellbeing Program, makes recommendations for improvement and provides input to the program's future direction.

## WORKPLACE DIVERSITY AND INCLUSION

Diversity and inclusion are principles integral to the CDPP. They strengthen our ability to provide a fair, equitable and consistent prosecution service for the community.

We recognise that diversity takes many forms—cultural background, caring responsibilities, gender, sexual orientation, education, profession and life experience—and celebrate this through the promotion of diversity across our office.

Our Diversity and Inclusion Strategy 2018–20, launched in 2018, focuses on three key principles of valuing diversity and inclusion, opportunities for all, and knowledge and understanding.

Our newly established Diversity Network is an employee-led group that meets regularly to discuss matters related to gender, disability, cultural and linguistic diversity, and Indigenous identification. It also provides input and feedback into HR policies and initiatives from a diversity and inclusion perspective and supports and promotes inclusion in the office through a variety of events and initiatives.

*See page 146 for more details about our Diversity and Inclusion Strategy or visit [www.cdpp.gov.au](http://www.cdpp.gov.au).*

## RECONCILIATION ACTION PLAN

Our Reconciliation Action Plan 2018–2019 was endorsed by Reconciliation Australia in June 2018. It provides the foundation for building a culturally supportive, knowledgeable and responsive workforce, and demonstrates our commitment to building positive relationships and investigating employment opportunities for Aboriginal and Torres Strait Islander People.

**Table 23: Employees by diversity group at 30 June 2018**

	Female	Aboriginal and Torres Strait Islander	Person with disability	First language English plus another	First language other than English
Classification		-	-	-	-
Director	1	-	-	-	-
SES Band 3	-	-	-	-	-
SES Band 2	-	-	-	-	-
SES Band 1	6	-	1	1	1
Legal Officers	174	2	5	37	20
Executive Level Officers	17	-	3	-	3
APS Level 1 – APS Level 6	59	1	1	8	16
<b>Total</b>	<b>257</b>	<b>3</b>	<b>10</b>	<b>46</b>	<b>40</b>

Notes:

1. This table includes inoperative employees.
2. Employees are reported at their substantive classification.

## STATUS OF WOMEN

At 30 June 2018, a total of 66 per cent of our staff (ongoing and non-ongoing) were female. Within the legal practice, female participation was 67 per cent. Female participation at the SES level was 46 per cent.

Work has started, and will continue over the coming year, to assess our gender balance and consider implementation of initiatives addressed in the Balancing the Future: The Australian Public Service Gender Equality Strategy 2016–19.

## NATIONAL DISABILITY STRATEGY

Since 1994, non-corporate Commonwealth entities have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007–08, reporting on the employer role was transferred to the Australian Public Service Commission’s State of the Service reports and the APS Statistical Bulletin. These reports are available at [www.apsc.gov.au](http://www.apsc.gov.au). From 2010–11, entities have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by the National Disability Strategy 2010–2020, which sets out a 10 year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high-level, two-yearly report will track progress against each of the six outcome areas of the strategy and present a picture of how people with disability are faring. These reports can be found at [www.dss.gov.au](http://www.dss.gov.au).



## INVESTING IN OUR PEOPLE— COLLABORATION, INNOVATION AND DIVERSITY

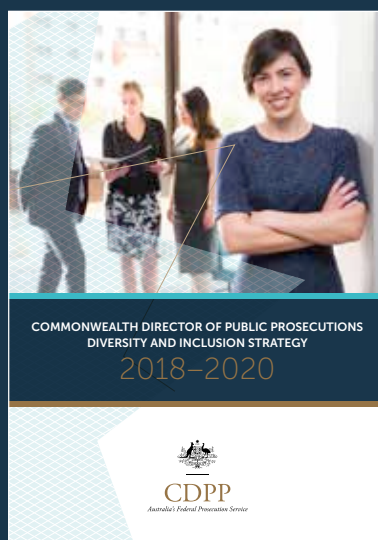
At the CDPP we value innovation, collaboration and diversity. These three elements are central to our culture and ensure we deliver a dynamic prosecution service where continuous improvement is encouraged, our people are supported, and diversity in all its forms is respected and celebrated.

These three elements were the driving force behind the development of the CDPP's Diversity and Inclusion Strategy 2018–20.

### FORMALISING OUR COMMITMENT TO DIVERSITY AND INCLUSION

To formalise our commitment to diversity and inclusion, we engaged the office in developing a holistic Diversity and Inclusion Strategy that encourages all staff to embrace the richness of diversity to achieve our purpose and outcome.

Our strategy has three guiding principles:



**VALUING DIVERSITY AND INCLUSION**—recognise and promote the diversity of our workforce and create an environment that values both social and professional diversity.



**OPPORTUNITIES FOR ALL**—create employment and development opportunities that are free from barriers.



**KNOWLEDGE AND UNDERSTANDING**—provide training and support to promote a better understanding of diversity and inclusion in the workplace and how it benefits us all.



## COLLABORATION INFORMS ACTION

Our strategy includes actions designed through consultation and collaboration. These include:



**PROMOTING** opportunities to celebrate diversity.



**IMPLEMENTING** policies and procedures that provide an accessible work environment for all employees.



**OFFERING** assistive technology as required.



**ESTABLISHING** a Diversity Network across the office.

## AN INNOVATIVE DIVERSITY NETWORK

A workplace that recognises and engages with diversity is more able to be innovative and produce new ideas. Generating discussion with people from diverse backgrounds and experiences opens up a variety of opinions, which in turn helps work towards a collaborative and innovative workplace, and achieve our purpose.

These are just some of the shared values that bind the CDPP's Diversity Network—a group of volunteer staff who meet regularly to bring the Diversity and Inclusion Strategy to life through activities and information to strengthen our workplace and celebrate and harness our diversity.

The role of the Diversity Network in championing and implementing our Diversity and Inclusion Strategy has been integral to its success—ensuring all staff share a common commitment to its principles, and that our actions create a better workplace that supports our people and strengthens our ability to provide a fair, equitable and consistent prosecution service for the community in which we live and work.

# NATIONAL ADMINISTRATIVE SUPPORT

The National Administrative Support team provides a range of specialist and general administrative support services to prosecutors. The team focuses on delivering timely quality services to support the day-to-day needs of the legal practice, and has a physical presence in each office location.

This year, the team embedded the use of its national service offering along with a dynamic e-form that details a full range of support activities and functions provided to the legal practice nationally. Over the past 12 months these two key pieces of architecture have become critical for the team to identify priority service, and now allow for more targeted workload and resource management on a national basis.

The changing needs of the legal practice and introduction of caseHQ will see the service offer and skill set of the team continue to evolve.

*See page 128 for more details on caseHQ.*

# COMMUNICATIONS AND MEDIA

The Communications team strengthens our engagement, collaboration and communications with stakeholders, including staff, partner agencies, media, state and territory counterparts, and the broader Australian community. During 2017–18, the team delivered an extensive program of work.

Internal communications initiatives included:

- enhancing our intranet (e-hub) with the introduction of an interactive organisation chart (e-chart), collaboration tool (e-talk) and custom profile tools for counsel and legal subject matters experts
- launching a bespoke digital job tracking tool for our National Administrative Support team, known as the Admin Request e-Form (ARF) which enables our legal staff to request and tasks across a vast range of services nationally
- delivering our inaugural Innovation Competition with a unique marketing campaign to encourage widespread participation
- developing and delivering internal campaigns and events to engage staff in initiatives and major projects including celebrating achievements and acknowledging successes.

Projects related to communication with partner agencies included:

- working with practice groups and industry partners to promote prosecution outcomes and emerging crime types

- launching a bespoke interactive engagement framework for the Australian Taxation Office on our Partner Agency Portal, to support investigators and prosecutors better understand the lifecycle of matters
- supporting practice groups to design, develop and deliver professional partner agency liaison events and conferences
- managing the Partner Agency Satisfaction Survey.

Work to educate the community and provide media liaison included:

- promoting prosecution outcomes across a range of crime types on the CDPP website
- providing prosecutors with resources, presentations and promotional materials to take to conferences, forums and career events
- responding to media enquiries and working collaboratively with partner agencies on joint media opportunities in serious financial crime matters.

## TECHNOLOGY

The CDPP's computing environment is made up of a national network covering all our offices across Australia.

The focus for 2017–18 was to continue delivering fit-for-purpose products with a key focus on aligning the ICT systems to meet the digital objectives of our business. These activities included:

- expanding the mobile computing and secure remote access platforms to enable CDPP employees to work from any location in a flexible manner
- piloting the Digital Referrals Gateway to enable secure submission of electronic briefs
- migrating new business systems to cloud-based environments
- standardising the CDPP's computer infrastructure to a single operating environment
- helping develop and implement a dynamic digital organisation chart, e-Charts, via CDPP intranet
- implementing an identity management solution to provide base functionality between our Human Resource Management System and Active Directory
- upgrading the Human Resource Management System to a cloud-based environment.

Our Technology team continued to collaborate with our legal business to enhance the newly configured digital case management platform by:

- establishing core platform components for an enterprise reporting platform
- establishing core infrastructure and operating platforms for our new case management system, caseHQ
- implementing middleware and software patterns for message-based integration between our core systems
- on-boarding caseHQ, CRIMS, Technology One, Identity Management and Digital Referrals Gateway to the integration middleware platform.

# CASE STUDY

## PUTTING A FACE TO THE NAME WITH E-CHARTS— OUR NEW DIGITAL ORGANISATION CHART

With close to 400 staff across 10 offices nationwide, it could be a challenge at times to track down staff at the CDPP. That changed with the launch of e-Charts in November 2017. This new digital organisation chart is helping staff quickly and easily locate key information about colleagues.

Our bespoke digital tool, e-Charts, was created to capture data from our HR system and present it in real-time on our intranet, which means it is always up-to-date. When a staff member moves to a new role, as soon as the HR system is updated, the relevant organisation chart automatically updates too.

Another important feature of this new tool is the fact all staff photos are featured so people can put a face to the name. This is particularly useful for staff who travel between offices, new starters, and staff who have not had an opportunity to meet a colleague in person before.

A key driver behind this initiative was the need to enable our staff to connect and collaborate even more effectively with each other, both within practice groups and across other areas of the CDPP. In line with our THINK DIGITAL strategy, this tool assists us all to connect and stay up-to-date with who's who in the office.

Key benefits of e-Charts are that it:

- lists all key information and contact details within each person's profile, so users can call, email or send an instant message directly from e-Charts
- shows current position title, including acting positions and secondments
- shows when a staff member is on leave
- has built-in search functionality so people can quickly find who they are looking for
- includes information within each person's profile so users can click to reveal the group or direct supervisor
- includes filters that users can apply according to a range of options such as position, location, practice group or classification
- provides the ability to build a picture of the organisation from the bottom-up or the top-down.

# CASE STUDY

## INNOVATION COMPETITION A WINNER

**CDPP staff submitted 170 ideas to this year's inaugural Innovation Competition, held over 10 days in August 2017.**

Designed to get staff thinking about new or better ways to do our work and embed a culture of innovation, the competition was a major success. More than 90 staff members contributed ideas across our strategic themes of achieving a more efficient and effective prosecution service, enhancing partner engagement, and advancing the development of our people.

Staff submitted their ideas via our intranet site e-hub, which also allowed them to collaborate through an online forum and then vote on the 11 winning ideas, which were announced in September.

Winning ideas included:

- A more efficient way to prepare paperwork for briefs that greatly reduces the time and expense of couriering material around the country. This idea came into effect on 13 November 2018.
- Creating a 'Charity of the Year' program, which would see fundraising efforts across our different locations to support nominated charities. Staff chose the first charity to support, voting for Yalari, a not-for-profit organisation offering secondary education scholarships at leading Australian boarding schools for Indigenous children from regional, rural and remote communities. This idea came into effect on 28 November 2017.
- Creating an electronic version of the paper-based electronic funds transfer reimbursement forms to speed up this process and make it more efficient. This idea came into effect on 26 February 2018.

The Innovation Competition will now be held annually.

# LIBRARY, RESEARCH AND INFORMATION SERVICES

The Library and Research Services team supports the work of the legal practice groups by providing high-level research services and managing access to legal resources and training. The team operates a National Research Support Helpdesk that delivers a high quality and efficient research service equitably to all staff.

The Library and Research Services structure was reviewed and restructured in 2017. The aim is to develop a service that aligns with CDPP priorities and is tailored to the needs of the practice groups. A national coordinator administers the system and oversees a team of librarians delivering services in the following key areas:

- research
- online and physical resources
- cataloguing and current awareness
- training.

Improvements to our Library Management System have also enhanced our search and reporting capabilities.

# RECORDS MANAGEMENT

The Records Management Team supports the work of the CDPP by providing a range of specialised and general records management activities.

This year, targeted training was provided to staff in the National Administration Support team who perform records management activities, to increase awareness of their roles and responsibilities, and provide greater support to the legal practice groups.

A Records Management Community of Practice was established to help develop and implement nationally consistent practices as the CDPP transitions to a digital environment. Another area of focus has been the review and sentencing of legacy paper records with a view to reducing our offsite storage holdings.

Our new virtual case and document management system, caseHQ, has been developed to incorporate records and information management functionality, in line with the whole-of-government *Digital Continuity 2020 Policy*, to enable a transition to a digital environment.

# FINANCE

The Finance Services teams provide policy, reporting, and advisory support to the CDPP across all areas of finance. Services provided include:

- procurement, contracts, financial delegations and approving expenditure of public money for goods and services
- payment of accounts payable and receivable, credit cards, petty cash and staff reimbursements
- travel management including booking tool administration, processing movement requisitions, allowances and payments
- policy and guidance including the Director's Finance Instructions and financial delegations
- administration of the Financial Management Information System
- financial reporting, budgets and asset management.

*See page 156 for more information about financial management reporting and key initiatives in 2017–18.*

## **STRATEGIC PROPERTY PROGRAM**

As part of our strategic property program we are implementing new flexible, modern work environments that integrate technology and ergonomics to allow improved work practices and efficiencies for the legal and corporate practices. This program is being progressively rolled out to all CDPP sites as leases expire.

This year the Canberra and Darwin offices relocated to new premises respectively.

## **MODERNISATION OF NOMINATION OF COUNSEL FINANCIAL ADMINISTRATION**

A project was undertaken to improve the financial administration of the CDPP's Nomination of Counsel (NOC) procurement and payment processes. TechnologyOne, the CDPP's Financial Management Information System, used Business Process Automation functionality to create an electronic end-to-end process solution. This consists of a series of business forms to create, workflow, and manage related procurement and payment processes. The solution simplifies internal processes with an overall improvement in efficiency.



## CHAPTER SIX





# FINANCIALS

# FINANCIALS

## FINANCIAL STATEMENTS

The audited financial statements included in this report were prepared in accordance with the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015. Detailed information on the accounting policies used to prepare the audited financial statements is at Note 1 to the financial statements.

Under current Budget arrangements, the CDPP has one government outcome with one program of activities to achieve this outcome. Further information about our agency's budget can be found in the Attorney-General's Portfolio Budget Statements.

There were no significant instances of non-compliance with the finance law.

## FINANCIAL PERFORMANCE

Our operations are primarily funded through parliamentary appropriations but we also receive a small component (8.6 per cent) of revenue independently. The Australian Taxation Office transfers part of its appropriation to us to cover the cost of prosecutions for offences under, for example goods and services tax (GST) legislation. The amount receipted in 2017–18 under this arrangement was \$3.5 million. This is accounted for under an arrangement pursuant to section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) as agency revenue, and retained for our use.

## OPERATING RESULTS

Our operating revenue for 2017–18 was \$85.619 million, which is a decrease of \$0.997 million from 2016–17.

Operating expenses for 2017–18 were \$84.049 million (excluding depreciation and amortisation expenses). This is an increase of \$1.623 million compared with 2016–17. The increase was mainly due to our expenses for external legal counsel and contractors across 2017–18.

The operating result for 2017–18 was a surplus of \$1.582 million, excluding depreciation and amortisation expenses (in line with the Australian Government's net cash appropriation arrangements).

## ASSET MANAGEMENT

Our major assets are office fit-out, office furniture, computer equipment, purchased software and library holdings. We conduct an annual stocktake to ensure the accuracy of our asset records.

## PURCHASING

We undertook our procurement and purchasing in 2017–18 in accordance with the principles set out in the Commonwealth Procurement Rules, which are underpinned by value for money.

We adhere to the core purchasing policies and principles in the Commonwealth Procurement Rules including encouraging competition among actual and potential suppliers, promoting the use of resources in an efficient, effective, economical and ethical manner, and being accountable and transparent during the procurement process.

We apply these principles to our procurement activities through the Director's Finance Instructions and supporting guidelines, which have been developed to ensure we undertake competitive, non-discriminatory procurement processes, use resources efficiently, effectively, economically and ethically, and make decisions in an accountable and transparent manner.

## CONSULTANCY SERVICES

We engage consultants where we lack specialist expertise or when independent research, review or assessment is required. Typically, we engage consultants to investigate or diagnose a defined issue or problem, carry out defined reviews or evaluations, or provide independent advice, information or creative solutions to assist in our decision making.

Before we engage consultants, we take into account the skills and resources required for the task, the skills available internally, and the cost-effectiveness of engaging external expertise. We make decisions to engage a consultant in line with the PGPA Act and related regulations (including the Commonwealth Procurement Rules and relevant internal policies).

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website: [www.tenders.gov.au](http://www.tenders.gov.au).

During 2017–18, we entered into 25 new consultancy contracts with a total actual expenditure of \$621,501 (including GST). In addition, nine ongoing consultancy contracts were active during 2017–18, involving a total actual expenditure of \$479,298 (including GST).

## AUSTRALIAN NATIONAL AUDIT OFFICE ACCESS CLAUSES

During the reporting period, we did not let any contracts for \$100,000 or more (including GST) that do not provide for the Auditor-General to have access to the contractor's premises.

## EXEMPT CONTRACTS

We have exempted the publication of details of prosecution legal counsel on the basis that to do so would disclose exempt matters under the *Freedom of Information Act 1982*.

## PROCUREMENT INITIATIVES TO SUPPORT SMALL BUSINESS

We support small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website: [www.finance.gov.au/procurement/statistics-on-commonwealth-purchasingcontracts/](http://www.finance.gov.au/procurement/statistics-on-commonwealth-purchasingcontracts/).

We recognise the importance of ensuring that small businesses are paid on time. The results of the survey of Australian Government Payments to Small Business are available on the Treasury's website: [www.treasury.gov.au/](http://www.treasury.gov.au/).

Some of the ways that our procurement practices support SMEs include:

- using the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000
- communicating in clear, simple language and presenting information in an accessible format
- adhering to the Pay on Time Policy relating to paying small business suppliers.

## EXTERNAL SCRUTINY

The Auditor-General issued an unqualified audit report for the CDP's 2017–18 financial statements.

No other reports that included information on our operations were issued by the Auditor-General, a Parliamentary committee, or the Commonwealth Ombudsman. There was no agency capability review of our operations during 2017–18.

During the reporting period, there were no decisions of administrative tribunals or the Australian Information Commissioner that have had or may have a significant impact on our operations.

## LEGAL SERVICES EXPENDITURE

The Legal Services Directions 2017 require agencies to report expenditure on legal services.

These directions are not intended to cover the handling of criminal prosecutions and related proceedings (see General Note 4 to the Directions). Therefore, our report relates to our administrative activities only.

Our total expenditure on legal services (excluding the handling of criminal prosecutions and related proceedings) during 2017–18 was \$141,707 (excluding GST). Further details are in the following table.

This is a statement of legal services expenditure published in compliance with paragraph 11.1(ba) of the *Legal Services Directions 2017*.

**Table 24: Legal services expenditure in 2017–18**

Expenditure	Amount
Total (external and internal) expenditure	\$141,707
Total internal legal services expenditure	\$0
Total external legal services expenditure	\$141,707
<i>Summary of external legal services expenditure</i>	
Total value of briefs to counsel (A)	\$0
Total value of disbursements (excluding counsel) (B)	\$452
Total value of professional fees paid (C)	\$141,255
Total external legal services expenditure (A + B + C)	\$141,707

Notes: Excludes the handling of criminal prosecutions and related proceedings.

A high-angle, close-up photograph of a business meeting. Two people are seated at a white table. One person, wearing a light blue shirt, is holding a white document and pointing at it. The other person, wearing a grey suit jacket, has their hands on the table. There are two laptops open on the table, one in the foreground and one in the background. A blue pen lies on the table between the laptops. The scene is brightly lit, suggesting an office environment.

## CHAPTER SEVEN



FINANCIAL  
STATEMENTS

This page is intentionally blank



# OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS FINANCIAL STATEMENTS

**For the period ended 30 June 2018**

Independent audit report	164
Certification of the financial statement	167
Statement of comprehensive income	168
Statement of financial position	169
Statement of changes of equity	170
Cash flow statement	171
Notes to and forming part of the financial statements	172



## INDEPENDENT AUDITOR'S REPORT

### To the Attorney-General

#### Opinion

In my opinion, the financial statements of the Office of the Commonwealth Director of Public Prosecutions for the year ended 30 June 2018:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Office of the Commonwealth Director of Public Prosecutions as at 30 June 2018 and its financial performance and cash flows for the year then ended.

The financial statements of the Office of the Commonwealth Director of Public Prosecutions, which I have audited, comprise the following statements as at 30 June 2018 and for the year then ended:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to and forming part of the financial statements.

#### Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Office of the Commonwealth Director of Public Prosecutions in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Accountable Authority's Responsibility for the Financial Statements

As the Accountable Authority of the Office of the Commonwealth Director of Public Prosecutions the Director is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under that Act. The Director is also responsible for such internal control as the Director determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director is responsible for assessing the Office of the Commonwealth Director of Public Prosecutions' ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Director is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Rebecca Reilly  
Executive Director

Delegate of the Auditor-General

Canberra  
20 September 2018

This page is intentionally blank

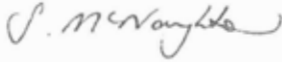
**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS  
STATEMENT BY THE ACCOUNTABLE AUTHORITY AND CHIEF FINANCIAL OFFICER**

---

In our opinion, the attached financial statements for the year ended 30 June 2018 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Office of the Commonwealth Director of Public Prosecutions will be able to pay its debts as and when they fall due.

Signed



Sarah McNaughton SC  
Director  
(Chief Executive)

20 September 2018

Signed



Steven Burggraaff  
A/g Chief Financial Officer

20 September 2018

**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS  
STATEMENT OF COMPREHENSIVE INCOME**

*For the period ended 30 June 2018*

	Notes	Actual 2018 \$'000	Actual 2017 \$'000	Original Budget \$'000
<b>NET COST OF SERVICES EXPENSES</b>				
Employee benefits	4A	46,168	47,063	50,675
Suppliers	4B	37,138	34,975	34,332
Depreciation and amortisation	7	3,598	3,134	4,325
Finance costs - unwinding discount		-	24	-
Write-down and impairment of non-financial assets		23	133	-
Costs awarded against the Commonwealth		720	231	570
<b>Total expenses</b>		<b>87,647</b>	<b>85,560</b>	<b>89,902</b>
<b>OWN-SOURCE INCOME</b>				
<b>Own-source revenue</b>				
Rendering of services	5A	7,317	8,510	7,424
Other	5B	328	226	284
<b>Total own-source revenue</b>		<b>7,645</b>	<b>8,736</b>	<b>7,708</b>
<b>Gains</b>				
Other		569	597	230
<b>Total gains</b>		<b>569</b>	<b>597</b>	<b>230</b>
<b>Total own-source income</b>		<b>8,214</b>	<b>9,333</b>	<b>7,938</b>
<b>Net cost of service</b>		<b>79,433</b>	<b>76,227</b>	<b>81,964</b>
Revenue from Government	5C	77,405	77,283	77,639
<b>Surplus/(Deficit) attributable to the Australian Government</b>		<b>(2,028)</b>	<b>1,056</b>	<b>(4,325)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation		12	-	-
<b>Total other comprehensive income</b>		<b>12</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>		<b>(2,016)</b>	<b>1,056</b>	<b>(4,325)</b>

The above statement should be read in conjunction with the accompanying notes.

**Budget Variances Commentary  
Statement of Comprehensive Income**

Expenses

Total Expenses is below the 2018 Budget due to actual staffing levels being lower than budgeted combined with a downward adjustment in Employee Expenses for movement in the discount bond rate and an actuarial review, offset by higher than budgeted Supplier costs from increased use of contractors and higher than budgeted prosecution legal costs. Depreciation expense is lower due to timing of asset purchases occurring later than forecast in the financial year.

Own-source income

Total own source income is higher than 2018 Budget due to de-recognition of restoration provisions.

**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS**  
**STATEMENT OF FINANCIAL POSITION**

As at 30 June 2018

	Notes	Actual 2018 \$'000	Actual 2017 \$'000	Original Budget \$'000
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	6A	486	650	360
Trade and other receivables	6B	13,524	12,228	15,332
<b>Total financial assets</b>		<b>14,010</b>	<b>12,878</b>	<b>15,692</b>
<b>Non-Financial Assets</b>				
Land and buildings	7	9,712	8,950	6,977
Property, plant and equipment	7	3,220	4,092	5,185
Intangibles	7	2,700	718	1,138
Prepayments		2,063	1,900	700
<b>Total non-financial assets</b>		<b>17,695</b>	<b>15,660</b>	<b>14,000</b>
<b>Total assets</b>		<b>31,705</b>	<b>28,538</b>	<b>29,692</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	8A	3,964	3,253	5,826
Operating Leases	8B	7,279	6,592	-
Other	8C	2,559	2,054	7,389
<b>Total payables</b>		<b>13,802</b>	<b>11,899</b>	<b>13,215</b>
<b>Provisions</b>				
Employee provisions	9A	14,539	14,814	15,836
Other	9B	821	1,398	1,785
<b>Total provisions</b>		<b>15,360</b>	<b>16,212</b>	<b>17,621</b>
<b>Total Liabilities</b>		<b>29,162</b>	<b>28,111</b>	<b>30,836</b>
<b>Net Assets</b>		<b>2,543</b>	<b>427</b>	<b>(1,144)</b>
<b>EQUITY</b>				
Contributed equity		13,892	9,757	13,892
Reserve		18,491	18,479	18,479
Accumulated deficit		(29,840)	(27,809)	(33,515)
<b>Total Equity</b>		<b>2,543</b>	<b>427</b>	<b>(1,144)</b>

The above statement should be read in conjunction with the accompanying notes.

**Budget Variances Commentary**  
**Statement of Financial Position**

Assets

Trade and Other Receivables was \$1.8m lower than 2018 Budget due to lower than estimated appropriation receivable.

Total non-financial assets is above the 2018 budget due to: timing of new office fitouts in Darwin, Canberra, Hobart, Townsville and Sydney, implementation of new legal case management system and higher than estimated annual license subscription costs paid in June.

Liabilities

Total Payables is above the 2018 Budget due to an increase of \$0.6m in Operating Leases for four new office leases.

Total Provisions is below the 2018 Budget due to a combination of lower staff numbers, decrease in leave provisions following an actuarial review and the de-recognition of restoration provisions.

**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS**  
**STATEMENT OF CHANGES IN EQUITY**

*For the period ended 30 June 2018*

	Retained earnings		Asset revaluation surplus		Contributed equity/capital		Total equity	
	Actual 2018 \$'000	Actual 2017 \$'000	Actual 2018 \$'000	Actual 2017 \$'000	Actual 2018 \$'000	Actual 2017 \$'000	Actual 2018 \$'000	Actual 2017 \$'000
<b>Opening balance</b>								
Balance carried forward from previous period	(27,809)	(28,865)	18,479	18,479	9,757	7,862	427	(2,524)
<b>Adjusted opening balance</b>	<b>(27,809)</b>	<b>(28,865)</b>	<b>18,479</b>	<b>18,479</b>	<b>9,757</b>	<b>7,862</b>	<b>427</b>	<b>(2,524)</b>
<b>Comprehensive income</b>								
Surplus (Deficit) for the period	(2,028)	1,056	-	-	-	-	(2,028)	1,056
Other comprehensive income	-	-	12	-	-	-	12	-
<b>Total comprehensive income</b>	<b>(2,028)</b>	<b>1,056</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,016)</b>	<b>1,056</b>
<b>Contributions by owners</b>								
Departmental capital budget funding	-	-	-	-	4,135	1,895	4,135	1,895
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,135</b>	<b>1,895</b>	<b>4,135</b>	<b>1,895</b>
Rounding	(3)	-	-	-	-	-	(3)	-
<b>Closing balance as at 30 June</b>	<b>(29,840)</b>	<b>(27,809)</b>	<b>18,491</b>	<b>18,479</b>	<b>13,892</b>	<b>9,757</b>	<b>2,543</b>	<b>427</b>

The above statement should be read in conjunction with the accompanying notes.

**Accounting Policy**

Equity injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.



**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS**  
**CASH FLOW STATEMENT**

*For the period ended 30 June 2018*

	Actual 2018 \$'000	Actual 2017 \$'000	Original Budget \$'000
<b>Notes</b>			
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations	86,321	92,528	83,713
Rendering of services	7,841	7,741	7,424
Net GST received	3,587	3,110	2,900
Other	-	454	230
<b>Total cash received</b>	<b>97,749</b>	<b>103,833</b>	<b>94,267</b>
<b>Cash used</b>			
Employees	48,028	50,106	49,950
Suppliers	37,072	41,845	36,323
Other	720	231	570
Appropriation cash returned to the OPA	9,293	11,342	7,424
<b>Total cash used</b>	<b>95,113</b>	<b>103,524</b>	<b>94,267</b>
<b>Net cash from (used by) operating activities</b>	<b>2,636</b>	<b>309</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Purchase of property, plant and equipment and intangibles	5,489	2,644	4,135
<b>Total cash used</b>	<b>5,489</b>	<b>2,644</b>	<b>4,135</b>
<b>Net cash from (used by) investing activities</b>	<b>(5,489)</b>	<b>(2,644)</b>	<b>(4,135)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity	2,689	2,911	4,135
<b>Total cash received</b>	<b>2,689</b>	<b>2,911</b>	<b>4,135</b>
<b>Net cash from (used by) financing activities</b>	<b>2,689</b>	<b>2,911</b>	<b>4,135</b>
<b>Net increase (decrease) in cash held</b>	<b>(164)</b>	<b>576</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	650	74	360
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>486</b>	<b>650</b>	<b>360</b>
6A			

The above statement should be read in conjunction with the accompanying notes.

**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*For the period ended 30 June 2018*

---

**Note 1:** Overview

**Note 2:** Events After the Reporting Period

**Note 3:** Net Cash Appropriation Arrangements

**Note 4:** Expenses

**Note 5:** Own-Source Income

**Note 6:** Financial Assets

**Note 7:** Non-Financial Assets

**Note 8:** Payables

**Note 9:** Provisions

**Note 10:** Contingent Assets and Liabilities

**Note 11:** Related Party Disclosures

**Note 12:** Key Management Personnel Remuneration

**Note 13:** Financial Instruments

**Note 14:** Appropriations

# OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

## Note 1: Overview

### 1.1 The Basis of Preparation

The financial statements are general purpose financial statements and are required by Section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The Financial Statements have been prepared in accordance with:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2017; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

### 1.2 Significant Accounting Judgments and Estimates

In the process of applying the accounting policies listed in the notes, the CDPP has made judgements in relation to:

- The fair value of property, plant and equipment and the related makegood; and
- Employee provisions;

that have significant impact on the amounts recorded in the financial statements.

No accounting assumptions and estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period.

### 1.3 New Australian Accounting Standards

All new/revised/amending standards and/or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect on the CDPP's financial statements.

### 1.4 Taxation

The CDPP is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

## Note 2: Events After the Reporting Period

There have been no events that have the potential to significantly affect the ongoing structure and financial activities of the CDPP.

## Note 3: Net Cash Appropriation Arrangements

	2018 \$'000	2017 \$'000
<b>Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations<sup>1</sup></b>	<b>1,582</b>	<b>4,190</b>
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	<u>(3,598)</u>	<u>(3,134)</u>
<b>Total comprehensive income (loss) - as per the Statement of Comprehensive Income</b>	<u><b>(2,016)</b></u>	<u><b>1,056</b></u>

**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For the period ended 30 June 2018

**Note 4: Expenses**

	2018 \$'000	2017 \$'000
<b>Note 4A: Employee benefits</b>		
Wages and salaries	35,069	36,391
Superannuation		
Defined contribution plans	3,425	3,558
Defined benefit plans	3,133	3,388
Leave and other entitlements	3,877	3,238
Separation and redundancies	500	284
Other employee benefits	164	204
<b>Total employee benefits</b>	<b>46,168</b>	<b>47,063</b>

**Accounting Policy**

See note 10A: Employee Provisions

**Note 4B: Suppliers**

**Goods and services supplied or rendered**

Prosecution legal costs	13,196	12,047
ICT	3,412	3,237
Property	2,482	1,948
Library	1,423	1,301
Services Advice and Training	6,748	5,851
Other	2,124	2,672
<b>Total goods and services supplied or rendered</b>	<b>29,385</b>	<b>27,056</b>

Goods Supplied	3,293	1,475
Services Rendered	26,092	25,581
<b>Total goods and services supplied or rendered</b>	<b>29,385</b>	<b>27,056</b>

**Other suppliers**

Operating lease rentals in connection with		
Minimum lease payments	6,667	6,813
Rental expense for sub-leases	485	411
Workers compensation expenses	601	695
<b>Total other suppliers</b>	<b>7,753</b>	<b>7,919</b>
<b>Total suppliers</b>	<b>37,138</b>	<b>34,975</b>

**Accounting Policy**

Expenses

Operating lease payments are expensed on a straight-line basis, which is representative of the pattern of benefits derived from the leased assets.

**Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:**

Within 1 year	8,559	9,403
Between 1 to 5 years	24,755	26,268
More than 5 years	2,534	13,386
<b>Total operating lease commitments</b>	<b>35,848</b>	<b>49,057</b>

CDPP in its capacity as lessee has 11 (2017: 11) property leases. There are no purchase options with any CDPP lease or contingent rental payable. There are fixed increases in rent on each of those leases ranging between 3% and 4% annually 7 of those leases have an option to renew at the end of the lease period.

**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*For the period ended 30 June 2018*

**Note 5: Own-Source Income**

	2018 \$'000	2017 \$'000
<b>Note 5A: Rendering of Services</b>		
Rendering of services	7,317	8,510
<b>Total rendering of services</b>	<u>7,317</u>	<u>8,510</u>
<b>Commitments for sublease rental income receivables are as follows:</b>		
Within 1 year	540	602
Between 1 to 5 years	662	1,354
More than 5 years	-	392
<b>Total sublease rental income commitments</b>	<u>1,202</u>	<u>2,348</u>

**Accounting Policy**

The stage of completion of contracts for services at the reporting date is determined by reference to services performed to date as a percentage of total services to be performed.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

**Note 5B: Other Revenue**

Resources received free of charge - services from external parties	247	145
Resources received free of charge - auditor's remuneration	81	81
<b>Total other revenue</b>	<u>328</u>	<u>226</u>

**Accounting Policy**

Resources Received Free of Charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

**REVENUE FROM GOVERNMENT**

**Note 5C: Revenue from Government**

**Appropriations:**

Departmental appropriations	77,405	77,283
<b>Total revenue from Government</b>	<u>77,405</u>	<u>77,283</u>

**Accounting Policy**

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the CDPP gains control of the appropriation. Appropriations receivable are recognised at their nominal amounts.

**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*For the period ended 30 June 2018*

**Note 6: Financial Assets**

	2018 \$'000	2017 \$'000
<b>Note 6A: Cash and Cash Equivalents</b>		
Cash on hand or on deposit	486	650
<b>Total cash and cash equivalents</b>	<u>486</u>	<u>650</u>

**Accounting Policy**

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- a) cash on hand; and
- b) demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

**Note 6B: Trade and Other Receivables**

**Good and Services**

Goods and services	414	386
<b>Total goods and services receivables</b>	<u>414</u>	<u>386</u>

**Appropriations receivable:**

For existing programs	12,492	10,672
<b>Total appropriations receivable</b>	<u>12,492</u>	<u>10,672</u>

**Other receivables**

GST receivable from the Australian Taxation Office	578	491
Other receivables	40	679
<b>Total other receivables</b>	<u>618</u>	<u>1,170</u>
<b>Total trade and other receivables (gross)</b>	<u>13,524</u>	<u>12,228</u>

All receivables are classified as not overdue. This is in line with CDPP Credit terms for goods and services of 30 days (2017: 30 days).

**Accounting Policy**

Trade receivables are classified as 'loans and receivables' and recorded at face value less any impairment.

Trade receivables are recognised when CDPP becomes party to a contract and has a legal right to receive cash.

Loans and receivables are assessed for impairment at the end of each reporting period. Trade receivables are derecognised on payment.

The fair value of CDPP's financial assets and liabilities approximate their carrying amounts. The CDPP derived no interest income from financial assets in either the current or prior year.

The CDPP has policies and procedures that guide employee debt recovery. The CDPP does not require collateral in respect of trade and other receivables. No impairment has been recognised (2017: nil).

The CDPP has sufficient available financial assets to meet all financial liabilities at 30 June 2018.

# OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

## Note 7: Non-Financial Assets

### Note 7: Reconciliation of the Opening and Closing Balances of Buildings, Property, Plant and Equipment and Intangibles

	Building \$'000	Plant & equipment \$'000	Computer software \$'000	Total \$'000
<b>As at 1 July 2017</b>				
Gross book value	16,674	7,112	3,490	27,276
Accumulated depreciation/amortisation and impairment	(7,724)	(3,020)	(2,772)	(13,516)
<b>Total as at 1 July 2017</b>	<b>8,950</b>	<b>4,092</b>	<b>718</b>	<b>13,760</b>
Additions				
Purchase	2,907	291	2,291	5,489
Depreciation and amortisation	(2,145)	(1,146)	(307)	(3,598)
Other movements				
Revaluations recognised in other comprehensive income	-	12	-	12
Impairments recognised in net cost of services	-	(21)	(2)	(23)
Disposals	-	(8)	-	(8)
<b>Total as at 30 June 2018</b>	<b>9,712</b>	<b>3,220</b>	<b>2,700</b>	<b>15,632</b>
<b>Total as at 30 June 2018 represented by</b>				
Gross book value	9,712	3,220	4,558	17,490
Accumulated depreciation/amortisation and impairment	-	-	(1,858)	(1,858)
<b>Total as at 30 June 2018</b>	<b>9,712</b>	<b>3,220</b>	<b>2,700</b>	<b>15,632</b>

No indicators of impairment were found for building, property, plant and equipment and computer software.

No significant property, plant and equipment and intangibles are expected to be sold or disposed of within the next 12 months.

#### Revaluations of non-financial assets

All revaluations were conducted in accordance with the revaluation policy. CDPP engaged the services of RHS to conduct the revaluations as at 30 June 2018.

#### Contractual commitments for the acquisition of property, plant, equipment and intangible assets

Capital commitments for property, plant and equipment are nil (2017: nil) and leasehold improvements (2017: 3.1m).

#### Accounting Policy

##### Recognition and Depreciation

Assets are recognised initially at cost in accordance with the table below.

Depreciable property plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the CDPP using, in all cases, the straight-line method of depreciation. Software assets are amortised on a straight-line basis.

	Useful Life (years)	Threshold (\$)
Leasehold Improvements	lease term	20,000 or 5% of total value
PP&E	3-30 years	2,000
Software	3-6 years	5,000

# OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

---

## Revaluations

Fair values for each class of asset are determined as shown below:

<b>Asset class</b>	<b>Fair value measured at</b>
Leasehold improvements	Depreciated replacement cost
Infrastructure, plant and equipment	Market selling price and depreciated replacement cost

Following initial recognition at cost, property plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets. The most recent independent valuation was conducted on 30 June 2018. Impairment assessment is carried out on an annual basis.

Assets are revalued in accordance with AASB 116 *Property, Plant and Equipment* approximately every five years unless the annual fair value assessment suggests that there is a material difference between carrying value of assets and their fair value. Where there is a material difference, all assets in that category are revalued.

## Impairment

All assets are assessed annually for impairment. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount

## De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

## Accounting Judgements and Estimates

### Fair value measurement

CDPP engages the services of an independent appraiser to conduct asset materiality reviews of all non-financial assets held at fair value as at reporting date and relies upon those outcomes to establish carrying amounts. An annual assessment is undertaken to determine whether the carrying amount of assets differs materially from the fair value. Comprehensive valuations are undertaken at least once every five years. The fair value of property, plant and equipment is determined using either the Market Approach or the Cost Approach.

### Market Approach

The Market Approach seeks to estimate the current value of an asset in its highest and best use with reference to recent market evidence including transactions of comparable assets. Certain items of land, buildings, leasehold improvements, plant and equipment are valued using the Market Approach. Inputs utilised under the Market Approach comprise market transactions of comparable assets adjusted to reflect differences in price sensitive characteristics including:

- recent market sales of comparable land and buildings adjusted for size and location; and
- current prices for comparable or substitute items of leasehold improvements, plant and equipment available within local second-hand markets or adjusted for location.



## OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

*For the period ended 30 June 2018*

---

### Cost Approach

The Cost Approach seeks to estimate the amount required to replace the service capacity of an asset in its highest and best use. In cases where sufficient observable market evidence is unavailable, the Cost Approach is applied and determined as either the Replacement Cost of New Assets (RCN) or the Depreciated Replacement Cost (DRC).

AUC is valued as RCN determined as the amount a market participant would pay to acquire or construct a new substitute asset of comparable utility and relevant to the asset's location. Inputs including current local market prices for asset components such as materials and labour costs are utilised in determining RCN.

Certain items of land, buildings, leasehold improvements, plant and equipment are valued using DRC. Under DRC the replacement costs of new assets are adjusted for physical depreciation and obsolescence such as physical deterioration, functional or technical obsolescence and conditions of the economic environment specific to the asset. This is determined based on the estimated physical, economic and external obsolescence factors relevant to the asset under consideration. For all leasehold improvements, the consumed economic benefit/asset obsolescence deduction is determined based on the term of the associated lease. Physical depreciation and obsolescence for buildings, plant and equipment is determined based on the asset's estimated useful life.

**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*For the period ended 30 June 2018*

**Note 8: Payables**

	2018 \$'000	2017 \$'000
<b>Note 8A: Suppliers</b>		
Trade creditors and accruals	3,964	3,253
<b>Total supplier payables</b>	<u>3,964</u>	<u>3,253</u>

**Accounting Policy**

Supplier and other payables are recognised at cost. Liabilities are recognised to the extent that the goods or services have been received. Supplier and other payables are derecognised on payment. Supplier payables are settled within 30 days.

**Note 8B: Operating Lease Payables**

Lease Incentives	7,279	6,592
<b>Total Operating Lease Payables</b>	<u>7,279</u>	<u>6,592</u>

**Accounting Policy**

Lease Incentives consist of rent free periods, leasehold improvements and cash incentives. Lease payments are allocated on a straight-line basis between a reduction of the lease incentive liabilities and rental expenses to spread the rental expense in accordance with the pattern of benefits derived from the incentives.

**Note 8C: Other payables**

Wages and salaries	267	290
Superannuation	49	54
Lease straight lining	2,239	1,522
Other	4	188
<b>Total other payables</b>	<u>2,559</u>	<u>2,054</u>

**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*For the period ended 30 June 2018*

**Note 9: Provisions**

	2018 \$'000	2017 \$'000
<b><u>Note 9A: Employee Provisions</u></b>		
Leave	14,539	14,814
<b>Total employee provisions</b>	<b>14,539</b>	<b>14,814</b>

**Accounting Policy**

Liabilities for 'short-term employee benefits and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the CDPP's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the work of an actuary as at 30 June 2018. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. CDPP recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

CDPP's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian government.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

CDPP makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. CDPP accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*For the period ended 30 June 2018*

**Note 9: Provisions**

	2018 \$'000	2017 \$'000
<b>Note 9B: Other Provisions</b>		
Provisions for restoration <sup>1</sup>	415	879
Provisions for superannuation <sup>2</sup>	195	195
Provisions for surplus lease space <sup>3</sup>	226	341
Provisions for sub lease receivable	<u>(15)</u>	<u>(17)</u>
<b>Total other provisions</b>	<b><u>821</u></b>	<b><u>1,398</u></b>
<b>Other provisions expected to be settled</b>		
No more than 12 months	198	228
More than 12 months	<u>623</u>	<u>1,170</u>
<b>Total other provisions</b>	<b><u>821</u></b>	<b><u>1,398</u></b>

	Provision for Restoration \$'000	Other provisions \$'000	Total \$'000
<b>As at 1 July 2017</b>	879	519	<b>1,398</b>
Additional provisions made	71	16	<b>87</b>
Amounts used	(535)	(115)	<b>(650)</b>
Amounts reversed	-	(14)	<b>(14)</b>
<b>Total as at 30 June 2018</b>	<b>415</b>	<b>406</b>	<b>821</b>

<sup>1</sup> CDPP currently has 11 agreements (2017: 11 agreements) for leased premises. Three of these have provisions requiring CDPP to restore the premises to their original condition at the end of the lease. CDPP has made provisions to reflect the present value of these obligations.

<sup>2</sup> Additional lump sum superannuation contributions are payable where a shortfall is found in the statutory payment for an employee in the Commonwealth Superannuation Scheme. These contributions are historically paid every 3-4 years. CDPP continues to provide for additional lump sum superannuation contributions.

<sup>3</sup> Provision for Surplus Lease Space relates to office lease space under an onerous lease in 2017-18.

# OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

---

## **Note 10: Contingent Assets and Liabilities**

### Quantifiable Contingencies

As at 30 June 2018, CDPP had no quantifiable contingent assets or liabilities (2017: nil).

### Unquantifiable Contingencies

If a matter prosecuted by the CDPP is defended successfully, the court may order that the CDPP meet certain costs incurred by the defence.

If a matter is being prosecuted by the CDPP and assets are frozen under the *Proceeds of Crime Act 1987* or the *Proceeds of Crime Act 2002*, the CDPP gives an undertaking against potential losses in respect of assets administered by the Commonwealth. If the related prosecution is unsuccessful, damages can be awarded against the CDPP. Costs and damages so awarded are met from the CDPP or client organisation's annual appropriations.

Costs and damages have been awarded against the CDPP by the Courts on some occasions in past financial years. On this basis, it is anticipated that this will occur on some occasions during the next financial year. However, since awards of costs and damages are made by the Courts and the CDPP is unable to control or predict the quantum or number of such awards, the CDPP is unable to quantify its potential future liabilities in this regard. For that reason, the quantum of the anticipated future awards of costs and damages against the CDPP, has not been quantified.

### **Accounting Policy**

Contingent Liabilities and Contingent Assets are not recognised in the Statement of Financial Position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

# OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

*For the period ended 30 June 2018*

---

## **Note 11: Related Party Disclosures**

**Related party relationships:** The Office of the Commonwealth Director of Public Prosecutions is an Australian Government controlled entity. Related parties to this entity are Key Management Personnel including the Portfolio Minister and Chief Executive Officer (Accountable Authority), Executive Leadership Group, Chief Financial Officer and other Australian Government entities.

**Transactions with related parties:** Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include payment or refund of taxes, receipt of Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the entity, it has been determined that there are no related party transactions to be separately disclosed.

# OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

## Note 12: Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The CDPP has determined key management personnel to be the Director of Public Prosecutions, Commonwealth Solicitor, Deputy Directors and the Chief Financial Officer. Key management personnel remuneration is reported in the table below:

	2018 \$'000	2017 \$'000
Short-term employee benefits	2,426	2,412
Post-employment benefits	447	463
Other long-term employee benefits	293	292
<b>Total key management personnel remuneration expenses<sup>1,2</sup></b>	<b>3,166</b>	<b>3,167</b>

### Notes

<sup>1</sup> The total number of key management personnel that are included in the above table are 11 (2017:10) representing the people who individually occupied the KMP position during the year. This includes 3 (2017:2) acting arrangements.

<sup>2</sup> The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*For the period ended 30 June 2018*

**Note 13: Financial Instruments**

	2018 \$'000	2017 \$'000
<b><u>Note 13: Categories of Financial Instruments</u></b>		
<b>Financial Assets</b>		
<b>Loans &amp; Receivables</b>		
Cash and cash equivalents	486	650
Trade and other receivables	454	1,065
<b>Total</b>	<u>940</u>	<u>1,715</u>
<b>Carrying amount of financial assets</b>	<u>940</u>	<u>1,715</u>
<b>Financial Liabilities</b>		
<b>At amortised cost:</b>		
Suppliers payable	3,964	3,253
<b>Total</b>	<u>3,964</u>	<u>3,253</u>
<b>Carrying amount of financial liabilities</b>	<u>3,964</u>	<u>3,253</u>



**OFFICE OF THE COMMONWEALTH DIRECTOR OF PUBLIC PROSECUTIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*For the period ended 30 June 2018*

**Note 14: Appropriations**

**Table A: Annual Appropriations ('Recoverable GST exclusive')**

	2018 \$'000	2017 \$'000
<b>Ordinary annual services</b>		
Annual Appropriation <sup>1</sup>	77,639	77,290
Annual Departmental Capital Budget <sup>2</sup>	4,135	1,895
PGPA Act s74	<u>9,293</u>	<u>8,195</u>
<b>Total appropriation</b>	<u>91,067</u>	<u>87,380</u>
Appropriation applied (current and prior years) <sup>3</sup>	<u>89,013</u>	<u>94,593</u>
<b>Variance</b>	<u>2,054</u>	<u>(7,213)</u>

<sup>1</sup> In 2017-18 revenue from government reported in the statement of comprehensive income was \$77.405m, \$0.234m less than the operating annual appropriation of \$77.639m. The \$0.234m difference reflects operating funding withheld through section 51 of the PGPA Act to replace individual Commonwealth entity contracts with a single coordinated procurement contract for GovLink.

<sup>2</sup> Departmental Capital Budgets are appropriated through Appropriation Acts (No.1,3 & 5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

<sup>3</sup> Appropriations applied includes payments for ordinary appropriations and non-financial asset purchases which have been capitalised.

**Table B: Unspent Annual Appropriations ('Recoverable GST exclusive')**

<b>Authority</b>	2018 \$'000	2017 \$'000
<b>DEPARTMENTAL</b>		
Cash	486	650
Appropriation Act (No.1) 2016-17	-	10,672
Appropriation Act (No.1) 2017-18	11,283	-
Appropriation Act (No.1) 2017-18 - DCB	<u>1,443</u>	<u>-</u>
<b>Total</b>	<u>13,212</u>	<u>11,322</u>



## CHAPTER EIGHT



## APPENDICES AND REFERENCES

# APPENDIX 1: LIST OF REQUIREMENTS 2017–18

Below is the table set out in Schedule 2 of the PGPA Rule. Section 17AJ(d) requires this table to be included in entities' annual reports as an aid of access.

**Table 25: List of requirements 2017–18**

PGPA Rule reference	Description	Requirement	Part of report
<b>17AD(g)</b>	<b>Letter of transmittal</b>		
17AI	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory	Preliminary (pg 1)
<b>17AD(h)</b>	<b>Aids to access</b>		
17AJ(a)	Table of contents.	Mandatory	Preliminary (pg 2)
17AJ(b)	Alphabetical index.	Mandatory	Chapter 8 (pg 204)
17AJ(c)	Glossary of abbreviations and acronyms.	Mandatory	Chapter 8 (pg 202)
17AJ(d)	List of requirements.	Mandatory	Chapter 8 (pg 190)
17AJ(e)	Details of contact officer.	Mandatory	Chapter 8 (pg 216)
17AJ(f)	Entity's website address.	Mandatory	Chapter 8 (pg 216)
17AJ(g)	Electronic address of report.	Mandatory	Chapter 8 (pg 216)
<b>17AD(a)</b>	<b>Review by accountable authority</b>		
17AD(a)	A review by the accountable authority of the entity.	Mandatory	Director's Review (pg 4)
<b>17AD(b)</b>	<b>Overview of the entity</b>		
17AE(1)(a)(i)	A description of the role and functions of the entity.	Mandatory	Chapter 1 (pg 14)
17AE(1)(a)(ii)	A description of the organisational structure of the entity.	Mandatory	Chapter 2 (pg 26)
17AE(1)(a)(iii)	A description of the outcomes and programs administered by the entity.	Mandatory	Chapter 1 (pg 14) Chapter 3 (pg 47-105)
17AE(1)(a)(iv)	A description of the purposes of the entity as included in corporate plan.	Mandatory	Chapter 1 (pg 14)
17AE(1)(b)	An outline of the structure of the portfolio of the entity.	Portfolio departments –mandatory	Not applicable

PGPA Rule reference	Description	Requirement	Part of report
17AE(2)	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory	Not applicable
<b>17AD(c)</b>	<b>Report on the Performance of the entity</b>		
	<b>Annual Performance Statements</b>		
17AD(c)(i); 16F	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory	Chapter 4 (pg 108)
17AD(c)(ii)	<b>Report on Financial Performance</b>		
17AF(1)(a)	A discussion and analysis of the entity's financial performance.	Mandatory	Chapter 6 (pg 156)
17AF(1)(b)	A table summarising the total resources and total payments of the entity.	Mandatory	Chapter 8 (Appendix 6 pg 199)
17AF(2)	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory	Chapter 6 (pg 163)
17AD(d)	<b>Management and Accountability</b>		
	<b>Corporate Governance</b>		
17AG(2)(a)	Information on compliance with section 10 (fraud systems).	Mandatory	Transmittal letter (pg 1) and Chapter 5 (pg 134)
17AG(2)(b)(i)	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory	Transmittal letter (pg 1)
17AG(2)(b)(ii)	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory	Transmittal letter (pg 1)
17AG(2)(b)(iii)	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory	Transmittal letter (pg 1)

PGPA Rule reference	Description	Requirement	Part of report
17AG(2)(c)	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory	Chapter 5 (pg 131–135)
17AG(2)(d) – (e)	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non compliance with Finance law and action taken to remedy non compliance.	If applicable, Mandatory	Not applicable
<b>External Scrutiny</b>			
17AG(3)	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory	Chapter 6 (pg 158)
17AG(3)(a)	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory	Not applicable
17AG(3)(b)	Information on any reports on operations of the entity by the Auditor General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory	Chapter 6 (pg 158)
17AG(3)(c)	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory	Not applicable
<b>Management of Human Resources</b>			
17AG(4)(a)	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory	Director's Review (pg 4), Chapter 2 (pg 33)
17AG(4)(b)	<p>Statistics on the entity's APS employees on an ongoing and non ongoing basis; including the following:</p> <ul style="list-style-type: none"> <li>• Statistics on staffing classification level;</li> <li>• Statistics on full time employees;</li> <li>• Statistics on part time employees;</li> <li>• Statistics on gender;</li> <li>• Statistics on staff location;</li> <li>• Statistics on employees who identify as Indigenous.</li> </ul>	Mandatory	Chapter 5 (pg 138)
17AG(4)(c)	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory	Chapter 5 (pg 142)

PGPA Rule reference	Description	Requirement	Part of report
17AG(4)(c)(i)	Information on the number of SES and non SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory	Chapter 5 (pg 142)
17AG(4)(c)(ii)	The salary ranges available for APS employees by classification level.	Mandatory	Chapter 5 (pg 142)
17AG(4)(c)(iii)	A description of non salary benefits provided to employees.	Mandatory	Chapter 5 (pg 141)
17AG(4)(d)(i)	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory	Not applicable
17AG(4)(d)(ii)	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory	Not applicable
17AG(4)(d)(iii)	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory	Not applicable
17AG(4)(d)(iv)	Information on aggregate amount of performance payments.	If applicable, Mandatory	Not applicable
<b>Assets Management</b>			
17AG(5)	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory	Chapter 6 (pg 156)
<b>Purchasing</b>			
17AG(6)	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory	Chapter 6 (pg 158)
<b>Consultants</b>			
17AG(7)(a)	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST).	Mandatory	Chapter 6 (pg 157)
17AG(7)(b)	A statement that ' <i>During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]</i> '.	Mandatory	Chapter 6 (pg 157)

PGPA Rule reference	Description	Requirement	Part of report
17AG(7)(c)	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory	Chapter 6 (pg 157)
17AG(7)(d)	A statement that <i>'Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website'</i>	Mandatory	Chapter 6 (pg 157)
<b>Australian National Audit Office Access Clauses</b>			
17AG(8)	If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory	Chapter 6 (pg 158)
<b>Exempt contracts</b>			
17AG(9)	If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory	Chapter 6 (pg 158)
<b>Small business</b>			
17AG(10)(a)	A statement that <i>'[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website.'</i>	Mandatory	Chapter 6 (pg 158)
17AG(10)(b)	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory	Chapter 6 (pg 158)
17AG(10)(c)	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that <i>'[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website.'</i>	If applicable, Mandatory	Chapter 6 (pg 158)



PGPA Rule reference	Description	Requirement	Part of report
	<b>Financial Statements</b>		
17AD(e)	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory	Chapter 7 (pg 163)
17AD(f)	<b>Other Mandatory Information</b>		
17AH(1)(a)(i)	If the entity conducted advertising campaigns, a statement that <i>'During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website.'</i>	If applicable, Mandatory	Not applicable
17AH(1)(a)(ii)	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory	Chapter 8 (pg 197)
17AH(1)(b)	A statement that <i>'Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website].'</i>	If applicable, Mandatory	Not applicable
17AH(1)(c)	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory	Chapter 5 (pg 145)
17AH(1)(d)	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory	Chapter 8 (pg 196)
17AH(1)(e)	Correction of material errors in previous annual report.	If applicable, mandatory	Not applicable
17AH(2)	Information required by other legislation.	Mandatory	Chapter 8 (pg 189)

# APPENDIX 2: INFORMATION PUBLICATION SCHEME

The CDPP is subject to the *Freedom of Information Act 1982* (FOI Act) and is required to publish information to the public as part of the Information Publication Scheme (IPS).

This requirement is in Part 11 of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report.

The CDPP website displays a plan showing what information is published in accordance with the IPS requirements.

[www.cdpp.gov.au](http://www.cdpp.gov.au)

# APPENDIX 3: WORK HEALTH AND SAFETY

To provide a workplace that protects workers from harm, promotes good health and supports the ability of all workers to engage and continue to work, we combined the Work Health and Safety (WHS) and Wellbeing functions to support a holistic and integrated approach to our employees' health, safety and wellbeing.

We developed a Mental Health and Wellbeing Strategy during the reporting year. During 2018–19, we will develop a Mental Health Policy and an updated Wellbeing Policy to underpin the strategy.

## **WHS**

This year we continued to implement improvements and changes to our WHS Management System to encourage and ensure good practices. It is intended to be easily understood and applied at a working level, allowing workers greater responsibility for work health and safety management in their workplace, consistent with the *Work Health and Safety Act 2011* (WHS Act). Our updated work health and safety management systems (WHSMS) will help us achieve a safe workplace by ensuring we are not at risk from our work, our environment, or the actions and omissions of others. This in turn, will contribute to a more positive culture and increased retention rates and productivity levels.

## INCIDENT REPORTING

All hazards, incidents and injuries are reported in accordance with CDPP reporting procedure. This allows us to carry out appropriate remedial actions to eliminate or control the risk and prevent further occurrences.

During 2017–18, there was one notifiable incident to Comcare. No enforcement measures or improvement notices were issued to the CDPP.

## REHABILITATION MANAGEMENT SYSTEM

The rehabilitation management system (RMS) provides the framework for efficient rehabilitation management in the CDPP. It includes elements of current best practice in injury management, recognises our legislative obligations and identifies the key processes and procedures required to support sustainable return-to-work outcomes. Our proactive RMS approach, including early intervention strategies and targeted case management, has enhanced rehabilitation outcomes and reduced costs to the CDPP.

## WORKERS' COMPENSATION

In 2017–18, one workers' compensation claim was accepted by Comcare.

## NATIONAL HEALTH AND SAFETY COMMITTEE

In accordance with the WHS Act, we take all reasonable practicable steps to protect the health, safety and wellbeing of our staff and other workers. This includes consulting with workers who are, or are likely to be, directly affected by a work health or safety matter.

The National Health and Safety Committee assists and advises on matters affecting the health, safety and wellbeing of all workers at CDPP workplaces. As the central point of consultation between management and all workers, the committee is responsible for disseminating WHS information, particularly in the regional offices, in a proactive and timely manner.

# APPENDIX 4: ADVERTISING AND MARKET RESEARCH

Under section 311A of the *Commonwealth Electoral Act 1918*, we are required to disclose payments of \$10,000 or more (including GST) for advertising and market research.

During 2017–18 we undertook one research project.

**Research project**—Identify the information needs and content required for a micro-website to support victims and witnesses through the prosecution process.

**Supplier**—Woolcott Research Pty Ltd.

**Contract Value**—\$25,850.00 excl GST.

# APPENDIX 5: ECOLOGICALLY SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PERFORMANCE

CDPP is committed to the ongoing efficient and effective management of resources. We have initiatives in place that contribute to a more sustainable environment.

Our range of energy saving methods include:

- using technology to minimise energy use, including automatic power down devices on electrical equipment
- use of energy efficient lighting controls systems throughout CDPP offices to reduce energy usage
- ensuring all of our computer equipment is energy star enabled
- sourcing a component of electricity for our Sydney, Melbourne and Canberra Offices through green energy options
- recycling of waste paper and giving preference to environmentally sound products when purchasing office supplies
- providing staff with access to video and teleconferencing facilities in our offices with the aim of reducing the overall amount of air travel undertaken
- incorporating energy efficient design in the new office fit-outs projects with the aim to reduce overall energy usage.

## ENVIRONMENTAL PERFORMANCE

The following table summarises the environmental performance of our sites during 2017–18.

**Table 26: Environmental performance in 2017–18**

Item	Performance
<i>Office tenant light and power</i>	
Electricity	532,189 kilowatt hours
Green power	25,944 kilowatt hours
Total	1,915 gigajoules
Total electricity consumed per employee	5,489 megajoules
<i>Passenger vehicles</i>	
Petrol	6,496 litres
Total	202.77 gigajoules
Distance	104,889 kilometres
Megajoule/100 kilometres	3,896/100 kilometres
Total CDPP consumption	2,117 gigajoules

Notes:

1. CDPP sites for the reporting period included Canberra, Sydney, Melbourne, Brisbane, Perth, Adelaide, Hobart, Darwin, Townsville and Cairns.

# APPENDIX 6: ENTITY RESOURCE STATEMENT AND EXPENSES BY OUTCOME

Table 27: Entity resource statement 2017–18

	Actual available appropriation for 2017–18 \$'000 (a)	Payments made 2017–18 \$'000 (b)	Balance remaining 2017–18 \$'000 (a)–(b)
<b>DEPARTMENTAL</b>			
Ordinary Annual Services <sup>1</sup>			
Prior-year departmental appropriation	11,322	11,322	-
Departmental appropriation <sup>2</sup>	81,540	68,328	13,212
Section 74 relevant agency receipts <sup>3</sup>	9,293	9,293	-
Total net resourcing for entity	102,155	88,943	13,212

Notes:

1. Appropriation Act (No. 1) 2017–18.
2. Includes an amount of \$4.135 million in 2017–18 for our departmental capital budget. For accounting purposes this amount has been designated as 'contributions by owners'.
3. Retained revenue receipts under section 74 of the PGPA Act.

## EXPENSES BY OUTCOME

Table 28: Expenses and resources for Outcome 1 2017–18

Outcome 1: Contribute to a fair, safe and just society by delivering an effective, independent prosecution service in accordance with the <i>Prosecution Policy of the Commonwealth</i>	Actual available appropriation for 2017–18 \$'000 (a)	Payments made 2017–18 \$'000 (b)	Balance remaining 2017–18 \$'000 (a)–(b)
<b>Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth</b>			
Departmental expenses			
Departmental appropriation <sup>1</sup>	85,063	83,152	1,911
Expenses not requiring appropriation <sup>2</sup>	4,839	4,495	344
Total expenses for Outcome 1	89,902	87,647	2,255
	<b>Budget 2017–18</b>	<b>Actual 2017–18</b>	
Average staffing level (number)	390	379	

Notes:

1. Departmental appropriation combines Ordinary annual services (Appropriation Act No. 1) and Retained Revenue Receipts under section 74 of the PGPA Act.
2. Expenses not requiring appropriation in the budget year are made up of services received free of charge, depreciation and amortisation expenses.

# LIST OF TABLES AND FIGURES

## LIST OF TABLES

Table 1: New Witness Assistance Service referrals in 2017–18	74
Table 2: Prosecution appeals and outcomes	98
Table 3: Prosecution appeals by practice group	99
Table 4: Outcomes of successful prosecutions in 2017–18	113
Table 5: Summary prosecutions in 2017–18	113
Table 6: Committals in 2017–18	113
Table 7: Prosecutions on indictment in 2017–18	113
Table 8: Prosecution appeals against sentence in 2017–18	114
Table 9: Defence appeals against sentence in 2017–18	114
Table 10: Prosecution indicators for 2017–18	115
Table 11: Prosecution performance indicators for 2015–16, 2016–17 and 2017–18	115
Table 12: Legislation under which charges were dealt with summarily and on indictment in 2017–18	116
Table 13: Referring agencies—defendants dealt with summarily and on indictment in 2017–18	118
Table 14: Employee headcount by classification level and region at 30 June 2018	138
Table 15: Workforce profile by classification at 30 June 2018	139
Table 16: Workforce profile by location at 30 June 2018	139
Table 17: Average staffing levels (ASL) by location at 30 June 2018	140
Table 18: Full-time equivalent (FTE) employees by location at 30 June 2018	140
Table 19: Staffing by relevant legislation at 30 June 2018	141
Table 20: Workforce profile by category at 30 June 2018	141
Table 21: Staff by employment type and gender at 30 June 2018	141
Table 22: Salary scales at 30 June 2018	142
Table 23: Employees by diversity group at 30 June 2018	145
Table 24: Legal services expenditure in 2017–18	159
Table 25: List of requirements 2017–18	190
Table 26: Environmental performance in 2017–18	198
Table 27: Entity resource statement 2017–18	199
Table 28: Expenses and resources for Outcome 1 2017–18	199

## LIST OF FIGURE

Figure 1: Organisation chart at 30 June 2018	27
Figure 2: Two-stage test for all prosecution matters	40
Figure 3: CDPP governance structure at 30 June 2018	132

# ACRONYMS AND ABBREVIATIONS

APS	Australian Public Service
ASL	Average staffing level
AUSTRAC	Australian Transaction Reports and Analysis Centre
CDPP	Commonwealth Director of Public Prosecutions
DPP	Director of Public Prosecutions
DPP Act	<i>Director of Public Prosecutions Act 1993 (Cth)</i>
FOI	Freedom of information
FTE	Full-time equivalent
GST	Goods and services tax
OECD	Organisation for Economic Co-operation and Development
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PILON	Pacific Islands Law Officers Network
POC	Proceeds of Crime
POCA	<i>Proceeds of Crime Act 2002</i>
PSM	Public Service Medal
RMS	Rehabilitation management system
SES	Senior Executive Service
SME	Small and medium enterprises
WHS	Work health and safety
WHSMS	Work health and safety management system

# GLOSSARY OF TERMS

## **ACQUIT/ACQUITTAL/ ACQUITTED**

When the Magistrate, jury or appeal court find that a person is not guilty of the crime.

## **APPEAL**

To take a case to a higher court in order to challenge a decision. The person who appeals is the appellant. Not all decisions can be appealed.

## **BRIEF OR BRIEF OF EVIDENCE**

This is a collection of statements from witnesses (both police and ordinary witnesses), documents, expert reports, medical reports, photographs, bail papers, charge sheets etc. given to the CDPP by the police or investigating agency after they have finished their investigation. We use the material contained in the brief of evidence to decide whether a prosecution should take place and, if so, to prosecute the accused.

## **COMMON LAW**

The law based on previous court decisions and customs as distinct from statute law created by Parliament.

## **COMMONWEALTH FEDERAL OFFENCE**

A criminal offence against a Commonwealth federal law (as opposed to a state or territory law).

## **CONVICTION**

When a person accused of committing a criminal offence is found guilty of that offence and is convicted, a record of their conviction is recorded on their criminal history.

## **THE CROWN**

In higher courts the prosecution may be referred to as 'the Crown', that is representing the Queen in right of the Commonwealth.

## **EVIDENCE**

Information provided to the court that is used to prove or disprove a fact in issue in court proceedings.

## **EX OFFICIO INDICTMENT**

Where the Director institutes a prosecution of a person on indictment for an indictable offence against the laws of the Commonwealth in respect of which the person has not been examined or committed for trial, or where a person stands trial on different charges from those upon which they were committed.

## **GUILTY**

To be legally responsible for a criminal offence. When a defendant enters a plea of guilty, they accept responsibility for the offence. When a defendant pleads not guilty, a jury will determine their guilt if the matter proceeds as a trial in a higher court. Where a defendant pleads not guilty in the Magistrates or Local Court, the Magistrate determines the guilt of the defendant.



## INDICTABLE OFFENCE

A serious criminal offence that is usually heard in a higher court before a Judge and jury. Less serious indictable offences and summary offences, are usually heard in a Local Court.

## INDICTMENT

A formal written accusation charging a person with an offence that is to be tried in a higher court.

## INFORMANT

Case officer from partner agency responsible for referring a matter to CDPP for prosecution.

## MATTER

A prosecution or a proceeding in a court (a 'case') may be referred to as a 'matter'.

## NO BILL/NO FURTHER PROCEEDINGS

We may decide that a case will not proceed further, for example, due to insufficient evidence. This may be called entering a 'no Bill' or deciding there will be no further proceedings. A prosecution is discontinued when the court is informed of this.

## PRIMA FACIE

A case in which there is evidence that will suffice to support the allegations made in it, and which will stand unless there is evidence to rebut the allegation. When a case is being heard in court, the party on whom the burden of proof rests must make out a *prima facie* case, otherwise the other party will be able to submit that there is no case to answer and, if successful, the case will be dismissed.

## PROSECUTOR/PROSECUTION

The CDPP lawyer or lawyers conducting a criminal case before the court. Also referred to as Federal Prosecutors.

## PROSECUTION COUNSEL

A CDPP lawyer or private barrister who presents the prosecution case in court on behalf of the CDPP.

## SENTENCING

A range of penalties can be given during sentencing of an offender including imprisonment, community service orders, good behaviour bonds and fines. The *Crimes Act 1914* requires the court to consider a number of factors in deciding on the sentence for a federal offence, and also requires that the sentence be of a severity appropriate in all the circumstances of the offence.

## VICTIM

A person who has suffered harm as the direct result of an offence or offences.

## WITNESS

Any person who has to come to court and answer questions in front of a Magistrate or Judge and jury.

# PHOTOS AND GRAPHICS

Unless stated otherwise, all images featured in this report are CDPP images.

# INDEX

## A

- abbreviations, 201
- accountable authority statement, 108
- address and contact details, *inside back cover*
- administrative support (CDPP), 148
- administrative tribunal decisions, 158
- Adsett, David, 26, 27, 29
- advertising and market research, 197
- Afford, Steven, 100–1
- agency capability reviews, 158
- 'agency-to-agency' assistance, 61
- aim (CDPP), 5, 14
- aircraft, reckless operation of, 64
- Alahakone, Asoka, 96
- Almaouie, Jibryl and Mohamed, 90–1
- annual performance statement *see* performance
- Anti-Slavery Australia, 69
- appeals against sentence
  - appeals, defined, 202
  - defence appeals, 114
  - prosecution appeals, iii, 98–103, 114, 115
- appellate courts, 98–9
- Armstrong, Kathleen and Dane, 97
- Ash, Simon A., 26, 27, 31
- asset management, 156
- Assistant Directors, 104, 105
- assistive technology supply alleged bid rigging, 50
- Attorney-General, 14
  - directions to Director, 16
  - Attorney-General's Department, 87, 131
    - CDPP contribution to new legislation
      - acknowledged, 22–3
    - liaison with, 52, 70, 78, 87
    - role in international criminal matters and extradition, 61–2
- Audit Committee, 133, 134, 135
- Auditor-General
  - access clauses in contracts, 158
  - audit report on financial statements, 158, 164–5
  - reports, 158
- audits
  - ANAO, 158, 164–5
  - internal, 135
- Australia Police Pairing Program, 70, 80
- Australian Border Force, 20, 79
  - investigations and referrals (case studies), 89
  - referrals, 76, 116
  - training for, 78, 79
- Australian Bureau of Statistics
  - referrals, 56, 116
- Australian Competition and Consumer Commission, 50
  - referrals, 49
- Australian Criminal Intelligence Commission, 79
  - investigations and referrals (case studies), 89
- Australian Electoral Commission
  - referrals, 56

Australian Federal Police, 50, 52, 62, 68–9, 124  
 International Liaison Officers, 60  
 investigations and referrals (case studies), 54, 55, 71, 89, 90–1, 97  
 referrals, iv, 20, 49, 56, 66, 76, 84, 116  
 requests from New Zealand, 62  
 training for, 69, 78

*Australian Federal Police Act 1979*, 63

Australian Financial Security Authority, iv, 6, 20, 60, 124  
 referrals, 56, 116

Australian Fisheries Management Authority  
 referrals, 56

Australian Information Commissioner, 158

Australian National Audit Office, 133  
 access clauses in contracts, 158  
 audit report on financial statements, 158, 164–5

*Australian Privacy Principles*, 63

Australian Public Service Employee  
 Census, 8

Australian Securities and Investments  
 Commission, 50, 52  
 referrals, 49

Australian Taxation Office, 6, 79, 124  
 appropriation transfers to CDPP, 156  
 ATO/CDPP collaboration, 95  
 investigations and referrals (case studies), 54, 96  
 referrals, 49, 92, 116

Australian Transaction Reports and  
 Analysis Centre (AUSTRAC), 79

## B

bankruptcy workshop, 60

Beattie, Bryan, 103

benefits fraud, 93–5, 97

Bi-Annual National Witness Assistance  
 Service conference, 75

Bills see legislative reform

branch heads, 104, 105

bribery, foreign, 50–3, 55

brief assessments, 36, 37, 42, 78, 95  
 timeliness, 26, 97, 111

briefs  
 defined, 202  
 electronic, 6, 9, 17, 43, 123–4  
 pre-brief advice, 16, 41, 42, 51, 68, 78, 86, 90  
 see also prosecutions

Bruckard, Scott, 26, 27, 29

business improvement, 6–7, 9, 26, 32–5, 111, 122–9

‘Business Management Solution’ project  
 see caseHQ

business plans see plans and planning

## C

card skimming, 82–3

carriage services, offences related to use  
 of, 67

cartel offences, 50

Carter, James, 26, 27, 30

case management, 6, 7, 123

case studies  
 Businessman tries to avoid paying  
 luxury car tax for Lamborghini, 96  
 Card skimming on the gold coast,  
 82–3  
 caseHQ—engaging and supporting staff  
 through the modernisation of our  
 work practices, 128–9  
 Former CEO of Wagga medical service  
 convicted, 65  
 Husband and wife caught out in  
 Centrelink lie, 97  
 Innovation Competition a winner, 151  
 International engagement highlights,  
 44–5  
 Investing in our people— collaboration,  
 innovation and diversity, 146–7

Issakidis jailed after six-year court case, 54  
 Mechanic caught illegally importing machine guns, 81  
 New digital organisation chart, 150  
 Operation Blare, 55  
 Operation Shenzi, 89  
 Practical criminal law insights valued in drafting new legislation, 22–3  
 Reckless operation of aircraft during desert race, 64  
 Sentence increased on appeal for live-stream pornography, 72  
 Successful prosecution of terror cell, 90  
 THINK DIGITAL strategy, 10–11  
 Trafficker sentenced for tricking friend into sex work, 71  
 caseHQ, 6, 11, 123, 128–9, 152  
 CaseLink, 11, 126  
 cases *see* prosecutions  
 Centrelink, iv, 20, 93–4, 97  
     referrals, 92  
 change management (work practices), 128–9 *see also* business improvement  
 charitable initiatives, 8–9, 151  
 Chief Corporate Officer, 19, 26  
 child exploitation offences, 67, 69, 70, 72, 74, 103  
 child victims referred to WAS, 73  
 Civil Aviation Safety Authority, 64  
 cocaine, 102  
 collaboration *see* partner agencies  
 Comcare, 197  
 Comerford, Peter Denis, 83  
 Commercial, Financial and Corruption Practice Group, 49–55  
 committals, 113, 115  
 common law contracts, 142  
 common law, defined, 202  
 Commonwealth Director of Public Prosecutions, 26, 28  
     accountable authority statement, 108  
     annual performance statement, 108  
     directions to, 16  
     establishment of, 16  
     overview, 14–23  
     powers, 28, 104–5  
     purpose statement, 14, 108  
     review of year, 4–9  
     role and functions, i–ii, 16–23  
     role of Director, 28  
 Commonwealth offences, 16, 202  
 Commonwealth Ombudsman, 158  
 Commonwealth Procurement Rules, 157  
 Commonwealth Solicitor for Public Prosecutions, 16, 19, 28, 29, 32–5, 104, 105  
 Communications team, 148–9  
 community education and engagement, 8, 20, 148–9  
 Conference of Australian Directors of Public Prosecutions, 21  
 conferences, 68–9, 70, 75, 79, 86  
 confiscation of criminal assets, 62–3, 80  
 conspiracy proceedings, Director's consent to, 105  
 consultancy services, 157  
 contact details, *inside back cover*  
 contracts, 157, 158  
 convictions, 67, 112, 115, 202 *see also* prosecutions  
 corporate governance, 131–2  
 corporate plan, 109, 134  
 Corporate Services Group, 19, 130–53  
     administrative support, 148  
     communications and media, 148–9  
     finance, 153  
     governance, audit and accountability, 131–5

library, research and information services, 152  
 people, 136–47  
 records management, 152  
 technology, 149

*Corporations (Aboriginal and Torres Strait Islander) Act 2006*, 65

*Corporations Act 2001*, 49, 51

corruption offences, 63

counter-terrorism work see Organised Crime and Counter-Terrorism Practice Group; terrorism prosecutions

*Crimes (Superannuation Benefits) Act 1989*, 63

*Crimes Act 1914*, 67, 79  
 private prosecutions, 105  
 sentencing, 203

Crimes Legislation Amendment (Combating Corporate Crime) Bill 2017, 51–2

criminal assets confiscation, 62–3, 80

Criminal Assets Confiscation Taskforce, 62

criminal cartels, 50

Criminal Code, 67

offences, 51, 70, 81, 82–3  
 the Crown, defined, 202

Curr, Lyndon Warwick, 64

*Customs Act 1901*, 79, 81

Customs Amendment (Illicit Tobacco Offences) Bill 2018, 80

cybercrime, 68

**D**

de Crespigny, Mark, 26, 27, 30

defence appeals against sentence, 114

Deferred Prosecution Agreement scheme, 51–2, 53

Department of Agriculture and Water Resources

referrals, 76

Department of Corrective Services  
 referrals, 66

Department of Education and Training, 57

Department of Finance, 131

Department of Health, 94

Department of Home Affairs, 70, 78, 87, 88

Department of Human Services, iv, 6, 20, 87, 93–5, 124  
 DHS/CDPP Capability Review Committee, 95  
 investigations and referrals (case studies), 97  
 referrals, 92, 116

Department of Infrastructure, Regional Development and Cities, 58

Department of Justice (US), 62, 88

Deputy Directors, 19, 26–7, 29–31, 104, 105

Dickson, Anthony, 54

digital evidence and disclosure material, 85–6

Digital Referrals Gateway, 6, 9, 11, 17, 43, 123, 124–5

digital tools and technology, 6, 10–11, 124–6, 148, 149–50, 153  
 caseHQ, 6, 11, 123, 128–9, 152  
 CaseLink, 11, 126  
 dtSearch, 126  
 electronic briefs, 6, 9, 17, 43, 68, 123–4  
 Partner Agency Portal, 32, 37, 42, 95, 111, 124, 149  
 Referrals Gateway, 6, 9, 11, 17, 43, 123, 124–5

directions to Director, 16

*Director of Public Prosecutions Act 1983*, 16, 28, 58, 104–5, 131, 137, 141

Director of Public Prosecutions Regulations, 58

Director's Finance Instructions, 157

Directors of Public Prosecutions  
Commonwealth see Commonwealth  
Director of Public Prosecutions  
state and territory, 20–1  
disability strategy, 145  
Dittman, Brock, 103  
diversity in the workplace, 8, 144–7  
document management, 6, 123–4, 152  
DPP (Cth) v Afford [2017] VSCA 201, 100–1  
DPP (Cth) v Beattie [2017] NSWCCA 301,  
103  
DPP (Cth) v Masange and DPP (Cth) v  
Kachunga [2017] VSCA 204, 101–2  
Draft Guide for Briefs of Evidence  
in Straightforward Child Abuse  
Prosecutions, 69  
drug offences, 77–80, 81, 89, 100–2  
drug precursors, 77  
dtSearch, 126

## E

e-Brief Referral Guidelines, 123, 124 see  
also electronic briefs submission  
eCharts, 150  
ecologically sustainable development, 198  
election failure-to-vote matters, 58  
electronic briefs submission, 6, 9, 17, 43,  
68, 123–4  
electronic resources see digital tools and  
technology  
Elomar, Ibrahim and Mamdouh, 50, 55  
emerging crime types, 5, 111  
Employee Assistance Program, 135, 136,  
143  
enterprise agreement, 142  
entity purpose, 14, 108  
entity resource statement, 199  
environmental performance, 198  
espionage and foreign interference laws,  
22–3, 85, 87

Espionage and Foreign Interference  
Taskforce, 22–3  
ethical standards, 21, 135  
Ethics Advisory Service, 135  
*ex officio* indictments, 105, 202  
*Excise Act 1901*, 79  
Executive Leadership Group, 7, 16, 26–7,  
132–3, 134, 135  
exempt contracts, 158  
expenses and resources for outcome, 199  
Export Control Bill 2017, 80  
exportation and importation matters see  
drug offences; Illegal Imports and  
Exports Practice Group  
External Counsel Panel, 34–5  
External Junior Counsel Panel, 7, 34–5  
external scrutiny, 158  
extradition, 60–1, 62

## F

Family Day Care Fraud Interdepartmental  
Committee, 94  
family day care sector fraud and non-  
compliance, 57–8, 94  
*Family Law Act 1975* s121 offences, 105  
Federal Bureau of Investigation (US), 62,  
88  
Federal Prosecutors  
defined, 203  
salary scales, 142  
workforce statistics, 137, 138–9, 141  
Finance Services team, 153  
finances  
entity resource statement, 199  
expenses and resources for outcome,  
199  
finance law compliance, 156  
financial management, 153, 157–9  
financial performance, 156  
financial statements, 163–87  
operating results, 156

Financial Action Task Force/ Asia-Pacific Group/Eurasian Group Workshop for Judges and Prosecutors, 80

financial crime, 49–55, 82–3 *see also* fraud offences; money laundering

Finke Desert Race, 64

firearms, 81, 90

Flandorfer, Tammy Cherie, 83

flexible work arrangements, 8, 137

forced marriage, 69

foreign bribery, 50–3, 55

foreign interference laws, 22–3, 85, 87

fraud offences, 93–103
 

- tax fraud, 54, 94, 96
- see also* financial crime

fraud prevention and control (CDPP), 1, 134–5

*Freedom of Information Act 1982*

- exempt matters, 158
- obligations, 57, 63

freedom of information requests, 63

fundraising activities, 8–9, 151

**G**

gender balance (CDPP staff), 136, 141, 145

general enquires contact details, *inside back cover*

Gerathy, Clifford, 51

Ghazzawy, Ibrahim, 90–1

Global Centre on Cooperative Security, 88

glossary, 202–3

governance, corporate, 131–2

Great Barrier Reef Marine Park Authority referrals, 56

GST fraud, 94

Guide for the Sentencing of Federal Offenders, 33

*Guidelines on Official Conduct for CDPP employees*, 21

guilty pleas, defined, 202

**H**

health and safety *see* work health and safety

heroin importation, 100–2

Human Exploitation and Border Protection Practice Group, 66–75

human resources management, 136–47
 

- see also* staff

human trafficking offences, 67, 71

**I**

Illegal Imports and Exports Practice Group, 76–83

Illegal Imports and Exports/Human Exploitation and Border Protection conference, 75, 79

illicit drugs *see* drug offences

illicit tobacco, 78–80, 95

Illicit Tobacco Taskforce, 78, 79

IM (juvenile), 90–1

import offences *see* drug offences; firearms; tobacco importation

Inaugural Forced Marriage Conference, 69

incident reporting (WHS), 197

indemnities, 104

Independent National Security Legislation Monitor, 87

indictable offences, 202, 203

indictments
 

- defined, 203
- ex officio*, 105, 202
- prosecutions on, 113, 115

Indonesian Attorney General’s Office, 88

informants, 20, 203

Information Publication Scheme, 196

information services, 152

information technology, 149 *see also* digital tools and technology; THINK DIGITAL strategy

Innovation Competition, 151

Interdepartmental Committees, 67, 70  
internal audits, 135  
International Assistance and Specialist Agencies Practice Group, 56–65  
international engagement, 44–5, 52–3, 60, 62, 70, 80, 87–8  
International Foreign Bribery Taskforce, 53  
international motor vehicle shipping industry, 50  
international treaties and conventions, 61  
internet home page address, *final page before inside back cover*  
investigating agencies, provision of advice to, 16, 85 *see also* partner agencies  
Iraqi government officials, bribery of, 55  
Issakidis, Michael, 54

## J

Jaber, Emma, 22–3  
Jakarta Centre for Law Enforcement Co-operation, 88  
Jervis Bay Territory, 58  
Joint Counter-Terrorism Teams, 87, 91  
Joint Standing Committee on Foreign Affairs, Defence and Trade  
Inquiry into Establishing a Modern Slavery Act in Australia, 67  
joint-agency investigations, 85  
Jousif, John, 50, 55  
junior counsel, 7, 34–5

## K

Kachunga, Gilbert, 101–2  
Kawasaki Kisen Kaisha Ltd, 50  
Khalid, Sulayman, 90–1  
Khoo, Lay Foon, 71  
Kirne, Shane, 50, 52

## L

Labour Exploitation Working Group, 69  
law reform *see* legislative reform

Legal Business Improvement branch, 32–5  
Legal Business Management Solution, 123  
*see also* caseHQ  
legal learning and professional development, 33–4, 122  
legal practice *see* practice groups; prosecutions  
legal services expenditure, 158–9  
legislation under which charges were dealt with, 116–18  
legislative and policy framework (CDPP), 16, 28, 131  
legislative reform, 5, 51–2, 70, 80, 87, 95  
letter of transmittal, 1  
liaison activities *see under* partner agencies  
Library and Research Services team, 152  
Lifese Pty Ltd, 55  
litigation support databases, 126 *see also* digital tools and technology  
looking forward, 9  
luxury car tax, 96  
Lyons, Selena, 65

## M

market research, 197  
Masange, Kiza, 101–2  
matter, defined, 203  
McDonald, Ben-Lewie, 83  
McNaughton, Sarah, 26, 27, 28 *see also* Commonwealth Director of Public Prosecutions  
McPherson, Craig Andrew, 83  
media relations, 149  
medical practice fraud, 94  
Medicare, 92  
methamphetamine importation, 81, 89, 101–2  
misuse of position of trust, 65  
money laundering, 54, 77, 80, 82–3



Moraitis, Chris, 22–3  
motor vehicle shipping industry, 50  
Munro, Paul Robert, 81  
mutual assistance in criminal matters and extradition, 60–1, 78

## N

National Administrative Support team, 148  
National Business Improvement Practice Group, 122–9  
National Disability Strategy, 145  
National Executive Officers' Meeting, 21  
National Health and Safety Committee, 133, 197  
National Legal Directions  
    on privacy, 63  
    Role of the Prosecutor at a Sentencing Hearing, 33  
national practice group model, 7, 18–19, 26, 38–45 *see also* practice groups  
National Roundtable on Human Trafficking and Slavery, 69  
*National Security Legislation Amendment (Espionage and Foreign Interference) Act 2018*, 22–3, 87  
National Victims of Crime Liaison Group, 75  
Neumedix Health Australasia Pty Ltd, 54  
New South Wales Crime Commission referrals, 84  
New South Wales Joint Counter-Terrorism Taskforce, 91  
New South Wales Police Force, 72, 79, 90–1  
New Zealand, extradition arrangements with, 62  
'no bill' applications, 104, 203  
Nomination of Counsel (NOC)  
    procurement and payment processes, 153  
Norfolk Island prosecutions service, 58

Note Printing Australia Pty Ltd, 51  
Notifiable Data Breaches scheme, 63  
notifiable incidents (WHS), 197

## O

Office of the Registrar of Indigenous Corporations, 60, 65  
offices of CDPP, 17, 153  
    locations and contact details, *inside back cover*  
Ombudsman, 158  
online resources *see* digital tools and technology  
operating results, 156  
Operation Shenzi, 89  
Operational Working Group on Human Trafficking and Forced Marriage, 69  
organisation chart (digital tool), 150  
Organisation for Economic Cooperation and Development Working Group on Bribery, 52–3  
organisation structure, 26–7  
    governance structure, 131–2  
    *see also* practice groups  
Organised Crime and Counter-Terrorism conference, 86  
Organised Crime and Counter-Terrorism Practice Group, 84–91  
organised crime work, 85–8 *see also* transnational crime  
Ostrowski, Kyle, 101  
outcome  
    expenses and resources for outcome, 199  
    outcome statement, 14  
overview, 14–23

## P

Pacific Island Law Officers Network Cybercrime Workshop, 70  
Parliamentary committees, 67

scrutiny by, 158

partner agencies, iv

- liaison activities, 42, 60, 78, 86, 87, 94–5, 148–9
- referrals see referrals (statistics); referring agencies
- regulatory and compliance activity agencies, 59–60
- satisfaction with CDPP service delivery, 35–7, 110–11
- training for, 69, 78, 79, 87, 95
- working with, 6, 7, 20, 22–3, 32, 41–3, 51–2, 67, 68–70, 78–9, 85–7, 93–5, 124 see also referring agencies

Partner Agency Portal, 32, 37, 42, 95, 111, 124, 149

Pavleka, Andrea, 26, 27, 29 see also Commonwealth Solicitor for Public Prosecutions

people management, 136–47 see also staff

people smuggling offences see human trafficking offences

performance

- 2017–18 at a glance, iii–iv
- accountable authority statement, 108
- analysis against purpose, 110–13
- criteria and results (summary), 5, 109
- Director’s review, 4–9
- environmental, 198
- financial, 156–9
- prosecution statistics, 113–19
- work health and safety, 196–7

performance pay, 142

performance reporting, 5, 134

plans and planning

- corporate, 109, 134
- reconciliation, 144
- risk management, 134

policy and legislative framework (CDPP), 16, 28, 131

policy engagement and law reform see legislative reform

Portfolio Budget Statements, 109, 134, 156

portfolio membership, 14, 16

Practice Group Leaders see Deputy Directors

practice groups, 18–19, 48

- business improvement, 32–5, 111
- Commercial, Financial and Corruption Practice Group, 49–55
- Human Exploitation and Border Protection Practice Group, 66–75
- Illegal Imports and Exports Practice Group, 76–83
- International Assistance and Specialist Agencies Practice Group, 56–65
- National Business Improvement Practice Group, 122–9
- national practice group model, 7, 18–19, 26, 38–45
- Organised Crime and Counter-Terrorism Practice Group, 84–91
- Revenue and Benefits Fraud Practice Group, 92–7

practice management project, 33

pre-brief advice, 16, 41, 42, 51, 68, 78, 86, 90

precursors see drug precursors

*prima facie*, defined, 203

privacy, 63

*Privacy Act 1988*, 57, 63

*Privacy Amendment (Notifiable Data Breaches) Act 2017*, 63

private prosecutions, 105, 119

*Proceeds of Crime Act 2002*, 62–3

procurement, 157, 158

Project Board, 134

Project Management Framework, 127

Project Wickenby, 51, 54

property program, 153

prosecution appeals, iii, 98–103, 114, 115

prosecution counsel, defined, 203

*Prosecution Policy of the Commonwealth*, 19, 28, 38, 40–1, 73, 98, 119, 131

Prosecution Policy Declarations, 41

two-stage test, 20, 38, 40–1, 110

prosecution services, 17, 41–3, 48, 51, 59–60, 68–70, 78–80, 86–8, 94–5, 123–5

Prosecution Team Leaders, 7

prosecutions

- case studies *see* case studies
- convictions resulting, 67, 112, 115
- discontinued, 104, 119, 203
- engagement with partner agencies, 20
- on indictment, 113, 115
- legislation under which charges were dealt with, 116–18
- performance indicators and results, 109–15
- policy *see* *Prosecution Policy of the Commonwealth*
- private, 105, 119
- statistics, iii, iv, 113–19
- summary prosecutions, 20, 98, 113, 114, 115
- trends, 50–1, 57–8, 68, 77–8, 85–6, 93–4
- two-stage test, 20, 38, 40–1, 110
- see also* referrals; referring agencies

prosecutors *see* Federal Prosecutors

*Public Governance, Performance and Accountability Act 2013*, 1, 28, 108, 131, 134, 135, 156, 157

Public Governance, Performance and Accountability Rule 2014, 131

public interest disclosure, 135

public interest factors in prosecutions, 38, 40, 52

*Public Service Act 1999*, 28, 131, 137, 141

section 24(1) determinations, 142

purchasing, 157, 158

purpose statement, 14, 108

## Q

Queensland Police Service, 82–3

## R

R v Dittman; Ex parte Director of Public Prosecutions (Cth) [2017] QCA 302, 103

R v Ostrowski; Ex parte Attorney-General (Cth) [2018] QCA 62, 101

Reconciliation Action Plan, 144

Records Management team, 152 *see also* document management

Red Cross—Support for Trafficked Persons Program, 69, 75

referrals (statistics), 20, 49, 56, 66, 76, 84, 92, 116–18

Referrals Gateway project *see* Digital Referrals Gateway

referring agencies, 20, 92, 116, 118–19

- top referring agencies, iv, 20, 49, 56, 66, 76, 84
- see also* partner agencies

Regional Workshop for Judges, Prosecutors and Police Officers in South Asia on Effectively Countering Terrorism, 88

rehabilitation management system, 187

remuneration, 142

reporting arrangements

- data management and reporting, 122
- fraud reporting, 134–5
- incident reporting (WHS), 197
- performance reporting, 134
- project management, 127
- see also* case management; document management

resources for outcome, 199

Revenue and Benefits Fraud Practice Group, 92–7

risk management, 134  
Riverina Medical and Dental Aboriginal Corporation, 65  
role and functions (CDPP), i–ii, 8, 14, 16–23  
Roundtable on Evidentiary Requirements for People Smuggling (Third), 70  
Royal Commission into Institutional Responses to Child Sexual Abuse, 70  
Russell, Thomas Mathew, 83

**S**

*Safety, Rehabilitation and Compensation Act 1988*, 143  
Said, Farhad, 90–1  
satisfaction surveys *see* surveys  
Scott, Steven Patrick, 82–3  
search tools, 126  
section 24(1) determinations, 142  
Securrency International Pty Ltd, 51  
Senior Executive Service officers  
    employment arrangements, 142  
    remuneration, 142  
    statistics, 137, 138–9, 141, 145  
senior executives, 26–30  
senior management committees, 132–4  
sentencing, defined, 203  
sentencing guide, 33  
sex work, 71  
sexual offences, 67, 72, 74, 103  
    Royal Commission into, 70  
shipping industry, 50  
Sinnott, Mathew, 22–3  
slavery offences, 67  
small business participation in procurement, 158  
social security offences *see* benefits fraud

staff  
    average staffing levels, 199  
    census (survey), 8  
    directory (digital tool), 150  
    diversity groups, 8, 144–7  
    employment arrangements, 137, 142  
    ethical standards, 21, 135  
    flexible work arrangements, 8, 137  
    gender balance, 145  
    health and safety, 133, 136, 143, 196–7  
    learning and development, 33–4  
    profile, 137  
    recruitment, 137  
    salary scales, 142  
    secondments, 57  
    temporary transfers, 7  
    workforce statistics, 137, 138–41, 145  
stakeholder engagement *see* international engagement; partner agencies  
state and territory Directors of Public Prosecutions, 20–1  
state and territory police, iv, 20  
    investigations and referrals (case studies), 72, 81, 82–3, 89, 90–1  
    referrals, 66, 76, 84, 92  
    training for, 78, 79  
statutory powers of Director, exercise of, 28, 104–5  
strategic property program, 153  
strategic themes, 15  
summary prosecutions, 20, 98, 113, 114, 115  
superannuation forfeiture, 16, 63  
Support for Trafficked People program, 71  
surveys  
    external counsel feedback, 35  
    partner agency satisfaction, 35–7, 110–11  
    staff (APS Census), 8

## T

taking over private prosecutions, 105, 119

Taskforce Integrity, 97

tax fraud, 54, 94, 96 *see also* financial crime

Tchakerian, Berdj, 26, 27, 31, 50

Technology team, 149

terrorism financing, 80

terrorism prosecutions, 85–8, 90–1

THINK DIGITAL strategy, 6, 10–11, 150

Thureon machine guns, 81

tobacco importation, 78–80

‘Together Let’s’ program, 8

training, 95

delivered by CDPP, 69, 75, 78, 79, 87, 95

for staff, 33, 75, 126

transnational crime, 60–1, 77, 82–3, 86 *see also* organised crime work

Treasury Laws (Illicit Tobacco Offences) Bill 2018, 80

Turnbull, Malcolm, 22

## U

United Kingdom Serious Fraud Office, 53

United Nations

conventions, 61

Counter-Terrorism Committee

Executive Directorate, 88

Office on Drugs and Crime, 88

United States Department of Justice, 62, 88

United States Federal Bureau of Investigation, 62, 88

## V

values, 9

victims and witnesses, 19, 67, 69, 73–5

definitions of, 203

witness indemnities, 104

*Victims of Crime Policy*, 19, 73, 135

Victoria Police, 81

visiting delegations *see* international engagement

voting matters (failure to vote), 58

## W

websites

CDPP website address, final page before *inside back cover*

for victims and witnesses, 19, 70

welfare fraud *see* benefits fraud

wellbeing (staff), 133, 136, 143–4, 196–7

Western Australia Police, 89

white collar crimes *see* financial crime

Wickenby, 51, 54

Witness Assistance Service, 19, 69, 73

capacity, 73

referral guidelines, 73

referrals in 2017–18, 73–4

training delivered to CDPP staff, 75 *see also* victims and witnesses

women in the workforce, 136, 141, 145

Work Group Coordinators, 7

work health and safety, 133, 136, 143, 196–7

*Work Health and Safety Act 2011*, 133, 143

workers’ compensation, 197

Workplace Wellbeing Program, 136

## Y

Yalari, 8, 151

year ahead, 9

## Z

Zerrin, Ahmed, 83

## PUBLICATION DETAILS

### Annual report contact details

For enquiries regarding the content in this report, please contact:

CDPP Communications Team

T: 02 6206 5666

E: [communications@cdpp.gov.au](mailto:communications@cdpp.gov.au)

W: [www.cdpp.gov.au](http://www.cdpp.gov.au)

© Commonwealth of Australia 2018



This copyright work is made available for your use under a Creative Commons Attribution 3.0 Australia licence, with the exception of the Commonwealth Coat of Arms, the Commonwealth Director of Public Prosecutions (CDPP) logo, photographs and where otherwise stated. Details of this licence are available at <http://creativecommons.org/licenses/by/3.0/au>.

The performance information in this report reflects achievements during 2017–18, and the status of legal matters described is accurate as at 24 2018.

### Attributing CDPP material

Use of CDPP material under a Creative Commons Attribution 3.0 Australia licence requires you to attribute the work (but not in any way that suggests that the CDPP endorses you or your use of the work).

If you have not modified or changed CDPP material in any way, the CDPP prefers the following attribution:

‘Sourced from the Commonwealth Director of Public Prosecutions Annual Report 2017–18. This material is licensed under the Creative Commons Attribution 3.0.’

If you adapt this work in any way or include it in a collection, and publish, distribute or otherwise disseminate that adaptation or collection to the public, the following attribution should be used:

‘Based on the Commonwealth Director of Public Prosecutions Annual Report 2017–18, which is licensed under the Creative Commons Attribution 3.0.’

### Use of the Coat of Arms

The terms under which the Coat of Arms can be used are detailed on the ‘It’s an Honour’ website at [www.itsanhonour.gov.au/coat-arms/index.cfm](http://www.itsanhonour.gov.au/coat-arms/index.cfm)

ISSN: 1034-3318

### Acknowledgements

Typesetting: New Age Graphics

Editing: Cinden Lester Communications—[www.clcomms.com.au](http://www.clcomms.com.au)

Printing: CanPrint Communications—[www.canprint.com.au](http://www.canprint.com.au)

An electronic version of this report is available on our website:  
[www.cdpp.gov.au/publications](http://www.cdpp.gov.au/publications)

# OUR OFFICES

## GENERAL INQUIRIES

T: 02 6206 5666

E: [inquiries@cdpp.gov.au](mailto:inquiries@cdpp.gov.au)

## Adelaide

12th Floor, 211 Victoria Square,  
ADELAIDE SA 5000

T: 08 8238 2600

E: [adelaide@cdpp.gov.au](mailto:adelaide@cdpp.gov.au)

## Brisbane

Level 19, 15 Adelaide Street,  
BRISBANE QLD 4000

T: 07 3224 9444

E: [brisbane@cdpp.gov.au](mailto:brisbane@cdpp.gov.au)

## Cairns

Level 12, Cairns Corporate Tower,  
15 Lake Street,  
CAIRNS QLD 4870

T: 07 4031 3105

E: [cairns@cdpp.gov.au](mailto:cairns@cdpp.gov.au)

## Canberra

Level 3, 28 Sydney Avenue,  
FORREST ACT 2603

T: 02 6206 5666

E: [inquiries@cdpp.gov.au](mailto:inquiries@cdpp.gov.au)

## Darwin

Level 10, 24 Mitchell Street,  
DARWIN NT 0800

T: 08 8980 8700

E: [darwin@cdpp.gov.au](mailto:darwin@cdpp.gov.au)

## GENERAL INFORMATION

More details are on our website at [www.cdpp.gov.au](http://www.cdpp.gov.au) including:

- *Prosecution Policy of the Commonwealth*
- Corporate Plan
- Portfolio Budget Statements.

ABN 41 036 606 436

## Hobart

8th Floor, 188 Collins Street,  
HOBART TAS 7000

T: 03 6238 8100

E: [hobart@cdpp.gov.au](mailto:hobart@cdpp.gov.au)

## Melbourne

Level 16, 460 Lonsdale Street,  
MELBOURNE VIC 3000

T: 03 9605 4333

E: [melbourne@cdpp.gov.au](mailto:melbourne@cdpp.gov.au)

## Perth

Level 1, 226 Adelaide Terrace,  
PERTH WA 6000

T: 08 9264 7264

E: [perth@cdpp.gov.au](mailto:perth@cdpp.gov.au)

## Sydney

Level 10, 175 Liverpool Street,  
SYDNEY NSW 2000

T: 02 9321 1100

E: [sydney@cdpp.gov.au](mailto:sydney@cdpp.gov.au)

## Townsville

Level 3, 61–73 Sturt Street,  
TOWNSVILLE QLD 4810

T: 07 4772 7177

E: [townsville@cdpp.gov.au](mailto:townsville@cdpp.gov.au)

The CDPP provides independent prosecution services that contribute to a fair, safe and just Australia where Commonwealth laws are respected, offenders are brought to justice and potential offenders are deterred.

[www.cdpp.gov.au](http://www.cdpp.gov.au)