



**ATTORNEY-GENERAL
HON ROBERT McCLELLAND MP**

MINISTERIAL STATEMENT

NATIONAL SECURITY EXERCISE 'MERCURY 10'

PARLIAMENT HOUSE, CANBERRA

MONDAY, 18 OCTOBER 2010

Mr Speaker, I wish to update the House on the outcomes of the largest counter-terrorism exercise conducted to date in Australia, Exercise Mercury 10.

The threat of terrorist attack remains a major security challenge for Australia.

In recent years, a number of plots have been disrupted by the dedicated and coordinated efforts of Australia's security and law enforcement agencies, as well as our international partners.

Just as terrorists have proven to be creative and innovative, so Australia must also be flexible and adaptable to changes in the global security environment.

Since 2007, the Government has taken a number of important steps to strengthen our ability to understand and respond to national security threats, especially the threat of a possible terrorist attack.

In 2008, the Government delivered Australia's first National Security Statement and earlier this year a Counter-Terrorism White Paper was prepared to bring together both the international and domestic elements of Australia's counter-terrorism policy.

The Government is committed to ensuring that our security, intelligence and law enforcement agencies are adequately resourced and prepared to deal with these potential threats.

A key element of this is testing and evaluating our ability to comprehensively respond to a major terrorist incident. This must be done in the most realistic manner possible.

Mr Speaker, Exercise Mercury 10 was two years in the planning and was the largest, most complex and demanding national counter-terrorism exercise our country has ever engaged in.

It was also the first to include an international component, with the involvement of New Zealand authorities.

The exercise was conducted over six months commencing in March 2010, leading to major deployment activities across Australia in August this year.

Mercury 10 simulated a series of coordinated terrorist attacks across the country and was designed to test our security, intelligence and law enforcement agencies, as well as key decision makers across Federal, State and Territory governments.

Almost all of our key national security departments took part and every State and Territory in the country participated.

Importantly, for the very first time the exercise included a 'prevention phase' that simulated a national investigation into suspected terrorist activity.

To date, Australia's intelligence and law enforcement communities have been highly successful in identifying and preventing terrorist actions in this country. We know, for example, that over the past eight years, four potentially very serious attacks intended to produce mass casualties have been prevented.

Obviously, however, we cannot afford to rest on our laurels.

We have learned many lessons from these investigations and continually look to improve and strengthen national cooperation and coordination across all agencies at all levels of Government.

It is for this reason that the exercise brought together the police force from every State and Territory, as well as the Australian Federal Police and the Australian Intelligence Community. Through the exercise they were able to test and practice those processes in a high pressure environment, with as much realism as possible.

In late August, the 'deployment phase' was conducted, where the Federal Government, along with the States and Territories, simulated its response to coordinated terrorist attacks against multiple targets.

This phase of the exercise tested the ability of almost all members of the national security community to respond to multiple incidents across Australia.

The Attorney-General's Department Crisis Centre provided national information coordination and, again, State and Territory Crisis Committees, together with the National Crisis Committee, met to provide an effective and nationally coordinated response.

Importantly, the Australian Government provided leadership and tested its processes for providing substantial health, material and defence support in response to the attacks.

As I previously indicated, in another first for our Counter-Terrorism exercise programme, Mercury 10 included a simulated terrorist incident in New Zealand. This allowed our two countries to practice their response and support processes that may be called upon in a significant disaster or terrorist attack.

In fact, many of Australia's crisis response and coordination mechanisms are common across the spectrum of natural disasters, emergency management and counter-terrorism.

Accordingly, the exercise also provided a unique opportunity to test our ability to respond to other national security threats, aside from a terrorist attack. For example, the Australian Health Protection Committee and the Aero Medical Transport Coordination Group were able to test their ability to provide support and coordinate the transport and treatment of the critically injured.

At the conclusion of the 'deployment phase', authorities then simulated the possible prosecution of suspects involved in the simulated attacks.

Mr Speaker, the first responsibility of any government is to the safety and security of its citizens.

In that context, I have recently reintroduced to the House legislation implementing key reforms to our national security and counter-terrorism laws, including:

- The National Security Legislation Amendment Bill 2010 which will implement the recommendations of a number of independent and bipartisan reviews;
- The Parliamentary Joint Committee on Law Enforcement Bill 2010 which will ensure transparency and accountability in the operation of national security legislation; and
- The Telecommunications Interception and Intelligence Legislation Amendment Bill 2010 which will facilitate greater cooperation and intelligence sharing between intelligence and law enforcement agencies.

The measures contained in these Bills are designed to give the Australian community confidence that our law enforcement and security agencies have the tools they need to fight terrorism, while ensuring laws and powers are balanced by appropriate safeguards and are accountable in their operation.

Mr Speaker, the Government's approach to counter-terrorism is, and must be, one of collaboration between the Commonwealth, States and Territories.

The Council of Australian Governments places great emphasis on counter-terrorism capability development, and our National Counter-Terrorism Committee ensures the appropriate prioritisation of resourcing against key needs.

Exercises such as Mercury 10 enable us to test our capabilities, prepare for what is ahead and continuously learn and improve. For this reason, the exercise was identified as highly significant and worthwhile. It provided the opportunity to focus on testing and practising our key national security agencies in counter-terrorism prevention and response arrangements.

There were many lessons learned, and significant outcomes achieved.

Looking ahead, we will soon see the opening of new facilities for the National Crisis Coordination Centre and the Parliament House Briefing Room which will enhance Australia's whole-of-government crisis response mechanisms.

Exercise Mercury 10 enabled our crisis coordination agencies to practise key processes and resolve key issues, in advance of those centres becoming fully operational.

Mr Speaker, I have pleasure in commending the work of the more than 3,500 participants in the National Counter-Terrorism Committee exercise, Mercury 10, whose dedication and hard work so vitally contributed to the continuous improvement of Australia's counter-terrorism capability.