



Australian Government

Department of Immigration and Citizenship



ANNUAL REPORT 2010–11

people our business

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Australian Government
Department of Immigration and Citizenship

SECRETARY

20 September 2011

The Hon Chris Bowen MP
Minister for Immigration and Citizenship
Parliament House
Canberra ACT 2600

Dear Minister

Annual Report for 2010–11

I am pleased to present the *Department of Immigration and Citizenship Annual Report 2010–11* as required by section 63 of the *Public Service Act 1999*.

The report has been prepared pursuant to the Requirements for Annual Reports approved by the Joint Committee of Public Accounts and Audit as required by subsection 63(2) of the *Public Service Act 1999*.

In accordance with Guideline 5.8 of the *Commonwealth Fraud Control Guidelines 2011*, I hereby certify that I am satisfied that the Department of Immigration and Citizenship has prepared fraud risk assessments and fraud control plans, and has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes that meet the specific needs of the Department of Immigration and Citizenship and comply with the *Commonwealth Fraud Control Guidelines 2011*.

The report also includes an account of the operation of the Adult Migrant English Program, as required by section 12 of the *Immigration (Education) Act 1971*.

Yours sincerely

A handwritten signature in blue ink, reading 'Andrew Metcalfe'.

(Andrew Metcalfe)

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Reader's guide

The Department of Immigration and Citizenship's Annual Report 2010–11 has been prepared in accordance with the Department of the Prime Minister and Cabinet's *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies* issued on 8 July 2011.

This year's annual report has been prepared to inform parliament about the department's performance in relation to its services in 2010–11.

The report is available in hard copy and online at [www.immi.gov.au/about/reports/annual/2010–11](http://www.immi.gov.au/about/reports/annual/2010-11)

The report is divided into seven parts:

Part 1: Secretary's review

A snapshot of the year's activities along with Secretary Andrew Metcalfe's review and an article about the Annual Address on Immigration and Citizenship.

Part 2: Overview

An overview of the portfolio and the department including its role, functions, organisational structure; and outcome and program structure.

Part 3: Report on performance

A summary of the department's financial performance as well as its performance against the deliverables and key performance indicators as set out in the department's *Portfolio Budget Statements 2010–11* and the *Portfolio Additional Estimates Statements 2010–11*.

Part 4: Management and accountability

Information about the department's governance, external scrutiny, fraud and risk management arrangements, workforce planning, human resources and purchasing. This part also contains other annual report requirements including occupational health and safety; freedom of information, advertising and market research, social inclusion, ecologically sustainable development and environmental performance; and grant programs.

Part 5: Financial statements

Contains the department's audited financial statements and a report by the Auditor-General.

Part 6: Appendices

Information supplementary to the report such as employee classifications and salary rates, citizenship statistics, membership of advisory bodies, legal services expenditure, a transcript of the inaugural Annual Address on Immigration and Citizenship and a list of departmental Australia Day award recipients.

Part 7: Reference material

Includes a glossary, list of acronyms, compliance index and an alphabetical index.

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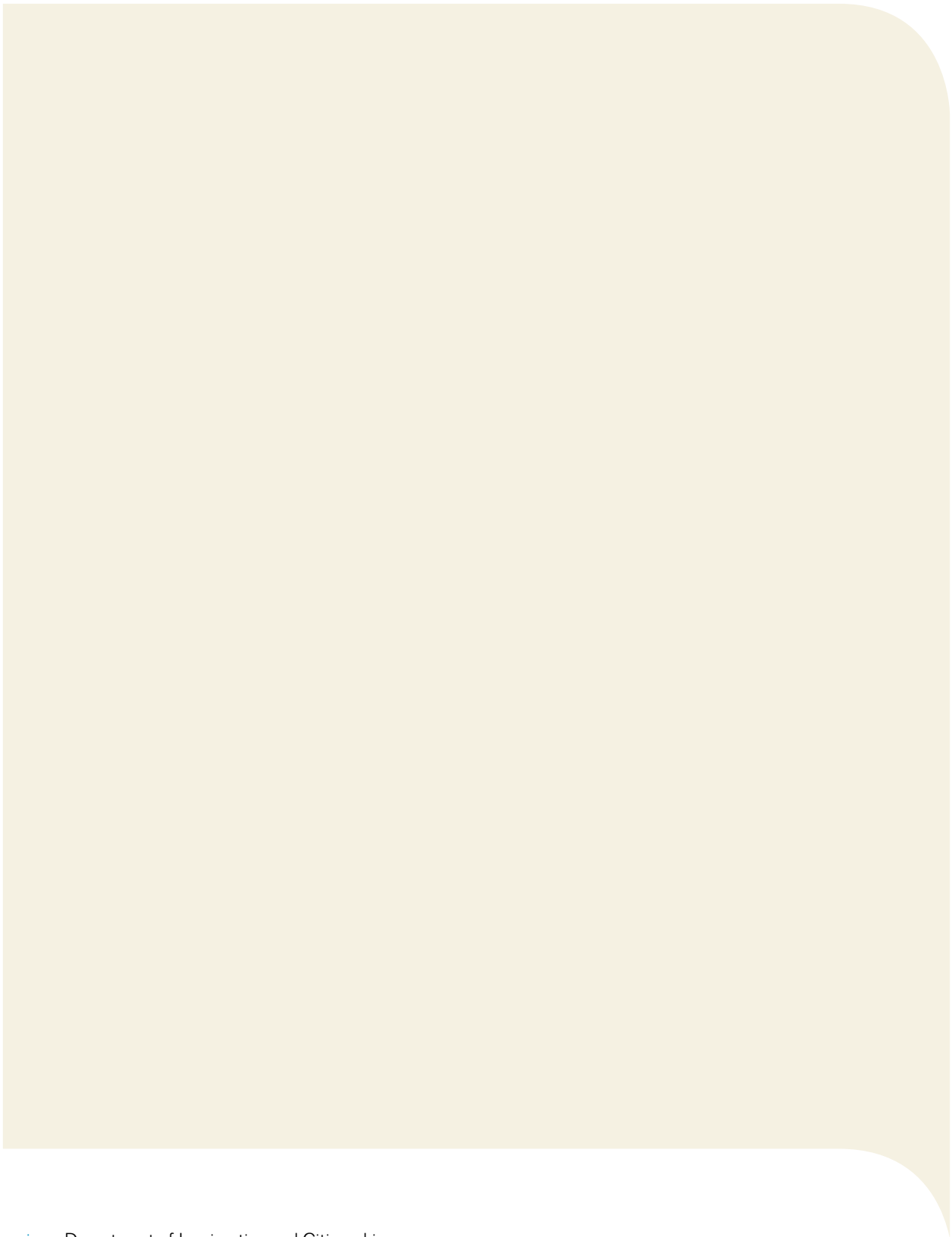
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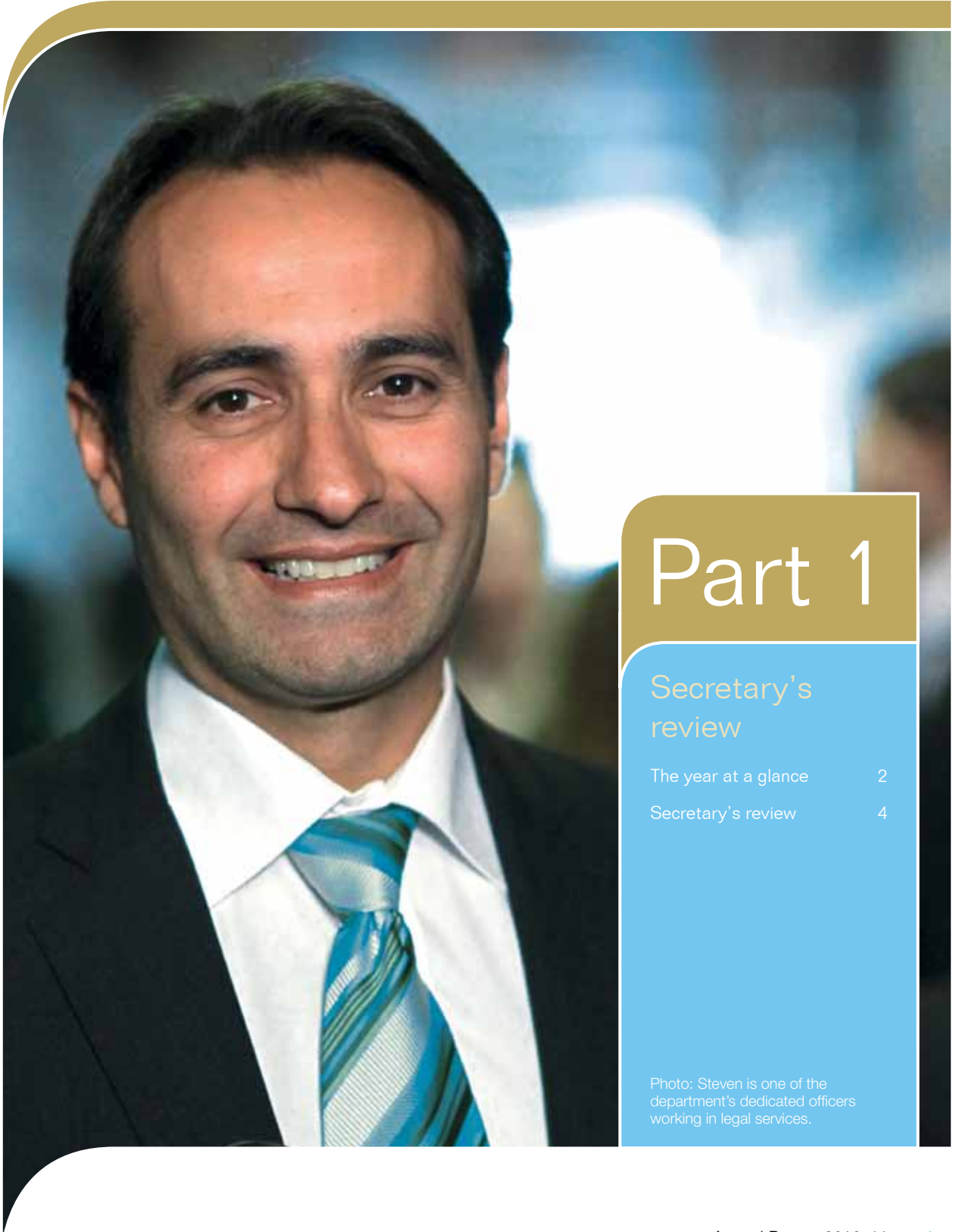
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Part 1

Secretary's review

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Photo: Steven is one of the department's dedicated officers working in legal services.

The year at a glance

Table 1: Snapshot of activity in 2010–11¹

Migration and temporary entry	
Total permanent and temporary visas granted	4 320 707
Total temporary visas granted	4 136 116
Temporary visitor visas granted ²	3 543 883
Student visas granted (includes student guardians)	251 554
Working Holiday and Work and Holiday visas granted	192 922
Temporary residents visas granted (subclass 457)	90 119
Temporary residents visas granted (other)	57 638
Total Migration Program outcome	168 685
Family Stream outcome	54 543
Skill Stream outcome	113 725
New Zealand migrants	2 107
Special Eligibility	417
Revenue generated by visa applications	\$927.7 million
Refugee and humanitarian entry	
Humanitarian Program visas granted	13 799
Border security	
Passenger and crew arrivals and departures	30.05 million
Immigration clearances refused at airports	1 809
Immigration clearances refused at seaports	68
Irregular maritime arrivals (including crew)	4 910
Compliance	
Percentage of temporary entrants and permanent visa holders who complied with their visa conditions	>99%
Unlawful non-citizens located	13 831
Notices issued to employers of illegal workers	515
Removals and assisted departures	10 175
Detention	
Foreign fishers taken into immigration detention	87
Foreign fishers in immigration detention on 30 June 2011	6
Visa overstayers or people who breached visa conditions taken into immigration detention	1 839

Table 1: Snapshot of activity in 2010–11¹ *continued*

Detention <i>continued</i>	
Visa overstayers or people who breached visa conditions in immigration detention on 30 June 2011	236
Irregular maritime arrivals taken into immigration detention (including crew)	4 910
Irregular maritime arrivals on 30 June 2011	6 067
Number of people taken into immigration detention	8 874
Number of people released or removed from immigration detention	6 702
Number of people in immigration detention on 30 June 2011	6 403
Settlement	
Refugees who arrived and received help through the Integrated Humanitarian Settlement Strategy	12 718
Migrant community service grants managed through the Settlement Grants Program and Community Settlement Services Scheme ³	319
Citizenship	
Number of people conferred Australian citizenship at ceremonies	95 284
People approved as Australian citizens by conferral, descent and resumption	101 780
Telephone calls to citizenship information line	295 946
Multicultural affairs	
Event registrations for Harmony Day	6 214
Client contact	
Telephone calls to service centres (general enquiries and citizenship information lines)	1 983 083
Telephone interpreting calls answered	1 140 220
Litigation	
Matters resolved in courts and the Administrative Appeals Tribunal	1 707
Percentage in favour of minister (that proceeded to defended hearings in court)	95 %
Staff	
Australia-based staff	7 885
Overseas staff (locally engaged employees)	994
Total staff as at 30 June 2011	8 879

1. Figures in the snapshot are not rounded and may differ slightly to rounded figures which appear elsewhere in the report.

2. Onshore and offshore visitor visas including Electronic Travel Authority grants.

3. \$36 million was provided for 319 Settlement Grants Program projects in 2010–11. This included 319 funding agreements involving 166 organisations being managed.



Secretary's review

Introduction

On or around Australia Day this year, about 13 000 people across our nation became Australian citizens. Australia Day is the day of the year on which the greatest number of people become Australian citizens. I had the privilege of participating in a special Australia Day citizenship ceremony for 50 people at Regatta Point in Canberra, at which the Prime Minister presided.

I'm proud of the role the department plays in promoting the value of Australian citizenship. Each year more than 100 000 people choose to become Australian citizens. As part of the department's continuing commitment to promote the value of Australian citizenship, we have a close relationship with the National Australia Day Council.

In 2010–11, the department sponsored Australia's Local Hero Award for the ninth year running. Australia's Local Hero Award recognizes the enormous contribution made by so many Australian citizens who selflessly work to make their local community a better place. Australia's Local Hero 2011 is Mr Donald Ritchie, OAM, from New South Wales. Mr Ritchie is a suicide prevention advocate whose services are truly remarkable. With simple actions, kind words and invitations into his home, Mr Ritchie has had a positive impact on an extraordinary number of lives.

It is my privilege to be a board member of the National Australia Day Council and as such I am very proud of the part my department plays in welcoming new citizens to the Australian family.

Photo: Department of Immigration and Citizenship Secretary Andrew Metcalfe.

Indeed, citizenship marks the final step in our very successful migration program that we have delivered over the last 66 years. In that time we have facilitated the migration of more than seven million people, conferred citizenship upon four million people and settled more than 700 000 refugees.

In September 2010 a new Minister for Immigration and Citizenship, Mr Chris Bowen MP, and Parliamentary Secretary for Immigration and Multicultural Affairs, Senator Kate Lundy were appointed. They succeeded Senator Chris Evans and Mr Laurie Ferguson MP respectively. We have worked closely with Minister Bowen and Senator Lundy on significant developments in the portfolio.

In June of this year, the Lieutenant Governor of South Australia, Mr Hieu Van Le AO gave the keynote speech at the second Annual Address on Immigration and Citizenship. In his address, Mr Le reflected on his experience of arriving by boat in Darwin in 1977 as a Vietnamese refugee. He spoke of becoming 'a beneficiary of the imagination of this nation... where threads of lives have come over the seas to stitch together'. As I listened to Mr Le I was reminded of the significant role my department plays in people's lives and in building the Australian nation.

Since its establishment, the department has supported the efforts and aspirations of millions of clients. They range from those like Mr Le who fled their home country in search of refuge, to those who come to Australia to begin a new life; and tourists and students who may only be in Australia a short while, but take away an impression of this country that will stay with them for the rest of their lives. Such relationships between individuals, families and the country as a whole are at the heart of our mission to build Australia's future through the well-managed movement and settlement of people. The year has seen my staff work hard to make consistent progress towards this goal.

Highlights for the year include the launch of the government's new policy *The People of Australia—Australia's Multicultural Policy*, which formalises Australia's longstanding commitment to social harmony and national unity. We also continued to make significant improvements to the Skilled Migration Program to make it more responsive to skilled labour demands. We continued our ambitious departmental transformation, aimed at better aligning policies and programs and managing our global networks and services more effectively.

We continue to respond to the challenge of irregular maritime arrivals. We remain deeply concerned about the serious issues that we have faced in immigration detention centres throughout the year. Our work focuses strongly on improving prevention strategies, and minimising the risks for our clients, staff and service providers in the detention environment. We remain committed to providing fair and reasonable service and support to all our clients, including those who are legally required to be detained, those who are found to have a case to remain in Australia and those who do not.

In March we saw the agreement to the Regional Cooperation Framework, which draws together countries through the Bali Process to address shared issues of people smuggling and displacement.

Our work is not done in isolation. We collaborate closely with other government agencies, the private sector, community organisations and individuals. It is largely due to these important relationships that we owe many of our achievements for 2010–11. They have helped us to improve the outcomes and integrity of our programs and the overall capability of the department.

Optimising outcomes of programs

The department's fundamental nation-building role requires us to adjust our programs so they contribute to Australia's future in the best way possible. This means we need to understand how our program and policy settings affect individuals, families and Australia's society and economy as a whole. During 2010–11 we made significant improvements to our programs supported by engagement with our partners and the evidence of our research and evaluation programs.

2010–11 Migration Program

The size and composition of Australia's permanent migration program is reviewed annually to maximise its potential to achieve its economic and social aims. The 2010–11 migration program was set at 168 700 places—an overall total which was unchanged from 2009–10. Within this total, the Skill Stream was allocated 113 850 places to address current and emerging skill shortages in critical occupations and regions. The Family Stream was set at 54 550 places, recognising the important benefits that accrue when Australians have their parents, partners, carers or children join them to live in Australia permanently.

The department has played a role in helping manage Australia's resources boom and economic recovery. By directing skilled migrant flows to key areas, it has contributed to economic growth. Increasing the employer-sponsored program to 39 per cent of the Skill Stream supported the government's commitment to a demand-driven skilled migration program.

On 1 July 2010, a new Skilled Occupation List was introduced for the General Skilled Migration program. It included 183 high value occupations based on advice from the relevant independent authority, Skills Australia. This new approach allows for a more targeted General Skilled Migration program focused on delivering the skills Australia needs. A new points test emphasising the importance of English language proficiency, work experience and higher level qualifications was announced for implementation from 1 July 2011.

In addition, State Migration Plans were implemented for each state and territory to provide greater flexibility for state and territory governments to nominate skilled migrants in a broader range of occupations specific to their skill shortage needs than are currently offered through the Skilled Occupation List.

2010–11 Humanitarian Program

Under the Humanitarian Program, the department granted 13 799 visas in 2010–11. People were resettled from the Middle East and South-West Asia, Asia and Africa regions. Of these, 8971 were granted offshore and 4828 were granted onshore. The Woman at Risk target of 12 per cent of refugee grants (720 grants) was exceeded, with 759 visas granted.

On 17 June 2011, the minister launched the research report *Economic, social and civic contributions of first and second generation humanitarian entrants*. The research, undertaken by Professor Graeme Hugo from the University of Adelaide, confirmed that over time humanitarian entrants make a significant contribution to Australian society and the economy.

Children's issues

Children's issues have been a particular focus for the department over the past year. In 2010, the department undertook an audit of the impact on children of immigration legislation, policies and programs. A new Principal Advisor's Unit was set up to provide high level advice on critical and cross-cutting issues of relevance to children. In recognition of the particular vulnerabilities of children, the work of the Principal Advisor's Unit has now been enhanced and transferred to a newly formed Community Programs and Children Division.

Case study



'We thought we came with nothing, but we brought a great deal.'

Australia's tradition of seeing immigration as an asset and a positive addition to our economy and society has made this country what it is, said Lieutenant Governor of South Australia Mr Hieu Van Le AO while making the Annual Address on Immigration and Citizenship in June 2011.

Mr Le described his flight from Vietnam and arrival in Darwin Harbour on a boat 34 years ago.

'Gradually emerging out of the morning mist, we saw a 'tinnie' with two blokes... fishing rods primed and sticking up in the air and the first beers of the day in their hands,' Mr Le said.

'They waved at us and steered the boat very close to ours, and one of them raised his stubby.

"G'day mate," he shouted. "Welcome to Australia".

'That one moment in time has left a lifelong impression on me.'

Mr Le said that virtually every large-scale arrival of new migrants has brought short-term challenges and created doubts in the mind of some Australians.

'When thousands of Europeans settled here in the 1940s and 1950s, people said that these folk would not fully integrate into society,' he said.

'When we Vietnamese arrived in the 1970s, some said that these 'boat people' were quite different from the post-World War II crowd.

'Every one of these groups has, in time, made a profound contribution and been accepted – such that their presence becomes completely unremarkable.

'When we arrived in 1977, we thought we had come with nothing; that we had not much more than our tatty bedrolls.

'But Australia taught me that we brought a great deal.'

The Annual Address on Immigration and Citizenship transcript can be found at Appendix 6.

Photo: Lieutenant Governor of South Australia Hieu Van Le told of his own migrant experience at this year's Annual Address on Immigration and Citizenship, a joint initiative of the department, Australian National University and the Museum of Australian Democracy, Old Parliament House.

Multicultural policy

The government launched its new policy, *The People of Australia—Australia's Multicultural Policy*, in February 2011. It reaffirms the government's unwavering commitment to a multicultural Australia, fairness and inclusion, and the benefits to the nation arising from cultural diversity.

One of its key initiatives is the establishment of a new independent body, the Australian Multicultural Council, which will advise the government on multicultural affairs and act as an independent champion for our multicultural nation. It will have a formal role in a strengthened access and equity strategy and will assist with cultural diversity celebrations such as Harmony Day.

Our strong multicultural, citizenship and settlement policy settings, combined with a properly managed migration program, has ensured good levels of social cohesion in Australia when compared with some other countries. The department will continue to work with other government agencies in whole-of-government initiatives which foster social cohesion and participation for Australians of all backgrounds.

Settlement

In 2010–11, the department took part in a number of whole-of-government discussions on social inclusion for vulnerable migrants and refugees. It worked, in particular, with the Department of Education, Employment and Workplace Relations and Centrelink on improving education and employment opportunities.

The department effectively managed the transition from the Integrated Humanitarian Settlement Strategy to the new Humanitarian Settlement Services (HSS) program in April 2011. The HSS program was developed in response to recommendations made after a review of the Integrated Humanitarian Settlement Strategy, and its development and commencement followed considerable community consultation and client focus groups. The new program has a focus on supporting refugee youths, a new assessment protocol to guard against any client being left homeless, and development and skill attainment plans for clients.

The revised Adult Migrant English Program was launched on 1 July 2011. Features of the new model include enhanced counselling, settlement classes, greater accessibility for youth and the introduction of individual pathway guides to monitor clients' progress.

In April 2011, in response to concerns about settlement services in the Newcastle and Hunter region, the department commissioned Ernst & Young to review refugee support in the region. Serious settlement issues were identified in that report and immediate steps were taken to address the recommendations. The minister subsequently appointed Mr David Richmond AO to undertake a broader review into the adequacy of HSS performance measures and framework, as well as the department's contract management processes. This review will provide valuable guidance on how the department can improve its administrative practices and build upon the innovative settlement services provided under the new HSS program.

Citizenship

Since it began in mid-2010, the new citizenship course has been well received by eligible clients, and has provided an alternative pathway for many disadvantaged clients in taking the final step towards becoming an Australian citizen. In 2010–11, 27 citizenship courses were delivered across metropolitan and regional areas in Australia, and about 74 000 citizenship tests were administered globally during the year.

On Australia Day this year, about 13 000 people became Australian citizens in 325 citizenship ceremonies hosted by local councils and community groups across the country. Brisbane City Council, despite the devastating floods, hosted the largest Australia Day 2011 citizenship ceremony with more than 1000 people becoming citizens at the Brisbane Convention and Exhibition Centre.

International engagement

The Fourth Bali Process Ministerial Conference on People Smuggling, Trafficking in Persons and Related Transnational Crime took place in March this year. It saw the milestone endorsement of the Regional Cooperation Framework, which recognises the need for a regional approach to address the challenges of people smuggling and to discourage asylum seekers from life-threatening sea journeys.

In April 2011, I was pleased to host the annual Five Country Conference in the Blue Mountains, New South Wales. This forum provides an opportunity for immigration and border agencies of member countries (Australia, Canada, New Zealand, United Kingdom and United States of America) to cooperate on issues of mutual interest. This year's agenda focused on client service, security and integrity of immigration systems, and efficiency measures.

Client services

In the past year, we continued the department's transformation of service delivery, concentrating on improved client service, integrity and processing consistency. We have completed implementation of our network of global managers, and made a number of improvements to our online services, including easier-to-use client products and interfaces, and a wider variety of lodgement options. Processing has been consolidated into centres of excellence to improve the efficiency and consistency of decision-making.

The transformation builds on our solid record of client service delivery, with clients continuing to express their satisfaction with services received. I am pleased to report the results of our most recent client survey conducted in the second half of 2010, which showed more than 80 per cent of clients were satisfied with the department's overall services.

We continue to strive to improve client service and have highlighted areas for improvement. The department is currently working on enhancements to eVisas and the online visa entitlement verification service.

Office of the Migration Agents Registration Authority

Registered migration agents have an important role in a well managed migration program. During 2010–11, the Office of the Migration Agents Registration Authority worked closely with stakeholders and its advisory board to improve standards within the migration agent profession. Greater clarity on competency standards and more practical and interactive workshops, mentoring and new practical toolkits are helping registered migration agents address their development needs.

Program integrity

Our nation-building programs need complementary integrity measures so that their outcomes are as intended and risk to the Australian community is minimised. The long-term success of our programs is also conditional on public support and confidence that they are well managed. Compliance, border security and related activities are essential elements of the department's work.

Case study



Uniting the people of Australia

The People of Australia: Australia's Multicultural Policy was launched by the minister in February 2011 and outlines the Australian Government's unwavering commitment to a multicultural Australia.

The new national policy is for all Australians and, with a focus on community harmony and national unity, embraces the shared values and cultural traditions of all Australians.

Assistant Secretary of the Multicultural Affairs Branch Mr Peter van Vliet said that the new policy had an important focus on social cohesion and the things that unite, rather than divide us.

'The great aspects of a multicultural Australia are all around us; in our elite athletes, in business, academia, the arts, in our neighbourhoods, the great diversity of culture and cuisine and in our global competitiveness,' Mr van Vliet said.

'Since 1945 over seven million migrants have come to Australia, transforming our economy and society for the better. With our resulting high levels of cultural diversity it is important to have a policy framework in place to manage that diversity.'

The new policy, which was developed with advice from Australian Multicultural Advisory Council (AMAC) seeks to ensure government services and programs are responsive to the needs of our culturally diverse communities. It also ensures that the onus is on government to provide accessible and equitable services to all Australians.

Key initiatives of the policy include a national anti-racism partnership and strategy, multicultural arts and festival grants and the establishment of the Australian Multicultural Council (AMC).

'The AMC replaces the AMAC and will act as an independent champion for our multicultural nation, driving improvements in service delivery,' Mr van Vliet said.

Mr van Vliet, who is an AFL umpire in his spare time, said the policy also contained an initiative close to his own heart.

'The Multicultural Youth Sports Partnership, which is being administered by the Australian Sports Commission, is a great way to connect kids from all backgrounds through sport and recreation activities,' Mr van Vliet said.

'As an AFL fan and umpire, I see the benefits of multiculturalism every day in the faces of the players and spectators. Our national multicultural policy develops and strengthens this fabulous diversity that exists in Australian life.'

Photo: Senator Kate Lundy (left) with choral director Jessica McMillan (right) and the Lyneham Singers from Lyneham Primary School, Canberra.

Compliance

I am grateful for the way in which police forces, other government agencies, industry bodies, unions and individuals continue to support the department's work in locating people who have overstayed or breached the conditions of their visa. The construction, transport and agriculture industries have been a particular focus in 2010–11 as they regularly attract people with no entitlement to work in Australia.

During the year, Mr Stephen Howells completed his review of the effectiveness of employer sanctions legislation. He consulted widely with employer and industry groups, unions and government departments on the current legislation. The government is currently considering his report.

Risk, fraud and integrity

During the year, the new Risk, Fraud and Integrity Division and operational integrity network made progress towards a strategic and tactical framework for risk, fraud and integrity across the department's migration, visa and citizenship services.

The department provides training to government officials in the Asia Pacific region. This improves regional border integrity and helps detect and prevent the unlawful movement of international travellers. Regional capacity building for 2010–11 also included the gifting and establishment of fully equipped document examination laboratories in Sri Lanka and Malaysia. Another laboratory will soon be established in Pakistan.

Border security

In 2010–11, there were approximately 30.05 million movements across Australia's borders. This is an increase of seven per cent from the 28.03 million movements of 2009–10. By 2020, indications are that these numbers are likely to increase to approximately 45 million movements per year. Travel rates within the Asia Pacific region continue to rise faster than in any other region. We work closely with other Australian Government agencies, such as the Australian Customs and Border Protection Service, Australian Quarantine and Inspection Services, the Department of Foreign Affairs and Trade, and the Department of Infrastructure and Transport to ensure we can effectively meet the challenges and benefit from the opportunities that come from the increased volume and complexity of travel. We cooperate with our international partners to improve traveller facilitation and risk management.

We collect biometrics to strengthen Australia's border security and identity checking processes and to help verify identity in any future visa applications. A key achievement for the department in this field was successfully delivering on a Budget commitment to introduce biometrics into offshore visa processing. From December 2010, biometrics began being collected across 15 countries in Africa, Asia, Europe and the Middle East. This initiative has been undertaken in collaboration with the UK Border Agency and is an excellent example of developing and maintaining effective international partnerships.

Immigration detention

Despite the significant challenges we face, the department and our service providers have shown a strong commitment to the welfare and dignity of clients required by law to be in immigration detention, and to providing them with fair and reasonable service. Recognising the wide and varied range of issues in this area, 2011 saw the establishment of the new Immigration Detention Services group to, among other things, implement policy, manage contractors and coordinate detention operations.

My department worked closely with a number of other departments and agencies to improve its detention programs. We engaged closely with international counterparts, advisory bodies and stakeholders and strengthened relationships with contractors and other service providers.

The department cooperated closely with the Hawke/Williams review established to enquire into aspects of the riots and unrest at the Christmas Island Immigration Detention Centre and at Villawood Immigration Detention Centre earlier this year.

The *Migration Amendment (Strengthening the Character Test and Other Provisions) Act 2011* was enacted to strengthen the consequences of criminal behaviour by people in immigration detention.

In 2010, the government completed the expansion of the Curtin detention facility in Western Australia and, following discussions with the Weipa community in Queensland, the Scherger facility will remain open until June 2012. We continue to respond to the pressures on detention accommodation by commissioning new detention housing and expanding existing facilities. To improve physical and emotional wellbeing of people in immigration detention, several refurbishment projects have been undertaken.

Additional family accommodation became operational at Inverbrackie in South Australia's Adelaide Hills, in December 2010. Facilities near Northam in Western Australia, Wickham Point near Darwin and Pontville in Tasmania are progressively being prepared and/or have become operational.

Moving the majority of children into community-based accommodation by 30 June 2011 was a key government commitment in 2010–11. As at 30 June 2011, more than 60 per cent of children in detention were in community-based arrangements and the minister had approved community detention for a total of 1513 clients—including 770 children.

Irregular maritime arrivals

Excluding crew, 4695 persons classed as irregular maritime arrivals, arrived in 2010–11, down in numbers from 5327 in the previous year. Australia receives about two per cent of the global total of new applications for asylum each year. These new applications are only a small proportion of the total number of people displaced each year by war, civil unrest and persecution. Applications for asylum in developed nations peaked in 2002, then fell each year to 2006, before again beginning to rise. This pattern matches the experience of Australia over the last decade.

The foundering of the SIEV 221 off Christmas Island in December 2010 with the tragic loss of 30 lives and as many as 18 missing, highlighted the graphic nature of the dangers associated with irregular maritime arrivals to Australia.

The department remains a key member in delivering Australia's whole-of-government Anti-People Trafficking Strategy and works collaboratively with the Council for Immigration Services and Status Resolution to promote the orderly intake, care, support and processing of asylum seekers while maintaining their dignity, resilience and wellbeing.

The department also partners with the International Organization for Migration in delivering the Assisted Voluntary Return Program and, over 2010–11, extended the program more broadly within the detention environment.

In May 2011, the Malaysian and Australian governments announced a commitment to enter into a new arrangement to see asylum seekers arriving in Australia by sea transferred to Malaysia. In exchange, Australia planned to expand its Humanitarian Program and take on greater burden-sharing responsibility for resettling refugees currently residing in Malaysia. The Australian and Malaysian governments consulted closely with the United Nations High Commissioner for Refugees (UNHCR) to implement the arrangement.

Protection Obligations Determination and the High Court

The High Court of Australia decision on 11 November 2010 in *Plaintiff M61/2010E v Commonwealth*; *Plaintiff M69 v Commonwealth*, allows judicial review of negative assessments regarding protection claims by irregular maritime arrivals. In March 2011, the department implemented the government's response through a new Protection Obligations Determination process for irregular maritime arrivals. This two tier process incorporates an initial protection obligations evaluation by a departmental officer and, if that is not positive, a separate protection assessment by an independent assessor.

Memorandum of Understanding with Afghanistan

On 17 January 2011, Australia signed a Memorandum of Understanding (MOU) with Afghanistan and the UNHCR on Migration and Humanitarian Cooperation. The MOU is an important step in the government's commitment to combat people smuggling. Crucially, this agreement allows for the sustainable return to Afghanistan of Afghans found not to be in need of international protection and therefore not entitled to remain in Australia. The MOU plays an important role in dissuading Afghans from risking their lives by joining people smuggling ventures.

Complementary protection

The introduction of complementary protection legislation into parliament on 24 February 2011 was a positive development in relation to Australia's commitment to fulfilling its international obligations. It was developed in close consultation with internal and external stakeholders. The legislation will capture, in one decision-making process, the obligations that are contained in human rights conventions to which Australia is a party.

This is expected to improve the efficiency of decision-making by providing more rapid and accountable assessments of asylum seekers' protection claims. It is also in keeping with the department's longstanding commitment to protecting those at risk of serious human rights abuses.

Commonwealth and Immigration Ombudsman and Australian Human Rights Commission

The department continues to strengthen its relationship with external oversight agencies that help to keep us accountable and continually push us to improve our work.

The number of complaints referred to the department by the Commonwealth and Immigration Ombudsman decreased by 35.8 per cent on the previous year. The department received 317 complaints in 2010–11. Including the carry-over numbers from the previous year, 344 complaints were brought to resolution in 2010–11. The most common complaints were about procedural deficiencies, unreasonable delays in visa processing and provision of inadequate advice.

The department received 104 new complaints from the Australian Human Rights Commission in 2010–11. In all, 61 complaints were brought to resolution. Of these, 38 were from this financial year and 23 had been carried over from previous years. The most common issues related to visa outcomes and detention.

Extending departmental capability

The Department of Immigration and Citizenship is a large organisation, operating across Australia and around the world, in a complex policy environment. We are charged with making important and often life-changing decisions for our clients, and delivering benefits for Australian society as a whole. We need to keep abreast of social, economic, political and technological developments and respond to challenges and opportunities. As a result, we are always seeking innovative ways to extend our capability, become more effective and efficient in our processes and develop our staff and systems.

Organisational transformation

During 2010–11, the department progressed with its major organisational transformation, continuing to roll out improvements aimed at integrity and efficiency. In recognition of its key role within the department, Immigration Detention Services was formed into a new group, adding to the Policy and Program Management, Client Services and Business Services groups established in 2010. The introduction of the global manager network has streamlined services and increased client benefits by supporting specialisation, streamlining and consistency.

There are now three key governance bodies within the department—the Executive Committee, the Departmental Audit Committee and the Business and Systems Integration Committee. These committees are supported by the Corporate Leadership Group and a number of consultative bodies. The Executive Committee has direct oversight of all policy, legislation, system and business process changes in the department. There is also sustained emphasis on stakeholder engagement.

Emergency response and assistance

The department has a history of assisting with whole-of-government responses to unplanned incidents such as war and bombings, and natural catastrophes such as tsunamis and earthquakes. In 2010–11, the Executive Committee established an Incident Response Support Unit. Its role is to coordinate the department's actions prior to, during, and after incidents and major events in which the department is involved. The unit managed departmental responses to the earthquakes in New Zealand and Japan, and to political uprisings in northern Africa and the Middle East.

Freedom of Information

Substantial amendments to the *Freedom of Information Act 1982* came into effect from 1 November 2010. The changes focus on building a stronger foundation of openness in government. During the year the department saw an increase in certain types of requests which can be attributed to the legislative changes.

We continue to improve our departmental processing times, with the response rate within the 30-day statutory time limit increasing from 78 per cent to 88 per cent.

The government's Information Publication Scheme came into effect from 1 May 2011. Its goal is to have government agencies publish information proactively rather than responding to requests. The department has published its Freedom of Information disclosure log since April 2009, as now required by the new scheme. The department is committed to continuing to make additional material available in line with the greater openness of government.

Case study



Transforming the way we do business

The department continued its ambitious transformation program throughout the year, with the aim of becoming the best immigration and citizenship organisation in the world by delivering world-class services that are easy to access and simple to use.

The Client Services Transformation Strategy has seen a focus on ensuring consistent procedures are adopted, best practice is shared and client services are efficient.

Melbourne Service Centre team leader Caitlin said the strategy has improved how the department delivers its services to clients.

'For example, we now process applications for Resident Return visas over the phone. This makes it easier for people who live in regional areas who can't easily come into a departmental office and for those who don't have access to online services,' Caitlin said.

For clients who do access services online, the eVisa platform has been upgraded to make it more user-friendly. The online e676 Tourist visa service is also now available in more countries.

'Ultimately, the department is aiming towards a global service centre strategy which provides 24 hour phone, email and online services,' Caitlin said.

'The introduction of visa application lodgement and biometric collection arrangements with the United Kingdom Border Agency will improve the way the department delivers services in this area,' said Caitlin.

Other key achievements this year included a review of the department's website against industry best practice to improve the consistency and clarity of online content.

Furthermore, following consultation with clients and stakeholders to better understand the best way to serve them, an integrated marketing strategy will be implemented across client service channels.

The department will continue to roll out its transformation program in the next five to seven years to ensure we constantly improve the way we do business.

Photo: Providing improved services to clients at the department's Melbourne service centre is team leader Caitlin.

Media and Web 2.0

This year we made significant progress in our use of new and emerging web 2.0 technologies. The department has been using social media platforms since 2008, with the introduction of its dedicated YouTube ImmiTV channel. During the year we expanded our social media footprint utilising a range of increasingly popular platforms including Facebook, Twitter, Flickr and GovSpace, which provided an exciting opportunity for us to communicate and engage immediately with our global clients in a much more personal and responsive way.

Our Facebook page has recorded more than 350 000 post views since its introduction in March 2011. The Twitter account has proven invaluable in providing responsive information to almost 2000 journalists and other key followers, complementing the department's online newsroom.

The department produced 2006 sets of talking points, and prepared 358 media releases for the minister, parliamentary secretary and department. This was in response to 5756 media enquiries which the department's 24/7 media response service was able to address journalists' needs and answer their queries.

Connecting across the department

This year saw finalisation of the *Systems for People* business transformation program. It has benefited areas including border security, case management, compliance, detention, correspondence, and client and visa services. Its final component delivered a new integrated processing system, the Generic Visa Portal, which will enhance visa processing. The system helps manage workloads, assisting with correspondence to clients, recordkeeping, and online help. Over time, the Generic Visa Portal will become our main visa processing tool and will incorporate all visa subclasses in both onshore and offshore offices.

In recognition of the capability and systems delivered under the *Systems for People* program, the department received the ITSM (Information Technology Service Management) project of the year award.

Research and evaluation

During the year, we continued to build our evidence base through research, evaluation and analysis. Research efforts focused on the settlement outcomes of Humanitarian Program entrants and their contributions to Australia, regional migrant settlement, demographic effects of migration and citizenship and English language training.

The department's *Continuous Survey of Australia's Migrants* continues to provide valuable information on the outcomes of skilled migrants.

The department's Chief Economist oversees production of publications on a range of topics, from program characteristics and population flows, to economic briefings and blogs to support policy work within the department.

Training

As part of our broader transformation program, staff now have access to consistent learning products from all departmental locations through a range of methodologies including online, face-to-face and in the work place.

In October 2010 the department's eLearning team received the prestigious eLearning Achievement Award from the Australian Institute of Training and Development National Training Excellence Awards. It was recognised for its Document Examination: Principles and Application program, developed in collaboration with the Identity Branch.

Reconciliation

In March 2011 we launched our *Reconciliation Action Plan 2010-2012*, which outlines the practical steps we will take across the department to support reconciliation and Commonwealth Government Closing the Gap employment related target. During the year state, territory and national offices organised events in line with the plan.

The high level of staff engagement during NAIDOC and National Reconciliation weeks demonstrates an openness and enthusiasm towards celebrating Aboriginal and Torres Strait Islander culture and heritage. This in turn leads to greater understanding and cohesion in the workplace.

Staff engagement

Staff commitment continues to be strong. The 2011 staff survey continued the trend of ongoing improvement shown in each of the surveys since 2005. There was improvement in every category—job, alignment, employer, development, influence, leadership and management. The department also continued to surpass the public and private sector averages for employee motivation. While the participation rate of 72.5 per cent is down from previous years, it is in line with industry standards.

I am particularly pleased to see progress in staff satisfaction regarding the department and the commitment from staff to make the department a high performing organisation. While it is important to recognise these improvements, it is also vital that we move forward as a team. Leadership and influence are two areas that we will aim to improve over the next six to twelve months.

Over the next three years the department has committed itself to implementing the *Workplace Diversity Strategy 2011–13*, with a particular focus on both Indigenous employees and those who identify as having a disability. The aim is to increase Indigenous employee representation to 2.7 per cent by 2015, and further raise the representation of staff with a disability. By recognising and supporting diversity within the department we hope to create a strong positive work environment, building upon the range of skills and experiences a broad network of employees can provide.

Outlook

Since my appointment as secretary in 2005, the department has gone through significant reforms, administrative restructuring and capacity building. We are now well-positioned to meet emerging challenges and continue the department's nation-building role. I look forward to another year of achievement, working with our many partners, stakeholders and clients on behalf of the nation.

We will continue to play an active part in whole-of-government priorities, such as those relating to the economy, social inclusion, human rights, sustainability and security. We will take a lead role in implementing the government's new multicultural policy. We look forward to working with our partners to establish the National Anti-Racism Partnership and Strategy and collaborating on an inquiry into the responsiveness of Australian Government services to the needs of clients who are disadvantaged by cultural or linguistic barriers.

With recent reforms delivering increased flexibility and responsiveness in the Migration Program, the government has decided increase it to 185 000 places in 2011–12, including an increase in Family Stream places to 58 600. If the arrangements with Malaysia for the transfer of irregular maritime arrivals proceed, the Humanitarian Program will be expanded to 14 750 places and the department will support these clients in their resettlement in Australia. We will assist the relevant agencies to attract and retain migrants in regional areas to help meet key skilled labour needs. A total of 16 000 places from the Migration Program are proposed under the Regional Sponsored Migration Scheme.

The Regional Cooperation Framework will continue to be a priority for the department in the forthcoming year. With continuing negotiations and work with our international partners, we remain committed to targeting people smuggling at its source, and discouraging those from attempting journeys that are fraught with danger as illustrated, sadly, by the Christmas Island tragedy on 15 December 2010.

Improvements to our detention system and processing arrangements will continue over the coming year, with a particular focus on the needs and rights of children.

We will continue to improve departmental programs and service delivery. This includes the introduction of a single view of client dealings by the Generic Visa Portal. Over the next two years, all visa subclasses will progressively be rolled into the platform.

Conclusion

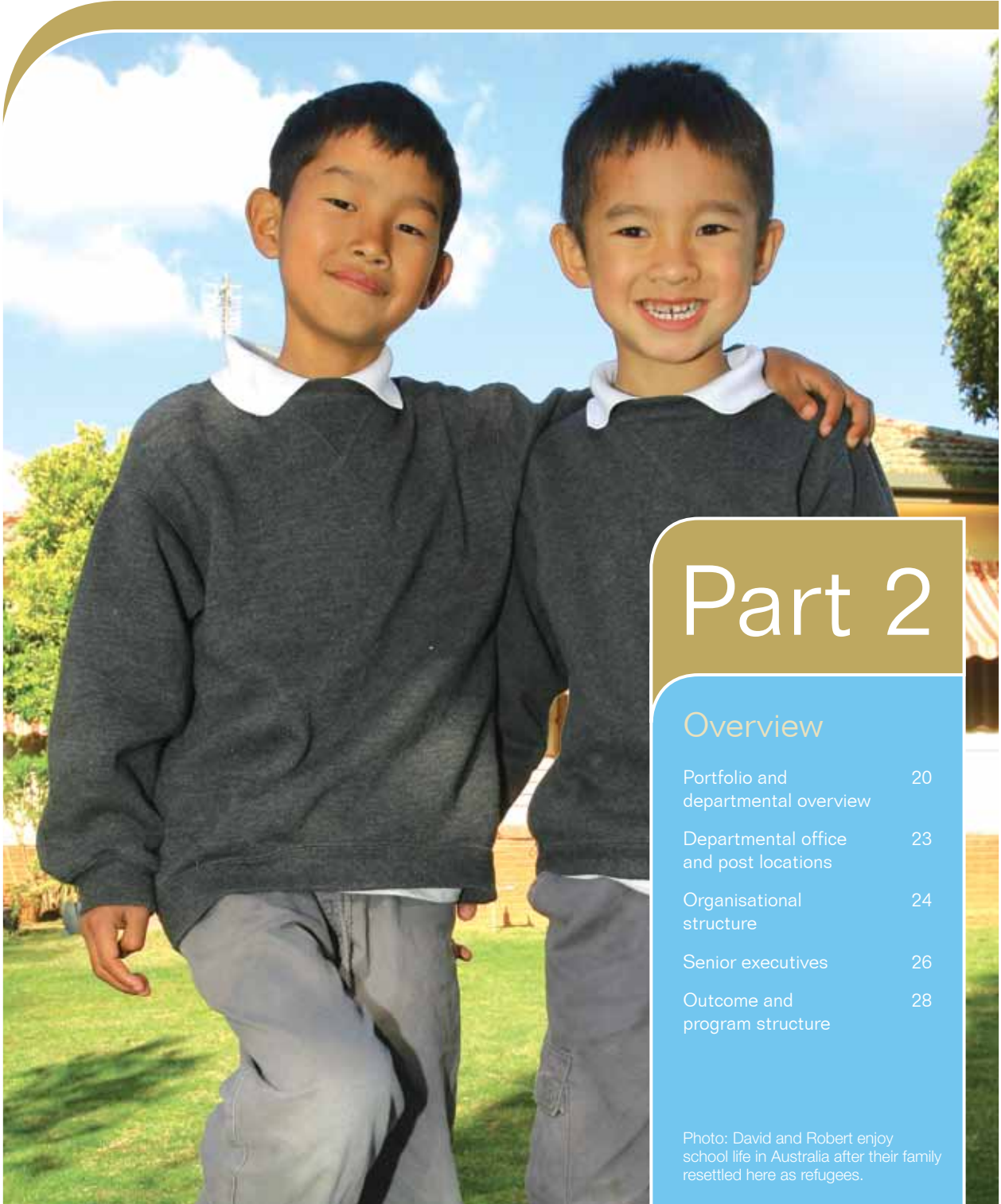
I am pleased to have been able to report on the challenges my department has faced and its achievements in 2010–11. It has been an extremely busy time, but we now stand better prepared than ever to continue our work in the national interest.

I would like to thank our many partners. They share much of the credit for our accomplishments this past year. We have benefited from the advice provided by a wide range of experts, clients and the public at large, and we have found willing partners in implementing our programs, from all sectors, across Australia and abroad.

Departmental staff remain energetic and committed, and my senior executives, in particular, have shared the considerable leadership burden. I would like to acknowledge the three deputy secretaries who have left us this year, Felicity Hand, Peter Hughes PSM and Bob Correll PSM and thank them for their work and contribution to the department.

I am more confident than ever about the department's ability to play a crucial role in building Australia's future with fairness, compassion, energy and intelligence.

Andrew Metcalfe
June 2011



Part 2

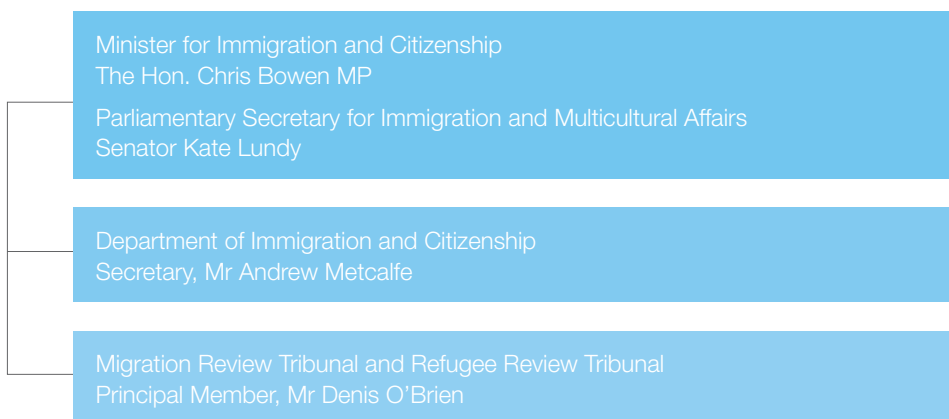
Overview

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Photo: David and Robert enjoy school life in Australia after their family resettled here as refugees.

Portfolio and departmental overview

Figure 1: Portfolio and departmental structure



The Immigration and Citizenship portfolio comprises the department, the Migration Review Tribunal and the Refugee Review Tribunal. The tribunals provide independent merits review of departmental decisions to refuse or cancel migration, temporary entry and protection visas. The tribunals report separately.

The Office of the Migration Agents Registration Authority, which reports directly to the secretary of the department, began operations on 1 July 2010. The office is part of the department, but has its own independent management structure.

Role and functions

The Department of Immigration and Citizenship is a policy, program and service delivery agency. In 2010–11, the department's purpose was *building Australia's future through the well-managed entry and settlement of people*.

The department's services are delivered through offices in every state and territory and in more than 60 countries.

The services provided in Australia and overseas include:

- undertaking policy analysis and research to develop a strong evidence base for advice in relation to the role of temporary and permanent migration and humanitarian entry, in responding to changes in Australia's social, economic and international environment
- granting visas for migrants, temporary entrants, business visitors, students and tourists, including identifying prior to arrival those entitled to lawfully enter Australia
- managing the entry and departure of people crossing the Australian border
- authenticating the identity of people entering Australia and maintaining that foundation identity for use in the Australian community
- assessing the character, health and bona fides of people applying for entry to Australia

- meeting Australia's international protection obligations and contributing to the resettlement of refugees and those in humanitarian need through the delivery of the Humanitarian Program
- deterring, identifying and responding to breaches of immigration law
- applying appropriate sanctions to business sponsors who breach sponsorship undertakings and obligations
- locating unlawful non-citizens and resolving their immigration status
- identifying and reducing irregular migration, people smuggling and trafficking in persons
- increasing the ability of new permanent residents, particularly those with lower levels of English proficiency, to participate in Australian life. This is achieved through a settlement program including English language tuition and translating and interpreting services
- promoting the value of Australian citizenship
- deciding applications for Australian citizenship and making decisions on citizenship status
- promoting the benefits of a united and diverse society, including through programs supporting the integration of migrants and enhancing social cohesion.

Strategic priorities

The *DIAC Strategic Plan 2009–12* provides a high-level framework to guide the department's future management of policies, programs and service delivery. It is a key document in outlining how the department will work with stakeholders and the community.

As set out in the plan, the department will:

1. Contribute to Australia's future through managed migration.
2. Protect refugees and contribute to humanitarian policy internationally.
3. Contribute to Australia's security through border management and traveller facilitation.
4. Make fair and reasonable decisions for people entering and leaving Australia—ensuring compliance with Australia's immigration laws and integrity in decision making.
5. Support migrants and refugees to settle in the community and participate in Australian society.
6. Promote Australian citizenship and a multicultural Australia.

In addition to the priorities noted above, a key priority for the department is to build a stronger migration, visa and citizenship service that is more effective, efficient and better targeted to support Australia's migration programs and client needs.

Legislation

The department administers the following Acts, which provide a legislative framework for its functions and services:

- *Aliens Act Repeal Act 1984*
- *Australian Citizenship Act 2007*
- *Australian Citizenship (Transitionals and Consequential) Act 2007*
- *Immigration (Education) Act 1971*
- *Immigration (Education) Charge Act 1992*
- *Immigration (Guardianship of Children) Act 1946*
- *Migration Act 1958*
- *Migration Agents Registration Application Charge Act 1997*
- *Migration (Health Services) Charge Act 1991*
- *Migration (Sponsorship Fees) Act 2007*
- *Migration (Visa Application) Charge Act 1997.*

Two Bills were introduced to parliament during 2010–11. In that period, no Bills passed both Houses of Parliament and became Acts upon the Royal Assent being given. In addition, seven regulation consolidations were made.

The Acts and regulations are available on the ComLaw website, administered by the Attorney-General's Department at www.comlaw.gov.au

The relevant notices of legislative change for the calendar year 2010 can be found on the department's website at www.immi.gov.au/legislation/amendments/2010/

The relevant notices of legislative change for the calendar year 2011 can be found on the department's website at www.immi.gov.au/legislation/amendments/

Advisory bodies

The following non-statutory bodies advised the portfolio during 2010–11:

- Advisory board to the Office of the Migrations Agents Registration Authority—provides the Office of the MARA chief executive officer with strategic advice and guidance relating to the migration advice profession.
- Australian Multicultural Advisory Council—advises the minister and the parliamentary secretary on issues related to Australia's cultural diversity.
- Council for Immigration Services and Status Resolution—provides the minister with independent advice on the development of policies, processes, services and programs necessary to achieve the timely, fair and effective resolution of immigration status for people seeking asylum or other migration outcomes in Australia.
- Detention Health Advisory Group—provides the department with independent, expert advice regarding the design and implementation of improvements in detention health-care policy and procedures.
- Refugee Resettlement Advisory Council—advises the minister on matters relating to the settlement of Humanitarian Program entrants.

Details of membership can be found at Appendix 4.

Departmental office and post locations

Figure 2: Departmental office and post locations as at 30 June 2011

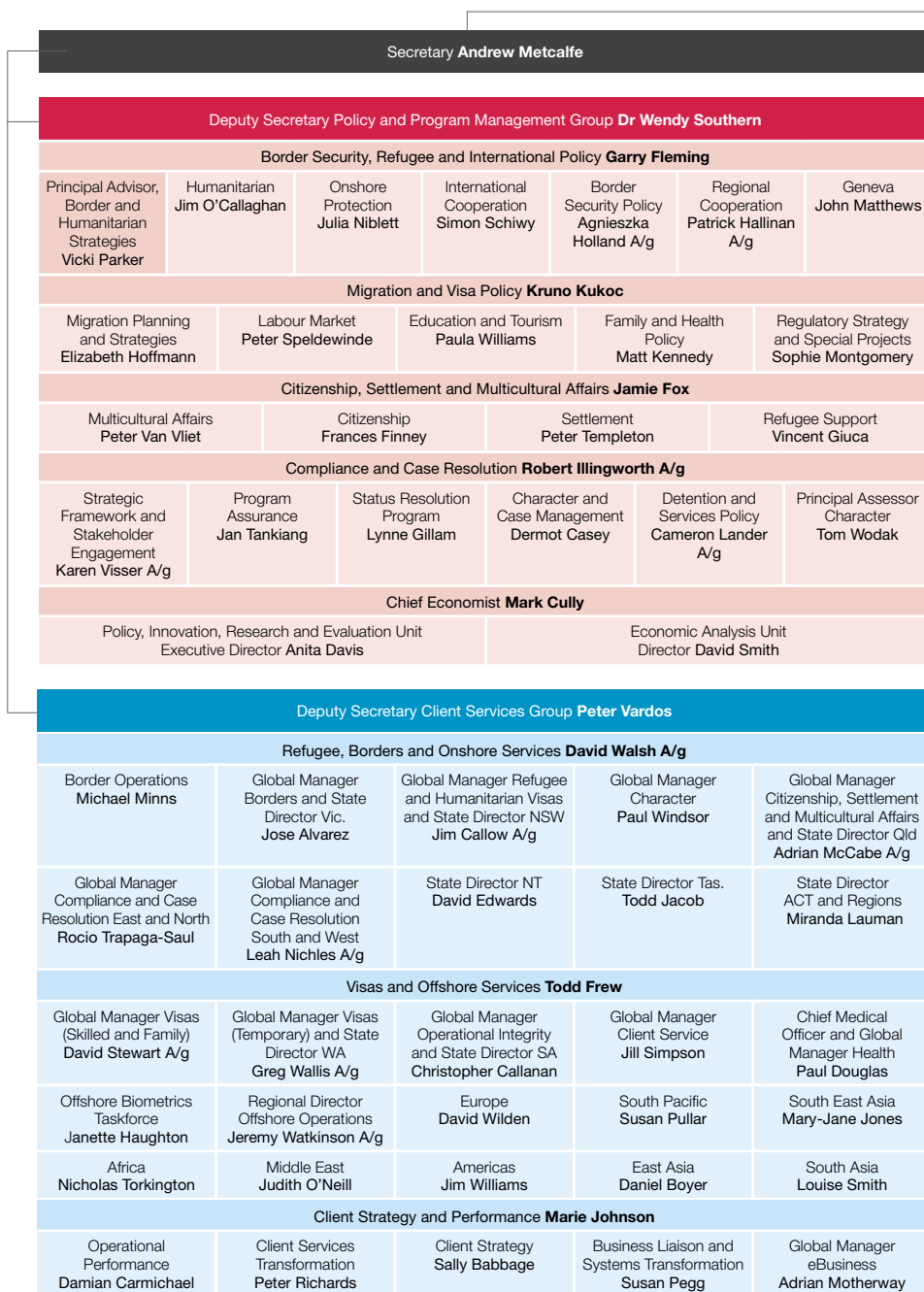


State / territory office	Embassy			Consulate	High Commission		Other
ACT and Regions	Amman	Hanoi	Riyadh	Auckland	Apia	Nicosia	Geneva
	Ankara	Harare	Rome	Bali	Brunei	Nuku'alofa	National Office
Adelaide	Athens	Jakarta	Santiago	Dubai	Colombo	Ottawa	Taipei
Brisbane	Bangkok	Kabul	Seoul	Guangzhou	Dhaka	Port Louis	
Cairns	Beijing	Madrid	Tehran	Ho Chi Minh City	Honiara	Port Moresby	
Dandenong	Beirut	Manila	Tel Aviv	Hong Kong	Islamabad	Port Vila	
Darwin	Belgrade	Mexico City	Tokyo	Noumea	Kuala Lumpur	Pretoria	
Gold Coast	Berlin	Moscow	Vienna	Shanghai	London	Singapore	
Hobart	Brasilia	Paris	Vientiane		Nairobi	Suva	
Melbourne	Budapest	Phnom Penh	Warsaw		Nauru	Tarawa	
Parramatta	Buenos Aires	Pohnpei	Washington DC		New Delhi		
Perth	Cairo	Rangoon (Yangon)	Zagreb				
Sydney	Dili						
Thursday Island							

Organisational structure

The department's organisational structure reflects the department's ambitious transformation program—to create an innovative and sustainable globally integrated organisation.

Figure 3: Organisational structure as at 30 June 2011



Chief Executive Officer Office of the Migration Agents Registration Authority Christine Sykes	Deputy Chief Executive Officer Office of the Migration Agents Registration Authority Stephen Wood	Special Counsel Ian Deane	Chief Executive Officer Independent Protection Assessment Office John Lynch
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Deputy Secretary Business Services Group Jackie Wilson						
National Communications Sandi Logan			Ministerial and Executive Services Renelle Forster			
Technology Services Tony Kwan Chief Information Officer						
Service Management Renate Croker A/g	Security and IT Service Operations Mark Handley A/g	Knowledge Management and Reporting Therese Lynch	Visa Citizenship and Settlement Systems Randall Brugaud	Common Systems Alex el-Debel A/g	Border and Case Systems Tim Drury	Service Design Branch Shaun McGuiggan
Business Transformation Services Joe Gunning A/g						
Program Management Jane Andrews A/g		GVP and Rules Brian Schumacher A/g		Change and Communications Training Kate Falvey		
People Strategy and Services Craig Farrell Chief HR Officer						
People Services Shona Moloney A/g		Global Learning Centre Deb Jacka		Workforce, Planning and Reporting Ben Neal A/g		
Risk, Fraud and Integrity Gavin McCairns Chief Risk Officer						
Fraud, Investigations and Prosecutions Phil Thurbon	Risk Analysis and Monitoring Klaus Felsche A/g		Immigration Intelligence Lance Thomas A/g		Identity Paul Cross	
Financial Strategy and Services Stephen Sheenan Chief Finance Officer						
Property and Financial Operations James Malizani	Procurement and Contracts Tom Kirkpatrick A/g		Accounting and Financial Control Peter Hausknecht		Financial Strategy and Budgets Greg Macek A/g	
Governance and Legal Jenny Hardy Chief Lawyer						
Litigation and Opinions Jackie Davis		Legal Framework Greg Phillipson A/g		Governance and Audit Chief Internal Auditor Chris Hodges		

Deputy Secretary Immigration Detention Services Group John Moorhouse			
Detention Operations Greg Kelly			
Irregular Maritime Arrivals Janet Mackin	Detention Operations East Peter Richards	Detention Operations West Sandy Pettit A/g	IMA Boat Taskforce Management Christmas Island Scott Matheson A/g
Infrastructure and Services Ken Douglas			
Detention Health Services Zdenka Zrno A/g	Detention Infrastructure Steve Ingram		Services Management Fiona Lynch-Magor
Offshore Initiatives Stephen Allen			
Offshore Transfer Operations Fatime Shyqyr			
Community Programs and Children Kate Pope			

Senior executives

Secretary Andrew Metcalfe

Andrew Metcalfe is secretary of the Department of Immigration and Citizenship, responsible for its administration and strategic direction.

Mr Metcalfe was initially appointed as secretary in July 2005 and reappointed in 2009. He is responsible for overseeing the department's operations, located in each state and territory and at more than 65 locations around the world. He provides senior counsel to the minister and parliamentary secretary on major and sensitive policy issues.

In September 2010, Mr Metcalfe was named the Federal Government Leader of the Year. The award, sponsored by the Institute of Chartered Accountants Australia, recognises his outstanding contributions to society and the public service, through exemplifying visionary leadership, best practice, innovation and the ability to foster positive employee relations.

Mr Metcalfe is a member of the Administrative Review Council, a board member of the National Australia Day Council and president of the Institute of Public Administration Australia (ACT Division).

Deputy Secretary Dr Wendy Southern PSM

Wendy Southern is deputy secretary of the Policy and Program Management Group, responsible for implementing policies and managing programs to achieve desired government outcomes.

Dr Southern re-joined the department in 2011, following a period at the Department of the Prime Minister and Cabinet as the head of the Cabinet Division and as acting deputy secretary of the Governance Group.

From July 2005 to May 2007, Dr Southern worked for the Department of Immigration and Citizenship as a member of the Change Management task force. She then established the Strategic Policy Group and later led the Compliance Policy and Case Coordination Division. During this time, she was awarded a public service medal for her contribution to effective national counter-terrorism arrangements.

Deputy Secretary Peter Vardos PSM

Peter Vardos is the deputy secretary for the Client Services Group, responsible for delivering the department's immigration and citizenship programs through a network of client service offices across Australia and overseas.

Mr Vardos has worked in the Australian Public Service for more than 33 years. During this time he served with the Australian Agency for International Development in Australia's diplomatic missions in the Solomon Islands, Kenya and Zimbabwe. He was also a valued staff member in two ministers' offices. He joined the Department of Immigration and Citizenship in 1995.

In 2002 Mr Vardos was awarded the Public Service Medal for his contribution to border security. In 2007, Mr Vardos headed the Citizenship Test task force. Following this he was the first assistant secretary for Migration and Visa Policy Division and later acting deputy secretary of the Policy and Program Management Group.

Deputy Secretary Jackie Wilson

Jackie Wilson is the deputy secretary for the Business Services Group, responsible for the delivery of specialist business services.

The group operates as a community of professionals delivering enabling services to the department regardless of geographic location. Services provided include finance, property, human resources, business planning and reporting, technology, communications, risk, fraud and integrity, parliamentary and ministerial, and governance and legal.

Prior to taking up her current role she was the deputy secretary of the new Immigration Detention Services Group formed in January 2011.

Deputy Secretary John Moorhouse

John Moorhouse is deputy secretary for the Immigration Detention Services Group, responsible for the department's detention services network.

Mr Moorhouse is a career officer of the department with more than 30 years of service. During this time he has gained extensive experience in immigration service delivery, working in various departmental offices in Australia and overseas.

Mr Moorhouse has previously worked as the first assistant secretary in client services, corporate governance and border control and compliance. He has conducted a number of major reviews on immigration matters and led the team which drafted the *Migration Reform Act 1992*.

Photo: Secretary Andrew Metcalfe (centre) with deputy secretaries (L-R) John Moorhouse, Dr Wendy Southern, Jackie Wilson and Peter Vardos



Outcome and program structure

The Budget framework is presented in outcomes, which are the intended results, impacts or consequences of actions by the Australian Government, and programs which are the primary methods government agencies apply to achieve the intended results of the outcome statements. The 2010–11 Budget framework is described in Figure 4, which provides the outcome statement and related programs.

Figure 4: Outcome and program structure

Outcome 1			
Managed migration through visas granted for permanent settlement, work, study, tourism, working holidays or other specialised activities in Australia, regulation, research and migration policy advice and program design.			
Programs			
1.1 Visa and migration	1.1.1 Visa and migration—service delivery	1.1.2 Visa and migration—policy advice and program design	1.1.3 Visa and migration—Office of the MARA

Outcome 2		
Protection, resettlement and temporary safe haven for refugees and people in humanitarian need through partnering with international agencies, assessing humanitarian visa applications, and refugee and humanitarian policy advice and program design.		
Programs		
2.1 Refugee and humanitarian assistance	2.1.1 Refugee and humanitarian assistance—service delivery	2.1.2 Refugee and humanitarian assistance—policy advice and program design

Outcome 3		
Lawful entry of people to Australia through border management services involving bona fide traveller facilitation; identity management; document verification, intelligence analysis, partnerships with international and domestic agencies, and border policy advice and program design.		
Programs		
3.1 Border management	3.1.1 Border management—service delivery	3.1.2 Border management—policy advice and program design

Figure 4: Outcome and program structure *continued*

Outcome 4		
Lawful stay of visa holders and access to citizenship rights for eligible people through promotion of visa compliance responsibilities, status resolution, citizenship acquisition integrity, case management, removal and detention, and policy advice and program design.		
Programs		
4.1 Visa compliance and status resolution	4.1.1 Visa compliance and status resolution—service delivery	4.1.2 Visa compliance and status resolution—policy advice and program design
4.2 Onshore detention network	4.2.1 Onshore detention network—service delivery	4.2.2 Onshore detention network—policy advice and program design
4.3 Offshore asylum seeker management	4.3.1 Offshore asylum seeker management—service delivery	4.3.2 Offshore asylum seeker management—policy advice and program design
4.4 Illegal foreign fishers	4.4.1 Illegal foreign fishers—service delivery	4.4.2 Illegal foreign fishers—policy advice and program design

Outcome 5		
Equitable economic and social participation of migrants and refugees, supported through settlement services, including English language training, refugee settlement, case coordination, translation services, and settlement policy advice and program design.		
Programs		
5.1 Settlement services for migrants and refugees	5.1.1 Settlement services for migrants and refugees—service delivery	5.1.2 Settlement services for migrants and refugees—policy advice and program design

Outcome 6		
A cohesive, multicultural Australian society through promotion of cultural diversity and a unifying citizenship, decisions on citizenship status, and multicultural and citizenship policy advice and program design.		
Programs		
6.1 Multicultural and citizenship services	6.1.1 Multicultural and citizenship services—service delivery	6.1.2 Multicultural and citizenship services—policy advice and program design

Case study



Everyone belongs for Harmony Day—even on the football field

A brave bunch of politicians took on a team of soccer professionals this year to celebrate Harmony Day 2011. The event was staged to celebrate the cohesive and inclusive nature of the Australian community and to promote a culturally diverse society.

Led by the Parliamentary Secretary for Immigration and Multicultural Affairs, Senator Kate Lundy, the bipartisan team of politicians took on the team of former Socceroos and SBS media personalities.

'This match was all about celebrating Australia's cultural diversity and highlighting the meaning of Harmony Day, by taking part in a game that brings people together every day,' Senator Lundy said.

'While a second-half downpour threatened to spoil proceedings, the teams played on. However, the team of professionals showed their skill in the end –narrowly winning the match 7–6.'

Senator Lundy's team included the Minister for Broadband, Communications and the Digital Economy, Stephen Conroy, Senator Steve Fielding, as well as members and senators from both major parties.

SBS presenter and former Socceroo Craig Foster led the Professionals, with team members including former Socceroos Kimon Taliadoris, Zjelko Kalac and David Zdrilic, as well as SBS sports personalities Les Murray and David Basheer.

Local Canberra players also participated in the game at Canberra's Parliament House soccer ground, including Canberra United goalkeeper Jocelyn Mara, Canberra United and Matildas' players Sally Shipard, Caitlin Munoz and former captain of the Matildas, Peita-Claire Fothergill.

Scott Conlon from the department's IT Security section acted as referee with backup, quite fittingly, from Values and Conduct Director Steve Forshaw.

On March 21 Harmony Day, SBS launched a campaign for school children—The Harmony Game. This involved children in primary schools from around the country participating in a five-a-side soccer match to encourage social inclusion and celebrate diversity.

According to SBS's Craig Foster, as we play football together, we learn about each other and develop greater understanding and respect. This, he said, is the essence of The Harmony Game.

Photo: Senator Lundy (front centre) with players at The Harmony Game.



Part 3

Report on performance

Summary of financial performance	32
Outcome 1	38
Outcome 2	96
Outcome 3	130
Outcome 4	150
Outcome 5	210
Outcome 6	236

Photo: Jen is one of many dedicated international doctors working in Australia.

Summary of financial performance

Departmental operating result

The department's 2010–11 financial performance was strong despite the challenges posed by increased activity and complex operational demands.

The 2010–11 annual financial statements report a \$63.1 million operating deficit compared to a \$5.5 million operating surplus in 2009–10. This year's operating deficit is a direct result of the change in government appropriation funding in 2010–11 whereby depreciation and amortisation expenses are no longer funded on an annual basis. In 2010–11, the department incurred \$77.9 million in depreciation and amortisation expenses and if these items were funded the 2010–11 result would have been a \$14.8 million surplus.

The main factors contributing to the department's 2010–11 operating result were:

- a strong focus on performance and associated financial management
- efficiencies achieved throughout the financial year including reductions in corporate overhead expenses
- a continued focus on improving business planning and monthly financial reporting activities.

Revenue

The department's appropriation revenue is managed through a price-based funding model with the Department of Finance and Deregulation (DoFD). The model has fixed and variable components with variable funding adjusted to reflect actual movements in the department's key workload drivers, that are visa processing decisions, citizenship decisions and border movements.

The funding model includes various prescribed activities under a no-win no-loss arrangement—such as immigration status resolution and irregular maritime arrivals. As part of the annual financial statements preparation process, the cost of these items are fully reconciled and agreed with DoFD.

The department's 2010–11 statement of comprehensive income reports revenue from government of \$1 188.4 million for earned appropriation and also own source revenue of \$43.6 million which in aggregate total \$1 232.0 million.

Expenses

The department's total expenses in 2010–11 were \$1 295.1 million which were \$52.8 million higher than the \$1 242.3 million expenses reported in 2009–10. The 2010–11 expenses included management of an increase in the number of irregular maritime arrivals in detention immigration and the associated financial impact. In terms of ensuring on going fiscal restraint and budget management, the department has developed and implemented appropriate and responsive strategies to manage the increasing caseload. In addition, there have been internal cost efficiencies generated in order to support increased program management and service delivery activities.

Administered program performance

The department's 2010–11 administered expenses were \$1 100 million which were \$65 million higher than the expense estimate provided at 2010–11 Additional Estimates (\$1 035 million). This variance is mainly attributable to increased expenses in Program 4.3—offshore asylum seeker management.

Total assets

As at 30 June 2011 the department held total assets of \$744.7 million which is \$524.0 million less than the department's 30 June 2010 asset position. This decrease is predominately a result of the transfer of detention land and buildings to the administered program which has resulted in the value of departmental land and buildings decreasing from \$607.8 million to \$82.9 million in 2010–11.

Administered assets held by the department as at 30 June 2011 after depreciation of \$26.5 million totalled \$788.5 million. These assets mainly relate to detention land buildings and infrastructure that were transferred from the departmental asset register.

Total liabilities

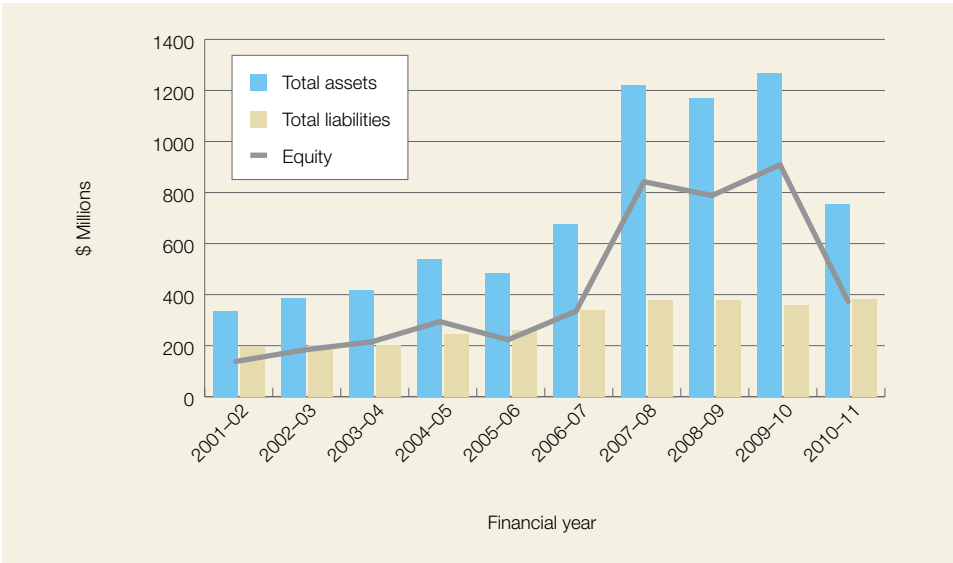
As at 30 June 2011, the department had reported total liabilities of \$380.5 million—an increase of \$21.7 million compared to the previous financial year. The change in the liability balance relates to:

- increased payables of \$25 million—predominantly due to increased information technology and travel expenses
- increased employee provisions of \$18 million—a result of increased staffing levels and the flow-on impact of the Enterprise Agreement to employee leave provisions.
- decreased finance lease liability of \$3.8 million—a result of capital repayments made in 2010–11
- decreased other provisions of \$18 million—predominantly as a result of a reduction in surplus lease space at several office locations.

Net equity

Overall the department's 2010–11 net equity position of \$364.2 million (assets minus liabilities) has decreased in comparison to 2009–10 by \$545.7 million. This change is predominantly the result of the transfer of detention assets to an administered program.

Figure 5: Departmental assets, liabilities and net equity trend



As a result of the appropriation funding change whereby depreciation and amortisation expenses are no longer funded the department has reported an operating loss of \$63.1 million which has resulted in a significant reduction in net equity. This will be a trend across reported equity balances for the majority of government agencies. Despite the reduction in the asset base the department has a strong net equity position whereby liabilities equate to only slightly more than 50 per cent of the asset base.

The department's financial performance in 2010–11 continues to reflect a strong focus on financial management matters and has ensured the department operated within budget appropriation while delivering key activities and achieving significant milestones. Table 3 provides an overview of the department's resource statements including available funding outlined in the department's *Portfolio Budget Statements 2011–12* and a summary of payments made during the financial year.

Table 2: All outcomes financial resources summary 2010–11

	Budget 2010–11 \$'000	Actual Expenses 2010–11 \$'000
Administered		
Outcome 1: Visa and Migration	50	50
Outcome 2: Refugee and Humanitarian Assistance	33 188	35 723
Outcome 3: Border Management	4 469	3 819
Outcome 4.1: Visa Compliance and Status Resolution	8 738	6 471
Outcome 4.2: Onshore Detention Network	60 034	50 568
Outcome 4.3: Offshore Asylum Seeker Management	602 139	676 166
Outcome 4.4: Foreign Fishers	9 100	5 052
Outcome 5: Settlement Services for Migrants and Refugees	313 090	318 486
Outcome 6: Multicultural and Citizenship Services	4 135	3 166
Total administered expenses	1 034 943	1 099 501
Departmental		
Outcome 1: Visa and Migration	538 871	551 309
Outcome 2: Refugee and Humanitarian Assistance	76 188	68 453
Outcome 3: Border Management	164 528	153 741
Outcome 4.1: Visa Compliance and Status Resolution	114 098	143 958
Outcome 4.2: Onshore Detention Network	28 428	29 403
Outcome 4.3: Offshore Asylum Seeker Management	160 652	202 908
Outcome 4.4: Foreign Fishers	2 728	2 147
Outcome 5: Settlement Services for Migrants and Refugees	107 225	71 763
Outcome 6: Multicultural and Citizenship Services	76 089	71 387
Total departmental expenses	1 268 807	1 295 069
Total departmental and administered expenses	2 303 750	2 394 570

Table 3: Financial resource statement 2010–11

		Actual available appropriation for 2010–11 \$'000	Payments made 2010–11 \$'000	Balance remaining 2010–11 \$'000
Ordinary annual services				
Appropriation receivable		301 439	250 628	50 811
Departmental appropriation ¹		1 267 296	1 035 561	231 735
s.31 relevant agency receipts		42 427	42 427	0
Total		1 611 162	1 328 616	282 546
Administered expenses				
Outcome 1		50	50	
Outcome 2		33 188	31 935	
Outcome 3		4 469	2 184	
Outcome 4		658 298	625 707	
Outcome 5		319 509	293 610	
Outcome 6		5 278	2 821	
Total		1 020 792	956 307	
Total ordinary annual services	A	2 631 954	2 284 923	
Other services				
Administered expenses Specific payments to states, ACT, NT and local government		-	-	
Total		-	-	
New administered expenses		-	-	
Total		-	-	
Departmental non-operating				
Equity injections		6 435	5 811	624
Previous years' outputs		-	-	-
Total		6 435	5 811	624
Administered non-operating				
Administered assets and liabilities Payments to <i>Commonwealth Authorities and Companies Act 1997</i> (CAC) bodies—non-operating		-	-	
Total		-	-	
Total other services	B	6 435	5 811	
Total available annual appropriations and payments		2 638 389	2 290 734	

1. Appropriation Bill (No.1) 2010–11 and Appropriation Bill (No.3) 2010–11.

Table 3: Financial resource statement 2010–11 *continued*

		Actual available appropriation for 2010–11 \$'000	Payments made 2010–11 \$'000	Balance remaining 2010–11 \$'000
Special appropriations				
Special appropriations limited by criteria/entitlement				
Migration Act s332B			-	
Special appropriation <i>Financial Management and Accountability Act 1997</i>			121 725	
Special appropriations limited				
By amount			-	
Total special appropriations	C		121 725	
Special accounts				
Opening balance		277		
Appropriation receipts ²		50		
Appropriation receipts - other agencies		- -		
Non-appropriation receipts to special accounts		63		
Payments made			52	
Total special account	D	390	52	338
Total resourcing and payments A+B+C+D		2 638 779	2 412 511	
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations		-	-	
Total net resourcing and payments for the Department of Immigration and Citizenship		2 638 779	2 412 511	

1. Appropriation Bill (No.1) 2010–11 and Appropriation Bill (No.3) 2010–11.

2. Appropriation receipts from the department's annual and special appropriations for 2010–11 included above.

The department operates on an activity based funding model and revenue adjustments are recorded in the financial statements in the financial year that the activity occurs. However, the corresponding appropriation adjustment occurs in the following financial year. Therefore, the appropriations in this table are as originally passed by Parliament. Due to variations in activity the department will seek additional appropriation items in 2011–12, relating to the items appropriated for the 2010–11 financial year.

Outcome 1

Managed migration through visas granted for permanent settlement, work, study, tourism, working holidays or other specialised activities in Australia, regulation, research and migration policy advice and program design.

Photo: Abdulahi is an international student furthering his education in Australia.



The program managed under Outcome 1 is:

Program 1.1 Visa and migration

During 2010–11, Program 1.1 was managed by the Migration and Visa Policy Division. This excludes the operational functions associated with the regulation of migration agents, which were undertaken by the Office of the Migration Agents Registration Authority (Office of the MARA), a discrete office attached to the department. This section reports on the deliverables and key performance indicators for Program 1.1 published in the department's *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Strategy

Outcome 1 contributes to Australia's economic and social prosperity through the provision of visa services and policy and program development in relation to permanent and temporary migration, including:

- the development and implementation of policy including labour market initiatives, family program policies and the long-term migration planning framework
- program development
- research and evaluation to support efficient program delivery and to enhance the integrity of the programs
- efficient client service delivery.

The department's progress is measured on the development and implementation of government policies including:

- labour market policy
- long-term migration planning framework
- setting the size and composition of annual permanent migration program
- skills targeting (permanent and temporary)
- the ongoing review of student programs
- working holiday and visitor programs, including specialist entry programs
- the *Migration Legislation Amendment (Worker Protection) Act 2008*.

The department's performance will be measured by:

- long-term migration planning framework in place
- the 2010–11 permanent migration program delivered
- the administration of a *Continuous Survey of Australian Migrants* to monitor, twice yearly, the employment and social outcomes of recent migrants
- responsiveness to Australian Government initiatives and reforms
- integration of research and evaluation programs which support evidence based policy formulation and decision making.

Major achievements

Deliver the annual 2010–11 Migration Program

The department delivered the 2010–11 Migration Program at 168 685 places against a planning level of 168 700 places which is 15 places (or 0.01 per cent) below the planning level.

The Skill Stream program outcome of 113 725 places accounted for 67.4 per cent of the total Migration Program result.

An increase to the top priority employer-sponsored program outcome of 39 per cent of the Skill Stream supported the government's policy to deliver a more demand-driven skilled migration program that meets the current and emerging needs of the economy in sectors and regions where there are shortages of skilled workers.

Reform agenda

Under Outcome 1, the department continued to implement the government's reform agenda to deliver a more responsive and targeted Skilled Migration Program including:

- the development and implementation of a new points test to select migrants with a broad range of skills
- the commencement of a new, more targeted Skilled Occupations List (SOL)
- the first iteration of state migration plans to provide state and territory governments with greater flexibility to address skills needs in their jurisdiction
- the introduction of the Fraud Public Interest Criterion (PIC) to prevent fraud in skilled migration applications
- continuing to streamline the labour agreement process, including the development of template agreements and improvements to processing times
- the development of Enterprise Migration Agreements (EMA) to assist employers in the resource sector in obtaining the skilled workers needed
- a review of the business skills visa program to better align outcomes with the intent of the program.

These reforms continue to build on those introduced in previous years and will help to ensure that Australian employers are able to access the skilled workers they need. The reform process will continue throughout 2011–12.

The department conducted a Skills Australia Needs expo in London in September 2010, targeting skilled workers in healthcare, engineering and trades to help fill shortages in the Australian labour market.

In June 2011, information evenings took place in the United Kingdom, Ireland and India as part of the Skilled Migration roadshow series to inform stakeholders about new skilled migration policy announcements.

Long-Term Migration Planning Framework

In 2010–11, the department continued to make significant progress in the implementation of a Long-Term Migration Planning Framework (LTPF). Progress in 2010–11 included the public release of the department's quarterly report *The Outlook for Net Overseas Migration*. The report provides forecasts and projections of net overseas migration by flow and major visa components to 2014. Further to this, the department is currently working with academics and utilising various macroeconomic and microeconomic models, to contribute to the development of the LTPF.

Initial outcomes of the framework were considered in developing the size and composition of the 2011–12 Migration Program. The LTPF will guide future permanent and temporary migration program policy settings to ensure that changes in permanent migration and temporary visa policy settings are optimal in terms of their effects on the labour market and net overseas migration.

Review of the student visa program

In December 2010, the government commissioned a strategic review of the student visa program. The Hon. Michael Knight AO was appointed as reviewer and was asked to make recommendations to government by mid-2011. Mr Knight provided his report to ministers on 1 July 2011. The department provided extensive secretariat support to Mr Knight throughout his appointment. The Department of Education, Employment and Workplace Relations (DEEWR) also provided a senior officer as part of the secretariat. The government is currently considering the report.

Immigration health processing

During 2011, the department continued to pursue a vigorous expansion of its electronic health processing system known as eHealth, with a further 11 countries brought online. As a result of these efforts, eHealth was available in 30 countries by 30 June 2011, with roll-outs soon to be completed in a further six locations.

More than 140 000 health cases were processed in eHealth during 2010–11 (about a 55 per cent increase from 2009–10), with approximately 75 per cent of these requiring no manual intervention. The remaining cases are actioned by the department, generally within 48 hours and often within minutes. In countries where the system has been newly introduced, the client service benefits are significant as health examination results are often finalised in minutes, instead of the four to six weeks that it took previously.

Challenges

Skilled migration

Over the past few years, demand for places has exceeded the number of places available under the Skill Stream. This has resulted in a significant pipeline of applications building up over that time which grew to as high as 150 000 in May 2010.

The department manages the allocation of places in the program according to a priority processing direction issued by the minister. The direction was designed to ensure that places in the program go to overseas workers best suited to the needs of Australian employers, as opposed to those applicants who applied first.

The introduction of a new Skilled Occupation List (SOL) on 1 July 2010 had a significant impact on managing the pipeline by better targeting occupations in need in Australia. The new SOL reduced the number of occupations eligible for independent migration and was based on the advice of Skills Australia. The list is designed to be more responsive to the needs of the Australian economy and will be reviewed annually.

The positive impact of this and other reforms to skilled migration are expected to continue to raise the quality of new applications, and have already led to a fall in the pipeline to 136 585 on 30 June 2011. Pipeline numbers and improvements to processing times are expected to continue to fall in the 2011–12 program year.

Joint Australian and Canadian eHealth/eMedical project

The coming year will see the release of a new, upgraded version of eHealth which will be able to process health examinations for both Australian and Canadian visa applicants. It will also cater for clients who wish to undertake their health examinations prior to lodging their visa application.

The department and Citizenship and Immigration Canada (CIC) are working closely together on this project, having signed an umbrella Memorandum of Understanding in December 2010.

Table 4: Outcome 1 Financial resources summary 2010–11

Managed migration through visas granted for permanent settlement, work, study, tourism, working holidays or other specialised activities in Australia, regulation, research and migration policy advice and program design.				
	Budget ¹ 2010–11 \$'000	Actual expenses 2010–11 \$'000	Variation 2010–11 \$'000	Budget estimate 2011–12 \$'000
Program 1.1: Visa and migration				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	50	50	-	50
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	509 593	506 383	(3 210)	507 427
Expenses not requiring appropriation in the Budget year	29 278	44 926	15 648	32 396
Total for Program 1.1	538 921	551 359	12 438	539 873
Total expenses for Outcome 1	538 921	551 359	12 438	539 873
Average staffing level (number)	3 722	3 698	(24)	3 685

1. The 2010–11 Budget represents the estimated actual expenses published in the 2011–12 Portfolio Budget Statements.

Program 1.1 Visa and migration

Program 1.1 consists of seven departmental items:

- Economic migration
- Family migration
- Resident Return visas, Former Resident visas, Australian Declaratory visas and Certificates of Evidence of Resident Status
- Students
- Temporary residents (economic)
- Temporary residents (non-economic)
- Visitors and working holiday makers

There is one administered item under Program 1.1: Joint Commonwealth, state and territory research program (for payments to the Australian Population, Multicultural and Immigration Research Program account).

Program 1.1 also includes the Migration Health Requirement and the Office of the Migration Agents Registration Authority (MARA).

Permanent and temporary migration is a key contributor to Australia's economic, demographic and social needs. The department will continue to support the national debate on economic and population policy including a targeted migration program that responds to Australia's changing economic and social needs through ongoing:

- lawful and orderly entry and stay of people
- delivery of the annual Migration Program, within the parameters set by government to respond to Australia's labour and demographic needs and consistent with the objectives of the LTPF
- implementation of strategies to strengthen the economic, budgetary, cultural and social benefits from both permanent and temporary migration
- strengthening of our research capacity to enable evidence-based decisions and policy relating to population and migration issues
- review and improvement of Australia's temporary entry arrangements to better meet the needs of business, education and tourism
- assistance to the tourism and education industries to expand, including into new markets, while ensuring a high degree of immigration integrity
- delivery of the permanent skilled migration program, which works effectively in conjunction with the domestic education and training agenda.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Visa and migration—deliverables

Deliverable: Continue to develop and implement strategies to strengthen the economic and budgetary position.

Result: The 2010–11 Migration Program was rebalanced towards the Skill Stream, which represented 67.5 per cent of the permanent Migration Program planning level. The program delivered 113 725 visas, which represents 67.4 per cent of the result.

Skilled migrants strengthen Australia's economic and budgetary position by bringing in skills in need and making a positive fiscal contribution to the Federal Budget.

The 2010–11 Migration Program is estimated to have a positive net fiscal impact of \$258.9 million on the Federal Budget over four years.

Deliverable: Provide benefits from both permanent and temporary migration.

Result: The department introduced a series of reform measures to permanent and temporary migration programs throughout 2010–11 to ensure the programs are targeted and responsive to emerging labour market needs. To achieve these objectives, the department has been moving towards a demand-driven skilled migration program with an emphasis on employer sponsored and state and territory government nominated migrants.

This move is shown through an increase to the employer-sponsored program to 39 per cent of the skill stream. Furthermore, in 2010–11, sponsored skilled migration represented more than 60 per cent of visas granted to skilled migrants continuing the shift towards employer, government and regional sponsored places. This increase has corresponded with a decline in the proportion of non-sponsored places.

On 1 July 2010, a new SOL was introduced for independent, Australian sponsored and state/territory sponsored (GSM program). In November 2010, a revised points test for selecting independent and Australian or state-sponsored skilled migrants was announced for implementation from 1 July 2011.

In 2010–11, state migration plans were implemented for each state and territory to afford them greater flexibility to address their individual skill needs and to tailor a migration solution accordingly. These plans provide flexibility to state and territory governments as they enable jurisdictions to nominate applicants for skilled migration from a much broader, less restrictive list of occupations than the SOL. The occupations included in each plan, as well as the number of places provided within the overall context of the Migration Program, were the result of extensive consultations between the Australian Government and respective state and territory governments.

Visa and migration—deliverables *continued*

Deliverable: Support quality and integrity in the Australian education industry.

Result: The department continued to support quality and integrity in the international education sector through facilitating the entry of genuine overseas students. A total of 250 438 people were granted student visas in 2010–11 (excluding student guardians).

On 16 December 2010, the Australian Government announced a strategic review of the student visa program as well as a package of measures to ease the pressure on the international education sector, including:

- a reduction in the assessment levels for 38 countries in one or more student visa subclasses
- amendments to policy surrounding the study of Certificate IV courses
- changes to policy to further enable prepaid boarding fees to be counted towards a student's cost of living requirement.

These measures were implemented in 2010–11. The reductions in student visa assessment levels have streamlined the application process for almost 20 per cent of prospective students. This is largely due to the reduction of documentation that students need to provide in support of their applications.

The department also commenced publication of a new quarterly statistical report and annual trends report on the student visa program, which are a valuable resource for stakeholders in the international education sector. These reports provide, among other things, an explanation of the program and the requirements for visa applicants, data on visa applications and information about the major markets for each sector.

On 20 May 2011, the government announced alternative English language tests that will be accepted for student visa application purposes in order to address a current shortage of English language test places. Implementation of the new tests for student visas will be completed in 2011–12.

Deliverable: Support continued growth of the Australian tourism industry.

Result: The department supports the growth of the Australian tourism industry by facilitating the entry of genuine visitors to Australia, including working holiday makers. In 2010–11, 3 518 588 people offshore were granted visitor visas, an increase of more than 100 000 visitors from 2009–10 (3 416 576). In addition, 192 922 Working Holiday Maker visas were granted in 2010–11, a slight increase from 2009–10 (183 161 grants).

Deliverable: Pursue the development of a long-term migration planning framework.

Result: During the year, the department began publicly releasing its quarterly net overseas migration forecasts in a report *The Outlook for Net Overseas Migration*. The department is currently working with academics and utilising various macroeconomic and microeconomic models, to develop a LTPF. This framework will allow for whole-of-government planning and due consideration of future migration programs in line with Australia's longer-term demographic, economic and labour force needs.

Visa and migration—deliverables *continued*

Deliverable: Pursue a strategic and targeted research program on demographic and immigration issues.

Result: A number of research projects on immigration and demographic issues were completed in 2010–11. Reports published from these research projects are available on the department's website. In 2010–11, the department commissioned a range of new research projects on economic, demographic and social issues relating to immigration.

Deliverable: Examine through a pilot whether a seasonal work program could contribute to foreign aid objectives and also assist Australian employers.

Result: The Pacific Seasonal Worker Pilot Scheme runs for three years, concluding in June 2012, and provides for up to 2500 visas for the life of the pilot. As at 30 June 2011, 546 visas have been granted in total. There were 423 visas granted in 2010–11. During the program year, 391 Pacific seasonal workers arrived in Australia.

The effect of the global financial crisis, long-running drought, availability of alternative labour sources and some issues with the pilot design resulted in the initial uptake of the pilot being slow. However, with improved economic and climatic circumstances and the changes to pilot parameters announced in December 2010, worker recruitment has increased.

The final evaluation of the pilot, administered by DEEWR as the lead agency, will be submitted to government in 2011.

Visa and migration—key performance indicators

Indicator: Deliver the Migration Program within government targets.

Result: In 2010–11, a total of 168 685 permanent visas were granted against the target of 168 700, reflecting a minor variation of 0.01 percent from the annual target. The skilled migration stream constituted 67.4 per cent of the total Migration Program result. Family migrants constituted 32.3 per cent of the program result. The Special Eligibility stream constituted 0.2 per cent of the program result.

Indicator: Visa applications are finalised within service standards and according to priority processing directions.

Result: Of all the applications processed in 2010–11, 91 per cent were finalised within service standards. In the permanent migration category, 60.9 per cent of skilled migration visa applications and 65.9 per cent of family migration visa applications were finalised within service standards. For temporary entrants, 92.5 per cent of visa applications were finalised within service standards.

Indicator: Ensure temporary and permanent migration does not increase the incidence of tuberculosis in the Australian community.

Result: The prevalence of tuberculosis in the general Australian population has remained stable at six cases per 100 000 head of population for more than 20 years despite significant increases in the number of people arriving in Australia from countries with high rates of tuberculosis.

Visa and migration—key performance indicators *continued*

Economic migration

Indicator: Strong economic and budgetary benefits from granting permanent residence visas to skilled and business migrants, as measured by economic and fiscal models and surveys of recent migrants.

Result: Estimates derived from the department's Migrants Fiscal Impact Model suggest that skilled (including business skills) migrants make a significant net positive fiscal contribution to the Commonwealth Budget. A positive fiscal contribution is a good indicator of a positive overall economic contribution made by skilled migrants.

Indicator: The skilled migration program works effectively in conjunction with the domestic education and training agenda, as measured by the employment outcomes of skilled migrants and labour market analysis.

Result: Results from the department's most recent *Continuous Survey of Australia's Migrants* indicate the superior labour market performance of employer sponsored migrants. Six months after arrival or grant of a visa, 96 per cent of these migrants were working, with almost 90 per cent in full-time skilled work with median annual earnings of \$65 000 about \$5000 greater than those of skilled independent migrants. Compared with migrants sponsored by state or territory governments or family members, their median annual earnings were \$12 000 higher.

Indicator: Temporary program delivered in accordance with service standards.

Result: Data for temporary resident (economic) applications Temporary Business (Long Stay) (subclass 457) show that 85.6 per cent of applications were finalised within service standards.

Cultural and social migration

Indicator: Develop and administer visa arrangements that further Australia's social, cultural and international relations.

Result: The working holiday maker program is a cultural exchange program that helps to further Australia's social, cultural and international relations. The program increases people-to-people links between Australia and participating countries and promotes closer ties by allowing young people (aged 18–30) to have an extended holiday, supplemented by short-term employment. Australia has 19 reciprocal Working Holiday (subclass 417) visa arrangements and seven reciprocal Work and Holiday (subclass 462) visa arrangements with other countries. In 2010–11, Australia commenced or continued the negotiation of a further nine Work and Holiday visa arrangements with new countries.

The social, cultural and international relations visa programs continue to facilitate the movement of people involved in activities that contribute to the enrichment of Australian social, cultural and academic life and foster international goodwill. For example, a new bilateral government-to-government arrangement between France and Australia was established to facilitate the exchange of trainees between the two countries. This agreement is reciprocal and promotes closer cooperation between the two countries.

Visa and migration—key performance indicators *continued*

Cultural and social migration *continued*

Indicator: Deliver temporary programs in accordance with service standards with no significant diminution in integrity.

Result: In 2010–11, the department maintained the integrity of visitor visas, and service standards were met across all visitor visas. The modified non-return rate remained low at 0.7 per cent, compared to 0.8 per cent in the 2009–10 program year.

The department maintained its focus on integrity initiatives for the Working Holiday (subclass 417) visa during 2010–11. This focus did not affect service standards which were met for both the first and second Working Holiday (subclass 417) visa during 2010–11. Similarly, the service standard for the Work and Holiday (subclass 462) visa program was met in 2010–11.

Table 5: Visa and migration—performance information

Key performance indicators	2008–09 actual	2009–10 actual	2010–11 target	2010–11 actual
Deliver the Migration Program within the planning levels determined by government ¹	171 318	168 623	Up to 168 700	168 685
Level of tuberculosis (TB) incidence in the Australian community stemming from migration			Contribute to the maintenance of TB rates in Australia at <6 cases per 100 000 people	6.4 persons per 100 000 people
Economic migration				
Percentage of temporary economic visa applications (subclass 457) finalised within service standards ²	82.4%**	81.9%**	75%	85.6%**
Economic migration is delivered within government planning levels ¹	114 777	107 868	Up to 113 850	113 725

Note: On 8 February 2010, the government announced the Critical Skills List would be phased out. The function of the list was superseded by the introduction of a new and more targeted Skilled Occupation List, which was introduced on 1 July 2010.

1. Change in target/estimate text from the *Portfolio Budget Statements 2010–11*.

2. Service standards are available on www.immi.gov.au

** Business (Long Stay) visa subclass 457 only. These figures were revised as at 30 June 2011 to include the latest information, including changes arising from late reporting and data cleansing. The figures therefore may differ from statistics previously published.

Table 5: Visa and migration—performance information *continued*

Key performance indicators	2008–09 actual	2009–10 actual	2010–11 target	2010–11 actual
Cultural and social migration				
Percentage of temporary program applications finalised within service standards ²	92.9%	93.9%	75%	93.2%
Family migration is delivered in line with government planning levels ¹	56 366	60 254	Up to 54 550	54 543
Special eligibility component is delivered in line with government planning levels ¹	175	501	Up to 300	417
Percentage of temporary entrants (visitors, working holiday makers, students) who abide by their visa conditions remains high or increases	99.4%	99.2%	>95%	99.0%
Percentage of applications from eligible caseloads lodged through eVisa	80.4%	86.3%	>80% ³	87.6%

1. Change in target/estimate text from the *Portfolio Budget Statements 2010–11*.

2. Service standards are available on www.immi.gov.au

3. Target was changed in the *Portfolio Additional Estimates Statements 2010–11* from >33 per cent in the *Portfolio Budget Statements 2010–11*.

Administered items

Administered item: Joint Commonwealth, state and territory research program (for payments to the Australian Population, Multicultural and Immigration Research Program Account)

Objective: The Australian Population, Multicultural and Immigration Research Program was established jointly by the Australian Government and state and territory governments to undertake studies in the areas of migration settlement, multicultural affairs and population trends. Individual studies are designed to gather information not adequately covered by existing data and surveys.

Deliverable: Research contributes to and informs government policy making.

Result: In 2010–11, a research report on the population distribution effects of migration was completed and published on the departmental website. The research was undertaken by the University of Adelaide for the Research Advisory Committee of the Standing Committee on Immigration and Multicultural Affairs, and half-funded under the Australian Population, Multicultural and Immigration Research Program. This research is relevant to migration, regional and sustainable development policies.

Edith Cowan University has commenced new research, also for the Research Advisory Committee, on emerging drivers of social cohesion, social division and conflict in multicultural Australia.

Economic migration

The department, through the Skill Stream of the Migration Program, manages the entry of skilled and business migrants into Australia. The Skill Stream targets migrants who are best suited to contribute to the Australian economy through their skills, qualifications, entrepreneurialism and future employment potential. There are a number of visa categories under which migrants can come to Australia and these include independent, state/territory government sponsored or family sponsored options.

Skilled migrants offer a number of economic benefits to Australia, including:

- through employer sponsored migration, meeting employers' skill needs that cannot be met from the local labour market
- assisting regional employers to meet their unique, local skill needs by offering opportunities to migrants who are willing to move to areas of high labour demand in regional Australia
- increasing the overall skills base of the workforce by bringing in highly skilled migrants who contribute their own skills and human capital while also assisting with the training and development of Australian workers
- boosting labour force participation, because skilled migrants have very high participation and employment rates
- improving the productivity of the Australian economy and workforce
- asserting a strong net positive effect on the Federal Budget bottom line by contributing more in revenue than they consume in expenditure.

In addition, certain categories seek to achieve specific economic outcomes, in particular providing regional Australia with the skilled workers needed to support local economies and regional based industries, such as the resources sector. State-specific and regional migration (SSRM) programs assist state and territory governments, as well as regional employers, by providing flexible policy provisions and threshold criteria to facilitate and encourage the migration and settlement of skilled and business migrants to regional Australia.

Performance

The department granted a total of 113 725 visas in the Skill Stream of the Migration Program in 2010–11. Table 6 shows the economic migration outcome for 2010–11 and the previous two years, while Table 7 shows the broad categories of Skill Stream visas that were granted.

Table 6: Economic migration program outcomes against planning levels

	2008–09	2009–10	2010–11
Planning level	115 000 ¹	108 100	113 850*
Result	114 777	107 868	113 725**

1. The Skill Stream planning level in 2008–09 was cut from 133 500 places to 115 000 places in March 2009 in response to the global economic situation.

* The Skill Stream planning level in 2010–11 was 113 850 or 67.5 per cent of the total Migration Program planning level.

** The Skill Stream outcome in 2010–11 was 113 725 or 67.4 per cent of the total Migration Program outcome.

Table 7: Economic migration program outcome by skill stream

Category	2008–09	2009–10	2010–11	Percentage change
Employer Sponsored	38 030	40 990	44 350	8.2%
Skilled Independent	44 590	37 320	36 170	-3.1%
State/Territory Sponsored ¹	14 060	18 890	16 180	-14.3%
Skilled Australian Sponsored	10 500	3 690	9 120	147.2%
Distinguished Talent	200	200	130	-35.0%
Business Skills	7 400	6 790	7 800	14.9%
Total	114 777	107 868	113 730	5.6%

Note: Numbers have been rounded and totals may not be the exact sum of the components.

1. Includes State/Territory Nominated Independent and Skilled Independent Regional.

The SSRM programs continue to be a priority for the government and these programs accounted for 32.9 per cent of the Skill Stream of the 2010–11 Migration Program.

The Australian Government works with employers and state and territory governments through these programs to assist in meeting their skills needs.

A total of 37 410 visas were granted under the SSRM programs in 2010–11, representing an increase of more than 2.3 per cent over the previous year. Table 8 shows the distribution by intended residence of SSRM visa grants.

Table 8: Distribution of State-Specific and Regional Migration visa grants

State/territory	2008–09	2009–10	2010–11*	Percentage change
New South Wales	2 690	2 660	3 040	14.3%
Victoria	9 410	8 510	9 210	8.2%
Queensland	4 240	4 590	5 020	9.4%
South Australia	7 650	9 540	7 460	-21.8%
Western Australia	6 340	7 900	8 310	5.2%
Tasmania	760	570	700	22.8%
Northern Territory	890	1 260	1 420	12.7%
Australian Capital Territory	1 320	1 360	2 020	48.5%
Unknown	180	180	240	33.3%
Total	33 470	36 570	37 410	2.3%

* Numbers have been rounded and totals may not be the exact sum of the components.

Case study



London expo links skilled workers and employers

The department hosted a targeted Skills Australia Needs expo in London, United Kingdom, in September 2010. The event was designed to assist Australian employers to fill job vacancies in the Australian labour market in areas of healthcare, engineering and construction trades.

More than 1250 skilled workers visited the expo at Australia House in London to find out about employment opportunities in Australia and to hear first hand from departmental officers about options to be sponsored for an Australian working visa.

Participants had the opportunity to meet employers and state/territory governments to explore sponsorship options. Assessing authorities also attended to discuss skill assessments for Australian visas.

The 25 exhibitors who participated in the event included all Australian state and territory governments, Australian employers, skills assessment authorities, as well as the department.

Employers and state and territory governments made a large number of employment and state sponsorship offers to people who attended. The Western Australian Health Department has endorsed the Skills Australia Needs expo as making a significant contribution to the number of health professionals migrating to regional Western Australia.

Skilled workers were pre-screened to ensure they would be able to meet qualifications, experience in the occupational field and English language proficiency requirements for Australian skilled visas.

Given the overwhelming number of registrations from qualified engineers, a separate forum attracted about 100 recent graduates and featured presentations from the department, Engineers Australia and Rio Tinto.

It was interesting that Canadian and British government officials also attended the event to gather further information about how Australia promotes and manages its skilled migration program.

More than twenty departmental officers worked at the expo, covering a range of duties including presenting at sessions, providing information at the department's stand, managing exhibitors, and overseeing logistics to ensure the event ran smoothly.

The Skills Australia Needs expo was a joint collaboration between the department's London Post and the Labour Market Branch in Canberra.

Photo: More than 1250 skilled workers visited Australia House in London for the Skills Australia Needs expo.

On 2 April 2011, the department introduced a new Fraud Public Interest Criterion (PIC 4020) that applied to outstanding visa applications for certain visa subclasses under the Skilled Migration program. Table 9 shows the list of visa subclasses the Fraud PIC applied to as at 30 June 2011.

Table 9: Visa subclasses under which the Fraud PIC applies

Subclass	Type of visa	Title
175	GSM	Skilled—Independent visa
176	GSM	Skilled—Sponsored visa
475	GSM	Skilled—Regional Sponsored visa
476	GSM	Skilled—Skilled—Recognised Graduate
485	GSM	Skilled—Graduate
487	GSM	Skilled—Regional Sponsored visa
885	GSM	Skilled—Independent visa
886	GSM	Skilled—Sponsored visa
887	GSM	Skilled—Regional
880*	GSM	Skilled—Independent—Overseas Student
881*	GSM	Skilled—Australian-sponsored Overseas Student
882*	GSM	Skilled—Designated Area-sponsored Overseas Student
883*	GSM	Skilled—Designated Area-sponsored (Residence)
495*	GSM	Skilled—Independent Regional (Provisional)
496*	GSM	Skilled—Designated Area-sponsored (Provisional)
457	TES	Business (Long Stay)
119	PES	Regional Sponsored Migration Scheme
121	PES	Employer Nomination
856	PES	Employer Nomination Scheme
857	PES	Regional Sponsored Migration Scheme

* Denotes all pre-September 2007 visa applications still being processed

GSM: General Skilled Migration

TES: Temporary Employer Sponsored Visas

PES: Permanent Employer Sponsored Visas

The Fraud PIC is aimed at minimising the level of fraud in visa applications by providing a strong disincentive to those considering submitting false or misleading information in an application (including review). Where an applicant is found to have supplied false, misleading or bogus information and/or documentation to the department, the application will be refused and the applicant may be subject to a three-year bar which may prevent the grant of a further visa that is subject to assessment under the Fraud PIC. The three-year bar applies only to visas that are subject to assessment against the Fraud PIC.

The department continued to ensure that Australia attracted highly skilled migrants through a number of skilled migration promotional activities. In September 2010, a Skills Australia Needs expo took place in London. The event targeted health care, engineering and construction trades to help fill shortages in the Australian labour market. In May and June 2011, a skilled migration roadshow was conducted in each capital city onshore and in the United Kingdom, Ireland and India to inform stakeholders about recent and upcoming changes to the skilled migration program.

Points-tested skilled migration

Points-tested skilled migration consists of three broad categories, (Skilled—Independent, Skilled—State/Territory sponsored and Skilled—Australian Sponsored) which are collectively referred to as the General Skilled Migration program. These three categories allow for the entry of highly skilled individuals without the sponsorship of an employer.

All categories involve a points test, where applicants are allocated points on the basis of particular attributes. During 2010–11, the department developed a new points test which commenced on 1 July 2011 and recognised a broad range of skills and attributes, focusing on:

- better English levels
- more extensive skilled employment
- higher level qualifications obtained in Australia and overseas
- better targeted age ranges.

This and other reforms in 2010–11, aligned the Skilled Migration program more closely to labour market demands. The reforms included the announcement of the new Skilled Migrant Selection Model (SkillSelect) and the introduction of a more targeted SOL. As a result of the now annual review of the SOL, 13 occupations were added to the SOL and four were removed, with the updated SOL commencing on 1 July 2011. New priority processing arrangements also came into effect for 2010–11, and were revised for July 2011.

There were 61 459 visas granted within the three categories in 2010–11. Visa grants in the Skilled—Independent category comprised 58.8 per cent of the total visa grants under the Skill Stream of the Migration Program for 2010–11. The Skilled—State/Territory sponsored category made up another 26.3 per cent and the Skilled—Australian Sponsored category comprised 14.8 per cent.

Throughout 2010–11, state migration plans were introduced which provide state and territory governments, in consultation with the Australian Government, a greater ability to tailor migration to labour market demand in their jurisdiction within certain parameters under the State/Territory Sponsored category. In 2010–11, 16 175 visas were granted under state migration plans.

The skilled migration pipeline of applications declined over the course of the program year. The positive impact of reforms to skilled migration, including the points test, is expected to continue to raise the quality of new applications. This is expected to also have the effect of a reduction in the number of applications in the pipeline and flow-on improvements in processing times in 2011–12.

In 2010–11, the five major source countries for points-tested skilled migration were India, the People's Republic of China, the United Kingdom, Sri Lanka and Malaysia. Table 10 shows the growth in the points-tested skilled migration program since 1997–98 while Table 11 shows a breakdown of the top ten nationalities of the points-tested Skilled Migration Program.

Table 10: Points-tested outcomes 1997–98 to 2010–11

Year	Outcome
1997–98	22 595
1998–99	22 710
1999–00	23 492
2000–01	29 605
2001–02	36 371
2002–03	49 376
2003–04	54 936
2004–05	59 843
2005–06	76 944
2006–07	75 274
2007–08	78 000
2008–09	69 153
2009–10	59 892
2010–11	61 459

Note: 2007–8 and 2009–10 data updated for review outcomes

Table 11: Points-tested skilled migration top 10 nationalities 2010–11

Citizenship country		2008–09	2009–10	2010–11	Percentage change
1	India	16 040	13 210	12 730	-3.6%
2	People's Republic of China	6 830	5 650	12 160	115.2%
3	United Kingdom	12 680	8 780	8 380	-4.6%
4	Sri Lanka	3 090	3 470	3 240	-6.6%
5	Malaysia	3 120	3 400	3 030	-10.9%
6	Republic of South Africa	4 330	4 510	2 760	-38.8%
7	Philippines	2 670	2 240	1 750	-21.9%
8	Nepal	609	790	1 410	78.5%
9	Iran	1 510	1 460	1 380	- 5.5%
10	Republic of Korea	2 130	1 530	1 330	-13.1%

Note: Numbers have been rounded and totals may not be the exact sum of the components.

Employer-sponsored migration

Employer sponsored migration visas facilitate the recruitment of overseas workers with skills, qualifications and work experience that are currently in demand throughout Australia.

The employer sponsored migration category consists of the Employer Nomination Scheme (ENS), Regional Sponsored Migration Scheme (RSMS) and Labour Agreement (LA) program.

In 2010–11 a total of 44 345 visas were granted under the permanent employer sponsored programs, representing 39 per cent of the overall skilled migration program. This equates to an increase of 8.2 per cent compared to 2009–10 and 24 per cent in 2006–07.

The continued growth of the permanent employer sponsored categories can be attributed to a shift in recent years toward demand driven migration, the popularity of the subclass 457 visa, the reforms of the GSM program and the department's promotion of the permanent employer sponsored categories through the outreach network and skills expos.

This is corroborated by the fact that subclass 457 visa holders accounted for the majority of visa grants in this category, in particular comprising a total of 83 per cent for ENS and 59 per cent for RSMS.

Results from the department's most recent *Continuous Survey of Australia's Migrants* demonstrate the superior labour market performance of employer sponsored migrants as shown in Table 12.

The table shows that six months after arrival/grant of visa, 96 per cent of employer sponsored migrants were working, almost 90 per cent were in full-time skilled work and their median annual earnings were \$65 000. This is about \$5000 greater than those migrating under the Skilled—Independent visa category. Employer sponsored applicants also earned approximately \$12 000 more than those who migrated under the Skilled—State/Territory sponsored and Skilled—Australian Sponsored categories.

Table 12: Employment outcomes of skilled primary applicants

Employment outcome	Employer sponsored	Skilled independent	Skilled sponsored
Participation rate ¹	97%	97%	99%
Unemployment rate ²	1%	9%	10%
In full-time skilled work	88%	63%	59%
In part-time and/or unskilled work	8%	24%	28%
Not working ³	4%	13%	13%
Median annual earnings	\$65 000	\$60 000	\$53 400

1. The participation rate is the percentage of the population that are labour market participants, it is the sum of employed and unemployed persons as a percentage of the total population.

2. The unemployment rate is the percentage of labour market participants that are unemployed.

3. Not working comprises two groups—people who are unemployed and seeking work, and people who are not in the labour force (non-participants).

Case study



Engineer building a sustainable life in Australia

When Mr José Mantilla travelled to Melbourne on a Temporary Business Visa in 2008, the environmental engineer never imagined he would end up calling Australia home.

Mr Mantilla works for UrbanTrans, a boutique consulting company that specialises in sustainable transport and town planning. UrbanTrans works with organisations and communities to design and deliver projects that achieve environmentally, economically, and socially sustainable outcomes.

He believes the work trip has turned into a wonderful life experience for him and his family, and allowed him to feel settled, both professionally and personally. Mr Mantilla has a 16 year-old daughter who studied year 10 in Melbourne in 2010 and had a wonderful experience living and studying here. She is now considering pursuing her university studies in Australia as one of her options.

'I admire the healthy balance that Australians have between their professional and personal lives,' he said.

'It is refreshing to see relaxed, friendly and easy-going people, who are also very focused and professional about their work.'

Mr Mantilla grew up in Colombia and moved to the United States of America at the age of 23 to pursue his postgraduate studies in environmental engineering at the Massachusetts Institute of Technology. He has since worked on projects covering a wide range of transport, environmental and energy issues internationally. He is driven by a strong passion for the environment and sustainability.

'Working in the sustainability space is challenging since it is a long-term pursuit by definition. However, I believe every small step counts and thus feel it is an equally rewarding field to work in.'

The subclass 457 visa program provides a convenient and flexible avenue for businesses to sponsor overseas workers to address skill shortages, where workers cannot be sourced locally. Processing times for 457 visas are quicker than at any point in the past five years, with a median processing time of 21 days.

It only costs a business \$350 to become a sponsor, \$70 to nominate an overseas worker and \$265 to apply for the visa itself.

The subclass 457 visa program is uncapped, demand-driven and highly responsive to the economic cycle.

After more than three years in Australia, Mr Mantilla and his wife, Carolina Restrepo, who is studying a PhD at Melbourne University, are now applying for permanent residence.

Photo: José's ultimate goal is to help reshape the way cities are planned and transform the way people live in them.

Professional, technical and trade occupations were the most commonly nominated occupations. In ENS, nursing and midwifery occupations accounted for the largest proportion of nominations while trades and technicians, including motor mechanics, welders and cooks were among the most commonly nominated occupations for the RSMS.

The three major source countries for both the ENS and RSMS were the United Kingdom, Philippines and India.

Business and investment migration

The current business skills visa program was introduced in March 2003 and aims to attract skilled and experienced business owners, senior executives and investors to Australia who have the assets and desire to migrate to Australia to enter into business or investment activity.

Business skills is a niche category within Australia's skilled migration program. It directly creates business, and visa holders become business owners, rather than supporting existing businesses with a supply of skilled employees.

The program is largely a two-stage process whereby migrants enter Australia initially on a provisional (temporary) visa, generally valid for a period of four years. Once a provisional visa holder is able to demonstrate satisfactory evidence of a specified level of business or investment activity, they may apply for permanent residence.

In April 2010, the department commenced a comprehensive review of the program to determine whether it is meeting its intended objectives. The results of the review, to date, have determined the program is attracting applicants who own or operate reasonably large businesses in their home country. The average annual turnover of offshore migrant businesses is \$4 670 398.

The businesses operated in Australia by migrants holding a provisional Business Skills visa are typically within the hospitality industry including accommodation, cafés and restaurants (27 per cent), retail trade including food retailing (26.2 per cent), and agriculture, forestry and fishing (12.6 per cent).

Provisional Business Skills visa holders are creating real employment opportunities for Australian citizens—78 per cent of migrant owned businesses employ one to four people and six per cent employ five to 19 people.

In January 2011, as part of a program review, the department published a discussion paper seeking public comment on the performance of the business skills program. The review is ongoing and will provide a report and recommendations to government in 2011–12.

The combined offshore and onshore business skills planning level was set at 7800 places for 2010–11, an increase of 14.7 per cent compared to 2009–10. In 2010–11, 7796 visas were granted under the program.

Family migration

The Family Stream of the Migration Program primarily facilitates the entry of fiancés, partners and dependent children of Australian citizens, Australian permanent residents and 'eligible New Zealand citizens'. It also provides opportunities for other family members such as parents, aged dependent relatives, carers and remaining relatives to join their relatives in Australia. The Family Stream for 2010–11 was set at 54 550 places.

Under the Family Stream, people are selected on the basis of their family relationship to their sponsor in Australia. Unlike the Skill Stream, there is no test for skills or English language ability.

The Family Migration visa categories are:

- partner, which includes Partner visas for married and de facto partners of Australian citizens, Australian permanent residents and 'eligible New Zealand citizens' and Prospective Marriage visas for fiancés of Australian citizens, Australian permanent residents and 'eligible New Zealand citizens' who are outside Australia. Usually, Partner visas are granted in a two-stage process with a provisional visa being granted initially and the permanent visa being considered two years after the initial application. About 77 per cent of the Family Stream is comprised of partner category visas.
- child, which includes Child visas, Dependent Child visas for children of Provisional Partner visa holders, Orphan Relative visas and Adoption visas. About six per cent of the Family Stream is comprised of child category visas.
- parent, which includes both Parent and Contributory Parent visas. Applicants for the Contributory Parent visa make a greater contribution toward the costs of parent migration and are also supported by friends or family in Australia through the Assurance of Support scheme for a longer period. As a result, the government can allocate additional places to the Contributory Parent visa and there is a significantly shorter waiting period for this category compared to the Parent visa. About 16 per cent of the Family Stream is comprised of parent category visas.
- other family, which includes Carer visas, Remaining Relative visas and Aged Dependent Relative visas. About one per cent of the Family Stream is comprised of other family category visas.

Performance

Table 13 shows the family migration outcome for 2010–11 compared to 2009–10. The result for 2010–11 shows an approximate decrease of 9.5 per cent compared to the 2009–10 outcome. This was due to a reduction in the planning levels, with government deciding to place a greater emphasis on skilled migration in 2010–11, while maintaining the total size of the Migration Program.

Demand for Family Stream visas continued to grow, flowing on from higher levels of migration in previous years. The department continued to support family migration through ongoing:

- integrity checks to minimise the risk of non-bona fide applicants being granted family migration visas
- collaboration with adoption authorities that manage inter-country adoption programs in Australia, ensuring that cases managed by state and territory adoption authorities are processed as expeditiously as possible
- policy review and evaluation.

Table 13: Family migration planning levels and outcomes

Type of visa	2009–10 planned	2009–10 granted	2010–11 planned	2010–11 granted	Per cent increase (decrease) in visas granted ¹
Partner	45 000	44 755	42 000	41 994	-6.2%
Child	3 300	3 544	3 300	3 300	-6.9%
Parent (Contributory)	7 500	7 487	7 500	7 499	0.2%
Parent (Non- Contributory)	2 000	2 000	1 000	1 000	-50.0%
Other Family	2 500	2 468	750	750	-69.6%
Total Family Migration visas	60 300	60 254	54 550	54 543	-9.5%

1. The per cent increases (decreases) in visas granted are a result of the comparison between the 2009–10 and the 2010–11 outcomes.

Family violence provisions

Australia's Migration Program enables certain Partner visa applicants to remain in Australia if their partner relationship breaks down due to family violence. The family violence provisions were introduced in response to community concerns that some partners might feel compelled to remain in abusive relationships rather than end the relationship and be required to leave Australia.

Legislation introduced in July 2005 allows the department to refer doubtful claims of family violence to an independent expert in family violence matters, to ensure that only genuine claimants can gain access to the provisions. The opinion of the independent expert (currently gazetted as Centrelink) is binding on the immigration decision-maker.

Table 14 shows the number of claims against the family violence provisions which were made during 2010–11 and the outcome of cases referred to Centrelink by departmental officers.

Table 14: Family violence cases referred to Centrelink

Family violence cases referred to Centrelink by departmental officers	2008–09	2009–10	2010–11
Family violence claims made to DIAC	708	705	1 023
Total cases referred to Centrelink:	98	109	208
• Meets provisions	45	32	69
• Does not meet provisions	37	19	69
• Not yet decided or withdrawn	16	58	70
Percentage of claims referred	13.8%	15.5%	20.3%

Resident Return visas (RRVs), Former Resident visas, Australian Declaratory visas and Certificates of Evidence of Resident Status

The department:

- develops and administers visa arrangements that facilitate the re-entry of Australian permanent residents and ensures that only those people with a genuine commitment to residing in Australia, or who are contributing to Australia's wellbeing, retain the right to return and remain permanently in Australia
- develops and administers visa arrangements to facilitate the entry of former Australian permanent residents who spent nine out of their first 18 years in Australia and who have maintained close ties to Australia, and those who served in Australia's armed forces before 19 January 1981
- provides Australian Declaratory Visa (ADV) documentation to facilitate the entry to Australia of Australian citizens and dual nationals in limited circumstances
- provides Certificates of Evidence of Resident Status (CERS) to Australian permanent residents who require evidence of their status
- provides Certificates of Status for New Zealand Citizens in Australia (CSNZCA) to eligible New Zealand citizens for Centrelink purposes.

Performance

The combined number of visas granted and certificates issued in 2010–11 was 91 343. Tables 15 and 16 show the breakdown of results for 2010–11 and the previous two years.

Table 15: Resident Return visas, Former Resident visas and Australian Declaratory visas

Number of visas granted	2008–09	2009–10	2010–11
Resident Return visas	66 587	73 679	77 499
Former Resident visas	166	499	417
Australian Declaratory visas	982	925	778
Total number of visas granted	67 735	75 103	78 694

Table 16: Certificates of Status

Number of certificates issued ¹	2008–09	2009–10	2010–11
Certificates of Evidence of Resident Status	13 279	13 537	11 995
Certificates of Status for New Zealand Citizens in Australia	1 571	784	654

1. Numbers are approximate as the data source is manual and does not include the minimal number of CERS issued offshore.

Students

International students are important to Australia's future. The student visa program makes a significant contribution to the Australian economy and assists in maintaining sustainable education and tourism industries through the temporary entry to Australia of genuine international students.

The student visa program consists of a range of visa categories that broadly correspond to education sectors. Students must study with an education provider and in a course registered on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS).

There are two visas in the program that are not related to specific education sectors. The Student Guardian (subclass 580) visa is available for individuals to accompany and care for minors studying in Australia. The AusAID and Defence Sector (subclass 576) visa exists for students sponsored by those Australian Government agencies.

Performance

Key indicators of the effectiveness of the student visa program include a sustainable level of visa grant rates, improved visa processing service standards and improved compliance with visa requirements.

Several factors contributed to both a reduction in the number of student visa applications received and a corresponding decrease in the student visas granted this year compared to 2009–10. These included the strength of the Australian dollar over this period, increased marketing activity by competitor countries, college closures creating uncertainty about the stability of Australian education providers, and the decoupling of education and general skilled migration. Declines are evident in most sectors, with the greatest declines in the Independent English Language Intensive Course for Overseas Students (ELICOS) and school sectors.

Between 2009–10 and 2010–11, offshore visa grants declined by 20.3 per cent while onshore grants increased by 11.3 per cent. This indicates that while fewer new students are coming to Australia to study, those already onshore appear to be intending to study for longer in Australia or are transferring to different courses.

Table 17 shows the total student visa grants for 2009–10 and 2010–11. Table 18 shows the top 10 source countries for student visa grants in 2010–11. Table 19 shows total student visa grants by subclass.

Table 17: Total student visa grants for 2009–10 and 2010–11

Location	2009–10		2010–11		Percentage change	
	Finalisations	Grants	Finalisations	Grants	Finalisations	Grants
Offshore	195 076	158 240	143 127	126 186	-26.6%	-20.3%
Onshore	118 821	111 588	135 040	124 252	13.6%	11.3%
Total	313 897	269 828	278 167	250 438	-11.4%	-7.2%

Table 18: Top 10 source countries for student visa grants in 2010–11

Citizenship country	Visas
People's Republic of China	49 852
India	28 954
Republic of Korea	13 238
Brazil	9 780
Malaysia	9 709
Thailand	9 273
Nepal	8 830
United States of America	8 562
Indonesia	8 088
Saudi Arabia	7 798
Total student visa grants for top 10 countries	154 084
Total global student visa grants	250 438

Table 19: Total student visas granted by subclass (2009–10 and 2010–11)

Category	2009–10	2010–11	Percentage change
Independent ELICOS ¹	35 261	29 062	-17.6%
Schools	12 462	10 460	-16.1%
Vocational Education and Training	71 942	67 406	-6.3%
Higher Education	118 541	112 567	-5.0%
Postgraduate Research	9 301	9 203	-1.1%
Non-Award	18 140	17 107	-5.7%
AusAID/Defence	4 181	4 633	10.8%
Total	269 828	250 438	-7.2%

1. English Language Intensive Course for Overseas Students.

Note: visa grant figures exclude student guardians.

At 30 June 2011, there were 332 709 people in Australia on student visas, a decrease of 13.1 per cent on 2009–10. During the academic term (on 31 March 2011), there were 381 080 student visa holders in Australia, a 10.5 per cent decrease compared with the corresponding period last year (425 866).

The sharpest fall in international student numbers was for Indian students (decline of 36.5 per cent) and can be attributed to fewer Indian students arriving and higher numbers departing. The decline in Indian student visa holders in Australia was, in part, the result of a high concentration of students within the vocational education and training (VET) sector which was most affected by measures to de-couple study in Australia from permanent residence.

Table 20: Number of student visa holders in Australia on 30 June each year from 2009 to 2011 by citizenship

Citizenship country	2009 ^r	2010 ^r	2011
People's Republic of China	76 462	79 861	75 578
India	92 364	80 331	50 980
Republic of Korea	22 460	21 540	18 695
Vietnam	13 964	16 418	16 283
Malaysia	15 880	16 515	15 514
Nepal	20 309	17 813	13 228
Thailand	13 386	13 063	11 700
Indonesia	11 536	12 184	11 508
Saudi Arabia	8 567	9 689	9 167
Hong Kong (SAR of China)	7 375	8 129	8 144
Other	103 963	107 173	101 912
Total	386 266	382 716	332 709

r. A new source of data for this table has resulted in slight differences to statistics published in previous years.

Strategic review of the student visa program

In December 2010, the government commissioned a strategic review of the student visa program. The Hon. Michael Knight AO was appointed to undertake the review and to make recommendations to government on building a student visa framework that will reinforce the stability, quality and integrity of the international education sector into the future. The department provided significant secretariat support to Mr Knight to undertake the review. DEEWR also provided a senior officer as part of the secretariat.

Mr Knight was due to report to government in mid-2011 and provided his report to Ministers on 1 July 2011. The report is being considered by government.

Australian National Audit Office audit report on management of student visas

On 31 May 2011, the Australian National Audit Office (ANAO) tabled in parliament an audit report on the management of student visas. The ANAO made six recommendations in relation to student visa processing, student visa compliance and cooperation between the department and DEEWR. The department accepted all six recommendations made by the ANAO and work is already underway to address issues outlined in the recommendations.

Australian Institute of Criminology report on crimes against international students in Australia

In early 2010, the government asked the Australian Institute of Criminology (AIC) to conduct independent research into crimes against international students, with particular reference to crime against Indian students. The report will form part of the government's response to concerns about international student safety that arose following a series of attacks on international students in 2009 and 2010.

The study, *Crimes against international students in Australia: 2005–2009*, analyses data on student visa holders from the five countries with the largest student populations living in Australia—India, People's Republic of China, Republic of Korea, Malaysia and the United States of America. The study compares international student victimisation rates with age adjusted victimisation rates for the relevant state population averages.

The study is expected to be released in August 2011.

Compliance

The department continues its work to minimise the number of student visa holders who do not comply with their visa conditions.

An analysis of the department's compliance data shows that 3624 visas were cancelled due to non-attendance at classes or a failure to meet course progress requirements. The remainder of cancellations were for a variety of reasons and did not necessarily reflect non-compliance. For example, 212 student visas were cancelled at the request of students as they had completed their courses early, and 2235 student visas were cancelled where students chose to cease their studies.

A total of 8309 student visa holders became unlawful (did not hold a valid visa) in 2010–11. As a proportion of the total number of student visa holders in Australia, the unlawful rate in 2010–11 was 1.7 per cent, compared with 1.6 per cent in 2009–10.

Uptake of student eVisa

The student eVisa system allows for the online lodgement of student visa applications by students from Assessment Level 1 countries. Prospective students from selected Assessment Level 2–4 countries can also lodge online but must do so through the use of a registered education or migration agent who is approved by the department to access the student eVisa system. These agents are either registered migration agents based in Australia, or education agents based in India, the People's Republic of China, Thailand or Indonesia.

In 2010–11, the department began a new phase in Assessment Level 2–4 Student eVisa lodgement. The new phase involved transitioning all existing agents from being signatories to a Facility Access Agreement (FAA) to being signatories to a new Deed of Agreement (DoA). The DoA imposes additional requirements on participating agents, including requirements to:

- lodge a minimum of 30 successful student visa applications per financial year
- undertake detailed verification procedures to confirm the authenticity and validity of the documents submitted by prospective student visa applicants
- implement adequate record keeping procedures.

The department undertook a re-registration process for existing agents (onshore and offshore) and a registration process for new agents (offshore only) which was completed in August 2010. More than 950 agents were considered as part of this process globally. Of these, about 490 were approved for access to eVisa. The remainder had their access removed. In the second half of 2010, an expression of interest process was conducted for new onshore agents only. As a result of this process, the department granted access to 113 additional agents.

Overall, the applications lodged and visas granted through eVisa this year have decreased compared with lodgement and grant numbers for 2009–10. This is consistent with the global decrease in offshore applications and visa grants during the same period. The decrease in offshore applications was mainly due to a decline in lodgements in the vocational education and training and higher education sectors.

Table 21: Offshore eVisa lodgements in student assessment level 2–4 eVisa countries (India, People's Republic of China, Thailand¹ and Indonesia)

Country	2008–09	2009–10	2010–11
India	57 894	12 987	1 574
People's Republic of China	30 135	25 591	19 130
Thailand	3 215	1 847	464
Indonesia	806	2 007	1 556
Total	92 050	42 432	22 724

1. Thailand is AL 2 only in ELICOS and vocational education and training (VET) sectors.

Note: Data excludes AusAID/Defence (subclass 576)

Table 22: Offshore eVisa grants in student assessment level 2–4 eVisa countries (India, People's Republic of China, Thailand¹ and Indonesia)

Country	2008–09 ^r	2009–10 ^r	2010–11
India	49 052	9 476	1 235
People's Republic of China	27 810	24 010	19 749
Thailand	3 104	1 681	391
Indonesia	728	1 996	1 459
Total	80 694	37 163	22 834

1. Thailand is AL 2 only in ELICOS and VET sectors.

r. A new source of data for this table has resulted in slight differences to statistics published in previous years.

Note: Data excludes AusAID/Defence (subclass 576)

Offshore eVisa percentage take-up rates for India, People's Republic of China, Thailand and Indonesia have decreased, in some cases significantly, compared with take-up rates for 2009–10. The decline may be due in part to a decrease in the number of approved eVisa agents in these countries as a result of the re-registration process in 2010.

Table 23: Offshore eVisa percentage take-up rates for student assessment level 2–4 eVisa countries (India, People's Republic of China, Thailand¹ and Indonesia)

Country	2008–09 ^r	2009–10 ^r	2010–11
India	86.3%	70.3%	22.9%
People's Republic of China	72.5%	74.5%	73.6%
Thailand	52.2%	38.7%	13.2%
Indonesia	13.3%	34.4%	32.0%

1. Thailand is AL 2 only in ELICOS and VET sectors.

r. A new source of data for this table has resulted in slight differences to statistics published in previous years.

Note: Data excludes AusAID/Defence (subclass 576)

Temporary residents (economic)

Skilled temporary residents make a significant contribution to the Australian workforce, bringing new ideas, international contacts and access to cutting edge technologies and business practices. These temporary residents come to Australia to undertake a variety of roles, working for example as doctors, engineers, academics, researchers, entertainers and as international media representatives. Through their work they further Australia's economic interests in an increasingly global workforce and they assist businesses to meet key and emerging skill gaps, particularly in regional areas.

By meeting specific skill needs in Australian businesses, skilled temporary residents help Australia remain a strong competitor in the international market. The program also ensures a balance of benefits to Australia by protecting the employment and training opportunities of Australian workers. Many also help businesses train their Australian staff and open up opportunities for Australian workers.

Temporary Economic visas, some offered under reciprocal arrangements and bilateral agreements with other countries, allow skilled workers from overseas to come to Australia and broaden their work experience and skills. Visa applicants are required to have the skills, qualifications, experience and employment background to perform their nominated position. They may also be required to demonstrate English language proficiency.

Performance

Temporary Business (Long Stay) (subclass 457) visas, commonly known as subclass 457 visas, are temporary visas which allow skilled workers to remain in Australia for between one day and four years. The program is uncapped, demand-driven by employers and highly responsive to Australian labour market conditions. Statistics show that when the Australian unemployment rate goes down and skilled vacancies increase, the use of the subclass 457 visa goes up. In turn, when the unemployment rate goes up, employer demand for the subclass 457 visa quickly declines.

Demand for subclass 457 visas has increased in 2010–11, following a decline in applications in 2009–10 due to the economic downturn. In addition, emerging skills shortages, posing a risk to business growth in some parts of the Australian economy, have increased demand, resulting in the strongest year on record for the subclass 457 visa program.

There has been a 32.6 per cent increase in subclass 457 grants from 2009–10, with 90 120 visas granted in 2010–11. A total of 48 080 of these visas were granted to primary visa applicants and the remaining 42 040 to their dependants. At 30 June 2011, there were 131 430 subclass 457 visa holders living in Australia, of whom 72 030 were primary visa holders.

The increase in subclass 457 visa applications and grants was most pronounced in trade and technician occupations, with the number of applications for trade and technician occupations rising 74.9 per cent from 2009–10 to 10 180 in 2010–11. In particular, there were 5920 visas granted to workers in the construction industry, which is a 77.8 per cent increase from 2009–10. The expansion of mining projects has fuelled much of the demand for these workers.

The increase in the number of construction industry grants has occurred at the same time as an increased need for skilled workers to assist with rebuilding efforts after the floods in Queensland. Sponsors endorsed by the Queensland Government have been given priority processing, resulting in a median processing time of 1.5 days for decision-ready applications (that is, all required paperwork submitted with the visa application).

The department has approved 30 visas in relation to flood reconstruction work. The reason for the low take-up is that some employers have continued to use the standard processing arrangements that have historically low median processing times of 22 calendar days. As such they have not needed to seek special priority for flood reconstruction work.

The number of subclass 457 visas granted for skilled workers in the information and communications technology sector has increased, with 5430 primary visas granted and developer programmers named as the top nominated occupation for the year. The demand for health professionals has also remained strong, with the highest number of subclass 457 visa applications granted in 2010–11 in the health care and social assistance industry. Resident medical officers were the third highest nominated occupation.

The top five source countries for the subclass 457 visa in 2010–11 were the United Kingdom, followed by India, the United States of America, the Republic of Ireland and the Philippines. Figure 6 provides a break down of 457 visa grants by source country.

Figure 6: Subclass 457 primary visa grants by source country

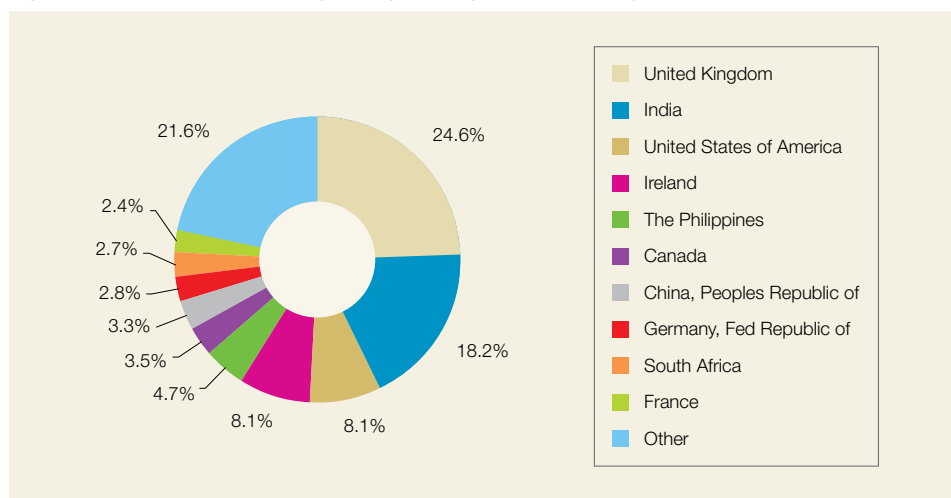


Table 24: Application type and percentage of subclass 457 applications lodged online

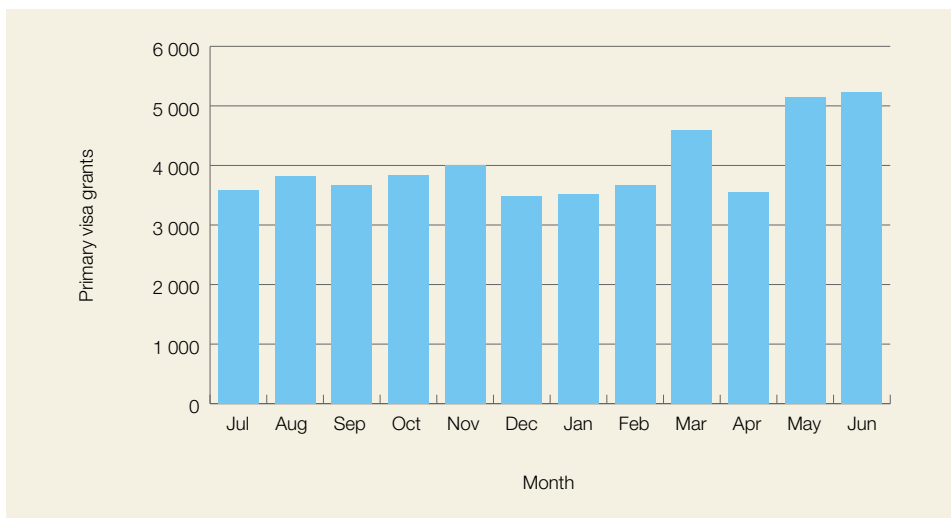
Application type	2008–09	2009–10	2010–11
Sponsorship applications	75.0%	73.5%	76.7%
Nominations	86.1%	87.4%	89.7%
Primary visa applications	81.8%	84.1%	87.6%

Table 25: Overview of Temporary Skilled Migration (subclass 457)¹

Measure	2008–09	2009–10	2010–11
Visa grants to primary applicants	50 660	34 790	48 080
Total visa grants	101 280	67 980	90 120
Sponsors with a grant to a primary applicant	12 980	9 070	11 290
Average nominated base salary	\$77 500	\$86 400	\$86 800
Percentage of Australian New Zealand Standard Classification of Occupations Skill Level 1 and 2 primary grants	81.3%	90.0%	88.0%

1. Excludes independent executives.

Figure 7: Number of primary visas granted each month during 2010–11



Impact of major reforms

Two years after the implementation of major reforms to the subclass 457 visa program, it continues to provide industry with skilled workers where local labour is not available. However, it now more effectively protects the rights of overseas workers and further prevents the program from undermining local employment and training opportunities.

To be approved as a sponsor for the program, employers must demonstrate a commitment to the training of Australians. They are required to attest in writing that they have a strong record of, and a demonstrated commitment to, the training and employment of Australian citizens and permanent residents. Employers must also meet the prescribed training benchmarks for the training of Australian citizens and permanent residents. Since their introduction, these commitments to training and employment have ensured that when sponsors employ overseas workers on subclass 457 visas, Australian workers are also trained to meet the skills shortages of industry.

Sponsors of subclass 457 visa holders must also comply with binding sponsorship obligations. These include the obligation to ensure overseas workers are provided with terms and conditions no less favourable than those provided to Australian workers performing equivalent work in the same workplace. This means that sponsors must pay subclass 457 visa holders the market salary rate and cannot use the program to undercut local wages. As a result of this requirement, the average nominated base salary for a 457 visa holder was \$86 800 in 2010–11. The cost of market salary rates and complying with the suite of sponsorship obligations provides a significant incentive for employers to hire and train Australians in the first instance and only hire 457 visa holders when local labour is not available.

Measures introduced to allow 457 visa holders greater mobility between employers have further ensured the integrity of the program in 2010–11. Subclass 457 visa holders may change employers to another approved sponsor by applying for a new nomination and no longer have to complete a new visa application. This has increased the ability of subclass 457 visa holders to move between employers and reduced their vulnerability to exploitation from particular employers.

The requirement for all people working in Australia on subclass 457 visas to maintain adequate insurance for their health costs, and that of their accompanying dependants, for the length of their visa has prevented employers from exerting pressure on visa holders not to access health care. This has also given visa holders a greater ability to change employer, again reducing their risk of exploitation.

The requirements for approved sponsors were also streamlined. Approval as a sponsor lasts for three years and there is no limit on the number of nominations for overseas workers that an approved sponsor can make in that time.

Monitoring of sponsors

The 2010–11 program year was the first year of the department's monitoring of sponsors under the *Migration Legislation Amendment (Worker Protection) Act 2008*. The Act has provided the department with increased powers to sanction sponsors who are not complying with sponsorship obligations. In addition, under the Act, the department has an expanded range of sanctions it can impose on sponsors for non-compliance by allowing a court to impose civil penalties and by providing that an infringement notice may be issued as an alternative to pursuing a civil penalty provision.

Table 26 shows the department's monitoring performance over the last three years.

Table 26: Subclass 457 monitoring performance

Measure	2008–09	2009–10	2010–11
Active sponsors (sponsors with a primary visa holder in Australia at the end of the financial year)	19 610	18 270	18 520
Sponsors monitored	4 348	2 546	2 091
Sponsors site visited	1 752	1 245	814
Sponsors formally sanctioned	190	164	140
Sponsors formally warned	941	510	453
Referrals to other agencies	154	65	61

Case study



Labour agreement helping all creatures great and small

As the owner of the only vet clinic in Alice Springs, Dr Deborah Osborne knows better than most the importance of the labour agreement program in sourcing trained staff from overseas.

With four veterinary nurses employed in the practice on Temporary Business (Long Stay) (subclass 457) visas in 2010–11 and four more on the way, Dr Osborne said the labour agreement program is crucial for her practice to manage its caseload.

Dr Osborne explained that it was difficult to draw Australian veterinary nurses to Alice Springs, as well as outlining the inefficiencies of using temporary staff in the long-term.

‘Alice Springs is the sort of place that everyone wants to visit but not everyone wants to live,’ Dr Osborne said.

‘Without the labour agreement program, we would be heavily reliant on temporary staff members who are not committed to the long-term viability of the business. They are here for a month or two and then they move on.’

With trained veterinary nurses on board, it means Dr Osborne can meet the commitment under the labour agreement to balance overseas labour with a strong and measurable commitment to employing and training workers.

In 2010–11, the department reduced labour agreement negotiation timeframes by about 50 per cent, allowing the increasing number of employers turning to the labour agreement program to source overseas staff when it was most needed.

With the help of the labour agreement program, Dr Osborne said the long-term outlook for her practice is good—which is just what the pet owners of Alice Springs want to hear.

Photo: Dr Osborne employs four veterinary nurses under the subclass 457 program.

As part of the package of reforms introduced in 2009, an inspector role was created. This role enhances the capability of the department to investigate non-compliance with program requirements. The powers are closely aligned with those provided for under the *Fair Work Act 2009*. There are 27 inspectors across Australia.

Inspectors have powers under the Migration Act to investigate non-compliance with the sponsorship obligations. For example, inspectors have the power to:

- enter premises or a place without force
- require a person to produce a record or documents
- inspect and make copies of any number of documents
- interview people while at the premises or place.

Pathway to permanent residence

The subclass 457 program provides a pathway for skilled workers and their dependants to apply for permanent residence, usually through an employer's sponsorship. In 2010–11, 41 710 permanent residence or provisional visas were granted to people who last held a subclass 457 visa. The majority (96.2 per cent) applied for permanent entry under the Employer Nomination Scheme, Regional Sponsored Migration Scheme, Labour Agreement or Skilled Independent visa programs.

Given the rise in applications for subclass 457 visas in 2010–11 and the continuing low unemployment rate in Australia, it is expected that 2011–12 will again see an increase in demand for the subclass 457 visa program.

Labour agreements

Labour agreements allow approved businesses to sponsor overseas workers when there is a demonstrated need that cannot be met from the Australian labour market. Employers can seek access to a labour agreement when standard temporary or permanent migration arrangements are not appropriate.

The labour agreement program plays an important role in economic growth by helping industry to overcome constraints that result from a shortage of workers in a particular location. As a labour agreement provides a variation to standard migration programs, additional terms and conditions may apply.

Labour agreements are negotiated between the Australian Government, represented by the department, and employers. Labour agreements are generally effective for three years.

To improve the transparency of the labour agreement process, employers are required to consult with, or make genuine efforts to consult with, industry stakeholders including relevant trade unions and peak industry bodies during the negotiation of their labour agreement.

Labour agreements are the only migration pathway for semi-skilled labour. In October 2010, the minister agreed to a streamlined decision-making process for labour agreement requests which halved the average negotiation time for the labour agreement program.

For requests lodged in 2009 the average negotiation time was 11 months compared to the average negotiation time of about six months for requests lodged in 2010.

At 30 June 2011, there were 121 labour agreements in place and a further 90 agreements were under negotiation.

Template labour agreements can be developed for specific industries. A 'template' agreement is specific to an industry sector and provides the same terms to all sponsors in that industry. There are currently two template labour agreements in place, one for the meat industry and one for the on-hire industry.

The meat industry template labour agreement provides a specifically tailored pathway for meat companies to gain access to skilled overseas meat workers. It is the only avenue for employers to sponsor skilled meatworkers from overseas on a temporary or permanent basis. At 30 June 2011, 27 companies had signed a meat industry labour agreement and a further eight agreements were under negotiation.

The on-hire industry template labour agreement became the compulsory pathway for the on-hire industry to gain access to the subclass 457 visa program in 2007. At 30 June 2011, 64 companies had signed an on-hire industry labour agreement and a further 24 agreements were under negotiation.

Labour agreements also provide a level of flexibility to meet the needs of small industries with specialised needs, while continuing to support and strengthen the integrity of the program.

Companies outside the on-hire and meat industries can request concessions to standard program requirements. Employers are required to provide a sound business case when seeking a concession to labour agreement requirements.

At 30 June 2011, there were 30 company-specific (non-template) labour agreements in place and a further 58 agreements were under negotiation.

New initiatives announced for 2011–12

On 10 May 2011 as part of the 2011–12 Budget, the government announced two new migration initiatives—the introduction of regional migration agreements (RMAs) and enterprise migration agreements (EMAs).

Regional migration agreements

Regional migration agreements will bring together employers, local and state government and unions to cooperate on addressing local labour needs. RMAs will help local areas to implement workforce strategies that support growth while ensuring that Australian workers remain the first choice for employers and industry. By utilising RMAs, local communities will be able to gain streamlined access to temporary and permanent overseas workers where there is a genuine need.

Enterprise migration agreements

Enterprise migration agreements will help to address the skill needs of the resources sector. EMAs will provide custom-designed, project-wide migration arrangements for resource projects. They will help to ensure that peak workforce needs are met, easing capacity constraints and ensuring economic and employment benefits can be realised. The introduction of EMAs was recommended by the National Resources Sector Employment Taskforce (NRSET) in July 2010.

The NRSET, chaired by the Hon. Gary Gray AO, MP, then Parliamentary Secretary for Western and Northern Australia, was convened in late 2009 to help address the need for more than 70 000 additional skilled workers on major resource projects during the next five years.

The NRSET brought down its final report in July 2010. The report canvassed a range of recommendations across workforce planning and workforce participation, education and training, and community infrastructure. The NRSET noted that migration is one tool for meeting Australia's future skills needs and recommended the introduction of EMAs. The government agreed to all 31 recommendations of the report on 15 March 2011.

EMAs will take a project-wide approach to meeting skill needs. Rather than each sub-contractor having to negotiate their own labour agreement, the bulk of negotiation will occur with the project owner. This means that project owners can plan their workforce needs at the outset and there will be a straightforward process for sub-contractors to sign up to an individual labour agreement.

The department will aim to negotiate the agreements within three months from the time a project owner submits a complete request for an EMA. Labour agreements and visa applications associated with an EMA will also be subject to expedited processing.

Under an EMA, occupations which are not eligible for standard migration programs can be sponsored, provided the project can justify a genuine need which cannot be met from the Australian labour market. This will be critical for many resource projects, particularly during the construction phase.

The Pacific Seasonal Worker Pilot Scheme

The Pacific Seasonal Worker Pilot Scheme allows for up to 2500 visas to be issued for the life of the pilot to workers from participating Pacific Island countries of Kiribati, Papua New Guinea, Tonga and Vanuatu. Pacific seasonal workers are invited to work in Australia by approved employers in the horticulture sector, in regional areas which have demonstrated labour shortages.

On 8 December 2010, the government announced changes to pilot parameters to better meet the evolving needs of the horticulture industry and increase the number of Pacific Island seasonal workers participating in the program.

As at the 30 June 2011, there were 14 approved employers and 546 visas granted from the four participating countries. Table 27 provides a breakdown of the visas granted by participating country.

Table 27: Pacific Seasonal Worker Pilot Scheme visas granted by participating country

Participating country	Visas granted since 2008
Tonga	(including 64 returning workers) 490
Kiribati	(including eight returning workers) 29
Vanuatu	18
Papua New Guinea	9
Total	546

The department has been allocated \$400 000 for each year of the pilot to provide grants to support communities participating in the pilot scheme. The projects deliver an integrated social cohesion strategy that harmonises community diversity and facilitates acceptance and inclusion of Pacific seasonal workers.

Three projects were funded in 2011 and will run until the conclusion of the pilot in June 2012. A fourth project, national in scope, is under negotiation. Each project employs a community social cohesion officer.

Temporary residents (non-economic)

Temporary resident (non-economic) visas cater for the temporary entry to Australia of people for purposes that benefit Australia by supporting social and cultural interactions, educational and tourism activities and enhanced international relations.

People facilitated by these visas include employees undertaking work-based occupational training, foreign officials working in a diplomatic capacity in Australia, professional academics observing or participating in Australian research projects and religious workers serving the objectives of a religious institution.

They also include people participating in programs established under government-to-government agreements, sportspeople participating in high profile events and self-funded retirees residing in Australia during their retirement years.

Performance

The department continued to support Australia’s prosperity in 2010–11 through the delivery of the temporary resident program in accordance with service standards.

In 2010–11, an overall increase in demand for many of these temporary resident visas is evident. Notable increases on 2009–10 grants include the Visiting Academic visa (33.9 per cent), the New Zealand Citizen Family Relationship visa (35.4 per cent) and the Investor Retirement visa (66.3 per cent). Grants of the Government Agreement visa also increased by 113.8 per cent, however, it should be noted that this visa only began in September 2009. It is expected that the use of this visa will continue to increase as the Australian Government and state and territory governments continue to engage with overseas partner agencies.

A significant reduction in Sport visa grants (down 39 per cent since 2009–10) continued during 2010–11. This may be due to a decline in major sporting events during the year, or to the use of other, less expensive, temporary visa products that are suitable for short-stay events.

Table 28: Percentage of temporary program applications finalised within service standards

	2008–09	2009–10	2010–11
Service standard	75%	75%	75%
Result	85.1%	81.5%	79.4%

Table 29: Temporary resident (non-economic) visas granted

Visa	2008–09	2009–10	2010–11
Investor Retirement (subclass 405) visas	73	80	133
Government Agreement (subclass 406) visas ¹	0	232	496
Retirement (subclass 410) visas ²	1 208	2 107	1 875
Foreign Government Agency (subclass 415) visas	353	274	286
Special Program (subclass 416) visas ³	2 159	2 081	2 140
Visiting Academic (subclass 419) visas	2 916	1 943	2 602
Sport (subclass 421) visas	3 118	825	497
Religious Worker (subclass 428) visas	1 571	1 420	1 835
Occupational Trainee (subclass 442) visas	4 945	3 726	3 480
New Zealand Citizen Family Relationship (subclass 461) visas	1 602	1 623	2 197
Professional Development (subclass 470) visas	557	531	491
Diplomatic (subclass 995) visas	2 307	2 111	2 330
Total	20 809	16 953	18 362

1. The Government Agreement (subclass 406) visa was created on 14 September 2009.

2. The Retirement (subclass 410) visa closed to new applicants from July 2005, however, existing visa holders continue to renew.

3. Excludes Pacific seasonal workers reported under the departmental item Temporary residents (economic).

Visitors and working holiday makers

The visitor and working holiday maker programs facilitate the entry to Australia of genuine tourists, business visitors, family visitors and working holiday makers while minimising non-return rates and contravention of visa conditions. In doing so, the department supports the continued growth of the Australian tourism industry, international trade and commerce, and the needs of the Australian community.

People who wish to visit Australia can apply for a range of visas, including, but not limited to:

- Electronic Travel Authorities (ETAs) (subclasses 956, 976 and 977), which enable passport holders from 33 countries and regions to make short-term tourism and business visits
- eVisitor (subclass 651) visas, which are available via a free online service for eligible European tourists and business visitors for stays of up to three months
- Tourist (subclass 676) visas
- Sponsored Family Visitor (subclass 679) visas, which are specifically designed for people seeking to visit family in Australia
- Business (Short Stay) (subclass 456) visas and Sponsored Business Visitor (Short Stay) (subclass 459) visas for people wishing to make short business visits to Australia
- Superyacht Crew (subclass 488) visas, which allow the crew of superyachts to work on-board these vessels in Australia for up to one year
- Working Holiday (subclass 417) visas and Work and Holiday (subclass 462) visas, which provide opportunities for people aged 18 to 30 to holiday in Australia and to supplement their travel funds through short-term employment
- Medical Treatment (Short Stay) (subclass 675) visas and Medical Treatment (Long Stay) (subclass 685) visas, which enable people to travel to Australia for medical treatment or consultations.

Performance

During 2010–11, the department supported the continued growth of the tourism industry, international trade and commerce, and the needs of the Australian community, by facilitating the entry of genuine visitors to Australia, through:

- finalising 95.5 per cent of visitor and Working Holiday Maker visa applications within service standards
- reviewing integrity checks to minimise the risk of non-bona fide visitors being granted visitor visas
- promoting tourism to Australia through targeted schemes such as the Approved Destination Status scheme and the Preferred Aussie Specialist program
- working cooperatively with other Australian Government and state and territory government agencies and peak industry bodies
- providing assistance to international event organisers and participants for key events such as *The Oprah Winfrey Show* visit to Australia in November 2010.

The use of electronic visa options by eligible passport holders declined slightly in 2010–11. The implementation of the eVisitor (subclass 651) visa for European Union nationals since October 2008 and the expansion of the electronic version of the Tourist (subclass 676) visa may have contributed to a spike in electronic lodgement in 2009–10. This year lodgement numbers have normalised.

In 2010–11 the department used a range of tools to minimise the potential for non-genuine visitors to enter or remain in Australia or to contravene their visa conditions. These tools include the no further stay condition, security bonds, sponsor sanctions and Safeguards profiles. Safeguards is an evidence-based integrity treatment tool that is used to support decision-makers in assessing applications, by ensuring that appropriate integrity checks are undertaken. It enables the decision-maker to consider information, including local intelligence, before an application is decided.

The percentage of visitor visa holders who abided by their visa conditions increased in 2010–11 to 99.3 per cent, compared to 95.3 per cent in 2009–10. These figures demonstrate that the vast majority of people granted visitor visas have been correctly assessed as genuine visitors.

Table 30: Visitor visa key performance indicators

Key performance indicators	2008–09	2009–10	2010–11 target	2010–11 actual
Percentage of temporary entrants who abide by their visa conditions remains high or increases	99.4%	95.3%	> 95%	99.3%
Percentage of applications from eligible caseloads lodged through eVisa ¹	80.4%	86.3%	> 80%	81.9%

1. The percentage of applications lodged through eVisa where the applicant had an eVisa option based on their purpose of travel (excluding electronic applications for Electronic Travel Authorities).

In 2010–11, 96.3 per cent of Visitor visas were finalised within service standards. This is consistent with 2008–09 (96.9 per cent) and 2009–10 (97.2 per cent).

Table 31: Visitor visa performance against the service standards

Category	Onshore clients		Offshore clients	
	Low risk	High risk	Low risk	High risk
Sponsored Family Visitor (subclass 679)				
Target	Not applied for onshore	Not applied for onshore	Not applicable	75% finalised in 1.5 months
Result	-	-	-	68.2%
Non-sponsored Visitor (short stay) (subclasses 676, 976, 651 (Tourism stream))				
Target	75% finalised in 1 working day	75% finalised in 1 week	75% finalised in 1 working day	75% finalised in 1 month
Result	58.7%	63.8%	97.0%	96.7%

Table 31: Visitor visa performance against the service standards *continued*

Category	Onshore clients		Offshore clients	
	Low risk	High risk	Low risk	High risk
Sponsored Business Visitor (subclass 459)				
Target	Not applied for onshore	Not applied for onshore	Not applicable	75% finalised in 1 month
Result	-	-	-	86.4%
Non-sponsored Business Visitor (subclasses 456, 956, 977, 651 (Business stream))				
Target	Not applied for onshore	Not applied for onshore	75% finalised in 1 working day	75% finalised in 1 month
Result	-	-	95.4%	97.8%

Visitor visa grants

In 2010–11, there were a total of 3 543 883 temporary visitor visas granted. This included 3 518 588 visitor visas granted offshore, an increase of three per cent from the 2009–10 figure of 3 416 576. The highest number of offshore visitor visas was granted to people from the United Kingdom. There has been a significant increase in visitors from the People's Republic of China, reflecting an increasing demand for independent travel by the emerging Chinese middle class.

Table 32: Main source countries for offshore visitor visa grants

Country	2008–09	2009–10	2010–11
United Kingdom	587 072	587 122	570 561
United States of America	370 866	393 245	373 051
Japan	351 307	325 656	324 215
People's Republic of China	231 953	243 671	323 007
Malaysia	160 019	165 156	192 157
Republic of Korea	150 619	162 432	175 502
Germany	136 616	145 677	142 133
Singapore	131 309	131 935	141 684
France	116 328	124 481	122 872
India	90 569	95 961	106 116
Canada	105 505	108 765	105 100
Indonesia	63 596	75 173	83 167

Case study



The 'O' effect

While major event policy staff are used to providing advice to a wide variety of organisations planning international events in Australia, they got a big surprise when they found out they would be assisting one of the best known television programs in the world—a visit by popular talk program, *The Oprah Winfrey Show*.

'It was really interesting and satisfying to see the results of our work on TV,' the department's major international event coordinator Ms Lynette Belmonte said.

The announcement of the visit, made during the premiere episode of the show's farewell season on 13 September 2010, represented a major coup for Tourism Australia and the local tourism industry.

The visit involved Ms Winfrey, 302 of her 'ultimate viewers' and a substantial TV production team. Two episodes of Oprah's show were filmed in front of large audiences outside the Sydney Opera House.

The department worked closely with Tourism Australia to ensure the smooth and timely processing of visas for those involved in the high profile event.

Immigration staff moved fast with advice on visa products and the processing of visas to help make the visit a success. Even though most of the visiting entourage were citizens of the United States of America and therefore eligible to apply for visas online, it was important to quickly and professionally resolve any issues for the visitors.

From 28 November 2010, crew for Oprah's ultimate Australian adventure arrived in Australia, followed soon after by audience members. By the time of their departure on 15 December, Australia had witnessed one of the most outstanding international tourism initiatives seen in decades.

The exercise illustrated one of the many critical roles the department plays in facilitating major international events.

Photo: Oprah Winfrey and her team at Uluru—one of the places visited by Oprah and her viewers as part of Oprah's ultimate Australian adventure.

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More than 412 000 eVisitor (subclass 651) visas, which are available to European Union passport holders, were granted in 2010–11, a 4.8 per cent increase compared to 2009–10. The Superyacht Crew (subclass 488) visa resulted in 243 grants in 2010–11, an 8 per cent decrease compared to 2009–10.

Table 33: Visas granted to offshore applicants by category

Categories	2009–10	2010–11	Percentage variation
Electronic Travel Authority (ETA) (subclasses 956, 976, 977)	2 215 234	2 164 341	-2.3%
eVisitor (subclass 651) visas	393 647	412 502	4.8%
Superyacht Crew (subclass 488) visas	264	243	-8.0%
Tourist (non-ETA) (subclass 676) visas	610 618	708 256	16.0%
Business Visitor (non-ETA, non-eVisitor) (subclasses 456, 459) visas	171 989	215 473	25.3%
Sponsored Family Visitor (subclass 679) visas	22 457	15 445	-31.2%
Medical Treatment (subclasses 675, 685) visas	2 367	2 328	-1.6%
Total visitor visas	3 416 576	3 518 588	3.0%

The overall visitor visa grant rate for 2010–11 was 97.6 per cent, which is consistent with 2008–09 (98.1 per cent) and 2009–10 (98 per cent).^r

Table 34: Trends in visitor visa grant rates

Visa category	Grant rate 2007–08 ^r	Grant rate 2008–09 ^r	Grant rate 2009–10 ^r	Grant rate 2010–11
All offshore visitor visas	98.4%	98.1%	98.0%	97.6%
ETA (subclasses 956, 976, 977) visas	100%	100.0%	100.0%	100.0%
eVisitor (subclass 651) visas	Subclass did not exist	99.5%	99.3%	99.0%
All other offshore visitor visa applications (subclasses 456, 459, 488, 676, 679)	93.6%	92.6%	92.3%	91.9%

r. A new source of data for temporary entry reporting has resulted in slight differences to statistics published in previous years.

The online version of the Tourist (subclass 676) visa (known as 'e676') can only be applied for by eligible passport holders (those from the European Union and other low risk countries). It offers benefits including electronic payment of the visa application charge, quicker decision-making and label-free travel. This removes the need for applicants to visit or post their passport to an Australian diplomatic mission to have a printed visa label placed in their passport.

Some countries also have access to the e676 autogrant facility. This allows applications where further assessment is not required (such as for health, character or bona fide checking) to be approved within a matter of minutes.

In 2010–11, 58.6 per cent of offshore granted e676 Tourist visas were autogranter compared with 54.8 per cent in 2009–10.

Approved Destination Status scheme

Established in 1999, between the Australian and Chinese governments, the Approved Destination Status (ADS) scheme is a bilateral tourism arrangement, which continues to provide streamlined travel opportunities for Chinese tourists to undertake leisure travel in groups to Australia. Tourists under the ADS scheme are granted a subcategory of label-free Tourist (subclass 676) visa, which requires them to stay with their tour group, and prevents study, work and extending their stay in Australia. In 2010–11, there were 91 Chinese travel agencies and 50 Australian travel agencies participating in the scheme.

The ADS scheme has facilitated significant growth in leisure travel from China, with more than 672 190 tourists travelling to Australia since the scheme began in August 1999. In 2010–11, 108 487 tourists arrived under the ADS scheme, compared with 77 804 in 2009–10.

The ADS scheme is monitored closely in cooperation with People's Republic of China authorities. It has been extremely successful in allowing a large number of Chinese tourists to visit Australia, while ensuring high levels of integrity and compliance with visa conditions. The ADS non-return rate for 2010–11 was 0.12 per cent—well below the total visitor non-return rate of 0.74 per cent.

Since 2008–09, independent travellers have overtaken group travellers under the ADS scheme as the greatest source of Chinese tourists to Australia, with ADS grants constituting 45 per cent of tourist visa grants in 2010–11. This reflects an increasing demand for independent travel by the emerging Chinese middle class.

In April 2011, the Prime Minister witnessed the signing of a new Australia—China Tourism Memorandum of Understanding (MOU) in the People's Republic of China. The new MOU builds on the success of the ADS scheme and in addition to traditional group travel, seeks to support the expansion of marketing of Australia as a tourism destination to emerging travel segments.

Figure 8: Trends in Tourist (subclass 676) visas granted under the Approved Destination Status scheme



Visa initiatives in support of the tourism industry

Preferred Aussie Specialists (PAS) continued to operate in 2010–11 in India, Indonesia, Mexico, Russia and Thailand. PAS are travel agents trained by Tourism Australia to promote Australia as a destination and facilitate the processing of Australian visitor visa applications. Access to the online version of the Tourist (subclass 676) visa (known as 'e676') was extended to a small number of Indian PAS agents in 2010–11 as a result of good performance.

The Tourism Visa Advisory Group (TVAG) met quarterly in 2010–11 to facilitate consultation between the department and key tourism industry stakeholders, including representatives from Tourism Australia, the Tourism and Export Council, Tourism and Transport forum, Qantas, the Board of Airline Representatives Australia, the Australian Hotels Association, state and territory tourism authorities and the Department of Resources Energy and Tourism.

The eVisitor (subclass 651) visa, introduced in 2008 for citizens of the European Union (EU), continues to offer a user friendly, easily assessed online application, but also uses technological advances to improve the screening of travellers who may present a security or immigration risk.

A total of 412 502 eVisitor (subclass 651) visas were granted in 2010–11, an increase of 4.8 per cent over 2009–10 (393 647 visas granted). This appears to largely reflect an increasing preference for the streamlined processing of eVisitor applications among EU passport holders.

Table 35: Countries with high eVisitor (subclass 651) visa grants

Country	2009–10	2010–11
United Kingdom	174 395	191 072
Germany	48 227	48 672
France	35 589	35 388
Netherlands	21 311	19 891
Republic of Ireland	14 063	16 667
Sweden	11 846	12 357
Italy	10 829	11 654
Spain	8 627	8 840
Switzerland	8 163	8 257
Poland	8 147	8 205

Business visitors

There are five short stay business visitor visas. These are the Business (Short Stay) (subclass 456) visa, Sponsored Business Visitor (Short Stay) (subclass 459) visa, eVisitor (Business Stream) (subclass 651) visa, Electronic Travel Authorities (Business Entrant – Long Validity) (subclass 956) and Electronic Travel Authorities (Business Entrant – Short Validity) (subclass 977). These visas support Australian businesses, as they enable business people to visit Australia for business activities such as negotiations, signing of contracts, inter-company business activities, exploring investment opportunities and conferences.

In 2010–11, 442 482 short stay business visitor visas were granted, an increase of 16.8 per cent over 2009–10 (378 711 visas granted). The major source countries for short stay business visitors for the year were the People's Republic of China and the United States of America.

Table 36: Breakdown of Short Stay Business Visitor visas granted in 2010–11

Visa category	Visa grants in 2009–10	Visa grants in 2010–11	Percentage variation
ETA business visitor visas (subclasses 956 and 977)	170 846	186 459	9.1%
eVisitor (subclass 651) (Business stream)	35 876	40 550	13.0%
Non-electronic business visitor visas (subclasses 456 and 459)	171 989	215 473	25.3%

Table 37: Main source countries for Short Stay Business Visitor visa grants

Country	2008–09	2009–10	2010–11
People's Republic of China	53 043	55 179	74 320
United States of America	49 214	56 952	62 669
United Kingdom	33 499	36 336	40 016
India	21 511	22 107	25 586
Japan	20 283	20 103	23 045
Singapore	14 675	15 080	19 290
Indonesia	11 051	14 086	15 892
Malaysia	12 207	11 965	14 480
Germany	11 702	12 405	13 927
Thailand	10 247	9 176	13 179

Major events

The department contributes to tourism and international relations by working closely with other Australian Government and state government agencies, peak industry bodies and international organisations involved in arranging major events in Australia, as well as Australia's bids for events to be held here.

Several high-profile events have been facilitated, including the United Nations Non-Governmental Organisations Conference *Global Health Challenges: Achieving the Millennium Development goals* in August 2010, the filming of *The Oprah Winfrey Show* in Australia in December 2010 and the Arafura Games in May 2011.

Working holiday maker program

The reciprocal nature of the working holiday maker program means that Australians are also able to have similar opportunities in partner countries. In addition, the working holiday maker program provides Australia with economic benefits. The tourism industry benefits from these visa holders as they are a highly mobile group of individuals, who generally spend more than they earn, thus making a contribution to the creation of Australian jobs. The short-term work undertaken by visa holders supports the Australian economy by providing supplementary labour for industries needing short-term casual workers, particularly in regional areas.

The working holiday maker program comprises the Working Holiday (subclass 417) visa and Work and Holiday (subclass 462) visa. Australia has 19 Working Holiday (subclass 417) visa arrangements with Belgium, Canada, Cyprus, Denmark, Estonia, Finland, France, Germany, Hong Kong, Ireland, Italy, Japan, Malta, Netherlands, Norway, the Republic of Korea, Sweden, Taiwan and the United Kingdom. Australia has seven Work and Holiday (subclass 462) visa arrangements with Bangladesh, Chile, Indonesia, Malaysia, Thailand, Turkey and the United States of America.

Many countries have expressed interest in joining the program and these requests are now considered in the context of the Work and Holiday (subclass 462) visa program. In 2010–11, the Australian Government progressed negotiations with nine countries regarding new partnership arrangements. These countries are Andorra, Argentina, Mexico, Papua New Guinea, Portugal, San Marino, Spain, Uruguay and Vietnam. Finalisation of these negotiations is subject to agreement on reciprocal arrangements, and implementation can be subject to a range of domestic factors within partner countries.

Working Holiday (subclass 417) visa trends

With 185 480 Working Holiday (subclass 417) visas granted in 2010–11, and 175 739 granted in 2009–10, the program has experienced a 5.5 per cent increase. This return to positive growth follows a decline in growth in the previous year which may have been associated with the global financial crisis.

In 2010–11, 98.3 per cent of Working Holiday (subclass 417) visa applications were lodged electronically through eVisa, compared with 97.8 per cent in the 2009–10.^r

Working Holiday (subclass 417) visa holders who have completed three months specified work in regional Australia while on their first Working Holiday (subclass 417) visa may be eligible for a second Working Holiday visa.

Work and Holiday (subclass 462) visa trends

In 2010–11, 7442 Work and Holiday (subclass 462) visas were granted, a 0.3 per cent increase compared to the 7422 visas granted in 2009–10. In 2010–11, 83.3 per cent of Work and Holiday visa applications were lodged electronically through eVisa, compared with 81 per cent in the 2009–10.

Working Holiday Maker program service standards

The service standard for the first Working Holiday (subclass 417) visa requires 75 per cent of applications to be processed within six days. The service standard for the second Working Holiday (subclass 417) visa requires 75 per cent of applications to be processed within 21 days. Both these standards were met in 2010–11, as they were in 2009–10.

r. A new source of data for temporary entry reporting has resulted in slight differences to statistics published in previous years.

Migration health requirement

Applicants for visas to visit or migrate to Australia are required to meet certain health requirements. These help ensure that risks to public health in the Australian community are minimised; public expenditure on health and community services is contained; and Australian residents continue to have access to a full range of health and other community services.

Table 38 demonstrates Australia's low rate of incidence of tuberculosis (TB) compared to the size of the overseas-born population. This indicates the success of Australia's health screening procedures for prospective migrants.

Table 38: Comparative rates of tuberculosis by population

Incidence of tuberculosis relative to the percentage of overseas born in the Australian population compared to the same ratio for other major developed countries					
Country	Population (000s) 2010 ¹	Overseas born ² population percentage	TB cases ³ reported	TB rate ⁴ (cases per 100 000)	TB cases as a percentage of overseas born population
Australia	21 955	25.4%	1 217	6	0.022%
Canada	33 720	20.2%	1 505	5	0.022%
France	62 631	8.4%	2 890	6	0.055%
New Zealand	4 316	22.3%	298	8	0.031%
Sweden	9 299	13.9%	515	6	0.040%
United Kingdom	60 930	10.8%	7 008	12	0.106%
United States of America	307 007	13.7%	11 545	4	0.027%

1. OECD <http://stats.oecd.org>, Annual Labour Force Statistics Summary Tables: Population

2. OECD, www.oecd.org/dataoecd/7/40/45594799.xls table A.1.4 Stocks of Foreign Born Population in OECD Countries, *International Migration Outlook 2010*

3. TB incidence figures for 2009. Global health Observatory Data Repository. Available at <http://apps.who.int/ghodata/>

4. WHO Global Tuberculosis Database available at <http://www.who.int/tb/country/data/profiles/en/index.htm>

Expansion of electronic health processing

The department's eHealth system removes the need for processing paper-based health reports, as panel clinics are able to record health information for visa applicants online including examination results, digital chest x-rays, specialist reports and biometric photographs. As results are submitted electronically, they are received instantly by the department, avoiding the delay and loss associated with sending paper examination results to Australia. The eHealth system also helps centralise and streamline health processing, with approximately 75 per cent of eHealth cases able to be 'auto-cleared'. The remaining cases are also actioned by the department, generally within 48 hours and often within minutes.

During 2010–11, the department continued its concerted expansion of eHealth, with a further 11 countries participating with access to the online system. As a result of these efforts, eHealth is now available in 30 countries.

Due to this expansion, in 2010–11, more than 140 000 health cases were able to be processed in eHealth. This is almost a 60 per cent increase from 2009–10. These numbers are also expected to continue to rise during 2011 as eHealth is rolled out to more clinics, and the department moves towards implementation of 100 per cent eHealth processing.

Panel network

The department has an extensive international panel doctor network, which undertakes immigration medical examinations for offshore visa applicants. As of 30 June 2011, there were 2231 panel members across 820 clinics in 164 countries.

A robust audit program has been in place since 2008 to ensure that the client service standards and the integrity of this network are maintained, and that key priorities associated with the ongoing development and management of the network are realised.

The implementation of eHealth continues to be a major driver with 26 per cent of clinics now enabled. There is also an increased focus on combined clinics (medical and radiology at one location), designed to improve client service, with 27 per cent of clinics now fitting into this category.

Cooperation

The department is working with Five Country Conference (FCC) partners (Canada, New Zealand, the United Kingdom and the United States of America) through the Intergovernmental Immigration and Refugee Health Working Group (IIRHWG) to establish a global panel doctor network. The network is to be made up of high-quality medical and radiology clinics and laboratories to meet the client service and integrity needs of individual countries. The aim is to develop a network that can be managed with little or no duplication of effort, through shared approaches to quality control and assurance.

In 2010–11, significant progress was made in aligning the panel networks of Australia and Canada. The two countries have also signed a Memorandum of Understanding in relation to sharing medical examiner information, and are working on a substantial joint information technology initiative—the Central Health program.

Central Health program

Central Health is a four-year program of work which began in 2010–11, that will deliver an integrated information technology and business solution for central and seamless health processing.

As part of this program, the department is working with Canadian immigration colleagues, Citizenship and Immigration Canada (CIC), to rebuild Australia's eHealth system so that it can be used globally by both Australia and Canada.

Where panel doctors are 'shared', between the two countries, they will be able to use the one system to process immigration health examinations for both countries.

This joint initiative with Canada is designed to support the global panel doctor network initiative, as well as develop opportunities for broader health systems alignment, in line with the agreed FCC and IIRHWG objectives.

Office of the Migration Agents Registration Authority

The Office of the Migration Agents Registration Authority (Office of the MARA) contributes to the well managed movement and settlement of people through its regulation of the migration agent profession under Part 3 of the *Migration Act 1958*. Its functions include the registration of migration agents in Australia, management of complaints about agents and approval of continuing professional development activities.

At 30 June 2011, there were 4465 registered migration agents who provided immigration assistance (as defined in section 276 of the Migration Act) to visa applicants, nominators, sponsors, review applicants and/or applicants for ministerial intervention.

In undertaking the functions set out in section 316 of the Migration Act, the Office of the MARA works collaboratively with its stakeholders to achieve the following objectives:

- consumers understand their rights and agents understand their obligations under the regulatory framework
- only suitable persons are registered as migration agents, and unsuitable persons are refused registration or re-registration
- registered agents maintain appropriate knowledge and skills to enable them to provide accurate and timely advice to consumers
- registered migration agents are monitored to ensure the integrity of their conduct and the quality of the immigration assistance provided to consumers
- consumers of the services of registered, or formerly registered, migration agents are provided with an efficient and effective complaints handling service.

The Office of the MARA produces its own annual report which is available online at www.mara.gov.au

Office of the Migration Agents Registration Authority—deliverables

Deliverable: Implement a communications strategy that increases consumers' understanding of their rights and agents' understanding of their obligations under the regulatory framework.

Result: Following an independent review of existing communications activities and the development of a communications strategy, the Office of the MARA has implemented a range of projects to provide consistent and clear messaging about the regulatory framework. Projects which focus on consumers included a new consumer guide, the introduction of a translated booklet and an ethnic media engagement strategy. A reformatted chief executive officer newsletter to all registered migration agents and key stakeholders and the introduction of promotional materials such as branded USB thumb drives containing electronic resources were also developed to increase information for agents. In addition, staff participated in stakeholder events, including professional conferences, meetings with ethnic community organisations and presentations at universities.

Office of the Migration Agents Registration Authority—deliverables *continued*

Deliverable: Consider all applications for registration appropriately to ensure that only suitable persons are registered as migration agents, and unsuitable persons are refused registration or re-registration.

Result: In 2010–11, the Office of the MARA continued to ensure that only suitable persons were approved to be registered migration agents. Decisions on applications for registration as a migration agent are made after careful consideration and in accordance with the legislative requirements in the Migration Act and the Migration Agents Regulations 1998.

When deciding whether a person should be registered for the first time, decision-makers must consider whether they have completed the Graduate Certificate in Australian Migration Law and Practice or are an Australian legal practitioner. Other considerations are English language proficiency, criminal convictions and proceedings, previous bankruptcy, employment relationships with an individual who is not a person of integrity and any other matter relevant to the applicant's fitness to give immigration assistance.

Agents must apply for repeat registration each year. In addition to meeting ongoing requirements relating to fitness and integrity, they are also required to complete continuing professional development. In 2014 they will be required to demonstrate, if they have not previously, that they meet the English language proficiency requirements.

Deliverable: Pursue improvements to entry level qualifications and continuing professional development.

Result: Progress has continued on improving requirements for entry to the profession. This has included the development of new competency standards and mapping of graduate attributes that will form the basis for both entry qualifications and continuing professional development (CPD). These have a focus on ensuring that entrants into the profession possess the necessary skills, knowledge and attributes that a competent agent in the profession must display.

In February 2011, the Office of the MARA introduced changes to the CPD framework to provide more flexibility and a greater range of types of activities. This has included capping all seminar activities to a maximum of 45 participants to ensure that there are opportunities for agents to interact and contribute to the learning process. The introduction of advanced workshop activities is aimed at encouraging experienced agents to engage in detailed discussions within a small group environment. Additional improvements have included the introduction of an online CPD planner on the Office of the MARA website (www.mara.gov.au) and the ability to obtain points through mentoring.

Work commenced on the development of an ethics toolkit and improved management of client monies. To enhance the entry level framework, CPD providers were invited to develop a practice-ready program for agents to undertake in their first year of practice.

Office of the Migration Agents Registration Authority—deliverables *continued*

Deliverable: Ensure the interests of persons using the services of registered migration agents are effectively protected.

Result: The implementation of the Office of the MARA's communications strategy has a strong focus on improved consumer protection. This strategy aims to increase the level of awareness among key stakeholders through projects including the ethnic media engagement plan, the introduction of a translated booklet *Your rights—tips on using a registered migration agent* (available in 17 community languages) and the release of a consumer guide that provides information on choosing an agent, expectations and the complaints process.

The Office of the MARA has continued its efforts toward better consumer protection through active liaison with other federal and state regulatory bodies including legal regulatory bodies, Insurance Council of Australia, Department of Education, Employment and Workplace Relations and state fair trading agencies.

Deliverable: Ensure all complaints about the services of registered, or formerly registered migration agents, are appropriately addressed in line with transparent complaint handling criteria including referral to other relevant agencies.

Result: The Office of the MARA has put in place a range of strategies to ensure that all complaints about registered migration agents are dealt with fairly, in a transparent and consistent manner. This has included streamlining processes to manage complaints and engaging an independent legal firm to provide assistance and support to officers to finalise aged and complex complaints. Internal quality control measures have been established to support this process.

The department ensures that matters it refers to the Office of the MARA for investigation are fully substantiated with relevant supporting evidence in accordance with agreed guidelines. Complaints relating to the provision of legal services are referred to the relevant legal regulatory body for consideration.

Arrangements have also been put in place with the NSW Office of Fair Trading for referral of complaints that are within their jurisdiction.

Office of the Migration Agents Registration Authority—key performance indicators

Indicator: Improved level of consumer understanding of what they can expect from registered migration agents and how those agents are regulated.

Result: The Office of the MARA has received requests for additional quantities of the resources developed to improve consumer awareness. In particular, the translated booklet and consumer contact card have been positively received. An ethnic media strategy was implemented to improve consumer understanding. The strategy resulted in advertising exposure across 11 different targeted community groups. Most of the newspapers also published an editorial with additional information to educate consumers.

Office of the Migration Agents Registration Authority—key performance indicators *continued*

Indicator: New registrations or re-registration applications finalised within service standards.

Result: The Office of the MARA met the relevant service standards for processing of new registration and repeat registration applications. These service standards are:

- Finalisation of 95 per cent of complete repeat registration applications within four weeks of receipt—the standard achieved was 97 per cent.
- Finalisation of 95 per cent of complete initial registration applications within four weeks of the objection period elapsing—the standard achieved was 97.8 per cent.

Indicator: Effective continuing professional development activities offered to registered migration agents.

Result: At 30 June 2011, there were 471 CPD activities available through 51 providers. Applications for 25 activities were refused or withdrawn because they failed to meet the required standard. Throughout the year, the Office of the MARA evaluated 39 activities to ensure that they were delivering the designed learning outcomes.

Indicator: Efficient resolution of complaints about registered or formerly registered migration agents.

Result: In 2010–11, 519 complaints were received and 482 were finalised.

Where appropriate, the Office of the MARA encourages parties to a complaint to come to a mutually acceptable agreement that resolves certain aspects (such as fee disputes) of a complaint.

Eight sanction decisions were made with one decision appealed. The matter remains before the Administrative Appeals Tribunal for their review as at 30 June 2011.

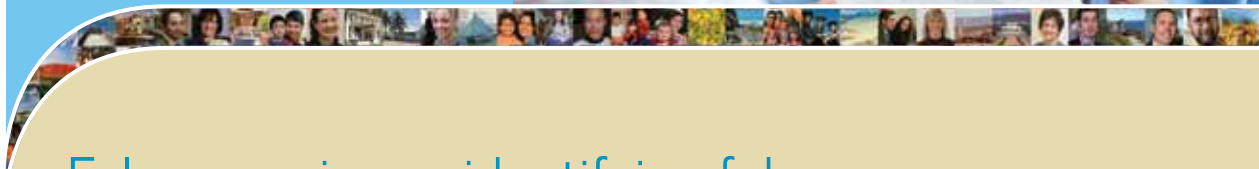
Table 39: Office of the MARA—performance information

Key performance indicators	2010–11 target	2010–11 results
Percentage of MARA's stakeholders who find information products useful and informative	>50%	100% ¹
Percentage of complete applications for initial registration finalised within eight weeks of receipt	95%	97.8%
Percentage of complete applications for repeat registration finalised within four weeks of receipt	95%	97.0%
Percentage of complete continuing professional development activity applications finalised within six weeks	97%	100%
Percentage of complaints finalised within six months	75%	55.2% ²

1. Target was low to set a benchmark. Feedback from stakeholders has indicated they find the Office of the MARA's information products useful and informative.

2. This reflects significant efforts to finalise older and more complex complaints.

Case study



False promises—identifying fake migration agents

When the department noted an increase in complaints about internet migration scams it immediately took steps to address the problem.

Director of the Migration Agents Section Mr Greg Phillipson said that internet migration scams use common tactics such as claiming to be a registered provider or claiming they can guarantee a visa.

‘The targeted client might be promised a ‘once in a lifetime opportunity’ or ‘your only chance’ to travel or migrate to Australia,’ Mr Phillipson said.

‘In the most prevalent scam, clients are invited to register online before a salesperson contacts them and asks them to provide credit card details. Charges are then debited to their card despite no migration service being provided.’

Clients can check to see they are using a registered migration agent by searching the Register of Migration Agents at www.mara.gov.au

Because the department has no jurisdiction outside Australia, it has a limited capacity to tackle these international online scam operators. However, the department has taken a number of steps to warn clients about the problem in Australia and warn unregistered migration agents they are breaking the law and may be fined or even serve jail time.

In October 2010, the minister launched migration fraud warning pages on the department’s website to inform consumers about migration scams and how to safeguard against them. On the site, victims share their stories and the department gives tips about how to stay safe online and identify non-genuine websites and fraudulent emails before handing over money, credit card details or private information as well as links to consumer resources.

The department has also developed an information video, engaged the ethnic press, provided translated information to clients and community organisations and encouraged people to report unregistered migration agents by phoning the department’s Immigration Dob-in Line on 1800 009 623.

Photo: Clients need to check if their migration agent is registered.

Office of the MARA initiatives and major achievements

Advisory board

In 2010–11, there were four meetings of the advisory board. Members have continued to provide valuable strategic advice on a number of issues including the development of the new entry level qualification, incentives for the not-for-profit sector and stricter controls over the management of client funds.

In response to emerging issues, it has also proposed that consideration be given to strategies to address the regulation of overseas agents and improved consumer redress. Specific members have had involvement in stakeholder events, including the chair Mr Robert Cornall AO who delivered a keynote presentation at the Migration Institute of Australia's national conference in October 2010.

English language requirement

As recommended by the *2007–08 Review of Statutory Self-Regulation of the Migration Advice Profession*, the English language level for repeat registration will be set at IELTS 7. The requirement will need to be met by 1 January 2014 and will be at the general level. This is an important step towards increasing the professional standing and credibility of participants in the industry and improving consumer confidence.

In determining the standard and the transition period, the views of registered migration agents, stakeholders and consumers were considered. All registered migration agents were invited to participate in an independent survey conducted by Australian Survey Research to identify the potential impact of the change as well as to provide agents with an opportunity to comment on the proposed transitional arrangements. The survey found that a majority of migration agents view the introduction of an English language requirement for repeat registration as having a positive impact and believe it will improve service standards and professionalism.

Australian legal practitioners

Following consideration by the advisory board, the Office of the MARA implemented two changes in relation to agents who are also Australian legal practitioners. The website was enhanced to identify agents who are Australian legal practitioners on the register of migration agents, in order to provide greater consumer information. The stringent requirements for accredited specialists in immigration law have been recognised by awarding continuing professional development points for compulsory continuing legal education undertaken by specialists, starting from 1 November 2010.

Outcome 2

Protection, resettlement and temporary safe haven for refugees and people in humanitarian need through partnering with international agencies, assessing humanitarian visa applications, and refugee and humanitarian policy advice and program design.

Photo: Jong and his daughter are proud to call Australia home.



The program managed under Outcome 2 is:

Program 2.1 Refugee and humanitarian assistance

During 2010–11, Program 2.1 was managed by the Border Security, Refugee and International Policy Division. This section reports on the deliverables and key performance indicators for Program 2.1 as published in the department's *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Strategy

Outcome 2 will be achieved through the following strategies and initiatives:

- Meet Australia's international protection obligations and contribute to the resettlement of refugees and those in humanitarian need through the delivery of the Humanitarian Program, to a high level of integrity.
- Through the offshore Humanitarian Program, continue to work with the office of the United Nations High Commissioner for Refugees (UNHCR) to provide resettlement for refugees, focusing on those in protracted situations, in urban environments and others in critical need.
- Enhance the protection framework in Australia to ensure those in need of protection receive it.
- Work closely with UNHCR, the International Organization for Migration (IOM), other international agencies and partner countries to promote managed migration, enhance the functioning of the international protection system to more equitably meet the protection needs of refugees, make effective use of resettlement, reduce incentives for secondary movement and provide greater support for countries of first asylum.
- Continue to develop procedures, policy, and program design to improve the fairness, accountability and integrity of the Humanitarian Program.
- Work across government on responses to climate displacement regionally and internationally.

Major achievements

Offshore program

In 2010–11, a key achievement for the Humanitarian Program was the delivery of 13 799 visas against a planning figure of 13 750 places. This number included 8971 visas granted under the offshore component and 4828 program countable visas granted under the onshore component.

Of the total 13 799 visas, 43.5 per cent were granted to refugees and 21.5 per cent were Special Humanitarian Program visas. The remaining 35 per cent were protection and other visas granted onshore. For the offshore program, visa grants were spread across the three priority regions of the Middle East/South West Asia, Asia and Africa.

A total of 12.7 per cent of Refugee visas (759 visas) were granted to Woman at Risk cases which exceeded the Australian Government's nominal 12 per cent target in the refugee allocation.

Australia continued to be a leading resettlement country during the year. In 2010, UNHCR reported that Australia remained in the top three resettlement countries, after the United States of America and Canada.

In 2010–11, resettlement of refugees under the Humanitarian Program continued to reflect UNHCR's global priorities with a focus on those from protracted situations and others in critical need, including in urban situations.

Within the three key regions of the Middle East/South West Asia, Asia and Africa, the main groups resettled in 2010–11 were:

- Middle East/South West Asia—Iraqi minorities from a range of countries in the Middle East, Afghans from Iran and Pakistan
- Asia—Burmese refugees from camps along the Thai-Burma border, as well as from Malaysia and India, Burmese Rohingya from Bangladesh and Bhutanese refugees from Nepal
- Africa—refugees from the Democratic Republic of the Congo, Ethiopians and Eritreans.

Within Australia's immediate region, resettlement of UNHCR mandated refugees from Indonesia and Malaysia was increased during 2010–11, demonstrating Australia's commitment to working with regional partners and UNHCR to find durable solutions for displaced persons.

During the year, officers of the department attended the Annual Tripartite Consultations on Resettlement (ATCR) in July and a Working Group on Resettlement (WGR) in January 2011, both held in Geneva. In July 2010, Australia agreed to take on the role of chair of the ATCR/WGR for the 2011–12 year.

In June 2011, the minister launched the final report of research undertaken by Professor Graeme Hugo from the University of Adelaide on the economic, social and civic contributions of humanitarian entrants. Among his findings, Professor Hugo found that despite their traumatic experiences prior to coming to Australia, humanitarian entrants make a significant and unique contribution to the Australian community.

Onshore program

The department continued through 2010–11 to invest in measures to ensure that the determination of refugee status is timely and of high quality.

Accredited training and continuous professional development programs were provided to refugee decision-makers. Improvements to procedural and country information guidance were also made.

A new streamlined refugee assessment process for irregular maritime arrivals, the Protection Obligations Determination (POD) started on 1 March 2011. This new process assists faster assessment of protection claims and addresses issues of procedural fairness identified by the High Court of Australia in its decision of 11 November 2010. Revised procedure manuals and business tools, along with further training for case officers supported the introduction. The quality of applications put forward by refugee claimants as a result of earlier engagement by the department with migration agents also improved.

In November 2010, the department published Country Guidance Notes on Afghanistan and Sri Lanka. The notes are designed to enhance consistency, rigour and transparency in the refugee assessment process. They identify and synthesise country of origin information relevant to assessing the claims presented by those seeking asylum in Australia and provide guidance to decision-makers to assist their investigation of claims. The Country Guidance Notes are based on current information at date of publication. They are reviewed regularly and updated as required to reflect significant changes in country situation, relevant case law or policy.

The department developed and implemented an enhanced Quality Assurance Framework to evaluate and improve the quality of refugee status assessments and Protection visa decision-making.

The suspensions on processing new asylum claims from Sri Lanka and Afghanistan introduced in 2009–10 were lifted on 6 July 2010 and 30 September 2010 respectively. The suspensions allowed time for relevant, up-to-date information on the security and humanitarian conditions in those countries to be collected for use in refugee assessments. Once the suspensions were lifted, processing of claims commenced immediately and all affected clients were interviewed by departmental assessing officers for the determination of refugee status under the Refugees Convention.

On 1 November 2010, the department implemented a new requirement that all Protection visa applicants provide a digital photograph and fingerprints. The collection of biometrics data aims to reduce fraud and integrity risks and to improve visa and border checking processes. All clients who provide fingerprints are now checked against databases in Canada, New Zealand, the United Kingdom and the United States of America. Between 1 November 2010 and 30 June 2011, 3223 fingerprint scans and 3386 facial images were acquired.

In February 2011, the Migration Amendment (Complementary Protection) Bill 2011 was introduced to the Parliament. The complementary protection legislation is designed to capture all of Australia's international non-refoulement (non-return) obligations in a more efficient, single, integrated Protection visa application process. On 24 May 2011, the legislation was passed by the House of Representatives. The Bill was introduced into the Senate on 14 June 2011.

The department maintained regular engagement with key stakeholders to obtain feedback on protection policy implementation, procedures and decision-making. The Onshore Protection Consultative Group, involving key community sector participants, UNHCR and the Australian Human Rights Commission met three times during the year.

Challenges

Offshore program

The combined impact of irregular maritime arrivals on the overall available places in the Humanitarian Program and responding to their needs to be reunited with their families, continued to present a challenge to the program.

The department also responded to the increased outflows and changing circumstances in countries of origin. This was achieved by stepping up support for decision-makers through additional training, further procedural guidance, sustained focus on quality assurance and continued collection and collation of up-to-date country information.

Access to vulnerable caseloads offshore continued to be a significant challenge in some locations during 2010–11 and the department continued to explore ways of ensuring the integrity of the program while maintaining the security of staff deployed to process these caseloads.

Looking ahead, the need for strong analytical capability to inform policy development and program management in this field will continue. This will require investment in training and reinforcement of the importance of an evidence-based approach to policy development with a greater focus on the impact of the program rather than on procedures.

Onshore program

The 2011–12 program year will present a sustained challenge for the department to determine expeditiously the refugee status of the substantial number of irregular maritime arrivals awaiting decision on their claims, as well as to consider the claims of those who have arrived by air.

The introduction of complementary protection legislation will require further investment in training and guidance. Quality assurance in decision-making will remain a priority.

There will be a need for continued efforts to improve on and build the department's understanding of conditions in asylum seeker source countries to ensure fair, robust and transparent use of country information in decision-making. Changing circumstances in the countries of origin of asylum seekers will require a sustained focus on collection and collation of up-to-date country information for decision-makers.

A key challenge for the future is maintaining the department's and the government's role as a policy leader in international protection issues as well as Australia's international standing.

Table 40: Outcome 2 Financial resources summary 2010–11

Protection, resettlement and temporary safe haven for refugees and people in humanitarian need through partnering with international agencies, assessing humanitarian visa applications, and refugee and humanitarian policy advice and program design.

	Budget ¹ 2010–11 \$'000	Actual expenses 2010–11 \$'000	Variation 2010–11 \$'000	Budget estimate 2011–12 \$'000
Program 2.1: Refugee and humanitarian assistance				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	33 188	35 723	2 535	37 169
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	72 779	65 638	(7 141)	68 355
Expenses not requiring appropriation in the Budget year	3 409	2 815	(594)	3 869
Total for Program 2.1	109 376	104 176	(5 200)	109 393
Total expenses for Outcome 2	109 376	104 176	(5 200)	109 393
Average staffing level (number)	468	481	13	432

1. The 2010–11 Budget represents the estimated actual expenses published in the 2011–12 Portfolio Budget Statements.

Program 2.1 Refugee and humanitarian assistance

Program 2.1 consists of two departmental items:

- Offshore Humanitarian Program
- Protection visas (onshore).

There are seven administered items under this program:

- Allowances for persons granted temporary visas in the Humanitarian Program
- Immigration Advice and Application Assistance Scheme (IAAAS)—onshore protection
- Initiatives to address the situation of displaced persons and promote sustainable returns
- International Organization for Migration—contribution
- Payments to the Australian Red Cross Society for the Asylum Seeker Assistance Scheme
- Refugee and humanitarian passage, associated costs and related services
- Secretariat for Inter Governmental Consultations on Migration, Asylum and Refugees—membership contribution.

Objectives

The objectives of program 2.1 are to:

- meet Australia’s international protection obligations under the 1951 Refugees Convention and other relevant conventions in relation to people claiming protection within Australia’s jurisdiction
- contribute to the resettlement of refugees and those in humanitarian need through the delivery of the Humanitarian Program set by the government
- advance Australia’s interests in relation to migration and refugee issues internationally through a program of multilateral and bilateral activity, including capacity building with selected countries.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Refugee and humanitarian assistance—deliverables
Deliverable: Deliver a Humanitarian Program of 13 750 places (inclusive of onshore places).
Result: 13 799 visas were granted under the Humanitarian Program in 2010–11.
Deliverable: Deliver 12 per cent of offshore refugee grants through the Woman at Risk subclass.
Result: 759 Woman at Risk visas were granted, representing 12.7 per cent of offshore refugee grants in 2010–11.

Refugee and humanitarian assistance—deliverables *continued*

Deliverable: Number of onshore protection applications (persons) decided: 7500.

Result: 8940 protection applications (persons) were decided.

A total of 6213 decisions were made during the program year in relation to Protection visa applications lodged by non-irregular Maritime Arrivals (non-IMAs).

In general, only those IMAs who have been found to be refugees are allowed to apply for a Protection visa. A total of 2727 decisions were made during the program year in relation to Protection visa applications lodged by IMAs.

Table 41: Refugee and humanitarian assistance—deliverables

Deliverable	2008–09 actual	2009–10 actual	2010–11 target	2010–11 actual
Number of visas granted under the Humanitarian Program delivered in line with government projections ¹	13 507	13 770	13 750	13 799
Woman at Risk visas granted as a proportion of allocated offshore refugee places	12.1%	13.4%	12.0%	12.7%
Number of onshore protection applications (persons) decided ^{2, 3}	5 424	7 559	7 500	8 940

1. Only visas granted to people who have not previously held a humanitarian visa are counted against the Humanitarian Program. In addition, 18 visas were granted in 2010–11 to Iraqi locally engaged employees, which are not counted against the Humanitarian Program.

2. Applications decided include first instance decisions and decisions following review tribunal remittals.

3. Protection visa figures (including for past years) are as officially revised at the end of 2010–11 and therefore may differ from statistics previously published in annual reports or elsewhere.

Refugee and humanitarian assistance—key performance indicators

Indicator: Persons in Australia's jurisdiction in need of protection receive protection and have access to appropriate support services as measured by reporting on processing standards.

Result: The department has developed a Quality Assurance (QA) Framework to evaluate and strengthen the quality of both Refugee Status Assessments (RSA) and Protection visa decision-making. The objective of the framework is to ensure refugee determinations reflect the department's standards and principles, and comply with Australia's laws and international obligations.

Implementation of the framework throughout 2010–11 has involved the strengthening and development of several quality control initiatives, and initiation of a regular cycle of QA reviews of finalised RSA and Protection visa decisions. The results from these reviews have provided an evidence base for continued investment in remedial and long-term action to improve the quality of refugee determinations.

Refugee and humanitarian assistance—key performance indicators *continued*

Indicator: Australia continues to be a leading resettlement country in terms of numbers of people resettled.

Result: Australia remains within the top three resettlement countries during 2010–11 in line with information provided in Table 42.

Indicator: Targeted consultations with clients and stakeholders are held to provide feedback on effectiveness of Humanitarian Program delivery and pre-departure services; and inform policy development and program innovation and design.

Result: A program of comprehensive consultations with clients and stakeholders continued in 2010–11. During the year:

- Twenty-one community information sessions on aspects of the Humanitarian Program were delivered to a variety of key community groups in most states and territories. In addition, 11 meetings were held with key stakeholders such as Settlement Grants Program workers, legal aid and pro bono migration agents.
- The twice yearly DIAC-Non-Government Organisation (NGO) Dialogue on Humanitarian Issues was held in July 2010 and March 2011. The dialogue is attended by senior departmental officials and peak NGOs who are stakeholders in the Humanitarian Program. NGOs provided feedback to the department on policies, programs, services and related issues.
- The minister and senior departmental officials met with representatives of peak refugee and humanitarian organisations in January 2011 as part of community consultations on the size and composition of Australia's Humanitarian Program. During the consultation process, the department also considered more than 30 submissions from community organisations, individuals and other government agencies with an interest in the Humanitarian Program.
- The Australian Cultural Orientation (AUSCO) program held four workshops to engage with stakeholders and community representatives. Several presentations were also delivered to stakeholders to inform them about the program.
- A new Orientation Consultative Committee was formed in June 2011 to provide a forum for industry experts and community groups, to provide feedback and raise important issues regarding the effectiveness of orientation programs.
- Senior departmental officials met with key external stakeholders through the Onshore Protection Consultative Group in July 2010, November 2010 and February 2011. These meetings draw on members' operational and technical expertise to assist the department in the development and improvement of processes and procedures relating to refugee status determination and related matters.

Refugee and humanitarian assistance—key performance indicators *continued*

Indicator: Productive working relations are maintained with international partner agencies with regard to Australia's contribution to strengthening the international protection framework in countries other than Australia.

Result: The department made significant contributions to strengthening the international protection framework through cooperation with international partner agencies including the United Nations High Commissioner for Refugees (UNHCR) and the International Organization for Migration. Working with these agencies, the department encouraged better implementation of managed migration approaches by governments and was a valued contributor to multilateral discussions on the future of migration, protection and related capacity building in the context of a changing world.

The establishment of the regional cooperation framework by the fourth Ministerial Conference of the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime reflects the culmination of significant Australian diplomacy to engage with regional partners and international organisations to secure the endorsement of a cooperative approach to irregular migration and related matters. It also builds upon a UNHCR discussion paper on regional cooperative approaches to refugees, asylum seekers and irregular migration that was considered in November 2010 at a Bali Process workshop.

The department attended two annual meetings on refugee resettlement held in Geneva:

- The Annual Tripartite Consultations on Resettlement (ATCR) in July 2010. This is an important vehicle for UNHCR's cooperation with governments and NGOs and a mechanism to enhance resettlement partnerships.
- The Working Group on Resettlement (WGR) in January 2011. The WGR meetings are a forum for discussing policy and operational issues around resettlement including caseload specific issues, and concerns among emerging resettlement countries.

Australia agreed to chair ATCR/WGR in 2011–12.

Indicator: Australia's bilateral and multilateral activity in relation to migration and refugee issues has a positive effect on managed migration and refugee issues internationally.

Result: The department continued its engagement on international protection, refugee issues and managed migration, including hosting and participating in numerous bilateral and multilateral forums.

Through the Bali Process ministerial meeting in March 2011, participating countries agreed on a framework, which promotes enhanced consistency in asylum processing and durable solutions for those determined to be refugees.

Many countries in the Asia-Pacific region, through the Regional Skills Development Program, have been able to undertake skills development in intelligence analysis, facial recognition, document examination and investigations training.

The department's displaced persons program is designed to stabilise and support displaced priority populations, including Afghans, Iraqis, Sri Lankans and Rohingyas. Projects undertaken through the displaced persons program focused on health, livelihood and refugee registration activities.

These activities have strengthened relationships internationally, enhanced managed migration strategies and further developed capacity-building initiatives.

Table 42: Refugee and humanitarian assistance—performance information

Key performance indicators	2008–09 actual	2009–10 actual	2010–11 target	2010–11 actual
Percentage of onshore protection applications decided within 90 days in accordance with legislation	77.0%	71.8%	100.0%	60.7%*
Percentage of onshore protection visa cases that have complied with processing standards as identified through formal quality assurance reporting	99.5%	97.7%	97.0%	97.3%
Australia's ranking as a resettlement country ¹	Within top three countries	Within top three countries	Within top three countries	Within top three countries

* More information about this result is on Page 122.

1. Figures, based on calendar year, are sourced from *UNHCR Global Trends: Refugees, Asylum-seekers, Returnees, Internally Displaced and Stateless Persons* reports.

Administered items

Administered item: Allowances for persons granted temporary visas in the Humanitarian Program

Objective: This item provides for a one-off cash payment to cover the living expenses of holders of temporary humanitarian visas after their release from detention or their arrival in Australia until their first Centrelink income-support payment is made¹.

Deliverable: All payments are made in accordance with eligibility criteria.

Result: There were no payments made because no temporary humanitarian visas were granted.

1. The word 'temporary' was first omitted in the *Portfolio Budget Statements 2008–09*. As this administered item only covers temporary visas, the word 'temporary' was reintroduced in the *Portfolio Additional Estimates Statements 2010–11*.

Administered item: Immigration Advice and Application Assistance Scheme—onshore protection

Objective:

- To provide funding to selected migration agents to help all onshore asylum seekers in immigration detention and disadvantaged protection and other visa applicants in the community with professionally qualified application assistance, including interpreters and being accompanied at visa interview.
- To provide funding for more frequent or larger general information sessions and brief face-to-face or telephone advice.

Deliverable: Funding provided to selected migration agents for the provision of application assistance to people in immigration detention and eligible clients in the community, estimated at 1900.

Result: There are 23 providers across Australia from commercial practices, legal aid agencies and non-government community bodies providing these services to people who have arrived onshore and are in immigration detention and in the community. In 2010–11, 1220 people received these services.

Deliverable: Funding provided to selected migration agents for the provision of general immigration advice

Result: In 2010–11, there were 11 585 services at a cost of \$3.428 million.

Administered item: Initiatives to address the situation of displaced persons and promote sustainable returns

Objective:

- The department concentrates its efforts on assisting displaced populations in protracted situations (especially those within our region) and on urgently responding to the humanitarian needs of those displaced by conflict.
- Support is provided to the UNHCR, the IOM and other international organisations and non-government organisations with protection expertise overseas.

Administered item: Initiatives to address the situation of displaced persons and promote sustainable returns *continued*

Deliverable: Australia's contributions are made throughout the financial year and support the development and implementation of durable solutions for displaced populations, as well as urgent humanitarian relief: \$6.8 million.

Result: Support was provided to UNHCR, IOM and other international organisations and NGOs, with protection expertise overseas.

Displaced Persons Program funding was provided for projects to support and assist:

- Afghans in Pakistan refugee camps (through UNHCR)
- Rohingyas in Bangladesh (through UNHCR)
- irregular migrants in Indonesia (through IOM)
- vulnerable Iraqi refugees in Jordan (through IOM)
- Iraqi refugees in Jordan (through CARE Australia)
- provision of medical support and health services to refugees in Iran (through UNHCR)
- registration and refugee status determination in Malaysia (through UNHCR)
- IOM to provide livelihood assistance to Iraqis in Lebanon
- ChildFund Australia to provide livelihood assistance in Sri Lanka
- CARE Australia to provide livelihood assistance in Sri Lanka
- IOM to provide social and health services to Rohingyas in Thailand
- IOM to provide humanitarian assistance to internally displaced persons and returnees in Afghanistan.

A further \$866 000 was utilised for the second year of the UNHCR Refugee Status Determination processing project in Indonesia.

Administered item: International Organization for Migration—contribution

Objective: Australia contributes towards the administrative costs of the IOM, an international organisation based in Geneva that is committed to the principle that humane and orderly migration benefits migrants and society.

As an inter-governmental body, IOM acts with its partners in the international community to assist in meeting the operational challenges of migration, advancing understanding of migration issues, encouraging social and economic development through migration and upholding the human dignity and wellbeing of migrants.

Deliverable: Australia's annual funding contribution is provided on time: \$762 000 (estimated cost dependent on the contribution rates as determined by the organisations in question for participating countries and exchange rate calculations). Australia's contribution to the administrative costs of IOM enables the department to participate in the governance of IOM and ensure that IOM's work continues to reflect Australia's interests, in particular a state-driven approach to managing migration.

Result: Australia's contribution, which totalled \$871 711 due to adjustments to contributions and exchange rate variations, was paid on time.

Administered item: Payments to the Australian Red Cross Society for the Asylum Seeker Assistance Scheme

Objective: Consistent with Australia's international obligations under the Refugee Convention, provide subsistence support for asylum seekers who are in financial hardship and who meet the criteria for support. The Asylum Seeker Assistance Scheme provides income support to cover food, shelter and basic health care. Income support is pegged to 89 per cent of the Centrelink Special Benefit payable to an equivalent Australian family.

Deliverable: Estimated number of people assisted: 3000.

Result: During 2010–11, assistance was provided to 2898 people at a cost of \$12.73 million.

Administered item: Refugee and humanitarian passage, associated costs and related services

Objective: Through IOM, provision of health screening, assisted passage and related costs to people approved for entry to Australia under the refugee component of the Offshore Humanitarian Program. The assistance provided under this agreement covers the full cost of medical examinations and airfares for eligible entrants.

Deliverable: Number of refugees moved to Australia: 6000.

Result: 5802 refugees were moved to Australia at a total cost of \$6.277 million.

The successful transition from the Integrated Humanitarian Settlement Strategy (IHSS) to the Humanitarian Settlement Services (HSS) program in the second half of 2010–11 was supported by some minor scheduling changes to refugee arrivals, which were managed on a case by case basis.

Deliverable: Number of refugee applicants medically screened for entry to Australia: 12 000.

Result: 12 709 refugee applicants were medically screened for entry to Australia.

A total of 7479 applicants were medically screened and 5230 pre-departure medical checks were performed in 2010–11 at a total cost of \$3.783 million. An increase in refugee applications contributed to an overall increase in screening in 2010–11.

In 2010–11, \$12.254 million was allocated to meet overall program objectives. Overall expenditure on travel, medical screening and related services was \$10.060 million.

The under-budget outcome for this international program reflects the strong performance of the Australian dollar throughout the year.

Administered item: Secretariat for Intergovernmental Consultations on migration, asylum and refugees — membership contribution

Objective: Australia contributes towards the administrative costs of the Inter-Governmental Consultations on migration, asylum and refugees (IGC), which is an informal, non-decision making forum for information exchange and policy debate on issues relevant to the management of international migratory flows. It provides an avenue for participating governments to benchmark national policies and to influence international standards and policies on a range of migration, asylum and refugee issues.

The IGC is one of the few multilateral consultation mechanisms through which Australia can engage regularly and directly with like minded states on migration, asylum and border control issues from both a national and international perspective.

Deliverable: Australia contributes to and maintains membership of the IGC: \$134 000 (estimated cost dependent on the contribution rates as determined by the organisations in question for participating countries and exchange rate calculations).

Result: Australia's contribution, which totalled \$116 193 due to adjustments to contributions and exchange rate variations, was paid on time.

Offshore Humanitarian Program

Australia's Humanitarian Program comprises two components: resettlement for people overseas who have been determined to be refugees or in humanitarian need, and onshore protection for those people already in Australia who claim Australia's protection and are found to be refugees. This section is concerned with the offshore component.

The objectives of the offshore Humanitarian Program are achieved through:

- the effective planning and delivery of the resettlement program to a high level of integrity and in line with government priorities
- support for Australia's role in sharing international responsibility for refugee protection through engagement with international partners such as United Nations High Commissioner for Refugees (UNHCR), the International Organization for Migration (IOM), other resettlement countries and non-government organisations (NGOs)
- the provision of pre-departure services and orientation programs to enhance settlement outcomes
- the development of contingency capacity for the effective management of safe haven arrangements
- conducting and commissioning research to inform future policy development and to assist continuous improvement
- enhancing community involvement and support for the program through engagement with stakeholders and the development and distribution of public information on the program.

Performance

In 2010–11, the Humanitarian Program was set at 13 750 places and 13 799 visas were granted during the program year (inclusive of onshore places). This comprised 8971 (65 per cent) under the offshore component and 4828 (35 per cent) under the onshore component.

Under the offshore component, 5998 (67 per cent) were refugee visas and 2973 (33 per cent) were Special Humanitarian Program visas.

Table 43: Humanitarian Program visa grants by subclass

Visa subclass	Visas granted in 2010–11
Refugee visas (subclass 200)	5 211
In-country Special Humanitarian visas (subclass 201)	26
Emergency Rescue visas (subclass 203)	2
Woman at Risk visas (subclass 204)	759
Global Special Humanitarian visas (subclass 202) ¹	2 981
Protection visas (subclass 866)	4 818
Subclass 851 Resolution of Status visas ¹	2

1. In addition to 2973 Special Humanitarian Program visas granted offshore, there were eight granted in Australia through ministerial intervention.

Case study



Nairobi staff confront refugee plight with humility and humanity

Immigration staff at the Nairobi Post work in some of the most confronting and daunting circumstances imaginable—travelling to and working in challenging locations to interview refugee and humanitarian visa clients who have experienced trauma and tragedy, often beyond comprehension.

Senior migration officer Ms Catherine Gerrard said: ‘Our staff confront the plight of refugees in Africa with great humility and humanity. They learn first hand of the incredible resilience and patience of many refugees through their stories—they often recount decades of hardship and suffering.’

‘For those granted a visa it is a new beginning and the chance to live a life that most of us take for granted, where there is peace and the chance to build a future for their children.’

The Nairobi Post provides immigration and visa services to clients in Kenya and at least 20 other countries in East, Central and West Africa including the world’s newest nation, the Republic of South Sudan.

In the past year, the Nairobi refugee and humanitarian caseload has included people from Ethiopia, the Democratic Republic of Congo, Sudan, Somalia and the Congo. A significant number of Ethiopians were residing in Nairobi and the Congolese were from Tanzania and Rwanda. The Somalis have come from various locations but predominantly from the two largest refugee camps in Kenya—Dadaab and Kakuma—and from Emkulu refugee camp in Eritrea.

Staff at the Nairobi Post work closely with the Office of the United Nations High Commissioner for Refugees, the International Organization for Migration and colleagues from other resettlement countries. This gives them the opportunity to represent Australia and contribute to the international response to refugee resettlement needs.

‘Staff in Nairobi never lose sight of the extraordinary privilege it is to make a real difference to the lives of their clients and the Australian community,’ Ms Gerrard said.

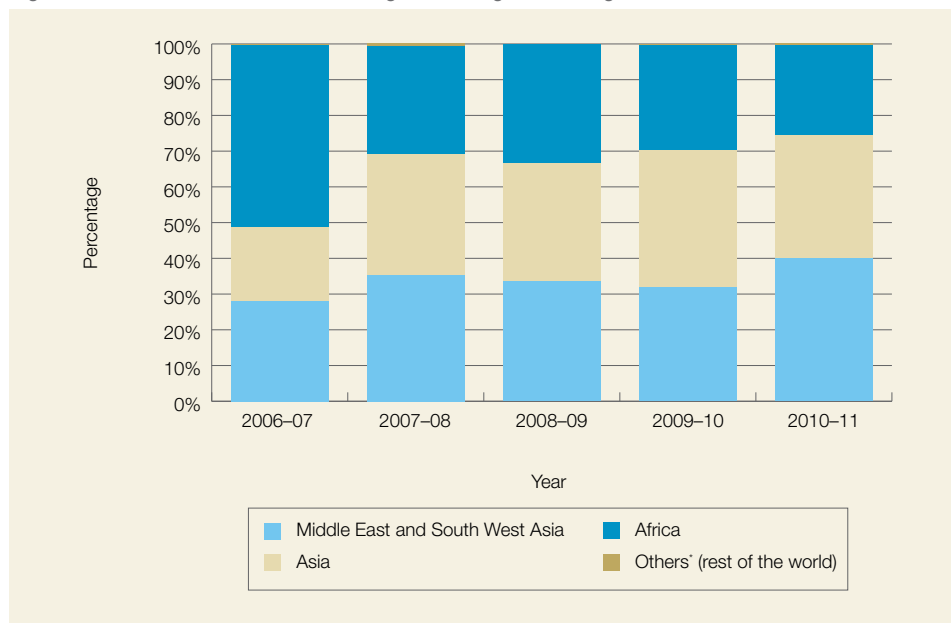
From 1 July 2011, Nairobi Post will assume responsibility for all refugee and humanitarian visa processing in sub-Saharan Africa, making it one of the department’s key posts in the offshore network.

Photo: Dedicated staff in the Nairobi office (L–R) Mr David Oloo and Ms Shava Ohonda.

Under the offshore component, the highest number of visas granted in 2010–11 was to applicants from the Middle East/South West Asia (39.9 per cent), followed by Asia (34.7 per cent), followed by the Africa region (25.1 per cent) with the remaining visas (0.3 per cent) granted to applicants in Europe and the Americas.

These regional outcomes are consistent with the resettlement priorities identified by the UNHCR.

Figure 9: Offshore Humanitarian Program visa grants—regional trend



* Others include Europe and Americas and constitute less than one per cent for each year.

Processing times in 2010–11 were down slightly compared to 2009–10 with 73 per cent of cases finalised within 52 weeks, just under the service standard of 75 per cent of applications finalised within 52 weeks. The decrease is due to the large number of cases already on-hand and the limited number of places available within the program.

In 2010–11, 54 396 people lodged applications compared with 47 161¹ in 2009–10. This was an increase of 15 per cent and can largely be attributed to some 9000 self-referred applications received in Cairo following rumours in the local community in Egypt that Australia was increasing resettlement from Africa.

1. Data is current as at 30 June 2011.

Woman at Risk visas

The target for Woman at Risk visas is 12 per cent of the refugee category allocation of the offshore program. In 2010–11, the target was met with 759 visas granted to Woman at Risk applicants, representing 12.7 per cent of the refugee category allocation.

Figure 10: Humanitarian Program 2010–11 Woman at Risk visa grants—top five countries of birth

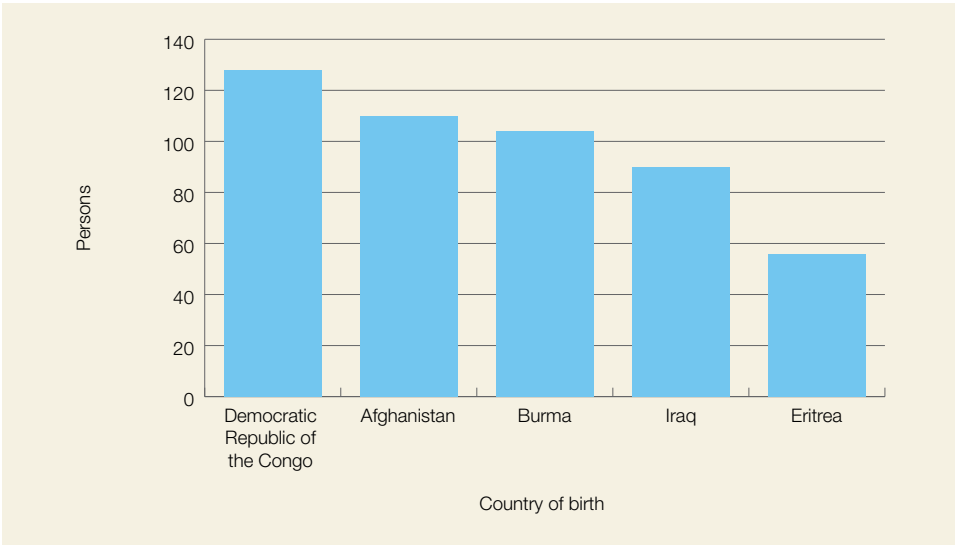
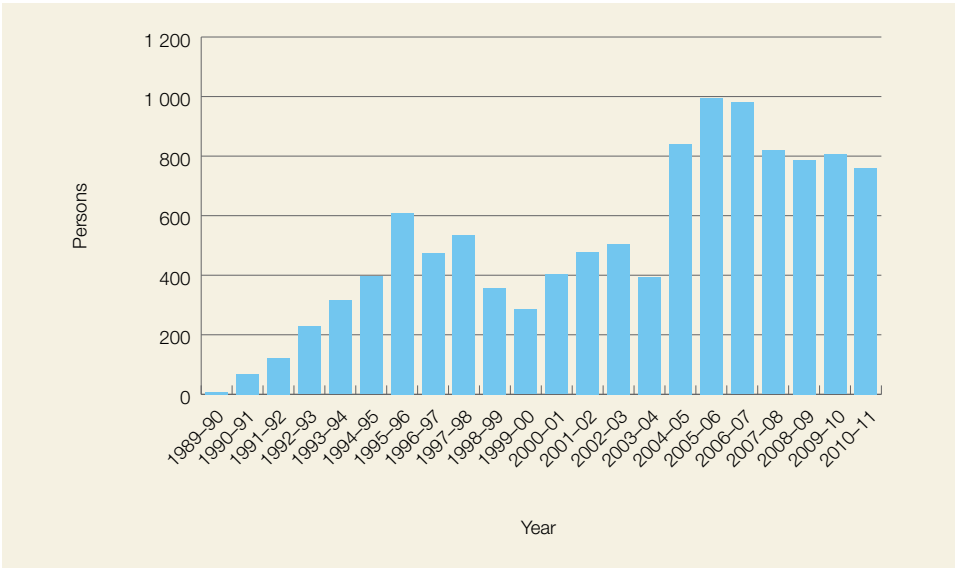


Figure 11: Humanitarian Program Woman at Risk visa grants since inception



Consultations and information

The department continued its program of comprehensive engagement with humanitarian sector stakeholders in 2010–11. To increase public understanding and support for the program, a range of consultations with communities and stakeholders was held and information products developed to provide consistent and accurate public information.

The twice yearly DIAC-NGO Dialogue on Humanitarian Issues was held in July 2010 and March 2011. The dialogue has been held twice a year since February 2003. The aims are:

- to develop and further strengthen relationships between the department and peak NGOs who are stakeholders in the Humanitarian Program and protection issues
- for the department to receive feedback from national peak NGOs on policies, programs, services and related issues in these areas.

Attendance at the dialogue is limited to a small group of key stakeholders including the Refugee Council of Australia (RCOA), Amnesty International, ActionAid Australia, the International Commission of Jurists, the Settlement Council of Australia and the Jesuit Refugee Service.

NGOs valued the candour of senior departmental staff at these meetings and their willingness to listen to concerns and ideas from the sector. The dialogue is considered a best practice model of stakeholder engagement in the department.

Refugee Week was held from 19–25 June 2011. This provided an opportunity to focus public and media attention on the Humanitarian Program and the resettlement of refugees in the Australian community, and to celebrate the positive contributions made by refugees to Australian society. The department supported events and activities in all states and territories.

A range of information products were developed throughout the year to support community information sessions on particular aspects of the program and to enhance public awareness of Australia's response to refugee issues.

The products include fact sheets, information brochures, PowerPoint presentations and an audio-visual presentation.

A new edition of *Refugee and Humanitarian Issues: Australia's Response* was published and launched during Refugee Week.

A *Significant Contribution: The economic, social and civic contributions of first and second generation humanitarian entrants* was also launched for Refugee Week. Clear and timely responses were provided to media and other information inquiries throughout the year. Further details on the full research report are on Page 117.

Program formulation

The department undertakes a consultation process each year to inform the Australian Government's decisions about the size and composition of the Humanitarian Program.

In 2010–11, this included:

- development and publication of a discussion paper
- consultations with states and territories and other Australian Government agencies
- consultation with peak refugee and humanitarian bodies
- consideration of UNHCR advice on global resettlement needs and priorities
- consideration of the views of the Australian community.

A submission from RCOA was funded by the department and was also considered during the consultation process. RCOA conducted a national consultation process to develop this submission involving more than 230 people from across Australia, representatives of almost 100 organisations, and refugee and humanitarian entrants from at least 13 countries of origin.

International Organization for Migration No-Interest Travel Loan Fund

IOM operates a No-Interest Travel Loan Fund to assist Special Humanitarian Program (SHP) visa holders and their proposers to fund the cost of travel to Australia. The scheme received government funding in 2005 to increase the number of people it could assist. The department continues to work with IOM to increase awareness of the fund among prospective applicants.

The Australian Cultural Orientation Program (AUSCO)

The AUSCO program is provided pre-departure for Refugee and SHP visa holders preparing for resettlement in Australia. AUSCO is available to all refugees and humanitarian entrants over the age of five and is delivered, where possible, over five days.

The AUSCO course is designed for, and delivered to four main groups—adults, youth, children and pre-literate entrants. IOM is contracted to deliver the course on behalf of the department.

In 2010–11, 351 AUSCO courses were delivered to 5275 participants in their own languages in Bangladesh, Egypt, Eritrea, Ethiopia, Ghana, Guinea, India, Indonesia, Iran, Jordan, Kenya, Lebanon, Malaysia, Nepal, Pakistan, Romania, Rwanda, the Republic of Congo, Sierra Leone, Sudan, Syria, Tanzania, Thailand, Turkey, Uganda, Zambia and Zimbabwe.

The AUSCO course provides an initial introduction to aspects of Australian life that will improve visa holders' settlement prospects. It prepares people for travel and provides information about Australian culture prior to arrival. AUSCO provides initial links to the onshore services provided through the Humanitarian Settlement Services.

The key findings of the 2009 internal evaluation of the program are currently being implemented including: improving information flows between overseas posts and the AUSCO service provider to maximise participation; updating existing program teaching resources; enhancing the AUSCO communication strategy; and improving integration with the onshore settlement program.

In June 2011, the department established the Orientation Consultative Committee. The function of the committee is to enable collaboration between experts in the fields of education and cross-cultural issues, and to provide a forum to enable community groups to raise important issues regarding the effectiveness of these programs and the post-settlement experience of humanitarian entrants in Australia.

Pre-departure medical screening

Pre-departure medical screening (PDMS) provides offshore health screening for refugee and humanitarian visa holders in the days preceding their departure for Australia.

PDMS is typically undertaken within three days of a visa holder's departure to Australia and forms a second level of health screening, in addition to the stringent health screening that applicants undertake to determine whether they have met the health requirements for a visa grant. PDMS also ensures that visa holders are fit to fly to Australia, recognising the possibility of changes in their health status in the period between initial health assessment and departure.

There are two models of PDMS, developed to correspond to the health conditions of particular applicant populations. Depending on the model, PDMS services test for a mix of communicable diseases, provide a thorough physical examination and assess the visa holder's general health status and fitness to fly.

The location of PDMS services will continue to reflect the source locations of the refugee and humanitarian caseload.

Research and policy development

On 17 June 2011, the minister launched the final report on the *Economic, Social and Civic Contributions of First and Second Generation Humanitarian Entrants* by Professor Graeme Hugo, one of the world's leading researchers on migration. At the same time, the minister launched the booklet, *A Significant Contribution*, which summarises the findings of Professor Hugo's research and includes profiles of humanitarian entrants who have made a significant contribution to the Australian economy and community.

Among his many interesting findings, Professor Hugo reported that people from humanitarian backgrounds:

- provide an important demographic dividend
- are the least likely of migrant groups to permanently leave Australia
- are increasingly settling in regional areas
- work hard in low-skilled jobs to see their children succeed in Australia
- show a greater propensity to setting up their own businesses
- volunteer significantly, both formally and informally, within their own and mainstream communities.

The full report and summary booklet are available on the department's website at www.immi.gov.au/media/publications/research/

The findings from Professor Hugo's research will be used to inform government decision-making in a variety of areas related to humanitarian entrants.

International stakeholder engagement on resettlement

The department continued to participate in the Annual Tripartite Consultations on Resettlement and the Working Group on Resettlement meetings (ATCR/WGR) which were established by UNHCR in 1995. The meetings bring together UNHCR, resettlement states and NGOs, providing opportunities for discussions at the international level on resettlement policy and practice. While the outcomes and recommendations from these meetings are non-binding, the underlying principles help shape resettlement countries' policies when planning their resettlement programs.

Australia will take over the chair of ATCR and WGR in July 2011 with the Refugee Council of Australia as the NGO 'focal point' responsible for coordinating the involvement of NGOs from other resettlement countries. As chair of ATCR/WGR, Australia will have an opportunity to work with UNHCR to shape the agenda for the meetings and promote issues of strategic interest to Australia.

As in previous years, the department and three representatives of Australian NGOs, who were invited by the minister, formed the Australian Government delegation to the UNHCR Executive Committee meeting in October 2010.

Protection visas (onshore)

Under the Protection visas (onshore) program, the department:

- determines if the claims of people who apply for Protection visas satisfy the refugee definition under the United Nations 1951 Convention Relating to the Status of Refugees, or whether they are owed protection under other international treaties
- considers, through the Refugee Status Assessment arrangements, the claims of people who arrive at an excised offshore place and are unable to lodge a Protection visa application unless the minister allows the application
- considers the unique and exceptional circumstances of requests for ministerial intervention under section 417 of the Migration Act by people who wish to remain in Australia but whose Protection visa application refusal has been upheld by the Refugee Review Tribunal
- provides assistance for applications from asylum seekers in immigration detention and other disadvantaged visa applicants in the community under the Immigration Advice and Application Assistance Scheme.

Performance

In 2010–11, there were 11 491 Protection visa applications and refugee status determination requests from people seeking asylum in Australia, up slightly from the previous year.

There were 4818 Protection visas granted to irregular maritime arrivals (IMAs) and non-IMAs, which was similar to the previous year.

Table 44: People seeking Australia's protection

Applications lodged/ requests received	2008–09	2009–10	2010–11
Non-IMA Protection visa applications lodged	5 072	5 987	6 316
IMA refugee status determination requests received	690	4 591	5 175
Total	5 762	10 578	11 491

Table 45: Final Protection visa and resolution of status grants

Grant type	2008–09 ^r	2009–10 ^r	2010–11
Protection visa grants to non-IMAs	2 173	2 367	2 101
Protection visa grants to IMAs [#]	209	2 149	2 717
Protection visa grants—other [*]	49	0	0
Total Protection visa grants	2 431	4 516	4 818
Resolution of status grants	834	182	28

^r Protection visa figures relating to 2008–09 to 2009–10 are as officially revised at the end of 2010–11 and therefore may differ from statistics previously published.

[#] Due to the different methodologies and systems employed, the count of total Protection visa grants to IMAs in this table varies from the total in Table 49 by 71 (20 in 2008–09, 30 in 2009–10 and 21 in 2010–11).

^{*} includes Protection visas granted to former temporary Protection visa and temporary humanitarian visa holders and Protection visa grants from the ministerial intervention process

The top 10 countries of citizenship for non-IMAs applying for Protection visas in 2010–11 (in descending order) were People's Republic of China, India, Pakistan, Egypt, Iran, Fiji, Nepal, Iraq, Malaysia and Indonesia. There were significant increases in lodgements from citizens of India, Pakistan, Nepal and Egypt.

Table 46: Protection visa applications lodged by top 10 countries of citizenship in 2010–11 (non-IMA)

Country of citizenship	2008–09 ^r	2009–10 ^r	2010–11
1. People's Republic of China	1 186	1 293	1 122
2. India	353	301	555
3. Pakistan	221	349	547
4. Egypt	113	207	427
5. Iran	203	378	384
6. Fiji	116	563	329
7. Nepal	42	93	226
8. Iraq	233	223	220
9. Malaysia	207	257	212
10. Indonesia	211	178	195
Other	2 187	2 145	2 099
Total	5 072	5 987	6 316

^r Figures relating to 2008–09 to 2009–10 are as officially revised at the end of 2010–11 and therefore may differ from statistics previously published.

The top 10 countries of citizenship for non-IMAs granted Protection visas in 2010–11 (in descending order) were Iran, People's Republic of China, Pakistan, Zimbabwe, Egypt, Sri Lanka, Iraq, Fiji, Lebanon and Afghanistan. Iran ranked highest in the non-IMA Protection visa grants for the first time due to consistently high final grant rates.

Table 47: Final Protection visa grants and grant rates by top 10 countries of citizenship in 2010–11 (non-IMA)

Citizenship	2008–09 ^r	Final grant rate	2009–10 ^r	Final grant rate	2010–11	Final grant rate
1. Iran	142	88.8%	210	98.1%	369	96.1%
2. People's Republic of China	426	31.5%	494	42.2%	315	29.9%
3. Pakistan	158	76.7%	212	84.8%	208	79.1%
4. Zimbabwe	215	90.3%	255	85.9%	172	77.1%
5. Egypt	45	56.3%	79	71.8%	142	66.4%
6. Sri Lanka	359	90.0%	190	76.3%	117	79.1%
7. Iraq	157	95.7%	183	96.3%	113	93.4%
8. Fiji	27	30.0%	38	16.1%	87	18.0%
9. Lebanon	36	37.5%	33	35.9%	64	43.8%
10. Afghanistan	48	94.1%	75	94.9%	59	79.7%
Other	560	28.7%	598	34.1%	455	26.7%
Total	2 173	45.4%	2 367	51.0%	2 101	43.7%

r. Protection visa figures relating to 2008–09 to 2009–10 are as officially revised at the end of 2010–11 and therefore may differ from statistics previously published.

There were 5175 requests for refugee status determination from IMAs in 2010–11, a slight increase on the previous year. Increases in requests for refugee status determination from citizens of Iran and Iraq and by stateless persons contributed to this trend.

Table 48: Refugee status determination requests by top five countries of citizenship in 2010–11 (IMA)

Country of citizenship	2008–09	2009–10	2010–11
1. Afghanistan	506	2 650	1 612
2. Iran	9	197	1 549
3. Stateless	25	460	895
4. Iraq	59	248	542
5. Sri Lanka	78	919	362
Other	13	117	215
Total	690	4 591	5 175

Table 49: Final Protection visa grants* by top five countries of citizenship in 2010–11 (IMA)

Country of citizenship	2008–09	2009–10	2010–11
1. Afghanistan	166	1 419	1 335
2. Stateless	5	172	481
3. Iran	1	63	333
4. Iraq	13	137	239
5. Sri Lanka	4	315	236
Other	0	13	72
Total	189	2 119	2 696

Note: A stateless person is an individual who lacks identity as a national of a state for the purpose of law and is not entitled to the rights, benefits, or protection ordinarily available to a country's nationals. Statelessness is established where no country recognises the person as holding its citizenship.

* Due to the different methodologies and systems employed, the count of total Protection visa grants to IMAs in this table varies from the total in Table 45 by 71 (20 in 2008–09, 30 in 2009–10 and 21 in 2010–11).

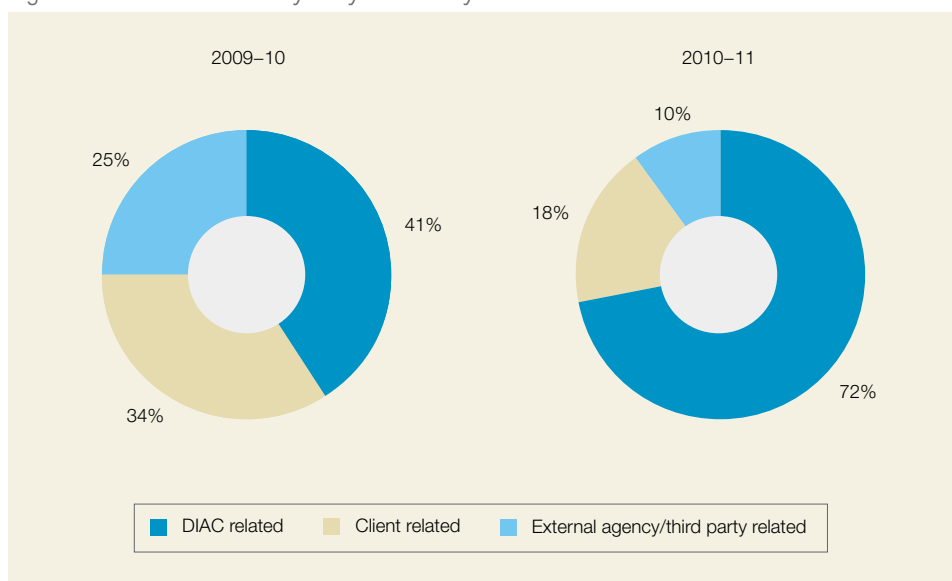
Processing times

In 2010–11, 60.7 per cent of initial decisions and decisions after remittal by the courts or tribunals, were made within 90 days, in compliance with relevant processing standards, compared to 71.8 per cent in 2009–10. Figure 12 shows the reasons for delays beyond 90 days in 2009–10 and 2010–11.

The median number of days taken to decide primary cases during 2010–11 was 76 days compared to 77 days in 2009–10.

In 2010–11, 72.3 per cent of Protection visa decisions that took more than 90 days were departmental-related delays for reasons such as the complexity of certain cases requiring additional investigation and resource-related issues.

Figure 12: Reasons for delays beyond 90 days in 2009–10 and 2010–11



Ministerial intervention

Under section 417 of the *Migration Act 1958*, the minister has non-delegable and non-compellable powers to substitute a decision more favourable to an individual for a decision made by the Refugee Review Tribunal (RRT), if he or she thinks it is in public interest to do so. This often means granting a visa to individuals who have been found by the RRT not to satisfy the applicable visa criteria for a Protection visa, but whose circumstances are nevertheless unique, exceptional, compelling or compassionate.

Table 50: Ministerial intervention under section 417 of the *Migration Act 1958*

Activity	2008–09 ^r	2009–10 ^r	2010–11
Requests received	2 845	2 453	2 467
Requests finalised*	2 705	3 128	2 958
Requests finalised by the minister	1 787	2 025	1 952
Visas granted	610	563	375

r. Figures relating to 2008–09 to 2009–10 are as officially revised at the end of 2010–11 and therefore may differ from statistics previously published.

* Total requests finalised include finalisations by the minister, department and client withdrawal.

Table 51: Ministerial intervention requests under section 417 of the *Migration Act 1958* by top 10 countries of citizenship in 2010–11

Country of citizenship	2008–09 ^r	2009–10 ^r	2010–11
1. People's Republic of China	666	575	482
2. Fiji	158	138	367
3. India	372	290	299
4. Indonesia	234	177	161
5. Malaysia	131	170	151
6. Bangladesh	176	122	107
7. Lebanon	105	116	90
8. Republic of Korea	126	130	87
9. Sri Lanka	114	122	69
10. Pakistan	97	62	67
10. Philippines	43	47	67
Other	623	504	520
Total	2 845	2 453	2 467

r. Figures relating to 2008–09 to 2009–10 are as officially revised at the end of 2010–11 and therefore may differ from statistics previously published.

Table 52: Ministerial intervention visa grants under section 417 of the *Migration Act 1958* by top 10 countries of citizenship in 2010–11

Country of citizenship	2008–09 ^r	2009–10 ^r	2010–11
1. Indonesia	94	78	66
2. Republic of Korea	32	21	38
3. People's Republic of China	35	66	35
4. Fiji	89	36	33
5. Bangladesh	33	56	24
6. Philippines	24	18	21
7. Sri Lanka	46	41	19
8. Egypt	7	5	14
9. India	13	15	14
10. Albania	9	8	8
10. Lebanon	28	26	8
Other	200	193	95
Total	610	563	375

r. Figures relating to 2008–09 to 2009–10 are as officially revised at the end of 2010–11 and therefore may differ from statistics previously published.

Table 53: Ministerial intervention visa grants under section 417 of the *Migration Act 1958* by visa subclass by top 10 countries of citizenship in 2010–11

Visa subclass	2008–09 ^r	2009–10 ^r	2010–11
Former Resident (subclass 151) visa	49	339	234
Carer (subclass 836) visa	5	23	63
Tourist (subclass 676) visa	73	80	38
Aged Dependent Relative (subclass 838) visa	45	16	15
Spouse (subclass 801) visa	19	15	8
Global Special Humanitarian (subclass 202) visa	49	14	6
Five Year Resident Return (subclass 155) visa	135	24	5
Remaining Relative (subclass 835) visa	121	9	2
Business Owner (Residence) (subclass 890) visa	0	0	2
Business (long stay) (subclass 457) visa	2	3	1
Employer Nomination Scheme (subclass 856) visa	82	33	1
Other	30	7	0
Total	610	563	375

r. Figures relating to 2008–09 to 2009–10 are as officially revised at the end of 2010–11 and therefore may differ from statistics previously published.

International engagement

Australia made a number of significant contributions to strengthen the international protection framework through cooperation with international partner agencies, including UNHCR and IOM. Through capacity building activities with selected countries and support for regional forums, the department provided assistance for many projects and initiatives to strengthen border management in our region and internationally. These initiatives advance Australia's interests in relation to migration and refugee issues.

The department continued its multilateral engagement on international protection and refugee issues and managed migration, including:

- Participating in the planning of UNHCR's commemorations of the 60th anniversary of the Convention on the Status of Refugees and the 50th anniversary of the Convention on the Reduction of Statelessness. The commemorations aim to reaffirm and strengthen the founding principles and values of the international protection regime.
- Participating in negotiations for a conclusion on refugees with disabilities and other persons with disabilities protected and assisted by UNHCR, which was adopted at UNHCR's Executive Committee in October 2010.
- Supporting IOM to expand its global operations in order to remain well-positioned to provide governments with expert policy advice and access to research to inform the development of migration policies. In the 2010 calendar year, IOM received funding of USD40.9 million in earmarked voluntary contributions from Australia towards domestic, regional and global projects, including a range of capacity building and population stabilisation operations in the Asia Pacific and Middle East.
- Participating in the Global Forum on Migration and Development in December 2010, where it was decided that the focus of the forum would evolve towards encouraging greater practical collaboration between participating states.
- Continuing to actively participate in information exchanges and policy debate on the management of international migratory flows through the Intergovernmental Consultations on Migration, Asylum and Refugees.
- Funding a number of humanitarian projects aimed at stabilising and supporting displaced persons through the department's Displaced Persons Program, including projects focused on health, livelihood and refugee registration activities.
- Participating in the Association of South East Asian Nations Directors-General of Immigration Departments and Heads of Consular Affairs Divisions of the Ministries of Foreign Affairs (ASEAN DGICM) and Australia Consultation to further regional cooperation and mutually agreeable border management initiatives.
- Co-hosting the Bali Process to raise regional awareness of the consequences of people smuggling and trafficking and develop strategies and practical cooperation in response.
- Hosting a successful Five Country Conference (FCC) in April 2011 with immigration counterparts from Canada, New Zealand, the United States of America and the United Kingdom. The FCC provided an opportunity to discuss immigration issues of mutual interest and to explore ways to improve client service, enhance the security and integrity of immigration systems and achieve operational savings.

- Signing a Memorandum of Understanding between Australia, Afghanistan and the UNHCR on migration and humanitarian cooperation, an important step in the government's commitment to combat people smuggling. Crucially, this agreement allows for the sustainable return to Afghanistan of Afghans found not to be in need of international protection and therefore not entitled to remain in Australia. The MOU plays an important role in dissuading Afghans from risking their lives by joining people smuggling ventures.

Key bilateral activities in 2010–11 to strengthen relationships, enhance managed migration strategies and develop capacity in various countries included:

- Leading a high-level delegation to India for the meeting of the India–Australia Joint Working Group on Visas, Passports and Consular Matters. Agreement was reached to increase engagement between the two countries.
- Hosting a high-level delegation from the People's Republic of China under the newly-introduced Senior Officials Exchange Program. The visit was an opportunity for Australia to demonstrate its visa systems, staff development programs and case management approaches.
- Working in close collaboration with the Papua New Guinea Immigration and Citizenship Service to deliver enhancements to the PNG Border Management System to facilitate the processing of visas in relation to their economically significant Exxon Mobil Liquefied Natural Gas Project.
- Hosting the 16th Australia–Indonesia Working Group on immigration to advance cooperation on irregular migration and people smuggling issues, with a focus on technical cooperation, detention centre refurbishment, building capacity within the Indonesian immigration agency to manage its border and support to intercepted irregular migrant populations in the country.
- Hosting the first Australia–Cambodia Immigration Forum to consult and exchange information on immigration issues of mutual interest. This inaugural forum outlined a strategy for future engagement and agreed to advance a scoping study for a department-assisted project on alerts.
- Hosting a training and human resource delegation to exchange information on methods of human resources management in Australia and Singapore.

Regional cooperation

On 30 March 2011, delegates at the fourth Ministerial Conference of the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime agreed to establish a regional cooperation framework. This was a key milestone in the region's response to irregular migration and demonstrates a clear recognition by Bali Process members of the need for a cooperative international response to an enduring global challenge.

The framework promotes enhanced consistency in asylum processing, durable solutions for those determined to be refugees and the sustainable return of people found not to be owed protection. The establishment of the framework reflects the culmination of significant Australian diplomacy to engage with regional partners and international organisations to secure the endorsement of a cooperative approach.

The regional cooperation framework is based on the concept of burden-sharing and cooperation between source, transit and destination countries. The framework lays the foundation for the implementation of practical arrangements to address irregular movement through the region. It is underpinned by five core principles:

- Irregular movement facilitated by people smuggling syndicates should be eliminated and states should promote and support opportunities for orderly migration.
- Where appropriate and possible, asylum seekers should have access to consistent assessment processes, whether through a set of harmonised arrangements or through the possible establishment of regional assessment arrangements, which might include a centre or centres, taking into account any existing sub-regional arrangements.
- Persons found to be refugees under those assessment processes should be provided with a durable solution, including voluntary repatriation, resettlement within and outside the region and, where appropriate, possible 'in-country' solutions.
- Persons found not to be in need of protection should be returned, preferably on a voluntary basis, to their countries of origin, in safety and dignity. Returns should be sustainable and states should look to maximise opportunities for greater cooperation.
- People smuggling enterprises should be targeted through border security arrangements, law enforcement activities and disincentives for human trafficking and smuggling.

Representatives from 32 member countries of the Bali Process have agreed to work to develop the detailed practical arrangements that will underpin the framework, whether they are bilateral arrangements between participating states, or broader sub-regional activities.

On 7 May 2011, the governments of Australia and Malaysia announced they would enter into a burden-sharing arrangement as an initial step under the regional cooperation framework. Australia will continue to work closely with regional partners and international organisations to develop further measures under the regional cooperation framework.

Case study



International cooperation strengthens border protection

This year, the department led the Australian Government's participation in Bali Process initiatives aimed at greater international collaboration on border protection.

In 2010–11, Australia co-chaired two workshops on immigration aspects of seaport and airport security, which resulted in regional and inter-country commitments to strengthen border security measures.

In Singapore in July 2010, representatives of 19 Bali Process member countries participated in the Immigration Aspects of Seaport Security workshop, co-hosted by the department and the Singapore Immigration and Checkpoints Authority.

The workshop examined strategies to mitigate the threats posed by people smugglers, impostors and stowaways. Information was shared on clearance procedures for vessels and people, pre-arrival reporting, and best practice seaport security.

In Bangkok in June 2011, Australia and Thailand co-hosted another Bali Process workshop on the immigration aspects of airport security. The workshop covered the changing nature of air travel, airport security, whole-of-government approaches to managing risk at the border and facilitating entry, and tools and tactics to detect people smugglers and traffickers.

This workshop involved representatives of 39 countries, as well as observers from the United Kingdom, Canada, United States of America, France, United Arab Emirates, the United Nations Office on Drugs and Crime, the United Nations High Commissioner for Refugees and the International Organization for Migration.

The Bali Process was established following the Regional Ministerial Conference on People Smuggling, Trafficking in Persons and Related Transnational Crime in February 2002, which brought more than 50 participant countries together to work on practical measures to help combat people smuggling, trafficking in persons and related transnational crimes in the Asia-Pacific region and beyond.

Photo: Asylum seekers being transferred to Christmas Island after their boat was intercepted.

Outcome 3

Lawful entry of people to Australia through border management services involving bona fide traveller facilitation; identity management; document verification, intelligence analysis, partnerships with international and domestic agencies, and border policy advice and program design.

Photo: Departmental officer Scott manages the lawful entry of people to Australia.



The program managed under Outcome 3 is:

Program 3.1 Border management

During 2010–11, Program 3.1 was managed by the Border Security, Refugee and International Policy Division and delivered in close collaboration with internal partners including Risk, Fraud and Integrity Division and Refugee, Borders and Offshore Division. This section reports on the deliverables and key performance indicators for Program 3.1 as published in the department's *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Strategy

The key initiatives and major strategies contributing to Outcome 3 in 2010–11 were:

- Enhance the department's ability, through international and inter-jurisdictional agreements, biometric technology and tools, to acquire (offshore and onshore) and use identity information.
- Support law enforcement and security agencies in preventing the entry of people who are a direct or indirect threat to the Australian community and to national security and contribute to the Australian Government effort to counter terrorism.
- Prevent and deter unauthorised and irregular entry to Australia by working closely with overseas governments, international organisations, airlines, shipping companies and other agencies through the use of information, intelligence and technology.
- Maintain and where appropriate develop new risk-based entry policies and procedures, which facilitate the orderly arrival and departure of travellers, whilst maintaining integrity.
- Maintain the integrity of the border by closely working with other border agencies to maintain and improve effective screening, through initiatives and international fora that aim to strengthen border integrity within the Asia and Pacific regions.
- Enhance the department's ability to detect and minimise identity and document fraud.
- Contribute to whole-of-government initiatives on identity fraud and transnational organised crime.
- Maintain a capacity to coordinate and contribute to engagement in whole-of-government responses to offshore emergencies.

Major achievements

In 2010–11, the department facilitated the arrival and departure of 30.05 million passengers and crew compared to 28.03 million in 2009–10. This represents an increase of seven per cent.

During the year, 1877 people were refused immigration clearance at Australia's airports and seaports, compared to 1640 in 2009–10, an increase of 14.5 per cent.

To ensure that only those passengers who had authority to travel to and enter Australia did so, Australia's Advance Passenger Processing (APP) system and the Airline Liaison Officer (ALO) program continued to provide significant screening support to airlines and foreign governments.

The APP system, which enables the department to have advance notice of people arriving by air in Australia, achieved an airline compliance level of 99.94 per cent.

The ALO program continued to provide document and identity checking of many Australia-bound passengers at key international gateways. The program also deployed teams of highly qualified officers at short notice to help in three major emergency situations in Egypt, Japan and New Zealand. Airline Liaison Officers were deployed to help coordinate evacuation arrangements for Australian citizens and permanent residents of Australia and provide vital assistance in liaising with local authorities to facilitate the departure of passengers.

In June 2011, the department, in conjunction with the Thai Government, facilitated a four-day workshop on immigration aspects of airport security as part of the Bali Process on People Smuggling, Human Trafficking and Related Transnational Crime.

Attended by 39 countries and international organisations, the workshop was deemed a success as delegates agreed to a range of future actions to support continued information sharing and capacity building across governments to strengthen border security.

During 2011, the department conducted a trial of the use of analytic models of arriving passengers at Sydney airport, based on incoming risk passenger data. The trial is being evaluated, and may result in expansion of the capability.

The department successfully delivered on the commitment in the Budget to introduce biometrics into offshore visa application processing. This measure, which was introduced in partnership with the United Kingdom Government, was initially included in the government's response to the Counter-Terrorism White Paper in February 2010 and then announced as part of the 2011–12 Budget. The new arrangements began in December 2010 and biometrics are now being collected in 15 countries. At 30 June 2011, the department had collected more than 22 500 facial images and more than 19 800 sets of fingerprints.

Challenges

The movement of people across Australia's borders has been significantly increasing in volume and complexity. Passenger movements are expected to grow from more than 30 million last year to approximately 45 million by 2020.

This growth is not only a source of wealth, but also an evolving breadth and sophistication of risks which demand a high level of effective interoperability between border management, law enforcement and intelligence agencies.

The department delivers its border management program through an integrated, layered approach, with an emphasis on working ahead of the physical border, maintaining global partnerships and intelligence-led, risk-based interventions.

The department continues to refine its approach to managing risks ahead of the border while ensuring that genuine travellers are facilitated. We have continued our efforts to assist our border and national security partners by progressing key projects, including:

- Next Generation Border Security system, which provides the Australian Government with a capability to more accurately identify potential high risk visa applicants, particularly those who pose a risk to national security
- biometrics for visa and border processing
- a review of the legislative powers to manage risks in relation to the travel of people posing a threat to aviation security.

The Australian and New Zealand Prime Ministers made commitments to explore ways to further streamline trans-Tasman travel. The department continues to contribute to the whole-of-government effort to streamline travel between our countries.

Table 54: Outcome 3 Financial resources summary 2010–11

Lawful entry of people to Australia through border management services involving bona fide traveller facilitation; identity management; document verification, intelligence analysis, partnerships with international and domestic agencies, and border policy advice and program design.

	Budget ¹ 2010–11 \$'000	Actual expenses 2010–11 \$'000	Variation 2010–11 \$'000	Budget estimate 2011–12 \$'000
Program 3.1: Border management				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	4 469	3 819	(650)	-
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	143 952	140 357	(3 595)	129 108
Expenses not requiring appropriation in the Budget year	20 576	13 384	(7 192)	21 377
Total for Program 3.1	168 997	157 560	(11 437)	150 485
Total expenses for Outcome 3	168 997	157 560	(11 437)	150 485
Average staffing level (number)	824	779	(45)	758

1. The 2010–11 Budget represents the estimated actual expenses published in the 2011–12 Portfolio Budget Statements.

Program 3.1 Border management

Program 3.1 consists of two departmental items:

- Borders
- Identity

There is one administered item under Program 3.1:

- Combating people smuggling.

Objective

Effectively facilitate entry of genuine travellers to Australia while preventing entry of those likely to threaten the national interest, as achieved through a whole-of-government, layered approach to border management.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Border management—deliverables

Deliverable: Continued increase in the use of biometrics and identity management services.

Result: Since October 2010, training in the department's Biometric Acquisition and Matching System (BAMS) has been delivered to 149 departmental client services officers and to the department's onshore protection officers and 114 officers of Serco (the department's detention services provider). This training provides the skills required by officers to collect facial and fingerprint images from clients.

In December 2010, the department began to collect biometrics (fingerprints and facial images) from offshore visa applicants in 15 countries across Africa, Asia, Europe and the Middle East.

Deliverable: The entry to Australia of genuine travellers is facilitated.

Result: In 2010–11, there were 30.05 million passenger and crew arrivals and departures. Entry facilitation is delivered at the primary line by the Australian Customs and Border Protection Service (Customs and Border Protection) under a Memorandum of Understanding between that agency and the department.

In accordance with service standards, Customs and Border Protection aims to attend to 95 per cent of clients within 30 minutes of joining the passport-processing queue at an Australian airport. In 2010–11 an average of 97 per cent of all passengers were cleared within 30 minutes of joining the passport-processing queue.

The department continues to work closely with Customs and Border Protection to automate border processing to facilitate entry by travellers using eligible ePassports through the SmartGate system—an automated process for facilitating clearance of Australian and New Zealand citizens on arrival.

Border management—deliverables *continued*.

The department's Entry Operations Centre provided assistance to more than 234 000 travellers in 2010–11. The centre operates on a 24 hours a day, seven days a week basis to facilitate the boarding of genuine travellers on aircraft to Australia.

Throughout 2010–11, the department built on its operational integrity network, which provides integrity support to the visa and citizenship programs within the service delivery network onshore and offshore under the newly created position of Global Manager for Operational Integrity (GMOI).

The primary goal of the GMOI is to support and better inform policy and service delivery by providing:

- pre-decision application support to onshore and offshore decision-makers based on established risk profiles (for example, caseload analysis, integrity referrals and site visits and spouse bona fide home visits)
- an enhanced post-decision quality assurance role to check that outcomes align with processing and policy settings
- identification of emerging evidence of caseload fraud and then escalating this and 'treating' it, depending on the circumstances, by means of disruption action, refusal or cancellation, warning or sanction, or civil/criminal prosecution
- feedback to other global managers, regional directors and policy divisions on any areas of identified processing and policy weakness requiring change.

Deliverable: A high level of border integrity is maintained, including work to prevent the entry of those likely to threaten the national interest.

Result: During 2010–11, 1877 people (1809 at airports and 68 at seaports) were refused immigration clearance at Australia's airports and seaports. This represents an increase of 14.5 per cent on the previous year.

About 67 per cent of those refused immigration clearance had their visas cancelled on the grounds that they were not genuine visitors to Australia and did not intend to comply with the conditions of their visas. The remainder were people who failed to meet the character requirement for entry to Australia or were found with inappropriate documentation with the aim of illegally entering Australia.

The Airline Liaison Officer (ALO) network and the officers in the department's Tactical Support Unit were involved in 126 interdictions of improperly documented passengers attempting to travel to Australia in 2010–11. During the same period, there were 47 improperly documented arrivals from airports that have ALO representatives present there.

During 2010–11, the Border Operations Centre resolved 2.6 million potential matches for clients against identities of concern contained within the Movement Alert List (MAL). All potential matches were resolved within the service level agreement. All visa applicants are checked against the MAL on application before visas are granted and at other milestones during their travel and stay in Australia.

At 30 June 2011, there were 639 000 identities of concern and 1.71 million lost, stolen or fraudulently altered travel documents of interest contained in the MAL.

Border management—deliverables *continued*.

Deliverable: A high level of confidence in the accurate identification of people entering and departing Australia.

Result: The department has a range of tools in place that assist in detecting and preventing identity fraud. The department has collected biometrics (facial images and fingerprints) from most people over 15 years of age in immigration detention since 2006, including irregular maritime arrivals and illegal foreign fishers. Collection of biometric facial images from citizenship applicants started in October 2007.

From November 2010, following a successful pilot project, all Protection visa applicants are required to provide biometrics.

Since 21 August 2010, all fingerprints acquired by the department are stored on the National Automated Fingerprint Identification System (NAFIS), which is administered by CrimTrac (the Australian Government agency established to provide national information sharing to support law enforcement agencies). Once on NAFIS, they are automatically checked against our own holdings and against all state and territory law enforcement records. This enhances the department's capacity to identify clients and to ascertain whether a client has a criminal record in Australia. This also reduces repeat visa applications in different identities and increases confidence that clients do not have serious character issues undeclared to the department.

Law enforcement agencies are also able to check whether the fingerprints of someone suspected or convicted of a crime belong to a person known to the department.

To 30 June 2011, 400 cases matched with the NAFIS law enforcement records. The matches came from the unlawful non-citizen, onshore protection, United Kingdom Visa Application Centre and illegal foreign fisher case loads. The fingerprint check identified 141 cases where the client had not disclosed their past records to the department.

When a match occurs that uncovers a client's undeclared past records, Identity Branch provides that information to the appropriate decision-maker. Approximately 65 per cent of clients who do not disclose their past records are already in immigration detention. About 25 per cent of non-disclosers are onshore protection applicants and 3–10 per cent are offshore visa applicants. Identity Branch's information assists case officers to make better informed decisions about removals and visa applications.

To protect privacy, the data stored on NAFIS is de-identified. If a search by another agency results in a match, that agency must seek any additional personal information (such as a client's name or address) from the department. Such information is only shared in accordance with the legal requirements in the *Migration Act 1958* and the *Privacy Act 1988*.

Deliverable: Contribution to the whole-of-government efforts to combat people smuggling.

Result: The department made a significant contribution to the whole-of-government efforts to combat maritime and non-maritime people smuggling.

Australia has deployed officers in a number of countries that are the source of smuggled migrants including Vietnam and Sri Lanka. Australia has also deployed officers to those countries that are used by smuggling networks as transit locations, including Indonesia, Malaysia, Thailand and the United Arab Emirates. These officers work with the governments of our regional partners and other Australian Government agencies to combat people smuggling.

Border management—deliverables *continued*.

The development of effective working relationships with the border management agencies of our regional partner countries is crucial in developing both immediate and long-term solutions to people smuggling. The department participates in a number of regional forums designed to establish and maintain these networks. The primary forum is the Bali Process on People Smuggling, Human Trafficking and Related Transnational Crime, which Australia co-hosts with Indonesia.

Other forums include the Pacific Immigration Directors Conference and the Pacific Rim Immigration Intelligence Conference. The department also contributes to the Five Country Conference Intelligence and Overseas Liaison Working Group and the United Nations Office on Drugs and Crime projects on people smuggling. The department participates in ASEAN forums focusing on people smuggling, human trafficking and other irregular movements.

Capacity building in the form of training and ongoing support is provided to our regional partners by the department to assist them to identify and combat people smuggling. Recipients of this capacity building in 2010–11 include ASEAN member countries, Afghanistan, Jordan, Pakistan, the Maldives, Sri Lanka and the United Arab Emirates. The department is developing capacity-building programs with Iraq, Papua New Guinea and other countries in the Pacific region and selected African countries.

The relationship and capacity-building work completed by the department in previous years is proving effective; a number of source and transit countries are developing and enforcing legislation and utilising border management and immigration-related intelligence systems to combat people smuggling. While this assists Australia, it also ensures that the countries involved maintain a higher degree of border integrity.

Border management—key performance indicators

Indicator: Only a very low proportion of total passenger and crew arrivals are refused immigration clearance at airports and seaports.

Result: During the year, 1877 people (1809 at airports and 68 at seaports) were refused immigration clearance at Australia's airports and seaports. This represents 0.012 per cent of all passenger and crew arrivals.

Table 55: Border management—performance information

Key performance indicator	2008–09 actual	2009–10 actual	2010–11 target	2010–11 actual
The percentage of people refused immigration clearance at airports and seaports, as a proportion of total passenger and crew arrivals.	0.011%	0.012%	<0.015%	0.012%

Administered items

Administered item: Combating people smuggling

Objective:

- To provide further assistance to Indonesia to enhance their national border management system.
- Enhance whole-of-government capabilities in responding to increasing irregular migration in various source and transit countries.

Deliverable: Further strengthen the Enhanced CEKAL¹ System and Passenger Movement System to align with the Indonesian Border Control Management Project.

Result: The department has undertaken the Border Control Management (BCM) Transition of Support program, which has provided support and training to Indonesia's Directorate General of Immigration (Imigrasi) BCM support team.

A new biometric identification system has been developed, tested and implemented in Imigrasi headquarters and at one port. Imigrasi will continue to roll the system out to a further nine ports over the coming months.

The department has provided system maintenance and support.

Imigrasi acknowledges the significant benefit the integrated and enhanced border management system has provided them, particularly in the management and reporting of client data.

Deliverable: Investigate integration of advance passenger processing capability with the Indonesian Border Control Management systems.

Result: Advance passenger information processing capability was investigated. However, due to changed priorities, Imigrasi chose not to pursue this functionality under the project. They are independently continuing to assess this functionality. The Border Control Management system has the technical capacity to integrate with an advance passenger processing system.

Deliverable: Develop and integrate biometric watch list validation.²

Result: The border control management and the biometric identification system provide functionality to search client biometrics against Imigrasi's biometric holdings, including their watch list.

Deliverable: Provide higher levels of engagement with regional partners and cooperation across the region through conferences and workshops on irregular migration and people smuggling and through capacity building, including visa integrity and immigration intelligence.

Result: The department engaged with regional partners both bilaterally and as a participant in multilateral forums, including the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime, and the Association of South East Asian Nations Directors-General of Immigration departments and Heads of Consular Affairs Divisions of the Ministries of Foreign Affairs (ASEAN DGICM) and Australia Consultations. Participation included a range of conferences, workshops and working groups on irregular migration and border security issues.

1. CEKAL was Indonesia's original immigration alert management system.

2. Change in text from *Portfolio Budget Statements 2010–11* following outcomes from negotiations with Indonesia's Directorate-General of Immigration (Imigrasi). The text amendments clarify the scope of the deliverables as agreed with Imigrasi.

Borders

Through this program, the department aims to ensure that it has arrangements in place to facilitate the movement of legitimate travellers with a minimum of intervention, to maintain border integrity while identifying those people who travel with the intent of damaging Australia's national interests, or who will not comply with Australia's immigration legislation.

Performance

Australia's border management system includes a number of different layers to prevent people who pose a threat to the Australian community from travelling to and entering the country. All non-citizens seeking to travel to or enter Australia must pass through each of these layers. Australia's universal visa system is the first line of defence against the entry of people who pose a security, criminal or health risk.

All non-citizens are required to hold a current visa to enter and stay in Australia. Visa applicants are screened against immigration alert lists to identify people who may pose risks.

Pre-arrival checking

Australia has a number of measures to ensure that authority to travel to and enter Australia is checked prior to arrival. Further checks for any adverse information in relation to potential entrants to Australia are also conducted a number of times prior to arrival, en-route and on arrival.

Arrivals and departures

In 2010–11, the total figure of 30.05 million passenger and crew arrivals comprised 27.71 million air passengers, 1.52 million air crew, 0.16 million sea passengers and 0.66 million sea crew, compared to the 2009–10 figures of 25.79 million air passengers, 1.42 million air crew, 0.16 million sea passengers and 0.66 million sea crew.

Table 56: Arrivals and departures

	2008–09	2009–10	2010–11
Number of passenger and crew arrivals and departures processed within the integrity framework	26.1 million	28.03 million	30.05 million
Number of people refused immigration clearance at airports	1 284	1 573	1 809
Number of people refused immigration clearance at seaports (Torres Strait travel excluded)	229	67	68

Case study



Biometrics collection commences offshore

An innovative arrangement between the Australian and British governments was rolled out in 2010–11, resulting in the collection of biometric data from 10 overseas posts.

The partnership, which was announced by the Australian Government on 23 February 2010, involves Australia sharing a global network of Visa Application Centres already established by the United Kingdom. This is the first partnership of its kind between Australia and the UK and is a significant advancement in sharing common visa facilities.

Ms Jaci van Campenhout from the Offshore Biometrics Taskforce said the Memorandum of Understanding (MOU) developed with the UK would provide numerous benefits to the department.

‘Partnering with the UK and leveraging off existing infrastructure has led to a significant cost benefit to the department.

‘The introduction of biometric collection in the offshore environment is already resulting in improvements in service delivery. By increasing our global footprint, it has given our clients greater access to visa lodgement services when applying for Australian visas,’ Ms van Campenhout said.

‘The collection of fingerprints and facial images improves the integrity of visa application processes, both from a national security and immigration fraud perspective. A fundamental component of the program is the protection of client data.’

‘This arrangement is consistent with the government’s commitment to strengthen border security, to improve visa processing and identity management procedures through the use of new technology and to leverage service delivery arrangements, where appropriate,’ Ms van Campenhout said.

Stage one of the Biometrics in Offshore Visa Processing Program commenced in December 2010 and has now been rolled out to 15 countries.

As at 30 June 2011, the department had collected more than 22 500 facial images and 19 800 sets of fingerprints. This data is used to match against information that is already in departmental databases. This provides visa decision-makers with a wider evidence base where they can be satisfied and confident that the applicant is providing consistent identity information. In addition, there have been a number of positive matchings with criminal, gaming and International Criminal Police Organization (INTERPOL) listings.

Photo: (L–R) A staff member greets a visa applicant in an Australian Visa Application Centre.

Advance Passenger Processing

Airlines and cruise ships are required to provide details of all passengers and crew to Australia's immigration and customs authorities ahead of their arrival in Australia. The Advance Passenger Processing (APP) is the pre-arrival reporting system used by international passenger airlines and cruise ships that have regular international passenger services to Australia. These provide Australia's border agencies with advance notice of people travelling to Australia. All other carriers provide Australia with Advance Passenger Information.

The APP system also enables airlines and cruise ships to undertake checks to confirm that people have a valid authority to travel to Australia and to facilitate the clearances of genuine travellers on arrival.

At 30 June 2011, there were 49 passenger airlines flying into Australia subject to the mandatory APP requirements for both passengers and crew. In 2010–11, overall airline compliance with APP reporting requirements stood at 99.94 per cent, an increase from 99.92 per cent in 2009–10.

In 2010–11, 10 airlines were issued with infringement notices when their compliance with APP reporting fell below the 99.8 per cent threshold. Of those airlines, three were below the threshold for only one month.

Since 2004, international cruise ships have used the APP system to report passengers and crew travelling to Australia. During 2010–11, more than 77 000 passengers and 36 000 crew were APP reported as arrivals by cruise ships.

Regional Movement Alert System

The APEC Regional Movement Alert System (RMAS) is integrated with Australia's APP system and provides checks on all United States of America and New Zealand passports used to travel to Australia. The objective of RMAS is to strengthen the collective capacity of border management agencies from participating APEC economies to detect lost, stolen and suspicious travel documents.

In 2010–11, RMAS detected more than 386 lost, stolen or otherwise invalid passports being used to travel to Australia.

Infringement notices for inadequate documentation

Under Australian migration law, it is the responsibility of the air and sea carriers to ensure that all passengers and crew are properly authorised to travel to Australia.

Where a carrier brings an inappropriately documented or undocumented person to Australia, it may be liable on conviction to a fine of \$10 000. As an alternative to prosecution, the carrier may elect to pay a prescribed penalty of \$5000 for an offence (an infringement notice).

In 2010–11, 378 infringement notices were issued to 41 airlines, compared with 407 infringement notices in 2009–10, a decrease of approximately seven per cent.

The number of infringement notices served on shipping vessels was 21 in 2010–11, compared to 13 in 2009–10.

Airline Liaison Officer network

Airline Liaison Officers conduct document and identity checking of many Australia-bound passengers at key international gateways. They provide advice to airlines and host governments on passenger documentation and identity issues and, by their visible presence, deter the activities of those involved in people smuggling.

The ALO program is run flexibly, adapting to emerging issues as required. At 30 June 2011, the ALO program had 20 officers placed at 12 overseas airports with support from the department's Tactical Support Unit. The ALO program is also supported by the department's onshore network of border intelligence officers located at most international airports.

In 2010–11, the ALO network and the Tactical Support Unit were involved in 126 interdictions, representing a 25 per cent decrease from the 169 interdictions in 2009–10. During the same period, there were 47 improperly documented arrivals from ports with an ALO presence, representing a 45 per cent decrease from the 85 improperly documented arrivals in 2009–10.

In cooperation with ALOs from other countries, Australian ALOs also helped interdict 237 people travelling to a variety of countries other than Australia in 2010–11.

Airport clearances

The *Migration Act 1958* requires citizens and non-citizens to identify themselves to a clearance authority and provide certain information in order to enter Australia. This process is designed to regulate the entry of people to Australia and ensure that those who enter have authority to do so, that they are who they claim to be, and that they provide other information if required.

Customs and Border Protection undertakes primary immigration clearance processing on behalf of the department at Australian airports. Any issues surrounding a person's ability to meet Australia's entry requirements must be referred to an immigration officer at the airport for resolution. Immigration staff investigate individual circumstances to ensure that each traveller's status is properly established.

In 2010–11, 311 000 passengers were referred on arrival to departmental officers at airports. Passengers were referred for a range of reasons including to update departmental records, bona fide checks and travel document fraud. Of those referred to immigration officers at airports, the overwhelming majority were cleared to enter Australia, with 0.012 per cent of non-citizens refused immigration clearance.

Seaport clearances

The department has seaport officers supporting Customs and Border Protection in the immigration clearance of vessels arriving at Australia's seaports. They are located in the department's state and territory offices and regionally in Dampier and Port Hedland. Under an ongoing training program, the department has delivered immigration clearance training to Customs and Border Protection officers at most major and several smaller regional ports.

During 2010–11, departmental officers boarded 1643 vessels to examine crew and passenger documents and resolve case referrals identified by Customs and Border Protection as being of potential immigration concern.

Deserters and stowaways

In 2010–11, there were 38 deserters from ships' crews from a total of more than 444 840 crew arrivals. No stowaways were reported to the department. This compares to 30 deserters and two stowaways in 2009–10.

Torres Strait

Torres Strait Islanders living in the Torres Strait Protected Zone and traditional inhabitants from the Papua New Guinea Treaty villages may undertake traditional movements between Papua New Guinea (PNG) and Australia under the Torres Strait Treaty.

Traditional movements enable activities to be performed in the protected zone by the traditional Torres Strait inhabitants in accordance with local practices. These practices include: gardening, the collection of food, hunting and traditional fishing, religious and secular ceremonies and gatherings for marriage ceremonies, as well as barter and market trade.

The department has 14 Movement Monitoring Officers (MMOs) located on the inhabited outer islands in the Torres Strait. Traditional movement of people entering or departing the Torres Strait Protected Zone is recorded by the MMOs who also ensure visitors comply with the permitted stay period set by the island manager or councillor. Traditional inhabitants obtain a visitor pass, approved and signed by the village council chairperson, prior to their departure from PNG and report to the MMO on arrival in Australia.

The number of traditional movements (that is, arrivals and departures of both PNG and Australian inhabitants for traditional purposes) across the Torres Strait in 2010–11 was about 53 200. There were 3676 cases of people refused immigration clearance into the Torres Strait. This represents a decrease of 16.8 per cent compared to 2009–10. The majority of refusals were for visitors attempting to enter for non-traditional activities.

Refused immigration clearance

In 2010–11, 1809 people were refused immigration clearance at Australian airports. This represents an increase of 15 per cent over the 1573 people refused in 2009–10.

In 2010–11, the visas of approximately 67 per cent of those refused immigration clearance were cancelled due to a decision that they were not genuine visitors to Australia and did not intend to comply with the conditions of their visas. The remainder included people who failed to meet the character requirement for entry to Australia and people found to have inappropriate documentation who were attempting to enter Australia illegally.

The majority of those refused immigration clearance at Australian airports departed Australia within 72 hours and in most cases on the next available flight.

In 2010–11, 68 people were refused immigration clearance at Australian seaports.

Border systems

The department maintains and uses a number of systems and databases to ensure a high level of integrity and to detect persons of interest. These include:

- The Movement Alert List (MAL), which is the department's principal electronic alert system and an integral part of the national security and border control strategy. MAL consists of the Person Alert List, which identifies people of concern to the Australian community for reasons including information relevant to visa and citizenship processing, national security, character and health, and the Document Alert List. The Document Alert List contains detailed information about lost, stolen, cancelled and bogus foreign travel documents. Ongoing checks are made against the latest MAL information. The purpose of MAL is to alert the department's decision-makers, and other border and security organisations, to adverse information that may be relevant to the processing of visa and citizenship applications and to border clearances.

- IMtel supports the department's operations and policy areas by providing a capability to store, retrieve, link and analyse immigration intelligence and integrity data. Intelligence collected will be instantly available to departmental officers including those at international airports and overseas missions in a similar manner. IMtel incorporates intelligence and details involving possible fraud and other malpractice against the Migration and Citizenship Acts. It features powerful search and alert capabilities and analytical tools. The software has been extensively customised to support the immigration intelligence process. Simple user interfaces allow the department's staff to enter and locate information while analysts can access more powerful tools such as charting and linking. IMtel is capable of being queried by other departmental systems. E-mail alerts can be set to notify case officers of new or changed information relating to a matter they may be dealing with.
- IMtel has been substantially enhanced to provide a state-of-the-art investigations management capability. This leverages existing workflow control, reporting and global casework capabilities while providing a customised interface for professional investigators preparing cases for prosecution.
- The Safeguards system is an information management system that is used as part of the visa decision-making process. The system is designed to support decision-makers in assessing applications by ensuring that appropriate checks are undertaken. It enables the decision-maker to access information, including local intelligence, before a visa application is made. The system is not used as the basis for deciding the visa application.

Prevention of people smuggling

The department is a member of the national intelligence community and contributes to a number of national community forums. Participation in these forums ensures the department and other Australian Government agencies work together effectively and share intelligence information to combat people smuggling and other transnational crimes.

The department has developed and promotes effective working relationships with our regional partners and non-government agencies, including the UNHCR. This includes participation in international forums to support initiatives and address and deter people smuggling activities, such as the Pacific Rim Immigration Intelligence Conference (PACRIM), the Five Country Conference (FCC) Intelligence and Overseas Liaison Working Group (IOLWG) and the United Nations Office on Drugs and Crime (UNODC).

The Bali Process in particular brings together more than 40 countries to discuss border protection issues and potential remedies to counter people smuggling and trafficking and related transnational crimes.

Source and transit countries have been assisted through capacity building programs to detect and prevent irregular people movements and people smuggling. In 2010–11, the department delivered immigration intelligence training courses to border and immigration officers in six countries in the region, and provided ongoing support through the delivery of 16 mentoring and coaching programs in seven countries in the region. This capacity building program is achieving significant results, with the recipient nations demonstrating greater ability to identify and disrupt people smuggling.

Security referrals

The department and the Australian Security Intelligence Organisation (ASIO) work closely to manage the security assessment process, to assist with timely outcomes for clients.

Security assessments are the responsibility of ASIO and are specific to each individual. The time taken to complete these checks varies from client-to-client.

In 2010–11, both agencies presented joint onshore information sessions, aimed at enhancing efficiencies within the security assessments process. Although it is difficult to measure the productivity returns on the basis of the information sessions, both agencies have noted significant quality improvement from the offices that received this training.

War crimes screening

Preventing entry to Australia or the grant of Australian citizenship to people who have committed war crimes, crimes against humanity and genocide, contributes to the maintenance of the integrity of Australia's borders and our citizenship program.

The department pays particular attention to visa and citizenship applications from people from regions where conflicts have led to human rights abuses. Where an applicant is either alleged to have committed war crimes, crimes against humanity or genocide, or was possibly a member of a military or civilian organisation responsible for these crimes, an assessment is made by the department of their personal involvement and responsibility.

During 2010–11, assessments of possible war crimes involvement were made for 495 applicants. For 451 of these applicants, there was either no information or no credible information, which implicated the applicant in war crimes. Thirty-seven cases are still undergoing assessment and three have been withdrawn. In the other four cases there was sufficient credible information to reach an adverse assessment of involvement in war crimes. These adverse assessments were provided to the visa decision-maker as part of the overall consideration of the applicants' eligibility for a visa. In 2010–11 no visa was granted to an applicant with an adverse assessment.

Identity

A high level of confidence in the accurate identification of people entering and departing Australia is essential to the integrity of the border and to ensure the entry to Australia of genuine travellers is facilitated and contributes to whole-of-government efforts to prevent the entry of those likely to threaten the national interest.

Performance

Biometric data-sharing program

Since October 2009, the department has worked on the Five Country Conference (FCC) biometric data-sharing program with partner countries Canada, the United Kingdom, the United States of America and New Zealand. The program started as the high value data sharing protocol with each FCC country checking up to 3000 sets of fingerprints against the biometric holdings of the other FCC members.

The department has negotiated increases this year, and is negotiating further increases to match up to 30 000 records, depending on capacity within each partner country. As this procedure currently involves various manual steps, a project to automate these processes has commenced.

To protect client privacy, biographic, immigration and other selected information is only exchanged in the event of a fingerprint match. Current FCC arrangements allow the department to check the fingerprints of people in immigration detention, Irregular Maritime Arrivals, Protection visa applicants and onshore and offshore visa applicants using visa application centres.

This program has enabled the department to identify clients being sought by the justice systems of other FCC countries, forum shoppers, and clients who are found not to be owed protection. Christmas Island protection obligations determination teams have been provided with identity information and immigration history not previously disclosed by applicants. This information is also being used in the security assessment process.

Security of data and privacy considerations are of utmost importance to FCC countries which work collaboratively to ensure that the data exchange is both secure and efficient. All data exchanges are made through security-accredited mechanisms and all data exchanged is encrypted.

International capacity building and strong internal training

The ongoing international capacity building work of the Global Document Examination network and the facial image comparison team facilitates strong relationships throughout Australia's neighbouring regions. Identity Branch's forensic document examiners and facial image comparison specialists deliver ongoing training programs to immigration officials, primarily in the Asia Pacific region. The training contributes to the department's professional reputation and helps to influence cooperation across many different aspects of government in the region.

During 2010–11, document examination training was held for more than 950 officials from government agencies of Afghanistan, Cambodia, Timor Leste, Fiji, Indonesia, Jordan, Laos, Malaysia, Papua New Guinea, Pakistan, the People's Republic of China, the Philippines, Samoa, Solomon Islands, Sri Lanka, and Vietnam. Facial image comparison training was provided for approximately 200 officials from Indonesia, the Philippines, Thailand, Cambodia, Pakistan and Afghanistan.

The department also brings immigration officials from the Asia Pacific region to Australia for training. Officials from Indonesia, the Philippines and the People's Republic of China are studying forensic document examination at the Canberra Institute of Technology. The study program is frequently combined with the department's investigations and intelligence training. This skill sharing helps to build the surrounding countries' capacity to detect and prevent the unlawful movement of international travellers, which subsequently benefits Australia as impostors and people using fraudulent travel documents are prevented from travelling to Australia.

Document examination and facial image comparison training was conducted on a regular basis for departmental staff. More than 1000 officers participated in face-to-face or online courses in 2010–11.

SmartGate

The department continues to work closely with Customs and Border Protection to automate border processing. Changes to the *Migration Act 1958* in 2007 underpinned legislative arrangements to enable travellers using Australian and New Zealand ePassports to be processed by SmartGate—an automated process for verifying visas and identities.

SmartGate uses facial recognition technology to perform a face to passport check to verify the ePassport holder's identity. The automated gate takes a photograph of the passport holder which is matched against the biometric facial image captured on the chip of the ePassport.

SmartGate allows the processing of increasing traveller numbers at international airports within the same physical space.

SmartGate also allows New Zealand citizens who hold an ePassport to apply for, and be granted (where they satisfy the relevant criteria), a special category visa, and to be immigration cleared.

SmartGate is now in use at all major international airports in Australia.

I-Authenticate

During 2010–11, the department worked with Customs and Border Protection to upgrade existing I-Authenticate fraudulent travel document detection (I-Authenticate) scanners to the new ePassport document reader system. The I-Authenticate scanners conduct document security checks to verify passengers' identity and detect fraudulent travel documents at the Australian physical border.

The project will deliver the latest in ePassport document reader technology, which is capable of reading the data stored electronically on International Civil Aviation Organisation compliant ePassport chips, allowing agencies to take advantage of the additional security features inherent in ePassports. Initial implementation of this technology was at Cairns and Perth International Airports during 2010–11.

The new ePassport document readers will be progressively implemented at all inward and outward control points in major international airports.

Case study



A lesson in document reconstruction

Torn, soaked and seemingly illegible; this was the state of a bundle of passports and other documents provided to the department's Document Examination Unit in late 2010.

The discarded papers were found in a plastic bag hidden in the wheelhouse of SIEV 201, a boat intercepted north-east of Christmas Island on 26 October 2010. Two weeks later, the Document Examination Unit in Canberra was given the arduous task of putting the scraps of paper back together.

The specialist team within the department's Intelligence Analysis Section can identify the authenticity of any document, such as passports, baggage tags, boarding passes, and birth and citizenship certificates.

Forensic document examiner Roslind said that, in this instance, the initial step was to separate the damp and smelly documents without destroying them further.

'It was like a puzzle,' Roslind said. 'We then had to dry the pieces, flatten them, and then start the time-consuming process of document reconstruction.'

'It's not as glamorous as forensic science on television—it can be a very tedious process and you have to be patient. However, it is an important part of the immigration process.'

The document reconstruction helped identify six irregular maritime arrivals from SIEV 201, three of whom falsely claimed to be minors during entry interviews. Some clients claim they are unaccompanied minors because they believe it will affect their detention conditions and visa outcome.

The Document Examination Unit has a variety of other roles, including training customs officers at airports to detect false documents, assisting with documentary evidence to support convictions in relation to identity fraud and providing advice on how to produce secure documents. They are also involved in training departmental staff in such matters when they are deployed overseas.

'At some stage, most staff will come across documents in their jobs that are not what they seem. They may not have been issued by the correct authority, or they aren't printed or manufactured properly. So our role is to question these documents and have a closer look,' said Roslind.

Photo: An immigration officer from the Document Examination Unit sorts through torn and soaked documents.

Passenger clearance course—fraudulent document detection and impostor detection

As part of the ongoing Memorandum of Understanding between the department and Customs and Border Protection, the department continued to deliver training in immigration clearance, fraudulent document detection and impostor detection to Customs and Border Protection primary line officers throughout 2010–11. This training supports the role of Customs and Border Protection at the Australian physical border and improves the department's ability to identify both travel documents and persons of concern.

The department undertook a major revision of the passenger clearance course during 2010–11, and successfully delivered new and improved guidance and instruction on immigration clearance, fraudulent document detection and impostor detection.

Outcome 4

Lawful stay of visa holders and access to citizenship rights for eligible people through promotion of visa compliance responsibilities, status resolution, citizenship acquisition integrity, case management, removal and detention, and policy advice and program design.

Photo: Margaret is a departmental case manager who works with clients to address their concerns and manage their case.



The programs managed under Outcome 4 are:

Program 4.1 Visa compliance and status resolution

Program 4.2 Onshore detention network

Program 4.3 Offshore asylum seeker management

Program 4.4 Illegal foreign fishers

During 2010–11, Program 4.1 was managed by the Compliance and Case Resolution Division and Programs 4.2, 4.3 and 4.4 were managed by the Detention Services Group. This section reports on the deliverables and key performance indicators for Outcome 4 programs as published in the department's *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Strategy

Outcome 4 will be achieved through the following strategies and initiatives:

- To support the integrity of Australia's visa and citizenship programs by enabling staff within the department and other agencies to identify and respond to breaches of immigration and citizenship law or other irregularities in an appropriate manner.
- To maximise voluntary compliance by raising awareness of Australia's immigration and citizenship laws through a variety of media, education and training programs and communication with clients, stakeholders, unions, employer and industry groups and other interested parties such as migration agents, travel agents and foreign missions, and through collaboration with other government service providers.
- To deter non-citizens from overstaying or breaching their visa conditions through prompt and effective enforcement of immigration law throughout Australia and in all sectors of the community.
- To reduce the incidence of people working illegally, deter people smugglers, investigate offences under migration and citizenship law by migration agents, people traffickers, employers or intermediaries, and undertake employer awareness activities through an active compliance strategy.
- To administer immigration detention of unlawful non-citizens, unauthorised arrivals and illegal foreign fishers, in accordance with the government's detention values.
- To provide appropriate care, facilities and options for the lawful, appropriate, humane and efficient detention of unlawful non-citizens, unauthorised arrivals and illegal foreign fishers.
- To secure the return of unlawful non-citizens, unauthorised arrivals and illegal foreign fishers to whom Australia does not owe a protection obligation or who no longer have a right to remain in Australia, to their country of origin.
- To strengthen the migration and border management capabilities of governments in the Asia-Pacific region and parts of South Asia and the Middle East.
- To assist facilitation of bona fide people movements while preventing and deterring irregular movements, including people smuggling and trafficking, in our region and in source/transit countries.
- To support international organisations for the care of irregular migrants intercepted en route to Australia.

Compliance and detention overview

Australia's universal visa system requires all non-citizens to have a visa to lawfully enter and stay in Australia. The criteria for granting visas are carefully shaped to reflect the purpose of the client's travel and to protect and promote Australia's interests.

The estimated number of people who have overstayed their visas and are in Australia at any one time was about 58 400 as at 30 June 2011. This number remains low compared to the more than 4.7 million temporary entries each year. The number of overstayers in Australia at any one time equates to about 0.26 per cent of Australia's population and many people overstay only for a short period before departing of their own volition.

The department has been working for several years to strengthen its capacities to engage effectively with people who have breached a visa condition, including overstaying their visas, to resolve their immigration status while they remain in the community. The purpose of immigration detention is to manage unacceptable risks to the community or to the integrity of Australia's immigration program, and to assist in the resolution of an unlawful non-citizen's immigration status. Immigration detention is administrative, not punitive.

Government policy is that all unauthorised arrivals are subject to mandatory detention for the purposes of managing health, identity and security risks to the community. During 2010–11, growing numbers of irregular maritime arrivals (IMAs) resulted in further expansion of immigration facilities in mainland Australia. Figure 13 provides a map of detention facilities as at 30 June 2011.

Major achievements

The department undertook a range of activities during 2010–11 to improve the effectiveness of the compliance and status resolution program and the management of detention clients including unlawful non-citizens, unauthorised arrivals and illegal foreign fishers.

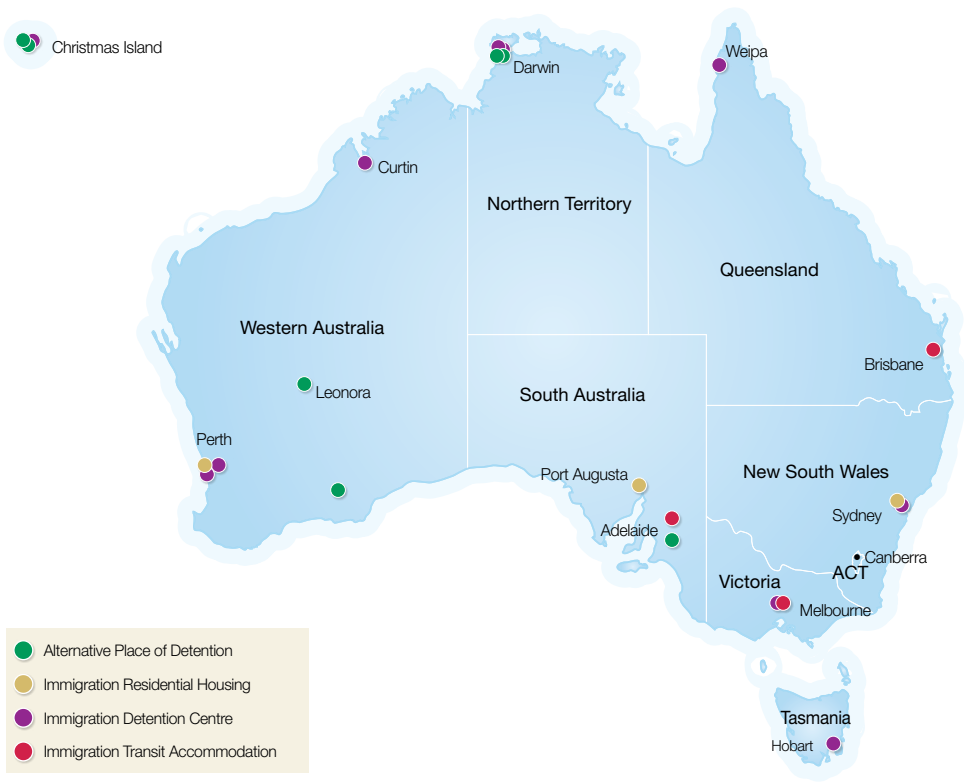
A major review by Mr Stephen Howells on the arrangements in the *Migration Act 1958* that deal with employers who use illegal workers in Australia was finalised and provided to the minister in March 2011.

The Council for Immigration Services and Status Resolution (CISSR) pursued a work program focused on improving the care and processing times for people in immigration detention. A key achievement for the CISSR has been to promote and support the expansion of community detention, particularly for unaccompanied minors and families. The CISSR worked closely with the department to meet the minister's target of 1000 clients in community detention by June 2011.

The government sought amendments to the *Migration Act 1958* in 2011 so that non-citizens will fail the character test should they be convicted of any offence committed while in immigration detention or during a period of escape from immigration detention. This amendment will also increase the penalty for weapons-related offences in immigration detention.

Amendments were also made to the Migration Regulations 1994, to clarify the existing legislation in relation to Bridging visa Es and promote consistency of decision-making across the department's service delivery network. The amendments, which begin on 1 July 2011, provide clarity for decision-makers and provide an appropriate period within which to decide Bridging visa E applications made by eligible non-citizens in immigration detention where issues of character concern require consideration.

Figure 13: Immigration detention facilities as at 30 June 2011



Alternative Place of Detention
Berrimah House
Construction Camp
Darwin Airport Lodge
Inverbrackie
Jandakot
Leonora
Phosphate Hill

Immigration Residential Housing
Perth
Port Augusta
Sydney

Immigration Detention Centre
Curtin
Maribyrnong
North-West Point
Northern
Perth
Pontville
Scherger
Villawood
Wickham Point
Yongah Hill

Immigration Transit Accommodation
Adelaide
Brisbane
Melbourne

Significant improvements were made to the department's control framework for detention-related decision-making. Building on work started in 2009–10, the department continued to implement a redesign of the visa compliance and status resolution control framework. The new framework provides a more risk-based approach to the use of immigration detention for people located in the community and to the management controls applied to ensure its lawful and appropriate use.

In November 2010, these enhancements to the decision-making control framework were incorporated in departmental systems through the Compliance, Case Management, Detention and Settlement (CCMDS) Portal, and are used by the service-delivery network to risk-profile each client when they are detained under the Migration Act.

In 2010–11, the department also began applying the new control framework to the case management and status resolution management of IMAs. Application of the new control framework to IMAs to facilitate an immigration outcome will continue to be refined in 2011–12.

The department improved staff training and support with a total of 309 case managers completing the comprehensive case management training course and attaining a formal qualification of Certificate IV in Government (Case Management) in 2010–11. In addition, 145 staff completed assistant case management training, which is provided to staff prior to their deployment to support IMA clients.

Following an announcement by the minister in October 2010, the department facilitated the rapid expansion of the Residence Determination (also known as community detention) program allowing certain detained clients to live in the community, subject to conditions, while their immigration status is resolved.

In direct response to the community detention program, the department's detention health services provider increased its number of community-based health care providers by more than 40 per cent, from 494 providers in 2009–10 to more than 700 in 2010–11.

In 2010–11, more than 100 000 individual health services were delivered to clients in immigration detention facilities, an increase of 14 473 compared to 2009–10.

In 2010–11, the department completed the roll-out of three new mental health policies across the immigration detention network. These policies reflect best practice approaches for identifying persons with mental health issues, supporting survivors of torture and trauma, and preventing self-harm. The department also ensured more than 1200 departmental staff and individuals from non-government agencies/organisations were trained in the operation of these policies.

The department successfully transferred large numbers of IMA clients within a short timeframe to mainland facilities to ease capacity constraints on Christmas Island. To support additional clients and provide suitable accommodation arrangements the department established new facilities and made significant infrastructure developments to mainland Australia detention accommodation. These included:

- Improved living conditions and amenities at the Villawood Immigration Detention Centre with the opening of an indoor visits centre and dedicated communal amenity for the women's accommodation.
- New immigration transit accommodation in Adelaide, designed to replace the ageing accommodation at Britton Street in West Richmond, became operational to accommodate lower risk clients.

- On 18 December, an alternative place of detention (APOD) at Inverbrackie, located next to Woodside Army Barracks in the Adelaide Hills, became operational with accommodation for up to 400 clients, depending on family composition. Clients at the Inverbrackie APOD live in a small suburb and largely self-cater, reducing administration costs and improving the clients' interdependence, while retaining many of the support mechanisms available to clients in other APODs.
- The opening of a new immigration detention centre in Scherger—located at the Scherger RAAF Base, approximately 30 kilometres east of Weipa in Queensland. Since opening in October 2010, the centre has provided accommodation for 300 single adult male IMAs. Additional short-term contingency capacity has enabled the site to accommodate a further 596 people.
- Additional accommodation became available in December 2010 at the Curtin immigration detention facility, bringing the centre's total operational capacity to 1200, with a short-term contingency capacity of 1500.
- The department expanded accommodation facilities for up to 435 clients at the Darwin Airport Lodge, which became available from November 2010. The facilities provide accommodation for families and unaccompanied minors. A further extension will increase the capacity to accommodate an additional 250 people.

Challenges

Higher numbers of IMAs continued to be a challenge for the department in 2010–11, resulting in significant pressure on the case management service and accommodation facilities across the detention network.

As at 30 June 2011, there were 6944 cases being managed by case managers, an increase of more than 100 per cent compared to the same time last year. In response to this increase, the department has further increased its network capacity and ensured all case managers available for deployment to Christmas Island and across the onshore detention network have completed additional training.

The department's approach to compliance clients relies on flexible strategies which increase in intrusiveness and coercion where individuals fail to comply with their obligations. While detention of a person onshore remains a last resort and compliance officers are trained to consider alternatives to detention in an immigration facility, the availability of immigration detention has remained a crucial and necessary part of the compliance program.

Compliance activity has been maintained during the year, despite reduced detention capacity curtailing some larger compliance operations. Essential detention accommodation continued to be available for people who must be detained on a mandatory basis, including people found to be of character concern, people arriving without authority at the airport and for people who need to be detained in order to resolve their immigration status. Close attention to the availability of detention resources has become a normal, but significant, part of planning a compliance operation.

Management of these accommodation changes and the changing profile and status of people in immigration detention has been a challenge for the department, its service provider and other agencies involved in the issues, and this continues to be managed by the department's detention service provider—Serco. The department's ability to monitor Serco's performance has been strengthened through a Deed of Variation to the contract and the abatement regime.

During 2010–11, disruptive behaviours and protests by some people in detention led to infrastructure damage through out the network. To enable the department to better manage and to prevent further disturbances, additional facilities are being prepared. Accommodation near Northam in Western Australia, Wickham Point near Darwin and Pontville in Tasmania will provide further accommodation for up to 2500 single men.

The establishment of new detention facilities has involved much community and stakeholder consultation. New initiatives in support of local communities, such as clients in detention volunteering for tree planting at a local school after being devastated by the Queensland floods at the beginning of 2011, have been implemented to help to improve relations between the department and local communities.

Changes to the *Freedom of Information Act 1982* implemented in November 2010 and May 2011 saw a marked increase in Freedom of Information (FOI) requests relating to immigration detention. This was accompanied by a sharp rise in the number of FOIs responded to by detention staff. During the period 1 November 2010 to 30 April 2011, there was a 220.8 per cent increase in FOI requests received by the department, compared to the same period in 2009–10. The majority of these were related to immigration detention.

Table 57: Outcome 4 Financial resources summary 2010–11

Lawful stay of visa holders and access to citizenship rights for eligible people through promotion of visa compliance responsibilities, status resolution, citizenship acquisition integrity, case management, removal and detention, and policy advice and program design.				
	Budget ¹ 2010–11 \$'000	Actual expenses 2010–11 \$'000	Variation 2010–11 \$'000	Budget estimate 2011–12 \$'000
Program 4.1: Visa compliance and status resolution				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	8 738	6 471	(2 267)	9 063
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	107 107	137 105	29 998	109 277
Expenses not requiring appropriation in the Budget year	6 991	6 853	(138)	7 824
Total for Program 4.1	122 836	150 429	27 593	126 164

1. The 2010–11 Budget represents the estimated actual expenses published in the 2011–12 Portfolio Budget Statements.

Table 57: Outcome 4 Financial resources summary 2010–11 *continued*

	Budget ¹ 2010–11 \$'000	Actual expenses 2010–11 \$'000	Variation 2010–11 \$'000	Budget estimate 2011–12 \$'000
Program 4.2: Onshore detention network				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	52 447	44 442	(8 005)	56 588
Expenses not requiring appropriation in the Budget year	7 587	6 126	(1 461)	7 392
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	25 849	28 101	2 252	23 705
Expenses not requiring appropriation in the Budget year	2 579	1 302	(1 277)	2 562
Total for Program 4.2	88 462	79 971	(8 491)	90 247
Program 4.3: Offshore asylum seeker management				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	576 681	658 187	81 506	798 183
Expenses not requiring appropriation in the Budget year	25 458	17 979	(7 479)	26 907
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	159 988	201 130	41 142	232 343
Expenses not requiring appropriation in the Budget year	664	1 778	1 114	910
Total for Program 4.3	762 791	879 074	116 283	1 058 343

1. The 2010–11 Budget represents the estimated actual expenses published in the 2011–12 Portfolio Budget Statements.

Table 57: Outcome 4 Financial resources summary 2010–11 *continued*

	Budget ¹ 2010–11 \$'000	Actual expenses 2010–11 \$'000	Variation 2010–11 \$'000	Budget estimate 2011–12 \$'000
Program 4.4: Foreign fishers				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	8 907	2 693	(6 214)	9 097
Expenses not requiring appropriation in the Budget year	193	2 359	2 166	193
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	2 671	2 099	(572)	2 666
Expenses not requiring appropriation in the Budget year	57	48	(9)	78
Total for Program 4.4	11 828	7 199	(4 629)	12 034
Outcome 4 total				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	646 773	711 793	65 020	872 931
Expenses not requiring appropriation in the Budget year	33 238	26 464	(6 774)	34 492
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	295 615	368 435	72 820	367 991
Expenses not requiring appropriation in the Budget year	10 291	9 981	(310)	11 374
Total expenses for Outcome 4	985 917	1 116 673	130 756	1 286 788
Average staffing level (number)	1 935	2 038	103	2 444

1. The 2010–11 Budget represents the estimated actual expenses published in the 2011–12 Portfolio Budget Statements.

Program 4.1

Visa compliance and status resolution

Program 4.1 consists of three departmental items:

- Detection onshore
- Status resolution
- Removals

There is one administered item under this program:

- Compliance resolution, community care and assistance.

Objectives

To undertake an effective program of prevention and deterrence with enforcement used as a last resort that seeks to:

- achieve adherence to Australian entry and stay requirements
- identify and respond to breaches of immigration law in Australia
- detect and locate persons who have no lawful authority to be in Australia or are in breach of conditions that apply to their visa (for example, people working in breach of their conditions)
- protect the public through the cancellation or refusal of visas to non-citizens who may be of concern to the public for reasons such as their involvement in serious criminal activity
- obtain a substantive immigration outcome for unlawful non-citizens in a lawful, timely, fair and reasonable manner
- remove people who have no lawful basis to remain in Australia.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Visa compliance and status resolution—deliverables

Deliverable: General compliance activities including outreach and educational activities particularly with employers, unions and educational institutions and other government agencies.

Result: Outreach and educational activities remained a feature of compliance and status resolution work during the year. Compliance field teams regularly engaged with employers and other stakeholders to inform them of the requirements for people to work lawfully. Outreach officers have continued to work closely with key union and industry organisations to provide advice and assistance on immigration matters.

The department conducted 3502 field visits onshore, including outreach, educational activities and investigations in 2010–11.

Visa compliance and status resolution—deliverables *continued*

Deliverable: The investigation of possible breaches of immigration law and, where appropriate, the prosecution of individuals or third parties involved in the systematic abuse of the immigration system.

Result: The department conducted 82 formal investigations into possible breaches of immigration and citizenship law, lodged 31 briefs of evidence with the Commonwealth Director of Public Prosecutions and secured 13 successful prosecutions in 2010–11.

Deliverable: The cancellation or refusal of visas particularly for individuals who are in breach of their visa conditions or present a risk to the Australian community.

Result: Work to cancel the visas of people who have breached conditions, or who present a risk to the Australian community, has continued to be undertaken in a variety of settings. Compliance field teams, staff at the Australian border and integrity officers all engage in these activities.

The department may cancel a visa or refuse a person's visa application for a variety of reasons, including when they are considered a risk to the community under the character provisions. There were 132 visas cancelled and 104 visa applications refused under the character provisions in 2010–11.

Deliverable: The initial and ongoing immigration detention of unlawful non-citizens in accordance with the government's detention policy.

Result: Compliance field officers receive specialised training in the use of the power to detain a person who is in Australia unlawfully. The government's detention policies are reflected in use of this power to detain or use alternatives to detention. In 2010–11, the department revised its detention related decision-making control framework to ensure there is consistency in all detention decision-making. This change came into effect in November 2010. The framework includes mandatory review points at the point of detention and while a person is detained, to ensure the detention is appropriate and lawful.

The department continually reviews the circumstances and reasons for a person's detention to ensure their detention is lawful and appropriate, in accordance with the government's detention policies. In 2010–11, about 94 per cent of cases were reviewed within service standards, which was below the expected key performance indicator of 98 per cent. After the implementation of the global management structure the performance improved during the last quarter of 2010–11 to 97 per cent.

Deliverable: The management of clients both in detention and the community to a substantive immigration outcome.

Result: The immigration status of 11 137 people previously located in the Australian community (excluding IMAs) by the department was resolved in 2010–11. This is an increase of five per cent compared to 2009–10.

Deliverable: The removal of clients who have no lawful basis to remain in Australia.

Result: Overall, the department assisted or managed the departure of 10 175 people from Australia, an increase of 15.3 per cent compared to 2009–10. This included the voluntary departure of people from the community as well as the removal of people, including unauthorised and irregular arrivals, from immigration detention.

Table 58: Visa compliance and status resolution—deliverable

Deliverable	2008–09 actual	2009–10 actual	2010–11 target	2010–11 actual
Field activities to investigate possible fraud and breaches of immigration law, conduct awareness visits and locate unlawful non-citizens	4 045*	3 752	2 000+	3 502

* As a result of updates to departmental systems, the figure provided differs from the figure reported in the 2009–10 annual report which was 3711.

Visa compliance and status resolution—key performance indicators

Indicator: The improved effectiveness of prevention and deterrence strategies to maintain voluntary compliance that leads to a reduction in the number of people who enter Australia on a temporary visa overstaying their visa.

Result: Overall compliance with Australia's immigration system was high in 2010–11. More than 99 per cent of the more than 4.7 million temporary entrants complied with the requirements of their visas including the requirement to depart Australia prior to their visa expiring.

Indicator: The increased engagement of peak employment bodies, employers, unions and labour suppliers to increase the provision of employment status information to employers through Visa Entitlement Verification Online (VEVO) and limit the opportunity for illegal work in Australia.

Result: The department conducted 1097 awareness visits to employers and educational institutions in 2010–11, compared to 1423 in 2009–10, with increasing numbers of organisations registering to use the VEVO service.

The service is promoted as a sensible safeguard in preventing the employment of someone who does not have an entitlement to work in Australia. In 2010–11, 25 894 registered VEVO users conducted more than 1 146 774 VEVO checks.

Indicator: Effective screening of visa applications offshore to prevent people of character concern from travelling to Australia.

Result: The minister or his delegate made 1382 character-related decisions during 2010–11, including 104 visa application refusals (onshore and offshore).

Visa compliance and status resolution—key performance indicators *continued*

Indicator: People held in immigration detention are to have the length and conditions of their detention subject to regular review to ensure that it is lawful, appropriate and neither indefinite nor arbitrary.

Result: The department continually reviews the circumstances and reasons for a person's detention to ensure that their detention is in accordance with the government's detention policies. In 2010–11, about 94 per cent of cases were reviewed within service standards.

Eligible clients in detention are reviewed by the detention review manager within 24 to 48 hours of being detained, and in exceptional circumstances within 72 hours, as per the revised control framework for detention related decision-making. The detention review manager is responsible for ensuring the decision to detain is lawful and that the client is not case law affected.

Clients in detention have their detention reviewed on a monthly basis by either their case manager, a senior review officer, at Detention Review Committee meetings, or through a report to the Commonwealth and Immigration Ombudsman. Given the size of the current detention population, the department has been unable to review all clients within the agreed timeframes of every review type, however most clients are reviewed at other intervals by one or more of the review mechanisms.

Indicator: The effective management of unlawful non-citizens and resolution of their immigration status while they are in the community on Bridging visa Es does not lead to an increase in non-compliance with Bridging visa E conditions.

Result: The percentage of Bridging visa E overstayers against relevant Bridging visa E grants remained at less than 10 per cent.

Indicator: People who have no right to remain in Australia are removed by the department at the earliest practicable opportunity.

Result: In 2010–11, the percentage of people who were removed within two weeks of being detained, as a result of being located unlawfully in the community or at an airport, increased to about 80 per cent.

Table 59: Visa compliance and status resolution—key performance indicators

Key performance indicators	2007–08 actual	2008–09 actual	2009–10 actual	2010–11 target	2010–11 actual
Percentage of over-stayers against relevant temporary entries	<1%	<1%	<1%	<1%	<1%
Number of parties registered with VEVO	10 226	14 261	19 638*	12 000+	25 894
Percentage of people in immigration detention whose ongoing detention and placement is reviewed within service standards	n/a	98%	99%	98%	94%
Percentage of Bridging visa E overstayers against relevant Bridging visa E grants	<10%	<10%	<10%	9–10%	<10%

* As a result of updates to departmental systems, the figure provided differ from those previously reported in the 2009–10 annual report (the total number of VEVO registrations as at 30 June 2010 was 19 806).

Administered items

Administered item—Compliance resolution, community care and assistance

Objectives: To actively, efficiently and effectively manage unlawful non-citizens and Bridging visa E holders in the community to an immigration outcome through early intervention and provision of needs-based support and assistance

Deliverable: Health, welfare and income support

Result: Health and welfare services have been provided to eligible case-managed clients by the Australian Red Cross through the Community Assistance Support program. Returns information and counselling and post-return support is provided through the International Organization for Migration (IOM).

Deliverable: National Assisted Voluntary Return Service

Result: Since it was expanded nationally in July 2010, the Assisted Voluntary Return (AVR) program has continued to achieve positive outcomes, with 899 referrals made in 2010–11.

Deliverable: Expanded immigration advice and application assistance

Result: The Immigration Advice and Application Assistance Scheme (IAAAS) provides independent advice and immigration assistance. It is offered to all people in immigration detention and other visa applicants in the community, including the most disadvantaged protection visa applicants.

During 2010–11 there were 6523 IAAAS assistance services provided to IMAs on Christmas Island and onshore immigration detention facilities.

Detection onshore

The department seeks to create an environment where people voluntarily comply with their obligations and where the costs and risks of enforcement activity reflect community expectations.

The vast majority of people coming to Australia comply with Australia's migration laws. They obtain visas to travel to, enter, and remain in Australia, and they leave prior to or when their visa ceases. Enforcement activities are taken where other methods have failed, and the need to act is driven by the department's duty to support community safety and the integrity of Australia's immigration and citizenship programs.

People who don't comply do so for a range of reasons. They may become unlawful non-citizens in the community because they overstay their visas or their visas are cancelled for breach of conditions. These people are considered to have an unresolved immigration status. Once an unlawful non-citizen is located, the focus for the department is resolving the client's immigration status through the grant or reinstatement of an appropriate visa or their departure from Australia. This includes the removal of people with no lawful basis to remain in Australia.

The compliance program actively engages with clients to achieve timely case resolution. This helps provide certainty and avoid resource intensive departmental intervention in the long-term. Bridging visa Es remain a key tool in maintaining lawful status while case resolution pathways are pursued. The grant of a Bridging visa E is not in itself considered a final immigration outcome.

The department has a partnership approach, which expects that clients work with departmental case officers and remain actively engaged throughout the resolution process. If any complex needs are identified, including health or welfare issues, clients are referred to the department's case management service for more intensive management and support.

At every step, the department educates and supports clients who want to comply, and takes escalating actions against those who set out to bypass Australia's immigration and citizenship programs or who do not cooperate in the resolution of their situation.

The department uses a similar graduated approach to ensure employers meet their obligations under Australia's immigration system. Employers who are doing the right thing are provided with information about their responsibilities. Repeated or major infringements may result in Illegal Worker Warning Notices being issued or prosecution under employer sanctions legislation.

Performance

Throughout 2010–11, the department has sought to apply the government's immigration detention policies. This is supported by the control framework for detention related decision-making, revised in November 2010, which guides decision-makers in key points at which critical decisions are made or reviewed.

To support maximum voluntary compliance by clients, sponsors and employers, the department continues to raise awareness of Australia's immigration laws through advertising campaigns, television programs such as *Border Security* and education and training programs delivered worldwide.

Awareness raising information sessions are conducted with client groups, peak bodies, aviation and maritime industries and other relevant stakeholders. Compliance messages are now being delivered through a variety of media, including the internet, officers located at Australian foreign missions worldwide and travel agents and migration agents acting on the department's behalf.

Identifying and finding non-citizens who are not complying

Australian Government and state and territory government agencies remain key partners in identifying instances of non-compliance and illegal activity. Partners include the Australian Taxation Office, Centrelink and local councils. In Victoria, for example, VicRoads contacts the department when processing driver license applications from people who may not be entitled to be in Australia. The department also undertakes compliance field activity with local and international law enforcement agencies, such as the police, in order to mitigate the inherent risk these activities present.

Dedicated officers collate and analyse allegations and compliance information in order to prioritise compliance field activity and highlight emerging trends and threats. These roles are complemented by the centralised Immigration Status Service (ISS) which operates around the clock to respond to law enforcement enquiries about client immigration status.

In order to maximise assistance from the Australian community, the department operates the Immigration Dob-In line, a free nation-wide telephone service for people to report information about unlawful non-citizens, illegal workers and people suspected of breaching immigration laws or conditions attached to their visa.

During 2010–11, the department received about 15 600 dob-ins or pieces of fraud-related information, compared to about 13 800 in 2009–10. Callers have the option of leaving their details and will then be contacted by a compliance officer within one working day to confirm the information provided. The information is used to inform the department's field operations and investigations.

Field activity

Conducting field operations to locate unlawful non-citizens is an integral part of compliance work. Ensuring appropriate detention resources are available has become a normal, but significant, part of planning a compliance operation in 2010–11.

During the year compliance managers have undertaken fewer large operations to locate high numbers of overstayers, instead focusing on a greater number of smaller, targeted operations to locate and detain manageable groups of unlawful non-citizens to be removed from Australia.

Compliance officers continue to regularly assist federal, state and territory police with major operations that focus on workers in the transport, construction and sex industries.

Locating unlawful non-citizens

The total number of clients located in 2010–11 was 13 831, compared to 14 169 locations in 2009–10. This number is significantly higher than in 2007–08, when a range of reforms to encourage voluntary approaches to the department from non-complying visa holders were instituted.

In 2010–11, about 82 per cent of the overall number of unlawful non citizens located in the community were voluntary, representing 11 327 clients. Some 18 per cent of locations were through field operations or referred to the department by police, having either overstayed their visas or breached visa conditions. Many of these clients were granted bridging visas to make their own arrangements to depart Australia. A small number were detained for removal from the country.

Responding to employers who employ non-citizens without the right to work

Not all visas allow a person to work in Australia. The department continues to invest in employer outreach and education sessions to help prevent and deter instances of illegal work. The employer outreach program highlights the risks associated with employment in the non-formal sector.

One of the practical tools available for employers and employees is the VEVO service — an internet-based system that allows employers to check the work entitlements of a visa holder online.

The department conducted 1097 awareness visits to employers and educational institutions in 2010–11, compared to 1423 in 2009–10, with more than 25 894 registered VEVO users conducting more than 1 146 774 VEVO checks in 2010–11.

Illegal Worker Warning Notices are issued by the department to educate employers about the need to check the work entitlements of employees. Employers are issued warning notices for each illegal worker found to be working for them. The notices advise employers that they have employed an illegal worker and warn of the possibility of prosecution.

The department's preference is to issue most first-time offenders with a warning notice rather than being referred for prosecution. Exceptions to this include instances where the illegal worker is being exploited or the employer or labour supplier is involved in an organised employment racket.

In 2010–11, the department issued 515 notices, compared to 609 in 2009–10. Of the notices issued by the department, 75 employers received more than one notice.

Review of employer sanctions legislation

In May 2010, legal expert Mr Stephen Howells was appointed to conduct a review of the sanctions in the *Migration Act 1958* that face Australian employers who use illegal workers. The Howells review examined:

- the effectiveness of the legislative offences and current penalties
- the effectiveness of current systems and processes to assist employers to comply with their obligations
- the effect of the employer sanctions provisions on business
- the level of community understanding and acceptance of the need for an employer sanctions regime.

As part of his review, Mr Howells consulted widely with Australian employers, union and industry representatives as well as Australian Government and state and territory agencies.

In March 2011, the Howells Review was finalised and a report was provided to the minister.

Managing the risks associated with serious breaches of Australian law by non-citizens

Section 501 of the *Migration Act 1958* contains a character test to ensure that visa applicants and visa holders meet the requirement, to be of an acceptable character, if they are allowed to enter or remain in Australia. The test introduces discretionary powers to either refuse or cancel visas if the person fails the character test.

In 2010–11, the minister or a departmental delegate made 132 decisions to cancel a current visa and 104 decisions to refuse to grant a visa.

The Act provides that a person who is not a citizen of Australia may not pass the character test due to:

- their substantial criminal record
- their current or previous association with an individual, group or organisation reasonably suspected of being, or having been, involved in criminal conduct
- their past and present criminal or general conduct
- their risk of future criminal activity.

The consequences of a non-citizen failing the character test can be significant. Where a non-citizen fails the character test, the minister or a delegate has the discretion to refuse to grant or cancel a visa. In making such a decision full consideration of all the circumstances of the case, including the seriousness and nature of the conduct, the risk that the conduct may be repeated in future and the impact of visa cancellation on the person and their family, are considered.

Where relevant, decision-makers must also consider whether the person came to Australia as a minor, the length of time the person has been resident in Australia prior to engaging in the conduct and any relevant international law obligations. In some cases, these considerations might influence against making a decision to cancel or refuse a visa and a warning will be issued. Where the person has committed offences of a serious or violent nature the outcome is more likely to be the removal of a person from the country or a refusal to allow them to enter.

The government introduced the Migration Legislation Amendment (Strengthening the Character Test and Other Provisions) Bill 2011 into parliament on 11 May 2011. The amendment was to section 501 to provide that a person will fail the character test should they be convicted of any offence committed whilst in immigration detention or when they have escaped from immigration detention. They will fail the character test regardless of the penalty that might be applied to such a conviction. These changes will come into effect in late July 2011 and will apply for the purposes of making a decision on or after 26 April 2011, whether the conviction or offence concerned occurred before, on or after that date.

The government introduced these changes to toughen the character test and penalties as a result of the criminal and destructive behaviour in immigration detention centres. The legislative changes also increased the maximum penalty for the manufacture, possession, use or distribution of weapons by immigration detainees from three to five years imprisonment.

Providing support to victims of people trafficking

The department is a key stakeholder in the Australian Government's anti-people trafficking strategy. Under the People Trafficking Visa Framework, the department can resolve suspected victims' immigration status by granting visas, thereby enabling them to access the Support for Victims of People Trafficking Program, for which a valid visa is required.

The Australian Federal Police (AFP) are responsible for identifying suspected victims of people trafficking. All instances where indicators of trafficking are present are referred to the AFP. The department is the highest single contributor of referrals, with 33 matters referred, covering 37 people during 2010–11.

Suspected victims of people trafficking are provided with support, with no requirement to assist police, for an initial period for recovery and reflection of 45 days. If they are unlawful, the department may grant them a Bridging visa F. Criminal Justice Stay visas may be granted subsequently, which enable suspected victims to remain in Australia and contribute to an investigation or prosecution related to alleged people trafficking offences, while continuing to access the support program.

The People Trafficking Visa Framework also allows suspected victims who would be in danger if they returned to their home country to become permanent residents with the grant of the Witness Protection (Trafficking) (Permanent) visa. Before legislative amendments in 2009, few permanent visas were granted because of a requirement to hold a Witness Protection (Trafficking) (Temporary) visa before applying for the permanent visa. The removal of the temporary visa allows for a suspected victim's immigration status to be definitively resolved much earlier.

During 2010–11, the focus was on reviewing current practices around the operation of enhancements to the People Trafficking Visa Framework introduced in July 2009 and developing policy to support those changes. In addition, the Performance Management Framework of the Anti-People Trafficking Interdepartmental Committee was revised to incorporate appropriate activity levels against key performance indicators.

In 2010–11, the department granted 42 Witness Protection (Trafficking) (Permanent) visas—28 to suspected victims of people trafficking and 14 to their immediate family members. In addition, a total of 29 Criminal Justice Stay visas and 24 Bridging visa Fs were granted to suspected victims and their immediate family members.

Status resolution

The department seeks to actively engage overstayers and those on bridging visas to resolve their immigration status in a fair and timely manner. Resolution of a client's immigration status is reached through the granting of an appropriate visa or the client's departure from Australia.

The guiding principles of the department's status resolution approach are to:

- engage actively with individuals at the earliest opportunity
- clearly identify, communicate and implement appropriate pathways for resolving a person's immigration status
- ensure the provision of holistic support reflecting fundamental case management principles.

Unlawful non-citizens may be granted bridging visas to allow them to voluntarily depart or to remain in the community while their substantive visa applications, merits or judicial review proceedings are being considered.

Many clients work willingly and cooperatively with the department to resolve their status while they remain in the community. A smaller number of clients choose not to cooperate and are detained and removed from Australia.

Working together to reach a voluntary outcome remains an overarching program objective. This often means explaining and exploring options with stakeholders and partners, such as the Australian Red Cross and International Organization for Migration.

Performance

The status resolution framework has been in place for more than two years and is now a core component of the department's compliance strategy. In 2010–11, the department continued to review and analyse past client outcomes to further enhance the program.

During 2010–11, the department resolved the immigration status of 11 137 unlawful non-citizens located in Australia¹. This was an increase of five per cent from 10 591 in 2009–10.¹

The department continued its national communication strategy, developed in 2009–10, to encourage people not currently complying with their visas, including visa overstayers, to comply and to voluntarily approach the department to resolve their immigration status.

The strategy has included providing information for clients in a range of community languages and promoting website information and a dedicated phone service through advertisements in non-English language media. All departmental communications actively encourage people to take action to resolve their visa status through attending an office or contacting the department for more information.

Community Status Resolution Service

The government committed funding for four years from July 2009 to expand the department's status resolution initiatives including the Community Status Resolution Service (CSRS). Since then, the department has nationally expanded the capacity of the CSRS to approximately 100 officers (as at 30 June 2011).

1. This accounts for all people previously located by the department whose status was resolved each financial year.

Community status resolution officers in each state and territory are trained to fully understand their clients' circumstances to provide personally relevant information, including:

- being a central point of contact with the department until the case is resolved
- explaining a client's immigration status and answering their questions
- regularly reviewing the progress of a client's case
- assessing a client's needs and providing referrals to eligible services as appropriate.

During 2010–11, the number of Bridging visa E holders actively engaged by the national CSRS increased from 4024 in July 2010 to 4099 in June 2011 demonstrating an almost two per cent increase.

Client case management

Case management describes a specific approach to planning, recording and engaging in focused engagement with clients to help them resolve their immigration status. Case managers are specially trained immigration officers, who are allocated to work with clients who have complex immigration cases to achieve timely immigration status resolution through either the grant of a substantive visa or departure from Australia. Priority is given to clients who are in immigration detention but case managers also work with clients who hold temporary visas and are in the community.

During 2010–11, both the number of case managers and the number of clients grew significantly. During the year an average 5979 cases were being managed by case managers at any one time. At 30 June 2011, there were 6944 cases being managed by case managers. The department significantly augmented its case management capacity in response to recent increases in the number of IMAs. This has been facilitated through a 200 per cent increase in training courses for new case managers.

At 30 June 2011, there were 278 case managers employed by the department. A total of 309 case managers had completed the comprehensive case management training course and attained a formal qualification of Certificate IV in Government (Case Management). In addition, at the end of their training 145 staff completed a four week mentoring program aimed at providing work placement support to new case managers prior to being deployed to immigration detention facilities.

The implementation of the government's community detention initiative announced in October 2010 meant that many more clients, particularly unaccompanied minors and families, are being case managed in the community while their status is resolved. In 2010–11, an additional 1440 clients were provided with a community detention placement—bringing the total number of people in community detention to 1017 at 30 June 2011. Case managers continue to play an active role in ensuring that immigration outcomes are progressed with clients in the community in the same manner as they work with people held in detention facilities.

Whilst priority continues to be given to cases involving children and young persons, case managers are also required to advocate for speedy resolution for people with physical and mental health issues and those who may have experienced trauma or have a history of torture before they arrived in Australia. Where clients have these vulnerabilities, case managers ensure that immigration detention, where required, is in the least restrictive environment possible and that options such as community detention are considered.

Case study



Case manager with a passion for people

Case manager Ivan's passion for working with people led him to join the department five years ago.

'I wanted to work with asylum seekers face-to-face, address their concerns and manage their cases to an immigration outcome,' Ivan said.

Since then, he has been deployed three times to the department's Christmas Island detention facility and once to the Curtin detention facility. These deployments have given Ivan his most treasured experiences working for the department.

'My role is to be interactive in dealing with clients in detention and I found the deployments really rewarding,' Ivan said.

'My work could entail anything from dealing with clients' family problems back home and needing to contact them, to requesting an update on their immigration status, providing assistance with contacting a lawyer or ensuring that medical concerns are addressed.'

He said that a good case manager is someone who really cares about their clients and knows how to address their issues and concerns on a day-to-day basis.

'You also need to know what the roles and responsibilities of a case manager are, maintain good records of client interactions and know how to communicate with people.'

Ivan is realistic about the challenges that come with the job.

'The most challenging aspect of being a case manager is dealing with a difficult client,' Ivan said.

'This may be a client who does not understand the process, may think you're lying to them or may not want to listen to what you are telling them.'

Ivan said that challenges also come when clients have exhausted all avenues for the grant of a visa and need to think about returning home.

'This is an aspect of the job which can be tough, but at the end of the day, you've got a job to do,' he said.

Photo: Case manager Ivan has found working with clients in detention a rewarding experience.

Community Assistance Support program

The Community Assistance Support (CAS) program was launched nationwide in 2009 to provide support to vulnerable clients while their immigration outcome is being actively managed and progressed.

The Australian Red Cross is contracted to deliver support services under the program. Red Cross case workers prepare a tailored plan of individually assessed services for each client, which is then approved by the department. These plans include types of assistance such as income support, health care and mental health counselling.

Transitional support is also provided to eligible clients who have been released from immigration detention on a substantive visa to remain lawfully in Australia. This support assists these clients to integrate into the community.

In 2010–11, the CAS program assisted 220 cases, which included a total of 376 clients. Of these 220 cases, 51 cases (23.2 per cent) or 79 clients were in transitional support. A total of 110 cases (50 per cent) had been closed, of which 42 cases (38.2 per cent) were closed due to visa grant.

Use of immigration detention for unlawful non-citizens

Government policy is that the following people are subject to mandatory detention:

- all unauthorised arrivals, for management of health, identity and security risks to the community
- unlawful non-citizens who present unacceptable risks to the community
- unlawful non-citizens who have repeatedly refused to comply with their visa conditions.

People who arrive lawfully in Australia and later become unlawful non-citizens or later claim asylum, almost always remain in the community while their claims are assessed because they do not present unacceptable risks to the community.

During 2010–11, the department focused on implementing the government's framework for managing unlawful non-citizens.

This work included:

- continued administrative implementation of the government's detention policies announced in 2008 within the framework of migration legislation
- continued implementation of new arrangements for processing asylum seekers on Christmas Island including publicly funded advice and assistance, and independent merits review of unfavourable Refugee Status Assessments
- continued expansion of the CSRS to provide active and early support to more clients in the community to achieve an immigration outcome
- expansion of the risk managed use of residence determination to place children, families and vulnerable clients from detention facilities into community accommodation with appropriate support
- supporting the minister's Council for Immigration Services and Status Resolution, with a focus on promoting the orderly intake, care, support and processing of IMAs whilst maintaining their dignity, resilience and wellbeing

- expanding and consolidating the department's partnership with IOM to refer clients for assisted voluntary returns and impartial immigration information and counselling
- developing legislative changes to the character test in the Migration Legislation Amendment (Strengthening the Character Test and Other Provisions) Bill 2011 to strengthen the capacity to respond to violent criminal acts in immigration detention.

Encouraging results for onshore compliance strategies

Indications are that the implementation of the government's detention and status resolution policies for the onshore compliance caseload has led to the following results:

- A continued high number of people located in the community as visa overstayers (including through voluntary presentation to department officers). Some 11 145 people were located as overstayers by the department in 2010–11, close to the 12 094 overstayers that were located in 2009–10. These recent figures compare favourably to the 10 925 locations in 2007–08, when the current status resolution strategies were rolled out.
- The number of people being actively managed in the community on bridging visas has increased to 8898 at 30 June 2011 compared to 8819 at 30 June 2010.
- No decrease in Bridging visa E compliance—about 90 per cent of visas granted in 2010–11 were complied with.
- An increase in the number of visa overstayers voluntarily departing after departmental contact from 8918 in 2009–10 to 9352 in 2010–11.
- On 30 June 2011, 42 per cent of the total immigration detention population was in places other than immigration detention centres compared to 29 per cent at 30 June 2010.

These results relate to compliance activity within the Australian community and do not include IMAs.

Legislation changes

The Migration Legislation Amendment (strengthening the character test and other provisions) Bill 2011 was introduced into Parliament on 11 May 2011 and is anticipated to come into effect in late July 2011.

Amendments to the Migration Regulations 1994, to clarify the existing legislation in relation to Bridging visa Es and promote consistency of decision-making across the department's service delivery network, commenced on 1 July 2011. The amendments, which begin on 1 July 2011, provide clarity for decision-makers and provide an appropriate period within which to decide Bridging visa E applications made by eligible non-citizens in immigration detention where issues of character concern require consideration.

Detention review arrangements

The department is required to report to the Commonwealth Ombudsman under section 486N of the *Migration Act 1958* when a client has been detained for two years and at the end of each subsequent six-month period if the client remains in immigration detention. The Ombudsman subsequently produces a report on these cases that the minister is required to table in both Houses of Parliament within 15 sitting days of receipt of the report. In 2010–11, the department completed 60 reviews under section 486N of the Act.

As a result of increased internal and external review processes agreed between the then minister in 2008 and the Commonwealth and Immigration Ombudsman, to enhance scrutiny of compliance related immigration detention cases, changes have been made to the detention related decision-making framework to reflect more robust case review requirements.

Six-monthly Ombudsman reviews began in April 2009 and the three-monthly senior officer reviews in August 2009 for all compliance-related clients in immigration detention. These arrangements have been progressively introduced for IMA clients. From November 2010, the decision-making framework applies to all persons in immigration detention.

Reviews of immigration detention cases focus on progress towards case resolution, the appropriateness of continued immigration detention in that context (informed by the client's circumstances, including health and welfare needs) and the legal basis for the client's placement. On receipt reviews conducted by the department, the Ombudsman also conducts an independent consideration of the case and provides his report and observations to the secretary of the department. The continuing higher numbers of people in immigration detention have placed considerable pressure on the department during 2010–11 in meeting the timeframe objectives for the review processes.

In 2010–11, the department provided 875 non-statutory reports to the Ombudsman. The Ombudsman's office provided, in response, 61 own motion assessments of non-statutory reports and returned 291 non-statutory reports, primarily for inclusion of health summaries which the department had been awaiting from the International Health and Medical Service.

The department is working with the Ombudsman's office to develop a revised reporting framework under which the increasing volume of statutory and non-statutory reporting can be managed to best effect.

Council for Immigration Services and Status Resolution

The Council for Immigration Services and Status Resolution (CISSR) provides independent advice to the minister on policy development, processes, services and programs necessary to achieve the timely, fair and effective resolution of immigration status for people seeking asylum or other migration outcomes in Australia.

The members have been chosen for their specialist knowledge, experience and standing in the fields of social justice, asylum seeker and refugee support, mental health and multiculturalism.

This year, the CISSR has pursued a work program focused on enhancing the care and processing timeframes for asylum seekers. The Council was a key driver in the expanded use of community detention, which has succeeded in moving the majority of unaccompanied minors out of secure detention facilities. The CISSR continues to encourage and support the use of community detention for families and other vulnerable clients.

In an environment of high numbers of IMAs and subsequent network and processing pressures, the CISSR has played a vital role as a trusted intermediary between detainees and the department. Members have visited centres to address and negotiate over rising tensions and protest actions. They have encouraged detainees to remain positively engaged in the process of resolving their cases while working collaboratively with the department to identify and address systemic and local issues.

Removals

People who have no lawful entitlement to remain in Australia are encouraged to depart voluntarily. This includes people who receive targeted return assistance based on their assessed need. Where clients do not depart voluntarily or are ineligible for the grant of a Bridging visa the department is required by law to remove them from Australia as soon as reasonably practicable.

Performance

In 2010–11, the number of voluntary departures continued to increase as a result of early intervention efforts, including through the AVR program facilitated through IOM.

AVR is a service offered to eligible non-citizens who wish to depart Australia, but are unable to do so without some support. IOM case workers can:

- provide information about the country of return and whether post-return support is available
- help a client to plan their departure, make travel arrangements and apply for valid travel documents
- offer guidance with finalising a client's affairs in Australia
- book and purchase an air ticket on a client's behalf if they are experiencing financial hardship.

Since it was expanded nationally in July 2010, the AVR program has continued to maintain positive outcomes, with 899 referrals made to IOM in 2010–11.

The program is continuing to maintain high levels of voluntary outcomes. This year, 419 clients voluntarily departed Australia with IOM's assistance through the program.

Throughout 2010–11, the department assisted or monitored the voluntary departure of 10 175 people in the community on bridging visas from Australia as well as the removal of unlawful non-citizens (both on request and involuntarily) from immigration detention. This represents a 15.3 per cent increase on the 8825 departures in 2009–10.

IMAs may be eligible for Individual Reintegration Assistance, also facilitated through IOM, as part of Australia's broader strategy to resolve the status of IMAs found not to be owed protection of Australia. The primary objective of the program is to facilitate voluntary returns that are sustainable by providing support to the returnee to rebuild their life in the country of return and reduce the risk of further irregular migration.

Removal activity

In accordance with the government's immigration detention values, unlawful non-citizens who are assessed as not being eligible for the grant of a bridging visa may be detained in one of a number of immigration detention facilities prior to their removal from Australia.

Where possible, the department seeks to pursue removal arrangements and planning (including obtaining new travel documents from foreign missions in Australia), while clients remain in the community in order to minimise their time spent in immigration detention.

In 2010–11, about 80 per cent of people located in the community or at an airport were removed within two weeks of being detained and about 93 per cent of people were removed within two months of being detained. Those who were detained for longer periods before being removed had generally sought additional review or intervention of their case which prolonged the period in which they remained unavailable for removal.

In 2010–11, the low number of illegal foreign fishers reaching Australian shores continued. As a result, the department removed 86 fishers, compared to 136 in 2009–10 and 200 in 2008–09. More information about illegal foreign fishers is on Page 206.

IMAs are available for removal after a determination that they are not owed Australia's protection and that their departure would not be in breach of Australia's international obligations. During 2010–11, there were 78 IMAs (not including crew) removed from Australia. The majority were Iranian and Vietnamese nationality and most voluntarily requested removal. During the same period, 61 crew members were removed. More information about offshore asylum seeker management is on Page 193.

Improving the effectiveness of the program

The department undertook a range of activities during 2010–11 to improve the effectiveness of the compliance and status resolution program, including significant improvements to the detention-related decision-making control framework and the Compliance, Case Management, Detention and Settlement (CCMDS) Portal. The department's ongoing audits and quality assurance reviews of the program ensure that it continues to operate in a lawful, fair, efficient and effective manner.

Building on previous work in November 2010, the department implemented a redesign of the detention-related decision-making control framework. The new framework provides a more risk-based approach to the use of immigration detention for people located in the community and to the management controls applied to ensure its lawful and appropriate use.

The purpose of the control framework is to mitigate the risks of:

- detaining a client unlawfully
- detaining a client longer than necessary
- placing clients in an inappropriate place of detention
- not managing a client to a timely immigration outcome.

It achieves this by applying more controls to cases of greatest risk and applying a more streamlined process where the client risks are low. These processes have been supported by system enhancements built into the CCMDS Portal.

In 2010–11, the department also commenced applying the new control framework to the case management and status resolution management of IMAs. This included enhancements to the CCMDS Portal to support processing multiple IMAs on Christmas Island and when clients are transferred onshore to a detention facility.

Programs 4.2, 4.3 and 4.4—immigration detention statistics and services

This section provides combined key statistics and results for support programs and services provided to all clients in immigration detention—including unlawful non-citizens (program 4.2), unauthorised arrivals (program 4.3) and illegal foreign fishers (program 4.4).

Key statistics

In 2010–11, there was a 34 per cent increase in the total numbers of people in immigration detention from 9802 people in 2009–10 to 13 134 people in 2010–11.

As shown in Figure 14, during 2010–11, 8874 people were taken into immigration detention, compared to 8749 in 2009–10, an increase of one per cent.

Figure 14: People taken into immigration detention

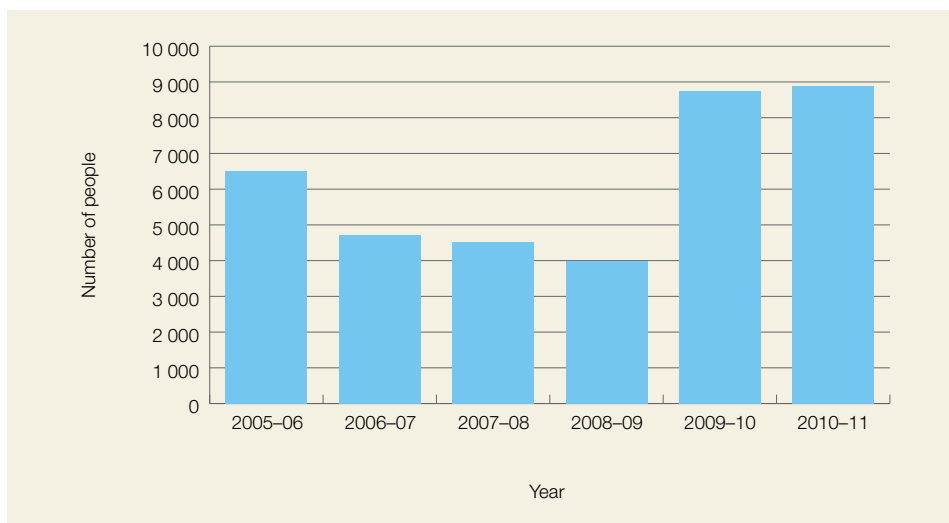


Figure 15 shows the number of people in immigration detention in Australia from 1990 to 2011. The rise in the number of irregular maritime arrivals detained is represented by peaks in 1999, 2002 and 2010.

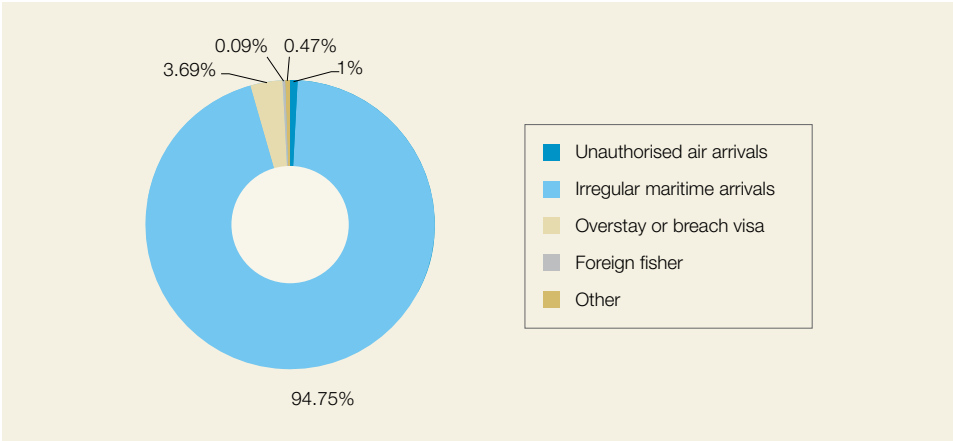
Figure 15: Population in immigration detention from 1 January 1990 to 30 June 2011



At 30 June 2011, there were 6403 people in immigration detention compared to 4077 at 30 June 2010.

These included 6067 IMAs, 64 unauthorised air arrivals, 236 people who had been living in the community but had overstayed or breached visa conditions, six foreign fishers and 30 others such as stowaways, ship deserters and babies born to parents in immigration detention.

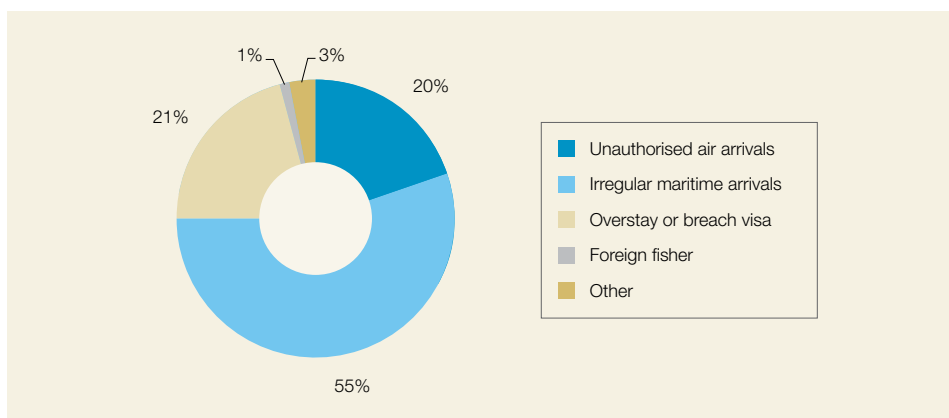
Figure 16: People in immigration detention by arrival type at 30 June 2011



Of the 8874 people taken into immigration detention during 2010–11:

- 1839 were people who had been living in the community but overstayed or breached visa conditions, representing 21 per cent of the total
- 87 were foreign fishers, representing one per cent of the total
- 6678 were unauthorised arrivals (1768 by air and 4910 IMAs by boat), representing 75 per cent of the total
- 270 were in the 'other' categories such as stowaways, ship deserters and babies born to parents in immigration detention, representing three per cent of the total.

Figure 17: People entering immigration detention by arrival type in 2010–11



Community detention program

On 18 October 2010, the Prime Minister and the minister announced that the government would move the majority of children and a significant number of vulnerable families into community detention by the end of June 2011.

Residence determination, commonly referred to as community detention was introduced in 2005 to enable children, families with children and people with special needs to be placed in detention in the community rather than in a secure immigration detention centre while their immigration status is resolved. Placement in the community is only considered following appropriate health and security checks.

Clients placed in community detention must reside at a nominated address and comply with other conditions, which include regular reporting to the department.

As at 30 June 2011, 1551 people were residing in community-based arrangements or had been approved for such arrangements and were transferring to their accommodation. Of the 1551 clients approved for community detention 33 were onshore clients, 1499 were IMAs and 19 were babies born in community detention remaining 310 clients who were approved for community detention, 306 were granted protection visas and four returned voluntarily to their country of origin.

The Australian Red Cross (ARC) is the lead agency for the implementation of the expanded residence determination arrangements and is drawing on the expertise of a wide range of experienced service providers in the community, faith-based and welfare sectors, to source accommodation, residential/out-of-home care, case work and other services.

The department is managing the implementation and expansion of the program and the CISSR is working closely with the department and the ARC to support this process.

The Residence Determination Reference Group advises the department on the development of the overall service model and implementation processes to support the expansion of the residence determination arrangements.

Table 60: People approved to live in community detention

Program	2009–10	2010–11
Onshore	31	33
Irregular maritime arrivals	130	1499
Illegal foreign fishers	0	0
Babies born in community detention	-	19
Total	161	1551

Detention services

Detention centre management

Contracts with Serco, the department's service provider ensure compliance with all the requirements for immigration detention centres and the delivery of a range of support, health and detention services in detention environments in accordance with immigration detention values. Health services are delivered to people in detention under a different contract with health service providers.

The department closely monitors the compliance of Serco with the requirements of the Detention Services Contract for Immigration Detention Centres (IDC) and the Services Contract for Immigration Residential Housing (IRH) and Immigration Transit Accommodation (ITA). The contract requires that clients in immigration detention are treated fairly and reasonably within the law and their inherent dignity is maintained at all times.

Incidents of non-compliance with the detention services contract are considered at monthly intervals. The contract administrator may raise financial sanctions against the contractor for breaches identified in the *Performance Management Manual* which is reviewed annually.

Detention health

The department ensures the provision of comprehensive health care services, equivalent to those available to the general Australian population, to all people in immigration detention. These services are either provided on-site at places of detention by the department's contracted health services provider, International Health and Medical Services (IHMS), or through a network of community-based health providers. All health care services are delivered by qualified health professionals, including general practitioners, nurses and mental health professionals.

All people in immigration detention have access to clinically recommended physical and mental health care that addresses their diverse and potentially complex health care needs. The department acknowledges the unique circumstances of people in immigration detention, in particular clients who arrive by boat as possible survivors of torture and trauma, who are at risk of poor mental health and self-harming behaviour.

The department has two separate contracts with IHMS for the management of health care services to people in immigration detention, one for the Australian mainland and the other for Christmas Island.

Through these contracts, IHMS is responsible for the provision of all health care services, with the exception of acute care, hospital services and torture and trauma counselling.

Emergency health services for immigration detention clients are provided by local hospitals. Specialist services are generally provided off-site by referral to an IHMS community network provider. The provision of health services is in line with community standards and the same public waiting lists usually apply.

Torture and trauma counselling is provided by member organisations of the Forum of Australian Services for Survivors of Torture and Trauma (FASSTT) for places of immigration detention on the mainland and by the Indian Ocean Territories Health Service (IOTHS) on Christmas Island. IOTHS is an agency of the Department of Regional Australia.

In 2010–11, more than 100 000 individual health services were delivered to clients in immigration detention facilities, an increase from 14 473 in 2009–10. This increase is attributable to the increased number of clients, in particular IMAs.

Depending on how a person arrives on Christmas Island, either a Customs medical officer or an IHMS health professional conducts a public health screening assessment for communicable diseases, including tuberculosis, before or upon arrival on Christmas Island.

All people entering immigration detention receive a health induction assessment (HIA) within 72 hours of arrival. As part of the HIA, people are screened for pre-existing medical conditions, including communicable diseases and undergo a mental state examination. The HIA is conducted to inform an ongoing health care plan, and to assess people for any health issues including mental health concerns, signs of torture and trauma and physical health conditions. Subsequent health assessments are also provided.

Health care for people living in community detention

The department works closely with IHMS and the ARC to provide health services for clients living in community detention.

In 2010–11, IHMS increased its number of community-based health service providers by more than 40 per cent, from 494 providers in 2009–10 to more than 700 in 2010–11, as a direct response to the rapid increase of clients transferred to community detention.

Care of minors

As a signatory to the *United Nations Convention on the Rights of the Child* and in recognition of the vulnerable status of minors, the Australian Government takes its obligations towards minors very seriously.

In accordance with government policy, minors and their families are held in the least restrictive form of immigration detention available. Minors who are required to spend time in immigration detention are accommodated in alternative places of detention or in community detention arrangements. Care and support is provided to minors in detention to cater to their specific educational, social and medical needs. All minors in detention are case managed to ensure their case progresses in the shortest time possible.

Unaccompanied minors are non-citizen children under the age of 18 years who arrive in Australia without a parent or adult relative to care for them. Unaccompanied minors who do not have a suitable relative become wards of the minister under the *Immigration Guardianship of Children Act 1946* (IGOC Act).

The minister delegates his function as guardian of wards in immigration detention to officers of the department. Departmental officers ensure that where a parent or guardian is unavailable, minors who are in detention receive appropriate care and have access to an independent person who ensures the child's best interests are observed during interview procedures and when signing official documents.

Care for unaccompanied minors

Life Without Barriers provides care and support services to unaccompanied minors (UAMs) accommodated within alternative places of detention (APODs) and community detention on mainland Australia. Under the IGOC Act, the minister is the guardian of all unaccompanied minors in immigration detention and as such the minister has a particular responsibility to protect the welfare of UAMs.

Life Without Barriers is the contracted service provider to perform this responsibility. Life Without Barriers also facilitates skills development opportunities, English language classes, day-to-day living skills and recreational activities, which supplement those provided by the contracted service provider at facilities. During 2011, Life Without Barriers also provided cultural awareness training to departmental case managers and Serco staff.

In making decisions concerning the welfare and care of unaccompanied minors in immigration detention facilities, the department draws upon the advice of people with expertise in child welfare, including psychologists and state child welfare authorities.

Furthermore, Life Without Barriers is the contracted provider of independent observer services on Christmas Island and mainland Australia. The independent observer can be required to provide pastoral or physical support to a young person throughout entry or intelligence interviews.

While there is no legislative requirement for an independent observer to be present during an interview or discussion with an unaccompanied minor, the minister and the department owe a duty of care to those people in immigration detention. The independent observer builds rapport with the minor, with the intention of being able to reassure and assist them while their immigration status is being resolved.

A contract was signed with Life Without Barriers on 30 June 2010, extending the provision of services from July 2010 to 31 December 2011.

The Australian Government and state and territory governments work together to provide settlement services to unaccompanied minors who have been granted a visa under the Humanitarian Program. Some support for unaccompanied humanitarian minors is provided by not-for-profit service providers.

Oversight and consultation

Detention Health Advisory Group

The Detention Health Advisory Group (DeHAG) is the key advisory group to the department on matters concerning the design, implementation and monitoring of improvements in detention health policy and procedures.

DeHAG was convened in March 2006 and is chaired by Professor Louise Newman AM. The group is made up of nominated representatives of key health professional organisations, including the:

- Australian Medical Association
- Royal Australian and New Zealand College of Psychiatry
- Royal College of Nursing Australia
- Public Health Association of Australia
- Royal Australian College of General Practitioners
- Australian Dental Association.

In addition, the Ombudsman's Office has observer status.

DeHAG has two sub-groups, the Community and Public Health Sub-Group and the Mental Health Sub-Group. These sub-groups meet regularly to discuss issues of concern across the detention network with a view to providing recommendations to the department on how to better manage both the physical and mental health of clients.

During 2010–11, against the background of a large number of people in immigration detention, the department sought the advice of DeHAG on a wide range of issues, particularly those arising from its schedule of inspections of places of immigration detention. DeHAG, through its sub-groups, also provided expert independent advice in relation to detention health policies, procedures and practices. Members of DeHAG visited the most active mainland places of immigration detention in 2010–11 and Christmas Island.

Engagement with DeHAG represents a significant step forward for the department in working in an open and accountable manner with key health stakeholders to improve the general and mental health of all people under the department's care.

In 2010–11, the department completed the roll-out of three new mental health policies across the immigration detention network. These policies were developed in consultation with DeHAG and reflect best-practice approaches for identifying and supporting survivors of torture and trauma and for minimising self-harm in immigration detention. The department has trained more than 1200 departmental staff and individuals from non-government agencies/organisations in the operation of these policies.

Community and Public Health Sub-Group

In recognition of potential issues relating to communicable diseases and large numbers of people in immigration detention, the department agreed to the establishment of a Community and Public Health Sub-Group of DeHAG in 2010. This sub-group provides independent expert advice in relation to public health issues and issues relevant to the health of clients living in the community—both as bridging visa holders and in community detention.

In 2010–11, the Community and Public Health Sub-Group provided valuable guidance with respect to persons at risk of tuberculosis and to health care for minors in immigration detention.

Mental Health Sub-Group

The DeHAG Mental Health Sub-Group was formed in March 2007 to develop new mental health policy, which was further implemented in 2010–11 and to advise generally on mental health issues.

In response to advice from the Mental Health Sub-Group, particularly in relation to levels of self-harm, the department and IHMS have developed a modular Mental Health Awareness/ Mental Health Policy Awareness training program for delivery on-site at places of immigration detention for IHMS, Serco and departmental staff.

A pilot training program will begin in July 2011 at the Leonora APOD and at places of immigration detention in Darwin with a view to finalising the program for roll-out to all immigration detention facilities. These new training arrangements will complement those already in place for departmental staff through the College of Immigration.

During 2010–11, other priorities for the Mental Health Sub-Group included:

- advising on policies relating to the use of restrictive detention
- advising on self-harm prevention and management.

Council for Immigration Services and Status Resolution

The Council for Immigration Services and Status Resolution (CISSR) provides independent advice to the minister on policy development, processes, services and programs needed to achieve the timely, fair and effective resolution of immigration status for people seeking asylum or other migration outcomes in Australia. More information about CISSR is on Page 175.

Public scrutiny

During 2010–11, immigration detention centres and other places of detention were visited by several independent organisations, including the Commonwealth Ombudsman's office, the Australian Human Rights Commission and the ARC which provided reports and feedback to the department to support continued improvement to the delivery of services and support to people in immigration detention.

Program 4.2

Onshore detention network

Program 4.2 consists of one departmental item:

- Onshore detention network

There are two administered items under Program 4.2:

- Community and detention services
- Payments under section 33 of the *Financial Management and Accountability Act 1997* (Act of Grace payments)

Objective

To advise on, develop and provide a range of support, health and detention services in community and detention environments that seek to:

- best suit the needs of individual people in immigration detention
- treat people in immigration detention fairly and reasonably within the law
- ensure the inherent dignity of people in immigration detention
- ensure that no minors are detained in immigration detention centres (IDCs)
- ensure the availability for immigration processing or removal of people detained under the Migration Act
- protect the Australian community from unlawful non-citizens who present unacceptable risks to the community
- enable the management of health, identity and security risks to the community arising from unauthorised arrivals.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Onshore detention network—deliverables

Deliverable: Provision of support, health and detention services to people in immigration detention, in both community and detention environments, in accordance with the objectives and key performance indicator (KPI) targets for this program.

Result: The Commonwealth has contracted a detention service provider who delivers immigration detention services to unlawful non-citizens onshore and on Christmas Island, across a range of immigration detention facilities. Health services are delivered to people in immigration detention under a separate contract with the health service provider—International Health and Medical Services (IHMS).

Onshore detention network—deliverables *continued*

The contracted service provider, Serco, delivers a range of support and detention services to people in various detention environments in accordance with the government's key immigration detention values. These values ensure that people in detention are treated fairly and reasonably within the law, with dignity and respect at all times, are accommodated suitably to best suit individual needs and are provided with appropriate support and a variety of services to meet their daily requirements. The department monitors Serco's compliance with the requirements of the Detention Services Contract for Immigration Detention Centres (IDCs) and the Services Contract for Immigration Residential Housing (IRH) and Immigration Transit Accommodation (ITA).

In accordance with the government's immigration detention values, minors and their families are not accommodated in IDCs.

Deliverable: Policy advice and service design to enable such service provision.

Result: Detention policies (instructions) that underpin service provision in the immigration detention network are contained in the *Detention Services Manual* (DSM). Development and maintenance of these DSM policy instructions occurs in accordance with *Chief Executive Instruction 30* (CEI 30). CEI 30 requires that departmental policy instructions are developed to explain expected outcomes, to provide clarity and explanation on relevant issues to ensure consistency in decision-making and that these instructions be reviewed regularly.

Onshore detention network—key performance indicators

Indicator: The level of care and services provided to people in immigration detention meets standards set by the department, and by Australian law, for quality, quantity, availability and the maintenance of dignity and human rights. This is measured by the average total number of person-days in detention per breach of standards.

Result: Under the detention services contract, the service provider's performance is measured and assessed through a set of indicator metrics that are targeted and focused on key subject delivery areas identified by the department as being fundamental to the performance of the contract.

The performance monitoring process is integral to the department in achieving value for money and allows the department to objectively monitor and measure the detention service provider's performance and adjust the detention services fee if the service provider fails to meet the minimum performance levels required under the contract. Areas that may require increased effort to deliver services at the level set out in the Contract are identified and are to be addressed by the service provider. In addition to the performance monitoring process, the department undertakes an ongoing audit program to ensure that the service provider meets its contractual obligations.

Indicator: Only people who are not known or reasonably suspected to be minors are detained in IDCs.

Result: In accordance with the government's immigration detention policies, in 2010–11 no persons who were known or reasonably suspected to be minors were accommodated in immigration detention centres.

Onshore detention network—key performance indicators *continued*

Indicator: People held in immigration detention will have the length and conditions of their detention subject to regular review to ensure that it is lawful, appropriate and neither indefinite nor arbitrary.

Result: All eligible clients in detention are reviewed by the detention review manager within 24–48 hours of being detained, and in exceptional circumstances within 72 hours, as per the revised control framework for detention related decision-making. The detention review manager is responsible for ensuring the decision to detain is lawful and that the client is not case law affected.

Clients in detention have their detention reviewed on a monthly basis by either their case manager, a senior review officer, at Detention Review Committee meetings or through a report to the Commonwealth and Immigration Ombudsman. Given the size of the current detention population, the department has been unable to review all clients within the agreed timeframes of every review type, however clients are reviewed irregularly by one or more of the mechanisms.

The Program Key Performance Indicators (KPIs) Table on Page 51 of the *Portfolio Budget Statements 2010–11* has been omitted because the Detention Services Contract is not structured to report on these KPIs.

Administered items

Administered item: Community and detention services

Objective: To fund the provision of a range of support, health and detention services in community and detention environments that seek to:

- best suit the needs of individual people in immigration detention
- treat people in detention fairly and reasonably within the law
- ensure the inherent dignity of people in immigration detention
- ensure that no minors are detained in IDCs
- ensure the availability for immigration processing, or otherwise the removal of people detained under the Migration Act
- Enable the management of health, identity and security risks to the community arising from unauthorised arrivals.

Deliverable: Provision of support, health and detention services to people in immigration detention, in both community and detention environments, in accordance with the objectives and KPI targets for this program.

Result: Deliverable achieved in accordance with the objectives and KPI targets set for this program. The primary objectives under the detention services contract are to continuously improve the quality, effectiveness and efficiency of the services and promote cultural alignment between the department and the service provider through the implementation of the key immigration detention values.

Administered item: Payments under section 33 of the *Financial Management and Accountability Act 1997* (FMA Act) — Act of Grace payments

Objective: Payments made under section 33 (FMA Act) are special discretionary compensatory payments (acts of grace) made in circumstances where there is no other viable avenue of redress available and the Minister for Finance and Deregulation considers the payment is appropriate because of 'special circumstances'.

Deliverable: Payments are made in accordance with legislative requirements and guidelines.

Result: Two payments were made in accordance with legislative requirements and guidelines (including claims received in the previous financial year but not paid until 2010–11).

Onshore detention network

This program manages all unlawful-non citizens placed into immigration detention who did not arrive in Australia at an excised offshore place (see Program 4.3), except for illegal foreign fishers (Program 4.4). These detainees include people who have overstayed their visas, people whose visas have been cancelled, and those who have arrived without authorisation by air.

Performance

In 2010–11, there was a 23 per cent increase in the total number of people in onshore immigration detention, from 3250 people in 2009–10 to 3998 people in 2010–11.

During 2010–11, 3877 people were taken into onshore immigration detention, compared to 2983 in 2009–10, an increase of 30 per cent.

At 30 June 2011, there were 330 people in onshore immigration detention compared to 204 at 30 June 2010, an increase of 62 per cent.

Figure 18: People in onshore detention by placement type as at 30 June 2011

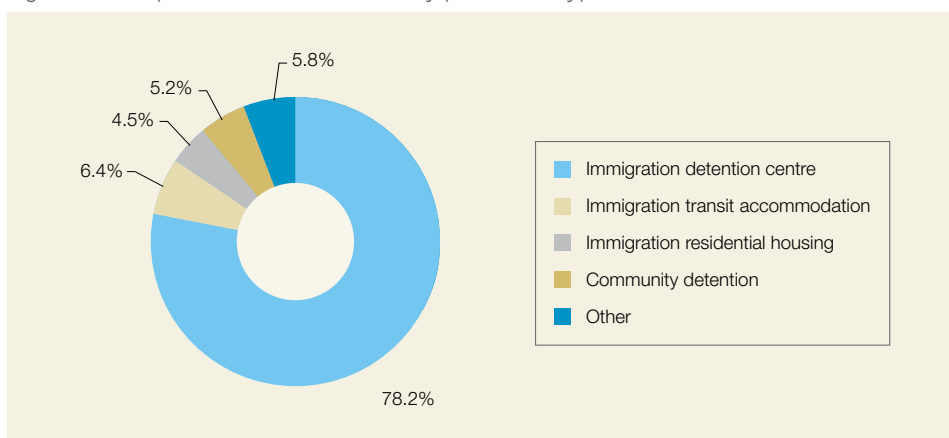
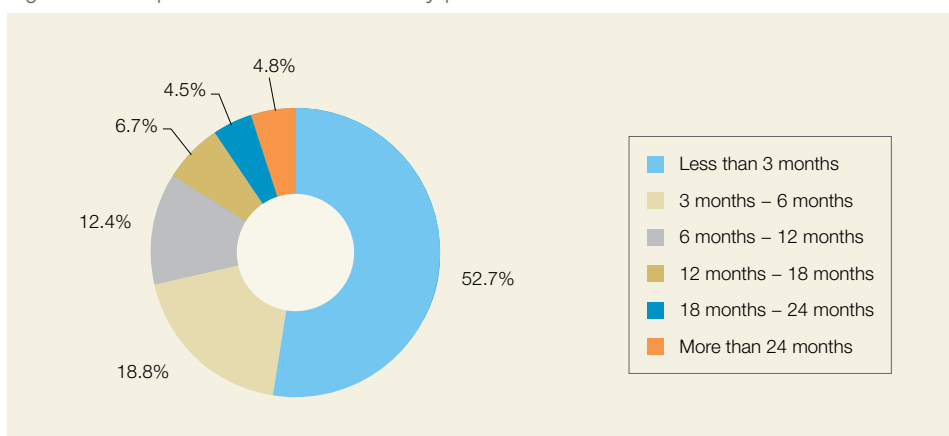


Figure 19: People in onshore detention by period detained as at 30 June 2011



Infrastructure

During 2010–11, the department has continued its commitment to providing infrastructure that supports a positive environment for people in immigration detention and for staff.

In keeping with the immigration detention values, the department continues to maintain a range of infrastructure options based on operational requirements and a client's risk profile. This infrastructure includes immigration transit accommodation, immigration residential housing and immigration detention centres.

To reflect the commitment to maintaining a humane environment for persons in immigration detention, several refurbishment projects at immigration detention facilities were undertaken in 2010–11.

The department continued to improve the living conditions and amenities for people in detention with capital works at the Villawood IDC, including the opening of a new dedicated women's amenity which was welcomed by the Australian Human Rights Commission. There have been continued works in Darwin, Melbourne, Brisbane and a new modern transit accommodation facility established in Adelaide.

The Adelaide Immigration Transit Accommodation (ITA), consists of two self-contained three-bedroom cottages, a single detached bed-sit and a community building with reception, office accommodation, health and interview facilities and visitor's centre. This ITA also provides clients with access to the internet and opportunities for shared dining and communal interaction. The physical and emotional wellbeing of clients in immigration detention is important to the department, which remains committed to delivering detention infrastructure that provides as positive an environment as possible.

In addition, the \$186.7 million redevelopment of the Villawood IDC continues to be progressed. This redevelopment project is being delivered in stages and managed on behalf of DIAC by the Department of Finance and Deregulation. The remediation stage commenced in May 2011, the second and largest stage is scheduled for completion by early 2013 and the final stage is scheduled for completion in 2015.

Consultation with stakeholders and the community continues to underpin the design and delivery of the facility which will be the principal referral centre for all mainland operations, providing a range of flexible accommodation options to manage clients of varying risk profiles.

The redevelopment of Villawood IDC provides an opportunity to design and construct a facility that responds to the cultural and gender sensitivities of the mix of clients in detention.

Program 4.3

Offshore asylum seeker management

Program 4.3 consists of one departmental item:

- Offshore asylum seeker management

There are four administered items under Program 4.3:

- Community and detention services
- Management and care of irregular immigrants in Indonesia
- Regional cooperation and capacity building
- Returns and reintegration assistance package

Objectives

To advise on, develop and provide a range of support, health and detention services in community and detention environments for offshore entry persons seeking asylum, that seek to:

- best suit the needs of individual people in immigration detention
- treat people in detention fairly and reasonably within the law
- ensure the inherent dignity of people in immigration detention
- ensure that no minors are detained in IDCs
- ensure the availability for immigration processing, or otherwise the removal of people detained under the Migration Act
- enable the management of health, identity and security risks to the community arising from Irregular Maritime Arrivals (IMAs).

To strengthen the migration and border management capabilities of governments in the Asia-Pacific region and parts of South Asia and the Middle East.

To assist facilitation of bona fide people movements while preventing and deterring irregular movements, including people smuggling and trafficking, in our region and in source/transit countries.

To support international organisations for the care of irregular migrants intercepted en route to Australia.

To remove from Australia offshore entry persons seeking asylum that are not owed protection by Australia.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2010–11* and the *Portfolio Additional Estimates Statements 2010–11*.

Offshore asylum seeker management—deliverables

Deliverable: Provision of support, health and detention services to people in immigration detention, in both community and detention environments, in accordance with the objectives and KPI targets for this program.

Result: The contracted service provider, Serco, delivers a range of support and detention services to people in various detention environments in accordance with the government's seven key immigration detention values. These values ensure that people in detention are treated fairly and reasonably within the law, with dignity and respect at all times, are accommodated suitably to best suit individual needs and are provided with appropriate support and a variety of services to meet their daily requirements. The department monitors Serco's compliance with the requirements of the Detention Services Contract for Immigration Detention Centres and the Services Contract for Immigration Residential Housing and Immigration Transit Accommodation.

In accordance with the government's immigration detention values, minors and their families are not accommodated in IDCs.

Deliverable: Policy advice and service design to enable such service provision.

Result: Detention policies (instructions) that underpin service provision in the immigration detention network are contained in the DSM. Development and maintenance of these DSM policy instructions occurs in accordance with *Chief Executive Instruction 30* (CEI 30). CEI 30 requires that departmental policy instructions are developed to explain expected outcomes, to provide clarity and explanation on relevant issues to ensure consistency in decision-making, and that these instructions be reviewed regularly.

Deliverable: Services to develop, implement and undertake the removal from Australia of offshore entry persons seeking asylum that are not owed protection by Australia.

Result: The department is increasingly supporting its management of offshore asylum seekers by applying status resolution principles used successfully onshore. This includes actively engaging with clients to resolve their immigration status, clearly communicating information about their immigration pathway and providing holistic support on a needs-basis.

The department arranges the departure of offshore asylum seekers not owed Australia's protection as soon as practically possible after they become available for removal. IOM is funded to provide independent counselling to clients and post-return assistance to address immediate needs following a removal.

Offshore asylum seeker management—key performance indicators

Indicator: The level of care and services provided to people in immigration detention meets standards set by the department, and by Australian law, for quality, quantity, availability and the maintenance of dignity and human rights. This is measured by the average total number of person-days in detention per breach of standards.

Result: Under the detention services contract, the service provider's performance is measured and assessed through a set of indicator metrics that are targeted and focused on key subject delivery areas identified by the department as fundamental to the performance of the contract.

The performance monitoring process is integral to the department in achieving value for money and allows the department to objectively monitor and measure the detention service provider's performance and adjust the detention services fee if the service provider fails to meet the minimum performance levels required under the contract. Areas that may require increased effort to deliver services at the level set out in the Contract are identified and are to be addressed by the service provider. In addition to the performance monitoring process, the department undertakes an ongoing audit program to ensure that the service provider meets its contractual obligations.

Indicator: Only people who are not known or reasonably suspected to be minors are detained in IDCs.

Result: In accordance with the government's immigration detention policies, in 2010–11 no persons who were known or reasonably suspected to be minors were accommodated in IDCs.

Indicator: Offshore entry persons seeking asylum held in immigration detention will have the length and conditions of their detention subject to regular review to ensure that it is neither indefinite nor arbitrary.

Result: All clients are being reviewed at irregular intervals by their case manager, the senior review officer, at Detention Review Committee meetings or through the Ombudsman reporting arrangements. As with the compliance caseload, the department is not currently reviewing all offshore entry persons in detention within timeframes in the revised control framework for detention related decision-making.

Indicator: Offshore entry persons seeking asylum who are found not to be owed protection under Australia's international obligations, are to be removed by the department at the earliest practicable opportunity.

Result: The department is supporting its management of offshore entry persons through the application of status resolution principles used successfully onshore. This includes actively engaging with clients to resolve immigration status, communicating information about their immigration pathway and providing support on a needs-basis.

The department arranges the departure of offshore entry persons not owed Australia's protection as soon as practicable after they become available for removal. IOM is funded to provide independent counselling and individual reintegration assistance to eligible offshore entry persons.

The Program Key Performance Indicators (KPIs) Table on Page 54 of the *Portfolio Budget Statements 2010–11* has been omitted because the Detention Services Contract is not structured to report on these KPIs.

Administered items

Administered item: Community and detention services

Objective: To fund the provision of a range of support, health and detention services in community and detention environments to offshore entry persons seeking asylum, that seek to:

- best suit the needs of individual people in immigration detention
- treat people in immigration detention fairly and reasonably within the law
- ensure the inherent dignity of people in immigration detention
- ensure that no minors are detained in IDCs
- help offshore entry persons in immigration detention, who are seeking asylum, with professionally qualified immigration advice and assistance
- ensure the availability for immigration processing, or otherwise the removal of people detained under the Migration Act
- enable the management of health, identity and security risks to the community arising from IMAs.

Deliverable: Provision of support, health and detention services to people in immigration detention, in both community and detention environments, in accordance with the objectives and KPI targets for this program.

Result: This deliverable was achieved in accordance with the objectives and KPI targets for this program. The primary objectives under the detention services contract are to continuously improve the quality, effectiveness and efficiency of the services and promote cultural alignment between the department and the service provider through the implementation of the immigration detention values.

Administered item: Management and care of irregular immigrants in Indonesia

Objective:

- Strengthen regional cooperation arrangements in Indonesia to support international organisations to provide care and welfare of irregular migrants who are intercepted in Indonesia.
- Provide funding to the IOM to enhance Indonesian immigration detention and transit facilities and to improve the care and support provided to irregular migrants in Indonesia.
- Provide training in identity management to Indonesian immigration officials, in particular facial identification techniques.

Deliverable: Payment to IOM to continue maintenance of immigration detention and transit facilities in Indonesia.

Result: Payment was provided to the IOM to enhance immigration detention and transit facilities. This funding was used to support IOM to arrange modest upgrades and maintenance of facilities within the Indonesian immigration detention network, including Tanjung Pinang and other priority locations.

Administered item: Management and care of irregular immigrants in Indonesia *continued*

Deliverable: Training sessions conducted for Indonesian immigration officials.

Result: Training in the principles and application of facial image comparison was delivered to Indonesian immigration officials. The training was aimed at developing the impostor detection skills of Indonesian officers working at major airports and seaports in Indonesia.

Administered item: Regional cooperation and capacity building

Objective:

- To strengthen the migration and border management capabilities of governments in the Asia-Pacific region and parts of South Asia and the Middle East.
- To assist the facilitation of bona fide people movements while preventing and deterring irregular movements, including people smuggling and trafficking, in our region and in source/transit countries.
- To support international organisations for the care of irregular migrants intercepted en route to Australia.

Deliverable: Provide assistance with a strong focus on working in partnership with international organisations to provide enhanced migration management (enhancements to legislation, governance and organisational structures, business processes, cross-agency coordination mechanisms and policy frameworks), identity management and document examination, immigration intelligence initiatives, support for regional fora and English language training.

Result: Funding provided under this item supports a range of projects and initiatives with partner countries and international organisations to strengthen border management and to address irregular migration.

In the Asia-Pacific region key projects include:

- East Timor—continuing the enhanced migration management project to support the establishment of an autonomous migration service and assist with the implementation of improved border processing
- Indonesia—further enhancement of system functionality in the Enhanced CEKAL System (Indonesia's border management system) and provision of a biometric matching system
- capacity building and technical assistance to Papua New Guinea to assist in developing border management and governance initiatives
- undertaking an assessment of Vanuatu's border management processes and delivering a report to the Government of Vanuatu. The report recommended a suite of remedial actions on border-related issues including inter-agency cooperation measures, administrative, policy and operational processes.

Administered item: Regional cooperation and capacity building *continued*

In South Asia and the Middle East key projects include:

- funding IOM to undertake systems architecture design for a biometrics capture and passport issuance system in Sri Lanka
- document examination training for immigration officers from the United Arab Emirates, Sri Lanka, Pakistan and Afghanistan
- funding IOM to continue support for the development of the passport and visa issuance systems in Afghanistan
- providing document examination equipment for major airports in Pakistan.

Targeted training programs by the department for immigration agencies throughout the Asia-Pacific, South Asia and Middle East regions to increase immigration officials' capacity in specific areas of migration management. These include:

- Document examination equipment and training to front line immigration officers in airports and at land borders to help deter irregular migration by enabling more officers to confidently and accurately detect fraudulent travel documentation at borders.
- Facial image analysis training to front line immigration officers at airports and land borders to assist in the detection of impostors at borders.
- Training in intelligence analysis to boost agencies' capacity to capture data and analyse and report on trends in irregular migration.
- Investigations training to strengthen officers' capacity to investigate criminal activity related to irregular migration.
- Australian-based English language training for sponsored immigration officials to improve their English language competency. This training increases officials' ability to conduct business transactions particularly in relation to immigration matters.

Deliverable: Provide support to international organisations for the care of irregular migrants intercepted en route to Australia.

Result: Through the Regional Cooperation Agreement with Indonesia, the department provides funding to IOM to provide practical support, such as accommodation, food and emergency medical assistance to irregular migrants intercepted in Indonesia. This work also arranges voluntary repatriation of irregular migrants.

Administered item: Returns and reintegration assistance package¹

Objective:

- To form part of Australia's broader strategy directed towards resolving the status of IMA clients found not to be owed protection by Australia.
- To facilitate returns that are sustainable—i.e. that provide support for the returnee to rebuild their life in the country of return and to reduce the risk of further irregular movement.

Deliverable: Assist in resolving the status of IMA clients found not to be owed protection by Australia and facilitate returns that are sustainable.

Result: Returns under the Individual Reintegration Assistance (IRA) program have been ongoing. During 2010–11, 68 returns took place under the program.

The IRA program is delivered on behalf of the department by IOM. IOM works with clients to develop an individual reintegration plan on a needs basis, taking into consideration the local environment to which the client will return, the range of services available and the extent of available support.

Deliverable: Agreement to, and returns under, the Memorandum of Understanding (MOU) between the Australian Government and the Government of the Islamic Republic of Afghanistan and the UNHCR on migration and humanitarian cooperation.

Result: The MOU was agreed to and signed by all parties on 17 January 2011. Returns have progressed under the conditions set out within the MOU.

1. This item was not published in the *Portfolio Budget Statements 2010–11*. It was incorporated into the *Portfolio Additional Estimates Statements 2010–11*.

Offshore asylum seeker management

This program manages people in immigration detention who arrived in Australia at an excised offshore place.

Performance

In 2010–11, there was a 41 per cent increase in the total number of IMAs in immigration detention, from 6412 people in 2009–10 to 9044 people in 2010–11.

During 2010–11, 4910 IMAs were taken into immigration detention, compared to 5627 in 2009–10.

At 30 June 2011, 6067 IMAs were in immigration detention compared with 3867 at 30 June 2010.

Figure 20: Irregular maritime arrivals by placement type as at 30 June 2011

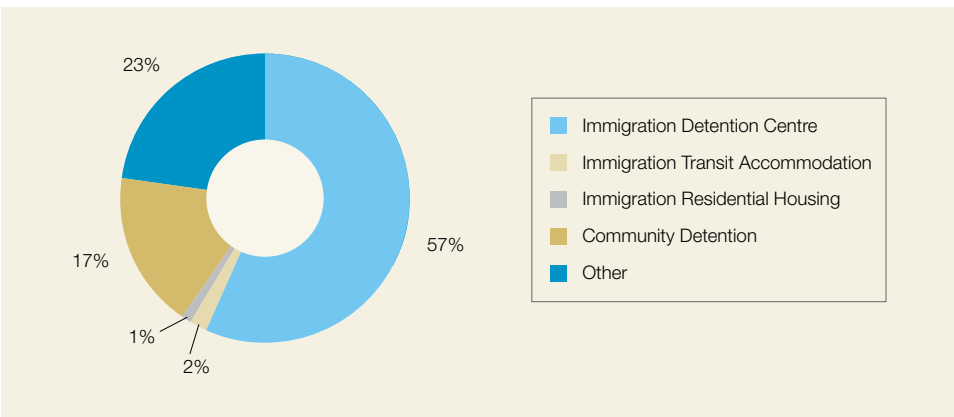
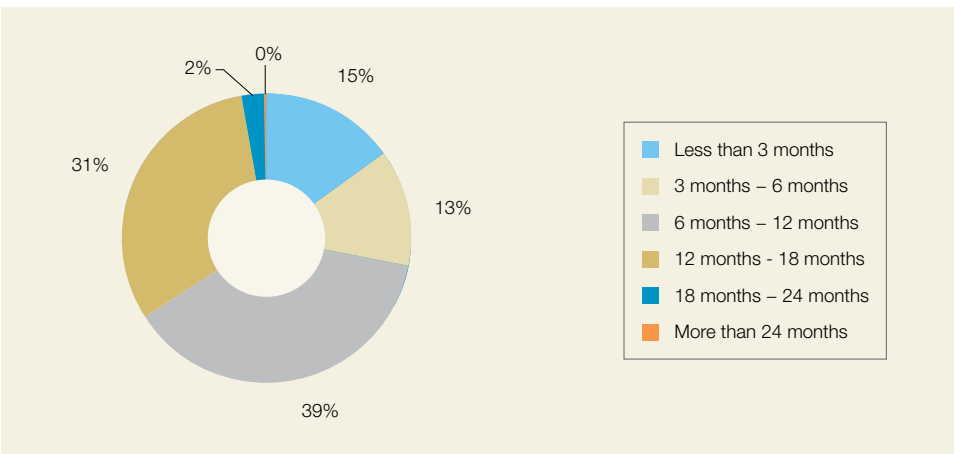


Figure 21: Irregular maritime arrivals by period detained as at 30 June 2011



In 2010–11, there were 4910 IMAs (including 210 crew) in 89 vessels intercepted in Australian waters and taken to Christmas Island for initial processing.

Table 61: Irregular maritime arrivals on vessels intercepted in Australian waters by gender

Irregular maritime arrival	2010–11
Adult male	3 281
Adult female	567
Accompanied minors—male	372
Accompanied minors—female	279
Unaccompanied minors—male	387
Unaccompanied minors—female	24
Total*	4 910

* This figure includes the 42 survivors of SIEV 221, but does not include the 30 deceased at sea from that vessel.

The Christmas Island IDC is used to accommodate single men. Children, women, families and vulnerable clients are accommodated at the low-security construction camp. Other accommodation options, including Phosphate Hill and community detention are used flexibly to respond to the specific needs of IMAs.

The increasing volume and complexity of the IMA client caseload has resulted in the transfer of certain groups and individuals to detention facilities on the Australian mainland prior to finalisation of processing.

Offshore asylum seeker status resolution

In 2010–11, 2738 IMAs were granted permanent visas and settled in Australia. IMA clients were settled in every state and territory based on their individual backgrounds and strengths, settlement needs and links in Australia.

Table 62: Irregular maritime arrivals—client caseload for 2010–11

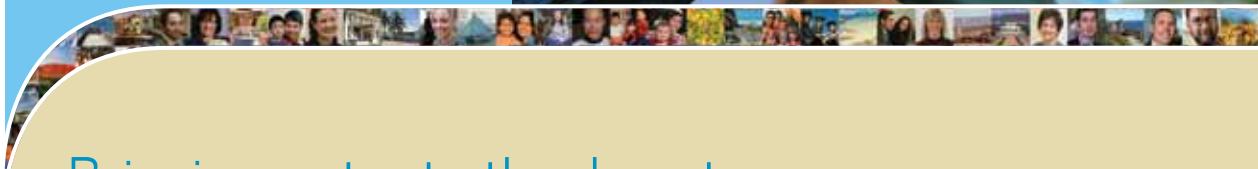
Irregular maritime arrivals	2010–11
Number of IMA clients	4 940
Number of IMA clients granted visas and settled on the mainland	2 738
Number of IMA clients who have been removed (not including crew)	78

Immigration Advice and Application Assistance Scheme

Irregular maritime arrivals are provided with publicly funded advice and assistance, using selected contracted Immigration Advice and Application Assistance Scheme (IAAAS) providers to put forward their refugee claims at the primary and independent protection assessment stages. Those found to be refugees under the *United Nations 1951 Convention Relating to the Status of Refugees* are then further assisted by their IAAAS provider to lodge a protection visa application.

During 2010–11, 6523 services were provided to IMAs on Christmas Island and at onshore immigration detention facilities at a cost of \$17.272 million.

Case study



Bringing water to the desert

A detention facility in remote Western Australia may seem an unlikely location for a flourishing garden and fish-farm, but an innovative project has quickly become an important part of life in the Curtin immigration detention facility.

Dubbed 'Aqualand', the hobby-sized aquaculture and hydroponics program is part of educational and recreational activities for detainees at the centre. It teaches clients new skills and contributes to the local community. Aqualand uses no chemicals and only a fraction of the water used for aquaculture or field plant production.

The project realises a long-term goal of on-site departmental staff and detention services provider Serco, who wanted to develop activities to engage clients, build skills and give back to the community.

The project draws on the skills of Serco staff and is extremely popular with the Curtin clients, allowing those from a rural background to use their experience while teaching others new skills.

Barramundi fingerlings are kept in fish tanks that feed nutrients through six seedling beds. As soon as the fish are big enough to eat, they are donated to local organisations that distribute them to disadvantaged families in the community.

Clients check the water and nutrient levels, feed the fish, propagate seeds, harvest plants and take care of general maintenance. They use their own traditional gardening methods as well as learning about modern Australian techniques and native plants.

Clients have also started beautifying the facility by planting vegetable and flower gardens in their accommodation areas by using Aqualand seedlings. They have built greenhouses and water features and developed a composting program. Aqualand is also home to 14 guinea fowl used for organic pest control.

This low-cost project uses the same equipment available to anyone wanting to set up an aquaponics project in their backyard. It also produces environmental benefits and reduces landscaping costs and grounds maintenance.

Photo: Detention operations manager Mr Bruce Needham is proud that the barramundi from the Aqualand project at the Curtin immigration detention facility is distributed to disadvantaged families in the local community.

Table 63: IAAAS activity for offshore entry persons

	2009–10	2010–11
Services provided to IMAs to lodge refugee claims	4 086	6 523
Cost of IAAAS services provided to IMAs	\$8 793 992	\$17 272 341

Management of crew

In 2010–11, 210 IMA crew members were taken to Christmas Island for initial processing. Boat crew are regularly transferred to mainland detention arrangements as part of their processing, whether it is for removal from Australia, for prosecution or for further processing.

Crew are removed from Australia if they are not of interest to the Australian Federal Police. In rare circumstances some crew members seek asylum. When this occurs they are processed as per the usual IMA processing arrangements.

Infrastructure

The department continues to respond to the pressures currently facing immigration detention accommodation through the higher numbers of IMAs by combining the commissioning of more appropriate detention accommodation, the expansion of some existing facilities, the decommissioning of less suitable accommodation and the expanded use of existing residence determination powers for unaccompanied minors and vulnerable families.

Additional accommodation for family groupings became operational on 18 December 2010 at Inverbrackie, which is part of the Woodside Army Barracks complex in the Adelaide Hills. Inverbrackie provides residential accommodation in existing three and four bedroom houses in the Defence Housing sub-division. The houses were not occupied by Defence families when they were offered to the department.

The site also includes a community hall and playgroup buildings. New buildings have been installed to provide additional amenity. These facilities include interview rooms, computer rooms, classrooms, a visits building and a small shop providing clients with access to fresh produce and groceries. The centre also has sporting and exercise facilities.

The department and Serco, where possible, have used local traders for supply of goods and services to Inverbrackie providing economic benefits to the local community.

In late 2010, the government completed the expansion of Curtin to 1200 places and following representations from the Weipa community agreed to use Scherger until June 2012. The department is also preparing facilities near Northam in Western Australia, Wickham Point near Darwin and Pontville in Tasmania. These will provide accommodation for up to 2500 additional people.

Offshore initiatives

The Offshore Initiatives Division was established to coordinate the operational implementation of the government's announcement on 7 May 2011 that people who arrive by sea will be removed to a third country.

Independent Protection Assessment Office

The Independent Protection Assessment Office (IPAO) provides independent merits reviews and assessments of adverse refugee status assessments of refugee protection claims from IMAs, who arrive at excised offshore places.

In November 2008, the government established a scheme for independent merits reviews (IMRs) to be carried out in respect of IMAs, whose refugee claims were not recognised after a departmental refugee status assessment (RSA).

Independent merits reviews are conducted by independent reviewers, appointed by the minister. Independent reviewers are experienced decision-makers, the majority of whom have a background in merits review decision-making in federal and state administrative tribunals, including the Refugee Review Tribunal.

During 2008–09, three independent reviewers were initially appointed. Reviewer numbers were progressively increased as the review caseload increased. As at 30 June 2011, 116 independent reviewers had been appointed to ensure that the review caseload is finalised as expeditiously and efficiently as possible.

In June 2010, the secretary appointed Mr John Lynch (formerly Registrar of the Migration Review Tribunal and Refugee Review Tribunal) to scale up and manage IMR operations. In March 2011, the secretary established the IPAO and appointed Mr Lynch as its Chief Executive Officer. In November 2010, Dr Irene O'Connell (a Senior Member of the Migration Review Tribunal and Refugee Review Tribunal) was appointed by the minister as a senior reviewer. Dr O'Connell has professional responsibility for reviewers and the provision of decision-making guidance, professional development, mentoring and training. Reviewers are able to obtain legal and country of origin advice from the Refugee Review Tribunal under an MOU between the secretary and the principal member.

Reviewer administrative and staffing support arrangements were strengthened to provide case management and logistical support for the conduct of reviews at detention centres and at other locations for those claimants in community detention, including at AAT registries. Deputy Chief Executive Officer, Ms Clare McNamara was appointed in April 2011 to assist with management of operations and approximately 50 staff, who had been recruited by 30 June 2011. The IPAO has offices in Canberra and Sydney.

In conducting reviews, reviewers make a fresh assessment of refugee claims. They consider information and evidence on the claimant's immigration file and new claims, evidence or country information that is presented by the claimant or his or her adviser. They conduct an interview with the claimant at which time the claimant is able to present his or her claims with the assistance of an interpreter. While some interviews are conducted by video conference, in the majority of cases, interviews take place with claimants in person. Claimants are provided with advice and assistance from migration agents throughout the review process under the government's Immigration Advice and Application Assistance Scheme.

In November 2010, the High Court of Australia delivered its decision in Plaintiff M61/2010E and Plaintiff M69 of 2010 v Commonwealth of Australia [2010] HCA 41 in which the full bench of the High Court held that recommendations made by reviewers were subject to judicial review. The court also held that reviewers are bound to apply relevant provisions of the Migration Act and related case law when determining cases and must afford a claimant common law procedural fairness. As a direct result of this judgment, arrangements were made for 152 cases involving recommendations affirming departmental RSAs to be re-considered by a fresh reviewer.

In March 2011, the government implemented the Protection Obligation Determination process. Under this process, all refugee claimants who had not had an RSA interview before 1 March 2011 or who had arrived at an excised offshore place on or after this date were eligible to have their claims assessed under this process. Where a positive Protection Obligations Evaluation (POE) is unable to be made by a departmental officer, it is referred for assessment to the IPAO for an independent protection assessment (IPA). IPAs are carried out by persons who the minister appoints as assessors. All IPAO reviewers have been appointed as assessors by the minister.

During 2010–11, 3188 IMR requests were received and 183 POE cases were referred for IPA (total of 3371 applications). In the same period, the IPAO conducted 1806 interviews with claimants and finalised 1271 cases. The IPAO processed claimants mainly from Afghanistan, Sri Lanka, Iran, Iraq and there were not insignificant claimants claiming they were Stateless. In 74 per cent of cases, reviewers found that claimants were owed refugee protection under the Refugees Convention.

Program 4.4

Illegal foreign fishers

Program 4.4 consists of one departmental item:

- Illegal foreign fishers.

There is one administered item under Program 4.4:

- Community and detention services.

Objective

In respect of illegal foreign fishers apprehended and detained in Australian territorial waters, to advise on, develop and provide a range of support, health and detention services in community and detention environments that seek to:

- best suit the needs of individual people in immigration detention
- treat people in immigration detention fairly and reasonably within the law
- ensure the inherent dignity of people in immigration detention
- ensure that no minors are detained in IDCs
- ensure the availability for immigration processing, legal proceedings, or removal of people detained under the Migration Act
- protect the Australian community from unlawful non-citizens who present unacceptable risks to the community
- enable the management of health, identity and security risks to the community
- to remove illegal foreign fishers from Australia.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Illegal foreign fishers—deliverables

Deliverable: Provision of support, health and detention services to people in immigration detention, in both community and detention environments, in accordance with the objectives and KPI targets for this program.

Result: The contracted service provider, Serco, delivers a range of support and detention services to people in various detention environments in accordance with the government's seven key immigration detention values. These values ensure that people in detention are treated fairly and reasonably within the law, with dignity and respect at all times, are accommodated suitably to best suit individual needs and are provided with appropriate support and a variety of services to meet their daily requirements. The department monitors Serco's compliance with the requirements of the Detention Services Contract for Immigration Detention Centres and the Services Contract for Immigration Residential Housing and Immigration Transit Accommodation.

In accordance with the government's immigration detention values, minors and their families are not accommodated in IDCs.

Illegal foreign fishers—deliverables *continued*

Deliverable: Policy advice and service design to enable such service provision.

Result: Detention policies (instructions) that underpin service provision in the immigration detention network are contained in the DSM. Development and maintenance of these DSM policy instructions occurs in accordance with *Chief Executive Instruction 30* (CEI 30). CEI 30 requires that departmental policy instructions are developed to explain expected outcomes, to provide clarity and explanation on relevant issues to ensure consistency in decision-making, and that these instructions be reviewed regularly.

Deliverable: Services to develop, implement and undertake the removal of illegal foreign fishers from Australia.

Result: The department removed 86 illegal foreign fishers in 2010–11.

Illegal foreign fishers—key performance indicators

Indicator: The level of care and services provided to people in immigration detention meets standards set by the department, and by Australian law, for quality, quantity, availability and the maintenance of dignity and human rights. This is measured by the average total number of person-days in detention per breach of standards.

Result: Under the detention services contract, the service provider's performance is measured and assessed through a set of indicator metrics that are targeted and focused on key subject delivery areas identified by the department as fundamental to the performance of the contract.

The performance monitoring process is integral to the department in achieving value for money and allows the department to objectively monitor and measure the detention service provider's performance and adjust the detention services fee if the service provider fails to meet the minimum performance levels required under the contract. Areas that may require increased effort to deliver services at the level set out in the Contract are identified and are to be addressed by the service provider. In addition to the performance monitoring process, the department undertakes an ongoing audit program to ensure that the service provider meets its contractual obligations.

Indicator: Only people who are not known or reasonably suspected to be minors are detained in IDCs.

Result: In accordance with the government's immigration detention policies, in 2010–11 no persons who were known to be minors or reasonably suspected to be minors were accommodated in IDCs.

Indicator: Illegal foreign fishers, who have no right to remain in Australia, are to be removed by the department at the earliest practicable opportunity.

Result: In 2010–11, 99 per cent of all illegal foreign fishers detained were removed from Australia. This represents an increase of one per cent from 2009–10.

The Program Key Performance Indicators (KPIs) Table on Page 57 of the *Portfolio Budget Statements 2010–11* has been omitted because the Detention Services Contract is not structured to report on these KPIs.

Administered items

Administered item: Community and detention services

Objective: To fund the provision of a range of support, health and detention services in community and detention environments that seek to:

- best suit the needs of individual people in immigration detention
- treat people in immigration detention fairly and reasonably within the law
- ensure the inherent dignity of people in immigration detention
- ensure that no minors are detained in IDCs
- ensure the availability for immigration processing or removal of people detained under the Migration Act
- enable the management of health, identity and security risks to the community arising from illegal foreign fishers.

Deliverable: Provision of support, health and detention services to people in immigration detention, in both community and detention environments, in accordance with the objectives and KPI targets for this program.

Result: This deliverable was achieved in accordance with the objectives and KPI targets for this program.

Illegal foreign fishers

This program manages people in immigration detention who were detained on suspicion of breaking Australian fisheries laws.

Performance

In 2010–11, there was a 34 per cent decrease in the total number of illegal foreign fishers in immigration detention, from 140 people in 2009–10 to 92 people in 2010–11.

During 2010–11, 87 illegal foreign fishers were taken into immigration detention, compared to 139 in 2009–10, a decrease of 37 per cent.

At 30 June 2011, there were six illegal foreign fishers in immigration detention, the same number as at 30 June 2010. All foreign fishers were accommodated in an IDC. In all cases the period of detention as at 30 June 2011 was less than three months.

Services

Illegal foreign fishers, while in immigration detention, are provided with the same level of services as those in the onshore detention network.

Outcome 5

Equitable economic and social participation of migrants and refugees, supported through settlement services, including English language training, refugee settlement, case coordination, translation services, and settlement policy advice and program design.

Photo: Suad is happy to make a new home for her family in Australia.



Outcome 5 consists of one program:

Program 5.1 Settlement services for migrants and refugees.

During 2010–11, Program 5.1 was managed by the Citizenship, Settlement and Multicultural Affairs Division. This section reports on the deliverables and key performance indicators for Outcome 5 as published in the department's *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Strategy

To achieve this outcome, the department ensures high quality settlement services are available and accessible for humanitarian entrants and other eligible migrants as soon as possible after arrival. These services support clients in their transition to life in Australia by helping to build self-reliance, developing English language skills and fostering links with mainstream services.

The outcome is achieved through:

- providing a planning framework for the delivery of settlement services, and information for recently arrived migrants and humanitarian entrants that complements other services the government directs to the Australian community
- providing demographic data and other information to assist service providers across the three levels of government to plan to meet the needs of newly arrived migrants and humanitarian entrants
- supporting initial settlement services delivered through the Humanitarian Settlement Services, previously known as the Integrated Humanitarian Settlement Strategy, managed through contracted service providers
- supporting the Settlement Grants Program by helping funded organisations manage work programs, service agreements and reporting and financial accountability requirements
- supporting the Adult Migrant English Program managed by the department through contracts for English training and ancillary services
- providing translating and interpreting services.

Major achievements

Adult Migrant English Program

During 2010–11, the department successfully completed a tender process to replace expiring Adult Migrant English Program (AMEP) service contracts. The transition to new AMEP service contracts for the 2010–14 period also provided an opportunity for implementation of an enhanced business model for the program. The new business model has been designed to encourage greater commitment from clients and to facilitate continuous, coherent, settlement-focused learning. The department worked collaboratively with all AMEP service providers to ensure a smooth transition for clients to the new AMEP business model.

Humanitarian settlement services

The department effectively managed the transition from the Integrated Humanitarian Settlement Strategy (IHSS) to the new Humanitarian Settlement Services (HSS) program which started on 4 April 2011. Considerable consultation and cooperation between the department and relevant stakeholders led to the successful start of the HSS program and will continue throughout the transitional period for existing IHSS clients.

The department is currently assessing the HSS performance measures and contract management processes through mechanisms such as the Richmond Review so that it can continue to build upon the innovative settlement services provided under the new HSS program.

Complex Case Support program

During 2010, the department evaluated its Complex Case Support (CSS) program. The outcomes of the evaluation revealed a high level of support for the focus of the program and the intensive services provided under it. The department will draw upon these outcomes when it establishes a new Humanitarian Services Panel through an open tender process during 2011.

Challenges

Ongoing challenges included the assessment, settlement and support of an increasing number of single irregular maritime arrival entrants. A shortage of affordable and appropriate accommodation also presented a challenge in settling humanitarian clients in Australia.

In May 2011, the minister released an independent review of the provision of IHSS services in the Hunter region. The review, conducted by Ernst & Young, found that IHSS clients in the Hunter region had been adversely affected by inadequate service delivery. The review also found shortcomings in the department's contract management practices. The department took immediate steps to address the issues identified in the Hunter region and elsewhere, in line with the recommendations made by Ernst & Young.

Stemming from these issues, Mr David Richmond AO was tasked to conduct an independent review into the adequacy of the HSS program performance measures and framework, as well as the department's contract management processes. Implementing the recommendations of the Richmond review will be a key priority going forward, enabling the department to build upon the innovative settlement services provided under the new HSS program.

Table 64: Outcome 5 Financial resources summary 2010–11

Equitable economic and social participation of migrants and refugees, supported through settlement services, including English language training, refugee settlement, case coordination, translation services, and settlement policy advice and program design.

	Budget ¹ 2010–11 \$'000	Actual expenses 2010–11 \$'000	Variation 2010–11 \$'000	Budget estimate 2011–12 \$'000
Program 5.1: Settlement services for migrants and refugees				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	313 090	318 486	5 396	329 642
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	102 249	69 139	(33 110)	101 024
Expenses not requiring appropriation in the Budget year	4 976	2 624	(2 352)	5 068
Total for Program 5.1	420 315	390 249	(30 066)	435 734
Total expenses for Outcome 5	420 315	390 249	(30 066)	435 734
Average staffing level (number)	434	399	(35)	400

1. The 2010–11 Budget represents the estimated actual expenses published in the 2011–12 Portfolio Budget Statements.

Program 5.1 Settlement services for migrants and refugees

Program 5.1 consists of seven departmental items:

- Adult Migrant English Program (AMEP) administration
- Free translating and interpreting services
- Humanitarian settlement services
- Settlement planning and information delivery
- Support for community services
- TIS on-site interpreting
- TIS telephone interpreting.

There are six administered items under Program 5.1:

- Adult Migrant English Program
- Assistance for former child migrants
- Grant to Refugees Council of Australia
- Grants for community settlement services
- Humanitarian settlement services
- National Accreditation Authority for Translators and Interpreters Ltd—contribution
- Supervision and welfare for unaccompanied humanitarian minors.

Objectives

- Provide settlement services designed to support migrants and humanitarian entrants to settle and participate as fully as possible in Australian society.
- Provide demographic data and information to help service providers across the three levels of government and in the community sector plan to meet the needs of newly arrived migrants and humanitarian entrants.
- Ensure that services are responsive and accessible and eligible client groups are able to access services as appropriate.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Settlement services for migrants and refugees—deliverables

Deliverable: Provide evidence-based policy advice to the government on settlement services for migrants and humanitarian entrants.

Result: There is a planning and research agenda in place to support evidence-based policy. In May 2011, the Settlement Outcomes of New Arrivals (SONA) study was released. A needs analysis is undertaken annually to identify and analyse ongoing, emerging and predicted settlement needs of newly arrived migrants to assist with the targeting of settlement grants funding.

Settlement services for migrants and refugees—deliverables *continued*

Deliverable: Settlement planning information to support community organisations and migrants and humanitarian entrants.

Result: Settlement planning information is updated on a semiannual basis and forms part of the Settlement Grants Program (SGP) application booklet each year. It is also available on the department's website. This information helps service providers, including community organisations, meet the needs of newly arrived migrants and humanitarian entrants by ensuring that services provided are responsive to changing settlement patterns and needs.

The information includes an analysis of ongoing, emerging and predicted settlement needs and demographic data for each state and territory on arrival numbers, settlement locations, countries of birth, visa type, age and gender.

The department's website also provides access to extensive settlement information including resources about life in Australia and links to settlement services for migrants and humanitarian entrants.

Deliverable: Administration of the Adult Migrant English Program

Result: In 2010–11 the AMEP was administered through 18 contracts and delivered at more than 250 locations around Australia to more than 55 000 clients from 191 countries.

Deliverable: Administration of the Settlement Grants Program

Result: During 2010–11, \$36 million was provided for 319 SGP projects. This included managing 319 funding agreements involving 166 organisations.

Deliverable: Support for humanitarian entrants by effective management of Humanitarian Settlement Services and Complex Case Support programs.

Result: The department provided initial settlement services through contracted service providers to eligible humanitarian entrants. The new Humanitarian Settlement Services (HSS) program was successfully started on 4 April 2011. It will provide initial intensive settlement services to humanitarian clients. The HSS replaced the former Integrated Humanitarian Settlement Strategy (IHSS). Considerable preparatory work occurred to support the transition to the new HSS program.

The new HSS program features:

- a flexible client-centred approach, using case management plans and focusing on individual settlement needs
- a greater focus on the particular needs of young people
- a new comprehensive onshore orientation program which builds on the messages delivered through AUSCO, the offshore cultural orientation program, and delivers competency-based outcomes to clients
- flexible and innovative approaches for the provision of accommodation services.

As part of the transition, short-term torture and trauma services have been consolidated with the Program of Assistance for Survivors of Torture and Trauma, administered by the Department of Health and Ageing.

Settlement services for migrants and refugees—deliverables *continued*

Ongoing challenges for HSS include providing services to the large number of single entrants coming through the Humanitarian Program who are highly mobile and have limited life skills and knowledge of living in a permanent community. An ongoing shortage of appropriate and affordable accommodation in the private rental market continues to present a challenge in settling humanitarian clients in the community.

In 2011, Ernst & Young, following a request of the minister, investigated allegations of substandard service delivery in the Hunter region. The investigation concluded that IHSS clients in the Hunter region had been adversely affected by inadequate service delivery from service providers and the department's management of its service providers. The department is responding to the report's findings. The minister has also appointed Mr David Richmond AO to undertake a review into the adequacy of HSS performance measures and its quality assurance framework, as well as the department's contract management processes.

Intensive case management support was provided to humanitarian entrants with multiple and complex needs through the Complex Case Support program.

Deliverable: Support the National Accreditation Authority for Translators and Interpreters Ltd (NAATI) in the provision of an effective accreditation framework for translators and interpreters.

Result: Contributions were provided in a timely manner to support NAATI to achieve its objectives. A statement of expectations was provided to the board to guide the directions of NAATI during the 2010–11 funding period. A new chief executive officer was also appointed this year.

Deliverable: Supervision and settlement of unaccompanied humanitarian minors.

Result: Supervision, care and settlement support processes were in place for minors in the Unaccompanied Humanitarian Minors program in 2010–11.

Deliverable: Translating and interpreting services for eligible clients.

Result: Demand for interpreting services grew considerably over the 2010–11 period, with TIS National delivering 940 189 telephone services (13.1 per cent growth) and 59 185 on-site services (11.4 per cent growth). The delivery of free interpreting services decreased by 18.6 per cent during the period due to a change in the administrative definition of services. This does not reflect a reduction in services to clients.

Settlement services for eligible migrants and refugees—key performance indicator

Indicator: Settlement information and services are available to eligible migrants and humanitarian entrants nationwide.

Result: Settlement information and services were provided to all eligible humanitarian entrants nationwide.

The department provided initial settlement services to eligible humanitarian entrants through contracted service providers. The department's website also provides access to extensive settlement information, including resources about life in Australia and links to settlement services for migrants and humanitarian entrants.

Table 65: Settlement services for migrants and refugees—performance information

Key performance indicators	2008–09	2009–10	2010–11 target	2010–11 actual
Percentage of milestones specified in settlement grants funding agreements are met	95%	95%	95%	95%
Percentage of service level standards in HSS contracts are met ¹	95%	95%	95%	95%
AMEP services are available in all identified regions across Australia	100%	100%	100%	100%

1. Service standards are available on www.immi.gov.au

Administered items

Administered item: Adult Migrant English Program

Objective: Provide access to settlement-focused English language training to eligible migrants and humanitarian entrants.

Deliverable: Settlement-focused English language training is made available to all eligible migrants and humanitarian entrants.

Result: AMEP services are available in all identified regions across Australia.

Administered item: Assistance for former child migrants

Objective: Provide funding for family tracing support, counselling services and other assistance to former child migrants who arrived in Australia post World War II.

Deliverable: Funding to the Child Migrants Trust for delivery of family tracing and counselling to former child migrants from the United Kingdom and Malta who arrived in Australia between 1945 and 1967.

Result: During 2010–11, the Child Migrants Trust had a client base of 1419 clients including 361 new clients. Family tracing support was sought by 539 clients and 523 clients were provided with counselling services.

Administered item: Grants for settlement services

Objective: Provide grants to community based organisations under the SGP for the delivery of settlement services including:

- assistance to new arrivals to acquire and develop the knowledge and skills to settle in Australia
- assistance to new communities to grow and develop in a self-sustaining manner
- promotion of social participation and integration.

Deliverable: Grant funding is allocated according to SGP eligibility criteria.

Result: A total of \$36 million was provided for 319 projects during 2010–11. This included 319 funding agreements involving 166 organisations being managed. Organisations were funded to provide settlement services under the SGP.

Deliverable: Grant recipients provide services in line with grant agreements.

Result: The department managed 319 projects in the 2010–11 funding rounds, with about 95 per cent of milestones being met by the end of this period.

Administered item: Humanitarian settlement services

Objective: To provide intensive settlement services for newly arrived refugees and special humanitarian entrants through contracted providers.

Deliverable: Contracted settlement service for:

- on-arrival reception and assistance
- case coordination and cultural orientation
- accommodation services
- CCS services.

Result: IHSS contracts concluded on 3 April 2011 although service providers were required to continue providing services to existing clients during a transitional period which will conclude on 1 August 2011. By this date all remaining IHSS clients will have exited and, where necessary, referred on to other mainstream and settlement service providers.

HSS providers have implemented new HSS contractual requirements with considerable success. An example is the manner in which a number of service providers have implemented new flexible and innovative accommodation services using group or cluster accommodation. Group housing arrangements provide a living environment where people in similar circumstances can share their early settlement experiences, and connect and support each other. They also provide a structured setting for the provision of orientation and more intensive case management. The department will continue to promote examples of innovation and best practice during the life of the HSS program to ensure that successful strategies in one part of the country are shared across the network of providers.

HSS providers have also started delivering the new onshore orientation program to clients. The onshore provision of orientation information is designed to complement AUSCO information provided to clients prior to their resettlement in Australia. To ensure the effective integration of the offshore and onshore orientation programs, the department has established the Orientation Consultative Committee.

Early indications from client contact visits conducted by the department as part of its quality assurance of the new HSS program indicate that clients are settling well and are satisfied with the quality of services.

CCS services were delivered to eligible clients through the Humanitarian Services Panel.

Administered item: National Accreditation Authority for Translators and Interpreters Ltd — contribution

Objective: Provide financial support to the National Accreditation Authority for Translators and Interpreters (NAATI) Ltd as specified in the funding agreement.

Deliverable: Funding paid to NAATI according to funding agreement.

Result: NAATI is a company limited by guarantee jointly owned by the Commonwealth and state and territory governments which contribute to NAATI funding. NAATI aims to set and maintain high national standards in translating and interpreting and supports the ongoing development of a pool of accredited translators and interpreters who are responsive to the changing needs of Australian society.

Administered item: National Accreditation Authority for Translators and Interpreters Ltd
—contribution *continued*

NAATI continued to provide a valuable community service function through setting, maintaining and promoting high standards in the translating and interpreting industry. During the year, NAATI awarded 1467 accreditations, 90 recognitions and 23 language-aide certifications.

The department continued to provide funding to NAATI to deliver the new interpreters project in an effort to increase the availability of interpreters in new and emerging languages.

Administered item: Refugee Council of Australia

Objective: Provide a grant to the Refugee Council of Australia (RCOA) for advice on the views of the refugee and humanitarian non-government sector on the Australian Humanitarian Program, including resettlement and onshore protection, and on humanitarian settlement issues.

Deliverable: Funding agreement meets government objectives.

Result: In 2010–11, RCOA has continued to engage with the department on policy settings and operational activities. It is involved in relevant research projects and has increased public awareness and media sensitivity to refugee issues. RCOA has also represented the Australian non-government sector at a number of significant forums.

The grant has enabled RCOA to continue playing a significant role as an influential peak body for refugee resettlement and asylum issues, representing the interests of a sector that is diverse in both its membership and the issues it encompasses.

Administered item: Supervision and welfare for unaccompanied humanitarian minors

Objective: To have in place guardianship, monitoring and settlement support arrangements for all UHMs until they reach 18 years of age.

Deliverable: Supervision and welfare support of UHMs.

Result: At 30 June 2011, there were 800 UHMs in the UHM program.

During 2010–11, 370 UHMs entered the program and 279 left the program.

Table 66: Unaccompanied humanitarian minors deliverables 2010–11

Planned	Result (as at 30 June 2011)
Welfare supervision and support of UHM wards	420 wards were in the UHM program.
Provision of settlement assistance to all UHM non-wards	380 non-wards were in the UHM program.

Adult Migrant English Program administration

The Adult Migrant English Program (AMEP) is the Australian Government's largest settlement program. The AMEP has been administered by the department and its predecessor departments since 1948. The AMEP complements the department's Australian Cultural Orientation (AUSCO) and Humanitarian Settlement Service (HSS) orientation programs.

In 2010–11, the AMEP was managed through 18 contracts for English language tuition and two for associated services. The two non-tuition contracts relate to quality monitoring and accreditation of service providers provided by the National ELT Accreditation Scheme (NEAS) and research and professional development provided by the AMEP research centre. The contract with the AMEP research centre was finalised in August 2010.

The *Immigration (Education) Act 1971* (the Act) and the Immigration (Education) Regulations 1992 provide the legislative basis for the AMEP. In June 2010, the parliament introduced changes to the Act. The amendments to the Act provide greater settlement support, flexibility and clarity for clients. Clients are now able to register for the program within six months of arrival, rather than three months, enabling them to concentrate on establishing themselves and their families when they first arrive in Australia.

Migrants and humanitarian entrants who do not have functional English (and qualify under certain visa subclasses) are entitled to receive up to 510 hours of English language tuition, or the number of hours it takes to reach functional English (whichever comes first). Classes are delivered by specialists in the teaching of English as a second language at more than 250 locations across Australia, to more than 55 000 clients from 191 countries.

The introduction of a five-year timeframe for completion of English language tuition provides clients with an incentive to fully participate in the program soon after their arrival. Clients can move on more rapidly to further education and employment, enabling them to participate in and contribute to Australian society.

The program supports the government's social inclusion agenda by providing eligible migrants and humanitarian entrants with settlement-focused English language tuition.

Gaining English language proficiency is a key step for migrants to take towards successfully settling in Australia. It reflects the government's commitment to long-term sustainable settlement outcomes for newly arrived migrants through integrated, targeted and well designed programs that support clients in their transition to life in Australia.

Many AMEP clients have no history of formal classroom tuition or written literacy in their first language. The program is structured flexibly to meet clients' diverse cultural and linguistic needs. The program encourages newly arrived migrants to learn at their own pace, in a manner appropriate to their individual needs. Learning options include classroom tuition and home study. The program also provides childcare for children who are under school-age while parents attend AMEP classes.

Dedicated AMEP contract managers in the department work closely with AMEP service providers to ensure that program outcomes are met. Contract managers assess quarterly and annual service provider reports against key performance indicators, analyse ongoing data and coordinate quarterly meetings. Contract performance is monitored through regular contract management meetings, data verification exercises, and quality assurance processes as well as feedback from clients.

In 2010–11, the department prepared for the implementation of the new AMEP business model. A tender process started in November 2009 to replace the existing AMEP service provider contracts and to implement enhanced business practices under the new business model. The tender process closed in February 2010 and contracts have been signed for the provision of AMEP and related services for the 2011–14 period. The new contracts will commence on 1 July 2011.

Implementing the AMEP business model

AMEP service providers are working cooperatively with the department and each other on a smooth transition for clients to the new business model. A number of strategies have been put in place to communicate with service providers to assist with their transition into the new business model, including regular newsletters, teleconferences and policy advice. Service providers are also implementing strategies to communicate information about the AMEP to new and existing clients.

The AMEP continues to operate in line with the department's HSS program, ensuring the provision of intensive settlement support, equipping refugee and humanitarian entrants with the necessary skills they need to participate in Australian society.

Features of the AMEP business model include:

- The role of the AMEP Counsellor will be formally introduced to provide AMEP clients with increased support throughout their tuition, maximising the client's AMEP learning outcomes and post-AMEP learning options. Counsellors will interview clients entering and exiting the program and refer them to other appropriate services as required.
- The introduction of the Individual Pathway Guide (IPG), which will be completed by the AMEP Counsellor when clients register for the AMEP. The IPG helps clients to understand their rights and responsibilities as learners. It also provides a greater level of guidance and support through more clearly delineated pathways to further English as a second language, education, employment or vocational training.
- A settlement course, reinforcing important settlement information, will be delivered to all AMEP clients upon entry to and exit from the AMEP.
- Where possible the AMEP will deliver specialised youth classes for clients aged between 15 and 17 who have exited the school system, to help them in accessing English language and settlement training.
- The number of contract regions will be increased from 18 to 26.

In addition:

- Payments to service providers will be based on actual hours of tuition delivered.
- Courses will be aligned with school terms, although short courses may also be provided outside these periods where sufficient demand exists.
- Service providers are encouraged to actively seek eligible new clients and encourage them to maximise their participation.

The new AMEP business model has been designed to encourage greater commitment from clients and to facilitate continuous, coherent, settlement-focused learning.

Performance

In 2010–11, the AMEP registration rate based on eligible visa class was more than 59 per cent.

This registration is categorised by visa type, with 85 per cent of eligible humanitarian entrants, 55 per cent of eligible family migration stream and 39 per cent of eligible skilled migration stream registered in the program in 2010–11.

In 2010–11, the average number of hours clients accessed English tuition prior to exiting was 362, while in 2009–10 clients remained in the program for an average of 369 hours.

Case study



English language program fosters mother-and-child learning

Mothers and children from diverse backgrounds are widening their social networks and learning about support services in Melbourne through a successful English language program.

Up to 10 mothers and their children meet regularly in Broadmeadows as part of an umbrella project to improve social cohesion in the City of Hume in Melbourne's north.

The department is a project partner in the Scanlon Foundation's integrated parent and child English language learning program. The foundation's social cohesion vision is to assist vulnerable or isolated women and families through innovative early-years development and engagement programs focused on literacy, language and learning.

The Mother and Child English Language Program assists families from diverse backgrounds to learn English together in a community setting. It also integrates speech and occupational therapy activities to help children's learning or address any developmental issues.

Provided by the Northern Melbourne Institute of TAFE (NMIT), the English classes are also a means for staff to link families to the wider range of services available to them. Ms Carole Pondevie-Lay, is one of the NMIT program's original teachers, and says the women in the course have built strong connections with each other.

'They have broadened their social network, giving them confidence to embrace other cultures in an authentic way,' Ms Pondevie-Lay said.

'The Mother and Child English Language program focuses on parenting issues and maternal and child health issues, while also teaching English.' Ms Pondevie-Lay said the children have developed ongoing friendships in addition to benefiting from the program.

Ms Sue Beshara, NMIT's Head of Department, Further Education Industry and Initiatives Unit, said some mothers attend the course as part of the department funded Adult Migrant English Program (AMEP).

'As well as learning English, mothers learn games, songs and stories with their children and understand the importance of play in a child's early learning and development,' Ms Beshara said.

'Many of these mothers have formed friendships and so remain members longer than expected, or ask to return to the course after a break.'

Photo: A play group style class, which is part of the Mother and Child English language program in the City of Hume, Victoria, helps new migrants with a range of important skills.

Table 67: AMEP snapshot 2010–11

Clients and their characteristics	
AMEP clients	55 134
Languages spoken	253
Female to male ratio	66:34
Countries of birth	191
Age	
16–24	13.2%
25–44	61.3%
45–64	21.5%
65+	3.9%
Location of AMEP clients (figures exclude distance learning clients and do not reflect distinct clients)	
Metropolitan	48 412
Rural/regional	4 517

Diverse client base

The AMEP is significant in both its geographical span and the diverse nature of its clients.

In 2010–11, 55 134 clients took part in the AMEP. More than seven per cent of clients who attended classroom tuition or trained with a home tutor were located in regional and rural areas.

Clients come from 191 countries of birth and 253 languages are spoken. In 2010–11, the most common first languages of clients were Mandarin, Arabic and Vietnamese.

English language tuition and workplace training

AMEP classes teach clients language skills that can be used in day-to-day situations such as shopping or paying bills. Migrants also learn about Australian society, customs and culture and meet people who have had similar experiences to their own.

In recognition of the special needs of humanitarian entrants with limited education or difficult pre-migration experiences, such as torture or trauma, up to 400 hours of additional tuition may be offered through the special preparatory program.

Participation in the workforce is an integral part of the settlement process. While completing the AMEP, additional tuition is available to assist AMEP clients gain familiarity with Australian workplace culture and practices through the employment pathways and traineeships in English programs. These consist of:

- The Employment Pathways program allows new arrivals to learn English while participating in a work placement, where they can learn about work ethics and culture, employment processes, occupational health and safety, taxation requirements and the role of unions.
- The Traineeships in English and Work Readiness program helps new arrivals make the transition into their professional field or into vocational training by offering them a combination of vocational-specific English language tuition with work experience and mentoring.

These programs help AMEP clients make the transition into the workforce or into vocational training by offering a combination of vocational-specific English language tuition with work experience and mentoring. Work experience is offered in a wide range of fields, including retail, construction, hospitality, childcare, aged care and office administration.

Under the new business model, these programs will be replaced by the Settlement Language Pathways to Employment and Training (SLPET) program. The new program will provide clients with 200 hours of language tuition (it includes up to 800 hours of work experience placements) in addition to their AMEP entitlement of 510 hours. Each client will be assessed by an AMEP counsellor prior to being accepted into the course to ensure they are motivated and committed to benefiting from the course.

English language achievement and measurement

The AMEP is structured to meet the individual needs of its diverse client base. It uses the Certificates in Spoken and Written English (CSWE), a competency-based national curriculum and assessment framework, to measure English proficiency, starting at CSWE level 1 and progressing to CSWE level 3.

During 2010–11, the majority of clients participating in AMEP accessed classroom tuition, while some clients also accessed home study through a distance learning program or with a trained volunteer home tutor.

Although education levels and other factors, such as pre-migration experiences, may impact on an individual's ability to make English language gains, clients exiting the AMEP have demonstrated progress from the time of entry into the program.

In 2010–11, 22 per cent of clients who exited the program attained certification at CSWE Level 3, while 21 per cent reached CSWE Level 2. A further 43 per cent attained CSWE Level 1 and the remaining 14 per cent were awarded statements of attainment.

Ethnographic study of AMEP clients

From January 2008 until December 2009, the AMEP Research Centre undertook an intensive ethnographic study under the Special Project Research program entitled *Language Training and Settlement Success: Are they related?* This project explored the interactions that AMEP clients have with each other in English in their AMEP classrooms and with others in the broader community. As the study progressed, it became apparent that pronunciation and intelligibility were areas of particular concern for AMEP clients. To address this, a guide to teaching pronunciation to learners from different backgrounds was developed and published as part of the study.

To ensure the continued success of the AMEP, the department has commissioned the Macquarie University to extend the work of the first phase of this research project. The next phase of this project, the *AMEP Longitudinal Study 2011 to 2014*, will provide a longer term understanding of the initial research questions and will consider settlement indicators and outcomes. It will compare the experience of clients under the new AMEP business model with the experience of clients involved in the first phase of the study.

Free translating and interpreting services

Free interpreting services are provided to approved individuals and organisations to help them communicate with non-English speaking migrants and humanitarian entrants who are Australian citizens, or permanent residents. Free services are available to:

- private medical practitioners providing services under Medicare
- non-profit, non-government, community-based organisations providing settlement services and casework (subject to their funding arrangements)
- Members of Parliament for constituency purposes
- local government authorities
- trade unions
- Emergency Management Australia
- pharmacies for the purpose of dispensing PBS medications.

Free translations of personal settlement-related documents are provided to permanent residents and some temporary visa holders, as well as to returning Australian citizens within their first two years of arrival or grant of permanent residence.

Documents eligible for free translation include, for example, identity and relationship documents, birth and marriage certificates, facilitation documents, drivers licences and education and employment documents.

Performance

The recorded number of free interpreting services provided in 2010–11 decreased from 2009–10 due to a change in the administrative definition of services. The decrease does not reflect an actual reduction in interpreting services to clients.

During 2010–11, a total of 160 490 free interpreting services were provided, compared to 197 060 in 2009–10. Of these free interpreting services, 130 298 were for telephone interpreting and 30 192 were for on-site interpreting. The number of clients utilising the free translation service was 8408 in 2010–11, compared to 10 015 in 2009–10.

In March 2011, the government announced that a pilot offering free telephone interpreting services to selected real estate agents, in conjunction with the SGP, would be expanded to capture other major areas of high settlement need.

An evaluation of the initial pilot for real estate agents, which started in 2008, found that the service has the potential to support non-English speaking arrivals, especially humanitarian entrants, in interacting independently with real estate agents in order to access the private rental market.

The department is finalising additional locations for the expanded pilot.

Table 68: Free translating and interpreting services (on-site and telephone)

	2008–09	2009–10	2010–11
Telephone	149 720	170 317	130 298
On-site	20 285	26 743	30 192
Total	170 005	197 060	160 490

Humanitarian settlement services

Humanitarian settlement services provide intensive settlement support, through a coordinated case management approach, to newly arrived humanitarian clients both on arrival and then throughout their initial settlement period. Support through the HSS program is tailored to individual needs, including the specific needs of young people. The program endeavours to strengthen the ability of humanitarian clients to participate in the economic and social life of Australia and to equip individuals with the skills and knowledge needed to independently access services beyond the initial settlement period.

The HSS program is focused on humanitarian clients reaching sustainable and measurable settlement outcomes that will stand them in good stead for their settlement journey. Exit from the program is based on clients achieving these settlement outcomes and it is expected that outcomes will generally be reached between six to 12 months after a client's arrival.

Performance

Integrated Humanitarian Settlement Strategy

Although IHSS contracts concluded on 3 April 2011, the department required IHSS service providers to continue to provide services to IHSS clients during a transitional period, which will conclude on 1 August 2011. By that date, all remaining IHSS clients will have exited and, where necessary, referred on to other mainstream and settlement service providers. The new HSS program started on 4 April 2011, with a number of service providers satisfying transition checks and commencing service delivery soon after.

The new HSS program features a considerable number of enhancements that represent a significant improvement on the IHSS program. Improvements include:

- a flexible client-centred approach, using case management plans and focusing on individual settlement needs
- a greater focus on the particular needs of young people
- a new comprehensive onshore orientation program which builds on the messages delivered through the offshore cultural orientation program, AUSCO, and delivers competency-based outcomes to clients
- flexible and innovative approaches for the provision of accommodation services.

HSS providers have also started delivery of a new onshore orientation program to clients. The onshore provision of orientation information is designed to complement AUSCO information provided to clients prior to their resettlement in Australia.

Ongoing challenges include the considerable number of single entrants entering Australia as irregular maritime arrivals who are subsequently assessed as being in need of settlement assistance. Similarly, an ongoing shortage of appropriate and affordable accommodation in the private rental market continues to present a challenge in settling humanitarian clients in the community.

HSS providers have implemented new HSS contractual requirements with considerable success. An example is the manner in which a number of service providers have implemented new flexible and innovative accommodation services by using group or cluster accommodation.

A number of service providers across the country have also built extensive partnerships with real estate agents, community housing providers and church groups to assist with the challenging task of locating appropriate accommodation for refugees. To facilitate these partnerships, the new HSS has introduced a new local area coordination service to promote collaborative working relationships with other settlement and community organisations and key government agencies, in order to achieve sustainable settlement outcomes for clients.

Complex Case Support program

Support has been delivered via the CCS program to humanitarian entrants who have a number of complex issues which impact on their settlement prospects. In 2010–11, there were 437 referrals to the program resulting in 301 accepted cases. These services reached some 1127 clients.

In 2010, the department undertook an evaluation to assess the performance of the CCS program, its management and the most effective placement of the program within settlement services.

The evaluation found a high level of support for the CCS program for providing intensive, flexible and client-focused services to clients with high needs. While the fundamentals of the program were supported, issues were identified for further refinement and adjustment. These are being addressed as the department moves towards establishing a new Humanitarian Services Panel through an open tender process.

Settlement planning and information delivery

Settlement planning and information delivery provides the planning framework for the provision of settlement support services and information to recently arrived migrants and humanitarian entrants—ensuring their successful settlement.

It also provides demographic data and information to help service providers across the three levels of government and in the community sector to plan to meet the needs of newly arrived migrants and humanitarian entrants.

Performance

Planning for settlement services

The identification and analysis of ongoing, emerging and predicted settlement needs for newly arrived migrants are undertaken by the department on a semiannual basis.

Information about settlement needs is collected from a broad range of sources, including relevant peak bodies. This involves analysis of relevant research and reports, and regular liaison with departmental state and territory offices which are part of settlement planning networks. Information on settlement needs, together with demographic data on new arrivals, is published on the department's website.

This work informs settlement policy development and program design and delivery, including specifically assisting with the targeting of funding under the Settlement Grants Program.

Regional humanitarian settlement

The department supports humanitarian settlement in regional areas where infrastructure, mainstream services, employment opportunities and community support are available. It has directly settled humanitarian entrants in regional areas under planned programs since World War II.

The department is developing a sustainable regional settlement strategy which seeks to identify current practices and outcomes with a view to identifying options and approaches for the successful settlement and retention of humanitarian entrants in regional locations. The strategy is being developed in a collaborative manner, involving the department's state and territory offices, key government agencies and stakeholders, to discuss opportunities and policy options.

To assist in identifying suitable new locations for regional settlement, the department has developed a number of regional profiles, mapping the availability of settlement services, accommodation, employment, infrastructure and health services. These profiles will help inform consultations about suitable locations and will serve as an evidence base for future regional settlement.

Sustainable Regional Settlement program

The Sustainable Regional Settlement program is a small funding initiative that aims to improve the sustainability of humanitarian settlement in regional areas by building capacity in regional towns. In 2010–11, the program funded two projects contributing to a total of nine funded projects since its inception in 2007.

The Southern Queensland Institute of TAFE was funded to pay for the accommodation expenses of participants in its 2011 Jackaroo/Jillaroo program in the regional town of Warwick, Queensland. This program combines language, vocational and employability training under the AMEP and Certificate II in Rural Operations and is being delivered to seven refugees who are seeking to work and live in regional Queensland.

The Townsville Intercultural Centre was funded to deliver the Building Resilience in Young Refugees project. Thirty-two young people from refugee backgrounds attending Townsville State High School are being helped to overcome issues affecting their successful transition to school. The projects activities are based on the Building Resilience in Transcultural Australians model, and combine mentoring, team building and practical theatre and art sessions to provide the students with coping, conflict resolution and effective communication skills.

The department is evaluating the program and will make recommendations regarding its future in 2011–12.

The Refugee Resettlement Advisory Council

The Refugee Resettlement Advisory Council (RRAC) was established in 1997 to provide advice to the government on matters relating to refugee and humanitarian settlement. Council members are appointed by the minister on the basis of their individual experience, expertise and commitment to settlement issues, in particular those relating to humanitarian entrants.

In July 2010, the Australian Government reappointed the RRAC for a sixth term, expiring on 30 June 2013. The council continues to be chaired by the Hon. Bruce Baird AM.

Priorities for the RRAC's sixth term include providing advice on:

- improving settlement outcomes, including input into the delivery of humanitarian settlement services
- the settlement needs of refugee youth
- supporting settlement in rural and regional locations
- improving employment outcomes for refugees and humanitarian entrants.

Settlement Council of Australia

The Settlement Council of Australia (SCoA) is the national peak body representing migrant and refugee settlement agencies across Australia. The SCoA brings settlement service providers together at a national level to improve collaborative and strategic planning processes for the settlement sector. SCoA continues to support dialogue within the settlement sector and engages with the department to contribute to settlement policy and program design.

In 2010–11, priority was given to strategies to increase and broaden the SCoA's membership base to ensure it continues to be representative of the sector. This included significant redevelopment of the council's website.

Settlement database

The settlement reporting facility within the settlement database is an enhanced reporting tool that is accessible through the department's website. It uses the settlement database to provide point-in-time statistical data on permanent arrivals into Australia since January 1991. The settlement statistics represent permanent arrivals under all migration streams.

The database brings together data from various internal and external sources to assist government and community agencies involved in the planning and provision of services to migrants.

In 2010–11, a large number of reports have been provided on request to departmental officers and external clients, including state and local governments, mainstream and migrant service providers and researchers.

External users accessed the settlement reporting facility on average 45 times a day during 2010–11, unchanged from the previous year. The type of reports produced; however, has changed significantly over time, with the number of simple (single variable) reports falling to 30 per cent of all reports produced.

Case study



Jan and Jackline can too

Afghan student Mr Jan Ali's softly spoken demeanor belies a delightfully dry sense of humour, according to his teachers in the Melbourne-based Ucan2 project, which helps prepare students for everyday Australian experiences, understand local culture, make friends and meet role models.

'We miss Jan when he's not in class,' one teacher said.

Jan, 22, settled in the Dandenong area of Melbourne early this year after a journey that took him from the Middle East, through South-East Asia and Western Australia. He has no family in Australia but maintains strong relationships with friends, classmates and housemates. Jan enjoys playing cricket and tennis and wants to work part-time while studying to be an electrician.

'Ucan2 has helped me understand Australia better and to speak to people in the community better,' he said.

Jan's Sudan-born classmate, Ms Jackline Oryem, 23, arrived in Australia in 2010.

Jackline came to Australia from Sudan through Egypt and lives in Melbourne with her mother, brother and two step-sisters. She is keen to work in aged-care nursing, and she wants to make her family proud by achieving her mother's wish that she do something worthwhile to help others.

Jackline, who speaks four languages, said the Ucan2 program has helped her to communicate easily with people. From work-experience with a well-known Melbourne retail clothing chain, Jackline has learned how to deal with customers. 'You must be nice, always smile, and not have crazy hair,' she said, with a giggle.

The 16-week program supports young humanitarian arrivals in transitioning from 'on-arrival' education to mainstream education and training programs. It was started in Melbourne by Adult Multicultural Education Services in partnership with Foundation House and the Centre for Multicultural Youth.

In 2011, the Victorian program was combined with the Adult Migrant English Program Employment Pathways and Traineeships in English program.

Forty-five young people enrolled in Ucan2 courses in Footscray and Dandenong this year. Following their participation, about 30 students either gained employment or went on to further study.

Photo: The Ucan2 project has helped (L-R) Jackline and Jan with their English and has improved their job prospects.

Support for community services

The SGP supports the delivery of settlement services for migrants and refugees by:

- providing settlement services designed to support migrants and humanitarian entrants to settle and participate as fully as possible in Australian society
- providing demographic data and information to help service providers across all levels of government and in the community sector plan to meet the needs of newly arrived migrants and humanitarian entrants
- ensuring that services are responsive and accessible and that eligible client groups are able to access the services, as appropriate.

Performance

The department used a series of practical measures to monitor and evaluate the performance of SGP projects and the program as a whole.

The SGP has streamlined elements of program administration to place a strong focus on outcomes for clients and improved evaluation of these outcomes. The quarterly reporting template for all SGP grants is periodically reviewed and updated to address any issues and concerns that arise during the course of the funding year.

An evaluation framework is also developed as part of this process.

TIS National on-site interpreting

TIS National arranges for interpreters to provide face-to-face interpreting when required. The service is used by the department's clients as well as government agencies and service providers. Through TIS National, interpreters attend specific locations at pre-booked times.

Performance

In 2010–11, TIS National experienced an 11.4 per cent growth in the number of on-site interpreting services delivered, providing 59 185 services.

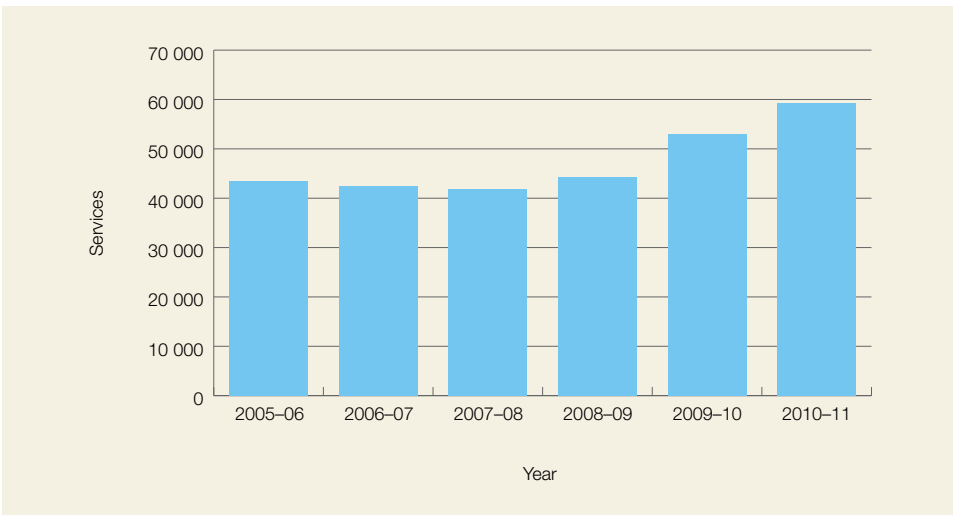
A significant portion of this increase can be attributed to the provision of interpreters as part of the department's response to irregular maritime arrivals, as well as a marked growth in demand in the community and health sectors.

The number of on-site services performed by NAATI accredited or recognised interpreters increased in the 2010–11 financial year, however there was a slight decline as a proportion of all on-site services provided. This was due to the higher demand for on-site interpreting services in recently introduced community languages, where NAATI accreditation is not available.

TIS National has sought to address this issue in the long-term by working with its interpreters in those languages to improve their credentials through the new interpreter project and other initiatives.

The 10 languages most in demand for on-site services were (in descending order) Arabic, Vietnamese, Mandarin, Persian, Cantonese, Dari, Turkish, Serbian, Spanish and Hazaragi.

Figure 22: On-site interpreting



TIS National telephone interpreting

TIS National provides a national telephone interpreting service, 24 hours a day, seven days a week, to enable accessible, high-quality communication between individuals (migrants and others) and government and non-government service providers.

The service facilitates three-way conversations between English speaking and non-English speaking parties and an interpreter through the use of a national telephone number — 131 450. TIS National also provides priority lines for emergency services and medical practitioners.

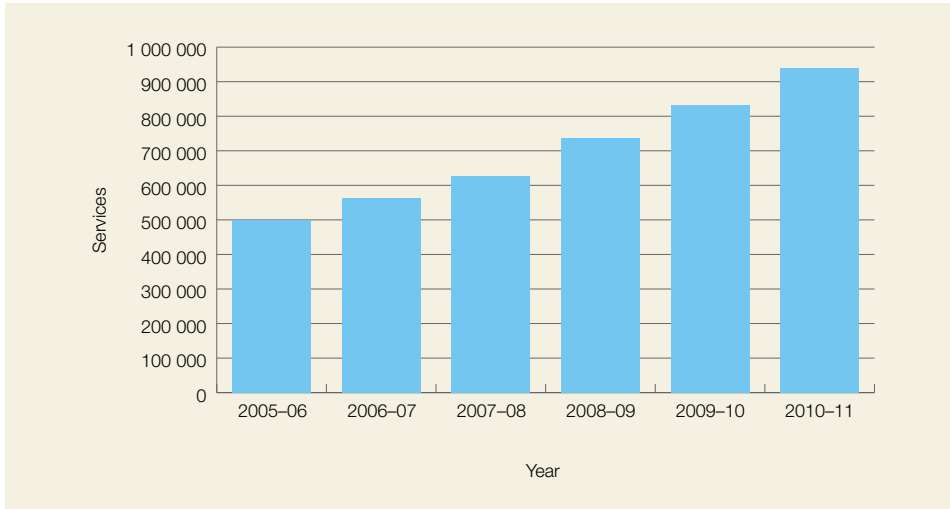
Performance

Continued and consistent growth in demand for telephone interpreting services resulted in a 13.1 per cent increase to 940 189 in the number of services provided during 2010–11. Non-English speaking clients initiated 55.9 per cent of requests for a telephone interpreter. Current growth trends indicate that TIS National will be delivering more than one million telephone interpreting services within two years.

During the year, 1 140 220 incoming calls were answered by the call centre. This marked the second time TIS National has answered one million calls during a financial year.

The 10 languages most in demand for telephone services were (in descending order) Mandarin, Arabic, Vietnamese, Cantonese, Korean, Persian, Turkish, Spanish, Greek and Dari.

Figure 23: TIS National telephone interpreting services



Outcome 6

A cohesive, multicultural Australian society through promotion of cultural diversity and a unifying citizenship, decisions on citizenship status, and multicultural and citizenship policy advice and program design.

Photo: Crystal celebrates becoming an Australian citizen with husband Tom and their children on Australia Day 2011.



Outcome 6 consists of one program:

Program 6.1 Multicultural and citizenship services.

During 2010–11, Program 6.1 was managed by the Citizenship, Settlement and Multicultural Affairs Division. This section reports on the deliverables and key performance indicators for Program 6.1 as published in the department's *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Strategy

To achieve this outcome, the department promotes the importance of respect, fairness, inclusion and a sense of belonging in a culturally diverse society and the value of Australian citizenship. The department will:

- address issues of cultural, racial and religious intolerance
- work closely with individuals, communities and state and territory governments to address tensions and threats to social cohesion
- promote the benefits of a united and diverse Australia
- ensure that citizenship policies and procedures support the objectives of Australia's citizenship law
- implement government policy in relation to Australian citizenship
- encourage the community to value citizenship
- promote the acquisition of Australian citizenship.

Major achievements

Citizenship

The department put into place a range of assistance measures for vulnerable clients who have difficulty preparing for the computer-based citizenship test. These included the delivery of 27 citizenship courses in 2010–11 that provided an alternate pathway for disadvantaged clients to pass the citizenship test requirement and an audio-visual DVD presenting key messages from the testable section of the citizenship test resource book.

The department has supported the recommendations of the Australian National Audit Office Report, *Administering of the Character Requirements of the Australian Citizenship Act 2007*. This report found that overall the department has established an appropriate framework for administering the character requirements of the Citizenship Act, including clear roles and responsibilities, comprehensive training and sound processes for recording decisions.

The service standard for processing conferral applications was exceeded in the last seven months of the program year and about 13 000 people from 143 countries became Australian citizens on Australia Day 2011.

Access and equity strategy and multicultural initiatives

The department coordinates the current whole-of-government access and equity strategy, which provides a framework for and encourages all government agencies to deliver services and programs that are responsive to the needs of Australians from culturally and linguistically diverse backgrounds. The government's most recent report, *Access and Equity in Government Services Report 2008–10*, was tabled on 15 June 2011.

The government's new multicultural policy released in February 2011 included, as a key initiative, a strengthened access and equity framework. The initiative stated that the government will:

- ask the new Australian Multicultural Council to manage the access and equity strategy to strengthen the independence of access and equity reporting from government and provide for a more robust reporting framework
- conduct an inquiry into the responsiveness of Australian Government services to clients disadvantaged by cultural or linguistic barriers to better understand how existing services are performing and how they could be improved.

Challenges

Changing notions of parenthood and advances in reproductive technology present policy makers with significant challenges in trying to keep the legislative and policy framework around citizenship responsive to wider environmental changes. This can present particular challenges for decision-makers when trying to determine the citizenship status of children born through arrangements such as offshore commercial surrogacy.

Table 69: Outcome 6 Financial resources summary 2010–11

A cohesive, multicultural Australian society through promotion of cultural diversity and a unifying citizenship, decisions on citizenship status, and multicultural and citizenship policy advice and program design.				
	Budget ¹ 2010–11 \$'000	Actual expenses 2010–11 \$'000	Variation 2010–11 \$'000	Budget estimate 2011–12 \$'000
Program 6.1: Multicultural and citizenship services				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	4 135	3 166	(969)	4 607
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	70 529	67 185	(3 344)	72 178
Expenses not requiring appropriation in the Budget year	5 560	4 202	(1 358)	5 861
Total for Program 6.1	80 224	74 553	(5 671)	82 646
Total expenses for Outcome 6	80 224	74 553	(5 671)	82 646
Average staffing level (number)	524	489	(35)	472

1. The 2010–11 Budget represents the estimated actual expenses published in the 2011–12 Portfolio Budget Statements.

Program 6.1 Multicultural and citizenship services

Program 6.1 consists of three departmental items:

- Decisions on citizenship status
- Promoting the value of Australian citizenship
- Promoting the benefits of a united and diverse society

There are six administered items under Program 6.1:

- Citizenship test preparation
- Diversity and social cohesion program
- Grants for multicultural affairs
- Mirrabooka Multicultural Centre—contribution
- Pacific Seasonal Worker Pilot Scheme
- Parliament of the World's Religions 2009—contribution

Objectives

- Address issues of cultural, racial and religious intolerance by promoting mutual respect, fairness, inclusion and a sense of belonging.
- Efficient and effective delivery of the Australian Citizenship Program in line with Australia's citizenship law and government policies.
- Promote the value of Australian citizenship.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2010–11* and *Portfolio Additional Estimates Statements 2010–11*.

Multicultural and citizenship services—deliverables

Deliverable: Provide research, evidence-based policy advice and support services to the minister and parliamentary secretary.

Result: The department provided more than 60 evidence-based submissions to the minister on a range of matters relating to citizenship legislation and policy.

Deliverable: Administer the grants for community relations and for multicultural affairs.

Result: The Federation of Ethnic Communities' Councils of Australia (FECCA) met the objectives and milestones in its 2010–11 work plan. The objectives and milestones included:

- promoting the benefits of Australia's cultural diversity, through a range of means, including FECCA's website, electronic bulletin and magazine
- advocating on behalf of migrants and refugees, through, for example, formal submissions to government
- contributing to the implementation of the government's access and equity strategy, through, for example, comprehensive community consultations and reporting to government
- supporting capacity building for new and emerging communities, through, for example, leadership and governance training.

In 2010–11, approximately 90 per cent of the total number of diversity and social cohesion projects expected to be finalised by the end of 2010–11 reached the required milestones.

Deliverable: Implement the Diversity and Social Cohesion Program.

Result: In 2010–11, Diversity and Social Cohesion Program funding was awarded to 46 community organisations to build social cohesion through stronger community relations.

Deliverable: Provide support services to the Australian Multicultural Advisory Council.

Result: On 22 June 2010, the Australian Government reappointed the council for a second term from 1 July 2010. The department supported the council's meetings in August 2010, October 2010, December 2010, February 2011 and April 2011.

The council's term expired on 30 June 2011 and its successor, the Australian Multicultural Council, is being established.

Deliverable: Encourage Australian Government agency responsiveness to cultural and linguistic diversity through implementing the access and equity strategy.

Result: The department manages the Australian Government's access and equity strategy, which encourages and supports all Australian Government agencies to respond to the cultural diversity of Australians in the design and delivery of policies and programs.

The *Access and Equity in Government Services Report 2008–10* was tabled on 15 June 2011 and features examples of good practice in government agencies' responses to the needs of Australia's multicultural society.

Multicultural and citizenship services—deliverables *continued*

Deliverable: Deliver lawful citizenship decisions under Australian citizenship legislation.

Result: In 2010–11, 114 212 decisions on citizenship status (for conferral, descent and resumption client applications) were made. To ensure the delivery of lawful citizenship decisions which accord with citizenship legislation, the department provided training to 46 decision-makers through the citizenship training program, as well as advice to 145 decision-makers through a program of visits to state and territory offices by policy experts. In addition, policy advice was provided in response to queries lodged through the citizenship helpdesk, and the Australian Citizenship Instructions were amended periodically to provide further guidance on decision-making.

Deliverable: Implement a communication strategy that promotes the value of Australian citizenship and encourages eligible non-citizens to become Australian citizens.

Result: In 2010–11, the department continued the implementation of its communication strategy to promote the value of Australian citizenship. The communication strategy resulted in about 13 000 people from 143 different countries becoming Australian citizens in about 325 citizenship ceremonies across Australia held as part of Australia Day celebrations.

Multicultural and citizenship services—key performance indicators

Indicator: Milestones and timelines specified in funding agreements for grants met.

Result: During 2010–11, the department managed more than 100 projects from previous funding rounds, with approximately 90 percent of milestones being met by the end of this period.

Relevant grant programs were:

- Diversity and Social Cohesion Program
- Diverse Australia Program (residual grants only)
- National Action Plan (residual grants only).

The Diverse Australia Program and National Action Plan ceased on 30 June 2010. The department continued to administer existing projects for these programs through to completion.

Indicator: Government agencies report increased client satisfaction with the delivery of government services.

Result: FECCA conducted extensive community consultations to report on the level of satisfaction with the delivery of government services to culturally and linguistically diverse clients. Findings from the consultations were reported to government in May 2011.

Indicator: Government services available and accessible nationwide

Result: The Access and Equity Strategy promotes the equitable availability and accessibility of government services to culturally and linguistically diverse clients nationwide. The *Access and Equity in Government Services Report 2008–10* provides examples of services and programs delivered by all levels of government across Australia.

Multicultural and citizenship services—key performance indicators *continued*

Indicator: Percentage of refusal decisions for Australian citizenship overturned through an appeal process.

Result: Less than one per cent of refusal decisions (for conferral, descent and resumption client applications) were overturned at review.

Indicator: Percentage of client conferral applications decided within service delivery standards.

Result: The service delivery standard is for a decision in 80 per cent of conferral applications within 60 calendar days of lodgement. The national average of applications decided within the service standard for 2010–11 was 78.9 per cent, with the service standard being exceeded for the last seven consecutive months.

Indicator: Increased awareness of, and interest in, Australian citizenship.

Result: In 2010–11, there were 309 634 visits to the department's online Citizenship Wizard, and 295 946 phone calls to the citizenship information line.

Table 70: Multicultural and citizenship services—performance information

Key performance indicators	2008–09	2009–10	2010–11 target	2010–11 actual
Visits to the Citizenship Wizard	153 168 (since 12 December 2008)	428 242	80 000	309 634
Percentage of citizenship decisions overturned	<1%	<1%	<1%	<1%
Percentage of conferral client applications decided within the service standard	86% were decided within 90 days	89.2% within 90 days to 9 November and 80.3% within 60 days from 9 November	80%	78.9% were decided within 60 days

Administered items

Administered item: Diversity and Social Cohesion Program

Objective:

- Provide grants to community organisations to build social cohesion through stronger community relations.
- Provide grants to priority community groups to build capacity and develop leadership skills to assist them to fully participate in Australian society.

Deliverable: Grants awarded according to the former Diverse Australian Program guidelines.

Result: Diverse Australia Program (Emerging Issues Funding and National Action Plan) was merged into Diversity and Social Cohesion Program on 1 July 2010.

In 2010–11, Diversity and Social Cohesion Program funding was awarded to 46 community organisations to address racism, intolerance and community disharmony.

Deliverable: Grants awarded according to the former National Action Plan guidelines.

Result: Diverse Australia Program (Emerging Issues Funding and National Action Plan) was merged into Diversity and Social Cohesion Program on 1 July 2010.

In 2010–11, Diversity and Social Cohesion Program funding was awarded to 46 community organisations to address racism, intolerance and community disharmony.

Deliverable: Projects achieve agreed objectives/milestones.

Result: A total of 242 applications for Diversity and Social Cohesion Program grants were received in 2010–11. Diversity and Social Cohesion Program funding was awarded to 46 community organisations to address issues of racism, intolerance and community disharmony.

There were 6214 registered Harmony Day events in 2011, the most events registered since Harmony Day began in 1999. In the lead-up to Harmony Day, 5781 promotional kits were distributed to schools, government offices and community organisations. In the period from January to April 2011, more than 1300 media articles and reports on Harmony Day and the Diversity and Social Cohesion Program were published throughout Australia—an increase in volume on the same period last year.

Administered item: Grants for multicultural affairs

Objective: Provide a grant to the Federation of Ethnic Communities' Councils of Australia to provide advice on behalf of ethnic communities in Australia to government and the wider community.

Deliverable: Funding agreement meets government objectives.

Result: FECCA is the national peak body representing Australians from culturally and linguistically diverse backgrounds. FECCA supports multiculturalism, community harmony, social justice and the rejection of discrimination and racism. FECCA's membership comprises state, territory and regional multicultural and ethnic councils.

In 2010–11, the government provided a grant of \$423 000 (GST exclusive) to FECCA to assist in meeting its objectives.

During the year, FECCA focused on promoting the benefits of cultural diversity to the broader Australian community, advocating on behalf of migrant and refugee communities, contributing to the implementation of the government's access and equity strategy, and supporting capacity-building for new and emerging communities.

FECCA provided submissions to government and the Joint Standing Committee on Migration inquiry into the contribution of migration to Australian society. The submissions covered a range of issues, including:

- multicultural policy for Australia
- achieving social inclusion for new and emerging communities
- developing a national interfaith strategy
- caring for older Australians
- patient safety in primary care
- the draft Australian curriculum
- accessibility of government services to clients from diverse backgrounds.

FECCA conducted extensive community consultations on the accessibility of government services to clients from diverse backgrounds, a Parliamentary Roundtable on Interfaith, and a public forum on issues for new and emerging communities.

FECCA substantially met the performance indicators under its 2010–11 funding agreement and work plan. One grant of \$423 000 (GST exclusive) was paid on time in two equal instalments in August 2010 and January 2011.

Administered item: Mirrabooka Multicultural Centre—contribution

Objective: Contribute towards the cost of developing a multicultural centre in Mirrabooka, Western Australia.

Deliverable: Funding enables the establishment of a multicultural centre.

Result: The government has approved a total funding commitment of \$1.64 million (GST exclusive) for the Mirrabooka Multicultural Centre, based on estimates of work to deliver the project.

The new multicultural centre will be delivered in partnership with the City of Stirling, which will manage the refurbishment works and the operation of the centre.

The funding agreement was signed in September 2010. The first payment of \$1 million has been made and work on the project has commenced. The remaining funds will be paid subject to the agreed milestones.

Administered item: Pacific Worker Pilot Scheme

Objective: Provide grants to identified organisations to support communities participating in the Pacific Seasonal Worker Pilot Scheme to build community capacity and promote community harmony.

Deliverable: Grants awarded to eligible organisations in areas participating in the scheme.

Result: In 2010–11, three projects were funded in Swan Hill and Robinvale, Victoria and Mundubbera, Queensland. These three locations host the majority of Pacific seasonal workers in Australia. The projects focused on social cohesion and inclusion, capacity building and fostering community harmony.

Decisions on citizenship status

The item decisions on citizenship status provides for the administration of Australian citizenship law and policy. In particular, this is managed through decisions on applications for citizenship by conferral, descent, adoption under full and permanent Hague Convention arrangements and by resumption. It also manages applications for evidence of citizenship and renunciation of citizenship.

In addition, this item manages arrangements for conferring citizenship and provides citizenship information services.

Performance

In 2010–11, 114 212 decisions on citizenship status (for conferral, descent and resumption client applications) were made compared to 139 174 in 2009–10, a decrease of 17.9 per cent.

The number of applications by clients for conferral received during 2010–11 was 32 per cent less than for 2009–10 (which was the second highest citizenship program year in recent history), while the number decided was 21.4 per cent less than for 2009–10. The overall approval rate of applications for conferral was 87.9 per cent in 2010–11.

A likely reason for the decrease in applications for conferral is that transitional residence requirements ceased at the end of June 2010. Clients who were permanent residents before 1 July 2007 needed to have been living in Australia for two years as a permanent resident in the five years immediately before applying on or before 30 June 2010. From 1 July 2010, all applicants must have been living in Australia lawfully for four years, including 12 months as a permanent resident immediately before making an application for Australian citizenship.

Appendix 5 contains statistical information on the former nationality or citizenship and the previous country of residence of people who became Australian citizens by conferral in 2010–11.

During the year, the Client Services Group Quality Framework was introduced across the citizenship network. The framework ensures a consistent approach to the management and reporting of quality, increasing the level of quality-based activities undertaken, and introducing targeted strategies aimed at improving the capability of staff.

Table 71: Outcomes of citizenship applications 2008–09 to 2010–11

Citizenship outcome	Results		
	2008–09	2009–10	2010–11
People approved for conferral of Australian citizenship	101 966	112 746	84 836
People issued with Certificates of Evidence of Australian citizenship	22 803	21 169	19 872
People registered as Australian citizens by descent	15 580	15 458	16 682
People resuming Australian citizenship	650	313	262
People registered as losing Australian citizenship ¹	621	381	381

1. Loss statistics include renunciation of Australian citizenship. Source: Integrated Client Services Environment, which is a dynamic database and figures extracted may change from day to day.

Case study



Forty-two new Australian citizens celebrate at the zoo

Forty-two of our newest citizens will always remember Australia Day 2011 after pledging their commitment to Australia at a special ceremony in the iconic Sydney harbour setting of Taronga Park Zoo with some of the zoo's residents as special guests.

Among those who made the pledge were an international airline pilot from South Africa, a senior executive from Belgium, a minister of religion and his family from Ghana and a retiree from Austria who moved to Australia more than 30 years ago.

Mrs Lillian Chemg'eno from Kenya who made her citizenship pledge with her husband said: 'I love everything about Australia.'

'The moment I came here I fell in love with this country. Today is very important to me because it's official that I'm Australian. I'm very proud.'

The minister Chris Bowen presented the new citizens with their certificates in front of family and friends as well as some cute Australian creatures from the zoo's animal hospital.

'Our newest citizens are part of a great tradition of people from many lands across the globe who now call Australia home. This tradition has enriched our great nation,' said Minister Bowen.

The event was one of more than 300 citizenship ceremonies that took place across the nation on Australia Day, when about 13 000 people from 143 different countries became new citizens.

Australia Day is traditionally one of the most popular days for people wanting to become new citizens, with many local councils and state governments across the country hosting special ceremonies.

Photo: (L–R) Minister for Immigration and Citizenship Chris Bowen MP with new citizens Ms Lillian Chemg'eno and her husband Mr Mwangi Wangethi from Kenya, and New South Wales Senator Concetta Fierravanti-Wells.

Citizenship test outcomes

Outcomes of the Australian citizenship test administered during 2010–11 were as follows:

- 59 787 clients sat the Australian citizenship test
- 59 123 clients (or 98.9 per cent) passed the test
- 73 898 tests were administered, including re-sits where clients did not pass the test on their first attempt.

In March 2011, the DVD *Australian Citizenship: Our Common Bond*, became available in plain English, presenting key messages from the testable section of the citizenship test resource book. The DVD, aimed at clients with a low level of literacy, is designed to be used in addition to the translated versions of the resource book.

Citizenship course outcomes

From the first course's inception on 31 May 2010, 27 citizenship courses were delivered by relevant AMEP service providers over four separate cycles in 2010–11. Twenty-six courses were delivered in metropolitan Sydney, Melbourne, Perth and Adelaide and one course was delivered in regional Shepparton.

Of the 392 clients who confirmed their interest in attending the course, 355 (91 per cent) clients enrolled. A total of 321 clients (90 per cent) passed the course, 25 clients failed the course (seven per cent of the total number who attended) and so far eight of those clients have been able to go on to pass another attempt at the computer-based test. The remaining nine (2.5 per cent) clients withdrew from the course for personal reasons.

Table 72: Citizenship course enrolment and outcomes

Number of clients	2010–11	Per cent
Enrolled	355	100 %
Passed the course	321	90 %
Failed the course	25	7 %
Passed the computer-based test	8 (from the 25 who failed, on a further attempt at the test)	
Withdrew from the course	9	2.5 %

Promoting the value of Australian citizenship

The department undertakes a range of communication and public relations activities to promote the value of Australian citizenship and the acquisition of citizenship by eligible non-citizens.

Performance

Launch of Australian Citizenship Day—Burnie, Tasmania

Three north-west Tasmanian councils, Burnie, Devonport and Central Coast, joined together to co-host an Australian citizenship ceremony in Burnie for the national launch of Australian Citizenship Day celebrations in September 2010.

Local school students attended the ceremony to perform the national anthem, which was great practical experience for the students to build on the civics and citizenship theory they had studied in the classroom. The importance of being an active citizen in the community was highlighted by Ms Delwyn Polden, Burnie school teacher and Tasmania's Local Hero 2010. Ms Polden gave an inspirational speech about the responsibilities and privileges of Australian citizenship.

Australian Citizenship Day 2010 saw about 3600 new citizens from 118 countries welcomed at 69 ceremonies around the country.

Australia Day 2011

As part of many Australia Day celebrations across the nation about 13 000 people from 143 countries became Australian citizens. About 325 Australian citizenship ceremonies were hosted by local councils and community groups. Despite the devastating floods, Brisbane City Council raised local spirits by hosting the largest Australia Day 2011 citizenship ceremony with more than 1000 people becoming citizens at the Brisbane Convention and Exhibition Centre.

The department continued its partnership with the National Australia Day Council (NADC) to encourage everyone to celebrate what is great about Australia and reflect on what it means to be an Australian citizen. Australian citizenship and affirmation ceremonies across the country were broadcast by Sky News on Australia Day and media coverage featured many positive stories and messages regarding Australian citizenship, and included editorials about the meaning and value of Australian citizenship.

Australian citizenship affirmation ceremonies, as part of Australia Day citizenship celebrations, continued to grow, with 32 500 Australian citizenship affirmation cards distributed to local councils for Australia Day events.

Australia's Local Hero Award

During 2010–11, the department continued its close relationship with the NADC by sponsoring Australia's Local Hero Award for the ninth year running.

Australia's Local Hero Award recognises the enormous contribution made by so many Australian citizens who selflessly work to make their local community a better place.

The department worked with the NADC and the eight state and territory winners to facilitate national media coverage of the awards.

Australia's Local Hero for 2011—Mr Donald Ritchie OAM from New South Wales is a suicide prevention advocate whose services are truly remarkable. With simple actions, kind words and invitations into his home, Mr Ritchie has had a positive influence on many people's lives.

Promoting the benefits of a united and diverse society

Under this item, the department implements a range of activities to assist communities create a spirit of inclusiveness and help ensure that Australians of all backgrounds are treated equitably. In February 2011, the Australian Government launched *The People of Australia—Australia's Multicultural Policy*. The policy reaffirms the government's unwavering commitment to multiculturalism. The policy is about embracing and benefiting from the strength of our different cultural backgrounds and traditions. It responds to our cultural diversity and aims to strengthen social cohesion.

Performance

Access and equity

The department manages the government's access and equity strategy, which encourages and supports all Australian Government agencies to respond to the cultural diversity of Australians in the design and delivery of policies and programs.

The *Access and Equity in Government Services Report 2008–10* features good practice examples of how government agencies are responding to the needs of Australia's multicultural society and includes case studies of migrants who have participated in government programs designed to help them settle in Australia. The report also has a special focus on community engagement and highlights feedback from community consultations conducted across Australia during 2008–10.

Federation of Ethnic Communities' Councils of Australia community consultations

FECCA continued community consultations on the accessibility of government services to clients from diverse backgrounds in Darwin (August 2010), Melbourne (October 2010), Mildura (February 2011), Sydney (March 2011) and Brisbane (April 2011).

These consultations allowed FECCA to build upon its understanding of the responsiveness of government services and identify different and new challenges from consultations in previous years. This information is being used to provide recommendations to agencies on how to better meet their clients' needs.

The outcomes of these consultations have also informed FECCA's submissions and broader policy work.

Australian Multicultural Advisory Council

The Australian Multicultural Advisory Council (AMAC) provides advice to the government on practical approaches to promoting social cohesion, the engagement of migrants in Australian society, overcoming racism and intolerance, and communicating the benefits of Australia's cultural diversity to the broad community.

On 22 June 2010, the Australian Government reappointed the council for a second term from 1 July 2010. The council's term expired on 30 June 2011 to allow its successor, the Australian Multicultural Council (AMC), to be established.

The department provided secretariat and logistical support for all the council's meetings and associated workshops for the duration of its term.

Case study



Girl Guides reach out to Muslim community

Joining the Girl Guides has provided 14 year-old Ushna and her fellow guides the support they need to grow into more confident community members and future leaders. Ushna is one of 80 young Muslim women from south western Sydney who have been encouraged to join the Girl Guides with the support of an innovative project funded through the department.

Muslim girls have taken up membership and leadership roles within the Girl Guides as the result of a grant of \$47 800 in the 2009-10 round of the Diversity and Social Cohesion Program. This program encourages young people to learn skills such as leadership, physical health and community service.

The grant has enabled partnerships to be established between Girl Guides and local educational institutions including the Australian International Academy, the Malek Fahd Islamic School and Holroyd High School.

A highlight of the initiative has been the establishment of a brand new Guiding District at Raby in the western Sydney suburb of Campbelltown, where some committed local mothers have joined forces to encourage Muslim participation. The project has attracted widespread media coverage and the interest of other communities.

Among the many positive outcomes is that the Girl Guides Association has become more culturally sensitive to the needs of Muslim members. This has led to innovations such as creating a long sleeved shirt, updating information brochures, providing halal food and a prayer room at regional and state events.

During Harmony Day on 20 March 2011, the NSW Governor, her Excellency Professor Marie Bashir joined the new diverse Australia guiding units to celebrate diversity and the success of the Sydney Muslim communities guiding project.

While Girl Guides is widely regarded as an inclusive organisation, the Diversity and Social Cohesion Program grant has demonstrated the correlation between active, focused integration efforts and an increase in membership for the organisation.

The Girl Guides Association plans to consolidate its gains from the initiative by appointing an additional staff member to continue culturally diverse membership strategies.

Photo: Greenacre Golden Guides from south western Sydney celebrate Harmony Day 2011 at NSW Government House.
Photo courtesy of Rasha Photography.

Australia's new multicultural policy *The People of Australia—Australia's Multicultural Policy*, which was launched in February 2011, endorses and draws upon the council's earlier advice and recommendations to government.

Australian Multicultural Council

The establishment of a new independent body, the AMC, is one of the key initiatives of the new multicultural policy. The AMC will replace the current AMAC and continue to advise the government on multicultural affairs to help inform a national multicultural strategy.

The AMC will have additional responsibilities including the management of the access and equity strategy from 2012. This will help strengthen the independence of access and equity reporting from government and provide for a more robust access and equity framework.

The AMC will also have a role in an inquiry into government services to clients disadvantaged by cultural and linguistic barriers. The outcome of this inquiry will provide government with a comprehensive view on how existing services are performing and how they could be improved.

The terms of reference of the AMC include:

- acting as an independent champion for our multicultural nation
- having a formal role in a strengthened access and equity strategy
- assisting with cultural diversity celebrations and Harmony Day activities.

The AMC's term will be two years, commencing in mid-2011.

Whole-of-government participation

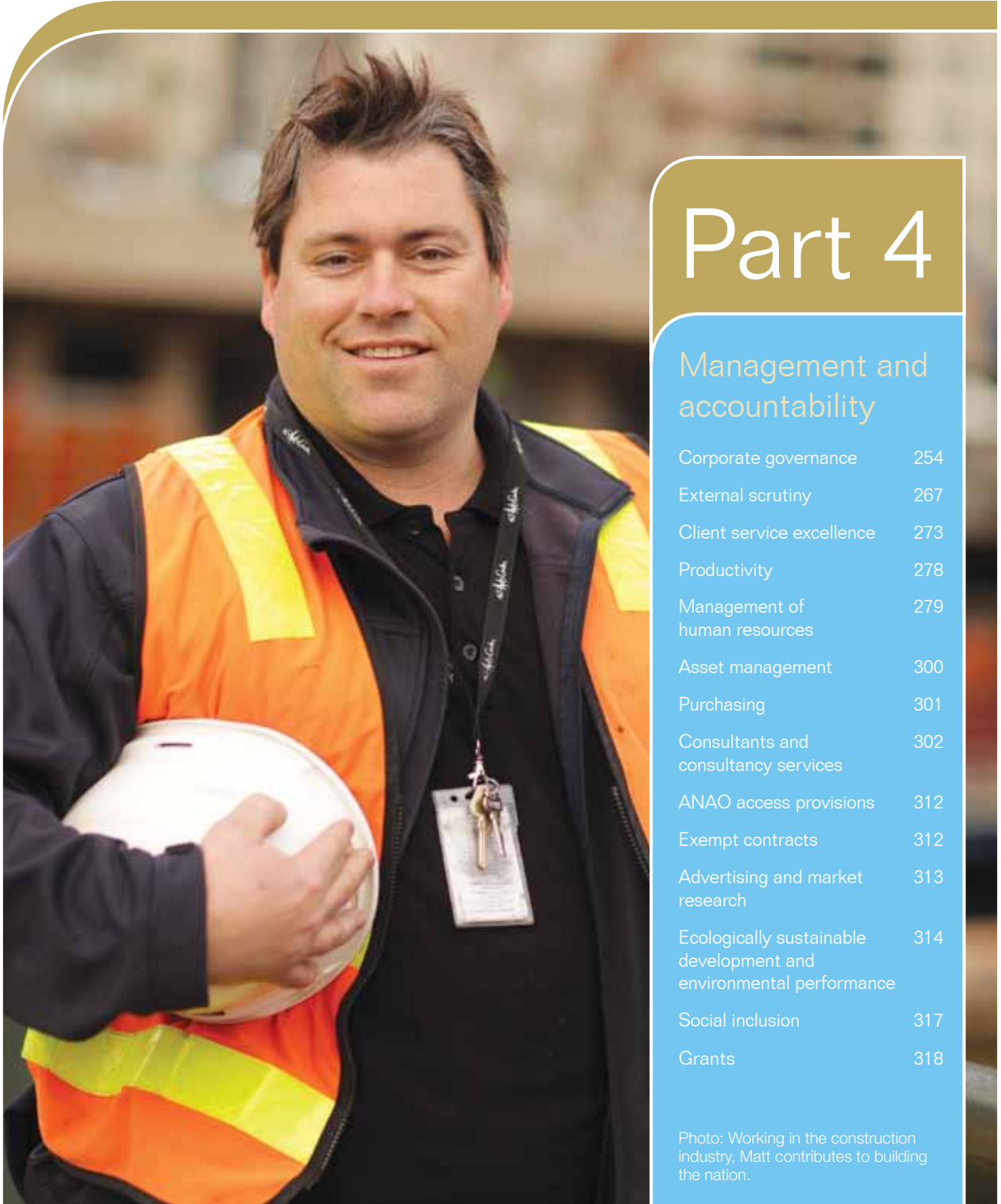
The department is a key contributor to the government's countering violent extremism agenda. This participation reflects the importance that social cohesion and strong community relations play in contributing to the prevention of violent extremism in a multicultural nation like Australia. The department provided policy advice and support to the Attorney-General's Department and the Countering Violent Extremism sub-committee on strategic planning and policy, community relations, and a number of proposed programs and projects.

Community liaison

The department's national network of community liaison officers actively engages with a wide variety of community organisations and individuals, including representatives from a broad range of ethnic communities, religious organisations, state and local governments and others.

The network provides advice on community relations issues and matters that impact on Australia's culturally and linguistically diverse communities, and disseminates information about government services and programs. For example, community liaison officers have worked to disseminate information on settlement services and arrangements for irregular maritime arrivals.

In this way, the community liaison officer network works to encourage interaction with the broader Australian community, reduce marginalisation and promote community harmony, social cohesion and the benefits of cultural diversity.



Part 4

Management and accountability

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Photo: Working in the construction industry, Matt contributes to building the nation.

Corporate governance

Statement of main governance practices

During 2010–11 the department finalised a major organisational transformation program which was aimed at further organisational improvement. Through the transformation program, a new organisational structure was implemented to support improved business processes and governance structures were simplified.

There are now three key governance bodies in the department—the Executive Committee, the Departmental Audit Committee and the Business and Systems Integration Committee. These committees are supported by the Corporate Leadership Group and a number of consultative bodies.

The department's governance structure was further strengthened by the introduction of a revised Change Management Framework (CMF) in late 2010. Under the revised CMF, the Executive Committee has direct oversight of all policy, legislation, systems and business process changes occurring in the department. Effective stakeholder engagement and risk management are the key elements of the revised CMF.

New Memorandum of Understanding between the department and the Migration Review Tribunal and Refugee Review Tribunal

On 15 April 2011, the secretary entered into a new Memorandum of Understanding (MOU) with the Migration Review Tribunal and the Refugee Review Tribunal. The new MOU provides a framework that facilitates the agencies' legislative obligations towards each other. It sets out the processes for effective liaison, information exchange, and financial and business continuity arrangements between the agencies. This MOU replaces the previous document which was signed in 2005.

Senior management committees

Executive Committee

The Executive Committee provides strategic, whole-of-organisation advice to the department's leaders to ensure effective decision-making, management and oversight of the department's operations and performance. The core members of the Executive Committee are the secretary and the deputy secretaries. The chief lawyer and chief finance officer are ex-officio members and provide specialist advice.

The Executive Committee is the key forum to guide cross-portfolio issues. Executive Committee meetings are structured around strategy and policy matters (including planning and implementation of departmental policy and programs as well as corporate policies) and organisational performance reporting (including program integrity and performance, service delivery standards and risk management).

Incident Response Support Unit

The department has long had a history of responding in an ad-hoc, although professional manner to requests for assistance at a whole-of-government level to unplanned incidents such as war (for example Kosovo, East Timor), bombings (for example Bali, Mumbai), and natural catastrophes such as tsunamis and earthquakes.

During 2010–11, to ensure a more systematic approach, the Executive Committee agreed to establish an Incident Response Support Unit. Its role is to fully co-ordinate the department's actions prior to, during and after incidents and major events in which the department is involved, particularly in a whole-of-government sense, and where the required response is out of the ordinary and involves various parts of the portfolio.

The unit is responsible for:

- compiling and maintaining a list of suitably security-cleared officers in the department—ready reserve staff
- developing the incident response framework for the department
- supporting the activities of the incident response group—senior executive officers from various areas of the department who make decisions on the manner in which responses to incidents are made
- keeping the departmental executive and the minister's office informed of the department's whole-of-government response to incidents.

During 2010–11, the unit was involved in co-ordinating the responses by the department and other border agencies to:

- the cholera threat in the Torres Strait
- the Brisbane floods
- Cyclone Yasi in Northern Queensland
- Cyclone Carlos in Darwin
- the earthquake in Christchurch
- civil unrest in Cairo
- the earthquake and tsunami in Japan
- civil unrest in Libya
- civil unrest in Syria.

Departmental Audit Committee

The Departmental Audit Committee (DAC) was established in compliance with section 46 of the *Financial Management and Accountability Act 1997*. The DAC provides independent assurance and assistance to the secretary and the Executive Committee on the department's internal audit program, risk management, quality assurance, fraud control framework, and its external accountability.

In 2010–11, the DAC considered an annual internal audit program based on key strategic risks, with a strong focus on irregular maritime arrivals.

The Financial Statements sub-committee is responsible for the oversight of the preparation of the annual financial statements, including facilitating resolution of any identified issues in a timely manner. The DAC reviews and clears the department's annual financial statements before they are submitted to the secretary.

The department works co-operatively with the Australian National Audit Office (ANAO) to co-ordinate overall audit activity within the department and to ensure that there is no duplication of the audit effort. ANAO officers are invited to attend meetings of the DAC and the Financial Statements sub-committee.

Business and Systems Integration Committee

Established in July 2009 by the Executive Committee, the Business and Systems Integration Committee (BASiC) is responsible for providing assurance to the secretary that the business rules and systems underpinning the department's business processes are up-to-date, correct, cohesive, robust and subject to rigorous change control.

The committee is also responsible for:

- Chief Executive Instruction 37—Governance of computer aided processing and decision making, in particular ensuring that decision making carried out by or with the assistance of automated systems is consistent with administrative law values of lawfulness, rationality, openness and transparency, and efficiency
- determining whether external audit or testing of ICT systems should occur prior to release
- ensuring that a nationally consistent, integrated end-to-end business process model is developed, optimised, understood by and adopted across all lines of business
- pursuing risk-based efficiencies which support enhanced program integrity and streamlined processing
- developing a forward agenda for deregulation to ensure provision of better regulation and simplified but enhanced client service
- overseeing business rules project definition, delivery and management against business, legislative and policy needs.

Leadership and governance

During 2010–11, the SES Prominent Speaker program continued. This program invites prominent individuals from the public, private, academic and community sectors to address the senior leadership group on a range of topics. The program aims to develop and strengthen the leadership group's appreciation of its central role in promoting good governance and effective leadership throughout the organisation.

The theme of the series for 2010–11 was governance and leadership. The program has been well supported by the attendance of senior officers throughout the year. It is recognised as an avenue for knowledge building, information sharing and networking.

In 2010–11 the program included presentations by:

- Mr Stephen Sedgwick—Australian Public Service Commissioner
- Ms Ann Sherry AO—Chief Executive Officer, Carnival Australia
- Mr Finn Pratt PSM—Secretary, Department of Human Services
- Her Excellency, Mrs Sujatha Singh—High Commissioner of India to Australia
- Mr Jonathan Sedgwick—Acting Chief Executive of the United Kingdom Border Agency.

Case study



Immigration leaders honoured with awards

Secretary Andrew Metcalfe's leadership of the department saw him recognised as the Federal Government Leader of the Year in the 2010 Leadership in Government Awards, supported by the Institute of Chartered Accountants.

Mr Metcalfe was presented the award by Governor-General Quentin Bryce for being a public service leader who has made outstanding contributions to society and the public service, through exemplifying visionary leadership, best practice, innovation and the ability to foster positive employee relations.

The institute's chief executive Mr Graham Meyer acknowledged the high profile of the immigration portfolio and the complexity of the issues faced by the department.

'Andrew continues to manage a very difficult portfolio with expertise and humanity,' Mr Meyer said.

On receiving the award Mr Metcalfe thanked the department's staff.

'I lead a large department with an often challenging job, and I'm indebted to my colleagues in the department who contribute to our work, whether it is in relation to managing migration to Australia, citizenship, cultural diversity policies or our work with asylum seekers and refugees,' he said.

At the same event, Deputy Secretary Dr Wendy Southern was presented with the Outstanding Contribution Award for her work in overseeing public service reform and parliamentary and electoral affairs in her previous role leading the Department of the Prime Minister and Cabinet's government division.

Photo: Award winners Secretary Andrew Metcalfe and Deputy Secretary Dr Wendy Southern.

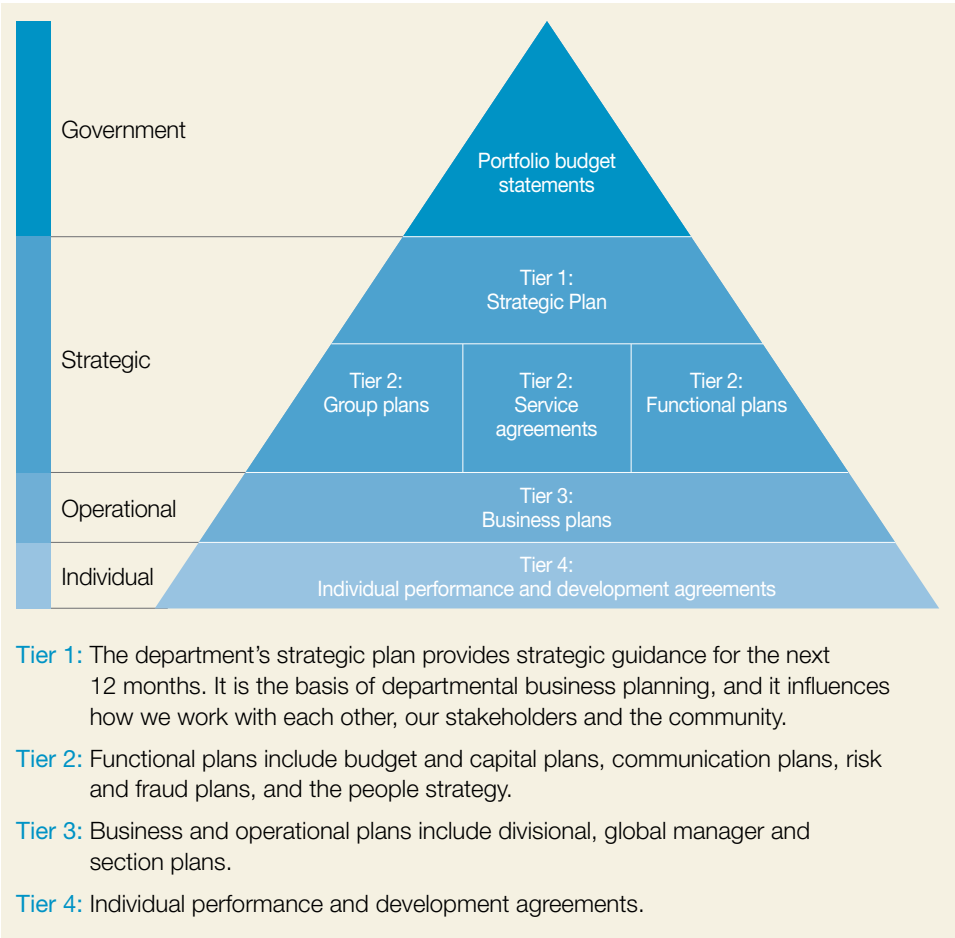
Corporate and operational planning

Corporate and operational planning and associated performance reporting and review

The *Strategic Plan 2010–11* articulates the department's key priorities and goals for 2010–11. The plan outlines the department's transformation vision to build stronger migration and visa services for clients.

The strategic plan is the foundation for the department's cascading plans from division, global manager, branch and section level, through to individual performance and development agreements. Performance reporting against division plans occur quarterly in-line with the department's endorsed business planning cycle and associated strategic planning calendar.

Figure 24: Business planning framework—hierarchy of plans



The business planning process provides divisions, global managers, branches and sections within the department with the tools to map their anticipated business for 2010–11, while maintaining the flexibility to respond to new demands as they arise.

The Executive Committee adopted a balanced scorecard approach in performance reporting which provides a snapshot of organisational performance. The balanced scorecard is compiled using an analysis of key performance indicators in four traditional quadrants: business, client, people and finance, and two departmental-specific segments including organisational risk and irregular maritime arrivals.

This report enables the Executive Committee to make effective and timely strategic management decisions based on up-to-date data that reflects organisational performance. The accompanying *Exception Report* identifies issues for performance improvement and presents mitigation strategies and suggested resolution timeframes.

Other associated corporate strategies and plans that inform and shape lower-level planning are:

- the department's corporate and strategic risk profile
- workforce planning
- stakeholder analysis
- research and evaluation project planning
- *ICT Strategic Plan 2009–12*
- *DIAC People Plan 2008–11*
- *Fraud Control Plan 2011–2013*
- *Reconciliation Action Plan 2010–2012.*

Internal audit arrangements

Internal audit and quality assurance

The internal audit function is managed by the department's Internal Audit Section which reports to the Chief Internal Auditor (CIA) under the authority of the Internal Audit Charter.

During 2010–11, the internal audit program was delivered by a panel of three service providers, Ernst & Young, PricewaterhouseCoopers and Protiviti. The panel was established by an open tendering process conducted during 2010 after the previous contracts expired on 30 June 2010. On 1 July 2010, the three firm provider arrangements came into effect and are in place for two years with an option to extend for a third year.

During 2010–11, the independent Chair of the DAC requested that the department introduce a strategic annual rolling internal audit plan. This plan is currently in place and the annual expenditure on internal audit work is within the APS benchmarks.

To further strengthen the quality and performance of the department's business processes, the department is developing a Global Quality Assurance Framework. This framework will provide guidance on how to mature the department's assurance capability, assist program managers to identify emerging portfolio-wide risks, and highlight quality assurance areas of particular vulnerability and exposure. This work is ongoing across divisions in integrating quality assurance as a management assurance tool.

Risk management and fraud control measures

In 2009, responsibility for the oversight of risk management and fraud control measures moved from the Governance, Planning and Assurance Branch to Fraud Investigations and Prosecutions Branch within the newly created Risk, Fraud and Integrity Division (RFID). The RFID became fully operational in May 2010 focusing on its core business activities of detecting, measuring and recommending treatments to mitigate multiple dimensions of risk across the department's full operations. Throughout 2010–11, RFID has been consolidating and developing its functions with the aim of centralising, enhancing and streamlining risk and integrity-related functions.

Strategic risk and fraud control

RFID employs a range of new and innovative tools and capabilities to analyse risk and to identify mitigation strategies. A key tool employed by RFID is the application of enhanced analytics to facilitate risk identification. These enhanced analytics are used to inform a variety of innovative products and outputs, including fraud, risk and integrity scans, flashpoint bulletins and risk management processes. RFID works in partnership, across the department and globally, to deliver professional risk, fraud, intelligence, investigations and identity services to lead a risk-tiered approach to support the integrity of Australia's borders, migration and citizenship programs.

Strategic risks

During 2010–11, the department has continued to integrate risk management practices into a range of governance activities, including business planning, contract management and change management. All divisions, state and territory offices and overseas regions are required to develop risk management plans as part of the annual business planning cycle, with regular reviews to ensure relevance and currency to business activities.

In June 2011, the Executive Committee endorsed six overarching strategic risk statements for the department and 31 tactical risks. These statements indicate a heightened strategic focus and direct accountability for managing risk in the department with strategic risk being allocated at the secretary and deputy secretary level, and tactical risk being managed by division heads. This profiling activity supports senior executives in the review and management of key risks, and informs the development of the internal audit program.

Risk management

In 2010–11, the department made some major achievements in risk management. These were:

- Participation in the Comcover awards for excellence in risk management resulting in the department receiving the award of highly commended for the development of an enterprise-wide risk management framework. The receipt of this award led to a reduction in the department's insurance premium of three per cent or \$155 000.
- Participation in Comcover's annual risk management benchmarking survey achieving a score of 7.4 out of 10 and leading to a further 7.4 per cent or \$388 000 discount on the department's insurance premium.
- Finalising and signing off on a new risk management framework, which will give departmental risks greater executive visibility and lead to increased accountability at a divisional level.
- Refinement of the *DIAC Strategic and Tactical Risk Map*, which attributes responsibility of high level risks to individual SES officers.

Fraud control

In 2011, the Commonwealth released new versions of the *Commonwealth Fraud Control Guidelines* and *ANAO Fraud Control in Australian Government Entities Better Practice Guide*.

To coincide with these releases, the department developed and published the *Fraud Control Plan 2011–13*. This plan sets out a comprehensive and detailed framework for fraud control in the department. A key achievement of the new fraud control plan is making fraud awareness training mandatory for all departmental staff.

Investigations

The department has put substantial effort into investigating and prosecuting instances of organised fraud against the department's visa and citizenship programs. The department has an ongoing program of work focused on:

- refining fraud identification and treatment
- continuing operations in relation to organised fraud
- developing technical and resource capability
- working collaboratively with other government agencies to better understand the impact of serious organised criminal investigations
- centralising the fraud analysis capability.

In April 2011, the department took the first steps towards the establishment of a truly national investigations capability with investigations areas in Perth, Brisbane, Sydney, Melbourne and Canberra coming under centralised management through the Business Services Group management structure.

An exciting development during 2010–11 has been the successful establishment of the department's digital forensics capability. This capability allows the department to identify, preserve, recover and analyse legal evidence found in computers and digital storage media.

The department continues to support the People Smuggling Strike team and the Identity Security Strike teams. The department has seconded investigators to these teams in Canberra, Brisbane, Sydney, Melbourne and Perth. The department has also made available an analyst for secondment to the Australian Crime Commission's Financial Intelligence Analysis team. The department works with other agencies including the Department of Education, Employment and Workplace Relations, the Australian Customs and Border Protection Service, the Australian Federal Police and state police. These are valuable contributions to whole-of-government approaches to the investigation of serious criminal conduct and the department continues to maintain and strengthen these relationships.

Advanced analytics

The department has established an advanced analytics capability to support risk identification. The department applies mathematical, statistical and machine-intelligence techniques to extract knowledge from data to assist with decision-making. The processes produce evidence-based data that can inform policy, operational and service delivery.

Since the establishment of this capability in 2010, the department has introduced the following analytics-based capabilities:

- Risk tiering—risk models developed within the department are used to construct risk rules to support determination of the nature and degree of risk associated with visa applications.
- Next generation border security—a state-of-the-art risk scoring engine has been developed as part of the next generation border security systems. This deploys complex statistical models built by departmental analysts in support of visa assessments. It is a high-capacity engine capable of processing vast amounts of visa data in real time and identifying unacceptable levels of risk.
- Border risk trial—a real-time risk identification system that scans information collected through the department's Advance Passenger Processing system. All in-bound travellers are screened and travellers representing potential risk are more closely examined. The long-term trial will inform future border security portal developments.
- Enhanced alerts—the application of analytics with business intelligence processes allows the department to more accurately forecast future trends and generate alerts when normal parameters are breached.

The department's capabilities in this field are being developed and a number of processes and tools including network analysis and entity resolution are being tested to address future needs. A major refresh of the department's business intelligence capabilities is under way.

Biometrics and identity

The department has implemented a new business model to take a more proactive approach to identity management. The department has put an assurance program in place and is currently reviewing the assessment of identity in the International English Language Testing System.

Expansion of biometric acquisition

Since 2006, the department has been collecting biometrics (facial images and fingerprints) from most people in immigration detention, including irregular maritime arrivals and illegal foreign fishers. In October 2007, the department began collecting biometric facial images from citizenship applicants.

Following a pilot project to collect biometrics from protection visa applicants with their consent, the department implemented a model that now requires all protection visa applicants to provide biometrics.

In December 2010, the Offshore Biometrics Taskforce began implementation of the offshore biometrics program. Biometrics are now collected from visa applicants in 15 countries—Bahrain, Bangladesh, France, Jordan, Kenya, Kuwait, Lebanon, Malaysia, Oman, Qatar, Saudi Arabia, Sri Lanka, United Arab Emirates, Yemen and Zimbabwe.

Since October 2010, training in the department's Biometric Acquisition and Matching System (BAMS) has been delivered to 149 departmental client services and onshore protection officers and 114 Serco officers. This training provides the skills that authorised officers need in order to collect facial and fingerprint images from clients.

To complement the offshore biometrics program, the department will commence a trial project at Perth airport, verifying and using biometrics in secondary line processing. The lessons learnt from the secondary line verification will contribute to another project modelling the impact of biometric collection at the primary line. This will be a joint project between the department and Customs.

Five Country Conference biometric data sharing program

Since October 2009, the department has worked on the Five Country Conference (FCC) biometric data-sharing program with partner countries Canada, the United Kingdom, the United States of America and New Zealand.

Since the program started, the department has identified people being sought by the justice systems of other FCC countries, forum shoppers, and people not entitled to protection visas.

More information about the FCC biometric data sharing program is on Page 146.

The storage and matching of fingerprints on NAFIS

Since 21 August 2010, after extensive negotiations with CrimTrac, all fingerprints acquired by the department have been stored on the National Automated Fingerprint Identification System (NAFIS) where they are automatically checked against the department's own holdings and against all state law enforcement records. More information about NAFIS and the storage and matching of fingerprints is on Page 136.

International capacity building

The ongoing international capacity building work of the Global Document Examination Network and the Facial Image Comparison team facilitates strong relationships throughout Australia's neighbouring regions.

More information about international capacity building through document examination and facial image comparison training is on Page 146.

Intelligence

Intelligence is by definition information provided to assist decision-makers with strategic, operational and tactical decisions to prevent fraud against business programs. Intelligence is extracted from data already held by the department through data mining and analytics. This data is analysed to identify abnormal occurrences and patterns of behaviour.

Border intelligence officers

Border Intelligence Officers (BIOs) are located in major airports and state and territory offices. These officers connect the department nationally and locally to the intelligence resources of other agencies. During 2010–11, BIOs have produced around 900 intelligence reports, responded to approximately 1800 information requests and identified about 350 persons of interest to border security.

BIOs collect intelligence at the border, apply a tactical level of analysis and develop targeting products and alerts for intervention strategies. BIOs work in conjunction with the department's Tactical Support Unit (TSU). The officers of the TSU scan passenger lists, apply passenger profiles, including those developed by BIOs, and utilise departmental systems and Person Name Record (PNR) data in identifying suspected non-genuine passengers. Once identified, these passengers are referred to airport liaison officers (ALO) and border officers for intervention. During 2010–11, TSU referrals resulted in 37 offshore interdictions by ALOs.

Irregular Maritime Arrival Entry Services (IMAES)

In February 2011, a dedicated team was established to oversee the entry interview process. In 2010–11, IMAES staff interviewed more than 6000 IMA clients on Christmas Island and the Australian mainland for the purpose of establishing each client's identity and obtaining their journey narrative.

Information gathered through an entry interview assists in establishing whether a client has a prima facie claim that engages Australian protection obligations, and the interview also provides information useful to national security and character checking. Information gathered through interview is often particularly valuable for border security and law enforcement activities.

Intelligence analysis

The Intelligence Analysis Section provides an intelligence capability for the department and has a multi-faceted role which includes:

- providing analytical services to prevent people smuggling and irregular movement by air
- supporting whole-of-government operational arrangements combating maritime people smuggling, including seconding an officer to a multi-agency section located at the Australian Customs and Border Protection Service to prevent maritime people smuggling
- being the primary point of liaison for the department with the national intelligence and security community, including providing information and advice to intelligence agencies to help their operations
- delivering training to border security agencies in countries in the Middle East, South Asia, South East Asia and the Pacific. The training is in intelligence analysis methods and techniques, as relevant to an immigration agency, to raise skills and capacity to prevent immigration fraud
- supporting bilateral and multilateral initiatives to prevent irregular people movement including people smuggling, human trafficking (specifically the Bali Process) and potentially movements associated with terrorism
- collecting, collating and analysing information on irregular movements globally to warn the department of threats, real and potential, to immigration programs and identifying people-smuggling organisers, facilitators and methods.

Security referrals

Security checking is conducted to identify those visa applicants or visa holders whose entry into, or continued stay in, Australia would present a risk to national security. For example, to prevent terrorists gaining entry to Australia and executing acts of terrorism.

More information about security referrals is on Page 145.

War crimes

Preventing entry to Australia or the grant of Australian citizenship to people who have committed war crimes, crimes against humanity and genocide contributes to the maintenance of the integrity of Australia's borders and the department's citizenship program.

More information about war crimes screening is on Page 145.

Establishment and maintenance of appropriate ethical standards

The department's values and ethical standards are set out in the *DIAC Strategic Plan 2010–11*. Broadly, the department's values include:

- having fair and reasonable dealings with clients
- being an open and accountable organisation
- having well developed and supported staff.

The Values and Conduct Section (VCS) has a key role in the overall management of the department's ethical standards and has responsibility for the development and implementation of policies related to the Australian Public Service (APS) Values and Code of Conduct under the *Public Service Act 1999* and related legislative framework. VCS also provides advice and assistance to departmental employees on these matters.

VCS is responsible for the prevention, detection and investigation of allegations of fraud and criminal behaviour, as well as breaches of the APS Values and Code of Conduct by departmental employees. In 2010–11, the VCS received 200 allegations relating to the conduct of departmental employees.

VCS also provides training, development and awareness activities related to the APS Values and Code of Conduct and fraud prevention within the department.

In 2010–11, activities included:

- Ongoing management and facilitation of a variety of code of conduct training modules at induction training, the overseas training course, airline liaison officer training and Foundations of Supervision and Leadership course. VCS also develops and manages eLearning code of conduct refresher modules.
- Management and development of the program Immigration Dilemmas: Ethics, APS Values and Leadership (IDEAL). IDEAL was implemented across the department in 2006 to assist all staff, especially managers, to model positive leadership, ethical behaviours and sound decision-making skills. IDEAL provides staff with an opportunity to discuss ethical issues drawn from real life scenarios. Development of this program is ongoing with new discussion scenarios produced and distributed in response to new and emerging themes.
- Development and implementation of VCS fact sheets and ethics and conduct-related information through the department's newsflash facility. These activities are designed to raise staff awareness of conduct-related issues and provide easily accessible information on a monthly basis.

Senior Executive Service remuneration

Senior Executive Service (SES) remuneration and conditions of employment are determined by the secretary in accordance with section 24(1) of the *Public Service Act 1999*. All SES employees are required to have a comprehensive individual section 24(1) determination instrument, which typically provides for salary, superannuation, cash in-lieu of a vehicle and other applicable allowances.

Disability reporting

Changes to disability reporting in annual reports

Since 1994, Commonwealth departments and agencies have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007–08, reporting on the employer role was transferred to the Australian Public Service Commission's *State of the Service Report* and the *APS Statistical Bulletin*. These reports are available at www.apsc.gov.au. From 2010–11, departments and agencies are no longer required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by a new National Disability Strategy which sets out a ten year national policy framework for improving life for Australians with disability, their families and carers. A high level report to track progress for people with disability at a national level will be produced by the Standing Council on Community, Housing and Disability Services to the Council of Australian Governments and will be available at www.fahcsia.gov.au.

The Social Inclusion Measurement and Reporting Strategy agreed by the government in December 2009 will also include some reporting on disability matters in its regular *How Australia is Faring* report and, if appropriate, in strategic change indicators in agency annual reports. More detail on social inclusion matters can be found at www.socialinclusion.gov.au.

At 30 June 2011, employees who self-identified as having a disability represent 2.1 per cent of the ongoing workforce. Attraction, recruitment and retention strategies to address the downward trend in representation of people with a disability are outlined in the department's *Workplace Diversity Strategy 2011–13*.

Information on workplace diversity is available on Page 287.

External scrutiny

Significant developments in external scrutiny

Reports by external bodies

Commonwealth and Immigration Ombudsman

In February 2011, the Ombudsman published a report entitled *Proper Process of Challenging a Tribunal Decision* under section 15 of the *Ombudsman Act 1976*. The report made three recommendations aimed at ensuring that any challenge to tribunal or court decisions occurs through proper processes and in a timely fashion, that difficult cases are actively managed, and that the flawed decision on the visa application concerned be remedied. The department accepted all three recommendations and reviewed and strengthened policy and training accordingly. The department also conducted an internal inquiry, which identified a further two areas for improvement which will be fully implemented by the end of 2011.

In February 2011, the Ombudsman published the report, *Christmas Island Immigration Detention Facilities: Report on the Commonwealth and Immigration Ombudsman's Oversight of Immigration Processes on Christmas Island, October 2008 to September 2010* which made six recommendations that focused on children in detention, expedition of movement of people from Christmas Island and access to services including health, mental health and interpreters. In its response the department agreed to four recommendations, noting that the department is already actively addressing many of the issues raised.

Australian Human Rights Commission

The Australian Human Rights Commission (AHRC) tabled a report in May 2011 entitled *Mr NK against the Commonwealth of Australia (Department of Immigration and Citizenship)*. The report identified that certain acts and practices of the Commonwealth had breached Mr NK's right not to be subject to unlawful or arbitrary detention and his right to be treated with humanity and dignity while in detention. The department reviewed the findings and determined that Mr NK's detention is lawful in accordance with the *Migration Act 1958* and that his detention has not been, and is not arbitrary. The department acknowledged the President's three recommendations and advised the Commission that no action would be taken.

Following their visit to Villawood immigration detention facilities in February 2011, the AHRC published a summary of their observations in May 2011. In this report, the AHRC outlined a number of key issues related to immigration detention in Villawood. The report made a total of 18 recommendations relating to mandatory detention, prolonged and indefinite detention, greater use of community-based alternatives, people whose visas have been cancelled under section 501 of the *Migration Act 1958* and improvement of physical conditions of detention and health facilities. The department's response was published on the AHRC website and noted that the department is already actively addressing many of the issues raised.

In December 2010, the AHRC published a report entitled *Immigration detention in Darwin, 2010*. The report recognised the consistent effort of all those staff supporting the management of clients in Darwin. However, the AHRC identified several areas for improvement and made 10 recommendations.

Following their visit to Leonora immigration detention facility in November 2010, the AHRC published a summary of their observations in February 2011. The AHRC made 12 recommendations.

In October 2010, the AHRC published a report on *Immigration detention on Christmas Island, 2010*. The report acknowledged that irregular maritime arrival operations have expanded significantly in the previous 12 months. This report made 26 recommendations.

The recommendations of the AHRC reports on Darwin, Leonora and Christmas Island identified similar issues, which included mandatory detention, key policy and processing developments, children in detention, conditions of the immigration detention facilities, the length of detention, and access to services such as health, information, communication, recreation, education and religious services. The AHRC made a total of 48 recommendations in these reports. The department's response noted that the department is already actively addressing many of the issues raised.

Judicial decisions and decisions of administrative tribunals

Almost all decisions made in Australia in relation to the grant or cancellation of visas under the *Migration Act 1958* are subject to review by the Migration Review Tribunal (MRT), the Refugee Review Tribunal (RRT), or the Administrative Appeals Tribunal (AAT). In addition, decisions by the department and the tribunals can be reviewed by the courts for legal errors. Decisions under the *Australian Citizenship Act 2007* can be reviewed by the AAT and the courts.

A significant new judicial review caseload came into existence as a result of the judgment of the High Court (HC) on 11 November 2010 in *Plaintiff M61/2010E v Commonwealth; Plaintiff M69 v Commonwealth*. The judgment deals with the arrangements for processing refugee claims made by offshore entry persons who fell within the scope of the enhancements to the refugee status assessment process announced by the Australian Government on 29 July 2008. Those clients are only able to apply for a protection visa if permitted to do so by the minister. A refugee assessment process is undertaken to inform the minister's decision. There is no reference to the refugee assessment process in the *Migration Act 1958* and, prior to the HC's judgment, it was thought that there was little scope for judicial review. However, the HC concluded that the assessments are subject to review by the courts in accordance with established principles relating to judicial review of statutory decisions. A court may declare that the assessment was made unlawfully if the assessor did not provide procedural fairness or made an error of law. This was the outcome in the two matters before the HC.

Following the HC's judgment, significant numbers of clients have applied for judicial review. The applications will be heard in the Federal Magistrates Court (FMC) which has the same jurisdiction as the HC in these cases. At 30 June 2011, there were 132 cases pending in the FMC and three judgments had been handed down. The applications were dismissed in each of those cases. The caseload is expected to continue growing through 2011–12.

Another new caseload involves applications to the HC for judicial review of decision-making associated with the minister's personal powers. For example, the power to intervene to grant a visa to a client who has been unsuccessful at the MRT or RRT. A 'test case' is likely to be heard in the HC in late 2011.

By contrast, there has been some decline in the caseload of applications for judicial review of MRT and RRT decisions, and a decline in the number of decisions being quashed by the courts. As in 2009–10, the HC again emphasised that courts must maintain an appropriate distinction between review of legality and review of the facts. For example, in *MIAC v SZJSS* (15 December 2010) the HC, in a unanimous judgment, upheld the minister's appeal against a decision of the Federal Court (FC). The HC found that the FC engaged in impermissible merits review of an RRT decision.

Civil litigation

The department receives a small number of claims for monetary compensation for alleged instances of false imprisonment or negligence. The majority of negligence claims relate to harm suffered in immigration detention, and may include claims of ongoing mental illness. Under the *Legal Services Directions*, monetary claims can only be settled in accordance with legal principle and practice. A settlement on the basis of legal principle and practice requires the existence of at least a meaningful prospect of liability being established. Legitimate claims are usually settled by mediation or negotiated settlement. However, complex claims may take some years to finalise.

At 30 June 2011, there were 40 civil compensation claims before the courts, including two matters involving members of the 247 cases that were referred to the Ombudsman in 2005 for events occurring between December 1998 and March 2006. At 30 June 2011, 237 of the 247 Ombudsman referred cases had been resolved by the department.

During 2010–11, the department reached out of court settlements involving the payment of compensation in 13 of the 247 Ombudsman referred cases. A further eight non-247 formal claims were finalised with compensation paid and five non-247 formal claims were finalised without the payment of compensation.

Other forms of external scrutiny by the courts have been activated by some of the tragic events of recent times involving the deaths of individuals. At year's end, a number of coronial inquiries were in progress relating to deaths in immigration detention and also the Christmas Island boat tragedy which occurred on 15 December 2010. The department provides full co-operation and assistance to these inquiries.

An earlier tragedy, involving the death of five people, occurred in October 2005 with the loss of the immigration vessel *Malu Sara*. In all, five compensation claims were made in relation to the tragedy. Two of these claims were resolved by the department in 2010 in consultation with its insurer, Comcover, with compensation being paid to relatives of the two deceased who were not employed by the Commonwealth. The settlements in these cases are confidential. The remaining claims, relating to deceased Commonwealth employees, were resolved by Comcare. The matter was also considered by the FC, dealing with an application by Comcare for pecuniary penalties to be imposed on the department under the *Occupational Health and Safety Act 1991*. On 2 December 2010, the FC, while acknowledging the positive action of the department in response to the *Malu Sara* incident, imposed the maximum possible pecuniary penalty (\$242 000): *Comcare v The Commonwealth of Australia*.

A statement of the department's legal services expenditure can be found at Appendix 2.

Reports by the Auditor-General

Specific Australian National Audit Office (ANAO) audits that were conducted in the department during 2010–11

Management of student visa

The objectives of this audit were to:

- Assess the effectiveness of the department's management of the student visa program.
- Focus on the effective administration of the student visa application and decision-making process.
- Assess the effectiveness of activities to ensure compliance with student visa conditions.
- Assess the effectiveness of co-operation between DIAC and the Department of Education, Employment and Workplace Relations in supporting the program.

The report was tabled in May 2011.

Administration of the character provisions of the Migration Act 1958 and the Citizenship Act 2007

The objective of this audit was to assess the effectiveness of the department's management of the character provisions of the *Migration Act 1958* and the *Citizenship Act 2007*.

The report provided three recommendations all of which the department has accepted. In addition, the audit report provides constructive guidance to further enhance the framework for administering the 'good character' provision in the *Australian Citizenship Act 2007*. The department has commenced implementing the report's recommendations and is working on a range of strategies to improve the administration of the character provisions in the *Australian Citizenship Act 2007*.

The report was tabled in June 2011.

Cross-agency audits involving the department—in progress

Administration of grant reporting obligations

The objectives of this audit are to:

- Assess the implementation and effectiveness of the enhanced grants administration requirements for reporting to the Finance Minister on the awarding of grants within their own electorate by ministers who are members of the House of Representatives.
- Report to the Finance Minister on instances where ministers have decided to approve a particular grant which the relevant agency has recommended be rejected.
- Examine grant funding decisions where ministers have decided to reject a particular grant which the relevant agency has recommended be approved.

The report is expected to be tabled in August 2011.

Revision of the Public Sector Governance Better Practice Guide

The objective of this audit is to:

- Produce an enhanced Public Sector Governance Better Practice Guide, which will provide a current reference and benchmark to assist APS executives and their staff to align key governance practices with government expectations.

The report is expected to be tabled in August 2011.

Recordkeeping

The objective of this audit is to:

- Assess whether agencies create, manage and dispose of records in accordance with key legislative and administrative requirements.

The report is expected to be tabled in November 2011.

Development and approval of grant guidelines

The objective of the audit is to:

- Assess the implementation and effectiveness of the enhanced grants administration requirements relating to the development and approval of new grant guidelines and the revision of existing grant guidelines.

The report is expected to be tabled in November 2011.

Commonwealth and Immigration Ombudsman

The department received 317 complaints from the Commonwealth and Immigration Ombudsman in 2010–11, a decrease of 35.8 per cent on the previous year.

In all, 344 complaints were brought to resolution in 2010–11. Of these, 233 were from this financial year and 111 had been carried over from previous years.

A total of 34 finalised complaints were reported as administratively deficient in 2010–11 — four from this financial year and 30 which had been carried over from previous years.

The most common causes for such findings were various procedural deficiencies, unreasonable delays in visa processing and provision of inadequate advice.

Complaints from the Australian Human Rights Commission

The department received 104 new complaints from the Australian Human Rights Commission (AHRC) in 2010–11 compared to 65 in the previous year, 21 in 2008–09 and seven in 2007–08.

In all, 61 complaints were brought to resolution in 2010–11. Of these, 38 were from this financial year and 23 had been carried over from previous years.

The most common issues raised in the complaints related to visa outcomes and detention.

Freedom of Information

Substantial amendments to the *Freedom of Information Act 1982* (FOI Act) came into effect on 1 November 2010. The amendments centre on building a stronger foundation of openness in government. During the year the department has seen an increase in certain types of requests which can be attributed to the legislative changes.

Further amendments to introduce the Information Publication Scheme (IPS) came into effect on 1 May 2011. The department has been pro-actively publishing its FOI disclosure log since April 2009, as now required under the IPS, and has also met the timeframe for the publication of the agency plan. Additional material will continue to be made available to the public on an ongoing basis.

In-line with the government's commitment to operate in an open and accountable manner, the department has continued to improve the way in which it processes requests for information to meet its statutory obligations under the FOI Act.

In 2010–11, the department improved its business processes to promote the government's new FOI direction by implementing a range of strategies, including:

- reducing the number of unnecessary FOI requests received by improving staff understanding of what information can be released or amended under the *Privacy Act 1988* (the Privacy Act). The FOI processing centres are referring requests to business areas so they can be processed under the Privacy Act
- providing information and leadership to staff through messages from the secretary
- the redevelopment of FOI and Privacy eLearning packages to encompass the changes to the FOI Act
- updated advice to client contact areas and web information to drive cultural change on access to information in the department
- engaging in inter-departmental FOI fora, and with the Office of the Australian Information Commissioner.

At 30 June 2011, the department had a compliance rate of 88 per cent of requests finalised within 30 days and a total of 246 overdue requests on hand. This compares to a compliance rate of 78 per cent and 104 overdue requests as at 30 June 2010.

This year has seen a 10 per cent improvement in the compliance rate, despite a 16 per cent increase in the number of FOI access requests received. The department received more than 8000 access requests in 2010–11, compared to almost 7000 in 2009–10. The total number of requests received in 2010–11, including amendment requests, was 11 725, which is a small increase on the 11 500 requests received in 2009–10.

Further information in compliance with section 8 of the FOI Act can be found at Appendix 3.

Client service excellence

Improving client service delivery

The department remains committed to ensuring that client needs are central to the delivery of client services. In 2010–11, a number of major projects and continual business improvements were undertaken as part of the Client Services Transformation Strategy, all with the common goal of improving the way services are delivered to clients.

Client Services Transformation Strategy

The Client Services Transformation Strategy is a critical element of the department's transformation and aims to improve the way services are offered to clients. In order to implement the strategy, projects have been delivered across four major channels:

- enhancements to online and self-help facilities
- expansion of the overseas service delivery partner arrangements
- development of the role of service centres
- changes to the provision and location of in-person services.

The new organisational architecture and global operating structure for clients services was also completed in 2010–11. The final global manager positions were established in late 2010, leading to the service delivery network being managed by 13 global managers located in departmental offices across Australia. Each global manager is accountable for the end-to-end delivery of their global business line.

Enhancing online services

In 2010–11, the department conducted a strategic review of its web presence in order to understand how best to respond to the changing information needs of clients. The recommendations from the review have identified a number of opportunities for targeted web service enhancements, which will improve the client experience in using our online services.

The department also introduced a range of enhancements to its Visa Wizard and eVisa products, providing clients with increased functionality. These enhancements are expected to increase client uptake of the department's online facilities.

Expanding service centre capability

During 2010–11, the department implemented a number of initiatives to improve the quality and range of services provided by service centres. One of these initiatives was the successful introduction of an oral visa application for clients applying for a Resident Return visa. While verbal lodgement of a visa application is currently restricted to returning residents, the program is intended to be a pilot to gauge benefits for clients and costs to the department. It is anticipated that findings will show that this additional lodgement channel complements existing online services, offering an alternative lodgement option for clients who have limited access to the internet, and improving processing efficiency.

The ability for clients to change their address details by telephone was also launched in late 2010, improving convenience and efficiency for both clients and the department.

Expansion of overseas service delivery arrangements

In 2010–11, the department continued to deliver on the government's commitment to expand the collection of fingerprints and facial images overseas. These measures were announced on 23 February 2010 by the Prime Minister as part of the government's release of the *Counter Terrorism White Paper*.

In December 2010, phase one of the Biometrics in Offshore Visa Processing Program began. This phase involves using existing United Kingdom Border Agency (UKBA) service delivery partner arrangements for the provision of visa application lodgement and biometric collection services.

This body of work has since been implemented in 15 countries—Bahrain, Bangladesh, France, Jordan, Kenya, Kuwait, Lebanon, Malaysia, Oman, Qatar, Saudi Arabia, Sri Lanka, United Arab Emirates, Yemen and Zimbabwe. As a result, 18 Australian Visa Application Centres collecting fingerprints and facial images are now in operation.

This program is consistent with the government's commitment to stronger border security. It also improves visa processing and identity management procedures through the use of new technology and leveraging strategic partnering arrangements.

Improving in-person services

Improving how we interact with clients in person are offered has been a major focus for the department's client services area. At the same time the department is progressively transitioning clients to other service channels as an increasing number of services become available through the internet and phone.

Changes and improvements to how we deliver in-person services in 2010–11 have involved a restructuring of departmental processes, with the goal of increasing visa processing expertise in each office, focusing on integrity and decision accuracy in departmental programs.

Further onshore visa and citizenship processing changes occurred during 2010–11, as well as the closure of the Gold Coast Regional Office and a review of operations at the ACT and Regions, Darwin and Dandenong offices.

Improving performance reporting and quality management

These projects have been further supported with significant performance gains across the Client Services Group. Many of these improvements can be attributed to a range of activities such as business process mapping and analysis of existing application processing procedures and practices. These enable the department to better understand the costs and effort required to finalise applications.

A key focus for the department's business has been the development of a consistent approach to quality assurance across the service delivery network. Through the development of a quality assurance framework designed to cater for a global environment, the department can further deliver on its commitment to improve client services and integrity, while also improving its efficiency and consistency.

Client experience

To ensure that clients are placed at the centre of all the department's work, the department continued to measure client satisfaction in the second half of 2010 through phase two of the Client Experience Program.

The survey comprised a combination of qualitative and quantitative research, including an online survey of 8444 clients, 500 telephone surveys and 100 in-depth interviews. Results were positive and largely consistent with the findings of phase one and similarly structured client satisfaction surveys conducted since 2007.

The survey results revealed that client satisfaction remained high, with 80 per cent of clients reporting they were satisfied with the department's services overall. Clients also expressed high levels of satisfaction with the service delivery channel (phone, online or in-person) that they had used most recently. Across all channels, clients also reported high levels of satisfaction with staff courtesy and helpfulness.

The department's online services continued to perform highly, with 91 per cent of clients reporting they were satisfied with the online application process and 93 per cent of clients indicating they would use the service again. Clients also indicated high levels of satisfaction with the department's website, with 90 per cent of clients stating they were satisfied, or very satisfied with this service. The survey results also provided information about the reasons why clients contact us across the different channels and we are using this information to enhance our services.

Client feedback

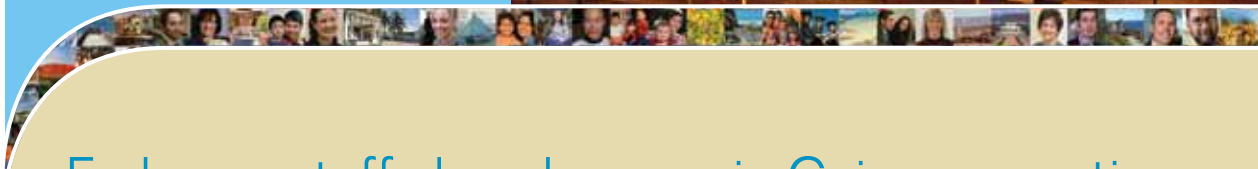
The department remained committed to ensuring that clients are aware of their right to complain or provide feedback. Clients are encouraged to provide feedback in a variety of ways including through the compliments and complaints link on the department's website, leaflets, posters and comment cards. Information brochures are also displayed in client service areas and in the client areas of airports. Information on the feedback handling process is also included with client correspondence and decision records.

The Global Feedback Unit, established to centrally receive, track and respond to feedback, continued to assist staff and clients by providing valuable support in managing and handling feedback. Through the centralised recording and active management of feedback, the department is able to identify systemic issues and trends and service shortfalls and overcome barriers to achieving good client service outcomes within established service standards.

Client feedback recorded by the Global Feedback Unit decreased by six per cent to 16 529 in 2010–11, from 17 580 in 2009–10. Compliments (4672) and suggestions (2055) decreased by 15 per cent and 11 per cent respectively, while complaints (8197) increased by two per cent. The remaining 1605 items of feedback included general enquiries and dob-ins.

Monthly statistical and performance reporting is provided to all business areas, overseas posts and global manager networks to assist with the provision of improved client service models.

Case study



Embassy staff show bravery in Cairo evacuation

As acting principal migration officer at the Australian Embassy in Cairo, Ms Mary Antoniou is used to applying a flexible approach to changing work conditions.

But nothing could have quite prepared her for the revolutionary events in Cairo in early 2011.

'I first realised something was seriously wrong when phone and internet access was completely cut off. Later, I walked down the main street near my home and witnessed a clash between protestors and police, resulting in the use of tear gas,' Ms Antoniou said.

'The next day, law and order had completely broken down. People had formed vigilante groups to protect their homes and belongings and police had disappeared from the streets.'

'Embassy staff soon established there were about 300 Australian citizens who needed to be evacuated from Cairo. As the only person with departmental systems access I was constantly running between the embassy and the hotel next door—where the other staff and I had to stay,' Ms Antoniou said.

'Travel around Cairo had become dangerous and embassy staff had to work without security under increasingly unstable conditions. We all worked very long hours but managed to assist those citizens and their families who got through the road blocks to fly out on specially chartered Qantas flights.'

'There were many cases which required lateral thinking. We had citizens whose babies had never been registered and who had no documentation; citizens whose spouses did not have a spouse visa and citizens arriving with extended family members who did not have visas,' Ms Antoniou said.

Immigration and other embassy staff demonstrated their commitment and ability to get the job done in a very challenging environment.

Photo: Chaos on the street made it unsafe for embassy staff during the disturbances in Cairo.

Photographer: Dan H/Darkroom Productions

Purchaser/provider arrangements

The department has arrangements in place with the Department of Foreign Affairs and Trade (DFAT) and Austrade for the provision of management services at overseas posts.

The service level agreements (SLAs) remove the potential for duplication of administrative services and support an efficient, whole-of-government use of resources overseas. The SLAs detail the provision of management services, agency responsibilities, performance indicators and cost recovery arrangements. Management services include personnel, office, property and financial services.

The department's previous agreement with DFAT started in September 2007 and applied until 30 June 2011. Interim agreements have been signed for 2011–12 with DFAT and until 30 September 2011 with Austrade. Negotiations for long-term SLAs with both DFAT and Austrade are in progress.

The department pays global service fees to DFAT and Austrade for delivering services to DIAC staff. The fees are based on the department's portion of the cost of DFAT/Austrade providing locally engaged staff, incidental costs and the administrative costs of implementing DIAC programs. The department's total 2010–11 SLA costs were \$5 624 751 (DFAT) and \$630 514 (Austrade).

Productivity

The department continuously seeks to improve how productively it delivers programs and services across the entry and settlement of people.

In particular, the service delivery network's performance framework includes a range of indicators that measure performance across people, business, client and finance areas. In addition to tracking productivity in activity-generating areas such as visas and citizenship, the department regularly reviews and improves its business processes to ensure that services are delivered efficiently and consistently.

In 2010–11, the department's transformation program continued to improve the productivity of the department's internal business services, such as financial, learning and development, human resources, information technology and legal services, as well as improve productivity in client service delivery through the Client Services Transformation Strategy.

There are a number of critical correlating factors that influence productivity, including staff engagement and levels of unscheduled absence. In 2010–11, there was a reduction in unscheduled absences and an increase in staff satisfaction (evident in the 2011 staff survey results). This ensures the department is well positioned to continue building on staff productivity.

More information about the staff survey is on Page 286 and more information about unscheduled absence management is on Page 298.

Management of human resources

Workforce planning, staff retention and turnover

The department is committed to ensuring it has a well trained and supported workforce through attracting, recruiting and retaining motivated staff and creating opportunities for advancement and development.

The department has integrated workforce and business planning to allow senior managers to have stronger linkages between resources and business outcomes within their planning responsibilities. The department's strategic plan is developed by the senior executive and this then provides guidance on business outcomes and priorities for divisions and global managers. Planning at branch level and units within the global manager business lines (such as state offices or offshore posts), provides the assurance for divisional outcomes and includes performance indicators. These indicators are used in individual performance agreements within branch teams to ensure a direct link between each employee and the department's priorities within the strategic plan.

Departmental employees are located across each state and territory and 68 overseas posts. At 30 June 2011, the department employed 7885 ongoing and non-ongoing staff. There were 3144 staff in National Office, 4579 in state and territory offices and 162 staff providing services overseas comprising 130 Australia-based staff at overseas posts, 18 airline liaison officers, 10 employees on short-term missions and four employees in Papua New Guinea working as part of the whole-of-government Strongim Gavman Program. The department employed an additional 994 locally engaged employees in overseas locations, who are administered by DFAT on the department's behalf.

The department's workforce consists of:

- 92.8 per cent ongoing employees and 7.2 per cent non-ongoing employees, showing an increase of non-ongoing employees from the June 2010 results
- 87.2 per cent full-time employees and 12.8 per cent part-time employees, which shows a decrease in part-time staff compared to the June 2010 results of 86.3 per cent (full-time) and 13.7 per cent (part-time)
- a high proportion of female employees with 62.3 per cent female ongoing staff compared to 57.7 per cent in the wider Australian Public Service (APS).

The average age of ongoing employees is 40.4 compared to the APS median of 42. The age and gender profile of the department's workforce is shown in Table 73.

Table 73: Age and gender profile

Gender	Department of Immigration and Citizenship	Australian Public Service
Female	40.1	41
Male	41.9	44
Average age	40.4	42

Note: APS averages from the *State of the Service Report 2010*.

Staffing statistics

The department continues a trend of low staff turnover with a voluntary separation rate of 6.2 per cent for ongoing employees in 2010–11 compared to 4.4 per cent in 2009–10. This figure includes employee-initiated separations and ongoing transfers to other APS agencies.

Similarly, the department's total separation rate for ongoing staff continues a decreasing trend. The 2010–11 rate of 6.6 per cent is consistent with 6.4 per cent across the APS.

At 30 June 2011, the department had 8879 employees, including locally engaged employees (who are administered by DFAT on the department's behalf), representing an increase from 2009–10.

Table 74 and Table 75 show the staffing profile by classification, full-time or part-time status and gender for the past two years. Table 76 shows the numbers of SES staff for the past two years and Table 77 shows the staffing profile by location for the past two years.

Table 74: Staffing levels by classification (as at 30 June 2011)

Classification	Ongoing						Non-ongoing ¹						Overall result ²
	Ongoing full-time			Ongoing part-time			Non-ongoing full-time			Non-ongoing part-time			
	Male	Female	Result	Male	Female	Result	Male	Female	Result	Male	Female	Result	
Cadet	1	5	6	0	0	0	0	0	0	0	0	0	6
Graduate	21	27	48	0	0	0	0	0	0	0	0	0	48
APS Level 1	4	2	6	4	1	5	1	1	2	3	1	4	17
APS Level 2	4	2	6	5	6	11	10	28	38	0	0	0	55
APS Level 3	198	334	532	19	83	102	62	169	231	3	6	9	874
APS Level 4	489	808	1 297	24	189	213	26	69	95	0	3	3	1 608
APS Level 5	415	728	1 143	18	194	212	23	29	52	1	2	3	1 410
APS Level 6	627	833	1 460	25	180	205	24	39	63	5	1	6	1 734
Executive Level 1	577	637	1 214	11	149	160	23	8	31	5	2	7	1 412
Executive Level 2	207	199	406	8	26	34	1	2	3	1	0	1	444
Medical Officer 2	3	0	3	0	5	5	0	0	0	1	0	1	9
Medical Officer 3	1	1	2	1	1	2	0	0	0	0	0	0	4
Medical Officer 4	1	0	1	0	0	0	0	0	0	0	0	0	1

1. Non-ongoing figures include irregular/intermittent staff.

2. Results exclude locally engaged employees.

Note: Figures are actual classifications which includes people acting as at 30 June 2011.

Table 74: Staffing levels by classification (as at 30 June 2011) *continued*

Classification	Ongoing						Non-ongoing ¹						Overall result ²
	Ongoing full-time			Ongoing part-time			Non-ongoing full-time			Non-ongoing part-time			
	Male	Female	Result	Male	Female	Result	Male	Female	Result	Male	Female	Result	
Public Affairs Officer 1	1	2	3	0	0	0	2	1	3	0	0	0	6
Public Affairs Officer 2	5	4	9	0	0	0	1	0	1	0	0	0	10
Public Affairs Officer 3	5	9	14	0	1	1	0	1	1	0	0	0	16
Senior Public Affairs Officer	2	2	4	0	0	0	0	0	0	0	0	0	4
Legal Officer	5	10	15	0	1	1	3	4	7	0	0	0	23
Senior Legal Officer	17	23	40	1	12	13	0	0	0	0	0	0	53
Principal Legal Officer	4	9	13	0	2	2	0	0	0	1	0	1	16
SES Band 1	56	41	97	0	2	2	0	0	0	1	0	1	100
SES Band 2	18	7	25	0	1	1	2	0	2	0	0	0	28
SES Band 3	3	2	5	0	0	0	0	0	0	1	0	1	6
Secretary	1	0	1	0	0	0	0	0	0	0	0	0	1
Total	2 665	3 685	6 350	116	853	969	178	351	529	22	15	37	7 885

1. Non-ongoing figures include irregular/intermittent staff.

2. Results exclude locally engaged employees.

Note: Figures are actual classifications which includes people acting as at 30 June 2011.

Table 75: Staffing levels by classification (as at 30 June 2010)

Classification	Ongoing						Non-ongoing ¹						Overall result ²
	Ongoing full-time			Ongoing part-time			Non-ongoing full-time			Non-ongoing part-time			
	Male	Female	Result	Male	Female	Result	Male	Female	Result	Male	Female	Result	
Cadet	1	3	4										4
Graduate	6	19	25										25
APS Level 1	3	3	6	7	2	9	4	2	6	2		2	23
APS Level 2	12	11	23	5	3	8	13	26	39		1	1	71
APS Level 3	146	320	466	22	100	122	69	168	237	1	5	6	831
APS Level 4	454	761	1 215	22	193	215	18	39	57		4	4	1 491
APS Level 5	380	639	1 019	23	166	189	6	15	21		4	4	1 233
APS Level 6	541	722	1 263	21	164	185	10	8	18	2	2	4	1 470
Executive Level 1	500	529	1 029	18	136	154	24	4	28	3	1	4	1 215
Executive Level 2	195	168	363	3	18	21	2	3	5				389
Medical Officer 2	3		3	1	5	6							9
Medical Officer 3	1	1	2	1	2	3							5
Medical Officer 4	1	1	2										2

1. Non-ongoing figures include irregular/intermittent staff.

2. Results exclude locally engaged employees.

Note: Figures are actual classification which includes people acting as at 30 June 2010.

Table 75: Staffing levels by classification (as at 30 June 2010) *continued*

Classification	Ongoing						Non-ongoing ¹						Overall result ²
	Ongoing full-time			Ongoing part-time			Non-ongoing full-time			Non-ongoing part-time			
	Male	Female	Result	Male	Female	Result	Male	Female	Result	Male	Female	Result	
Public Affairs Officer 1		2	2				3		3				5
Public Affairs Officer 2	5	4	9										9
Public Affairs Officer 3	4	10	14		1	1							15
Senior Public Affairs Officer	2	1	3				1		1				4
Legal Officer	7	6	13				2	5	7		1	1	21
Senior Legal Officer	16	19	35	3	9	12	1		1				48
Principal Legal Officer	2	9	11		2	2							13
SES Band 1	51	34	85		1	1				2		2	88
SES Band 2	11	7	18		1	1	3		3				22
SES Band 3	2	1	3							1		1	4
Secretary	1		1										1
Total	2 344	3 270	5 614	126	803	929	156	270	426	11	18	29	6 998

1. Non-ongoing figures include irregular/intermittent staff.

2. Results exclude locally engaged employees.

Note: Figures are actual classification which includes people acting as at 30 June 2010.

Table 76: Senior Executive Service

Actual classification	2009–10			2010–11		
	Male	Female	Total	Male	Female	Total
SES Band 1	53	35	88	57	43	100
SES Band 2	14	8	22	20	8	28
SES Band 3	3	1	4	4	2	6
Total	70	44	114	81	53	134

Note: Figures include people acting as at 30 June.

Table 77: Staffing levels by location (headcount)

Location	As at 30 June 2010	As at June 30 2011
National Office	2 752	3 144
New South Wales	1 369	1 516
Victoria	1 021	1 129
Queensland	435	507
South Australia	429	460
Western Australia	521 ¹	645
Tasmania	134	147
Northern Territory	67	131
ACT and regional offices	116	44
Overseas (Australia-based staff)	125	130
Overseas (other)	29 ²	32 ³
Australia total	6 998	7 885
Overseas (locally engaged employees) ⁴	1 001	994
Total	7 999	8 879

1. Figure includes staff located on Christmas Island.

2. Figure includes 19 airline liaison officers, six employees on short-term missions located overseas and four employees in Papua New Guinea as part of the whole-of-government Strongim Gavman Program.

3. Figure includes 18 airline liaison officers, 10 employees on short-term missions located overseas and four employees in Papua New Guinea as part of the whole-of-government Strongim Gavman Program.

4. Locally engaged employees are staff administered by the Department of Foreign Affairs and Trade on behalf of the department. Figures are at 1 July of the respective year.

People management initiatives

DIAC People Strategy

The *DIAC People Plan 2008–11* represents the highest level of strategic human resources and learning and development planning in the department, providing an overarching direction for the development of people management initiatives.

Initiatives and deliverables in the plan have been assessed against specific performance measures, with regular reporting to the People and Values Committee and the Executive Committee.

The department's *People Strategy 2011–14* has been developed and will be launched in September 2011 to replace the current *DIAC People Plan 2008–11*. The strategy continues our commitment to a well-led, sustainable, engaged and high performing workforce to support the achievement of our goals. The strategy is supported by an implementation plan that outlines how our key people priorities will be achieved over the next three years. The implementation plan will be reviewed and updated annually.

Talent management

The department's aim is to strategically leverage workforce capability within the department to realise business priorities through the integration of current and future workforce management processes. This is referred to as integrated talent management. Integrated talent management will better enable employees to realise their career goals within the department while providing workforce leaders with the tools to maximise the strengths of their employees. The broad aims of the integrated talent management approach are higher productivity, higher employee engagement and more efficient resource allocation.

In 2011, a number of elements of the department's integrated talent management approach will be developed within the department including succession planning, career pathways and departmental-specific leadership and graduate strategies. These elements will build connections between our current planning, attraction, recruitment, performance management and development programs and processes. All elements will be consistently linked to the current strategic plan and people strategy.

Engagement surveys

The long-term success of the department's people strategy and the integrated talent management approach will be partly measured through improvements in employee engagement.

The department uses a number of employee engagement tools to measure its effectiveness in managing and developing human resources to achieve departmental outcomes. For example, the 2011 DIAC Staff Survey provided an overview of:

- employee opinion of leadership skills in the department
- the levels of understanding employees have about their current job objectives
- whether employees experience formal and informal performance discussions with their supervisors.

Following the release of the results, senior managers hold action planning sessions with their staff to discuss the results and agree on strategies to create positive change in the workplace.

Workplace diversity

In March 2011, the department launched the *Workplace Diversity Strategy 2011–13* and a supporting implementation plan. The department is committed to creating a workforce that is representative of the broader community and to implementing actions that will optimise opportunities for all Australians to actively participate in employment.

Initiatives within the strategy and plan focus on attraction and recruitment tactics to increase the workforce representation of Indigenous Australians and people with disability as priorities. A number of development programs also concentrate on the retention of employees from these identified groups.

Specific strategies seek to create a more inclusive workplace and include initiatives to address work/life balance issues, gender equality, the needs of people from culturally and linguistically diverse backgrounds, and ensure inter-generational understanding and cohesion.

During 2010–11, the department continued to work closely with employee networks, promoting the existing Indigenous Employee Network and the newly created Staff with Disability Network. Network members consult on relevant projects, policy and workplace diversity initiatives to further build capability.

The department continues its membership of the Diversity Council of Australia and the Australian Network on Disability. In addition, our accreditation as a breastfeeding friendly workplace has been maintained across the organisation.

Reconciliation Action Plan

The department's vision is to work in partnership with Aboriginal and Torres Strait Islander peoples to develop business practices that support Indigenous people to have the same social and economic opportunities as other Australians.

The reconciliation agenda has been progressed formally in the department since 2008, through the practice of acknowledging country, by inviting an elder to make a Welcome to Country at official forums, and through the celebration of significant events such as NAIDOC Week and National Reconciliation Week.

To further formalise and integrate reconciliation action across the organisation, the department developed the *Reconciliation Action Plan 2010–2012* (RAP) in consultation with a staff representative working group.

The plan was launched in Canberra on 1 March 2011. The launch featured video footage of staff perspectives on reconciliation, a formal Welcome to Country conducted by Ngunnawal elder Aunty Ruth Bell and speeches by Dr Tom Calma, Aboriginal elder from the Kungarakan tribal group, a member of the Iwaidja tribal in the Northern Territory and Reconciliation Australia Board Member, and senior departmental staff.

Case study



Plan of action on reconciliation

Indigenous cadet at the department, Ms Clementine Pickwick believes a shared understanding and knowledge of Indigenous culture and history is the only way to move towards a united Australia.

'I'm so proud of the department's work towards reconciliation. The department's investment in the development of a Reconciliation Action Plan (RAP) and Indigenous cultural awareness training is important,' says Clementine.

The department's RAP was launched in March 2011 and outlines the department's commitment to developing business practices that support Indigenous people to have the same social and economic opportunities as other Australians.

The RAP was developed in consultation with Indigenous and non-Indigenous employees and external stakeholders and seeks to create mutually beneficial relationships with Aboriginal and Torres Strait Islander peoples.

This will be done by building a culturally diverse workforce, informing new Australians of the unique history and culture of Indigenous Australian peoples and contributing to closing the gap in Indigenous disadvantage through the provision of increased employment opportunities.

Speaking at the launch, Mr Torres Webb, a movement monitoring officer based in the Torres Strait said it was great to meet colleagues involved in the plan's development. 'I am proud of the plan—it's an important tool in promoting equality and respect between Indigenous and non-Indigenous departmental employees,' Torres said.

Torres says it is essential the RAP is not a tokenistic document, but a living, working document that is reviewed and updated when needed, and used regularly by staff.

To ensure the initiatives outlined in the RAP are implemented, a group of committed staff have been selected as Reconciliation Ambassadors to work with departmental staff to progress the plan's action and provide bi-annual reports to the secretary and staff, as well as an progress report to Reconciliation Australia.

This will ensure the department meets its commitment, among others, to increase the number of Indigenous employees from its current 0.9 per cent to 2.7 per cent by 2015 under the National Partnership Agreement on Indigenous Economic Participation.

Photo: Secretary Andrew Metcalfe joins (L–R) Dr Tom Calma, Co-Chair, Reconciliation Australia, Aunty Ruth Bell, Ngunnawal elder, Professor Mick Dodson, Board Member, Reconciliation Australia, Bob Correll former Deputy Secretary and Leah Armstrong, CEO Reconciliation Australia at the launch of the department's Reconciliation Action Plan.

Since the plan's launch, the following activity has been undertaken against three key areas:

Relationships

Following an internal expression of interest process, 18 reconciliation ambassadors have been appointed to assist with the delivery of reconciliation action in state and territory offices. A series of reconciliation activities were staged in all state, territory and national offices to celebrate National Reconciliation Week in May 2011. The department also developed a range of promotional materials that recognised the contributions of Indigenous employees, and many of these were showcased during National Reconciliation Week.

Activities undertaken to promote the role and benefits of the Indigenous Employee Network have been positive, resulting in an increase in network membership.

Respect

Options for the delivery of Aboriginal and Torres Strait Islander cultural awareness and respect training have been researched and evaluated. A strategy to deliver this training to employees includes a phased approach over three years.

A guideline for the use of Welcome to Country and Acknowledgement of Country has been developed and will be made available on the department's intranet to increase awareness and understanding of the significance of these cultural protocols for all employees.

The Australian Citizenship Ceremonies Code has been updated to include further reference to resources regarding Welcome to Country and Acknowledgement of Country practices. At departmental citizenship ceremonies, both Welcome to Country and Acknowledgement of Country protocols are included. External bodies are also strongly encouraged to incorporate Indigenous elements into their citizenship ceremonies.

National Office staff are working with state and territory offices to facilitate the display of Aboriginal and Torres Strait Islander flags, appropriate acknowledgement of Indigenous artwork, and the naming of meeting rooms to reflect an Indigenous cultural focus.

Opportunities

Building on the Indigenous Employment Strategy developed in 2010, work has begun on a series of initiatives to attract and recruit Aboriginal and Torres Strait Islander employees to the department. The department has boosted its commitment to the Australian Public Service Commission (APSC) Indigenous Pathways Program in 2012, seeking to increase the number of graduates and cadets to be placed in the organisation, and to host Indigenous trainees for the first time. Indigenous employees are encouraged to participate in APSC Indigenous workshops and attend networking and development opportunities through internal communication channels.

The Workplace Diversity Strategy 2011–13 and supporting *Implementation Plan* identify Indigenous Australians as a priority for attention, and include strategies to redress the downward trend in employee workforce representation.

Impact and features of enterprise or collective agreements, determinations, common law contracts and AWAs

Enterprise agreement

The DIAC Enterprise Agreement 2010–11 nominally expired on 30 June 2011. It provided for an annualised salary increase of three per cent and other improved working conditions in return for increased productivity. This increased productivity is linked primarily to an increase in the length of the standard working day, a streamlined under-performance management framework, arrangements to reduce annual leave liability, and continued management of unscheduled absence.

During the first half of 2011, the department actively negotiated the terms of a new Enterprise Agreement (EA) proposal with the Community and Public Sector Union (CPSU), the Media, Entertainment and Arts Alliance, and 12 individual bargaining agents in consultation with staff throughout the development process.

Consistent with the Australian Public Service Bargaining Framework, the EA proposal provided for an annualised average salary increase of no more than three per cent with a nominal expiry date of 30 June 2014. The proposal also sought to implement a range of productivity improvement measures and enhance a number of conditions of employment. The EA package, however, was not supported by the CPSU on the primary basis of pay. A ballot of eligible staff on the EA was conducted over the period 20–24 June 2011, and 65 per cent of the staff who voted did not support its terms. A total of 75.8 per cent of eligible staff participated in the ballot. The department quickly re-commenced discussions with bargaining representatives on the terms of another EA proposal.

Enterprise agreement and individual employment arrangements

The current *DIAC Enterprise Agreement 2010–11* provides for flexible remuneration arrangements. Table 78 shows the department's salary range by classification level. The range reflects what is available under both the enterprise agreement and individual flexibility arrangements. Appendix 1 provides a breakdown of salary ranges within each level.

Table 78: Salary ranges for employees as at 30 June 2011

Classification	Range of salaries
APS Level 1	\$13 835 – \$42 621
APS Level 2	\$43 492 – \$48 379
APS Level 3	\$49 537 – \$60 768
APS Level 4	\$55 210 – \$67 548
APS Level 5	\$61 582 – \$97 224
APS Level 6	\$68 168 – \$98 359
Executive Level 1	\$85 181 – \$124 488
Executive Level 2	\$98 214 – \$243 596
SES Band 1	\$132 590 – \$201 869
SES Band 2 / SES Band 3	\$194 981 – \$500 000

Note: Classifications such as medical officers, public affairs officers and legal officers have been reported under the relevant APS classification in accordance with the Public Service Classification Rules 2000.

Salary ranges reflect the *DIAC Enterprise Agreement 2010–2011* and employees on individual agreements.

The Executive Level 2 classification category also includes salaries for the relevant medical officer classification as per the Public Service Classification Rules, 2000.

Individual arrangements

A number of staff are on section 24(1) determinations under the *Public Service Act 1999*, or individual flexibility arrangements or supplementary remuneration arrangements pursuant to clauses 10.7 and 1.34 respectively of the *DIAC Enterprise Agreement 2010–11*.

Table 79: Number of departmental employees on individual arrangements as at 30 June 2011 (nominal)

Classification	Employees on section 24(1)s	Employees on individual flexibility arrangements	Employees on supplementary remuneration arrangements	Total
APS Level 3				
APS Level 4		2	6	8
APS Level 5		5	4	9
APS Level 6		7	13	20
Executive Level 1		24	69	93
Executive Level 2		8	70	78
SES	94			94
Total	94	46	162	302

Other non-salary benefits

The range of benefits, other than base salary, provided to employees under the department's enterprise agreement and individual employment arrangements include:

- flexible working arrangements including flextime, flexible time-off arrangements, variable working hours, part-time employment, job sharing and home-based work
- flexible leave such as maternity leave, adoption leave, parental leave, purchased leave, annual leave, half-pay annual leave, ceremonial leave, personal leave, compassionate leave, defence reserve leave, emergency duty with state emergency services leave, jury leave and study leave
- carers' rooms
- access to the Employee Assistance Program (EAP)
- salary packaging
- a range of allowances including community language allowance, first aid officer allowance, volunteer allowance and departmental liaison officer allowance.

Performance pay

The department no longer pays performance pay. The last payments for performance-based pay were made in 2009–10.

Case study



Never a boring day

2011 Public Service Medal recipient Ms Kristine Cala said that after more than 20 years working for the department, she has never had a day where she was bored.

'There's diversity and intrinsic value in the work that we do. Wherever you're employed in the department, you're helping to build Australia,' Ms Cala said.

Most recently Ms Cala was the Principal Migration Officer in New Delhi. While working in that post, student visa holders' safety in Australia and the integrity of the student visa program became a dominant issue.

'Every single day we were dealing with unrelenting scrutiny on the work of the department. Notwithstanding the pressure, it was a good experience not only dealing with the issues and improving the department's own business but it was also good to work with other agencies on a whole-of-government response,' she said.

Ms Cala said she was initially attracted to working at the department because she thought she might be able to put her talent for languages to good use.

'Also, my father was a post-World War II migrant from Poland, so the work had resonance for me. I'm a product of the department's daily business.'

Her first role with the department perhaps foreshadowed her future postings to Belgrade, Paris and New Delhi.

'My first job was as a graduate in the client facilities section. We looked after property issues for overseas posts, for example, if they needed office refurbishment or new equipment,' she said.

The Public Service Medal recognises outstanding service by employees of the Australian Government and state, territory and local government employees.

Ms Cala found out she was nominated for the award after receiving an unexpected letter in the mail.

'Obviously I was delighted but it was also unexpected because there are so many people in the department who do a great job,' she said.

Photo: Minister for Immigration and Citizenship Chris Bowen MP and Secretary Andrew Metcalfe congratulate PSM recipient Ms Kristine Cala.

Rewards and recognition

Providing positive feedback to staff and recognising their achievements is an important part of the department's culture and business practice. The department's Reward and Recognition Scheme provides a framework to acknowledge and reward staff for achieving corporate goals.

Individual and team achievements are also recognised through a number of internal and external awards. These include the secretary's citations, certificates of appreciation, length of service certificates, Australia Day awards, and awards for client service excellence and outstanding leadership. External awards include the Order of Australia, the Public Service Medal, The Institute of Public Administration Australia (IPAA) Awards, and the Expand Executive Assistant and Personal Assistant of the Year Award.

The department's Australia Day awards recognise the outstanding achievements of staff in leadership roles and staff who improve the quality of departmental services, working environment and management. A list of staff and teams who received an Australia Day award is at Appendix 7.

The bi-monthly Secretary's Award for Client Service Excellence recognises a member of staff or a team for service excellence on the basis of positive client feedback.

In 2011, the Secretary's Leadership Challenge award was introduced to reward and nurture emerging and outstanding leadership of staff within the department. The Secretary's Leadership Challenge was created to support one of the department's strategic themes—well trained and supported staff.

Training and development undertaken and its impact

As part of the broader Business Services Transformation program, Global Learning and Change Branch now provides access to globally consistent learning products, regardless of where staff are located. Implemented under the Learning and Development Framework, the Global Integrated Curriculum (GIC) consists of four streams of learning, using a range of methodologies on-line, face-to-face and in the workplace. The four streams are:

- learning for new employees
- core/foundation learning
- role-specific training
- leadership and management development.

Global learning works collaboratively across the department to achieve significant workplace outcomes. In 2010–11, the branch continued to invest in and implement new initiatives to deliver training to staff deployed to meet the challenges of working with the current irregular maritime arrivals caseload.

In November 2010, the eLearning team received the eLearning achievement award at the Australian Institute of Training and Development National Training Excellence Awards ceremony for *Document Examination: Principles and Application*, developed in collaboration with the Identity Branch.

Occupational health and safety

Health and safety management arrangements

The department is committed to providing a safe and healthy work environment for staff, contractors and visitors. This commitment is also reflected in the department's Health and Safety Management Arrangements developed in consultation with staff and their representatives as required under the *Occupational Health and Safety Act 1991* and endorsed by the secretary on 14 September 2008.

All departmental staff were invited to provide feedback on these arrangements, as part of a formal review, which was completed in May 2011 and resulted in some minor changes.

Injury prevention and management

The *Injury Prevention and Management Plan 2010–2012* was endorsed in May 2010 and forms the basis for a range of initiatives aimed at improving the department's injury prevention and management performance.

The plan builds on the success of the previous plan and places ownership of occupational health and safety on staff at all levels of the department. The plan also demonstrates the department's commitment to continuous improvement in injury prevention and management.

In recognition of its efforts in this area, the department has also been named as a finalist in the 2011 Safety, Rehabilitation and Compensation Council's (SRCC) National Awards in the category of Leadership in Injury or Disease Prevention and Management.

Health and safety representatives

Under section 24 of the *Occupational Health and Safety Act 1991*, designated work groups are established whenever the department moves into new office locations. Nominations are sought for health and safety representatives as vacancies are identified.

Occupational health and safety training

Occupational health and safety (OHS) training was provided as part of mandatory orientation programs for all new departmental staff. The Foundations of Supervision and Leadership training program, delivered to new supervisors and managers nationally, also contains a module on injury prevention and management.

Specialised OHS and rehabilitation training was also provided as a component of various role-based training sessions in the department including, the Overseas Training Course, Compliance Officer training and subclass 457 Visa Monitor Officer training. An OHS module has also been included in the Removals Officer training course, which will be introduced in 2011–12.

Health and safety committees

In line with legislative requirements to consult with staff and their representatives on OHS issues, the department convenes quarterly meetings of health and safety committees in all national, state and territory offices and as well as immigration detention facilities. Key OHS issues are referred to the National OHS Committee, which met four times during 2010–11.

Health, safety and wellbeing

To promote health, safety and wellbeing, the department delivered a range of services and activities in 2010–11 including:

- a national influenza vaccination program, with more than 2000 staff vaccinated nationally
- health and wellbeing activities during Safe Work Australia Week including displays in departmental offices, wellbeing seminars delivered by the department's EAP provider and a national fun walk in various states and territories
- the running and presentation of the annual departmental Health and Safety Awards
- the National Walk@Work program, delivered in partnership with the Australian Heart Foundation
- rehabilitation services to reduce the human and financial costs of work-related and non-work-related injury and illness
- the EAP and support services to provide employees with confidential and professional counselling assistance
- eyesight testing for screen-based activities
- ergonomic workstation assessments and ergonomic office furniture
- training for all new health and safety representatives
- first-aid kit refreshers and training for first-aid officers
- a new resilience program.

Health and safety outcomes

The department's Comcare premium decreased to \$4.5 million for the 2010–11 premium year. This result reflects a reduction in the department's claims frequency—the number of claims per million dollars of payroll. This reflects the department's successful management of claims and return to work processes associated with injury and illness.

The department has also adopted active, targeted approaches to high cost and/or complex claims and implemented a range of strategies underpinned by the *Injury Prevention and Management Plan 2010–12* to prevent injury and effectively manage employees' return to work following an injury.

During 2010–11, there was a decrease in the number of compensation claims submitted and accepted. However, due to increased departmental payroll, an increase in claim payments for all agencies in 2010, and an apparent increase in payments for departmental claims in 2010, the 2011–12 premium is likely to increase.

Mechanism of injury

The department, in consultation with Comcare, identifies actions, events and exposures that cause serious injury and disease. The mechanism of injury descriptors are based on a national classification system that assists with identifying injury trends and setting injury prevention performance targets.

Table 80: Three year summary of mechanism of injury for accepted claims

Accepted claims	2008–09 ^r	2009–10 ^r	2010–11
Falls, trips and slips	17	11	13
Hitting objects	5	1	0
Being hit by moving objects	0	2	6
Sound and pressure	0	1	0
Body stressing	29	35	29
Heat, electricity and other environmental	1	1	1
Chemicals and other substances	1	0	0
Biological factors	0	1	1
Mental stress	5	7	4
Other or unspecified	3	4	2
Total	61	63	56
Total (Australia-based staff)	7 027	6 998	7 885

r. Data as at 30 June 2011. Figures may vary from those published in previous annual reports.

The number of accepted claims decreased during 2010–11, despite the fact that the number of employees rose by 887.

Workers' compensation premium

The primary drivers of the department's compensation premium are claim frequency and time lost with the latter having the greater influence on total costs. During 2010–11, the department's premium decreased in terms of total dollar premium and as a percentage of payroll.

Table 81: Three year summary of Comcare premiums

	2008–09	2009–10	2010–11
Premium	\$6 437 473	\$5 996 181	\$4 516 719
Percentage of payroll	1.42	1.10	0.90
APS wide average percentage of payroll	1.36	1.25	1.20

Section 29 (Provisional Improvement) Notices

There were no Provisional Improvement Notices issued under section 29 of the *Occupational Health and Safety Act 1991*.

Section 41 Investigations

There were four investigations conducted by Comcare under section 41 of the *Occupational Health and Safety Act 1991*. These investigations pertained to the following matters:

- the department's management of the health and safety of detainees and the potential impact of existing arrangements on the health and safety of departmental employees and contractors
- the death of a client at the Scherger IDF on 17 March 2011
- the death of a client at the Curtin IDF on 28 March 2011
- an incident involving a forklift being used on the Scherger IDF site on 22 March 2011.

As an outcome of each investigation, the department will continue to address identified issues and take recommended actions in conjunction with Comcare, service providers and other stakeholders.

Section 45 (Workplace Not Be Disturbed) Directions

There were no 'do not disturb directions' issued under section 45 of the *Occupational Health and Safety Act 1991*.

Section 46 (Prohibition) Notices

There were no Prohibition Notices issued under section 46 of the *Occupational Health and Safety Act 1991*.

Section 47 (Improvement) Notices

There was one Improvement Notice issued under section 47 of the *Occupational Health and Safety Act 1991* issued on 1 April 2011, specifically in relation to the transfer of clients from Christmas Island to Villawood IDF.

Section 68 (Notification and Reporting of Accidents and Dangerous Occurrences)

During 2010–11, 194 incidents were notified to Comcare. This represents an increase from 2009–10 and reflects the particularly challenging detention operations environment being faced by the department. In 2010–11, the department notified six fatalities, all concerning clients in immigration detention facilities. Notifiable fatality refers to any death of an employee, contractor or member of the public in or on departmental premises.

In 2010–11, the department notified Comcare of 71 serious personal injuries. A serious personal injury refers to a work-related incident resulting in a person requiring emergency treatment by a registered medical practitioner, or treatment in a hospital as a casualty or admission to a hospital.

In 2010–11, the department did not record any prescribed incapacities. A prescribed incapacity refers to a work-related incident causing an employee to be incapacitated for 30 or more successive working days or shifts.

The department reported 117 dangerous occurrences to Comcare during 2010–11. A dangerous occurrence is an incident with the potential to cause serious personal injury, prescribed incapacity or death.

Support programs for staff

In accordance with the *Occupational Health and Safety Act 1991*, where it is known by an employer that an employee's health and safety may be at risk, the employer's primary obligation is to fulfil its 'duty of care' to that employee and to do everything practicable to ensure that the employee is not put at unnecessary risk and to limit the exposure that could be caused by the selection or placement of staff.

In further recognition of the importance of meeting these obligations, the department has implemented a 'Resilience and Self-Care Support' program for staff undertaking relatively long term deployments (three months or greater) to medium and high risk posts. The primary purpose of the program is to mitigate the health and safety risks associated with particular departmental roles and provide on-going support to staff undertaking these roles before, during and after deployment.

The program offers support and development to ensure the health and wellbeing of employees deployed to work environments such as irregular maritime arrivals, onshore detention and overseas operations. These work environments can be made challenging due to the remoteness of particular locations and the requirement for employees to be away from home and their usual support mechanisms. The program provides additional behavioural evidence about which employees are most likely to cope in such settings.

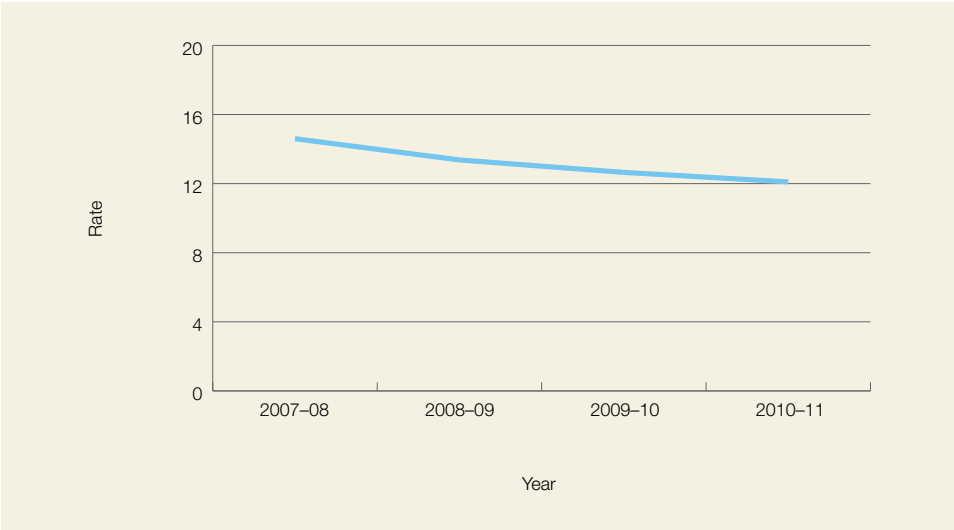
Each staff member who undertakes the resilience assessment has an individualised self-care plan developed which focuses on building resilience and maintaining health and emotional wellbeing while on deployment.

The implementation of the Resilience and Self-Care Support program has increased the capacity of the department to ensure that staff being deployed to demanding working environments are suitable for the roles involved and are provided with the best available support.

Unscheduled absence management

In March 2009, the secretary commissioned a national working group to address the department's high rate of unscheduled absences. Since that time, the department has made significant inroads into delivering its target of 11 days per person per year.

Figure 25: Unscheduled absence rate



The department has adopted a consistent, flexible and empathetic approach to the management of attendance. Initiatives focus on an early intervention model to enable managers to better support staff and promote a culture of attendance. Senior managers are provided with detailed quarterly absence reports which enable timely analysis of data to identify and address matters to better support staff.

Asset management

The department manages non-current assets with a gross book value of \$1.341 billion (net value of \$1.090 billion), the majority of these assets (\$0.724 billion) being administered property that supports the care and management of clients including irregular maritime arrivals in immigration detention. The department's main asset classes are land and buildings, leasehold improvements, plant and equipment and intangible assets (software).

During the 2010–11 financial year, the gross book value of land, buildings and software increased by \$0.213 billion. This increase was primarily due to:

- the annual asset revaluation process
- the successful completion of the *Systems for People* program
- the construction of additional detention facilities
- the accounting impact of the movement to a new data communication centre.

The department maintains its asset base through an annual capital plan which reflects government priorities and ongoing business requirements. The department monitors the management of this capital plan on a regular basis to ensure that planned capital expenditure reflects the department's business requirements.

The department undertakes an annual stocktake of its fixed assets and software, which is used to update and verify the accuracy of records and to review the condition and ongoing utility of its assets. The review includes a reassessment of useful lives and residual values. The outcomes of the process are considered by the Australian National Audit Office as part of their assessment of the annual financial statements.

The department's assets, including those leased under contract from various service providers, are maintained through specific maintenance programs.

Additional information on the value, acquisition and disposal of assets are available in the annual financial statements in Part 5 of this report.

Purchasing

The department's procurement policies are consistent with the provisions of the *Financial Management and Accountability Act 1997* and the *Commonwealth Procurement Guidelines* (CPGs). The Property, Procurement and Contracts Branch in the Financial Strategy and Services Division, provides specialist advice and assistance to all areas of the department engaged in procurement, through:

- dedicated procurement support staff and a help desk for procurement and contracting advice across the department
- in-house legal and probity advice
- the management of external legal advice in relation to procurement
- direct support for larger or more complex tender processes to ensure value for money and compliance with legal and policy requirements
- development and maintenance of policy documentation and guidance, including a comprehensive procurement manual and procurement and contracting templates
- the coordination of the department's procurement reporting responsibilities
- the provision of internal and external procurement and contracting training.

The department uses AusTender to publish procurement documentation, in accordance with the requirements of the CPGs and other relevant guidelines.

To improve the quality of publicly available information on procurement activities the department has implemented a contract reporting system. The additional quality measures and assurance processes that have been implemented through the system have led to greater accuracy of procurement information. The new system also assisted in developing improved financial management processes for procurement in the department.

Consolidation of procurement panel management and processes has also been a key initiative in the delivery of improved service and greater efficiency. The new process provides greater consistency and clarity for departmental staff and for service providers. It will continue to deliver benefits as simpler, more streamlined procedures are put in place.

Consultants and consultancy services

The department's policy for selecting and engaging consultants is in accordance with the CPGs and is based on the core principle of value for money.

The annual report contains information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender (www.tenders.gov.au) website.

During 2010–11, the department entered into 102 new consultancy contracts, involving total actual expenditure of \$8.396 million. In total, 38 ongoing consultancy contracts were active during 2010–11, involving total actual expenditure of \$3.080 million.

Table 82 provides a list of consultancy services of \$10 000 or more in value, which were entered into during 2010–11.

Selection processes

Open tender is a procurement procedure in which a request for tender is published, inviting all businesses that satisfy the conditions for participation to submit tenders.

Select tender is a procurement procedure in which the procuring agency selects potential suppliers to submit tenders in accordance with the CPGs.

Direct sourcing is a procurement process in which an agency may contract a single potential supplier or suppliers of its choice. Where procurement is valued above the thresholds set out in the CPGs, direct sourcing is available only under certain defined circumstances. Conditions for direct sourcing apply under the mandatory procurement procedures.

Panel is a procurement arrangement under which a number of suppliers, initially selected through an open tender process, may each supply property or services to an agency as specified in the panel arrangements. Quotes are sought from suppliers that have pre-qualified on the agency panels to supply to the government. This category includes standing offers and supplier panels where the supply of goods and services may be provided for a pre-determined length of time, usually at a pre-arranged price.

Justification for decisions for the use of consultancy services

- A. need for independent research or assessment
- B. need for specialised or professional skills
- C. skills currently unavailable within agency.

Table 82: Consultants and consultancy services let during 2010–11 of \$10 000 or more

Consultant name	Description	Selection process	Justification	Contract price \$ (GST inclusive)
Outcome 1: Managed migration through visas granted for permanent settlement, work, study, tourism, working holidays or other specialised activities in Australia, regulation, research and migration policy advice and program design.				
Andrew Gonczi Pty Ltd	Consultancy services for prescribed course and exam for registered migration agents	Select	B C	78 400
Andrew Gonczi Pty Ltd	Development of entry level requirements for registered migration agents	Select	B C	36 000
Booz and Company (Australia) Pty Ltd	Strategic analyst to support client service transformation business case	Direct	C	344 850
Booz and Company (Australia) Pty Ltd	Transformation benefits modelling	Direct	C	240 147
Booz and Company (Australia) Pty Ltd	Strategic pricing implementation planning	Panel	B	302 841
Booz and Company (Australia) Pty Ltd	Strategic pricing proposal	Panel	B	313 500
Ernst and Young	Review of handling of clients' monies by registered migration agents	Open	B C	93 500
Fragomen (Australia) Pty Ltd	Development of an ethical framework toolkit for registered migration agents	Select	B	40 425
Monash University	Review of the report <i>Research into the long term physical implications of the net overseas migration</i>	Select	A B C	13 200
PriceWaterhouse Coopers	Business modelling for the Office of the Migration Agents Registration Authority	Select	B	42 926

Table 82: Consultants and consultancy services let during 2010–11 of \$10 000 or more
continued

Consultant name	Description	Selection process	Justification	Contract price \$ (GST inclusive)
Outcome 1 continued				
R.W Adams & V Briggs & S.L Bussey	Annual probity review Office of the Migration Agents Registration Authority	Select	B C	79 500
Usability One	Website usability study for the Office of the Migration Agents Registration Authority	Select	B	16 610
Outcome 2: Protection, resettlement and temporary safe haven for refugees and people in humanitarian need through partnering with international agencies, assessing humanitarian visa applications, and refugee and humanitarian policy advice and program design.				
Blake Dawson	Immigration Advice and Application Assistance Scheme tender legal advisory group	Direct	B	100 000
Outcome 3: Lawful entry of people to Australia through border management services involving bona fide traveller facilitation; identity management; document verification, intelligence analysis, partnerships with international and domestic agencies, and border policy advice and program design.				
KPMG	Probity advisor for offshore biometrics tender	Panel	B	106 449
Technology Partners International Inc	External procurement advisor for offshore biometrics tender	Panel	B	240 000
Outcome 4: Lawful stay of visa holders and access to citizenship rights for eligible people through promotion of visa compliance responsibilities, status resolution, citizenship acquisition integrity, case management, removal and detention, and policy advice and program design.				
Blake Dawson	Legal advice—network provider agreement	Direct	B	58 640
Broadleaf Capital International	Review of detention services contract and immigration residential housing/immigration transit accommodation liability limits	Direct	B	21 175
Complete Fire Design	Fire safety engineering assessment Christmas Island	Direct	B	13 593

Table 82: Consultants and consultancy services let during 2010–11 of \$10 000 or more
continued

Consultant name	Description	Selection process	Justification	Contract price \$ (GST inclusive)
Outcome 4 continued				
Communio Pty Ltd	Review of health care services to people in immigration detention (Christmas Island)	Select	A B C	77 184
DLA Phillips Fox	Probity auditing services for variation to the Christmas Island detention health services contract	Panel	A B C	12 000
Ernst and Young	Detention information technology services review	Open	C	68 836
Hughes, Peter Gerard	Resettlement consultancy	Direct	B	83 131
Ian V Johnsen	Professional supervision services 2010	Direct	A B	12 870
Mwclms Pty Ltd	Evaluation of intelligence capability	Direct	B	35 673
National Institute of Labour Studies	Research into the attitudes and profile of illegal workers and their employers	Select	A C	176 275
New South Wales Public Works	Facility management consultancy services	Panel	B	219 175
Open Mind Research Group Holdings	Research into the attitudes and profile of illegal workers and their employers	Select	A C	113 927
Phillipa Milne and Associates	Review mainland health services	Direct	A B C	76 625
PriceWaterhouse Coopers	Cost for Wickham Point facility	Direct	B	13 376
PriceWaterhouse Coopers	Detention health services contract review	Panel	B	80 000
PriceWaterhouse Coopers	Provision of financial and business advice—National Management Proposal—Health Services Contract	Panel	A B C	80 000

Table 82: Consultants and consultancy services let during 2010–11 of \$10 000 or more
continued

Consultant name	Description	Selection process	Justification	Contract price \$ (GST inclusive)
Outcome 4 continued				
Queensland Program Of Assistance For Survivors Of Torture and Trauma Assn Inc	Counselling services for clients suffering torture and trauma	Direct	B	322 851
South Australian Centre For Economic Studies	Economic impact assessment of the alternative place of detention on the Inverbrackie community	Select	A B C	49 830
University Of New South Wales	Assess the program to place unaccompanied children and families in community and residential detention	Select	A B C	250 000
University Of South Australia	Social impact assessment for Inverbrackie	Select	A B C	151 380
Outcome 5: Equitable economic and social participation of migrants and refugees, supported through settlement services, including English language training, refugee settlement, case coordination, translation services, and settlement policy advice and program design.				
Norton Rose Australia	Financial advice for complex case support tender project	Panel	B	41 250
PriceWaterhouse Coopers	Probity advice for complex case support tender	Panel	B	30 000
Outcome 6: A cohesive, multicultural Australian society through promotion of cultural diversity and a unifying citizenship, decisions on citizenship status, and multicultural and citizenship policy advice and program design.				
Edith Cowan University	Research into the current and emerging drivers for social cohesion, social division and conflicts in multicultural Australia	Select	A B C	144 445

Table 82: Consultants and consultancy services let during 2010–11 of \$10 000 or more
continued

Consultant name	Description	Selection process	Justification	Contract price \$ (GST inclusive)
Cross Outcome				
Acumen Contracting and Recruitment Pty Ltd	Generic Visa Portal consultancy	Panel	B	45 045
Adelaide Research Innovation	Working paper on dynamics of migration processes	Select	A B C	10 000
Alphawest Services Pty Ltd	Trim security model transformation workplan	Panel	B	117 152
Australian National University	Research into the contribution of family migration to Australia	Select	A C	253 998
Australian National University	Working paper on dynamics of migration processes	Select	A B C	10 000
Australian Valuation Office	2010–11 valuation of leasing and buildings	Select	B	88 000
Booz and Company (Australia) Pty Ltd	Developing fee for service strategy	Panel	B	361 537
Booz and Company (Australia) Pty Ltd	Review of Generic Visa Portal risk tiering options	Panel	B	199 730
Booz and Company (Australia) Pty Ltd	Strategic business review	Panel	B	211 904
Booz and Company (Australia) Pty Ltd	DIAC transformation and shared services support	Panel	B	1 402 457
C3 Business Solutions Pty Ltd	Business intelligence transformation program phase II	Open	B	140 534
C3 Business Solutions Pty Ltd	Develop workplan for DIAC's business intelligence roadmap phase 1	Panel	B	375 566

Table 82: Consultants and consultancy services let during 2010–11 of \$10 000 or more
continued

Consultant name	Description	Selection process	Justification	Contract price \$ (GST inclusive)
Cross Outcome continued				
Cordelta Pty Ltd	Evaluation of travel management company engagement process	Panel	B	49 005
Croft IP Pty Ltd	Intellectual property consultancy	Select	B	47 000
Daon Australia Pty Ltd	Identity services repository/ client data hub consultancy	Direct	B	70 000
DLA Phillips Fox	Probity advice—online client services project	Select	C	94 600
Ernst and Young	Audit: Better practice principles for establishing an offshore processing centre	Open	B	38 500
Ernst and Young	Review benefits and allowance in relation to Fringe Benefits Tax legislation	Panel	B	16 999
Ernst and Young	Adult Migrant English Program and Humanitarian Settlement Services tender procurement and contract management	Panel	B	31 075
Ernst and Young	Audit of detention related decisions	Panel	B	239 800
Ernst and Young	Audit of removals Part 2—compliance	Panel	B	134 530
Ernst and Young	Audit: Key employee initiatives Part 1—IMA activities	Panel	B	66 000
Ernst and Young	Audit: Key employees initiatives Part 2—entitlements and benefits connected with IMA activities	Panel	B	77 000
Ernst and Young	Audit: Examination of key controls for removal planning and processes	Panel	B	60 500
Ernst and Young	Provision of audit services—Irregular Maritime Arrivals risk trap	Panel	B	33 000

Table 82: Consultants and consultancy services let during 2010–11 of \$10 000 or more
continued

Consultant name	Description	Selection process	Justification	Contract price \$ (GST inclusive)
Cross Outcome <i>continued</i>				
Ernst and Young	Provision of Humanitarian Settlement Services	Panel	B	117 234
Ernst and Young	Service provided for management initiated review of freedom of information	Panel	B	93 500
Integ Communication Solutions Pty	System solution for offshore telephony platform	Select	B	44 275
KPMG	Assist with DIAC's portfolio budget submission	Panel	B	78 000
Macquarie University	Internal dynamics of migration and their social consequences for Australian Government policies	Direct	A B C	100 000
Oakton Services Pty Ltd	Request for tender documentation development for office services	Panel	B	88 000
Oakton Services Pty Ltd	Progress review of Generic Visa Portal	Panel	B	59 400
Oakton Services Pty Ltd	Prepare request for tender for Translating and Interpreting Services telecommunication services	Panel	B	180 180
Office of The Australian Information Commissioner	Conduct review—judicial review process	Direct	B	55 000
Open Mind Research Group Holdings	Student intentions research	Open	C	139 128
Orima Research Pty Ltd	2010–11 Client Experience Program	Select	C	87 370
Pai Chai University	Working paper on dynamics of migration processes	Select	A B C	10 000

Table 82: Consultants and consultancy services let during 2010–11 of \$10 000 or more
continued

Consultant name	Description	Selection process	Justification	Contract price \$ (GST inclusive)
Cross Outcome <i>continued</i>				
PriceWaterhouse Coopers	Print room review	Open	C	29 975
PriceWaterhouse Coopers	Review DIAC property functions and operations	Panel	B	184 000
PriceWaterhouse Coopers	Review of <i>Systems for People</i> program	Panel	B	69 300
PriceWaterhouse Coopers	Audit case management	Panel	B	80 300
PriceWaterhouse Coopers	Audit: Examination of settlement Part 1	Panel	B	66 000
PriceWaterhouse Coopers	Audit: IMA surge management Part 1—framework	Panel	B	49 500
PriceWaterhouse Coopers	Audit: IMA surge management Part 2—impact	Panel	B	74 930
PriceWaterhouse Coopers	Audit: IMAs—examination of duty of care for detainees	Panel	B	63 567
PriceWaterhouse Coopers	Audit: Quality management	Panel	B	74 800
PriceWaterhouse Coopers	Audit: Settlement Part 2—International Organization for Migration assisted passage contract	Panel	B	81 400
PriceWaterhouse Coopers	Service fee for Medibank health solutions audit	Panel	B	41 010
PriceWaterhouse Coopers	Audit: Information technology support	Panel	B	68 200
PriceWaterhouse Coopers	Website evaluation and review	Panel	B	179 712
Protiviti Pty Ltd	Asylum Seekers Assistance Scheme	Panel	B	88 000
Protiviti Pty Ltd	Audit: Global visa management	Panel	A	122 210

Table 82: Consultants and consultancy services let during 2010–11 of \$10 000 or more
continued

Consultant name	Description	Selection process	Justification	Contract price \$ (GST inclusive)
Cross Outcome <i>continued</i>				
Protiviti Pty Ltd	Audit: Review of IMA quarantined funding	Panel	B	55 000
Protiviti Pty Ltd	Audit: Design of IMA control framework	Panel	B	44 000
Protiviti Pty Ltd	Audit: Grants management	Panel	B	59 400
Protiviti Pty Ltd	Audit: IMA—examination of adequacy of performance information and reporting	Panel	B	58 300
Protiviti Pty Ltd	Audit: IMA—examination of independent merits review	Panel	B	33 000
Protiviti Pty Ltd	Audit: IMA—review of governance and accountability structures	Panel	B	61 600
Protiviti Pty Ltd	Audit: Ministerial interventions	Panel	B	90 885
Salesforce Australia Pty Ltd	Interactive voice response analysis and report	Direct	B	44 000
The Nous Group	Review of practice management group service delivery model	Panel	B	79 840
Thinkplace	DIAC post implementation review, risk fraud and Integrity	Panel	B	77 963
University Of Sydney	Working paper on dynamics of migration processes	Select	A B C	10 000
Workplace Research Associates	Undertake job analysis and evaluation	Panel	B	146 856

ANAO access provisions

The department's standard contract templates include provisions allowing the Australian National Audit Office (ANAO) to access a contractor's premises. The department does not have any contracts that do not contain the ANAO access provisions.

Exempt contracts

Details of all contracts that have a value of \$10 000 or more have been published on AusTender in accordance with the reporting requirements of the CPGs. The department did not let any contracts in excess of \$10 000, which were exempt from being published on AusTender during the year.

Advertising and market research

The following table lists expenditure on advertising and market research contracts during 2010–11.

Table 83: Advertising and market research expenditure

Media advertising	Total amount of contract \$
Adcorp Australia Limited: Expression of interest advertisement for Australian Multicultural Council	28 690
Market research organisations	
ORIMA Research Pty Ltd (88561): 2010–11 Client Experience Program	87 370
Advertising agencies	
Universal McCann: Radio, print and online advertising for Community Status and Resolution Service	79 797
Universal McCann: Office of the MARA ethnic media advertising	52 923

Ecologically sustainable development and environmental performance

The department has continued to focus on ecologically sustainable development and environmental performance during 2010–11. The department is seeking to reduce the direct environmental impact of its operations by making more efficient use of energy, water, paper and procurement of materials.

In 2010–11, the department continued to develop its national environmental management framework, clearly reflecting its commitment to fostering the sustainable use of the earth's resources and minimising greenhouse gas emissions.

National Environmental Policy

The secretary endorsed the National Environmental Policy in 2009. The policy continues to provide the foundation for environmental stewardship within departmental offices. It sets out the level of environmental responsibility and performance expected by the department.

Under the National Environmental Policy, the department will:

- continually review and improve its environmental performance by setting objectives and targets appropriate to the nature, scale and impact of its operations
- ensure the use of processes, practices, techniques, materials, products, services and/or energy to avoid, reduce or control the creation, emission or discharge of any type of pollutant or waste in order to reduce adverse environmental impacts
- comply with applicable Australian, state and territory government environmental legislation, regulations, policies, initiatives and other requirements which relate to the department's environmental aspects.

Environmental Management System

The department has an Environmental Management System (EMS) to help meet the objectives of its National Environmental Policy. The EMS is a strategic tool for managing the impacts of the department's activities on the environment. Additionally, it provides a structured approach to daily operations by assisting in the planning and the implementation of environmental protection measures.

The development of the EMS was based on international standard AS/NZS 1SO 14001.

Green initiatives

During 2010–11, the department undertook several environmental initiatives including:

- promotion and participation in Earth Hour and World Environment Day
- ongoing participation in mobile phone recycling in National Office
- ongoing recycling of used printer cartridges for multi-function devices
- ongoing replacement of fleet vehicles at lease end with smaller, more fuel efficient vehicles. In 2010–11, the proportion of six-cylinder vehicles decreased from 43 per cent to 34 per cent. The department also continued the use of ethanol E10/petrol blended fuel where possible
- the hire of small compact vehicles rather than a larger vehicle unless required for operational reasons
- inclusion and management of the Green Lease Schedule (GLS) in new building leases within Australia as required by the Energy Efficiency in Government Operations Policy. Management committees, as part of the GLS, have been established for the leases at 5 Chan Street in Canberra, 836 Wellington Street in Perth, 9 Wentworth Street in Parramatta and 188 Collins Street in Tasmania, to ensure ongoing environmental performance to the National Australian Built Environment Rating System (NABERS) standards
- a continued commitment to sourcing properties with NABERS ratings of 4.5 stars or more
- moving towards compliance with the *Australian Government ICT Sustainability Plan 2010–2015*, which requires general use office copy paper to have a minimum post-consumer recycled content of 50 per cent by July 2011
- commissioning of nine energy audits to complete the energy audit program for all major office buildings in Australia
- continued participation in the government agencies environmental network to initiate and share best practice ideas and initiatives across Australian Government agencies.

Information and communication technology sustainability initiatives

During 2010–11 the department has continued its implementation of recommendations from the 2009 Sir Peter Gershon Review of the Australian Government's use of information and communication technology, particularly with regard to improving the sustainability of the department's information and communication technology (ICT).

The department has relocated its production infrastructure to a new, energy efficient data centre in Hume, ACT as part of the Australian Government Information Management Office (AGIMO) whole-of-government data centre services strategy. Non-production infrastructure has been consolidated into the existing Belconnen data centre site, after design improvements to the site were completed. As a result of the move to these more energy efficient environments, cost savings in the order of \$1.5 million per annum and energy savings of 50 per cent are expected.

The department has instigated additional ICT sustainability activities in accordance with the department's infrastructure management plan. Consolidation of the mid-range server platforms has commenced which will increase virtualisation of key systems and reduce the physical server footprint and overall energy usage. The department has continued to reduce the PC-to-staff ratios and stand-alone printers while increasing use of energy efficient shared multi-function devices.

Heritage Strategy

The *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) requires all agencies to assess the properties they control for heritage significance against the Commonwealth heritage criteria, establish a register of heritage properties and develop or review conservation management plans for those properties to be included on the Commonwealth heritage list.

The objective in managing Commonwealth heritage properties is to identify, protect, conserve, present and transmit, to all generations, their Commonwealth heritage values. These values can include places important to Indigenous people, places prized for their natural and biodiversity values, or places which have historical significance.

During 2010–11, the department finalised a Heritage Strategy, which will enable the responsible management of the heritage property at the Villawood Immigration Detention Centre. The strategy was formally endorsed by the Australian Heritage Council.

The department's Heritage Strategy outlines key actions that will be completed to address the requirements under the EPBC Act over the next three years, including:

- the development of a conservation management plan for the Villawood detention site
- the compilation of a heritage register
- consultation with other agencies and the community on the maintenance of the department's heritage register
- education of departmental staff and contractors in relation to their obligations for heritage sites.

Energy performance

In 2010–11, the department's tenant light and power energy consumption was comparable with the previous year's consumption even though staff numbers increased. The increase in staffing numbers combined with the amount of energy consumption resulted in per capita improvements for the department. Factors contributing to those improvements were consolidation of staff in both National Office and the Sydney office and the closing down and winding down of several smaller offices.

Table 84: The department's energy performance against *Energy Efficiency in Government Operations* targets for 2011–12

	2007–08	2008–09	2009–10	2010–11
Tenant light and power (MJ pp pa) (Target 7500 MJ by 2012)	7 486	7 268	6 618	6 003

Note: MJ pp pa = Megajoules per person, per annum.

Social inclusion

The department assists the settlement of new arrivals including refugees into the community through a comprehensive suite of settlement services including the Humanitarian Settlement Services program, the Adult Migrant English Program and the Complex Case Support Program. These services support new arrivals in their orientation into the Australian community, in learning English and in connecting to mainstream services such as health, housing and community and family programs. The provision of these services is a significant part in the social inclusion of new arrivals to Australia.

The department's Diversity and Social Cohesion Program also plays an important role in contributing to a cohesive and harmonious society which values the participation and inclusion of culturally and linguistically diverse communities. The department participates in and contributes to the Australian Government's strategies on 'no exits into homelessness' and the not-for-profit sector, which form part of the broader social inclusion agenda.

Grants

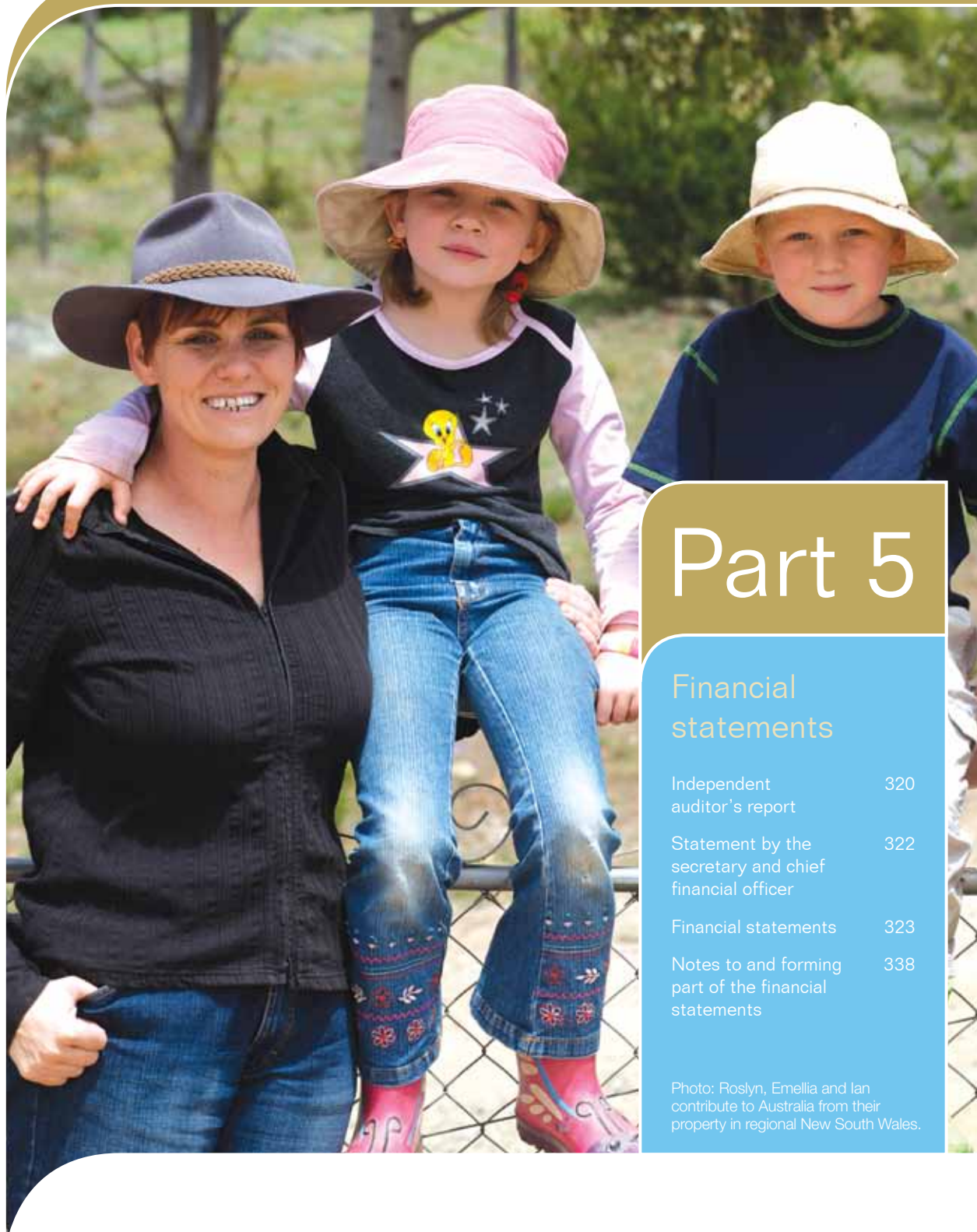
Discretionary grants are payments where the portfolio minister or paying agency has discretion in determining whether or not an applicant receives funding and may or may not impose conditions in return for the grant.

The department administered the following discretionary grant programs for the period 1 July 2010 to 30 June 2011:

- Settlement Grants Program
- Diversity and Social Cohesion Program
- Diverse Australia Program (residual projects only)
- National Action Plan (residual projects only)

The Diverse Australia Program and National Action Plan ceased on 30 June 2010. The department continued to administer existing projects for these programs through to completion.

Information on grants awarded by the Department of Immigration and Citizenship during the period 1 July 2010 to 30 June 2011 is available at www.immi.gov.au/about/reports/grants/



Part 5

Financial statements

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Photo: Roslyn, Emellia and Ian contribute to Australia from their property in regional New South Wales.



INDEPENDENT AUDITOR'S REPORT

To the Minister for Immigration and Citizenship

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Immigration and Citizenship for the year ended 30 June 2011, which comprise: a Statement by the Secretary and Chief Financial Officer; Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; Schedule of Asset Additions; Schedule of Administered Items; and Notes to and forming part of the financial statements, comprising a Summary of Significant Accounting Policies and other explanatory information.

Secretary's Responsibility for the Financial Statements

The Secretary of the Department of Immigration and Citizenship is responsible for the preparation of financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards, and for such internal control as the Secretary determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Department of Immigration and Citizenship's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department of Immigration and Citizenship's internal control. An audit also includes evaluating the appropriateness of the accounting policies

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used and the reasonableness of accounting estimates made by the Secretary, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Opinion

In my opinion, the financial statements of the Department of Immigration and Citizenship:

- have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards; and
- give a true and fair view of the matters required by the Finance Minister's Orders including the Department of Immigration and Citizenship's position as at 30 June 2011 and of its financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

As described in Notes 25C and 26 to the financial statements, the Department of Immigration and Citizenship has recently become aware there is an increased risk of a breach of section 83 of the Constitution where payments are made from special appropriations and special accounts in circumstances where the payments do not accord with conditions included in the relevant legislation, and has advised that these circumstances will be investigated.

Australian National Audit Office



John McCullough
Executive Director
Delegate of the Auditor-General

Canberra
26 August 2011

DEPARTMENT OF IMMIGRATION AND CITIZENSHIP
STATEMENT BY THE SECRETARY AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2011 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, as amended.



Andrew Metcalfe
Secretary

26 August 2011



Stephen Sheehan
Chief Financial Officer

26 August 2011

Department of Immigration and Citizenship
Statement of comprehensive income

for the period ended 30 June 2011

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Financial statements

	Notes	2011 \$'000	2010 \$'000
Expenses			
Employee benefits	3A	679 528	584 319
Supplier expenses	3B	526 766	525 526
Depreciation and amortisation	3C	77 932	115 506
Finance costs	3D	2 245	2 739
Write-down and impairment of assets	3E	8 138	14 006
Foreign exchange losses	3F	1	46
Losses from asset sales	3G	11	48
Other expenses		448	127
Total expenses		1 295 069	1 242 317
Less			
Own-source income			
Own-source revenue			
Sale of goods and rendering of services	4A	24 496	40 644
Fees and fines	4B	7 168	7 128
Rental income	4C	450	1 779
Royalties	4D	1 873	3 337
Other revenue	4E	7 357	6 060
Total revenue		41 344	58 948
Gains			
Sale of assets	4F	17	76
Foreign exchange	4G	464	1 163
Reversals of previous asset write-downs and impairment	4H	1 249	1 407
Other gains	4I	485	1 999
Total gains		2 215	4 645
Total own-source income		43 559	63 593
Net cost of (contribution by) services		1 251 510	1 178 724
Revenue from Government	4J	1 188 426	1 184 216
Surplus (deficit) on continuing operation		(63 084)	5 492
Other comprehensive income			
Changes in asset revaluation reserves		(12 918)	63 519
Total other comprehensive income		(12 918)	63 519
Total comprehensive income (loss) attributable to the Australian Government		(76 002)	69 011

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

Department of Immigration and Citizenship Balance sheet

as at 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Assets			
Financial assets			
Cash and cash equivalents	6A	11 222	5 606
Trade and other receivables	6B	346 400	329 673
Other financial assets	6C	1 016	927
Total financial assets		358 638	336 206
Non-financial assets			
Land and buildings	7A	82 901	607 833
Property, plant and equipment	7B,C	19 995	45 635
Intangibles	7D,E	266 819	267 709
Other non-financial assets	7F	16 362	11 370
Total non-financial assets		386 077	932 547
Total assets		744 715	1 268 753
Liabilities			
Payables			
Suppliers	8A	121 429	96 400
Other payables	8B	43 452	43 094
Total payables		164 881	139 494
Interest bearing liabilities			
Leases	9	17 522	21 324
Total interest bearing liabilities		17 522	21 324
Provisions			
Employee provisions	10A	163 954	145 907
Other provisions	10B	34 161	52 130
Total provisions		198 115	198 037
Total liabilities		380 518	358 855
Net assets		364 197	909 898
Equity			
Parent entity interest			
Contributed equity		362 294	831 993
Reserves		112 493	125 411
Retained surplus (accumulated deficit)		(110 590)	(47 506)
Total equity		364 197	909 898

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

Department of Immigration and Citizenship Statement of changes in equity

for the period ended 30 June 2011

	Retained earnings		Asset revaluation reserves		Contributed equity/capital		Total equity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Opening balance								
Balance carried forward from previous period	(47 506)	(52 998)	125 411	61 892	831 993	780 796	909 898	789 690
Adjusted opening balance	(47 506)	(52 998)	125 411	61 892	831 993	780 796	909 898	789 690
Comprehensive income								
Other comprehensive income – Changes in asset revaluation reserves	-	-	(12 918)	63 519	-	-	(12 918)	63 519
Surplus (deficit) for the period	(63 084)	5 492	-	-	-	-	(63 084)	5 492
Total comprehensive income	(63 084)	5 492	(12 918)	63 519	-	-	(76 002)	69 011
of which:								
Attributable to the Australian Government	(63 084)	5 492	(12 918)	63 519	-	-	(76 002)	69 011
Transactions with owners								
Distributions to owners								
Returns of capital:								
Restructuring (Note 11)	-	-	-	-	(530 758)	(12 060)	(530 758)	(12 060)
Return of contributed equity	-	-	-	-	(38 683)	-	(38 683)	-
Contributions by owners								
Appropriation (equity injection)	-	-	-	-	6 435	55 894	6 435	55 894
Departmental capital budget	-	-	-	-	93 307	-	93 307	-
Restructuring (Note 11)	-	-	-	-	-	7 363	-	7 363
Sub-total transactions with owners	-	-	-	-	(469 699)	51 197	(469 699)	51 197
Closing balance at 30 June	(110 590)	(47 506)	112 493	125 411	362 294	831 993	364 197	909 898
Closing balance attributable to the Australian Government	(110 590)	(47 506)	112 493	125 411	362 294	831 993	364 197	909 898

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

Department of Immigration and Citizenship Cash flow statement

for the period ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Operating activities			
Cash received			
Goods and services		41 894	40 410
Appropriations		1 274 571	1 236 113
Net GST received		49 609	40 750
Other cash received		12 502	17 919
Total cash received		1 378 576	1 335 192
Cash used			
Employees		666 890	607 014
Suppliers		580 710	550 587
Borrowing costs		1 990	2 739
Cash transferred to the Official Public Account		115 556	122 610
Other cash used		78	19
Total cash used		1 365 224	1 282 969
Net cash from operating activities	12	13 352	52 223
Investing activities			
Cash received			
Proceeds from sales of property, plant and equipment		22	110
Total cash received		22	110
Cash used			
Purchase of property, plant and equipment		20 140	46 786
Purchase of intangibles		42 680	67 257
Total cash used		62 820	114 043
Net cash used by investing activities		(62 798)	(113 933)
Financing activities			
Cash received			
Contributed equity		68 413	81 268
Total cash received		68 413	81 268
Cash used			
Repayment of borrowings		13 351	17 792
Total cash used		13 351	17 792
Net cash from financing activities		55 062	63 476
Net increase in cash held		5 616	1 766
Cash and cash equivalents at the beginning of the reporting period		5 606	3 840
Cash and cash equivalents at the end of the reporting period	6A	11 222	5 606

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

Department of Immigration and Citizenship Schedule of commitments

as at 30 June 2011

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Financial statements

	2011 \$'000	2010 \$'000
By type		
Commitments receivable		
Sublease rental income	7 567	1 008
Other receivables	800	-
GST recoverable on commitments	52 565	66 122
<i>Total commitments receivable</i>	60 932	67 130
 Capital commitments		
Land and buildings	168	17 865
Infrastructure, plant and equipment	709	1 729
Intangibles	-	1 967
<i>Total capital commitments</i>	877	21 561
 Other commitments		
Operating leases ¹	360 045	415 941
Information technology (IT) services ²	222 765	308 392
Detention	-	970
Other ³	41 320	24 892
<i>Total other commitments</i>	624 130	750 195
Net commitments by type	564 075	704 626
 By maturity		
Commitments receivable		
Operating lease income		
One year or less	1 175	776
From one to five years	7 192	232
Total operating lease income	8 367	1 008
 GST receivable		
One year or less	19 132	22 255
From one to five years	24 993	32 045
Over five years	8 440	11 822
Total GST receivable	52 565	66 122

Department of Immigration and Citizenship
Schedule of commitments *continued*

as at 30 June 2011

	2011 \$'000	2010 \$'000
Commitments payable		
Capital commitments		
One year or less	877	21 407
From one to five years	-	154
Total capital commitments	877	21 561
Operating lease commitments		
One year or less	67 821	66 938
From one to five years	196 296	214 707
Over five years	95 928	134 296
Total operating lease commitments	360 045	415 941
Other commitments		
One year or less	162 777	176 119
From one to five years	101 308	158 135
Total other commitments	264 085	334 254
Net commitments by maturity	564 075	704 626

NB: Commitments are GST inclusive where relevant.

1. Operating lease commitments include leases for onshore and offshore accommodation.
2. IT service commitments include costs for CSC, Unisys and Optus.
3. Other commitments include costs primarily for the outsourcing of office services and the provision of cleaning and maintenance services.

Nature of lease/General description of leasing arrangement.

Lease for office accommodation.

Lease payments are subject to fixed annual increases or annual increases in accordance with movements in the Consumer Price Index. The initial periods of office accommodation leases remain current and each may be renewed for up to five years at exercise of option.

Agreements in relation to support costs for computer equipment, software and telecommunications.

The department has three agreements relating to support costs. The telecommunications support agreement has two years remaining. The two agreements for computer equipment (including software) have one and three years remaining. Options for extension exist for each of the three agreements.

Department of Immigration and Citizenship Schedule of contingencies

as at 30 June 2011

	2011 \$'000	2010 \$'000
Contingent liabilities		
Indemnities	1 157	1 170
Claims for damages or costs	7 132	4 696
Total contingent liabilities	8 289	5 866

As at 30 June 2011 the department had no quantifiable contingent assets or guarantees (2010: nil).

Details of each class of contingent liabilities and contingent assets listed above are disclosed in Note 13: Contingent Liabilities and Assets, along with information on significant remote contingencies and contingencies that cannot be quantified.

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

Department of Immigration and Citizenship Schedule of asset additions

for the period ended 30 June 2011

The following non-financial non-current assets were added in 2010-11:

	Land \$'000	Buildings \$'000	Buildings – leasehold improvements \$'000	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
By purchase – appropriation equity						
- Equity injections	-	-	-	-	5 256	5 256
By purchase appropriation ordinary annual services						
- Departmental capital budget	-	16 625	1 574	1 996	37 424	57 619
By finance lease	-	-	-	9 549	-	9 549
Total additions 2010-11	-	16 625	1 574	11 545	42 680	72 424

The following non-financial non-current assets were added in 2009-10:

	Land \$'000	Buildings \$'000	Buildings – leasehold improvements \$'000	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
By purchase – appropriation equity	2 640	27 777	2 469	1 528	46 666	81 080
By purchase – appropriation ordinary annual services	-	2 121	1 017	9 637	20 626	33 401
By finance lease	-	-	-	2 840	-	2 840
Assets received as gifts/donations	-	-	-	1 417	-	1 417
From acquisition of entities or operations (including restructuring)	-	7 363	-	-	-	7 363
Total additions 2009-10	2 640	37 261	3 486	15 422	67 292	126 101

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

Department of Immigration and Citizenship Schedule of administered items

for the period ended 30 June 2011

5

Financial statements

	Notes	2011 \$'000	2010 \$'000
Income administered on behalf of government			
Revenue			
Non-taxation revenue			
Sale of goods and rendering of services ¹	17A	-	19
Fees and fines ¹	17B	957 065	944 299
Recovery of detention costs		3 488	3 775
Other revenue		16 113	20 398
Total non-taxation revenue		976 666	968 491
Total revenues administered on behalf of Government		976 666	968 491
Gains			
Reversal of previous asset write-downs and impairments	17C	97	269
Foreign exchange	17D	269	140
Total gains administered on behalf of Government		366	409
Total income administered on behalf of Government		977 032	968 900
Expenses administered on behalf of government			
Suppliers expenses	18A	981 978	592 585
Subsidies	18B	11 983	9 455
Personal benefits	18C	36 311	17 784
Grants	18D	39 754	38 065
Depreciation and amortisation	18E	26 464	-
Write-down and impairment of assets	18F	2 737	3 857
Foreign exchange losses	18G	20	-
Other expenses	18H	254	788
Total expenses administered on behalf of Government		1 099 501	662 534
<p>1. Comparatives have been adjusted for the reclassification of the second instalment of visa application charges from Sale of goods and rendering of services to Fees and fines.</p> <p>This schedule should be read in conjunction with the accompanying notes.</p>			

Department of Immigration and Citizenship
Schedule of administered items *continued*

for the period ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Assets administered on behalf of government			
Financial assets			
Cash and cash equivalents	19A	15 106	9 697
Receivables	19B	36 058	17 203
Other financial assets	19C	17 382	12 608
Total financial assets		68 546	39 508
Non-financial assets			
Land and buildings	20A	714 213	-
Property, plant and equipment	20B	5 693	-
Total non-financial assets		719 906	-
Total assets administered on behalf of government		788 452	39 508
Liabilities administered on behalf of government			
Payables			
Suppliers	21A	246 195	130 039
Subsidies	21B	2 515	5 635
Personal benefits	21C	7 228	2 609
Grants	21D	328	21
Other payables	21E	208	75
Total payables		256 474	138 379
Provisions			
Bonds	21F	27 056	50 366
Other provisions	21F	1 500	-
Total provisions		28 556	50 366
Total liabilities administered on behalf of government		285 030	188 745
This schedule should be read in conjunction with the accompanying notes.			

Department of Immigration and Citizenship
Schedule of administered items *continued*

for the period ended 30 June 2011

5

Financial statements

	Notes	2011 \$'000	2010 \$'000
Administered cash flows			
Operating activities			
Cash received			
Immigration fees ¹		967 972	942 599
Bonds received		84 877	135 153
Sales of goods and rendering of services ¹		1 053	1 688
Fines		2 355	4 801
Net GST received		104 318	41 274
Other		2 600	5 039
Total cash received		1 163 175	1 130 554
Cash used			
Grant payments		37 946	38 361
Bonds paid		104 221	129 733
Subsidies paid		14 856	7 277
Personal benefits		31 760	16 557
Suppliers		1 005 832	594 895
Refunds paid		9 140	3 780
Total cash used		1 203 755	790 603
Net cash flows from or (used by) operating activities		(40 580)	339 951
Investing activities			
Cash used			
Purchase of property, plant and equipment and intangibles		144 401	-
Total cash used		144 401	-
Net cash flows used by investing activities		(144 401)	-
<p>1. Comparatives have been adjusted for the reclassification of the second instalment of visa application charges from Sale of goods and rendering of services to Fees and fines.</p> <p>This schedule should be read in conjunction with the accompanying notes.</p>			

Department of Immigration and Citizenship
Schedule of administered items *continued*

for the period ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Administered cash flows <i>continued</i>			
Financing activities			
Cash received			
Contributed equity		144 401	-
Total cash received		<u>144 401</u>	<u>-</u>
Net cash flows from financing activities		<u>144 401</u>	<u>-</u>
Net increase (decrease) in cash held		<u>(40 580)</u>	<u>339 951</u>
Cash and cash equivalents at the beginning of the reporting period		9 697	8 423
Cash from Official Public Account for:			
– Appropriations		<u>1 168 120</u>	<u>781 583</u>
		<u>1 168 120</u>	<u>781 583</u>
Cash to Official Public Account for:			
– Appropriations		<u>1 122 131</u>	<u>1 120 259</u>
		<u>1 122 131</u>	<u>1 120 259</u>
Cash and cash equivalents at the end of the reporting period	19A	<u>15 106</u>	<u>9 697</u>
This schedule should be read in conjunction with the accompanying notes.			

Department of Immigration and Citizenship
Schedule of administered items *continued*

for the period ended 30 June 2011

5

Financial statements

	Notes	2011 \$'000	2010 \$'000
Administered commitments			
By type			
Commitments receivable			
GST recoverable on commitments		12 333	10 311
Total commitments receivable		12 333	10 311
Commitments payable			
Capital commitments			
Land and buildings		16 825	-
Infrastructure, plant and equipment		10 212	-
Other capital commitments		2 559	-
Total capital commitments		29 596	-
Other commitments			
Grants ¹		16 932	19 445
Suppliers		78 175	91 457
Other commitments ²		26 464	27 063
Total other commitments		121 571	137 965
Net commitments by type		138 834	127 654
By maturity			
Commitments receivable			
Other commitments receivable			
One year or less		7 733	4 028
From one to five years		4 600	6 283
Total other commitment receivables		12 333	10 311
Commitments payable			
Capital commitments			
One year or less		29 596	-
Total capital commitments		29 596	-
Other commitments			
One year or less		67 819	55 539
From one to five years		53 752	82 426
Total other commitments		121 571	137 965
Net commitments by maturity		138 834	127 654

NB: Commitments are GST inclusive where relevant.

1. Grant commitments relate primarily to the delivery of the Grant Settlement Program.

2. Other commitments relate primarily to funding for the International Organisation of Migration for assisted voluntary return services and the United Nations Office on Drugs and Crime for the development of computer based training.

This schedule should be read in conjunction with the accompanying notes.

Department of Immigration and Citizenship
Schedule of administered items *continued*

for the period ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Administered contingencies			
Administered contingent liabilities			
Claims for damages or costs		6 066	5 851
Total administered contingent liabilities		6 066	5 851

As at 30 June 2011 the department had no quantifiable contingent assets or guarantees (2010: nil).

Details of each class of contingent liabilities and contingent assets in the above table are disclosed in Note 23: Administered contingent Assets and Liabilities, along with information on significant remote contingencies and contingencies that cannot be quantified.

This schedule should be read in conjunction with the accompanying notes.

Department of Immigration and Citizenship
Schedule of asset additions

for the period ended 30 June 2011

The following non-financial non-current assets were added in 2010–11:

	Land \$'000	Buildings \$'000	Buildings – leasehold improvements \$'000	Other property, plant and equipment \$'000	Total \$'000
By purchase – appropriation equity					
- Equity injections	-	146 670	492	1 557	148 719
By purchase – appropriation ordinary annual services					
- Departmental capital budget	-	11 484	234	-	11 718
By finance lease					
From acquisition of entities or operations (including restructuring)	70 275	384 794	54 451	22 738	532 258
Total additions	70 275	542 948	55 177	24 295	692 695

There are no comparative figures as the transfer of assets from departmental to administered came into effect as of 1 July 2010.

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

Department of Immigration and Citizenship

Notes to and forming part of the financial statements

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Note 1: Summary of significant accounting policies

1.1 Objectives of the department

The Department of Immigration and Citizenship (the department) is an Australian Government controlled entity. The department's purpose is building Australia's future through the well-managed entry and settlement of people. The department's business is to:

- contribute to Australia's future through managed migration;
- protect refugees and contribute to humanitarian policy internationally;
- contribute to Australia's security through border management and traveller facilitation;
- make fair and reasonable decisions for people entering or leaving Australia, ensuring compliance with Australia's immigration laws and integrity in decision making;
- support migrants and refugees to settle in the community and participate in Australian society; and
- promote Australian citizenship and a multicultural Australia.

The department is structured to meet six outcomes:

Outcome 1: Managed migration through visas granted for permanent settlement, work, study, tourism, working holidays or other specialised activities in Australia, regulation, research and migration policy advice and program design.

Program 1.1: Visa and Migration

Outcome 2: Protection, resettlement and temporary safe haven for refugees and people in humanitarian need through partnering with international agencies; assessing humanitarian visa applications; refugee and humanitarian policy advice and program design.

Program 2.1: Refugee and Humanitarian

Outcome 3: Lawful entry of people to Australia through border management services involving bona fide traveller facilitation, identity management, document verification, intelligence analysis, partnerships with international and domestic agencies and border policy advice and program design.

Program 3.1: Border Management

Outcome 4: Lawful stay of visa holders and access to citizenship rights for eligible people through promotion of visa compliance responsibilities, status resolution, citizenship acquisition integrity, case management, removal and detention, and policy advice and program design.

Program 4.1: Visa Compliance and Status Resolution

Program 4.2: Onshore Detention Network

Program 4.3: Offshore Asylum Seeker Management

Program 4.4: Illegal Foreign Fishers

Outcome 5: Equitable economic and social participation of migrants and refugees, supported through settlement services, including English language training, refugee settlement, case coordination, translation services and settlement policy advice and program design.

Program 5.1: Settlement Services for Migrants and Refugees

Outcome 6: A cohesive, multicultural Australian society through promotion of cultural diversity and a unifying citizenship, decisions on citizenship status, and multicultural and citizenship policy advice and program design.

Program 6.1: Multicultural and Citizenship Services

The department's activities contributing toward these outcomes are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the department in its own right. Administered activities involve the management or oversight by the department, on behalf of the government, of items controlled or incurred by the Government.

The continued existence of the department in its present form and with its present programs is dependent on government policy and on continuing appropriations by Parliament for the department's administration and programs.

Note 1: Summary of significant accounting policies *continued*

1.2 Basis of preparation of the financial statements

The financial statements and notes are required by section 49 of the *Financial Management and Accountability Act 1997* and are general purpose financial statements.

The financial statements have been prepared in accordance with:

- Finance Minister's Orders (FMOs) for reporting periods ending on or after 1 July 2010; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance has been made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FMOs, assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow to the entity or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the Schedule of Commitments or the Schedule of Contingencies.

Unless alternative treatment is specifically required by an accounting standard, revenues and expenses are recognised in the statement of comprehensive income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

Administered revenues, expenses, assets and liabilities and cash flows reported in the schedule of administered items and related notes are accounted for on the same basis and using the same policies as for departmental items, except where otherwise stated at Note 1.21.

1.3 Significant accounting judgements and estimates

In 2010-11 the department continued to make provisions for onerous contracts and restoration obligations (see note 10B). The provision for onerous contracts reflects the impact of a downturn in the property market, resulting in surplus leased space and a lower likelihood of the department's ability to sublease that space. The value of this provision will be affected by future changes in the property market as well as future changes in visa activity levels and government policy.

The provision for restoration relates to leased office accommodation both in Australia and overseas where the department is required to restore the premises upon termination of the lease. Although the quantum for restoration was provided by property consultants, the value of this provision will be affected by future changes in inflation rates as well as foreign exchange rates.

All other significant accounting judgements or estimates used in the preparation of the financial statements have been disclosed in the relevant note.

1.4 New Australian accounting standards

The department is a not-for-profit entity and therefore applies the requirements specific to such entities in accordance with the Australian International Financial Reporting Standards (AIFRS).

Adoption of new Australian accounting standard requirements

No accounting standard has been adopted earlier than the application date as stated in the standard. The following revised standard was issued prior to the signing of the Statement by the Chief Executive and Chief Financial Officer. It was assessed to have no impact on the department in the current reporting period.

AASB 117 *Leases*

This revised standard no longer presumes that the lease of land (including land under buildings) is an operating lease.

Other new standards that were issued prior to the signing of the statement by the Chief Executive and Chief Financial Officer and are applicable to the current reporting period did not have a financial impact, and are not expected to have a future financial impact on the entity.

Note 1: Summary of significant accounting policies *continued*

Future Australian accounting standard requirements

New standards/revised standards/interpretations/amending standards that were issued prior to the signing of the Statement by the Chief Executive and Chief Financial Officer and are applicable to future reporting periods are not expected to have a future financial impact on the entity.

1.5 Revenue

Revenue from government

Amounts appropriated for departmental output appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue when the department gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

The current price based model that provides the basis for the department's revenue was approved by government and took effect from 1 July 2008. The model has fixed and variable components, with variable funding adjusted to reflect actual movements in workload in line with movements in the department's key workload drivers (i.e. visa finalisations, citizenship decisions and border movements). The variable component comprises fixed unit prices and estimated activity levels that are adjusted, in year, through the additional estimates process and reconciled with the Department of Finance and Deregulation (Finance) at the end of the financial year. The fixed funding element and unit prices are adjusted each financial year by the wage cost index less the efficiency dividend. The funding model also includes funding for some prescribed activities under a no-win no-loss arrangement (i.e. status resolution and irregular people movements). The cost of these items is fully reconciled as part of the end of financial year reconciliation process.

As part of the year end reconciliation process for no win – no loss activities, any revenue earned is incorporated into the reconciliation. In this context, to the extent that revenues exceeded costs for these activities, the excess revenue is returned to government.

Other types of revenue

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the seller retains no managerial involvement nor effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits associated with the transaction will flow to the entity.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

1.6 Gains

Resources received free of charge

Resources received free of charge are recognised as gains when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Resources received free of charge are recorded as either revenue or gains depending on their nature.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another government agency or authority as a consequence of a restructuring of administrative arrangements (Refer to Note 1.7).

Note 1: Summary of significant accounting policies *continued*

Sale of assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

1.7 Transactions with the government as owner

Equity injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) are recognised directly in contributed equity in that year.

Restructuring of administrative arrangements

Net assets received from or relinquished to another Australian government agency or authority under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

Other distributions to owners

The FMOs require that distributions to owners be debited to contributed equity unless these are in the nature of a dividend. In 2010–11, the department recognised returns of contributed equity of \$38 683 000 (2010: nil).

Lapsing appropriations

Departmental and non-operating appropriations do not lapse at the end of the financial year. However, the responsible minister may decide that part or all of a departmental or non-operating appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament.

1.8 Employee benefits

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of balance date are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Long-term employee benefits are measured as the net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. Long service leave does not accrue for overseas posts' locally engaged employees who commenced after 12 December 1976. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the department is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will apply at the time the leave is taken, including the department's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to an actuarial review. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Locally engaged employees at post

Locally engaged employees (LEE) are covered by individual employment contracts which are negotiated between the employee and the Department of Foreign Affairs and Trade (DFAT) on behalf of the department. These contracts are negotiated at post level in order to ensure compliance with local labour laws and regulations. The individual contracts are supported and expanded upon by the LEE Conditions of Service Handbook which is specific to each post. Where there is conflict between the two documents the individual contract takes precedence. Provisions for employee entitlements including unfunded liabilities are recognised in accordance with conditions of service at each post.

Separation and redundancy

Provision is made for separation and redundancy benefit payments. The department recognises a provision for termination when the offer of redundancy has been accepted in writing.

Superannuation

Staff of the department are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap).

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

Note 1: Summary of significant accounting policies *continued*

The liability for defined benefits is recognised in the financial statements of the Australian government and is settled by the Australian government in due course. This liability is reported by the Department of Finance and Deregulation as an administered item.

The department makes employer contributions to the employee superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of the department's employees. The department accounts for the contributions as if they were contributions to defined contribution plans.

From 1 July 2005, new employees were eligible to join the PSSap scheme.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the financial year.

1.9 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Finance leases exist in relation to Information Technology (IT) and communications equipment, and are non-cancellable. The department guarantees the residual values of all assets leased.

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets. Where leases are considered surplus, the operating rent has been brought to account in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Lease incentives taking the form of free leasehold improvements and rent holidays are recognised as liabilities. These liabilities are reduced by allocating lease payments between rental expense and reduction of the liability.

1.10 Borrowing costs

All borrowing costs are expensed as incurred.

1.11 Cash

Cash and cash equivalents include notes and coins held and any deposits in bank accounts with an original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

1.12 Financial assets

The department classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss; and
- loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recognised and derecognised upon trade date.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit or loss.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Note 1: Summary of significant accounting policies *continued*

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period.

Financial assets held at amortised cost – if there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

1.13 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities.

Financial liabilities are recognised and derecognised upon 'trade date'.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

1.14 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the balance sheet but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

1.15 Financial guarantee contracts

As at 30 June 2011 the department held no financial guarantee contracts (2010: nil).

1.16 Acquisition of assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor agency's accounts immediately prior to the restructuring.

1.17 Property, plant and equipment

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the balance sheet, except for purchases with a cost of less than \$2 000, which are expensed in the financial year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases recognised by the department where there exists an obligation to restore the property to its original condition. These costs are included in the value of the department's leasehold improvements with a corresponding provision for the 'make good' recognised.

Note 1: Summary of significant accounting policies *continued*

Revaluations

Fair values for each class of asset are determined as shown below:

Asset class	Fair value measured at
Land	Market selling price
Building exc. Leasehold improvements	Market selling price
Leasehold improvements	Market selling price or depreciated replacement cost
Property, plant and equipment	Depreciated replacement cost (other than motor vehicles which are measured at market selling price)

Following initial recognition at cost, property plant and equipment are carried at fair value less accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on an asset class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the department using, in all cases, the straight-line method of depreciation.

Leasehold improvements are depreciated on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2011	2010
Buildings on freehold land	25 to 40 years	30 to 50 years
Leasehold improvements	Lesser of lease term or 10 years	Lesser of lease term or 10 years
Plant and equipment	3 to 10 years	3 to 10 years

Impairment

All assets were assessed for impairment at 30 June 2011. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the department were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

1.18 Intangibles

The department's intangibles primarily comprise internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses. The recognition threshold for internally developed software is \$100 000 and for purchased software \$10 000 per licence.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the department's software range from three to ten years (2010: three to ten years).

All software assets were assessed for indications of impairment as at 30 June 2011.

Note 1: Summary of significant accounting policies *continued*

1.19 Taxation

The department is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

Commitments are reported GST inclusive where relevant.

1.20 Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date. Associated currency gains and losses are not material.

1.21 Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the Schedule of Administered Items and related notes.

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as departmental items, including the application of Australian accounting standards.

Administered cash transfers to and from the official public account

Revenue collected by the department for use by the government rather than the department is administered revenue. Collections are transferred to the Official Public Account (OPA) which is maintained by the Department of Finance and Deregulation. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of government. These transfers to and from the OPA are adjustments to the administered cash held by the department on behalf of the government and reported as such in the statement of cash flows in the schedule of administered items and in the administered reconciliation table in Note 22.

Revenue

All administered revenues are revenues relating to the course of ordinary activities performed by the department on behalf of the Australian Government.

Fees are charged for visa applications and migration applications under the *Migration Act 1958* and in accordance with the *Migration (Visa Application) Charge Act 1997*. Fines are charged for non-compliance with the *Migration Act 1958*. Administered fees are recognised when collected by the department. Administered fines are recognised in the period in which the breach occurs. Revenue is recognised at its nominal amount due, less any impairment allowance. Collectability of debts is reviewed at balance date and an allowance is made when collection of the debt is judged to be less rather than more likely.

Receivables

Receivables are carried at amortised cost using the effective interest method. Losses due to impairment, derecognition and amortisation are recognised through profit or loss.

Indemnities

The maximum amounts payable under the indemnities given is disclosed in the schedule of administered items – contingencies. At the time of completion of the financial statements, there was no reason to believe that the indemnities would be called upon, and no recognition of any liability was therefore required.

Grants and subsidies

The department administers a number of grant and subsidy schemes on behalf of the government.

Grant and subsidy liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. A commitment is recorded when the Government enters into an agreement to make these grants but services have not been performed or criteria satisfied.

Bonds

The department collects and repays bonds on behalf of the Australian government for the purposes of compliance with the provisions of the *Migration Act 1958* and regulations. The department collects three types of bonds, namely compliance bonds, visitor visa bonds and professional development visa securities. Receipts from these bonds are treated as liabilities until such time as they are either forfeited or refunded to the customers. Revenue, and the corresponding asset, are only recognised at the point of forfeiture.

Note 2: Events after the reporting period

No events have occurred after the reporting date that would have a significant effect on the 2010-11 financial statements.

Note 3: Expenses

	2011	2010
	\$'000	\$'000

Note 3A: Employee benefits

Wages and salaries	460 922	407 384
Superannuation:		
Defined contribution plans	85 700	77 744
Leave and other entitlements	89 341	69 717
Separation and redundancies	2 482	3 723
Other employee expenses	41 083	25 751
Total employee benefits	679 528	584 319

Note 3B: Suppliers

Goods and services

IT and communications	130 639	136 610
Contractors and consultants	142 656	109 628
Travel	45 086	30 944
Office operating related	31 765	29 654
Property related	20 725	22 862
Legal	20 042	19 910
Training	6 490	6 818
Bank fees	6 560	6 683
Others	54 576	55 730
Total goods and services	458 539	418 839

Goods and services consist of:

Provision of goods – related entities	4	3
Provision of goods – external parties	9 590	9 005
Rendering of services – related entities	49 643	37 236
Rendering of services – external parties	399 302	372 595
Total goods and services	458 539	418 839

Other supplier expenses

Operating lease rentals – related entities:

Minimum lease payments	11 086	8 929
Sublease	14 780	15 818

Operating lease rentals – external parties:

Minimum lease payments	37 053	76 387
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Worker's compensation expenses	5 308	5 553
Total other supplier expenses	68 227	106 687
Total supplier expenses	526 766	525 526

Note 3: Expenses continued

	2011 \$'000	2010 \$'000
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Note 3C: Depreciation and amortisation

Depreciation:

Property, plant and equipment	3 511	6 979
Buildings	2	13 019
Leasehold improvements	20 398	28 976
Total depreciation	23 911	48 974

Amortisation:

Assets held under finance leases	10 785	15 052
Intangibles – computer software	43 236	51 480
Total amortisation	54 021	66 532
Total depreciation and amortisation	77 932	115 506

Note 3D: Finance costs

Finance leases	1 089	2 052
Unwinding of discount	1 156	687
Total finance costs	2 245	2 739

Note 3E: Write-down and impairment of assets

Asset impairments from:

Financial instruments	7 373	4 285
Intangible assets	335	1 910

Asset write-downs from:

Land and buildings	295	2 308
Property, plant and equipment	135	5 442
Intangible assets	-	61
Total write-down and impairment of assets	8 138	14 006

Note 3F: Foreign exchange losses

Non-speculative losses	1	46
Total foreign exchange losses	1	46

Note 3G: Losses from asset sales

Property, plant and equipment		
Proceeds from sale	(3)	(17)
Carrying value of assets sold	14	65
Total losses from asset sales	11	48

Note 4: Income

	2011 \$'000	2010 \$'000
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Revenue

Note 4A: Sale of goods and rendering of services

Provision of goods – external parties	98	167
Rendering of services – related entities	11 355	19 581
Rendering of services – external parties	13 043	20 896
Total sale of goods and rendering of services	24 496	40 644

Note 4B: Fees and fines

Electronic travel authority fees	7 168	7 128
Total fees and fines	7 168	7 128

Note 4C: Rental income

Operating lease:		
Property rental	450	1 779
Total rental income	450	1 779

Note 4D: Royalties

Software	1 873	3 337
Total royalties	1 873	3 337

Note 4E: Other revenue

Recovery of costs	5 715	4 953
Comcover	6	29
Other revenue	1 636	1 078
Total other revenue	7 357	6 060

Gains

Note 4F: Sale of assets

Land and buildings		
Proceeds from sale	-	3
Property, plant and equipment		
Proceeds from sale	18	91
Carrying value of assets sold	(1)	(17)
Selling expense	-	(1)
Net gain from sale of assets	17	76

Note 4G: Foreign exchange

Non-speculative gains	464	1 163
Total foreign exchange gains	464	1 163

Note 4: Income *continued*

	2011 \$'000	2010 \$'000
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Note 4H: Reversals of previous asset write-downs and impairments

Write back of debtors	1 191	1 322
Write back of non-current assets	58	85
Total reversals of previous asset write-downs and impairments	1 249	1 407

Note 4I: Other gains

Resources received free of charge	485	1 999
Total other gains	485	1 999

Note 4J: Revenue from government

Appropriations:

Departmental outputs

	1 188 426	1 184 216
Total revenue from Government	1 188 426	1 184 216

Note 5: Other comprehensive income

Note 5: Reclassification adjustments

No reclassification adjustments have been recognised in other comprehensive income.

Note 6: Financial assets

	2011 \$'000	2010 \$'000
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Note 6A: Cash and cash equivalents

Cash on hand or on deposit	10 580	5 029
Cash held by outsiders	642	577
Total cash and cash equivalents	11 222	5 606

Note 6B: Trade and other receivables**Goods and services:**

Goods and services – related entities	1 892	3 030
Goods and services – external parties	16 393	10 819
Total receivables for goods and services	18 285	13 849

Appropriations receivable:

For existing outputs	325 377	301 820
Total appropriations receivable	325 377	301 820

Other receivables

GST receivable from the Australian Taxation Office	2 382	7 914
GST accrued receivable	7 567	6 467
Accrued revenue	1 113	2 030
Total other receivables	11 062	16 411
Total trade and other receivables (gross)	354 724	332 080

Goods and services allowance	(8 324)	(2 407)
Total trade and other receivables (net)	346 400	329 673

All receivables are recoverable within 12 months.

Receivables are aged as follows:

Not overdue	342 259	320 838
Overdue by:		
0 to 30 days	1 366	5 621
30 to 60 days	939	979
61 to 90 days	456	495
More than 90 days	9 704	4 147
Total receivables (gross)	354 724	332 080

The impairment allowance account is aged as follows:

Not overdue	574	956
Overdue by:		
0 to 30 days	228	-
30 to 60 days	468	-
61 to 90 days	202	208
More than 90 days	6 852	1 243
Total impairment allowance account	8 324	2 407

Note 6: Financial assets *continued*

Reconciliation of the impairment allowance account:

Movements in relation to 2011

	Goods and services \$'000	Total \$'000
Opening balance 1 July 2010	2 407	2 407
Amounts written off	(191)	(191)
Amounts recovered and reversed	(1 203)	(1 203)
Increase/(decrease) recognised in net surplus	7 311	7 311
Closing balance 30 June 2011	8 324	8 324

Movements in relation to 2010

	Goods and services \$'000	Total \$'000
Opening balance 1 July 2009	5 389	5 389
Amounts written off	(4 339)	(4 339)
Amounts recovered and reversed	(277)	(277)
Increase/(decrease) recognised in net surplus	1 634	1 634
Closing balance 30 June 2010	2 407	2 407

	2011 \$'000	2010 \$'000
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Note 6C: Other financial assets

Property bonds	864	834
Education bonds	34	22
Comcare	118	71
Total other financial assets	1 016	927

All 'other financial assets' are current assets.

Note 7: Non-financial assets

	2011 \$'000	2010 \$'000
Note 7A: Land and buildings		
Land at fair value	400	70 420
Buildings on freehold land:		
Work in progress	17 395	26 165
Fair value	274	359,511
Accumulated depreciation	-	(57)
Total buildings on freehold land	18 069	456 039
Leasehold improvements:		
Work in progress	889	4 932
Fair value	63 947	159 860
Accumulated depreciation	(4)	(12,998)
Total leasehold improvements	64 832	151 794
Total land and buildings	82 901	607 833

Effective from 1 July 2010, land and buildings relating to detention centres (\$509 520 000) were transferred from departmental to administered items.

In December 2010, the Australian Valuation Office was engaged to conduct the revaluations of land and buildings, in accordance with the revaluation policy stated at Note 1.

Revaluation increments of \$255 000 for land (2010: increments of \$16 297 000) were credited and revaluation decrements for buildings and leasehold improvements of \$13 173 000 (2010: increments of \$52 277 000) were debited to the asset revaluation reserve and included in the equity section of the balance sheet as at 30 June 2011.

No land or buildings are expected to be sold within the next 12 months.

	2011 \$'000	2010 \$'000
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Note 7B: Property, plant and equipment

Other property, plant and equipment:		
Work in progress	673	-
Fair value	44 957	57 752
Accumulated depreciation	(25 635)	(12 117)
Total property, plant and equipment	19 995	45 635

Effective from 1 July 2010, assets relating to immigration detention centres (\$22 738 000) were transferred from departmental to administered items.

No property, plant or equipment is expected to be sold or disposed of within the next 12 months.

Note 7: Non-financial assets *continued*

Note 7C: Reconciliation of the opening and closing balances of property, plant and equipment (2010–11)

	Land \$'000	Buildings \$'000	Buildings – leasehold improvements \$'000	Total land and buildings \$'000	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2010						
Gross book value	70 420	385 676	164 792	620 887	57 752	678 639
Accumulated depreciation and impairment	-	(57)	(12 998)	(13 055)	(12 117)	(25 171)
Net book value 1 July 2010	70 420	385 619	151 794	607 833	45 635	653 468
Additions:						
By purchase	-	16 625	1 574	18 199	1 996	20 195
By finance lease	-	-	-	-	9 549	9 549
Revaluations and impairments recognised in other comprehensive income	255	232	(13 405)	(12 918)	-	(12 918)
Reclassifications	-	(11)	13	2	(2)	-
Depreciation expense	-	(2)	(20 398)	(20 400)	(14 296)	(34 696)
Other movements:						
Write-offs	-	-	(295)	(295)	(135)	(430)
Disposals:						
From disposal of entities or operations (including restructuring)	(70 275)	(384 794)	(54 451)	(509 520)	(22 738)	(532 258)
Other	-	-	-	-	(14)	(14)
Net book value 30 June 2011	400	17 669	64 832	82 901	19 995	102 896
Net book value as of 30 June 2011 represented by:						
Gross book value	400	17 669	64 836	82 905	45 630	128 535
Accumulated depreciation ¹	-	-	(4)	(4)	(25 635)	(25 639)
	400	17 669	64 832	82 901	19 995	102 896

1. The accumulated depreciation balance as at 30 June 2010 reflects the impact of the revaluation process.

Note 7: Non-financial assets *continued*

Note 7C (Cont'd): Reconciliation of the opening and closing balances of property, plant and equipment (2009–10)

	Land \$'000	Buildings \$'000	Buildings – leasehold improvements \$'000	Total land and buildings \$'000	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2009						
Gross book value	51 483	359 768	253 870	665 121	145 376	810 497
Accumulated depreciation and impairment	-	(17 842)	(90 692)	(108 534)	(84 873)	(193 407)
Accumulated depreciation value opening adjustments – reclassifications	-	(10 809)	10 809	-	-	-
Net book value 1 July 2009	51 483	331 117	173 987	556 587	60 503	617 090
Additions:						
By purchase	2 640	29 898	3 486	36 024	11 165	47 189
By finance lease	-	-	-	-	2 840	2 840
By donation/gift	-	-	-	-	1 417	1 417
From acquisition of entities or operations (including restructuring)	-	7 363	-	7 363	-	7 363
Revaluations and impairments recognised in other comprehensive income	16 297	31 275	13 639	61 211	2 308	63 519
Revaluations recognised in the operating result	-	-	-	-	(5 246)	(5 246)
Reclassifications	-	(839)	704	(135)	169	34
Depreciation expense	-	(13 019)	(28 976)	(41 995)	(22 031)	(64 026)
Other movements:						
Write-offs	-	(176)	(2 132)	(2 308)	(196)	(2 504)
Other	-	-	(350)	(350)	(1 715)	(2 065)
Disposals:						
From disposal of entities or operations (including restructuring)	-	-	(8 564)	(8 564)	(3 496)	(12 060)
Other	-	-	-	-	(83)	(83)
Net book value 30 June 2010	70 420	385 619	151 794	607 833	45 635	653 468
Net book value as of 30 June 2010 represented by:						
Gross book value	70 420	385 676	164 792	620 887	57 752	678 639
Accumulated depreciation	-	(57)	(12 998)	(13 055)	(12 117)	(25 171)
	70 420	385 619	151 794	607 833	45 635	653 468

Note 7: Non-financial assets *continued*

	2011 \$'000	2010 \$'000
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Note 7D: Intangibles

Computer software:

Internally developed – in progress	47 961	41 690
Internally developed – in use	403 899	371 512
Purchased	36 903	36 423
Total computer software (gross)	488 763	449 626
Accumulated amortisation	(221 944)	(181 917)
Total computer software (net)	266 819	267 709
Total intangibles	266 819	267 709

No intangible assets are expected to be sold or disposed of within the next 12 months.

Comparatives have been updated to reflect the current allocation between internally developed and purchased software.

Note 7: Non-financial assets *continued*

Note 7E: Reconciliation of the opening and closing balances of intangibles (2010–11)

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2010			
Gross book value	413 203	36 423	449 626
Accumulated amortisation and impairment	(162 637)	(19 280)	(181 917)
Net book value 1 July 2010	250 566	17 143	267 709
Additions:			
Internally developed	42 090	590	42 680
Impairments recognised in the operating result	(225)	(110)	(335)
Amortisation	(40 495)	(2 740)	(43 235)
Net book value 30 June 2011	251 936	14 883	266 819
Net book value as of 30 June 2011 represented by:			
Gross book value	451 860	36 903	488 763
Accumulated amortisation and impairment	(199 924)	(22 020)	(221 944)
	251 936	14 883	266 819

Note 7: Non-financial assets *continued*

Note 7E (Cont'd): Reconciliation of the opening and closing balances of intangibles (2009–10)

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2009			
Gross book value	354 631	33 540	388 171
Accumulated amortisation and impairment	(117 789)	(16 479)	(134 268)
Net book value 1 July 2009	236 842	17 061	253 903
Additions:			
Internally developed	64 409	2 883	67 292
Impairments recognised in the operating result	(1 910)	-	(1 910)
Reclassifications	(35)	-	(35)
Amortisation	(48 679)	(2 801)	(51 480)
Other movements:			
Write offs	(61)	-	(61)
Net book value 30 June 2010	250 566	17 143	267 709
Net book value as of 30 June 2010 represented by:			
Gross book value	413 203	36 423	449 626
Accumulated amortisation and impairment	(162 637)	(19 280)	(181 917)
	<u>250 566</u>	<u>17 143</u>	<u>267 709</u>

Note 7: Non-financial assets *continued*

	2011 \$'000	2010 \$'000
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Note 7F: Other non-financial assets

Prepayments	16 362	11 370
Total other non-financial assets	16 362	11 370

No indicators of impairment were found for other non-financial assets.

Total other non-financial assets – are expected to be recovered in:

No more than 12 months	16 085	11 178
More than 12 months	277	192
Total other non-financial assets	16 362	11 370

Note 8: Payables

	2011 \$'000	2010 \$'000
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Note 8A: Suppliers

Trade creditors and accruals	113 404	90 741
Operating lease rentals	8 025	5 659
Total supplier payables	121 429	96 400

Supplier payables expected to be settled within 12 months:

Related entities	31 027	16 309
External parties	90 402	80 091
Total supplier payables	121 429	96 400

Settlement is usually made net 30 days.

Note 8B: Other payables

Salaries and wages	12 905	12 333
Salary sacrifice payable	1 133	1 077
Superannuation	2 091	1 532
Separations and redundancies	4 893	4 379
Unearned income	1 926	-
Operating leases	12 818	13 749
Lease incentives	7 635	9 148
Other	51	876
Total other payables	43 452	43 094

Total other payables are expected to be settled in:

No more than 12 months	22 382	18 858
More than 12 months	21 070	24 236
Total other payables	43 452	43 094

Note 9: Interest bearing liabilities

	2011 \$'000	2010 \$'000
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Note 9: Leases

Finance lease liability ¹	17 522	21 324
Total finance leases	17 522	21 324

Payable:

Within one year

Minimum lease payments	10 114	13 564
Deduct: future finance charges	(676)	(1 103)

In one to five years

Minimum lease payments	8 824	9 364
Deduct: future finance charges	(740)	(501)

Finance leases recognised on the balance sheet	17 522	21 324
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1. Finance leases exist in relation to certain information technology and communications equipment assets. The leases were non-cancellable and for fixed terms averaging four (4) years. The interest rate implicit in the leases averaged 5.85% (2010: 5.99%). The leased assets secure the lease liabilities. The department guarantees the residual values of all assets leased. There are no contingent rentals.

Note 10: Provisions

	2011 \$'000	2010 \$'000
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Note 10A: Employee provisions

Leave	155 502	138 827
Other employee provisions	8 452	7 080
Total employee provisions	163 954	145 907

Employee provisions are expected to be settled in:

No more than 12 months	50 956	51 022
More than 12 months	112 998	94 885
Total employee provisions	163 954	145 907

Note 10B: Other provisions

Restoration obligations ¹	20 805	20 507
Onerous contracts ²	13 356	31 623
Total other provisions	34 161	52 130

Other provisions are expected to be settled in:

No more than 12 months	9 170	11 120
More than 12 months	24 991	41 010
Total other provisions	34 161	52 130

	Provision for restoration \$'000	Provision for onerous contracts \$'000	Total \$'000
Carrying amount 1 July 2010	20 507	31 623	52 130
Additional provisions made	1 371	7 865	9 236
Amounts used	-	(7 418)	(7 418)
Amounts reversed	(1 974)	(18 969)	(20 943)
Unwinding of discount or change in discount rate	901	255	1 156
Closing balance 2011	20 805	13 356	34 161

1. Restoration obligations – The department currently has approximately 80 agreements for the leasing of premises which have provisions requiring the department to restore the premises to their original condition at the conclusion of the lease. The department has made a provision to reflect the present value of the obligations.

2. The department currently has seven agreements for the leasing of premises which have surplus lease space. These leases are non-cancellable and therefore the unavoidable costs of meeting the obligations under the contracts exceed the economic benefits expected to be received. The department has made a provision to reflect the present value of the obligations.

Note 11: Restructuring

2011
\$'000

Note 11A: Departmental restructuring

Effective from 1 July 2010, all assets relating to detention centres were transferred from departmental to administered Items.

The net book value of departmental assets transferred to administered items in 2010–11 for no consideration and recognised as at the date of transfer was:

Total assets relinquished	
– Land and buildings	509 520
– Property, plant and equipment	22 738
Total liabilities relinquished	
– Other provisions: restoration obligations	(1 500)
Net assets relinquished	530 758
Net increase (decrease) in net assets during the financial year	(530 758)

Note 11B: Administered restructuring

Effective from 1 July 2010, all assets relating to detention centres were transferred from departmental to administered items.

The net book value of assets transferred from departmental in 2010–11 for no consideration and recognised as at the date of transfer was:

Total assets recognised	
– Land and buildings	509 520
– Property, plant and equipment	22 738
Total liabilities recognised	
– Other provisions: restoration obligations	(1 500)
Net assets assumed	530 758
Net increase (decrease) in net assets during the financial year	530 758

Note 12: Cash flow reconciliation

	2011 \$'000	2010 \$'000
Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement		
Cash and cash equivalents as per:		
Cash flow statement	11 222	5 606
Balance sheet	11 222	5 606
Difference	-	-
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	(1 251 510)	(1 178 724)
Add revenue from government	1 188 426	1 184 216
Adjustments for non-cash items		
Depreciation /amortisation	77 932	115 506
Net write down of non-financial assets	765	9 721
Gain on disposal of assets	(6)	(28)
Resources received free of charge – goods	-	(1 417)
Changes in assets / liabilities		
Assets recognised for the first time	(58)	(85)
(Increase) / decrease in net receivables	(23 498)	(76 165)
(Increase) / decrease in accrued revenues	917	(660)
(Increase) / decrease in prepayments	(4 992)	2 529
(Increase) / decrease in other financial assets	(89)	307
Increase / (decrease) in employee provisions	18 047	(7 181)
Increase / (decrease) in supplier payables	25 029	(4 076)
Increase / (decrease) in other provisions	(17 969)	19 193
Increase / (decrease) in lease incentives	(1 513)	(1 319)
Increase / (decrease) in other payables	1 871	(9 592)
Net cash from operating activities	13 352	52 223

Note 13: Contingent liabilities and assets

	Indemnities		Claims for damages or costs		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Contingent liabilities						
Balance from previous period	1 170	1 167	4 696	2 664	5 866	3 831
New	-	-	4 497	1 314	4 497	1 314
Re-measurement	(13)	3	(4)	1 583	(17)	1 586
Liabilities recognised	-	-	(20)	(125)	(20)	(125)
Obligations expired	-	-	(2 037)	(740)	(2 037)	(740)
Total contingent liabilities	1 157	1 170	7 132	4 696	8 289	5 866

As at 30 June 2011 the department had no quantifiable contingent assets or guarantees (2010: nil).

Quantifiable Contingencies

The schedule of contingencies reports net contingent liabilities in respect of indemnities and claims for damages/costs of \$8 289 000 (2010: \$5 866 000). The figures for indemnities have been determined through reference to the amounts stated in the contracts. The figures for claims for damages/costs represent an estimate of the department's liability based on precedent cases. The department is defending the claims.

The scheme for Compensation for Detriment Caused by Defective Administration (CDDA) is a method for agencies to provide for compensation to persons who have been adversely affected by the maladministration of agencies, but who have no legal means to seek redress, such as a legal claim.

The amounts reported in the schedule represent an estimate of the department's liability based on a preliminary analysis of the claims made. The department is investigating these claims.

The department's insurer (Comcover) is notified of all claims for compensation as required by the terms of our insurance coverage.

Unquantifiable Contingencies

The department has entered into a contract with IBM Australia (IBM) for the provision of systems development services for the department. The arrangement facilitated the delivery of the new departmental program Systems for People. The department has agreed to limit IBM's liability to an overall maximum of \$150 million for certain causes of action.

Significant Remote Contingencies

As at 30 June 2011 the department has claims under the CDDA scheme for which payment has been assessed as remote. The figures in the schedule represent an estimate of the department's liability based on a preliminary analysis of the claims made. The department is investigating these claims.

The department has entered into a deed of agreement with the British Broadcasting Corporation (BBC) for the subscription to BBC monitoring online which contains a contractor indemnity clause. The indemnity clause may be invoked if information provided by BBC monitoring is used for purposes outside the agreement guidelines. This indemnity is capped at \$650 000.

Note 14: Senior executive remuneration

	2011	2010
	\$	\$

Note 14A: Senior executive remuneration expense for the reporting period

Short-term employee benefits:

Salary	14 365 859	10 573 912
Annual leave accrued	1 585 884	1 141 048
Performance bonuses	-	47 305
Motor vehicle benefits	2 280 781	985 286
Other benefits	1 457 009	1 939 024

Total short-term employee benefits	19 689 534	14 686 576
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Post-employment benefits:

Superannuation	2 851 926	2 274 017
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Total post-employment benefits	2 851 926	2 274 017
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Other long-term benefits:

Long-service leave	813 884	206 976
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Total other long-term benefits	813 884	206 976
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Termination benefits	534 117	-
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Total	23 889 461	17 167 569
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Notes:

1. Note 14A was prepared on an accrual basis and therefore includes non cash expenditure items incurred as part of senior executive remuneration.
2. Note 14A excludes acting arrangements and part-year service where total remuneration expense was less than \$15 000.
3. Motor vehicle benefits include both actual motor vehicle costs, any associated FBT and motor vehicle allowances.
4. Other benefits include personal leave taken to accommodate personal illness or injury, to care for a family member or to meet family responsibilities of an emergency and unscheduled nature, FBT expense not associated with motor vehicles and travel and remote allowances.

Note 14: Senior executive remuneration *continued*

Note 14B: Average annual fixed remuneration packages and bonus paid for substantive senior executives as at the end of the reporting period

as at 30 June 2011

as at 30 June 2014

Fixed elements and bonus paid ¹	Senior executives No.	Fixed elements		
		Salary \$	Allowances \$	Total \$
Total fixed remuneration (including part-time arrangements):				
less than \$150 000	1	124 635	25 250	149 885
\$150 000 to \$179 999	22	149 957	25 250	175 207
\$180 000 to \$209 999	43	162 324	25 485	187 809
\$210 000 to \$239 999	15	199 800	27 196	226 996
\$240 000 to \$269 999	6	221 265	26 500	247 765
\$270 000 to \$299 999	7	260 204	27 982	288 186
\$300.000 to \$329 999	-	-	-	-
\$330 000 to \$359 999	-	-	-	-
\$390 000 to \$419 999	1	392 080	24 309	416 389
Total	95			

as at 30 June 2010

as at 30 June 2019

Fixed elements and bonus paid ¹	Senior executives No.	Fixed elements		
		Salary \$	Allowances \$	Total \$
Total fixed remuneration (including part-time arrangements):				
less than \$150 000	-	-	-	-
\$150 000 to \$179 999	2	142 807	8 054	150 861
\$180 000 to \$209 999	31	147 678	22 018	169 696
\$210 000 to \$239 999	21	159 441	25 727	185 168
\$240 000 to \$269 999	15	179 856	34 163	214 020
\$270 000 to \$299 999	3	202 487	31 511	233 998
\$300.000 to \$329 999	7	217 907	46 454	264 361
\$330 000 to \$359 999	1	255 214	30 650	285 864
\$390 000 to \$419 999	1	376 640	15 809	392 449
Total	81			

Notes:

1. This table reports on substantive senior executives who are employed by the entity as at the end of the reporting period. Fixed elements are based on the employment agreement of each individual – each row represents an average annualised amount.
2. DIAC senior executives are not entitled to performance pay and no performance pay has been paid in relation to the 2010–11 financial year.

Note 14: Senior executive remuneration *continued*

Note 14B: Average annual fixed remuneration packages and bonus paid for substantive senior executives as at the end of the reporting period *continued*

Variable Elements:

With the exception of performance bonuses, variable elements are not included in the 'fixed elements and bonus paid' table above. The following variable elements are available as part of senior executives' remuneration package:

(a) Performance bonuses:

- DIAC senior executives are not entitled to performance pay

(b) On average senior executives are entitled to the following leave entitlements:

- Annual Leave (AL): entitled to 20 days (2010: 20 days) each full year worked (pro-rata for part-time SES);
- Personal Leave (PL): entitled to 18 days (2010: 18 days) or part-time equivalent;
- Long Service Leave (LSL): entitled to 9 calendar days (2010: 9 days) for each full year worked (pro-rata for part-time SES), leave only becomes an entitlement when officer has 10 or more years service in accordance with long service leave provisions.

(c) Senior executives are members of one of the following superannuation funds:

- Commonwealth Superannuation Scheme (CSS): this is a hybrid super fund and employer contribution is set at 18.9 per cent, from 1990 the CSS was closed to new members. More information on CSS can be found at www.css.gov.au
- Public Sector Superannuation Scheme (PSS): this is a defined benefit scheme where benefits are defined in advance according to a formula. Employer contribution is set at 14.6 per cent, from 2005 the PSS was closed to new members. More information on PSS can be found at www.pss.gov.au
- Public Sector Superannuation accumulation plan (PSSap): this is an accumulation fund. Employer contribution is set at 15.4% per cent. More information on PSSap can be found at www.pssap.gov.au
- Senior Executive Employees are entitled to contribute to superannuation funds of their own choice, contributions are 15.4 per cent of Ordinary Times Earning.

(d) Others:

- Various salary sacrifice arrangements are available to senior executives including super, motor vehicle and expense payment fringe benefits.

Note 14C: Other highly paid staff

During the reporting period, there were 25 employees (2010: 12) whose salary was \$150 000 or more. These employees did not have a role as senior executive and are therefore not disclosed as senior executive in either Note 14A or 14B.

Note 15: Remuneration of auditors

	2011	2010
	\$'000	\$'000

Financial statement audit services are provided free of charge to the department.

The fair value of the services provided was:

Financial statement audit	440	475
	<u>440</u>	<u>475</u>

No other services were provided by the Auditor-General.

Note 16: Financial instruments

	2011 \$'000	2010 \$'000
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Note 16A: Categories of financial instruments

Financial assets

Loans and receivables

Cash and cash equivalents	11 222	5 606
Goods and services receivable	9 960	11 442

Carrying amount of financial assets	21 182	17 048
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Financial liabilities

At amortised cost:

Finance leases	17 522	21 324
Trade creditors	113 404	90 741
Operating lease creditors	8 025	5 659

Carrying amount of financial liabilities	138 951	117 724
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Note 16B: Net Income and expense from financial assets

Loans and receivables

Impairment	(7 373)	(4 285)
------------	---------	---------

Net gain/(loss) from financial assets	(7 373)	(4 285)
---------------------------------------	---------	---------

Note 16C: Net Income and expense from financial liabilities

At amortised cost:

Interest expense	(1 089)	(2 052)
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Net gain/(loss) from financial liabilities	(1 089)	(2 052)
--	---------	---------

The net expense from financial instruments not at fair value through profit or loss is \$8 462 000 (2010: \$6 337 000)

The carrying amount of financial instruments is a reasonable approximation of fair value.

Note 16: Financial instruments *continued*

Note 16D: Credit risk

The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables of \$18 285 000 in 2011 (2010: \$13 849 000).

The department has assessed the risk of the default on payment and has allocated \$8 324 000 in 2011 (2010: \$2 407 000) to an allowance for doubtful debts account.

The department holds no collateral to mitigate credit risk.

Credit quality of financial instruments not past due or individually determined as impaired

	Not past due nor impaired 2011 \$'000	Not past due nor impaired 2010 \$'000	Past due or impaired 2011 \$'000	Past due or impaired 2010 \$'000
Financial assets				
Loans and receivables				
Cash and cash equivalents	11 222	5 606	-	-
Goods and services receivable	5 230	753	13 055	13 096
Total	16 452	6 359	13 055	13 096

Ageing of financial assets that were past due but not impaired for 2011

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Financial assets					
Loans and receivables					
Goods and services receivable	1 021	363	217	615	2 216
Total	1 021	363	217	615	2 216

Ageing of financial assets that were past due but not impaired for 2010

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Financial assets					
Loans and receivables					
Goods and services receivable	5 621	979	239	2 680	9 519
Total	5 621	979	239	2 680	9 519

The following assets have been individually assessed as impaired for 2011

	Not Past Due \$'000	1 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Financial assets						
Loans and receivables						
Goods and services receivable	590	345	577	239	9 088	10 839
Total	590	345	577	239	9 088	10 839

Note 16: Financial instruments *continued*

The following assets have been individually assessed as impaired for 2010

Financial Assets	Not Past Due \$'000	1 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Loans and receivables						
Goods and services receivable	1 854	-	-	256	1 467	3 577
Total	1 854	-	-	256	1 467	3 577

The department's financial liabilities are trade creditors, finance leases and operating lease creditors. The exposure to liquidity risk is based on the notion that the department may encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to appropriation funding and mechanisms available to the department (e.g. Advance to the Finance Minister) and internal policies and procedures put in place to ensure there are appropriate resources to meet the department's financial obligations.

Maturities for non-derivative financial liabilities 2011

	On demand \$'000	within 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	> 5 years \$'000	Total \$'000
Finance leases	-	9 438	4 773	3 311	-	17 522
Trade creditors	-	113 404	-	-	-	113 404
Operating lease creditors	-	8 025	-	-	-	8 025
Total	-	130 867	4 773	3 311	-	138 951

Maturities for non-derivative financial liabilities 2010

	On demand \$'000	within 1 year \$'000	within 2 years \$'000	2 to 5 years \$'000	> 5 years \$'000	Total \$'000
Finance leases	-	12 461	6 786	2 077	-	21 324
Trade creditors	-	90 741	-	-	-	90 741
Operating lease creditors	-	5 659	-	-	-	5 659
Total	-	108 861	6 786	2 077	-	117 724

The department has no derivative financial liabilities in either the current or prior financial year.

Note 16F: Market risk

The department holds basic financial instruments that do not expose the department to material market risk.

Notes to the Schedule of administered items

Note 17: Income administered on behalf of government

	2011 \$'000	2010 \$'000
Revenue		
<u>Note 17A: Sale of goods and rendering of services¹</u>		
Adult Migrant English Program charge	-	19
Total rendering of services	-	19
Total sale of goods and rendering services	-	19
<u>Note 17B: Fees and fines¹</u>		
Visa application fees	927 721	899 322
Citizenship fees	19 456	27 868
Immigration fines	2 341	4 801
Other fees	7 547	12 308
Total fees and fines	957 065	944 299
Gains		
<u>Note 17C: Reversal of previous asset write-downs and impairments</u>		
Write back of debtors	97	269
Total reversals of previous asset write-downs and impairments	97	269
<u>Note 17D: Foreign exchange</u>		
Non-speculative	269	140
Total foreign exchange gains	269	140
1. Comparatives have been adjusted for the reclassification of the second instalment of visa application charges from sale of goods and rendering of services to fees and fines.		

Note 18: Expenses administered on behalf of government

	2011 \$'000	2010 \$'000
Expenses		
Note 18A: Suppliers		
Goods and services		
Adult Migrant English Program	191 807	203 273
Detention centres and detainee related ¹	500 835	191 300
Refugees settlement and related	143 067	136 164
Travel and transport	53 832	27 644
Contractors and consultants	24 169	12 964
Other ¹	68 268	21 240
Total goods and services	981 978	592 585
Goods and services consist of:		
Rendering of services – related entities	11 376	18 795
Rendering of services – external parties	970 602	573 790
Total goods and services	981 978	592 585
Total suppliers expenses	981 978	592 585
Note 18B: Subsidies		
Payable to external parties	11 983	9 455
Total subsidies	11 983	9 455
Note 18C: Personal benefits²		
Direct	12 971	3 915
Indirect	15 843	9 538
State payment – refugee minors	7 497	4 331
Total personal benefits	36 311	17 784
<p>1. Telecommunications and medical emergency expenses relating to detention services have been reclassified from 'other' to detention centres and detainee related'.</p> <p>2. Personal benefits are current transfers for the benefit of individuals or households that do not require any economic benefit to flow back to government, and include asylum seekers assistance and payments to refugee minors. Comparatives for direct and indirect personal benefits have been updated to reflect allowances paid via the Australian Red Cross or the International Organisation for Migration as indirect personal benefits.</p>		

Note 18: Expenses administered on behalf of government *continued*

	2011 \$'000	2010 \$'000
<u>Note 18D: Grants</u>		
Private sector:		
Non-profit organisations	39 754	38 065
Total grants	39 754	38 065
<u>Note 18E: Depreciation and amortisation</u>		
Depreciation:		
Property, plant and equipment	1 223	-
Buildings	18 095	-
Leasehold Improvements	7 146	-
Total depreciation	26 464	-
Total depreciation and amortisation	26 464	-
<u>Note 18F: Write-down and impairment of assets</u>		
Asset write-downs from:		
Receivables	2 433	2 550
Waived debts	-	1 307
Write-down of property, plant and equipment	304	-
Total write-down and impairment of assets	2 737	3 857
<u>Note 18G: Foreign exchange losses</u>		
Non-speculative losses	20	-
Total foreign exchange losses	20	-
<u>Note 18H: Other expenses</u>		
Act of Grace payments	6	112
Gifting of public property	248	676
Total other expenses	254	788

Note 19: Assets administered on behalf of government

	2011 \$'000	2010 \$'000
Financial assets		
<u>Note 19A: Cash and cash equivalents</u>		
Cash on hand or on deposit	15 106	9 697
Total cash and cash equivalents	15 106	9 697
<u>Note 19B: Receivables</u>		
Goods and services:		
Goods and services receivable – external parties	182	4
Total receivables for goods and services	182	4
Other receivables:		
Fees	441	889
Detainee debts	2 818	127
GST accrued receivable	16 933	7 767
GST receivable from ATO	17 277	8 416
Total other receivables	37 469	17 199
Total receivables (gross)	37 651	17 203
Less: Allowance for impairment:		
Other receivables	(1 593)	-
Total allowance for impairment	(1 593)	-
Total receivables (net)	36 058	17 203
Receivables are aged as follows:		
Not overdue	34 624	16 709
Overdue by:		
0 to 30 days	671	55
31 to 60 days	254	24
61 to 90 days	633	37
More than 90 days	1 469	378
Total receivables (gross)	37 651	17 203
The allowance for impairment is aged as follows:		
Overdue by:		
0 to 30 days	150	-
31 to 60 days	152	-
61 to 90 days	444	-
More than 90 days	847	-
Total allowance for impairment	1 593	-
All receivables are current assets.		
Goods and services receivables are with entities external to the Australian government.		
Credit terms are net 30 days (2010: 30 days).		

Note 19: Assets administered on behalf of government *continued*

Reconciliation of the allowance for impairment:

Movements in relation to 2011

	Goods and services receivables \$'000	Other receivables \$'000	Total \$'000
Opening balance	-	-	-
Increase/(decrease) recognised in net surplus	-	1 593	1 593
Closing balance	-	1 593	1 593

Movements in relation to 2010

	Goods and services receivables \$'000	Other receivables \$'000	Total \$'000
Opening balance	9	8 063	8 072
Amounts written off	-	(8 016)	(8 016)
Amounts recovered and reversed	(9)	(47)	(56)
Increase/(decrease) recognised in net surplus	-	-	-
Closing balance	-	-	-

	2011 \$'000	2010 \$'000
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Note 19C: Other financial assets

Other accrued revenue	17 382	12 608
Total other financial assets	17 382	12 608

All other financial assets are current assets.

Note 20: Non-financial assets administered on behalf of government

	2011 \$'000	2010 \$'000
<u>Note 20A: Land and buildings</u>		
Land at fair value	87 866	-
Buildings on freehold land:		
Work in progress	146 726	-
Fair value	453 180	-
Accumulated depreciation	(2 478)	-
Total buildings on freehold land	685 294	-
Leasehold improvements:		
Work in progress	568	-
Fair value	28 642	-
Accumulated depreciation	(291)	-
Total leasehold improvements	28 919	-
Total land and buildings	714 213	-
<p>Effective from 1 July 2010, land and buildings relating to detention centres (\$509 520 000) were transferred from Departmental to Administered Items. In December 2010, the Australian Valuation Office (AVO) was engaged to conduct the asset revaluations, in accordance with the revaluation policy stated at Note 1.</p> <p>Revaluation increments of \$17 591 000 for land and \$36 387 000 for buildings on freehold land and leasehold improvements were recognised as at 30 June 2011.</p> <p>Useful lives of buildings and leasehold improvements were reviewed, and the department decided in conjunction with AVO that the useful lives of all detention centres will be reduced from 40 years to 25 years.</p>		

Note 20: Non-financial assets administered on behalf of government
continued

	2011 \$'000	2010 \$'000
<u>Note 20B: Property, plant and equipment</u>		
Other property, plant and equipment:		
Work in progress	33	-
Fair value	7 008	-
Accumulated depreciation	(1 348)	-
Total property, plant and equipment	5 693	-
<p>Effective from 1 July 2010, assets relating to detention centres (\$22 738 000) were transferred from Departmental to Administered Items. Of these assets, \$16 886 000 of demountable buildings have been reclassified to Buildings, leaving the net amount transferred of \$5 852 000.</p> <p>No property, plant or equipment is expected to be sold or disposed of within the next 12 months.</p>		

Note 20: Non-financial assets administered on behalf of government *continued*Note 20C: Reconciliation of the opening and closing balances of property, plant and equipment (2010-11)

	Land \$'000	Buildings \$'000	Buildings – leasehold improvements \$'000	Total land and buildings \$'000	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2010						
Gross book value	-	-	-	-	-	-
Accumulated depreciation and impairment	-	-	-	-	-	-
Accumulated depreciation value opening adjustments – reclassifications	-	-	-	-	-	-
Net book value 1 July 2010	-	-	-	-	-	-
Additions:						
By purchase	-	158 154	726	158 880	1 557	160 437
By finance lease	-	-	-	-	-	-
By donation/gift	-	-	-	-	-	-
From acquisition of entities or operations (including restructuring)	70 275	384 794	54 451	509 520	22 738	532 258
Revaluations and impairments recognised in other comprehensive income	17 591	56 544	(20 156)	53 979	-	53 979
Revaluations recognised in the operating result	-	-	-	-	-	-
Reclassifications	-	16 035	1 273	17 308	(17 308)	-
Depreciation expense	-	(18 095)	(7 146)	(25 241)	(1 223)	(26 464)
Other movements:						
Write-offs	-	(4)	(229)	(233)	(71)	(304)
Net book value 30 June 2011	87 866	597 428	28 919	714 213	5 693	719 906
Net book value as of 30 June 2011 represented by:						
Gross book value	87 866	599 906	29 210	716 982	7 041	724 023
Accumulated depreciation	-	(2 478)	(291)	(2 769)	(1 348)	(4 117)
	87 866	597 428	28 919	714 213	5 693	719 906

There are no comparative figures as the transfer of assets from departmental to administered came into effect as of 1 July 2010.

Note 21: Liabilities administered on behalf of government

	2011 \$'000	2010 \$'000
Payables		
Note 21A: Suppliers		
Trade creditors – related entities	31 286	10 926
Trade creditors – external parties	214 909	119 113
Total suppliers	246 195	130 039
All supplier payables are expected to be settled within 12 months. Settlement is usually made within 30 days.		
Note 21B: Subsidies		
Payable to external parties	2 515	5 635
Total subsidies	2 515	5 635
All subsidies payable are expected to be settled within 12 months.		
Note 21C: Personal benefits		
Indirect benefits	7 228	2 609
Total personal benefits	7 228	2 609
All personal benefits payable are expected to be settled within 12 months.		
Note 21D: Grants		
Private sector:		
Non-profit organisations	328	21
Total grants	328	21
All grants payable are expected to be settled within 12 months. Settlement is usually made according to the terms and conditions of each grant. This is usually within 30 days of performance or eligibility.		

Note 21: Liabilities administered on behalf of government *continued*

	2011 \$'000	2010 \$'000
Note 21E: Other payables		
Unearned income	208	75
Total other payables	208	75
Note 21F: Other provisions		
Provision for bonds ¹	27 056	50 366
Provision for restoration ²	1 500	-
Total other provisions	28 556	50 366
Other provisions are expected to be settled in:		
No more than 12 months	25 694	48 694
More than 12 months	2 862	1 672
Total other provisions	28 556	50 366

	Provision for restoration \$'000	Provision for bonds \$'000	Total \$'000
Carrying amount 1 July 2010	-	50 366	50 366
Additional provisions made	1 500	84 877	86 377
Amounts used	-	(3 966)	(3 966)
Amounts reversed	-	(104 221)	(104 221)
Closing balance 30 June 2011	1 500	27 056	28 556

1. The department collects and repays securities for the purpose of compliance with the provisions of the *Migration Act 1958* and regulations. Currently the department collects three types of securities; compliance, visitor visa and professional development visa.

2. This provision for restoration is related to removing asbestos and restoring the site at Broadmeadows, Victoria which was transferred from departmental to administered items along with detention assets with effect from 1 July 2010

Note 22: Administered reconciliation table

	2011 \$'000	2010 \$'000
Opening administered assets less administered liabilities as at 1 July	(149 235)	(116 925)
Adjusted opening administered assets less administered liabilities		
Plus: Administered income	977 031	968 900
Less: Administered expenses (non CAC)	(1 099 500)	(662 534)
Administered transfers to/from Australian government:		
Appropriation transfers from Official Public Account:		
Annual appropriations for administered expenses (non CAC)	1 063 800	736 881
Administered assets and liabilities appropriations	248 719	44 702
Transfers to Official Public Account	(1 122 131)	(1 120 259)
Restructuring	530 759	-
Administered revaluations taken to/from reserves	53 978	-
Closing administered assets less administered liabilities as at 30 June	503 421	(149 235)

Note 23: Administered contingent assets and liabilities

	Claims for damages or costs		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Contingent liabilities				
Balance from previous period	5 851	9 135	5 851	9 135
New	-	-	-	-
Liabilities recognised	(27)	(176)	(27)	(176)
Obligations expired	-	(3 108)	-	(3 108)
Total contingent liabilities	5 824	5 851	5 824	5 851

As at 30 June 2011 the department had no quantifiable administered contingent assets, idemnities or guarantees (2010: nil).

Quantifiable contingencies

The schedule of Administered contingencies reports net contingent liabilities in respect of indemnities and claims for damages/costs of \$6 066 000 (2010: \$5 851 000).

An Act of Grace payment can be granted by the Finance Minister to a person who has been unintentionally disadvantaged by the effect of Australian government legislation, actions or omissions and who has no other means of compensation. The figures in the schedule represent an estimate of the department's liability based on a preliminary analysis of the claims made. The department is investigating these claims.

Unquantifiable contingencies

As at 30 June 2011 the department had a number of legal claims against it including the matter of Giles and Anor v Commonwealth and Ors (a class action arising from British child migrant scheme). The department has responded to these claims in accordance with its obligations as a model litigant under the Attorney-General's Legal Services Directions. Some of these claims are being defended in the courts whilst others are in the process of being resolved by negotiated settlement. It is not possible to estimate the amounts of any eventual payments that may be required in relation to these claims.

Significant remote contingencies

As at 30 June 2011 the department has no claims for Act of Grace payments which have been assessed as remote (2010: nil).

Ex-gratia payments are made to groups or individuals who have suffered a loss or financial detriment and cannot seek redress for that loss under an established government program or legal mechanism. The department has received a claim for an ex-gratia payment. All ex gratia claims are assessed on their individual merits. The figure in the schedule represents an estimate of the department's liability based on a preliminary analysis of the claim made. The department is investigating this claim.

DIAC has entered into a contract with International Health and Medical Services Pty Ltd (IHMS), which commenced on 14 January 2009, to deliver health services to people in detention in Australia on behalf of the Australian Government. Under this contract, DIAC has agreed to limit IHMS's liability to DIAC to a maximum of \$20.5 million; however, IHMS's liability is unlimited for specific events defined under the contract.

The department has entered into a contract with Serco Pty Ltd (Serco), effective 1 July 2009, to deliver immigration detention services in Australia on behalf of the Australian Government at immigration detention centres. In this contract, the department has agreed to limit Serco's liability to the department to a maximum of any insurance proceeds recovered by Serco and \$75 million. Serco's liability is unlimited for specific events defined under the contract.

Note 24: Administered financial instruments

	2011 \$'000	2010 \$'000
<u>24A: Categories of financial</u>		
Financial assets		
Loans and receivables financial assets		
Cash and cash equivalents	15 106	9 697
Goods and services receivable	182	4
Carrying amount of financial assets	15 288	9 701
Financial liabilities		
Other liabilities		
Trade creditors	246 195	130 039
Subsidies payable	2 515	5 635
Personal benefits payable	7 228	2 609
Grants payable	328	21
Carrying amount of financial liabilities	256 266	138 304
The carrying value of financial instruments is a reasonable approximation of their fair value.		

Note 24: Administered financial instruments *continued*

24B: Credit risk

The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of goods and services receivable (2011: \$182 000 and 2010 equivalent: \$4 000).

The department has assessed the risk of the default on payment and has allocated \$0 in 2011 (2010 equivalent: \$0) to an allowance for doubtful debts account.

The department holds no collateral to mitigate credit risk.

Credit quality of financial instruments not past due or individually determined as impaired

Financial assets	Not past due nor impaired 2011 \$'000	Not past due nor impaired 2010 \$'000	Past due or impaired 2011 \$'000	Past due or impaired 2010 \$'000
Loans and receivables				
Cash and cash equivalents	15 106	9 697	-	-
Goods and services receivable	111	-	71	4
Total	15 217	9 697	71	4

Ageing of financial assets that were past due but not impaired for 2011

Financial assets	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Loans and receivables					
Goods and services receivable	3	2	53	13	71
Total	3	2	53	13	71

Ageing of financial assets that were past due but not impaired for 2010

Financial assets	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Loans and receivables					
Goods and services receivable	1	1	1	1	4
Total	1	1	1	1	4

Note 24: Administered financial instruments *continued*

24C: Liquidity risk

The department's financial liabilities are trade creditors. The exposure to liquidity risk is based on the notion that the department may encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to appropriation funding and mechanisms available to the department (e.g. advance to the Finance Minister) and internal policies and procedures put in place to ensure there are appropriate resources to meet the department's financial obligations.

Maturities for non-derivative financial liabilities 2011

	Within 1 year 2011 \$'000	Total 2011 \$'000
Other liabilities		
Trade creditors	246 195	246 195
Subsidies payable	2 515	2 515
Personal benefits payable	7 228	7 228
Grants payable	328	328
Total	256 266	256 266

Maturities for non-derivative financial liabilities 2010

	Within 1 year 2010 \$'000	Total 2010 \$'000
Other liabilities		
Trade creditors	130 039	130 039
Subsidies payable	5 635	5 635
Personal benefits payable	2 609	2 609
Grants payable	21	21
Total	138 304	138 304

24D: Market risk

The department holds basic financial instruments that do not expose the department to material market risk.

Note 25: Appropriations

Table A: Annual appropriations 2010-11 ('recoverable GST exclusive')

	2011 Appropriations						Appropriation applied in 2011 (current and prior years) \$'000	Variance \$'000
	Appropriation Act		FMA Act			Total appropriation \$'000		
	Annual appropriation \$'000	Appropriations reduced ^(a) \$'000	Section 30 \$'000	Section 31 \$'000	Section 32 \$'000			
Departmental								
Ordinary annual services	1 228 483	-	38 933	42 427	(120)	1 309 722	(1 328 616)	(18 893)
Other services								
Equity	6 435	-	-	-	-	6 435	(5 811)	624
Total departmental	1 234 918	-	38 933	42 427	(120)	1 316 157	(1 334 427)	(18 270)
Administered								
Ordinary annual services								
Administered items	1 023 167	2 272	108	-	(2 375)	1 023 172	(985 648)	37 524
Other services								
Administered assets and liabilities	344 726	-	-	-	-	344 726	(135 061)	209 665
Total administered	1 367 893	2 272	108	-	(2 375)	1 367 898	(1 120 710)	247 189

Notes:

(a) Appropriations reduced under *Appropriation Acts (No. 1,3,5) 2010-11*: sections 10, 11, 12 and 15 and under *Appropriation Acts (No. 2,4,6) 2010-11*: sections 12,13, 14 and 17. Departmental appropriations do not lapse at the end of the financial year. However, the responsible minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by parliament. In 2011, there was no reduction in departmental and non-operating departmental appropriations.

Note 25: Appropriations *continued*

Table A: Annual appropriations 2009–10 ('recoverable GST exclusive')

	2010 Appropriations					Total appropriation \$'000	Appropriation applied in 2010 (current and prior years) \$'000	Variance \$'000
	Appropriation Act			FMA Act				
	Annual appropriation \$'000	Appropriations reduced ^(a) \$'000	AFM ^(b) \$'000	Section 30 \$'000	Section 31 \$'000			
Departmental								
Ordinary annual services	1 221 979	(57 298)	-	38 988	42 592	1 246 261	(1 240 332)	5 929
Other services								
Equity	55 894	(8 656)	-	-	-	47 238	(81 267)	(34 029)
Previous years' outputs	10 000	-	-	-	-	10 000	-	10 000
Total departmental	1 287 873	(65 954)	-	38 988	42 592	1 303 499	(1 321 599)	(18 100)
Administered								
Ordinary annual services								
Administered items	541 202	3 104	72 572	397	-	617 275	(604 339)	12 936
Total administered	541 202	3 104	72 572	397	-	617 275	(604 339)	12 936

Notes:

(a) Appropriations reduced under *Appropriation Acts (No. 1,3) 2009–10*: sections 10, 11 and 12 and under *Appropriation Acts (No. 2,4) 2009–10*: sections 13 and 14. Departmental appropriations do not lapse at the end of the financial year. However, the responsible minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by parliament. On 5 August 2011, the Finance Minister determined a reduction in departmental appropriations following a request by the Minister for Immigration and Citizenship.

(b) Advance to the Finance Minister (AFM) – *Appropriation Acts (No. 1,3) 2009–10*: section 13 and *Appropriation Acts (No. 2,4) 2009–10*: section 15.

Note 25: Appropriations *continued*

Table B: Unspent departmental annual appropriations ('recoverable GST exclusive')

Authority	2011 \$'000	2010 \$'000
<i>Appropriation Act (No. 1) 2008-09</i>	-	19
<i>Appropriation Act (No. 2) 2008-09</i>	371	371
<i>Appropriation Act (No. 1) 2009-10</i>	16 165	255 944
<i>Appropriation Act (No. 2) 2009-10</i>	10 000	15 923
<i>Appropriation Act (No. 4) 2009-10</i>	24 275	34 074
<i>Appropriation Act (No. 3) 2009-10</i>	-	24 479
<i>Appropriation Act (No. 2) 2010-11</i>	624	-
<i>Appropriation Act (No. 1) 2010-11</i>	172 912	-
<i>Appropriation Act (No. 3) 2010-11</i>	58 823	-
Total	283 170	330 810

Note 25: Appropriations *continued*

Table C: Special appropriations ('recoverable GST exclusive')

The Department of Immigration and Citizenship has recently become aware that there is an increased risk of non-compliance with Section 83 of the Constitution where payments are made from special appropriations in circumstances where the payments do not accord with conditions included in the relevant legislation.

The department will investigate these circumstances and any impact on its special appropriations shown below, seeking legal advice as appropriate.

Authority	Type	Purpose	Appropriation applied	
			2011 \$'000	2010 \$'000
<i>Migration Act 1958</i> – <i>section 332B</i> (administered)	Limited Amount	To deal with registration applications and monitor the conduct of registered agents and lawyers in the provision of migration assistance.	-	(529)
<i>Financial Management and Accountability Act 1997 s.28(2)</i> , Administered	Refund	To provide an appropriation where an Act or other law requires or permits the repayment of an amount received by the Commonwealth and apart from this section there is no specific appropriation for the repayment.	(121 725)	(143 704)
Total			(121 725)	(144 233)

Note 25: Appropriations *continued*

Table D: Reduction in administered items ('recoverable GST exclusive')

2011	Amount required ³ – by Appropriation Act		Amount required ³ – as represented by:		Total amount required ³	Total amount appropriated ⁴	Total reduction ⁵
Ordinary annual services	Act (No.1)	Act (No.3)	Spent	Retention			
Outcome 1	50 000.00	-	50 000.00	-	50 000.00	50 000.00	-
Outcome 2	33 188 000.00	-	31 935 393.98	1 252 606.02	33 188 000.00	33 188 000.00	-
Outcome 3	4 306 371.08	-	2 184 435.25	2 121 935.83	4 306 371.08	4 469 000.00	162 628.92
Outcome 4	418 940 000.00	239 358 000.00	625 706 450.23	32 591 549.77	658 298 000.00	658 298 000.00	-
Outcome 5	319 509 000.00	-	293 609 940.14	25 899 059.86	319 509 000.00	319 509 000.00	-
Outcome 6	3 168 730.80	-	2 821 074.30	347 656.50	3 168 730.80	5 278 000.00	2 109 269.20
Total	779 162 101.88	239 358 000.00	956 307 293.90	62 212 807.98	1 018 520 101.88	1 020 792 000.00	2 271 898.12

Notes:

1. Numbers in this table are disclosed to the cent.
2. Administered items for 2010–11 were reduced to these amounts when these financial statements were tabled in Parliament as part of the agency's 2010–11 annual report. This reduction is effective in 2011–12, but the amounts are reflected in Table A in the 2010–11 financial statements in the column 'appropriations reduced' as these were adjustments to 2010–11 appropriations.
3. Amount required as per *Appropriation Act (Act 1 s. 11; Act 2 s. 12)*.
4. Total amount appropriated in 2010–11.
5. Total reduction effective in 2011–12.

Note 25: Appropriations *continued*

Table D: Reduction in administered items ('recoverable GST exclusive') *continued*

2010	Amount required ³ – by Appropriation Act		Amount required ³ – as represented by:		Total amount required ³	Total amount appropriated ⁴	Total reduction ⁵
Ordinary annual services	Act (No.1)	Act (No.3)	Spent	Retention			
Outcome 1	50 000.00	-	50 000.00	-	50 000.00	50 000.00	-
Outcome 2	27 249 000.00	4 376 000.00	20 791 581.05	10 833 418.95	31 625 000.00	31 625 000.00	-
Outcome 3	4 102 325.21	-	3 549 575.72	552 749.49	4 102 325.21	4 617 000.00	514 674.79
Outcome 4	230 833 000.00	25 146 000.00	255 979 000.00	-	255 979 000.00	255 979 000.00	-
Outcome 5	316 091 000.00	45 000.00	292 780 979.48	23 355 020.52	316 136 000.00	316 136 000.00	-
Outcome 6	2 777 254.83	-	2 504 155.80	273 099.03	2 777 254.83	5 367 000.00	2 589 745.17
Total	581 102 580.04	29 567 000.00	575 655 292.05	35 014 287.99	610 669 580.04	613 774 000.00	3 104 419.96

Notes:

1. Numbers in this table are disclosed to the cent.
2. Administered items for 2009–10 were reduced to these amounts when these financial statements were tabled in Parliament as part of the agency's 2009–10 annual report. This reduction is effective in 2010–11, but the amounts are reflected in Table A in the 2009–10 financial statements in the column 'appropriations reduced' as these were adjustments to 2009–10 appropriations.
3. Amount required as per *Appropriation Act (Act 1 s. 11; Act 2 s. 12)*.
4. Total amount appropriated in 2009–10.
5. Total reduction effective in 2010–11.

Note 26: Special accounts

The Department of Immigration and Citizenship has recently become aware that there is an increased risk of non-compliance with Section 83 of the Constitution where payments are made from special accounts in circumstances where the payments do not accord with conditions included in the relevant legislation.

The department will investigate these circumstances and any impact on its special accounts shown below, seeking legal advice as appropriate.

Australian Population, Multicultural and Immigration Research Program (APMIRP) Special account (administered)

Appropriation: *Financial Management and Accountability Act 1997* section 20.

Establishing Instrument: *Financial Management and Accountability Determination 2006/38*

Purpose:

- (1) The purposes of the Australian Population, Multicultural and Immigration Research Program special account, in relation to which amounts may be debited from the Special Account, are to:
 - (a) conduct research into migration, migration settlement, multicultural affairs and population trends, in accordance with approval from the responsible minister in consultation with relevant State and Territory Ministers; and
 - (b) carry out activities that are incidental to the purpose mentioned in paragraph (a); and
 - (c) repay to an original payer amounts credited to the Special Account and residual after any necessary payments made for a purpose mentioned in paragraph (a) or (b); and
 - (d) reduce the balance of the Special Account (and, therefore, the available appropriation for the Account) without making a real or notional payment; and
 - (e) repay amounts where an Act or other law requires or permits the repayment of an amount received.
- (2) To avoid doubt, incidental activities include:
 - (a) the administration of the Special Account; and
 - (b) dealing with direct and indirect costs.

	2011 \$'000	2010 \$'000
Balance brought forward from previous period	265	220
Appropriations to take account of recoverable GST (FMA Act section 30A)	9	5
Other receipts	96	95
Total increase	370	320
Payments made	44	55
Total decrease	44	55
Balance carried to next period (excluding investment balances) and represented by:	326	265
Cash – held in the Official Public Account	326	265
Cash – held by the agency	-	-
Total balance carried to the next period	326	265

Note 26: Special accounts *continued*

Other trust moneys account (special public money)

Appropriation: *Financial Management and Accountability Act 1997* section 20

Establishing Instrument: Financial Management and Accountability Determination 2008/15,
Initial Determination to Establish Components of the Reserved Money Fund (31/12/97)

Purpose:

- (a) For expenditure of moneys temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth, and
- (b) To credit another Special Account to which amounts held on trust or otherwise for the benefit of a person other than the Commonwealth may be credited.

	2011 \$'000	2010 \$'000
Balance brought forward from previous period	12	191
Other receipts	8	29
Total increase	20	220
Payments made	8	208
Total decrease	8	208
Balance carried to next period (excluding investment balances) and represented by:	12	12
Cash – held in the Official Public Account	5	5
Cash – held by the agency	7	7
Total balance carried to the next period	12	12

Note 27: Compensation and debt relief

	2011 \$	2010 \$
Compensation and debt relief – Departmental (FMA Act only)		
No 'Act of Grace' expenses were incurred during the reporting period (2010: No expenses).	-	-
Two waivers of amounts owing to the Australian government were made pursuant to subsection 34(1) of the <i>Financial Management and Accountability Act 1997</i> . (2010: One waiver)	19 688	6 300
Fifty six payments were provided under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme during the reporting period. (2010: 68 payments)	105 537	91 772
No ex-gratia payments were provided for during the reporting period. (2010: No payments).	-	-
One payment was provided in special circumstances relating to APS employment pursuant to section 73 of the <i>Public Service Act 1999</i> (PS Act) during the reporting period. (2010: One payment).	2 580	100 000

Note 27: Compensation and debt relief *continued*

	2011 \$	2010 \$
Compensation and Debt Relief - Administered (FMA Act only)		
Two 'Act of Grace' expenses were incurred during the reporting period (2010: Eighteen expenses).	14 785	135 994
None of the above expenses were paid on a periodic basis (2010: No expenses). No periodic payments are expected to continue in future years.		
No waivers of amounts owing to the Australian Government were made pursuant to subsection 34(1) of the Financial Management and Accountability Act 1997.(2010: Two waivers)		
Uddin affected cases ¹	-	1 077
Other ²	-	73 949
	-	75 026
1. There are no debts waived in 2011. One Debt waiver approved for students in 2010 affected by the decision of the Federal Magistrates Court in Uddin v MIMIA (FMCA 841 07 June 2005).		
2. For the financial year ended 30 June 2010, debts waived consisted of detention costs for one applicant.		
No payments were provided under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme during the reporting period. (2010: No payments)	-	-
No ex-gratia payments were provided for during the reporting period. (2010: No payments).	-	-
No payments were provided in special circumstances relating to APS employment pursuant to section 73 of the Public Service Act 1999 (PS Act) during the reporting period. (2010: No payments).	-	-

Note 28: Reporting of outcomes

The department uses a driver based costing system to determine the attribution of its shared items.

The basis of attribution in the table is consistent with the basis used for the budget estimates reported in the Portfolio Budget Statements.

Note 28A: Net cost of outcome delivery

	Outcome 1		Outcome 2		Outcome 3		
	2011	2010	2011	2010	2011	2010	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Expenses							
Administered	50	50	35 723	31 063	3 819	4 102	
Departmental	551 309	551 709	68 453	81 470	153 741	175 854	
Total	551 359	551 759	104 176	112 533	157 560	179 956	
Income from non-government sector							
Administered							
Other	939 424	923 515	240	113	2 341	4 800	
Total administered	939 424	923 515	240	113	2 341	4 800	
Departmental							
Activities subject to cost recovery	531	8 525	12	868	1 223	8 982	
Total departmental	531	8 525	12	868	1 223	8 982	
Total	939 955	932 040	252	981	3 564	13 782	
Other own-source income							
Departmental	10 682	2 755	759	195	5 343	1 133	
Total	10 682	2 755	759	195	5 343	1 133	
Net cost/(contribution) of outcome delivery							
	(399 278)	(383 036)	103 165	111 357	148 653	165 041	

	Outcome 4		Outcome 5		Outcome 6		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000

	738 257	294 802	318 486	329 739	3 166	2 778	1 099 501	662 534
	378 416	254 005	71 763	99 824	71 387	79 455	1 295 069	1 242 317
	1 116 673	548 807	390 249	429 563	74 553	82 233	2 394 570	1 904 851

	5 419	8 200	10 119	4 346	19 489	27 926	977 032	968 900
	5 419	8 200	10 119	4 346	19 489	27 926	977 032	968 900

	34	3 380	21 019	17 186	38	1 264	22 857	40 205
	34	3 380	21 019	17 186	38	1 264	22 857	40 205
	5 453	11 580	31 138	21 532	19 527	29 190	999 889	1 009 105

	2 501	2 899	508	16 030	908	376	20 701	23 388
	2 501	2 899	508	16 030	908	376	20 701	23 388

	1 108 719	534 328	358 603	392 001	54 118	52 667	1 373 980	872 358
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Note 28: Reporting of outcomes *continued*

Note 28B: Major classes of departmental expense, income, assets and liabilities by outcomes

	Outcome 1		Outcome 2		Outcome 3		
	2011	2010	2011	2010	2011	2010	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	

Departmental expenses:

Employees	276 420	269 744	40 282	42 310	75 443	76 636	
Suppliers	224 003	225 745	24 678	34 378	63 867	79 515	
Depreciation ¹	44 926	49 186	2 815	3 829	13 384	16 964	
Other	5 960	7 034	678	953	1 047	2 739	
Total	551 309	551 709	68 453	81 470	153 741	175 854	

Departmental income:

Revenue from government	504 284	514 126	71 865	84 801	131 991	178 370	
Sales of goods and services	847	2 885	38	193	1 805	786	
Other non-tax revenue	10 365	8 395	734	870	4 761	9 329	
Total	515 496	525 406	72 637	85 864	138 557	188 485	

Departmental assets

Cash	4 720	1 041	621	470	1 283	748	
Appropriation receivable	142 124	110 246	27 820	20 178	45 683	42 517	
Trade and other receivables	7 438	9 076	842	1 291	2 109	3 637	
Other financial assets	805	735	26	35	30	31	
Land and buildings	42 570	46 245	5 526	5 915	10 773	17 400	
Infrastructure plant and equipment	11 142	10 910	1 305	1 409	3 010	5 097	
Intangibles ¹	192 085	194 111	4 270	2 547	34 823	36 447	
Other non-financial assets	10 454	5 445	1 070	750	1 097	1 839	
Total	411 338	377 809	41 480	32 595	98 808	107 716	

Departmental liabilities

Suppliers	53 068	37 653	6 024	5 452	14 136	15 418	
Unearned income	1 395	-	198	-	137	-	
Lease incentives	2 975	3 659	428	690	1 065	1 406	
Other payables	15 858	16 421	2 080	2 271	3 632	4 499	
Finance lease liability	10 091	10 102	1 257	1 400	1 954	4 073	
Employee provisions	69 149	65 592	10 451	10 005	19 178	20 279	
Other provisions	17 351	27 049	1 931	2 620	4 788	7 928	
Total	169 887	160 476	22 369	22 438	44 890	53 603	

1. Comparatives for intangible assets have been updated to reflect attributions that are consistent with current driver based costing allocations.

	Outcome 4		Outcome 5		Outcome 6		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000

	212 659	116 926	34 666	38 578	40 058	40 125	679 528	584 319
	153 964	97 511	33 902	55 298	26 352	33 079	526 766	525 526
	9 981	35 849	2 624	4 396	4 202	5 282	77 932	115 506
	1 812	3 719	571	1 552	775	969	10 843	16 966
	378 416	254 005	71 763	99 824	71 387	79 455	1 295 069	1 242 317

	355 796	240 267	54 400	70 353	70 090	96 299	1 188 426	1 184 216
	699	3 810	21 039	32 615	68	355	24 496	40 644
	1 836	2 469	488	601	879	1 285	19 063	22 949
	358 331	246 546	75 927	103 569	71 037	97 939	1 231 985	1 247 809

	3 509	612	456	2 601	633	134	11 222	5 606
	40 334	74 231	31 424	19 034	37 992	35 614	325 377	301 820
	4 687	6 119	5 063	6 366	884	1 364	21 023	27 853
	65	63	51	23	39	40	1 016	927
	12 621	526 445	6 305	5 765	5 106	6 063	82 901	607 833
	2 041	25 103	1 044	1 709	1 453	1 407	19 995	45 635
	23 569	25 260	5 892	3 062	6 180	6 281	266 819	267 709
	2 343	1 877	546	744	852	715	16 362	11 370
	89 169	659 710	50 781	39 304	53 139	51 618	744 715	1 268 753

	26 594	19 501	15 355	12 020	6 252	6 356	121 429	96 400
	81	-	6	-	109	-	1 926	-
	2 648	2 175	82	619	437	599	7 635	9 148
	9 374	6 514	1 166	2 257	1 781	1 984	33 891	33 946
	1 695	2 184	1 050	2 112	1 475	1 453	17 522	21 324
	47 894	30 521	7 873	9 155	9 409	10 355	163 954	145 907
	6 314	9 007	1 912	2 525	1 865	3 001	34 161	52 130
	94 600	69 902	27 444	28 688	21 328	23 748	380 518	358 855

Note 28: Reporting of outcomes *continued*

Note 28C: Major classes of administered expenses, income, assets and liabilities by outcomes

	Outcome 1		Outcome 2		Outcome 3		
	2011	2010	2011	2010	2011	2010	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Administered expenses							
Suppliers expenses	-	-	19 743	15 043	3 616	4 102	
Depreciation and amortisation	-	-	-	-	-	-	
Subsidies	50	50	7 788	7 441	203	-	
Personal benefits	-	-	8 192	8 579	-	-	
Grants	-	-	-	-	-	-	
Write-down and impairment of assets	-	-	-	-	-	-	
Foreign exchange losses	-	-	-	-	-	-	
Other expenses	-	-	-	-	-	-	
Total	50	50	35 723	31 063	3 819	4 102	
Administered income							
Sale of goods and rendering of services	-	-	-	-	-	-	
Fees and fines ¹	935 266	911 631	-	-	2 341	4 800	
Recovery of detention costs	-	-	-	-	-	-	
Other revenue	4 158	11 884	-	3	-	-	
Gains	-	-	240	110	-	-	
Total	939 424	923 515	240	113	2 341	4 800	
Administered assets							
Cash and cash equivalents	1	-	492	457	53	60	
Receivables	11	399	1 115	763	526	590	
Other financial assets	7 930	6 322	-	-	-	-	
Land and buildings	-	-	-	-	-	-	
Infrastructure, plant and equipment	-	-	-	-	-	-	
Total	7 942	6 721	1 607	1 220	579	650	
Administered liabilities							
Suppliers	38	22	3 869	4 962	2 178	551	
Subsidies	-	-	2 512	5 633	-	-	
Personal benefits	-	-	1 378	950	-	-	
Grants	41	-	-	-	-	-	
Other payables	208	75	-	-	-	-	
Other provisions	-	-	-	-	-	-	
Bonds	27 056	50 366	-	-	-	-	
Total	27 343	50 463	7 759	11 545	2 178	551	

1. Comparatives have been updated to reflect the 2nd instalment Visa Application Charge transfer from Adult Migrant English Program (Outcome 5) to Fees and fines (Outcome 1).

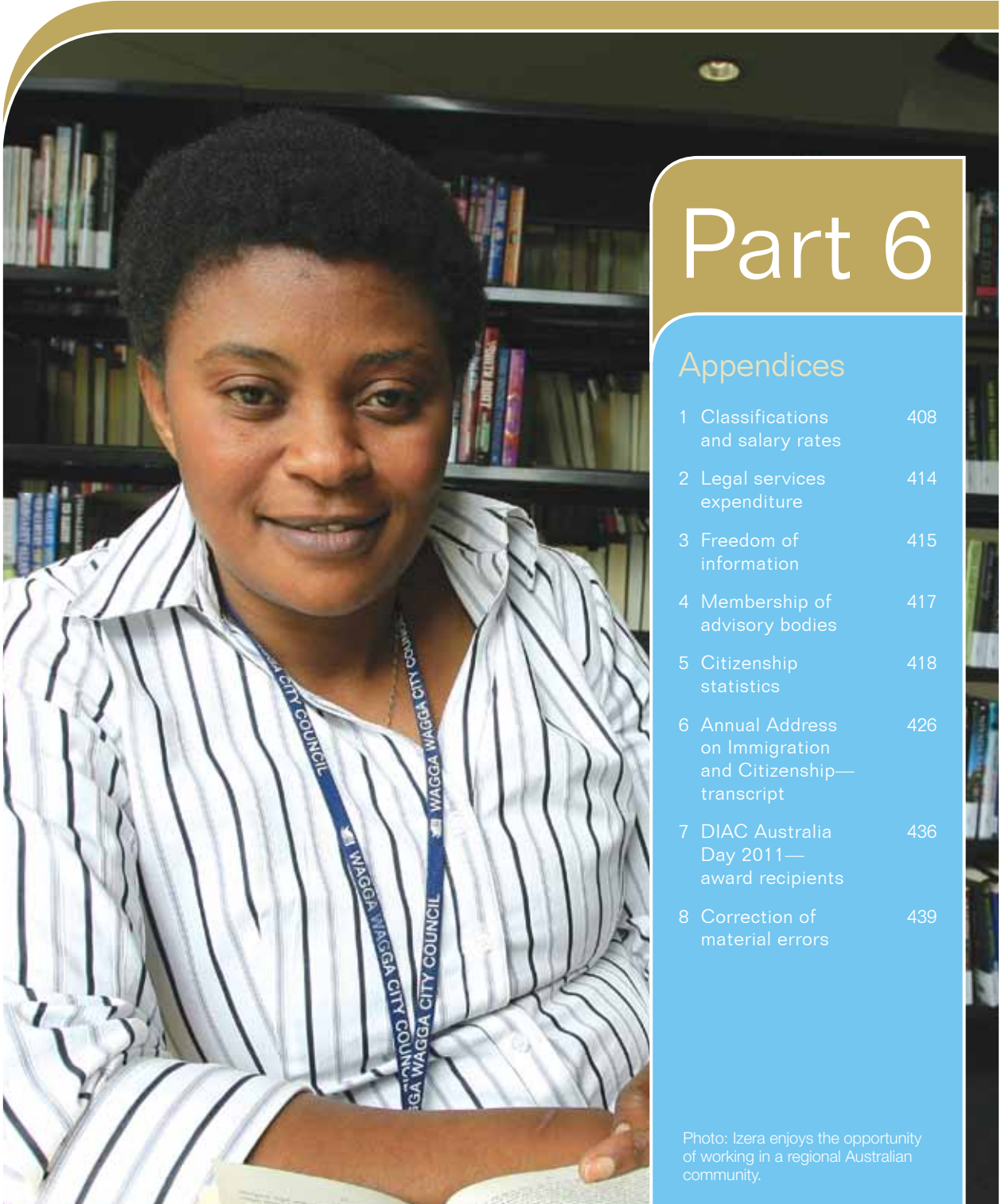
	Outcome 4		Outcome 5		Outcome 6		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
	686 704	284 447	271 915	288 992	-	1	981 978	592 585
	26 464	-	-	-	-	-	26 464	-
	2 010	1 398	1 932	566	-	-	11 983	9 455
	20 067	4 312	8 052	4 893	-	-	36 311	17 784
	1	-	36 587	35 288	3 166	2 777	39 754	38 065
	2 737	3 857	-	-	-	-	2 737	3 857
	20	-	-	-	-	-	20	-
	254	788	-	-	-	-	254	788
	738 257	294 802	318 486	329 739	3 166	2 778	1 099 501	662 534
	-	-	-	19	-	-	-	19
	-	-	-	-	19 458	27 868	957 065	944 299
	3 488	3 775	-	-	-	-	3 488	3 775
	1 805	4 126	10 119	4 327	31	58	16 113	20 398
	126	299	-	-	-	-	366	409
	5 419	8 200	10 119	4 346	19 489	27 926	977 032	968 900
	10 130	4 283	4 386	4 856	44	41	15 106	9 697
	24 373	7 281	9 934	8 102	99	68	36 058	17 203
	8	2 026	9 381	4 070	63	190	17 382	12 608
	714 213	-	-	-	-	-	714 213	-
	5 693	-	-	-	-	-	5 693	-
	754 417	13 590	23 701	17 028	206	299	788 452	39 508
	185 585	70 444	54 372	53 980	153	80	246 195	130 040
	3	2	-	-	-	-	2 515	5 635
	3 440	116	2 410	1 543	-	-	7 228	2 609
	4	9	26	4	257	8	328	21
	-	-	-	-	-	-	208	75
	1 500	-	-	-	-	-	1 500	-
	-	-	-	-	-	-	27 056	50 366
	190 532	70 571	56 808	55 527	410	88	285 030	188 746

Note 29: Comprehensive income (loss) attributable to the entity

	2011 \$'000	2010 \$'000
Total Comprehensive Income (loss) Attributable to the entity		
Total comprehensive income (loss) attributable to the Australian Government ¹	(76 002)	69 011
Plus: non-appropriated expenses ²		
Depreciation and amortisation expenses	77 932	-
Total comprehensive income (loss) attributable to the entity	1 930	69 011

1. As per the Statement of Comprehensive Income.

2. Non-appropriated expenses refer to those expenses that were previously funded via government through Bill 1 operating appropriations but are now funded via a Department Capital Budget (DCB) with effect from 1 July 2010. For the 2009-10 financial year, depreciation and amortisation expenses (\$115,506,000) were funded through Bill 1 operating appropriations and have therefore been excluded from comparatives in Note 29.



Part 6

Appendices

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Photo: Izera enjoys the opportunity of working in a regional Australian community.

Appendix 1:

Classifications and salary rates

Table 85: Classification and salary rates—Indigenous cadets and graduates

APS classification	Salary points prior to commencement of Enterprise Agreement	Salary on commencement of Enterprise this Agreement (3.0 per cent)	Salary effective 25 November 2010 (0.8 per cent)
Indigenous cadets' pay rates during full time study. 60 per cent of full time APS1 junior rates	\$13 325	\$13 725	\$13 835
	\$15 546	\$16 012	\$16 140
	\$17 989	\$18 529	\$18 677
	\$20 209	\$20 815	\$20 982
	\$22 208	\$22 874	\$23 057
APS1 and Indigenous cadets during practical training	\$22 208 ¹	\$22 874	\$23 057
	\$25 909 ²	\$26 686	\$26 900
	\$29 981 ³	\$30 880	\$31 127
	\$33 683 ⁴	\$34 693	\$34 971
	\$37 014	\$38 124	\$38 429
	\$38 501	\$39 656	\$39 973
	\$39 777	\$40 970	\$41 298
	\$41 051	\$42 283	\$42 621
Graduate APS3	\$47 712	\$49 143	\$49 537
	\$48 953	\$50 422	\$50 825
	\$50 421	\$51 934	\$52 349
	\$51 855	\$53 411	\$53 838

1. Under 18 years old (60 per cent)

2. 18 years (70 per cent)

3. 19 years (81 per cent)

4. 20 years (91 per cent)

Table 86: Classification and salary rates—APS level employees

APS classification	Salary points prior to commencement of Enterprise Agreement	Salary on commencement of this Enterprise Agreement (3.0 per cent)	Salary effective 25 November 2010 (0.8 per cent)
APS Level 1	\$22 208 ¹	\$22 874	\$23 057
	\$25 909 ²	\$26 686	\$26 900
	\$29 981 ³	\$30 880	\$31 127
	\$33 683 ⁴	\$34 693	\$34 971
	\$37 014 ⁵	\$38 124	\$38 429
	\$38 501	\$39 656	\$39 973
	\$39 777	\$40 970	\$41 298
	\$41 051	\$42 283	\$42 621
APS Level 2	\$41 890	\$43 147	\$43 492
	\$43 042	\$44 333	\$44 688
	\$44 171	\$45 496	\$45 860
	\$45 322	\$46 682	\$47 055
	\$46 597	\$47 995	\$48 379
APS Level 3	\$47 712	\$49 143	\$49 537
	\$48 953	\$50 422	\$50 825
	\$50 421	\$51 934	\$52 349
	\$51 855	\$53 411	\$53 838
APS Level 4	\$53 177	\$54 772	\$55 210
	\$54 868	\$56 514	\$56 966
	\$56 297	\$57 986	\$58 450
	\$57 886	\$59 623	\$60 100

1. Under 18 years old (60 per cent)

2. 18 years (70 per cent)

3. 19 years (81 per cent)

4. 20 years (91 per cent)

5. Bottom salary point of adult salary rate

Table 86: Classification and salary rates—APS level employees *continued*

APS classification	Salary points prior to commencement of Enterprise Agreement	Salary on commencement of this Enterprise Agreement (3.0 per cent)	Salary effective 25 November 2010 (0.8 per cent)
APS Level 5	\$59 314	\$61 093	\$61 582
	\$61 172	\$63 007	\$63 511
	\$63 036	\$64 927	\$65 446
APS Level 6	\$65 657	\$67 627	\$68 168
	\$67 455	\$69 479	\$70 034
	\$70 844	\$72 969	\$73 553
	\$73 804	\$76 018	\$76 626

Table 87: Classification and salary rates—executive level employees

APS classification	Salary points prior to commencement of Enterprise Agreement	Salary on commencement of this Enterprise Agreement (3.0 per cent)	Salary effective 25 November 2010 (0.8 per cent)
Executive Level 1	\$82 044	\$84 505	\$85 181
	\$84 227	\$86 754	\$87 448
	\$86 299	\$88 888	\$89 599
	\$89 457	\$92 141	\$92 878
Executive Level 2	\$94 597	\$97 435	\$98 214
	\$99 801	\$102 795	\$103 617
	\$103 531	\$106 637	\$107 490
	\$107 261	\$110 479	\$111 363
	\$110 852	\$114 178	\$115 091

Table 88: Classification and salary rates—legal officers

APS classification	Local title	Salary points prior to commencement of Enterprise Agreement	Salary on commencement of this Enterprise Agreement (3.0 per cent)	Salary points prior to Salary effective 25 November 2010 (0.8 per cent)
APS Level 4	Legal Officer	\$56 297	\$57 986	\$58 450
APS Level 5		\$61 172	\$63 007	\$63 511
		\$65 657	\$67 627	\$68 168
APS Level 6		\$67 455	\$69 479	\$70 034
		\$70 844	\$72 969	\$73 553
		\$73 804	\$76 018	\$76 626
Executive Level 1	Senior Legal Officer	\$82 044	\$84 505	\$85 181
		\$89 457	\$92 141	\$92 878
		\$97 064	\$99 976	\$100 776
		\$100 223	\$103 230	\$104 056
Executive Level 2	Principal Legal Officer	\$110 274	\$113 582	\$114 491
		\$113 863	\$117 279	\$118 217

Table 89: Classification and salary rates—public affairs officers

APS classification	Local title	Salary points prior to commencement of Enterprise Agreement	Salary on commencement of this Enterprise Agreement (3.0 per cent)	Salary points prior to Salary effective 25 November 2010 (0.8 per cent)
APS Level 4	Public Affairs Officer 1	\$54 868	\$56 514	\$56 966
		\$57 741	\$59 473	\$59 949
APS Level 5		\$61 172	\$63 007	\$63 511
\$63 036		\$64 927	\$65 446	
APS Level 6	Public Affairs Officer 2	\$67 455	\$69 479	\$70 034
		\$69 149	\$71 223	\$71 793
		\$70 844	\$72 969	\$73 553
		\$73 011	\$75 201	\$75 803
		\$75 971	\$78 250	\$78 876
Executive Level 1	Public Affairs Officer 3	\$89 457	\$92 141	\$92 878
		\$95 118	\$97 972	\$98 755
		\$97 064	\$99 976	\$100 776
		\$100 223	\$103 230	\$104 056
Executive Level 2	Senior Public Affairs Officer B	\$104 100	\$107 223	\$108 081
		\$107 688	\$110 919	\$111 806
	Senior Public Affairs Officer A	\$109 842	\$113 137	\$114 042
		\$113 432	\$116 835	\$117 770

Table 90: Classification and salary rates—medical officers

APS classification	Salary points prior to commencement of Enterprise Agreement	Salary on commencement of this Enterprise Agreement (3.0 per cent)	Salary effective 25 November 2010 (0.8 per cent)
Medical Officer Class 2	\$105 810	\$108 984	\$109 856
	\$109 987	\$113 287	\$114 193
Medical Officer Class 3	\$118 272	\$121 820	\$122 795
	\$122 191	\$125 857	\$126 864
Medical Officer Class 4	\$128 989	\$132 859	\$133 922
	\$134 022	\$138 043	\$139 147
	\$136 550	\$140 647	\$141 772
	\$140 139	\$144 343	\$145 498

Appendix 2:

Legal services expenditure

This is a statement of legal services expenditure by the Department of Immigration and Citizenship for 2010–11, published in compliance with paragraph 11.1 (ba) of the *Legal Services Directions 2005*.

Table 91: Legal service expenditure

Description	Cost (excluding GST)
Total legal services expenditure	\$31 232 109
Total external legal services expenditure	\$18 415 521
External expenditure on solicitors ¹	\$15 646 028
External expenditure on counsel	\$1 875 959
Number of matters in which male counsel briefed—392	
Estimated value of briefs to male counsel ²	\$1 572 841
Number of matters in which female counsel briefed ² —168	
Estimated value of briefs to female counsel ²	\$362 642
Disbursements on external legal services	\$893 534
Total internal legal services expenditure	\$12 816 588
Employees	\$12 017 076
Overheads (for example, office stores and stationery, training and travel)	\$799 512

1. As the department has entered into a fixed fee arrangement for the payment of some of its litigation matters, this figure will also include some expenditure on counsel and disbursements that cannot be separately identified.

2. These statistics relate to litigation matters only.

Appendix 3: Freedom of information

Changes to section 8 of the *Freedom of Information Act 1982* came into effect on 1 May 2011. From this date all agencies are required to progressively publish on their websites a range of information that can be accessed by the public. The department's agency plan is available on the department's website and lists the information that is proposed to be published under the new Information Publication Scheme (IPS).

Information about the department, including its structure, appears earlier in this report as well as online (www.immi.gov.au). Decision-making powers are vested in the minister and/or the secretary under various Acts. The minister or the secretary may delegate most of their powers to departmental staff.

Generally, the department prefers to provide access to documents which are not otherwise available online in the form of copies. These are available in either paper or electronic form. Clients are able to examine their personal files by making an appointment at the relevant state or regional office.

Initial telephone inquiries in relation to Freedom of Information (FOI) matters may be made through the client service hotline on 131 881.

FOI requests with contact addresses in Victoria, West Australia, South Australia, Tasmania and the Northern Territory should be sent to:

Freedom of Information Section
Department of Immigration and Citizenship
GPO Box 241
MELBOURNE VIC 3001
or FOI.vic@immi.gov.au

FOI requests with contact addresses in New South Wales, Queensland and the Australian Capital Territory should be sent to:

FOI and Subpoenas Section
Department of Immigration and Citizenship
GPO Box 9984
SYDNEY NSW 2001
or FOI.nsw@immi.gov.au

FOI requests with overseas contact addresses should be sent to:

FOI and Privacy Policy Section
Department of Immigration and Citizenship
PO Box 25
BELCONNEN ACT 2617
AUSTRALIA
or FOI@immi.gov.au

Under the IPS all agencies are required to maintain a list of all documents released under FOI that are not otherwise exempt, or would otherwise result in the unreasonable disclosure of personal or business information. The department has maintained a log of FOI disclosures of this nature since 30 April 2009.

Table 92: FOI documents maintained

Type	Description
Documents of decision-making bodies ¹	Documents that relate to the business of these bodies including agenda, minutes and other records.
Cabinet documents ¹	Records of cabinet matters including cabinet submissions and cabinet minutes.
Representations to the Minister for Immigration and Citizenship and the Parliamentary Secretary for Immigration and Multicultural Affairs ¹	The minister and the parliamentary secretary receive a large number of written representations each year concerning all aspects of migration, population, settlement, citizenship policies and portfolio administration.
Documents on internal departmental administration ¹	These documents include personnel records, organisation and staffing records, and internal operating documentation such as internal working documents and correspondence.
Program documents ¹	These documents contain information relating to grants provided to various organisations under the programs the department administers and programs administered under enactments including the <i>Migration Act 1958</i> and the <i>Australian Citizenship Act 2007</i> .
Personal information documents ¹	The department holds information about applications for migration and Australian citizenship. Personal information incidental to these applications is also collected. This information is located on individual files and departmental databases.
Documents available for access or purchase subject to a fee or other charge	The department's annual report is available on the internet. Legislation and policy instructions are available for purchase via an online subscription service, LEGENDcom, or our website. The <i>Freedom of Information Handbook</i> is available from our Freedom of Information units.
Documents available free of charge on request ²	The department holds and makes available on request (free of charge) a range of documents including fact sheets, some research documents and general information leaflets (some in a number of languages). In addition, non-personal FOI releases (since 30 April 2009) are listed on the department's website.

1. Some records are either not available or only available to the public under the FOI Act, where access may be subject to a charge under the Freedom of Information (Charges) Regulations 1982. Other records will become progressively available under the Information Publication Scheme via www.immi.gov.au

2. These are available on the department's website www.immi.gov.au and at the public inquiry counters of the department's Australian and overseas offices.

Appendix 4: Membership of advisory bodies

Advisory board to the Office of the Migration Agents Registration Authority

Mr Robert Cornall AO (Chair)
Ms Jenni Mack (Deputy Chair)
Ms Sonia Caton
Mr Glenn Ferguson
Mr Stirling Henry
Mr Andrew Holloway
Mr Jim McKiernan
Ms Christine Sykes
Ms Sophie Montgomery

Australian Multicultural Advisory Council

Mr Andrew Demetriou (Chair)
Judge Rauf Soulio (Deputy Chair)
Dr Hass Dellai OAM
Ms Joumanah El Matrah
Dr Sylwia Greda-Bogusz
Ms Voula Messimeri AM
Ms Nola Randall-Mohk
Mrs Katie Young OAM
Mr Susai Benjamin
Ms Gail Ker OAM
Ms Carmen Garcia
Dr Casta Tungaraza
Professor Samin Yasmeen
Inspector Craig Waterhouse
Mr John Rawnsley
Mr Peter Wertheim AM

Detention Health Advisory Group

Professor Louise Newman AM (Chair)
Mr Jorge Aroche
Professor Maxine Whittaker
Ms Sandy Eagar
Dr Paul Kotala
Dr Gillian Heath
Ms Helen Feleming
Dr Choong-Siew Yong
Associate Professor Amanda Gordon
Ms Caz Coleman
Dr Karen Zwi

Council for Immigration Services and Status Resolution

Mr Paris Aristotle AM (Chair)
Air Marshal Ray Funnell AC (Retd)
(Deputy Chair)
Ms Kerrin Benson
Ms Caz Coleman
Mr Noel Clement
Ms Libby Lloyd AM
Dr Maryanne Loughry
Associate Professor Harry Minas
Professor Nicholas Procter
Dr Jamal Rifi
Professor Samina Yasmeen

Refugee Resettlement Advisory Council

The Hon. Bruce Baird AM (Chair)
Mr Paris Aristotle AM
Mr Rasoul Ahmady
Ms Carmel Guerra
Ms Jasmina Bairaketarevic-Hayward
Ms Eleri Morgan-Thomas
Mr Paul Power
Ms Jenny Semple
Mr Daniel Zingifuaboro

Appendix 5:

Citizenship statistics

The following tables show the number of people who were conferred as Australian citizens at ceremonies, details of their former nationality/citizenship and the country in which they were ordinarily resident before entering Australia.

Table 93: Previous country of nationality or citizenship of people who were conferred in 2010–11

Previous country of nationality or citizenship	Persons
Afghanistan	941
Albania	121
Algeria	25
Angola	2
Argentina	144
Armenia	16
Austria	66
Azerbaijan	20
Bahrain	5
Bangladesh	1 178
Barbados	2
Belarus	27
Belgium	146
Belize	1
Bermuda	2
Bolivia	8
Bosnia and Herzegovina	132
Botswana	26
Brazil	596
Brunei Darussalam	16
Bulgaria	72
Burma	67
Burundi	150

Previous country of nationality or citizenship	Persons
Cambodia	396
Cameroon	15
Canada	1 046
Chile	248
China, People's Republic of	8 898
Colombia	336
Congo	62
Congo, Democratic Republic of the	35
Costa Rica	6
Cote d'Ivoire	6
Croatia	110
Cuba	17
Cyprus	24
Czech Republic	77
Czechoslovakia, former	1
Denmark	57
Djibouti	2
Dominican Republic	7
Ecuador	38
Egypt	409
El Salvador	31
Eritrea	107

Table 93: Previous country of nationality or citizenship of people who were conferred in 2010–11 *continued*

Previous country of nationality or citizenship	Persons
Estonia	11
Ethiopia	192
Fiji	950
Finland	117
France	619
French Polynesia	2
Gabon	4
Gambia	3
Gaza Strip	2
Georgia	9
Germany	939
Ghana	143
Greece	92
Guatemala	6
Guinea	4
Guyana	6
Haiti	2
Honduras	4
Hungary	147
Iceland	8
India	12 948
Indonesia	1 351
Iran	779
Iraq	875
Ireland	1 302
Isle of Man	1
Israel	336
Italy	660

Previous country of nationality or citizenship	Persons
Jamaica	9
Japan	137
Jordan	185
Kampuchea	7
Kazakhstan	29
Kenya	438
Kiribati	6
Korea, Democratic People's Republic of	11
Korea, Republic of	2 321
Kosovo	10
Kuwait	6
Kyrgyzstan	11
Laos	33
Latvia	21
Lebanon	1 006
Lesotho	2
Liberia	133
Libya	8
Lithuania	14
Luxembourg	8
Macau (SAR of PRC)	24
Macedonia, Former Yugoslav Republic of	265
Madagascar	4
Malawi	13
Malaysia	2 207
Maldives	21
Mali	1

Table 93: Previous country of nationality or citizenship of people who were conferred in 2010–11 *continued*

Previous country of nationality or citizenship	Persons
Malta	199
Mauritius	412
Mexico	105
Moldova	18
Mongolia	27
Montenegro	3
Morocco	32
Mozambique	6
Myanmar (Burma)	398
Namibia	8
Nauru	5
Nepal	520
Netherlands	468
New Caledonia	7
New Zealand	4 304
Nicaragua	4
Niger	1
Nigeria	211
Norway	27
Oman	2
Pakistan	1 057
Panama	3
Palestinian Authority	58
Papua New Guinea	173
Paraguay	9
Peru	232
Philippines	4 051
Poland	381

Previous country of nationality or citizenship	Persons
Portugal	120
Qatar	2
Reunion	1
Romania	162
Russian Federation	493
Rwanda	12
Samoa	41
Saudi Arabia	3
Senegal	7
Serbia	84
Serbia and Montenegro, former	80
Seychelles	29
Sierra Leone	124
Singapore	928
Slovakia	67
Slovenia	35
Solomon Islands	20
Somalia	159
South Africa	4 389
Spain	142
Sri Lanka	2 520
St Kitts and Nevis	2
St Lucia	3
Sudan	907
Suriname	1
Swaziland	2
Sweden	302

Table 93: Previous country of nationality or citizenship of people who were conferred in 2010–11 *continued*

Previous country of nationality or citizenship	Persons
Switzerland	169
Syria	138
Tadjikistan	2
Tahiti	1
Taiwan	721
Tanzania	41
Thailand	1 343
Timor-Leste, Democratic Republic of	37
Togo	18
Tonga	62
Trinidad and Tobago	15
Tunisia	11
Turkey	390
Tuvalu	2
USSR, former	7
Uganda	23

Previous country of nationality or citizenship	Persons
Ukraine	173
United Arab Emirates	4
United Kingdom	19 101
United States	1 680
Uruguay	35
Uzbekistan	46
Vanuatu	18
Venezuela	90
Vietnam	1 688
Yemen	14
Yugoslavia, Federal Republic of	127
Zaire	2
Zambia	95
Zimbabwe	1 090
Not stated/other	652
Total	95 284

Table 94: Previous country of residence of people who were conferred in 2010–11

Previous country of residence	Persons	Previous country of residence	Persons
Afghanistan	745	Cayman Islands	1
Africa (so stated)	5	Central African Republic	1
Albania	105	Chad	1
Algeria	20	Channel Islands	17
Angola	3	Chile	253
Antigua and Barbuda	1	China, People's Republic of	9 234
Argentina	153	Colombia	317
Armenia	16	Comoros	1
Austria	72	Congo	10
Azerbaijan	20	Congo, Democratic Republic of the	52
Bahamas	3	Cook Islands	5
Bahrain	55	Costa Rica	6
Bangladesh	1 088	Cote d'Ivoire	10
Barbados	1	Croatia	92
Belarus	26	Cuba	13
Belgium	153	Cyprus	38
Benin	8	Czech Republic	78
Bermuda	12	Czechoslovakia, former	1
Bolivia	10	Denmark	57
Bosnia and Herzegovina	129	Djibouti	2
Botswana	136	Dominican Republic	5
Brazil	581	Ecuador	33
Brunei Darussallam	61	Egypt	579
Bulgaria	55	El Salvador	30
Burundi	76	Eritrea	57
Cambodia	397	Estonia	10
Cameroon	11	Ethiopia	163
Canada	1 010		

Table 94: Previous country of residence of people who were conferred in 2010–11 *continued*

Previous country of residence	Persons	Previous country of residence	Persons
Fiji	940	Jersey	10
Finland	110	Jordan	193
France	518	Kazakhstan	24
French Polynesia	9	Kenya	717
Gabon	3	Kiribati	6
Gambia	3	Korea, Democratic People's Republic of	8
Gaza Strip	6	Korea, Republic of	2 235
Georgia	10	Kosovo	22
Germany	937	Kuwait	83
Ghana	178	Kyrgyzstan	11
Greece	112	Laos	31
Guatemala	6	Latvia	22
Guernsey	1	Lebanon	1 002
Guinea	70	Lesotho	2
Guyana	1	Liberia	62
Haiti	2	Libya	16
Honduras	4	Lithuania	11
Hungary	140	Luxembourg	12
Iceland	8	Macedonia, Former Yugoslav Republic of	253
India	11 872	Madagascar	5
Indonesia	1 302	Malawi	29
Iran	833	Malaysia	2 040
Iraq	664	Maldives	23
Ireland	1 139	Malta	204
Isle of Man	6	Marshall Islands	1
Israel	317	Mauritius	401
Italy	610	Mayotte	2
Jamaica	6	Mexico	104
Japan	184		

Table 94: Previous country of residence of people who were conferred in 2010–11 *continued*

Previous country of residence	Persons	Previous country of residence	Persons
Moldova	18	Qatar	83
Mongolia	27	Reunion	2
Montenegro	11	Romania	151
Morocco	28	Russian Federation	469
Mozambique	7	Rwanda	15
Myanmar (Burma)	370	Samoa	39
Namibia	25	Saudi Arabia	88
Nauru	7	Senegal	7
Nepal	500	Serbia and Montenegro, former	24
Netherlands	442	Serbia, Republic of	143
Netherlands Antilles	1	Seychelles	37
New Caledonia	20	Sierra Leone	90
New Zealand	4 430	Singapore	1 522
Nicaragua	6	Slovakia	63
Nigeria	179	Slovenia	33
Norfolk Island	3	Solomon Islands	22
Northern Mariana Island	1	Somalia	71
Norway	29	South Africa	4 395
Oman	53	Spain	139
Pakistan	1 020	Sri Lanka	2 327
Palestinian Authority	36	St Kitts Nevis	1
Panama	2	St Lucia	3
Papua New Guinea	216	Sudan	616
Paraguay	6	Suriname	2
Peru	219	Swaziland	2
Philippines	3 799	Sweden	284
Poland	344	Switzerland	216
Portugal	78	Syria	194
Puerto Rico	1		

Table 94: Previous country of residence of people who were conferred in 2010–11 *continued*

Previous country of residence	Persons	Previous country of residence	Persons
Tadjikistan	2	United Kingdom	18 376
Taiwan	710	United States	1 795
Tanzania	121	Uruguay	29
Thailand	1 454	Uzbekistan	43
Timor-Leste, Democratic Republic of	41	Vanuatu	22
Togo	2	Venezuela	95
Tonga	61	Vietnam	1 670
Trinidad and Tobago	13	Virgin Islands (British)	1
Tunisia	11	Yemen	8
Turkey	397	Yugoslavia, Federal Republic of	116
Tuvalu	2	Zambia	108
USSR, former	6	Zimbabwe	1 145
Uganda	170	Not stated/other	1 774
Ukraine	159	Total	95 284
United Arab Emirates	499		

Appendix 6:

Annual Address on Immigration and Citizenship—transcript

Mr Hieu Van Le AO

Lieutenant Governor of South Australia and Chairman of the
South Australian Multicultural and Ethnic Affairs Commission

16 June 2011

Minister, the Honourable Chris Bowen MP.

Andrew Metcalfe, Secretary, the Department of Immigration and Citizenship,
Professor Ian Young, Jenny Anderson, Dr Elizabeth Calwell, Mr Derek Hammond.

Distinguished guests, ladies and gentlemen.

It is a great honour to be here and present this year's oration. I sincerely thank
Andrew Metcalfe, the Department of Immigration and Citizenship and the ANU for
this privilege.

I also thank Andrew for his very generous introduction and warm welcome.

Our culture, our history, locates us.

It is essential—gathering as we do here tonight to discuss the power and value of cultural
interaction—that we acknowledge the traditional owners of this land we are meeting on
and pay my respects to their elders, past and present.

This locates us.

It's impossible to stand in this place and not feel a sense of history.

The echoes of past voices in this chamber whisper in our imaginations.

Here, decisions were made that have shaped us as a nation.

Remarkable men and women have stood here debating and sharing their differences.

In the process, they have forged wisdom in the tangling and tussle of ideas and
philosophies and visions of this country and our futures.

This has been a place where ideas have gathered.

There is a dynamic and power when people gather, when cultures come together and
connect, when passion and ideas rub shoulders.

It leads us to the fertile ground of empathy and understanding.

The horizons that locate us expanded—we are enlightened!

I am someone who circumstance has gathered to this land—one to whom a great
generosity of spirit has been given, to whom a new and rich identity has been accorded.

I feel myself to be an embodiment of the immigrant experience—the beneficiary of the
imagination of this nation.



It was an imagination for gathering that just over 65 years ago created an arm of government that would say and act on the belief that elsewhere there are ideas, skills, knowledge, wisdom and application that can come, that can make us better, that can enrich us.

When we see again the black-and-white footage that flickered in the dark of a nation's imagination in 1927—recording the occasion when the Duke of York, in the midst of his struggle to find his voice, declared this building open—we are moved.

There was a strange rustic charm about this white building, surrounded by open paddocks and gums, where the crowd had gathered.

It was somehow incongruous, somehow entirely appropriate.

Somehow it is the power, the spirit of the landscape that infuses those images.

It is something we call the spirit of place.

It is a landscape that carries the dreaming of 40 000 years of history, of our gathering.

If we allow our dreaming to take us, we can see here the confident, aloof gaze of Stanley Melbourne Bruce.

We see the worried eyes of James Scullin, taking office at the time of the Wall Street Crash.

There's the genial Irish smile of Joe Lyons.

And we hear the whipping wit of Menzies, the steel of John Curtin, the honest grittiness of Chifley.

We can feel the towering physical presence of Gough and Malcolm—fierce foes who became friends.

We stand in this place, gather all that has gone before, custodians of invisible suitcases—suitcases containing our ideas, our ideals, culture, the land, the spirit of place.

Photo: The Museum of Australian Democracy at Old Parliament House in Canberra was the venue for the Annual Address on Immigration and Citizenship.

There is always a spirit of place if we seek it out.

We stand on the shoulders of the giants of our history, of our cultures.

When we see those black-and-white images of the past, of the first day of this house, we might think of the words of LP Hartley, who started his novel, *The Go Between*, with the words: 'The past is a foreign country; they do things differently there'.

This is true for all of us—we were born in a century that saw the greatest and most rapid changes in human history.

The nationality of my childhood was war and dispossession and chaos.

The nationality of my childhood was Vietnamese.

My homeland is a culture that goes back 5000 years to the Hung Dynasty, and I carry it in an invisible suitcase of all that made my childhood.

Today, my homeland is also a spirit that goes back 40 000 years, and I see that in the landscape where I now live.

My homeland is in the voice of reason and tolerance kept in articles of good faith—in things called the Magna Carta and Common Law, in an abstraction called 'The Enlightenment'.

It's evident in my home State of South Australia being described as a 'paradise of dissent'—a notion enshrined, before virtually anywhere else in the world, in the right of all, male or female, to vote by secret ballot, to represent, to govern.

The nationality of my adulthood is tolerance—a laconic and ferocious attachment to fairness and generosity.

I am a citizen of respect for due process, of the pleasures of diversity, of liberal social democracy.

The nation of my adulthood is Australia.

We are all from another country and those smells of childhood—those lost scents of the past—are not lost in memory.

They are the scents that make sense of our present.

From the past we cherish, we look to the future—the silver glow on the horizon.

I remember, 34 years ago, being on the deck of a small, flimsy fishing boat anchored off the southern tip of Timor, listening to the radio for the weather forecast and waiting.

We had been warned about the Timor Sea.

The crossing would take us four or five days.

We waited for good weather, then we took to the sea again, the lonely sea and the sky in a fragile boat and little more than a compass and star to steer her by.

After nearly a month in the open sea, this was the last leg of our arduous journey searching for a safe place to live in peace and freedom.

On the third day of the crossing, there was some sudden excitement on the deck.

Someone had seen birds—someone said they were seagulls.

These beautiful white seagulls were like angels leading the way to a promised land.

I grabbed the binoculars and stared to the horizon, and there they focused on a most brilliant line of silver.

I can't describe the moment, the feeling.

This silver sliver of hope took form as we crept closer through the dawn light.

It became an early morning mist across Darwin Harbour.

We approached nervously and hopefully.

After many horrific experiences with coastguards in Southeast Asia, we were apprehensive as to what kind of reception we would now receive.

We chugged clumsily into the harbour, then heard the approaching buzz of an outboard motor.

It's the coastguard again, we thought, and we braced ourselves, while some even said a little prayer.

Gradually, emerging out of the morning mist, we saw a 'tinnie', with two blokes with shorts and singlets in it, sun hats on, white zinc cream on their noses, fishing rods primed and sticking up in the air and the first beers of the day were in their hands.

They looked like 'extras' from the old Barry McKenzie film!

They waved at us and steered their boat very close to ours, and one of them raised his stubby as if proposing a toast.

'G'day, mate,' he shouted. 'Welcome to Australia!'

Then he revved up the motor and sped off to get on with the fishing trip they set out to do.

We have never seen them again.

We were stunned by the warmth and good nature of this laconic welcome.

And that one moment in time has left a lifelong impression on me.

My personal navigation to Australia had been a combination of dark circumstance, accident, fear, despair, but most of all, of hope.

Like most other migrants and refugees, I arrived on this silver shore with nothing but my invisible suitcase of cultural heritage and dreams.

At another time, another place, a traveller such as me might have been greeted with fear or hostility.

But at that time, in this place, I was given the unfettered wish and opportunity to show gratitude.

What greeted me was a remarkable generosity of spirit.

In the past 34 years, I've learned something about this new culture—about the language—that deep down 'G'day mate' means something about a society that fundamentally believes in helping, in shared responsibility, and that if we're not actually all in the same boat, then we're all in the same harbour.

If we stand on the shoulders of giants, we must do all we can to raise up others.

I was born in the year the Vietnamese defeated French colonial rule in Vietnam—the beginning of the bloodiest conflict in our history.

For me, the war was part of my life and a painful memory of my childhood.

I lost many close relatives and friends in the war.

Ironically, when the war eventually ended in 1975, the drastic change of the political regime that followed caused me to escape from my motherland in search of freedom and the opportunity to rebuild my future.

In the dead of night—a violently stormy night as I remember well—and with much secrecy and drama, we boarded a fishing boat with 39 others and sailed south.

Through much further adventure, a dreadful time in a refugee camp in Southeast Asia, and the torments and fears of the sea journey, we arrived that morning in Darwin Harbor.

There is an odd line in our national anthem—‘Our land is girt by sea’—as if we need to inform ourselves and the world that our country is surrounded by water.

It’s a rather prosaic observation.

But then, perhaps we should make such an observation, because it reminds us that we are the most defined nation state on earth.

We are the only country to occupy an entire continent—a unique continent long separated from the other land masses, with its own fauna and flora.

It’s a land so ancient and unchanged it has been called the ‘timeless land’.

Ours is a land so separate, so distinguishable, it needs no separation.

Rather, it is a place of coming together, where threads of lives have come over the seas to stitch together here.

The ocean, the blue strip on the horizon, is our connection to the world.

When we arrived in Darwin on that leaky boat, we came with our pieces, our threads of culture, and we were stitched back together again—stitched into the rich fabric of this country such that we became part of it and it became us.

My wife and I, and 39 other Vietnamese boat people, spent a week in an abandoned quarantine centre in Darwin.

We then went through an intensive interviewing process for assessment of our claimed refugee status.

We received medical check-ups and immunisations in preparation for our transition into Australian society.

One night at the centre we heard the sound of a bus arriving, followed by a knock on the door.

We were told to get on a bus, and we were taken to an airport in darkness.

At dawn we arrived in Adelaide.

Not long after we settled into the Pennington Migrant Hostel, north of Adelaide, we saw ‘Asians Out’ racist graffiti on the walls of our new neighbourhood.

At that time there were people in the surrounding community who were unsettled by our presence, complaining loudly to the government that these new Vietnamese arrivals were not welcome.

They claimed that we took their jobs and that our children should not be accepted into their schools.

The record of debate in State and Federal Parliament, in the late 1970s, gives us a hint of the unease felt by some towards Indo-Chinese refugees.

In the Senate, a minister was forced to reject claims by some unionists that some refugees were 'former pimps, brothel keepers and other undesirable people'.

In the South Australian Lower House, one MP raised the belief among farmers that the boats posed a 'catastrophic disease threat to Australia's sheep and cattle population'.

Foot-and-mouth disease, anthrax and tuberculosis were all in danger of being introduced into Australia, apparently.

A recently released document shows that Federal Cabinet was warned in 1979 that the Indo-Chinese refugee problem 'threatens to precipitate a regional crisis of major dimensions'.

That same memorandum says that 'if the refugee problem were to get out of control it would impose very serious strains on the unity and character of Australian society'.

'This new situation has all the ingredients for one of the most controversial and divisive issues in Australia's history,' the document says.

Nevertheless, the then-Minister for Immigration and Ethnic Affairs, Michael MacKellar, addressed many public forums and explained why Australia had an obligation to take its fair share of refugees.

In one speech, he told of how he had visited 10 Indo-Chinese refugee camps in Thailand and Malaysia—camps that housed a total of more than 65 000 people.

'My impression of the refugees,' he told the audience in Sydney 'was one of courage and determination.'

In another speech—this time delivered in Adelaide in July 1979—Mr MacKellar said:

'(Refugees) can be expected at an early stage after arrival to contribute to the social and cultural life of their new community. They have to do well here because once here, there is nowhere else to go... They are honest, hard-working people who respond well to challenge. They are willing to undertake jobs not readily acceptable to others in the community. Most Indo-Chinese children are reported to be adjusting well in school ... Australia offers a great deal to refugees, but refugees also offer a great deal to Australia.'

Malcolm Fraser wrote recently:

'When the Vietnamese came here, if I'd asked Australians before the event if they wanted to have 70 000 refugees from Indo-China that would go into a population of around a quarter of a million, in a public poll people would have said no. But when you say this is what we must do and these are the reasons then people accept it. Melbourne is one of the largest Greek cities outside of Greece—if you'd asked Melbourne in 1948 if they wanted that they would have said no. But it happened, and everyone would be enormously proud of the contribution Greek-Australians have made to Australia in so many different ways.'

Some months after our arrival, after the typical Australian meals we were given each day at the hostel, my wife sent me out to find the necessary ingredients for a traditional Vietnamese meal.



I vividly recollect my unsuccessful search for lemongrass.

I think I canvassed every shop and greengrocer within walking distance of home.

My drawings of lemongrass didn't help either, for nobody had any idea of what it even looked like.

One shopkeeper, out of frustration, said to me: 'Mate, in Australia we don't eat bloody grass!'

And I cannot forget loading my supermarket trolley full of small bags of rice—much to the amusement of bystanders—because the large bags that are common today simply weren't available.

In 35 years, our society has undergone dramatic change.

The rows of Asian groceries in our local supermarkets are just one manifestation of this shift that we take for granted in our daily lives.

What we see now is the integration of many cultural values into Australian society.

As refugees, we received the benefits of so many individual acts of generosity and openness that we feel a deep sense of gratitude and find our greatest pleasure in being able to contribute to the place we now call home.

In Australia we have a deep tradition of seeing immigration as an asset, as building our human capital, and as a positive addition to our economy and our society.

It has been what has made us.

In a recent interview on ABC's Lateline, Malcolm Turnbull put it thus:

We believe that one of Australia's greatest strengths is its cultural diversity. We are the most successful immigrant country in the world...We have achieved an extraordinary degree of harmonious integration of people from every possible culture in the world. It's a great achievement. We're proud of it. We are committed to a multicultural Australia—that is a reality.'

Photo: Mr Hieu Van Le spoke of his own personal experiences as a refugee from Vietnam and settling in Australia.

And Minister Chris Bowen said in a recent address to the Sydney Institute:

‘We now live in a nation shaped by migration: one with broader horizons, open and tolerant. A nation that is more confident, more vibrant and more diverse. We recognise and celebrate different cultural heritages but insist that our future is common, is shared.’

For us it has been a privilege to have joined and been able to be a part of that longer heroic quest for a just, inclusive, tolerant and culturally rich Australia.

By the way, I recently caught up with a friend of mine who arrived with me on the boat and now lives in Virginia, an agricultural region in South Australia.

He owns more than 100 giant glasshouses.

All he does, all year round, is grow lemongrass.

And business is booming!

Some people have said we live in a lucky country.

Our community harmony has nothing to do with good luck.

It is because we have provided the right conditions for diversity to exist and multiculturalism to thrive.

The history of Australia is a history of the contribution of migrants and their descendants.

We are the beneficiaries of great cultural richness.

It is my opinion that no matter what period of history we’re looking at, immigration has overwhelmingly been beneficial to Australia.

It has increased our population and productive capacity, and it has helped make us a much more open and outward-looking nation.

Culturally, it has also made Australia an infinitely more interesting place to live and to visit.

Professor Graeme Hugo, from the University of Adelaide, has long researched the impact that successive groups of newcomers have had on Australia—especially refugees.

For example, he’s found that such people are substantially younger than the national Australian population and those who come here under other migration categories.

Australia’s ageing population, alone, makes the youthful profile of refugees a valuable asset to us.

These people are also more likely to settle in non-metropolitan areas—which address regional labour-force shortages and boosts regional development generally.

Although refugees tend to have fewer qualifications than other migrants, their children tend to attain post-school qualifications at a higher rate than people born in Australia.

Professor Hugo’s other findings are:

- that refugees engage in small and medium enterprises at an above-average rate
- that they fill many shortages in low-skill, low-status and low-pay occupations
- that they help develop trade between Australia and their home countries
- that they make an enormous, but often underestimated contribution to their communities through volunteering.

One point of observation in our immigration history is that virtually every large-scale arrival of new migrants has brought short-term challenges and created doubts in the minds of some Australians.

When thousands of Europeans settled here in the 1940s and 1950s, people said that these folk would not fully integrate into society.

These 'Balts' and 'reffos' and 'wogs' and 'new Australians' were quite different from the Poms and Scots and Irish, so the story went.

'I mean, just look at their appearance and strange food, and listen to their funny language!'

When we Vietnamese arrived in the 1970s, some said that these 'boat people' were quite different from the post-World War II crowd.

'Yes, those Europeans turned out pretty well, I suppose, but these Indo-Chinese are something else again!

'I mean, just look at their appearance and strange food, and listen to their funny language!'

Every one of these groups has, in time, made a profound contribution and been accepted—such that their presence becomes completely unremarkable.

A Flinders University historian, Professor Eric Richards, in his recent book called *Destination Australia*, provides the following assessment of what we've achieved as a country:

Immigration has been the great conductor of change, tension and growth in the modern Australian experience; it has been critical to its political maturity, to its demography, its economic development, its social cohesion and its relations with the rest of the world, and also to its very self-understanding and identity ... Immigration had clearly generated no revolution, little internecine conflict, no riots in the streets of any significance, little communal turmoil and no permanent ghettos.

But, as Minister Chris Bowen recently said in his speech, of people who have come to Australia: They come because of what Australia is, not to change it into what they left behind.

The extraordinary success of our multicultural society has come about through vision and leadership.

For the most part, this has been bipartisan—it would be the deepest of tragedies if that were not to last.

The country of my birth was torn apart by disagreement.

In this country, disagreement—civilised debate, the competition and complementing of ideas, visions built on a spectrum of perspectives—has knitted us together as a nation.

There can hardly be a better symbol of this than this building.

This has not been a place of introspection, but a place from which we've looked outwards.

Rather than narrow national interest, here there has been a looking outward—a deep sense of our citizenship of the world.

This house has nurtured people who have not shirked the mantle of leadership.

One might think of the remarkable men and women who have served as ministers for immigration in the past.

If we look around this chamber, we can see them in our mind's eye—people like Michael MacKellar, who I have mentioned, the steadiness of Ian Macphée, the dramatic flamboyance of Al Grassby, who by his very personality did so much for the cause of cultural diversity.

There's also Mick Young—a political giant whose working-class origins produced a razor-sharp intellect that could see through nonsense at a glance.

We shouldn't forget Harold Holt, who guided policy through the dramatic period of the '50s, Downer, the elder, Opperman, Snedden—all remarkable men in such diverse ways.

There was also Clyde Cameron—such a significant figure in the Labor party—Phillip Lynch, Jim Forbes, Gerry Hand, Chris Hurford.

And then, of course, there was Arthur Calwell, who raised the vision, who history gave the role of architect of the great post-War migration policy.

All these people spoke in this house.

Surely we can hear their voices still.

These are just some of those whose leadership has guided the success of a multicultural Australia.

It says something of the significance of this portfolio when we consider the stature of those who served in it.

And we must make words of deep gratitude to the unsung heroes—the men and women of the Immigration Department over the past 66 years who have been instrumental in implementing their policies, and who have been a major force in our nation building.

When we arrived in 1977, we thought we had come with nothing, that we had not much more than our tatty bedrolls.

But Australia taught me that we brought a great deal.

For me, the experience of the past 34 years has been that of a sharing of cultures that has been like that sunlight through a rising morning mist in Darwin Harbour.

Ladies and gentlemen.

We came with not much more than a bedroll—our Vietnamese Matildas—to this place where we could waltz them to the tune of a Vietnamese bamboo flute and the melody of a Celtic ballad.

Remember, there is a spirit which resides here, which may be heard as we pass by life's spring, which sings: 'you'll come a Waltzing Matilda with me'.

Thank you.

Appendix 7:

DIAC Australia Day 2011— award recipients

Individual Medallion Recipients

Category	Name
Excellence in leadership	Gary Sheppard
Excellence in leadership	Jackie Wilson
Excellence in leadership	Tony Allan
Excellence in leadership	Christine Sykes
Excellence in leadership	James Goodsell
Excellence in leadership	Jane Sansom
Exemplifying the DIAC values	Deborah Sheehan
Exemplifying the DIAC values	Lisa Daley
Exemplifying the DIAC values	Sue Mclay
Exemplifying the DIAC values	Christine Deegan
Exemplifying the DIAC values	Karen Dix
Exemplifying the DIAC values	Sairul Zen
Innovation in advancing our strategic themes	Peter Speldewinde
Innovation in advancing our strategic themes	Jamaly Abdallah
Excellence in client service	Herwig Reinhart
Excellence in client service	Maria Angeles Gomez
Excellence in client service	Pam Lohmeyer
Excellence in client service	Rob Larsson
Excellence in client service	Yvonne Charter
Building community and stakeholder confidence	Bill Power
Building community and stakeholder confidence	Cian Manton
Building community and stakeholder confidence	Phil Allan

Team Secretary Citation Recipients

Category	Name
Exemplifying the DIAC values	2009–10 Annual Report team
Exemplifying the DIAC values	Case Management Implementation and Support Section
Exemplifying the DIAC values	Detention Operations Leonora APOD
Exemplifying the DIAC values	DIAC Christmas Island team
Exemplifying the DIAC values	Lorraine Haslem and Nathan Holt — Policy, Innovation, Research and Evaluation Unit
Exemplifying the DIAC values	Outreach Network
Exemplifying the DIAC values	457 Out posted subject matter experts
Exemplifying the DIAC values	Victorian Refugee Status Assessment (RSA) team
Exemplifying the DIAC values	Moscow Locally Engaged Employee team
Innovation in advancing our strategic themes	ASCO to ANZSCO Project team
Innovation in advancing our strategic themes	DIAC Analytics team
Innovation in advancing our strategic themes	International Cooperation Branch
Innovation in advancing our strategic themes	National Integrity Analysis Service
Innovation in advancing our strategic themes	Strategy and Business Services and Migration Agents Section
Innovation in advancing our strategic themes	Transformation Taskforce
Innovation in advancing our strategic themes	Generic Visa Portal (GVP) subject matter experts (Seconded from the Service Delivery Network to the GVP Project team in National Office)
Innovation in advancing our strategic themes	The Cap and Cease Project team
Innovation in advancing our strategic themes	Citizenship Sydney and Hobart teams
Innovation in advancing our strategic themes	Colombo Integrity Unit
Innovation in advancing our strategic themes	Brasilia and Santiago posts
Innovation in advancing our strategic themes	Victorian Sponsor Monitoring Unit

Team Secretary Citation Recipients *continued*

Category	Name
Innovation in advancing our strategic themes	NSW Onshore Protection Support team
Excellence in client service	Citizenship Certificate Dispatch team
Excellence in client service	DIAC New Delhi (in partnership with Client Services Coordination and Response Section and DIAC Bangkok)
Excellence in client service	London Post expo team and Labour Market Branch expo team
Excellence in client service	Performance Management and Analysis Section
Excellence in client service	The Sydney Entertainment Processing Centre team
Excellence in client service	Visa Applicant Character Consideration Unit
Excellence in client service	Melbourne Client Services
Excellence in client service	TIS National Client and Interpreter Liaison Unit
Excellence in client service	Berlin Client Service team
Building community and stakeholder confidence	Australian Multicultural Advisory Council
Building community and stakeholder confidence	Curtin IDC
Building community and stakeholder confidence	Migration Agents and National Communications team

Greg Gore-Johnson Award Recipient

Category	Name
Greg Gore-Johnson Award	Application Testing Centre

Appendix 8: Correction of material errors

The following errors were detected after the publication of the Annual Report 2009–10.

Page 2

The number of passenger and crew arrivals and departures was incorrectly reported as 28.8 million in the year at a glance table. The correct figure is 28.03 million.

Page 4

Figures relating to border crossings in the secretary's review were incorrectly reported. This information should read: Despite continuing international financial uncertainty, in 2009–10, there was an increase of 7.4 per cent in movements across Australia's borders. With other border agency partners, the department facilitated 28.03 million passenger and crew arrivals and departures.

Page 134

Figures relating to border crossings in the major achievements for outcome 3 were incorrectly reported. This information should read: In 2009–10, the department facilitated the arrival and departure of 28.03 million passengers and crew compared to 26.1 million in 2008–09. This represents an increase of 7.4 per cent.

Page 135

The number of passenger and crew arrivals and departures was incorrectly reported as 28.8 million in the border management—deliverables table. The correct figure is 28.03 million.

Page 138

The number of passenger and crew arrivals in 2009–10 was incorrectly reported in this departmental item as 28.8 million passenger and crew arrivals and departures represented an increase of 10.3 per cent. This should read 28.03 million and an increase of 7.4 per cent.

Page 138

Figures relating to border crossings in the performance of this departmental item have been incorrectly reported. The information should read: The figure comprised 25.79 million air passengers, 1.42 million air crew, 0.16 million sea passengers and 0.66 million sea crew.

Page 138

The number of passenger and crew arrivals and departures was incorrectly reported as 28.8 million in Table 57. The correct figure is 28.03 million.

The column heading titles in table 2 were incorrect. This mistakenly increased the expenses listed by \$'000. The correct table is:

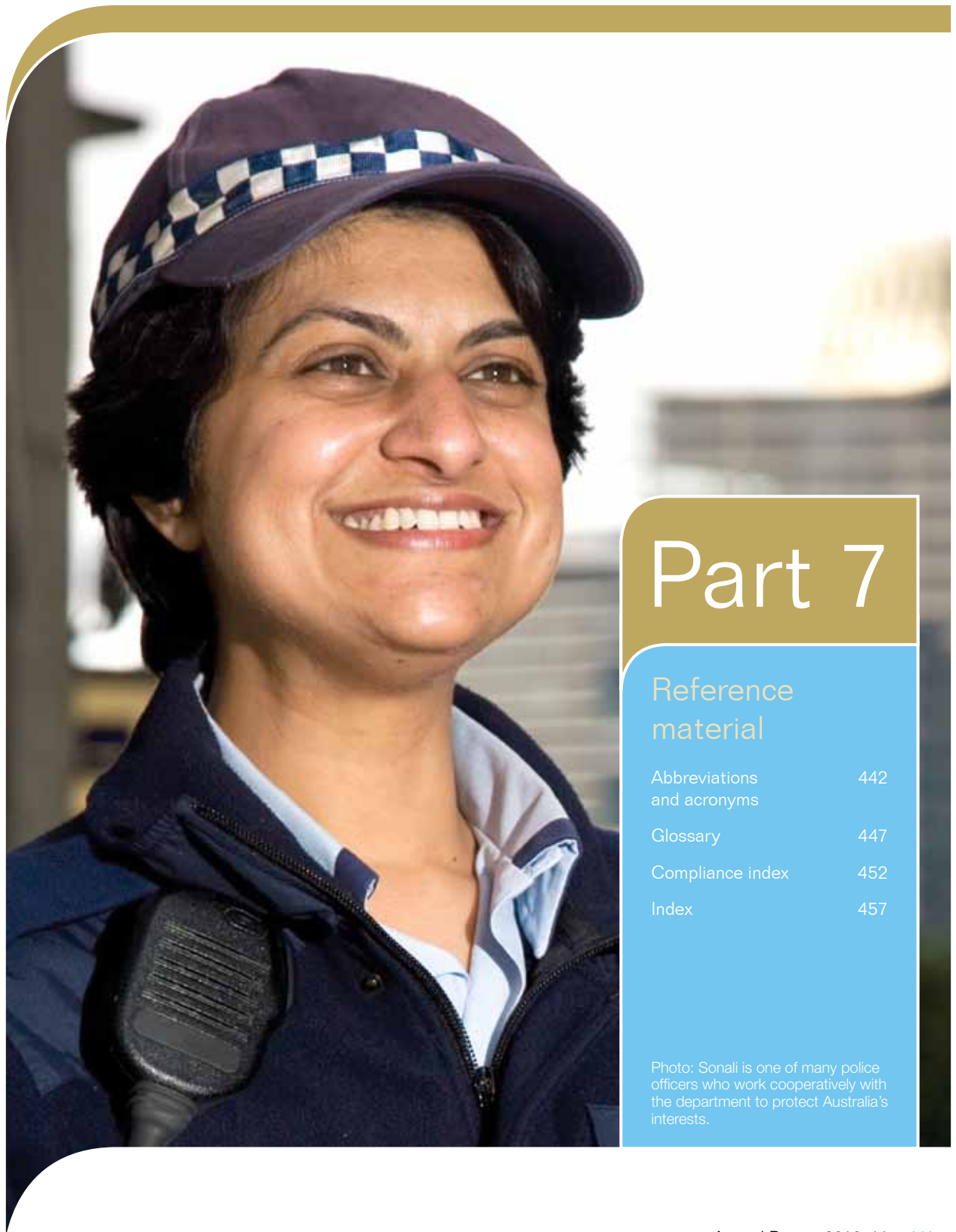
Table 2: Total expense recognised in relation to senior executive employment

	2010	2009
Short-term employee benefits:		
Salary (including annual leave taken)	12 255 876	12 095 517
Changes in annual leave provisions	144 194	151 576
Performance bonus ²	47 305	1 034 009
Other ³	2 496 356	2 699 204
Total Short-term employee benefits	14 943 731	15 982 306
Superannuation (post-employment benefits)	2 274 017	2 611 977
Other long-term benefits	(50 180)	363 512
Total	17 167 568	18 955 795

During the year the entity paid \$0 in termination benefits to senior executives (2009: \$402 802)

2. Performance bonus was rolled into salary with effect from 1 July 2009.

3. 'Other' includes motor vehicle allowances and other allowances.



Part 7

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Photo: Sonali is one of many police officers who work cooperatively with the department to protect Australia's interests.

Abbreviations and acronyms

4CC	Four Country Conference	ANZSCO	Australian and New Zealand Standard Classification of Occupations
A/g	Acting		
AAT	Administrative Appeals Tribunal	AO	Order of Australia
ACSE	Award for Client Service Excellence	APEC	Asia–Pacific Economic Cooperation
ADS	Approved Destination Status	APOD	Alternative Place of Detention
ADV	Australian Declaratory Visa	APP	Advance Passenger Processing
AFL	Australian Football League	APS	Australian Public Service
AFP	Australian Federal Police	ARC	Australian Red Cross
AGIMO	Australian Government Information Management Office	ASCO	Australian Standard Classification of Occupations
AHRC	Australian Human Rights Commission	ASEAN	Association of South East Asian Nations
AIC	Australian Institute of Criminology	ASIO	Australian Security Intelligence Organisation
ALO	Airline Liaison Officer	AUSCO	Australian Cultural Orientation
AM	Member of the Order of Australia	AVR	Assisted Voluntary Return
AMAC	Australian Multicultural Advisory Council	AWA	Australian Workplace Agreement
AMC	Australian Multicultural Council	ATCR	Annual Tripartite Consultations on Resettlement
AMEP	Adult Migrant English Program	BAMS	Biometric Acquisition and Matching System
ANAO	Australian National Audit Office	BASIC	Business and Systems Integration Committee
		BIO	Border Intelligence Officer

BSC	Balanced Scorecard	CSNZCA	Certificate of Status for New Zealand Citizens in Australia
BVE	Bridging visa E		
CA	Collective Agreement	CSRS	Community Status Resolution Service
CAC	Commonwealth Authorities and Companies	CSWE	Certificates in Spoken and Written English
CAS	Community Assistance Support	DAC	Departmental Audit Committee
CCMDS	Compliance, Case Management, Detention and Settlement	DEEWR	Department of Education, Employment and Workplace Relations
CCS	Complex Case Support	DeHAG	Detention Health Advisory Group
CEI	Chief Executive Instruction	DFAT	Department of Foreign Affairs and Trade
CERS	Certificate of Evidence of Resident Status	DIAC	Department of Immigration and Citizenship
CIA	Chief Internal Auditor		
CIC	Citizenship and Immigration Canada	DoA	Deed of Agreement
CISSR	Council for Immigration Services and Status Resolution	DRDM	Detention Related Decision Making
		EA	Enterprise Agreement
CMF	Change Management Framework	EAP	Employee Assistance Program
CPD	Continuing professional development	EC	Executive Committee
CPG	Commonwealth Procurement Guideline	ELICOS	English Language Intensive Course for Overseas Students
CPSU	Community and Public Sector Union	EMA	Enterprise Migration Agreement
CRICOS	Commonwealth Register of Institutions and Courses for Overseas Students	ENS	Employer Nomination Scheme
		ETA	Electronic Travel Authority
CSAM	Continuous Survey of Australian Migrants	EU	European Union

FAA	Facility Access Agreement	IIRHWG	Intergovernmental Immigration and Refugee Health Working Group
FCC	Five Country Conference	IMA	Irregular Maritime Arrivals
FECCA	Federation of Ethnic Communities' Councils of Australia	IMAES	Irregular Maritime Arrival Entry Services
FMC	Federal Magistrates Court	IMR	Independent Merits Review
FOI	Freedom of Information	IMtel	Immigration Intelligence Repository
GIC	Global Integrated Curriculum	IOLWG	Intelligence and Overseas Liaison Working Group
GVP	Generic Visa Portal	IOM	International Organization for Migration
HC	High Court	IPA	Independent Protection Assessment
HSS	Humanitarian Settlement Services	IPAA	The Institute of Public Administration Australia
IAAAS	Immigration Advice and Application Assistance Scheme	IPAO	Independent Protection Assessment Office
ICSE	Integrated Client Services Environment	IRH	Immigration Residential Housing
ICT	Information and communication technology	ISS	Immigration Status Service
IDC	Immigration Detention Centre	ITA	Immigration Transit Accommodation
IDF	Immigration Detention Facility	KPI	Key Performance Indicator
IDEAL	Immigration Dilemmas: Ethics, APS Values and Leadership	LA	Labour agreement
IELTS	International English Language Testing System	LEE	Locally engaged employee
IHSS	Integrated Humanitarian Settlement Strategy	LTPF	Long Term Migration Planning Framework
		MAL	Movement Alert List

MARA	Migration Agents Registration Authority	PDMS	Pre-departure medical screening
MIA	Migration Institute of Australia	PES	Permanent Employer Sponsored
MMO	Movement Monitoring Officer	PIC	Public interest criterion
MOU	Memorandum of Understanding	PIREU	Policy, Innovation Research and Evaluation Unit
MP	Member of Parliament	PNR	Person Name Record
MRT	Migration Review Tribunal	POD	Protection Obligations Determination
NAATI	National Accreditation Authority for Translators and Interpreters	POE	Protection Obligations Evaluation
NADC	National Australia Day Council	PV	Protection Visa
NAFIS	National Automated Fingerprint Identification System	QA	Quality Assurance
NGO	Non-government organisation	RCOA	Refugee Council of Australia
NRSET	National Resources Sector Employment Taskforce	RMAs	Regional Migration Agreements
NSCF	National Staff Consultative Forum	RMAS	Regional Movement Alert System
NSW	New South Wales	RRAC	Refugee Resettlement Advisory Council
OECD	Organisation for Economic Cooperation and Development	RRT	Refugee Review Tribunal
OHS	Occupational Health and Safety	RSA	Refugee Status Assessment
PACRIM	Pacific Rim Immigration Intelligence Conference	RSMS	Regional Sponsored Migration Scheme
PAS	Preferred Aussie Specialist	SCoA	Settlement Council of Australia
		SEPC	Sydney Entertainment Processing Centre
		SES	Senior Executive Service

SGP	Settlement Grants Program	TPV	Temporary Protection visa
SHP	Special Humanitarian Program	TSU	Tactical Support Unit
SkillSelect	Skilled Migrant Selection Model	TVAG	Tourism Visas Advisory Group
SLA	Service Level Agreement	UHMs	Unaccompanied Humanitarian Minor
SLPET	Settlement Language Pathways to Employment and Training	UKBA	United Kingdom Border Agency
SOL	Skilled Occupation List	UNHCR	United Nations High Commissioner for Refugees
SONA	Settlement outcome of new arrivals study	UNICEF	United Nations Children's Fund
SRCC	Safety, Rehabilitation and Compensation Commission	UNODC	The United Nations Office on Drugs and Crime
SSRM	State-Specific and Regional Migration	VCS	Values and Conduct Section
TB	Tuberculosis	VET	Vocational Education and Training
TES	Temporary Employer Sponsored	VEVO	Visa Entitlement Verification Online
TEWR	Traineeships in English and Work Readiness	WGR	Working group on resettlement
TIS	Translating and Interpreting Service		

Glossary

Term	Definition
Approved Destination Status (ADS) scheme	A bilateral tourism arrangement which provides streamlined group travel to Australia for Chinese tourists.
Approved employer	An Australian employer or employing organisation which has been approved by DEEWR and DIAC for the purposes of employing Pacific Island seasonal workers under the Pacific Seasonal Workers Pilot Scheme.
Assessment level	The level of risk (specified by legislative instrument) attributed to a student visa applicant as per their passport and education sector. The assessment level determines the evidentiary requirements that a student visa applicant must meet in order to be granted a student visa.
Assisted Voluntary Return	A service delivered in partnership with the International Organization for Migration, which provides impartial immigration advice, counselling and financial support for clients who wish to return home but require some level of support to do so, thus avoiding the need to detain and enforce removal.
Australian Population, Multicultural and Immigration Research Program	Established jointly by the Australian Government and state and territory governments to undertake studies in the areas of migration settlement, multicultural affairs and population trends.
Autocleared (eHealth cases)	When health examinations results are able to be cleared automatically based on agreed parameters, without the need for manual intervention.
Business skills program	Provides a pathway for business people to migrate to Australia to establish a business, manage a new or existing business or invest in Australia.
Central health	An integrated IT and business solution for central and seamless health processing.
Commonwealth Register of Institutions and Courses for Overseas Students	Institutions and courses for overseas students are required to be registered on CRICOS under the <i>Education Services for Overseas Students Act 2000</i> . It is maintained by DEEWR.
Continuous Survey of Australian Migrants	Designed to provide regular and timely information on the labour market outcomes of recent Family and Skill Stream migrants. It also caters for specialised topics such as qualification assessment, housing and use of government services.

Term	Definition
Economic migration	The permanent migration of overseas workers to Australia who are best suited to contribute to the economy through their skills, qualifications, entrepreneurialism and future employment potential. There are a number of visa categories under which migrants can migrate including independent, employer sponsored, state/ government sponsored or family sponsored options.
eHealth	The department's electronic health processing system.
Electronic Travel Authorities	An electronic visa that allows eligible passport holders to travel to Australia for tourism or business purposes.
Employer Nomination Scheme	Allows Australian employers to nominate employees who are foreign nationals for a permanent visa to work in Australia and fill a skilled occupation in their business.
Enterprise Migration Agreements (EMA)	Are project-wide agreements which can be accessed by eligible projects within the resource industry. EMAs are negotiated by the project owner and sub-contractors can recruit skilled workers under the terms of the agreement.
eVisitor (subclass) visa	An electronic visa that allows eligible passport holders travel to Australia for tourism or business purposes.
Family Stream	A subset of the Migration Program which provides for family reunion.
Finalisations	A term which covers all outcomes which result in the completion of a process. For example, in processing a visa application, the finalisations include Granted, Refused, Withdrawn, Invalid and Counselling.
Fraud Public Interest Criterion (PIC 4020)	Applies to certain skilled migration visa subclasses providing that where an applicant is found to have supplied false, misleading or bogus information and/or documentation to the department, the application will be refused, and in some cases, the applicant will be subject to a three year bar.
General skilled migration (GSM)	The term used in migration legislation to refer to a range of skilled migration visas that do not require employer sponsorship or the establishment of a business in Australia. GSM includes Skilled—Independent for people without any sponsor; Skilled—Australian Sponsored for people with an eligible family member as a sponsor; and Skilled—State/Territory Nominated for people nominated by a state or territory government.
Grant rate	The number of visas granted in a period divided by the number of visas decided (granted and refused) in the same period expressed as a percentage.
International English Language Test System	This test is used to establish a visa applicant's English language proficiency unless an alternative has been specified by legislative instrument.

Term	Definition
Labour agreement program	Arrangements for an Australian employer to negotiate an agreement allowing the recruitment of a specified number of skilled workers on a temporary or permanent basis over a number of years.
Long-term migration planning framework	A risk management framework to inform the annual migration program planning and visa policy settings by providing a sound understanding of net overseas migration trends and forecasts and intended economic and social contributions of the program ensuring these are balanced against associated costs and considerations.
Migrants Fiscal Impact Model	Estimates the future impact of new migrants on the Commonwealth government budget.
Migration Act	The <i>Migration Act 1958</i> is the principal piece of legislation which regulates the travel to Australia and stay of non-citizens.
Migration Program	The annual planned permanent intake determined by the government in the Budget 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.
Modified non-return rate	A calculation of the people who arrive, but do not depart Australia before their visa expires, minus those who are granted skilled visas, business visas, visitor visas and student visas.
Office of the Migration Agents Registration Authority	A discrete office attached to the Department of Immigration and Citizenship, which regulates the activities of the Australian migration advice industry in order to provide the consumers of migration advice services with appropriate protection and assurance.
'onshore' and 'offshore'	Unless otherwise indicated, 'onshore' and 'offshore' refer to the location of the client at the time of application or visa grant.
Pacific Seasonal Worker Pilot	The trial to evaluate the benefits to Australian horticulture of a low skilled labour force from the Pacific and the benefit to Pacific island country partners of remittances and skills transfer.
Pass mark	The minimum number of points required in order for a prospective migrant to be eligible for a visa grant under the points-tested skilled migration visa categories.
Planning level	The government sets annual planning levels by visa category for the permanent Migration Program for Skilled, Family and Special Eligibility stream migrants and the Humanitarian Program for refugees and others in humanitarian need.
Points test	The allocation of points to points-tested skilled migration applicants on the basis of a broad range of factors including age, English language level, qualifications and work experience. Applicants must accrue the necessary number of points to meet the pass mark.

Term	Definition
Points-tested skilled migration	Consists of three broad categories: Skilled—Independent, Skilled—State/Territory sponsored and Skilled—Australian Family. These three categories allow for the entry of highly skilled individuals without the sponsorship of an employer.
Preferred Aussie Specialists	Travel agents selected to promote Australia as a tourism destination and assess bona fides of applicants in order to provide genuine visa applicants to the department.
Priority processing direction	The order in which the department considers permanent skilled migration applications.
Primary visa applicant	The person who must satisfy the primary criteria for the grant of a visa under the migration regulations.
Regional migration agreements (RMA)	Are custom-designed, geographically based migration arrangements that set out the occupations and numbers of overseas workers needed in the area. Individual local employers can directly sponsor workers under the terms of the RMA.
Regional Sponsored Migration Scheme (RSMS)	Allows employers in regional or low population growth areas of Australia, to sponsor employees who are foreign nationals for a permanent visa to work in Australia.
Safeguards	An evidence-based integrity treatment tool that is used to support decision-makers in assessing applications.
Service standards	The expected time required by the department to process applications under various visa categories, set at the 75th percentile.
Skill Stream	The Skill Stream consists of those categories of the Migration Program where the core eligibility criteria are based on the applicant's employability or capacity to invest and/or do business in Australia. Any accompanying immediate family members of Skill Stream principal applicants are also counted as part of the Skill Stream.
Skilled—Australian Sponsored	Points-tested skilled migrants who are sponsored by an eligible family member.
Skilled—Independent	Points-tested skilled migrants who migrate independently without any form of family or state/territory government sponsorship.
Skilled—State/Territory sponsored	Points-tested skilled migrants who are nominated by a state or territory government under the terms of their state migration plan.
Skilled Migrant Selection Model (SkillSelect)	A new method of selecting skilled migrants to fill skill shortages in Australia's labour market, requiring prospective applicants to register an Expression of Interest (EOI) prior to being invited to lodge a visa application. It is intended to commence 1 July 2012.

Term	Definition
Skilled Occupation List (SOL)	Lists eligible occupations for migration under the points-tested skilled migration visa categories.
Skills Australia	An independent statutory body which provides advice to the Minister for Immigration and Citizenship relating to occupations to be included or removed from the SOL based on their research.
Special eligibility stream	A subset of the Migration Program which provides for the migration of former residents of Australia.
State migration plans	Memoranda of Understanding between the Minister for Immigration and Citizenship and each state and territory government, which outline the occupations individual jurisdictions can nominate visa applicants for and the number of places available for nomination within the overall context of the Migration Program.
State-Specific and Regional Migration (SSRM) programs	Skilled migration visa programs which assist state and territory governments, as well as regional employers, by providing flexible policy provisions and threshold criteria to facilitate and encourage the migration and settlement of skilled and business migrants in regional Australia.
Template labour agreements	A labour agreement with standardised requirements for all employers in a particular industry. Employers sign on to individual labour agreements according to terms negotiated with the whole industry.
Temporary Business (Long Stay)—Standard Business Sponsorship (Subclass 457)	Allows Australian employers to sponsor skilled overseas workers on a temporary basis to fill skilled position within their business which cannot be filled from the local labour market.
Temporary resident (economic) visas	Provides for the temporary migration of skilled overseas workers to address the skill needs of Australian employers and the economy. There are a number of visa categories under which migrants can temporarily migrate including the subclass 457 visa program, labour agreements and migration agreements.
Temporary resident (non-economic) visas	Is a subset of temporary visas that allows people to come to Australia for social, cultural or international relations purposes.
Temporary visas or temporary entry visas	Provides for the entry of people from overseas to Australia on a temporary basis for purposes of providing a benefit to Australia. This includes visitors, students and temporary residents.
Tourism and Visa Advisory Group	A stakeholder forum which discusses immigration issues relevant to the tourism industry.
Working holiday makers	A collective term referring to Working Holiday (subclass 417) visa holders and Work and Holiday (subclass 462) visa holders.

Compliance index

This report is prepared in accordance with the Requirements for Annual Reports approved by the Joint Committee of Public Accounts and Audit under subsections 63(2) and 70(2) of the *Public Service Act 1999*. This index refers to mandatory and suggested reporting items.

Table 95: Compliance index

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Where performance targets differ from the PBS/ PAES, details of both former and new targets, and reasons for the change	Mandatory	Not applicable
Narrative discussion and analysis of performance	Mandatory	38–252
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