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Monday, 9 August 1999

Members: Mr A. Thomson (*Chair*), Senator Cooney (*Deputy Chair*), Senators Bourne, Coonan, Ludwig, Mason, Schacht and Tchen and Mr Adams, Mr Baird, Mr Bartlett, Mrs Crosio, Mrs Elson, Mr Laurie Ferguson, Mr Hardgrave, Mrs De-Anne Kelly and Mr Andrew Thomson

Senators and members in attendance: Senators Coonan, Cooney, Mason, Schacht and Tchen and Mr Adams, Mr Bartlett, Mrs Crosio, Mr Hardgrave and Mr A. Thomson

Terms of reference for the inquiry:

Review of the Agreement between the Government of Australia and the Government of the United States of America to further extend in force the Agreement relating to the establishment of a Joint Defence Facility at Pine Gap of 9 December 1966, as amended.

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WITNESSES

BALL, Professor Desmond John (Private capacity)	1
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Committee met at 9.54 a.m.

CHAIR—Firstly, I welcome two new members to the committee, indeed two new senators, Senator Brett Mason from the state of Queensland and Senator Tchen from the state of Victoria.

I now declare open the public hearing we are convening today in relation to the agreement between Australia and the United States of America on the joint defence facility at Pine Gap. Accordingly, I welcome Professor Des Ball who we have invited today as one of two witnesses to give evidence. Although we are not going to require you to give any evidence under oath, I should formally advise you that the hearings are legal proceedings of the parliament and they warrant the same respect as proceedings of the House and the Senate. Hence, the giving of false or misleading evidence is a serious matter and may be regarded as a contempt of parliament.

The committee prefers that all the evidence be presented in public. We are aware that some of the issues raised today will relate, of course, to sensitive matters. If you wish to provide any additional information in camera on particular matters that you believe are relevant to the inquiry, please bring this to the committee's attention. Before we proceed to questions, I invite you to make some introductory remarks.

Prof. Ball—Thank you very much for inviting me to appear before this committee. It is now a third of a century since the first Pine Gap agreement back on 9 December 1966, the progenitor of the one which you are currently considering. Over that third of a century Pine Gap has grown enormously. The first two antennas for controlling and communicating with satellites were constructed in 1966-67. By 1997, a decade later, there had already been a threefold expansion there with six satellite control antennae. There were eight in 1985. The tenth and eleventh went up in 1990-91. There are now about a dozen and a half there, making it one of the largest satellite ground control stations in the world.

The computer room at Pine Gap when it was first constructed back in 1966-67 was at that time also one of the biggest computer rooms in the world. It has approximately tripled in size also during the subsequent 30 years.

There has also been quite substantial growth in personnel at Pine Gap. Back in the 1970s, there were about 400 people at Pine Gap—the figure varied from year to year—of whom about half were Americans and half were Australians. In the 1980s, that figure grew into the 500s. By the beginning of the 1990s, there were more than 600 people there. Through the last decade that number has also increased. It is about 800 or 850 these days, with projections taking it, by the early part of the next century, to over 1,000. So you have seen an increase of a factor of about 2½ since it was built.

Notwithstanding this very significant expansion of the facility, it has only ever had one essential function, and that is to serve as the ground control and processing station for a series of satellites which are parked in geostationary orbits—in other words, in fixed orbits—above the equator and whose sole purpose is signals intelligence collection. In other words, these satellites pick up electronic emissions of various sorts from the earth's surface and process and analyse the signals which are so monitored. Those satellites have had various names over the last 30 years. The original version were called Rhyolite satellites. Within the informed community, the classified community, they are still commonly known as Rhyolites even though, strictly speaking,

only the ones launched in the 1970s were Rhyolites. There were subsequent satellites called Aquacade, Magnum and Orion.

These satellites have also grown very substantially in size. The principal intercept antenna on the satellites back in the 1970s was about 20 metres in diameter. The intercept antenna on the most recent satellites is of the order of 100 metres in diameter, or about 300 feet. In other words, they are large enough for you to go out at night and actually have a look at these satellites by the enormous parabolic dish which is sitting up there.

These satellites intercept signals in the very high frequency, VHF, ultra high frequency, UHF, and millimetre wave frequency bands. Within that frequency spectrum there are four principal categories of signals which are monitored by those satellites controlled from Pine Gap. The first category, which was its original rationale, concerns telemetry. Telemetry refers to the signals which are transmitted in the course of advanced weapons development, and most particularly the development of ballistic missiles. Originally, when the Soviet Union was developing its ballistic missiles in the 1960s and 1970s, those missiles which are test fired from within the heartland of the Soviet Union, now Russia, to splash down around Kamchatka in the Sea of Okhotsk and the northern Pacific, transmitted a lot of telemetry about their own performance back to Soviet Russian scientists on the ground about the vibrations, temperature and stage separations of those missiles which were used by Soviet missile technicians in their missile development programs. The first Rhyolites were wholly concerned with monitoring this telemetry.

This is really what the government is referring to when it talks about the arms control verification function of Pine Gap. It is the telemetry interception because, by intercepting that telemetry, it gives Western intelligence analysts—in this case, primarily US, but the intelligence is shared—a good picture of missile developments in, over the years, not just the former Soviet Union but also China, India, Pakistan, Iran, Iraq and elsewhere in an area that stretches from the Middle East across to the western Pacific.

The second category of signals which are monitored by those Pine Gap satellites are the signals which are emitted from large radars. They include the radars which are associated with anti-ballistic missile fields in Russia, air defence radars, radars on ships—a whole family of radars which are emitting signals—and those signals are being picked up by these satellites. Analysis of the radar emissions tells you a lot about the capabilities of those anti-missile and anti-aircraft systems in the various air defence fields—again, no longer in the former Soviet Union, but also through many other countries as well.

Thirdly, those satellites are able to intercept the communications of other satellite systems—in other words, communications which are going up from the ground to communication satellites which are also based up in geostationary orbits. As those signals are being sent up to the satellites which they are transmitting to, they are also being listened to by the listening satellites which are parked very close to the communications satellites.

Fourthly, these satellites monitor a wide range of other microwave emissions on the earth's surface. That includes a lot of the telecommunications such as long distance telephone calls which are transmitted via terrestrial microwave circuits around the ground around the earth enabling them to monitor military microwave circuits as well as the key microwave channels used by political and government agencies and even private communications if they wish.

When Pine Gap was first conceived back in the 1964-65 period, and when its first and pretty

much sole mission for the first few satellites was telemetry interception, the focus was entirely on the former Soviet Union. As the number of listening satellites that were parked up at this altitude—about 36,000 kilometres—increased, the older of those satellites were taken off the telemetry monitoring function and used to monitor signals coming from China in the first instance and then Vietnam—the Vietnam War was still going on during this period—the Middle East, and the subcontinent, south Asia, India and Pakistan. The newer satellites as they went up were given the primary mission of monitoring the Soviet Union. The older ones were then taken over for the secondary missions.

With regard to some of the signals which have been collected by this satellite system, you have to remember that the signals intelligence systems which the United States and its allies deploy are very wide-ranging. They include ground stations, they include airborne systems, they include intercept systems which are on ships and submarines and things like that. Those which are on satellites only monitor one segment of this whole signals intelligence picture, but included in that segment that they monitor is some quite unique intelligence which cannot be picked up by ground stations or by aircraft or by ships operating around national borders. Because you can actually park a satellite over the interior of a country and intercept the microwave emissions coming out of the interior of that country, you are able to get a lot of intelligence which simply cannot be intercepted by any other means.

The best example of this unique intelligence is, indeed, the telemetry that I was referring to at the outset of describing these missions, because that telemetry, as I said before, really is quite critical for monitoring various arms control agreements. There simply is no other way of collecting that intelligence about particular weapons developments, including, today, intelligence about missiles such as the Agni which are being developed by India, and missiles such as the Taepodong being developed by North Korea. The only way you can follow those missile developments and work out how those missiles work is by telemetry interception using these satellites parked overhead.

I want to say a few words about Australian participation and control of activities at Pine Gap. Within the operational area, the central operations building, there are three areas. There is the Satellite Station Keeping Section, and the job of those people is to keep the satellite and its antenna focused on a particular source of signals that they want to intercept. That is the first operational job at Pine Gap: keeping the satellite in its appropriate station. In addition to that there is a Signals Processing Station. Essentially, that is the main computer room. Its job is to process the enormous volume of intercepted signals which are being sent down to Pine Gap from these listening satellites. Thirdly, there is the Signals Analysis Section, whose job it is to analyse, to actually extract the intelligence from these signals that are processed in the Signals Processing Station.

Up until 1980, Australians were excluded from the Signals Analysis Section. That is the genesis of a lot of claims that go back to the 1970s about Australians not having access to certain intelligence collected at Pine Gap and not being able to see, in particular, the voice intercepts which are coming down directly to that Signals Analysis Section. In 1980, Australians were allowed into that section. Since 1980, Australians have had full access to all areas at Pine Gap except for the National Cryptographic Room, which is the Americans' own coding room. We have a similar one, an Australian Cryptographic Room, where we do our own coding and from which Americans are officially excluded. In fact, as I understand it from people who have worked there over the years, the relationship at the working level is such that Australians do go into the Americans' National Cryptographic Room and Americans do come into our room. It is

an informal arrangement but, officially, we are able to exclude them and they are able to exclude us from our respective cryptographic rooms if necessary.

In terms of control of the satellites—that is, determining what those satellites listen to, which is really the essential single function at Pine Gap—there is a group called the Joint Reconnaissance Schedule Committee. That committee meets each morning and decides what is going to be listened to in the ensuing 24 hours—in other words, what the big antennas on these listening satellites will be focused on. There are criteria which set out what that schedule should be, the sorts of things which should be listened to. For example, if there is other intelligence to the effect that the North Koreans are gearing up for a missile test, it is pretty clear that at the top of the day's listening for these listening satellites will be monitoring the launch facilities in North Korea so that they pick up the signals which are being generated by that launch; or if there is a political crisis in Jakarta, then it is a pretty good guess that those satellites are going to be focused on microwave communications within the Jakarta urban area; or if there is a crisis in Iran-Iraq relations, then they will be focused over there. Since 1980 Australian personnel at Pine Gap have chaired that Joint Reconnaissance Schedule Committee. In other words, Australians are not just right in there, but literally chairing the determination of the day's listening activities.

In the last several years, since the end of the Cold War, Pine Gap has probably grown even faster than it did during the seventies and eighties, which I sketched out for you at the outset of my presentation. That is pretty consonant with the general expansion of signals intelligence activities right around the world since the end of the Cold War. With the breakdown of the bipolar system and its replacement by some as yet undetermined multipolar system, each particular country that is involved in advanced signals intelligence collection, such as the United States and Australia but also other countries, has found that they need to collect intelligence on a greater number of countries and from a wider variety of perspectives. They are not just collecting strategic intelligence or intelligence about weapons systems; they are finding it necessary to collect more political intelligence and even more economic intelligence, and not just about the former Soviet Union, or Russia, but also about China and even about countries which are allies—in other words, political developments about countries such as Japan or India. So there is much greater volume of intelligence collection tasks.

The United States and Australia are not alone there. If you look at China, for example, you will see from satellite photos that there has been a large expansion in their signals intelligence capabilities. If you look at Japan, you will see that their signals intelligence stations have increased from nine in the 1980s to 18 by the end of the 1990s—a doubling. That doubling is fairly characteristic of what has happened in terms of signals intelligence right around the Asia-Pacific region in the last decade. The expansion at Pine Gap over this last decade, and as far as one can project it over the next decade, is really quite consonant with that regional increase in signals intelligence operations.

In addition to that, there is a second reason why Pine Gap is going to grow at least to some extent over the next few years. That is because, for the first time in its 30-odd year existence, Pine Gap is now about to take on a second function. That comes about because of the closure of Nurrungar, which is another joint facility and which has been operating in the Woomera area of South Australia since 1970. Nurrungar has been the control station for a series of infra-red satellites whose job it is to pick up the heat emissions from missile launches and hence to provide the United States and its allies with the first warning of ballistic missile launches, whether for hostile purposes—in other words, a missile attack on some country—or for intelligence purposes: to monitor the development of ballistic missile technology, first of all in the former

Soviet Union but now as ballistic missile technology is spreading through China, North Korea, South Korea, India, Pakistan, Iran, Iraq, et cetera.

The satellite system which Nurrungar has been working with for nearly 30 years is to be phased out next year. In fact, I think that it is unlikely that it will be phased out next year and it is more likely to be in 2001 or 2002. But the United States air force has given notice that Nurrungar will be closed some time in the next couple of years. At that point, with the phase out of these infra-red satellites and the closure of Nurrungar, the US air force is moving to a whole new generation of space based infra-red satellites, SBIR.

Instead of requiring a separate facility at Nurrungar, as has happened since 1970, the CIA, which is the controlling agency at Pine Gap, has agreed to allow the US air force to have a small fenced off section at Pine Gap which will have a couple of satellite control and readout terminals. So security around Pine Gap will also now encompass security for the US air force operation.

They will operate out of their own small compartmented area at the Pine Gap facility, but it will mean some expansion at Pine Gap. It will mean at least another two satellite communications antennas. It will mean more people. It will mean a little bit more housing in the Alice Springs township and surrounding area. As I said, that is scheduled to take place by the end of next year, but it is more likely to take place in 2001 and 2002.

The final point that I wish to make is that the agreement which you are considering is the public agreement, the antecedent to the one which I mentioned before which was the original one signed on 9 December 1966. But you have to remember, as is the case at Nurrungar and as is the case with many of these facilities, that there is also a classified agreement which goes along with that public agreement.

It is the classified agreement that sets out the command and control arrangements. It is the one which sets out the details of what is the authority of the Australian deputy at Pine Gap. It sets out the rules and regulations concerning the Joint Reconnaissance Schedule Committee, which is the key committee that I mentioned before. It sets out the criteria for scheduling what satellites are going to listen to what emissions. For example, if Australia happens to want over the next 24 hours a satellite to monitor communications within Indonesia but the Americans are more interested in monitoring what Saddam Hussein is saying to his people in Iraq, it sets out the criteria for resolving that discrepancy.

It sets out the arrangements for dissemination of the intelligence. In other words, it sets out who gets to look at this stuff which is being intercepted and picked up, which particular agencies, which particular authorities, in Canberra and in Washington. It also sets out the role of the various contractors at Pine Gap because, unlike the Australian contingent, many of the Americans at Pine Gap work for private companies under subcontract to the CIA, and most especially for most of the past three decades a company called E-systems has had the primary operational role at Pine Gap.

It also sets out the conditions for security, not just the physical security of the Pine Gap facility but also security of the intelligence which is collected at Pine Gap. It sets out who in Australia is allowed to see that, and who at the various levels is allowed to visit the facility. And if they visit the facility it sets out whether they are allowed in the Signals Analysis Section as opposed to just the Satellite Station Keeping Section. It sets out what level of intelligence people are allowed to see, whether they are only allowed to see finished assessments or whether they are

allowed to see actual raw intercepts and things like that.

I believe that in addition to the public agreement it is worth while this committee spending some time trying to learn what it can from the Department of Defence, if what it can amounts to anything about the classified agreement. Thanks, Mr Chairman.

CHAIR—Thanks kindly, Professor. I am going to ask a couple of questions and then we will figure out some order. Firstly, Professor Ball, you talked about the likely increase in the scope of intelligence collection using signals intelligence and you have described how it has grown from original telemetry through strategic intelligence to more political intelligence. What happens from here on with email and all this sort of thing? Where is it going to go from here?

Prof. Ball—This system involves the collection of signals from a satellite which is parked up in space and is listening to signals coming up from the earth's surface. In terms of monitoring emails, other electronic communications, data flows, transactions from banks—that sort of stuff—and fax traffic, that involves a ground station which is in fact listening to that electronic data transmission through satellite, and in the case of this country that is done at Geraldton. That is not done at Pine Gap at all. Pine Gap is a listening satellite system of which Pine Gap is the ground control station.

You really are going to be limited to microwave frequencies, terrestrial microwave, which carries some of that traffic. But the great bulk of electronic communications these days—and in some countries two-thirds of their whole traffic goes now via satellite—is listened to on the ground.

Senator SCHACHT—What agreement is that under?

Prof. Ball—Geraldton is an Australian station operated by DSD. It has been operating now for more than 10 years. It has half a dozen satellite dishes for monitoring particular communications satellites parked in an arc between about the middle of the Indian Ocean and the middle of the Pacific Ocean about where Hawaii is.

Senator SCHACHT—They are American satellites?

Prof. Ball—No, these are other people's satellites.

Senator SCHACHT—So it is monitoring other people's satellites?

Prof. Ball—There is Intelsat, Chinese, Japanese and Indian satellites. They are monitoring the stuff which goes through those satellites to pick up terrorist communications or sloppy communications between, say, an Indian rocket scientist and the Ministry of Defence in New Delhi saying things which they really should not have said over the phone, things like that.

There are British people there because some of the British who had been based in Hong Kong monitoring Chinese satellites transferred over to Geraldton when Hong Kong was closed down. And there are American liaison people there, as indeed there are New Zealand liaison officers there too.

Senator SCHACHT—Are all of those people there by some signed agreement with the defence department?

Prof. Ball—They are there under the UKUSA agreement between the Defence Signals Directorate, the DSD, and its counterpart agencies in the US and the UK.

Senator SCHACHT—Pardon my ignorance, Professor Ball, but is that an agreement that comes before the parliament from time to time?

Prof. Ball—No, that agreement is a very highly classified agreement. It sits in a vault in Russell Hill.

Senator SCHACHT—But when it is actually signed—

Prof. Ball—It was formally signed in 1948 following the signature at various working levels through the course of 1947.

Senator SCHACHT—It has got no—

CHAIR—Chris, we have only got an hour and a half. I understand your curiosity and I am curious about it too, but I have just one more question. This committee that meets every morning, it literally meets at Pine Gap. The representatives are there. They must get their instructions from Washington and Canberra. What decisions can they make there that are not made, if you like, back here?

Prof. Ball—There is a layered or tiered structure for this purpose. There is a monthly document called the joint reconnaissance schedule prepared once a month which lays out the general framework for the next month.

During the course of that month, various liaison mechanisms in Canberra and Washington come into play to modify that or, as other intelligence comes in, certain activities of interest. Someone at Pine Gap has to be directly in charge of informing the station keeping section about how to manipulate and manoeuvre the satellite. The satellite appears to be stationary from the earth's surface. In relation to any particular point on the earth's surface it is stationary. You have to remember that it is travelling at many tens of thousands of kilometres an hour. These days it weighs the order of about 25,000 kilos. It is a large structure. It has this dish which is 300 feet in diameter.

It is no small feat to keep that antenna focused on a particular microwave station or something on the ground. Someone has to say to it that today we want to be focusing that on Baghdad or on a particular rocket launch site in North Korea. They take their general instructions and the criteria from Canberra and Washington in accordance with this joint reconnaissance schedule, but they are the people who sit down and say that satellite 1 is going to be doing this today, and satellite 2 is going to be doing this, then find that satellite 1 is out of action for the day because there has been a computer malfunction or something like that. It is only the guys on the ground that can literally get in there and say, 'That satellite is out of action', or, 'The downlink computer is out of action for the next six hours. We will go to the second satellite and give it the first priority.' So that morning meeting is a very critical meeting.

Mrs CROSIO—Professor Ball, I feel sure that next time you come before us you will have your information up to date. You said Australians were excluded before 1980 and after 1980 they were included. Would you please add, 'but federal politicians are not'? Are you aware we

are not permitted to go anywhere near that area?

Prof. Ball—I am talking about Australians who work at the facility.

Mrs CROSIO—I know. Professor Ball, could you tell us what would happen if Australia was not to sign this agreement? The secret agreement would still operate, would it?

Prof. Ball—I am not sure what would happen at the legal end of things. I would say that, in terms of Australian-American relations, it would be a disaster. I would say that, in terms of the ability of the intelligence community here to collect certain forms of intelligence which are for various purposes quite critical and otherwise simply cannot be collected, we would be suffering as well as the Americans.

Mrs CROSIO—So are you virtually saying to us as a committee that it is in Australia's best interests that this work continues there in the way it is being done?

Prof. Ball—Yes. I have been involved in following the operations of these facilities in Australia since the late 1960s. I have been involved more or less as a critic over the years and as a vehement critic of various other American facilities. I have been a critic of North West Cape, the one that was set up back in 1963 for communicating with American submarines, and Nurrungar. I have basically been opposed to all of those facilities, many of which are no longer here.

The one which I have had to force myself to come out in support of is Pine Gap, simply because I regard the intelligence which is collected there as critically important and collectable in no other way. I do not see any alternative other than to have Pine Gap here. That is whether one is concerned about monitoring, proliferation of ballistic missiles, nuclear proliferation or other advanced weapon systems in our region.

I think it is just fundamentally important that we be able to monitor those, let alone use those satellites for picking up things closer to home—in other words, political and other developments in our neighbourhood. I do not want to get more specific about that. People can work out which countries in our neighbourhood we want to listen to. I think that we need Pine Gap to do that. If the committee was to say that they were not going to go ahead with this agreement, then regardless of the legal situation, I think that strategically it would be a very unfortunate decision.

Mr HARDGRAVE—A lot of members of this committee, who may have seen the movie *Enemy of the State*, are a bit worried about whether all of this is more about maintaining the importance of the SIGINT community than the strategic value to the average Australian. As a member of parliament I, along with my colleagues, take my duty seriously. I am trying to work out how and why you can come here this morning and give us more basic understanding about what is going on than we even managed to get from our bureaucrats. I think I will get a couple of extra pages in my CIA file as a result of that statement! Do you have any suggestions about how we as a committee can find out what is going on there? How do you know what is going on there?

Mrs CROSIO—The others knew but did not want to tell us.

Mr HARDGRAVE—None of us want to know the gory details and the day-to-day stuff. I personally do not want to know what the morning meeting churns out, but we want to get a feel

for what is going on there, to understand the importance of the place. Members of parliament have to account to their communities, and we cannot find out something that justifies this place existing. What do you suggest?

Prof. Ball—I have had a long-standing difference of view with colleagues within the defence department and, more specifically, with those concerned with signals intelligence—DSD and the users. It is a difference regarding where one draws the line about what is a genuine secret and what, on the other hand, can be made publicly available. The position of the Australian government for many years has been that anything to do with signals intelligence, and even Australia's collection of signals intelligence, is not to be talked about whatsoever. It was only in 1977 that the existence of DSD was officially acknowledged and that the government made a simple two-paragraph statement confirming that, in fact, Australia does intercept other people's signals.

The position of the government is that it will not go any further other than to say, 'Yes we have an organisation, DSD, and yes, we do intercept other people's signals.' We will not say anything further about it because the more people know that their signals are going to be intercepted, the more they take counter measures. They send their signals by other means. In the case of telemetry, they use much lower power transmissions; they encrypt the signals; they spread the signals across a wider frequency band; and they break it up into little packages—part of the signal is sent out on this frequency and part of it is sent out on that frequency—so that the job of anyone listening becomes much harder.

Senator COONAN—Wouldn't they assume that they are being intercepted everywhere?

Prof. Ball—People do know that they are being monitored but, unless it is sort of dished up to them with their morning bowl of cornflakes, they get very sloppy. They say things over the phone which they should not. They do not keep up with modern cryptographic coded systems, cipher systems—

Senator COONAN—I did not mean to interrupt you. It was just an opportune time to scratch your head about it.

Prof. Ball—People do, but it is at a different level. My view, though, goes in the direction of where your question was leading. Instead of drawing the line at saying we will not talk at all about signals intelligence, my view is that there is a large arena of signals intelligence activities which it is quite proper to talk about. Indeed, from the point of view of informed democratic policy making, it is necessary to talk about it, otherwise we simply do not know what is going on. One draws the line with regard to the technical operational secrets of how this intercept technology parked up in space actually works, and how some of the more sensitive intelligence collected through that technology works, but we do not talk about that. If you look carefully at my various writings, you will see where I draw the line and simply will not go any further, regardless of whether I know about it or not. It is a difference of position which I have had for many years with Defence on this.

Mr HARDGRAVE—This is my second question, Professor. Again, I am not a highbrow person and I am trying to keep this at a very basic level, and I appreciate your help in that regard. In that sort of spy-versus-spy cartoon kind of approach, the *Enemy of the State* sort of approach, you have an intelligence community that now no longer has a task called 'the Cold War Inc.' In your evidence this morning and in regard to the chairman's questions, you said there was now

growth into other areas. What I would like to find out from you are any thoughts on how we as a parliament can check that growth; how we, on behalf of the people of Australia, can monitor that growth. We do not want to get down to tin tacks on the detail of it, but we want to get an idea of the sorts of facilities that are there. Yes, we can monitor everything that happens in southern China, Vietnam, India, and Pakistan—and all of this is fine, because they are probably monitoring us, too—but how do we actually break through the community wall of those who are saying, 'No, you can't know. It's on a need-to-know basis'? Who decides the need to know?

Prof. Ball—There is great difficulty in deciding that because there are principles, mechanisms and machinery in place specifically for limiting who has the need to know and who has access to this. It is a misplaced perception, though, to believe that, with the end of the Cold War, technical intelligence operations ceased to have justifiable functions. I agree with the argument of the intelligence community that things have become much more complex, that things have become much more uncertain since the end of the Cold War.

Instead of just monitoring the half-dozen families of ballistic missiles which the Soviet Union was developing in any one year, you are now trying to monitor the telemetry associated with three or four new Chinese missiles, which are currently being tested during 1999; with three North Korean missiles—the Nodong, the Taepodong 1 and the Taepodong 2, which was tested on 31 August last year; with three or four new types of Indian missiles; and with three or four types of Pakistani missiles, which you could say we do not really need to know about. If we were grossly ignorant of what is going on with ballistic missile developments in China, North Korea, India, Pakistan and all around us, we would be the ones who would suffer in the long run. It means that there are many more things to be using technical collection systems against these days.

Mr HARDGRAVE—I must say it is a pity that it is the professor who has to tell us these things—although I agree with what he said—and not the departmental officials.

Senator TCHEN—Professor, when you were describing what information you believe can be released to the public, you said that you know where you can draw the line. Can you follow that up and perhaps make some suggestions as to what sort of information can be discussed with the committee and the parliament so that we have a better idea. Is there some sort of mechanism to ascertain where to draw the line?

Prof. Ball—You have to face the fact that, of all the various joint facilities which have existed in this country over the past several decades, Pine Gap is the most sensitive. Indeed, most of the others do not even exist anymore. Back in the 1960s and 1970s, and even back in the 1950s when the first of some of these facilities were being put in place, the government adopted a position in which it pretty much refused to talk about any of those facilities. However, in some particular cases, they could have put a lot more information on the public record. North West Cape is the best example of that, but even Nurrungar is an example. Through the course of the 1980s, they did move to put more information on record, and finally, in the late 1980s, they acknowledged what the purpose of Nurrungar was: the control of the infra-red satellites, which I described before.

We are now in a situation where virtually the last of these joint facilities standing is Pine Gap, but Pine Gap happens to be the most sensitive of them all because it is an intelligence collection facility and because of the signals intelligence which is collected. In a sense, therefore, I become rather sympathetic to the dilemma that the Department of Defence and the government are in.

We now just have the one facility. It is almost impossible to say anything further about it because, from their point of view, they would be simply making the life of that facility and its operations more difficult.

From where I sit, I believe that one could have a statement that confirms that there are listening satellites in operation. Indeed, in the last three or four years now, the United States has officially admitted that it does have signals intercept satellites. I think you could say that Pine Gap is the ground station for those satellites and I think that one could canvass the type of signals which are interceptable by those satellites because, indeed, anyone who knows anything about signals propagation and antenna design and all the rest can work out what sort of signals are interceptable by a satellite with a dish of 300 feet at a altitude of 36,000 kilometres. I do not think it is giving too much away to talk about the types of signals and the various categories of things which can be intercepted.

It is when you get into specifics and start saying, 'Is this facility monitoring a particular missile development?' that you start getting into trouble because the person or country who is developing that missile is going to very quickly change the way their telemetry is down-linked back to their own scientists.

Senator TCHEN—It seems to me—again, this is an amateur's look at it—that a lot of concern about the secrecy of an installation like this is the question of community safety, as opposed to security, for example when Pine Gap is a prime nuclear target. Would you say that, in fact, that is a realistic concern or not?

Prof. Ball—I think that at least during the Cold War we have to accept that there were certain situations under which it was quite likely that Pine Gap and, even more likely, North West Cape and Nurrungar would have been nuclear targets. There was concern within the Australian defence department about what that meant and whether one should have evacuation plans and civil defence plans in place for the people at Alice Springs. Indeed, there was quite substantial work on civil defence in that area.

I do not believe that that is reason for the secrecy. Making Pine Gap secret would not mean that the Soviet Union or its successors would not target the place. Indeed, even with the aura of mystery, they know that this place is extremely important. It is one of the largest satellite ground stations in the world. They can see that just from looking at their own photographic intelligence. They know it is extremely important because it has been visited on a regular basis by the heads of the CIA and chairmen of the joint chiefs of staff in Washington. Just because they do not know that is a SIGINT facility does not mean they not going to target it.

The real reason for secrecy, I believe, is the dilemma which is faced by the intelligence community over the nature of the technical collection operation which is controlled from that station.

Senator COONEY—Talking about the confidential secret agreement, do you get any impression that there might be part of that agreement which says that Australian parliamentarians are not to go to the station except under certain circumstances? The point behind that question, of course, is that it would be a worrying feature if there has been an agreement signed without the parliament knowing and excluding the parliament. That was the first question.

The second question is, 'What is your impression as to how far this station is used for

economic purposes?' If we have lost our lamb trade to America because of the signals coming through Pine Gap, I suppose that is something we ought to be a bit concerned about. They are the two issues.

Prof. Ball—On the first one, I do not believe that in the classified agreement—and I must say that I have never seen the classified agreement but I have talked to the majority of the people who have been involved in putting these classified agreements together over the years—there is any clause in there that excludes any group of people, whether they be parliamentarians or anyone else. Rather it is an agreement which delineates who is allowed to go there and what they are allowed at various levels to have access too. Whether or not Australian parliamentarians are allowed to go there is not set out in the agreement. But it would be set out in various other working memos where people have taken the clauses which were in that agreement and tried to apply them to particular circumstances.

The fact that Australian members of parliament, or American congressmen or congresswomen, are not allowed to go there does not surprise me when you are talking about facilities of this really enormous sensitivity. There are other facilities similar to Pine Gap which have similarly sensitive access arrangements, but I do not know of any other facilities which are more sensitive than these types of places. So it is not surprising that parliamentarians are not allowed to go there.

I would ask the question: what is it that parliamentarians think that they would learn by going there? You would walk in the outer security gate or drive to the outer security gate. You would then go into the internal one. They would take you in and give you donuts and coffee. You would see at the moment about 18 satellite antennas sitting around the facility. You would see an enormously large computer room with a lot of guys sitting there with earphones and other things. But it is not going to tell you very much about what goes on there or whether you should support what goes on there. You can only do that through analytical means.

Senator COONEY—Can I answer your question? The one body that is directly elected by the people of Australia is parliament. The government is elected in a collegiate system. If you believe in a system of democracy, that parliament does sit above it all, if you believe in civil rule over military rule, if you believe all of those things, then surely parliament should be entitled to look at everything that is sensitive and which is of great significance to the people who elect them. If you believe that then that is the reason why there should be an ability for parliamentarians to go there.

I do not think there are too many people around this table who, as a matter of preference for the beaches of Anglesea and Lorne, would particularly want to go there. But it is my feeling that the people in this committee are most concerned that they, as parliamentarians elected by the people, are excluded by people who are not elected and who, if you like, take the Oliver North approach to things. That is the reason.

Prof. Ball—I accept what you are saying. I believe it follows from that that the government and the defence bureaucracy should be more forthcoming in what they tell parliamentarians and the Australian public about what goes on at Pine Gap. I believe that very strongly. But what I was addressing was a particular question about parliamentarians and others actually visiting Pine Gap. You might as well sit down and watch a video of the place. Indeed, the Department of Defence has prepared a video which shows the grounds, the antennas and the control room, and there is no reason why they should not allow you to see that video.

Mrs CROSIO—You are giving us more information than what we have been able to—

CHAIR—There was another question—

Senator COONEY—The economic one.

Prof. Ball—Yes. These are satellites and the antennas that are on them simply intercept whatever signals are in the particular frequency spectrum in the geographical area that they are pointed in. So, if they are pointed in a particular area which involves monitoring telecommunications, microwave traffic, then within that microwave traffic there could be quite a variety of different sorts of intelligence, and it is theoretically possible that that includes economic intelligence as well as the particular phone calls or fax transmissions that it is trying to actually intercept.

In my discussions with people who work there, I have been told that mechanisms are in place to make sure that if anything is intercepted relating to economic intelligence or political intelligence or personal communications of Australian citizens, that does not get any further than the Australian representatives on the ground at Pine Gap.

I have tended over the years to believe that. There are many other systems, stations and capabilities for monitoring other forms of communications which include economic intelligence for which I would not be so sure. But when it comes to that Pine Gap operation and its intercepted intelligence then I do believe the statements that there is no economic intelligence being collected there which is being used against Australia.

Senator COONAN—This really raises for this committee a fundamental issue about accountability and responsible government, to put it in its broadest. Obviously, as a committee we want to get to some acceptable balance between some parliamentary oversight of this agreement—at the moment there is nil—and the need to observe secrecy of operations.

Along those lines, could you give us some guidelines as to what inquiries you think we could fruitfully and responsibly pursue about the classified agreement? You said in your presentation that you thought this committee might fruitfully seek information about that line of country as opposed to railing against the fact that we have none, which is getting us nowhere. I am really interested to know if you have any constructive suggestions about how we might better inform ourselves about the consequential classified agreement.

Prof. Ball—I do not think one can be optimistic about how far you are really going to get in that direction. It really depends on the relationship which this committee has with people in the Department of Defence, the personal levels of connections which have been built up and the trust in the end which exists between members of this committee and the Department of Defence as to the extent to which they might be a little bit more forthcoming with you.

They are quite entitled—and the Americans would insist on it—to stick with their position as it exists at the moment, which is that the operations of this facility are very sensitive and very highly classified and the principal agreement governing those operations is also classified, and to say too much about what that agreement contains in it is simply going to disclose the nature of the operations of that facility. There really is a bit of a bind there about how far you can really press them on that.

Senator COONAN—Except I had understood that the Chairman of the American Senate Select Committee on Intelligence was briefed on a daily basis on these sorts of matters. It seems that there certainly is not equal access of the two parliamentary bodies. Even if there was a delegated parliamentary overseer it would be a very different issue from the issue that we are currently facing.

Prof. Ball—That is correct. Various congressional committees in the United States have much more access in general to classified information than members of the parliament here do. In particular, a couple of the intelligence committees do get access to very high levels of intelligence.

But the American congressional system is very different from the Westminster system which pertains here in Australia. The notion that one could simply transplant to the Australian context all of the ways in which Congress operates, including access by certain congressional committees and individuals to classified information, is not a viable one.

Senator MASON—I have a quick question relating to a question asked by Senator Cooney before. If there is a joint facility and it is defence related, there seems to be an underlying assumption that the interests of those two countries operating that facility are congruent. With the increasing interception of economic intelligence, that assumption would also have to be made, wouldn't it?

Prof. Ball—Yes.

Senator MASON—That might not always be the case.

Prof. Ball—Yes, I think that is true. As the world becomes more multipower, more multipolar, as the types of intelligence which countries are interested in become more variegated, there is going to be more scope for conflicts of interest between various partners in intelligence collection operations. When one looks at the whole breadth of the cooperation which goes on between Australia and the United States, which includes a whole lot of other signals intelligence operations facilities that exist throughout Australia but also American facilities which exist all around the globe as well as a lot of cooperation in areas outside of SIGINT that involve our Australian Secret Intelligence Service and other agencies, then the potential for differences of interests becomes, I think, more significant. But in the specific case of Pine Gap, which is what we are talking about here, I do not know of any instance where that has happened. I would be looking elsewhere within the whole rubric of intelligence cooperation exchanges for instances of what you are talking about rather than at Pine Gap specifically.

Mr ADAMS—What is the difference between the parliament of Australia and this group of people being elected to a treaties committee—which is a new phenomenon to this parliament and the one before—to oversee the treaties we sign with other countries, and a committee of the Congress that has its duty to do to whatever its charter is? Our charter is to see if this treaty is in the interests of the Australian people and to meet certain obligations. I mean that is our charge now. That is a new thing but it is now what we have been charged with and we have not really been given very much information in seeking that. I make that statement to you.

Congress committees fly in and out of Pine Gap when they feel like it, it seems to us. We cannot get access to it or information on it. We do not want the detail; we do not want to get the

stuff. We probably all accept that there is probably information that we would not want to see, but this holding us off from the United States people, I think, is a major issue for us. We are getting into situations of information gathered and whether it is worthwhile.

Are there any audits done by people to say, 'Are they doing the right thing there? Are they collecting?' Or is it just a perpetuation of expansion for expansion sake because secrecy allows that to happen? Is there any vigour in the system that actually looks at these operations and says, 'Yes, they are gathering information which is useful'?

Prof. Ball—There is machinery of various forms involving various processes and arrangements within the intelligence communities in the United States and Australia and in the liaison arrangements between them. For this sort of monitoring that you have talked about—in other words, an internal audit—it is true that the same people who are doing these audits and these various reviews are the people who are involved in providing the budgets, obtaining the budgets, and actually managing these sorts of facilities and, if the end point of your argument is that there should be more outside debate and more informed public awareness of these sorts of intelligence issues so that there can be, even if only indirectly, input from the public, from parliament and from other non-classified sources into that auditing process, then I would agree with you. I think that is a good thing but it does not mean that there is no auditing process at the moment. Indeed, the intelligence community has been subject to an inordinate number of internal reviews over the decade or so since the end of the Cold War trying to work out just what its priorities should be, what the appropriate budgets are, and what it should be collecting and listening to.

With regard to your initial comments about the role of this committee and comparisons with US Congress, I do not believe that US Congressmen do fly in and out of Pine Gap, or fly in to Alice Springs and go to Pine Gap on a regular basis. In fact, as you were talking, I was trying to think of any single instance when US Congressmen or Congresswomen have visited Pine Gap and I am not sure that I even know of a single instance. There are American officials who visit Pine Gap on a regular basis, as indeed there are Australian officials and Australian ministers and their ministerial staff, but I do not know of any congressional visits to Pine Gap.

Mrs CROSIO—The Department of Defence tell us they have.

Mr ADAMS—Along with the point that economic information is going to continue to be gathered I am also concerned about whether information is gathered about Australians other than for terrorist situations. That area is going to increase. I have got no way of knowing whether information is gathered about the economic situation of this country, or particular trade matters, or whatever, and not passed on to the United States.

We have got a few issues—lamb is one. I have got salmon issues from Tasmania. I have to justify my position on this committee and the work that I am doing here to my electorate and to the people that elect me. I have got no way of being able to tell. You are the first person to have given evidence to me that says that any information gathered on individuals is to stay there at Pine Gap, let alone information that may be of a trade nature sailing back somewhere and being analysed and distributed to companies that may be to their advantage. There has to be some sort of mechanism, I believe, that can reassure us that that sort of thing is not happening.

Prof. Ball—Let me make two points in response to that. Firstly, we have to remember that this really is the leading edge of technical intelligence collection. These satellites are expensive,

the most recent of them costing closer to \$2 billion than \$1 billion to design, build and put up there. You are only going to use these satellites for listening to things which you just simply cannot get in any other way. You are only going to be pointing this at a target which has immense and lucrative value from the intelligence collection point of view. You are going to be wanting to get missile telemetry—things that you really need to know about—or someone else's missile developments which you cannot get in any other way. That is why you are paying what amounts to the price of a small aircraft carrier, for example, to do this. The notion that someone is going to swing the satellite around to listen to some telephone calls of private individuals really is rather fanciful. You only use the Pine Gap satellites for really crucial stuff.

Secondly, there are procedures and machinery in place whereby Australians at Pine Gap have access to all of the material and can vet all the material and can ensure that none of that material being passed back to the US relates in any way to Australian interests or Australian individuals. We have to accept on trust that the Australians who are working there do have Australian interests in mind rather than the interests of their US allies.

Mr ADAMS—I have got a problem about that. I have not been told by our Department of Defence or anybody else that that is the case. You are the first person to give evidence before this committee that that would be the case.

CHAIR—That is something that we can make crystal clear in our report. Thank you, Professor. I must ask you to conclude there, and introduce the next witness. There is obviously still some residual curiosity about your evidence and I wonder whether you would be prepared to informally consult with members of the committee via phone or fax over the next few days. We would be very grateful. Thank you very kindly for a remarkable session.

[11.05 a.m.]

CHAIR—Welcome, Professor Dibb. I advise you that, although we will not require you to give evidence under oath today, the hearings are legal proceedings of the parliament and warrant the same respect as the proceedings of either the House of Representatives or the Senate. The giving of false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. We would prefer that all evidence be presented in public today. However, we are aware that these are sensitive issues, so if you feel that you would rather give evidence in camera, please let us know.

By way of background, I should explain that the committee has heard evidence from various officials in two or three sessions, but we decided to have another hearing today specifically to hear from people outside the formal officialdom. In particular, we are curious not only about the operations of the facility at Pine Gap—as you have no doubt gleaned from the questions put to Professor Ball—but also about the bigger strategic security picture in this part of the world. It has changed a lot, and it changes from month to month. We would appreciate some really good, sharp evidence about the security problems and issues that are out there now: North Korea, the forthcoming mooted testing of another missile and this kind of thing. We need a bit of background. Would you please make some introductory remarks before we proceed to questions.

Prof. Dibb—Thank you. I am happy for this to be on the public record, but I must begin with a clear and obvious caveat: as I was the Deputy Secretary of Strategy and Intelligence from 1988 to 1991, with responsibility for oversight of the Australian involvement with this facility, there are clearly things I cannot say in any detail at all about Pine Gap. I am under the same constraints with regard to the specifics of the operations of Pine Gap as an official of the Department of Defence.

CHAIR—That is understood.

Prof. Dibb—The history of my involvement with this joint facility dates back to the late 1970s when I was Deputy Director of the Joint Intelligence Organisation. I have a detailed and close knowledge of both the technical operations and—perhaps most importantly from your point of view—the policy with regard to this facility.

As Professor Ball and other people have said to you, Pine Gap in many ways is a unique and enormously powerful collector of information. In the sense of its technical capabilities, again as other witnesses have said to you, the capacity of this joint facility has grown over the years. I think its relevance both to Australia in our own national interest and to the United States has actually grown in the last decade. Obviously, of course, in the Cold War, Pine Gap was a central element in the United States' knowledge of the Soviet Union and its military capabilities. I would say that it is still a key element in the alliance between Australia and the United States. I would not say that it was central. I would not say that, in that sense, it dominates the alliance—there are many aspects that infuse the alliance of shared values and strategic interest—but I would describe Pine Gap as a key element in the alliance.

I think the joint facility is of increasing utility, as I have mentioned, to both Australia and the

United States—contrary to some of the conventional wisdom that, with the end of the Cold War and the Soviet Union and the Warsaw Pact, this facility, and other intelligence collection facilities, would be of decreasing utility. Mr Chairman, as other witness have said, I think the answer to your question is: whilst in the Cold War, basically the United States and Australia, to a significant but not so exclusive extent, were preoccupied with understanding that highly secretive and closed military society—the Soviet Union. That was one target and, whilst it was not easy for any information collection operation, it was a particularly focused target—geographically and otherwise.

What we have in the post Cold War era is, as you well know, a multiplicity of targets ranging round the globe, including not just military but still critically military capabilities and threats. In the military development area—that is, military developments in areas of crucial interest to Australia's own security—clearly we need to understand military developments, both missile and other military capability developments, that could have relevance to our own military operations. That obviously includes areas in the region.

Further afield, when we are talking about broad strategic developments and their relevance generally—you will notice that I am not speaking specifically here to this type of capability—then, as Professor Ball has said, whilst it may not be so obvious that we need to be as informed about North Korea, China and India as we were informed about the Soviet Union, the proliferation of ballistic missiles, nuclear weapons technology, and chemical and biological weapons are not least, by the way, in the Asia region—there is perhaps a greater proliferation of these capabilities in Asia than elsewhere in the world: India, China, North Korea and Russia—then we need to have that knowledge and understanding. It is not that it is currently a direct threat to Australia—although currently both Russian and, to a modest extent, Chinese capabilities could threaten Australia—but we are looking, as all strategic analysis does, at long range developments.

In other areas where we need greater confidence in military developments of potential strategic and operational interest to Australia, we clearly need to be as well informed as we can, whether it is from this facility or some other facilities, about the generality of military developments—not just ballistic missile, nuclear, chemical and biological weapons.

When you look at parts of the world, particularly in our own region where we need to be well informed, I would argue that in recent years we face a strategic environment that is much more uncertain than in the past, not necessarily directly militarily threatening to Australia. In answering your question generally, Mr Chairman—and not arguing that what I am about to say specifically pertains to Pine Gap—in terms of our capacity to have information and analysis, clearly our own region has become substantially more unstable. That is obvious in terms of the tension in relationships between China and the United States, not least over Taiwan but over other issues. These include allegations of Chinese access to American nuclear weapons capabilities, the continuing tension on the Korean peninsula—you have noticed a recent exchange of firepower on the Korean peninsula area—and the increasing strains in Japan's perception that the development of nuclear weapons in North Korea and in China, says the latest Japanese white paper, is a serious development for Japan's own security.

Previous speakers have talked about the rapid development and deployment of ballistic missiles and nuclear warheads in both India and Pakistan where, by the way, the warning time for the exchange of weapons will be a matter of minutes. And the lack of command and control in India and Pakistan, and the geographical proximity they have to each other, make that a much

more dangerous situation—that is, between India and Pakistan—than we ever experienced between the Soviet Union and the United States where they put in place very careful hardened command and control capabilities, warning capabilities and, most importantly, had agreements which facilities like Pine Gap underpinned for arms control and disarmament—START 1, START 2, INF treaty and other things. There are no such agreements like that between India and Pakistan. There are no agreements like that involving North Korea. And we have yet to see, in my view, by the way, China take seriously the capacity to reduce its growing military capabilities, including through nuclear warhead proliferation.

I do not need to say to this committee that, beyond those big issues I have just mentioned, instability in South-East Asia, including in regions closer to Australia, obviously is a matter of crucial strategic policy interest. Again, I am not saying that this joint facility points in any particular direction. I cannot say that to you. But I am arguing the point that you have asked me to answer, Mr Chairman, and that is that, in the post Cold War era in the last several years, the situation for Australia's strategic policy is much more complex, much more uncertain, and is even more demanding of intelligence collection and information.

You know, one of the important aspects of intelligence collection is to establish (a) an essential transparency around us so we have confidence in understanding what is going on about us. It is not to say we will not be caught by surprise on occasions. Predicting events rather than trends, even for the most powerful forms of intelligence, is difficult. But being well informed, establishing transparency, avoiding surprise are central to the strategic policy mission that we have. Also, establishing what is normal in Australia's strategic environment, particularly in areas closer to home, is very important for the capacity to detect the abnormal. The point is that, once you see a certain pattern of normality, it is somewhat easier to detect abnormality. From my point of view—and let me warn you that, as a long-serving intelligence officer from 1970 to 1991, I am probably biased in this regard—the requirement for good, accurate, precise intelligence is of growing importance. I think that mission, both for us and our allies, is a mission that will increase.

I guess the final point I would come back to in my introductory comments, if I may, is to say that, having been part of managing this particular joint facility, I would like to remind you that it was in the late 1980s—I think in 1988, subject to specific correction—that we negotiated full knowledge and concurrence, both with regard to this joint facility and other joint facilities, so that we were sure that, in light of some of the questions you have so rightly raised as members of parliament in this important committee, we had an absolute thorough knowledge of what is going on in these facilities. In my time, we appointed a deputy head of mission as head of the facility at Pine Gap. I personally ensured that we had on the shopfloor, if you like, on the operational floor of the facility, Australia's leading particular mission operations so that we had full knowledge and concurrence. I think with that introduction, Mr Chairman, I would conclude.

Mr HARDGRAVE—To paraphrase Edmund Burke on the role of parliamentarians and government: if we treat the people with contempt they will treat us with contempt. Professor, given your professional background which you have just reminded the committee of, I really am looking to you for any suggestions as to the mechanism or avenue of inquiry this committee could undertake so that we can fulfil our important role of parliamentary scrutiny without getting down to every dot point detail or putting out a press statement every time we find out that such and such a country has now developed a nuclear thing or that so and so slept with so and so or whatever else—heaven knows enough of that floats around. What I am looking for is a 'humour us' mechanism at the very least. We have not even been afforded by the Department of Defence

anything as comprehensive as either you or Professor Ball have given us today, not even a 'humour us' mechanism. What would you recommend?

Prof. Dibb—You place me in a difficult position there.

Mr HARDGRAVE—Oh good! I have done that before; I am sorry.

Prof. Dibb—I think Professor Ball suggested some things to you.

Mr HARDGRAVE—I think he suggested we were not going to get very far, no matter what—

Prof. Dibb—And I would suggest the same to you. There are great problems and sensitivities here that you are sick of hearing about, I know, but they are not imagined or constructed. And could I just make a point which you and your colleagues may well disagree with, but can I say about as forcefully as I can that it is an absolute myth that public servants involved in this area, including some of my former colleagues, can deliberately and wilfully deny you information and access which obviously does not have the absolute authority of ministers. It is ministers that run the civil service and, if you needed any reminding of that, look at the events of recent weeks in the Department of Defence.

So I suggest that if you have problems, rather than badgering and confronting the public servants who run under very substantial and tight secrecy laws, you can fight your own ministers. They have the authority; they have the power. But they will be constrained by acute sensitivities and concerns.

Mr ADAMS—And advice from their public servants.

Prof. Dibb—Well, you say that and of course there will be advice from their public servants, but I have made the point to you and I will make it again that events in recent weeks have shown that in the Department of Defence it is ministers that run departments, not public servants.

Mr HARDGRAVE—It is a refreshing concept to us, I must say.

Prof. Dibb—Well no. I have been wrong, been there, done that, and I have appeared before committees like this, before Senate estimates committees, which are experiences I am delighted not to have any more, frankly. Public servants are there to advise and then it is for ministers to choose. I cannot speak for ministers, but for them there will be constraints with regard to the secrecy of the joint facility and concern about highly sensitive and secret facts getting out which would then damage the operational capability.

We have had examples of that in the past where information accessed by journalists has, in my clear experience as an intelligence manager, damaged our access. And in the early 1970s there was potential acute damage to Pine Gap with regard to political developments that you are all aware of.

I guess the other issue is that you rightly raise the concern as elected representatives of the Australian people about the perceived difference between Congress and this committee. I think, as Professor Ball has implied, there are clearly differences in their system that are hard to transpose—and you know them better than me. That is, their legislature is very powerful. Not all

members of their executive, indeed few of them including cabinet ministers, are elected, whereas in our system all cabinet ministers are elected and therefore represent the legislature. However, I sympathise with the situation you are now in in a treaties committee which, correct me if I am wrong, was first of all appointed in the context of dissatisfaction in the parliament with regard to the agreement on maintaining security with Indonesia. Now you are focusing on other issues which people would not have foreseen, it seems to me.

Senator COONEY—Given what you have said, you may not want to answer this question. I would not be happy about that but, nevertheless, take it. When you say the ministers and the government run things, I understand that, but it seems to me that different departments have different cultures. We had another agreement which, because of the movements in France, were stillborn, that is the Multilateral Agreement on Investment, which was conducted through Treasury rather than Foreign Affairs. It seems to me in any event that you do get a different culture, a different character in different departments. Taking into account the matters that have been put to us about the need for confidentiality, I think this committee would accept that. But it would be a disappointing thing if the culture in the Department of Defence was one which said, 'Well, look, parliamentarians do not really need to know; we will make the decision as to what is revealed to them and what is not, and we will, in fact, exercise those functions and powers which it is proper for the elected parliament to carry out.'

When you say the government is elected, if it is elected, it is elected on a collegiate basis. The ministers are parliamentarians but, in so far as they are ministers, they depend on the parliament and are elected by it. So it seems to me that the parliament itself—according to the system at least, according to the theory—is the dominant body. That seems to be denied by a lot of the approach that is taken. So I just wanted to hear what your views were, if you want to give them, on the culture in the Department of Defence, particularly in its attitude towards members of parliament.

Prof. Dibb—Having been a senior member of that department and having appeared before many committees like this one—and, as I have said, Senate estimates committees, which are enormously powerful committees, enormously stressful committees, by the way, to be on the receiving end of—my experience has been that the department takes those responsibilities very seriously. The power that you have with regard to public servants is, in the end, the ultimate power, as the introduction by the chairman to this hearing reminded me.

If you are saying there are different cultures—for instance, between Foreign Affairs and Defence—obviously there are, but it has been my experience that the culture that has developed in Defence, not least in the intelligence area, was certainly being constrained by rules and regulations, including those at the very highest levels of security classification that very few people in Australia have access to, that is, the joint facility at Pine Gap. There is an extremely limited number of what we call billets, that is, people who can fill the security positions. They are obviously constrained in what they can say and, obviously, I guess you get annoyed by hearing the same words that are extremely limited, but if you push me on matters specifically to do with Pine Gap, you will hear the same words.

However, it seems to me that—and if this can be a reassurance, then let it be—certainly people like me and people who are currently in my position, like Hugh White, are quintessential Australians who are absolutely determined—absolutely determined—to ensure that our oversight of the joint facility at Pine Gap and its operation has full knowledge and concurrence. I have used that phrase again, because I think it is an absolutely essential one.

Coming back to ministers: it is then up to ministers to decide, for example, whether—and I am not advocating this, but this is a matter for your consideration—the chair and deputy chair of this committee are briefed in a particular way about a particular operation. That is clearly within the gift of the minister and absolutely not, Senator, for the Department of Defence.

Senator COONEY—Thank you.

Mr ADAMS—Professor, that is a point you are resting a bit of your case on here. This committee has a responsibility to report to the parliament. It is a fair dinkum committee looking at treaties. It takes its evidence and reports honestly to the parliament, not to the minister or to the department. To do that it has to receive the information that it seeks to make a just decision as to whether that treaty is in the best interests of the country or not. We have had some difficulties receiving information that we think we should now be able to receive.

I do not think it is to do with the technical data or where the satellite or the missiles are pointed. We all probably accept that the information is of great value to keeping a more peaceful world. But understanding that this organisation works in the interests of Australia, and that there are audits done to make sure that it does not just perpetuate itself, there is more secrecy than necessary. There is no evidence to us of that being the case. I have no problem in accepting your position, saying to me that the Australians there are decent, honest Australians doing a really good job. They would take on their role very well if they had to go into the argument on something.

I do have a problem with being denied enough information to say this is in the best interests of Australia and we should continue to pursue that. They are denying us access to that and also to a decent briefing of some sort. I see we have not even been shown the video of the site. I have only ever seen a few flashes on the TV from time to time of this site. It would be very good to see a video of what is there.

In 1997 two national security committees from the House of Representatives of the United States Congress went to Pine Gap. I also see four ministers and one congressman visited in 1998. We say that it is a bit one-sided. We may have different systems of government, but we have accountability to parliament. I do not think this committee will accept your argument. The minister, whom we have written to on several occasions, has denied us. He has picked up the same baton as we have received from everywhere else. We cannot accept your position that the minister has the power at all. This committee is looking to report to the parliament on its brief and it cannot do that.

Prof. Dobb—Is there a question inherent in that or would you like me to respond to that?

Mr ADAMS—I would like you to respond.

Prof. Dobb—You clearly have a problem. You say you do not accept my position that it is not the minister. Who do you think it is? Do you think the public servants actually operate without ministerial authority in this area? Is the breakthrough that you are looking for to get public servants, or people like myself who have had the clearances, to explain things that I cannot? Professor Ball can go somewhat further than I can. He and I would have significant areas of agreement.

The best one can do, without breaking the technical capability constraints, is to explain in general terms what the strategic situation is like for Australia, what the priorities are for accurate, precise intelligence and analysis, and acknowledge that public servants and people with the clearances have absolute limits to what they can say and they cannot go beyond that. There is a problem for you there.

It has been convention for decades, to my knowledge, that within the legislature not only relevant ministers who deal with national security are briefed but the Leader of the Opposition is also always briefed. What you are looking at is whether one or two members of your committee are briefed, recognising that the number of people who are briefed on this in Australia, both within Defence and outside, is extremely small in other relevant areas. The matter of whether the chairman and the deputy chairman should be briefed is clearly not for some public servant to decide. It is a matter for the minister to decide on. He will get advice.

Mr HARDGRAVE—I am concerned after listening to both professors. Are there people within the Department of Defence currently who have the same depth of knowledge and understanding of this issue that both you and Professor Ball have? Could you hazard a reason as to why the Department of Defence has not presented those people to us to give an explanation as well constructed as that which both you and Professor Ball have managed to give to this committee this morning?

Prof. Dibb—I am not aware who has appeared before you from the Department of Defence. I presume some people have.

Mr ADAMS—Mr White appeared.

Mr HARDGRAVE—But we have yet to receive information as well constructed and based on sufficient depth, or willingness to at least plunge those particular depths and expose them to this committee. Could you hazard a guess as to why there is a reluctance to disclose within the system, even in the way that you have done this morning? You have at least given us some sort of strategic picture and basis on which to make a judgment.

Prof. Dibb—Maybe it is a matter of asking the right questions. The man who does my old job, Hugh White, is a highly intelligent, responsible senior official with enormous experience through successive governments. You could not have a more important person than him giving evidence before you because, like me in that position, he is ultimately responsible for the day-to-day oversight and implementation of policy under the minister. Other more junior people would be involved in this area. They would not carry the same weight and capacity as Mr White, for instance. He labours, as indeed I do, under these problems of what can be said. With respect, to ask him, for instance, to give a general strategic picture as you asked me at the beginning is well within his remit. He could do that as long as you were not asking questions that said, 'Are all of those or some of those specifically relevant to the technical capabilities of Pine Gap?' That is where he would have to say, 'No comment,' as I would.

Mr HARDGRAVE—So no-one in the department could go as far as Professor Ball did to this committee this morning when he talked about the fact that the brief for Pine Gap is changing because of the trade aspect of intelligence gathering which is a growth area?

Prof. Dibb—No, because unlike my colleague Des, they are constrained as I am by security statements.

Mr HARDGRAVE—You have made an oath in the past and you have to maintain that particular secrecy oath.

Prof. Dibb—Yes, it goes on until the end.

Senator SCHACHT—I am sorry; I had to go off to another meeting with the shadow ministry, though I have to say that I think this would have been a more interesting discussion of your presentation. I left a couple of questions with the chairman to ask Professor Ball.

CHAIR—We decided that any further questions would be put to Professor Ball by fax or phone.

Senator SCHACHT—My question is the same to you, Professor Dibb. In the United States there is a committee of the American Congress that oversees intelligence matters. From your knowledge, do the members of that committee have more access to information than the members of either this committee or the Joint Standing Committee on Foreign Affairs, Defence and Trade about the operation and use of Pine Gap?

Prof. Dibb—I am not an expert on American congressional committees, but I guess there are two points. One, which we discussed while you were absent, is that there is a different congressional system, as you well know. Because cabinet members in America quite often are not elected, the legislature and the congressional committees—including, for instance, the Armed Services Committee, the budget committees and so on—are, from my perhaps ignorant perception, more powerful, perhaps substantially more powerful, than committees in the Australian parliamentary system. That is my perception.

You will be aware that it is not an open season, even for members of American committees, within their system of clearing people for, for instance, Pine Gap to come and visit Australia. You have nominated in the evidence that you are aware of a small number of US congressional people who have been here, but it is extremely small, and it is limited to those who would have had the clearance.

Senator SCHACHT—The situation is that they are elected members of the Congress, and they have been chosen by their colleagues in the Congress to chair appropriate committees that have access to information that is, I believe, certainly substantially more than the two committees I have served on in this parliament that have a responsibility in the broadest context for defence and strategic matters—that is, the Joint Standing Committee on Foreign Affairs, Defence and Trade, of which I was Chairman for three years, and this new committee.

If that elected congressman, or senator, said, 'I believe that, in the national interest, I should make a public statement about what this particular matter is,' then he or she will bear the consequences by the public if they get it wrong. Isn't that the essence of democracy?

Prof. Dibb—You are taking me into areas that are not my particular areas of skill and knowledge. If somebody wants to—

Senator SCHACHT—Professor Dibb, you have been around this place a long time; you have been a big player. I do not think you should dissemble about trying to be naive about the arrangement, because I will not believe you at all about that and so on about your comments on

democracy. I draw your attention to material we have before us, which says:

Over that same period, one American congressional committee, the United States House of Representatives' Committee on National Security, visited twice; in January 1997 and again in August 1997 following a significant change in the Committee's membership.

They actually visited. We cannot get through the gate, and it is on our land. It is in Australian sovereign territory. Members of a foreign power can get through the gate; we cannot. Don't you find that offensive as an Australian citizen?

Prof. Dobb—My only response to that is to come back—

Senator SCHACHT—You are an Australian citizen, are you not?

Prof. Dobb—Absolutely, otherwise I would not have had the security clearance, Senator. The response is that it is the authority of the elected ministers and cabinet to decide who, amongst parliamentarians, gets the clearances and access and who does not. If you talk about access, let me put it to you very clearly: the access you would not want is the access where you would go through the front door and you would see the domes, the generator—

Senator SCHACHT—No—of course.

Prof. Dobb—and the canteen.

Senator SCHACHT—But are you saying that is what the American congressmen—

CHAIR—Please, let him finish. You keep interrupting him 10 seconds into his answer.

Senator SCHACHT—Well, I interrupt him when my impatience starts to show.

Prof. Dobb—You are asking me and other members who appear before this committee questions that rightly settle within your own domain, Senator, and that is: you are a politician, I am not.

Senator SCHACHT—First of all, can you tell us from your knowledge—though in 1997 you were no longer in the defence department; I think you were in the public sector somewhere else, in the university, where you are now—if you are aware whether the American congressional committee, when it made these visits, just went through for the canteen tour of Pine Gap? We cannot even get the canteen tour.

Prof. Dobb—I am not aware what they did, but—

Senator SCHACHT—So they would have—

Prof. Dobb—If you are inferring: 'Did they come all the way from the United States to do the canteen tour?' presumably not.

Senator SCHACHT—No, quite. I agree with you that in terms of the parliament of Australia, the ministers, the executive, the evolution of this is that the ministers, who are part of the parliament, make the decision and if the parliament chooses to overrule them by resolution it would change. But I want to come to the next question, which is more important. What if there was a recommendation from this committee that there should be a specialised committee, a joint

standing committee, to overview it, as we have for ASIO and for the National Crime Authority. They deal with very sensitive matters and, as far as I am aware, there has been no leak from those committees since they have been established that has overwhelmingly damaged the national interest and they have been tight in the information they have received, including operational information—I am not a member but I understand they do get information even on the operational side. If we made that recommendation, what would be the advice of the Defence bureaucracy to their minister as to whether to accept that there would be a standing committee?

In your view and from your previous history within the defence department, would they advise the minister that it was too dangerous, it was not acceptable, it would rupture relations with America if we had a standing committee of the parliament—as we have with the ASIO committee and the NCA committee—overseeing the operation of the joint facilities in Australia, under the conditions that the members on the committee accepted the classification, the confidentiality and the national security and would maybe even have to submit to a clearance process? What would be your view? What would be the defence department's view?

Prof. Dibb—You are aware that the clearance process is extremely intrusive?

Senator SCHACHT—Pardon?

Prof. Dibb—It is an extremely intrusive process.

Senator SCHACHT—I only raise that maybe we would have to accept that clearance. But, as we are elected by the people, the people have recommended that we are the ones who can make the judgment about that.

Prof. Dibb—The answer to your question is: I no longer work in the defence department so I cannot speak for my colleagues. But if it is the decision of the government, the minister—

Senator SCHACHT—Professor, I do not like interjecting on you but this is a *Yes, Minister* trick. What I am asking you is this. If we put this recommendation up, the process is that there is a report of this committee tabled in parliament, it goes to the parliament and, under the rules of parliament, they have three months to reply to the recommendations. The first thing in the process that will happen is that the cabinet will give the Minister for Defence the report and say, 'Come back to cabinet with your recommendations about the committee's recommendations.' The minister, with due process, as a good minister, will send it down into the department for their comment. You or your successors will study it. They will make recommendations back to the minister. They may ring him up privately and say, 'Minister, what do you want us to say to make it all hunky-dory?'—but they will write a recommendation back to the minister on that report. What I am asking you is: what is your belief now, from what you know of the defence department, about what they would do with such a recommendation?

Prof. Dibb—If I can answer, Senator, without constant interruptions—and I find it particularly offensive, by the way—

Senator SCHACHT—Bad luck.

Senator COONEY—I think the witness is entitled to answer the questions.

Prof. Dibb—I find particularly offensive this *Yes, Minister* thing. I am no longer a public

servant, and will not be addressed as one, by the way. If you want my view, as a professor at the university who has served in the Department of Defence, it is: I do not know what the current management of the Department of Defence will say. I would note that it is in some turmoil right now, wouldn't you? Yes, you would. But, in the end, this is a decision that revolves around politics, not about technical issues of security clearances. If it is the sentiment that advisers in the department detect that ministers, the National Security Committee chaired by the Prime Minister, want a change along the lines you have recommended, whether it is this government or an alternative government, then, Senator, it will happen. But if there is not that political will, the bureaucrats cannot make it happen. And, by the way, they cannot make it not happen either. It is a matter of political will and political direction—simple as that.

Senator SCHACHT—But—

CHAIR—That is enough, Chris. You have had two questions and we have all been satisfied with one.

Senator SCHACHT—Well, I missed the first two, and this is just ducking.

CHAIR—I have a final question. Going back to the nature of a joint facility that carries out certain functions—and in this case it is gathering signals intelligence—inevitably in the larger picture, which you described before, somewhere in there there will be differences in priorities between the two partners in this facility, Australia and the United States. For example, where there are tensions in the relationship between China and the United States that you described, we have a subtly different perspective on that—that is quite plain. In the case of such a difference, if that boiled down to a decision as to what the satellites were going to focus on, how is that resolved? How is such a conflict would be resolved; and, if it is not at that committee, would it go back to ministerial level?

Prof. Dobb—There are limits to what I can say, and I cannot respond to your speculation as to what particular technical capability this facility has. There are joint tasking arrangements. There is a joint concept of priorities for all joint facilities and, indeed, our own facilities in Australia. Whilst there may be strategic pressures along the lines you have mentioned, where there might be a perception of a different national approach, my experience has been that we have resolved those in the sense of: does this involve a crucial difference of interest? That is why we have full knowledge and concurrence. By the way, that is why we also can say, and I can say to a committee like this, that facilities like this and, indeed, others do not collect on Australians. There are distinct legal rules and regulations, with minor exceptions, in that regard.

With regard to the issues of a conflict of interest, in the Cold War, when in particular one had situations of enormous tension between the United States and the Soviet Union, it was in our interests, whether it was with this facility or any other, to ensure that the United States was rather better informed than rather less informed, because ignorance leads to miscalculation. That obviously still applies. I find it hard to imagine situations, given the ANZUS alliance, given our shared values and interests and given the closeness that we have, where there would be dramatic differences in the national interest. If there were, they would have to be resolved. By 'dramatic differences' I do not relate to some of the other issues that perhaps have been raised during the course of this morning. Dramatic interests relate to shared matters of high policy with regard to national security.

CHAIR—Thank you. We could go on for a long time about this. I appreciate your effort.

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JOINT

Monday, 9 August 1999

Thank you for your evidence and I also thank Professor Ball. It has been a very edifying morning for us.

Resolved (on motion by **Senator Tchen**):

That this committee authorises publication of the proof transcript of the evidence given before it at public hearing this day.

Committee adjourned at 11.55 a.m.

TREATIES

