

2021 2022

CRIME AND MISCONDUCT COMMISSION

ANNUAL REPORT

01-02

EXCELLENCE & INNOVATION ACCOUNTABILITY INTEGRITY

CONTENTS

Message from the Chairperson.....	3
Year at a Glance.....	5
Financial Summary.....	6
About the CMC.....	7
Corporate Governance.....	13
Crime.....	27
Misconduct and Integrity.....	41
Witness Protection.....	63
Research.....	69
Working with the Queensland Police Service ..	77
Working with Indigenous Communities.....	83
Managing the Organisation.....	89
Appendixes	
A: Functions of the CMC.....	99
B: Strategic Plan of the CMC 2002-2006.....	101
C: EEO statistics 2001-02.....	103
D: External presentations by staff	
June 2001 to July 2002.....	104
E: Overseas Travel by staff 2001-02.....	107
F: Consultancies 2001-02.....	107
G: Publications 2001-02.....	108
H: CJC Financial Statements	
July to December 2001.....	109
I: QCC Financial Statements	
July to December 2001.....	126
CMC Financial Statements	
January to June 2002.....	141
Index.....	159

COMMUNICATION OBJECTIVE

This annual report, the first for the Crime and Misconduct Commission, incorporates the activities and financial statements of the former Criminal Justice Commission and the former Queensland Crime Commission (which merged on 1 January 2002 to form the CMC), as well as those of the CMC.

This report is one of the CMC's chief accountability mechanisms within our corporate governance framework. Details of other accountability mechanisms are given on page 17.

The report enables the Minister, our Parliamentary Committee, Members of Parliament and the people of Queensland to assess the efficiency, effectiveness and economy of the CMC, in accordance with the requirements of the *Financial Administration and Audit Act 1977*.

The report gives an account on how we have worked towards our mission to combat major crime and promote public sector integrity. The report also outlines our achievements and how we are performing against performance indicators, as well as the progress we are making towards achieving our targets.

The information in this report comes from the CMC's information management system, the Ministerial Portfolio Statement, operational area business plans and their outputs, and from our staff.

The CMC is committed to open and accountable governance and welcomes your feedback on its annual report. The report is available on the CMC's website at www.cmc.qld.gov.au and copies are available on request to:

Crime and Misconduct Commission

GPO Box 3123, Brisbane, Qld 4001
140 Creek St, Brisbane

Tel.: (07) 3360 6060

Fax: (07) 3360 6333

Toll Free (outside Brisbane): 1800 061 611

E-mail: mailbox@cmc.qld.gov.au

© Crime and Misconduct Commission

ISSN: 1447-4034

EXCELLENCE AND INNOVATION ACCOUNTABILITY INTEGRITY

ABBREVIATIONS

AC	Companion of the Order of Australia	DOGIT	Deed of Grant in Trust (relates to Aboriginal and Torres Strait Islander councils)	OAM	Medal of the Order of Australia
ACID	Australian Criminal Intelligence Database	DPP	Director of Public Prosecutions	NCA	National Crime Authority
AFP	Australian Federal Police	ESC	Ethical Standards Command (of the QPS)	PCJC	Parliamentary Criminal Justice Committee
AIC	Australian Institute of Criminology	FOI	Freedom of Information	PCMC	Parliamentary Crime and Misconduct Committee
APM	Australian Police Medal	IPAA	Institute of Public Administration Australia	QA0	Queensland Audit Office
AUSTRAC	Australian Transaction Report and Analysis Centre	IIA	Institute of Internal Auditors	QC	Queen's Counsel
CID	Criminal Intelligence Database	IIR	Institute of International Research	QCC	Queensland Crime Commission
CJC	Criminal Justice Commission	LGAQ	Local Government Association of Queensland	QPS	Queensland Police Service
CMC	Crime and Misconduct Commission	LGMA	Local Government Managers Association	SC	Senior Counsel
CPA	Certified Public Accountants			SMG	Strategic Management Group

MISSION TO COMBAT MAJOR CRIME AND IMPROVE PUBLIC SECTOR INTEGRITY

VISION THAT THE CMC BE A POWERFUL AGENT FOR PROTECTING QUEENSLANDERS FROM MAJOR CRIME AND PROMOTING A TRUSTWORTHY PUBLIC SECTOR

OPERATING PRINCIPLES

- Act with independence, impartiality and fairness in the public interest
 - Demonstrate leadership, innovation and flexibility in performing our duties
 - Embrace excellence, professionalism and teamwork in everything we do
 - Work in collaboration with, and be responsive to, our clients
 - Respect and value our staff
 - Show commitment to the rule of law
-

GOALS

- 1.To combat and prevent major crime
- 2.To reduce misconduct and promote high standards of integrity in the public sector
- 3.To provide an effective witness protection service
- 4.To provide high-quality research into crime, misconduct and policing
- 5.To be an effective and productive organisation

October 2002

The Honourable Peter Beattie MP
Premier and Minister for Trade
Parliament House
George Street
Brisbane Qld 4000

Dear Mr Beattie

We are pleased to present to Parliament the first annual report of the Crime and Misconduct Commission, which covers the 2001–02 financial year. The report is in accordance with the provisions of section 46J of the *Financial Administration and Audit Act 1977*.

Yours sincerely



Brendan Butler SC, Chairperson



Hon. **Bill Pincus** QC, Commissioner



Sally Goold OAM, Commissioner



Ray Rinaudo, Commissioner



Margaret Steinberg, Commissioner

MESSAGE FROM THE CHAIRPERSON

This report marks the first annual report for the CMC. It provides the framework for a focused and effective organisation committed to fighting major crime in this State and to promoting integrity in our public institutions.

The creation of the CMC in January 2002 was a major step forward for Queensland law enforcement because it combined the resources and powers of two notable Queensland law enforcement bodies: the Criminal Justice Commission (CJC), which had been targeting public sector corruption since 1990, and the Queensland Crime Commission (QCC), which had been targeting organised crime and paedophilia since 1998.

In the performance of its Crime function, the CMC adopts the operational philosophy that underpinned the QCC's effectiveness. The merger has, however, enhanced the Crime function's ability to respond

to the incidence of organised and serious crime and paedophilia by increasing its crime-fighting capacity in certain key areas. The combined organisation has achieved this by delivering enhanced research, strategic intelligence, surveillance and administrative support to the Crime function.

The Crime function uses an intelligence-driven approach to identifying and targeting criminal networks. It acts in close partnership with the Queensland Police Service, using police taskforces under the direction of the Commissioner of Police to provide essential tactical operational assistance to CMC investigations.

Through the use of special coercive powers not available to police, including the power to require persons to attend and give sworn evidence at its confidential hearings, the CMC advances the fight against organised crime and paedophilia in Queensland.

In addition to forging the CJC and the QCC into a single organisation, our Act—the *Crime and Misconduct Act 2001*—heralds a departure from the way misconduct matters were handled by the CJC. Through emphasising the concepts of cooperation, devolution, public interest and capacity building, the Act enables the CMC to engage public sector managers in the continuing process of preventing and dealing with misconduct in their own agencies.

But while the Act places more responsibility on police and public sector managers, this does not mean that the Commission is backing away from its enforcement focus. The CMC retains the CJC's power to investigate serious cases of misconduct in the public sector and those cases that require investigation by an independent body in order to safeguard the public interest. Indeed, the CMC has greater powers than had the CJC to monitor the way public sector agencies, including the Queensland Police Service, handle misconduct.

The real challenge for any anti-corruption agency is to detect the small proportion of police and public sector officers who succumb to corrupt practices and engage in real criminality. These people, and those who corrupt them, usually take every precaution to conceal their behaviour. The CMC has recently



detected officers involved in drug offences, fraud, bribery and theft. Such behaviour requires the effective enforcement processes usually deployed against other types of criminals. Proactive covert investigative techniques are often needed to detect, investigate and prosecute this serious behaviour. The CMC currently possesses the resources and capability to mount such proactive operations and does so effectively.

We will continue to conduct a large number of misconduct investigations each year (this year we finalised 232), but our focus will be on the more serious and complex end of the misconduct spectrum. Our legislation recognises that the investigative response is best reserved for such matters, with less-serious matters best dealt with in and by the agency itself.

An important lesson from the last ten years is that responsibility for preventing misconduct needs to be shared by agencies, rather than simply left for one oversight body such as the CMC. A truly integrated integrity system is one where a commitment to integrity is shared by all players in the system, from political leaders down. It is a system where a management culture of ethical conduct predominates and is supported by institutional checks and balances. The CMC continues to play an important role as one of those checks and balances.

The CMC will continue to offer a witness protection service, which has been on offer in Queensland since the Fitzgerald Inquiry of 1987–89 when some witnesses to the Inquiry needed to be protected. In 2001–02, 131 people were protected in 63 operations.

To contribute to the understanding and prevention of crime and misconduct in Queensland, the CMC conducts high-quality research into policing, illicit drugs, paedophilia, capacity development and crime prevention. This year we released four major research reports, three research papers, two crime bulletins, two intelligence digests and three major prevention advisory publications.

The merger of the two organisations, while resulting in greater long-term operational efficiencies, has been a tumultuous one for staff, especially administrative staff who were presented with the challenge of ensuring a smooth transition. I would like to thank all our staff for their hard work and dedication in bringing about the successful implementation of the new Commission.



Brendan Butler SC
Chairperson

YEAR AT A GLANCE 2001–02

Crime

- Taskforce Scorpion was formed in July 2001 as a joint initiative of the QPS and the QCC to target suspected child-sex offender networks.
- The Commission engaged in a total of 43 operations: 21 in organised crime, 14 in serious crime and 8 in criminal paedophilia.
- As a result of joint operations with the QPS and other partner agencies, 57 people were charged with offences such as arson, attempted murder, sodomy, indecent dealing with children, and the production, supply and trafficking of a dangerous drug.
- We dismantled two large-scale amphetamine production and distribution networks.
- Nearly \$1 million in criminal assets were seized.
- A total of 75 days of investigative hearings were held with 103 witnesses called to give evidence. Cases involved paedophilia, suspected money laundering, an \$8 million arson, three murders, two suspected murders, an attempted murder, the shooting of a police officer, and the production of illicit drugs.
- Over three hundred intelligence items were disseminated to other law enforcement agencies.
- Two *Intelligence Digests* were produced for use by other law enforcement agencies and two *Crime Bulletins* on illegal drug use were produced for a general audience.

Misconduct and Integrity

- We received 2795 complaints of public sector misconduct, comprising 5455 allegations, and resulting in 145 charges against 60 people.
- A total of 232 investigations were finalised, many of them covert investigations that required use of special powers. We concluded 573 reviews of investigations conducted by other agencies.
- A total of 16 days of misconduct hearings were held during 10 closed hearings with 22 witnesses called.
- A Capacity Development Coordination Unit was established within the Commission to coordinate our capacity-building activities.
- We assisted in the Cape York Justice Study undertaken by Justice Tony Fitzgerald QC.
- A guidebook for public sector managers on how to deal with the impact of a Commission investigation was published in 2001.

- In October 2001 and March 2002, prevention guidelines for local government councils and other public sector agencies, entitled *The Grassroots of Ethical Conduct*, *Turf It Out* and *The Public Scrapbook*, were published.
- In June 2002, we published a Client Services Charter on our website.

Witness protection

- A total of 131 people were protected in 63 operations, including 47 people in 22 operations carried over from last year, and we conducted 125 threat assessments involving 181 people.
- Security at various courts was conducted for 51 witnesses.
- The first formal witness protection course was held by the Commission in June 2002.

Research

- In September 2001, we published *Funding Justice*, a follow-up report to the CJC's 1995 report on the sufficiency of funding of the Legal Aid Commission of Queensland and the Office of the Director of Public Prosecutions.
- Also in September 2001, we published a research report on the impact of information technology on policing methods, entitled *E-policing*.
- In collaboration with National Crime Prevention, we published the report of the Beenleigh Break and Enter Prevention Project, *Lightning Strikes Twice*.
- In March 2002, we launched a new series, the Research and Issues Papers series, with *Monitoring the Ethical Climate of Organisations* and *Making the Response Fit the Complaint*.
- Since January 2002, crime-prevention research projects have been begun in the areas of juvenile offenders, drug dependency, amphetamine use, illicit drug use patterns, child pornography on the Internet, the courts and sexual offences against children, and the link between sexual victimisation and sexual offending.

Managing the organisation

- Preparing for and managing the merger of the QCC and the CJC to form the CMC was the major administrative focus of the year.

FINANCIAL SUMMARY January to June 2002

Revenue

The major source of our revenue each year is the operating grant received from the State Government. For the six months ending 30 June 2002, this was \$14.950 million (96.8 per cent of our revenue), which for a full year is less than 2 per cent of the Queensland law, order and public safety policy budget.

Expenses

Most of our expenses for the period related to employees (\$10.133 million), supplies and services (\$2.572 million), and depreciation (\$0.612 million). Total expenses were \$14.776 million for the six months ending 30 June 2002.

Assets

Our total current and non-current assets as at 30 June 2002 totalled \$9.216 million. This includes assets transferred from the former Criminal Justice Commission and the former Queensland Crime Commission.

Liabilities

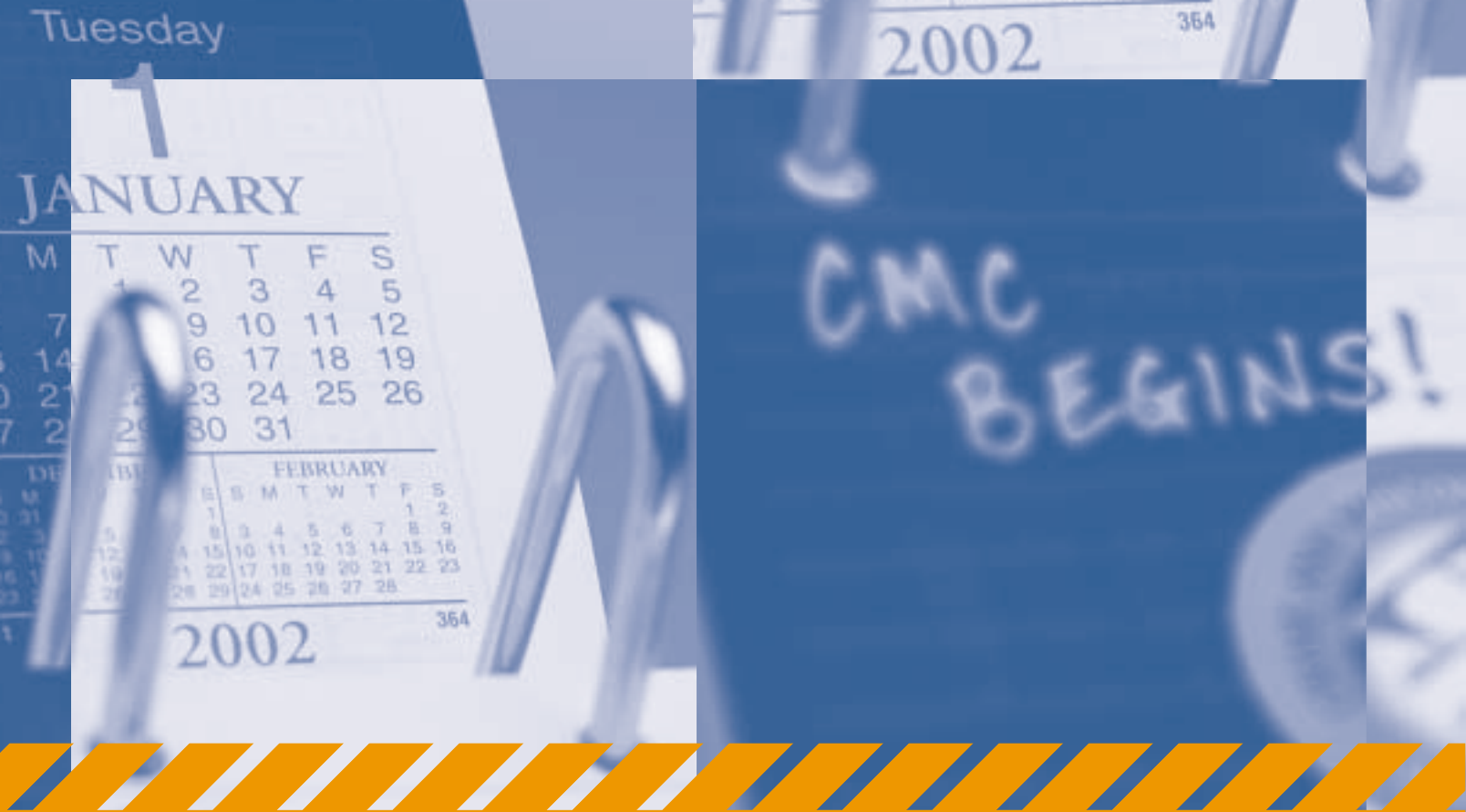
Our total liabilities as at 30 June 2002 were \$4.325 million. This included \$2.831 million for the lease incentive liability for the Terrica Place premises, \$1.087 million for employee leave entitlements not taken, and \$0.407 million for accrued expenses and trade creditors.

Net equity

As at 30 June 2002, the Commission's net equity was \$4.891 million.

Financial summary for the period 1 January to 30 June 2002

	\$'000
For the period	
Queensland Government grant	14 950
Operating revenue	486
Operating expenses	14 776
Operating surplus	660
At period end	
Total assets	9 216
Total liabilities	4 325
Net assets	4 891



ABOUT THE CMC

INTEGRITY

ABOUT THE CMC

The Crime and Misconduct Commission came into being on 1 January 2002, absorbing the roles of the former Criminal Justice Commission (CJC) and the former Queensland Crime Commission (QCC).

The CJC was established by the *Criminal Justice Act 1989* (Qld) to help restore confidence in our public institutions following the revelations of the 1987–89 Fitzgerald Inquiry into police corruption. In addition to investigating police and public sector misconduct, the CJC also for several years assisted the police in investigating organised and major crime. In 1997, this crime function was taken over by the newly formed QCC, under the *Crime Commission Act 1997* (Qld). The QCC was also specially tasked with investigating paedophilia.

In 2001, the State Government decided to amalgamate these two Commissions to form a single crime- and misconduct-fighting body: the CMC. Today the CMC, established under the provisions of the *Crime and Misconduct Act 2001* (Qld), is a unique organisation not just in Queensland, but in all of Australia. It operates on three ‘fronts’—combating major crime, raising public sector integrity and protecting witnesses—and offers a range of services, such as research, intelligence and surveillance, unequalled by any other organisation. For example, in New South Wales there are five different agencies performing the functions that are performed by this single body.

Like the former QCC, the CMC combats major crimes such as paedophilia, drug trafficking, extortion and murder, in collaboration with police taskforces. Like the former CJC, the CMC is the place where Queenslanders can bring any serious concerns they might have about the misconduct of public officials. It is through the work of the CMC that public servants

who engage in serious misconduct, such as fraud, can be brought to account for their actions.

Also like the former CJC, the CMC offers a witness protection service to those people in need of it because of having helped a law enforcement agency fulfil its functions.

By adopting a cohesive approach to fighting crime and misconduct, the CMC is reducing duplication, eliminating replication, and bringing about greater cooperation among law enforcement agencies—factors that will not only forge a leaner and more focused organisation, but will lead to a safer and more ethical state for all Queenslanders.

See page 10 for the structure of the CMC.

CRIME JURISDICTION

The CMC’s Crime jurisdiction encompasses major crime anywhere in Queensland. Major crime includes:

- organised crime**—criminal activity involving offences punishable by not less than seven years’ imprisonment, two or more persons, planning and organisation or systematic and continuing activity, and a purpose of gaining profit, power or influence (e.g. drug trafficking)
- paedophilia**—criminal activity involving sexual offences against children or child pornography
- other serious crime**—criminal activity involving offences punishable by not less than 14 years’ imprisonment (e.g. murder, arson and extortion).

Matters are referred to the CMC by the Crime Reference Committee, a seven-member group established under the Crime and Misconduct Act. See page 31 for membership.

The Committee is able to refer investigations to the CMC at the request of either the Commissioner of Police or the CMC's Assistant Commissioner (Crime), or on its own initiative. The Committee usually only refers a matter if it is satisfied that the CMC's special powers might aid an investigation that could be ineffective using ordinary police powers, and if it thinks it is in the public interest for the CMC to become involved.

MISCONDUCT JURISDICTION

The CMC investigates official misconduct in the public sector, including the Queensland Police Service, and also has a monitoring role in relation to police misconduct. (See definitions.) The 'public sector' comprises state government departments and statutory bodies, state-run schools, universities and TAFE institutes, local government councils, prisons (state or private), the Queensland Police Service and Parliament. Matters usually come to our attention through our own intelligence work, through referrals by Chief Executive Officers and police, and through complaints made by the public.

WHAT IS 'OFFICIAL MISCONDUCT'?

Official misconduct is corrupt or other serious misconduct by a public sector officer relating to the performance of the officer's duties.

The conduct must:

- be dishonest or lack impartiality, or
- involve a breach of trust, or
- be a misuse of officially obtained information.

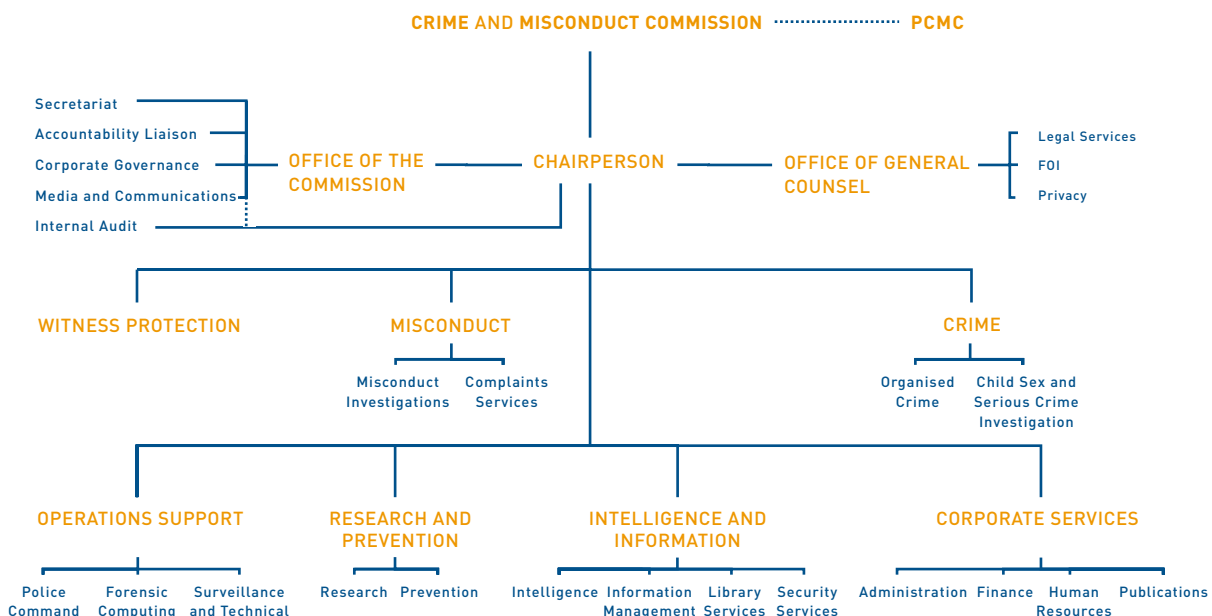
To amount to official misconduct the conduct must be a criminal offence or serious enough to justify dismissal. Official misconduct includes conduct by anyone who seeks to corrupt a public officer.

WHAT IS 'POLICE MISCONDUCT'?

Misconduct, other than official misconduct, is conduct that:

- (a) is disgraceful, improper or unbecoming an officer, or
- (b) shows unfitness to be or continue as an officer, or
- (c) does not meet the standard of conduct the community reasonably expects of a police officer.

STRUCTURE OF THE CMC



CORPORATE GOVERNANCE

GOAL:

To be an effective and productive organisation.

SUPPORTING OBJECTIVE:

Strive for excellence in our governance and corporate infrastructure.



ACCOUNTABILITY

The CMC's corporate governance framework is based on principles of openness, integrity and accountability.

Corporate governance is about how we manage and govern ourselves in order to achieve our goals and objectives. It includes:

- internal accountability structures—the way in which we plan, organise, manage and monitor our operations, performance and internal controls and strive to achieve best practice
- external accountability and reporting structures
- financial management and performance management systems and structures
- legislative compliance structures
- resource-management practices and structures (see 'Managing the Organisation').

Internal accountability structures

The Commission

The CMC is headed by a five-member Commission, which comprises a Chairperson (who is also CEO) and four Commissioners. (See pages 20–21 for current membership.) The Chairperson and Commissioners are appointed by the Governor-in-Council for fixed terms, usually not more than five years.

The Commission meets formally each fortnight to consider issues affecting all areas of the organisation including financial, staffing and managerial issues, specific crime and misconduct operations, research and intelligence projects and misconduct prevention activities.

When urgent matters arise, special meetings are convened at short notice either in person or by telephone. During 2001–02, the Commission met 42 times, of which 17 were special meetings, and met with the PCMC (formerly the PCJC) five times (see Table 1, page 14).

Qualifications

The Crime and Misconduct Act requires that the Chairperson be a legal practitioner who has served as, or is qualified for appointment as, a judge of the Supreme Court of any State, the High Court or the Federal Court.

As representatives of the community, the part-time Commissioners bring a broad range of professional expertise and personal experience to the Commission. The Crime and Misconduct Act requires one of the Commissioners to be a practising lawyer with a demonstrated interest in civil liberties. It also requires that one or more of the Commissioners have:

1. qualifications or expertise in public sector management and review, or criminology, or sociology, or research related to crime or crime prevention; and
2. community service experience, or experience of community standards and expectations, relating to public sector officials and public sector administration.

Remuneration

The Governor-in-Council determines the Commissioners' remuneration, according to the government standard for part-time members of boards, committees and statutory authorities.

The Strategic Management Group

CMC corporate policy and strategic directions, set by the Commission, are implemented by the Strategic Management Group (SMG), led by the Chairperson as CEO. The Group comprises the Chairperson, the Assistant Commissioners and Directors. (See page 22 for details of current membership.)

The role and responsibilities of the Strategic Management Group are detailed in its charter. Minutes of the Group's meetings record decisions and action items to ensure conformity with the charter and balanced performance reporting. The SMG meets each fortnight. The Assistant Commissioners and Directors also meet regularly with the Commission.

Committees

From the inception of the CMC, particular attention has been given to risk management. In addition to the SMG, the Commission has a comprehensive committee structure to comply with corporate governance principles of effective management. To ensure these committees maintain a strategic focus, terms of reference, in the form of a charter, have been developed that define the roles and responsibilities of the committees and their members. Copies of the charters, which are endorsed by the Commission, are available to all staff through the CMC intranet. At the end of each financial year, the performance of each committee is evaluated.

Audit Committee

Provides an independent assessment of the adequacy and effectiveness of our internal control systems.

The Commission acknowledges that the effectiveness of the Audit Committee in fulfilling its role depends largely on the combined diligence, skills and competencies of its members and, more specifically, competencies in financial management internal control, risk management, and financial and operating reporting. The committee's external member brings independent expertise to the decision-making process and complements the skills and experience of CMC members.

After the merger in January 2002, the committee reconsidered the composition of its membership. To ensure appropriate representation and expertise in relation to crime matters, it invited the Manager, Financial Crime Investigations, to join the committee.

As part of ensuring best practice, new committee members are provided with a copy of the committee's charter, which outlines its terms of reference and responsibilities, and a copy of Queensland Treasury's *Audit Committee Guidelines: Improving Accountability and Performance*. The committee also requested the

TABLE 1. Attendance of Commissioners at meetings 2001–02

	With PCMC no. = 5	Ordinary meetings no. = 25	Special meetings no. = 17
B Butler SC	5	23	16
Hon B Pincus QC***	1	11	6
S Goold OAM	4	23	16
R Rinaudo	1	21	16
M Steinberg	4	20	13
D Browne AO**	1	11	6
J Callanan*	2	13	4
S Lambrides*	2	13	4

* Since January 2002, under the *Crime and Misconduct Act 2001*, the Assistant Commissioner, Crime, and the Assistant Commissioner, Misconduct, may now attend Commission meetings but have no voting rights.

** Commissioner Browne left the Commission in December 2001.

*** Commissioner Pincus was appointed in December 2001.

Commission to arrange for a risk profile of the CMC to be undertaken from which it can develop an Internal Audit Strategic Plan for the new organisation. PriceWaterhouseCoopers was engaged to undertake a complete risk assessment and present to the committee a suggested internal audit strategy for the next three years.

Arising from this exercise, the committee developed an Internal Audit Strategic Plan 2002–05 and an Internal Audit Program 2002–03.

Outputs for 2001–02:

- Reviewed the CJC 2000–01 financial statements and the CJC and QCC financial statements for the period 1 July 2001 to 31 December 2001.
- Met with the Finance Manager and Assistant Auditor-General, Queensland Audit Office (QAO), to discuss the QAO's audit strategy for the CJC 2000–01 audit.
- Sponsored an organisation-wide risk assessment following the merger of the CJC and QCC.
- Reviewed the reports of two audits undertaken by independent contractors and finalised the acceptance of those reports.
- Monitored the status of implementation of recommendations of previous audit reports.

Finance Committee

Oversees the budget process and financial management.

Outputs for 2001–02:

- Endorsed internal budgets for 2001–02 and a draft budget for 2002–03.
- Conducted a mid-year review of the revenue and expense budget for the CMC.
- Prepared budget estimates and other financial information for the Ministerial Portfolio Statements, the Parliamentary Estimates Committee and the Minister.
- Considered and advised on whether the Commission should revise its asset threshold.
- Determined resourcing options for the CMC, having regard to the outcomes to be delivered.
- Considered Commission proposals that had a significant financial effect.

Information Steering Committee

Ensures effective use of information infrastructure and resources. The external member on this committee brought independent expertise to the committee decision-making process which added value to the deliberations.

Outputs for 2001–02:

- Endorsed the 2002–06 Information and Communication Technology Resources Strategic Plan.
- Supervised the development and implementation of the 2002–03 Information Management Operational Plan.
- Ensured compliance with government standards and policies.

Legislation Committee

Ensures compliance with relevant legislation and reviews the applicability of the legislation governing the CMC.

Outputs for 2001–02:

- Implemented and monitored a review of compliance with legislation—the legislative review was commenced when the CJC was in operation and completed after the merger to ensure compliance with new legislation.

Risk Management Committee

Ensures the CMC maintains robust and effective risk management strategies and related practices.

Outputs for 2001–02:

- Developed a risk-analysis matrix and risk-assessment worksheet for use in the Commission.
- Liaised with various areas of the CMC regarding the development of risk-assessment processes.
- Provided advice to operational areas on specific areas of risk.

Workplace Health and Safety Committee

Monitors and implements policies and strategies to safeguard health and safety.

Outputs for 2001–02:

- Provided training and education sessions for manual handling, ergonomics, first aid and fire extinguisher use.
- Began planning an audit of our health and safety management systems. The results of the audit will help the committee develop a workplace health and safety plan and decide on its future priorities.
- Provided advice to operational areas on standards, risks and procedures pertaining to workplace health and safety.

Equal Employment Opportunity Consultative Committee

Ensures that administrative policies and practices adhere to the principles of EEO.

Outputs for 2001–02:

- Conducted a staff census/survey regarding EEO.
- Established a network of contacts covering all target groups.
- Provided training sessions on Indigenous cultural awareness and the CMC recruitment and selection process (the latter now incorporated into the Middle Manager Development Program).
- Conducted sexual harassment information sessions for all staff.
- Produced an EEO events calendar and promoted major EEO events.
- Developed the EEO Management Plan 2002–03.

See also Appendix C.

Commission Consultative Committee

Provides a forum for employees and senior management to exchange ideas, concerns and points of view.

Outputs for 2001–02:

- Discussed numerous issues relating to the implementation of the merger between the CJC and QCC, staffing structure and classifications, various human resource management policies and the progress of the co-location of the Crime function from Milton to Terrica Place in 2003.

Other management committees

There are three committees that deal specifically with operational matters: the Committee for Operations and Projects (COP), the Executive Assessment Committee (EAC) and the Covert Operations and Review Committee (CORC). Details of the work conducted by these committees cannot be given here.

Table 2 outlines the membership of Commissioners, Assistant Commissioners and Directors on these various committees.

Internal Audit

Internal Audit is an independent function responsible for the systematic review and appraisal of the efficiency, economy and effectiveness of CMC operations. It is instrumental in promoting and improving internal controls, accountability and operational efficiency.

The CMC’s Strategic Audit Plan and annual audit plans are developed according to identified risks likely to confront the organisation. (Refer to section on Audit Committee for more details, page 14.)

Over recent years the Commission has outsourced its internal audit activities through a list of preferred suppliers. In 2002–03, however, we will be trialling the employment of a part-time internal auditor, as well as continuing to outsource some specialist aspects. This approach acknowledges that, while it is important that internal audits are undertaken in-house, there are some audits, such as those involving information technology, that may require expertise that is only available from outside contractors.

The function is administratively responsible to the Executive Director and reports directly to the Chairperson, as CEO, through the Audit Committee.

TABLE 2 Membership of Commissioners and Directors on Management Committees 2001–02

	Audit Committee	Commission Consultative Committee	Equal Employment Opportunity Consultative Committee	Finance Committee	Information Steering Committee	Legislation Committee	Risk Management Committee	Workplace Health and Safety Committee
Membership								
Chairperson	** ✓	✓		* ✓	* ✓	* ✓		
Commissioner Goold			* ✓					✓
Commissioner Pincus						✓	✓	
Commissioner Rinaudo				✓		✓		
Commissioner Steinberg	* ✓							
Assistant Commissioner, Crime				✓	✓	✓		
Assistant Commissioner, Misconduct				✓	✓	✓	✓	
Executive Director	** ✓	✓		✓	✓			* ✓
Director, Witness Protection & Operations Support					✓		✓	
Director, Research & Prevention					✓			
Director, Intelligence & Information					✓		* ✓	

* Denotes Committee Chair
** Ex-Officio Member

Strategic direction

This annual report relates to the strategies and proposed activities outlined in the strategic and business plans for the period 2000–01.

The CMC’s Strategic Plan, covering 2002 to 2006, was produced in June 2002 (see Appendix B). The plan indicates the ways in which we intend to achieve our goals and outputs, while unit business plans detail performance measures that allow the Commission, as the accountable body, to assess the organisation’s performance and delivery.



The PCMC as at 30 June 2002: (back row from left) Mr Andrew McNamara MP (Hervey Bay), Mr Stuart Copeland MP (Cunningham), Mr Kerry Shine MP (Toowoomba North), and Dr John Kingston MP (Maryborough); (front row from left) Mr Howard Hobbs MP (Warrego) and Deputy Chair, Mr Geoff Wilson MP (Ferny Grove) and Chair, and Ms Desley Boyle MP (Cairns).

External accountability and reporting structures

Although the CMC is an independent statutory body separate from the government of the day, it is accountable for its actions through a variety of mechanisms, the principal one being the Parliamentary Crime and Misconduct Committee (PCMC).

The PCMC

The PCMC is a seven-member, all-party committee of the Queensland Legislative Assembly established to:

- review our guidelines and make suggestions for improvement of our practices
- review our reports, including our annual report and research reports
- request reports from us on matters that have come to its attention through the media or by other means
- receive and consider complaints against us and deal with issues concerning us as they arise.

The Commission formally meets with the PCMC on a regular basis (usually every two months) to discuss current activities and performance. A comprehensive report, which details the Commission's activities during the reporting period, is prepared for the Committee in advance of these meetings.

In accordance with the provisions of the Crime and Misconduct Act, the PCMC must review the work of the CMC every three years. The Committee then

provides a report to Parliament on its review, commenting on the appropriateness of our legislation and our functions, powers and operations.

The PCMC may also direct the Parliamentary Crime and Misconduct Commissioner to audit and review our activities and to investigate any complaints about us.

The appointment of the CMC Chairperson and Commissioners may occur only with the support of a bipartisan majority of the Committee.

Other external accountability mechanisms

In addition to the PCMC, we are also accountable for the exercise of some of our powers to the Supreme Court, the Public Interest Monitor and the Controlled Operations Committee.

The Honourable Peter Beattie MP, Premier and Minister for Trade, is the Minister currently responsible for the CMC. The Minister participates in the selection of the Chairperson, Commissioners and Assistant Commissioners, approves staff remuneration conditions and approves our budget. Also, the legislation requires the Minister to ensure that the Commission operates in accordance with best practice standards.

To assist the Minister in this regard, the Commission must report on the efficiency, effectiveness, economy and timeliness of our operational processes.

Financial management and performance management systems and structures

Financial management is the responsibility of all CMC managers. The CMC operates in an accrual output-based financial management framework where all senior managers are responsible and accountable for the achievement of corporate goals and objectives within approved budget allocations. As stated above, the CMC's Finance Committee assists the Commission in its role of managing the budget process and ensuring that appropriate and effective financial management practices are in operation.

We report on our financial management through a range of internal and external mechanisms:

- We report to the Minister and Queensland Treasury in relation to budget projections published annually in the Ministerial Portfolio Statement (part of the State Budget Papers).
- We prepare financial statements for inclusion in our annual report.
- We have an internal budget reporting regime which assists the Commission, the Strategic Management Group and other senior managers in their financial management role.

We report on our operational performance through narrative reports and statistical information:

- Narrative reports on the success of our investigations and projects are provided through our annual report, publications and website.
- Statistical information about our activities can be found in our annual report.
- Operational performance targets are reported to the Minister and Queensland Treasury through our annual Ministerial Portfolio Statement (part of the State Budget Papers). These include a range of measures relating to aspects of quantity, quality, timeliness and cost.

The CMC is currently developing a new reporting framework, along the lines of a 'balanced scorecard' approach, to ensure that there is a strong link between our strategic planning, financial management and operational performance management frameworks. The main aim of this approach will be to bring together, in a succinct reporting format, the financial and non-financial performance of the organisation.

Legislative compliance structures

Legal Counsel

The Office of General Counsel, which comprises General Counsel, the Official Solicitor, the FOI Coordinator and a legal officer, is responsible for the provision of independent legal advice, encompassing such areas as contract, administrative and criminal law, to the Commission and the various operational areas of the CMC. The Office is also responsible for the representation of the CMC in all litigation in which it is a party. This may sometimes involve the engagement of external advice and representation. The Office:

- responds to subpoenas and other compulsory processes served on the CMC seeking production of documents in circumstances where confidentiality arises
- has a liaison and coordination role with the Parliamentary Crime and Misconduct Commissioner
- oversees the CMC's responses to the PCMC
- prepares and coordinates the CMC's submissions to other external bodies on diverse legal issues, such as the content of proposed legislation
- undertakes some internal FOI reviews.

Freedom of Information and Privacy legislation

Freedom of Information legislation

The CMC is subject to the *Freedom of Information Act 1992*, which means members of the public are entitled to make application for access to our documents under that Act (see Table 3).

Under the FOI Act certain documents may be exempt from access on grounds such as legal professional privilege, parliamentary privilege or matters relating to the personal affairs of others. If applicants are aggrieved by a decision to refuse or limit access, they may request an external review, which means the matter will go to the Information Commissioner.

Applications under the FOI Act must be in writing. No charge applies to applications that seek access to documents relating to the personal affairs of the applicant. Charges apply to non-personal requests.

Most applications received by the CMC are requests by complainants for access to documents concerning their complaint.

Privacy

A new privacy regime for the Queensland public sector was introduced on 10 September 2001 when Cabinet approved Information Standard 42. The scheme, which is administratively based, gives effect to eleven Information Privacy Principles (IPPs) adapted from the *Privacy Act 1988* (Cwlth).

Information Standard 42 requires agencies to review the way they currently handle personal information to ensure that they comply with the requirements of the IPPs. The Commission is exempt from IPPs 2, 3, 9, 10 and 11 for all functions except administrative functions. As a result, much of the Commission’s core activities are excluded from the privacy scheme.

In accordance with the requirements of Information Standard 42, the Commission has nominated a privacy contact officer, developed a privacy plan to give effect to the IPPs, and published the plan on its website. Steps are being taken to implement the privacy plan according to the schedule set out in the plan.

TABLE 3. FOI Applications and Reviews 2001–02

Applications:	
Personal applications received	41
Non-personal applications received	18
Total	59
Access:	
Full access granted (personal)	15
Full access granted (non-personal)	2
Partial access granted (personal)	14
Partial access granted (non-personal)	4
Full denial (matter exempt)	2
No documents located	6
Outstanding as at 30 June	5
Withdrawn/lapsed (fee not paid)	10
Amendment of Information	1
Reviews:	
Internal	6
External	2

Two members of the staff of the Office of General Counsel: Robert Evans and Anita Herzig.



Membership of the Commission

Brendan Butler SC

Before being appointed Chairperson of the CMC in January 2001, Mr Butler was the Chairperson of the Criminal Justice Commission and a member of the Management Committee of the Queensland Crime Commission.

Mr Butler's legal career has spanned periods both as a Crown Prosecutor and as a barrister in private practice. From 1989 to 1996 he held the position of Deputy Director of Public Prosecutions. From June 1987 to September 1989, he was Counsel Assisting the Fitzgerald Commission of Inquiry, the forerunner of the CJC. In 1990, he was the principal Counsel Assisting the Ward 10B Commission of Inquiry in Townsville.

Mr Butler holds the degrees of Bachelor of Arts, Bachelor of Laws and Master of Laws from the University of Queensland. He is a co-author of the 10th and 11th editions of Carter's *Criminal Law of Queensland*. He was accorded the status of Senior Counsel in 1994. In 1998, he was appointed Chairperson of the CJC and, in December 2001, Chairperson of the Crime and Misconduct Commission.

Sally Goold OAM

Mrs Goold is a registered nurse with a Diploma in Nursing Education, a Bachelor of Education (Nursing), a Bachelor of Applied Science (Nursing) and a Master of Nursing Studies. From 1991 to 1996 she was a lecturer at the Queensland University of Technology in undergraduate and postgraduate programs at the School of Nursing.

In 1986, she was awarded the Medal of the Order of Australia for service to nursing education and Aboriginal health and in 2000 was awarded the Royal College of Nursing (Queensland Chapter) Distinguished Nursing Award. She received an honorary doctorate of nursing from the Royal Melbourne Institute of Technology in 2002 and was instrumental in forming the Congress of Aboriginal and Torres Strait Islander Nurses (CATSIN), of which she is Chairperson. She is a member of advisory boards and committees of three universities and has been a Commissioner since July 1999.

Ray Rinaudo

Mr Rinaudo has a Master of Laws and has practised as a solicitor for over 20 years. He has held many professional

and statutory appointments including being a member of the Council of the Queensland Law Society, President of the Queensland Law Society in 1991–92, a Legal Aid Commissioner, and a member of such committees as the National Legal Aid Advisory Committee, the Social Security Appeals Tribunal and the Appeals Costs Board of Queensland.

He has extensive involvement with Alternative Dispute Resolution, and holds mediator appointments under both the District and Supreme Courts, as well as for other professional bodies such as the Queensland Law Society, the Queensland Building Services Tribunal, the Retail Shop Leases Tribunal and the Justice Department.

He is currently Chairperson of the Professional Standards Tribunal for the Real Estate Institute of Queensland and a part-time member of the Administrative Appeals Tribunal. He was appointed a Commissioner to the CJC in September 1999.

Margaret Steinberg

Dr Margaret Steinberg has a PhD (Child Health and Education) from the University of Queensland. At the time of her appointment as a Commissioner to the CJC in October 2000, she was Deputy President of the Guardianship and Administration Tribunal and Foundation Director of the Healthy Ageing Unit, School of Population Health, University of Queensland. Her awards include a Churchill Fellowship (disability), a NHMRC Public Health Travelling Fellowship (telecommunications/telemedicine) and a WHO-supported study in HIV/AIDS.

She has published more than 40 major reports to government and industry. An interest in decision making, ethics, governance and prevention is reflected in her policy and research work and various committee memberships. She is currently an adjunct professor in the Centre of Philanthropy and Nonprofit Studies, Queensland University of Technology, a member of the Board of Governors of the Queensland Community Foundation and Vice President of the Queensland Council of Social Services.

Hon. Bill Pincus QC

The Honourable Bill Pincus was appointed a Commissioner of the Criminal Justice Commission in December 2001. He is a graduate in law with first-class honours from the University of Queensland. He lectured part-time at that university for seven years (in Civil Procedure and Real Property) and is currently an Adjunct Professor in the Law Faculty.

He practised at the private Bar from 1959 to 1985, becoming a Queen's Counsel in 1974. He was appointed to the Federal Court in 1985 and resigned to become a member of the Queensland Court of Appeal in 1991. He retired from the Bench in March 2001. During his term in practice he was active in the profession, becoming President of the Queensland Bar Association, Chairman of the Queensland Barristers' Board and President of the Law Council of Australia.

Dina Browne AO

Mrs Browne was first appointed a Commissioner in September 1996 and reappointed in December 1999. She has a Bachelor of Arts from the University of Natal and has taught in South Africa and Swaziland as well as

Australia. A long career in television included appointments as Director of Children's Television for the Seven Network and Manager of the Festival of Television for Australian Children, for the Commonwealth Government.

She has been a member of the Board of Trustees for the Queensland Museum and Chairperson of the Film Queensland Assessment Panel, and has served on many community and university committees. She was a recipient of the United Nations Media Peace Award and has three personal Logies.

Mrs Browne left the Commission on 16 December 2001 but continues her involvement with the CMC through her work as a Review Commissioner (see also page 79).

The Commission as at 30 June 2002: (clockwise) Hon. Bill Pincus QC, Margaret Steinberg, Sally Goold, Brendan Butler SC (Chairperson), and Ray Rinaudo.



Membership of the Strategic Management Group



Stephen Lambrides, Assistant Commissioner, Misconduct. Mr Lambrides is a barrister with a Bachelor of Commerce and a Bachelor of Laws from the University of Queensland.



Paul Roger, Director, Intelligence and Information. Mr Roger holds qualifications in criminal law and police administration from the Royal Hong Kong Police Force and a Bachelor of Arts (Justice Studies) from the Queensland University of Technology.



Forbes Smith, Director, Investigations. Mr Smith has a Bachelor of Laws from the University of Queensland and is a Barrister of the Supreme Court of Queensland.



Paul Mazerolle, Director, Research and Prevention. Dr Mazerolle has a PhD in Criminology from the University of Maryland, USA, a Masters in Criminal Justice from North Eastern University, Boston, and a Bachelor of Sociology from the University of New Brunswick, Canada.



John Callanan, Assistant Commissioner, Crime, has a Bachelor of Laws (Honours) from the University of Queensland and, prior to his appointment, over 20 years' experience in the criminal justice system as a Crown Prosecutor and Barrister in private practice.



Graham Brighton, Executive Director, and head of Corporate Services and the Office of the Commission. Mr Brighton holds qualifications in personnel management and a Bachelor of Arts from the University of Queensland.



Assistant Commissioner Kathy Rynders APM, Director of Witness Protection and Operations Support. Assistant Commissioner Rynders has a Bachelor of Arts from the University of Queensland, a Bachelor of Social Science from Charles Sturt University and a Graduate Diploma in Management from the University of Central Queensland.



Helen Couper, Director, Complaints Services. Ms Couper has qualifications as a Solicitor of the Supreme Court of Queensland and the High Court of Australia. She is also a Barrister-at-Law of the Supreme Court of the Australian Capital Territory and Supreme Court of Victoria.



Detective Chief Superintendent Jan Lidicky APM, Director, Crime Operations, has a Bachelor of Arts from the University of Queensland and has been a serving police officer since 1972.



The Strategic Management Group as at 30 June 2002: l. to r. back row: Paul Mazerolle (Research & Prevention), Kathy Rynders (Witness Protection & Operations Support), Paul Roger (Intelligence & Information), Graham Brighton (Executive Director), Forbes Smith (Investigations), Helen Couper (Complaints Services); l. to r. front row: Stephen Lambrides (Misconduct), Brendan Butler SC (Chairperson), John Callanan (Crime), Felix Grayson (representing Jan Lidicky, Crime Operations).



Executive Assistants l. to r.: Vicki Graham (Executive), Lisa Evans (Research & Prevention), Annette Brisbin (Office of the Commission), Alison Reichert (Misconduct), Robyn Nuttall (Intelligence & Information). Absent: Therese Flynn (Crime) and Karyn Worth ((Witness Protection & Operations Support).



CRIME

GOALS:

To combat and prevent major crime.

SUPPORTING OBJECTIVES:

Conduct effective multidisciplinary investigations into major crime, including organised crime and paedophilia.

Identify and react to investigative priorities through proactive intelligence and research activities.

Undermine the financial basis of crime by identifying and targeting the proceeds of crime for confiscation.

Maintain close partnership with the Queensland Police Service and cooperative arrangements with other agencies.

JUSTICE

CRIME

Outcomes from last year's outlook (QCC Annual Report 2001–02)

What we said we would do:	What we did:
Major crime	
Continue to target individuals, networks and crime markets according to the QCC's risk evaluation process.	We engaged in a total of 21 new and continued organised crime investigations. These investigations targeted individual and network participants in those criminal markets we had assessed as representing the most serious risks to Queenslanders. Our emphasis was on the amphetamine market and money laundering activity associated with that and other dangerous drug markets.
Attack the profitability of crime by maximising the identification and seizure of criminal assets.	The financial aspects of criminal activity continued to be a focus, in order to attack the profit motive underlying organised crime. Operations involved criminal assets seizures and restraints totalling \$0.9 million and proposed applications for pecuniary penalty orders for a total of \$6.5 million.
Establish a multidisciplinary joint QCC–QPS taskforce (TF Scorpion) to proactively target suspected child-sex offender networks and conduct investigations into identified networks.	Taskforce Scorpion was formed on 30 July 2001 as a joint initiative of the QPS and the QCC to target and investigate suspected child-sex offender networks. Four suspected criminal paedophile networks have been investigated by the taskforce.
Continue to target organised criminal paedophilia networks and recidivist offenders involved in child-sex offending on the Internet.	We continued to undertake proactive investigative activity to detect and gather evidence against persons using the Internet to trade in child pornography and identify and groom potential child victims. As a result of our interaction with other agencies, we were given nine referrals from intrastate, interstate and overseas agencies. For the same period, we disseminated 20 individual cases concerning operational targets to other jurisdictions.
<p>By 'major crime' we mean:</p> <p>organised crime — criminal activity involving offences punishable by not less than seven years' imprisonment, two or more persons, planning and organisation or systematic and continuing activity, and a purpose of gaining profit, power or influence (e.g. drug trafficking)</p> <p>paedophilia — criminal activity involving sexual offences against children or child pornography</p> <p>other serious crime — criminal activity involving offences punishable by not less than 14 years' imprisonment (e.g. murder, arson and extortion).</p>	

What we said we would do:	What we did:
Proactively target criminal networks involved in organised crime.	We continued proactive, intelligence-based targeting of criminal networks as well as joining in operations commenced by our partner law enforcement agencies. Of our 21 organised crime operations, 8 were the product of our proactive approach and were among the most effective of our investigations.
Project Ramson will continue to assess the criminal environment in Queensland with a particular focus upon the illicit drug markets, the organised property crime market and money laundering.	Through Project Ramson, we continued to monitor developing trends in the Queensland criminal environment. Assessments pointed to the increasing risk posed by the ecstasy market and niche drug markets. New initiatives will broaden the focus to organised property crime and cyber-crime.
Intelligence	
The publication of periodic law enforcement reports, focusing on those organised crime or criminal paedophilia matters of strategic importance.	Four <i>Intelligence Digests</i> were produced, focusing on aspects of the illegal drugs market, together with a strategic assessment of an aspect of organised crime in Queensland.
The publication of periodic public release Crime Bulletins advising the Queensland community in terms of organised crime trends and the associated risks.	Two <i>Crime Bulletins</i> were produced, one on the ecstasy market in Queensland (August 2001) and the other on the illicit market for ADHD (Attention Deficit Hyperactivity Disorder) drugs (April 2002).
The ongoing proactive development of tactical targets (both organised crime and criminal paedophilia) based on strategic intelligence assessments.	We undertook 10 separate target development probes or projects, some in relation to crime markets and others in relation to geographical areas of Queensland. Five separate matters were referred to Commission tactical teams for further development.
The consolidation of links to academic institutions and the extensions of information networks.	Commission officers provided guest lectures to relevant courses at tertiary institutions. The assistance of university academics was sought for several assessments and tertiary students completed projects for the Commission. An extensive information network was established in many sectors and geographical areas.
An ongoing focus on the amphetamine market.	Through Project Lauda, we identified targets in the amphetamines market for the tactical teams and contributed to State and Federal multi-agency initiatives in relation to amphetamines. Through Project Faber, we continued to focus upon the identification of suspected facilitators of money laundering and associated criminal activities.

Merger of the QCC and the CJC

The *Crime and Misconduct Act 2001* effectively merged the functions of the Queensland Crime Commission and the Criminal Justice Commission to create a single organisation with both crime and misconduct functions. In the performance of its Crime function the CMC adopts the operational philosophy that underpinned the QCC's effectiveness.

The merger has, however, significantly enhanced our ability to respond to the incidence of organised and serious crime and paedophilia by increasing our crime-fighting capacity in key areas, as outlined below.

- The creation of the Strategic Intelligence Unit (SIU) permits us to draw upon extensive strategic intelligence expertise in identifying targets, evaluating crime markets and assessing the vulnerabilities of criminal networks.
- The Commission's crime research capacity provides us with a more comprehensive understanding of the nature of crime problems in our society, particularly drugs and the phenomenon of criminal paedophilia and provides us with a sound basis for focusing our investigative activities.
- The Commission's Technical and Surveillance Unit enhances our capacity to implement productive target identification and development strategies.
- Administrative efficiencies arising from the merger permit us to fulfil our accountability and corporate governance responsibilities.
- The drawing together of our research, intelligence and investigative capacities permits us to give a new emphasis to preventive outcomes in the performance of this core function.

Our operational philosophy

We adopt a multidisciplinary team approach, using research, intelligence, investigative, financial and legal expertise, and work in partnership with the QPS and other law enforcement agencies to make optimal use of available resources. Police taskforces carry out tactical investigative work under the direction of the Commissioner of Police and in partnership with the CMC. These taskforces provide essential operational assistance to CMC investigations and help minimise duplication of effort.

Apart from our major partner, the Queensland Police Service, we work cooperatively with the National Crime Authority (NCA), the Australian Federal Police (AFP), the Australian Customs Service, and other agencies at both State and Commonwealth levels. The work we undertake using such approaches draws on sound crime research and the criminal intelligence process.

The Crime function and criminal intelligence

Much of our work depends on strategic intelligence. Through it we monitor crime markets in Queensland and produce assessments that help investigators make sound, informed decisions.

The SIU identifies individuals, networks and activities for investigation by either crime or misconduct areas. It does this proactively through using strategic intelligence assessments, applying risk-evaluation processes and exploiting diverse sources of information.

The SIU also identifies and assesses paedophile activity. For example, since January 2002 it has referred two such matters for tactical development to the QPS Taskforce Argos and the Commission's Egret Team.

Through the unit, the Commission liaises closely with partner law enforcement agencies to eliminate duplication and enhance information sharing at both state and national levels.

Another way we put to work the information and intelligence we gather is through regular publication of *Crime Bulletins* and *Intelligence Digests*. The *Bulletins*, which are freely available to the public, are designed to heighten community awareness of organised crime issues, trends and forecasts. The *Digests*, which have a strictly limited 'in-confidence' circulation, are designed to keep law enforcement officers and agencies informed about emerging crime trends in Queensland and the risks they pose.

All our major intelligence publications are referred to an external reviewer for review before publication. For 2002–03, it is expected that 100 per cent of reviewed research and intelligence publications will meet defined quality standards.

Our special crime-fighting powers

The CMC is given special coercive powers not available to police, including the power to require persons to attend and give sworn evidence in relation to major crime. The granting of such powers to the CMC is a vital part of the response to the growing sophistication of organised crime and the impact on society of child-sex offending and other serious crimes that can at times defy ordinary investigation methods.

While we are given wide-ranging law enforcement powers, including search, surveillance and seizure powers, it is the power to conduct hearings that sets the CMC apart from other agencies such as the QPS.

Description	2000-01	2001-02
Investigative hearings (days)	29	45
Notices to attend	52 issued 49 served	82 issued 65 served
Witnesses legally represented	23	17
Witnesses who applied to Attorney-General for financial assistance	7	7
Witnesses giving evidence	45	58

Description	2000-01	2001-02
Investigative hearings (days)	—	3
Notices to attend	—	4 issued 4 served
Witnesses legally represented	—	0
Witnesses who applied to Attorney-General for financial assistance	—	0
Witnesses giving evidence	—	4

Description	2000-01	2001-02
Investigative hearings (days)	52	27
Notices to attend	88 issued 72 served	39 issued 34 served
Witnesses legally represented	22	8
Witnesses who applied to Attorney-General for financial assistance	8	0
Witnesses giving evidence	71	32

It is the principal way in which we are able to add value to investigations otherwise limited by the use of traditional methods.

The hearings power is a potent investigative tool because it greatly enhances the CMC's ability to break through the 'wall of silence' that frequently characterises organised crime, paedophile activity and, often, the perpetrators of serious crimes. However, the CMC is acutely conscious of the need to use such special powers in a discerning way with appropriate regard to the public interest in solving crime and calling wrongdoers to account, on the one hand, and the rights of the individual, on the other. Tables 4 to 6 depict the extent of our use of this special power in 2001-02.

As well as the power to compel persons to attend and give evidence, we have the power to require the production of documents and other things. We use this power extensively in proactive financial investigations to help remove from criminals their unlawfully acquired assets.

The extent of our use of this coercive power is evident from Tables 7 and 8, which depict our use of the power this year.

	2000-01	2001-02
Organised crime	288	185
Criminal paedophilia	—	1

	2000-01	2001-02
Banks	221	153
Financial institutions	8	12
Other	49	16
Solicitors	6	3
Accountants	1	1
Casinos	3	1

An important aspect of our investigative activity is our ability to access search, surveillance and seizure powers. Covert activity of this kind can be particularly effective, but, because of its potentially intrusive nature, we are required to seek the approval of a Supreme Court judge before proceeding. Powers under

both our legislation and the *Police Powers and Responsibilities Act 2000* are used, depending on operational considerations. Table 9 indicates the number of warrants we obtained and the legislation used.

TABLE 9. Other powers used	
2001-02	
Crime Commission Act and Crime and Misconduct Act	
Notice to a unit of public administration	1
Search warrants	—
Surveillance warrants	—
Covert search warrants	1
Police Powers and Responsibilities Act	
Search warrants	—
Surveillance warrants	9
Covert search warrants	3

Crime references

Our investigations are limited to matters that are the subject of referrals to us by the Crime Reference Committee. The Committee consists of the Assistant Commissioner, Crime (as Chairperson), the CMC Chairperson, the Commissioner of Police, the Chair of the NCA, the Commissioner for Children and Young People, and two community representatives.

The Committee has referred a range of criminal activity under broad ‘umbrella’ references in relation to organised crime and paedophilia. For those kinds of criminal activity, we conduct tactical target-development investigations without further approval from the Committee, but subject to strict internal criteria. Major crime that does not fall under one of these ‘umbrella’ references may become the subject of a particular referral. This usually happens in relation to serious crimes such as murder. Table 10 lists references under which investigations were conducted in 2001-02 and indicates which ones were completed.

Crime Reference Committee as at 30 June 2002: l. to r. Acting Assistant Commissioner Peter Swindells (representing the Queensland Commissioner of Police), Ross Barnett, Manager of Investigations, NCA (representing the NCA Chairperson); Robin Sullivan, Commissioner for Children and Young People; John Callanan, CMC Assistant Commissioner, Crime; Brendan Butler SC, CMC Chairperson; Judith Bell, community representative. The second community representative position was vacant.



TABLE 10. References active in 2001-02

Referral	Date referred	Status during year	Reference type	Description
07/98 (Blade, Panzer, Freshnet)	June 1998	Active	Organised crime	An umbrella organised crime reference corresponding to the NCA BLADE, PANZER and FRESHNET references
08/98 (Freshnet New)	3 August 1998	Active	Organised crime	An umbrella organised crime reference corresponding to the NCA FRESHNET NEW reference
09/98 (Limbeck/ Swordfish)	August 1998	Active	Organised crime	An umbrella organised crime reference relating to money laundering corresponding to the NCA LIMBECK/ SWORDFISH reference
11/98 (Tiber)	November 1998	Active	Serious crime	Murder
01/00 (Fernridge)	April 2000	Investigation completed November 2001	Serious crime	A suspected murder
02/00 (Gatekeeper)	April 2000	Active	Organised crime	An umbrella organised crime reference relating to money laundering
05/00 (Have)	August 2000	Investigation completed February 2002	Serious crime	Murder
06/00 (Grade)	November 2000	Investigation completed October 2001	Serious crime	A suspected murder
08/00 (Tallow)	November 2000	Investigation completed February 2002	Serious crime	A suspected murder
09/00 (Tallow)	November 2000	Investigation completed February 2002	Serious crime	A suspected murder
01/01 (Lancaster)	February 2001	Investigation completed July 2001	Organised crime	Production and trafficking of a dangerous drug
02/01 (Samian)	February 2001	Investigation completed February 2002	Serious crime	Murder
03/01 (Fulham)	March 2001	Investigation completed September 2001	Serious crime	Arson
04/01 (Waterloo)	March 2001	Investigation completed February 2002	Serious crime	Attempt to procure murder
01/02 (Atrax)	January 2002	Active	Criminal paedophilia	An umbrella criminal paedophilia reference relating to Internet-based child-sex offending
02/02 (Scorpion)	January 2002	Investigation completed May 2002	Criminal paedophilia	Previously identified suspected paedophile networks

continued next page

Table 10 continued

References active in 2001-02				
Referral	Date referred	Status during year	Reference type	Description
03/02 (Enchanted)	February 2002	Active	Serious crime	Attempted murder
04/02 (Jarvis)	February 2002	Active	Serious crime	Suspected murder
05/02 (Denver)	March 2002	Active	Serious crime	Suspected murder
06/02 (Caribbean)	March 2002	Active	Serious crime	Suspected receiving in Queensland of property stolen interstate
07/02 (Verona)	April 2002	Active	Criminal paedophilia	Suspected extra-familial paedophile activity in North Queensland
08/02 (Anvil)	April 2002	Active	Criminal paedophilia	Suspected extra-familial paedophile activity in South East Queensland
09/02 (Alaska)	April 2002	Active	Criminal paedophilia	Suspected extra-familial paedophile activity in South East Queensland
10/02 (Isle)	May 2002	Active	Serious crime	Murder

Information exchange

The Commission has continued to participate in the broader law enforcement environment in both Queensland and Australia. One aspect of this participation has been the regular exchange of information and intelligence, which is a by-product of significant liaison with partner agencies. This has ensured that duplication of effort has been minimised and that the information exchange between partner law enforcement agencies is effective, timely and productive.

The CMC's intelligence analysts have also benefited from evolving relationships with a number of tertiary institutions.

The intelligence database

During 2001-02, the Commission contributed 188 source documents to the Australian Criminal Intelligence Database (ACID). Source documents consist of intelligence and information reports, offender profiles and criminal and post-operational assessments focusing on organised crime, criminal paedophilia and other criminal activity.

As well, intelligence analysts used the databases to create new entities and associations between diverse pieces of data (for example, persons of interest, addresses of interest, vehicles and telephone numbers of criminal identities). These entities and associations benefit other ACID users by creating searchable links between persons of interest and their criminal associates and activities.

Overview of performance 2001–02

- We conducted strategic overviews and assessments of organised crime in Queensland, ranking significant illegal industries, markets and commodities according to risk.
- Our strategic intelligence expertise was used to identify and assess individuals and networks engaged in organised crime and paedophile activity.
- We prepared and disseminated two *Crime Bulletins*, four *Intelligence Digests* and one strategic intelligence assessment.
- In all, we were engaged in 43 operations during the year: 21 in organised crime, 14 in serious crime and 8 in criminal paedophilia.
- Joint operations with the police and other partner agencies resulted in 57 people being charged with such offences as arson, attempted murder, sodomy, indecent dealing with children, and the production, supply and trafficking of a dangerous drug. Two large-scale amphetamine production and distribution networks were dismantled.
- As a consequence of our strategic intelligence assessment of the nature and extent of networked/organised child-sex offending in Queensland, a joint Commission–Police taskforce was formed to investigate the alleged networks. Three people were arrested and charged with various child-sex offences.
- We conducted a total of 75 days of investigative hearings with 103 witnesses called to give evidence. These hearings, conducted in Brisbane, Cairns, Gympie, Toowoomba and Rockhampton, related to 15 individual operations. They included cases involving paedophilia, suspected money laundering, an \$8 million arson, three murders, two suspected murders, an attempted murder, the shooting of a police officer during a bank robbery, and the production of illicit drugs.
- Commission investigations resulted in the restraint of assets to the value of \$0.909 million. Dwellings, land, cash and motor vehicles were restrained under the *Crimes (Confiscation) Act 1989* (Qld). See Table 11. Significant other asset restraint action was taken by our partner agencies.
- We disseminated 320 intelligence items to other law enforcement agencies. We also contributed to public discussion of relevant issues through the publication of non-sensitive reports and assessments and, where appropriate, through responses to media inquiries.

	2000–01	2001–02
Cash	108 260	8 700
Bank account/other financial deposits	18 176	39 046
Real property	332 320	836 908
Vehicles, plant and equipment	535 500	24 000
Boats	25 000	—
Jewellery and gold bullion	237 000	—
Business	20 000	—
Other	45 800	—
Total value of assets restrained	1 322 056	908 654

* Assets restrained do not include items seized from joint QPS–QCC Operation Hibiscus.

Given below are details of some key operations conducted during the year. The tables displayed at the end of each description portray total statistics since commencement of the operation, not just for this reporting period.

Organised crime

We began 10 organised crime investigations this year and continued 11 already begun. We finished 6 of the earlier investigations and 3 of those begun this year. Although the focus of these investigations was predominantly on drug offending and associated money laundering, one major investigation, which is still going on, concerned a series of armed robberies, with violence, at various financial institutions in South East Queensland.

Operation Twine/Tuna

What we did

In a joint operation with the QPS and the NCA, we investigated the amphetamine production and trafficking activities of a network with interstate connections based on the near North Coast.

We called 26 witnesses to investigative hearings conducted in Gympie and Brisbane over 13 days in late 2001. People closely associated with the network gave evidence of its operations, principal players and financial modus operandi. Telephone intercept information, lawfully obtained by the NCA, and financial investigations contributed to the development of substantial cases against network members.

Results

Thirty people were arrested on over 150 charges related to trafficking and other drug and weapon offences as well as tainted property offences. The extensive financial analysis undertaken coupled with the use of hearings provided the basis for the seizure and restraint of property valued at \$1 million and an assessed pecuniary penalty amount of \$6.5 million. The entrenched nature of this criminal enterprise called for a sustained and multi-faceted law enforcement response by the CMC and its partner agencies. The operation substantially incapacitated the criminal network concerned.

OPERATION TWINE/TUNA — commenced November 2000	
Arrests	30
Charges laid	151
Investigative hearing days	13
Witnesses giving evidence	26
Notices to produce	25
Drug seizures:	
Cannabis sativa	
Quantity	various quantities
Value	\$ 61 325
Amphetamine	
Quantity	238 grams
Value	\$ 22 780
Property seizure:	
Cash	\$200 500
Property	\$190 100
Property restrained:	
Cash	\$ 13 276
Property	\$744 820

Operation Aldwych

What we did

With the QPS, we investigated the suspected involvement of a family group and some of their associates in the large-scale production and distribution of cannabis on a property in Far North Queensland. We held hearings in Cairns, searched several remote properties in the Gulf Country, and conducted financial investigations to find out how much profit was being derived from the activity and its ultimate destination.

Results

A core group of four people were arrested on cannabis production and trafficking charges. As well, we found and destroyed an established cannabis crop with an

estimated street value on maturity of \$7 million, restrained property (including a cattle station valued at \$1.8 million), and upon conviction will be seeking a pecuniary penalty order for an amount in excess of \$21 million.

OPERATION ALDWYCH — commenced November 2000	
Arrests	5
Charges laid	7
Investigative hearing days	10
Witnesses giving evidence	9
Notices to produce	48

Operation Roast

What we did

We mounted a major investigation after receiving information from the QPS about the illegal activities of an extended Sunshine Coast family. Using our hearings power, and covert and conventional methodologies, we gathered a substantial body of evidence implicating various family members in large-scale hydroponic cannabis cultivation.

Results

The suspected masterminds were arrested on charges of cannabis production and trafficking. One person was charged with perjury over evidence given at an investigative hearing. Property, including real estate, motor vehicles, bank accounts and a share portfolio to a total value of \$750 000, was restrained. This criminal operation was effectively dismantled.

OPERATION ROAST — commenced February 2001	
Arrests	2
Charges laid	4
Investigative hearing days	15
Witnesses giving evidence	24
Notices to produce	80
Value of assets restrained (submitted to DPP):	
Finance restrained	\$ 39 046
Property restrained	\$717 908

Current operations

We began and are continuing several organised crime investigations, details of which cannot be disclosed because of the sensitivity of the operations and the methodologies being used.

Paedophilia

We focused on proactive investigative strategies to identify and target serial or networked child-sex offenders and Internet-based offenders. We also liaised closely with QPS Taskforce Argos to provide assistance in cases where appropriate. Given below are details of two key operations conducted during the year.

Operation Atrax

What we did

We proactively investigated child-sex offenders who use the Internet to communicate with each other or with their potential child victims, or to swap child pornography. Our investigations not only identified offenders based in Queensland, but also offenders living interstate and overseas. We referred these matters to appropriate law enforcement agencies for further attention.

Results

During this reporting period, 9 people throughout Australia were arrested on 19 child-sex offences relating to the sale, publication or possession of child pornography.

OPERATION ATRAX — commenced December 2000	
Arrests	20
Charges laid	57
Notices to produce	3

Operation Luff

What we did

We established a joint police taskforce (Scorpion) as a result of a strategic intelligence project that identified possible child-sex offender networks operating in Queensland. Four such suspected networks were investigated during the year.

Results

Three people were charged with a range of offences. One was charged with 19 counts of 'indecent treatment of a child under sixteen' and 'stalking', and another with two counts of 'indecent treatment of a child under sixteen', 'attempting to pervert the course of justice' and multiple counts of 'possession of child pornography'. The third person was charged with multiple offences relating to the possession of child pornography. The number of child pornographic images involved was over 5000.



Detective Sergeants Phil Stevens and Jacqui Lukis from the CMC's Child Sex Offending Team (Egret).

OPERATION LUFF — commenced October 2001	
Arrests	3
Charges laid	5591

Serious crime

Serious crime investigations are referred to the CMC by the Crime Reference Committee at the request of the Commissioner of Police. These investigations are as dependent on our multidisciplinary and partnership approaches as are our organised crime and paedophilia investigations. This year we began five such investigations and continued nine begun earlier. We finished eight of the earlier investigations.

Given below are details of some key operations conducted during the year.

Operation Enchanted

What we did

At the request of the QPS, we became involved in investigating an attempted murder. The matter related to a savage attack upon a middle-aged man in his Central Queensland home in January 2000. As a result of the attack, the victim is now physically and intellectually incapacitated. We held a series of hearings at which family members and other persons were examined as to the circumstances of the incident and their dealings with other family members in its aftermath. We obtained evidence implicating the victim's two sons.

Results

Both sons have since made full admissions to police and have been arrested on charges of 'attempted murder' and 'doing grievous bodily harm'.

OPERATION ENCHANTED — commenced January 2002	
Arrests	2
Charges laid	4
Investigative hearing days	2
Witness giving evidence	5

Operation Fulham

What we did

We investigated a suspected arson of an abattoir in Charleville, which caused about \$8 million damage. Investigative hearings were conducted in Charleville and Brisbane. Witnesses were called to either corroborate information given previously or to clarify conflicts in previous accounts given to police.

Results

The hearings achieved their purpose in securing the evidence of witnesses who had not previously provided witness statements. We disseminated the material to the police officers involved for them to include in their brief of evidence. A warrant was issued for the arrest of the suspect, who was interstate at the time. An extradition order was successful and the suspect was charged with arson.

OPERATION FULHAM — commenced October 2001	
Arrests	1
Charges laid	1
Investigative hearing days	4
Witness giving evidence	8

Operation Caribbean

What we did

At the request of the QPS, we investigated the transportation of stolen beef trim (off-cuts of meat sold for sausages and meat pies) from Victoria into Queensland. Approximately 120 suspect transactions, involving one Victorian and two Queensland companies, took place between February 1997 and May 2000 at a value of \$1.4 million. Witnesses from Queensland and Victoria were called to hearings. The witnesses were involved to some degree in the relevant businesses or in the receipt of payments for suspect transactions.

Results

The evidence we obtained included proof of the authorship of various documents seized under warrant, the procedures of the various businesses as to the sale and transport of meat, the roles of various individuals in the businesses, the pricing of the meat, and procedures as to payment for the purchase of meat. That evidence will be essential to any prosecution case against the suspects. The evidence also revealed a previously unknown line for further investigation.

The police are continuing investigation. No charges have been laid at this stage.

OPERATION CARIBBEAN — commenced March 2002	
Arrests	6
Charges laid	8
Investigative hearing days	4
Witnesses	8

Operation Jarvis

What we did

At the request of the QPS we became involved in a murder investigation. The body of a woman was found just north of Brisbane. She appeared to have died from a drug overdose and/or strangulation. We called 12 witnesses, all friends or associates of the dead woman, to investigative hearings where they gave evidence as to her movements and contacts in the days leading up to her death.

Results

At the time of this report, further hearings have been scheduled and police are attempting to locate further witnesses.

OPERATION JARVIS — commenced January 2002	
Investigative hearing days	7
Witness giving evidence	12

Crime prevention

Apart from the preventive effect of disrupting and dismantling major crime, crime prevention was not a major part of the work of the former QCC. The Crime and Misconduct Act, however, calls upon the CMC to focus on identifying 'best practice' in crime prevention and to communicate this information to key stakeholders. See pages 71–72 for details of our work in this area and of key crime research projects launched since January 2002.

Crime: Outlook for 2002–03

We will use all the CMC's capacity, skills, knowledge and powers in the areas of investigation, research, strategic intelligence, surveillance, information technology and legal services to combat major crime. The Crime function of the CMC will contribute to the Commission's key focus areas of 'enhancing the organised crime response' and 'targeting criminal paedophilia' and ensure that its activities reflect its operational philosophy and focus on strategic partnerships. Our integrated activities will reflect our commitment to:

- proactive assessment of the crime environment in Queensland to identify organised criminal activity causing or potentially causing risk to the safety and prosperity of Queenslanders
 - disrupting and dismantling organised crime networks
 - (in light of the Government's announcement that it will legislate for a new civil confiscation scheme) establishing an asset confiscation unit that will work closely with other agencies in identifying and investigating the proceeds of crime so that civil confiscation action can be taken
 - broadening the scope of the financial aspects of the fight against crime by developing or reinforcing cooperative arrangements with other agencies
- with expertise in this area including Australia's anti-money laundering regulator and specialised financial intelligence unit AUSTRAC (Australian Transaction Report and Analysis Centre), the Australian Taxation Office, and the Australian Securities and Investment Commission
- using specialist financial crime expertise in response to requests from other units within the CMC who are helping agencies develop the capacity to prevent and deal with official misconduct
 - continuing to investigate unsolved serious crimes referred to us when conventional police methods have proved ineffective
 - using post-operational evaluations to identify criminal networks and their vulnerabilities, particularly where there is reason to suspect that identified groups are continuing to offend
 - continuing to target child-sex offending with a range of investigative, intelligence, research and prevention initiatives, with a particular emphasis on alerting our law enforcement partners and the community about specific dangers
 - continuing the monitoring of the Internet to deter the sexual exploitation of children
 - heightening awareness of organised crime with *Intelligence Digests* and *Crime Bulletins*.



MISCONDUCT AND INTEGRITY

GOAL:

To reduce misconduct and promote high standards of integrity in the public sector.

SUPPORTING OBJECTIVES:

Ensure an effective complaints-handling process.

Initiate and conduct timely and effective multidisciplinary misconduct investigations.

Enable public sector agencies to build their own capacity to effectively deal with and prevent misconduct.

Pursue collaborative opportunities to work with other agencies to maximise capacity building and prevention outcomes.

ETHICS

MISCONDUCT AND INTEGRITY

Outcomes from last year's projected activities (CJC Annual Report 2001–02)

What we said we would do:	What we did:
Investigations (incorporating complaints handling)	
Publish a charter of service for the CJC.	We published a charter of service in June 2002.
Revise the protocol between the CJC and departments to take into account the progress made in the management of the complaints process, within both the CJC and departments/agencies, and develop specific protocols with individual departments, agencies and local governments.	Discussions about individual protocols have occurred with some of the larger departments with whom we deal with regularly. See pages 44 and 46.
Extend cross-cultural training to focus specifically on the process of taking complaints from Indigenous complainants and develop a specific complaints-handling process for Indigenous complainants.	See 'Working with Indigenous Communities'.
Continue with the trial of Project Resolve.	See page 77 for more details of this successful trial.
Help the management of TAFE institutes to develop ethical decision-making processes.	We conducted training at a TAFE institute on ethical decision-making processes and how to deal with the investigation process.
Develop better methods of obtaining information on drug-related misconduct by Corrective Services officers.	We trialled a telephone access line for prisoners, which now being used by the Ombudsman, who supplies us with information relevant to our jurisdiction. Regular liaison was also established with the Director of the Ethical Standards Command at the Department of Corrective Services.
With regard to assault and use of excessive force, examine officers and work units/areas with lengthy complaints histories.	As most of these matters now go back to the QPS for handling, the Ethical Standards Command (ESC) is responsible for this activity.
Establish a working group to develop a project focusing on tendering and purchasing risks.	We initiated contact with tendering/purchasing oversight bodies with a view to exploring opportunities for effective partnerships.
Identify key risk areas in licensing and regulatory functions.	We are about to present a paper on this subject to the AIC conference 'Regulatory Agencies—Types, Complaints, Risks and Remedies' and hope to follow up with an issues paper.
Work with the QPS to prepare for the CHOGM (Commonwealth Heads of Government Meeting) Conference.	We consulted with the ESC and the CHOGM Taskforce to develop processes for dealing with complaints against police arising out of any CHOGM-related incident. Very few incidents were reported. Thirty-two police officers from the Commission attended CHOGM .
Conduct four evaluations of public sector agencies.	This activity was overtaken by the changes brought about by the Crime and Misconduct Act. The capacity-development survey, scheduled for later in 2002, will largely take the place of this exercise (see page 55).

What we said we would do:	What we did:
Prevention (see page 69 for Research and Reform projected activities)	
Publish material on the disposal of scrap and low-value assets.	This material was published in March 2002. See page 58 for more details.
Launch a kit on ethical decision-making for local governments.	The kit <i>Grassroots of Ethical Conduct</i> was launched in Mount Isa, at the Local Government Managers Australia Conference, and in Brisbane in October 2001. See page 57 for more details.
Develop a comprehensive corruption prevention communications strategy.	Strategy was developed in August 2001.
Provide corruption prevention input to CJC investigations relating to tendering/purchasing.	Input was provided over the 12-month period and will continue to be provided.
Prepare Prevention Pointers and investigation case studies addressing issues relevant to our key priorities.	Advisory publications on Regulatory Risk, Secondary Employment, Conflicts of Interest and Sponsorship were prepared for publication during the forthcoming year.
Prepare material for dissemination to public sector agencies on strategies for minimising corruption risks.	Initial contact was established with a view to exploring opportunities for effective partnerships.
Continue to encourage councillors to adopt codes of conduct.	A number of councils have now adopted a code of conduct for councillors as a result of our encouragement and help.



A client services charter was published in June 2002 to clarify what the CMC can do for complainants, subject officers and agencies. The charter is available on our website and in hard-copy form.

New Crime and Misconduct legislation for Queensland

As well as integrating the Crime and Misconduct functions of the former QCC and CJC, the *Crime and Misconduct Act 2001* (Qld) has refocused and energised our work in the area of public sector integrity.

In 1990, following the exposure by the Fitzgerald Inquiry of widespread police corruption in this State, the establishment of the CJC was a much-needed step forward for Queensland. The CJC targeted not just police corruption but corruption in all its forms wherever it appeared in the public sector. This contributed to the Queensland public sector of today—including the Queensland Police Service—being far more accountable, transparent and ethical than a decade ago.

The CMC is not turning away from the successful work of the CJC, or eroding the hard-won advances made over the last decade. Rather, it is building upon that good work—it is going one step further still. Instead of there being one ‘watchdog’ overseeing the entire Queensland public sector, the CMC is drawing departmental heads, police managers and senior public sector officials into the frontline of the fight against corruption and misconduct. The approach is about empowering managers to take more responsibility for ensuring their officers act ethically. We are not fighting less but fighting smarter, because no single organisation can hope to defeat misconduct on every front.

The CMC, like the CJC before it, investigates serious corruption and misconduct in the public sector, using its own powerful array of investigative powers and resources. The CMC, like the CJC before it, receives and handles complaints against public sector officials, and offers practical advice to prevent the conditions that give rise to misconduct in the first place. The CMC, like the CJC before it, oversees the integrity of the Queensland Police Service and works with the Service to improve policing methods. All these functions that were once performed by the CJC continue unchecked under the umbrella of the CMC. But the CMC is doing more than the CJC was empowered to do. It is working to build the capacity of public sector agencies—including the Queensland Police Service—to take more responsibility for dealing with misconduct.

Our operational philosophy

As with the Crime function of the CMC, the Misconduct function is focused on outcomes. To achieve these outcomes we adopt a multidisciplinary team approach, using research, intelligence, investigative, financial and legal expertise. We also work in collaboration with the Queensland public sector whenever we can.

Misconduct is tackled in several ways: by investigating the matter ourselves (especially serious matters or when the public interest is involved), by investigating the matter in partnership with the relevant agency, or by handing the matter back to the relevant agency to deal with itself, subject to some form of monitoring. Our Act expects us to hand matters back to the relevant agency for investigation whenever it is practical to do so, but, at the same time, it gives the CMC more power than was possessed by the CJC to monitor the processes and outcomes of agencies’ investigations. We can do this by obtaining interim reports, reviewing selected matters after they have been investigated, and reviewing how random and targeted classes of matters have been dealt with. In addition, we help agencies deal with matters referred to them. We might help them prepare investigation plans, for example, or sit in on interviews with witnesses and subject officers, or provide financial analysis.

Many matters that come to the attention of the CMC, of course, are not capable of investigation, so we also have procedures for assessing complaints and for deciding which ones should be investigated and by whom. The CMC’s policies, processes and procedures in this area reflect the new legislative focus on service, capacity building and timeliness.

This section of the annual report looks in detail at our work in the following areas:

- deciding how to deal with complaints
- investigating serious misconduct
- monitoring the way agencies deal with misconduct
- conducting research and prevention projects on public sector misconduct.

Following sections look more closely at how the CMC works with the Queensland Police Service, and at our relationship with Indigenous Queenslanders.

DECIDING HOW TO DEAL WITH COMPLAINTS

The CMC has primary responsibility for receiving and handling complaints of official misconduct within units of public administration, including the QPS. (See page 10 for a definition of official misconduct.)

CEOs of government agencies must report suspected official misconduct to the CMC; however, with the exception of the QPS, they are not required to report matters that fall outside the definition of official misconduct. (The QPS is also obliged to report police misconduct; see page 10 for definition.)

The CMC ensures that a complaint or piece of information it receives concerning official misconduct is dealt with in an appropriate way, having regard to the principles set out in section 34 of the Crime and Misconduct Act:

(a) Cooperation

- To the greatest extent practicable, the CMC and units of public administration should work cooperatively to prevent and deal with misconduct

(b) Capacity-building

- The CMC has a lead role in building the capacity of units of public administration to prevent and deal with cases of misconduct effectively and appropriately

(c) Devolution

- Subject to the other principles, action to prevent and deal with misconduct in a unit of public administration should generally happen within the unit

(d) Public Interest

- The CMC has an overriding responsibility to promote public confidence:
 - In the integrity of units of public administration; and
 - If the misconduct does happen within a unit of public administration, in the way it is dealt with
- The CMC should exercise its power to deal with particular cases of misconduct when it is appropriate having primary regard to the following:
 - The capacity of, and the resources available to, a unit of public administration to effectively deal with the misconduct
 - The nature and seriousness of the misconduct, particularly if there is reason to believe that misconduct is prevalent or systemic within a unit of public administration; and
 - Any likely increase in public confidence in having the misconduct dealt with by the CMC directly.

The CMC's Assessment Committee meets daily to consider the best means for dealing with each complaint received. The Act provides a range of ways in which the CMC can ensure that a complaint of misconduct is dealt with appropriately. The CMC may:

- investigate the complaint itself
- investigate the complaint in cooperation with another agency
- refer the complaint to the agency to deal with, subject to some form of monitoring by the CMC
- refer to another, more suitable agency—for example, the QPS
- decide no further action is necessary.

The CMC may also, in certain circumstances, assume responsibility for and complete an investigation commenced by an agency. It may complete it either itself or in cooperation with the agency.

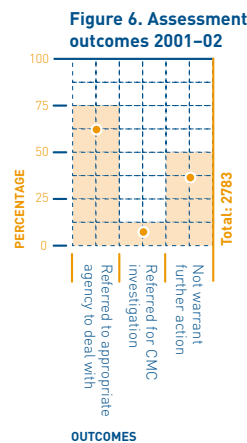
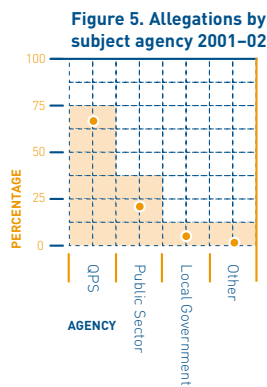
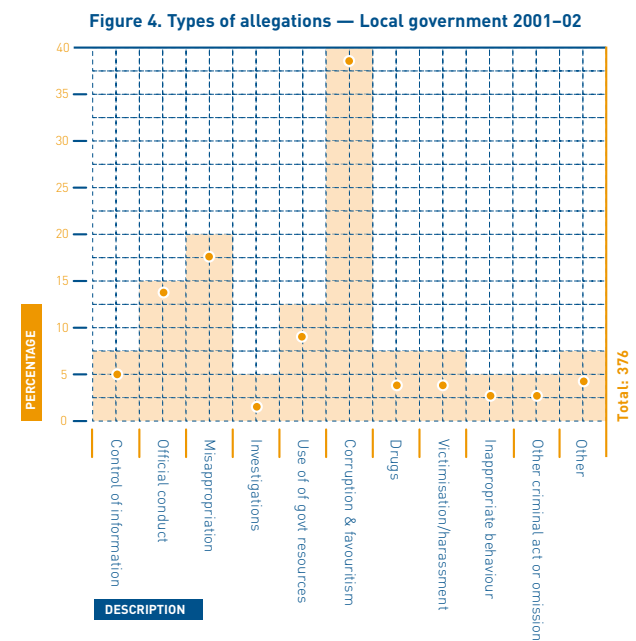
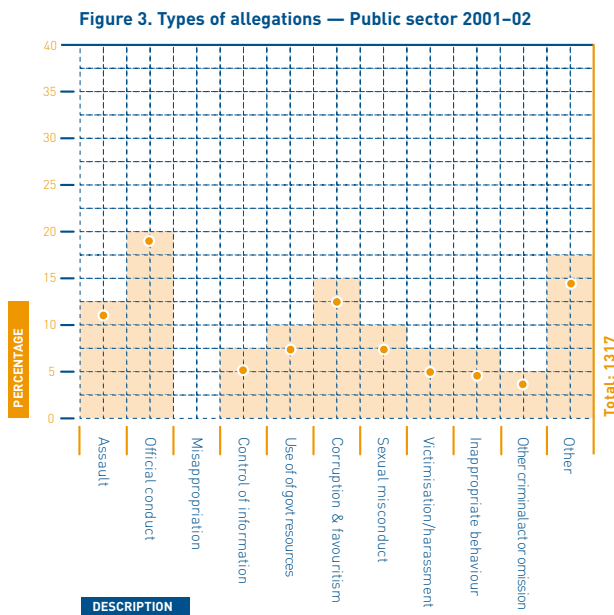
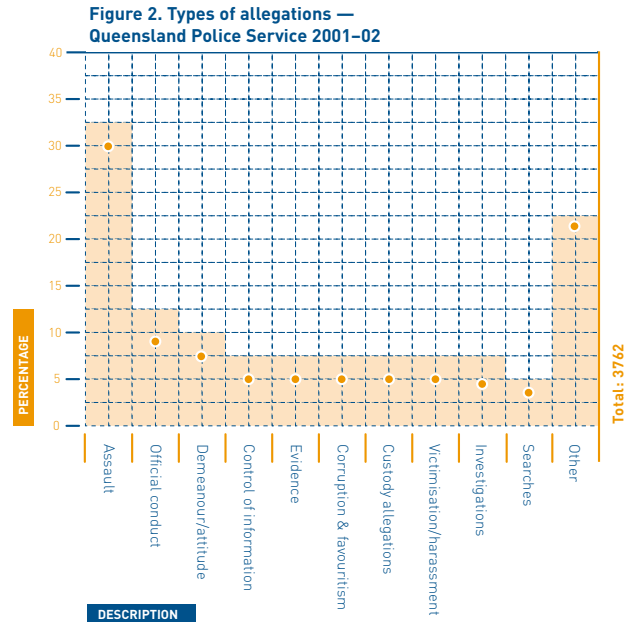
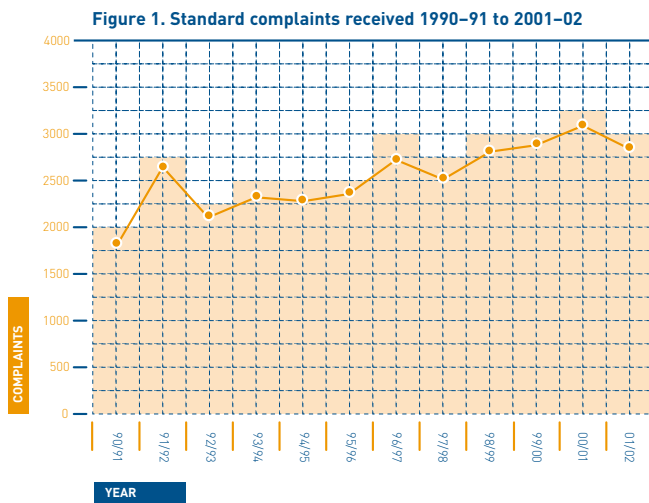
The CMC will itself investigate serious cases of misconduct in the public sector, and those cases where it is in the public interest for an independent agency to conduct the investigation.

Overview of performance 2001–02

The Commission has been responding to complaints about misconduct since the establishment of the CJC in 1990. This year, in the wake of the Crime and Misconduct legislation, we have revised some of our policies, processes and procedures to reflect a new focus on building the capacity of agencies to deal with and prevent misconduct, and to enhance our service. See Figures 1 to 6 for statistics on the year.

Faster procedures

We adopted faster procedures for assessing complaints as they enter the system, without sacrificing internal and external consultation. For example, for most matters we now first contact agencies by telephone or e-mail, then follow up with a formal letter. We also further enhanced the efficiency of COMPASS (our complaints and operations management and statistical database).



Statistics on complaints

We received 2795 complaints during the year, comprising 5455 allegations. Any one complaint can contain more than one allegation. The four major subject areas—police, public service, corrective services and local authorities—accounted for 94 per cent of those allegations, with police accounting for 68 per cent. About 71 per cent of complaints were assessed within one week of registration and 87 per cent within one month.

Improved protocols through liaison

We extended and improved our liaison with departments and agencies. For example, we met regularly with senior officers of large government departments and agencies such as Queensland Transport, Queensland Health, Brisbane City Council and Department of Families to discuss the handling of individual complaints. (See Table 12.) The CMC and the ESC agreed to meet in October to finalise protocols, and the CMC and Education Queensland will meet soon to start developing specific protocols to deal with the management of the complaints process.

We worked with the QPS on methods to handle complaints against police and protocols to manage the disciplinary process (see also ‘Working with the Queensland Police Service’).

Plain language brochures

We began production of plain language brochures on the complaints process. These brochures target different audiences—people who want to complain about police behaviour, Indigenous complainants, or anyone wanting to report misconduct in the public sector.

Indigenous complainants

We made the special needs of Indigenous complainants a focus point (see ‘Working with Indigenous Communities’).

Broader-based outcomes

We continued to focus on broader-based outcomes—that is, not just on establishing whether misconduct had occurred, but also on ways to minimise a recurrence and on opportunities to share helpful information with other agencies.

TABLE 12. Consultation between Complaints Services and senior officers of public sector agencies 2001–02

Department/Agency	Frequency of meeting		
	Weekly	Fortnightly	Monthly
QPS — Ethical Standards Command	Every Wednesday	—	—
Education Queensland	—	—	Second Tuesday of every month
Department of Families	—	—	Third Tuesday of every month
Department of Health	—	—	Fourth Wednesday of every month Twice monthly
Environmental Protection Agency	—	—	First Wednesday of every month
Brisbane City Council	—	—	First Wednesday of every month
Queensland Transport	As needed.		

Table 13. Analysis of public interest disclosures received by the CMC 2001–02

Section of Whistleblowers Protection Act	Verified (by CJC)	Not verified (by CJC)	Referred to other agency	Under consideration (by CMC)	Total referred and not verified	Total referred and verified	Totals
15: Public officer complaining of official misconduct		47	72*	22	17	19	177
16: Public officer complaining of maladministration			01*				1
17: Public officer complaining of improper management							nil
18: Public officer complaining re health/environment matter							nil
19: Any person complaining re public health or safety matter							nil
20: Any person complaining re reprisal			01*				1
Totals		47	74	22	17	19	179

Note: There were 62 complaints received, comprising 179 allegations. This table details the status of the allegations.
* The outcomes of the allegations in this category may not be known at this stage, or alternatively may never be known because they were referred to another agency with no need for review by the CMC.

Table 13 gives a breakdown on the number of public interest disclosure we received during the year. The Commission has always understood that reporting misconduct is sometimes difficult. The best way we think we can help such people is by encouraging public sector managers to support whistleblowers.

INVESTIGATING SERIOUS MISCONDUCT

Our Act, the Crime and Misconduct Act, recognises that agencies should take responsibility for the misconduct that occurs in their own workplace. At the same time it acknowledges that serious, systemic and prevalent cases of misconduct are best investigated by an independent body such as the CMC. For this reason, we concentrate our efforts on investigating the more serious cases of misconduct—such as fraud within a department, police use of illegal drugs, or sensitive political matters.

We focus on serious misconduct that can only be investigated by a specialist agency such as the CMC, and those matters where a CMC investigation will promote public confidence.

How we investigate misconduct

Like the police, we use proactive and covert investigative techniques in our ongoing pursuit of corruption and other serious misconduct. Covert techniques include surveillance, listening devices and search warrants. In addition, we have special coercive powers not available to police, including the power to compel people to attend hearings. (See page 48 for details about the use of CMC misconduct powers in 2001–02.) Our specialised research, intelligence, financial analysis, forensic computing and investigative resources mean that some matters are more effectively investigated by us than by the QPS.

We use effective covert investigative techniques to detect, investigate and prosecute serious misconduct.

Possible results of a CMC investigation

If evidence of wrongdoing is found through one of our investigations, the matter may be referred to a prosecuting authority for criminal proceedings or back to the agency concerned for disciplinary action. Sometimes our investigations reveal system deficiencies that gave rise to the allegations rather than actual wrongdoing. When this occurs, we make recommendations to redress the deficiencies.

Our investigations do not set out with the preconceived notion that misconduct has occurred. Rather, they are designed to find out what actually happened. In doing so, they can, in fact, re-establish a person's reputation if it has been damaged by a complaint. We consider a

CMC investigation that clears an officer's name just as successful as one that uncovers clear evidence of wrongdoing. Even when an investigation does uncover wrongdoing, it can still have a beneficial effect on the agency by helping it recover and re-focus its energy on core business.

Overview of performance 2001–02

We finalised 232 investigations. This is fewer than last year because we are now concentrating on more serious and complex matters. However, significant outcomes were achieved in the form of recommendations for either criminal or disciplinary action. In approximately 20 per cent of matters, charges were recommended, including 145 charges against 60 people. (See pages 49–52 for examples of investigations conducted.)

We also greatly reduced the backlog of unfinished investigations. In July 2001 a project team was established to finalise some of the older matters, resulting in an approximate 40 per cent decrease in the number of outstanding investigations more than 12 months old.

Figure 7. Types of investigations completed 2001–02

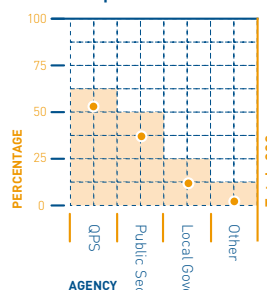


Figure 8. Types of charges 2001–02

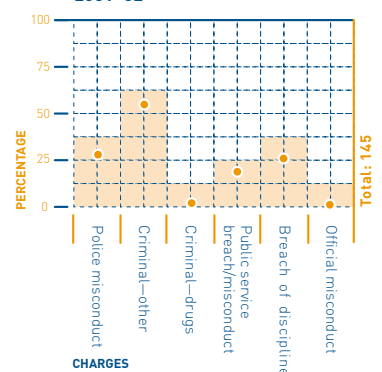
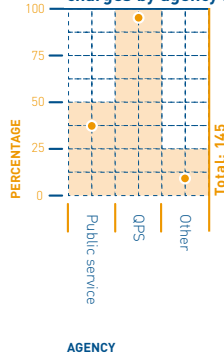


Figure 9. Types of charges by agency 2001–02



USE OF CMC POWERS FOR MISCONDUCT INVESTIGATIONS

The CMC powers are essential information- and evidence-gathering tools used to combat official misconduct in the public sector. They can be exercised by the Commission in the course of investigating matters. In addition to powers available to QPS officers under the *Police Powers and Responsibilities Act 2000*, our powers include:

- power to require a person to furnish and/or produce records or things relevant to a Commission investigation. (Criminal Justice Act, s. 69, or Crime and Misconduct Act, s. 75 — issued on Chairperson's authority)

In 2001–02 we issued 149 such notices for misconduct.

- power to enter a unit of public administration, inspect any record or thing in those premises, and seize or take copies of any record or thing that is relevant to a Commission investigation. (Criminal Justice Act, s. 70, or Crime and Misconduct Act, s. 73 — issued on Chairperson's authority)

In 2001–02 the power to enter public premises was used twice for misconduct.

- power to apply to a Magistrate or Judge for a warrant to enter and search premises. (Police Powers and Responsibilities Act, s. 68, or Crime and Misconduct Act, s. 86)

The power to obtain a search warrant was used 31 times throughout the year for misconduct.

- power to summons a person to attend before the Commission at a hearing to give evidence and produce such records or things as are referred to in the summons. (Criminal Justice Act, s. 74, or Crime and Misconduct Act, s. 82 — issued on Chairperson's authority after the CMC has authorised that a hearing be held)

In 2001–02, 22 witnesses were summonsed to, and gave evidence at, Commission hearings for misconduct investigations.

- power to apply to the Supreme Court for listening devices. (Criminal Justice Act, s. 82, or Crime and Misconduct Act, s. 121)

In 2001–02, the use of listening devices was approved by the Supreme Court four times in relation to misconduct investigations.

- power to direct a prisoner to appear before the Commission. (Criminal Justice Act, s. 81, or Crime and Misconduct Act, s. 83 — issued on Chairperson's authority)

No prisoners were directed to appear before the Commission during 2001–02.

TABLE 14. Use of CMC powers 2001–02

Exercise of Power	Legislation	No. of items used
Notices to produce or discover information	(Criminal Justice Act, s. 69 or Crime and Misconduct Act, s. 75)	149
Power to enter	(Criminal Justice Act, s. 70 or Crime and Misconduct Act, s. 73)	2
Search warrants	(Police powers and Responsibilities, s. 68 or Crime and Misconduct Act, s. 86)	31
Notice to attend hearing (previously summons)	(Criminal Justice Act, s. 74 or Crime and Misconduct Act, s. 82)	22
Listening devices	(Criminal Justice Act, s. 82 or Crime and Misconduct Act, s. 121)	4

TABLE 15. Hearings: Misconduct 2001–02

	Number	Sitting days	Witnesses
Public	0	0	0
Closed	10	16	0
Total	10	16	22

Some **major** investigations

These are a few examples of recent investigations that resulted in criminal or disciplinary charges.

Council resources diverted

Involved extensive financial inquiries into bank accounts.

The complaint

Council employees were said to be diverting large quantities of road materials belonging to their council and using other council resources, such as labour, equipment and machinery, for their own private purposes. A government employee was also said to be implicated.

The investigation

We obtained incriminating information about one council officer, but found that the staff who had assisted him had done so in good faith. At the same time, we obtained similar incriminating information about a senior officer from a government department, who, in addition to working in league with the council officer, had been systematically submitting false overtime claims.

The results

In accordance with the advice of the DPP, both the former council officer and the departmental senior officer were charged with stealing as a servant and fraud. The court hearings are still pending.

In addition, we met with representatives from the department and the council to help them develop a misconduct prevention strategy for their respective agencies. A CMC prevention officer has become a member of the department's steering committee overseeing its re-instituted Management Improvement Program. A main aim of the steering committee is to increase management awareness of good corporate governance requirements and ethical conduct, and to extend this message to all levels of departmental staff.

Bribery from food suppliers

Involved the execution of search warrants.

The complaint

A Corrective Services officer was said to be receiving payments from food suppliers in order to maintain purchasing agreements with those suppliers.

The investigation

Our investigations revealed that the officer had received payments from food suppliers that could not be sourced to any lawful business activity. We executed search warrants on a number of premises, and interviewed the officer and others. The suppliers claimed that any payments made were donations towards a nominated charity, but the charity denied receiving donations from the officer. In the course of the investigation, other property, believed stolen from a correctional centre, was found at another officer's home. We forwarded a brief of evidence to the DPP, who advised that the officer should be charged with a criminal offence.

The results

The officer was eventually charged with eight counts of fraud. The charges have been listed for committal hearing in the Magistrates Court on 19 November 2002.

Pornographic material found in police officer's home

Involved the execution of a search warrant.

The complaint

A senior constable of police was said to possess pornographic material. Similar concerns had been raised with the Commission and the QPS some years previously about this same officer. At that time, a psychiatric assessment had found him fit to continue as a police officer.

The investigation

We searched the officer's home, finding an electrical stun-gun, a large amount of computer pornography and some pornographic stories detailing child abuse/abduction scenarios (two of which were written by the officer).

We referred all of the evidence to the QPS for disciplinary action for misconduct, and a further assessment of the officer's fitness.

The results

In May 2002 the Deputy Commissioner of the QPS found five charges of misconduct against the subject officer to be substantiated, and he was dismissed. The subject officer's appeal to the Misconduct Tribunal against his dismissal was unsuccessful.

Supply of drugs to prisoners

Involved the execution of a search warrant.

The complaint

A correctional officer was suspected of supplying dangerous drugs to inmates at a North Queensland correctional centre.

The investigation

Our intelligence reports supported these suspicions. We searched the officer's home and found 30 grams of green leaf material and drug utensils. The officer admitted to contact with several known drug users/suppliers to obtain cannabis for his own use, but denied supplying dangerous drugs to inmates or anyone else.

The results

The officer resigned from his position as a correctional officer. He was offered and accepted minor drug offence diversion in accordance with the requirements of section 211 of the Police Powers and Responsibilities Act. Information on how drugs were brought into the prison and by whom was passed on to the QPS. Links between inmates and drug suppliers were also identified, as well as deficiencies in prison security.

Police officer using drugs on duty

Involved an investigative hearing and the execution of a search warrant.

The complaint

A police officer was said to be using illegal drugs, including while on duty.

The investigation

We searched the officer's residence, finding small amounts of green leaf material in her personal property as well as a small clip-seal bag that contained the remnants of a white powder. Testing of the powder indicated traces of methyl-amphetamine. We then conducted an investigative hearing, at which we used our powers to direct the officer to speak. (These same powers, however, meant that her answers could not be used against her in any civil, criminal or disciplinary proceeding.) The officer admitted to consuming and possessing dangerous drugs while on duty, and to

releasing confidential information. She also conceded that she had control of police vehicles and a police weapon when under the influence of dangerous drugs.

The results

The officer resigned from the Service. She later successfully completed a drug diversion program. Although no criminal charges could be brought against her, a civilian associate of hers was charged with two counts of supplying a dangerous drug (cannabis). These charges have been remanded for further mention in October 2002.

Alleged police assault during arrest

Involved public confidence in the QPS.

The complaint

A man complained that while being arrested by police he was assaulted, including being hit by a fence paling. A member of the public videotaped some aspects of the man's arrest. The videotape, which received much media attention, showed a police officer, armed with a fence paling, striking the man, even though he appeared to have dropped his knife and was succumbing to the effects of capsicum spray. The man also alleged that he was twice kicked by police and again assaulted at the police station by other officers.

The investigation

Aware of the public interest in this matter, we took over the investigation begun by the Ethical Standards Command. We examined:

- the striking with the fence paling
- other allegations of police assault
- the high-speed pursuits that led to the arrest
- the use of capsicum spray to subdue the man.

The results

We found that the use of force applied by the police officer in using the paling was not unreasonable in the circumstances and did not constitute misconduct or a criminal offence on his part. Evidence, including civilian eyewitnesses, indicated continued provocation by the man and about a two-second difference between the dropping of the knife and the striking with the fence paling. The striking was clearly aimed at disarming the man who was, by his own admission, intent on committing suicide.

We were not able to substantiate any of the complainant's allegations that he had been assaulted while at the police station, or that the injuries with which he presented were not sustained by him during his resistance to his lawful arrest. We also found no evidence of any misconduct by any police officer in relation to the high-speed pursuits or the use of the capsicum spray.

Sexual accusations made against primary school principal

Involved successful interviewing techniques, which resulted in the subject officer divulging incriminating information.

The complaint

An allegation was made that a North Queensland primary school principal was going swimming naked in a creek near his school with female students. There was no way this particular allegation could be corroborated, but in investigating the matter serious wrongdoing was uncovered.

The investigation

Our investigation identified a student who was likely to have been a victim. We interviewed this child on two occasions. The child denied that anything happened with the teacher. However, while being interviewed by a CMC police officer and a member of the Juvenile Aid Bureau, the principal finally made full admissions to serious sexual offences against the student. He also wrote an 'apology' to the child.

The results

Owing to the overwhelming case against him, the subject officer, who had been suspended at the outset of the investigation, resigned from Education Queensland. He was charged with four counts of indecent dealing with circumstances of aggravation and sentenced to 18 months' imprisonment to be suspended after four months. We gave Education Queensland sufficient material to ensure that he would not be employed again as a teacher.

Improper 'recruitment' activities by a serving police officer

Involved collaboration with the QPS, and the execution of a search warrant.

In 2001, the Child and Sexual Abuse Unit of the QPS reported an allegation to the Commission that a serving police officer had been 'recruiting' his estranged wife's children as undercover police informants. The officer had been allegedly inducing the children to provide him with samples of pubic hair and photographs of themselves naked, asserting this was part of the recruitment process.

The Commission assumed primary responsibility for the investigation of the matter, assisted by officers from the QPS. Our investigation disclosed evidence that the officer had 'recruited' other groups of people as well as his wife's children.

The officer's house was searched, and he was arrested and charged. He was also suspended without pay. On 2 October 2002, the Commission was advised by the DPP that an indictment encompassing 13 serious charges had been presented in the District Court. The matter is listed for mention on 2 November 2002.

Updates to investigations reported by the CJC last year

These four investigations were reported in more detail in the *CJC Annual Report 2000-01*.

Police and drugs

Involved the successful conviction of police officers for drug and corruption offences.

Background

During the previous financial year, we investigated allegations of corrupt, drug-related activity by two Queensland police officers. During the covert operation, drugs and cash were seized by investigators. Video surveillance tapes and transcripts of conversations relating to corrupt transactions were submitted as evidence.

Update

The officers resigned from the Service and, in June 2002, were convicted of dealing with and protecting drug offenders. One went to jail for three and a half

years, the other for three years, on official corruption, drug and stealing charges. In announcing sentence, the sentencing judge said that the two former police officers had been guilty of a breach of trust that struck at the integrity of the criminal justice system. She further said that she imposed a prison sentence on both men as a means of deterring corruption in the police service and to signal that the community, through the courts, denounced corruption of this kind.

Shepherdson Inquiry

This public hearing allowed people to come forward with information related to the matter.

Background

During 2000-01, we conducted an open hearing, the 'Shepherdson Inquiry', in response to allegations of electoral fraud. The Inquiry clearly established that the practice of making consensual false enrolments to bolster the chances of specific candidates in ALP preselections was regarded by some members of the Party as a legitimate campaign tactic. No evidence was found to indicate that the tactic had been generally used to influence the outcome of public elections.

Update

The immediate effect of the Shepherdson Inquiry was the resignation of three government MPs. Apart from that, there were two important long-term results:

1. attacks on the integrity of the electoral roll were exposed to public scrutiny
2. steps were taken to reduce the likelihood of similar questionable or fraudulent practices happening again.

In April 2002, the State Government passed the *Electoral Act and Other Acts Amendment Act 2002*, which introduced many electoral reforms. The explanatory notes to the Act acknowledged that issues of electoral fraud and integrity of the electoral roll were raised in the Shepherdson Inquiry, and the Amendment Act was in part a response to the political and community concerns regarding the issues raised.

Many of the provisions of the Amendment Act reflect proposals made by the Shepherdson Inquiry for remedying perceived weaknesses in the electoral system and in ALP internal procedures relating to preselection processes.

Fraudulent permits and registrations

Involved covert investigative strategies and an investigative hearing.

Background

We launched a covert operation in response to allegations that a Queensland Transport officer was supplying fake learner's permits and motor vehicle registrations. Through an investigative hearing we obtained evidence from the subject officer and an associate. Under privilege, the two made full admissions. The subject officer later named the people who had obtained false learner's permits or motor vehicle registrations.

Update

This investigation recommended charges against 12 people. Last year, the principal target pleaded guilty and went to jail. In March this year the man who acted as the intermediary in the scheme also pleaded guilty and went to jail. A pecuniary penalty order in the sum of \$3000 was also made. Prosecutions are ongoing for the other people involved. CMC misconduct prevention officers gave Queensland Transport advice about how to prevent this sort of fraudulent activity happening again.

Prison officer in relationship with inmate

Involved use of a surveillance camera.

Background

A CMC investigation revealed that a correctional centre psychologist was involved in a sexual relationship with two prisoners whom she had also provided with alcohol, drugs and other items. At a Commission hearing in March 2000, the officer perjured herself by denying all such involvement.

Update

The officer was recently sentenced to prison after pleading guilty to four charges of perjury. She was sentenced to 16 months' imprisonment on each of the charges, with the sentences to be served concurrently. The prison sentence is to be suspended after four months for an operational period of two years.

MONITORING THE WAY AGENCIES DEAL WITH MISCONDUCT

The CMC has primary responsibility for dealing with complaints of official misconduct within public sector agencies, including the QPS (see page 10 for a definition of official misconduct). The Crime and Misconduct Act provides a range of ways we can do this (see page 44), one of which is to refer the complaint to the agency involved to deal with, subject to some form of monitoring by the CMC.

In the case of the QPS, the CMC also has a monitoring role over police misconduct, even though primary responsibility for dealing with police misconduct now rests with the police service itself (see page 10 for a definition of police misconduct and see 'Working with the Queensland Police Service' for more details about our relationship with the QPS).

The Crime and Misconduct Act gives the Commission stronger powers of supervision and control over the way agencies investigate complaints.

The Crime and Misconduct Act enables us to

- closely monitor an agency's investigation by requesting one or more interim reports during the course of its investigation (official misconduct) and, where appropriate, direct the agency to conduct further investigations
- offer advice and assistance to agencies at various stages throughout the process to help them deal with a matter; this includes at the stage of assessment and consultation about their capacity to deal with a matter referred back to them, and at the request of the agency at any stage while dealing with a matter
- review the way an agency has dealt with a particular complaint. For example, we may conduct detailed reviews of selected matters after the investigation has been finalised but before any disciplinary or other managerial action has been taken. In other cases, we may review how the agency dealt with the matter after it was finalised.
- conduct audits and reviews of a class of complaints.

Where we have concerns about the process, we discuss these with the agency.

An example of a recent case where the CMC helped build the capacity of an agency to deal with official misconduct:

Senior managers of a tertiary institution were said to have falsified enrolment levels to remedy a shortfall of 250 000 student contact hours. (Student contact hours are an important performance indicator for determining future funding levels.)

We decided that this investigation could be effectively carried out by departmental investigators and monitored by us. Accordingly, we met regularly with the institution's investigators to discuss strategy and outcomes, and the institution delivered a comprehensive and timely report, which we reviewed.

The investigation found that a senior officer at the agency had directed subordinate staff to create false records to indicate students' participation in a course, and that this had resulted in the institution being granted additional funding totalling \$389 713. It also disclosed serious maladministration. The Director was dismissed and the Deputy Director resigned before disciplinary action could be taken. After the investigation, we gave a seminar at the Institute on ethical decision-making processes and how to deal with the investigation process. We are currently developing strategies to assist management in these situations.

Examples of where the CMC helped build the capacity of agencies to prevent official misconduct:

- We prepared a prevention advisory report for a university that had been having problems with alleged conflicts of interest, theft and misuse of resources. We met with senior staff of the university to help them build their capacity to conduct ethics seminars for staff. A 'train the trainer' model workshop on Ethical Decision Making for general staff was presented on 31 May 2002.

The university established a committee to oversee the implementation of our recommendations, which included establishing a process for ethical decision-making training—particularly for senior staff within the university. The university also initiated significant management change to improve the quality of its corporate governance and to lessen its exposure to the risks of misconduct. Changes have involved a strengthened internal audit capacity and the better communication of policies and requirements across the organisation.

- We helped a regional council develop more transparent tendering procedures in the wake of accusations of cronyism. We recommended that the council adopt a strategic corruption prevention program. In addition, we helped the council develop prevention proposals and supplied advisory materials to guide its implementation of an integrated fraud and corruption prevention strategy. Our report was endorsed by the council, and various implementation proposals were prepared in conjunction with other managerial initiatives, thus creating more transparent and accountable council processes. In addition, the goodwill we established with the council led to it turning to us for advice some time later in relation to the tendering process for a \$10 million project.
- We urged the QPS to find out if police officers were misunderstanding the extent of their arrest powers. This came about when a complaint was made to us about two officers who had arrested a witness to a crime. Because the misuse of powers appeared to be the result of a misunderstanding rather than deliberate abuse, we recommended managerial guidance and training rather than formal disciplinary action against the officers concerned.

Examples of reviews by the CMC

These are examples of investigations we handed back to the relevant agency for handling and where we reviewed the outcome. As at the end of June 2002, we had completed 567 reviews of investigations undertaken by the QPS and other government agencies (see Figure 10).

Incident at Loganholme residence

The complaint

A man complained to us that police officers visiting his home had damaged one of two video recordings he had made of their visit. (He had made the recordings because he had anticipated trouble from these officers.) He sent the second, undamaged recording to a current affairs show, which aired it on one of its programs.

The investigation

On the basis of the information then available, we referred the complaint to the QPS for investigation. The report we received from the QPS did not recommend any criminal or disciplinary proceedings

against any officer, although it did recommend that one officer be dealt with for damaging the video recording and being untruthful.

The outcome

After reviewing the QPS investigation, we decided that the matter should be investigated by us.

Our investigation recommended prosecution of one police officer for assault and destruction of evidence. We further recommended a brief of evidence be forwarded to the Director of Public Prosecutions arising from an earlier complaint from the same complainant, regarding assaults allegedly committed upon him by another police officer during an arrest.

The officer was charged with three counts of assault occasioning bodily harm and one count of destruction of evidence. The matter is yet to come to trial.

Improper access to computer records

The complaint

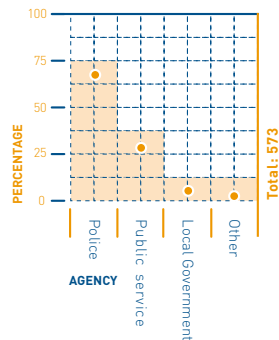
We received a complaint that a detective sergeant of police had, over a considerable period, been accessing the Service computer records concerning family members and other associates, and using that information for his own personal benefit in family disputes and other dealings.

The investigation

We referred these allegations to the QPS for investigation.

The report given to us indicated that the detective sergeant believed that he, as a police officer, possessed a right to access police records relating to his family members. It also indicated that the police investigator not only agreed with the views of the detective sergeant

Figure 10. Reviews completed 2001-02



In July 2001, we launched a successful 'backlog-reduction' project to reduce the number of matters where agencies were waiting for us to review their investigations.

but had concluded that the detective sergeant had not breached any police procedures. More particularly, the police investigator reported that the actions of the detective sergeant were appropriate for a detective involved in the investigation of criminal activity.

Other senior officers who read the investigation report did not appear to think that the detective sergeant's conduct amounted to a conflict of interest between his personal interests and his official duties or to an improper use of confidential information.

Concerned by these attitudes, we called on the Ethical Standards Command of the QPS to review the investigation.

The outcome

The ESC review determined that the detective sergeant should receive correction by way of guidance to ensure that he was fully aware of his obligations in relation to confidentiality of QPS records and that he not permit his personal interests to conflict with his official duties.

The investigating officer also received correction by way of guidance for deficiencies in the conduct of his investigation, and has since completed further training on how to conduct a disciplinary investigation.

The Assistant Commissioner has since circulated a memorandum to all staff under his command about the importance of complying with the provisions of the QPS's Code of Conduct relating to conflicts of interest and access to confidential information.



Capacity Development Coordination Unit

The newly formed Capacity Development Coordination Unit comprises, l. to r., Elizabeth Kenny (Project Officer), Sue Johnson (Manager), and Terri McTegg (Support Officer).

Set up to work with the Research and Prevention area to coordinate the capacity-building activities of the Commission, the unit has begun the groundwork for a survey of public sector agencies to find out how the Commission can best use its resources in this area. The survey, to be conducted in the latter part of 2002, is designed to ascertain the 'types' and 'levels' of risk associated with different public sector agencies, the current capacity of public sector agencies to deal with misconduct, and the current capacity of agencies to prevent misconduct.

The unit will consult agencies about the survey's format, content and method of administration with a view to fielding the survey throughout Queensland. The information collected from the survey will provide critical baseline data to enable the unit to identify where and how efforts should be focused to meet the needs of public sector agencies. An online investigation advice package, integrated with existing prevention advice, will also be developed.

Capacity building through prevention

The former CJC recognised that misconduct thrives in an atmosphere of management neglect or where there are inadequate controls, checks and balances. An important part of raising integrity and fighting corruption, therefore, was helping agencies safeguard themselves against the risk of corruption and misconduct. The Crime and Misconduct Act takes this recognition one step further by encouraging the CMC to work closely with agencies to build their capacity to prevent misconduct. Most areas of the Commission now work towards this goal, particularly the Research and Prevention area. To coordinate these initiatives, the CMC has established a Capacity Development Unit within the Misconduct area (see page 55).

Overview of performance 2001–02

Collaborative activities with government agencies

During the year, we collaborated on misconduct prevention projects with public sector agencies such as the QPS, the Borallon Correctional Centre and the Queensland Ambulance Service, as well as universities and local government consultative groups and forums. We helped agencies develop corruption risk assessments, integrated misconduct prevention strategies and ethics training packages. For example:

- We helped the Prostitution Licensing Authority conduct a risk assessment. Risk analysis sessions were held with all staff of the Authority and a draft report was delivered in August 2001 with a final report presented in early September 2001.
- We worked with the Department of Tourism, Racing and Fair Trading on proposals for restructuring of the thoroughbred racing industry and related policy and legislative matters. Collaboration also continued with the Queensland Harness Racing Board to develop an integrated corruption prevention strategy.
- The Office of Rural Communities (Department of Primary Industries) helped us with the development of an ethics training package to support an overarching code of conduct for Queensland Government Agent Program (QGAP) employees. This code of conduct is being developed in conjunction with Griffith University and the Department of the Premier and Cabinet. QGAP

provides a 'one-stop-shop' for a range of government services in rural and regional communities where it is impossible to have a separate local office for each government department. For example a customer going to a QGAP agent might, within the one visit, renew their driver's licence, put in an application for housing assistance, obtain a copy of a birth certificate and get advice on an environmental issue. The QGAP agent is usually an employee of a government department which happens to have an office in the community, or is attached to the local post office. The development of an overarching code of conduct for agents is essential because they represent a large number of individual departments, each with its own agency-specific code that might not always agree on every issue (e.g. acceptance of gifts, or dress code).

- We held quarterly meetings with representatives from the Department of Local Government and Planning and Queensland Ombudsman Local Government Division to discuss local government issues. The object was to share information on recent projects and initiatives or organisational developments, as well as ideas and possible resources for the benefit of local government.
- As part of a continuing liaison with the Department of Local Government and Planning, we provided feedback on proposed legislative changes to the Local Government Act, and a proposed amendment to the Local Government Finance Standards. On 22 August 2001, the department provided a special presentation on the Integrated Planning Act for CMC staff.
- We worked with the Key Centre for Ethics, Law, Justice and Governance at Griffith University on the 'Corruption in Corrections' project. This project aims to develop research methodologies for gauging the extent of, and trends in, official misconduct in Queensland correctional institutions. Information from the study will be used to develop ongoing prevention and monitoring strategies. The study draws on various data sources, including CMC complaints files, surveys of prison officers and other employees, and interviews of prisoners. The project is funded through an Australian Research Council Collaborative Research Grant.

Liaison with government agencies

Staying in touch with public sector agencies is integral to the work of the CMC. We consult, liaise and work

cooperatively with agencies and other key stakeholders such as the Integrity Commissioner, the Office of Public Sector Merit and Equity, the Queensland Audit Office and the Ombudsman's Office. Our Misconduct Prevention officers were rated highly this year by the Queensland National Integrity Systems Assessment (QNISA) process as an important partner for the advancement of integrity. They were described as:

- highly relevant to the advancement of integrity in public sector agencies
- providing the most support to public sector agencies
- receiving the most amount of support from public sector agencies.

The QNISA was a world pilot and first stage of a nation-wide assessment of the integrity systems operating in and through public and private sectors. The assessment comprised interviews, questionnaires and workshops involving major integrity agencies and 24 public agencies.

Corruption prevention consultancy to South Africa

In July 2001, Misconduct Prevention Manager John Boyd spent two weeks in South Africa as part of an AusAID consultancy awarded to the CJC in conjunction with professional ethics consultant Howard Whitton. This capacity-building project was to assist the South African Office of the Public Service Commission develop and present an anti-corruption course for senior public service managers and produce training materials. The South African Office of the Public Service Commission has assessed the consultancy very positively. This project was a valuable experience for the staff of the CMC and provided an opportunity to showcase the Commission's misconduct prevention skills and expertise to an international audience.

Guidebook for public sector managers

In August 2001, the former CJC distributed advice to public sector managers about how to deal with the impact of a CJC investigation. The CMC intends to produce a new edition entitled *Managing the Impact of a CMC Investigation* in the near future, but in the meantime most of the information contained in the original booklet is still accurate, relevant and useable.

Kit for local government officers

In October 2001, the Commission released a local government ethics training kit entitled *The Grassroots of Ethical Conduct: A Guide for Local Government Staff and Councillors*. The kit contains a facilitators guide, video

case study, worksheets and several Prevention Pointers on topics such as conflicts of interest, gifts and benefits, use of council resources, and release of confidential information. Footage for the video case study, which focuses on elected officials and senior management, was obtained from the ABC *Grassroots* television series.

Since its release, most local governments have requested copies of the kit, and the CMC has provided a series of 'train the trainer' sessions at regional centres throughout the State. To date, over 40 councils have participated in a 'train the trainer' session, including councils in Cairns, Ayr, Townsville, Gladstone, Mackay, Maryborough, Aramac and Blackall. A high level of satisfaction was noted by participants.

Video for public sector officers

Following on from the success of the *Grassroots* kit, *Turf It Out* was developed as a supplementary ethical decision-making training video and facilitators guide. Targeting field staff and management, the *Turf It Out* kit can be used as a stand-alone resource or with the *Grassroots* kit.

The video scenario, dealing with the improper disposal of public resources, is applicable to both state and local government agencies. It also complements the *Public Scrapbook* suite of advisory resource materials on the disposal of scrap and low-value assets (see page 58).

Corruption prevention report for marketing department

After a marketing department within a statutory body was accused of fraud and misconduct, we supplied a comprehensive corruption prevention report to help the agency reduce future risks of official misconduct and corruption. In so doing, we contributed to the development of a new governance structure for the agency, which should provide a much greater level of transparency and accountability. In addition, the implementation of proposals by the statutory body for policy and procedural changes involved a substantial revamping of the policy and procedural framework with far-reaching implications.

Integrated misconduct prevention materials

We drafted five booklets for publication later in the year, entitled 'An Integrated Corruption Prevention Strategy', 'Regulatory Risk', 'Secondary Employment', 'Conflicts of Interest' and 'Sponsorship'. Collectively

this material is designed to show public sector agencies how a combination of good management, high productivity and strong employee morale can produce a corruption-resistant workplace. The integrated misconduct prevention booklet also provides the basis for development of a new training video for managers, which is expected to be produced within the next 12 months. These materials recognise the importance of encouraging public sector employees to act with integrity rather than just 'sticking to the rules' because of a fear of being caught.

Local governments and conflicts of interest

Conflicts of interest and procurement issues within local government continued to be a priority, as these two examples illustrate.

Case A

A large shire council was said to be overlooking conflicts of interest when conducting regulatory and approval activities. Some of these allegations were reported in the media. Concern about the number of complaints led to development of a corruption prevention report by the CMC to address the issues raised and recommend further initiatives to reduce the council's exposure to risks. The council agreed to adopt the principles stated in the report.

Case B

Complaints were made about the way a regional city council processed tenders for concessions in a commercial complex. This complaint was linked to another case within the council involving secondary employment issues and misconduct in exercising internal plan approval processes. As a result, a combined study was undertaken by the CMC to realise the broadest and most cost-effective outcomes for the council.

The resulting corruption prevention report contained recommendations, including proposals for a strategic corruption prevention program. In addition, the CMC offered to help the council develop prevention proposals and to supply advisory materials to guide implementation of an integrated fraud and corruption prevention strategy.

The report has been endorsed by the council, and various implementation proposals are being prepared in conjunction with other management and organisational initiatives. This activity is expected to have significant long-term benefits by creating more transparent and accountable council processes.

Guidebook on disposing of scrap

While the disposal of scrap may appear to be a trivial issue for some, when it is poorly managed there can be major consequences for both agency and employee. A suite of resource materials, *The Public Scrapbook*, on the effective and ethical disposal of scrap and low-value assets was developed by misconduct prevention staff and published at the beginning of 2002. Copies of each of the resource materials were disseminated to all stakeholders and state and local government agencies, and requests for further copies are continuing to be received by the CMC.

Forensics report

In early 2001, the Commission was asked by the Director of Public Prosecutions to look into aspects of a police investigation that had resulted in the wrongful conviction of a man for rape. (The man's conviction was quashed by a Court of Appeal in April 2001 when fresh forensic evidence proved he was not guilty of the crime.) The Commission's report is due for publication later in 2002.

As well as examining the police investigation, we also invited 10 organisations with an interest in the relationship between forensic science and criminal justice to provide submissions on the topic, with particular reference to:

- the selection of items for testing and their handover to scientific staff
- the training for investigators and the suitable providers of that training
- the roles and responsibilities of police investigators and health professionals regarding testing, and the appropriate role of defence counsel in the process.



Public Attitudes Survey 2002

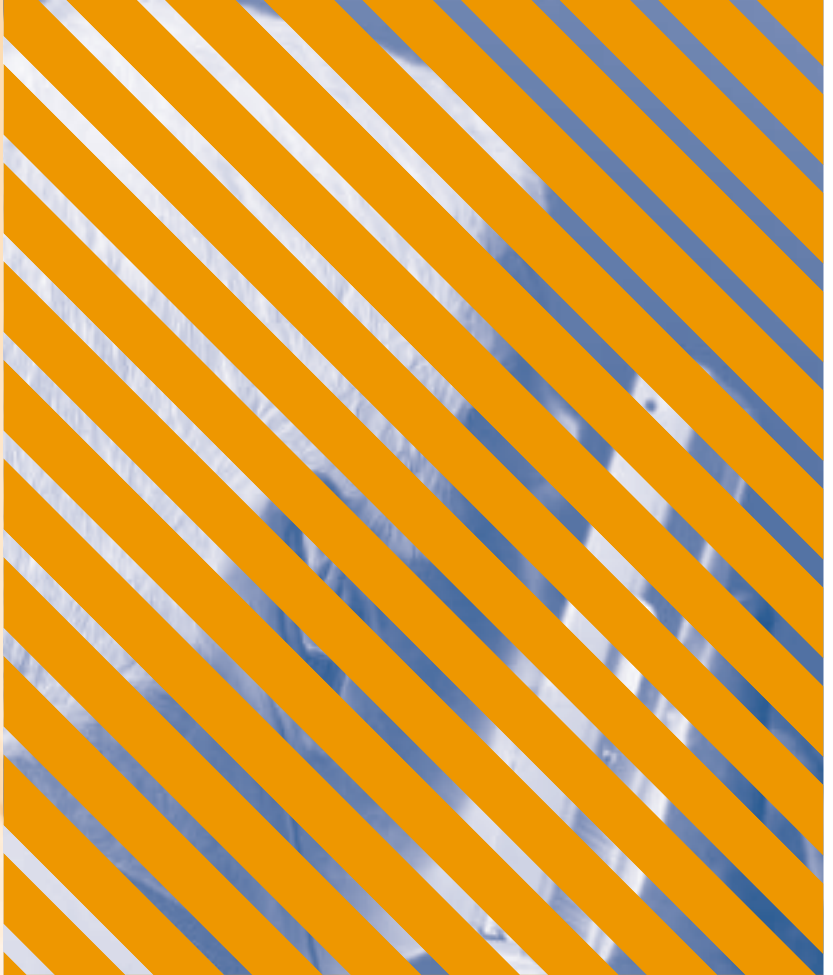
Every two to three years the CMC undertakes a telephone survey of public attitudes towards the QPS, local councils and the public service generally. This year the survey was redesigned to include questions about the Crime and Misconduct Commission, in addition to questions included in the last survey about the CJC. These survey data will provide essential benchmark data that can be used by the CMC in the coming years to measure public awareness.

For details of other completed and current projects, see 'Research', 'Working with the Queensland Police Service', and 'Working with Indigenous Communities'.

Misconduct & Integrity: Outlook for 2002–03

We will use all the CMC's capacity, skills, knowledge and powers in the areas of investigation, research, strategic intelligence, surveillance, information technology and legal services to combat official misconduct. The Misconduct function will contribute to the Commission's key focus area of capacity building and ensure that its activities reflect its operational philosophy and focus on strategic partnerships. Our integrated activities will reflect our commitment to:

- conduct investigations into serious and sensitive misconduct.
- conduct proactive, covert investigations into serious misconduct.
- develop protocols for complaints handling between the CMC and government agencies, including the Ethical Standards Command of the QPS.
- develop a specific policy and protocol for handling complaints by Indigenous people.
- revise the publication *Managing the Impact of a CJC Investigation*.
- survey agencies to learn their capacity to prevent and deal with misconduct.
- conduct random audits and reviews of investigations under-taken by public sector agencies to ensure that they are dealing appropriately with complaints referred to them by the CMC.
- publish 'Making a Difference: Governance and Accountability of Indigenous Councils'.
- disseminate Prevention Pointers to Indigenous councils.



WITNESS PROTECTION

GOAL:

To provide an effective witness protection service.

SUPPORTING OBJECTIVES:

Provide quality, timely, cost-effective support to protected witnesses.

Develop methodologies for providing effective witness protection.

Proactively develop working relationships with client law enforcement agencies.



SECURITY

WITNESS PROTECTION

Outcomes from last year's projected activities (CJC Annual Report 2001–02)

What we said we would do:	What we did:
Pursue the recognition of the Witness Protection Act as complementary witness protection law by the Commonwealth and other States.	We wrote to the Commonwealth and all State Governments in November 2001. An encouraging response was received from the Commonwealth and New South Wales; however, we will need to continue to liaise with the Department of Premier and Cabinet to progress the recognition declarations and their gazettal in these and other jurisdictions.
Continue to review and develop policy and procedures, consistent with the Witness Protection Act, while ensuring that high standards are maintained and the community receives the best possible professional and efficient service.	This activity remains ongoing.
Implement the QPS-approved witness protection course in line with the National Competency Standards for Witness Protection.	The first course was successfully conducted from 10 June to 5 July 2002. See page 64 for more details.
Embark on a statewide exercise to increase the education and marketing of the witness protection service to its client agencies, especially to the QPS.	Our statewide education and marketing exercise was restricted because of the amount of work involved in amending the policies, operational procedures, application forms and other administrative documents for the Commission and the QPS in the wake of the <i>Witness Protection Act 2001</i> (Qld). Another significant limiter in our ability to provide an extensive education and marketing program was the administrative effort involved in writing, preparing and delivering the witness protection course.
Support law enforcement activities through provision of witness protection.	See details on following pages.

Witness protection involves protecting someone whose life is in danger because they have helped a law enforcement body, such as the Crime and Misconduct Commission or the Queensland Police Service, do its job.

Witness protection has been offered in Queensland since the Fitzgerald Inquiry of 1987–89 when some witnesses to the Inquiry needed to be protected. Before then, Queensland, like other Australian States, had no formal witness protection program, nor was there any witness protection legislation. In 1990, Witness Protection was established as a unit within the newly formed Criminal Justice Commission (now the Crime and Misconduct Commission) and since then more than a thousand people have been protected.

Witnesses can come from all walks of life including victims of crime, innocent bystanders to a crime, and people who have inside information about criminal or corrupt activity generally because they are themselves associated with crime or corruption.

A person does not have to be a witness in a court of law to qualify for witness protection, but the person does have to have helped a law enforcement agency and be in danger because of having done so. Witness protection can involve relocating the person (including the creation of a new identity). It may also extend to the relatives and associates of the person.

Witness protection at the CMC

The Director of the CMC's Witness Protection function, who is an Assistant Commissioner of the QPS, chairs the Witness Protection Advisory Committee. The committee advises the CMC Chairperson on who should be given protection, but the final decision rests with the Chairperson.

Before a person can be admitted to the witness protection program, a threat assessment is conducted to determine if the person fulfils the eligibility criteria contained in section 6 of the Witness Protection Act. Ongoing operations are also assessed when circumstances change.

It may take up to eight weeks for a person to be formally admitted to the program, but interim protection is usually offered within two days of an application being received, or immediately if necessary.

The *Witness Protection Act 2000* (Qld) is available on our website: www.cmc.qld.gov.au.

Overview of performance 2001–02

Statistics for the year

During 2001–02, we protected 131 people in 63 operations, including 47 people in 22 operations carried over from 2000–01. No-one on the program came to any harm. We also concluded arrangements with 86 people in 46 operations. As at 30 June 2002, 45 people in 19 operations were under the program. An overview of statistics since the witness protection program commenced in 1987 is given in Figure 11.

In 2001–02, a total of 198 people were referred for witness protection, 84 of whom accepted an offer of protection; 96 per cent of these persons were referred by the QPS, 4 per cent by the CMC.

We conducted 125 threat assessments (involving 181 persons); 92.2 per cent were completed within four weeks of a person being accepted into protection.

We successfully provided security at various courts for 51 witnesses who were required to attend court to give evidence for the prosecution or for their own matters.

Witness protection course

Witness protection officers, who are usually police officers, receive specialist on-the-job-training in the many diverse aspects of witness protection. Until now there has been no specific witness protection course.

This year we developed and held the first such course in Australia. Based on the recently determined national competencies for witness protection officers, the course was conducted from 10 June to 5 July 2002 and involved representatives from the CMC, QPS, New South Wales Police, New Zealand Police and the United States Marshals Service. The course is expected to lead to an Advanced Diploma in Police Witness Protection.

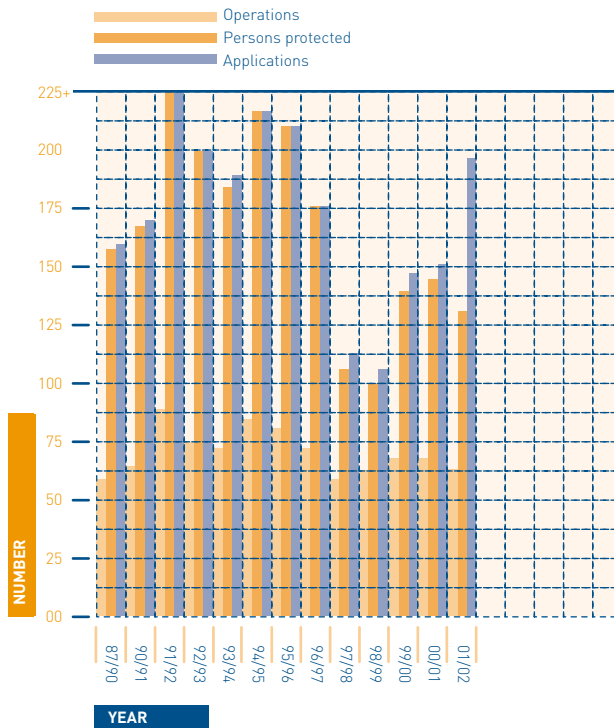
The course is the first specialist qualification to be delivered under the Public Safety Training Package. There are nine specialist qualifications under the Package, each of which is to have its level of qualification determined. Our course is being considered by the Australasian Police Professional Standards Council (APPSC) as the course to provide the benchmark in determining what level these specialist qualifications will be.

Corporate recognition

Over the past two years the Witness Protection function conducted the most involved and largest court security witness protection operation in Australia. The operation involved the protection of 14 people and arose out of a QPS investigation into drug trafficking and associated crimes of violence committed by 27 members and associates of an outlaw motorcycle gang in Far North Queensland. The arresting officers and Crown Prosecutors have acknowledged that the results achieved would not have been possible without the facility of witness protection in providing a safe environment for the witnesses to give evidence.

As a result of their efforts, Witness Protection staff were awarded the inaugural CMC Client Satisfaction Award for 2002.

Figure 11. Operations, persons protected and applications current between 1 January 1987 and 30 June 2002



Witness Protection: Outlook for 2002-03

- We will continue to urge the recognition of the Witness Protection Act as complementary witness protection law to that of the Commonwealth and other States.
- We will continue to review and develop policy and procedures, consistent with the Witness Protection Act, while ensuring that high standards are maintained and the community receives the best possible professional and efficient service.
- We will deliver education and awareness/marketing sessions to client agencies throughout Queensland regarding the existence of the Witness Protection Unit and the services it provides.
- We will pursue the recognition of current competencies for existing members of the Witness Protection Unit in line with those identified in the nationally accredited witness protection course to ensure that those persons involved in providing witness protection are properly trained.
- We will liaise with other Australasian witness protection units to exchange methodologies, analyse trends and discuss other issues likely to impact on the strategic management of witness protection in Queensland.



RESEARCH

GOAL:

To provide high-quality research into crime, misconduct and policing.

SUPPORTING OBJECTIVES:

Undertake high-quality research to assist all other functions of the Commission.

Provide high-quality research to external stakeholders.

Pursue and undertake opportunities for collaborative research projects.



CAPACITY
BUILDING

RESEARCH

Outcomes from last year's projected activities (CJC Annual Report 2001–02)

What we said we would do:	What we did:
Research and reform (see page 42 for Prevention projected activities)	
Publish report on the status of funding of Legal Aid Queensland and the Office of the Director of Public Prosecutions.	<i>Funding Justice: Legal Aid and Public Prosecutions in Queensland</i> was published in August 2001. See page 74 for more details.
Jointly with National Crime Prevention, publish the Beenleigh Break & Enter Reduction project report, <i>Lightning Strikes Twice</i> .	The report <i>Lightning Strikes Twice</i> was published in September 2001 along with a booklet entitled <i>Guide to Preventing Repeat Home Burglary</i> . See page 73 for more details.
Publish report on the impact of IT on police practices.	The report <i>E-policing: The Impact of Information Technology on Police Practices</i> was published in September 2001. See page 73 for more details.
Publish a second volume of the QPS Update.	Owing to the scope of the second volume, we decided to reproduce the information through a series of Research & Issues papers instead, the first of which will be released in late 2002.
Commence data collection in preparation for a review of the effectiveness of the <i>Prostitution Act 1999</i> .	This process is ongoing. See page 74 for more details.

The CMC conducts high-quality research in support of all its functions, particularly crime prevention, misconduct prevention and policing.

Staff of the Commission's Research and Prevention area are organised into six 'streams', which correspond to the priority areas of policing, capacity development, crime prevention, illicit drugs, paedophilia, and Indigenous liaison. Table 16 on the next page outlines the primary responsibilities of these six streams. (Details about the capacity-development work of the Commission can be found on pages 55–56 and details about Indigenous liaison can be found on page 84.)

In addition, the Research and Prevention area of the Commission provides support to the corporate functions—for example, by assisting in the development of organisational performance measures. Corporate and cross-unit support activities such as these are shared across the six streams.

Stakeholders

We work closely with a wide range of stakeholders, who can be divided into two (overlapping) categories—partners in collaborative research exercises, and external reviewers, whose expertise and advice can be called upon to ensure our outputs are relevant and of high quality.

As well as the people of Queensland, our key stakeholders are:

- Department of the Premier and Cabinet
 - Law and Justice Unit
 - Crime Statistics Research Unit
- Australian Institute of Criminology
- Criminology Research Council
- Australian Institute of Health and Welfare
- Queensland Police Service
- Department of Corrective Services
- Department of Families
- Queensland Health

- Commission for Children and Young People
- Office of Public Service Merit and Equity
- Office of Economic and Statistical Research
- Department of Aboriginal and Torres Strait Islander Policy
- Department of Justice and Attorney-General
- Crime Statistics Unit
- University sector (schools of criminology, justice studies, social science)
- University of Queensland
- Griffith University
- Queensland University of Technology
- Ombudsman
- Integrity Commissioner
- Queensland Audit Office
- Professional associations (including IPAA, IIA, CPA, LGAQ, LGMA)
- Internal auditors
- Chief Executive Officers of local authorities, state government departments, universities and statutory authorities
- Corruption Prevention Network
- Social Science Research Network
- Island Coordinating Council
- Aboriginal Coordinating Council
- Aboriginal Community Councils (DOGIT and Shire)
- Island Community Councils (DOGIT and Shire)

Keeping stakeholders informed

Providing information and a liaison network for public sector agencies is one of our major activities. Our misconduct prevention activities rated highly in the Queensland National Integrity Systems Assessment (QNISA) process as:

- being highly relevant to the advancement of integrity in public sector agencies
- providing the most support to public sector agencies
- receiving the most amount of support from public sector agencies.

As did the CJC, one of the main ways we keep in touch with government agencies is through the Liaison Officers' Network, which is an extensive network of officers across state government departments, local authorities, universities and statutory authorities who act as a communication link between their agency and the CMC. A survey of Liaison Officers conducted during the year indicated a high regard for the work of the Commission.

Table 16. Primary responsibilities of the six Research and Prevention streams

Stream	Primary responsibilities
Policing research	<p>monitor and report on significant developments in the QPS</p> <p>promote improvements in police methods of operation by conducting pilot projects and disseminating research</p> <p>conduct research on trends in, the causes of and the prevention of misconduct by police</p> <p>monitor implementation of significant CMC reports relating to QPS.</p>
Capacity development (see pp. 55–56)	<p>monitor and report on significant developments within the jurisdiction of the CMC with respect to the capacity of external agencies to identify, deal with, and prevent instances of misconduct</p> <p>undertake (where required) detailed analyses of organisational exposure to risks of misconduct</p> <p>provide 'targeted' advice and assistance to external agencies aimed at enhancing their capacity to deal with misconduct</p> <p>provide 'general audience' advice and assistance about the rights and obligations of employers and employees with respect to actual or potential instances of misconduct.</p>
Crime prevention	<p>undertake research projects that can provide policy makers and/or law enforcement authorities with policy-relevant information—particularly with respect to the issues of paedophilia and drugs</p> <p>monitor 'what works, what doesn't work, what looks promising', in terms of crime prevention strategies in Queensland</p> <p>collaborate wherever possible with the CMC's Crime function in order that research data and/or prevention advice are integrated with operational activities efficiently and effectively.</p>
Drugs	<p>undertake major research projects focusing upon illicit drug use, manufacture and distribution (particularly with respect to the critical emerging issue of amphetamine abuse)</p> <p>establish 'benchmark' data with respect to statewide levels of illicit drug use that can provide the basis for monitoring of trends in illicit drug use</p> <p>collaborate with key agencies such as the AIC in the monitoring of illicit drug use and the relationship of such use with other crimes such as property crime and violent offences.</p>
Paedophilia	<p>undertake research assessing the range of court outcomes for sexual offences against children</p> <p>undertake research into the nature of sexual victimisation among offenders in the Department of Corrective Services</p> <p>provide an Internet-based information service for both government and citizens interested in paedophilia-related legislation, research, support services, and publications.</p>
Indigenous liaison (see p. 84)	<p>provide advice and information about governance and misconduct prevention strategies to Indigenous Councils and organisations</p> <p>assist the CMC to deal with complaints made by Indigenous people</p> <p>address criminal justice issues affecting Indigenous people.</p>

The CMC was also instrumental in establishing the Corruption Prevention Network for public sector officers and ethics practitioners interested in sharing ideas and information on building ethical workplace cultures and preventing corruption and misconduct. CMC staff hold positions on the network's management committee and each of its subcommittees.

Keeping in touch with academe

We maintain links with the university sector and the broader community of academic social scientists. Research and Prevention staff coordinate a research network that links criminologists and other social scientists from universities and the public service and plays an active role in efforts to more closely align the research endeavours of the two spheres.

Overview of performance 2001–02

Crime-prevention research projects

Crime-prevention research was not a major part of the work of either the Criminal Justice Commission or the Queensland Crime Commission. The Crime and Misconduct Act, however, calls upon the CMC to focus on identifying 'best practice' in crime prevention and to communicate this information to key stakeholders. In particular, we focus on the area of illegal drugs, which presents ongoing challenges for law enforcement and public health agencies across the State, and the area of paedophilia, which is a key priority for the Commission.

Our research projects are intended to provide policy makers and/or law enforcement authorities with policy-relevant information. We monitor 'what works, what doesn't work, what looks promising', in terms of crime-prevention strategies in Queensland, and collaborate wherever possible with the CMC's Crime function to ensure research data and/or prevention advice are integrated with operational activities efficiently and effectively.

Key projects launched since January 2002

Juvenile offenders

Together with the Departments of Families and Corrective Services and the Office of Economic and Statistical Research, we began a collaborative research

project that aims to determine the likelihood of juvenile offenders continuing to offend into adulthood. We are analysing the personal and criminal paths of juvenile offenders who received juvenile justice orders (including non-custodial) in Queensland in 1994–95. This project, which is complex because of the technical difficulties associated with merging data drawn from different criminal justice system agencies, will provide benchmark data relating to offending and recidivism.

Drug dependency and crime

In June 2002, we published the first in a series of Research and Issues papers on the findings of the DUMA (Drug Use Monitoring in Australia) survey.

Through this program, which is funded by the Commonwealth's National Illicit Drug Strategy, detainees from participating watchhouses—Southport Watchhouse (Qld), East Perth Lockup (WA), Bankstown police station (NSW) and Parramatta police station (NSW)—are invited to complete a questionnaire and provide a voluntary urine sample. The urinalysis indicates whether drugs are present in the body at the time of the interview and the survey data record demographics, arrest particulars and self-reported drug use, as well as information on such issues as participation in drug-rehabilitation programs.

Our paper, part of a collaborative research exercise conducted with the QPS, drew upon interviews and urinalyses undertaken throughout 1999, 2000 and 2001, involving detainees from all four sites. We explored the relationship between drug dependency and crime, and between drug dependency and such factors as age, sex, schooling and drug-taking.

Amphetamine use

We began a project with Queensland Health to examine the nature of amphetamine use and amphetamine markets in metropolitan, outer metropolitan and rural Queensland. We plan to interview amphetamine users from selected areas in Queensland. This is a highly ambitious and methodologically innovative research exercise that will attract widespread interest both nationally and internationally.

Illicit drug-use patterns

We are establishing baseline indicators of illicit drug-use patterns and attitudes from the household population in Queensland. This information will be

used to compare general household illicit drug use patterns with the patterns of drug use from high-risk samples of arrestees (e.g. DUMA) or individuals in drug-abuse treatment programs. In collaboration with the Queensland Alcohol and Drug Research and Education Centre, we are examining the prevalence of illicit use of drugs among individuals entering the emergency room of a hospital accident and emergency section on the Gold Coast. Both of these studies will provide important insights into the patterns of illicit drug use in Queensland.

The courts and sexual offences against children

We are trying to find out why certain cases of sexual offences against children drop out of the system and, at the same time, are examining and documenting sentencing trends and the associated characteristics of sentencing outcomes.

The link between sexual victimisation and offending

We are examining samples of offenders in the Department of Corrective Services for indications of sexual victimisation during their early childhood years. The project also examines the impact of sexual victimisation upon criminal careers, and will explore whether specific organisational initiatives are worth developing.

Paedophilia-prevention portal

We have begun developing a 'portal' on the Commission website that will provide viewers with access to a wide range of information about paedophilia. This portal will not only provide direct access to research data, location of support services and legal definitions of paedophilia, but will also provide direct links to other agencies with statutory responsibilities or research interests with respect to sexual offences against children (for example, the Commission for Children and Young People, and the Australian Institute of Criminology). We expect the portal to go live in October or November 2002.

Policing-related research projects

From its inception, the CJC played a lead role in ensuring that the Fitzgerald reforms regarding the Queensland Police Service were implemented and maintained. The CMC continues this work.

Police training

Under the auspices of the Police Education Advisory Council (PEAC), we reviewed police training in tactical communication and conflict management. This training will be incorporated into the proposed review of the Initial Service Program. The project will most likely be allocated to the Police Operational Skills Training (POST) Unit at the Academy.

Making the response fit the complaint

We documented the main features of different methods of dealing with complaints against police used in Queensland. The project explored four options: investigation, informal resolution, mediation and managerial resolution. Each option was examined in terms of its background rationales and its advantages and disadvantages. The results of this study were published in a CMC Research and Issues paper entitled *Making the Response Fit the Complaint: Alternative Strategies for Resolving Complaints against Police*.

Police response to domestic violence

We are looking at the way police respond to domestic violence incidents and to breaches of domestic violence orders. We hope to be able to pinpoint domestic violence 'hot spots' and the characteristics of these locations, with the goal of identifying promising new responses to an issue that consistently proves challenging to law enforcement agencies.

Police powers

We have begun preparing to measure the extent to which police compliance with the Police Powers and Responsibilities Act has been maintained and improved since the CJC conducted an audit of police interview tapes in March 1999. The audit involved listening to a random sample of 136 interview tapes of persons questioned in relation to an indictable offence. The report recommended that a further audit be conducted after the effects of the new legislation were measurable.

Precursors to police misconduct

We are currently seeking to identify the early warning signs (during the police selection, recruitment and training processes) of police behaviour that is likely to attract complaints from the public. The project also explores the characteristics associated with work

performance and early attrition from the QPS. This research project will provide valuable information that can be integrated into recruit selection and training processes for police officers.

Beat policing

We are currently evaluating the QPS 'beat policing' program on behalf of the Office of the Premier and Cabinet. Beat policing is an operational strategy designed to make individual police officers responsible for a defined geographical area or 'beat'. Officers aim to patrol primarily on foot and use proactive rather than reactive strategies in order to better tackle the underlying causes of crime within their beat. The policing emphasis of beat policing is:

- problem solving
- prevention
- effective responses to calls for service
- focused patrolling.

Our evaluation, which we expect to release later in 2002, addresses three key research questions: does beat policing reduce crime in areas where it is implemented? is beat policing cost effective? is beat policing well received by the communities where it is implemented?

Ethical climates

We released a Research and Issues paper entitled *Monitoring the Ethical Climate of Organisations: A Queensland Case Study*, which described a means by which large organisations (such as the QPS) can monitor their 'ethical climate' and track changes over time in that climate.

E-policing

In September 2001, we published the report *E-policing: The Impact of Information Technology on Police Practices*, which, using the QPS as a case study, examines the extent to which the implementation of information technology has modified the accountability structure and the occupational culture of policing and whether information technology has altered police practices at the street, supervisory and management levels. More generally, the research explores the potential and limits of information technology as a tool for police reform.

Beenleigh Break and Enter Reduction Project

The report of the project, *Lightning Strikes Twice*, was published in September 2001, marking a collaborative effort with National Crime Prevention. The report is the result of the Beenleigh Break and Enter Reduction Project, which was an initiative of the QPS and the CJC. The project aimed to improve the way that police responded to the problem of residential burglary.

Problem-oriented policing

This project, referred to as Project Wesley, is a 12-month joint CMC-QPS pilot project designed to encourage detectives to make greater use of the techniques of problem-solving to identify and target individuals, places and offences with a view to increasing the effectiveness of the investigative response to crime. The CMC designed the project and is the co-sponsor. Our main contribution is to provide advice to the project team and document the results of the trial.

Examining police high-speed pursuits

We began examining data gathered by the CMC and the QPS to pinpoint recent trends in police high-speed pursuits, noting in particular trends in the number of deaths and injuries associated with police pursuits. Our role in the project is to examine the trend data, identifying best practice strategies used across several jurisdictions, the policy changes undertaken by the QPS, and effective and safe strategies for responding to high-speed police pursuits.

Other research projects

Funding Justice

In April 1995, the CJC published *Report on the Sufficiency of Funding of the Legal Aid Commission of Queensland and the Office of the Director of Public Prosecutions, Queensland*. The report was in response to the Supreme Court decision of His Honour Mr Justice de Jersey in *Boe v. Criminal Justice Commission*. His Honour found that the CJC's obligation under section 23(c) of the *Criminal Justice Act 1989* to monitor and report on the sufficiency of funding of law enforcement and criminal justice agencies was to be fulfilled on a regular basis. Before 1995, the CJC had not addressed the issue of sufficiency of funding of law enforcement and criminal justice agencies.

In September 2001, the CJC produced a follow-up report entitled *Funding Justice: Legal Aid and Public Prosecutions in Queensland*, which examined the state of funding of the Legal Aid Commission (LAC) and the Office of the Director of Public Prosecutions (ODPP) and the extent to which action has been taken to address the issues identified in the 1995 report. It also identified new and continuing issues and problems that affect the funding of LAC and the ODPP.

Evaluating the Prostitution Act

We began data collection in preparation for a review of the effectiveness of the *Prostitution Act 1999* (Qld). While section 141 of the Act only obliges the Commission to initiate a review once three years have elapsed from the commencement of the Act, it is essential that work is undertaken throughout the three years to ensure that relevant and timely information is available for the evaluation report in 2003.

Research: Outlook for 2002–03

- Conduct a research study on the police use of deadly force, as well as the value of a range of less lethal technologies.
- Examine public attitudes towards the QPS.
- Release Research and Issues papers on policing in Indigenous communities.
- Conduct a research study into policing strategies for Indigenous communities.
- Establish a paedophilia-prevention portal on the CMC website.
- Publish an evaluation of the QPS 'beat policing' program on behalf of the Office of the Premier and Cabinet.
- In 2003, publish an evaluation of the *Prostitution Act 1999* (Qld).
- Publish the results of our study on precursors to police misconduct (Project Barossa), and on the adoption of problem-oriented policing strategies in the QPS.
- Continue examining trends in police high-speed pursuits and identifying best practice guidelines.
- Help develop complaints-handling protocols between the CMC and the ESC.
- Publish a follow-up study of police interview tapes.



WORKING WITH THE QUEENSLAND POLICE SERVICE



INNOVATION

WORKING WITH THE QUEENSLAND POLICE SERVICE

The CJC had a special relationship with the Queensland Police Service, largely because the CJC was formed in response to the 1987–89 Fitzgerald Commission of Inquiry into police corruption in the then Queensland Police Force. For a decade, the CJC and the QPS worked closely together to raise standards of integrity within the QPS and to deal more effectively with complaints against police. As a result, the QPS of today is a vastly different organisation from the QPS of the late 1980s.

The CMC continues this close relationship with the QPS. While primary responsibility for dealing with police misconduct and less-serious official misconduct has been handed back to the QPS by the *Crime and Misconduct Act 2001*, the CMC is nonetheless able to monitor the way police handle these complaints and to assume responsibility for and complete particular investigations itself.

A truly mature police service must accept responsibility for its own integrity. At the same time, the *Crime and Misconduct Act* gives the CMC powers to monitor and take over police internal investigations.

Devolution of complaints-handling to the QPS

The statutory model for the CJC did not exclude the police service from all responsibility for dealing with complaints against police. On the contrary, from the beginning, the CJC always used a significant number of police officers as investigators. Contrary to concerns expressed in other jurisdictions, this use of police investigator expertise in a multidisciplinary environment has proved successful in Queensland. Furthermore, the CJC always returned a proportion of complaints to the Service for internal investigation, subject to CJC oversight.

In 1995, 1998 and 2001, reports by Parliamentary Committees oversighting the CJC supported the progressive devolution to the police service of greater responsibility for handling complaints against police, subject always to CJC oversight.

In 1995, the Parliamentary Criminal Justice Committee (PCJC) pointed out that the report of the Fitzgerald Inquiry:

did not intend that the Commission investigate all complaints against police ... and considers there needs to be an efficient mechanism in place within the Queensland Police Service ... to investigate and determine minor or purely disciplinary matters.

In a later report, the PCJC endorsed a comment from the Wood Royal Commission Report in New South Wales that the best platform for change involved the police service taking managerial responsibility for professional standards.

In 1997, the QPS established an Ethical Standards Command (ESC) headed by an Assistant Commissioner of Police with lengthy experience at the CJC.

In July 2000, the CJC and the ESC launched 'Project Resolve', a trial of new complaints-handling procedures that gave regional managers of police greater responsibility for dealing with complaints of misconduct. The results of the trial in two police regions over a six-month period confirmed the PCJC's view that the QPS could be given greater responsibility for the handling of some complaints against its officers. That trial has now been extended statewide.

As well as being a more effective way of dealing with less-serious complaints against police, this strategy also allows the Commission to concentrate its resources on the investigation of serious misconduct. As expressed in the second reading speech on the introduction of the *Crime and Misconduct Act*:

One aim of requiring police to investigate police misconduct in the first instance is to improve the efficiency and timeliness of all investigations by freeing up Commission resources to focus on oversight and more significant investigations.

These progressive moves towards giving police more responsibility were confirmed by the *Crime and Misconduct Act*, which enacted the principle that 'action to prevent and deal with misconduct in an agency should generally happen within that agency', subject to its capacity to handle the matter and to the public interest.

The CMC is continuing to develop a comprehensive program for monitoring police handling of complaints. In implementing this new model we are being careful to ensure, through effective oversight, that the confidence being shown in the police service is not being betrayed.

As at 30 June 2002, we were preparing a brochure for the public outlining the current procedures for handling complaints against police. The brochure was published in July and widely disseminated.

Building the capacity of the police service to resist corruption is a central component of a preventive response to corruption and misconduct.

Statistics on complaints against police

Complaints against police have always formed the bulk of complaints made to the Commission; this year they formed 68 per cent of total complaints. The bulk of these complaints (71 per cent) came from members of the public, but 18 per cent came from fellow police officers.

The majority of these complaints relate to less-serious matters. But a very small proportion of police become involved in serious criminal behaviour. Drug dealing, bribery and theft are not beyond these individuals. An effective investigative response is required in those cases.

Some case studies of CMC investigations of police officers can be found on pages 49–51 of this report.

Police taskforces

In relation to our Crime function, our Act allows the Chairperson of the CMC to make arrangements with the Commissioner of Police for the establishment of police taskforces to help the CMC carry out crime investigations. These taskforces are commanded by the Commissioner of Police through appropriate delegation. In addition to exercising Crime and Misconduct Act powers, members of police taskforces may access specialist investigative support from various professional disciplines. Taskforce members are encouraged to access the expertise of CMC staff to enhance the investigative process. CMC staff include people drawn from investigative, intelligence, forensic, legal, information technology and accounting disciplines.

Officers from the Queensland Police Service are also seconded to the CMC to work as witness protection and surveillance officers. As at 30 June 2002, there were 76 police officers working at the CMC in investigative (both crime and misconduct areas), surveillance and witness protection roles.

Policing research

One of our primary responsibilities is to promote an effective and accountable police service that is responsive to community needs. We do this by monitoring QPS activities and procedures and by helping it develop innovative policing methods and strategies. For example, currently we are involved in a joint project with the QPS to encourage detectives to make greater use of the techniques of problem-solving to identify and target individuals.

We keep the public informed about our activities in this area through public reports. See pages 72–73 of this report for more details.

Work of the Review Commissioners

Under the *Police Service Administration Act 1990*, police officers may apply to have decisions regarding promotions, transfers, suspensions, dismissals and disciplinary action (other than those arising from misconduct findings) independently reviewed by Commissioners for Police Service Reviews (Review Commissioners).

Current or former CMC Commissioners undertake this work. In 2001–02, Mrs Kathryn Biggs, Mrs Dina Browne, Mr Barrie Ffrench, Mr Ray Rinaudo and Dr Margaret Steinberg all heard promotion and transfer review applications. Mr Rinaudo also heard disciplinary-type review matters.

A hearing before a Review Commissioner is informal and non-adversarial. Legal counsel is not permitted. After consideration of a matter, the Review Commissioner provides a written recommendation to the Commissioner of the Queensland Police Service. Where a recommendation is not accepted, the Police Commissioner is required to outline his reasons for making such a determination.

The Review Commissioners continued to identify problems occurring in the QPS Promotion and Transfer and Discipline systems through the hearing of such review applications. In addition to raising these matters in individual review recommendations, they have highlighted recurrent problems through periodic liaison with QPS human resource management and the Commissioner of Police. Review Commissioners also met with staff from the QPS Central Convenors Unit throughout the past year to discuss selection process issues.

The Office of the Commissioner for Police Service Reviews continued its liaison with the Queensland Police Union of Employees, with union representatives being invited to attend promotion and transfer review hearings as observers. An article by Secretariat staff outlining the review process to police officers appeared in the *Queensland Police Union of Employees Journal*.

Review Commissioner Rinaudo and Secretary Ms Sue Cummins represented the Office of the Commissioner for Police Service Reviews at the 2001 National Public Sector Appeals Conference.

TABLE 17. Types of applications lodged 2001–02

Type	Number
Promotion	152
Transfer	22
Stand-down	2
Suspension	2
Disciplinary sanction	3
Unapplied transfer	9
No jurisdiction (misconduct only)	—
Dismissal	1
TOTAL	191

TABLE 18. Status of applications lodged 2001–02

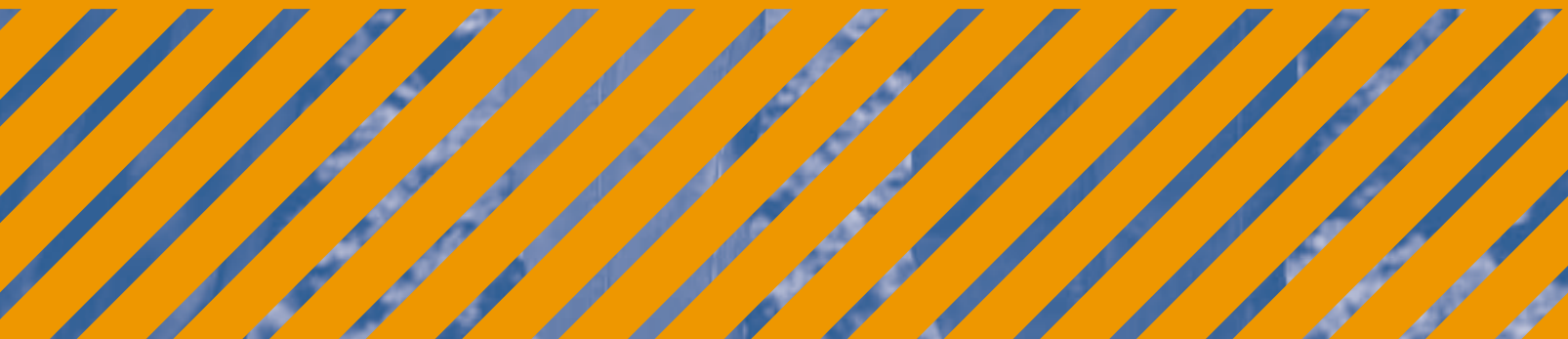
Status	Number
Matters lodged	191
Matters heard*	67
Matters withdrawn	86
Matters out of time/no jurisdiction	13
Matters awaiting hearing	25
*Refers to only those matters lodged in the 2001–02 financial year.	

TABLE 19. Result of matters heard by Review Commissioners 2001–02

Application type	Affirmed	Varied	Set aside	TOTAL
Promotion	46	19	—	65
Transfer	5	2	—	7
Disciplinary sanction	1	2	—	3
Unapplied transfer	4	—	—	4
Stand down	1	—	—	1
TOTAL	57	23	—	80



WORKING WITH INDIGENOUS COMMUNITIES



PREVENTION

WORKING WITH INDIGENOUS COMMUNITIES

The CMC, as did the CJC before it, recognises that a small but significant number of complaints it receives are made by, or relate to, Indigenous people. These complaints tend to fall into two categories:

- complaints arising from interactions between Indigenous people and police
- complaints concerning financial mismanagement or fraud in Indigenous councils or agencies.

These matters are often exacerbated by remoteness of location, limited opportunity to gather evidence, and the involvement of numerous stakeholders, all of which serve to challenge standard investigative practices.

Hence, in 1993, the CJC employed an Aboriginal and Torres Strait Islander Liaison Officer whose first priority was to establish cooperative links with the Indigenous community.

Out of this, in September 1993, arose the Aboriginal and Torres Strait Islander Consultative Committee, which comprises members of the Indigenous community and officers of the Commission. The Committee was set up to advise the CJC on traditional and cultural aspects of criminal justice issues affecting them and to assist the Liaison Officer in developing an educational program for the CJC and Indigenous communities.

Today, this Committee continues to provide a channel for the free exchange of information, ideas and concerns, allowing Indigenous people to directly influence the criminal justice system. In 2001–02, the committee met five times. (Current membership is given on our website: www.cmc.qld.gov.au.)

In 1996, we employed a second Aboriginal and Torres Strait Islander Liaison Officer, and in 2002 an Indigenous Complaints Officer.

The concerns Indigenous people bring to the CMC are much the same as those brought by other Queenslanders—with a particular emphasis on policing methods, the treatment of suspects and witnesses within the criminal justice system, and misconduct in Aboriginal and Torres Strait Islander councils.

Overview of performance 2001–02

Torres Strait investigations

The Auditor-General referred two allegations to the CMC, one concerning a contract for the supply of housing to a particular Island council, and the second concerning a senior officer of a small Island council who reportedly had misused his position to award himself a pay rise, excessive annual leave entitlements, Christmas bonuses and wage advances, and had not cooperated with earlier audit inquiries.

Commission officers travelled to Far Northern Queensland and the Torres Strait to conduct these investigations. They interviewed witnesses, obtaining formal witness statements, and conducted financial inquiries. Regarding the first matter, the allegation could not be substantiated. Regarding the second matter, the investigation revealed that the officer had made 33 unauthorised transfers of money from the council's bank account to his own bank account in an amount of \$30 300.

In relation to the second matter, the officer was charged with fraud and the case is due to be heard in the Magistrates Court in October 2002.

Complaints about Community Councils

In mid-2001, we identified complaints about Community Councils (or DOGIT Councils) as a priority area for the Commission, and in September 2001 an internal liaison group was convened to consider the issues. The group:

- noted patterns and themes
- noted shortcomings (internal and external) in management of some cases (e.g. procedures for management of DOGIT matters by Complaints Services currently being revised)
- assisted finalisation of several long-standing matters
- helped coordinate a response to current matters
- provided advice to CMC investigation teams
- provided advice to inter-agency government forums regarding Cape York Justice Study recommendations

- facilitated liaison and information-sharing with the Queensland Audit Office.

As a result, we provided advice and information about governance and misconduct prevention strategies to Aboriginal and Torres Strait Islander Community Councils and organisations, and launched Project Alliance. This project involves the development of resource/educational materials relating to misconduct in Indigenous councils and local Indigenous community service agencies.

The materials are being produced to help Indigenous councils build their capacity to deal with corporate governance issues. The materials will be based on current CMC local government resources, but be specifically targeted to an Indigenous audience. There will be an information kit with Prevention Pointers, 'train the trainer' guides, and a video. Most items are scheduled for publication in late 2002. The materials have been prepared in liaison with representatives of the Department of Aboriginal and Torres Strait Islander Policy, the Aboriginal Coordinating Council, the Islander Coordinating Council and several Indigenous councils.

Cape York Justice Study

We were asked to assist in the Cape York Justice Study undertaken by the Honourable Tony Fitzgerald QC. The study looked at the causes, nature and extent of breaches of the law in the Cape York Indigenous communities (with particular reference to alcohol and substance abuse), and sought to identify preventive strategies. Our contribution included providing detailed demographic/crime-data maps for relevant areas of the State.

In response to the recommendations of the Cape York Justice Study, we prepared a draft report 'Making a Difference: Governance and Accountability of Indigenous Councils', which will be published in October 2002.

Interim procedures for dealing with Indigenous complaints

More generally, we developed interim procedures for dealing with Indigenous complaints and started developing culturally appropriate, effective and timely ways to resolve these complaints. At the same time, we started preparing a plain language brochure for Indigenous communities on how to make a complaint against a police officer.

Addresses to Islander and Aboriginal Coordinating Councils

In August 2001, the CMC Chairperson addressed the Islander Coordinating Council and, in October 2001, the Aboriginal Coordinating Council. He focused on the value of codes of conduct.

Work of Indigenous Liaison Officers

Our liaison officers:

- facilitated the conduct of investigations at Mabuiag Island, Napranum and Palm Island, and also gave prevention advice
- attended various conferences and community organisation meetings to present information on the role of the CMC, the complaints process, codes of conduct, risk management and ethical decision making by public officials (these included visits to Cherbourg and Woorabinda)
- attended Cultural Awareness Training for QPS recruits, meetings of the QPS Aboriginal and Torres Strait Islander Reference Group, and a meeting with the QPS Cultural Advisory Unit regarding the development of complaints-handling protocols
- attended various Indigenous Community Justice Group meetings
- attended and assisted at train-the-trainer workshops for child protection staff of the Department of Families
- attended a two-day cultural awareness workshop for District Court judges facilitated by staff of the Department of Aboriginal and Torres Strait Islander Policy.



Each year the CMC has a presence at NAIDOC Week. Here CMC Indigenous Liaison Officer Lynette Booth talks to a visitor to the CMC stand at Musgrave Park.



An Indigenous Complaints Officer, Lisa Florence (left), joined the Commission's staff this year to help those Indigenous complainants who prefer to discuss their complaint with another Indigenous person. She is shown here with the CMC's Indigenous Liaison Officers, Lynette Booth and Dan Abednego.



MANAGING THE ORGANISATION

GOAL:

To be an effective and productive organisation.

SUPPORTING OBJECTIVES:

Strive for excellence in our governance and corporate infrastructure.

Provide a safe, fair, productive and satisfying work environment.

Embrace best practice in all aspects of the organisation.

Monitor our performance to ensure work quality and effective resource management.

TRANSPARENCY

MANAGING THE ORGANISATION

Outcomes from last year's projected activities

What we said we would do:	What we did:
CJC Annual Report (2000-01)	
Continue with the enhancement of COMPASS to enable the database to cover a wider range of activities, particularly in the Research and Prevention Division.	Our complaints database, COMPASS, continued to be enhanced to meet the escalating needs of the organisation.
Install desktop access to the Internet by October 2001.	Secure access to the Internet from all desktop computers was implemented in October 2001.
Launch our new website, Govnet site and intranet.	The website and Govnet site were launched in September 2001 and reviewed in January 2002. A new intranet was launched in January 2002.
Continue the review of library facilities.	The proposed merger of the Terrica Place and Milton libraries in early 2003 means that this activity is incomplete.
Conduct a pilot project to further explore business intelligence software.	We are trialling EBIS (electronic business intelligence system) software, which is designed to turn raw data into useful information to aid in business decision making.
Upgrade our standing operating environment by January 2002.	Our standing operating environment was upgraded in March 2002 and included the Crime area, which is still located at Milton. In light of the merger, this was a more significant project than was originally anticipated.
QCC Annual Report (2000-01)	
Continue development and implementation of an approved disposal and retention schedule under the Libraries and Archives Act.	Due to the merger of the QCC and the CJC, this activity was not required.
Continue development of a QCC intranet to provide staff with more rapid and effective access to corporate information, policies and dissemination of information.	The QCC intranet was integrated into the CMC website in January 2002
Redesign and enhance the QCC Internet website.	The QCC website was integrated into the CMC intranet in January 2002.
Implement network management tools and introduce a standard operating environment to reduce desktop hardware and software management costs.	Due to the merger of the QCC and the CJC, this activity was not required. It was incorporated into the planned CJC standing-operating-environment upgrade, which occurred in March 2002.

Overview of performance 2001–02

People

The CMC is dedicated to providing the best working environment it can to its approximately 280-strong staff of lawyers, police, accountants, investigators, social scientists, computing specialists, administrators and support officers, on the basis that a happier workforce is also a more stable and productive one.

It does this by offering state public service working conditions, including enterprise bargaining, and by adhering to government policies on equal employment opportunity and workplace health and safety. In addition, it provides an employee support program, a training service, staff achievement awards, regular internal communication facilities and a mechanism for staff to have their concerns heard by senior management.

During this reporting period, the merger had profound ramifications for staff and human resource management. The coming together of two fully functioning organisations with their own separate identities and their own distinct agendas required careful management to ensure a smooth transition to the new order. The need to create an organisation that was staffed appropriately and adequately, without losing existing in-house expertise or eroding staff morale, presented no small challenge.

As at 30 June 2002 the number of established positions was 281. Actual staff on hand during the year was an average of 278.9. See Tables 20 and 21.

Leadership, recruitment and training

- A Strategic Management Group was formed to lead the new organisation (see page 22).
- Specialist staff were recruited. The former organisations did not have the necessary level of in-house technical expertise to cater for the legislative changes brought about by the Crime and Misconduct Act in areas such as crime prevention and capacity building. Accordingly, an extensive recruitment exercise was conducted and a number of new staff with specialist expertise joined the organisation.

	Approved establishment	Actual staff on hand		
		Male	Female	Total
Executive*	14	6	8.2	14.2
Crime	30	18	16.1	34.1
Misconduct	85	46.9	35.5	82.4
Operations and Witness Protection	54	37	11.4	48.4
Research and Prevention	27	10.9	13.7	24.6
Intelligence and Information	52	25	28.8	53.8
Corporate Services	19	6	13	19
Total	281	149.8	126.7	276.5

* Executive includes Office of the Commission and Office of General Counsel.

Discipline	No.
Strategic Management	11
Librarians	2
Legal Officers	20
Intelligence Analysts	18
Financial Investigators	11
Computer Systems Officers	11
Complaints Officers	5
Operational Support Officers	19
Investigators (Civilian)	12
Registry Officers	17
Technical Officers	2
Administrative Officers	55
Research Officers	12
Police Officers	76
Prevention Officers	10
TOTAL	281

- The following key appointments were made:
 - Assistant Commissioner, Crime
 - Assistant Commissioner, Misconduct
 - Director, Research and Prevention
 - Deputy Director, Research and Prevention
 - Capacity Development Manager, Misconduct
 - Executive Legal Officer, Crime.
- The Middle Management Development Program for staff at AO5–AO8 level was successfully implemented, with two groups completing the program. Delivered in collaboration with the Australian Institute of Management, this program gives participants the opportunity to gain a Diploma of Business through the Business Services Training Package. The program may be expanded to include senior management, with a qualification at postgraduate level. This will be in addition to current training opportunities for senior management at various public sector leadership programs.
- Staff at AO2 to AO4 level were given the opportunity to gain a nationally recognised qualification at the Certificate III, IV or Diploma level through the Public Services Training Package.
- An Indigenous Cultural Awareness course continued to be popular with staff. One advanced course, dealing specifically with communication issues, was delivered for Complaints staff, with 33 staff attending.
- Three staff induction courses were held for new employees, with 26 staff attending.
- Computer and Internet training was given to all staff following the upgrade of the computer network and the granting of Internet access to all staff.
- Various corporate training courses were delivered, including those identified through the Performance Management and Development process, such as ergonomics training, dealing with difficult people, supervisory training and fraud prevention.
- We continued to participate in the Queensland Government's Breaking the Unemployment Cycle initiative, with three trainees undertaking Certificate III traineeships in Business Administration, Information Management and Library Services.



Recipients of awards in 2002 under the Corporate Recognition Scheme. In April 2002, the Chairperson presented several staff with awards for their specific achievements in one of four categories (Innovation, Leadership, Client Satisfaction and Work Achievement) under the Corporate Recognition Scheme. Awards were also presented to 14 officers who had completed at least 10 years' service with the CMC (including service with the Fitzgerald Commission of Inquiry, the CJC and the QCC).

Staff support

- To help staff better understand their entitlements and responsibilities, particularly in the wake of the merger, all human resource management policies were reviewed and posted on the intranet.
- The intranet was radically redesigned to better meet the needs of staff. All staff were granted Internet access, including an individual e-mail address, bringing them into line with most other public sector officers, and greatly enhancing communication networks.
- A volunteer support network was set up to help any staff who appeared to be experiencing work-related or personal problems, or who requested help. The network comprises Sexual Harassment Referral Officers (SHROs), Equity Officers and Peer Support Officers (PSOs).

Workplace health and safety

We began development of a comprehensive workplace health and safety manual and audit system material, which will support the legislative framework provided in the *Workplace Health and Safety Act 1995*. The material will be completed in early 2003, and a complete workplace health and safety audit conducted in 2003–04. The results of this audit will be used as part of the formula for the development of the CMC's Workplace Health and Safety Plan for 2003–04.

At the same time, the electronic Workplace Incident Management System (WIMS) was introduced to record hazards and injuries that occur in the workplace, including rehabilitation and risk assessment information. This information will provide accurate and reliable statistical information to the Strategic Management Group and will provide a benchmark for improvement on matters such as workers' compensation costs, staff absence and time lost claims, hazard identification and injury trends. In addition, the Workplace Health and Safety Committee will develop and facilitate awareness training for all staff on workplace bullying.

Equal employment opportunity

Valuable information on current staff demographics was gathered through a comprehensive staff survey. We also introduced improved advertising procedures to broaden the pool of prospective applicants for vacancies, conducted sessions with staff on sexual harassment awareness, and introduced an EEO Events Calendar to highlight significant events such as NAIDOC Week, Domestic and Family Violence Prevention Week and International Women's Day.

Under our current EEO Management Plan 2002–03 we are:

- collecting EEO information from prospective and existing staff, and regularly reporting this information to the Strategic Management Group
- facilitating training sessions on working with people with disabilities and preventing workplace bullying (a joint project with the Workplace Health and Safety Committee)
- introducing an EEO resource kit for managers
- developing processes that will ensure the cross-fertilisation of information from all employee-support groups to ensure that appropriate equity issues are being addressed
- facilitating the biennial EEO Audit
- developing a Work and Family policy in keeping with the CMC's recognition of the special difficulties faced by those staff who have family responsibilities.

See Appendix C for EEO statistics for 2001–02.

Information management

The operational work of the CMC relies heavily on effective information systems to support investigations, analysis and decision-making. We must:

- comply with statutory requirements and government information policies and standards
- maintain reliable and secure storage of information, and provide adequate access
- provide relevant, accurate information services to support research and investigation activities
- ensure reliable and secure data communication and telecommunication systems
- improve responsiveness to operational information requests, acquisitions and returns
- maintain competencies with contemporary and emerging technologies.

We have a five-year *Information and Communication Technology Resources Strategic Plan*, covering the period 2002 to 2006. Our vision for our management and use of information is:

Excellence in information management and information systems, providing value for money, accountability and client focus, and ensuring the CMC understands, has access to and uses the information it needs to achieve its full potential as a knowledge organisation.

The Strategic Plan is complemented by an annual operational plan for the management of more immediate projects and initiatives.

In 2001–02:

- The merger of the CJC and the QCC resulted in the need to modify the network and data communication infrastructure. This was done using internal specialists and with the cooperation of interstate law enforcement agencies.
- All leased desktop and laptop computers were replaced in early 2002. Taking full advantage of our participation in the Queensland Agency Agreement with Microsoft, we upgraded to Windows XP Professional and Office XP Professional on all client computers. The network operating system and associated network management tools will be upgraded to NetWare 6 and ZenWorks 3 to maximise the benefits of the new desktop environment. Electronic security policies and systems will be reviewed and revised.

- We reviewed and revised our records management systems to ensure standardisation across the CMC following the merger. Considerable progress was made in preparing to move to a single computerised records management system (RecFind). Our aim is to have all records of the Commission's physical holdings stored on a central database with access available to all authorised officers. The merged database will be upgraded to RecFind Version 4 enabling consistent security access levels to be implemented across the Commission.
- We made significant progress in returning property acquired from external sources with the number of items on hand reduced by 55 per cent and the items available for return reduced by 78 per cent. The reduction of acquired material holdings to a minimum acceptable backlog by June 2003 appears practicable with sustained effort on returns and disposals.
- In October 2001, all staff received secure access to the Internet, allowing them to take advantage of the extensive resources of the Internet, including external e-mail, subject to the Commission's policy on Internet use. Ongoing audits on the use and the performance of the Internet facilities will continue, together with maintenance of the Internet gateway security systems. External auditing of our electronic security systems will be conducted annually.
- Our most important application, the complaints database COMPASS, continued to be enhanced to meet the needs of staff. Legislative changes in the handling of complaints were facilitated through complementary changes to COMPASS processes and functionality. Enhancements to complaints processing and project management functionality will continue. The development will be pursued along with further assessment of a suitable Enterprise Business Intelligence System for the Commission.
- The physical relocation of the current Milton office staff and facilities to Terrica Place will require considerable contributions from Information Management. The secure movement of physical and electronic holdings will be a substantial task for records management, information technology and library staff. Inconvenience to operational staff will be minimised throughout this process, and changes to systems and technical infrastructure kept transparent to users where possible.



Financial accountants Gina Look and David Goody helped design and implement eTAP, a new computer system to aid in financial investigations.

- Late last year Misconduct staff, with the help of IT specialists, designed and implemented a new computer system to aid in financial investigations. The system, known as eTAP (electronic Transaction Analysis Program), has captured the interest of investigative accountants from the QPS, the Prostitution Licensing Authority, the NCA and AUSTRAC.

The system, which is easy to use, is designed to help the Financial Investigation Group reconcile, balance and account for monetary transactions of persons (individuals and businesses) through the analysis of financial transactions. It performs a function similar to many commercial General Ledger packages but with greater scope and flexibility. Each transaction is classified using a Chart of Accounts that can be specifically tailored to suit the needs of the investigation.

The budget for the project was \$28 800, the actual cost of the project was approximately \$14 000 and eTap was operational by December 2001. The system will be used in CMC reports and presented as evidence in Courts of Law and tribunals.

External communication

The recent changes brought about by the Crime and Misconduct Act provided us with an ideal opportunity to re-evaluate our communication strategies and to modernise our publications. As a first step in this strategy, we overhauled all our series and general publications so that they were more targeted and varied, and met higher production standards. We also embarked on an integrated communications strategy encompassing all areas of the Commission.

In September 2001, we launched a vastly improved and modern website with a user-friendly focus. The site was reviewed in January 2002 to reflect the new, integrated organisation.

Keeping the general public informed

As in previous years, we kept the public informed of our presence and our activities through a range of publications (see Appendix G).

In August 2001, the CJC had a presence in the Government Pavilion at the RNA Show, based on the theme *A Smart State is an Ethical State*. This theme was reflected in a special newsletter, *E-Edition*, that was handed out to pavilion visitors. Each day, two 30-minute shows were presented by a storyteller in the pavilion's theatre. These sessions consisted of a story, quiz and song for children about taking a stand against wrongdoing.

Finance

The financial operations of the CJC and the QCC were wound up, with the books of account for both organisations closed from 31 December 2001.

The Queensland Audit Office provided the CJC and the QCC with unqualified reports for their respective financial operations for the period 1 July 2001 to 31 December 2001. The CMC also received an unqualified report for its financial operations for the period 1 January 2002 to 30 June 2002.

A new single financial entity for the CMC began from 1 January 2002. This process required a second set of financial statements to be produced mid-year, old bank accounts reconciled then closed with new CMC bank accounts opened, new cheque/receipt stationery, new budgets developed and so on. A review of credit card holders and limits was also undertaken to ensure they reflected the operational needs of the new organisation, with training on credit card use being provided to all card holders before new cards were issued.

Operational efficiencies were achieved from the merger of the two organisations as all financial activity is now performed by one area. Previously, the maintenance and operations of the QCC's financial system were outsourced to the QPS while the CJC operated its own financial system. Finance staff also took the opportunity to rationalise the information contained in both financial systems—for example, removing all duplicate vendor records from the computerised financial system.

Further, in a bid to minimise financial operating costs, a concerted effort was made to reduce the number of cheques being produced and maximise the use of Electronic Funds Transfers (EFT) wherever possible. While there was some initial reluctance from our suppliers to provide us with their bank account details (necessary to permit EFTs), the trend is moving more to an acceptance of the mutual benefits of EFTs. Cheque use in 2001–02 was 30.76 per cent less than 2000–01, providing savings in bank charges and administrative effort.



In August 2002, the CMC had a first-time presence at the RNA Show. The theme centred on the fight against paedophilia. We distributed advice for parents and children on how to enjoy the Internet without fear of sexual harassment.

Business practices

The merger of the CJC and the QCC necessitated the integration of dual administrative functions such as fleet management, asset management, telephone directory services and procurement services to achieve financial and organisational effectiveness for the new organisation.

At present, the CMC leases office space at two separate locations—in the CBD and at Milton.

Early this year, we began feasibility planning and floor space analysis with the view to co-locating the majority of CMC staff within the CBD premises by early 2003. Co-location will achieve significant financial and organisational effectiveness for the future.

A Corporate Procurement Plan was published as part of the strategic planning approach to acquiring CMC's goods and services. As a result, savings were achieved both in 'value for money' considerations and reduced processing costs by:

- targeting 'whole of government'/agency-specific standing offer arrangements
- effecting risk analysis of procurement processes, resulting in enhanced purchasing procedures and contractual documents
- continuously improving the skills base of staff through structured training.

Environmental management

The CMC's premises have building-management systems that control energy use through:

- automatic, controlled light dimming, dependent on natural light sources, to ensure electricity use is minimised; and
- monitoring air conditioning use to ensure optimum levels are maintained for a clean environment and to reduce running costs.

As well, the CMC participates in a paper-recycling program, as part of a waste-management strategy. Paper is shredded for security reasons and is collected for pulping for use in recycled paper products.

Maintenance programs ensure plant and equipment are properly maintained and operating efficiently. The CMC's procurement program for use of local products takes into account environmental considerations.

Managing the Organisation: Outlook for 2002–03

- Continue with the various administrative activities associated with the merger of the CJC and QCC.
- Re-locate the Milton office of the CMC to the Terrica Place office in early 2003.
- Contribute to the communication and marketing strategies and activities of the CMC.
- Improve the quality of the CMC's presentation at NAIDOC and continue to have a presence at the RNA Show.



Unisys Building: current premises of the Crime function of the CMC at Milton. The function is to move to Terrica Place in 2003.



APPENDIXES

PROBITY

Appendix A

Functions of the CMC

Taken from the *Crime and Misconduct Act 2001*

4 Act's purposes

The purposes of this Act are—

- (a) to combat and reduce the incidence of major crime; and
- (b) to continuously improve the integrity of, and to reduce the incidence of misconduct in, the public sector.

5 How Act's purposes are to be achieved

- 1) The Act's purposes are to be achieved primarily by establishing a permanent commission to be called the Crime and Misconduct Commission.
- 2) The commission is to have investigative powers, not ordinarily available to the police service, that will enable the commission to effectively investigate particular cases of major crime.
- 3) Also, the commission is to help units of public administration to deal effectively, and appropriately, with misconduct by increasing their capacity to do so while retaining power to itself investigate cases of misconduct, particularly more serious cases of misconduct.

23 Commission's prevention function

The commission has a function (its 'prevention function') of helping to prevent major crime and misconduct.

24 How commission performs its prevention function

Without limiting the ways the commission may perform its prevention function, the commission performs the function by—

- a) analysing the intelligence it gathers in support of its investigations into major crime and misconduct; and
- b) analysing the results of its investigations and the information it gathers in performing its functions; and
- c) analysing systems used within units of public administration to prevent misconduct; and
- d) using information it gathers from any source in support of its prevention function; and
- e) providing information to, consulting with, and making recommendations to, units of public administration; and
- f) providing information relevant to its prevention function to the general community; and
- g) ensuring that in performing all of its functions it has regard to its prevention function; and

- h) generally increasing the capacity of units of public administration to prevent misconduct by providing advice and training to the units and, if asked, to other entities; and
- i) reporting on ways to prevent major crime and misconduct.

25 Commission's major crime function

The commission has a function (its 'crime function') to investigate major crime referred to it by the reference committee.

26 How commission performs its crime function

Without limiting the ways the commission may perform its crime function, the commission performs its crime function by—

- a) investigating major crime referred to it by the reference committee; and
- b) when conducting investigations under paragraph (a), gathering evidence for—
 - (i) the prosecution of persons for offences; and
 - (ii) the recovery of the proceeds of major crime; and
- c) liaising with, providing information to, and receiving information from, other law enforcement agencies and prosecuting authorities, including agencies and authorities outside the State or Australia, about major crime.

33 Commission's misconduct functions

The commission has the following functions for misconduct (its 'misconduct functions')—

- a) to raise standards of integrity and conduct in units of public administration;
- b) to ensure a complaint about, or information or matter involving, misconduct is dealt with in an appropriate way, having regard to the principles set out in section 34.

34 Principles for performing misconduct functions

It is the Parliament's intention that the commission apply the following principles when performing its misconduct functions—

- (a) Cooperation
 - to the greatest extent practicable, the commission and units of public administration should work cooperatively to prevent misconduct
 - the commission and units of public administration should work cooperatively to deal with misconduct
- (b) Capacity building
 - the commission has a lead role in building the capacity of units of public administration to prevent and deal with cases of misconduct effectively and appropriately

(c) Devolution

- subject to the cooperation and public interest principles and the capacity of the unit of public administration, action to prevent and deal with misconduct in a unit of public administration should generally happen within the unit

(d) Public interest

- the commission has an overriding responsibility to promote public confidence—
 - in the integrity of units of public administration and
 - if misconduct does happen within a unit of public administration, in the way it is dealt with
- the commission should exercise its power to deal with particular cases of misconduct when it is appropriate having primary regard to the following—
 - the capacity of, and the resources available to, a unit of public administration to effectively deal with the misconduct
 - the nature and seriousness of the misconduct, particularly if there is reason to believe that misconduct is prevalent or systemic within a unit of public administration
 - any likely increase in public confidence in the misconduct dealt with by the commission directly.

35 How commission performs its misconduct functions

(1) Without limiting how the commission may perform its misconduct functions, it performs its misconduct functions by doing 1 or more of the following—

- expeditiously assessing complaints about, or information or matters (also ‘complaints’) involving, misconduct made or notified to it;
- referring complaints about misconduct within a unit of public administration to a relevant public official to be dealt with by the public official;
- performing its monitoring role for police misconduct as provided for under section 47(1);
- performing its monitoring role for official misconduct as provided for under section 48(1);
- dealing with complaints about official misconduct, by itself or in cooperation with a unit of public administration;
- investigating and otherwise dealing with, on its own initiative, the incidence, or particular cases, of misconduct throughout the State;
- assuming responsibility for, and completing, an investigation, by itself or in cooperation with a unit of public administration, if the commission considers that action to be appropriate having regard to the principles set out in section 34;

h) when conducting or monitoring investigations, gathering evidence for or ensuring evidence is gathered for—

- the prosecution of persons for offences; or
- disciplinary proceedings against persons.

(2) In performing its misconduct functions in a way mentioned in subsection (1), the commission should, whenever possible, liaise with a relevant public official.

52 Research functions

(1) The commission has the following functions—

- to undertake research to support the proper performance of its functions;
- to undertake research into the incidence and prevention of criminal activity;
- to undertake research into any other matter relating to the administration of criminal justice or relating to misconduct referred to the commission by the Minister;
- to undertake research into any other matter relevant to any of its functions.

(2) Without limiting subsection (1)(a), the commission may undertake research into—

- police service methods of operations; and
- police powers and the use of police powers; and
- law enforcement by police; and
- the continuous improvement of the police service.

53 Intelligence functions

The commission has the following functions—

- to undertake intelligence activities to support the proper performance of its functions;
- to analyse the intelligence data collected to support its functions;
- to minimise unnecessary duplication of intelligence data;
- to ensure that intelligence data collected and held to support its functions is appropriate for the proper performance of its functions.

56 Commission’s other functions

The commission also has the following functions—

- a function of undertaking witness protection;
- a function conferred under another Act.

Appendix B

Strategic Plan of the CMC 2002–2006

This is the first Strategic Plan of the Crime and Misconduct Commission. The plan describes our output structure, strategic goals and objectives for the four-year period 2002–2006; outlines the key focus areas for the first year of the plan, 2002–2003; and explains how we report on our performance.

Output structure

Government priority

The CMC contributes to the Government's social objective of 'safer and more supportive communities'.

CMC outputs and roles

- **Combating major crime, including organised crime and paedophilia**
Role: The Commission conducts specialist, proactive investigations using dedicated police task forces. It both targets and prevents crime through a range of law enforcement and crime prevention initiatives that include: target identification and development; intelligence analysis; investigative hearings; policy-relevant information and advice; and research activities. The Commission also gathers evidence for prosecution action and the confiscation of proceeds of organised crime. See Strategic Goals 1, 4 and 5.
- **Reducing misconduct and improving public sector integrity**
Role: The Commission handles complaints about misconduct, conducts investigations, takes a leading role in building the capacity of agencies to deal with misconduct and undertakes research, intelligence and prevention activities. Its misconduct jurisdiction covers official misconduct by elected officials and officers of the Queensland public sector, including the police service, public service departments, statutory authorities, universities and local government councils. See Strategic Goals 2, 4 and 5.
- **Protecting witnesses**
Role: The Commission provides protection to witnesses who assist law enforcement in Queensland. The majority of protected persons are referred by the Queensland Police Service because they have assisted the Service with information or as witnesses in court. See Strategic Goals 3 and 5.

Our strategic goals

These goals and supporting objectives provide the framework within which the CMC operates.

1. To combat and prevent major crime

Supporting objectives

- a. Conduct effective multidisciplinary investigations into major crime, including organised crime and paedophilia.
- b. Identify and react to investigative priorities through proactive intelligence and research activities.
- c. Undermine the financial basis of crime by identifying and targeting the proceeds of crime for confiscation.
- d. Maintain close partnership with the Queensland Police Service and cooperative arrangements with other agencies.

2. To reduce misconduct and promote high standards of integrity in the public sector

Supporting objectives

- a. Initiate and conduct timely and effective multi-disciplinary misconduct investigations.
- b. Ensure an effective complaints-handling process.
- c. Enable public sector agencies to build their own capacity to effectively deal with and prevent misconduct.
- d. Pursue collaborative opportunities to work with other agencies to maximise capacity building and prevention outcomes.

3. To provide an effective witness protection service

Supporting objectives

- a. Provide quality, timely, cost-effective support to protected witnesses.
- b. Develop methodologies for providing effective witness protection.
- c. Proactively develop working relationships with client law enforcement agencies.

4. To provide high-quality research into crime, misconduct and policing

Supporting objectives

- a. Undertake high-quality research to assist all other functions of the Commission.
- b. Provide high-quality research to external stakeholders.
- c. Pursue and undertake opportunities for collaborative research projects.

5. To be an effective and productive organisation

Supporting objectives

- a. Strive for excellence in our governance and corporate infrastructure.

- b. Provide a safe, fair, productive and satisfying work environment.
- c. Embrace best practice in all aspects of the organisation.
- d. Monitor our performance to ensure work quality and effective resource management.

Reporting on our performance

The CMC reports on its performance through a range of formal and informal means, including:

- reports to the Parliamentary Crime and Misconduct Committee
- reports to the Minister and Queensland Treasury
- public reports on the outcomes of investigations and other CMC projects
- annual reports
- the CMC website.

The three main ways the CMC reports on its performance are through narrative reports, statistical information and performance measures.

We provide narrative reports on the success and cost-effectiveness of our investigations and projects through our annual report, publications and website.

We provide statistical information about our activities in our annual report. In our investigative role, we work to reduce the impact of serious and organised crime and corruption. We take every opportunity to identify and apprehend corrupt individuals in the public sector and to dismantle or disrupt organised crime groups. The nature and complexity of some investigations mean that it is not always possible to equate success simply to the number of arrests or the size of seizures. Nevertheless, we record, and publish in our annual report, the number of arrests, charges, seizures and exercises of powers.

We use quantitative performance measures to report against performance targets for the annual Ministerial Portfolio Statement (published as part of the Budget Papers each year) and quarterly non-financial reports to Queensland Treasury. These measures are arranged under the categories of quantity, quality, timeliness and cost, for each of which there are several targets:

Quantity

- Misconduct investigations and crime operations undertaken
- Capacity-building and monitoring projects undertaken
- Research, prevention and intelligence projects undertaken
- Witness protection acceptances

Quality

- Percentage of tactical crime operations resulting in charges, restraints or seizures
- Percentage of audited misconduct investigations that meet quality standards
- Value of assets restrained
- Stakeholder satisfaction with prevention and intelligence reports
- Quality standards for publications
- Percentage of protected witnesses who meet court commitments

Timeliness

- Percentage of misconduct assessments within four weeks and investigations finalised within six months
- Timeliness of interim protection offers

Cost

- Income and expenditure for each of the three outputs

Key focus areas 2002–03

The Commission has identified three key focus areas that it will commit resources and management attention to as a matter of priority during 2002–03:

1. **Enhancing the organised crime response**
We will enhance our ability to assess organised crime markets, identify vulnerabilities, and target offenders for investigation, prosecution and the forfeiture of proceeds of crime.
2. **Targeting criminal paedophilia**
We will develop and focus a whole-of-Commission approach to combating and reducing the incidence of criminal paedophilia involving the coordination of investigative, research, intelligence and prevention resources.
3. **Capacity building**
We have established a Capacity Development Unit and will:
 - develop a strategic capacity building plan to provide an integrated framework for the Commission's capacity building activities
 - assist public sector agencies with their investigations and conduct joint investigations with agencies
 - consult with public sector agencies to identify areas in which they need assistance to prevent or to deal with misconduct
 - develop strategies for monitoring, auditing and reviewing complaints-handling by public sector agencies including the Police Service
 - strengthen misconduct prevention systems across agencies.

Appendix C

EEO statistics 2001-02

TABLE 22. Membership of EEO target groups (1998-99 to 2000-02)

Target Group	2001-02*	
	No.	%
Women	138	47.6
Indigenous people	4	1.4
Non-English speaking backgrounds	18	6.2
People with a disability	8	2.7

* These figures are based on current civilian and police staffing levels of the Crime and Misconduct Commission.

Figure 2: Employees by gender and age (as at 30 June 2002)

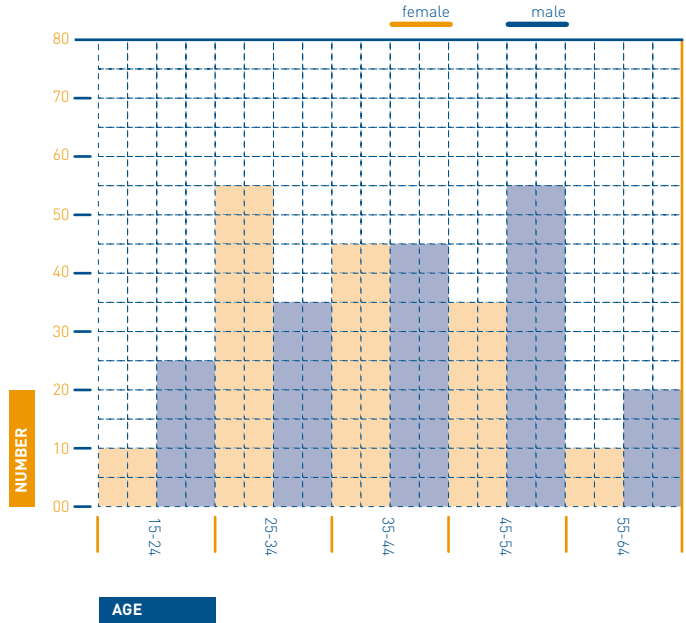


Figure 1: Employees by gender and employment status (as at 30 June 2002)

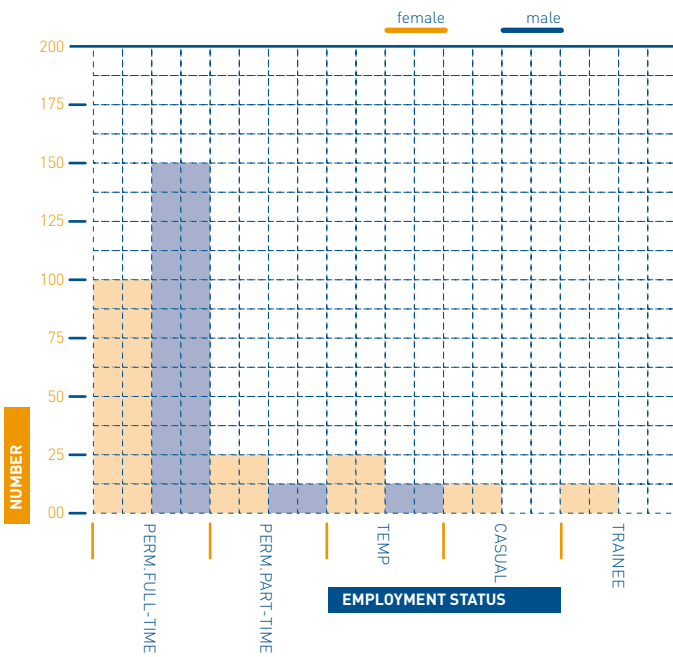


Figure 3: Employees by gender and salary level (as at 30 June 2002)



Appendix D

External presentations by staff July 2001–June 2002

Date	Subject	Venue	Officer
11–13 July 2001	Strategies for Monitoring Trends in Police Integrity', Police Reform: Building Integrity Conference	Griffith University	David Brereton, Director, Research & Prevention
12 July 2001	'External Oversight: The Way Forward', Police Reform: Building Integrity Conference	Griffith University	Brendan Butler, Chairperson
12 July 2001	'Alternative Strategies for Resolving Complaints against Police', Police Reform: Building Integrity Conference	Griffith University	Andrew Ede, Research Officer
2 August 2001	'How the CJC is working with Local Government: An update', Local Government Managers Australia Conference	Roma	Michelle Clarke, Misconduct Prevention Officer
2–3 August 2001	The Character, Impact and Prevention of Crime in Regional Australia', Australian Institute of Criminology Conference: Keeping It Simple – Evaluating Crime Prevention Initiatives at the Local Level	Jupiters Hotel, Townsville	David Brereton, Director, Research & Prevention
6 August 2001	'E-mail and Internet Misuse: Managing the Risks', Institute of Internal Auditors Seminar	Brisbane	John Boyd, Manager, Prevention
8 August 2001	'E-mail and Internet Misuse: Managing the Risks', Institute of Internal Auditors Seminar	Brisbane	John Boyd, Manager, Prevention
24 August 2001	'Earning Trust in Government: The Way Forward', Institute of Public Administration State Conference	Brisbane	Brendan Butler, Chairperson
27 August 2001	'Is the Standing Commission of Inquiry a Successful Model for Anti-corruption Commissions?', International Society for the Reform of Criminal Law Conference	Canberra	Brendan Butler, Chairperson
1 September 2001	Lecture on the QCC and Organised Crime in Queensland	Griffith University	Shane Neilson, Principal, Intelligence Analyst
24–27 September 2001	Welcome and Introductory Remarks – 6th Annual International CPTED Conference (Crime Prevention Through Environmental Design)	Brisbane	Brendan Butler, Chairperson
26 September 2001	'Corruption Risks in Local Government', Local Government Risk Management Forum	Gold Coast	Michelle Clarke, Misconduct Prevention Officer

Date	Subject	Venue	Officer
3 October 2001	'Corruption Prevention Strategies for Managers', Main Roads Department Finance Managers Forum	Brisbane	John Boyd, Manager, Prevention
18–19 October 2001	Launch of Grassroots at the Local Government Managers Conference	Mount Isa	Brendan Butler, Chairperson
23 October 2001	'E-mail and Internet Abuse: Managing the Risks', Queensland Internal Auditors Network Annual Seminar	Brisbane	John Boyd, Manager, Prevention
24 October 2001	Address to the Aboriginal Coordinating Council Meeting	Regis Plaza Hotel, Townsville	Brendan Butler, Chairperson
2 November 2001	'Key Issues in Street-Level Drug Law Enforcement', NSW Bureau of Crime Statistics and Research	Sydney	David Brereton, Director, Research & Prevention
22 November 2001	'Ethics and Accounting in the Public Sector', Interdepartmental Accounting Group Annual Conference	Sunshine Coast	John Boyd, Manager, Prevention
7 December 2001	An overview of 'The Grassroots of Ethical Conduct' and 'Turf It Out' ethical decision making resource kits at the Local Government HR Consultative Groups	Sunshine Coast	Narelle George, Misconduct Prevention Officer
10 January 2002	An overview of 'The Grassroots of Ethical Conduct' and 'Turf It Out' ethical decision making resource kits at the Local Government HR Consultative Groups	Beaudesert	Michelle Clarke, Misconduct Prevention Officer
1 February 2002	An overview of 'The Grassroots of Ethical Conduct' and 'Turf It Out' ethical decision making resource kits at the Local Government Internal Audit Group	Redlands	John Boyd, Manager, Prevention
February 2002	Heads of Criminal Intelligence Agencies (HCIA): Crime and Misconduct Commission – role and functions	Canberra	Paul Roger, Director, Intelligence and Information
21 February 2002	'Preventing Corruption in Sponsorships', 9th Annual IIR Fraud and Corruption in Government Conference	Sydney	John Boyd, Manager, Prevention
21 February 2002	'Developing Practical and Accessible Methods of Instilling Ethics into Your Organisation', 9th Annual IIR Fraud and Corruption in Government Conference	Sydney	John Boyd, Manager, Prevention
1 March 2002	'The Grassroots of Ethical Conduct', Central Queensland Local Government Managers Australia Conference	Blackall	Michelle Clarke, Misconduct Prevention Officer
March 2002	Gold Coast City Council Executive Forum – Issues related to Organised Crime	Gold Coast	Shane Neilson, Principal Intelligence Analyst

Date	Subject	Venue	Officer
21 March 2002	'The CMC and the QPS: Research Partnerships for the Future', QPS Senior Executive Conference Brisbane	Brisbane	Paul Mazerolle, Director, Research & Prevention
26 March 2002	'Powers and Functions of New Investigators: The Crime and Misconduct Commission' for Criminal Law and Procedure Students	Griffith University	John Boyd, Manager, Prevention
27 March 2002	'What's the Latest in Corruption Prevention?', Institute of Internal Auditors Seminar	Brisbane	John Boyd, Manager, Prevention
19 April 2002	'Developing an Integrated Corruption Prevention Strategy' to the Queensland University Internal Auditors Network Meeting	Brisbane	John Boyd, Manager, Prevention
22 April 2002	Performance and Probity Issues in Government — A Crime and Misconduct Commission Perspective, 2002 Queensland Audit Office Contract Auditors' Workshop	Novotel, Brisbane	Brendan Butler, Chairperson
May 2002	Findings from the CMC's paper on Fantasy, Australian Bureau of Criminal Intelligence (ABCI)	Canberra	Terry Kennedy, Intelligence Analyst
17 June 2002	'Comparison between Policing in Canada and Australia', Chief Superintendents Conference	Brisbane	Paul Mazerolle, Director, Research & Prevention
21 June 2002	'The New Crime and Misconduct Commission', Regional Managers Forum	DPI Complex, Toowoomba	Brendan Butler, Chairperson
26 June 2002	'Emerging Local, National and International Policing Trends and Implications for Senior Management', QPS Inspectors Induction Course	Brisbane	Paul Mazerolle, Director, Research & Prevention

Appendix E

Overseas travel by staff 2001–02

Officer	Destination	Reason	Duration	Cost	Remarks
John Boyd, Manager, Corruption Prevention	Pretoria, South Africa	Participating in the development and presentation of an anti-corruption course for senior managers in the South African Public Service and the private sector, in association with GRM International	10–23 July 2001	Nil	The CJC was paid a fee of \$15 390 by GRM International to cover the cost of the officer's participation.
Detective Chief Superintendent Jan Lidicky, Director, Crime Operations	Wellington, New Zealand	Attendance at New Zealand Combined Law Agency Symposium	20–24 November 2001	\$3000	Accommodation, all meals conference registration and conference material paid for by New Zealand Police. Airfare and expenses paid by QCC.
Paul Roger, Director, Intelligence & Information	Hong Kong	Attendance at Transnational Organised Crime Conference	17 March 2002	\$1610	
Detective Chief Superintendent Jan Lidicky, Director, Crime Operations	Hong Kong	Attendance at Transnational Organised Crime Conference	17 March 2002	\$6908	Paul Roger paid travel costs as he combined the conference with recreation leave.

Appendix F

Consultancies 2001–02

Consultant	Description	2001–02 \$ (excluding GST)
Information Technology		
[3.6 Audit and Review] Ernst & Young	COMPASS system – post-implementation review	11 263.00
Management		
[1.1 Corporate Strategic/Planning] Price Waterhouse Coopers	Strategic Planning Workshop	6 125.00
[1.2 Business Strategies/Plans] Price Waterhouse Coopers Price Waterhouse Coopers	Development of CJC Internal Audit Strategy	32 991.77
	Revision of CMC Internal Audit Strategy 2002–2005	12 000.00
[1.4 Organisation Development and Change] Sagacity Consulting	CJC–QCC Merger Organisational Issues	2 200.00
Professional/Technical [6.13 Other] Griffith University	Internal Witness/Whistleblower project	8 575.20
Dr Glenda Adkins	Economic crime modelling	7 700.00
Griffith University	Research into paedophilia	6 500.00
Total		\$87 354.97

Appendix G

Publications 2001–02

The following table lists our major external publications for the year. The first to carry the CMC logo were the *Public Scrapbook* materials, produced in March 2002.

Date of Issue	Title	Type
June 2002	Drug Use and Crime: Findings from the DUMA Survey	Research & Issues Paper No. 3
May 2002	Turf It Out: Video scenario for discussion in ethical decision-making training by field staff and management	Facilitators handbook
May 2002	'In confidence' paper for law enforcement agencies	Intelligence Digest, No. 8
April 2002	'In confidence' paper for law enforcement agencies	Intelligence Digest, No. 7
April 2002	The Illicit Market for ADHD Drugs in Queensland	Crime Bulletin No. 4
April 2002	Monitoring the Ethical Climate of Organisations: A Queensland Case Study	Research & Issues Paper No. 2
April 2002	Making the Response Fit the Complaint: Alternative Strategies for Resolving Complaints Against Police	Research & Issues Paper No. 1
March 2002	The Public Scrapbook: Guidelines for the correct and ethical disposal of scrap and low-value assets	Prevention Report
March 2002	The Public Scrapbook: In brief	Summary report
March 2002	Disposing of Scrap and Low-Value Assets: Prevention Guidelines	Brochure
March 2002	A Best Practice Checklist: Scrap and Low-Value Asset Disposal	Brochure
Oct. 2001	Annual Report, QCC	Parliamentary report
Oct. 2001	Annual Report, CJC	Parliamentary report
Oct. 2001	Grassroots of Ethical Conduct: A Guide for Local Government Staff and Councillors	Multi-media kit
Sept. 2001	E-policing: The Impact of Information Technology on Police Practices	Research report
Aug. 2001	Funding Justice: Legal Aid and Public Prosecutions in Queensland	Parliamentary report
Aug. 2001	E-Edition	Corruption prevention paper
Aug. 2001	The Ecstasy Market in Queensland, QCC	Crime Bulletin, No. 3

APPENDIX H

CRIMINAL JUSTICE COMMISSION STATEMENT OF FINANCIAL PERFORMANCE

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Notes	Dec. 2001 \$'000	June 2001 \$'000
Revenue from ordinary activities			
Revenue from operating activities			
Sales revenue		0	1
Revenue from non-operating activities			
Interest received	2	194	280
Gain on sale of plant and equipment	3(a)	15	49
Miscellaneous recoveries		0	20
Other	4	45	123
Total revenue from ordinary activities		254	473
Government grant and other contributions	5	12 821	24 956
TOTAL REVENUE		13 075	25 429
Expenses from ordinary activities			
Administration	6	1 844	3 429
Depreciation		491	894
Employee expenses	7	8 708	16 023
Operational	8	159	570
Consulting	9	53	13
Accommodation	10	1 073	2 401
Leave expenses	11	356	687
Loss on disposal of assets	3(b)	1	23
Total expenses from ordinary activities		12 685	24 040
NET SURPLUS		390	1 389

The above statement should be read in conjunction with the accompanying notes.

CRIMINAL JUSTICE COMMISSION STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2001

	Notes	Dec. 2001 \$'000	June 2001 \$'000
CURRENT ASSETS			
Cash assets	12	5 243	1 850
Receivables	13	175	282
Prepayments	14	186	335
Total current assets		5 604	2 467
NON-CURRENT ASSETS			
Plant and equipment	15	1 487	1 589
Leasehold improvements	16	2 853	3 082
Total non-current assets		4 340	4 671
TOTAL ASSETS		9 944	7 138
CURRENT LIABILITIES			
Payables	17	589	342
Provisions	18	791	787
Other	19	2 643	492
Total current liabilities		4 023	1 621
NON-CURRENT LIABILITIES			
Other	20	2 831	2 831
Total non-current liabilities		2 831	2 831
TOTAL LIABILITIES		6 854	4 452
NET ASSETS		3 090	2 686
EQUITY			
Contributed equity		982	968
Retained surplus	21	2 108	1 718
Total equity		3 090	2 686

The above statement should be read in conjunction with the accompanying notes.

CRIMINAL JUSTICE COMMISSION STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Notes	Dec. 2001 \$'000	June 2001 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Inflows:</i>			
Operating grant from Government		12 809	24 956
Interest received		184	283
GST collected on revenue		10	28
GST input tax credits received		745	1 136
Other		48	160
Total Inflows		13 796	26 563
<i>Outflows:</i>			
Employee costs		(8 757)	(16 670)
Supplies and services		(3 283)	(6 964)
GST paid on purchases		(620)	(1 353)
GST remitted to Australian Taxation Office		(15)	(26)
Total Outflows		(12 675)	(25 013)
Net cash provided by operating activities	22(a)	1 121	1 550
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Inflows:</i>			
Grant in advance		2 397	0
Proceeds from sale of plant and equipment		81	235
Total Inflows		2 478	235
<i>Outflows:</i>			
Payments for purchases of plant and equipment		(206)	(551)
Leasehold improvements		0	(2 386)
Total Outflows		(206)	(2 937)
Net cash provided by (used in) in investing activities		2 272	(2 702)
Net increase (decrease) in cash held		3 393	(1 152)
Cash at beginning of reporting period		1 850	3 002
Cash at end of reporting period	22(b)	5 243	1 850

The above statement should be read in conjunction with the accompanying notes.

CRIMINAL JUSTICE COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

Note 1 Statement of Significant Accounting Policies

The significant accounting policies that have been adopted in the preparation of these Financial Statements are:

(a) Basis of accounting

The financial statements are a general purpose financial report and have been prepared in accordance with the *Financial Administration and Audit Act 1977*, the *Financial Management Standard 1997*, Australian Accounting Standards, Statements of Accounting Concepts, Urgent Issues Group Abstracts and other prescribed requirements.

The Financial Statements have been prepared on an historical cost basis and the accrual basis of accounting. The accounting policies adopted are consistent with those of the previous year.

(b) Reporting entity

The Criminal Justice Commission was established as a statutory body under the *Criminal Justice Act 1989*. Its role is to:

- investigate and report on official misconduct in the Queensland Police Service
- investigate and report on official misconduct in the Queensland public sector in general
- monitor, review and report on the administration of criminal justice in Queensland
- manage the witness protection program.

The Financial Statements include all assets, liabilities, equities, revenues and expenses of the Criminal Justice Commission. The Commission is funded through parliamentary appropriations that are recognised as revenue when the Commission obtains control over the asset. The Commission has full discretion in the use of the funds in achieving its objectives.

The Commission performs a custodial role in respect of balances held in a trust capacity. Trust monies are not recognised in the Commission's financial statements but are identified separately in Note 23.

Pursuant to the *Crime and Misconduct Act 2001*, the Criminal Justice Commission merged with the Queensland Crime Commission to form the Crime and Misconduct Commission on 1 January 2002.

(c) Grants and other contributions

Grants, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the Commission obtains control over them.

Contributions of assets are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

(d) Cash

For financial reporting purposes, cash includes all cash on hand, impressed accounts and deposits at call with financial institutions. It also includes highly liquid investments with short periods to maturity that are convertible readily to cash on hand at the investor's option and that are subject to an insignificant risk of changes in value.

(e) Receivables

Receivables are recognised at the amount due at the time of sale or service delivery. The collectability of receivables is assessed periodically.

CRIMINAL JUSTICE COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

- (f) **Acquisition of assets**
The initial recording of all acquisitions of assets is at cost, which is determined as the value given as consideration plus costs incidental to the acquisition including all other costs incurred in getting the assets ready for use. Assets acquired at no cost or for nominal consideration are recognised at their fair value at date of acquisition.

- (g) **Property, plant and equipment**
All items of property, plant and equipment with a cost, or other value, in excess of \$1000 are recognised in the year of acquisition. Items with a lesser value are expensed. Items or components that form an integral part of the asset are recognised as a single asset (functional asset). The recognition threshold was applied to the aggregate cost of each functional asset.

Property, plant and equipment are included in the accounts at historical cost less accumulated depreciation.

Costs relating to the fit-out of the leasehold premises at Terrica Place, Brisbane, have been capitalised as leasehold improvements and, in accordance with AAS4 *Depreciation*, are being depreciated over the term of the lease.

- (h) **Depreciation**
Depreciation is calculated on a straight line basis so as to write off the value of each depreciable asset, less its estimated residual value, progressively over its estimated useful life. The rates are reviewed annually to ensure that they reflect the asset's useful life.

The depreciation rate for each class of asset is as follows:

Class	Depreciation rate
General and technical equipment	
General	14.3%
Technical	20.0%
Computer equipment	33.3%
Motor vehicles	20.0%
Leasehold improvements	12.9%

- (i) **Leases**
Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged to the Statement of Financial Performance in the periods in which they are incurred.
- (j) **Lease incentive**
In accordance with UIG Abstract 3 *Lessee Accounting for Lease Incentives under a Non-Cancellable Operating Lease*, the lease incentive payment has been recognised as a liability that will be offset against lease payments over the term of the lease.
- (k) **Payables**
Creditors are recognised at the amount expected to be paid in the future for goods and services received.

CRIMINAL JUSTICE COMMISSION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

- (l) **Employee entitlements**
Wages, salaries, annual leave and sick leave
 Liabilities for wages, salaries and annual leave are recognised in the Statement of Financial Position as the amount unpaid at reporting date in respect of all employee entitlements accrued and related on-costs such as payroll tax, workcover premiums and employer superannuation contributions.
 The provision for annual leave entitlements has been made in accordance with Australian Accounting Standard AAS30 *Accounting for Employee Entitlements*.
 Sick leave entitlements are non-vesting and are only paid upon valid claims for sick leave by employees. No liability for sick leave has been recognised as it is not considered to be material. Sick leave is brought to account as incurred.
Long service leave
 The Commission participates in the public sector Long Service Leave Central Scheme whereby a levy is made on the Commission to cover this expense and amounts paid to employees for long service leave are claimed from the scheme as a reimbursement. Accordingly, a provision for long service leave is not recognised.
Superannuation
 Employer contributions for superannuation expenses are determined by the State Actuary. No liability is recognised for accruing superannuation benefits as this liability is held on a whole-of-Government basis and reported in the whole-of-Government financial statements prepared in terms of AAS31 *Financial Reporting by Governments*.
- (m) **Insurance**
 The CJC is insured by the Queensland Government Insurance Fund for property and general liability.
- (n) **Taxation**
 The Commission's activities are exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax (GST). Input tax credits receivable and GST payable from/to the Australian Taxation Office are recognised and accrued.
- (o) **Rounding**
 Amounts included in the financial statements have been rounded to the nearest \$1000. Due to rounding, some figures may not add precisely.
- (p) **Services received free of charge or for nominal value**
 Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as a revenue and an expense.
- (q) **Comparative results**
 As the CJC ceased to exist as a legal entity on 31 December 2001, Financial Statements have been produced for the period 1 July 2001 to 31 December 2001. The comparative amounts disclosed in the financial report and related notes relate to a 12-month period.

CRIMINAL JUSTICE COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Dec. 2001 \$'000	June 2001 \$'000
<i>Note 2</i> Interest received The Commission operates term and 24-hour 'at call' deposit accounts with a view to maximising the return on available cash funds.	194	280
<i>Note 3</i> Gain/loss on sale of plant and equipment		
(a) Gain on sale of plant and equipment	15	49
(b) Loss on sale of plant and equipment	(1)	(23)
<i>Note 4</i> Other income	45	123
<i>Note 5</i> Government grant and other contributions		
Operating grant	12 809	24 956
Goods and services received below fair value	12	0
	12 821	24 956
<i>Note 6</i> Administration		
Airmiles, taxis, hire cars and travel allowances	244	303
Contractors	58	34
Telephones, pagers, facsimile	136	231
Postage	11	21
Finance 1 bureau service	19	34
Subscriptions, books	45	82
Stores and stationery	44	83
Printing and publications	61	98
Vehicle leasing	155	335
Petrol, maintenance, registration	97	234
Equipment, non-asset	103	208
Computing expenses and software	227	481
Computer rental leasing	171	342
Project costs	22	206
Transcription	10	55
External audit fees	18	27
Building maintenance/minor alterations	24	28
Information retrieval	56	80
Legal advice	134	219
Other	209	329
	1 844	3 429

CRIMINAL JUSTICE COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Dec. 2001 \$'000	June 2001 \$'000
<i>Note 7</i> Employee expenses		
Salaries, wages and allowances	6 885	12 641
Overtime	277	484
Payroll tax and fringe benefits tax	488	913
Superannuation contribution	891	1 683
Long service leave levy	110	201
Workers compensation	57	101
	8 708	16 023
 <i>Note 8</i> Operational	 159	 570
This heading reflects the costs of investigative services		
 <i>Note 9</i> Consulting		
Internal audit	33	11
Assessment and review of publications	0	3
COMPASS post-implementation review	11	0
Positions assessment	6	0
Operations	3	0
	53	13
 <i>Note 10</i> Accommodation		
Lease	879	2 028
Security	129	226
Cleaning	29	68
Electricity	35	76
Other	1	3
	1 073	2 401
 <i>Note 11</i> Leave expense		
Annual recreational leave entitlements	356	687

CRIMINAL JUSTICE COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Dec. 2001 \$'000	June 2001 \$'000
<i>Note 12</i> Cash		
Imprest accounts	21	21
Cash at bank	257	229
24-hour call deposits	465	600
Term deposits	4 500	1 000
	5 243	1 850
<i>Note 13</i> Receivables	175	282
<i>Note 14</i> Prepayments	186	335
The decrease between the two amounts is due to the timing of staff training, car insurance and operation advances.		
<i>Note 15</i> Plant and equipment		
General and technical equipment	1 449	1 305
Less: accumulated depreciation	605	475
	844	830
Computer equipment	423	396
Less: accumulated depreciation	248	186
	175	210
Motor vehicles	646	694
Less: accumulated depreciation	178	145
	468	549
Total plant and equipment	1 487	1 589

CRIMINAL JUSTICE COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

Note 15 Plant and equipment (continued)

	Motor Vehicles \$'000	Computer Equipment \$'000	General & Technical Equipment \$'000
<i>Asset gross value</i>			
Opening balance	694	396	1 305
Purchases	56	18	132
Disposals	(104)	0	0
Clearing/transfers	0	9	12
Closing balances	646	423	1 449
<i>Accumulated depreciation</i>			
Opening balance	(145)	(186)	(475)
Depreciation expense	(69)	(62)	(130)
Depreciation on assets disposed of	36	0	0
Closing balances	(178)	(248)	(605)
Total plant and equipment	468	175	844

	Dec. 2001 \$'000	June 2001 \$'000
<i>Note 16</i> Leasehold improvements		
Leasehold improvements (fit-out costs)	3 503	2 542
Add: additions during the year	0	961
Less: accumulated depreciation	650	421
	2 853	3 082
<i>Note 17</i> Payables	589	342
<i>Note 18</i> Provisions		
Employee annual leave entitlements	791	787

CRIMINAL JUSTICE COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Dec. 2001 \$'000	June 2001 \$'000
<i>Note 19</i> Current liabilities — Other		
Unearned revenue	2 397	0
The CJC receives its grants from the government in advance based on a financial period. As this financial year was artificially short, the grants in advance were highlighted by the mid-year cut off.		
Lease incentive	246	492
	2 643	492
<p>During the 1999–2000 financial year, the CJC received a total of \$3 515 357 as an incentive to lease premises at Terrica Place, Brisbane. Further, during 2000–2001, the CJC received 2 months rent free, valued at \$300 752. Both these amounts are being treated as liabilities (borrowings) and are being reduced from 1 September 2000 by offset against lease instalments payable.</p> <p>The current liability of \$246 201 represents that portion of the lease incentive that will be offset against lease payments during 1.1.02–30.6.02. The non-current liability, \$2 831 307, is the balance of the lease incentive, which will be reduced over the remaining period of the lease.</p>		
<i>Note 20</i> Non-current liabilities — other	2 831	2 831
Refer to Note 19 above.		
<i>Note 21</i> Changes in equity		
Accumulated results from prior years	1 718	329
Current year results from operations	390	1 389
	2 108	1 718

CRIMINAL JUSTICE COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Dec. 2001 \$'000	June 2001 \$'000
<i>Note 22</i>		
Cash Flow Information		
(a) Reconciliation of net surplus to net cash provided by operating activities		
Net surplus	390	1 389
Non-cash items:		
Depreciation expense	491	894
Gain on sale of plant and equipment	(15)	(49)
Loss on sale of plant and equipment	1	0
Other non-cash transactions adjustment	(2)	(189)
Change in assets and liabilities:		
(Decrease) Increase in long service leave payable	3	0
(Decrease) Increase in lease capitalisation	(246)	0
(Increase) Decrease in interest receivable	(10)	3
(Increase) Decrease in long service leave reimbursement receivable	(13)	(14)
(Increase) Decrease in other receivable	4	28
Increase (Decrease) in GST payable	(4)	0
(Increase) Decrease in GST input tax credits receivable	125	(220)
(Increase) Decrease in prepayments	149	(255)
(Decrease) Increase in accounts payable	(60)	186
(Decrease) Increase in salaries payable	308	(275)
(Decrease) Increase in Withholding Tax payable	0	0
Increase (Decrease) Provisions — annual leave	8	52
(Decrease) Increase in accounts payable — fixed asset	(9)	0
Net cash provided by operating activities	1 121	1 550
(b) Reconciliation of cash		
For the purposes of this Statement of Cash Flows, cash includes cash on hand, balances in 'at call' deposits and term deposits.		
Cash at balance date as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash at bank	722	829
Cash on hand	21	21
Term deposit	4 500	1 000
	5 243	1 850

CRIMINAL JUSTICE COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

Dec. 2001
\$'000

June 2001
\$'000

The following notes do not link to any particular item in the statements but have been added to assist in understanding the accounts.

<i>Note 23</i>	<p>Money held in trust</p> <p>The Commission held at 31 December \$4860.00 (30 June 2001 \$5162.50) in trust for a number of people as a result of operational activities. As the Commission only performed a custodial role in respect of the balances, they are not recognised in the Financial Statements but are disclosed here for information purposes.</p>		
<i>Note 24</i>	<p>Expenditure commitments at 31 December 2001</p> <p>At year end the Commission had the following outstanding financial commitments. These were predominantly in the form of orders placed before 31 December, or contracts entered into, but not fulfilled by that date.</p>		
	Expenditure commitments not later than one year	128	864
<i>Note 25</i>	<p>Operating lease commitments</p> <p>The CJC occupies premises in Terrica Place, which are sub-leased through the Department of Public Works. The lease expires in March 2008. At 31 December 2001 the Commission had the following liabilities under the lease:</p>		
	Not later than one year	2 180	1 926
	Later than one year and not later than five years	9 627	9 257
	Later than five years	3 308	5 859
	GST-inclusive total	15 115	17 042
	Input tax credits anticipated	1 374	1 549
	<p>The CJC leases motor vehicles from the Q-Fleet business unit of the Department of Public Works. The term of these operating leases varies according to the timing of the replacement of the vehicle. At 31 December, the Commission had the following liabilities under these leases:</p>		
	Not later than one year	154	227
	Later than one year and not later than five years	212	49
	GST-inclusive total	366	276
	Input tax credits anticipated	33	25

CRIMINAL JUSTICE COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Dec. 2001 \$'000	June 2001 \$'000
<i>Note 25</i>		
<i>Operating lease commitments (continued)</i>		
At balance date the CJC had the following obligations under non-cancellable operating leases for computer equipment (these obligations are not recognised as liabilities). All Commission computer leases expire April 2002.		
Not later than one year	125	313
GST-inclusive total	125	313
Input tax credits anticipated	11	28
Lease instalments for vehicles and computer equipment are charged to the operating statement over the lease term as this is representative of the pattern of benefits to be derived from the leased asset.		
<i>Note 26</i>		
<i>Contingencies</i>		
<i>Litigation in progress</i>		
As at 31 December 2001, there were five cases before the courts. The Commission's legal advisers believe it would be misleading to estimate the final costs and damages (if any) payable in respect of this litigation. In their opinion there is little likelihood of significant damages being awarded against the Commission.		
<i>Note 27</i>		
<i>Goods and services received below fair value</i>		
The Queensland Police Service provided video enhancing and copying services to the Commission at less than commercial rates, the actual cost being \$2263 (30 June 2001 \$6160). The Commission also received services from State Archivist to the value of \$9254.		

CRIMINAL JUSTICE COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

Note 28 Financial instruments

(a) Terms, conditions and accounting policies

The Commission's accounting policies, including the terms and conditions of each class of financial asset and financial liability at balance date, are as follows:

Financial instrument	Accounting policies	Terms and conditions
Cash	Cash includes cash on hand, cash at bank, imprest account totals and 24-hour call deposits and similar investments that are readily convertible to cash.	Cash deposited with the bank earned interest at an average of 4.22% on daily balance of 24-hour call account and 4.44% on term deposits
Receivables (trade debtors)	Trade debtors are carried at nominal amounts. Outstanding balances are reviewed monthly and, in the opinion of management, a provision for doubtful debts is not required.	Trade sales require payment within 30 days from the end of the month in which the sale is invoiced.
Other receivables	Amounts are carried at nominal amounts.	Terms are 30 days net.
Payables	Recognition — upon receipt of goods or services irrespective of whether an invoice has been received. Measurement — based on agreed purchase/contract price.	The amounts are unsecured and are usually settled on 30-day terms.

(b) Net fair value

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximate their carrying value.

Financial Instrument	Total Carrying Amount		Net Fair Value	
	Dec. 2001	June 2001	Dec. 2001	June 2001
	\$'000	\$'000	\$'000	\$'000
Cash	5 243	1 850	5 243	1 850
Receivables	175	282	175	282
Payables	589	342	589	342

Note 29 Segment reporting

The CJC was primarily associated with the administration of criminal justice in Queensland.

CERTIFICATE OF THE CRIMINAL JUSTICE COMMISSION

The foregoing Financial Statements have been prepared pursuant to the provisions of the *Financial Administration and Audit Act 1977* and other prescribed requirements. We certify that:

- (a) the statements together with the other information and notes to and forming part thereof are in the form required by the Treasurer and are in agreement with the accounts and records of the Criminal Justice Commission and
- (b) in our opinion —
 - (i) the prescribed requirements for the establishment and keeping of accounts have been complied with in all material respects and
 - (ii) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Criminal Justice Commission for the 6 months ended 31 December 2001, and of the financial position as at 31 December 2001.



BRENDAN BUTLER SC
Chairperson*



GRAHAM BRIGHTON
Executive Director*

Date: 24.4.2002

* Pursuant to section 220 of the *Crime and Misconduct Act 2001*, the Criminal Justice Commission and the Queensland Crime Commission were merged into a single body corporate and continued in existence under the *Crime and Misconduct Act* under the name 'Crime and Misconduct Commission'. These financial statements of the Criminal Justice Commission are signed by each of us as the Chairperson of the Crime and Misconduct Commission and the person responsible for the financial administration of the Crime and Misconduct Commission, pursuant to section 46F(3) of the *Financial Administration and Audit Act 1977*.



INDEPENDENT AUDIT REPORT

To the Chairperson of the Crime and Misconduct Commission

SCOPE

I have audited the general purpose financial statements of the Criminal Justice Commission for the six-month period ended 31 December 2001 in terms of section 46F of the *Financial Administration and Audit Act 1977*. The financial statements comprise the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Notes to and forming part of the Financial Statements and certificates given by the Chairperson and person responsible for financial administration.

This represents the final financial statements of the Criminal Justice Commission. The Criminal Justice Commission and the Queensland Crime Commission were merged into a single body corporate and continued in existence under the *Crime and Misconduct Act 2001* under the name 'Crime and Misconduct Commission' from 1 January 2002.

The Criminal Justice Commission is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with QAO Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the Criminal Justice Commission's financial position, and the performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In accordance with section 46G of the *Financial Administration and Audit Act 1977*, I certify that I have received all the information and explanations I have required and, in my opinion —

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects and
- the statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards and other prescribed requirements, of the transactions of the Criminal Justice Commission for the six-month period 1 July 2001 to 31 December 2001 and of the financial position as at the end of that period.



V P MANERA
Deputy Auditor-General
As Delegate of the Auditor-General



Queensland Audit Office
Brisbane

APPENDIX I

QUEENSLAND CRIME COMMISSION STATEMENT OF FINANCIAL PERFORMANCE

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Notes	Dec. 2001 \$'000	June 2001 \$'000
Revenue from ordinary activities			
Government contributions		2 254	4 129
Other — services received free of charge		—	24
Interest revenue	7	30	30
Gain on sale of motor vehicle		10	21
Total revenue from ordinary activities		2 294	4 204
Expenses from ordinary activities			
Employee expenses	3	1 429	2 629
Supplies and services	4	465	775
Depreciation expenses	5	66	151
Other expenses	6	253	501
Total expenses from ordinary activities		2 213	4 056
NET SURPLUS		81	148

The above statement should be read in conjunction with the accompanying notes.

QUEENSLAND CRIME COMMISSION STATEMENT OF FINANCIAL POSITION

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Notes	Dec. 2001 \$'000	June 2001 \$'000
CURRENT ASSETS			
Cash	8	800	577
Other	9	79	97
Total current assets		879	674
NON-CURRENT ASSETS			
Property, plant and equipment	10	588	646
Total non-current assets		588	646
TOTAL ASSETS		1 467	1 320
CURRENT LIABILITIES			
Payables	11	112	69
Provisions (employee entitlements)	12	242	219
Total current liabilities		354	288
TOTAL LIABILITIES		354	288
NET ASSETS		1 113	1 032
EQUITY			
Accumulated surplus		1 113	1 032
Total equity	13	1 113	1 032

The above statement should be read in conjunction with the accompanying notes.

QUEENSLAND CRIME COMMISSION STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Notes	Dec. 2001 \$'000	June 2001 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Inflows:</i>			
Interest income		30	30
GST net input tax credits received		79	241
GST collected on sales		4	12
<i>Cash flows from Government</i>			
Government contributions		2 254	4 129
<i>Outflows:</i>			
Employee expenses		(1 365)	(2 800)
Supplies and services		(394)	(786)
GST paid on purchases		(85)	(301)
Other		(306)	(492)
Net cash provided by operating activities	14	217	33
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Inflows:</i>			
Proceeds from sale of property, plant and equipment		45	122
<i>Outflows:</i>			
Payments for property, plant and equipment		(39)	(230)
Net cash used in investing activities		6	(108)
Net increase (decrease) in cash held		223	(75)
Cash at beginning of financial year		577	652
Cash at end of financial year	8	800	577

The above statement should be read in conjunction with the accompanying notes.

QUEENSLAND CRIME COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

Note 1 Reporting entity

The Queensland Crime Commission was established on 1 December 1997 as a statutory body under the *Crime Commission Act 1997*. On 1 January 2002, the Crime Commission Act was repealed and the Commission was merged with the Criminal Justice Commission. These statements therefore reflect the transactions and balances up to the date of the merger.

Under the *Crime Commission Act 1997*, the Commission discharged criminal investigation and intelligence functions in relation to organised and major crime. It operated strictly on a referral basis dealing only with those matters referred to it for investigation by a Management Committee. The QCC had a standing reference on criminal paedophilia (i.e. offences of a sexual nature committed in relation to children) but its role and jurisdiction in all other investigations are regulated by legislation.

Note 2 Summary of Significant Accounting Policies

(a) Basis of accounting

The financial statements are general purpose financial statements and have been prepared in accordance with the *Financial Administration and Audit Act 1977*, the *Financial Management Standard 1997*, Statements of Accounting Concepts, Australian Accounting Standards, Urgent Issues Group Abstracts and other prescribed requirements.

Except where stated, the financial statements have been prepared in accordance with the historical cost convention.

The accrual basis of accounting has been adopted.

(b) Leases

A distinction is made in the financial statements between finance leases that effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership and operating leases under which the lessor retains substantially all risks and benefits.

Where a non-current physical asset is acquired by means of a finance lease, the asset is recognised at an amount equal to the present value of the minimum lease payments. The liability is recognised at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly, are charged to the Statement of Financial Performance in the periods in which they are incurred.

There were no finance leases as at 31 December 2001.

(c) Scope and funding

The Financial Statements include all assets, liabilities, revenues, expenses and equities of the Queensland Crime Commission. The Commission established two companies as from 29 June 1999. These companies conducted minimal financial transactions during the period ended 31 December 2001.

The Commission is funded through non-reciprocal government contributions that are recognised as revenues when the Commission obtains control over the relevant assets. The Commission has full discretion in the use of the funds in achieving its objectives.

QUEENSLAND CRIME COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

- (d) **Cash**
For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank that is used in the day-to-day cash management function of the Commission.
- (e) **Acquisition of assets**
The cost method of accounting is used for the recording of all acquisitions of assets owned by the Commission. Cost is determined as the fair value given as consideration plus costs incidental to the acquisition and all other costs incurred in preparing the assets ready for use.
- (f) **Property, plant and equipment**
All items of property, plant and equipment with a cost, or other value, of \$1000 or greater, are capitalised in the year of acquisition. All other items with a cost, or other value, less than \$1000 are expensed.
- (g) **Depreciation of property, plant and equipment**
Depreciation of plant and equipment is calculated on a straight line basis so as to write off the cost or other value of each depreciable asset, less its estimated residual value, progressively over its estimated useful life.

Class of asset	Depreciation rate
Computer equipment (hardware/software)	20.0%
Network computer equipment (hardware/software)	20.0%
Office equipment — furniture and workstations*	10.0%
Office equipment — photocopier	20.0%
Office equipment (facsimile, shredders, e/whiteboards)	10.0%
Office equipment — safes	2.5%
Leasehold improvements	2.0%
Radio equipment (alarm systems, recording equipment)	10.0%
Motor vehicles	16.7%
Photographic equipment (audiovisual)	14.3%

* Second-hand furniture and workstations.

- (h) **Employee entitlements**
- Wages, salaries and annual leave*
Liabilities for wages, salaries and annual leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date, and include related on-costs.
- Superannuation*
The superannuation expense for the period represents employer contributions. No liability is shown for superannuation in the Statement of Financial Position, as the liability is held by the Queensland Government.
- Long service leave*
The Commission participates in the public sector central long service leave scheme whereby a levy is made on the agency to cover this expenditure and amounts paid to employees for long service leave are claimed from the scheme as a reimbursement. Accordingly, a provision for long service leave is not recognised.

QUEENSLAND CRIME COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Dec. 2001 \$'000	June 2001 \$'000
(i) Taxation		
The Commission's activities are exempt from all forms of Commonwealth taxation except Fringe Benefits Tax and Goods and Services Tax (GST). As such, input tax credits receivable and GST payable from/to the Australian Taxation Office are recognised and accrued in this financial year.		
(j) Resources received free of charge or for nominal value		
Resources received free of charge or for nominal value that can be reliably measured are recognised as revenues and assets as appropriate.		
(k) Insurance		
In accordance with Government policy, assets are not insured, and losses are expensed as they are incurred. This includes any losses on the outcome of pending litigation.		
(l) Rounding		
Amounts included in the financial statements have been rounded to the nearest \$1000, or where that amount is \$499 or less, to zero.		
<i>Note 3</i>		
Employee expenses		
Salaries, wages and annual leave	1 260	2 194
Superannuation and pension payments	135	250
Long service leave levy	18	31
Payroll tax	(7)	114
Other related expenses	23	40
	1 429	2 629
<i>Note 4</i>		
Supplies and services		
Travel	75	115
Communications	28	63
Corporate support levy	100	200
Repairs, maintenance and minor equipment	32	67
Materials	66	97
Contractors, consultants and agency staff	107	135
Building maintenance	21	55
Miscellaneous/other	36	43
	465	775

QUEENSLAND CRIME COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Dec. 2001 \$'000	June 2001 \$'000
<i>Note 5</i>		
Depreciation expenses		
Depreciation incurred in respect of:		
Office equipment	8	18
Motor vehicles	13	45
Computer equipment	41	78
Radio equipment	3	9
Other plant and equipment	1	1
	66	151
<i>Note 6</i>		
Other expenses		
Community representative fees	4	30
Rental of premises	239	460
External audit fees	10	11
	253	501
<i>Note 7</i>		
Interest revenue		
Interest income	30	30
	30	30
<i>Note 8</i>		
Cash		
<i>Current</i>		
Cash on hand	-	1
Cash at bank	800	576
	800	577
<i>Note 9</i>		
Other assets		
<i>Current</i>		
GST input tax credits	53	56
Prepayments	26	41
	79	97

QUEENSLAND CRIME COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

	Dec. 2001 \$'000	June 2001 \$'000
<i>Note 10</i> Property, Plant and Equipment		
<i>Office Equipment</i>		
At cost	251	245
Accumulated depreciation	(149)	(141)
Carrying amount	102	104
<i>Motor Vehicles</i>		
At cost	255	271
Accumulated depreciation	(41)	(34)
Carrying amount	214	237
<i>Computer equipment</i>		
At cost	547	541
Accumulated depreciation	(395)	(354)
Carrying amount	152	187
<i>Radio equipment</i>		
At cost	193	193
Accumulated depreciation	(118)	(115)
Carrying amount	75	78
<i>Other plant and equipment</i>		
At cost	48	41
Accumulated depreciation	(3)	(1)
Carrying amount	45	40
TOTAL PROPERTY, PLANT AND EQUIPMENT		
At cost	1 294	1 291
Accumulated depreciation	(706)	(645)
CARRYING AMOUNT	588	646
RECONCILIATION OF CARRYING AMOUNT		
<i>Office equipment</i>		
Opening balance	104	109
Acquisitions	6	13
Depreciation expense	(8)	(18)
Carrying amount as at end of period	102	104
<i>Motor Vehicles</i>		
Opening balance	237	218
Acquisitions	24	163
Disposals	(34)	(99)
Depreciation expense	(13)	(45)
Carrying amount as at end of period	214	237

QUEENSLAND CRIME COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE PERIOD ENDED 31 DECEMBER 2001

	Dec. 2001 \$'000	June 2001 \$'000
<i>Computer equipment</i>		
Opening balance	187	249
Acquisitions	6	16
Depreciation expense	(41)	(78)
Carrying amount as at end of period	152	187
<i>Radio equipment</i>		
Opening balance	78	80
Acquisitions	–	7
Depreciation expense	(3)	(9)
Carrying amount as at end of period	75	78
<i>Other plant and equipment</i>		
Opening balance	40	34
Acquisitions	6	7
Depreciation expense	(1)	(1)
Carrying amount as at end of period	45	40
Total property, plant and equipment		
Opening balance	646	690
Acquisitions	42	206
Disposals	(34)	(99)
Depreciation expense	(66)	(151)
Total property, plant and equipment — as at end of period	588	646
 <i>Note 11 Payables</i>		
<i>Current</i>		
Trade creditors	104	59
Other creditors	8	8
GST payable on sales	–	2
	112	69
 <i>Note 12 Provisions</i>		
<i>Current</i>		
Recreation Leave	242	219
	242	219
 <i>Note 13 Changes in equity</i>		
Opening balance	1 032	884
Increase/(decrease) in net assets	81	148
Balance as at end of period	1 113	1 032

QUEENSLAND CRIME COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE PERIOD ENDED 31 DECEMBER 2001

	Dec. 2001 \$'000	June 2001 \$'000
<i>Note 14</i>		
Reconciliation of net surplus to net cash provided by operating activities		
Net surplus	81	148
<i>Non-cash items:</i>		
Depreciation expense	66	151
Gain on sale of motor vehicle	(11)	(21)
<i>Change in assets and liabilities</i>		
(Increase)/decrease in GST receivable	(3)	(53)
(Increase)/decrease in prepayments	15	(7)
Increase/(decrease) in employee provisions	23	65
Increase (decrease) in accounts payable	37	(253)
Increase (decrease) in long service leave payable	7	-
Increase/(decrease) in GST payable	2	3
Net cash provided by operating activities	217	33

Note 15 Contingency

Litigation

There are no known material contingent liabilities arising from litigation, potential claims or the like outstanding against the Queensland Crime Commission as at 31 December 2001.

Note 16 Non-cancellable operating lease commitments

Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:

Not later than one year	531	518
Later than one year and not later than five years	271	539
Later than five years		
Total commitments	802	1 057
Input tax credits anticipated	73	96

Operating leases are entered into as a means of acquiring access to office accommodation and storage facilities. Rental payments are generally fixed, but with inflation escalation clauses on which contingent rentals are determined. No renewal or purchase options exist in relation to operating leases and no operating leases contain restrictions on financing or other leasing activities.

QUEENSLAND CRIME COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2001

Note 17 Financial instruments

(a) Terms, conditions and accounting policies

The Commission's accounting policies, including the terms and conditions of each class of financial liability, both recognised and unrecognised at the balance date, are as follows:

Financial Instrument Principal	Related Financial Statement Note	Accounting Policy	Terms and Conditions
Trade creditors and accruals	11	Recognition — upon receipt of goods or services received irrespective of whether an invoice has been received.	As per invoice or within 30 days of months end of receipt of invoice.

(b) Interest rate risk exposure

The Commission is exposed to interest rate risk through financial assets and financial liabilities. The following table summarises interest rate risk for the Commission, together with effective interest rates at balance date. All other assets and liabilities have no interest rate exposure.

2001 Financial Instruments	Floating Rate Dec. 2001 \$'000	1 year or Less Dec. 2001 \$'000	Non-Interest Bearing Dec. 2001 \$'000	TOTAL Dec. 2001 \$'000	Weighted Average Effective Interest Rate* Dec. 2001 %
Financial Assets					
Cash	800		—	800	3.68
Total Financial Assets	800		0	800	
Financial Liabilities					
Trade creditors and accruals			112	112	
Total Financial Liabilities			112	112	

* Floating interest rate represents the most recently administered market rate applicable to the instrument at 31 December 2001.

2000-01 Financial Instruments	Floating Rate June 2001 \$'000	1 year or Less June 2001 \$'000	Non-Interest Bearing June 2001 \$'000	TOTAL June 2001 \$'000	Weighted Average Effective Interest Rate* June 2001 %
Financial Assets					
Cash	576		1	577	4.66
Total Financial Assets	576		1	577	
Financial Liabilities					
Trade creditors and accruals			69	69	
Total Financial Liabilities			69	69	

* Floating interest rate represents the most recently administered market rate applicable to the instrument at 30 June 2001.

(c) Net fair values

The carrying amount of cash, trade creditors and accruals approximates fair value.

(d) Credit risk exposures

As the Commission has no accounts receivable, there is minimum credit risk exposure.

CERTIFICATE OF THE QUEENSLAND CRIME COMMISSION

The foregoing Financial Statements have been prepared pursuant to section 46F of the *Financial Administration and Audit Act 1977* and other prescribed requirements.

We certify that:

the foregoing financial statements and notes to and forming part thereof are in agreement with the accounts and records of the Queensland Crime Commission and

in our opinion —

- (a) the prescribed requirements for the establishment and keeping of accounts have been complied with in all material respects and
- (b) the foregoing statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Crime Commission for the 6 months ended 31 December 2001 and of the financial position as at 31 December 2001.



BRENDAN BUTLER SC
Chairperson*

Date: 24.04.2002



GRAHAM BRIGHTON
Executive Director*

* Pursuant to section 220 of the *Crime and Misconduct Act 2001*, the Criminal Justice Commission and the Queensland Crime Commission were merged into a single body corporate and continued in existence under the *Crime and Misconduct Act* under the name 'Crime and Misconduct Commission'. These financial statements of the Queensland Crime Commission are signed by each of us as the Chairperson of the Crime and Misconduct Commission and the person responsible for the financial administration of the Crime and Misconduct Commission, pursuant to section 46F(3) of the *Financial Administration and Audit Act 1977*.



INDEPENDENT AUDIT REPORT

To the Crime and Misconduct Commission

SCOPE

I have audited the general purpose financial statements of the Queensland Crime Commission for the six months ended 31 December 2001 in terms of section 46F of the *Financial Administration and Audit Act 1977*. The financial statements comprise the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Notes to and forming part of the financial statements and certificates given by the persons responsible for financial administration. This represents the final financial statements for the Queensland Crime Commission. The Criminal Justice Commission and the Queensland Crime Commission were merged into a single body corporate and continued in existence under the *Crime and Misconduct Act 2001* under the name 'Crime and Misconduct Commission' from 1 January 2002.

The Queensland Crime Commission is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with QAO Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements, which include Australian Accounting Standards, so as to present a view that is consistent with my understanding of the entity's financial position, and the performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In accordance with section 46G of the *Financial Administration and Audit Act 1977*, I certify that I have received all the information and explanations I have required and, in my opinion —

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects and
- the statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards and other prescribed requirements, of the transactions of the Queensland Crime Commission for the six-month period 1 July 2001 to 31 December 2001 and of the financial position as at the end of that period.



N P JACKSON
Assistant Auditor-General
(As Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane



FINANCIALS

Financial Statements of the CMC January to June 2002



EFFICIENCY

These explanatory notes are provided to help you understand the essentials of our Financial Statements.

The Statements appearing in this report refer to only the last six months of the financial year (i.e. January to June 2002). This is because the CMC came into existence on 1 January 2002 (after the CJC and the QCC were merged). The CMC has been given a new focus by the *Crime and Misconduct Act 2001* and is a new financial entity. As a result, financial comparisons with the former entities are not appropriate. The QAO agrees with this approach. (The Financial Statements of the CJC and the QCC for the last six months of their operation—July to December 2001—can be found at Appendixes H and I.)

There are four key parts to the Financial Statements:

1. Statement of Financial Performance (Revenues and Expenses)
2. Statement of Financial Position (Balance Sheet)
3. Statement of Cash Flows
4. Notes to and forming part of the Financial Statements

1. Statement of Financial Performance (Revenues and Expenses)

The Statement of Financial Performance serves to show the comparison of revenues to expenses for the year. Approximately 99 per cent of the CMC's revenue is derived from government grants. For the six months ending 30 June 2002, the CMC recorded a surplus of \$660 000. In 2002–03, this surplus will be used to fund the one-off costs associated with the transfer of the Crime area from its Milton premises to Terrica Place. The lease on the Milton premises expires at the end of June 2003.

The surplus occurred as a result of:

- tighter financial management by all managers and directors
- more interest revenue than expected owing to better-than-planned interest rates in the early part of 2001–02
- no major public hearings held during 2001–02, resulting in savings in legal costs and administration
- uncertainty associated with the merger that led to a slowdown in activity in both the CJC and QCC towards the end of 2001
- a general reluctance to commit funds until the new CMC structure was determined and approved
- non-completion of some special projects undertaken

towards the end of last financial year that were funded from anticipated savings.

2. Statement of Financial Position (Balance Sheet)

The Statement of Financial Position is the best guide to the financial health of an organisation. It is a snapshot taken at 30 June that shows what assets were held, what amounts were owing to creditors and staff, and the surplus of assets over liabilities, or, in other words, the equity of the CMC.

Assets. Assets are things controlled by an organisation, and are generally divided into 'current assets' such as cash and debtors or 'fixed assets' such as property, plant and equipment.

Current assets are those assets that can be readily converted into cash within the next 12 months. In the CMC's case, current assets include cash, receivables/ debtors and prepayments.

- *Cash* is the closing balance of all our bank accounts as at 30 June.
- *Receivables/debtors* represent the amounts of cash we were owed at 30 June and are confident of receiving. The Australian Taxation Office is our biggest debtor owing us \$306 000 (of the total \$325 000 at 30 June), for GST input tax credits—that is, the refund of GST we have paid to suppliers and government departments.
- *Prepayments* occur when we pay for things in advance of receiving the services or goods. An example would be an annual membership or maintenance agreement that still has effect after 30 June. The proportion of these payments in advance that relates to periods after 30 June becomes our prepayment. (This year it was \$285 000). Prepayment amounts are expensed in the following financial year.

Non-current assets are those assets that we do not plan to convert into cash within the next 12 months. In the CMC's case, non-current assets of \$5 319 000 include property, plant and equipment, and leasehold improvements. The CMC leases its accommodation.

- *Plant and equipment* are those tangible things we need to help us do our work, such as vehicles, electronic equipment, cameras, and computers. Regarding

computers, the CMC decided in March 2002 that it was more financially prudent to purchase them outright than to continue to lease them.

- *Leasehold improvements* are those building works performed in our leased premises. Initially, leasehold improvements are capitalised and then amortised (or liquidated) over the remaining life of the lease. The value of property, plant and equipment and leasehold improvements in the Statement of Financial Position is a net figure derived by subtracting an allowance that represents wear and tear or obsolescence from the original cost of the asset. This allowance is called depreciation (relating to property, plant and equipment) or amortisation (relating to leasehold improvements).

Liabilities. Liabilities are the amounts owed by the CMC to others. They are divided into 'current' and 'non-current', depending on how soon the debt is to be repaid.

Current liabilities are those liabilities where we plan to repay the debt within the next 12 months. In the CMC's case \$1 986 000 in current liabilities relate to payables (creditors), provisions and lease incentives.

- *Payables or creditors* are those debts we accrue by purchasing goods and services on credit. The CMC policy is to pay all invoices before their due date to benefit from any discounts for prompt payment. We are also encouraging our suppliers to accept electronic funds transfers (EFT), instead of cheque payments, to reduce our administrative overheads.
- *Provisions* of \$1 087 000 have been set aside to cover our employees' accumulated annual leave entitlements as at 30 June. We do not need to provide for our employees' long service leave entitlements because they are provided for within the QSuper fund, which is administered by Queensland Treasury and funded by a levy each fortnight on our payroll.
- *Lease incentive liability.* During 1999–2000, the CJC received a total of \$3 515 357 as an incentive to lease premises at Terrica Place. In accordance with Australian Accounting Standard AAS17, we are required to treat this incentive as a liability (borrowing). This liability is then reduced each year by treating part of the lease instalments payable as a repayment. The amount shown as a current liability represents that part of the liability or borrowing that will be reduced by lease instalments during 2002–03.

Non-current liabilities are those liabilities where we have no legal requirement to repay the debt within the next 12 months. In the CMC's case, non-current liabilities of \$2 339 000 relate to the lease incentive.

As mentioned above, in the 1999–2000 financial year, the former CJC received a total of \$3 515 357 as an incentive to lease premises at Terrica Place. In accordance with Australian Accounting Standard AAS17, we are required

to treat this incentive as a liability (borrowing). This liability is then reduced each year by treating part of the lease instalments payable as a repayment of this borrowing. The amount shown as a non-current liability represents that part of the liability or borrowing that will still be outstanding at 30 June 2003 (that is, will not be extinguished in the next 12 months).

Net assets. The figure for net assets of \$4 891 000 is the difference between the total assets and total liabilities. As our assets exceed our liabilities, the CMC has a good liquidity ratio of 2.13 to 1.

Equity. Equity balances are made up of initial start-up balances, prior year's surpluses (or deficits) and reserves. Equipment reserves occur when, in any year, the amount of depreciation is greater than the new capital, plant and equipment purchases.

The capital/equity contributions of \$4 231 000 relate to the closing equity balances of the CJC and QCC as at 31 December 2001. The closing balances of those organisations became the opening balances of the CMC.

The retained surplus of \$660 000 is the surplus generated from the Statement of Financial Performance from the current year, being the first year of operation of the CMC.

3. Statement of Cash Flows

This statement represents the CMC's actual movements of cash during the six-month period to 30 June.

For the period to 30 June, there was substantial, out of the ordinary expenditure, including outright purchase of our computers and software (about \$650 000), that was funded partly from cash at bank and partly from savings in computer lease payments.

Our government grant for the March 2002 period was received in advance by the CJC prior to 31 December and, therefore, included in the cashflow statement and asset balance of the CJC. As a result, the cashflow statement of the CMC only includes the government grant for the June 2002 quarter, but includes expenditure for the six months from January to June 2002.

As a check, the cash at the end of the reporting period, as shown in the cashflow statement, must always be equal with the cash at bank in the Statement of Financial Position.

4. Notes to and forming part of the Financial Statements

The notes explain in more detail particular line item amounts from the Financial Statements. They also disclose other matters such as events after balance date (30 June) and accounting policies.

The notes should be read together with the other parts of the Financial Statements.

CRIME AND MISCONDUCT COMMISSION STATEMENT OF FINANCIAL PERFORMANCE

FOR THE 6 MONTHS ENDING 30 JUNE 2002

	Notes	2002 \$'000
Revenues from ordinary activities		
Grants and other contributions	2	15 207
Investment income	3	155
Assets assumed	4	1
Other	5	73
Total revenue from ordinary activities		15 436
Expenses from ordinary activities		
Employee expenses	6	10 113
Supplies and services	7	2 572
Depreciation and amortisation	8	612
Other	9	1 479
Total expenses from ordinary activities		14 776
Net surplus	18	660

The above statement should be read in conjunction with the accompanying notes.

CRIME AND MISCONDUCT COMMISSION

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2002

	Notes	2002 \$'000
CURRENT ASSETS		
Cash	10	3 287
Receivables	11	325
Other	12	285
Total current assets		3 897
NON-CURRENT ASSETS		
Property, plant and equipment	13	2 617
Leasehold improvements	14	2 702
Total non-current assets		5 319
TOTAL ASSETS		9 216
CURRENT LIABILITIES		
Payables	15	407
Provisions	16	1 087
Other	17	492
Total current liabilities		1 986
NON-CURRENT LIABILITIES		
Other	17	2 339
Total non-current liabilities		2 339
TOTAL LIABILITIES		4 325
NET ASSETS		4 891
EQUITY		
Capital/equity contributions	18	4 231
Retained surplus (accumulated deficit)	18	660
TOTAL EQUITY		4 891

The above statement should be read in conjunction with the accompanying notes.

CRIME AND MISCONDUCT COMMISSION

STATEMENT OF CASH FLOWS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

	Notes	2002 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
<i>Inflows:</i>		
User charges		42
Grants and other contributions		12 569
Interest received		165
GST collected		21
GST input tax credits received		681
Other		51
Total inflows		13 529
<i>Outflows:</i>		
Employee costs		10 289
Supplies and aervices		2 722
Other (Leases)		1 454
GST paid on purchases		841
GST remitted to the Australian Taxation Office		18
Total outflows		15 324
Net cash provided by (used in) operating activities	19	(1 795)
CASH FLOWS FROM INVESTING ACTIVITIES		
<i>Inflows:</i>		
Proceeds from sale of plant and equipment		176
Total inflows		176
<i>Outflows:</i>		
Payments for purchases of plant and equipment		1 125
Leasehold improvements		19
Total outflows		1 144
Net cash provided by (used in) investing activities		(968)
Net increase (decrease) in cash held		(2 763)
Cash at beginning of reporting period	20	6 050
Cash at end of reporting period	10	3 287

The above statement should be read in conjunction with the accompanying notes.

CRIME AND MISCONDUCT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

Note 1 Statement of Significant Accounting Policies

The significant accounting policies that have been adopted in the preparation of these Financial Statements are:

(a) Basis of accounting

The Financial Statements are a general purpose financial report and have been prepared in accordance with the *Financial Administration and Audit Act 1977*, the *Financial Management Standard 1997*, Australian Accounting Standards, Statements of Accounting Concepts, Urgent Issues Group Abstracts and other prescribed requirements.

The Financial Statements have been prepared on an historical cost basis and the accrual basis of accounting.

(b) Reporting entity

The Crime and Misconduct Commission was established on 1 January 2002, as a statutory body under the *Crime and Misconduct Act 2001*. Its role is to:

- help prevent major crime and misconduct
- investigate major crime referred to it by the reference committee
- raise standards of integrity and conduct in units of public administration
- ensure a complaint about, or information or matter involving, misconduct is dealt with in an appropriate way.

The Financial Statements include all assets, liabilities, equities, revenues and expenses of the Crime and Misconduct Commission. The Commission is funded through parliamentary appropriations that are recognised as revenue when the Commission obtains control over the asset. The Commission has full discretion in the use of the funds in achieving its objectives.

The Commission performs a custodial role in respect of balances held in a trust capacity. Trust monies are not recognised in the Commission's financial statements but are identified separately in Note 21. Pursuant to the *Crime and Misconduct Act 2001*, the Criminal Justice Commission (CJC) merged with the Queensland Crime Commission (QCC) to form the Crime and Misconduct Commission on 1 January 2002.

(c) Grants and other contributions

Grants, donations and gifts which are non-reciprocal in nature are recognised as revenue in the year in which the Commission obtains control over them.

Contributions of assets are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

(d) Cash

For financial reporting purposes, cash includes all cash on hand, and deposits at call with financial institutions. It also includes highly liquid investments with short periods to maturity which are convertible readily to cash on hand at the investor's option and which are subject to an insignificant risk of changes in value.

(e) Receivables

Receivables are recognised at the amount due at the time of sale or service delivery. The collectability of receivables is assessed periodically.

CRIME AND MISCONDUCT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

- (f) **Acquisition of assets**
The initial recording of all acquisitions of assets is at cost, which is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use. Assets acquired at no cost or for nominal consideration are recognised at their fair value at date of acquisition.
- (g) **Property, plant and equipment**
All items of property, plant and equipment with a cost, or other value, in excess of \$1000 are recognised in the year of acquisition. Items with a lesser value are expensed. Items or components which form an integral part of the asset are recognised as a single asset (functional asset). The recognition threshold was applied to the aggregate cost of each functional asset.
Property, plant and equipment are included in the accounts at historical cost less accumulated depreciation. Costs relating to the fit-out of the leasehold premises at Terrica Place, Brisbane, have been capitalised as leasehold improvements and, in accordance with AAS4 *Depreciation*, are being depreciated over the term of the lease.
- (h) **Depreciation and amortisation**
Depreciation is calculated on a straight line basis so as to write off the value of each depreciable asset, less its estimated residual value, progressively over its estimated useful life. The rates are reviewed annually to ensure that they reflect the asset's useful life.
Leasehold improvements are amortised on a straight line basis over the period of the lease. New improvements would attract a higher rate in order to be fully amortised at the end of the lease.
The depreciation rate for each class of asset is as follows:
- | Class | Depreciation rate |
|---------------------------------------|-------------------|
| General and technical equipment | |
| General | 14.3% |
| Technical | 20.0% |
| Computer equipment | 33.3% |
| Motor vehicles | 20.0% |
| | Amortisation rate |
| Leasehold improvements (initial rate) | 12.9% |
- (i) **Leases**
Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged to the Statement of Financial Performance in the periods in which they are incurred.
- (j) **Lease incentive**
In accordance with UIG Abstract 3 *Lessee Accounting for Lease Incentives under a Non-Cancellable Operating Lease*, the lease incentive payment has been recognised as a liability that will be offset against lease instalments payable over the term of the lease.
- (k) **Payables**
Creditors are recognised at the amount expected to be paid in the future for goods and services received.

CRIME AND MISCONDUCT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

(l) Employee entitlements

Wages, salaries, annual leave and sick leave

Liabilities for wages, salaries and annual leave are recognised in the Statement of Financial Position as the amount unpaid at reporting date in respect of all employee entitlements accrued and related on-costs such as payroll tax, workcover premiums and employer superannuation contributions.

The provision for annual leave entitlements has been made in accordance with Australian Accounting Standard AAS30 *Accounting for Employee Entitlements*.

Sick leave entitlements are non-vesting and are only paid upon valid claims for sick leave by employees. No liability for sick leave has been recognised as it is not considered to be material. Sick leave is brought to account as incurred.

Long service leave

The Commission participates in the public sector Long Service Leave Central Scheme whereby a levy is made on the Commission to cover this expense and amounts paid to employees for long service leave are claimed from the scheme as a reimbursement. Accordingly, a provision for long service leave is not recognised.

Superannuation

Employer contributions for superannuation expenses are determined by the State Actuary. No liability is recognised for accruing superannuation benefits as this liability is held on a whole-of-Government basis and reported in the whole-of-Government financial statements prepared in terms of AAS31 *Financial Reporting by Governments*.

(m) Insurance

The CMC is insured by the Queensland Government Insurance Fund for property and general liability.

(n) Taxation

The Commission's activities are exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax (GST). Input tax credits receivable and GST payable from/to the Australian Taxation Office are recognised and accrued.

(o) Rounding

Amounts included in the financial statements have been rounded to the nearest \$1000. Due to rounding some figures may not add precisely.

(p) Services received free of charge or for nominal value

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as a revenue and an expense.

(q) Comparative results

As the Crime and Misconduct Commission did not exist as a legal entity prior to 1 January 2002, Financial Statements have been produced for the period 1 January 2002 to 30 June 2002, and there are no comparative figures.

CRIME AND MISCONDUCT COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

	2002 \$'000
<i>Note 2</i>	
Grants and other contributions	
Grant from Commonwealth	16
Operating grant	14 950
Goods and services received below fair value (refer Note 25)	241
	15 207
<i>Note 3</i>	
Investment income	
Interest	155
The Commission operates term and 24-hour 'at call' deposit accounts with a view to maximising the return on available cash funds.	
<i>Note 4</i>	
Assets assumed/liabilities transferred	
Assets not previously recognised in the Financial Statements of either the CJC or the QCC.	1
<i>Note 5</i>	
Other income	
Gain on sale — transport equipment	33
Proceeds from disposal of non-assets	1
Miscellaneous income	39
	73
<i>Note 6</i>	
(a) Employee expenses	
Salaries and wages	7 802
Employer superannuation contributions	1 001
Annual leave	437
Long service leave	124
Other employee-related expenses	749
	10 113
(b) Chief Executive's remuneration	
<i>Title:</i> Chairperson	
<i>Superannuable salary and expense of office allowance:</i> \$238 300 per annum	
The Chairperson's conditions of employment also include entitlement to private use of a motor vehicle, public service leave and leave loading entitlements and membership of the State Public Sector Superannuation Scheme. The Chairperson is not eligible for consideration of a performance bonus.	

CRIME AND MISCONDUCT COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

	2002 \$'000
<i>Note 6 (continued)</i>	
(c) Commissioners' remuneration	
The following amounts were paid to Commission members for the 6 months ending 30 June 2002:	
Sally Goold	\$16 257
Ray Rinaudo	\$18 201
Margaret Steinberg	\$16 257
Hon. William Pincus	\$20 578
<i>Note 7</i>	
Supplies and services	
Communications	160
Computer software/services	128
Consultants	38
Contractors	31
Contract support	198
Electricity	52
Employment agency staff	51
Equipment — non-assets	232
Information retrieval and access	138
Maintenance	134
Motor vehicles	155
Operational expenses	140
Other supplies and services	387
Other supplies and services (goods provided below fair value)	244
Project costs	118
Security	118
Travel	248
	2 572
<i>Note 8</i>	
Depreciation and amortisation	
Plant and equipment	152
Leasehold improvements	226
Computer equipment	148
Transport equipment	86
	612
<i>Note 9</i>	
Other	
Audit fees	15
Operating lease rentals	1 434
Sundry expenses	8
Assets written off/scrapped	3
Loss on sale of plant and equipment	19
	1 479

CRIME AND MISCONDUCT COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

	2002 \$'000
<i>Note 10</i> Cash assets	
For the purposes of this Statement of Cash Flows, cash includes cash on hand, balances in 'at call' deposits and term deposits.	
Cash on hand	22
Cash at bank	207
Deposits on call	3 058
	<hr/> 3 287
<i>Note 11</i> Receivables	
Trade debtors	7
GST input tax credits receivable	306
Other receivables	12
	<hr/> 325
<i>Note 12</i> Other — current assets	
Prepayments	285
	<hr/> 285
<i>Note 13</i> Property, plant and equipment	
Motor vehicles	902
Less: accumulated depreciation	233
	<hr/> 669
Computer equipment	1 447
Less: accumulated depreciation	530
	<hr/> 917
General and technical equipment	2 029
Less: accumulated depreciation	998
	<hr/> 1 031
Total property, plant and equipment	<hr/> 2 617

CRIME AND MISCONDUCT COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

2002
\$'000

Note 13 Property, plant and equipment (continued)

	Motor Vehicles \$'000	Computer Equipment \$'000	General & Technical Equipment \$'000
Asset Gross Value			
Opening balance	901	972	1 907
Purchases	212	764	151
Disposals	(211)	(289)	(29)
Clearing/transfers	0	0	0
Closing balances	902	1 447	2 029
Accumulated depreciation:			
Opening balance	(219)	(645)	(875)
Depreciation expense	(86)	(148)	(152)
Depreciation on assets disposed of	72	263	29
Closing balances	(233)	(530)	(998)
Total plant and equipment	669	917	1 031

Note 14 Leasehold improvements

Leasehold improvements gross value	
Opening balance	3 538
Purchases	41
Disposals	0
Clearing/transfers	0
Closing balances	3 579
Accumulated amortisation	
Opening balance	(651)
Amortisation expense	(226)
Amortisation on improvements disposed of	0
Closing balances	(877)
Total leasehold improvements	2 702

Note 15 Payables	
Trade creditors	378
GST payable	5
Other	24
	407

Note 16 Provisions	
Employee entitlements — annual leave	1 087

CRIME AND MISCONDUCT COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

	2002 \$'000
<i>Note 17</i> Other liabilities	
<i>Current</i>	
Lease incentive	492
	<hr/>
	492
<i>Non-current</i>	
Lease incentive	2 339
	<hr/>
	2 339
<p>During the 1999–2000 financial year, the CJC received a total of \$3 515 357 as an incentive to lease premises at Terrica Place, Brisbane. Further, during 2000–2001 financial year, the CJC received 2 months rent free, valued at \$300 752. Both these amounts are being treated as liabilities (borrowings) and are being reduced from 1 September 2000 by offset against lease instalments payable.</p>	
<i>Note 18</i> Changes in equity	
Contributed equity	4 231
(The CJC and the QCC merged on 1 January 2002 with their joint equity at that time forming this balance.)	
Current year results from operations	660
	<hr/>
	4 891
<i>Note 19</i> Cash Flow Information	
Reconciliation of net surplus to net cash provided by operating activities	
Net surplus	660
Non-cash items:	
Depreciation expense	612
Gain on sale of plant and equipment	(33)
Loss on sale of plant and equipment	19
Other non-cash transactions adjustment	3

CRIME AND MISCONDUCT COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

2002
\$'000

Note 19 Cash Flow Information (continued)

Change in assets and liabilities:	
(Decrease) Increase in long service leave payable	(5)
(Decrease) Increase in lease capitalisation	(246)
(Increase) Decrease in interest receivable	10
(Increase) Decrease in long service leave reimbursement receivable	42
(Increase) Decrease in other receivable	11
(Increase) Decrease in GST input tax credits receivable	(159)
(Increase) Decrease in prepayments	(74)
(Decrease) Increase in accounts payable	(69)
(Decrease) Increase in salaries payable	(245)
(Decrease) Increase provisions — annual leave	76
(Decrease) Increase in grant in advance	(2 397)
<hr/>	
Net cash provided by operating activities	(1 795)

Note 20 Cash at the beginning of the reporting period
Cash at the beginning of the reporting period consisted of net transfers in from the (former) CJC and the (former) QCC and included \$2.4m grants in advance.

The following notes do not link to any particular item in the statements but have been added to assist in understanding the accounts.

Note 21 Money held in trust
The Commission held at 30 June 2002 \$3857 in trust for a number of people as a result of operational activities. As the Commission only performed a custodial role in respect of the balances, they are not recognised in the financial statements but are disclosed here for information purposes.

Note 22 Expenditure commitments at 30 June 2002
At year end the Commission had the following outstanding financial commitments. These were predominantly in the form of orders placed before 30 June, or contracts entered into, but not fulfilled by that date.

Expenditure commitments	314 381
-------------------------	---------

CRIME AND MISCONDUCT COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

2002
\$'000

<i>Note 23</i>	Operating lease commitments	
	The CMC occupies premises in Terrica Place and at Milton, which are sub-leased through the Department of Public Works. The Milton lease expires 30 June 2003, and the Terrica Place lease expires in March 2008. At 30 June 2002 the Commission had the following liabilities under the leases:	
	Not later than one year	3 033
	Later than one year and not later than five years	11 092
	Later than five years	2 419
	GST-inclusive total	16 544
	Input tax credits anticipated	1 504
	The CMC leases motor vehicles from the Q-Fleet business unit of the Department of Public Works. The term of these operating leases varies according to the timing of the replacement of the vehicle. At 30 June the Commission had the following liabilities under these leases:	
	Not later than one year	284
	Later than one year and not later than five years	139
	GST-inclusive total	423
	Input tax credits anticipated	38
	Lease instalments for vehicles are charged to the operating statement over the lease term as this is representative of the pattern of benefits to be derived from the leased asset.	

Note 24 **Contingencies**
Litigation in progress
As at 30 June 2002, there were five cases before the courts. The Commission's legal advisers believe it would be misleading to estimate the final costs and damages (if any) payable in respect of this litigation. In their opinion there is little likelihood of significant damages being awarded against the Commission.

Note 25 **Goods and services received below fair value**
The Queensland Police Service provided the services of police officers and video enhancing and copying service to the Commission at less than commercial rates, the actual cost being \$241 571 (refer to Note 2).

CRIME AND MISCONDUCT COMMISSION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE 6 MONTHS ENDING 30 JUNE 2002

Note 26 Financial instruments

(a) Terms, conditions and accounting policies

The Commission's accounting policies including the terms and conditions of each class of financial asset and financial liability at balance date are as follows:

Financial instrument	Accounting policies
Cash	Cash includes cash on hand, cash at bank, 24-hour call deposits and similar investments that are readily convertible to cash. Average rate of interest on investments over the period is approximately 4.24%.
Receivables (trade debtors)	Trade debtors are carried at nominal amounts. Outstanding balances are reviewed monthly and, in the opinion of management, a provision for doubtful debts is not required.
Other receivables	Amounts are carried at nominal amounts.
Payables	Recognition — upon receipt of goods or services irrespective of whether an invoice has been received. Measurement — based on agreed purchase/contract price.

(b) Net fair value

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximate their carrying value.

Financial instrument	Total carrying amount
Cash	3 287
Receivables	325
Payables	407

Note 27 Segment reporting

The CMC was primarily associated with the administration of criminal justice in Queensland.

Note 28 Events subsequent to balance date

A statement of claim has been received for \$200 000 for legal costs. This has not been brought into account for the period ending 30 June 2002. There are no other material issues.

CERTIFICATE OF THE CRIME AND MISCONDUCT COMMISSION

The foregoing Financial Statements have been prepared pursuant to section 46F of the *Financial Administration and Audit Act 1977* and other prescribed requirements. We certify that:

- (a) the statements together with the other information and notes to and forming part thereof are in agreement with the accounts and records of the Crime and Misconduct Commission and
- (b) in our opinion —
 - (i) the prescribed requirements for the establishment and keeping of accounts have been complied with in all material respects and
 - (ii) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Crime and Misconduct Commission for the 6 months ended 30 June 2002, and of the financial position as at 30 June 2002.



BRENDAN BUTLER SC
Chairperson



STEPHEN FIRTH
Finance Manager

Date: 25.9.2002



INDEPENDENT AUDIT REPORT

To the Chairperson of the Crime and Misconduct Commission

SCOPE

I have audited the general purpose financial statements of the Crime and Misconduct Commission for the six-month period ended 30 June 2002 in terms of section 46F of the *Financial Administration and Audit Act 1977*. The financial statements comprise the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Notes to and forming part of the Financial Statements and certificates given by the Chairperson and person responsible for financial administration.

The Crime and Misconduct Commission is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with QAO Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements in Australia which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the Crime and Misconduct Commission's financial position, and the performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In accordance with section 46G of the *Financial Administration and Audit Act 1977*, I certify that I have received all the information and explanations I have required and, in my opinion —

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects and
- the statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards and other mandatory professional reporting requirements in Australia, of the transactions of the Crime and Misconduct Commission for the six month period 1 January 2002 to 30 June 2002 and of the financial position as at the end of that period.



V P MANERA FCPA
Deputy Auditor-General
(Delegate of the Auditor-General)



Queensland Audit Office
Brisbane

Index

- Accountability, CMC, 13, 17
Amphetamine use, research, 71
Appointments, 91
Assets restrained/seized, Crime, 34
Audit Committee, 14
Australian Federal Police, 29
Australian Customs Service, 29
Awards, staff, 91

Beat policing, 73
Beenleigh Break and Enter Reduction Project, 73
Business practices, 95

Capacity Development Unit, 55
Cape York Justice Study, 84
Charter of Service, 42
CHOGM, 41
CJC, 3, 9, 77–78
CMC powers, 30–31, 48
Collaborative activities, Misconduct, 56
Co-location of Crime and Misconduct functions, 93, 95
Commission Consultative Committee, 16
Commission, membership, 13–14, 21–22
Commissioners for Police Service Reviews, 79
Committees, CMC, 14–16
Communication, 93, *Appendix G*
COMPASS, 44, 93
Complaints, handling, 44–46
Computer training, 91
Consultancies, 107
Corporate recognition, witness protection, 65
Corporate training, 91
Corruption in Corrections, 56
Corruption prevention consultancy to South Africa, 57
Courts and sexual offences against children, research, 72
Crime Bulletins, 29
Crime Commission, 3, 9, 27
Crime-fighting powers, 30–31
Crime jurisdiction, 9
Crime, operational philosophy, 27
Crime outlook, 38

Crime prevention, 37, 71–72
Crime references, 31–33
Crime Reference Committee, 10, 31
Criminal intelligence, 29
Criminal Justice Commission, 3, 9, 77–78
Criminal paedophilia, 36

DOGIT councils, 83–84
Drug dependency and crime, 71

EEO, 15, 92, *Appendix C*
Egret Team, 29, 36
Environmental management, 95
E-policing, 73
E-tap, 92
Ethical climates, 73

Finance, 94
Finance Committee, 15
Financial management, 18
Forensics report, 58
Freedom of Information, 18–19
Functions, CMC, 99
Funding Justice report, 74

Grassroots of Ethical Conduct, kit, 57

Hearings, Crime 30–31
Hearings, Misconduct, 48

Illicit drug-use patterns, research, 71
Indigenous issues, 83–84
Information exchange, 33
Information management, 92
Information Steering Committee, 15
Intelligence, criminal 29
Intelligence database, 33
Intelligence Digests, 29
Intercultural awareness, 91
Internal Audit, 16
Internet, CMC policy, 93
Internet training, 91
Intranet, 91
Investigations, misconduct, 47–52

Jurisdiction, CMC, 9–10
Juvenile offenders, research, 71

Legal counsel, 18
Legislation Committee, 15
Legislative compliance, 19
Liason, government agencies, 56–57
Licensing and regulatory functions, 41
Lightning Strikes Twice, 73
Listening devices, 48
Local government and conflicts of interest, 58

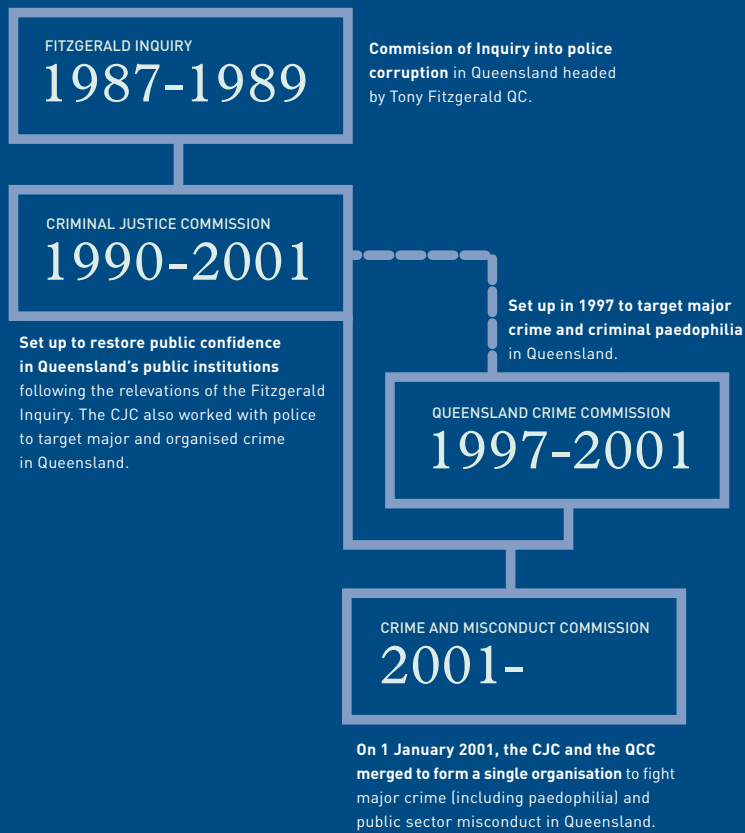
Major crime, 9, 27
Major investigations, misconduct, 49–52
Making the Response Fit the Complaint, 72
Managing the Impact of a CJC Investigation, 57
Marketing Department report, 57
Merger issues, 9–10, 24, 29, 93, 95
Middle Management Development Program, 91
Misconduct jurisdiction, 10
Misconduct hearings, 48
Misconduct prevention materials, 57
Misconduct, operational philosophy, 43
Monitoring investigations, 53–55

NAIDOC, 85
National Crime Authority, 29
Notices to produce, 30, 48
Notice recipients, Crime, 30

Official misconduct, definition, 10
Operation Aldwych, 35
Operation Atrax, 36
Operation Caribbean, 37
Operation Enchanted, 36
Operation Fulham, 37
Operation Jarvis, 37
Operation Luff, 36
Operation Roast, 35
Operation Twine/Tuna, 34
Operational management, 18
Organisational chart, CMC, 10
Organised crime, 34–35
Overseas travel, 107
Overview of performance, Crime, 34
Overview of performance, Complaints, 44

- Overview of performance, Indigenous communities, 83
- Overview of performance, Investigations, 47
- Overview of performance, Managing the organisation, 90
- Overview of performance, Prevention, 56
- Overview of performance, Research, 71
- Overview of performance, Witness Protection, 64
- Paedophilia, 36
- Paedophilia-prevention portal, 72
- Parliamentary Crime and Misconduct Commissioner, 17
- PCJC, 13
- PCMC, 10, 17, 18
- PEAC, 73
- Police and drugs, 51
- Police high-speed pursuits, 73
- Police misconduct, definition, 10
- Police response to domestic violence, 72
- Police Service Reviews, 79
- Police training, 72
- Police training, 72
- Powers, CMC, 30–21, 48
- Police powers, 72
- Precursors to police misconduct, 72
- Presentations, 108
- Privacy legislation, 18–19
- Problem-oriented policing, research, 73
- Project Faber, 28
- Project Lauda, 28
- Project Ramson, 28
- Project Resolve, 77
- Prostitution Act, 74
- Protocols, complaints, 44–45
- Publications, *Appendix G*
- Public Attitudes Survey, 59
- Public Interest Disclosures, 46
- Public Interest Monitor, 17
- Public Service Training Package, 91
- Public Scrapbook, 58
- QCC*, 3, 9, 27
- QPS Update, 69
- Records management, 92–93
- Remuneration, Commissioners, 13, 147–48
- Research, crime prevention, 71–72
- Research, policing, 72–73
- Reviews, 54–55
- Risk Management Committee, 15
- RNA Show, 94
- Search warrants, 48
- Serious crime, 36–37
- Sexual victimisation and offending, 72
- Staff awards, 91
- Staff induction courses, 91
- Staff issues, 90–91
- Shepherdson Inquiry, 52
- Stakeholders, CMC, 69–70
- Strategic direction, CMC, 16
- Strategic Intelligence Unit, 29
- Strategic Management Group, 13–14, 22–23
- Structure, CMC, 10
- Survey of agencies, 55
- TAFE training, 41
- Taskforce Argos, 29
- Taskforce Scorpion, 27
- Technical and Surveillance Unit, 29
- Telephone access line for prisoners, 41
- Tendering and purchasing, 41
- Training, staff, 91
- Turf It Out, 57
- Whistleblowing, 46
- Witness Protection course, 64
- Workplace Health and Safety, 15, 91

Evolution of the CMC



CMC 2001-2002 Annual Report:
Printed on Australian stock,
cover and dividers on recycled stock.
Design by Inkahoots.
Prepress by Colour Chiefs.
Printed by Printcraft.

HOW TO CONTACT THE CMC

To make a complaint to the CMC, or give us information, phone: **(07) 3360 6060**. If you live in Queensland but outside Brisbane, the call is free on: **1800 061 611**. These lines are open 24 hours a day, seven days a week.

Or write to: GPO Box 3123, Brisbane Qld 4001

fax: (07) 3360 6333

e-mail: mailbox@cmc.qld.gov.au

use our online Complaints/Information Form (www.cmc.qld.gov.au)

Visit us during normal business hours on Level 3, Terrica Place, 140 Creek Street (Cnr Adelaide & Creek Sts), Brisbane.

Our Misconduct Prevention Officers can be reached during business hours on **(07) 3360 6300** (Local Government), **(07) 3360 6262** (Police), or **(07) 3360 6396** (Public Sector), and our Indigenous Liaison Officers on **(07) 3360 6221** and **3360 6361**.

For 24-hour access to our publications and other information: www.cmc.qld.gov.au.

To contact our oversight body, the PCMC, call **(07) 3406 7207**.

CRIME AND
MISCONDUCT
COMMISSION



QUEENSLAND

CRIME AND MISCONDUCT COMMISSION

GPO Box 3123 Brisbane Qld 4001

Tel. (07) 3360 6060 Fax (07) 3360 6333

Toll Free: 1800 061 611

mailbox@cmc.qld.gov.au

www.cmc.qld.gov.au