



**CORRUPTION
AND CRIME
COMMISSION**

**CORRUPTION AND CRIME COMMISSION
OF WESTERN AUSTRALIA**

**ANNUAL COMPLIANCE REPORT INTO THE
*CRIMINAL INVESTIGATION (COVERT POWERS)
ACT 2012***

**REPORT FOR THE MINISTER FOR POLICE REGARDING THE
AUSTRALIAN CRIME COMMISSION**

November 2013

ABBREVIATIONS AND ACRONYMS

("the CCC Act")	<i>Corruption and Crime Commission Act 2003</i>
("the Commission")	Corruption and Crime Commission
("the Act")	<i>Criminal Investigation (Covert Powers) Act 2012</i>
WAPOL	Western Australia Police
DOF	Department of Fisheries
ACC	Australian Crime Commission

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS	iii
INTRODUCTION	vii
CONTROLLED OPERATIONS	1
Key Provisions of the Legislation	1
Authorisation Process Flow Chart	4
Cross Border Controlled Operations	4
RESPONSIBILITY OF AGENCIES UNDER THE ACT	7
Within the Agency.....	7
Regulation	8
Notification to Parliament	8
INSPECTION OVERVIEW	9
Outcome of inspections	9
Chief Officers Report	9
NOTIFICATIONS	11
Notifications to the Commission	11
ACC	11
AMENDMENTS TO LEGISLATION	13

INTRODUCTION

- [1] The *Criminal Investigation (Covert Powers) Act 2012* ("the Act") was assented on 3 December 2012 and proclaimed on 1 March 2013. The purpose of the Act is to provide law enforcement agencies with the power to conduct covert operations to investigate and combat a wide range of crimes.
- [2] The Commission's role is to inspect the records of a law enforcement agency to determine the extent of compliance with Part 2 of the Act. The Commission may also comment on the comprehensiveness and adequacy of reports provided by law enforcement agencies on controlled operations conducted under Part 2 of the Act.
- [3] Between 1 March and 30 June 2013, the Australian Crime Commission (ACC) did not apply for any controlled operations. Despite this, the Commission inspected the General Register required to be maintained by the ACC under section 40, to ensure it would comply with the Act.
- [4] The Commission's inspection found that the ACC had complied with the requirements of the Act and the records kept in relation to controlled operations under the Act were comprehensive and adequate.
- [5] This report provides details of activities carried out by ACC, with regards to controlled operations during the reporting period 1 March 2013 to 30 June 2013.

CONTROLLED OPERATIONS

- [1] Controlled operations involve covert methods of investigation used by applicable law enforcement agencies. These methods of investigation may involve participants obtaining authority to carry out actions which would normally constitute a criminal offence when it is deemed necessary in order to disrupt and deter serious and organised crime.
- [2] Serious and organised crime groups often run a sophisticated criminal network overseen by a hierarchical structure. Due to their awareness of law enforcement tactics, they cannot be easily penetrated and thus specialist methods of infiltration and surveillance may be required.
- [3] It is often necessary to use covert investigation techniques to infiltrate these criminal enterprises to gather evidence to arrest and prosecute offenders.
- [4] The Act enables persons from applicable law enforcement agencies to be exempt from criminal and civil liability associated with controlled operations. Exemption is only granted when an officer's actions are in line with an approved authority and on conditions within the Act being met.
- [5] Specific legislation which allows for immunity from certain illegal conduct has been enacted by a number of states, including Western Australia.
- [6] The central features of the regulatory framework for controlled operations include:
 - (a) requirements for submitting and considering an application for the authorisation of controlled operations;
 - (b) specific methods of application and delegation of the power to authorise controlled operations;
 - (c) a stipulated time period for a controlled operation to be completed, not exceeding 6 months;
 - (d) provision to allow officers to undertake controlled operations at short notice with retrospective authorisation;
 - (e) the provision of criminal immunity and civil indemnity to participating law enforcement officers and other authorised persons; and
 - (f) provisions to provide a structured compliance function for the application agency and the Commission.¹

¹*Criminal Investigation (Covert Powers) Act 2012*

- (e) *that the proposed controlled conduct will be able to be accounted for to meet the reporting requirements set out in Division 4 of the Act;*
- (f) *that the operation does not involve any participant in the operation inducing or encouraging another person to engage in an unlawful Act other than what could be reasonably expected.*
- (g) *that any conduct involved in the operation will not -*
 - (i) *seriously endanger the health or safety of any person; or*
 - (ii) *cause the death of, or serious injury to, any person; or*
 - (iii) *involve the commission of a sexual offence against any person; or*
 - (iv) *result in unlawful loss of or serious damage to property (other than illicit goods).*

[11] Point (f) above addresses the issue of entrapment. The Ombudsman of NSW describes this provision in their 2012 Annual Report as:

A key legal principal is that the culpability of an offender may be diminished if the actions of the law enforcement officers or authorities operate to induce the offender to commit an offence which otherwise might not have been committed (although it remains the fundamental task of the court to evaluate the criminality involved). It may be accepted that a mitigating factor might be that the offender was led by a participant in the operation into committing a more serious offence than otherwise might have been committed.²

² Ombudsman NSW - *Law Enforcement (Controlled Operations) Act 1997* Annual Report 2011-2012

done without re-applying to the new jurisdiction for permission to carry out controlled operations.

[14] The Act recognises corresponding controlled operation laws of the Commonwealth. However, Western Australian controlled operations authorities are only recognised in other jurisdictions if that state or territory has first recognised the WA Act as corresponding legislation. The Acts recognised by the Western Australian legislation are:

(a) *Crimes Act 1914* (Cth) - Part IAB

- AFP, Police force of State/Territory, Customs, ACC, ACLEI

(b) *Crimes (Controlled Operations) Act 2008* (ACT)

- AFP, ACC

(c) *Law Enforcement (Controlled Operations) Act 1997* (NSW)

- NSW Police, ICAC, NSWCC, PIC, AFP, ACC, Customs

(d) *Police Powers and Responsibilities Act 2000* (Qld)

- Qld Police, CMC

(e) *Criminal Investigation (Covert Operations) Act 2009* (SA)

- SA Police

(f) *Police Powers (Controlled Operations) Act 2006* (Tas)

- Tas Police, ACC

(g) *Crimes (Controlled Operations) Act 2004* (Vic)

- Victoria Police, IBAC

RESPONSIBILITY OF AGENCIES UNDER THE ACT

- [15] The impact controlled operations have on a person's right to privacy, highlights an organisation's obligation to transparency and accountability. The Act recognises these obligations in the following ways:

Within the Agency

- [16] Accountability for the powers in the Act starts within the relevant agency. Following the stringent considerations required by the application and authorising officers; the Principal Law Enforcement Officer (usually the applicant) is required to submit a report within two months of the completion of the controlled operation to the Chief Officer of that agency.

- [17] Section 36 of the Act is specific in the aspects that must be reported to the Chief Officer. These include the following:

- (a) Date and time when the operation was commenced and concluded.*
- (b) Whether the operation was cross-border or local.*
- (c) The nature of the controlled conduct engaged in for the operation.*
- (d) Details regarding the outcome of the operation.*
- (e) If illicit goods were involved; the nature and quantity of the goods and the route which they travelled.*
- (f) Details of any loss or serious damage to property or personal injuries sustained during the operation, whether direct or indirect.*
- (g) Whether any unlawful conduct was undertaken for the purposes of the operation.*
- (h) Were any persons given permission for unlawful conduct under the Act.*
- (i) Were any variations made to the authority and whether they extended the specified time period.*
- (j) Were any retrospective or urgent authorities granted.³*

- [18] On receiving the above reports, the Chief Officer is required to submit a bi-annual report to the Corruption and Crime Commission as soon as reasonably practicable after 30 June and 31 December. As well as a summary of the information enclosed in the Principal Law Enforcement Officer's report, the Chief Officer must also include:

- (a) the number of formal and urgent authorities granted, varied or refused by the agency;*

³ *Criminal Investigation (Covert Powers) Act 2012*

INSPECTION OVERVIEW

- [28] The 2012-13 year marked the implementation of the Act which came into effect on 1 March 2013. As such, the following figures are based on the preliminary period 1 March 2013 to 30 June 2013 with comparisons to commence in the next reporting period.
- [29] Currently the ACC are required to report controlled operations under this legislative requirement.
- [30] The ACC have no proposed controlled operations under the Act and none are currently scheduled.
- [31] The following figures give analysis of controlled operations within Western Australia from 1 March - 30 June 2013:
- [32] Visits to the relevant agencies were arranged, where an understanding of the authorisation process was obtained.
- [33] Although the ACC had informed the Commission they had not applied nor were they intending to apply for any controlled operations, a visit was arranged to ensure they were meeting their record keeping obligations.
- [34] The different stages were then matched to the various parts of the Act in order to identify the relevant sections. With regard to the ACC, the relevant sections were limited.
- [35] All law enforcement agencies are required under section 40 of the Act to maintain a general register. The general register was inspected to ensure it met the criteria. The information held in the general register is obtained from the application, authorisation, cancellation and PLEO report.

Outcome of Inspections

- [36] Under section 41 of the Act, the Commission must inspect the records maintained by a law enforcement agency, no less than once every 12 months to ensure compliance with the Act. Inspections were carried out at all agencies governed by the Act.
- [37] The ACC currently keeps and maintains their own records relating to controlled operations. As the ACC had not commenced an application under the Act, records for inspection were limited.
- [38] The ACC presented a general register pursuant to section 40 of the Act. Based on the Commission's inspection, the ACC is complying with the requirements of Part 2 of the Act.

Chief Officers' Reports

- [39] As per section 38(5) of the Act the Commission must comment on the comprehensiveness and adequacy of the reports provided by the Chief Officer of each law enforcement agency as per section 37 of the Act.

NOTIFICATIONS

- [43] Section 26 of the Act states that the Commission must be notified within 7 days of a retrospective authority being granted.
- [44] As at 30 June 2013 no retrospective authorities had been granted by any agency.
- [45] Section 36 of the Act requires that the Principal Law Enforcement Officer provide a report detailing the outcome of each operation as well as other detailed information within 2 months of its conclusion.

ACC

- [46] As at 30 June 2013, the ACC had not completed any controlled operations and therefore this requirement is non-applicable.

AMENDMENTS TO LEGISLATION

[47] There were no amendments to legislation during the 2012-2013 reporting period.