



Australian Government
Department of Home Affairs

2018–19 Regulator Performance Framework Self-assessment Report

Department of Home Affairs

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The Regulator Performance Framework

Under the Deregulation Agenda, the Australian Government is committed to reducing the cost of unnecessary or inefficient regulation imposed on individuals, businesses and community organisations (regulated community).

The Regulator Performance Framework (RPF) measures the performance of regulators, by requiring regulators to measure and publically report their performance. This provides the regulated community confidence that regulators are administering regulation efficiently and effectively, and flexibly manage risk.

Overall, the RPF aims to encourage regulators to undertake their regulatory functions with the minimum impact necessary to achieve regulatory objectives. Under the RPF, all regulators must self-assess their performance every financial year. Self-assessments must be reviewed by relevant Ministerial Advisory Councils or other relevant stakeholder consultation mechanism approved by the responsible Minister. These groups validate the appropriateness of the Department's evidence and assessment of its performance as a regulator. The Department also actively uses this validation process to seek feedback from external validators on areas for improving its regulatory functions, and how to reduce burden on regulated communities.

The Department of Home Affairs' Reporting under the RPF

Under the RPF, there are six Key Performance Indicators of good regulatory performance that each regulator is required to report against. The Department of Home Affairs (the Department) Performance Measures and Evidence Metrics are tailored to the Department's activities and environment, and are approved by the Minister for Home Affairs.

In 2018, the Department underwent a review of its RPF implementation, through an External Review Panel. The External Review Panel's report made two recommendations relating to the Department's implementation of the RPF. It recommended that the Department:

- Review its existing suite of performance measures and evidence metrics in consultation with industry.
- Broaden its engagement and consultation with external stakeholders, to better reflect its regulated community.

Table 1: The Department of Home Affairs 2018-19 RPF Self-assessment External Validators.

2018-19 Regulatory functions	2018-19 External Validation Body
Facilitation of Travel, Trade and Customs	National Committee on Trade Facilitation (NCTF)
Delivery of Migration, Settlement and Citizenship Programs	Education Visa Consultative Committee (EVCC)
	Tourism Visa Advisory Group (TVAG)
	A range of stakeholders and consultation groups from the migration industry, including the Migration Alliance (MA) and the Migration Institute of Australia (MIA).
Effective Regulation of Aviation and Maritime Security	A range of stakeholders and consultation groups from across the aviation and maritime industry, including Aviation Security Advisory Forum (ASAF), Maritime Industry Security Consultative Forum (MISCF), Oil and Gas Security Forum (OGSF) and Regional Industry Consultative Meeting (RICM).

Functions that extend to national security, law enforcement and non-compliance activities and courts or tribunals are exempt from the RPF, including functions relating to detention, illegal maritime arrivals, counter-terrorism and countering violent extremism.

The 2018-19 Self-Assessment Key Performance Indicators and Performance Measures

The below table outlines the Key Performance Indicators, Performance Measures and Evidence Metrics, the Department reports against. In response to the RPF's defined Key Performance Indicators, the Department has tailored the corresponding Performance Measures and Evidence Metrics to better align with the Department's regulatory functions and activities. The RPF Annual Self-assessment Report will follow the structure of the Department's RPF Metrics.

Table 2: Department of Home Affairs tailored Regulator Performance Framework Metrics.

Key Performance Indicators (KPI)	Department of Home Affairs Performance Measures (PM)	Department of Home Affairs Evidence Metrics (EM)
KPI 1 - Regulators do not unnecessarily impede the efficient operation of regulated entities	PM 1.1. The Department demonstrates an understanding of the operational environment, pressures and circumstances which affect regulated entities.	EM 1.1.1. The Department engages with regulated communities and industries through fora, to better understand the operational environments of its regulated entities.
		EM 1.1.2. The Department, informed through appropriate and effective feedback mechanisms, analyses and addresses regulatory issues and pressures identified by its stakeholders.
	PM 1.2. The Department minimises the potential for unnecessary and unintended regulatory burden.	EM 1.2.1. The Department undertakes targeted consultation and engagement with stakeholders during the design and implementation of regulation.
		EM 1.2.2. The Department provides effective guidance to stakeholders post-implementation to facilitate compliance with regulatory requirements.
KPI 2 - Communication with regulated entities is clear, targeted and effective	PM 2.1. The Department provides timely and transparent guidance on regulation that is accurate, clear and supports predictable outcomes for regulators.	EM 2.1.1. The Department develops effective frameworks and guidelines to ensure external publications are accurate, clear and consistent.
		EM 2.1.2. The Department provides tailored guidance material and advice through a range of mediums to regulated entities affected by new/changing regulation.
		EM 2.1.3. The Department responds to stakeholder enquiries within agreed services standards.
KPI 3 - Actions undertaken by Regulators are proportionate to the regulatory risk being managed	PM 3.1. The Department delivers an optimal level of regulatory burden through a risk-based approach that is proportionate to its compliance obligations, targeted engagements and enforcement actions.	EM 3.1.1. The Department conducts regular reviews of its approaches to risk, in order to ensure compliance and enforcement activities are proportionate to the regulatory impact.
		EM 3.1.2. Where appropriate, the Department considers the risk rating of its regulated entities and finds proportionate efficiencies in regulatory processes.
	PM 3.2. The Department examines regulatory risk when amending its strategies, activities and enforcement actions in response to new and emerging threats.	EM 3.2.1. When introducing or changing regulations, the Department integrates regulatory assessments into decision-making frameworks.
KPI 4 - Compliance and monitoring approaches are streamlined and coordinated	PM 4.1 The Department takes a tiered risk-based approach with a focus on encouraging and reducing the burden of compliance.	EM 4.1.1. The Department balances compliance activities and improving regulated community awareness to improve voluntary compliance.
		EM 4.1.2. The Department reviews its information gathering approaches, to find regulatory efficiencies in compliance and monitoring.
KPI 5 - Regulators are open and transparent in their dealings with regulated communities	PM 5.1. The Department, publishes its regulatory information and risk-based frameworks in a clear and timely manner.	EM 5.1.1. The Department ensures appropriate processes and publications are in place to support regulated entities in accessing regulatory information and seeking advice.
KPI 6 - Regulators actively contribute to the continuous improvement of Regulatory Frameworks	PM 6.1. The Department engages with stakeholders through appropriate feedback mechanisms to enable continuous business improvement.	EM 6.1.1. The Department's implementation of its regulatory frameworks is continuously improved through incorporating relevant feedback from regulated entities and consultation and engagement with industry.

The role of External Validators

Ministerial Advisory Committees and External Validation Bodies identified in **Table 1** participated in the Department's Annual Self-Assessment Validation Survey (the Survey). All identified external validators were invited to review the Department's 2018–19 RPF Self-Assessment Report, prior to publication, and provide feedback on the Department's ratings against each performance measure of good regulatory performance as outlined in **Table 2**.

Both Ministerial Advisory Committees and external validators were also provided the opportunity to provide feedback on the Department's approach to implementing and managing regulation. This feedback has been captured in **Part 2** within the Self-assessment Report and forms part of the Department's and the Australian Border Force's (ABF) ongoing effort in ensuring its regulation remains fit for purpose and does not impose unnecessary burden.

Performance Summary 2018–19 Financial Year

The Department rated itself, overall, as having met the RPF Key Performance Indicators of good regulatory performance for the 2018-19 financial year. This is comparable to the Department's 2016-17 and 2017-18 Self-assessment reports where the Department assessed itself as an effective regulator against all six Key Performance Indicators. In addition this assessment was validated by the Department's external validators with over 70% of respondents supporting the Department's assessment against each Key Performance Indicator.

To improve readability, **Part 1** of the Self-assessment report identifies significant examples of good regulatory performance rather than focusing on core business activities. Throughout the reporting period the Department continued to demonstrate an understanding of the operational environment which affects regulated entities, and continued to establish appropriate feedback mechanisms to enable continuous improvement to its regulatory functions.

Part 2 of the report highlights focus areas for the Department and the ABF moving into 2019-20, and provides a consolidated summary of external validator feedback on the Department's performance as a regulator and identifies relevant areas for improvement.

Self-assessment at a Glance

Full assessments of the Department's performance against each of the six Key Performance Indicators, validated by the Department's external validators.

Table 3: The Department of Home Affairs overall self-assessment rating at a glance.

Key Performance Indicators (KPI)	The Department's Overall Self-assessment Rating	External Validator Feedback
KPI 1 - Regulators do not unnecessarily impede the efficient operation of regulated entities	Met	Supported
KPI 2 - Communication with regulated entities is clear, targeted and effective	Met	Supported
KPI 3 - Actions undertaken by Regulators are proportionate to the regulatory risk being managed	Met	Supported
KPI 4 - Compliance and monitoring approaches are streamlined and coordinated	Met	Supported
KPI 5 - Regulators are open and transparent in their dealings with regulated communities	Met	Supported
KPI 6 - Regulators actively contribute to the continuous improvement of Regulatory Frameworks	Met	Supported

Part 1: Assessment of Performance

KPI 1 - Regulators do not unnecessarily impede the efficient operation of regulated entities

The Department self-assessed as meeting all performance expectations associated with KPI 1. The Department demonstrated a thorough understanding of the operational environment, pressures and circumstances that affect its regulated entities. This is considered throughout the development and implementation processes for Departmental regulation to minimise the potential for unnecessary and unintended regulatory burden. Throughout 2018-19, the Department and the ABF regularly engaged with the regulated community directly. During the financial year, the Department coordinated or participated in:

- Multilateral engagements on the facilitation of trade and customs, to obtain industry's feedback on the existing trade practices to inform and implement future improvements. Examples of key industry bodies the Department consulted with were the National Committee on Trade Facilitation (NCTF) and the Trade Facilitation Initiatives Working Group (TFWIG).
- Bilateral engagements on the delivery of migration, settlement and citizenship programs. The Department holds bilateral meetings with peak migration agent bodies such as, the Migration Institute of Australia (MIA) and the Law Council of Australia (LCA), on matters related to migration, settlement and citizenship programs.
- The first Home Affairs Portfolio wide Industry Summit. The theme for the summit was 'working together for a prosperous, secure and united Australia'. Over 450 delegates representing industry, academia, government and diplomatic corp attended.
- An annual symposium on the Australian Trusted Trader (ATT) program. The purpose of the symposium was to provide Trusted Trader's training and guidance on improving their compliance with trade obligations.

The Department best exemplified effective regulatory performance against KPI 1 through the following examples during the 2018-19 financial year:

1. The Department convened Australia's first government-sponsored modern slavery conference. The modern slavery conference aimed to equip large businesses to better understand their supply chains and comply with the new *Modern Slavery Act 2018*. Over 400 representatives from major Australian and international businesses attended the modern slavery conference, including delegates from eighteen countries. The conference included seven expert panel discussions with twenty-five domestic and international business and civil society speakers. The conference allowed the Department to develop a significant understanding of the environmental pressures and circumstances that affect regulated communities and assisted the Department in identifying opportunities for regulatory improvement.

The Modern Slavery Business Engagement Unit within the ABF undertakes awareness-raising activities and provides support to businesses to comply with the *Modern Slavery Act 2018*. In 2019 this has included:

- responding to over 150 direct requests for assistance
 - hosting over 400 attendees from 18 countries
 - participating in 30 presentations at conferences and industry forums
 - delivering workshops in capital cities across Australia.
2. The Department also established new working groups with industry and Government to inform the development of regulatory reforms relating to the aviation and maritime security space, which included the discussion topics of:
 - screening and examination officer training
 - prohibited items
 - screening requirements for powders, liquids, aerosols and gels.

As a result, the Air Cargo Security Industry Advisory Forum voted to close the International and Domestic Working Groups and replace them with three new working groups, which will make consultation on upcoming reform more targeted to meet industry and Government's requirements.

Furthermore, the Department works closely with industry participants to improve understanding of and compliance with obligations under transport security legislation. This is done through a variety of mediums including through the:

- provision of online training and guidance materials
- targeted compliance campaigns and agency-sponsored industry forums and working groups
- industry guidance is developed and refined on the basis of information received by the AMS Guidance Centre and where appropriate from campaign recommendations.

3. The Department conducts an annual review of the Public Interest Criteria 4005-4007 Health Requirement (the Health Requirement) and related policy to ensure its effectiveness in achieving a balance between implementing a risk based approach to health screening for visa applicants and any regulatory impact on businesses, community organisations or individuals.

The review enables the Department to identify and pursue opportunities for de-regulation, assess that regulations are fit for purpose, manage stakeholder expectations, and resource processes effectively.

Any changes made to the operation of the Health Requirement and supporting policy involve specific consideration of the regulatory burden on stakeholders through engagement with the Department's Deregulation Unit and assessment against the Commonwealth Regulator Performance Framework in order to consider the overall burden placed on stakeholders by the Health Requirement.

Overall the Department has demonstrated effective performance against KPI 1 through ensuring it continuously assesses regulation to ensure that it remains fit for purpose and does not impede the efficient operation of business.

KPI 2 - Communication with regulated entities is clear, targeted and effective

The Department self-assessed as meeting all performance expectations associated with KPI 2. The Department continued to provide timely and targeted communication with the regulated community to support regulators in complying with the implementation of new and or amended regulation. This was achieved through the Department's ongoing efforts in ensuring regulated entities received responses to enquiries in an efficient manner and through ensuring relevant guidance material was targeted and delivered through a range of mediums. In the 2018-19 financial year, the Department:

- responded to 45,154 enquires, collectively received through writing, telephone and a number of Departmental Feedback mechanisms
- wrote to 22,300 targeted stakeholders to convey a change to regulatory processes and requirements
- conducted 20 workshops in preparation for changes in relation to trade modernisation
- published an array of publications and digital guidance material on the Department's website, and specifically targeted affected regulated communities.

The Department best exemplified effective regulatory performance against KPI 2 through the following examples during the 2018-19 financial year:

1. The Department engaged with regulated entities through a variety of mediums, intended to ensure that guidance and advice was appropriately targeted and accessible to the relevant stakeholders. In 2018-19, the Department introduced enhanced air cargo examination requirements that included piece-level screening of all international air cargo, regardless of destination. Implementation was supported by comprehensive industry communications, contingency planning, collaboration with other departments and agencies, and approval of over 100 businesses as regulated air cargo agents or known consignors.

The Department fostered stakeholder readiness through presentations to industry and government forums, trade publications, bilateral meetings, websites, and writing to over 20,000 export businesses. The AMS Guidance Centre was staffed and available over the weekend the amendments first took effect, to ensure that stakeholders had an immediate point of contact via phone or email, and the Department's website was also updated with relevant guidance for affected industry participants.

2. The Department strives to provide timely and transparent information that is accurate and clear for the regulated community. Consequently, the Department decided to consolidate its three call centres in London, Ottawa and Sydney into one centre in Australia. The new service was intended to reduce wait time for clients and improve their access to information post implementation. Since establishing the new service, service levels have improved significantly for departmental clients. For example, 87 per cent of calls were answered within 10 minutes, which is a significant improvement on the 48 per cent prior to the transition.
3. The Home Affairs Portfolio website was redesigned and split into three websites: homeaffairs.gov.au, immi.homeaffairs.gov.au and abf.gov.au. The redesign process was based on user experience research, including a survey of more than 35,000 visa and citizenship clients around the world to understand their needs and expectations. The redesign was aimed at ensuring the community, and also those effected by our regulation, had access to clear and targeted information. The new structure is making it easier for clients to identify their visa options and supports online lodgements. The user-centred design has improved client self-service channels, through clearer pathways to online application guidance. This has resulted in an increase in applications lodged through our primary client portal—ImmiAccount. In 2018-19, more than 5 million applications were lodged online, which equates to 15 per cent increase from 2017-18.

In 2018–19, 33.8 million users visited the three websites. This is an increase from 28.3 million in 2017–18. At the same time, formal complaints regarding the websites have decreased by 53 per cent, indicating the user experience is improving.

Overall the Department has demonstrated effective performance against KPI 2 through ensuring it continuously engages with the regulated community throughout the design and implementation of its regulation. The Department and the ABF continue to actively ensure access to guidance material is available and effective in providing appropriate information on the effected regulated community.

KPI 3 - Actions undertaken by regulators are proportionate to the regulatory risk being managed

The Department self-assessed as meeting all performance expectations associated with KPI 3. The Department continued to conduct regular reviews of its approaches to risk, in order to ensure compliance and enforcement activities were proportionate to risk and actively considered the regulatory impact.

The Department integrates regulatory assessment into the decision-making framework when introducing or amending regulation. For example, under the Deregulation Agenda, regulators are required to undergo the Regulatory Impact Analysis (RIA) process, which is administered by the Department of the Prime Minister and Cabinet's Office of Best Practice Regulation (OBPR).

The RIA process is a systematic approach to critically analyse the regulatory impact of new or amended policy proposals and legislative bids, on the regulated community. The RIA process is built into a number of standard operating procedures within the Department. For example, the RIA process is built into the Department's Change Management Framework, Cabinet Submission Process and the Legislative Bid Process, to ensure the Department has considered the regulatory impact of the Department's proposal.

The Department best exemplified effective regulatory performance against KPI 3 through the following examples during the 2018–19 financial year:

1. The Department aims to deliver an optimal level of regulatory burden through a risk based approach that is proportionate to its compliance obligations. The Australian Trusted Trader (ATT) program best exemplifies this approach. All Trusted Traders are assessed on their risk management, and are required to have a risk management plan in place, in line with World Customs Organization (WCO) guidelines. Each Trusted Trader is assigned a risk tier, based on in-depth assessment by the ATT Service Desk, ATT Account Manager and Delegate. The risk tier determines regular control plan activities that the trader will undertake, as well as tailored benefits available to the trader in line with the ATT Compliance Guide.

The Department regularly assesses risk to the ATT program, including a standing agenda item at the Program Operating Group. The Program Operating Group regularly reviews the Compliance Documentary Framework, which mandates risk management at the entity level. Under the ATT program, Case Management Group manages cases identified to be high risk, on a fortnightly basis, and provides recommendations to the Delegates ensuring enforcement activities are proportionate.

Furthermore, the Department's Origin Verification Team regularly conduct targeted compliance reviews of data provided by rulings holders. Some are provided monthly, some are provided by exception. ATT recognises and accredits traders that are lower risk, and delivers proportionate efficiencies in regulatory processes (ATT benefits). The Certificate of Origin Waiver and Origin Advance Ruling benefits recognises the risk rating of Trusted Traders and allows them to claim Preferential Tariff Treatment (PTT) with reduced regulatory burden.

2. The Department analyses and conducts risk assessments to inform the allocation of compliance activities for the Aviation and Maritime Security National Compliance Plan. Relevant information and data compiled from internal and external sources are applied to inform compliance targeting across all regulated transport modes. The Compliance Plan articulates that a number of campaigns or surveys are to be carried out over the financial year.

These campaigns are used to either inform responses to emerging policy implementation priorities or threats, or to address identified information gaps. The outcomes help inform the Department's understanding of risk and consequential approach to compliance and enforcement activities.

Four targeted compliance campaigns were carried out in 2018–19. This included a campaign focussing on implementation of strengthened airside security arrangements at designated airports. This provided assurance to the Department that industry had implemented the new requirements, and that airport communities had been educated and made aware of the new regime and its implementation. The outcomes also allow the Department to consider how future audit and compliance activities may best be conducted.

During 2018–19 the Department facilitated 'threat exercises' at both Maritime Industry Security Consultation Forum and the Oil and Gas Security Forum meetings to test the effectiveness of industry responses to heightened threat and the sustainability of increased security measures. The Department

also commenced a review of its maritime security policy settings to ensure they are well-adapted and proportionate to achieving maritime security outcomes.

Through these examples the Department has demonstrated effective performance against KPI 3 through ensuring it conducts regulator reviews of its approaches to risk and by ensuring that compliance and enforcement activities are proportionate to the level of risk. The Department and the ABF continue to actively implement its Risk Management Framework across its regulatory functions.

KPI 4 - Compliance and monitoring approaches are streamlined and coordinated

The Department self-assessed as meeting all performance expectations associated with KPI 4. The Department demonstrated a tiered risk-based approach with a focus on encouraging and reducing the burden of regulatory compliance on the regulated community. This was achieved through the balancing of compliance activities and improving voluntary compliance with educational programs and awareness campaigns. The Department also reviews its information gathering approaches to find regulatory efficiencies in compliance and monitoring activities.

The Department best exemplified effective regulatory performance against KPI 4 through the following examples during the 2018–19 financial year:

1. The Department's aviation and maritime security incident reporting instruments underwent review. The instruments were refined to take a more efficient and focused approach to our information gathering by reducing duplication, and clarifying and standardising requirements. The associated reporting template was also revised, and a new portal for reporting aviation and maritime security incidents was established on the Department's website. These changes streamline the Department's data collection approach, and reduce administrative burden on industry by focusing on utilising technology and digitisation to improve the communication flow between the Department and its stakeholders.

Following substantial industry consultation on scope, technical and data issues, the Department also undertook a trial with industry to look at efficient collection of relevant screening point performance data. The Department collaborated with industry to develop indicative performance measures for passenger screening, which will help support regulatory efficiencies in both compliance and reporting moving into subsequent reporting periods.

Opportunities for further information gathering efficiencies were also identified as part of joint work between AusCheck and Aviation and Maritime Security Division. Regulatory amendments to support these efficiencies are expected to be made during 2019–20 financial year.

2. The Department regularly reviews information-gathering approaches relating to benefits, taking a flexible approach where possible for the Australian Trusted Trader (ATT) Program. For example, the Origin Advance Ruling benefit initially required a monthly report in a set format for compliance and monitoring purposes. Following stakeholder feedback and review, ATT changed the benefit to allow for exception reporting, in any format. ATT validation processes are also reviewed regularly where efficiencies in compliance and monitoring are identified, the process is updated where appropriate. In 2018, Home Affairs commissioned KPMG to benchmark ATT against similar Authorised Economic Operator (AEO) programs. This report found that ATT was among the best operating and most comprehensive programs.
3. The Department has undertaken a range of activities to support the implementation of Telecommunications Sector Security Reforms (TSSR), including hosting consultation sessions, developing draft guidance materials for industry, and one-on-one engagements with major carriers, to improve the regulated community's awareness and increase voluntary compliance.

Prior to commencement of the reforms the Department undertook two rounds of public industry consultations to explain the TSSR obligations and seek feedback on guidance material. The two information sessions were held in Sydney, Brisbane, Melbourne, Perth and Canberra and were attended by 201 representatives, and 82 carriers and carriage service providers. The Department continues to undertake ad-hoc consultations (face-to-face and teleconference) to discuss TSSR obligations and compliance issues.

The Department has developed a dedicated website with a secure portal for industry to submit notifications and enquiries to government. Guidance materials have been developed to assist the regulated community to understand their obligations.

Through these examples the Department has demonstrated effective performance against KPI 4 through consideration of its information gathering approaches and demonstrating activities to consolidate and or streamline information and data collection. The Department continues to actively utilise information gathering to inform its regulatory activities.

KPI 5 - Regulators are open and transparent in their dealings with regulated communities

The Department self-assessed as meeting all performance expectations associated with KPI 5. The Department ensured there were appropriate processes and publications in place to support regulated entities in accessing regulatory information and seeking advice. The Department continues to publish Regulation Impact Statements on proposals the Department has either announced or implemented. The Department publishes Regulation Impact Statements as a method to demonstrate its rigorous research and consideration of the regulatory impact of the Department's proposals on the regulated community.

Regulation Impact Statements (RISs) are publically available and represent the thoroughness of the Department's analysis and consultation with industry. From 2014-15 to 2018-19, 83 per cent of RISs submitted by the Department during this period were considered best practice, or compliant, by the Office of Best Practice Regulation's summary report "*Compliance with the Australian Government's RIS Requirements, 2014-15 to 2018-19*".

The Department best exemplified effective regulatory performance against KPI 5 through the following examples during the 2018–19 financial year:

1. The Department works closely with industry participants to improve understanding and compliance of obligations under transport security legislation through provision of online training and guidance materials, agency-sponsored industry forums and working groups. The Department ensures that information and advice is provided through the Aviation and Maritime Security Guidance Centre. Throughout 2018–19 the Guidance Centre received 3480 enquiries. The Department also disseminated 16 transport security risk products in 2018–19 to strengthen industry's understanding of current and emerging threats, and to help industry ensure their procedures meet regulatory requirements and were appropriately targeted and proportionate to risk.
2. During 2018–19, the Department established and published a number of publications to support regulated entities in accessing regulatory information. This included the development of a comprehensive tobacco specific webpage that provided industry and other stakeholders with information on tobacco budget measures, and information on how to appropriately engage with the ABF on tobacco related issues. The Department also published advice targeted specifically at importers detailing how to ensure that goods are being sampled appropriately for asbestos testing. To support the ongoing implementation of the asbestos requirements the Department also maintains and updates a factsheet specifically for importers of at-risk older vehicles on how to abide by the asbestos border prohibition. Both initiatives seek to raise awareness within the regulated community on the asbestos border control which supports greater voluntary compliance.
3. The Department publishes its regulatory information and risk-based frameworks in a clear and timely manner. A primary example of the Department's commitment to ensuring regulatory information is transparent and easily accessible is the publication of monthly global processing times. This aims to provide more meaningful information to clients and more accurately reflect the broader challenges and constraints associated with the delivery of the visa and citizenship programs. Global processing times for 102 visa subclasses are currently published on the Department's website to improve transparency with regulated communities.

Through these examples the Department has demonstrated effective performance against KPI 5 through providing transparent information on its regulatory performance and through publishing relevant information on its regulatory and compliance activities.

KPI 6 - Regulators actively contribute to the continuous improvement of Regulatory Frameworks

The Department self-assessed as meeting all performance expectations associated with KPI 6. The Department has a number of feedback mechanisms in place to foster an effective framework for collaboration with an aim to continuously improve the Department's regulatory functions.

The Department best exemplified effective regulatory performance against KPI 6 through the following examples during the 2018–19 financial year:

1. The Department engages with stakeholders through appropriate feedback mechanisms to enable continuous business improvements. The Global Feedback Unit (GFU) is the Department's central point for receiving, tracking and responding to client feedback. The GFU is committed to providing support to the Department's services of, to name a few examples, visa and citizenship applications and pathways, and travel through Australian Border controls. The feedback received through the GFU can inform opportunities for business improvement or to enhance the quality of the Department's services. The GFU actively monitors all cases for compliance against the Department's 15-business day service standard, as prescribed in the Client Feedback Policy. Premised on the Commonwealth Ombudsman Better Practice Guide to Complaint Handling, the Client Feedback Policy supports business improvement opportunities across the Department, including ABF and undertakes reporting and analysis to inform subsequent reviews or amendments to our regulatory process. Approximately, 98.5 per cent of complaints were responded to by the Department, including ABF, within the service standard.

The Department and the Australian Border Force continue to utilise the GFU to connect relevant areas to resolve complaints and requests for information in a timely manner.

2. The Department engages with the regulated community and industry on an ongoing basis, and receives regular feedback on aviation and maritime security regulatory frameworks. In 2018–19 regulatory amendments to the *Maritime Transport and Offshore Facilities Security Regulations 2003* were made in response to industry feedback on the regulatory requirements for security guards working on vessels or offshore facilities outside the jurisdiction of an Australian State or Territory.

The amendments provided a clear and consistent standard for maritime industry participants whose operations take them outside the jurisdictional limits of a particular Australian State or Territory, but not outside the jurisdiction of the *Maritime Transport and Offshore Facilities Security Act 2003*, and reduced administrative burdens.

The Department also made a number of other amendments to the *Maritime Transport and Offshore Facilities Security Regulations 2003* and the *Aviation Transport Security Regulations 2005* in response to industry engagement, to foster greater understanding and reduce regulatory burden. This included:

- standardising the meaning of 'audit' in the context of security plans and programs. This amendment was made in response to feedback from industry regarding the potential duplication of work required in ensuring that multiple audit requirements across various corporate and regulated functions are met. The new definitions focus on the independent nature of an audit, rather than on the 'external' or 'internal' person undertaking the activity.
- removing the requirement for regulated aviation and maritime industry participants to provide a fax number to the Department as part of their contact details. This generally removed the requirement for those participants to maintain a fax capability.

Through these examples the Department has demonstrated effective performance against KPI 6 through ensuring it continues to embed appropriate feedback mechanisms that support industry communication. The Department and the ABF actively reviewed and made amendments to regulation throughout 2018–19.

Part 2: External Validator Feedback

Feedback from the Department’s Ministerial Advisory Committees and consultation bodies supported the Department’s self-assessment of being an effective regulator for the 2018-19 financial year. Over 70 per cent of external validator feedback either ‘strongly supported’ or ‘supported’ the Department’s rating as having demonstrated best effective regulatory performance against each of the KPIs listed in **Table 4**.

Specific external validator feedback noted the Department’s improved engagement with industry in the development and implementation of policies, programs and initiatives. External validators also commented on the improved timeliness and quality of support it receives in regards to regulatory changes.

While external validator feedback notes the Department has made marked improvements in its performance as a regulator, external validators have made a number of suggestions to help mature the Department’s regulatory performance. For example, external validator feedback suggests the Department:

- continues to improve responsiveness for the regulated community in receiving information from targeted feedback mechanisms.
- increase the frequency and duration of industry meetings, and continue to streamline communication channels to improve the effectiveness of stakeholder engagement.
- increase the Department’s educational campaigns to raise awareness of obligation and promote greater voluntary compliance from the regulated community.
- continues to promote the Department of Home Affairs and ABF websites as a key platform for immigration and border related matters for the regulated community. The Department has worked with industry in the past to improve the websites usability and navigation, and will continue to improve these aspects and the information available. The Department will continue to work with stakeholders to review the sites for further improvements.

Table 4: Consolidated External Validator Feedback against each Key Performance Indicators (KPI).

Key Performance Indicators (KPI)	‘Strongly Support’ and ‘Support’	‘Partially Support’	‘Do Not Support’
KPI 1 - Regulators do not unnecessarily impede the efficient operation of regulated entities	73.2%	22.0%	4.9%
KPI 2 - Communication with regulated entities is clear, targeted and effective	73.2%	22.0%	4.9%
KPI 3 - Actions undertaken by Regulators are proportionate to the regulatory risk being managed	73.2%	22.0%	4.9%
KPI 4 - Compliance and monitoring approaches are streamlined and coordinated	73.2%	19.5%	7.3%
KPI 5 - Regulators are open and transparent in their dealings with regulated communities	73.2%	24.4%	2.4%
KPI 6 - Regulators actively contribute to the continuous improvement of Regulatory Frameworks	73.2%	22.0%	4.9%

Summary

The Regulator Performance Framework aims to encourage regulators to undertake their functions with the minimum impact necessary to achieve regulatory objectives. The Department reports objectively on the outcomes of their efforts to administer regulation fairly, effectively and efficiently. This report demonstrates the Department and the ABF's ongoing efforts in implementing the RPF and provides an accurate reflection of performing against the RPF's six KPIs.

The Department's regulatory role continues to mature as we gain a deeper understanding of our stakeholders and of the broader regulatory impact of our activities across the breadth of functions that we administer. To assist in our understanding of the current environment and demands that we place on our stakeholders, the Department and the ABF continue to work with industry and the regulated community to improving our regulatory functions. This report evidences the Department's consistent performance against the key performance indicators and Evidence Measures for the 2018-19 reporting period.

The results of this self-assessment have been validated by relevant MACs and approved stakeholder consultation mechanisms, and approved by the Minister for Home Affairs. The Department actively continues to improve its performance as a regulator and will focus on the following during 2019-20:

- Ensuring regular ongoing engagement with our regulated community to understand their operating environment and to co-design solutions that seek to reduce unnecessary regulatory burden.
- Ensuring the provision of information to industry is clear, concise and easily accessible. This supports a greater understanding of their obligations in complying with relevant Departmental regulation.
- Ensuring we continue to consolidate and streamline information gathering requests across our regulated communities.

Glossary

Term	Definition
A	
Australian Trusted Trader (ATT)	A voluntary trade facilitation initiative open to all eligible Australian businesses active in the international trade supply chain.
Authorised Economic Operator programs (AEO)	The Authorized Economic Operator is a voluntary program based on the World Customs Organization (WCO) SAFE Framework of Standards to Secure and Facilitate Global Trade. The Australian Trusted Trader program is Australia's AEO, it accredits Australian businesses that demonstrate a secure supply chain and trade compliant practices, rewarding them with trade facilitation benefits.
AusCheck Background Checking Service	The AusCheck Background Checking Service coordinates national security background checks and related functions for the aviation, maritime and national health security schemes.
G	
Global Feedback Unit (GFU)	The Global Feedback Unit is the central point for the Department in receiving, tracking and facilitating a response to client feedback.
I	
ImmiAccount	Single entry point for individuals, registered migration agents, service delivery partners, business and stakeholders to access the Department's online services.
Industry Summit	Annual forum hosted by the Department where industry and the Department can discuss strategic travel, trade and migration issues.
Inspection	May include use of non-intrusive examination through X-ray technology (static or mobile), trace particle detection, detector dogs or physical examination of cargo.
K	
Key Performance Indicator (KPI)	Quantitative or qualitative variable used to chart progress and measure actual results as compared with expected results.
L	
Law Council of Australia	The Law Council of Australia is the national representative body of the Australian legal profession.
M	
Migration Institute of Australia (MIA)	The Migration Institute of Australia is the professional association for Registered Migration Agents. Migration Institute of Australia represents its members through regular government liaison, advocacy, public speaking and media engagements.
Migration Program	The annual planned permanent intake determined by the Australian Government in a budgetary context which governs the number of visas granted for permanent entry from offshore and for permanent resident status onshore. It does not include New Zealand citizens intending to settle permanently in Australia.
Ministerial Advisory Council (MAC)	Industry groups are appointed as Ministerial Advisory Councils under the Regulator Performance Framework to validate quantitative data and supporting qualitative evidence of a regulator's performance.
N	
National Committee on Trade Facilitation (NCTF)	A forum for discussing matters affecting Australian industry stakeholders in international trade. The NCTF also looks for opportunities for reform and improvements in Australia's domestic and international trade.

O	
Office of the Migration Agents Registration Authority (OMARA)	An office within the Department of Home Affairs that regulates the migration advice industry to provide appropriate protection and assurance to people using migration advice services.
Office of Best Practice Regulation (OBPR)	The Office of Best Practice Regulation administers the Australian Government and Council of Australian Government's (COAG) Regulation Impact Analysis (RIA) and Regulation Impact Statement requirements (RIS) processes.
Online lodgement	A method which allows applications to be completed and submitted on the internet.
Origin Advance Ruling	Replaced the need for multiple origin advices for ATTs.
P	
Preferential Tariff Treatment (PTT)	The Preferential Tariff Treatment: Schedule 1 of the Customs Tariff Act 1995 provides three groups of preferential rates to certain countries. These include Forum Island Countries, Least Developed Countries and Developing Countries. Schedule 4 to 12 of the Customs Tariff Act 1995 has Australia's Free Trade Agreements with certain countries. For the preferential rates to apply certain acts in the production of the goods needs to occur in the relevant country before export.
R	
Regulated Community	Under the Australian Government Deregulation Agenda, the regulated community can be considered individuals, businesses and community organisations.
Regulatory Impact Analysis (RIA) process	The Regulatory Impact Analysis process is a systematic approach to critically analysis the effects of the development or amendment of a regulation on the regulated community.
Regulatory Impact Statements (RIS)	Regulatory Impact Statements are a publically available document representing the depth of analysis and consultation in the development and amendment of policy and regulation.
Regulator Performance Framework (RPF)	The Regulator Performance Framework measures the performance of regulators, by requiring regulators to measure and publically report their performance.
T	
Transport Security Guidance Centre	A centre established in early 2017. It has since been acting as the main avenue of communication between transport security stakeholders and the Office of Transport Security.
Trade Facilitation Initiatives Working Group (TFWIG)	The Trade Facilitation Initiatives Working Group is a sub-committee of the National Committee on Trade Facilitation.
Tariff classification	Goods imported into Australia require classification under the <i>Customs Tariff Act 1995</i> .
W	
World Custom's Organisations (WCO)	The World Customs Organization is an independent intergovernmental body whose mission is to enhance the effectiveness and efficiency of the administration of Customs.