



Submission

Shooting Industry Foundation of Australia Priorities for the 2021-22 Budget

January 2021



The Shooting Industry Foundation of Australia (SIFA) appreciates the opportunity to contribute to the formulation of the next Commonwealth budget.

SIFA is the peak body representing the importers, exporters and wholesalers of firearms and firearm related components in the Australian Defence, Law Enforcement and Civilian markets.

Australia is ranked as one of the world's major small arm importers and exporters. The annual value of small arms and ammunition imports to Australia was reported to be \$US163M in 2017.

The civilian sectors alone (hunting and target shooting) contributed \$A2.4B to the Australian economy in 2019, supported an estimated 400 small businesses and more than 19,000 jobs.

Structural issues

Whole of government collaboration post COAG

The Australian, state and territory governments share responsibility for the regulation of firearms and are guided by the (non-binding) principles codified in the National Firearms Agreement 2017 (the NFA).

Like any regulated industry, SIFA stakeholders require and expect regulatory certainty. There is an expectancy that Government will co-ordinate internally and act consistently.

The important work of ensuring consistency (i.e., uniform national gun laws) across this compartmentalised and complex regulatory regime fell largely to the Firearms and Weapons Policy Working Group (FaWPWG), which previously reported to the Law, Crime and Community Safety Council (through the National Justice and Policing Senior Officials Group).

With the cessation of COAG, it is important that the new arrangements for advancing both Federal relations and the national reform agendas (with respect to firearms) be finalised ASAP, and appropriate funding allocated in the budget for the new arrangements to be fully effective.

Involvement in the FaWPWG is currently restricted to the law enforcement community and close associates. This myopic construct is blind to the wider reform agenda. It also brings with it a certain culture and attitudinal norms, including a predisposition towards "confidentiality" and the protection of information. This aversion to transparency both hides policy failure and works to ignore it and is inconsistent with contemporary regulatory practices.

In considering how the new arrangements might best function, SIFA advocates that industry (as the regulated entity) be represented on the replacement body for the FaWPWG, or alternatively the establishment and funding of an equivalent industry expert advisory group (as per the Australian Federal Relations Architecture) to provide balance, technical expertise, and commercially nuanced policy advice to the accountable Ministers.

Without these two modest but very specific budgetary provisions, the firearms industry fears that it will continue to be overlooked for the realisation of red tape reduction and economic recovery related policy initiatives, and that the NFA is at increased risk of individual states & territories further eroding and undermining nationally consistent firearm regulations.

Post COVID recovery

The Australian Government is seeking to progress a range of initiatives designed to fast-track Australia's post COVID economic recovery, to create momentum and rebuild confidence.

Like many industries, the firearms retail sector was subjected to a sharp downturn in trade due to COVID emergency measures. Restrictions on movement meant that hunters were no longer able to travel to regional areas to hunt. Ranges were prevented from conducting their normal shooting competitions due to social distancing requirements. Further, several states used COVID emergency powers to arbitrarily prevent firearm related retail businesses from trading. The consequences of all this upon the sector are obvious.

It would be beneficial for all concerned if the economic recovery of the industry over the next three to five years were led by things like red tape reduction, innovation, and other business efficiencies rather than these small businesses enduring smaller margins and their employees facing an uncertain future. It is not beyond the realms of possibility that entirely new distribution models will need to be developed and implemented to ensure the ongoing viability of the sector.

To minimise job losses across the industry and to help the industry prepare for and adjust to the new normal, new skills will be required. As they have done for other sectors, Governments need to make available a range of subsidised vocational education and training packages to elevate the skills base of firearm related small business owners and employees, and to make them more resilient in a changed retail environment.

A program of work is required to collaborate with bodies such as the National Skills Commission and VET bodies and retailers to evaluate what the priority skill sets are, assess what applicable learning modules are already available in the market, to partner with service providers capable of developing and certifying new industry specific modules (where suitable collateral does not already exist) and to consider suitable delivery mechanisms (bearing in mind that many of these jobs are in regional areas).

It is also important for the industry to be adequately informed of the these and other recovery opportunities being made available by the Commonwealth, States and Territories.

SIFA is ideally positioned to undertake this work and seeks a small budgetary commitment of up to \$500K to scope out and commence this program.

Engage contractor for 12 months (~upper quartile Vocational Education specialist)	\$168,960
SIFA project management and administrative support.....	\$ 38,400
Travel & other expenses	\$ 48,000
Australian Skills Quality Authority application fees.....	\$ 50,000
Contingency (+/- 50%).....	\$152,680
Total	\$458,040

Government service delivery

Department of Home Affairs

The recently announced Permissions Capability program is a once in a lifetime opportunity to drive significant improvements into the way firearms importations and exports are regulated in Australia. Aside from long standing and increasingly urgent industry demands for modernisation, there are also a range of potential benefits to border intelligence and law enforcement to be explored and harvested.

It is rare for the Commonwealth to decline an importation permit when it is sought by industry. The process is largely administrative yet adds considerable cost and time delays to the trade. Indeed, the Attorney Generals Department submission to the 2015 Senate enquiry into the Ability of Australian law enforcement authorities to eliminate gun-related violence in the community stated that the current approach “results in situations where the Commonwealth's role in the regulation of the importation of firearms and firearm-related articles is of limited or no value, creates anomalies and results in more red-tape for legitimate importers”.

One of the biggest mistakes organisations make when configuring and deploying new and more capable tools is to mirror their current paradigms and work practices. This results in lost opportunities as the full capabilities of the new technology are not completely exploited through process redesign and through new ways of working being adopted. This is primarily a challenge for the business areas to solve, not technology.

SIFA is advocating that the firearms use case be prioritised in the Permissions Capability roll out, and that the discovery phase of the project is scoped as broadly as possible (e.g., the identification & documentation of end to end work flows, redundant data entry and duplicative or inconsistent regulation) so that the benefits of this initiative are fully realised.

The Department of Home Affairs firearms team needs sufficient additional funds allocated in the budget to staff this project work without compromising BAU service delivery to importers and exporters.

Productivity Commission

There have been three auditors reports into firearm registries in Australia in recent years (WA, Qld, and NSW). All three reports are damning in their observations and cast serious doubt over the cost effectiveness of firearm registration (especially for the lowest risk categories of firearms; Cat A&B) and over the regulators capacity to fulfil their mandates. There is no reason to believe that audits of the remaining four registries would deliver findings which are markedly different to the audits from WA, Qld, and NSW.

Australians expect that the much-acclaimed public safety benefits arising from the NFA are not watered down through poor administration and substandard data holdings (it must be noted that Australia's firearms management data is currently scattered across 30 standalone and largely incompatible databases).

A budgetary allocation should be made for the Productivity Commission to conduct a study into the equity, effectiveness, and efficiency of Australia's firearm registration and licensing regimes. Such a report will be a useful tool for improving both public safety and government service delivery standards by providing governments and taxpayers (especially those taxpayers who interact with firearm registries) with meaningful, balanced, credible, comparative information.

Australian Institute of Criminology

A major failing of governments in Australia has been in not generating the data needed to evaluate their own programs. Data deficiencies inhibit evidence-based policy analysis for obvious reasons.

The Australian Bureau of Statistics (ABS) collect very limited data on the criminal misuse of firearms, which have little or no application towards the effective and efficient regulation of legally held firearms. The Criminology Research Advisory Council has determined that research into firearm related topics is no longer a priority for the Australian Institute of Criminology (AIC). Whilst prior AIC firearm research also had a bias towards topics which were only of interest to law enforcement, that research was nevertheless of a high quality and has been relied upon to inform things of interest to firearm importers like prohibited goods importation legislation, etc.

That information void is now being filled by partisan non-government organisations who are philosophically opposed to firearms. A literature search of recent publications produces a great deal of quasi-official information that is often factually incorrect and omits many relevant truths which do not suit the preferred narrative of those unaccountable organisations. There is a real danger that in the absence of anything better, this body of semi fiction will become the basis of future firearm policy considerations.

Given the sensitive nature of this information and its potential for misuse, it is not appropriate for the source data required to properly undertake much of this work (e.g., firearm registration and license holder information) to be made available to NGO's. This work must be undertaken by Government.

Consideration must be given to funding the AIC (or an equivalent body) to conduct ongoing high quality objective research into a broad range of firearm related issues (both licit and illicit) to properly inform future policy formulation in relation to firearms.

The information contained in this pre budget submission has been deliberately kept brief.

SIFA makes itself available for any follow up discussions required to clarify and expand on the problem statements highlighted.

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