

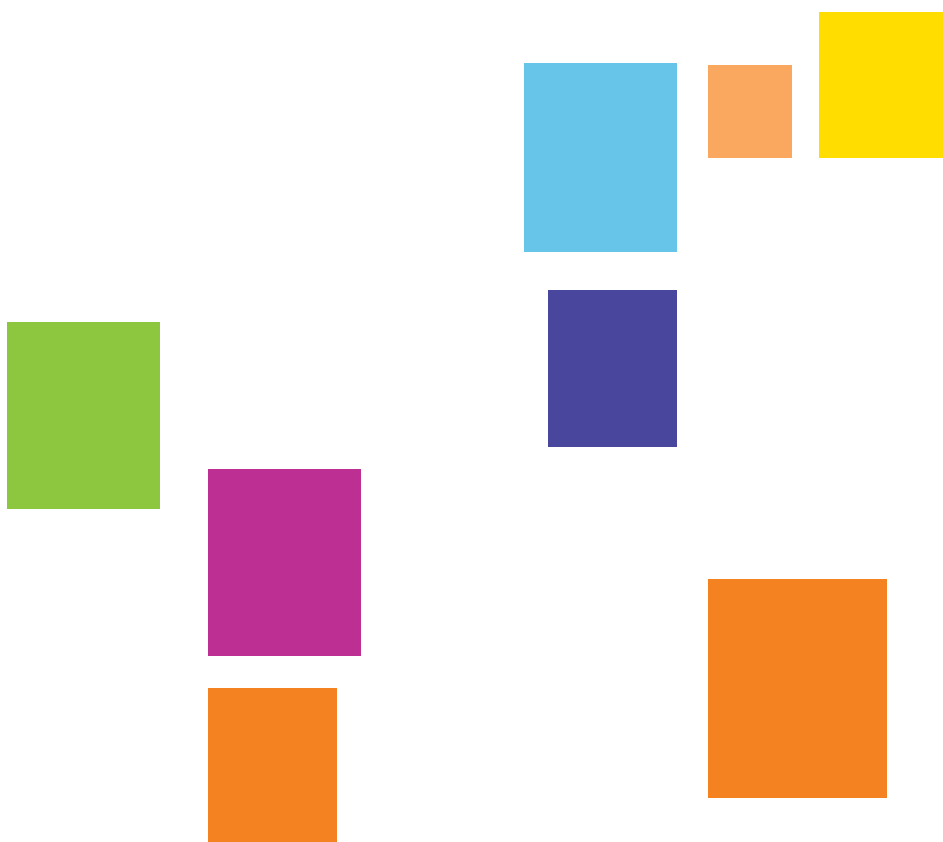


Australian Government
Department of Immigration and Citizenship



Annual Report 2011–12

people our business



Department of Immigration and Citizenship
Annual Report 2011–12

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Australian Government
Department of Immigration and Citizenship

ACTING SECRETARY

25 September 2012

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

Dear Minister

Annual Report for 2011-12

I am pleased to present the *Department of Immigration and Citizenship Annual Report 2011-12* 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 (the guidelines), I hereby certify that I am satisfied that all reasonable measures have been taken to minimise the incidence of fraud within the department and to investigate and recover the proceeds of fraud. I am satisfied that the Department of Immigration and Citizenship has prepared fraud risk assessments and fraud control plans. I am further satisfied that, while its fraud prevention, detection, investigation, reporting and data collection procedures and processes meet the specific needs of the Department of Immigration and Citizenship and comply with the guidelines, the department is currently reviewing these arrangements. Once completed and acted upon, this review will ensure a higher level of compliance with the guidelines.

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

Martin Bowles, PSM

people our business

Reader's guide

The Department of Immigration and Citizenship's *Annual Report 2011–12* 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 28 June 2012.

This year's annual report has been prepared to inform parliament about the department's performance in relation to its services in 2011–12.

The report is available in hard copy and online at [www.immi.gov.au/about/reports/annual/2011–12](http://www.immi.gov.au/about/reports/annual/2011-12).

The report is divided into seven parts.

Part 1: Acting secretary's review

A snapshot of the year's activities together with Acting Secretary Martin Bowles'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 2011–12* and the *Portfolio Additional Estimates Statements 2011–12*.

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 information about 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 third 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.

Enclosed CD-Rom

The enclosed CD-Rom contains the annual report in HTML format. It also includes additional video material to complement the case studies featured throughout the report.



Accompanying video material is available on the enclosed CD-Rom and the annual report website wherever you see this symbol.

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Part 1

Acting secretary's review

The year at a glance 2

Acting secretary's review 6

Photo: Benito became an Australian citizen at a 2012 Australia Day ceremony at AAMI Park in Melbourne.

The year at a glance

Table 1: Snapshot of activity in 2011–12¹

Migration and temporary entry	
Total permanent and temporary visas granted	4 442 694
Total temporary visas granted	4 241 109
Total visitor visas granted ²	3 561 794
Electronic Travel Authority grants	2 091 205
Working Holiday and Work and Holiday visas granted	222 992
Student visas granted (includes student guardians)	254 166
Temporary skilled migration visas granted (subclass 457)	125 070
Temporary residents (other) visas granted	77 087
Total Migration Program outcome	184 998
Family stream outcome	58 604
Skill stream outcome	125 755
Special eligibility	639
New Zealand citizens granted permanent visas	2 828
Revenue generated by visa applications	\$1 029.2 million
Refugee and humanitarian entry	
Humanitarian Program visas granted	13 759
Border security	
Passenger and crew arrivals and departures	31.63 million
Immigration clearances refused at airports	2 048
Immigration clearances refused at seaports	48
Irregular maritime arrivals (excluding crew) ³	8 319
Compliance	
Percentage of temporary entrants and permanent visa holders who complied with their visa conditions	> 99%
Unlawful non-citizens located	15 477
Notices issued to employers of illegal workers	397
Removals and assisted departures	10 785
Detention	
Foreign fishers taken into immigration detention	68
Foreign fishers in immigration detention on 30 June 2012	0
Visa overstayers or people who breached visa conditions taken into immigration detention	2 455

Detention <i>continued</i>	
Visa overstayers or people who breached visa conditions in immigration detention on 30 June 2012	328
Irregular maritime arrivals taken into immigration detention (including crew)	8 371
Irregular maritime arrivals on 30 June 2012	6 875
Total number of people taken into immigration detention	12 967
Total number of people released or removed from immigration detention	12 118
Total number of people in immigration detention on 30 June 2012	7 252
Settlement	
Refugees who arrived and received help through humanitarian settlement services	14 512
Grants to community based organisations under the settlement grants program ⁴	279
Citizenship	
Number of people conferred Australian citizenship at ceremonies	84 183
People approved as Australian citizens by conferral, descent and resumption	114 685
Presented telephone calls to the citizenship information line	320 662
Multicultural affairs	
Event registrations for Harmony Day	5 000
Multicultural affairs grants to community organisations to build social cohesion ⁵	99
Client contact	
Presented telephone calls to service centres (general enquiries and citizenship information lines)	1 512 463
Presented telephone interpreting calls	1 111 283
Litigation	
Administrative law matters resolved in courts and the Administrative Appeals Tribunal	1 899
Percentage in favour of minister (that proceeded to defended hearings in court)	92%
Staff	
Australia-based staff	8 510
Overseas staff (locally engaged employees)	1 032
Total staff as at 30 June 2012	9 547

1. Rounded numbers may differ from numbers appearing elsewhere in the report.

2. This is inclusive of Electronic Travel Authority grants and onshore grants.

3. Does not include 18 deceased at sea.

4. \$38.5 million was provided for 180 new settlement grants program (SGP) projects and 99 ongoing SGP projects in 2011–12.

5. In 2011–12, diversity and social cohesion program funding was awarded to 40 new projects and 59 ongoing projects.

ANNUAL ADDRESS
ON
IMMIGRATION
CITIZENSHIP



Lectrum



MUSEUM
OF AUSTRALIAN
DEMOCRACY

OLD PARLIAMENT HOUSE

Case study

A Yorkshire lass in Australia

Professor Fiona Wood AM, born in Yorkshire, became an Australian citizen well before setting foot on Australian soil.

'I caused a bit of consternation [at the border] when I arrived in Australia on an Australian passport, because I had actually been made an Australian while in England,' she said.

As the keynote speaker at the third Annual Address on Immigration and Citizenship at the Museum of Australian Democracy at Old Parliament House, Canberra, in March 2012, Professor Wood said her story was one of belonging.



'I didn't come here to be average.'

'I can feel like I can be a proud Yorkshire lass and an Australian, and the two are not incompatible at all,' she said.

Professor Wood and her Australian-born surgeon husband settled in Perth, after knowing one another for just three weeks when they agreed to marry and return to his homeland.

'I felt that I'd kind of won Lotto, because I came to Perth ... I came to practise medicine the very best I can,' she said. 'I didn't come here to be average.'

And average she is not. In 2005, Professor Wood was named Australian of the Year for her work leading a team that saved 28 Bali bombing patients, who suffered burns to anywhere between 2 and 92 per cent of their bodies as well as deadly infections and delayed shock.

Professor Wood was appointed director of the Burns Service of Western Australia in 1991. 'There was only one applicant, so the alternative would have been very embarrassing,' she said.

In addressing the audience of community leaders, ambassadors, academics and senior government officials, she said: 'If we want a health service of excellence, if we want a society of excellence, then we all have to understand we're in this together, and we have to take responsibility.'

On coming away from Professor Wood's address, it was difficult to think of a more adequate description of citizenship—a way in which Australians, both old and new, take responsibility to create a society of excellence.

Photo: Professor Fiona Wood AM was the keynote speaker at the third Annual Address on Immigration and Citizenship at the Museum of Australian Democracy, Old Parliament House, Canberra, 29 March 2012.



Video highlights of the annual address are available on the enclosed CD-Rom.

Acting secretary's review



Photo: Acting Secretary Martin Bowles

Introduction

This year, the Department of Immigration and Citizenship passed the milestone of 4.5 million migrants and refugees making the Australian citizenship pledge. In doing so, they made a commitment to Australia and its people, laws, democracy and liberties. Australian citizenship is an important common bond that lies at the heart of a unified, cohesive and inclusive Australia. It unites Australians as a symbol of a shared future together. Since 1945, the department has facilitated the entry and settlement of more than seven million people, all of whom have their own migration story, all of which contribute to the larger story of Australian migration.

David Nyuol Vincent is one of the many people who has chosen Australian citizenship. As a refugee from Sudan, he fled civil war, spending 18 years in a refugee camp before coming to Australia. Like most migrants, David contributes to Australian society and makes the most of the opportunities available here. He has volunteered extensively with young people, is currently employed as a community liaison officer for the Brotherhood of St Laurence and has completed a Bachelor of Arts in Political Science and Criminology. He became a citizen in 2007. This year he became a People of Australia Ambassador who promotes inclusion and diversity in the Australian community.

In March this year, another of Australia's many migrants who chose to become an Australian citizen, Professor Fiona Wood AM, gave the keynote speech at the third Annual Address on Immigration and Citizenship. Professor Wood came from the United Kingdom in 1987 and has forged a career as a prominent surgeon. She was named Australian of the Year 2005 in recognition of her exceptional leadership and research into burns treatment. 'I didn't come here to be average. I came here to practise medicine the very best I can,' she said.

I am proud to be the acting secretary of a department that helps people such as David Vincent and Professor Wood along the pathway to citizenship and that contributes in many other ways to building our great nation. To this end, during 2011–12, we provided support to the Minister for Immigration and Citizenship, the Hon Chris Bowen MP, and to Senator the Hon Kate Lundy, who was promoted from Parliamentary Secretary for Immigration and Multicultural Affairs to Minister for Multicultural Affairs in March 2012.

This past year has seen a number of changes to the department's operating context. As the world becomes more globalised and populations increase, Australia, as with most nations, is experiencing ever-increasing people movement. More and more Australians have substantial links with other countries and spend time there and more people overseas have links here. Australia is well placed to benefit, both economically and socially, from these increasing flows.

This year has also seen ongoing uncertainty on the global economic front, with the debt crisis in Europe affecting global economic markets and growth forecasts. On the other hand, Australia's economy continues to grow, partly due to our position in the fastest developing region of the world. The economies of our neighbours and largest trading partners, including India and the People's Republic of China, are expanding. This growth is also flowing through to our migration program. As more people in India and the People's Republic of China become eligible for migration to Australia, and as our economic relations and people-to-people links increase, we will continue to see their prominence in the Migration Program.

Optimising program and policy outcomes

The department contributes to building the Australian nation through managed migration, settlement and citizenship programs designed to enhance our future. This means we deal with complex issues that not only affect individuals, but also the Australian economy, society and national security. During 2011–12, we have made many significant improvements to our programs and policies with the help of our partners and through building a robust evidence base.

Citizenship

This year, 114 685 people were approved as Australian citizens either by conferral, descent or resumption. During 2011–12, 71 662 clients sat the Australian citizenship test, with 98.7 per cent passing. Participation in the Australian citizenship course—an alternate testing pathway for citizenship applicants, including humanitarian program entrants—was very strong, with 285 people successfully completing the course.

2011–12 Migration Program

The 2011–12 Migration Program was set at 185 000 places. Within this total, the skill stream was allocated 125 750 places to help fill critical skills needs, particularly in regional areas. The family stream was set at 58 600 places to allow Australians to unite with their close family members and particularly with their partners and children. The remaining 650 places were allocated to the special eligibility category. In delivering the program to within two places of the planning level, the department has shown its capacity to manage our programs carefully to ensure that they operate in the national interest.

This year has seen the department undertake extensive preparatory work to deliver some of the most significant and innovative reforms to the skilled migration program in a generation.

From 1 July 2012, intending skilled migrants can use SkillSelect, a completely electronic system, to submit an expression of interest in migrating to Australia. They may be subsequently invited to make a visa application on the basis that their skills, qualifications and work experience are needed in the Australian labour market. This enables the Australian Government to control the skill intake more efficiently and reduce processing times, and it supports unprecedented responsiveness to Australia's economic needs.

Work supporting the introduction of reforms to the permanent employer sponsored visa program on 1 July 2012 was also a priority for the department this financial year. This program allows employers to sponsor foreign workers for permanent residence to fill vacancies in their businesses which cannot be met by local employees. These reforms will improve the program's ability to meet Australia's economic needs, respond quickly to labour market demand and ensure that places go to those who will make the greatest contribution to Australia.

Through its management of the family stream, the department has enabled the reunion of 58 604 family members in Australia, representing 31.7 per cent of the total Migration Program. This year, a doubling in annual non-contributory parent places since 2000 saw a significant reduction in the expected waiting times for parents to join their children permanently in Australia.

Connecting Australia through temporary migration

Not everyone coming to Australia arrives with the ultimate intention of becoming an Australian citizen. Temporary migration contributes to Australia socially, culturally and economically through the study, tourism, working holiday and temporary skilled programs.

Enterprise migration agreements (EMAs), first announced in September 2011, came closer to realisation in 2011–12, with the first EMA agreed in principle on 25 May 2012. Based on a National Resources Sector Employment Taskforce recommendation, EMAs are designed to help secure the skilled workforce required to build major resource sector projects.

Work also continues to bring regional migration agreements (RMAs) to fruition. Announced in the 2011–12 Budget, RMAs are designed to help regional areas experiencing acute labour and skill shortages. They are agreements among the Australian Government, state or territory governments or local councils, and employers.

The department has made significant progress in implementing the 41 recommendations arising from the Hon Michael Knight AO's *Strategic review of the student visa program*. By 30 June 2012, 20 of the 41 recommendations have been implemented, including streamlined visa processing for certain university applicants. The reforms are designed to enhance the competitiveness of Australia's international education sector and support integrity in the student visa program.

In 2011–12, the department completed a review of the student visa assessment level framework, in order to enhance the integrity of the student program while facilitating the competitiveness of Australia's international education sector. The department also reviewed the assessment levels and subsequently reduced the levels for 29 countries across one or more education sectors, due to the improved immigration compliance performance of students from those countries.

The working holiday maker program continued to grow in popularity. It currently includes 19 Working Holiday (subclass 417) visa partner countries and nine Work and Holiday (subclass 462) visa partner countries. During the year, Australia has signed work and holiday visa arrangements with Argentina and Papua New Guinea.

The department continued to oversee the operation of the Pacific seasonal worker pilot scheme in partnership with other government agencies. In late 2011, building on the pilot's success, the government announced an ongoing program of seasonal labour mobility for Pacific island countries and East Timor. Under the new program, people from East Timor, Samoa, Nauru, the Solomon Islands and Tuvalu are now eligible as well as people from countries involved in the pilot scheme. Additional industries including tourist accommodation providers, aquaculture and cotton and cane farmers, are now able to employ workers under the scheme.

Throughout the year, the department significantly advanced new eligibility arrangements for Australian business people seeking to obtain the APEC Business Travel Card. The card provides eligible business people with visa pre-clearance for up to 18 regional countries and fast-track processing lanes at international airports. Australian business people will have greater access to the card, enhancing regional trade and investment objectives.

Office of the Migration Agents Registration Authority

During 2011–12, the Office of the Migration Agents Registration Authority worked closely with stakeholders and its advisory board to improve standards within the migration agent profession. A mandatory practice ready program was introduced to better prepare new agents for their first year of practice. Ethics training remained a focus throughout the year, with the production of an ethics toolkit, provision of access to an ethics helpline and the development of e-learning tools. Continued emphasis was placed on improving communication with clients to help make sure they receive professional immigration assistance from a registered migration agent.

2011–12 Humanitarian Program

The Humanitarian Program is an important part of Australia's commitment to protecting refugees. It helps Australia to respond effectively to global humanitarian situations and support the specific needs of asylum seekers and other vulnerable people. The department granted 13 759 Humanitarian Program visas in 2011–12. People were resettled from the Middle East, South-West Asia and Africa. This year, 6718 visas were granted offshore and 7041 visas onshore. Of these onshore visas, 68 per cent were for irregular maritime arrivals. The Woman at Risk visa target of 12 per cent of refugee grants (720 grants) was exceeded, with 821 or 13.7 per cent of refugee visas granted to women in particularly vulnerable situations.

The implementation of complementary protection into the protection visa framework was also a significant milestone for the department. Following the passage of the legislation through parliament in September 2011, the new criteria commenced on 24 March 2012. Complementary protection legislation captures, in one decision-making process, the obligations that are contained in human rights conventions to which Australia is a party. It enables the claims of people facing certain types of harm to be recognised sooner, making the process more efficient and less stressful for vulnerable people at risk of violation of their fundamental human rights.

On 19 March 2012, the Minister for Immigration and Citizenship announced a major initiative in the protection assessment process for irregular maritime arrivals—the introduction of a single assessment process for all protection visa applicants, regardless of their mode of travel to Australia. From 24 March 2012, all claims for protection and complementary protection have been considered in a single, integrated process. This applies to both new applications and applications not finally determined as at 24 March 2012.

Children's issues

In recognition of the particular vulnerabilities of children, including unaccompanied minors who are irregular maritime arrivals, the department continued to provide high level advice and coordination on critical child-related issues. A trial of a new settlement service for older unaccompanied minors, called the refugee youth support pilot, was also established. We are continuing to work with state and territory government officials, through the Community and Disability Services Ministers' Advisory Council, to develop a more consistent national approach to the care of unaccompanied minors granted protection visas.

An important factor in the process of establishing the level of care provided to clients, is determining whether a client claiming to be a minor is, in fact, under 18 years of age. From mid-August 2011, the department has conducted age determination interviews with irregular maritime arrivals and since early December 2011, all Indonesian boat crew members claiming to be minors have also been assessed.

Multicultural affairs

Work to progress key initiatives of Australia's multicultural policy, *The People of Australia*, continued throughout 2011–12. The department contributed to two inquiries relating to multicultural affairs in 2011. On 18 November 2011, an inquiry into the government's access and equity framework was announced. This framework seeks to promote fairness and responsiveness in the design, delivery, monitoring and evaluation of government services for Australians from culturally and linguistically diverse backgrounds. The inquiry's report, including 20 recommendations, was released by the Minister for Multicultural Affairs on 29 June 2012. In February 2011, the Joint Standing Committee on Migration began an inquiry into multiculturalism in Australia, focusing on the economic, social and cultural impacts of migration. The committee's report is expected to be released in early 2012–13.

More than 5000 events across the country were organised to celebrate Harmony Day on 21 March 2012, with at least one million participants. The theme was 'Sport—play, engage, inspire' which recognised the positive influence that sport has in our multicultural nation.

The Australian Multicultural Council was officially launched on 22 August 2011 by the Prime Minister. The council's priorities in its first year included advising the government on multicultural affairs, as well as implementing and managing the People of Australia Ambassadors program.

In January 2012, the People of Australia Ambassadors were appointed, representing every state and territory in Australia. The 40 ambassadors promote the benefits of and help celebrate the multicultural nature of Australian society.

The department continued its involvement in designing, developing and implementing a comprehensive anti-racism strategy for Australia as part of the National Anti-Racism Partnership, announced in February 2011. The strategy will be implemented in 2012–15.

Settlement

The suite of settlement programs administered by the department assists eligible migrants and humanitarian entrants to become self-reliant and participate equitably in Australian society as soon as possible after arrival.

On 13 December 2011, the *Review of humanitarian settlement services performance measures and contract management* was released. It concluded that the department's management and oversight of the humanitarian settlement services program is adequate, but identified a need for improvement in areas such as quality assurance and risk management. The government accepted its 70 recommendations, which the department began implementing immediately.

Through an open tender process in July 2011, the department appointed 35 service providers to the humanitarian services panel for the provision of complex case support services. New contracts started on 16 January 2012, for an initial term of three years. Service delivery was able to continue without interruption under the new arrangements, thanks to the hard work of departmental staff and service providers.

On 7 February 2012, a trial of virtual English tuition for migrants, enabled by the National Broadband Network, was announced. This trial is a joint initiative between the department and the Department of Broadband, Communications and the Digital Economy. It will take advantage of high-speed broadband connectivity through the National Broadband Network deployments to deliver online English language tuition, including virtual classrooms, to adult migrant English program clients.

International engagement

The department's *International Engagement Strategy and Framework 2011–14* provides a framework for our international engagement in the coming years. This policy defines our business in three key result areas: people smuggling, irregular movement and returns; regular migration; and protection and humanitarian. It will ensure our international engagement activities are coherent, coordinated and aligned with government interests and the department's priorities.

In 2011–12, Australia made a number of significant contributions to strengthening the international protection framework, including participating in the Intergovernmental Ministerial Meeting and Pledging Conference as part of United Nations High Commissioner for Refugees (UNHCR) commemorations on the 60th anniversary of the Convention on the Status of Refugees and the 50th anniversary of the Convention on the Reduction of Statelessness. At this event, co-chaired by the Minister for Immigration and Citizenship, Australia and many other states reaffirmed their commitment to supporting UNHCR's work and to the protection of refugees and stateless persons.

In July 2011, the department assumed the role of Chair of the Annual Tripartite Consultations on Resettlement and the Working Group on Resettlement (WGR). These forums bring together UNHCR, some 25 refugee resettlement states and non-government organisations, to discuss key refugee resettlement issues. During our year as chair, Australia hosted the February 2012 WGR meeting in Melbourne. The department also established a partnership with the immigration agencies in Romania and Argentina, to assist with capacity building, particularly the development and strengthening of their resettlement programs.

I was pleased that our department hosted two important dignitaries from our international partners in 2011–12. In July 2011, Director-General of the International Organization for Migration (IOM) Ambassador William Swing visited Australia as part of the commemorations marking the 60th Anniversary of IOM. In February this year, United Nations High Commissioner for Refugees António Guterres visited Australia as a Guest of Government. He expressed UNHCR's ongoing appreciation for Australia's significant resettlement program and noted that our settlement programs are among the most successful in the world.

Enhancing compliance, border control and program integrity

The vast majority of people coming to Australia either temporarily, or with the desire to become an Australian citizen, lodge legitimate visa applications and adhere to their visa conditions. Nevertheless, integrity measures are essential to managing the department's migration and settlement programs. Compliance, border control and other activities ensure that risks to national security, the Australian community and the integrity of the migration program are mitigated.

Compliance

Overall compliance with Australia's immigration system remains very high, with about 99 per cent of the more than 4.8 million temporary entrants during the year complying with their visa term. The department has continued to expand its work to promote voluntary compliance, reserving firm enforcement measures for those who refuse to comply. These strategies have resulted in the department locating some 15 500 unlawful non-citizens, a 12 per cent increase on the previous year. Compared to 2010–11, there was also a 13 per cent increase in the number of compliance cases whose status was resolved in 2011–12, mostly through departure.

In December 2011, the government announced reforms to the current sanctions for businesses that allow or refer non-citizens to work in Australia without the required permission. The reforms will introduce infringement notices and civil penalties to supplement the existing criminal sanctions and will include statutory safeguards for employers who undertake appropriate work entitlement checks. These measures reflect the recommendations of the 2010 Howells review of employer sanctions and take into account the views of the public and key stakeholders, following broad consultations.

Risk, fraud and integrity

During the year the department enhanced a number of key risk management techniques and systems to manage the substantial and steady growth in visa caseloads without loss of integrity. Risk-tiering methodologies have been used to develop risk profiles which have been incorporated into the Safeguards system, which alerts the department to visa and citizenship applications with security or integrity concerns. The department is currently trialling an experimental system to assess the risk of each traveller seeking entry to Australia. Collectively, these targeting tools enable the department to deliver greater convenience for genuine travellers, more efficient use of staff time and resources and reduced costs associated with fraud.

The department continues to strengthen Australia's border through the collection of biometrics to prevent identity fraud and theft. Biometric collection has been successfully rolled out across 17 countries in Africa, Asia, Europe and the Middle East. This initiative has been undertaken in collaboration with the United Kingdom Border Agency and is an excellent example of developing and maintaining effective international partnerships. The department continues to work closely with like-minded governments in identifying new opportunities to expand biometric collection in other countries.

To complement the offshore biometrics program, the department undertook a trial using biometrics collected offshore to verify the identity of travellers arriving at Perth International Airport in early 2012.

Border security

The department facilitates the movement of people across Australia's borders, as well as deterring or preventing those who try to enter Australia illegally. By working closely with other Australian Government agencies, the department effectively meets the challenges and benefits from the opportunities that come from the increased volume and complexity of travel. We also work with international agencies to strengthen border security and streamline the entry of genuine travellers.

In 2011–12, there were approximately 31.63 million movements across Australia's borders. This was an increase of 5.3 per cent from the 30.05 million movements in 2010–11. By 2020, indications are that these numbers are likely to increase to approximately 50 million movements per year. Travel rates within the Asia Pacific region continue to rise faster than in any other region. There were 57 314 traditional movements across the Torres Strait and a significant reduction in non-compliance levels, with a 19 per cent drop in travel refusals.

Immigration detention

Immigration detention plays a significant role in maintaining the integrity of Australia's Migration, Temporary Entry and Humanitarian Programs. The department and our service providers aim to provide for the care and security of people in immigration detention, based on humane principles and standards.

The report of the Hawke Williams review, an independent review of the incidents at the Christmas Island and Villawood Immigration Detention Centres, was released in November 2011. The majority of the recommendations have been implemented and, in many instances, the department has exceeded its stated commitments in order to address the broader issues the review raised.

During 2011–12, the department actively contributed to an inquiry by the Joint Select Committee on Australia's Immigration Detention Network. The committee tabled its final report on 12 April 2012. The department is considering the report's recommendations and the extent of further action to address the issues raised. The whole-of-government response to the report will be provided to parliament before the end of 2012.

In February 2012, the Minister for Immigration and Citizenship announced that he had extended the term of the Council for Immigration Services and Status Resolution to September 2014 and changed its name to the Minister's Council on Asylum Seekers and Detention (MCASD). The department continues to work closely with and to support MCASD in its role of providing advice to the minister on policies, processes, services and programs necessary to achieve the timely, fair and effective resolution of immigration status for people seeking migration outcomes in Australia.

In 2011–12, the department, the Australian Federal Police and some state and territory governments signed a Memorandum of Understanding (MoU) for the provision of policing services to immigration detention facilities. The MoU will improve coordination of responses to incidents at immigration detention facilities, while minimising the impact of such responses on the provision of policing to the local community.

Irregular maritime arrivals

I was deeply saddened by the loss of life from the sinking of boats en route to Australia in 2011–12. These incidents were a stark reminder of the dangers involved in people smuggling and irregular migration, and of the need for ongoing and committed action to prevent further tragedies. Many of this department's officers were involved in the government's response to these events and they continue to respond to these difficult issues. I thank them for their dedication.

In 2011–12, 8371 people classed as irregular maritime arrivals arrived, up in numbers from 4910 in the previous year. It remains the case that Australia receives comparatively small numbers of applications for asylum. In 2011, Australia received about 2.6 per cent of new applications for asylum in industrial countries.

Moving children and families into community-based accommodation continued to be a priority, consistent with the government's announcement on 18 October 2010 that it would expand the existing community detention program. During 2011–12, the minister approved 2561 clients for community detention (including 1149 children). By 30 June 2012, all eligible unaccompanied minors who arrived before 1 April 2012 had been approved for community detention. To help manage the growth in the program, nine new service providers were contracted to provide a range of community detention services. The majority of these clients and all unaccompanied minors continued to be placed with the Australian Red Cross and its network of subcontractors.

On 13 October 2011, the government announced that while asylum seekers arriving by boat would continue to be placed in immigration detention pending identity, security and health checks, the government would make greater use of existing bridging visas to enable them to reside in the community while their protection claims are assessed. Since the announcement, 2741 Bridging E visas (BVEs) have been granted. BVE holders are permitted to work and have access to Medicare, but are not eligible for public housing or Centrelink benefits. Asylum-seeker support arrangements are available when needed. BVE holders may also be eligible for short-term transitional accommodation, including 'home stay' style arrangements.

In July 2011, the Australian and Malaysian Governments signed an agreement to transfer 800 irregular maritime arrivals to Malaysia, where their claims for refugee status would be considered by UNHCR. Included in the agreement was that an additional 4000 people, considered by UNHCR to be most in need of resettlement, would be given an opportunity to start new lives in Australia under the humanitarian program offshore intake. While a subsequent High Court decision prevented implementation of the transfer arrangement, the government is honouring its commitment to resettle 4000 refugees from Malaysia over four years.

Commonwealth and Immigration Ombudsman and Australian Human Rights Commission

The department's relationship with external oversight agencies continues to be important and their oversight is an essential element of our accountability framework. The number of complaints referred to the department by the Commonwealth and Immigration Ombudsman in 2011–12 decreased by 14 per cent on the previous year. The department received 272 complaints in 2011–12 and 285 complaints were finalised. The most common complaints were visa related — refusals, cancellations or delays in processing. The department received 315 new complaints from the Australian Human Rights Commission in 2011–12. This was an increase of 203 per cent on the previous year. The number of issues raised in each complaint increased, as did the number of complaints which raised issues regarding immigration detention.

In 2011–12, the department also contributed to two Own Motion investigations conducted by the Ombudsman, as well as an inquiry by the Australian Human Rights Commission on issues relating to immigration detention. The department co-operated fully throughout the course of these investigations, providing significant amounts of both policy and case information.

Extending departmental capability

As a large organisation that deals with complex policy issues and delivers services to millions of clients each year, the department continues to extend its capability through innovative developments and corporate support. We deliver good quality, professional corporate services in order to respond to the challenges and opportunities presented by our changing operating environment.

Client services

The department continues to expand its global footprint to provide people with greater access to immigration services in an increasing number of locations. Australian Visa Application Centres (AVACs) are operated under contract by service delivery partners. The services they provide include basic pre-lodgement enquiries, distribution of visa information, collection of visa applications, banking visa application charges and, in some locations, collecting biometrics on the department's behalf. This financial year, AVACs were introduced in 12 new locations throughout the South Pacific.

The government announced changes to visa pricing arrangements in late November 2011. The new arrangements introduce a user-pays structure for visas, in line with other comparable countries competing for migrants and new charges for discretionary services including visa labels. Development of new business processes and technology solutions to support the introduction of the visa pricing arrangements is well underway. The improvements will enable the majority of visa applicants to use electronic channels to lodge, pay for, and track the progress of their visa application.

Improving our technologies

We continue to implement information technology systems changes that support improvements to programs and services. The changes implemented this year include those to prevent the misuse of the student visa program, the implementation of the complementary protection visa system and the new online SkillSelect system. They also included the first changes to support the implementation of the visa simplification and deregulation project. In addition to improvements to visa systems, the department worked with its partners to strengthen border security and irregular maritime arrivals' processing, including through sharing data. The department is also rationalising its health processing systems.

The technologies that support our business services have also been improved. Business processes have been streamlined through better system support in the areas of community detention and irregular maritime arrival onshore processing. We have enhanced the connectivity of detention centre infrastructure and implemented enhanced mobile technology programs to deliver remote access to the department's systems. In June 2012, we upgraded and expanded our video conferencing network, which will assist in reducing travel costs and ensure that staff in various locations have better access to facilities. The department is currently upgrading our computer desktops, with more than 500 software upgrades and 1000 hardware upgrades in 2011–12.

Research and evaluation

During the year, we continued to invest in research, evaluation and analysis to support policy and program decision-making. Research reports on the management of enforced removals in Australia and the social and economic impacts of the Inverbrackie Alternative Place of Detention were published. In addition, research projects are being conducted on the detention experience of irregular maritime arrivals in immigration detention facilities, contributions of family migration to Australia, and a survey of subclass 457 visa holders and their employers. In 2011–12, the department began a number of evaluations, including on the effectiveness of the community status resolution program in resolving the immigration status of compliance clients in the community, vulnerable families, and children in community detention and the Carer visa.

The department's Continuous Survey of Australia's Migrants continues to provide valuable information on the outcomes of skilled migrants. The department oversees the production of publications on a range of topics, including population flows, detailed profiles of our main migrant source countries and blogs to support policy work.

Training

The department continued to build its capacity through training, including through e-learning, virtual classroom, face-to-face classroom instruction and learning in the workplace. New courses introduced this year included one for executive staff on irregular maritime arrival roles, an e-learning Work Health and Safety Act course, and the Aboriginal and Torres Strait Islander cultural awareness e-learning course.

The first Next Step program concluded in 2011–12. This is a talent and succession management program for high-performing Executive Level 2 (EL2) staff. Mentoring has also been a focus, with the aim of developing skill sets to support the leadership capacity of staff at all levels through on-the-job training.

Staff survey

Following a staff survey conducted in February 2011, the department has continued to develop and implement strategies to foster a culture of performance. One particular example of this is the inaugural EL2 leadership conference in early March 2012, which had a theme of 'influencing our strategic direction'. It provided EL2s with the opportunity to help develop the department's strategic priorities. I look forward to the staff survey in September 2012 to gauge how the organisation is improving in key areas of employee engagement.

Enterprise Agreement 2011–14

During 2011, in consultation with staff, the department successfully implemented the *Enterprise Agreement 2011–14* consistent with the Australian Public Service bargaining framework. Its terms were negotiated with the Community and Public Sector Union, the Media, Entertainment and Arts Alliance, and 12 individual bargaining agents. It is underpinned by a range of productivity improvement initiatives designed to drive organisational performance through staff engagement. I am pleased to note it represents a flexible package of contemporary employment reforms that reflect and facilitate the department's business, and positions us relatively well in the APS employment market. In September 2011, more than 90 per cent of staff voted to accept the agreement's terms. It took effect on 6 October 2011 following approval by Fair Work Australia.

Improving our communication and engagement

Our department engages with the media, clients and stakeholders and the Australian community on an almost constant basis. Some of the issues with which the department deals every day generate wide debate and the department must respond with accurate information in a timely manner. In 2011–12, the department's media team responded to more than 5000 separate enquiries from journalists through its 24-hour seven-day-a-week media response service.

In looking for innovative ways to engage with clients and stakeholders, the past year has seen the department increase its use of various social media tools. These channels, including YouTube, Facebook, Twitter, Flickr, blogs and Storify, allow us to tell the stories of the department and of people who have migrated to Australia.

The department has two YouTube channels that share its video clips with a global audience on an immediate basis. The department's Twitter account provides a channel to immediately correct misinformation about the department, whether it is running on mainstream, social or alternative media platforms. It also allows the department to direct followers to the department's website, Facebook and other social media pages, to promote awareness of policy announcements, new initiatives and events.

The department's Facebook page had more than 12 600 'likes' by the end of 2011–12, meaning that thousands of clients and stakeholders around the world are receiving daily content and updates from the department in their Facebook timeline, while its YouTube channels have recorded more than one million views.

Financial results

The department's 2011–12 financial performance was strong despite the challenges posed by increased activity and complex operational demands.

The 2011–12 financial statements report a \$98.5 million operating deficit compared to a \$63.1 million operating deficit in 2010–11. 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 2011–12, the department incurred \$90.4 million in depreciation and amortisation expenses and if these items were funded, the 2011–12 result would be an \$8.1 million deficit.

Outlook for 2012–13

In the coming year, we will continue to meet the challenges of a changing operating context while working with our many partners, stakeholders and clients.

The government has announced a migration program of 190 000 places in 2012–13. This is a modest increase of 5000 places to help address skill shortages. The skill stream is set at 129 250 places and the family stream at 60 185 places. Up to 16 000 places have been allocated to the regional sponsored migration scheme to address regional skills gaps.

In the year ahead, enterprise migration agreements and regional migration agreements will take form, bringing the benefit of skilled overseas migrants to more Australian regional communities and to Australia's biggest resource projects. Another key innovation will be the introduction of the Significant Investor visa as part of the business innovation and investment program. This visa, due to be introduced in late 2012, will target individuals willing to make a minimum \$5 million investment in Australia.

In 2012–13, the department will continue to work with the Select Council on Immigration and Settlement to develop a national settlement framework, in order to encourage collaboration between jurisdictions and service delivery coordination.

The department will also continue to work closely with regional partners to develop and implement practical measures under the auspices of the Bali Process Regional Cooperation Framework, including establishment of a regional support office in Bangkok. The office will provide a coordination point for member states to share information, build capacity, and pool resources to address irregular migration in the region.

In the year ahead, the department will respond to a number of inquiries into different aspects of the portfolio, including the immigration detention network, the government's access and equity framework and multiculturalism in Australia. The department will also respond to the recommendations of the expert panel on asylum seekers comprising Air Chief Marshal Angus Houston AC, AFC (Ret'd), Paris Aristotle AM and Professor Michael L'Estrange, reporting on policy options, and the efficacy of such options, to prevent asylum seekers risking their lives on dangerous boat journeys to Australia.

The department is also developing an integrated service delivery framework to provide more coherent service delivery to vulnerable clients across the service delivery spectrum. The framework will draw together programs that support vulnerable clients who are undergoing status resolution into a single service delivery platform.

Conclusion

Since formally taking on the role of acting secretary in March this year, I have been impressed by the dedication and commitment of the department's staff, both in Australia and overseas.

The immigration and citizenship portfolio is often faced with a number of challenges and opportunities and thanks to the department's many achievements throughout 2011–12, we are well prepared to respond to those challenges and take advantage of our opportunities in the national interest.

I would like to thank my senior executives who have all shared the considerable leadership burden over the past year and who have helped make my transition to this new portfolio a seamless one.

I also wish to particularly acknowledge the many contributions of Secretary Andrew Metcalfe AO, whose stewardship of this department in recent years has positioned the organisation to become a world-leading immigration and citizenship agency.

Finally, I wish to thank the department's staff and many partners for their work during the past year. It is because of them we can be proud of the continuing and significant role as nation builders: building capacity, building communities, and building citizenship.

Martin Bowles PSM
June 2012

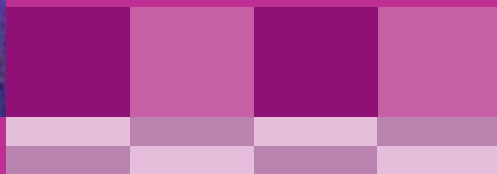


Part 2

Overview

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Photo: Pooja works for the department in New Delhi.



Portfolio and department overview

Portfolio and departmental structure at 30 June 2012



The Department of Immigration and Citizenship, the Migration Review Tribunal and the Refugee Review Tribunal are the immigration and citizenship portfolio agencies. The tribunals provide independent merits review of departmental decisions to refuse or cancel migration, temporary entry and protection visas. They report separately.

While part of the department and reporting to the secretary, the Office of the Migration Agents Registration Authority has its own independent management structure.

There have been no significant changes to the functions of the immigration and citizenship portfolio in 2011–12.

Role and functions

The department is a policy, program and service delivery agency. In 2011–12, the department's purpose was to build Australia's future through the well-managed entry, stay and settlement of people.

The department's services are delivered through offices in every state and territory and in nearly 60 countries. These services 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
- deciding visa applications 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.

The department's objectives and priorities

In 2011–12, the department's business was 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
- promote Australian citizenship and a multicultural Australia.

During 2011–12, the strategic priorities of the department were to:

- contribute to Australia's economic, labour market, social and environmental objectives through a holistic long-term planning framework for temporary and permanent migration
- consolidate changes to the skilled migration program to ensure it is responsive to economic cycles, the needs of industry and employers, and better addresses the nation's future skill needs
- respond to the challenges of displacement and irregular migration through: administering Australia's Refugee and Humanitarian Program and close engagement with regional immigration and border control agencies, relevant international organisations and through the regional cooperation framework
- strengthen identity management through increased use of biometrics and risk analytics to facilitate bona fide entry and enhance border management
- continue the process of modernising the delivery of immigration and citizenship services through a range of more efficient client-centric service delivery channels that include service centres, service delivery partners, e-business initiatives, and more strategic work placement with a strong focus on centralised electronic processing of high volume, low risk caseloads
- build a more mature capacity to detect, measure and mitigate risk across the department's full operations, including identifying program risks, and more accurate targeting and resolution of potentially high risk cases
- achieve substantive outcomes for unlawful non-citizens in a lawful, timely, fair and reasonable way, and treat people in immigration detention fairly and reasonably in accordance with our obligations
- continue work associated with simplifying the visa system to make it responsive to changing needs, cost-effective and easier to understand
- continue to promote the benefits of a united and diverse society through programs that support and enhance social cohesion
- enhance analysis, research, and evaluation capacity to provide innovative and quality advice to government on current and emerging policy and program issues.

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 (Transitional 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.*

Five Bills were introduced to parliament during 2011–12. In that period, two Bills passed both Houses of Parliament and became Acts upon the Royal Assent being given. In addition, 10 amendment regulations 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 2011 can be found on the department's website at www.immi.gov.au/legislation/amendments/2011/

The relevant notices of legislative change for the calendar year 2012 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 2011–12:

Advisory Board to the Office of the Migration Agents Registration Authority—provides the Office of the MARA's chief executive officer with strategic advice and guidance relating to the migration advice profession.

Australian Multicultural Council—advised the government on multicultural affairs, had a formal role in a strengthened access and equity strategy, had a research and advisory role on multicultural policy, assisted with cultural diversity celebrations and Harmony Day activities and implemented the People of Australia Ambassadors program to articulate the benefits of, and help celebrate, our multicultural nation.

Detention Health Advisory Group (DeHAG)—provided the department with independent, expert advice regarding the design, implementation and monitoring of improvements in detention health care policy and procedures. DeHAG consists of key health and mental health professional and consumer group organisations.

Minister's Council on Asylum Seekers and Detention—provided 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.

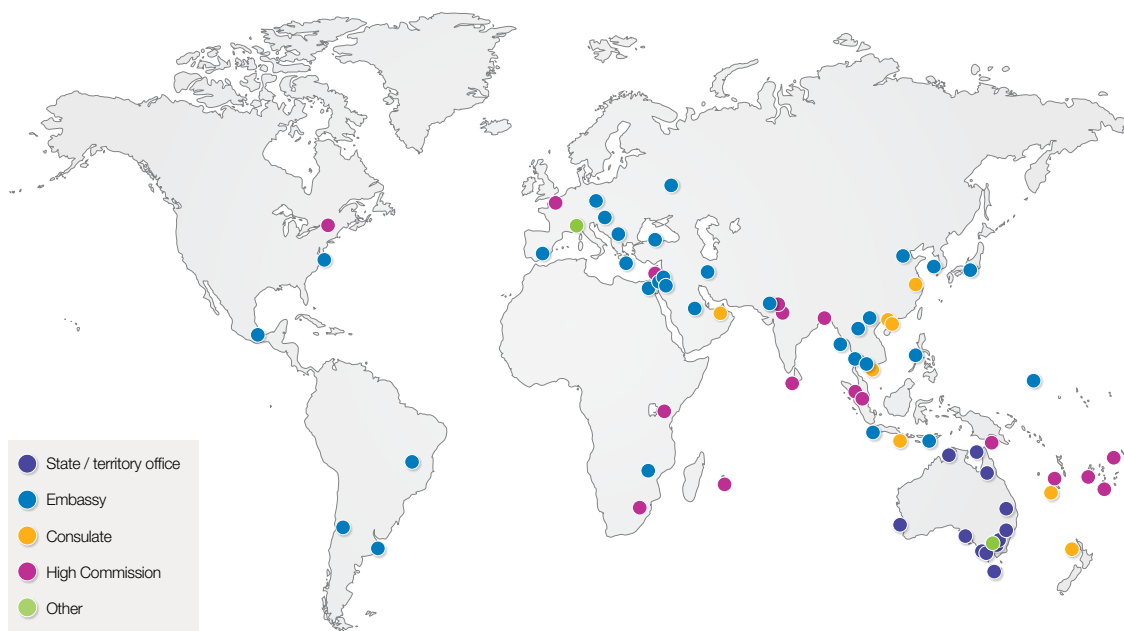
Refugee Resettlement Advisory Council—advised the ministers on matters relating to the settlement of migrants, refugees and humanitarian entrants.

Departmental office and post locations

2

Overview

Figure 1: Departmental office and post locations as at 30 June 2012



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

Organisational structure

Figure 2: Organisational structure as at 30 June 2012





Senior executives



Photo: Acting Secretary Martin Bowles PSM (centre) and deputy secretaries (L–R) John Moorhouse, Wendy Southern PSM, Jackie Wilson and Peter Vardos PSM.

Acting Secretary Martin Bowles PSM

Mr Martin Bowles is Acting Secretary* of the Department of Immigration and Citizenship, responsible for its administration and strategic direction. He joined the department in December 2011 as special advisor to the secretary and became the acting secretary in March 2012.

In this role, he has oversight of the department's operations in each state and territory of Australia and at nearly 60 locations around the world. He also provides senior policy counsel to the Minister for Immigration and Citizenship and the Minister for Multicultural Affairs.

Before joining the department, Mr Bowles was Deputy Secretary of the Energy, Safety and Corporate Group at the Department of Climate Change and Energy Efficiency, where he had executive oversight of the Corporate Support Division, the Legal Services Branch, the Energy and Safety Programs Division and the Energy and Efficiency Division.

Prior to this role, Mr Bowles was Deputy Secretary for Defence Support at the Department of Defence. In this position, he led the Defence Support Group, which is responsible for providing support services to more than 95 000 people throughout the Australian Defence Force and the wider Defence portfolio.

Deputy Secretary Dr Wendy Southern PSM

Dr Wendy Southern is Deputy Secretary of the Policy and 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.

In September 2010, Dr Southern was awarded the Institute of Chartered Accountants' inaugural award for outstanding contribution to Australian administration.

Deputy Secretary Peter Vardos PSM

Mr Peter Vardos is the Deputy Secretary of 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 since joining as a graduate in 1978. During this time he served with the Australian Agency for International Development (AusAID) in Australia's diplomatic missions in the Solomon Islands, Kenya and Zimbabwe. He was also a 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, he headed the citizenship test task force and following this, he was First Assistant Secretary of the Migration and Visa Policy Division and later the Acting Deputy Secretary of the Policy and Program Management Group.

Deputy Secretary Jackie Wilson

Ms Jackie Wilson is the Deputy Secretary of 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 this role, Ms Wilson was the Deputy Secretary of the new Immigration Detention Services Group formed in January 2011.

Deputy Secretary John Moorhouse

Mr John Moorhouse is Deputy Secretary of the Immigration Status Resolution Group, responsible for the status resolution of unlawful non-citizens and the immigration detention network.

Mr Moorhouse is a career officer of the department with more than 30 years' 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 conducted a number of major reviews on immigration matters and led the team which drafted the Migration Reform Bill 1992. He has previously worked as the First Assistant Secretary of Client Services, Corporate Governance and Border Control and Compliance.

* Secretary Andrew Metcalfe AO took long-term leave from the department in 2011–12 to undertake further study. Mr Bowles started in the role of acting secretary on 30 March 2012.

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 that government agencies apply to achieve the intended results of the outcome statements. The 2011–12 Budget framework is described in Figure 3, which provides the outcome statement and related programs.

Figure 3: 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	1.1.1	1.1.2	1.1.3
Visa and migration	Visa and migration—service delivery	Visa and migration—policy advice and program design	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	2.1.1	2.1.2
Refugee and humanitarian assistance	Refugee and humanitarian assistance—service delivery	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	3.1.1	3.1.2
Border management	Border management—service delivery	Border management—policy advice and program design

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	4.1.1	4.1.2
Visa compliance and status resolution	Visa compliance and status resolution—service delivery	Visa compliance and status resolution— policy advice and program design
4.2	4.2.1	4.2.2
Onshore detention network	Onshore detention network—service delivery	Onshore detention network—policy advice and program design
4.3	4.3.1	4.3.2
Offshore asylum seeker management	Offshore asylum seeker management—service delivery	Offshore asylum seeker management—policy advice and program design
4.3.3	4.3.4	
Offshore asylum seeker management—refugee status determination	Offshore asylum seeker management—implementation of regional cooperation framework	
4.4	4.4.1	4.4.2
Foreign fishers	Foreign fishers—service delivery	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	5.1.1	5.1.2
Settlement services for migrants and refugees	Settlement services for migrants and refugees—service delivery	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	6.1.1	6.1.2
Multicultural and citizenship services	Multicultural and citizenship services—service delivery	Multicultural and citizenship services—policy advice and program design



Case study

Lina loves Australia

Colombian-born Lina Silva will always remember pledging her commitment to Australia at her citizenship ceremony in 2012.

'My citizenship ceremony was very special because it was on Australia Day,' she said.

'It was very special also because of the presence of the Prime Minister, the Governor-General and the Secretary of the Department of Immigration and Citizenship.

'I am very proud to be an Australian citizen and I think there's also a responsibility I have to carry. I think as immigrants ... we have a responsibility to keep Australia's values.'

Lina and her husband, who were living in Italy, decided to follow in her brother's footsteps and move to Australia, after falling in love with the country while visiting him on holiday.

After the trip, the couple decided they would make a permanent move.

 'I am very proud to be an Australian citizen and I think there's also a responsibility I have to carry.'

'In Australia you are free, you can think, you can share values, you can choose what you want to be in your life. I think those are the most important values and positives of Australia,' she said.

Lina chose to live in Canberra to be close to her family and once she arrived she found she enjoyed the calm of the national capital compared to the bustling places in which she had lived previously. She finds her local community friendly and very culturally diverse.

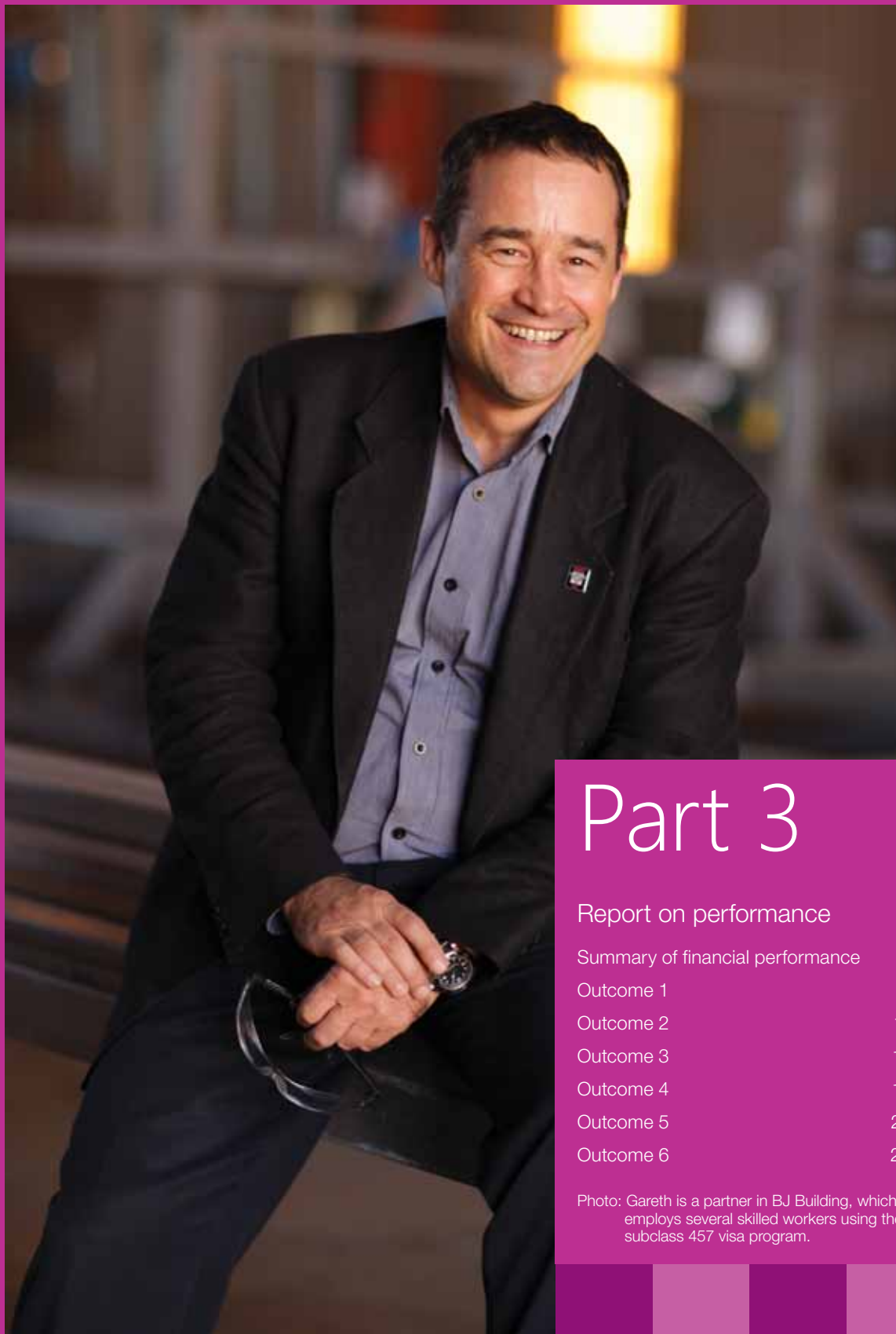
'I am able to be the diverse person that I am. I have found a job I like and a life I love,' she said.

Lina works as a manager of international development projects. Currently she is working on a food security and climate change project in the Pacific.

Photo: Colombian-born Lina Silva became an Australian citizen on Australia Day 2012.



Watch an interview with Lina on the enclosed CD-Rom.

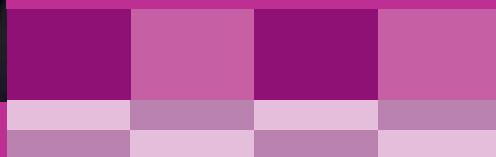


Part 3

Report on performance

Summary of financial performance	34
Outcome 1	41
Outcome 2	110
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Outcome 6	263

Photo: Gareth is a partner in BJ Building, which employs several skilled workers using the subclass 457 visa program.



Summary of financial performance

Departmental operating result

The department's 2011–12 financial performance was strong despite the challenges posed by increased activity and complex operational demands.

The 2011–12 financial statements report a \$98.5 million operating deficit compared to a \$63.1 million operating deficit in 2010–11. Since 2010–11, depreciation and amortisation expenses have not been funded by government. In 2011–12, the department incurred \$90.4 million in depreciation and amortisation expenses and if these items were funded, the 2011–12 result would have been an \$8.1 million deficit.

The main factors contributing to the department's 2011–12 operating result were:

- a significant reduction in the government long-term bond rate that increased the department's employee expenses by \$24 million
- a strong focus on performance and associated financial management
- 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 is, 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 is fully reconciled and reported to DoFD.

The department's 2011–12 statement of comprehensive income reports revenue from government of \$1 330.6 million for earned appropriation, and also own source income of \$52.6 million, which in aggregate total \$1 383.2 million.

Expenses

The department's total expenses in 2011–12 were \$1 481.7 million, which was \$186.6 million higher than the \$1 295.1 million expenses reported in 2010–11.

The 2011–12 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 ongoing fiscal restraint and budget management, the department has developed and implemented appropriate and responsive strategies to manage the increasing workload.

Administered program performance

The department's 2011–12 administered expenses were \$1 539.7 million which was \$99.6 million higher than the expense estimate provided at 2011–12 Additional Estimates (\$1 440.1 million). The variance is mainly attributable to increased expenses in Program 4.3 offshore asylum seeker management.

Total assets

As at 30 June 2012, the department held total assets of \$797.0 million, which is \$52.3 million higher than the department's 30 June 2011 asset position. This increase is predominantly a result of an increase in departmental intangible assets.

Administered assets held by the department at 30 June 2012, after depreciation of \$33.3 million, totalled \$961.5 million. These assets primarily relate to detention land, buildings and infrastructure.

Total liabilities

As at 30 June 2012, the department reported total liabilities of \$414.9 million, an increase of \$34.4 million compared to the previous financial year. The change in the liability balances relates to:

- an increase of \$12.0 million in payables which is predominantly due to the higher supplier expenses compared with the previous financial year
- an increase of \$42.3 million in employee provisions, which is a result of the government bond rate movement and the flow-on impact of the Enterprise Agreement salary increase to employee leave provisions
- a decrease of \$14.8 million in finance lease liabilities, which is a result of the buy-out of finance leases in 2011–12
- a decrease of \$5.1 million in other provisions, which is predominantly a result of a reduction in surplus lease space at several office locations.

Net assets

Overall, the department's 2011–12 net asset position of \$382.1 million (assets minus liabilities) has increased in comparison to 2010–11 by \$17.9 million. The department has a strong net asset position whereby liabilities equate to 52 per cent of the total asset base.

The department's financial performance in 2011–12 continues to reflect a strong focus on financial management 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.

Figure 4: Departmental assets, liabilities and net equity trend

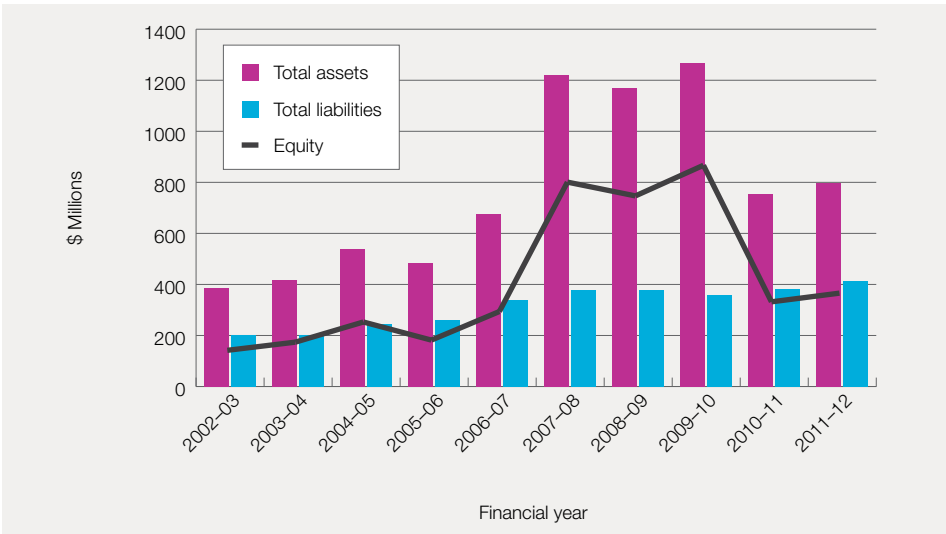


Table 2: All outcomes financial resources summary 2011–12

	Budget ¹ 2011–12 \$'000	Actual expenses 2011–12 \$'000
Administered		
Outcome 1: Visa and migration	50	-
Outcome 2: Refugee and humanitarian assistance	35 240	34 496
Outcome 3: Border management	168	279
Outcome 4.1: Visa compliance and status resolution	9 063	6 907
Outcome 4.2: Onshore detention network	63 979	64 625
Outcome 4.3: Offshore asylum seeker management	866 597	1 081 221
Outcome 4.4: Foreign fishers	9 290	10 077
Outcome 5: Settlement services for migrants and refugees	318 079	337 149
Outcome 6: Multicultural and citizenship services	5 433	4 902
Total administered expenses	1 307 899	1 539 656
Departmental		
Outcome 1: Visa and migration	549 541	565 626
Outcome 2: Refugee and humanitarian assistance	69 857	71 519
Outcome 3: Border management	146 793	148 049
Outcome 4.1: Visa compliance and status resolution	150 499	169 815
Outcome 4.2: Onshore detention network	26 124	30 647
Outcome 4.3: Offshore asylum seeker management	303 852	354 393
Outcome 4.4: Foreign fishers	2 721	2 401
Outcome 5: Settlement services for migrants and refugees	90 635	70 128
Outcome 6: Multicultural and citizenship services	77 343	69 141
Total departmental expenses	1 417 365	1 481 719
Total departmental and administered expenses	2 725 264	3 021 375

1. The 2011–12 Budget represents the Estimated Actual Budget published in the *Portfolio Budget Statements 2012–13*.

Table 3: Financial resource statement 2011–12

		Actual available appropriation for 2011–12 \$'000	Payments made 2011–12 \$'000	Balance remaining 2011–12 \$'000
Ordinary annual services				
Appropriation receivable		236 050	234 280	1 770
Departmental appropriation ¹		1 436 973	1 198 575	238 398
s. 31 relevant agency receipts		101 725	101 725	0
Total		1 774 748	1 534 580	240 168
Administered expenses				
Outcome 1		50	0	
Outcome 2		37 169	32 182	
Outcome 3		168	154	
Outcome 4		1 067 491	1 036 140	
Outcome 5		329 642	307 080	
Outcome 6		5 433	3 697	
Total		1 439 953	1 379 253	
Total ordinary annual services	A	3 214 701	2 913 833	
Other services				
Administered expenses		-	-	
Specific payments to states, ACT, NT and local government				
Total		-	-	
New administered expenses		-	-	
Total		-	-	
Departmental non-operating				
Equity injections		46 968	4 762	42 206
Previous years' outputs		-	-	-
Total		46 968	4 762	42 206

1. Appropriation Bill (No.1) 2011–12 and Appropriation Bill (No.3) 2011–12.

Table 3: Financial resource statement 2011–12 *continued*

		Actual available appropriation for 2011–12 \$'000	Payments made 2011–12 \$'000	Balance remaining 2011–12 \$'000
Administered non-operating				
Administered assets and liabilities		233 630	180 880	52 750
Payments to <i>Commonwealth Authorities and Companies Act 1997</i> (CAC) bodies—non-operating		0	0	0
Total		233 630	180 880	52 570
Total other services	B	280 598	185 642	94 956
Total available annual appropriations and payments		3 495 299	3 099 475	
Special appropriations				
Special appropriations limited by criteria/entitlement				
Migration Act s. 332B			0	
Special appropriation <i>Financial Management and Accountability Act 1997</i>			87 212	
Special appropriations limited				
By amount			0	
Total special appropriations	C		87 212	
Special accounts				
Opening balance		338		
Appropriation receipts ²		0		
Appropriation receipts—other agencies		0		
Non-appropriation receipts to special accounts		18		
Payments made		0	116	
Total special account	D	356	116	240

2. Appropriation receipts from the department's annual and special appropriations for 2011–12 included above.

Table 3: Financial resource statement 2011–12 *continued*

		Actual available appropriation for 2011–12 \$'000	Payments made 2011–12 \$'000	Balance remaining 2011–12 \$'000
Total resourcing and payments A+B+C+D		3 495 655	3 186 803	
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		3 495 655	3 186 803	

The department operates on an activity based funding model and revenue adjustments are recorded in the financial statements in the financial year in which 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 the Parliament. Due to variations in activity there will be a lapsing of appropriation items in 2012–13 relating to the items appropriated for the 2011–12 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: Ruwaida, a civil engineer considering migrating to Australia, attended a Skills Australia Needs event in London in February 2012.

The program managed under Outcome 1 is:

Program 1.1 Visa and migration

During 2011–12, Program 1.1 was managed by the Migration and Visa Policy Division. This program includes the Office of the Migration Agents Registration Authority (MARA), a discrete office attached to the department which regulates the activities of the migration advice profession in Australia. This section reports on the deliverables and key performance indicators for Program 1.1, published in the department's *Portfolio Budget Statements 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

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:

- policy in line with the government's expectations to develop and implement migration and visa reform agendas including labour market initiatives and long-term migration planning framework and reforms to the student visa program
- program development
- robust policy and sound research and evaluation to support efficient program delivery and to enhance the integrity of the program
- promotion of client service delivery excellence.

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

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

The department's performance will be measured by:

- the delivery of the 2011–12 Migration Program within parameters set by the government
- the Continuous Survey of Australian Migrants to monitor, twice yearly, the integration of recent migrants
- the department's responsiveness to Australian Government initiatives and reforms related to migration, the temporary entry program and sustainable population policies
- progress in the development of the long-term migration planning framework
- the consideration of relevant stakeholder input and expert opinions, and the integration of research and evaluation programs, which support evidence based policy formulation and decision making.

Major achievements

Delivering the annual 2011–12 Migration Program

The 2011–12 Migration Program was delivered to within two places of its planning level, with an outcome of 184 998 places against a planning level of 185 000. This is one of the best results on record.

In October 2011, Migration Program consultations were conducted across all Australian states and territories, in Sydney, Melbourne, Brisbane, Perth, Adelaide, Hobart, Darwin and Canberra, as well as in the regional centres of Cairns and Albury-Wodonga. These consultations drew feedback from stakeholders to help shape the future direction of the Migration Program.

The consultations were undertaken as the initial planning phase for the 2012–13 Migration Program. The government set a program of 190 000 for 2012–13 which will be the largest on record.

In 2011–12, the department continued to deliver the government's reform agenda.

On 1 July 2011, a new points test was implemented that provides greater recognition of human capital attributes. The significant changes include an increase in the age limit for skilled migration, recognition of overseas qualifications and greater recognition of skilled work experience.

On 25 May 2012, the Minister for Immigration and Citizenship also announced the conclusion of the business skills review and the introduction of the replacement of the business skills program, the business innovation and investment program.

The new program, which started on 1 July 2012, focuses on providing the opportunity for entrepreneurial and innovative migrants to become business owners in Australia. It selects migrants who have a demonstrated history of involvement in innovation and success in business, who can be expected to make a powerful contribution to the National Innovation System and the Australian economy.

To this end, the principal reforms to business migration are designed to:

- facilitate entry of entrepreneurs who have sourced venture capital funding in Australia
- introduce a points test giving weight to innovation
- provide access to more flexible provisions for achieving permanent residence.

The points test awards points for various elements of human capital and business innovation, coupled with objective measures of business performance. It is an effective method of selecting more innovative entrepreneurs who will transfer their skills to Australia and diversify our existing pool of business expertise.

During the year, the department undertook the first comprehensive, strategic review of the permanent employer sponsor category in nine years. The review found that while the employer-sponsored program was meeting its objectives, there was scope for improving the category by:

- simplifying the program and reducing administrative costs
- better aligning the program with the broader skill stream of the migration program
- mitigating the vulnerability of visa holders and reducing the potential for employers to misuse the program by under-cutting Australian pay and conditions and accessing low-skilled labour.

Recommendations in response to the review findings will enable the program to deliver significant benefits for the economy through greater productivity and improved migrant employment outcomes. The government announced reforms to the category on 9 March 2012, to take effect from 1 July 2012.

The changes will enable a streamlined and simplified transition to permanent residence for Temporary Business (Long Stay) subclass 457 visa holders who have been working in a skilled occupation in Australia for their employer for at least two years. The changes acknowledge the significant economic and social contribution that these visa holders have made, and the changes will ensure that businesses in Australia can maintain the skills they need to maintain and grow their business, provided there is a genuine need.

The reforms further simplify and deregulate the procedure for obtaining a sponsored skilled migration visa, by reducing the number of visas from six to two: an Employer Nomination Scheme visa and Regional Sponsored Migration Scheme visa. In addition, a single, consolidated 'sponsored' occupation list will replace the three current occupations lists for the employer nomination scheme, subclass 457 visas, and state and territory sponsored general skilled migration visas.

The pinnacle of these reforms is SkillSelect, launched on 1 July 2012, which represents a generational change in the management of the Australian skilled migration program. SkillSelect implements a new skilled migrant selection model which supports a demand-driven migration program. It achieves this by providing Australian employers and state and territory governments with a database of intending migrants, with diverse skills and experience. It enables the department to invite only those people best equipped to compete effectively in the labour market, to apply for independent or family-sponsored skilled migration.

By limiting the number of applicants who are invited to apply for a visa, or who are nominated by an employer, there are significant benefits for the department, including:

- continual improvement of the contribution of the skilled migration program to the Australian economy
- greater control for the department over net overseas migration, by more closely matching applications for skilled migration visas to the number required to deliver the Migration Program
- a new capacity to monitor and control the delivery of the Migration Program and to respond to the changing needs of the labour market
- access for Australian employers to a pool of skilled migrants interested in moving to Australia
- the capacity for clients to self-assess their ability to meet the criteria needed to migrate to Australia, through the publication of the parameters that are used for issuing invitations and the outcomes of the monthly invitation rounds, as well as providing a detailed level of feedback to each client in the online process
- reduction of the potential for long pipelines of visa applications to build up, resulting from growth in the number of skilled migration applications, thereby:
 - reducing the resources required to manage the applications
 - generating significant operational efficiencies
 - shortening processing times and improving client service delivery for those invited to apply for skilled visas
- simplification of the skilled migration visa structure, in line with the department's commitment to visa rationalisation
- removing uncertainty for clients about when their skilled migration application will be finalised, if there is a long pipeline of pending applications.

These changes are also consistent with the government's objective of reducing the number of temporary work visas by 50 per cent, and the number of visas of all types by up to 50 per cent. The introduction of SkillSelect and the new skilled migration visa structure will be instrumental in reducing the number of visa types in the skill stream from 47 to 11.

SkillSelect will provide the department with an unprecedented level of information to support the management of the migration program, as well as yielding significant downstream business benefits through the electronic lodgement of all skill stream visas, and increased efficiency, simplicity and flexibility in processing visa applications.

Addressing skilled labour shortages

The development of the regional migration agreement program will also assist employers in regional labour markets who are suffering from acute skills and labour shortages.

During 2011–12, the department consulted widely, including making regional visits to Esperance, Broome and Gladstone. The department is currently finalising guidelines to govern the program. These guidelines will be released in 2012–13, allowing regional communities to address their skills and labour shortages.

The enterprise migration agreement (EMA) program was launched in 2011–12, after a rigorous consultation process with a variety of stakeholders.

EMAs are designed to address skills shortages on large scale projects. They provide a custom-designed, project-wide migration arrangement for major resources projects with capital expenditure of more than \$2 billion, and a peak workforce of more than 1500 workers. They can only be negotiated with Australian legal entities.

A critical component of EMAs is the requirement to recruit and train Australians as the first priority. EMAs are intended to ensure that peak workforce needs are met only when demand cannot be met from the Australian labour market. They ease capacity constraints and ensure that economic and employment benefits can be realised by facilitating access to overseas workers in specified occupations.

On 25 May 2012, the minister announced an in-principle agreement to enter into an EMA with the Roy Hill project in the Pilbara region of Western Australia.

Rights of workers

The department has also been working with industry to ensure that the rights of both Australian and migrant workers are protected. The *Migration Legislation Amendment (Worker Protection) Act 2008* amended the *Migration Act 1958*. The amendments took effect on 14 September 2009.

Strategic review of the student visa program

On 22 September 2011, the government announced its in-principle support for all 41 recommendations of the Hon Michael Knight AO in his *Strategic review of the student visa program 2011* (the Knight Review).

Of the 41 recommendations, 20 have already been implemented. The implementation of a further eight is planned by early 2013. Work on the remaining 13, which involves further research and liaison between agencies, is ongoing.

Working holiday maker visa program

In 2011–12, the department made progress on a number of negotiations, expanding Australia's bilateral relations with partner countries. These included signed Memoranda of Understanding with Argentina and Papua New Guinea for new Work and Holiday visa arrangements.

Pacific seasonal worker pilot scheme

In 2011–12, the successful Pacific seasonal worker pilot scheme concluded and was followed by an expanded seasonal worker program, which began on 1 July 2012 and involved a larger number of countries and workers.

Since the start of the pilot scheme, 1614 workers have participated in the scheme in 35 locations around Australia.

Immigration health requirements and processing

In a response to the Joint Standing Committee on Migration's Inquiry into the Migration Treatment of Disability, the 'significant cost threshold' was increased on 1 July 2012 from \$21 000 to \$35 000. The significant cost threshold is the point at which an applicant is considered not to meet the immigration health requirement on cost grounds. The increase brings the threshold into line with modern health costs.

In 2011–12, the number of applicants whose medical examinations were processed electronically increased by 124 per cent, thanks to ongoing work to expand the use of the department's eHealth system, delivering benefits for both the department and clients. Instead of waiting for medical information to be physically transferred from overseas offices to Australia, 75 per cent of medicals processed through eHealth are now cleared automatically, and the majority of the remaining cases are cleared in less than 48 hours.

Challenges

Challenges in the skilled migration program

The skilled migration program is run to benefit Australia. Until recently, there have been many more applications for skilled migration than there are places available in the program. It has therefore been necessary to prioritise the processing of applications. Priority is set through a ministerial direction and is accorded to those categories of applicants found to bring the most benefit to Australia at a particular time. The department has made efforts to keep lower priority groups, such as priority group 5, informed through regular fortnightly updates about processing times on our website, blog posts and through live chats on our social media services and targeted emails to inform the group of significant changes. While there can be long wait times for those in priority group 5, the reforms to skilled migration of the past few years, including the introduction of SkillSelect, will help address this issue and have already had an impact on reducing the number of applicants waiting.

Challenges in the family visa program

During 2011–12, there was increased focus in the community on forced marriage and family violence involving migrants. This largely centred on:

- the Australian Law Reform Commission Report, *Family violence and Commonwealth laws: Improving legal frameworks*, which included three chapters on immigration law
- moves by the Attorney-General to criminalise forced marriage
- an inquiry by the Senate Legal and Constitutional Affairs Committee into the Prospective Marriage visa.

There are already policies in place to support victims of family violence and to prevent Australian visa programs being used to facilitate forced marriage. The issues, however, are complex and continue to present challenges for individuals and the department.

The complexity, and often secrecy, associated with issues such as family violence and forced marriage mean that it is difficult for any individual agencies to address them adequately. The department will therefore continue to work with government and community partners to respond to these challenges.

Table 4: Outcome 1 Financial resources summary 2011–12

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.

	Budget ² 2011–12 \$'000 (a)	Actual expenses 2011–12 \$'000 (b)	Variation 2011–12 \$'00 (b)-(a)	Budget estimate 2012–13 \$'000 (c)
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)	517 145	514 213	(2 932)	523 124
Expenses not requiring appropriation in the Budget year ¹	32 396	51 413	19 017	33 395
Total for Program 1.1	549 591	565 626	16 035	556 569
Total expenses for Outcome 1	549 591	565 626	16 035	556 569
Average staffing level (number)	3 834	3 901	67	3 774

1. Expenses not requiring appropriation in the Budget year are expenses relating to depreciation and amortisation.
2. The 2011–12 Budget represents the Estimated Actual Budget published in the *Portfolio Budget Statements 2012–13*.

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 Office of the Migration Agents Registration Authority.

Objectives

Permanent and temporary migration is a key contributor to Australia's economic, demographic, cultural and social needs. A targeted migration program which facilitates the lawful and orderly entry and stay of people in Australia, and responds to Australia's changing economic, cultural and social needs, will be achieved by¹:

- the delivery of the annual Migration Program within the parameters set by government, to respond to Australia's labour and demographic needs whilst maintaining program integrity
- the implementation of strategies to strengthen the economic, budgetary, cultural and social benefits from both permanent and temporary migration
- the strengthening of the government's ability to develop evidence-based policy addressing population and migration issues
- the ongoing review and improvement of Australia's temporary entry arrangements, to better meet the needs of business, education and tourism
- the delivery and performance of the permanent skilled migration programs in a way that supports the Australian economy, businesses and the education and training of Australians
- the protection of the Australian people and health system from potential health risks arising from migration.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

1. The program objective text was changed in the *Portfolio Additional Estimates 2011–12* from the text originally published in the *Portfolio Budget Statements 2011–12* to better reflect migration reforms implemented this year.

Visa and migration—deliverables¹

Deliverable: Deliver the Migration Program within government targets whilst maintaining program integrity.

Result: In 2011–12, a total of 184 998 permanent visas were granted against the target of 185 000 places, the closest on record, demonstrating strong program management and integrity.

Deliverable: Progress the development of a long term planning framework that allows for the planning of population impact.

Result: In 2011–12, the department continued to make significant progress in implementing a long term migration planning framework (LTMPF). Progress in 2011–12 included the continued public release of the department's quarterly report *The outlook for net overseas migration*. The report is now available approximately one month after the end of the reference quarter and provides forecasts and projections of net overseas migration, by flow and major visa components through to 2015.

The department is finalising the first LTMPF publication, which will expand the net overseas migration forecasts from five to 10 years, as well as include a regional breakdown of net overseas migration and strategically analyse Australian migration.

The LTMPF, which will be released annually, will guide the future permanent and temporary migration program policy settings. This will ensure that changes in the permanent migration and temporary visa policy settings are better assessed in terms of their effects on the labour market and on net overseas migration.

The LTMPF will also be a useful document for federal and state planners to assist in understanding the expected population growth stemming from migration.

Deliverable: Within the parameters of the annual migration program set by government, finalise the processing of visa applications within service standards and according to applicable priority processing directions.

Result: The department finalised 72.9 per cent of applications processed in 2011–12 within service standards. In the permanent migration category, 82.1 per cent of skilled migration visa applications and 70.4 per cent of family migration visa applications were finalised within service standards. For temporary entrants, 94.2 per cent of visa applications were finalised within service standards.

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

Result: A significant and comprehensive review of the permanent employer sponsored category, including the employer nomination scheme (ENS) and the regional sponsored migration scheme (RSMS), was completed in 2011–12. It had been nine years since the category was reviewed.

In recognition of the review's findings, the government announced on 9 March 2012 a series of reform measures to strengthen the capacity of this category and to assist employers in addressing critical skills shortages. Building on the skilled migration reforms of the past four years, these new measures will deliver benefits to the economy through greater productivity and migrant employment outcomes.

1. The deliverables for Program 1.1 text were changed in the *Portfolio Additional Estimates 2011–12* from the text originally published in the *Portfolio Budget Statements 2011–12* to better reflect migration reforms implemented this year.

Visa and migration—deliverables *continued*

Key elements of the reform package stem from synergies between Australia's flagship program, the Temporary Business (Long Stay) subclass 457 visa, and the permanent employer sponsored category. The majority of permanent employer sponsored visa applicants already hold a subclass 457 visa. In 2011–12, they accounted for 81 per cent of ENS and 46 per cent of RSMS applicants. Permanent employer-sponsored visa places currently account for 37 per cent of the total skilled migration program of 125 750 for 2011–12, with 29 604 places being allocated to ENS and 16 465 places to RSMS programs.

The RSMS allows Australian employers in regional areas to sponsor workers for permanent residence in order to fill skilled vacancies in their businesses. Its objectives are to encourage migration to areas outside the major metropolitan centres of Brisbane, the Gold Coast, Sydney, Newcastle, Wollongong and Melbourne.

The policy reforms have been undertaken in addition to the department's commitments to visa simplification and deregulation, reducing the number of permanent employer sponsored visas from six to two (one ENS and one RSMS visa subclass).

From 1 July 2012, within each of these two subclasses there are now three visa streams: the temporary residence transition stream, the direct entry stream and the agreement stream.

The business skills review concluded with the minister announcing a new business innovation and investment program on 25 May 2012. The new program includes a new business points test which targets business migrants with a history of business innovation, and a reduction in the number of visa subclasses from 13 to three.

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

Result: The latest data from the World Health Organisation (2010) indicates that the incidence of tuberculosis in Australia is 6.3 per 100 000 people. This low rate has remained steady.

Deliverable: Undertake high quality, evidence-based analysis of the relationship between migration, the economy, and the labour market to support evidence-based migration policy development and program delivery.

Result: The department's chief economist continued to support the needs of the department by undertaking a wide range of analytical and investigative activities. Key activities include quarterly economic briefings to inform senior policymakers of recent economic and labour market developments and trends. Among these were:

- a survey of subclass 457 visa holders and their sponsors, that examined issues around labour market integration and settlement
- analysis of the impact of government services on migrant employment outcomes
- investigations into the factors associated with the persistence of welfare dependency over time.

The chief economist is also overseeing the *Building a new life in Australia* study. This longitudinal survey of refugees will trace their settlement journey from arrival through to citizenship, and will enable the department to better understand the factors that aid successful settlement.

Visa and migration—deliverables *continued*

Deliverable: Continue to implement and refine the reforms made to the temporary business visa programs.

Result: The regional migration agreement (RMA) program was developed during 2011–12 to assist regional areas of Australia which demonstrate acute skills and labour shortages. It is expected that in 2012–13, a number of agreements will be signed as skills shortages continue to affect local labour markets.

In a similar way, the enterprise migration agreement (EMA) program was developed in 2011–12 as a way of addressing skills shortages on major resource sector projects. EMAs are intended to ensure that peak workforce needs are met when demand cannot be filled by the Australian labour market.

The department continues to refine the subclass 457 visa program. In 2011–12, the department introduced an accreditation scheme which acknowledges sponsors who have a reputable, longstanding relationship and a history of compliance with the subclass 457 program. These sponsors are rewarded with an extended sponsorship period and priority processing of their visa nominations and applications. The scheme provides a mechanism to identify visa nominations and applications that are low risk and which would benefit from a lower level of scrutiny, reducing both the resources required and the amount of time taken to process the application. This was a key recommendation of the External Reference Group's review of the subclass 457 program in 2008.

The department also continues to monitor the impact of reforms made to the subclass 457 program to ensure that this program is meeting its objectives and that any potential risks are quickly identified and effectively mitigated.

Monitoring activity focuses on those sponsors with a higher risk of non-compliance, and where sponsored employees are at greater risk of exploitation.

Deliverable: As directed by government, implement reforms recommended by the Review of the student visa program by the Honourable Michael Knight AO, in order to support quality and integrity in Australia's international education industry, and the temporary entry program.

Result: Of the 41 Knight Review recommendations agreed by government, 20 have already been implemented, a further eight are planned to be implemented by early 2013, and work on the remaining 13, which involve further research or liaison between agencies, is ongoing.

The key reforms implemented included the introduction of a genuine temporary entrant requirement from November 2011 and streamlined visa processing for certain prospective students at participating universities from March 2012.

Deliverable: Work with other relevant government departments to ensure the migration program supports Australian businesses with addressing their skills needs while supporting the education and training of Australians.

Result: The department has worked closely with several other relevant government agencies during 2011–12 to develop the RMA program, particularly the Department of Employment, Education and Workplace Relations and the Department of Resources, Energy and Tourism. RMAs are designed to help regional areas experiencing acute labour and skill shortages.

Visa and migration—deliverables *continued*

An integral component of developing effective reforms to improve the permanent employer sponsored category was extensive consultation with other government agencies. This process involved three separate interdepartmental committees at which stakeholder agencies provided input which was taken into account when forming the final recommendations.

An interdepartmental committee was also instrumental in developing the new policy settings for the business innovation and investment program.

Deliverable: Deliver the skilled component of the annual migration program within the parameters set by government.

Result: The employer sponsored category, encompassing the RSMS and the employer nomination scheme (ENS) visas, delivered an outcome of 46 554 against a final planning level of 46 550. The general skilled migration category, including Skilled Independent, State and Territory Sponsored and Skilled Australia Sponsored visas, delivered an outcome of 71 819 against a final planning level of 71 820. The Distinguished Talent visa category met the target of 180 places and the business skills category delivered 7202 against a planning level of 7200 places.

Deliverable: Develop and implement the skilled migrant selection model to reform the application process for skilled migration applicants.

Result: Following extensive preparatory work carried out in 2011–12, on 1 July 2012, the department successfully launched SkillSelect. SkillSelect represents a generational change in the way Australia's skilled migration program is managed. SkillSelect is a new process for selecting skilled migrants and completes the suite of skilled migration reforms that were started by the Australian Government in 2008. SkillSelect is a fully electronic system that will assist Australia to meet its skill needs through the selection of the best and brightest intending migrants across a wide variety of occupations. SkillSelect allows the government for the first time to control who is able to lodge a visa application and when, and it matches these visa applications to available places in the Migration Program. Intending migrants can express their interest in migrating to Australia, and they can also indicate their willingness to live and work in regional Australia. Applicants who offer the most in terms of meeting the skill needs of the Australian labour market will be invited to submit a visa application.

Deliverable: Implement visa pricing transformation to provide a more efficient and sustainable visa processing system.

Result: The department established the visa pricing transformation program as part of a government Mid-Year Economic and Fiscal Outlook announcement in November 2011. The program forms part of the department's broader visa reforms and will see new pricing arrangements for Australian visas and the introduction of associated visa service charges. In addition, an expanded range of online services will be delivered, making it easier for clients to access the department's services.

The new visa pricing arrangements are being implemented over an 18-month period. Work to date has focused on the detailed planning and analysis required to implement the program and establish the foundations of the new pricing system.

Visa and migration—deliverables *continued*

The program will deliver:

- increased revenue for government
- contemporary and flexible service options for clients
- further enhancements to the integrity and sustainability of the Australian visa system.

Deliverable: Contribute to the sustainable growth of Australia's multicultural society by the managed entry of people to Australia.

Result: Australia continues to provide a universal and non-discriminatory migration program which reflects our contemporary multicultural society. For the 2011–12 Migration Program, seven of the top 10 source countries were in Asia: India, the People's Republic of China, the Philippines, Sri Lanka, Malaysia, the Republic of Korea and Vietnam. India was the largest source of permanent migrants to Australia in 2011–12, with 29 018 places or 15.7 per cent of the total migration program. Reforms to the skilled migration program have ensured high employment and participation rates for skilled migrants and they have helped to smooth their successful integration into Australia's multicultural society.

Deliverable: Support continued growth of the Australian tourism industry by the managed entry of genuine visitors (including tourists, working holiday makers) to Australia.

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 2011–12, 3 537 651 people offshore were granted visitor visas, an increase on 2010–11 (3 518 588).

In addition, 222 992 visas were granted in the working holiday maker program in 2011–12, an increase on 2010–11 (192 922 grants).

Deliverable: Increase the number of applicants within eligible caseloads who are lodging via the eVisa service.

Result: The number of applicants lodging via eVisa increased from 1 030 838 in 2010–11, to 1 098 900 in 2011–12.

Deliverable: Develop policies to monitor and protect the Australian people and health systems from potential health risks arising from migration.

Result: The department continues to implement strong health policies which effectively:

- protect Australia from public health risks
- contain public expenditure on health and community care services
- protect the access of Australian residents to services in short supply.

Visa and migration—deliverables *continued*

Deliverable: Assist in the implementation of a permanent seasonal worker program within the horticultural sector and commence a three-year trial of seasonal labour mobility arrangements within cotton and cane growers, aquaculture ventures and accommodations providers in the tourism industry.

Result: The seasonal worker program (SWP) builds on the success of the Pacific seasonal worker pilot scheme. The program is open to workers from East Timor, Kiribati, Nauru, Papua New Guinea, Samoa, the Solomon Islands, Tonga, Tuvalu and Vanuatu. The pilot saw 1614 visas granted with seasonal workers employed in 35 locations around Australia. The transition from the pilot to SWP marks a new stage in Australia's relations with the Pacific and East Timor, with the introduction of a labour migration program that also has positive international development impacts. Also included in the transition is a small scale, three-year trial of similar labour migration arrangements for accommodation providers and cotton, cane and aquaculture ventures. This trial will conclude in June 2015.

Visa and migration—key performance indicators¹

Indicator: Deliver the permanent migration program within government targets.

Result: In 2011–12, a total of 184 998 permanent visas were granted against the target of 185 000 places. The skilled migration stream constituted 68 per cent of the total Migration Program result. Family migrants constituted 31.7 per cent of the program result and the special eligibility stream 0.3 per cent of the result.

Indicator: Skilled migration is delivered in line with government planning levels.

Result: The skilled migration stream delivered an outcome of 125 755 against a final planning level of 125 750 places, a minor variation of five places above the final planning level.

Indicator: Family migration is delivered in line with government planning levels.

Result: The family migration stream delivered an outcome of 58 604 against a final planning level of 58 600 places, a minor variation of four places above the final planning level.

Indicator: Special eligibility component is delivered in line with government planning levels.

Result: The special eligibility category delivered an outcome of 639 against a final planning level of 650 places, a minor variation of 11 places below the final planning level.

Indicator: Within the parameters of the migration program set by government, visa applications are finalised within service standards and according to applicable priority processing directions.

Result: For applications processed in 2011–12, 72.9 per cent were finalised within service standards. In the permanent migration category, 82.1 per cent of skilled migration visa applications and 70.4 per cent of family migration visa applications were finalised within service standards. For temporary entrants, 94.2 per cent of visa applications were finalised within service standards.

1. The key performance indicators for Program 1.1 text were changed in the *Portfolio Additional Estimates 2011–12* from the text originally published in the *Portfolio Budget Statements 2011–12* to better reflect migration reforms implemented this year.

Visa and migration—key performance indicators *continued*

Indicator: Regular reporting and analysis including twice yearly reporting from the department's Continuous Survey of Australia's Migrants, production of the annual Population Flows publication and annual updating of country profiles.

Result: The Continuous Survey of Australia's Migrants (CSAM) was run for the fifth time in late 2011. Results from this and previous CSAM cohorts have shown that recently arrived skilled migrants adapt well to the Australian labour market, enjoying rates of labour market participation that are well above the national average, low rates of unemployment and a high propensity for full-time skilled work.

Population flows 2010–11 is available on the department's website. This report is a comprehensive source of information on migration flows including permanent additions, settler arrivals, permanent departures, visitors and students. It also analyses the impacts of migration on the population and the economy, and on individual states and territories.

The latest editions of country profiles are also available on the department's website. These profiles bring together a whole-of-country perspective on permanent and temporary migrant inflows and outflows for the 10 countries that provide the most permanent migrants to Australia, as well as for Burma, Iraq and Afghanistan, which are the largest source countries for humanitarian entrants to Australia.

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

Result: The latest data from the World Health Organisation (2010) indicates that the incidence of tuberculosis in Australia is 6.3 per 100 000 people. This low rate has remained steady for more than 20 years despite significant increases in the number of people arriving in Australia from countries with high rates of tuberculosis.

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

Result: In 2011–12, the department continued to pursue the implementation of the LTMPF. Progress in 2011–12 included the continued public release of the department's quarterly report *The outlook for net overseas migration* which is available approximately one month after the end of the reference quarter. The report provides forecasts and projections of net overseas migration by flow and major visa components, to 2015.

Indicator: Ensure that the measures introduced as part of the reform to the temporary business visa program are correctly implemented and meet their intended outcomes.

Result: Measures introduced as part of the reform to the subclass 457 visa program are ensuring that the program is continuing to meet its objective of providing a mechanism for businesses to fill genuine skilled vacancies in sectors experiencing strong growth. The mining and construction industries were two of the five largest users of the program in 2011–12, together with health care and social assistance, information media and telecommunications and professional, scientific and technical services. Highly-skilled managers and professionals accounted for nearly 70 per cent of primary visa grants and had a combined average nominated base salary of \$104 150.

Visa and migration—key performance indicators *continued*

Indicator: Continued evaluation and delivery of necessary reforms to visa programs.

Result: On 25 May 2012, the minister announced the conclusion of the business skills review. Implementation work was carried out to enable the new business innovation and investment program to begin on 1 July 2012, in conjunction with the introduction of SkillSelect.

The program is a niche category within Australia's skilled migration program. It selects migrants who have a demonstrated history of involvement in innovative activity and then creates an environment in which they have more certainty of gaining permanent residence, even if they seek greater opportunity through more risky business ventures.

The principal reforms to business migration are to:

- facilitate entry of entrepreneurs who have sourced venture capital funding in Australia
- introduce a points test giving weight to innovation
- grant access to more flexibility in provisions to achieve permanent residence.

The points test awards points for various elements of human capital and business innovation, coupled with objective measures of business performance. It is an effective method of selecting more innovative entrepreneurs to transfer their skills to Australia, and of diversifying our existing pool of business expertise.

Also introduced on 1 July 2012 were changes to the permanent employer sponsored category, which was the result of a review of the category conducted during 2011–12. The changes establish a streamlined process from the subclass 457 visa to permanent residence under the employer sponsored category. The measures will better address critical labour market shortages in regional areas.

In his report *Strategic review of the student visa program 2011*, the Hon Michael Knight AO made 41 recommendations. Of the 41 recommendations agreed by government, 20 have already been implemented and a further eight are planned to be implemented by early 2013. Work on the remaining 13, which involves further research or liaison between agencies, is ongoing.

Indicator: Within a whole-of-government framework evaluate the extent to which a seasonal worker program has contributed to foreign aid objectives and has assisted Australian horticultural employers.

Result: The evaluation of the pilot scheme informed the government's decision to continue and extend this program, establishing the seasonal worker program (SWP) beginning on 1 July 2012. The department contributed to the evaluations, by providing information to the independent consultants evaluating the pilot.

Visa and migration—key performance indicators *continued*

Indicator: Engage with the general public through the provision of migration program policy advice via helpdesks, secretariats, briefings, speeches and presentations and replies to correspondence.

Result: In 2011–12, the migration and visa policy helpdesk responded to 10 757 queries, assisting decision-makers to deliver permanent and temporary visa programs in accordance with service standards for processing visa applications. In addition, the department responded to more than 100 000 queries from clients, panel doctors and processing staff about immigration health requirements, including associated systems issues.

The department's Pacific seasonal worker pilot team attended a number of forums, making presentations about the pilot at industry conferences and open community forums in both Australia and Pacific island nations. The department's presence at these forums served to raise awareness of the pilot, and to address community concerns and build support for the pilot and SWP outcomes.

Also in 2011–12, the department conducted several information sessions about the subclass 457 visa program for employers in the tourism and hospitality industries. As part of this initiative, a guide to using the subclass 457 visa program was also launched by the department and later expanded to other industries.

The department began engaging directly with the general public through the launch of a migration blog which provides information about a wide range of migration programs and policies and allows members of the public to pose questions on these issues directly to the department.

The department continued to support and engage with state and territory governments through the Commonwealth/State Working Party. The group met four times during the year, with the main focus on matters relating to skilled migration. A particular focus this year was on the introduction of SkillSelect, in which state and territory governments are significant stakeholders. The successful introduction of SkillSelect and the participation of state and territory governments in the process can be attributed to the ongoing commitment of the group. In future, this group will be known as the Skilled Migration Officers Group which more accurately reflects its status and future direction, with Australian Government officers meeting their state and territory counterparts to discuss skilled migration operational issues.

Economic migration

Indicator: Strong economic and budgetary benefits from granting temporary residence visas.

Result: The subclass 457 visa program facilitates business innovation and productivity by providing a mechanism for businesses to access international recruitment markets to fill highly skilled vacancies that cannot be met from the labour market in Australia. The program helps to meet the demand for labour from industries that are key to Australia's economic growth, such as resources, infrastructure, health, information and communications technology, education, science and research, tourism and hospitality.

Visa and migration—key performance indicators *continued*

Indicator: Whilst maintaining program integrity, further streamline the process and reduce waiting time for employers to access temporary skilled overseas workers to address skills shortages and needs within their businesses.

Result: The department effectively reduced the overall time taken to process subclass 457 visas by further developing risk identification methodologies, and introducing streamlined processing methods for low-risk sponsors. Streamlined processing is now available to government and larger corporate sponsors with a history of lodging high quality visa applications and complying with the relevant laws. This provision reduces the resources required to process visa nominations and applications, while maintaining the integrity of the subclass 457 visa program.

Processing times fell to historically low levels in 2011–12. As at 30 June 2012, the median processing time for a subclass 457 primary visa was 16 calendar days, a 60 per cent decrease compared to 2007–08, the previous peak year for applications, where processing time was 40 days. The department is continuing to work towards a median processing time of 10 days for 'decision ready' applications.

Indicator: The skilled migration program delivers strong economic and budgetary benefits to the Australian economy.

Result: Estimates derived from the department's migrants fiscal impact model suggest that skilled (including regional skilled migration) migrants make a significant net positive fiscal contribution to the Budget. A positive fiscal contribution is a good indicator of a positive overall economic contribution by skilled migrants.

The business skills review also concluded that 73 per cent of provisional Business Skills visa holders had net assets equivalent to the average net assets of all Australian householders.

The innovative EMA program is based on companies in the resources sector demonstrating a future need for additional labour. The program provides labour market certainty, so that large scale resources projects can proceed. A critical component of the program, however, is the requirement that recruiting and training Australians to perform the work must be the first priority.

Indicator: The skilled migration program assists employers with addressing their skills needs as measured by the employment outcomes of skilled migrants and labour market analysis.

Result: The temporary and permanent employer sponsored programs are the fastest growing component of the skill stream of the Migration Program and the highest performing in terms of labour market outcomes. In particular, approximately 96 per cent of primary applicants granted a visa under the Employer Nomination Scheme visa are working full-time with a median income of more than \$77 000 per annum, which is higher than the Australian average.

During 2011–12, the subclass 457 program again demonstrated its responsiveness in assisting employers to address critical skill gaps and to source highly skilled workers. Approximately 78 per cent of primary 457 visa holders are classified as managers or professionals, and the average salary of a subclass 457 visa holder was \$96 800. Both of these factors reflect the highly skilled nature of the program. The subclass 457 program has continued to grow in those industries, sectors and regions experiencing particularly high growth in the Australian economy.

Visa and migration—key performance indicators *continued*

Indicator: Develop and implement the Skilled Migrant Selection Model to reform the application process for skilled migration applicants.

Result: The department launched SkillSelect on 1 July 2012. SkillSelect allows intending migrants who have been nominated by an employer, or invited by a state or territory government or the Australian Government, to apply for a visa. Information from their expression of interest held in SkillSelect then pre-populates the appropriate electronic visa. This is a faster and more efficient means of making a visa application for both the client to lodge and the department to process. It eliminates the re-entering of data on multiple occasions, reducing the risk of error while also improving processing times.

SkillSelect allows intending migrants to express interest in a number of skilled visas with the one expression of interest. There is no fee payable to the Australian Government to make an expression of interest. Intending migrants are only required to pay a visa application fee when they have been sponsored by an employer, or have an invitation to make an application. As the number of invitations issued will be representative of the number of migration program places available, in future a pipeline of applications will no longer develop.

Indicator: Temporary program delivered in accordance with service standards.

Result: For temporary entrants, 94.2 per cent of visa applications were finalised within service standards.

Nearly 90 per cent of subclass 457 visa applications were finalised within the two to three-month service standard. Where an application is genuinely 'decision ready' and is submitted by a known sponsor with a history of compliance with immigration and other laws, applications can be, and often are, decided within days.

Indicator: Permanent economic migration is delivered within government planning levels.

Result: The skilled migration stream delivered an outcome of 125 755, against a final planning level of 125 750 places, a minor variation of five places above the final planning level.

Non-economic migration

Indicator: Develop the long term planning framework in 2011–12 that includes non-economic migrants.

Result: The LTMPF will consider issues around non-economic migration, such as family migration, various forms of temporary migration, and net overseas migration (which includes all forms of migration).

The LTMPF is currently being finalised and will help the department to strategically manage migration, including non-economic migration.

Visa and migration—key performance indicators *continued*

Indicator: Develop and administer temporary visa arrangements that support the furthering of Australia's social, cultural and international relations objectives.

Result: The social, cultural and international relations visa programs continue to support the enrichment of Australian life, by facilitating the entry to Australia of a wide range of international visitors. Entertainment visas, for example, are available for people involved in a broad variety of performance and entertainment-related activities. Sport visas facilitate the entry to Australia of both amateur and professional sports people, contributing to and supporting high standards of sports competition and training in Australia.

This range of visas also fosters good relations and better cultural understanding between Australia and other countries. A number of visas support international arrangements, facilitating the entry to Australia of visitors representing foreign governments, including diplomats and those coming under bilateral arrangements and supporting international collaboration related to research and training.

The working holiday maker program is a cultural exchange program that helps to further Australia's social, cultural and international relations with partner countries. The program is reciprocal in nature, strengthening ties between Australia and participating countries. It places emphasis on young adults (aged 18–30), allowing them to have an extended holiday with limited work and study rights.

Australia has 19 reciprocal Working Holiday visa arrangements and eight Work and Holiday visa arrangements, recently adding Argentina to the list of partner countries. In October 2011, Australia signed a Work and Holiday visa arrangement with Papua New Guinea, which is expected to come into effect in 2012–13.

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

Result: Data shows that 64.1 per cent of student visa applications, 97 per cent of visitor visa applications, 78 per cent of working holiday maker visa applications and 82.5 per cent of Temporary Resident (non-economic) visa applications were finalised within service standards.

Indicator: Increase the percentage of applications from eligible caseloads lodged through eVisa.

Result: There was an increase in the percentage of applications from eligible caseloads lodged through eVisa, from 81.9 per cent in 2010–11, to 89.8 per cent in 2011–12. This exceeded the departmental target of 80 per cent.

Table 5: Visa and migration—performance information

Key performance indicators	2009–10 actual	2010–11 actual	2011–12 target	2011–12 actual
Deliver the Migration Program within government targets for approved grants ¹	168 623	168 685	Up to 185 000	184 998
Family migration is delivered in line with government planning levels	60 254	54 543	Up to 58 600	58 604
Level of tuberculosis incidence in the Australian community stemming from migration			Contribute to the maintenance of TB rates in Australia at <6 cases per 100 000 people	The incidence of tuberculosis in Australia was 6.3 per 100 000 people in 2010 (the latest data available from the World Health Organisation)
Economic migration				
Percentage of temporary program applications for economic visas are finalised within service standards ²	81.9%	85.6%	75%	73.8%
Permanent economic migration is delivered within government planning levels	107 868	113 725	Up to 125 750	125 755

Note: Service standards are available on www.immi.gov.au

1. The performance target in 2009–10 and 2010–11 was set at up to 168 700 places.

2. Business (Long Stay) visa subclass 457.

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

Key performance indicators	2009–10 actual	2010–11 actual	2011–12 target	2011–12 actual
Cultural and social migration				
Percentage of temporary program applications for non-economic visas are finalised within service standards	93.9%	93.2%	75%	82.5%
Percentage of temporary entrants (visitors, working holiday makers, students) who abide by their visa conditions remains high or increases	99.2%	99.0%	>95%	99.3%
Percentage of applications from eligible caseloads lodged through eVisa	86.3%	81.9%	>80%	89.8%*

* The percentage of Visitor, Working holiday maker and Student visa applications lodged through eVisa (if able to do so, based on the purpose of travel, excluding applications for Electronic Travel Authorities).

Administered item

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: The Australian Population, Multicultural and Immigration Research Program was overseen by a working group of the Standing Committee of the Ministerial Council on Immigration and Multicultural Affairs (MCIMA) and the Research Advisory Committee (RAC). On 13 February 2011, the Council of Australian Governments agreed to reform the system of ministerial councils and as a consequence, MCIMA, the associated standing committee and all working groups, including the RAC, were formally disbanded on 30 June 2011.

The Australian Population, Multicultural and Immigration Research Program research project that was underway at the time, conducted by Edith Cowan University, will be completed in 2012–13.

Funds remaining in the account at the completion of this project will be held until a final decision is made regarding their disbursement. Options include spending these funds on research that is consistent with the purpose of the account, with ministerial approval, or returning the funds to contributors.

Once all research has been finalised and the money disbursed, the program will lapse.

Economic migration

Performance

SkillSelect

Significant preparatory work to introduce SkillSelect was undertaken in 2011–12, including consultations with state and territory governments and other stakeholders, providing information and training for affected internal and external stakeholders, systems development, regulation and policy instructions creation and promotional activities.

SkillSelect was launched on 1 July 2012. It represents a generational change in the way Australia's skilled migration program is managed. SkillSelect is an online resource that enables skilled workers and business people interested in migrating to Australia to record their details so that they can be identified for a skilled visa through an expression of interest (EOI).

SkillSelect allows the Australian Government to control who, when and in what numbers applications are made for points-based skilled migration. SkillSelect also allows state and territory governments to select the most suitable business and skilled migrants to meet their requirements. SkillSelect will deliver significant economic benefits to Australia by improving program targeting and ensuring that the limited number of skilled migration places available go to the best and brightest across a broad range of occupations that are deemed to be in need in the medium to long-term.

SkillSelect streamlines visa application processes and improves the employment prospects of skilled migrants through better management of those eligible to apply, how they apply, and when they apply.

Points-tested skilled migration (skilled—**independent**, skilled—**state/territory sponsored**, skilled—**Australian family**)

Points-tested skilled migration consists of three broad categories, skilled—**independent**, skilled—**state/territory sponsored**, and skilled—**Australian family** which formerly were collectively referred to as the general skilled migration program.

Skilled—**independent** migrants are able to migrate independently of any sponsorship or nomination requirements, whereas skilled—**state/territory sponsored** applicants require a nomination from a state or territory government, and skilled—**Australian family** require sponsorship by an eligible family member.

All categories involve a points test in which applicants are allotted points on the basis of particular attributes. On 1 July 2011, new points test settings were introduced which recognise a broad range of human capital skills and attributes, focusing on:

- English language levels
- more extensive skilled employment in Australia and overseas
- higher level qualifications obtained in Australia and overseas
- better targeted age ranges that match potential lifetime earnings.

Under these new settings, points are no longer awarded for occupation, and the applicable points test pass mark is set at 65 points.

Further reforms continued through 2011–12 to target the skilled migration program to more closely meet the demands of the labour market. The reforms, which came into effect on 1 July 2012, include:

- consolidating six points tested skilled migration visas into the three skilled migration visas now available through the SkillSelect EOI facility
- reviewing and updating the points test factors and pass mark for the three new visas
- the annual review of the skilled occupation list (SOL) to which four occupations were added and four were removed
- the creation of the consolidated sponsored occupation list (CSOL) which is a single list of occupations to replace the state/territory nominated SOL (STATSOL), the employer nomination scheme (ENSOL), subclass 442 Occupational Trainee and subclass 457 skilled occupation lists. The new list will determine occupations that applicants can nominate under these programs from 1 July 2012.

There were 71 819 visas granted in the 2011–12 points tested skilled migration stream. Visa grants in the skilled—independent category comprised 52.6 per cent. The skilled—state/territory category made up a further 31 percent, with the remainder from the points tested family sponsored category.

In 2011–12, the five major source countries for points-tested skilled migration were India, the United Kingdom, the People’s Republic of China, Sri Lanka and Malaysia. Table 6 shows the growth in the points-tested skilled migration program since 1997–98 and Table 7 shows a breakdown by nationality of the independent skilled migration program.

Table 6: Points-tested outcomes 1997–98 to 2010–12

Year	Outcome
1997–1998	22 595
1998–1999	22 710
1999–2000	23 492
2000–2001	29 605
2001–2002	36 371
2002–2003	49 376
2003–2004	54 936
2004–2005	59 843
2005–2006	76 944
2006–2007	75 274
2007–2008	78 000
2008–2009	69 153
2009–2010	59 892
2010–2011	61 459
2011–2012	71 819

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



Case study

Selecting skills for Australia

Throughout 2011–12 the department worked to deliver the biggest change to Australia's skilled migration program in a generation—SkillSelect.

'SkillSelect is a new process for skilled migration to Australia, starting on 1 July 2012,' Assistant Secretary Labour Market Branch Peter Speldewinde said.

SkillSelect is an online service that enables skilled workers interested in migrating to Australia to record their details to be considered for a skilled visa.

Skilled people intending to migrate to Australia can be identified using SkillSelect and subsequently nominated for skilled visas by state and territory governments or Australian employers to fill vacancies in areas of skilled shortages or they could be invited by the Australian Government to lodge a skilled visa application.

'It is a new, easy-to-use online system. It will, for the first time, let Australia match the most skilled and experienced workers from anywhere in the world with available places in the skilled migration program,' Mr Speldewinde said.



'It's going to give us the opportunity to access skilled migrants from across the world easily.'

'Australian employers can also use SkillSelect to quickly identify and easily find the best people to meet their needs to fill Australian skill shortages.'

SkillSelect will help to ensure the skilled migration program is based on Australia's economic needs.

It will support the Australian Government in managing who can apply for skilled migration, when they can apply and in what numbers. As a result, the department expects to significantly reduce the time taken to process a visa application and provide the best available skilled migrants to benefit the Australian economy.

SkillSelect will also help address regional skill shortages as it allows intending migrants to indicate if they are willing to live and work in regional Australia.

Employers and state and territory governments have been positive about the impact this initiative will have on their ability to attract highly-skilled migrants.

Speaking at a Skills Australia Needs event that the department staged in London in February 2012, Chris Vanleeuwen, from construction contractor Cimeco, said that SkillSelect was going to help the company immensely.

'It's going to give us the opportunity to access skilled migrants from across the world easily,' Mr Vanleeuwen said.

Photo: Alex, a civil engineer, found out about registering an expression of interest with SkillSelect at a Skills Australia Needs event in London in February 2012.



Watch a video about SkillSelect on the enclosed CD-Rom.

Table 7: Points-tested skilled migration top 10 nationalities 2011–12

Citizenship		2009–10	2010–11	2011–12	Percentage change
1	India	13 330	12 730	17 030	33.7%
2	United Kingdom	8 740	8 380	9 820	17.2%
3	People's Republic of China	5 700	12 160	7 900	-35.1%
4	Sri Lanka	3 530	3 240	3 900	20.2%
5	Malaysia	3 410	3 030	3 620	19.4%
6	South Africa	4 490	2 760	3 020	9.4%
7	Pakistan	1 010	990	2 810	183.3%
8	Philippines	2 320	1 750	2 470	41.4%
9	Iran	1 470	1 380	2 390	73.2%
10	Bangladesh	1 460	1 240	1 730	39.5%

Permanent employer sponsored programs

The permanent employer sponsored category enables employers operating in Australia to sponsor foreign skilled workers for permanent residence in order to fill skilled vacancies.

The category comprises the employer nominated scheme (ENS), the regional sponsored migration scheme (RSMS) and labour agreements where the agreement allows the sponsorship of workers on a permanent basis.

The ENS is available to employers located anywhere in Australia, while the RSMS enables Australian employers in regional areas of Australia to sponsor workers for permanent residence in order to fill skilled vacancies in their businesses. The objective of the RSMS is to encourage migration to areas outside the major metropolitan centres of Brisbane, the Gold Coast, Sydney, Newcastle, Wollongong and Melbourne. The RSMS is designed to improve Australia's ability to compete globally by overcoming genuine skill shortages in the Australian labour market in regional areas.

A labour agreement is a formal agreement between an Australian employer and the Australian Government which permits the recruitment of a specified number of skilled workers from overseas in response to identified skills shortages in the Australian labour market.

The permanent employer sponsored category accounted for 46 554 places, or 37 per cent of the total skilled migration program of 125 755 places in 2011–12. Of these, 29 604 visas were granted under ENS, 16 471 under RSMS and 479 were permanent visas under the labour agreement program. Of the total 46 554 permanent employer sponsored visas granted in 2011–12, 20 512 were granted to primary skilled applicants and the remaining 26 042 were for secondary (dependent) applicants.

Subclass 457 visa holders accounted for the majority of visa grants in this category. This year, the department granted 81 per cent of ENS visas and 46 per cent of RSMS visas to people holding a subclass 457 visa at the time of the visa grant.

The permanent employer sponsored review

In the 2011–12 Budget, the government made a commitment to facilitate a more streamlined transition for subclass 457 visa holders to permanent residence through the permanent employer sponsored category. This commitment recognised the important social and economic contributions to Australia made by these subclass 457 visa holders.

A comprehensive strategic review of the permanent employer sponsored program category was conducted in 2011–12. It was the first review of the program in nearly nine years.

Extensive consultation with other government agencies, state and territory governments, industry bodies, unions, employer groups, and other stakeholders was integral to identifying the most appropriate policy settings, and the release of a discussion paper in August 2011 also facilitated public comment. The review concluded that while the program was performing well, there was scope to improve its responsiveness to Australian labour market pressures.

The key recommendations identified in the review included:

- furthering the department's commitment to visa simplification and deregulation by collapsing the six existing permanent employer sponsored visa subclasses into two
- introducing a streamlined and simplified pathway to permanent residence for eligible subclass 457 visa holders
- raising the upper age limit to younger than 50 years of age, consistent with the age requirement for other skilled migration visas
- changes to key visa criteria, including English language and skill requirements, to ensure that Australia's limited migration places go to those most likely to contribute to Australia socially and economically
- replacing three separate occupation lists, the subclass 457 occupation list, the employer nomination skilled occupation list (ENSOL) and the state and territory sponsored occupation list (StatSOL), with a single consolidated sponsored occupation list, to simplify and clarify the skilled needs that can be met by demand-driven migration
- strategically refocusing the regional certifying body (RCB) network on the direct entry stream of RSMS to ensure that the local knowledge possessed by RCBs is leveraged most effectively.

The reforms announced by the government on 9 March 2012 were introduced on 1 July 2012, in conjunction with SkillSelect.

All costs associated with the review and the implementation of its recommendations were fully absorbed by the department and had no impact on the fiscal balance.

Business migration and the business skills review

In April 2010, the department began a comprehensive review of the business skills program, including a public consultation phase, to inform the review and develop the recommendations.

The Business Skills visa encourages successful business people to settle permanently in Australia and develop new or existing businesses, or invest in Australia. Business migration benefits Australia by creating employment, exporting Australian goods or services, developing links with international markets and introducing new technology.

The program is largely a two-stage process. Migrants enter Australia initially on a provisional (temporary) visa, generally valid for four years. Visa holders then either use their business skills to obtain a substantial ownership interest in a new or existing business in Australia, and actively participate in that business at a senior management level or they utilise their substantial business or investment background and invest in a designated investment in Australia.

Once a provisional visa holder is able to provide satisfactory evidence of a specified level of business or investment activity, they may apply for permanent residence.

As a result of the review, the business skills program was replaced by the business innovation and investment program on 1 July 2012. Innovation is the key to making Australia more productive and more competitive and the business innovation and investment program is a niche category in Australia's skilled migration program, providing opportunity for entrepreneurial and innovative migrants to become business owners, as opposed to supporting existing businesses and industries with a supply of skilled employees.

The program selects migrants who have a demonstrated history of involvement in innovative activity and then creates an environment in which they are more certain of gaining permanent residence, even if they seek greater opportunity through higher risk business ventures.

To this end, the principal reforms to business migration are to:

- facilitate the entry of entrepreneurs who have sourced venture capital funding in Australia
- introduce a points test giving weight to innovation
- grant access to more flexible provisions for achieving permanent residence.

The points test awards points for various elements of human capital and business innovation, coupled with objective measures of business performance. It is an effective method of selecting more innovative entrepreneurs who will transfer their skills to Australia and diversify the existing pool of business expertise.

Family migration

The family stream of the Migration Program provides for the permanent migration of certain family members to Australia, in recognition of the social benefits associated with family unity.

Priority within the family stream is given to the partners (including fiancés) and dependent children of Australians. There are also opportunities for other family members, such as parents, aged dependent relatives, carers and remaining relatives, to join their relatives in Australia.

Australian citizens, Australian permanent residents and eligible New Zealand citizens are able to sponsor their family members through the family stream.

The family migration visa categories are:

- Partner, which includes Partner visas for married and de facto partners and Prospective Marriage visas for fiancés 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. In 2011–12, about 77 per cent of the family stream was 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. In 2011–12, about 6 per cent of the family stream was comprised of child category visas.
- Parent, which includes both Parent and Contributory Parent visas. Applicants for the Contributory Parent visa make a greater contribution towards the costs of parent migration and are also supported by friends or family in Australia for a longer period through the assurance of support scheme. 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 with the Parent visa. In 2011–12, about 15 per cent of the family stream was comprised of parent category visas.
- Other family, which includes Carer visas, Remaining Relative visas and Aged Dependent Relative visas. In 2011–12, about 2 per cent of the family stream was comprised of other family category visas.

Performance

Demand for family stream visas continued to grow in 2011–12. This growth and demand are driven by the levels of migration in previous years and by the international mobility of Australians.

In recognition of this demand, the planning level for family stream visas in 2011–12 was set at 58 600 places, an increase of about 7 per cent on the planning level in 2010–11.

A major change in the planning levels was a doubling of the number of Non-contributory Parent visas to 2000, in recognition of the long wait faced by applicants in this visa category.

There was a corresponding decrease of 1000 in the number of Contributory Parent visas. There has been an increase in the number of applicants in this category who have not proceeded with their applications. Anecdotally, this is in part a result of continued economic uncertainty in North America and Europe, which in some cases is affecting the ability of applicants to pay the higher second visa application charge for this visa.

Table 8 shows the family migration outcome for 2011–12, compared to 2010–11. The result for 2011–12 was an approximate increase of 7.4 per cent compared to the 2010–11 outcome.

Table 8: Family migration planning levels and outcomes

Type of visa	2010–11 planned	2010–11 granted	2011–12 planned ¹	2011–12 granted	Percentage change in visas granted ²
Partner	42 000	41 994	45 150	45 150	7.5 %
Child	3 300	3 300	3 700	3 700	12.1 %
Parent (contributory)	7 500	7 499	6 500	6 502	-13.3 %
Parent (non- contributory)	1 000	1 000	2 000	2 000	100.0 %
Other family	750	750	1 250	1 252	66.9 %
Total family migration visas	54 550	54 543	58 600	58 604	7.4 %

1. Throughout the program year, planning levels may change as a result of changes in demand and other factors.

2. Percentage change in visas granted in 2011–12 is based on a comparison with the number granted in 2010–11.

The department uses a number of measures to ensure the integrity of the family stream, among them:

- risk matrices to guide decision makers in assessing the level of risk represented by an application
- verification of documents presented by applicants and sponsors
- interviews with applicants and/or their sponsors to substantiate their claims
- home visits
- liaison with other government agencies
- processes to monitor emerging trends and risks.

During 2011–12, the Prospective Marriage visa program was the subject of an inquiry by the Senate Legal and Constitutional Affairs Committee. The committee found that ‘the integrity measures for the program are robust’, and contrary to earlier media reports, ‘it would be inaccurate to conclude that the visa program is used primarily by older men to prey on younger women’.

The committee, however, also made a number of recommendations for additional protection that could be offered to young women applying for the Prospective Marriage visa. These recommendations are currently under consideration.

Family violence provisions

Australia’s Migration Program enables certain 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.

To ensure that only genuine claimants can gain access to the provisions, doubtful claims are referred to an independent expert in family violence matters. The opinion of the independent expert, currently the Department of Human Services (Centrelink), is binding on the immigration decision-maker. Table 9 shows the number of claims under the family violence provisions that were made in 2011–12 and the outcome of the cases referred to Centrelink by departmental officers.

Table 9: Family violence cases referred to Centrelink

Family violence cases referred to Centrelink by departmental officers	2009–10	2010–11	2011–12
Family violence claims made to the department	705	1023	1076
Total cases referred to Centrelink:	109	208	140
• meet provisions	32	69	33
• do not meet provisions	19	69	34
• not yet decided, or withdrawn	58	70	73
Percentage of claims referred	15.5%	20.3%	13.0%

The operation of the family violence provisions was also the subject of review in 2011–12 through the Australian Law Reform Commission’s report, *Family violence and Commonwealth laws: Improving legal frameworks*.

On 17 June 2012, the minister announced changes to the family violence provisions which will take effect from 24 November 2012. The changes, which will allow a wider range of evidence to be produced in support of family violence claims, represent a preliminary response to the commission’s recommendations.

Resident Return visas, 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 ensure 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 to and remain permanently in Australia
- develops and administers visa arrangements to allow for the re-entry of former Australian permanent residents
- administers the Australian Declaratory visa to facilitate the entry to Australia of Australian citizens travelling on foreign passports
- 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 to certain New Zealand citizens.

Performance

The combined number of visas granted and certificates issued in 2011–12 was 89 985. Tables 10 and 11 show the number of visas granted in 2011–12, compared with the previous two years.

Table 10: Resident Return visas, Former Resident visas and Australian Declaratory visas

Number of visas granted	2009–10	2010–11	2011–12
Resident Return visas	73 679	77 499	78 681
Former Resident visas	499	417	658
Australian Declaratory visas	925	778	657
Total number of visas granted	75 103	78 694	79 996

Table 11: Certificates of Status

Number of certificates issued ¹	2009–10	2010–11	2011–12
Certificates of Evidence of Resident Status	13 537	11 995	9 376
Certificates of Status for New Zealand Citizens in Australia	784	654	613

1. Numbers are approximate as the data source is manual and does not include the small 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.

Two visas in the program are not related to specific education sectors: the Student Guardian (subclass 580) visa, which is available for individuals to accompany and care for minors studying in Australia; and the AusAID and Defence Sector (subclass 576) visa which exists for students sponsored by either of these agencies.

In 2011–12, total student visa grants experienced growth for the first time since they peaked in 2008–09. There were 253 046 student visas granted in 2011–12, which represented a 1 per cent increase on 2010–11. Between 2010–11 and 2011–12, offshore visa grants declined slightly by 0.8 per cent, while onshore grants increased by 3 per cent.

In 2011–12, the People's Republic of China remained the source country for the largest number of student visa grants, followed by India, Republic of Korea and Brazil. Of the student visas granted in 2011–12, almost 33 per cent were to citizens of the top two source countries, the People's Republic of China and India.

The Higher Education Sector visa was the most common visa category for student visa grants, at 44.7 per cent of total grants, followed by the Vocational Education and Training Sector visa at 27.6 per cent.

Table 12 shows total student visa grants for 2010–11 and 2011–12 by location. Table 13 shows the top 10 source countries for student visa grants in 2011–12. Table 14 shows total student visa grants by subclass.

Table 12: Total student visa grants for 2010–11 and 2011–12

Location	2010–11	2011–12	Percentage change
Offshore	126 186	125 119	-0.8%
Onshore	124 252	127 927	3.0%
Total	250 438	253 046	1.0%

Table 13: Top 10 source countries for student visa grants in 2011–12

Citizenship country	2011–12
People's Republic of China	49 592
India	33 764
Republic of Korea	12 407
Brazil	9 695
Malaysia	9 316
Thailand	8 760
Saudi Arabia	8 517
Indonesia	8 211
Vietnam	8 161
United States of America	7 960
Total student visa grants for top 10 countries	156 383
Total global student visa grants	253 046

Table 14: Total student visas granted by subclass (2010–11 and 2011–12)

Category	2010–11	2011–12	Percentage change
Independent ELICOS ¹	29 062	27 798	-4.3%
Schools	10 460	9 519	-9.0%
Vocational education and training	67 406	69 944	3.8%
Higher education	112 567	113 160	0.5%
Postgraduate research	9 203	10 605	15.2%
Non-award	17 107	16 160	-5.5%
AusAID/Defence	4 633	5 860	26.5%
Total	250 438	253 046	1.0%

Note: Visa grant figures exclude student guardians.

1. English language intensive course for overseas students.

At 30 June 2012, there were 307 050 student visa holders in Australia, a decrease of 7.7 per cent on 2010–11. Among the top 10 countries for student visa holders, student numbers declined for all nationalities except Pakistani citizens, which increased by 15.3 per cent. The sharpest fall in international student numbers was for Indian students (a decline of 25.4 per cent), which can be attributed to fewer Indian students arriving and higher numbers departing.

Table 15: Number of student visa holders in Australia on 30 June 2010, 2011 and 2012, by citizenship

Citizenship country	2010	2011	2012
People's Republic of China	79 861	75 578	71 227
India	80 331	50 980	38 029
Republic of Korea	21 540	18 695	16 864
Vietnam	16 418	16 283	15 504
Malaysia	16 515	15 514	14 301
Nepal	17 813	13 228	12 284
Indonesia	12 184	11 508	11 671
Thailand	13 063	11 700	10 897
Saudi Arabia	9 689	9 167	9 044
Pakistan	5 573	6 418	7 400
Other	109 729	103 638	99 829
Total	382 716	332 709	307 050

The department publishes key statistics on the student visa program on a quarterly and annual basis. The department also publishes student visa grants by sector and all countries for each program year.

The publications are available online at www.immi.gov.au/media/statistics/study/

Strategic review of the student visa program (the Knight Review)

On 22 September 2011, the government announced its in-principle support for all of the 41 recommendations made by the Hon Michael Knight AO in his *Strategic review of the student visa program 2011* (the Knight Review).

Of the 41 recommendations agreed by the government, 20 have already been implemented, a further eight are planned to be implemented by early 2013, and work on the remaining 13, which involves further research or liaison with other agencies, is still ongoing. Key reforms include:

- a 'genuine temporary entrant' requirement introduced on 5 November 2011 for all student visa applicants, which explicitly addresses whether the applicant's individual circumstances indicate that their intention is for a temporary stay in Australia
- streamlined visa processing from 24 March 2012 for prospective international students enrolled in bachelor, masters or doctoral degree courses at participating universities
- a review of the student visa assessment level framework, which is used to manage risk in the student visa program. Implementation of agreed recommendations is proposed by mid-2013.

In addition, reductions in financial requirements for certain student visa applicants were introduced on 5 November 2011. Although not a Knight Review recommendation, this change particularly assists students wishing to obtain a visa to study in the non-university sector.

Implementation of Australian National Audit Office recommendations

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, all of which were accepted by the department.

Implementation of three of the six recommendations has been completed, and the remaining three were subsumed by the Knight Review. Implementation of the recommendations relating to eVisa is discussed in the section on online lodgement for student visa applicants.

Integrity

The Knight Review recommended significant changes to the department's student visa cancellation regime. The regime was considered ineffective, both by the Knight Review and by the ANAO in its 2011 audit of the management of student visas. The department accepted the recommendations in both reports and is working towards legislative changes to repeal automatic and mandatory cancellation provisions for student visas. It is proposed that these changes will come into effect in the second half of 2012–13, subject to the passage of the Migration Legislation Amendment (Student Visas) Bill 2012.

The department has a network of student integrity and compliance officers who work to minimise the number of student visa holders who do not comply with their visa conditions. The officers respond appropriately to all reported or identified breaches.

An analysis of the department's cancellation data shows that 10 287 student visas were cancelled during 2011–12. Student visa cancellations occur for a variety of reasons, including but not limited to breaches of visa conditions, the provision of false or misleading information, changes in the visa holder's circumstances, voluntary requests for cancellation, and consequential cancellations resulting from action taken against family members of student visa holders. Of these cancellations, more than 2200 student visas were automatically cancelled by operation of the law as a consequence of being certified for failing to achieve satisfactory course progress and/or attendance and more than 4000 were cancelled where the visa holder was outside Australia.

Online lodgement for student visa applicants

The eVisa system allows for the online lodgement of student visa applications by applicants from assessment level 1 countries. These students can lodge from within Australia (onshore), or from overseas (offshore).

Offshore prospective students from selected assessment level 2–4 countries (India, the People's Republic of China, Thailand and Indonesia) can also apply for their first student visa online, but must do so through an education or migration agent approved by the department to access the eVisa system for the relevant applications. These agents are either registered migration agents in Australia, or education agents based in India, the People's Republic of China, Thailand or Indonesia.

As recommended by the ANAO, the department completed an internal evaluation of the student visa assessment level 2–4 eVisa lodgement facility. The facility will be continued, but will not be expanded to include additional countries. Rather than expanding the agent-centric assessment level 2–4 eVisa arrangements, the department’s objective is to facilitate online lodgment and electronic processing of applications globally for all clients.

To ensure the integrity of the student visa program, the department continues to audit the performance of authorised agents who can lodge applications on behalf of assessment level 2–4 clients.

The take-up rate shows the percentage of student visa applications lodged through eVisa. Prospective students from assessment level 1 countries continue to make strong use of the department’s online lodgement channels.

Table 16: eVisa take-up rate for assessment level 1 student visa applicants

Financial year	eVisa take-up rate offshore (%)	eVisa take-up rate onshore (%)
2009–10	79.0	61.2
2010–11	78.1	67.5
2011–12	80.8	69.8

In the four countries where the assessment level 2–4 eVisa arrangements exist, the take-up rate is highest in the People’s Republic of China and Indonesia and lowest in Thailand and India. The number of agents authorised to access the facility in Thailand and India has been reduced in recent years as the result of the department’s ongoing performance auditing, and this correlates with the lower take-up rate in these countries (see table 17).

Table 17: Offshore eVisa percentage take-up rates for assessment level 2–4 eVisa countries

Citizenship country	2009–10	2010–11	2011–12
India	70.3	22.9	19.3
People’s Republic of China	74.5	73.6	75.8
Thailand ¹	38.7	13.2	17.1
Indonesia	34.4	32.0	43.7

Note: Data excludes subclass 576 (AusAID/Defence)

1. Thailand is AL2 only in ELICOS and VET sectors.

Temporary residents (economic)

Enterprise migration agreement program

The *Enterprise migration agreement submission guidelines* were developed and released by the department in 2011–12. Enterprise migration agreements (EMAs) are available to resources projects with capital expenditure of more than two billion dollars and a peak workforce of more than 1500 workers.

The resources sector is critical to Australia's economic future, and EMAs provide mega-projects in the sector with access to certain concessions to the standard 457 visa requirements, where projects demonstrate that they are necessary to secure access to required workers. They include concessions in respect of English language proficiency and skill-level requirements.

The first priority for resources projects is to employ Australian workers, with overseas labour only used where there is a genuine need. Resources projects will be required to commit to effective and ongoing local recruitment efforts as a condition of being given access to an EMA.

On 25 May 2012, the minister announced the government's in-principle approval to entering into an EMA with the Roy Hill project in the Pilbara region of Western Australia. The department will continue to work with the resources sector to identify ways of streamlining access to the skilled migration program for approved projects.

Temporary skilled migration

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, for example as doctors, engineers, academics, researchers, entertainers and media personnel for overseas networks. Through working in these positions, they further Australia's economic relations in the context of an increasingly global workforce and they assist businesses to fill key and emerging skill gaps, particularly in regional areas.

By meeting specific skill needs in Australian businesses, skilled temporary residents help Australia to 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 needed 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 be sponsored by a business in Australia to fill a vacancy which cannot be filled locally. A subclass 457 visa may be granted with a validity period of between one day and four years. The program is uncapped and is responsive to labour market conditions in that it provides a mechanism for a business to grow its workforce quickly during periods of strong business growth. During 2011–12, the subclass 457 visa program experienced very strong growth, with most of this growth concentrated in industries benefiting from the resources boom and the health and services sectors.

The program's growth in 2011–12 surpassed the previous record set in 2007–08. There was a 42.1 per cent increase in subclass 457 primary visa grants compared to 2010–11. In 2011–12, there were a total of 125 070 grants. Of these, 68 310 visas were granted to primary visa applicants and the remaining 56 760 to their dependants. At 30 June 2012, there were 162 230 subclass 457 visa holders in Australia, of whom 91 050 were primary visa holders. This represents a 26.4 per cent increase in the number of primary visa holders in Australia over the year.

Western Australia and Queensland recorded the highest growth rates in 2011–12, with the former surpassing Victoria as the second largest user of the subclass 457 visa. During the year, priority processing arrangements for applications associated with flood reconstruction work remained in place until 30 November 2011. The end of these arrangements was due to a relatively low take-up by employers, and advice from the Queensland Government that they were no longer in demand.

The largest user of subclass 457 visas in 2011–12 was the construction industry, with 13.4 per cent of primary visas granted, followed by other services (11.6 per cent), information media and telecommunications (11 per cent), mining (9.5 per cent) and professional, scientific and technical services (7.2 per cent). Between them, these five industries together accounted for more than half of all primary visa grants.

During 2011–12, the subclass 457 visa program proved to be effective in targeting highly skilled workers in highly paid occupations, with managers and professionals together accounting for nearly 70 per cent of primary visas granted. These two occupational groups had a combined average nominated base salary of \$104 150. Technicians and trade workers recorded the highest growth rate in 2011–12, increasing by 108.2 per cent.

The top source country for the subclass 457 visa in 2011–12 was the United Kingdom which accounted for 23.1 per cent of primary visa grants, followed by India (17.5 per cent), the Republic of Ireland (9.2 per cent), the Philippines (7.3 per cent) and the United States of America (7.1 per cent) (refer to Figure 5). Table 18 shows the type and percentage of subclass 457 applications lodged electronically. Table 19 provides an overview of the subclass 457 visa program for the past three program years. Table 20 shows the number of visas granted each month during 2011–12.

Figure 5: Temporary residents (economic) visa primary grants by country (top 10)

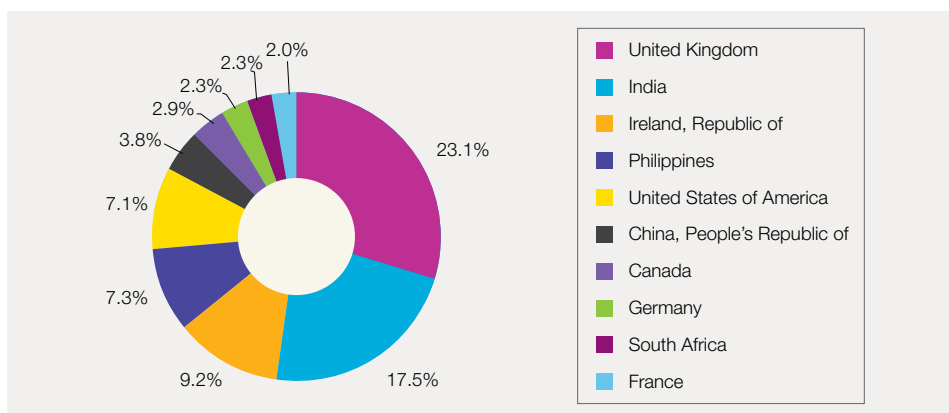


Table 18: Application type and percentage of subclass 457 applications lodged online

Program year	2009–10	2010–11	2011–12
Sponsorship applications	73.5%	76.7%	81.0%
Nominations	87.4%	89.7%	92.5%
Visa applications	84.1%	87.6%	89.7%

Table 19: Overview of Temporary Skilled Migration (subclass 457)¹

Measure	2009–10	2010–11	2011–12
Visa grants to primary applicants	34 790	48 080	68 310
Total visa grants	67 980	90 120	125 070
Sponsors with a grant to a primary applicant	9 070	11 290	16 520
Average nominated base salary	\$86 400	\$86 800	\$85 400

1. Excludes independent executives.

Table 20: Primary visas granted by month in 2011–12

Month	Primary visa grants
July	5 240
August	6 000
September	5 850
October	5 760
November	5 850
December	5 040
January	5 440
February	5 560
March	6 230
April	5 060
May	6 590
June	5 710
Total	68 310

Processing times

Processing times for the subclass 457 visa program fell to historically low levels in 2011–12. The median processing time as of 30 June 2012 for a subclass 457 primary visa was 16 calendar days. This was a 60 per cent decrease from the previous boom year of 2007–08. Nearly 90 per cent of applications were finalised within the two to three-month service standard. The government has also committed \$10 million over four years to improve the department's processing capacity, with the aim of reducing the median processing time to 10 days for 'decision ready' applications.

To further reduce processing times, the department on 7 November 2011 introduced an accredited sponsorship scheme for the subclass 457 visa program. The scheme allows high-volume sponsors who exhibit certain low-risk characteristics to be approved as sponsors for six years rather than three, and to receive priority processing of their nominations and visa applications. Among these low-risk characteristics are that they are a known sponsor, have no adverse information recorded against them, have lodged a high rate of 'decision ready' applications, and have a low non-approval rate for applications. At 30 June 2012, 14 accredited sponsors were approved under the scheme.

Information sessions

During November and December 2011, the department conducted several information sessions about the subclass 457 visa program for employers in the tourism and hospitality industries. These sessions formed part of a suite of initiatives intended to help address skills shortages in the tourism and hospitality industries. They assisted employers interested in using the subclass 457 visa program by providing information on issues relating to training benchmarks, market salary rates, skill assessments and English language requirements for subclass 457 visa applicants. These sessions were supplemented by a guide to using the program, which was later expanded to all industries and published on the department's migration blog.

Australian and United States of America fast-track initiative

On 3 April 2012, the governments of Australia and the United States of America jointly announced an initiative to fast-track the entry of skilled workers to Australia. This initiative seeks to link Australian employers in the resources, energy and infrastructure industries with skilled workers from the United States of America, helping to meet the demand for skilled workers from these industries. Under this initiative, skilled workers in licensed occupations, such as electricians and plumbers, are able to obtain provisional Australian licences offshore, allowing them to start work immediately upon arrival. This initiative is overseen by Trades Recognition Australia, within the Department of Industry, Innovation, Science, Research and Tertiary Education. Subclass 457 visa processing arrangements remain unchanged.

Other visas

Small numbers of temporary entrants come to Australia on a range of other visas. For example, around 17 000 people entered Australia on a subclass 420 Entertainment visa in 2011–12. This visa subclass is for people involved in a wide range of social and cultural events and activities, giving Australians access to these events while still protecting jobs for Australians in the entertainment industry. In 2011–12, the five top source countries for the 420 visa were the United States of America, the United Kingdom, the People's Republic of China, India and Canada. Visas granted in 2011–12 facilitated a number of entertainment events, such as the Big Day Out, the Soundwave Festival and Cirque du Soleil.

Regional migration agreement program

A regional migration agreement (RMA) is an agreement between the Australian Government and a state or territory government, local council, or other local stakeholder. The program facilitates increased labour flows to regional areas experiencing acute labour shortages, in particular regions that are isolated from large populations and do not have Australian skills and labour available. The program will primarily utilise the subclass 457 visa. Development of the RMA guidelines occurred in consultation with federal and national bodies such as government agencies, national unions and industry bodies to ensure that the final setting are appropriate.

Monitoring of sponsors

The sponsorship framework under the Migration Act aims to enhance the integrity of temporary economic visas, including the subclass 457 visa program. It seeks to ensure that vulnerable overseas workers are not exploited and that the working conditions of sponsored visa holders meet Australian standards.

The department monitors sponsors and has the power to sanction those who are found not to be complying with their sponsorship obligations. In addition to administrative sanctions (to bar a sponsor, or cancel a person's approval as a sponsor), the department may also apply to a court for a civil penalty order, or alternatively serve an infringement notice where a sponsor has contravened a civil penalty provision.

There are 32 inspectors across Australia who have the power to:

- enter a premises or 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 a premises or place.

In 2011–12, there was a significant increase in the number of infringement notices served. In addition, on 2 July 2012, the department successfully litigated against one standard business sponsor, with the court ordering a pecuniary penalty of \$35 000 plus costs. It sent a strong signal to sponsors that they must fulfil their sponsorship obligations.

Table 21 shows monitoring performance by the department over the past three program years.

Performance

Table 21: Subclass 457 monitoring performance

Measure	2009–10	2010–11	2011–12
Active sponsors (sponsors with a primary visa holder in Australia at the end of the financial year)	18 270	18 520	22 450
Sponsors monitored	2 546	2 091	1 754
Sponsors' sites visited	1 245	814	856
Sponsors formally sanctioned	164	140	125
Sponsors formally warned	510	453	449
Referrals to other agencies	65	61	18
Sponsors issued with an infringement notice	n/a	9	49
Sponsors subject to pecuniary penalty by the Federal Magistrates Court	0	0	1

Labour agreements

Labour agreements allow approved businesses to sponsor overseas workers when there is a demonstrated need that cannot be met in 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. Because 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. They 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 agreement.

From 15 May 2009, these agreements became the only migration pathway for semi-skilled labour, in line with other integrity measures introduced in 2009.

In October 2010, the minister agreed to a streamlined decision-making process for labour agreement requests, which halved the average negotiation time. For requests lodged in 2009, the average negotiation time was 11 months. For requests lodged in 2011, the average negotiation timeframe was around six months.

At 30 June 2012, there were 157 labour agreements in place and a further 94 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. For example, the meat industry template agreement provides a specifically tailored pathway for meat companies to gain access to skilled overseas meat workers. It is the only avenue available to employers to sponsor skilled meatworkers from overseas on a temporary or permanent basis.

At 30 June 2012, 27 companies had signed a meat industry labour agreement and a further five agreements were under negotiation.

On 1 October 2007, access to the standard subclass 457 program was removed for on-hire employers who seek to place overseas workers with other unrelated businesses. 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. This change was in line with consideration of a review undertaken by the Council of Australian Governments.

At 30 June 2012, 74 companies had signed an on-hire industry labour agreement and a further 21 agreements were under negotiation.

In July 2011, a template arrangement was introduced for Australian fishing operators, to meet widespread demand for fishing hands and deckhands. At 30 June 2012, seven companies had signed a fishing industry template labour agreement and an additional one was under negotiation.

Labour agreements also provide a level of flexibility to meet the requirements 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.

The minister is the decision-maker for all labour agreements.

At 30 June 2012, there were 49 company-specific (non-template) labour agreements in place and a further 67 agreements were under negotiation.

The Pacific seasonal worker pilot scheme

The Pacific seasonal worker pilot scheme concluded on 30 June 2012 and was succeeded by an ongoing seasonal worker program commencing on 1 July 2012. During the three-year pilot, 2500 visas were available for seasonal workers in the horticulture sector where Australian employers had demonstrated labour shortages. Initially, only seasonal workers from Kiribati, Papua New Guinea, Tonga and Vanuatu were invited to participate, however, in September 2011, the pilot was expanded to include seasonal workers from East Timor, Nauru, Samoa, Solomon Islands and Tuvalu. An additional trial industry sector in tourism (accommodation) in Broome, Western Australia also commenced at that time for seasonal workers from East Timor. Only employers approved by the Australian Government are able to recruit seasonal workers in the horticultural and accommodation sectors.

The ongoing seasonal worker program will be demand driven, with 12 000 visa places available over four years (2012–16):

- 10 450 visas open to the horticulture industry nationally
- 1550 visas for a three-year trial of seasonal labour mobility arrangements to end in June 2015 for cotton and cane growers, aquaculture ventures and accommodation providers in the tourism industry.

As with the pilot arrangements, the Department of Education, Employment and Workplace Relations (DEEWR) will continue to lead the implementation of the ongoing seasonal worker program.

As at 30 June 2012, there were 1614 visas granted to seasonal workers from participating countries. Table 22 provides a breakdown of the visas granted by participating country.

Table 22: Pacific seasonal worker pilot scheme visas granted by participating country

Participating country	Visas granted since 2008
Tonga	(including 300 returning workers) 1 316
Vanuatu	(including 8 returning workers) 113
Papua New Guinea	(including 9 returning workers) 82
Kiribati	(including 19 returning workers) 52
Samoa	39
East Timor	12
Total	1 614

Temporary residents (non-economic)

Temporary resident (non-economic) visas facilitate the temporary entry into Australia of people for a wide range of purposes that benefit Australia. These visas support and enrich Australia's social and cultural life, enhance international relations, facilitate research collaboration and support the tourism industry.

Entrants under this suite of visas take part in a diverse range of activities. Many temporary entrants use the Visiting Academic and Occupational Trainee visas to participate collaboratively in research, or complete workplace-based training programs. International relations are strengthened through a number of the temporary resident visas, including through the entrance of diplomats and other foreign government employees conducting government-related business or teaching duties.

Religious workers, including ministers, priests and spiritual leaders, who are directly serving the objectives of a religious institution, can enter Australia under a temporary resident visa. Self-funded retirees from other countries entering Australia under temporary visas make valuable contributions to Australia's social and economic well-being through their financial investments and community engagement.

Performance

Service standards for this range of visas continued to be exceeded, with 82.5 per cent of visas finalised within service standards in 2011–12.

In 2011–12, demand for visas under the temporary resident program remained strong, with the total number of visas granted slightly was similar to the figure for 2010–11.

Sport visa grants remained at levels similar to those in 2010–11, reflecting an overall declining trend evident over some years as a result of clients using alternative pathways for these short stays.

Table 23: Percentage of temporary program applications finalised within service standards

Visa subclass	2011–12
Investor Retirement (subclass 405) visa	24.4%
Retirement (subclass 410) visa	87.7%
Foreign Government Agency (subclass 415) visa	84.6%
Special Program (subclass 416) visa	96.0%
Visiting Academic (subclass 419) visa	95.2%
Sport (subclass 421) visa	83.1%
Religious Worker (subclass 428) visa	68.8%
Occupational Trainee (subclass 442) visa	87.5%
New Zealand Citizen Family Relationship (subclass 461) visa	58.9%
Professional Development (subclass 470) visa	90.1%
Total	82.5%

Table 24: Temporary resident (non-economic) visas granted

Visa	2009–10	2010–11	2011–12
Investor Retirement (subclass 405) visa	80	133	136
Government Agreement (subclass 406) visa	232	496	484
Retirement (subclass 410) visa	2 107	1 875	1 327
Foreign Government Agency (subclass 415) visa	274	286	260
Special Program (subclass 416) visa	2 081	2 140	1 894
Visiting Academic (subclass 419) visa	1 943	2 602	2 219
Sport (subclass 421) visa	825	497	470
Religious Worker (subclass 428) visa	1 420	1 835	1 989
Occupational Trainee (subclass 442) visa	3 726	3 480	3 831
New Zealand Citizen Family Relationship (subclass 461) visa	1 623	2 197	2 389
Professional Development (subclass 470) visa	531	491	437
Diplomatic (subclass 995) visa	2 111	2 330	2 777
Total	16 953	18 362	18 213

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 34 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, which are available for all passport holders to holiday or visit family and friends in Australia for a period up to 12 months
- 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.

The working holiday maker program comprises the Working Holiday (subclass 417) visa and the 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 eight Work and Holiday (subclass 462) visa arrangements with Argentina, Bangladesh, Chile, Indonesia, Malaysia, Thailand, Turkey and the United States of America. A Papua New Guinea agreement is yet to come into effect.

Many countries have expressed interest in joining the program. Since 2011, new partner countries have only been considered under the capped Work and Holiday (subclass 462) visa framework.

Finalisation of work and holiday negotiations in part hinges upon the ability of both partner countries to provide reciprocal access to one another's nationals.



Case study

Immigration helps make CHOGM a royal success

At least 3000 people from more than 60 countries arrived in Australia for the 2011 Commonwealth Heads of Government Meeting (CHOGM)—the largest-ever gathering of world leaders in Australia—thanks to the combined efforts of staff across the department.

Commonwealth leaders come together for CHOGM every two years. This year, 53 heads of government, as well as ministers, dignitaries, officials and international media met in Perth from 28–30 October.

The most high-profile visitor was Her Majesty Queen Elizabeth II, who attended the meeting's opening ceremony and Jubilee dinner as part of a wider visit to Australia.

The extensive planning efforts to support CHOGM involved staff from National Office in Canberra, the Western Australia State Office, Perth International Airport and the offshore network.

 'That our contribution to CHOGM went so well is an indication of the excellent work done by the team.'

Short-term missions to Nigeria, Ghana and the Caribbean were also implemented to process visas for people planning to attend from those countries and a liaison officer was placed in the whole-of-government CHOGM 2011 taskforce in Perth from August until the end of October.

'The department had to manage some difficult issues, including the unexpected grounding of the Qantas fleet on 29 October,' Deputy Secretary Peter Vardos said.

'That our contribution to CHOGM went so well is an indication of the excellent work done by the team.'

The department worked with external stakeholders to facilitate the visa processing and arrival of many high-profile clients and the CHOGM team was recognised for its great achievement with a departmental Australia Day award in January 2012.

Photo: Leaders from across the Commonwealth at CHOGM 2011 in Perth.

Performance

During 2011–12, the department's facilitation of genuine visitors to Australia supported the tourism industry, international trade and commerce, and the needs of the Australian community through:

- finalising 95.9 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 Chinese tourism to Australia through targeted schemes such as the approved destination status (ADS) scheme and the preferred Aussie specialist (PAS) program
- working cooperatively with other Australian Government and state and territory government agencies and peak industry bodies
- expanding access to the online version of the Tourist (subclass 676) visa (known as the 'e676')
- providing assistance to international event organisers and participants in key events such as the United Nations Development Cooperation Forum Symposium and the Commonwealth Heads of Government Meeting
- publishing quarterly or six-monthly statistical reports on the visitor and working holiday maker program on the department's website.

The use of electronic visa options by eligible passport holders increased slightly to 95.5 per cent in 2011–12, compared to 94 per cent in 2010–11. This was due to an expansion of the online version of the Tourist (subclass 676) visa (known as the e676) to new countries and an increase in lodgements for Electronic Travel Authority (Business) (subclass 977) visas.

During 2011–12, the department introduced quarterly or six-monthly publications that provide statistics on the visitor and working holiday maker programs. These publications can be found on the department's website at www.immi.gov.au/media/statistics/visitor.htm

The department also 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 included 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 decision-makers 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 2011–12 to 99.7 per cent, compared to 99.3 per cent in 2010–11. These figures demonstrate that the vast majority of people granted visitor visas have been correctly assessed as genuine visitors.

In 2011–12, 97 per cent of visitor visas were finalised within service standards. This is consistent with 2009–10 (97.2 per cent) and 2010–11 (96.3 per cent).

Table 25: Visitor visa performance against service standards

Category	Onshore		Offshore	
	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	-	-	-	79.3%
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	53.2%	59.7%	97.6%	96.9%
Sponsored Business Visitor (subclass 459)				
Target	Not applied for onshore	Not applied for onshore	Not applicable	75% finalised in 1 month
Result	-	-	-	90.6%
Non-sponsored Business Visitor visas (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	-	-	97.7%	96.9%

Visitor visa grants

In 2011–12, there were 3 537 651 visitor visas granted to people outside Australia, an increase of 0.5 per cent from the 2010–11 figure of 3 518 588. The United Kingdom remained the country with the highest number of visitor visa grants outside Australia, although the total number in 2011–12 declined 0.5 per cent from 2010–11. The People's Republic of China overtook the United States of America to become the second largest source country (11.1 per cent of Visitor visas in 2010–12, compared to 9.2 per cent in 2010–11). This reflects the increasing demand for travel by the emerging Chinese middle class.

Table 26: Main source countries for visitor visa grants outside Australia

Country	2009–10	2010–11	2011–12
United Kingdom	587 122	570 561	524 880
People's Republic of China	243 671	323 007	393 988
United States of America	393 245	373 051	371 995
Japan	325 656	324 215	306 097
Malaysia	165 156	192 157	191 909
Republic of Korea	162 432	175 502	166 918
Singapore	131 935	141 684	139 625
Germany	145 677	142 133	135 859
France	124 481	122 872	121 384
India	95 961	106 116	117 187
Canada	108 765	105 100	106 655
Indonesia	75 173	83 167	86 850

More than 794 000 Tourist (subclass 676) visas were granted offshore in 2011–12, a 10.8 per cent increase compared to 2010–11, driven mainly by growth from the People's Republic of China. Tourist (subclass 676) visa grants in the People's Republic of China increased by 27.4 per cent in 2011–12 compared to 2010–11. Other countries in the Asian region also experienced growth, including India which increased by 12.5 per cent compared to 2010–11.

More than 416 000 eVisitor (subclass 651) visas, which are available to certain European passport holders, were granted in 2011–12, a 0.9 per cent increase compared to 2010–11.

The Electronic Travel Authority remains the most popular for those wishing to visit Australia for tourism purposes, with 2 091 205 grants in 2011–12, a decrease of 3.4 per cent compared to 2010–11. Traditional markets such as the United Kingdom and the United States of America declined in 2011–12 compared to 2010–11 (10.1 per cent and 0.3 per cent respectively).

Table 27: Offshore visitor visa grants by category

Categories	2010–11	2011–12	Percentage variation
Electronic Travel Authority (ETA) (subclasses 956, 976, 977)	2 164 341	2 091 205	-3.4
eVisitor (subclass 651) visa	412 502	416 386	0.9
Superyacht Crew (subclass 488) visa	243	235	-3.3
Tourist (non-ETA) (subclass 676) visa	708 256	794 142	12.1
Business Visitor (non-ETA, non-eVisitor) (subclasses 456, 459) visas	215 473	219 570	1.9
Sponsored Family Visitor (subclass 679) visa	15 445	13 802	-10.6
Medical Treatment (subclasses 675, 685) visas	2 328	2 311	-0.7
Total visitor visas	3 518 588	3 537 651	0.5

The overall visitor visa approval rate for 2011–12 was 97.3 per cent, which was consistent with 2010–11 (97.6 per cent) and 2010–11 (97.6 per cent).

Table 28: Trends in visitor visa approval rates

Visa	Approval rate 2008–09	Approval rate 2009–10	Approval rate 2010–11	Approval rate 2011–12
All offshore visitor visas	98.1%	98%	97.6%	97.3%
ETA (subclasses 956, 976, 977) visas	100%	100%	100%	100%
eVisitor (subclass 651) visa	99.5%	99.3%	99%	99.2%
All other offshore visitor visa applications (subclasses 456, 459, 488, 676, 679)	92.6%	92.3%	91.9%	91.6%

Approved destination status scheme

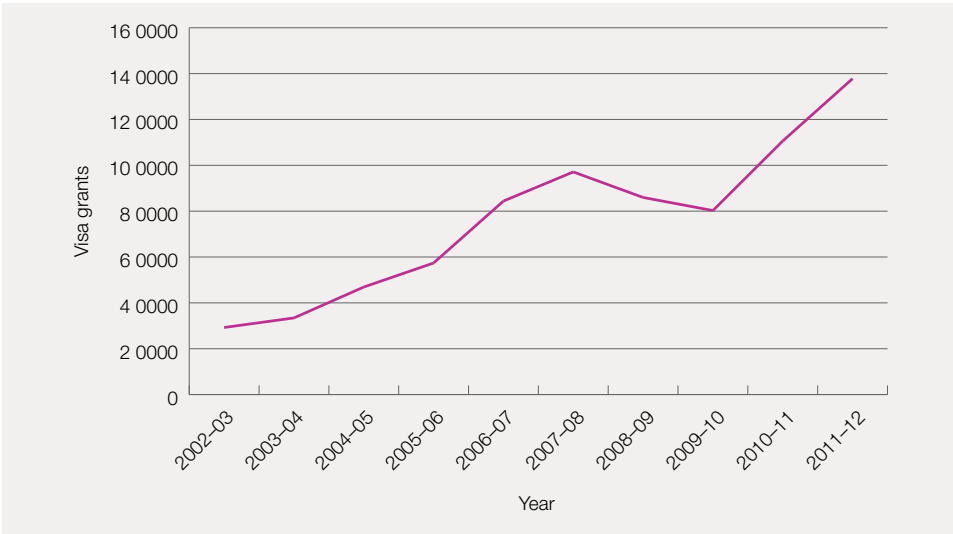
Established in 1999 between the governments of Australia and the People’s Republic of China, the approved destination status (ADS) scheme is a bilateral tourism arrangement, which continues to provide streamlined travel opportunities for Chinese tourists to undertake leisure travel in groups to Australia.

Tourists under the ADS scheme are granted a subcategory of the Tourist (subclass 676) visa, which requires them to stay with their tour group, and prevents study, work and extending their stay in Australia.

While independent travellers have overtaken group travellers under the ADS scheme as the greatest source of Chinese tourists to Australia, ADS continues to be popular for first-time travellers to Australia and record numbers are using the scheme. In 2011–12, 137 797 tourists travelled to Australia under the scheme, compared to 108 487 in 2010–11.

The scheme has been extremely successful in allowing a large number of tourists to visit, while ensuring high levels of integrity and compliance with visa conditions. The ADS non-return rate for 2011–12 was 0.07 per cent, well below the total visitor non-return rate of 0.79 per cent.

Figure 6: Trends in Tourist (subclass 676) visas granted under the approved destination status scheme



Visa initiatives in support of the tourism industry

The Tourism Visa Advisory Group met quarterly in 2011–12 to facilitate consultation between the department and key tourism industry stakeholders, including representatives from Tourism Australia, the Tourism and Export Council, Business Events Council of Australia, National Tourism Alliance, Youth Hostels Association, Tourism and Transport Forum, Qantas, Virgin Australia, the Board of Airline Representatives Australia, the Australian Hotels Association, state and territory tourism authorities and the Department of Resources Energy and Tourism.

To support tourism in new markets, the department expanded access to the online version of the Tourist (subclass 676) visa or e676. In 2011–12, the e676 was introduced for passport holders of Chile, Argentina, Brazil, Maldives and Croatia and for Turkish officials. The e676 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.

Table 29: Top 10 e676 visa grants for eligible countries

Country	2010–11	2011–12
United Kingdom	15 069	15 786
Saudi Arabia	3 251	4 330
Germany	3 705	4 300
Brazil	-	3 945
Chile	-	2 710
France	2 504	2 707
United States of America	2 691	2 690
Switzerland	2 895	2 653
India	1 499	2 357
Argentina	-	2 345

Note: Indians can access the e676 service through PAS agents

Preferred Aussie specialists (PAS) continued to operate in 2011–12 in India, Indonesia, Mexico, Russia and Thailand. PAS are travel agents trained by Tourism Australia to promote Australia as a destination and to facilitate the processing of Australian visitor visa applications.

The department participated in cross-portfolio and whole-of-government initiatives to support the tourism industry, including Tourism Australia's China 2020 Plan, the Tourism Access Working Group and the Tourism G20 Summit.

Business visitors

There are five short stay business visitor visas: 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) visa and Electronic Travel Authorities (Business Entrant–Short Validity) (subclass 977) visa. These visas support Australian businesses, enabling business people to visit Australia for activities such as negotiations, contract signings, inter-company business activities, exploring investment opportunities and conferences.

In 2011–12, 463 323 short stay business visitor visas were granted, an increase of 4.7 per cent over 2010–11 (442 482 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 30: Breakdown of short stay business visitor visas granted in 2011–12

Visa category	Visa grants 2010–11	Visa grants 2011–12	Percentage variation
ETA Business Visitor visas (subclasses 956 and 977)	186 459	198 711	6.6
eVisitor (subclass 651) (Business stream)	40 550	45 042	11.1
Non-electronic Business Visitor visas (subclasses 456 and 459)	215 473	219 570	1.9

Table 31: Main source countries for short stay business visitor visa grants

Country	2009–10	2010–11	2011–12
People's Republic of China	55 179	74 320	78 049
United States of America	56 952	62 669	68 557
United Kingdom	36 336	40 016	41 796
India	22 107	25 586	26 462
Japan	20 103	23 045	23 744
Singapore	15 080	19 290	19 097
Indonesia	14 086	15 892	15 837
Germany	12 405	13 927	15 013
Malaysia	11 965	14 480	13 663
Canada	10 003	11 274	12 026

Working Holiday (subclass 417) visa trends

Working Holiday (subclass 417) visa holders may be eligible for a second Working Holiday visa, provided that they complete three months of specified work in regional Australia while on their first Working Holiday visa.

Subclass 417 visa grants increased by 15.7 per cent to 214 644 in 2011–12, from 185 480 in 2010–11. The number of visas lodged electronically also increased by 0.6 per cent to 98.9 per cent of total subclass 417 visas.

Work and Holiday (subclass 462) visa trends

In 2011–12, 8348 Work and Holiday (subclass 462) visas were granted, a 12.2 per cent increase compared to the 7442 visas granted in 2010–11. In 2011–12, 79.0 per cent of Work and Holiday visa applications were lodged electronically through eVisa, compared with 83.3 per cent in 2010–11.

Working holiday maker program service standards

The service standard for the first Working Holiday (subclass 417) visa is six days, while the service standard for the second Working Holiday (subclass 417) visa requires 75 per cent of applications to be processed within 21 days. Service standards were met in 2011–12.

The Work and Holiday (subclass 462) visa onshore processing does not have a service standard time.

Migration health requirement

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

Table 32 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 32: Comparative rates of tuberculosis by population

Incidence of TB relative to the percentage of overseas-born persons in the Australian population, compared to the same ratio for other major developed countries			
Country	Population (000s) 2010 ¹	TB cases ² reported	TB rate ³ (cases per 100 000)
Australia	22 342	1 400	6
Canada	34 109	1 600	5
France	62 452	5 900	9
New Zealand	4 368	330	8
Sweden	9 379	630	7
United Kingdom	61 349	7 900	13
United States of America	309 051	13 000	4

1. OECD <http://stats.oecd.org>, Annual Labour Force Statistics Summary Tables: Population (note, figures have been rounded to the nearest thousand)
2. TB incidence figures for 2010. Global Health Observatory data repository. Available at <http://apps.who.int/ghodata/>
3. WHO Global TB database available at www.who.int/tb/country/data/profiles/en/index.html, figures as at 2010



Case study

Leading global immigration health management

For several years, the department has been leading a drive for Australia, Canada, New Zealand, the United Kingdom and the United States of America—the Five Country Conference (FCC) member countries—to cooperate more closely in immigration health checking, in particular to meet the challenges of tuberculosis testing.

This year, the Intergovernmental Immigration and Refugee Health Working Group (IIRHWG), developed a common e-platform, called eMedical, for Australia and Canada to process health cases. It will be operational in November 2012. The intention is for this platform to be rolled out to other countries.

‘Through close cooperation, we implemented a governance structure in 2011 for the IIRHWG that shares the burden of work between all partners,’ said the department’s Chief Medical Officer Dr Paul Douglas.

 ‘We have also improved the pre-departure and post-arrival health management of refugees, meeting specific tuberculosis challenges.’

‘We also implemented a Memorandum of Understanding so that each country can share information on all aspects of immigration health operations and policy.

‘There has been a significant alignment of panel physician networks—that is, the medical professionals who are accredited to perform immigration health checks—and associated quality assurance activities.

‘We have also improved the pre-departure and post-arrival health management of refugees, meeting specific tuberculosis challenges.

‘At this stage, New Zealand has largely aligned its panel network with Australia and the two countries are working closely to align immigration health policies and processes.

‘At the same time, the United Kingdom has highlighted that the work of the group, and in particular the leadership that has been demonstrated by this department, has assisted them to develop a pre-migration TB screening policy to better protect its population.

‘Other countries and international organisations from Asia, Europe and the Middle East, have approached the department to learn about our method for tuberculosis testing and treatment in pre-migration screening,’ Dr Douglas said.

The IIRHWG is part of the FCC, a forum for international co-operation on migration and border security, and was established in 2005.

Photo: Panel physicians are medical professionals accredited to perform immigration health checks.

Expansion of electronic health processing

The department's eHealth system removes the need for processing of 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. Because results are submitted electronically, they are received instantly by the department, avoiding the delay and risk of loss associated with sending paper examination results to Australia. The eHealth system also helps to 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 2011–12, the department continued its concerted expansion of eHealth, with a further 25 countries participating with access to the online system. As a result of these efforts, eHealth is now available in 58 countries.

In 2011–12, more than 321 202 health cases were able to be processed in eHealth. This is an increase of almost 124 per cent from 2010–11. These numbers are also expected to continue to rise during 2012–13 as the department moves towards implementation of 100 per cent eHealth processing across these locations.

Panel network and cooperation

The department has an extensive global panel doctor network which undertakes immigration medical examinations for offshore visa applicants. At 30 June 2012, there were 2271 panel members in 756 clinics in 164 countries.

The implementation of eHealth and preparation for the implementation of eMedical continues to be a major driver, with 33 per cent of clinics now eHealth enabled (an increase of 27 per cent). The focus on combined clinics (medical and radiology at one location), designed to improve client service and integrity, continues with 32 per cent of clinics now falling into this category (an increase of 19 per cent).

Panel training, support and communication are ongoing priorities with robust onsite and desktop audit programs in place to ensure that client service standards and the integrity of this network are maintained. As a consequence of this work, an additional 37 countries now have local health clearance, which means that the results of health examinations that do not identify any significant health concerns do not need to be referred to a Medical Officer of the Commonwealth in Australia. This creates efficiencies for both clients and the department.

In March 2012, the panel physician instructions were revised and updated and panel training was undertaken by the Australian panel and as part of our intergovernmental collaboration. More than 200 panel physicians attended Australian panel training in 2011–12. The largest summit was a two-day training conference held in Singapore in June 2012 for 120 panel physicians.

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 an aligned global panel physician network. In 2011–12, significant progress was made in achieving this outcome through information sharing regarding panel performance and audit outcomes, and joint panel training. The focus is now on governance processes for an aligned panel, and on seeking efficiencies and greater integrity through service level agreements with FCC partners, in order to share some of this work.

Engagement with Canada and New Zealand is further enhanced through the central health project and progression towards eMedical. Alignment with the United States of America and United Kingdom in strengthening TB diagnostic and screening networks is being progressed through shared clinics and quality control standards.

A major focus area and achievement in 2011–12 was the establishment of a TB panel based on the significant work of the United States of America, with Australia now having 26 TB-approved clinics in 12 of our highest TB-risk countries.

Central health program

The central health program is a four-year program of work which began in 2010–11 and which will deliver an integrated information technology and business solution for 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.

The central health project is on track to be delivered in late 2012.

Office of the Migration Agents Registration Authority

The Office of the Migration Agents Registration Authority (Office of the MARA) regulates 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. Through this work, the Office of the MARA contributes to the well managed entry and settlement of people in Australia.

At 30 June 2012, there were 4687 registered migration agents who were providing immigration assistance (as defined in section 276 of the Migration Act).

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 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: The Office of the MARA has an extensive stakeholder engagement and outreach program. Staff made presentations to and participated in forums with prospective and registered migration agents and stakeholders at universities and professional conferences. The program also included presentations to settlement officers, community organisations, migrant resource centres and various community groups.

The Office of the MARA expanded the range of products and information available on its website. A translated booklet titled *Your Rights — tips on using a registered migration agent* is now available in 24 community languages, including English. A YouTube video, *Using a registered migration agent*, is now available in nine community languages, including English.

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

Information for registered migration agents and key stakeholders includes a quarterly chief executive newsletter. This newsletter now features a code alert section and provides links to information of direct relevance to an agent's understanding of their obligations. The web site was also updated to include information and tip sheets for agents on protecting the security and confidentiality of their clients' information.

Building on the successful launch of the ethics toolkit and Ethi-call service in 2010–11, an online training resource was developed, titled *Ethics Bytes*. The first of four modules is available on the website. All the resources serve to assist registered migration agents in identifying and resolving ethical dilemmas they may encounter while performing their duties as an agent.

A review into the handling of client monies, seeking to identify measures to increase the financial protection of consumers through increased education and awareness of agents in complying with their financial obligations, was concluded during 2011–12. The associated *Handling of client monies report* and draft client monies toolkit were made available for public comment through the Office of the MARA website. Finalisation and release of the toolkit as a practical resource is planned for 2012–13.

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 2011–12, the Office of the MARA continued to ensure that only suitable people were approved to be registered migration agents. Thirteen applications for registration were refused, 19 applications were withdrawn and a further 24 applications were finalised on the basis of incompleteness. Four matters were appealed to the Administrative Appeals Tribunal (AAT). Of these, two were subsequently withdrawn and two remain before the AAT.

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. Issues contributing to refusal to register a number of applicants included criminal history, integrity, competence, failure to complete professional development, English language proficiency and failure to hold professional indemnity insurance.

From July 2012, the English language requirement for initial applicants will be incorporated into the Regulations as a registration requirement. In 2014, agents applying for repeat registration will be required to satisfy English language proficiency requirements, unless exempt.

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

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

Result: As part of its commitment to ensuring that agents maintain appropriate knowledge levels, the Office of the MARA oversees the continuing professional development (CPD) scheme. CPD ensures that the level of professionalism and knowledge of agents is improved and enhanced on an ongoing basis.

Enhancements have included the implementation of the practice-ready program (PRP). The PRP is designed as a practical and highly interactive program aimed at equipping registered migration agents in their first year with the relevant skills and knowledge to practise successfully as migration agents. This ensures that their level of knowledge and skill is enhanced on an ongoing basis.

Mentoring was introduced as a CPD activity, allowing registered migration agents to acquire development points through a structured and supported agreement. The introduction of mentoring ensures that agents, in their first five years of practice, receive expert guidance from an experienced agent on case resolution and skills development.

The Office of the MARA conducted a survey of all registered migration agents, seeking their feedback on matters relating to CPD, given the substantial changes to the CPD framework in 2011. The objective of the research is to provide an in-depth understanding and benchmark of registered migration agents' perceptions of the CPD scheme and activities. The survey was made available to all registered migration agents in March 2012 and found that 82 per cent of all respondents were satisfied with CPD activities that they had attended in the preceding 12 months.

Evaluation of approved CPD activities forms an integral part in moving forward and in ensuring that the activities continue to meet core learning outcomes and address the evolving needs of the profession. Following the evaluations, feedback is made available to CPD providers and is further supplemented with regular meetings focusing on current processes and identifying opportunities for improvement.

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

Result: In addition to the communication strategies previously outlined, the Office of the MARA has continued its efforts towards improved consumer protection, through active liaison with other federal and state regulatory bodies, including legal regulatory bodies, the Insurance Council of Australia, Department of Education, Employment and Workplace Relations and state fair trading agencies.

With the advent of Australian Consumer Protection legislation, the process of referring fee disputes to the Office of Fair Trading has been streamlined. The Office of the MARA can refer matters through one central point and the NSW Office of Fair Trading then allocates the referral to the appropriate state for resolution.

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

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: All complaints about registered migration agents are dealt with fairly, and in a transparent and consistent manner. Internal quality control measures have been established to support this process. Information about the complaints handling process is publicly available on the Office of the MARA website in the 'About us' section.

This includes a policy and procedures manual, probity statement, protocol document and various Memoranda of Understanding.

Complaints relating to the provision of legal services are referred to the relevant legal regulatory body for consideration. Referral has been streamlined through strengthened cooperative partnership arrangements and improved sharing of information with the legal regulators. These are outlined in a Memorandum of Understanding (MoU) with the legal regulators in New South Wales, Victoria, Queensland and Western Australia.

The Office of the MARA has entered into an MoU with the department to ensure that matters referred by the department for investigation are fully substantiated with relevant supporting evidence and in accordance with agreed guidelines.

An agreement is also in place with the NSW Office of Fair Trading, relating to referrals where the complaint received is within their jurisdiction, such as a fee dispute.

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: Strong anecdotal feedback has been received that the information resources produced by the Office of the MARA have increased consumer understanding.

Requests have been received for additional quantities of the resources, which were developed to improve consumer awareness. The translated booklet and consumer contact card have been particularly well received.

In addition, the Office of the MARA has tracked the distribution and downloading of its communication products, with indications of a high take-up. Coverage in ethnic media, including radio, has further spread information to consumers about their rights to complain about any practice that is of concern.

As part of evaluating its communications strategy, a survey was sent in June 2012 to community groups to test levels of consumer awareness of the office and the importance of using an agent who is registered in Australia.

Office of the Migration Agents Registration Authority—key performance indicators

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

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

- finalisation of 95 per cent of complete initial registration applications within four weeks of the objection period elapsing—the standard achieved increased from 97 per cent in 2010–11 to 99.1 per cent
- finalisation of 95 per cent of complete repeat registration applications within four weeks of receipt—the standard achieved increased from 97.8 per cent in 2010–11 to 98.9 per cent.

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

Result: At 30 June 2012, 413 CPD-approved activities were available through 47 providers, with a choice of delivery modes and at different price point ranges. Applications for three CPD activities were either refused or withdrawn, because they failed to meet the required minimum standard.

Throughout the year, the Office of the MARA evaluated 37 activities to ensure that the providers were delivering the learning outcomes in line with the approval of the respective activity.

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

Result: In 2011–12, 481 complaints were received or re-opened and 520 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 of a complaint (such as fee disputes).

Nineteen sanction decisions were made, with seven decisions appealed. One matter was withdrawn, with the remaining six before the AAT for review.

An independent review of the handling of complaints was finalised. The review found that the complaints handling function of the Office of the MARA is sound, with many elements of current good practice. To continue to improve complaints processes, the report recommended developing a risk model to better prioritise complaints and further streamline existing investigation processes of less serious professional conduct matters.

Table 33: Office of the MARA—performance information

Key performance indicators	2011–12 target	2011–12 results
Percentage of MARA's stakeholders that find information products useful and informative	> 60%	> 60%
Percentage of complete registration applicants finalised within service standards	95%	98.9%
Percentage of registered migration agents who participated in continuing professional development activities and found them useful	>65%	>82%
Percentage of registered migration agents applying for repeat registration who were compliance checked	100%	100%
Percentage of complaints finalised within service standards	100%	70%



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: Fatina (L) and Neema (R) are twins, reunited in Australia after being separated due to conflict in the Democratic Republic of the Congo.

The program managed under Outcome 2 is:

Program 2.1 Refugee and humanitarian assistance

During 2011–12, Program 2.1 was primarily managed by the Refugee, Humanitarian and International Policy Division, with Governance and Legal Division having primary responsibility for the departmental item 'Litigation'. This section reports on the deliverables and key performance indicators for Program 2.1 as published in the department's *Portfolio Budget Statements 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

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 the 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.

Major achievements

Offshore program

In 2011–12, a key achievement for the Humanitarian Program was the delivery of 13 759 visas against a planning figure of 13 750 places. This number included 6718 visas granted under the offshore component and 7041 program countable visas granted under the onshore component.

Of the total 13 759 visas, 44 per cent were granted to refugees and 5 per cent were Special Humanitarian Program visas. The remaining 51 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 13.7 per cent of refugee visas (821 visas) were granted to Woman at Risk visa 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 the 2011 calendar year, UNHCR reported that Australia remained in the top three resettlement countries, after the United States of America and Canada.

In 2011–12, 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 2011–12 were:

- Middle East/South West Asia—Iraqi minorities from a range of countries in the Middle East, Iranian Baha'is from Turkey, and Afghans from Iran and Pakistan
- Asia—Burmese refugees from Malaysia, Thailand and India and Bhutanese refugees from Nepal
- Africa—refugees from Ethiopia, the Democratic Republic of the Congo and Eritrea.

Within Australia's immediate region, 1531 UNHCR-mandated refugees from Malaysia and Indonesia were resettled during 2011–12. This group included 1350 refugees from Malaysia as part of Australia's undertaking to resettle an additional 4000 UNHCR-mandated refugees over four years from Malaysia.

During 2011–12, Australia also granted visas to a group of 110 refugees from the Horn of Africa who had fled the conflict in Libya. This was part of an international emergency response coordinated by UNHCR to resettle these vulnerable refugees.

In July 2011, Australia took over as Chair of the Annual Tripartite Consultations on Resettlement (ATCR) and Working Group on Resettlement (WGR) meetings for 2011–12, chairing the October 2011 WGR in Geneva and the February 2012 meeting in Melbourne—the first time a meeting had been held in the southern hemisphere. The government was assisted in the chairing role by the Refugee Council of Australia.

During 2011–12, Australia entered into informal partnership arrangements with the immigration agencies in Argentina and Romania to assist with capacity building and strengthening of their resettlement programs.

Onshore program

Complementary protection was introduced into the protection assessment process on 24 March 2012. This means that the department considers, as part of the primary assessment, both refugee claims and complementary protection claims, that is, claims under international conventions and treaties other than the Refugees Convention. This change enables people facing certain types of harm to have their claims for protection recognised sooner.

On 24 March 2012, the department also moved to a single Protection visa process, irrespective of the mode of arrival. This provides all Protection visa applicants, including irregular maritime arrivals, with access to the statutory protection process, including merits review at the Refugee Review Tribunal (RRT).

This year, an external review of the protection obligations determination process for departmental protection decision making tested the effectiveness of the quality assurance framework. The review found the framework is among world's best practice and supported its continued operation as a support for good decision making.

Taking into account ongoing changes in caseload and claims, the department continued its careful monitoring of countries for changes in circumstances to ensure that reliable, up-to-date country of origin information is available for use in protection decision making. During the reporting period, the department took substantial steps towards the introduction of an updated technology platform for our country of origin information holdings, called CISNET.

Challenges

Offshore program

In 2011–12, the greatest challenge remained accommodating very high demands on the Humanitarian Program within the 13 750 available places, resulting from an increased number of irregular maritime arrivals, a continuing high level of applications from refugees, as well as people overseas seeking to reunite with their families in Australia under the special humanitarian program (SHP).

The SHP was under particular pressure with around 20 000 unfinalised applications, 15 000 of which were for immediate family members. Due to the demand for visa places for people who engaged Australia's international protection obligations, there were limited places available for the SHP. The SHP outcome in 2011–12 was 714 grants, the lowest since its inception in the early 1980s.

Ongoing conflict in Syria during the year affected Australia's ability to process applications from this country which hosts the largest population of Iraqi refugees in the region. The department was able to respond to this challenge by introducing video-conferencing arrangements with the assistance of UNHCR in Damascus. This allowed Australia to continue the resettlement of refugees from Syria during the year when other countries were unable to do so. Video-conferencing is now being trialled in other locations where there are accessibility or security issues.

Following the challenge to the Australia-Malaysia transfer and resettlement arrangement in the High Court in M70/2011, on 13 October 2011, the government announced that it was not in a position to proceed with offshore processing of asylum seekers and was therefore unable to implement the arrangement. It also announced that Australia would however continue to honour its commitment to Malaysia and resettle an additional 4000 UNHCR-mandated refugees over the next four years, although within the existing program of 13 750 places. The mission in Kuala Lumpur, working closely with UNHCR, was able to deliver 1350 refugee visa grants in 2011–12 (1000 of the additional places and 350 from its existing program).

Onshore program

The outcome of several significant cases currently before the courts, including the High Court, may require further policy and legislative development in areas such as ministerial intervention and adverse security assessment cases.



Case study

Australian refugee resettlement shines on the world stage

Each year, representatives from governments, non-government organisations and the United Nations High Commissioner for Refugees (UNHCR) come together for the Annual Tripartite Consultations on Resettlement/Working Group on Resettlement (ATCR/WGR) meetings to discuss refugee resettlement needs and to identify strategies to address key challenges.

Until July 2011, delegates had nearly always met in Geneva. However, Australia, as the 2011–12 Chair of the ATCR/WGR, was able to entice 90 delegates from 18 countries to the southern hemisphere in February 2012 for an event quite unlike previous WGR meetings.

The four-day meeting involved two days of plenary sessions preceded by two days of site visits to government-funded settlement service providers in metropolitan Melbourne and further afield in Geelong and Shepparton. It was the first time such site visits were included as part of the WGR.

During the plenary sessions, delegates discussed their observations of Australia's settlement services and how to apply what they had seen to specific challenges in their own countries, as well as issues facing settlement and integration services more broadly.

The visitors were impressed by the scope of Australia's settlement programs and particularly noted the involvement of former humanitarian entrants in helping new arrivals settle, either as volunteers or as settlement service workers.

Groups of former refugees were involved in various aspects of the WGR meeting, giving orientation presentations to the delegates and sharing their resettlement experiences and perspectives in both the plenary sessions and during the site visits. Refugee groups also prepared traditional food to cater for the meeting.

Delegates were split into several groups to allow participants to see as many settlement programs and projects as possible. Groups visited organisations including Foundation House, Adult Multicultural Education Services, Spectrum Migrant Resource Centre and Victorian Arabic Social Services.

During each site visit, settlement service workers and former refugees gave presentations and shared their experiences and perspectives.

'What I find really interesting in Australia is the amount of resources and efforts that go into supporting refugees,' UNHCR delegate Michael Casasola said.

'It is also interesting to see how they're integrating refugees to assist other refugees throughout this process.'

One group visited Diversitat in Geelong, which operates a range of initiatives, including a community garden, a community radio station and a car workshop, where humanitarian entrants learn new skills to improve their employment prospects.

'It's quite exciting to see all the different initiatives they are taking here at this centre to get the refugees into employment but also get them to start a new life here—some very creative things,' Belgian NGO representative Torsten Moritz said.

Photo: Former refugees were involved in all aspects of the Working Group on Resettlement meetings in Melbourne in February 2012.



Watch a video about the first Working Group on Resettlement meeting to take place in the southern hemisphere on the enclosed CD-Rom.

Table 34: Outcome 2 Financial resources summary 2011–12

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.

	Budget ² 2011–12 \$'000 (a)	Actual expenses 2011–12 \$'000 (b)	Variation 2011–12 \$'000 (b)-(a)	Budget estimate 2012–13 \$'000 (c)
Program 2.1: Refugee and humanitarian assistance				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	35 240	34 496	(744)	39 110
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	65 988	68 653	2 665	64 300
Expenses not requiring appropriation in the Budget year ¹	3 869	2 866	(1 003)	4 074
Total for Program 2.1	105 097	106 015	918	107 484
Total expenses for Outcome 2	105 097	106 015	918	107 484
Average Staffing Level (number)	487	473	(14)	479

1. Expenses not requiring appropriation in the Budget year are expenses relating to depreciation and amortisation.

2. The 2011–12 Budget represents the Estimated Actual Budget published in the *Portfolio Budget Statements 2012–13*.

Program 2.1 Refugee and humanitarian assistance

Program 2.1 consists of three departmental items:

- Offshore Humanitarian Program
- Protection visas (onshore)
- Litigation

There are seven administered items under this program:

- Allowances for persons granted temporary visas in the Humanitarian Program
- Immigration advice and application assistance scheme—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 the Inter-Governmental Consultations on migration, asylum and refugees—membership contribution

The objectives of Program 2.1 are to:

- meet Australia’s international protection obligations under the 1951 Refugee 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 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

Refugee and humanitarian assistance—deliverables
Deliverable: Deliver a Humanitarian Program of 13 750 places (inclusive of onshore places)¹. Result: In 2011–12, 13 759 visas were granted under the Humanitarian Program.
Deliverable: Deliver 12 per cent of offshore refugee grants through the Woman at Risk subclass. Result: In 2011–12, 821 Woman at Risk visas were granted under the Humanitarian Program, representing 13.7 per cent of offshore refugee grants.

1. The Humanitarian Program in the *Portfolio Budget Statements 2011–12* was set at 14 750 places. It was revised downwards to 13 750 in the *Portfolio Additional Estimates Statements 2011–12* following the High Court challenge to the arrangements that had been agreed with Malaysia.

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: Those seeking protection receive high quality support in line with world best practice and quality assurance that continues to improve outcomes.

Clients have access to the immigration advice and application assistance scheme (IAAAS), community assistance scheme (CAS) and asylum seeker assistance scheme (ASAS).

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

Result: Australia, together with the United States of America and Canada, continued to be within the top three resettlement countries during 2011–12, with 13 759 visas granted as outlined at Table 35.

Indicator: Targeted consultations with clients and stakeholders are held to:

- provide feedback on effectiveness of humanitarian program delivery and pre-departure services
- inform policy development and program innovation and design.

Result: The twice-yearly DIAC–NGO (non-government organisation) dialogue on humanitarian issues took place in August 2011 and March 2012. The dialogue is attended by senior departmental officials and peak NGO 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 2012 as part of community consultation on the size and composition of Australia's Humanitarian Program. During the consultation process, the department also considered 50 submissions from community organisations, individuals and other government agencies with an interest in the Humanitarian Program.

The department also funded the Refugee Council of Australia (RCoA) to undertake consultations and to provide a submission representing the views of the community on the humanitarian program.

Information sessions on aspects of the Humanitarian Program were delivered to key community groups in most states and territories. In addition, meetings on the program were held with key community leaders and the minister.

The Australian Cultural Orientation (AUSCO) program ran four workshops to engage with stakeholders and community representatives. Several presentations were also delivered to stakeholders to inform them about the program.

The Orientation Consultative Committee, formed in June 2011, provides a forum for industry experts and community groups to give feedback and raise important issues regarding the effectiveness of orientation programs. A meeting of the committee was held in March 2012.

Senior departmental officials met with key external stakeholders through the Onshore Protection Consultative Group in July 2011, November 2011 and February 2012.

These meetings drew 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 (IOM).

Some specific examples of the department's working relations with international partner agencies in 2011–12 included the provision of funding to:

- UNHCR in Indonesia to assist in undertaking a range of activities, including: registration of new arrivals, detention facility visits, voluntary repatriation interviews, refugee status determinations, advocacy work including socialisation activities with local authorities and local communities, and training for local authorities to deal with asylum issues
- UNHCR to reinforce its capacity to register and undertake refugee status determination for asylum seekers in Malaysia
- UNHCR to support the strategy for protection capacity building in the Pacific. This project aims to strengthen the understanding and national capacity of Pacific island countries to protect refugees, while also managing their border and immigration systems in sound and effective ways.

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.

In July 2011, Australia assumed the chair for the meetings of the Annual Tripartite Consultations on Resettlement (ATCR) and the Working Group on Resettlement (WGR).

The ATCR is an important forum for UNHCR's cooperation with governments and NGOs and serves to promote and enhance resettlement partnerships. The ATCR meeting took place in July 2011.

The WGR meetings are a forum for discussing policy and operational issues around resettlement, including caseload specific issues and concerns among emerging countries. Australia chaired WGR meetings in October 2011 in Geneva, and in February 2012 in Melbourne.

At the July 2011 ATCR meeting, Australia agreed to a twinning arrangement with Argentina and Romania to assist in strengthening their protection framework and resettlement capacity.

Refugee and humanitarian assistance—key performance indicators *continued*

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: Discussion under Outcomes 2.1 and 4.3 highlights a range of examples of our activity in relation to migration and refugee issues that have had a positive effect on managed migration and refugee issues internationally. A further example of the department's activity under this indicator is our role in the *Solutions strategy for Afghan refugees: Linking humanitarian action to development assistance*. This strategy seeks to enhance the development and reintegration potential of high return communities in Afghanistan, particularly in the sectors of livelihood, basic services and shelter. The objective is to create communities that are viable in the long term, which will help returnees remain in Afghanistan and support the increased return of refugees from host countries Pakistan and Iran. This strategy was endorsed by some 50 countries and international organisations on 3 May 2012.

Important multilateral activities included:

- continued engagement with the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime to establish in Bangkok a Regional Support Office to support and strengthen practical cooperation on refugee protection and international migration
- Australia's participation in the Intergovernmental Ministerial Meeting as part 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. At this event, co-chaired by the Minister for Immigration and Citizenship, Australia and many other states reaffirmed and strengthened their commitment to the work of the UNHCR and their ongoing support for the protection of refugees and stateless persons.

Table 35: Refugee and humanitarian assistance—performance information

Key performance indicators ¹	2009–10 actual	2010–11 actual	2011–12 target	2011–12 actual
Percentage of onshore protection applications decided within 90 days in accordance with legislation	71.8%	60.7%	100%	64.8%
Australia's ranking as a resettlement country	Within top 3 countries	Within top 3 countries	Within top 3 countries	Within top 3 countries

1. Key performance indicators published in the *Portfolio Budget Statements 2011–12* were altered in the *Portfolio Additional Estimates Statements 2011–12*.

Administered items

Administered item—Allowances for persons granted temporary visas in the Humanitarian Program¹

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

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

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

1. The word 'temporary' was omitted in the *Portfolio Budget Statements 2011–12*. As this administered item only covers temporary visas, the word 'temporary' was reintroduced in the *Portfolio Additional Estimates Statements 2011–12*.

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
- general immigration advice.

Result: There are 21 IAAAS providers funded to provide these services across Australia, comprising commercial migration agent practices, legal aid agencies and non-government community bodies. In 2011–12:

- 1014 application assistance services were provided to people in immigration detention and eligible clients in the community
- 7933 general immigration advice services were provided.

The total cost was \$3.665 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.

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.

Result: International organisations and NGOs, including UNHCR, IOM, ChildFund and CARE Australia, received funding of \$7.2 million through the displaced persons program (DPP). The DPP promotes durable solutions for displaced people and militates against further onward movement. Selected projects focus on populations which make up key sources of irregular maritime arrivals (IMAs) to Australia, and aim to assist some of the region's most vulnerable and most protracted displaced population situations.

The priority populations for 2011–12 were Afghans, Iraqis, Africans, Rohingyas and Sri Lankans, as well as displaced populations from these countries within the key transit countries of Indonesia, Malaysia and Thailand.

Funding was provided for 15 projects to support and assist:

- internally displaced Sri Lankans to develop livelihoods (through CARE Australia)
- vulnerable Iraqi refugees in Jordan with community assistance (through CARE Australia)
- internally displaced Afghans with livelihood opportunities (through CARE Australia)
- vulnerable displaced Sri Lankans with farm-based livelihood support (through ChildFund)
- Rohingyas in Thailand to access social and health services (through IOM)
- Afghans returning from Pakistan with post-arrival assistance (through IOM)
- internally displaced Sri Lankans with health protection (through IOM)
- at-risk refugee women and girls in Dadaab, Kenya (through the Centre for Refugee Research at the University of New South Wales)
- Sri Lankan Tamils in India with protection and livelihood support (through the Danish Refugee Council)
- Iraqis in Jordan with training and assistance for disabled persons (through UNHCR)
- internally displaced Sri Lankans in Northern Sri Lanka with protection (through Act For Peace/National Council of Churches in Australia)
- the upgrade of Afghan border reception and transit centres to allow for increased numbers of Afghan returnees (through IOM)
- post-arrival assistance for returning Afghans (through IOM)
- increased resettlement from Malaysia to Australia for transit populations (through UNHCR)
- a scoping study on migrants and asylum-seekers in Thailand, Indonesia and Malaysia (through the Minister's Council on Asylum Seekers and Detention).

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, the 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: (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 \$882 552 (due to exchange rate variations), was paid on time.

Deliverable: Australia's contribution to the administrative costs of the IOM enables the department to participate in the governance of the IOM and ensure that the IOM's work continues to reflect Australia's interests, in particular a state-driven approach to managing migration.

Result: In 2011–12, Australia contributed to, and maintained membership of the IOM through its financial contribution. This contribution supported IOM's global operations which remain well-positioned to provide governments with expert policy advice and access to research to inform the development of managed migration policies.

Australia participated in a number of governance meetings, including the 100th IOM Council meeting, where states discussed global migration challenges and the future of regional and international cooperation and dialogue.

Administered item—Payments to the Australian Red Cross Society for the asylum seeker assistance scheme

Objective: Consistent with Australia's international obligations under the 1951 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 capped at 89 per cent of the Centrelink Special Benefit payable to an equivalent Australian family.

Deliverable: Estimated number of people assisted: 3000.

Result: During 2011–12, assistance was provided to 3083 people at a cost of \$11.6 million. The number of people assisted was 2.8 per cent above the forecast target, and higher than the 2898 assisted in 2010–11.

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

Objective: Through a contracted agency, provision of health screening for all eligible applicants under the Offshore Humanitarian Program; and provision of assisted passage and associated costs to people approved for entry to Australia under the refugee categories 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: In 2011–12, 6514 refugees were moved to Australia at a total cost of \$6.784 million.

More than 500 clients granted visas in 2010–11 were moved in addition to those granted visas in 2011–12.

Deliverable: Number of refugee applicants medically screened for entry to Australia: 14 500.

Result: In 2011–12, 25 549 refugee applicants were medically screened for entry to Australia.

A total of 14 622 applicants were medically assessed with 10 927 undertaking the departure health check (DHC), formerly known as pre-departure medical screening, at a total cost of \$3.628 million.

Overall expenditure on travel, medical screening and related services was \$10.412 million.

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: In 2011–12, Australia contributed to, and maintained membership of the IGC through a financial contribution of \$119 852, due to adjustments to contributions and exchange rate variations, which was paid on time.

In 2011–12, the IGC continued to perform strongly by providing participating states with an informal framework for sharing information and developing policy perspectives on current migration and asylum issues, taking into account the interests of individual participating states.

Participating states discussed the challenges of changing labour dynamics in migration, motives for migration and best practice approaches to achieve positive migration outcomes from the management of international migratory flows.

Offshore humanitarian program

Australia's Humanitarian Program has 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 UNHCR, IOM, other resettlement countries and 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 2011–12, the Humanitarian Program was set at 13 750 places and 13 759 visas were granted during the program year. This comprised 6718 (49 per cent) under the offshore (resettlement) component and 7041¹ (51 per cent) under the onshore (protection) component.

Under the offshore component, 6004 (89 per cent) were refugee visas and 714 (11 per cent) were Special Humanitarian Program visas.

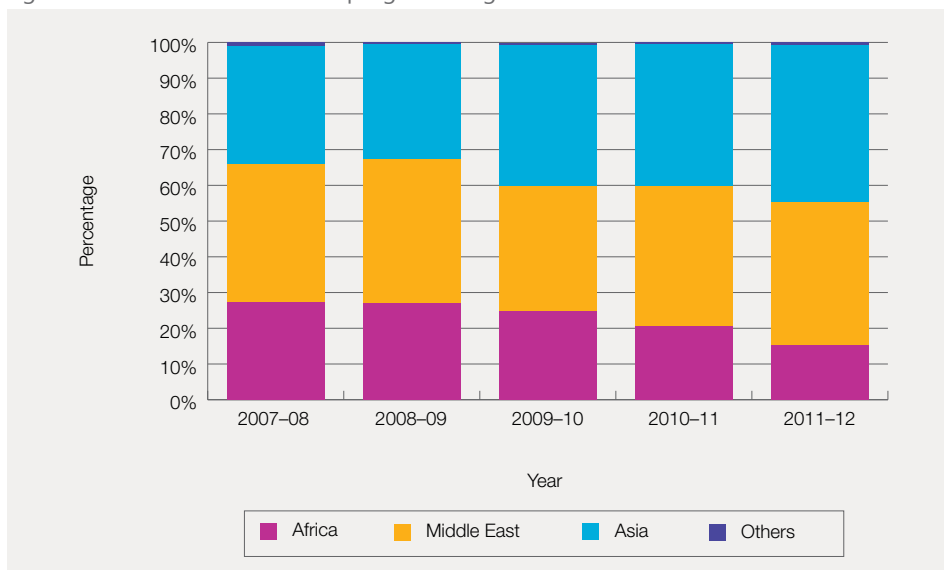
Table 36: Humanitarian Program visa grants by component and subclass

Number of persons granted visas, by subclass 2011–12	
Subclass	Number
Refugee	
Refugee (subclass 200) visa	5 140
In-country Special Humanitarian (subclass 201) visa	43
Emergency Rescue (subclass 203) visa	0
Woman at Risk (subclass 204) visa	821
Total Refugee	6 004
SHP	
Global Special Humanitarian (subclass 202) visa	714
<i>Total SHP</i>	<i>714</i>
Total	6 718

1. This figure includes two special humanitarian program visas granted onshore through the ministerial intervention process under sections 351 and 195a of the Migration Act and one Resolution of Status (subclass 851) visa.

Under the offshore component, the highest number of visas granted in 2011–12 was to applicants from Asia (40.9 per cent), followed by the Middle East (37.1 per cent), followed by Africa (21.5 per cent), with the remaining visas (0.5 per cent) granted to applicants in Europe and the Americas.

Figure 7: Offshore humanitarian program—regional source trends



Processing times for the offshore component in 2011–12 were improved compared to 2010–11, with 84 per cent of cases finalised within 52 weeks, which is well above the service standard of 75 per cent of applications finalised within 52 weeks. A contributing factor in this improvement was the reduction in on-hand cases.

In 2011–12, 42 820 people lodged applications under the offshore program, compared with 54 389¹ in 2010–11. This was a decrease of 21 per cent and was due to the reduction in self-referred applicants.

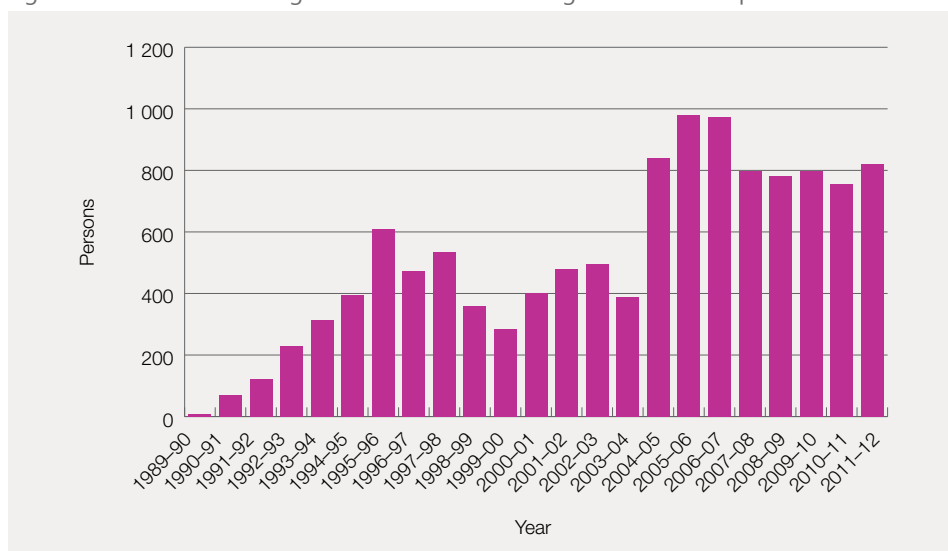
Woman at Risk visas

The target for Woman at Risk visas is 12 per cent of refugee category visas granted under the offshore component of the program. In 2011–12, the target was met with 821 visas granted to Woman at Risk applicants, representing 13.7 per cent of refugee category visa grants.

The top five countries of birth for Woman at Risk grants in 2011–12 were Afghanistan, Iraq, Burma, Somalia and Eritrea.

1. Figures relating to 2009–10 and 2010–11 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

Figure 8: Humanitarian Program Woman at Risk visa grants since inception



Consultations and information

A comprehensive program of engagement with humanitarian sector stakeholders was undertaken in 2011–12. To increase public understanding of the program, a range of consultations with communities and stakeholders was undertaken and information products were developed to provide consistent and accurate information.

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 2011–12, 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 the Refugee Council of Australia (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 730 people, representatives of almost 200 organisations and 33 refugee and humanitarian communities.

International Organization for Migration no-interest travel loan fund

IOM operates a no-interest travel loan fund to assist Special Humanitarian Program 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 help. The department continues to work with IOM to increase awareness of the fund among prospective applicants. A total of 455 individuals were assisted by the fund in 2011–12.

The Australian Cultural Orientation Program

The AUSCO program is provided before departure for Refugee and Special Humanitarian Program 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 2011–12, 293 AUSCO courses were delivered to 4529 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, Tunisia, 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 also provides initial links to the onshore services provided through the humanitarian settlement services (HSS).

In November 2011, the department hosted the first conference for both HSS and AUSCO trainers. This conference was aimed at strengthening linkages between offshore orientation and onshore settlement programs.

Departure health check

Departure health check (DHC), previously known as pre-departure medical screening, provides offshore health screening for refugee and humanitarian visa holders in the days preceding their departure for Australia.

DHC 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. DHC 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.

The location of DHC services will continue to reflect the source locations of the refugee and humanitarian caseload.

International stakeholder engagement on resettlement

In July 2011, Australia assumed the Chair of the Annual Tripartite Consultations on Resettlement (ATCR) and Working Group on Resettlement (WGR) meetings for 2011–12. The RCoA assisted the government in this role.

Australia chaired the October 2011 WGR in Geneva. The agenda for the meeting had a strong focus on issues relating to resettlement states. The next WGR meeting took place in Melbourne in February 2012—it was the first of these meetings in the southern hemisphere. This meeting focused on issues relating to settlement and integration and included site visits to settlement services, as well as plenary sessions.

The outcome of both working groups will be taken forward to the ATCR in Geneva in July 2012.

At the July 2011 ATCR, Australia agreed to informal partnership arrangements (twinning) with the immigration agencies in Romania and Argentina to assist with the development and strengthening of their resettlement programs. Twinning arrangements are strongly supported by UNHCR, linking established resettlement states such as Australia with emerging resettlement states. These arrangements serve to strengthen global protection activities and resettlement capacity, as well as providing learning opportunities for both partners.

The twinning program included a study tour to Australia for delegations from Argentina and Romania and a reciprocal visit of a departmental official and an Australian service provider, to conduct consultations and training on issues such as case management, working with NGOs and volunteers.

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 (prior to 24 March 2012 through the refugee status assessment or protection obligation determination arrangements) the protection claims of people who arrive at an excised offshore place and are unable to make a valid protection visa application unless the minister considers it is in the national interest to allow an application (note: changed processing arrangements came into force on 24 March 2012)
- considers applicants for complementary protection. Complementary protection is the term used to describe a category of protection for people who are not refugees as defined in the Refugee Convention, but who also cannot be returned to their home country or place of habitual residence, because there is a real risk that they would suffer a certain type of harm that would engage Australia's international non-refoulement (non-return) obligations (note: changed processing arrangements for the assessment of complementary protection came into force on 24 March 2012, following the passage of the *Migration Amendment (Complementary Protection) Act 2011*)
- 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 IAAAS.

Performance

In 2011–12, there were 14 415 Protection visa applications and refugee status determination requests from people seeking asylum in Australia, an increase of 25 per cent on the previous year.

Table 37: People seeking Australia's protection in 2011–12 compared to 2010–11

Applications lodged/requests received	2010–11 ¹	2011–12
Non-IMA Protection visa applications lodged	6 337	7 036
IMA refugee status determination requests received	5 174	7 379
Total	11 511	14 415

1. Protection visa figures relating to 2010–11 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

There were 7038 Protection visas granted to irregular maritime arrivals (IMAs) and non-IMAs, in total an increase of 46 per cent compared with 2010–11. The majority of this increase was due to the grant of Protection visas to IMAs, which increased by 75 per cent, while the number of Protection visas granted to non-IMAs was slightly higher than 2010–11, an increase of 8 per cent.

Table 38: Final Protection visa and resolution of status grants in 2011–12 compared to 2010–11

Grant type	2010–11 ¹	2011–12
Protection visa grants to non-IMAs	2 101	2 272
Protection visa grants to IMAs	2 719	4 766
Total Protection visa grants	4 820	7 038
Resolution of status grants ²	28	9

1. Protection visa figures relating to 2010–11 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

2. Resolution of Status visas are available as a permanent visa to current and former Temporary Protection visa or Temporary Humanitarian visa holders.

The top 10 countries of citizenship for non-IMAs applying for Protection visas in 2011–12 (in descending order) were the People's Republic of China, India, Pakistan, Iran, Egypt, Iraq, Fiji, Nepal, Malaysia and Lebanon. There was a significant increase in lodgements from citizens of India (an increase of 63 per cent), while the number of applications from citizens of Egypt decreased by 16 per cent.

Table 39: Protection visa applications lodged by key countries of citizenship in 2011–12 compared to 2010–11 (non-IMA)

Country of citizenship	2010–11 ¹	2011–12
People's Republic of China	1 124	1 216
India	556	906
Pakistan	549	667
Iran	386	462
Egypt	427	357
Iraq	221	297
Fiji	331	271
Nepal	229	241
Malaysia	212	196
Lebanon	174	182
Other	2 128	2 241
Total	6 337	7 036

1. Protection visa figures relating to 2010–11 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

The top 10 countries of citizenship for non-IMAs granted Protection visas in 2011–12 (in descending order) were Iran, Pakistan, the People's Republic of China, Egypt, Iraq, Sri Lanka, Zimbabwe, Turkey, Fiji and Lebanon.

Table 40: Final Protection visa grants and grant rates by key countries of citizenship in 2011–12 compared to 2010–11 (non-IMA)

Citizenship	2010–11 ¹	Final grant rate	2011–12	Final grant rate
Iran	368	96.1%	351	94.1%
Pakistan	208	80.3%	309	74.1%
People's Republic of China	315	29.8%	264	26.9%
Egypt	143	66.5%	204	66.4%
Iraq	114	95.0%	146	96.1%
Sri Lanka	118	77.6%	125	64.4%
Zimbabwe	172	76.8%	101	66.0%
Turkey	55	80.9%	70	70.0%
Fiji	88	18.3%	68	27.9%
Lebanon	64	41.6%	54	43.2%
Other	456	26.4%	580	27.4%
Total	2 101	43.4%	2 272	44.0%

1. Protection visa figures relating to 2010–11 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

The top three countries of citizenship for IMAs seeking Australia's protection in 2011–12 (in descending order) were Afghanistan, Iran and Iraq. There were significant increases in lodgements from citizens of Afghanistan (an increase of 96 per cent) and Sri Lanka (an increase of 130 per cent), while the number of applications from citizens of Iraq decreased by 35 per cent.

Table 41: Protection assessment¹ requests by key countries of citizenship in 2011–12 compared to 2010–11 (IMA)

Country of citizenship	2010–11 ³	2011–12
Afghanistan	1 621	3 179
Iran	1 563	1 553
Iraq	566	368
Sri Lanka	359	825
Stateless ²	854	576
Other	211	878
Total	5 174	7 379

1. The description of this table has been amended for 2011–12 due to the introduction of the assessment of complementary protection criteria from 24 March 2012.
2. 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.
3. Protection visa figures relating to 2010–11 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

The top three countries of citizenship for IMAs granted Protection visas in 2011–12 (in descending order) were Afghanistan, Iran and Iraq.

Table 42: Final Protection visa grants by key countries of citizenship in 2011–12 compared to 2010–11 (IMA)

Country of citizenship	2010–11 ²	2011–12
Afghanistan	1 335	1 972
Iran	334	1 272
Iraq	256	348
Sri Lanka	241	299
Stateless ¹	479	624
Other	74	251
Total	2 719	4 766

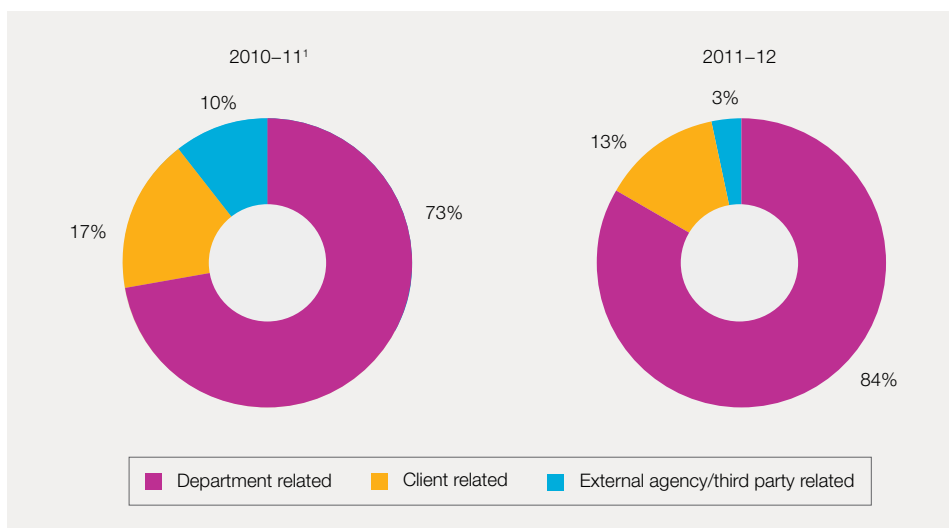
1. A stateless person is an individual who lacks identity as a national of a state for the purpose of law and is not entitled to the rights, benefits, or protection ordinarily available to a country's nationals. Statelessness is established where no country recognises the person as holding its citizenship.
2. Protection visa figures relating to 2010–11 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

Processing times

Processing Protection visas in a timely manner is a priority for the department. In 2011–12, 64.8 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 60.7 per cent in 2010–11. Figure 9 shows the reasons for delays beyond 90 days in 2010–11 and 2011–12.

The median number of days taken to decide primary cases in 2011–12 was 44 days compared to 76 days in 2010–11.

Figure 9: Reasons for delays in processing Protection visas beyond 90 days in 2010–11 and 2010–12



1. Data for 2010–11 have minor variations from those in Annual Report 2010–11 due to subsequent data revision.

In 2011–12, 84 per cent of Protection visa decisions that took more than 90 days were due to department-related delays, for reasons such as the complexity of some cases which required additional investigation, and resource-related issues.

In accordance with section 91Y of the Migration Act, monitoring of performance and reporting on processing within 90 days relates to Protection visa decision-making only. A similar provision does not exist for refugee status assessments of people who arrive at an excised offshore place.

Ministerial intervention

The minister has a set of powers under the Migration Act which allows the grant of a visa, if it is in the public interest, to certain people who have been found by a review tribunal not to satisfy the criteria for a visa. These powers are called 'public interest powers', or more commonly, ministerial intervention.

Table 43: Ministerial intervention under section 417 of the *Migration Act 1958*

Activity	2010–11 ¹	2011–12
Requests received	2 551	2 024
Requests finalised	3 000	1 974
Requests finalised by the minister	1 987	1 318
Visas granted	385	458

1. Ministerial intervention figures relating to 2010–11 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

Table 44: Ministerial intervention requests under section 417 of the *Migration Act 1958* by key countries of citizenship

Country of citizenship	2010–11 ¹	2011–12
People's Republic of China	495	405
Fiji	376	270
India	311	232
Egypt	73	112
Indonesia	166	84
Republic of Korea	98	82
Lebanon	98	72
Philippines	68	61
Sri Lanka	70	61
Bangladesh	108	55
Other	688	590
Total	2 551	2 024

1. Ministerial intervention figures relating to 2010–11 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

Table 45: Visa grants through ministerial intervention under section 417 of the *Migration Act 1958* by key countries of citizenship

Country of citizenship	2010–11	2011–12
Republic of Korea	41	74
Fiji	33	47
People's Republic of China	35	39
Indonesia	67	34
Sri Lanka	19	32
Philippines	21	28
Vietnam	4	17
Egypt	14	16
India	14	12
Lebanon	14	12
South Africa	5	12
Other	118	135
Total	385	458

1. Ministerial intervention figures relating to 2010–11 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

Table 46: Visa grants through ministerial intervention under section 417 of the *Migration Act 1958* by visa subclass

Visa subclass	2010–11	2011–12
Former Resident (subclass 151) visa	232	324
Carer (subclass 836) visa	63	77
Tourist (subclass 676) visa	40	25
Spouse (subclass 801) visa	8	12
Aged Dependent Relative (subclass 838) visa	21	10
Business (long stay) (subclass 457) visa	1	5
New Zealand Citizen Family Relationship (Temporary) (subclass 461) visa	0	1
Skilled—Graduate (subclass 485) visa	0	1
Postgraduate Research Sector (subclass 574) visa	0	1
Employer Nomination Scheme (subclass 856) visa	1	1
Skilled—Independent (subclass 885) visa	0	1
Other	19	0
Total	385	458

1. Ministerial intervention figures relating to 2010–11 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

Litigation

The outcome of several significant cases currently before the courts may require further policy and legislative development with regard to onshore programs. The decision of the High Court in M70/2011, relating to offshore processing, was one of a number of cases during the year which presented a challenge to the government.

Other significant cases in the High Court in 2011–12 included:

Shahi v MIAC [2011] HCA 52 (14 December 2011)—High Court—split family provisions

The decision of the High Court in *Shahi v MIAC* [2011] HCA 52 (14 December 2011) has significant implications for departmental operations in respect of the humanitarian visa program. Mr Shahi is a young Afghani national who arrived as an IMA in 2009. He was subsequently granted a Protection visa. His mother and her dependents, living in Pakistan, then applied for subclass 202 Global Special Humanitarian visas relying on the split-family provisions. Those applications were refused because Mr Shahi turned 18 after the applications were lodged. Once Mr Shahi turned 18, his mother was no longer a 'member of the immediate family' as defined in regulation 1.12AA. The definition controls family member sponsorship in subclass 202 (and also subclasses 200, 201, 203 and 204). Until this decision, the department had proceeded on the basis that the definition must be satisfied when visa applications are lodged and when visa applications are decided.

The High Court, in a 4-1 decision (French CJ, Gummow, Hayne & Bell JJ; Heydon J dissenting) found that the relevant 'time-of-decision' criterion in Schedule 2 of the Migration Regulations does not apply to split-family applications. In other words, it is sufficient to be a 'member of the immediate family' when the applications are lodged.

The effect of the judgment is that parents of subclass 202 proposers, and dependents of the parents, are able to meet the split-family provisions if the proposer is under the age of 18 when the visa applications are lodged. There is no longer a requirement for the proposer to be under 18 when decisions are made on the visa applications. This has implications for a substantial caseload of pending visa applications. A large number of visa applicants may now meet the split-family criteria. This has placed additional pressure on the special humanitarian program, which has a limited number of places each year. The department is considering policy changes to deal with the implications of the decision.

Plaintiff M47/2012 v Director-General of Security & Ors—High Court— Detention and removal of clients assessed to be refugees but who are the subject of adverse security assessments

On 18, 19 and 21 June 2012, the Full Bench of the High Court heard this matter.

The plaintiff had been refused a Protection visa, even though he was found to be owed protection obligations, because he did not satisfy public interest criterion (PIC) 4002, as he was the subject of an adverse security assessment. The plaintiff remains in immigration detention pending removal to a safe third country. The case raised three broad issues, being whether:

- the plaintiff can be lawfully removed from Australia, given that he has been assessed to be owed protection obligations
- whether the plaintiff's immigration detention is lawful
- whether the adverse security assessment issued in respect of the plaintiff should be quashed, due to an alleged breach of procedural fairness.

A loss in this case could impact on the ongoing detention of other clients who are the subject of adverse security assessments. It could also result in the invalidity of clause 866.225 of Schedule 2 of the Migration Regulations 1994 to the extent that it requires an applicant for a protection visa to satisfy PIC 4002.

Judgment is reserved.

International engagement

Australia continued its strong contribution and commitment to strengthening the international protection framework through high level engagement with international partner agencies, such as UNHCR and IOM, and project delivery in cooperation with international and non-government organisations to advance Australia's interests in relation to Outcome 2.

Key activities:

- Participating in the Intergovernmental Ministerial Meeting as part of UNHCR's commemorations of the 60th anniversary of the Refugee Convention. At this event, co-chaired by the Minister for Immigration and Citizenship, Australia and many other states reaffirmed and strengthened their commitment to the work of the UNHCR and their ongoing support for the protection of refugees and stateless persons.
- Hosting United Nations High Commissioner for Refugees António Guterres as a Guest of Government in February. The visit enhanced Australia's already positive relationship with UNHCR and reaffirmed our credentials as a major player in the international protection regime. Mr Guterres praised Australia's resettlement program and the settlement services provided to new entrants, referring to them as world's best practice.
- Hosting the Director-General of the IOM Ambassador William Swing as part of commemorations to mark the organisation's 60th anniversary. The visit provided the opportunity for Australia to further strengthen its relationship with IOM and to express Australia's appreciation of IOM's commitment to addressing the challenges and opportunities of migration, including through regional cooperation.
- Participating in the 100th IOM Council, to commemorate the 60th anniversary of IOM.
- Participating in the Global Forum on Migration and Development. Mauritius is the Chair for 2012 and the theme is 'enhancing the human development of migrants and their contribution to the development of communities and states'.
- Through the Intergovernmental Consultations on Migration, Asylum and Refugees, continuing to actively participate in information exchanges and policy debate on the management of international migratory flows.
- Participating in a successful Five Country Conference (FCC) in May 2012 with immigration counterparts from Canada, New Zealand, the United Kingdom and the United States of America. 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.
- 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.
- Funding to reinforce the capacity of UNHCR to register and undertake refugee status determination for asylum-seekers in Malaysia.
- Funding to UNHCR in Indonesia to expand their capacity to undertake timely refugee status determinations, provide counselling to irregular migrants, and raise awareness of protection issues among regional government authorities.
- Funding to UNHCR to continue capacity building activities among Pacific island countries on protection issues.

The department also provided assistance for a range of projects and initiatives to strengthen border management and migration management capacity in our region and internationally, and participated in a number of high level meetings and exchanges with key bilateral partners. These initiatives advance Australia's interests in relation to Outcomes 3 and 4.

Key activities:

- Minister Bowen's visit to India and Sri Lanka in May 2012 to discuss immigration-related issues, including the prevention of people smuggling, information sharing and capacity building with ministerial counterparts and senior officials.
- A senior delegation of departmental officers to the People's Republic of China in June 2012, as part of the annual senior officers exchange program, to study immigration processes and discuss areas of future possible cooperation.
- Participating in the second Australia-Cambodia Immigration Forum in Siem Reap, Cambodia, to discuss and progress immigration issues of mutual interest, including joint activities focusing on effective border and migration management, deterring people smuggling and information exchange.
- Hosting the fifth Malaysia-Australia Immigration Cooperation Working Group and participating in the fourth Malaysia-Australia Working Group on People Smuggling and Trafficking in Persons. These working groups established a clear framework for cooperation, and agreed activities are being actively pursued by both governments.
- Establishing workshops with African immigration agencies to promote regional cooperation on border management practices.
- Hosting a study tour for Malaysian officials from the Ministry of Home Affairs, the Prime Minister's Department and the Ministry of Higher Education to explore Australia's approaches to student policy and skilled migration.
- Hosting a number of delegations from Singapore, including a high-level visit by the Commissioner of Singapore's immigration agency, and operational level exchanges with middle managers and technical experts. Australian immigration officers also participated in Singaporean training programs.
- Concluding the enhanced migration management program to support the establishment of an autonomous migration service in East Timor and to assist with the implementation of improved border processes and systems. Further cooperation with East Timor will continue in the 2012–13 program year.
- Participating in the second Pakistan-Australia Joint Working Group on Border Management and Transnational Crime in Islamabad, in conjunction with the Australian Customs and Border Protection Service.
- Representing Australia at the Pacific Immigration Directors' Conference Management Board meetings and Annual Conference.
- Hosting the Australia-Papua New Guinea Immigration Forum to progress significant outcomes for the border management system program and discuss migration management and border security issues.

Regional cooperation

Following the agreement of ministers at the fourth Regional Ministerial Conference of the Bali Process on 30 March 2011 to establish a Regional Cooperation Framework, the Australian Government engaged closely with regional partners to develop measures under the framework.

The transfer and resettlement arrangement between the governments of Australia and Malaysia, augmented by an assessment centre in Papua New Guinea, were two of the first practical initiatives developed under the framework. The High Court decision of 31 August 2011 prevented offshore processing and implementation of the Malaysia arrangement. However, these initiatives represent proactive and genuine progress in regional cooperation and a significant advance in the management of irregular migration and combating people smuggling.

The willingness of states in the region to work together to address the complex issue of irregular migration is also evidenced by the agreement of the Bali Process Co-Chair Ministers to establish a regional support office in Bangkok, Thailand. The regional support office will provide a policy, coordination and operational hub to take forward ideas for practical implementation of the framework. This is a significant development that represents commitment from countries in the region to the ongoing exploration and development of practical measures towards a sustainable response to irregular migration in the region.

Through the Bali Process, the department has also participated in initiatives to strengthen regional collaboration on border management issues:

- The Regional Immigration Liaison Network (RILON) was established as a forum for exchange of information on immigration related issues. RILON brings together representatives from key host country agencies and foreign missions involved in the issuance of travel documentation and facilitation and related border security issues.
- In April 2012, Australia and India co-hosted a Bali Process workshop on biometrics for identity integrity in immigration. The workshop resulted in the collation of a stocktake of the current biometric capability in the 16 participating Bali Process member countries.



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: Nicole is a senior immigration inspector at Perth International Airport.

The program managed under Outcome 3 is:

Program 3.1 Border management

During 2011–12, Program 3.1 was managed by the Border, Refugee and Onshore Services Division. This section reports on the deliverables and key performance indicators for Program 3.1 as published in the department's *Portfolio Budget Statements 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

Strategy

The key initiatives and major strategies contributing to Outcome 3 in 2011–12 are:

- 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 efforts 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 intelligence-led 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 2011–12, the department facilitated the arrival and departure of 31.63 million passengers and crew compared to 30.05 million in 2010–11, an increase of 5.3 per cent.

During the year, 2096 people were refused immigration clearance at Australia's airports and seaports, compared to 1877 in 2010–11, an increase of 11.7 per cent.

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 99.95 per cent.

The ALO program is an integral part of the department's layered approach to border management. ALOs work with airlines, airport security groups and host governments as well as colleagues from other countries, and have a dual role of preventing the travel of improperly documented passengers and facilitating the travel of genuine passengers at key overseas airports.

The ALO program has been involved in 188 interdictions of improperly documented passengers attempting to travel to Australia in 2011–12.

In September 2011, February 2012 and May 2012, the department convened meetings of the APEC Business Mobility Group. This group was formed in 1998 and is a multilateral forum through which Australia and other APEC economies progress initiatives and discuss issues related to traveller facilitation and border security. Key achievements of this group in 2011–12 included the development of a border capabilities model for air travel in the APEC region, and administrative enhancements of the APEC business travel card scheme as a means of facilitating the movement of business people within the region.

The department also finalised a review of Australia's eligibility arrangements for the APEC business travel card. The review involved more than 30 business organisations, including national peak bodies, bilateral business councils and overseas-based Australian chambers of commerce and concluded that there was scope and significant benefit in offering more generous eligibility arrangements for Australian business travellers. As a consequence of this, the minister approved new eligibility criteria and the first stage of these new arrangements was introduced in November 2011. The second and final stage of the new arrangements is subject to further consultation with the business community in 2012, and is expected to be implemented in early 2012–13.

In October 2011, the department, in conjunction with Qantas, facilitated a two-day International Air Transport Association Control Authorities Working Group workshop on passenger facilitation at airports, which was attended by 14 governments and their national airlines.

A key outcome of this meeting was the development of standards to be incorporated into the International Convention on Civil Aviation 1944 relating to inadmissible passengers, removals, travel documents, interactive advance passenger information systems, and passenger name record data.

The department began work to strengthen the individual border management capacity of countries in the region, through the provision of specialist assistance to support border processing arrangements and systems architecture, and to disseminate border training packages to countries across the region.

In 2011–12, the department actively contributed to development of the Maritime Powers Bill 2012, which consolidates and harmonises the Commonwealth's existing maritime enforcement regime. The Maritime Powers Bill will be used to enforce Australia's maritime laws in relation to fisheries, customs and migration.

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 31.63 million in 2011–12 to approximately 50 million by 2020.

The maritime environment continues to pose a challenge to border agencies, with increased shipping movements in both the commercial and cruise ship industries. There is also increased activity in remote areas, with proposed development of new ports in Australia's north-west, due to growth in the mining and resource industry. These all pose challenges to the management of risks and operational activity. In addition, the cruise ship industry is rapidly expanding and larger vessels are seeking increased access to Australia. The department continues to work with its partner agencies, both to facilitate access and to manage risks in this area.

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. We have continued our efforts to assist our border and national security partners by progressing key projects, including:

- the 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
- an examination of measures to streamline trans-Tasman travel, following bilateral agreements to pursue stronger ties between Australia and New Zealand.

Table 47: Outcome 3 Financial resources summary 2011–12

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 ² 2011–12 \$'000 (a)	Actual expenses 2011–12 \$'000 (b)	Variation 2011–12 \$'000 (b)-(a)	Budget estimate 2012–13 \$'000 (c)
Program 3.1: Border management				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	168	279	111	-
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	125 416	134 818	9 402	121 227
Expenses not requiring appropriation in the Budget year ¹	21 377	13 231	(8 146)	20 782
Total for Program 3.1	146 961	148 328	1 367	142 009
Total expenses for Outcome 3	146 961	148 328	1 367	142 009
Average staffing level (number)	754	718	(36)	742

1. Expenses not requiring appropriation in the Budget year are expenses relating to depreciation and amortisation.
2. The 2011–12 Budget represents the Estimated Actual Budget published in the *Portfolio Budget Statements 2012–13*.

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 smuggling¹

Objective

Program 3.1 seeks to effectively facilitate entry of genuine travellers to Australia while preventing entry of those likely to threaten the national interest, through a whole-of-government, layered approach to border management. Program 3.1 is linked to the Australian Customs and Border Protection Service and the Attorney-General's Department.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

Border management — deliverables
Deliverable: Continued increase in the use of biometrics and identity management services. Result: Since 2006, the department has been collecting biometrics (facial images and fingerprints) from most people in immigration detention, including irregular maritime arrivals (IMAs) and foreign fishers. In October 2007, the department began collecting biometric facial images from citizenship applicants. In November 2010, following a pilot project to collect biometrics from Protection visa applicants with their consent, the department implemented a model that requires all Protection visa applicants to provide biometrics. Training in the department's biometric acquisition and matching system has been delivered to departmental officers in client services and onshore protection and to Serco officers. This training provides the skills that authorised officers need in order to collect facial and fingerprint images from clients. In December 2010, the Offshore Biometrics Taskforce began implementing the offshore biometrics program. Biometrics are now collected from visa applicants lodging paper-based applications in 17 countries—Bahrain, Bangladesh, Ethiopia, France, Ghana, Jordan, Kenya, Kuwait, Lebanon, Malaysia, Oman, Qatar, Saudi Arabia, Sri Lanka, United Arab Emirates, Yemen and Zimbabwe. Only applicants who are not eligible for electronic visas are included.

1. Funding for this item is now allocated to Program 4.3.

Border management—deliverables *continued*

With the expansion of the offshore biometric program, now in 36 countries, the department introduced the capability for airport border officers to undertake biometric verification. Biometrics (facial and fingerprints) collected from a certain number of clients who applied for visas offshore were verified using handheld devices at the border. The purpose of verification is to ensure that the person who provided biometrics at the time of application is the same person entering Australia. This initiative introduces a deterrent factor for impostor and identity fraud. Clients are warned, by means of conspicuously placed posters around the airport that biometric verification may occur. The program commenced at the Perth International Airport to verify the identity of arriving passengers in March 2012. The trial will be expanded to Melbourne International Airport in July 2012.

The lessons learnt from the secondary line verification will contribute to another project modelling, of the impact of biometric verification at the primary line, which will be a joint project involving the department and the Customs and Border Protection.

Deliverable: The entry to Australia of genuine travellers is facilitated.

Result: There were 31.63 million passenger and crew arrivals and departures in 2011–12. Customs and Border Protection facilitates the entry of genuine passengers through their primary line processing, under a Memorandum of Understanding between the agency and the department.

Of the 15.92 million arrival movements recorded in 2011–12, 289 871 passengers were referred to the department from Customs and Border Protection for further investigation.

The Border Operations Centre received 142 332 requests from airlines requiring assistance with checking in passengers on to their flights.

During 2011–12, the department issued a new instrument under section 495A, lowering the eligibility age for Australian and New Zealand users of SmartGate from 18 to 16 years of age.

The department processed and granted 4901 visas to people at the border who did not have valid visas to enter Australia.

Asia-Pacific Economic Cooperation (APEC) business travel card arrangements facilitated entry through special entry and exit lanes at the airports of accredited APEC card holders.

Throughout 2011–12, the operational integrity network provided a range of pre- and post-decision integrity services to support the visa and citizenship programs within the service delivery network. Pre-decision support was provided in the form of:

- collection and referral of fraud information
- caseload analysis and development of risk profiles
- pre-decision integrity site visits onshore and offshore.

Post-decision support was provided in the form of:

- monitoring of employer sponsors and education providers
- cancellation of visas for non-compliance with visa conditions or fraud
- identification and referral of matters for criminal investigation.

Border management—deliverables *continued*

This year some operational integrity achievements included:

- a significant increase in numbers of infringements issued to employers in breach of sponsorship obligations
- a major review of risk profiles for the student visa program
- an increased number of nationally coordinated campaigns and operations targeting fraud and integrity issues identified through risk analysis.

Deliverable: A high level of border integrity is maintained, including work to prevent the entry of those likely to threaten the national interest.

Result: A total of 2096 people (2048 at airports and 48 at seaports) were refused immigration clearance at Australia's airports and seaports during the year. This is an increase of 11.7 per cent on the previous year.

Of the passengers refused immigration clearance, 60 per cent had their visas cancelled on the grounds that they were not genuine visitors to Australia. Others failed to meet the character requirement for entry to Australia, or were found with inappropriate documentation, attempting to enter Australia illegally.

The ALO program is an integral part of the department's layered approach to border management. ALOs work with airlines, airport security groups and host governments, as well as colleagues from other countries, and have a dual role of preventing the travel of improperly documented passengers and to facilitate the travel of genuine passengers at key overseas airports.

The ALO program has been involved in 188 interdictions of improperly documented passengers attempting to travel to Australia in 2011–12.

After consultation with the Border Operations Centre, 551 travellers were denied boarding flights to Australia due to a number of factors, including not holding a valid visa, identity concerns and suspect genuineness of traveller or travel document.

Deliverable: A high level of confidence in the accurate identification of people entering and departing Australia.

Result: The department has equipment, skills and programs that help detect and prevent identity fraud, including biometric collection, verification, matching and data exchange.

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 (IMAs) and foreign fishers. Collection of biometric facial images from citizenship applicants started in October 2007. Since November 2010, all Protection visa applicants have been required to provide biometrics.

In December 2010, the offshore biometrics taskforce began to implement the offshore biometrics program and visa applicants from Bahrain, Bangladesh, Ethiopia, France, Ghana, Jordan, Kenya, Kuwait, Lebanon, Malaysia, Oman, Qatar, Saudi Arabia, Sri Lanka, United Arab Emirates, Yemen and Zimbabwe who are not eligible for electronic visas now have their biometrics collected.

To complement the offshore biometrics program, the department has implemented verification and use of biometrics in secondary line processing at selected airports.

Border management—deliverables *continued*

The lessons learnt from the secondary line verification contribute to another project, modeling the impact of biometric collection at the primary line. This will be a joint project between the department and Customs and Border Protection.

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, fingerprints 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 ascertain whether a client has a criminal record in Australia. It 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 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 (for example, a client's name or address) from the department. This information is only shared in compliance with the legal requirements of the *Migration Act 1958* and the *Privacy Act 1988*.

Deliverable: Contribution to the whole-of-government efforts to combat people smuggling.

Result: The department cooperates with countries throughout the region to help strengthen border management and controls, providing specialist assistance to support border processing arrangements and systems architecture, and border training packages.

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: Only 0.013 per cent of all passengers and crew were refused immigration clearance at Australia's airports and seaports during the year.

Table 48: Border management—performance information

Key performance indicator	2009–10 actual	2010–11 actual	2011–12 target	2011–12 actual
The percentage of people refused immigration clearance at airports and seaports, as a proportion of total passenger and crew arrivals	0.012%	0.012%	<0.015%	0.013%

Administered items

Administered item: Combating people smuggling

Objective: Enhance whole-of-government capabilities in responding to increasing irregular migration in various source and transit countries.

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: Funding for this item is now allocated to Program 4.3.

Borders

The aim of the border program is to facilitate the movement of legitimate travellers with minimal interaction with border agencies, and to maintain the integrity of Australia's border by preventing the entry of those likely to threaten Australia's national interests, or breach Australia's migration legislation.

Performance

Australia's border management system comprises a series of different checks along the traveller pathway, to identify and prevent people who pose a threat to the Australian community from travelling to and entering the country. Australia's universal visa system provides the first opportunity to screen applicants for entry to Australia.

All non-citizens are required to hold a current visa to enter and stay in Australia. Visa applicants are screened for risk, including health and character and their intentions in Australia. Checks are conducted against known risk profiles and departmental alert lists and records.

Pre-arrival checking

There are a number of measures to ensure that a person's authority to travel to and enter Australia is checked prior to arrival. Most significant is the advance passenger processing system.

Arrivals and departures

In 2011–12, there were 31.63 million passenger and crew arrivals and departures through Australian air and sea ports, an increase of 5.3 per cent over the previous year.

These movements included 29.08 million air passengers, 1.59 million air crew, 0.234 million sea passengers and 0.723 million sea crew who travelled during the year. The total number of arrivals was 15.92 million which is an increase of 5.4 per cent compared to 2010–11. There were also 15.71 million departures through Australian ports, an increase of 5.1 per cent on 2010–11.

Table 49: Arrivals and departures

	2009–10	2010–11	2011–12
Number of passenger and crew arrivals and departures processed within the integrity framework	28.03 million	30.05 million	31.63 million
Number of people refused immigration clearance at airports	1 573	1 809	2 048
Number of people refused immigration at seaports (Torres Strait travel excluded)	67	68	48

Advance passenger processing

Airlines and cruise ships are required to provide details of all passengers and crew to Australia's immigration and customs authorities before their arrival in Australia.

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.

The APP system checks to confirm that each traveller has a valid authority to travel to Australia, and to facilitate the immigration clearance of genuine travellers on arrival.

The APP system also provides Australia's border agencies with advance information on people travelling to Australia. All other carriers (those which are not regular or commercial carriers and may have ad hoc travel arrangements) provide Australia with advance passenger information.

At 30 June 2012, there were 49 passenger airlines flying into Australia which were subject to the mandatory APP requirements for both passengers and crew. Overall airline compliance with APP reporting requirements in the year stood at 99.95 per cent, an increase from 99.94 per cent in 2010–11.

Carrier companies are expected to maintain a threshold of checking 99.8 per cent of passengers every month. During the year, nine airlines were issued with infringement notices when their compliance with APP reporting fell below this threshold. Of those airlines, four were below the threshold for only one month.

During 2011–12, 115 883 passengers and 62 254 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 checks all United States of America and New Zealand passports against records in those countries. RMAS also strengthens the capacity of border management agencies in participating APEC economies to detect lost and stolen travel documents.

In 2011–12, RMAS processed more than three million New Zealand and United States of America passport validation requests. Almost 600 passports were identified for further document checks prior to passengers boarding aircraft bound for Australia.

Infringement notices for inadequate documentation

It is the responsibility of air and sea carriers to ensure that all passengers and crew are properly authorised to travel to Australia.

A carrier may be liable on conviction to a fine of \$10 000 if it brings an inappropriately documented or undocumented person to Australia. Alternatively, the carrier may elect to pay a prescribed penalty of \$5000 for an offence (an infringement notice) to avoid prosecution.

In 2011–12, 410 infringement notices were issued to 44 airlines, an 8.5 per cent increase in the number of infringement notices compared with the previous year.

The number of infringement notices served on shipping vessels was 18 in 2011–12, compared to 21 in 2010–11.

Airline liaison officer network

The ALO program is an integral part of the department's layered approach to border management. ALOs work with airlines, airport security groups and host governments as well as colleagues from other countries, and have a dual role of preventing the travel of improperly documented passengers, while facilitating the travel of genuine passengers at key overseas airports.

The ALO program was involved in 188 interdictions of improperly documented passengers attempting to travel to Australia in 2011–12.

Airport clearances

The Migration Act requires citizens and non-citizens to identify themselves to a clearance authority and provide certain information in order to enter Australia. The purpose of this process is to regulate the entry of people to Australia and ensure that those who enter have authority to do so and that they are who they claim to be.

Customs and Border Protection undertakes primary immigration clearance processing on behalf of the department at Australian airports. Any issues regarding a person's ability to meet Australia's entry requirements must be referred to an immigration officer for resolution. Immigration officers investigate individual circumstances to establish each traveller's status and whether they meet the requirements of the Migration Act and Regulations.

In 2011–12, 279 660 air passengers were referred on arrival to departmental officers for a range of reasons, including to update departmental records, bona fide checks and travel document fraud. The overwhelming majority of these were cleared to enter Australia, with 0.013 per cent of non-citizens refused immigration clearance.

Seaport clearances

Departmental seaport officers support 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. The department delivers ongoing immigration clearance training to Customs and Border Protection officers at most major and several regional ports.

During 2011–12, departmental officers boarded 966 vessels to examine crew and passenger documents and resolve cases referred by Customs and Border Protection to address immigration concerns.

Deserters and stowaways

In 2011–12, there were 55 deserters from ship's crews, from a total of more than 359 930 sea crew arrivals. Four stowaways were reported to the department during 2011–12. This compares to 38 deserters and no stowaways in 2010–11.

Torres Strait

Under the Torres Strait Treaty, 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.

The treaty enables traditional activities to be performed in the protected zone by the Torres Strait inhabitants in accordance with local practices. These practices include: gardening, collecting 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 inhabited outer islands in the Torres Strait. The MMOs record the traditional movement of people entering or departing the Torres Strait Protected Zone. The MMOs also ensure that visitors comply with the permitted stay period set by the island manager or councillor. Traditional inhabitants obtain a visitor pass from the village council chairperson before their departure from PNG and report to the MMO on arrival in Australia.

In 2011–12, there were 57 314 traditional movements (arrivals and departures of both PNG and Australian inhabitants for traditional purposes) across the Torres Strait. There were 2985 cases of people refused immigration clearance to the Torres Strait. This is a decrease of 19 per cent compared to 2010–11. Most refusals were for visitors attempting to enter for non-traditional purposes.

Refused immigration clearance

In 2011–12, 2048 people were refused immigration clearance at Australian airports, compared with 1809 in 2010–11, an increase of 13 per cent.

Approximately 60 per cent of those refused immigration clearance had their visas cancelled on the basis that they were assessed as not being 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 2011–12, 48 people were refused immigration clearance at Australian seaports. This was a decrease of 30 per cent from 2010–11.

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:

- Central movement alert list (CMAL) which consists of two databases. One records persons of interest and the other records travel documents of concern, either lost, stolen or missing.
- Person alert list (PAL) which identifies people of concern for a number of reasons, including health, character and national security. The PAL is checked during visa and citizenship processing.
- Document alert list (DAL) which records documents reported lost, stolen or cancelled, and bogus foreign travel documents. The DAL is checked prior to arrival.

Ongoing checks are performed at different times during the traveller pathway, and assist in verifying the genuine identity of travellers and their documents.

- 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 is instantly available to departmental officers, including those at international airports and overseas missions. IMtel incorporates intelligence and information regarding 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. Email 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 decided. The system is not used as the basis for deciding the visa application.

Prevention of people smuggling

The department participates in a number of national security forums. This ensures that the department and other Australian Government agencies work together effectively and share intelligence information to combat people smuggling and other transnational crimes.

In 2011–12 the department continued to engage with key bilateral partners on the prevention and deterrence of people smuggling through information sharing, and enhanced migration management and technical skills capacity building, and through various forums including: the second Australia-Cambodia Immigration Forum; participating in the second Pakistan-Australia Joint Working Group on Border Management and Transnational Crime (in conjunction with the Australian Customs and Border Protection Service); and hosting the Australia-Papua New Guinea Immigration Forum.

Activities included funding the upgrade of Afghan passports to International Civil Aviation Organisation standards, completion of a major milestone in the border control management system in Indonesia and continuing development of biometric capture capability; and funding of technical assistance which supported the successful passage of new immigration legislation in Vanuatu and Solomon Islands.

Collaboration continued with Five Country Conference (FCC) partner countries—Canada, New Zealand, the United Kingdom and the United States of America—on immigration issues of mutual interest. The 2012 plenary provided the opportunity to progress work on the sharing of data, visa services, and best practice in returns and removals—areas where collaboration by FCC members can enhance border management and support cost-savings.

Security referrals

Security checking is conducted to identify those visa applicants or visa holders, including irregular maritime arrivals, whose entry into, or continued stay in Australia would present a risk to security.

War crimes screening

Identifying and preventing the entry of people suspected of war crimes, crimes against humanity and genocide (described here generically as ‘war crimes’) is an essential element in maintaining the integrity of Australia’s borders. To this end, the department has established a War Crimes Unit (WCU).

The WCU conducts war crimes screening by comparing the information departmental clients (that is, non-citizens) provide with available information about war crimes, including from international courts and tribunals. Where there was sufficient information to support an assessment that they may have been involved in war crimes, the department referred the case to the Australian Federal Police for further investigation.

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 contributes to whole-of-government efforts to prevent the entry of those likely to threaten the national interest and to ensure that the entry to Australia of genuine travellers is facilitated.

Performance

Biometric data-sharing program

Since October 2009, the department has worked on the FCC biometric data-sharing program with partner countries Canada, the United Kingdom, the United States of America and New Zealand.

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 previously not disclosed by applicants. This information is also being used in the security assessment process.

Security of data and privacy considerations are of the 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. 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.

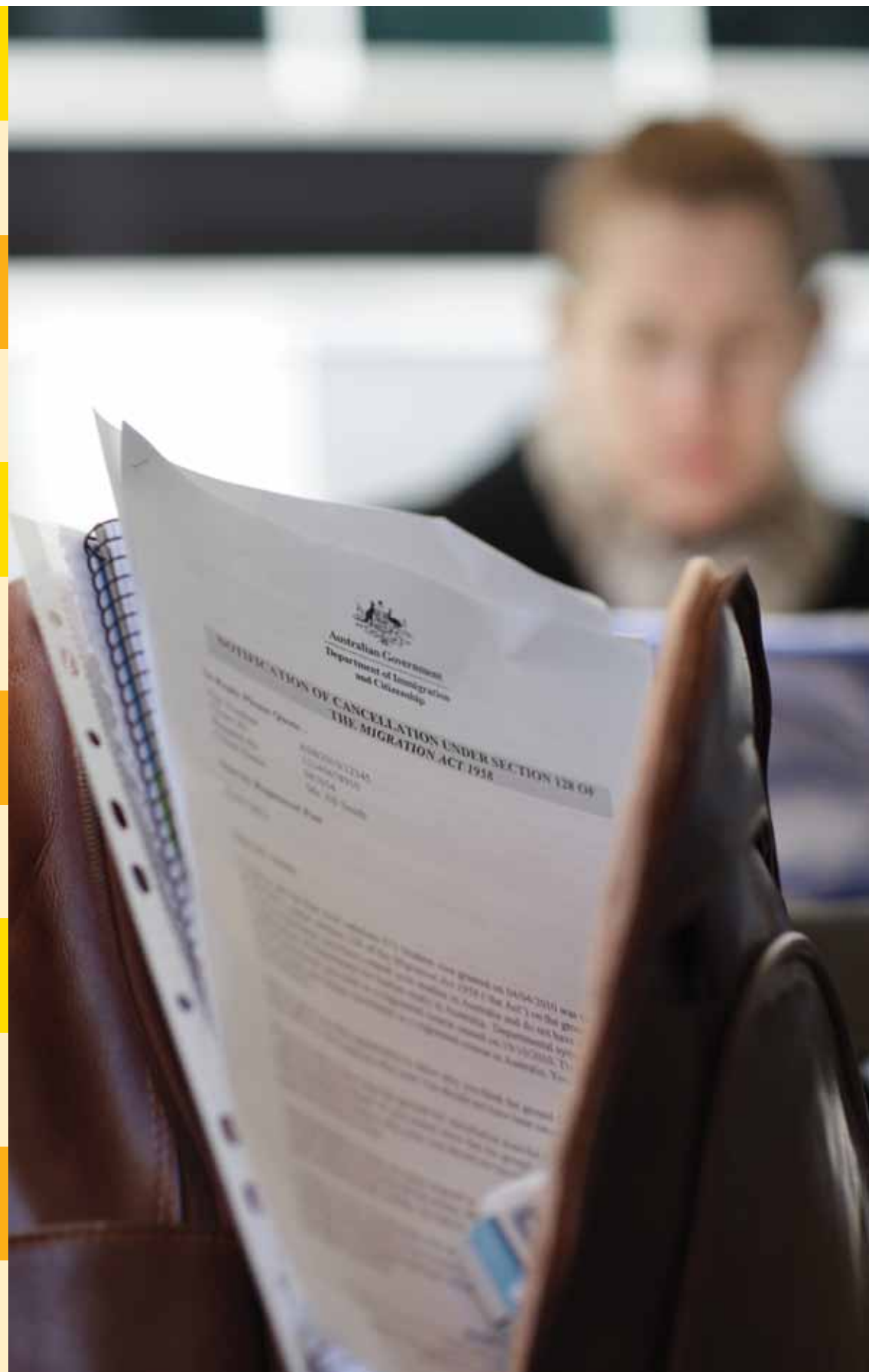
During 2011–12, document examination training was provided to more than 1600 officials from government agencies in Afghanistan, Brunei, Cambodia, East Timor, Fiji, Indonesia, Iran, Laos, Malaysia, Maldives, Oman, Pakistan, Papua New Guinea, the Philippines, Samoa, Singapore, Solomon Islands, Sri Lanka, Thailand, Tonga, United Arab Emirates, Vanuatu and Vietnam.

During 2011–12, facial image comparison training was provided to 517 officials from Malaysia, Fiji, Afghanistan, the United Arab Emirates (Dubai), Qatar, Oman, Jordan, Vietnam, Sri Lanka, Maldives, People's Republic of China and Macau. Training was also provided to Singapore Immigration officials, visiting on an officer exchange program.

The department also brings immigration officials from the Asia-Pacific region to Australia for training. Officials from 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 surrounding countries' capacity to detect and prevent the unlawful movement of international travellers, which subsequently benefits Australia, because it prevents impostors and people using fraudulent travel documents from travelling to Australia.

Document examination and facial image comparison training were conducted on a regular basis for departmental staff. More than 1756 officers participated in face-to-face or online courses in 2011–12. This training was also provided to 15 staff from other agencies, including Customs and Border Protection and the Department of Foreign Affairs and Trade.



Case study

Operation Raddh—a matter of integrity

A small team drawn from across the department's state and territory office network worked together on an international compliance operation that led to the cancellation of 2602 student visas by July 2011.

Officers from South Australia, Victoria, New South Wales and Queensland assessed a sample of student visa holders who had been offshore for at least six months and who did not hold a current enrolment in an Australian educational institution.



'The cancellation of these visas has prevented possible misuse.'

The operation followed a preliminary analysis of the offshore student caseload by officers at the New Delhi post in September 2010, which found there were grounds for cancelling the visas of 185 clients in the sampled caseload.

Operation Raddh, as the new task force was named, broadened the scope of New Delhi's work, assessing a sample of student visa holders from across the world.

As a result, the team cleansed the student visa caseload by cancelling visas where non-compliance was detected.

'The cancellation of these visas has prevented possible misuse,' Global Manager Operational Integrity Louise Smith said.

'This result would not have been possible without the early work that was undertaken by staff at the New Delhi post.

'We acknowledge the hard work and dedication that was shown by the Operation Raddh team in coordinating the cancellation operations over a three month period.'

Photo: More than 2600 student visas were cancelled following Operation Raddh.

SmartGate

The department continues to work closely with Customs and Border Protection to automate border processing. Changes to the Migration Act 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 numbers of travellers 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. It is now in use at all major international airports in Australia.

i-Authenticate

During 2011–12, the department continued to work with Customs and Border Protection to progressively upgrade existing i-Authenticate fraudulent travel document detection scanners to the new ePassport document reader system at all inward and outward control points in major international airports.

The i-Authenticate scanners conduct document security checks to verify passengers' identity and detect fraudulent travel documents at the Australian physical border. ePassports contain a computer chip which holds biographical and passport data.

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.

Passenger clearance course—fraudulent document detection and impostor detection

The department continued to deliver training to Customs and Border Protection primary line officers in immigration clearance, fraudulent document detection and impostor detection throughout 2011–12. This training is part of an ongoing Memorandum of Understanding between the two agencies. The 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.



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: Jovo works with irregular maritime arrivals on Christmas Island.

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 Foreign fishers

During 2011–12, 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 Immigration Status Resolution Group. This section reports on the deliverables and key performance indicators for Outcome 4 programs as published in the department's *Portfolio Budget Statements 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

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 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 foreign fishers, including the development and management of changes to detention infrastructure as necessary.
- To secure the return of unlawful non-citizens, unauthorised arrivals and 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.
- To support the implementation of the Regional Protection Framework.

Compliance and detention overview

Australia's universal visa system requires that all non-citizens must have a visa to enter and remain in Australia. The criteria for granting visas are carefully shaped to reflect the purpose of the person's travel and to protect and promote Australia's interests.

Overall compliance with Australia's immigration system remains very high, with more than 99 per cent of the more than 4.8 million temporary entrants during the year complying with their visa requirements. The department has continued to expand its work to actively engage with clients to promote voluntary compliance and, where appropriate, reserving firm enforcement measures for those who refuse to comply.

The department actively identifies and locates non-citizens who are not complying with their obligations under Australia's immigration system, in order to deal effectively with such breaches. Non-compliance generally involves people overstaying their visas, working in breach of their visa conditions, or not meeting their student visa requirements.

The department employs robust strategies to identify and to respond effectively to employers who breach their obligation to employ only those non-citizens who have a right to work in Australia. The department has been working over several years to strengthen its capacities to engage effectively with visa overstayers and others at risk of breaching their visa conditions, to resolve their status while they remain in the community.

The community status resolution service (CSRS) was established in 2008 to provide prompt and active support for people in the community who need some help to resolve their immigration status. The CSRS has a national network of trained community status resolution officers available in each state and territory, to better understand individual circumstances and provide accurate information and advice to help resolve their case. Since the start of the CSRS, and with the expansion of the department's status resolution strategies, more unlawful non-citizens are being located each year and more are having their status resolved.

The wider use of Bridging E visas (BVEs) to manage clients to resolution in the community has not led to an increased rate of people absconding, with the percentage of people complying with their BVE conditions remaining at about 90 per cent. This percentage has remained stable following the government's decision in November 2011 to allow significant numbers of irregular maritime arrivals (IMAs) to reside in the community on BVEs while their claims are being assessed.

In remaining committed to all measures to prevent and deter non-compliance and enforce compliance, in order to preserve the integrity of Australia's migration program, government policy remains that mandatory immigration detention is an essential component of strong border control. The department upholds government policy that all unauthorised arrivals are subject to mandatory detention for the purposes of managing health, identity and security risks to the community. The purpose of immigration detention is administrative, not punitive.

Major achievements

The department undertook a range of activities during 2011–12 to improve the effectiveness of the compliance and status resolution program and the management of immigration detention clients, including unlawful non-citizens, unauthorised arrivals and foreign fishers.

In July 2011, the government gave in-principle agreement to the recommendations of the 2010 Howells Review into employer sanctions. Following extensive stakeholder consultation conducted by the department, the Minister for Immigration and Citizenship in December 2011 announced the government's intention to implement the recommendations of the review, with some modifications. Preparatory work began in 2011–12 on legislation to supplement the existing criminal penalties, to create more effective deterrents for businesses which allow or refer non-citizens to work in Australia without the required permission. An enhanced employer awareness campaign and measures to expedite employer checks of workers' visa entitlements are also being developed to coincide with the legislative reforms.

The department has embarked on a process to develop a three-year compliance strategy document. The strategy will set out the department's approach to compliance and case resolution and the principles that apply. The strategy will also cover the current compliance environment and strategic risk context, as well as compliance priorities and activities. As part of this process, the priorities for compliance field activity are being refreshed for 2012–13.

On 9 February 2012, the Minister for Immigration and Citizenship announced that he had extended the term of the Council for Immigration Services and Status Resolution to September 2014, and changed its name to the Minister's Council on Asylum Seekers and Detention (MCASD). In announcing these changes, the minister re-affirmed MCASD's position as an advisory council providing independent advice to him, and appointed two new members.

During 2011–12, the department continued to build relationships with key stakeholders within the region to prevent trafficking in persons. These activities included supporting Ms Joy Ngozi Ezeilo, the UN Special Rapporteur on Trafficking in Persons, especially women and children, on a fact-finding mission during her visit to Australia in November 2011. At the Fourth Bali Process Ministerial Conference on People Smuggling, Trafficking in Persons and Related Transnational Crime in March 2011, ministers agreed to reinvigorate Bali Process cooperation and endorse a series of workshops on people trafficking. The first workshop, co-hosted by Malaysia and the International Organization for Migration (IOM), took place in Kuala Lumpur in January 2012. The department funded a second technical experts' workshop in Bali in May 2012, co-hosted by Australia and Indonesia. The purpose of this workshop was to facilitate member country dialogue and to explore ways to strengthen a coordinated response to combating people trafficking.

A total of 119 case managers completed the comprehensive case management training course (Certificate IV Government) in 2011–12. In addition, the department has revised its approach to staff training, developing the enhanced compliance status resolution (CSR) integrated curriculum model, which provides an integrated model of learning and development that is common to all roles in compliance, including case management. All CSR staff are required to attend CSR concepts and skills training which provides important foundation training, followed by specific role-based training in roles such as case management, field compliance and removals. A total of 27 CSR courses were delivered in 2011–12 to more than 600 participants and were well received by CSR staff across the program and the service delivery network.

The department provides clients with an extensive range of communication materials to support them in making informed decisions. These include translated fact sheets, and communication guides for case managers, to ensure that consistent and accurate information is provided to clients. During 2011–12, this culminated in the development of an online information tool to help IMAs understand the immigration decision points relevant to their case. The tool fulfils the status resolution principle of clear communication of eligible pathways, as part of active and ongoing engagement with clients, helping lead to early acceptance of outcomes. Having information available online allows the department to provide information and updates about processes to clients, service providers and community stakeholders in a timely and flexible manner, particularly as clients are increasingly placed in the community while their claims are considered.

The department's assisted voluntary return (AVR) program, delivered by IOM, continues to play an important role in helping people who have no right to remain in Australia to depart voluntarily, when they need assistance to do so. Over the past year, the AVR program has extended its focus to IMAs in detention, including community detention, and has assisted 48 IMAs to return to Afghanistan, Iran, Iraq, Sri Lanka and Vietnam.

The department has maintained an effective reporting relationship with the Commonwealth Ombudsman's Office, during a period of very high irregular maritime arrivals. This has ensured that both internal and external review of clients' cases supports the government's commitment to the regular review of both the length and condition of detention, and the appropriateness of the accommodation and services provided.

Section 501 of the *Migration Act 1958* has been strengthened to allow the minister to take action against persons who are convicted of a criminal offence committed while they were in immigration detention. Under the government's changes to the Migration Act a person would fail the character test should they be convicted of any offence committed while in immigration detention, while the maximum penalty for the manufacture, possession, use or distribution of weapons by people in immigration detention has also increased from three to five years' imprisonment.

Significant progress has also been made in developing mutually respectful relationships with the Indonesian Embassy and consular staff in relation to the management of Indonesian crew and minors. In April 2012, departmental officers attended the Indonesia-Australia Bilateral Consular Consultations in Bali with the Attorney-General's Department and Department of Foreign Affairs and Trade counterparts. During the consultations, both the Indonesian and Australian delegations acknowledged significant progress in the management of Indonesian minor crew and agreed to continue to cooperate closely in these matters. Since then, the Indonesian Ambassador hosted a follow-up meeting in Australia in June 2012 with departmental officers, at which further progress on the bilateral relationship was made.

Within the detention services environment, the department worked in collaboration with the detention health services provider, International Health and Medical Services (IHMS), to maintain health screening and ongoing health care for people in immigration detention, during a period of increased numbers of people in immigration detention. This included increasing IHMS resourcing, and implementing health care arrangements for the sizeable number of clients placed into community detention.

In 2011–12, rates of self-harm in immigration detention facilities decreased. Measures to address the rates of self-harm included an increase in mental health staffing and services, and a reduction in the length of time clients spend in immigration detention by releasing them into community detention and on bridging visas.

IHMS received accreditation against the *Standards for Health Services in Australian Immigration Detention Centres* developed by the Royal Australian College of General Practitioners at three immigration detention facilities, with accreditation inspections for further facilities planned for consideration.

IPSOS Social Research Institute conducted an external review of the implementation of a psychological support program in places of immigration detention. The outcome of the review will inform the department and its service providers about future strategies to improve the implementation of this key mental health policy.

To provide suitable accommodation arrangements for IMAs, the department established new facilities at:

- Pontville—this temporary centre in Tasmania eased pressure on existing facilities while new centres were put in place. It opened on 1 September 2011 and operated for six months. The centre provided accommodation for 400 single adult men.
- Wickham Point—this new immigration detention centre, located in Darwin, was opened in three stages: stage 1 opened in December 2011, stage 2 in February 2012 and stage 3 in April 2012. The centre provides accommodation for up to 1500 single adult males.
- Yongah Hill—this centre, approximately 90 kilometres east of Perth CBD and five kilometres from Northam's town centre, opened in June 2012 and provides accommodation for 600 adult males.



Case study

Living in the community—an Iranian family's experience

Omid Salehi* and his family are among many asylum seekers who have received assistance provided by the department's community detention services.

'I came here with my son and daughter by boat from Indonesia. We spent a few weeks on Christmas Island before we were transferred to Darwin and now we are living in Canberra,' Mr Salehi said.

'We were provided with accommodation and enrolled in English classes. My objective is to get good at English.'

Community-based detention arrangements, introduced in June 2005, enable people to reside in the community without needing to be escorted.

 'I also aim to bring my family up to be useful in the community.'

The community detention program is supported by service providers who cover housing, residential or out-of-home care for unaccompanied minors, case workers, an allowance to meet daily living costs and a range of activities, including English language classes as needed. Children in the program have access to schooling.

'I am very happy to be here ... In Iran the security and intelligence would be difficult for my family. I have security here; it is a big difference,' Mr Salehi said.

'People here live peacefully and Australia is a good country with a good legal system. In Iran, if I left my car in the street, it would be stolen, but in Australia I have a sense of security.'

Mr Salehi hopes to obtain work in his field of civil engineering.

'I also aim to bring my family up to be useful in the community. Australia has come to my rescue and I am in debt to them, so I will render my services to this country,' Mr Salehi said.

* name changed for privacy reasons

Photo: The community detention program covers housing, residential or out-of-home care for unaccompanied minors, case workers, an allowance to meet daily living costs and a range of activities.

Challenges

The scale and pace of change during 2011–12 was considerable.

Perhaps most significant was the High Court's decision on 31 August 2011 which affected Australia's ability to implement offshore processing of IMAs. In response, on 13 October and 25 November, the government announced changes regarding the management of IMAs and the processing of their asylum claims. These included greater use of existing powers to more flexibly manage IMAs and those who have completed health, identity and security checks, to enable them to reside in the community while their asylum claims are assessed. A total of 2741 people were granted bridging visas and released from immigration detention in 2011–12.

This financial year has seen 111 suspected illegal entry vessels arrive, carrying 8371 IMAs. People smugglers continue to dispatch their passengers in sometimes dangerous conditions, using unseaworthy vessels with little regard for human life. Tragically, this has resulted in major loss of life, such as occurred on 1 November 2011 and 21 July 2012, with boats sinking off the Indonesian coast.

Unfortunately, some critical and very tragic incidents have also occurred in held immigration detention, including the death of four people. The department is assisting with coronial inquiries into the circumstances of these deaths. Despite these incidents, there was a significant reduction in the number of incidents involving actual and attempted self-harm in 2011–12.

The department continued to work hard to manage a high number of IMAs and ensure that they are accommodated appropriately and have access to relevant services and support. In line with the government announcement in October 2010, the department has also continued to transition a significant number of people into community detention. As at 30 June 2012, around 21 per cent of the IMAs in immigration detention were in community detention. The transfer of children, families and vulnerable individuals into community-based arrangements continued to be a high priority for the department.

Since the community status resolution approach was expanded nationally in 2009, the proportion of onshore compliance clients being managed in the community instead of in detention has increased. Voluntary departures from the community, which are less expensive and less risky than removals from detention, have also increased over the last three years.

The department's approach to compliance clients relies on flexible strategies, ranging from encouraging voluntary cooperation to stronger enforcement measures when 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.

Figure 10: Immigration detention facilities as at 30 June 2012



Alternative place of detention	Immigration residential housing	Immigration detention centre	Immigration transit accommodation	Other
Aqua	Perth	Christmas Island	Adelaide	Berrimah House
Construction Camp	Port Augusta	Curtin	Brisbane	
Darwin Airport Lodge	Sydney	Maribyrnong	Melbourne	
Inverbrackie		Northern		
Leonora		Perth		
Lilac		Scherger		
Phosphate Hill		Villawood		
		Wickham Point		
		Yongah Hill		

Table 50: Outcome 4 Financial resources summary 2011–12

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.

	Budget ² 2011–12 \$'000 (a)	Actual expenses 2011–12 \$'000 (b)	Variation 2011–12 \$'000 (b)-(a)	Budget estimate 2012–13 \$'000 (c)
Program 4.1: Visa compliance and status resolution				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	9 063	6 907	(2 156)	9 289
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	142 675	161 586	18 911	108 377
Expenses not requiring appropriation in the Budget year ¹	7 824	8 229	405	8 206
Total for Program 4.1	159 562	176 722	17 160	125 872
Program 4.2: Onshore detention network				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	56 587	59 966	3 379	55 422
Expenses not requiring appropriation in the Budget year	7 392	4 659	(2 733)	7 566
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	23 562	28 805	5 243	24 517
Expenses not requiring appropriation in the Budget year ¹	2 562	1 842	(720)	2 433
Total for Program 4.2	90 103	95 272	5 169	89 938

Table 50: Outcome 4 Financial resources summary 2011–12 *continued*

	Budget ² 2011–12 \$'000 (a)	Actual expenses 2011–12 \$'000 (b)	Variation 2011–12 \$'000 (b)-(a)	Budget estimate 2012–13 \$'000 (c)
Program 4.3: Offshore asylum seeker management				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	839 690	1 055 241	215 551	660 762
Expenses not requiring appropriation in the Budget year	26 907	25 980	(927)	28 256
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	302 942	348 250	45 308	313 243
Expenses not requiring appropriation in the Budget year ¹	910	6 144	5 234	981
Total for Program 4.3	1 170 449	1 435 614	265 165	1 003 242
Program 4.4: Foreign fishers				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	9 097	7 454	(1 643)	9 325
Expenses not requiring appropriation in the Budget year	193	2 623	2 430	193
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	2 643	2 338	(305)	2 632
Expenses not requiring appropriation in the Budget year ¹	78	63	(15)	93
Total for Program 4.4	12 011	12 478	467	12 243

Table 50: Outcome 4 Financial resources summary 2011–12 *continued*

	Budget ² 2011–12 \$'000 (a)	Actual expenses 2011–12 \$'000 (b)	Variation 2011–12 \$'000 (b)-(a)	Budget estimate 2012–13 \$'000 (c)
Outcome 4 total				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	914 437	1 129 568	215 131	734 798
Expenses not requiring appropriation in the Budget year	34 492	33 262	(1 230)	36 015
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	471 822	540 979	69 157	448 769
Expenses not requiring appropriation in the Budget year ¹	11 374	16 278	4 904	11 713
Total expenses for Outcome 4	1 432 125	1 720 087	287 962	1 231 295
Average staffing level (number)	2 756	2 691	(65)	2 886

1. Expenses not requiring appropriation in the Budget year are expenses relating to depreciation and amortisation.

2. The 2011–12 Budget represents the Estimated Actual Budget published in the *Portfolio Budget Statements 2012–13*.

Program 4.1 consists of three departmental items:

- There is one administered item under this program:

- To undertake an effective program of prevention and deterrence with enforcement used as a last resort that seeks to:

- The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

Deliverable: Provide general compliance activities including targeted communication strategies, promotion of visa obligations and education and outreach activities for employers, unions, universities and other stakeholders.

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 880 awareness visits to employers and educational institutions in 2011-12.

Visa compliance and status resolution—deliverables *continued*

Deliverable: Undertake field activities to conduct awareness visits, locate unlawful non-citizens and investigate possible breaches of immigration law.

Result: In 2011–12, the department undertook 4279 field visits onshore to conduct awareness visits, locate unlawful non-citizens and investigate possible breaches of immigration law.

There were 15 477 clients located in 2011–12, which was an increase compared to 13 831 in 2010–11. In addition, 1928 clients were located working illegally in 2011–12, which was an increase compared to 1788 in 2010–11.

Deliverable: Impose prompt sanctions and where appropriate prosecute individuals and third parties involved in the abuse of immigration systems.

Result: The department conducted 133 formal investigations which were either started or ongoing throughout the reporting period into possible breaches of immigration and citizenship law. The department lodged 18 briefs of evidence with the Commonwealth Director of Public Prosecutions and secured 10 successful prosecutions.

Deliverable: Refuse or cancel visas for individuals who are in breach of their visa conditions or present a risk to the Australian community.

Result: The department continued to undertake work to cancel the visas of people who have breached conditions, or who present a risk to the Australian community 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 157 visas cancelled and 88 visa applications refused under the character provisions in 2011–12.

Deliverable: Initiate and manage immigration detention of non-citizens in accordance with the government's detention values.

Result: The department manages a program of regular review of the circumstances and reasons for a person's detention. These include reviews conducted by detention review managers within 24–48 hours of a person's detention. These reviews include all irregular maritime arrivals (IMAs) as per the revised control framework for detention related decision making. In 2011–12, 98 per cent of cases were reviewed within service standards.

Deliverable: Provide resolution services that establish clear immigration pathways for clients in the community or immigration detention.

Result: In 2011–12, the department resolved the immigration status of 12 588 unlawful non-citizens who were located in Australia. This represents a 13 per cent increase from 11 137 in 2010–11.

Deliverable: Remove people who have no legal right to remain in Australia.

Result: Overall, the department assisted or managed the departure of 10 785 people from Australia, an increase of 6 per cent compared to 2010–11. 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 51: Visa compliance and status resolution—deliverable

Deliverable	2009–10 actual	2010–11 actual	2011–12 target	2011–12 actual
Field activities to investigate possible breaches of immigration law and fraud, conduct awareness visits and locate unlawful non-citizens	3 752	3 502	2 000+	4 279

Visa compliance and status resolution—key performance indicators

Indicator: Improved prevention and deterrence strategies to increase voluntary compliance and reduce the number of people overstaying their temporary visa.

Result: Overall compliance with Australia's immigration system was high in 2011–12. More than 99 per cent of more than 4.8 million temporary entrants during the financial year complied with the requirement to maintain their lawful immigration status, or to depart Australia prior to their visa expiring.

Indicator: 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 VEVO service is promoted to employers as a sensible safeguard in preventing the employment of someone who does not have an entitlement to work in Australia. In 2011–12, about 8700 new businesses registered to use VEVO, and there were more than 1 338 759 VEVO checks, which was an increase compared to 1 146 774 in 2010–11.

Indicator: Enforcement strategies imposed that maintain the integrity of the department's programs by prosecuting serious breaches of immigration law.

Result: The department conducted 133 formal investigations which were started or were ongoing throughout the reporting period into possible breaches of immigration and citizenship law. The department lodged 18 briefs of evidence with the Commonwealth Director of Public Prosecutions and secured 10 successful prosecutions.

Indicator: Effective screening of visa applications offshore to prevent people of character concern from travelling to Australia through maintaining effective relationships with law enforcement and security partners, and enhanced application of identity technology.

Result: The minister or his delegate made 1485 character-related decisions during 2011–12, including 88 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 reviews to ensure that it is lawful, appropriate and neither indefinite nor arbitrary.

Result: The department manages a program of regular review of the circumstances and reasons for a person's detention. These include reviews conducted by detention review managers within 24–48 hours of a person's detention, and monthly reviews of all people in held and community detention. These reviews include all IMAs as per the *Revised control framework for detention related decision making*. In 2011–12, 98 per cent of cases were reviewed within service standards.

Indicator: The effective management of lawful non-citizens and resolution of their immigration status while they are in the community on Bridging E visas, does not lead to an increase in non-compliance with Bridging E visa conditions.

Result: The percentage of Bridging E visa overstayers against relevant Bridging E visa grants is 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 2011–12, 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, was about 69 per cent.

Table 52: Visa compliance and status resolution—performance information

Key performance indicators	2009–10 actual	2010–11 actual	2011–12 target	2011–12 actual
Percentage of overstayers against relevant temporary entries	<1%	<1%	<1%	<1%
Number of parties registered with VEVO	19 638	25 894	12 000+	34 628
Percentage of people held in immigration detention whose ongoing detention and placement is reviewed within service standards	99%	94%	98%	98%
Percentage of Bridging E visa overstayers against relevant Bridging E visa grants	<10%	<10%	9–10%	<10%

Note: Service standards available on www.immi.gov.au

Administered item

Administered item—Compliance resolution, community care and assistance
Objectives: To actively, efficiently and effectively manage unlawful non-citizens and Bridging E visa 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 (CAS) program. A total of 2741 IMAs and 410 non-IMAs were assisted through the CAS program in 2011–12.
Deliverable: National assisted voluntary return service. Result: In 2011–12, the number of referrals to the International Organization for Migration (IOM) under the assisted voluntary return (AVR) program was 734, compared to 899 referrals 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 people in immigration detention and other visa applicants in the community, including the most disadvantaged protection visa applicants. During 2011–12, 5200 IAAAS assistance services were 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 visa obligations, and it actively identifies and locates those who are not complying with their obligations under Australia’s migration laws, through robust enforcement strategies.

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.

People who do not 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. The department focuses on resolving their immigration status through the grant or reinstatement of an appropriate visa, or the departure from Australia of people with no lawful basis to remain in Australia.

The compliance program actively engages with clients to promote timely case resolution. This helps to avoid costly departmental intervention in the long term. BVEs remain a key tool in maintaining lawful status while case resolution pathways are pursued. The grant of a BVE is not in itself considered to be a final immigration outcome.

The department expects clients to 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.

The department educates and supports clients who want to comply, and takes stronger action, including detention or removal where needed, 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 in dealing with employers hiring non-citizens who do not have permission to work. Employers are provided with information about their responsibilities to help them do the right thing. Repeated or major infringements may result in illegal worker warning notices being issued, or prosecution under employer sanctions legislation.

Performance

Throughout 2011–12, the department continued to apply the government's immigration detention policies. The control framework for detention-related decision-making supports these efforts through guiding decision-makers in the key points at which critical decisions are made or reviewed.

The department has continued to support maximum voluntary compliance by clients, sponsors and employers through raising awareness of Australia's immigration laws. This has occurred through advertising campaigns and awareness visits. Active engagement with a range of agencies and stakeholders, including Australian Government and state and territory government agencies, has supported onshore detection efforts in the program year.

Identifying and finding non-compliant non-citizens

Australian Government and state and territory government agencies remain key partners in identifying instances of non-compliance and illegal activity. These include the Australian Taxation Office, Centrelink and local councils. In Victoria, for example, VicRoads contacts the department when processing drivers licence applications from people who may not be entitled to be in Australia. The department also undertakes compliance field activity in concert with law enforcement agencies. Dedicated officers collate and analyse allegations in order to prioritise compliance field activity. These roles are complemented by the centralised immigration status service (ISS), which operates around the clock to respond to enquiries about clients' immigration status from law enforcement agencies.

In order to maximise assistance from the Australian community, the department operates the immigration dob-in line, a free nation-wide telephone and online 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 2011–12, the department received about 18 900 dob-ins, or pieces of fraud-related information, compared to about 15 600 in 2010–11.

Field activity

Conducting field operations to locate unlawful non-citizens is an integral part of compliance work. Ensuring that appropriate detention resources were available was a normal, but significant, part of planning compliance operations in 2011–12.

During the year, compliance managers have focused their activities on targeted operations designed to locate and detain unlawful non-citizens for a shorter period of time before their removal from Australia.

Locating unlawful non-citizens

The total number of clients located in 2011–12 was 15 477, an increase on the 13 831 locations in 2010–11 and 14 169 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 2011–12, about 82 per cent of the overall number of unlawful non-citizens located in the community were voluntary, representing 12 672 clients. Some 18 per cent of locations were people located 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.

Table 53: Number of unlawful non-citizens located

	2009–10	2010–11	2011–12
Total locations	14 169	13 831	15 477

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 casual and part-time work sector.

One of the practical tools available for employers and employees is the visa entitlement verification online (VEVO) service. This internet-based system allows employers to check the work entitlements of a visa holder.

The department conducted 880 awareness visits to employers and educational institutions in 2011–12, compared to 1097 in 2010–11 and 1423 in 2009–10, with more than 34 600 registered VEVO users conducting more than 1.338 million VEVO checks in 2011–12.

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 with 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 referring them 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 2011–12, the department issued 397 notices, compared to 515 in 2010–11, 609 in 2009–10, 597 in 2008–09, 750 in 2007–08 and 529 in 2006–07. Of the notices issued by the department, 51 employers received more than one notice.

Reform of employer sanctions legislation

On 12 December 2011, the minister announced that the government had decided to reform the current sanctions for businesses which allow or refer non-citizens to work in Australia without the required permission. The decision followed consultation with key industry and union stakeholders and the community, ensuing from the 2010 Howells Review. The review found that the existing criminal penalties had not proved to be an effective deterrent against the small number of employers and labour suppliers who persist in employing or referring non-citizens, who do not have permission to work in Australia. Mr Howells concluded that the legislation does not operate as an effective education tool for those employers and labour suppliers.

Draft legislation is being developed to introduce an infringement notice and civil penalties arrangement to supplement the existing criminal sanctions. These will be subject to comprehensive statutory defences to protect businesses and employers who do the right thing. These legislative changes will form one component of a broader strategy aimed at lifting employers' awareness of their obligation not to allow a non-citizen to work who does not have a visa permitting that work, and to streamline access to department systems for checks of prospective workers' visa entitlements. Consistent with the government's commitment to the reforms, close stakeholder engagement is ongoing.

Serious breaches of Australian law by non-citizens

The department refuses and cancels temporary and permanent visas for a variety of reasons, including where the people holding them are found to not meet the character provisions of the Migration Act.

In 2011–12, the minister or a delegate made 1485 character-related decisions. These decisions comprised 157 cancellations, 88 refusals and 1240 warnings.

A person's failure to pass the character test does not automatically result in visa refusal or cancellation.

Where a non-citizen does not pass the character test, the minister and the department have the discretion to cancel or refuse their visa. Decisions to cancel or refuse visas on the basis of the character test are made after full consideration of all the circumstances of the case and with reference to Ministerial Direction 41. Where the minister personally makes a decision to refuse or cancel a person's visa, he is not bound by the ministerial direction.

In June 2011, the Migration Amendment (Strengthening the Character Test and other Provisions) Bill 2011 was introduced into the House of Representatives in response to a number of disturbances at immigration detention facilities. The Bill was passed and became law on 25 July 2011.

It provides that detainees convicted of any criminal offence while in immigration detention will not pass the character test and as such may have their visa application refused under the character provisions of the Act. There has been one refusal under the new character provisions.



Case study

Immigration compliance operation results in slavery conviction

A routine compliance field operation to investigate possible visa breaches uncovered a much more sinister agenda.

In 2007, departmental compliance officers located two women who were unlawful non-citizens but who presented with indicators of people trafficking.

In accordance with an inter-agency protocol, the department referred the two women to the Australian Federal Police for investigation.

Both women agreed to assist the AFP with their investigation and were able to remain lawfully in Australia during the investigation and subsequent court proceedings on visas granted under the people trafficking visa framework.

The AFP investigation culminated in a successful prosecution in the ACT Supreme Court.

On 11 April 2012, Ms Watcharaporn Nantahkum was convicted of several offences, including possessing a slave, and received a total sentence of eight years and 10 months with a non-parole period of four years and nine months.

As suspected victims of trafficking and valid visa holders, the two women received support under the support for trafficked people program. Both were granted permanent visas in 2011.

This is an excellent example of agencies working together as part of Australia's whole-of-government strategy to combat people trafficking.

Photo: Ms Nantahkum was convicted in the ACT Supreme Court of several offences including possessing a slave.

Photo courtesy of the *Canberra Times*.

Providing support to victims of people trafficking

Australia has developed a comprehensive, whole-of-government strategy to prevent trafficking in all its forms. The department is one of 13 agencies on the interdepartmental committee which oversees Australia's anti-people trafficking strategy, monitors its implementation and reports to government on its effectiveness.

The department is also a member of the five-agency operational working group which undertakes daily activities targeting the four pillars of the strategy: prevention, detection and investigation, prosecution of traffickers, and victim support and rehabilitation. The operational working group resolves operational issues that arise in the management of individual cases. It also develops and refers emerging policy issues and policy options to the Anti People Trafficking Interdepartmental Committee.

The department manages the people trafficking visa framework, which is a key feature of the strategy. The framework enables suspected victims of trafficking to remain lawfully in Australia, regardless of their gender or the purpose for which they were trafficked. In 2010–11, 26 Witness Protection (Trafficking) (Permanent) visas were granted, 16 to suspected victims of people trafficking and 10 to members of their immediate family.

The department continues to work closely with other agencies as part of the whole-of-government strategy to prevent people trafficking. When departmental officers identify possible incidences of people trafficking, the matter is referred to the Australian Federal Police for investigation. One such referral resulted in the successful prosecution of a people trafficker in the ACT on 11 April 2012. The person was convicted of several offences, including possessing a slave, and received a total sentence of eight years and 10 months' imprisonment, with a non-parole period of four years and nine months.

Status resolution

The department's status resolution approach seeks to engage unlawful non-citizens, including visa overstayers and bridging visa holders, in actions that result in timely and substantive immigration outcomes. Most people who travel to Australia do so lawfully, comply with their visa conditions and do not attract further attention from the department. However, some experience barriers to complying and require a level of intervention by the department.

The status resolution approach is underpinned by cooperative, lawful, fair and reasonable treatment of such people, adjusted to their individual circumstances. If an appropriate visa option is unavailable, clients are encouraged to voluntarily depart before the department pursues enforced removal. Effective status resolution is achieved through providing clear and accurate information and engaging early with non-citizens through targeted messages and communication products that deter non-compliant behaviour. To progress each case to an outcome, status resolution officers engage openly and honestly with clients, and provide clear explanations about immigration decisions and their implications.

Most people may be granted a bridging visa to remain in the community while they work cooperatively with the department to resolve their immigration status. They will be actively assisted by the department to self-resolve and, where needed, may receive targeted services to enable voluntary case resolution. Services delivered by the department's partners include assisted voluntary returns facilitated through the IOM, which helps to overcome obstacles to departure and to facilitate return without the need for detention. For vulnerable case-managed clients, tailored access to community assistance support (CAS) delivered by the Australian Red Cross is available. Reintegration assistance is also provided to some IMAs to help support sustained returns.

Fundamental to the regulatory process is the ability to lawfully and reasonably escalate the intensity of enforcement and other interventions when clients disengage, resist or withhold cooperation. To ensure program integrity, immigration detention may be used to expedite a departure through removals, but only for the shortest practicable time and consistent with the government's detention values. Escalation of interventions is proportionate to the level of risk presented by each unresolved case.

Effective status resolution not only accelerates outcomes, but aims to deter further non-compliance. It builds client, community and stakeholder confidence in the status resolution approach, and trust in the department and in the integrity of the migration program.

Performance

The status resolution framework is now a central component of the department's compliance strategy, which seeks to resolve the status of unlawful non-citizens and bridging visa holders in a fair and timely manner.

In 2011–12, the department resolved the immigration status of 12 588 unlawful non-citizens who were located in Australia. This represents a 13 per cent increase from 11 137 in 2010–11.

In 2012, the department commenced an evaluation of the effectiveness of its status resolution approach. This is examining the performance of selected services in the program and will also identify areas where improvements can be made. The evaluation is expected to be finalised in early 2013.

Community status resolution service

The department's community status resolution service (CSRS) manages clients who have no ongoing lawful basis to remain in Australia to an immigration outcome, through early intervention and the provision of needs-based support, advice and assistance.

Since being first trialled in late 2008, and later expanded as a national service in late 2009, the capacity of the CSRS has grown to include about 130 trained officers by the end of June 2012. The CSRS takes a case management approach in providing a central contact point for engaging and communicating with clients, in accordance with status resolution principles.

In 2011–12, the number of BVE holders who were actively engaging with the CSRS increased from 4099 in June 2011, to 4534 in June 2012, an increase of 11 per cent.

Client case management

Case managers work closely with their clients to support self-agency and facilitate immigration status resolution. For IMA clients, this means working to help them understand the importance of providing valid identity documents and ensuring they remain engaged with their IAAAS agents to present their claims for protection. Case managers review the progress of a client's case monthly and, where necessary, escalate matters so that risks are managed in respect of client and program integrity.

The department has developed an extensive range of communication tools to ensure that case managers provide accurate and consistent information to clients, including translated written information to help them understand their situation and responsibilities. On arrival at Christmas Island Immigration Detention Centre, clients are provided with a personalised folder of translated information which details their immigration options. This is used to provide an ongoing record of progress made in their case, and the milestones they need to achieve in putting forward their claims for protection. Clients keep and use this record when working with case managers, and case managers review the content with the client monthly.

The vulnerability identification and assessment tool (VIAT) was field-tested for validity and reliability and more recently, case managers were trained in the use of the VIAT before its implementation in July 2012. The VIAT will be embedded in case management training to ensure that 'vulnerability' is identified and rigorously assessed, and managed consistently across the case management service delivery network. The development of this tool is particularly relevant given the increased number of IMA clients being granted bridging visas and living in the Australian community while their protection claims are assessed.

Community assistance support program

The 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 assist clients to develop self-sufficiency in the community and promote status resolution by facilitating client access to the services that are most relevant to their vulnerability and support needs. Services may include income support, counselling and health care.

CAS also prescribes provision of transitional support, a policy designed for clients released from immigration detention, to help them access services which promote their transition towards independence in the community. Clients who receive CAS transitional support include IMAs.

In 2011–12, the CAS program assisted 3151 people. Of these, 2741 people were IMAs in receipt of transitional support, which is funded under program 4.3.

The department began examining ways in which it might better integrate the support services it provides to vulnerable clients through programs such as CAS, to enable them to comply with and engage in status resolution.

Assisted voluntary returns

The provision of assisted voluntary return (AVR) services, through engagement with the IOM, continues to play a key role in encouraging clients (BVE holders) in the community to engage with the department and return home voluntarily. A person can choose at any stage of the status resolution process to engage with IOM to discuss the benefits of voluntary return. These include having greater control over their travel plans, avoiding the need for detention and removal, and other potential consequences, such as being unable to re-enter Australia for a period of time.

AVR services were introduced by the Australian Government as part of a suite of status resolution initiatives, which took national effect in July 2009. In 2011–12, the number of referrals to IOM under the AVR program was 734 compared to 899 in 2010–11.

Use of immigration detention for unlawful non-citizens

The government considers mandatory immigration detention to be an essential component of strong border control. However, immigration detention that is indefinite or otherwise arbitrary is not acceptable and the length and conditions of immigration detention, including the appropriateness of both the accommodation and the services provided, are subject to regular review.

Those subject to mandatory immigration detention remain:

- 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.

The department continued to implement administratively the government's policy of mandatory detention during 2011–12. This included:

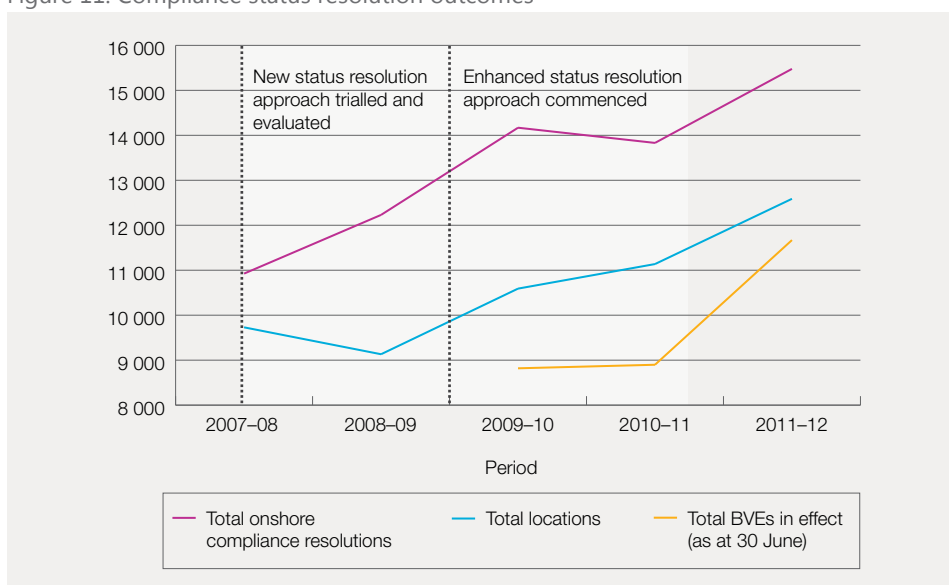
- implementing debt recovery processes for detention debt
- further enhancing relationships with the Indonesian Embassy and consular staff in relation to the management of Indonesian crew and minors
- ongoing review of incident management and the reporting framework within the detention environment, in consultation with key stakeholders
- research into and development of a standardised operational safety framework for the department and its detention service providers.

Encouraging results for onshore compliance strategies

Implementation of the government's policies for the compliance caseload has led to the following results:

- Since implementing the status resolution framework in 2008, which provided a renewed focus on maximising voluntary compliance combined with appropriate and timely intervention to resolve the immigration status of clients, the department has located a higher number of visa overstayers in the community (including through voluntary presentation to departmental officers). In 2011–12, a total of 15 477 people were located by the department, with 12 672 voluntary locations. This has increased from the 10 925 total locations in 2007–08, when the current status resolution strategies were first implemented.
- The number of people being actively managed in the community on visas has increased by 31 per cent, from 8898 in June 2011 to 11 670 in June 2012.
- The number of visa overstayers resolving their status (achieving a durable immigration outcome, which can include being granted a substantive visa or departure) after departmental contact has also increased, rising from 9352 in 2010–11 to 10 366 in 2011–12.
- People are continuing to be detained in the least restrictive environment commensurate with risk. In June 2012, the percentage of the detention population held outside an immigration detention centre was about 46 per cent, compared to about 42 per cent in June 2011.

Figure 11: Compliance status resolution outcomes



Legislation changes

On 26 April 2011, the minister announced his intention to amend section 501 of the Migration Act to strengthen the capacity to refuse visas to detainees convicted of any criminal offences committed while in immigration detention facilities, and to increase the criminal penalty relating to the manufacture, possession, use or distribution of weapons from three to five years (as specified by sub section 197B(1) of the Act).

These measures were to enable a decisive and effective response to the violent, destructive criminal behaviour which had occurred at the Christmas Island and Villawood Detention Centres in March and April 2011. Major damage was caused to the facilities as a result of these disturbances and there was significant risk of harm to other detainees and to staff, as well as more broadly to public order and safety. The amendments to section 501 and sub section 197B(1) came into effect on 25 July 2011.

Following the government's announcement in November 2011 about the community placement of IMAs on bridging visas, the department undertook support work for minor amendments to the Migration Regulations 1994. These amendments enable IMAs granted BVEs, in line with government policy, to access work rights where appropriate.

Detention review arrangements

The department is required to report to the Commonwealth Ombudsman under section 486N of the Act when a person 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, which the minister is required to table in both Houses of Parliament within 15 sitting days of receipt of the report. In 2011–12, the department completed 670 two-year reviews under section 486N of the Act, of which 105 reviews were for subsequent six-month periods under section 486M of the Act.

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.

Minister's Council on Asylum Seekers and Detention

The Minister's Council on Asylum Seekers and Detention (MCASD) is an advisory body to the minister. Its members are drawn from the Australian community. Collectively, they provide a wide and deep knowledge of immigration detention and associated issues. The council's role is to provide advice to the minister on policies, processes, services and programs necessary to achieve the timely, fair and effective resolution of immigration status for people seeking migration outcomes in Australia. In particular, the council advises on programs to support unlawful non-citizens, including IMAs, to reach an immigration outcome, the appropriateness and adequacy of these services, and immigration detention.

The department worked closely with the council to support it in carrying out its advisory role during 2011–12, including provision of secretariat services and logistical support. Over this period, there were six general meetings of the council, 21 sub-group or other meetings, and 10 visits to immigration detention facilities to gain a first-hand view of their operations and to meet people held in immigration detention. Council members also chaired community consultative groups, which allow members, departmental officers, detention service providers and key members of the community to meet and discuss issues associated with facilities and operations at the local level.

The council directly contributed its drive and expertise to a range of initiatives, including:

- the placement of people in the community while their status is being resolved
- the establishment of arrangements to provide cultural support and assistance to people in immigration detention
- the development of services and capacity to determine the services required by vulnerable people in immigration detention and the community
- research into fields such as the experience of people in immigration detention
- the engagement of community and non-government stakeholders by the department in matters associated with the resolution of people's immigration status while in the community or immigration detention.

Client and stakeholder engagement

The department continues to engage with clients and stakeholders to raise and maintain awareness of status resolution services and client responsibilities in working with the department.

In 2011–12, the department used an integrated range of communication tactics to promote the role of the CSRS to people in the community who are unlawful non-citizens, or who are at risk of becoming unlawful non-citizens, as well as stakeholders who interact with them. These included targeted advertising and provision of information through ethnic websites and media, regional radio and social networking tools.

As a result of the advertising and communication activities, the number of page views to the CSRS web page on the department's website increased by 200 per cent, from 2180 (March 2012) to 6588 views (June 2012), and the number of clients calling the CSRS phone line increased by 60 per cent.

At the same time, the department increased communications towards students affected by changes to general skilled migration in 2010. These activities sought to ensure that this group is aware of information about their options and can consider whether they intend to take up transitional arrangements.

As IMAs are managed in the community on BVEs, the department is expanding its status resolution approach and the messages and information it provides, to respond to and manage their circumstances. This status resolution approach was further developed through an online information tool to assist IMAs and community stakeholders to understand the protection assessment process and the impact of key immigration decisions, and to reinforce clients' responsibilities. The website was launched at the beginning of June 2012 and received 14 607 visitors in that month.

Ongoing analysis of activities shows that clients are increasingly seeking out and using compliance and status resolution-related information. Indications are that the communications strategy is continuing to improve client understanding and positively shift attitudes towards voluntarily interacting with the department.

Improving the effectiveness of the program

The department engaged in a range of activities during 2011–12 to improve the effectiveness of the compliance and status resolution program. Some of these included improvements to the detention-related decision-making control framework and the compliance, case management, detention and settlement (CCMDS) portal, as well as ongoing audits and quality assurance reviews to ensure that the program continues to operate in a lawful, fair, efficient and effective manner.

Building on previous framework enhancements, the majority of the improvements delivered in 2011–12 were system enhancements to the CCMDS portal, which formed part of a CCMDS user interface/portal usability project. The project reviewed current compliance and case resolution-related business processes to improve process inefficiencies, and, where possible, implemented a task-based user interface tool to guide documentation decisions. Implementing the tool across the compliance business has ensured that compliance-related decisions are transparent and recorded consistently, and that departmental clients are managed consistently and in a timely manner, regardless of their location. Other system improvements have enabled bulk client processing, faster client referrals, and more effective business support to clients.

In response to the Departmental Audit Committee recommendation in June 2011, the compliance quality assurance framework (CQAF) was developed, consistent with the global quality assurance framework and the Client Services Group quality framework, to provide a systematic approach to program assurance. The framework documents governance for assurance activities across the program, provides a robust quality assurance methodology, and identifies suitable assurance activities based on key risk areas in the program. This enables effective program management by providing objective and evidence-based assurance that the program continues to operate in a lawful, fair, efficient and effective manner. The CQAF has been integrated into a comprehensive assurance work plan, based on key program and strategic risk mapping, containing audits and quality assurance reviews scheduled for 2012–13.

Removals

An important aspect of the department's role is managing Australia's borders by regulating the arrival and stay of non-citizens. Maintaining the integrity of this program can at times mean enforcing a person's departure from Australia.

The department places a strong emphasis on active and early engagement to support people in achieving an immigration outcome in a timely and effective manner. Where a person has no ongoing lawful right to remain in Australia, the department works to facilitate voluntary departure in the first instance, ensuring the benefits of departing voluntarily are understood. However, if an unlawful non-citizen chooses not to leave voluntarily, the department will arrange for their removal from Australia.

Performance

During 2011–12, the department removed a total of 1775 unlawful non-citizens from immigration detention. This number represents a 40 per cent increase on the 1270 removals undertaken in 2010–11. The majority of removals from detention were voluntary (1689 in 2011–12), compared to involuntary removals (86).

Removal activity

The department focuses on active and early engagement with unlawful non-citizens to resolve their immigration status promptly and fairly. Consistent with government detention policy, an increased focus is placed on providing community-based resolution options for clients to minimise any time spent in an immigration detention facility. This includes beginning removal planning while a person is still in the community.

Where an unlawful non-citizen is detained and available for removal, the department continues to engage with the person to ensure that their removal is appropriate and lawful and keeps them informed of their removal arrangements. In 2011–12, changes were made to increase the usual notice period given to clients of their removal from Australia. Wherever possible, this notice is now provided seven days prior to removal, provided that this timeframe does not unnecessarily extend a person's time in immigration detention.

This change supports clients in preparing for their upcoming removal. A small amount of financial assistance may be provided to support immediate post return needs, when required. About 95 per cent of people who were removed from Australia in 2011–12 cooperated with removal arrangements.

Removal activity requires the department to maintain strong relationships with a range of stakeholders. The department works closely with its detention service provider, Serco, which provides essential logistical and security services during removal operations, including transporting and escorting a removee from the immigration detention facility to an international airport and, in some cases, to the removee's return destination overseas.

The department works collaboratively with a range of airline companies to seek their agreement to transport removees. The great majority of removals are carried out on commercial airlines. Where a person has displayed disruptive behaviour that presents a risk to a commercial flight, and an agreement to transport them on a commercial flight cannot be obtained, the department may charter flights. Such situations are uncommon. In 2011–12, 10 clients were removed by charters, representing less than 1 per cent of all removals.

The department continues to build effective relationships with most countries to obtain travel documents to facilitate the removal of their nationals. Departmental staff maintain close and regular contact with foreign missions in Australia and with foreign agencies overseas. In some cases, these relationships are supported by more formal arrangements, such as with the Government of the Islamic Republic of Afghanistan. In January 2011, the Australian Government and the United Nations High Commissioner for Refugees signed a Memorandum of Understanding with the Afghan Government to facilitate the return of Afghan nationals who were found not to be owed Australia's protection.

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 foreign fishers (program 4.4).

Key statistics

There were a total of 19 370 people held in immigration detention during 2011–12, compared to 13 134 people in 2010–11. This represents an increase of 47 per cent.

As shown in Figure 12, during 2011–12, there were 12 967 people taken into immigration detention, compared to 8874 in 2010–11.

Figure 12: People taken into immigration detention

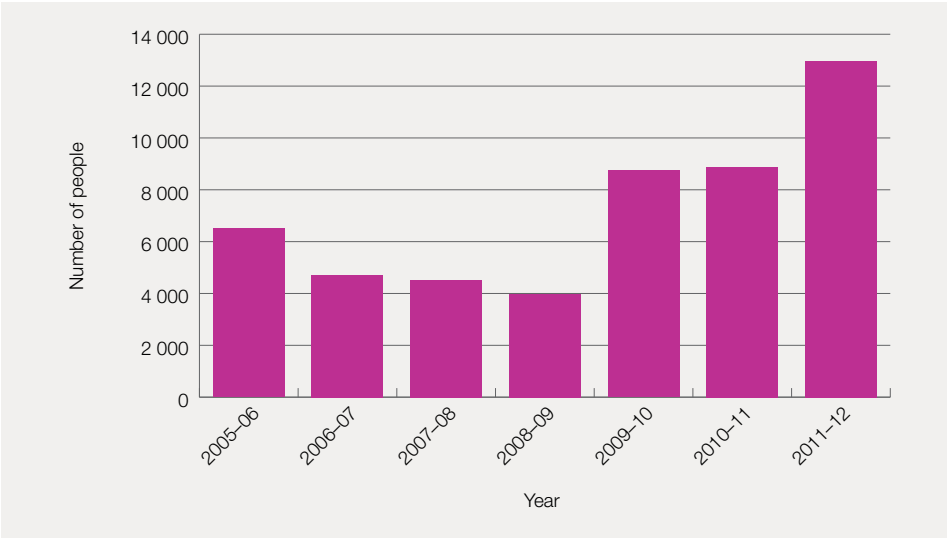


Figure 13 shows the number of people in immigration detention in Australia from 1990 to 2012. The rise in the number of irregular maritime arrivals detained is represented by peaks in 1999, 2002, 2010 and 2012.

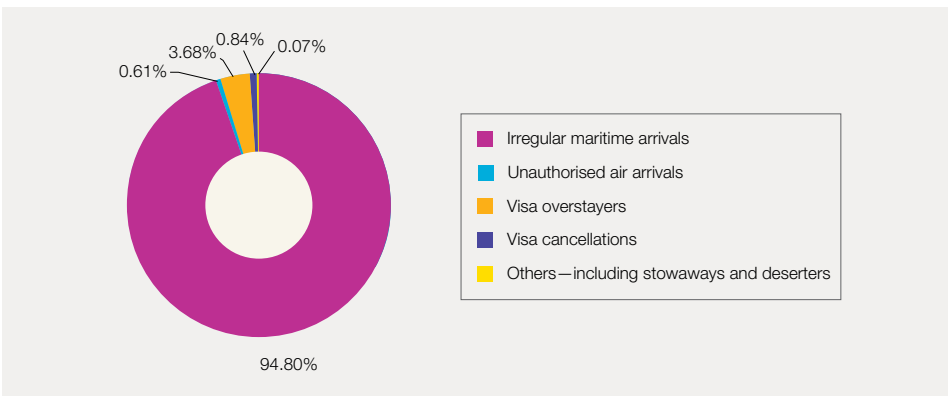
Figure 13: Population in immigration detention from 1 January 1990 to 30 June 2012



As at 30 June 2012, there were 7252 people in immigration detention compared to 6403 as at 30 June 2011.

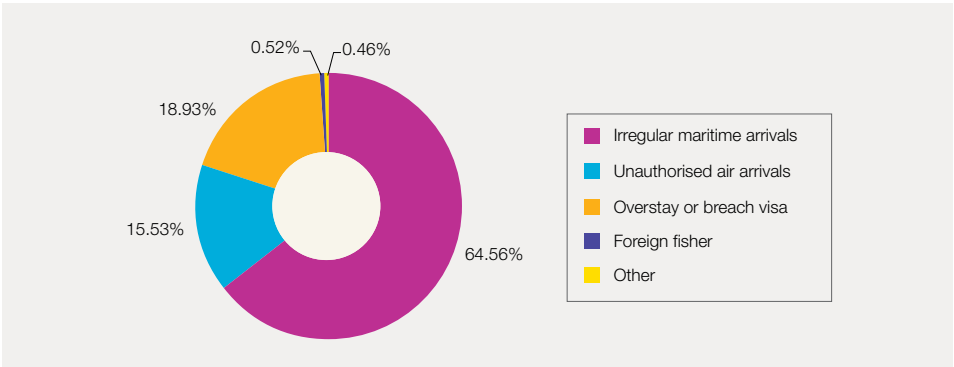
These included 6875 IMAs, 44 unauthorised air arrivals, 328 people who had been living in the community but had overstayed or breached visa conditions, no foreign fishers and five others such as stowaways and ship's deserters.

Figure 14: People in immigration detention by arrival type at 30 June 2012



- There were 12 967 people taken into immigration detention during 2011–12 of whom:
- 2455 were people who had been living in the community but overstayed or breached visa conditions, representing 19 per cent of the total
 - 68 were foreign fishers, representing 0.5 per cent of the total
 - 10 385 were unauthorised arrivals (2014 by air and 8371 IMAs by boat), representing 80 per cent of the total
 - 59 were in the ‘other’ categories such as seaport arrivals, stowaways and ship deserters, representing 0.5 per cent of the total.

Figure 15: People entering immigration detention by arrival type in 2011–12



Community detention program

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.

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.

Clients placed in community detention must reside at a nominated address and comply with other conditions, which include regular reporting to the department.

On 30 June 2012, 1437 people were residing in community-based arrangements or had been approved for such arrangements and were transferring to their accommodation. Of the 1437 clients approved for community detention 17 were onshore clients and 1420 were IMAs and included 33 babies born in community detention, seven born in alternative places of detention and one baby born in immigration residential housing. On 30 June 2012, 21 per cent of all IMAs in immigration detention were residing in community detention.

In 2011–12, a total of 2590 clients were approved for community detention, of whom 1568 were granted protection visas and five returned voluntarily to their country of origin.

The Australian Red Cross 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 MCASD is working closely with the department and the Australian Red Cross 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 54: People approved to live in community detention in 2011–12

Program	2010–11	2011–12
Onshore	33	16
Irregular maritime arrivals	1 499	2 523
Foreign fishers	0	0
Babies born in community detention	19	51
Total	1 551	2 590

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 the immigration detention environments, including community detention, that seeks to¹:

- 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 irregular arrivals.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

Onshore detention network—deliverables

Deliverable: Provision of support, health and detention services to people in immigration detention environments, including community detention, in accordance with the objectives and key performance indicator targets for this program².

Result: The department operates immigration detention facilities (IDFs) to provide accommodation for people detained under the *Migration Act 1958*. The amenity at the various facilities provides suitable conditions for people in immigration detention and ensures that the standard of delivery is humane. Different facilities cater for differing client cohort and individual needs. Facilities are categorised as either an immigration detention centre (IDC), immigration residential housing (IRH), immigration transit accommodation (ITA), or an alternative place of detention (APOD).

1. The wording of the program objective for Program 4.2 was altered in the *Portfolio Additional Estimates Statements 2011–12*.

2. The wording of this deliverable was altered in the *Portfolio Additional Estimates Statements 2011–12*.

Onshore detention network—deliverables *continued*

In accordance with the government's immigration detention values, minors and their families are not accommodated in immigration detention centres.

A wide range of services are provided at each immigration detention facility, including access to:

- active case management services
- health services
- private and official visitors
- legal and consular services
- external government and non-government oversight bodies
- educational programs, including English-language instruction
- cultural, recreational and sporting activities
- specialist counselling services
- library services
- computers and the internet
- religious services
- telephones, newspapers and television
- culturally appropriate meals and snacks
- incidental items for purchase.

The department procures services for immigration detention, support and health services to unlawful non-citizens onshore and on Christmas Island, across the range of immigration detention facilities.

All people in immigration detention are provided with access to health care at a standard generally comparable to the health care available to the Australian community. Health care services are provided by qualified health professionals and take into account the diverse and potentially complex health care needs of people in immigration detention.

The provision of services is guided by the government's immigration detention values. These values ensure that people in immigration detention are treated fairly and reasonably within the law, and with dignity and respect at all times, are accommodated to best suit their individual needs, and are provided with appropriate support and a variety of services to meet their daily requirements.

The department continually monitors, and actively manages, the service providers' performance and assesses it against contractual obligations.

The expansion in October 2010 of existing community detention arrangements has enabled significant numbers of irregular maritime arrivals (IMAs) to be relocated from immigration detention facilities to community-based accommodation under residence determination arrangements.

The department manages the community detention program in partnership with contracted service providers. During 2011–12, additional service providers were sourced to meet increasing demand. Contracted services included accommodation, case work, and residential care to unaccompanied minors and other vulnerable clients.

Onshore detention network—deliverables *continued*

The delivery of health services to clients in community detention is co-ordinated by the department's contracted health services provider, through a network of community-based providers.

All school-aged children in community detention are enrolled in school or other educational institutions, such as English language schools, while a small number of older youths are enrolled in programs that are more appropriate for those who have missed a lot of schooling and/or are behaviourally more mature.

In late 2011, the department successfully piloted an English as a second language (ESL) program for clients in community detention and subsequently expanded it to meet increasing demand. Clients are also encouraged to participate in various activities at their own initiative, such as cultural or religious activities, volunteering opportunities, community gardens and men's sheds.

The department works closely with the Minister's Council for Asylum Seekers and Detention (MCASD) to support the community detention program.

Deliverable: Policy advice and service design to enable such 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 occur in accordance with Chief Executive Instruction 30 (CEI 30). CEI 30 requires that departmental policy instructions are reviewed regularly.

As part of ongoing improvement processes, the design and delivery of services to clients will continue to be revised and improved.

Onshore detention network—key performance indicators

Key performance 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: In 2011–12, 12 967 people were taken into immigration detention.

These included 8371 IMAs, 2014 unauthorised air arrivals, 2455 people who had been living in the community but had breached visa conditions, 68 foreign fishers and 59 others, including stowaways, ship deserters and babies born to parents in immigration detention.

During 2011–12, 2590 people were approved for residence determination (1446 adults and 1144 children). As at 30 June 2012, 1568 had been granted Protection visas, 235 granted bridging visas and five returned voluntarily to their country of origin.

During 2011–12, four people died while in immigration detention, two in community detention and two in immigration detention facilities.

All people in immigration detention facilities are provided with access to health care at a standard comparable to the health care available to the Australian community.

Onshore detention network—key performance indicators *continued*

The department actively manages the service contracts for immigration detention, health and support services to ensure that value for money is achieved, as well as the effective application of policy, laws and practices governing the department's duty of care towards people in immigration detention.

The detention services contract stipulates indicator metrics which are targeted on key delivery areas that are fundamental to the performance of the contract. The performance monitoring process is integral to objectively monitoring and measuring the detention service provider's performance. Where the service provider fails to meet the minimum performance levels required under the contract, the services fee is adjusted.

In addition to the performance monitoring process, the department undertakes an ongoing audit program to ensure that the service providers meet their contractual obligations.

The government also delivered on its commitment to move the majority of children out of immigration detention facilities and into community accommodation.

Services are provided to clients in community detention commensurate with their circumstances, the contractual obligations of the service providers, and the community detention operational framework. These include accommodation, case support and health services and, depending on clients' individual needs, education for school-aged children (including intensive ESL support, in the same way as for other new arrivals), residential care for unaccompanied minors and meaningful activities for adults.

As clients in community detention are unable to work or undertake vocational training, service providers help them to identify possible activities of interest, including volunteering, religious or cultural activities and access to a tailored ESL program. The ESL program was successfully piloted in late 2011 and expanded in 2012 to meet increasing demand. The existing adult migrant English program service providers deliver the ESL program to clients in community detention, which affords continuity where clients are subsequently granted a Protection visa.

Key performance 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 2011–12 no persons who were known or reasonably suspected to be minors were accommodated in immigration detention centres.

Onshore detention network—key performance indicators *continued*

Key performance 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 immigration detention are reviewed by the detention review manager within 24–48 hours of being detained, and in exceptional circumstances within 72 hours, in compliance with the revised control framework for detention related decision-making. The detention review manager has ensured that the decision to detain is lawful and that the client is not case law affected.

Clients in immigration detention have their detention reviewed monthly by their case manager, six-monthly by the senior review officer, at Detention Review Committee meetings, or through a mandatory two-year report (and each subsequent six months) to the Commonwealth and Immigration Ombudsman. The department has delivered all mandatory reports on time, but given the size of the current detention population has been unable to complete every client review type within the agreed timeframes.

Performance has improved over this year and all clients have been reviewed by one or more of the mechanisms.

The program key performance indicators (KPIs) table on page 57 of the *Portfolio Budget Statements 2011–12* has been omitted because the detention services contract is not structured to report against these KPIs.

Administered items

Administered item: Community and detention services

Objective¹: To fund the provision of a range of support, health and detention services to people in the immigration detention environments, including community detention 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 immigration detention centres
- 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 the immigration detention environments, including community detention, in accordance with the objectives and key performance indicator targets for this program.

Result: The department works closely with contracted service providers to ensure that the range of support, health and detention services effectively delivers intended outcomes.

During 2011–12, the contracted service providers were:

- detention services—Serco Australia
- community detention services—Australian Red Cross
- health services—International Health and Medical Services
- unaccompanied minors support and independent observer services—Life Without Barriers
- torture and trauma support services—member agencies of the Forum of Australian Services for Survivors of Torture and Trauma.

During 2011–12, the department worked closely with Serco and Life Without Barriers to ensure that detention and support services to people in immigration detention were delivered in line with the program objectives.

For people in facility-based detention (IDCs, APODs and ITAs), most primary health services are available onsite, with referral to external health services providers in the community as clinically required. For people in community detention and IRH, health care services are provided exclusively by community-based health providers.

The department continually monitors and actively manages the service providers' performance against contractual obligations.

The department also works closely with the Australian Red Cross as the main contracted agency for community detention services. The Australian Red Cross subcontracts a range of agencies, including those with experience and expertise in out-of-home care for minors, to ensure that an appropriate level of services is provided to unaccompanied asylum seeker children.

1. The wording of this objective and deliverable was altered in the *Portfolio Additional Estimates Statements 2011–12*.

Administered item: Community and detention services *continued*

In light of the growth in the community detention program during 2011–12, the department contracted additional service providers to assist with accommodation and case support services. The new providers were Wesley Mission Victoria, Hotham Mission Asylum Seeker Project, MercyCare, the Salvation Army East, Multicultural Development Association, Mackillop Family Services, Mercy Family Services, Marist Youth Care and Access Community Services.

The department undertakes a quality assurance program to ensure that community detention service providers meet their obligations in accordance with the contract and the operational framework for the community detention program.

Administered item: Payments under section 33 of the *Financial Management and Accountability Act 1997*—act of grace payments

Objective: Payments made under section 33 of the *Financial Management and Accountability Act 1997* 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: Three payments were made, all of which were claims lodged in previous financial years, but not paid until the 2011–12 financial year. The payments were made in accordance with legislative requirements and guidelines.

Onshore detention network

The onshore detention network 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 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 by air without authorisation.

Performance

There were a total of 4932 people who had been held in onshore immigration detention during 2011–12, compared to 3998 people in 2010–11. This represented an increase of 23 per cent.

During 2011–12, there were 4596 people taken into onshore immigration detention, compared to 3877 in 2010–11. This represented an increase of 19 per cent.

At 30 June 2012, there were 377 people in onshore immigration detention, compared to 330 at 30 June 2011, an increase of 14 per cent.

Figure 16: People in onshore detention by placement type as at 30 June 2012

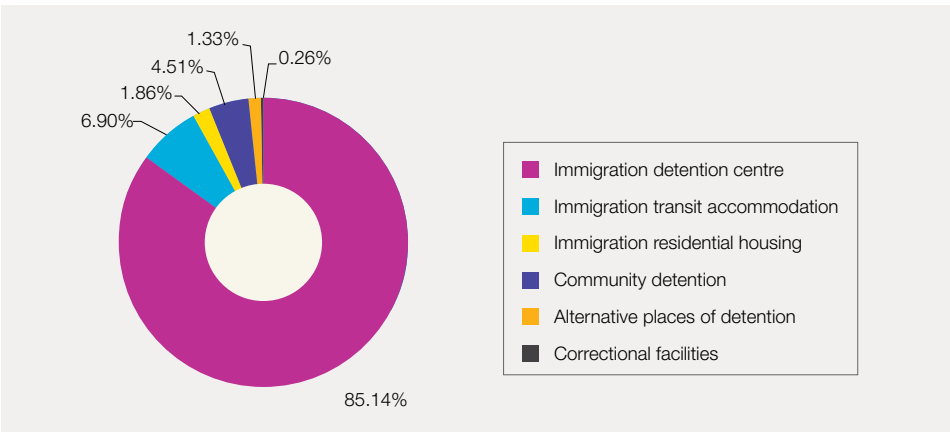
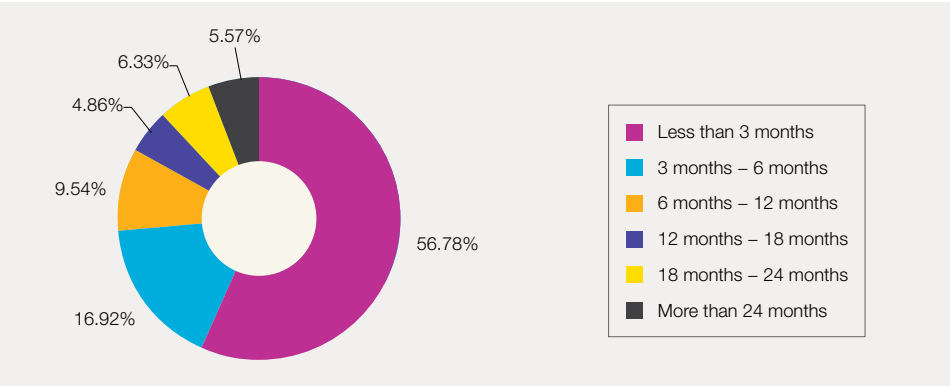


Figure 17: People in onshore detention by period detained as at 30 June 2012



Infrastructure

During 2011–12, the department has continued its commitment to providing infrastructure that supports a positive environment for people in immigration detention and for staff. This included:

- Improving living conditions and amenities at the Sydney IRH, with the opening of a new shared amenities building with a living area, dining area, and recreation amenities that can be used by IRH clients and visitors. Additional work was also undertaken to reconfigure the existing reception building to incorporate biometrics, interview and health rooms.
- Building additional amenities:
 - Melbourne ITA—completion of a new multi-purpose building which increased clients' ability to undertake activities such as religious observance, recreation activities and education.
 - Port Augusta IRH—opening a new client service area. This involved the installation of two new buildings for client services and the refurbishment of the existing client service area for administration purposes.
 - Leonora APOD—additional education facilities provided for unaccompanied minors.
 - Curtin IDC—an upgrade to IT infrastructure which increased the number of client computers available to 111.
 - Berrimah House APOD—a dedicated classroom and processing area provided.
- Work starting on a \$15 million infrastructure upgrade package of the Northern IDC. This upgrade includes the provision of classrooms, a library, a new gym, upgrade to soccer fields and the provision of facilities for basketball and volleyball. Landscaping will be improved generally across the site, with the introduction of a nursery, flower and vegetable gardens, BBQ shelters and improvements to the look and feel of the existing cabanas, to separate noisy activities from quiet ones and to provide better all-weather protection.
- Progressing the Villawood Immigration Detention Facility redevelopment with the design process completed in late 2011. Construction of stage 1, which includes the main services infrastructure, such as kitchen, dining, medical, education and recreation facilities, began in late 2011 with completion scheduled for July 2013. The redevelopment is being managed by the Department of Finance and Deregulation, and is due for completion at the end of 2015.

Program 4.3 Offshore asylum seeker management

Program 4.3 consists of one departmental item:

- Offshore asylum seeker management

There are six 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 packages¹
- Regional Cooperation Framework
- Refugee status determinations

Objectives

To advise on, develop and provide a range of support, health and detention services in the immigration detention environments, including for irregular maritime arrivals¹ (IMAs), that seek to²:

- 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 immigration detention centres
- ensure the availability for immigration processing, or otherwise the removal of people detained under the *Migration Act 1958*
- enable the management of health, identity and security risks to the community arising from 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 implement practical measures which support the regional protection framework.

To remove from Australia IMAs who are not owed protection by Australia.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2011–12* and the *Portfolio Additional Estimates Statements 2011–12*.

1. The objectives and deliverables for this administered item were omitted from the *Portfolio Budget Statements 2011–12* and the *Portfolio Additional Estimates Statements 2011–12*.
2. The wording of the program objective for Program 4.2 was altered in the *Portfolio Additional Estimates 2011–12*. All references to 'offshore entry persons' throughout Program 4.2 in the *Portfolio Budget Statement 2011–12* were amended to refer to 'irregular maritime arrivals' in the *Portfolio Additional Estimates 2011–12*.

Offshore asylum seeker management—deliverables

Deliverable: Provision in immigration detention of support, health and detention services to IMAs, in the immigration detention environments, including community detention, in accordance with the objectives and key performance indicator targets for this program¹.

Result: The department operates immigration detention facilities to provide accommodation for people detained under the Migration Act. The department procures services for immigration detention, support and health services for unlawful non-citizens.

A wide range of services is provided at each IDF, including access to:

- active case management services
- health services
- private and official visitors
- legal and consular services
- external government and non-government oversight bodies
- educational programs, including English-language instruction
- cultural, recreational and sporting activities
- specialist counselling services
- library services
- computers and the internet
- religious services
- telephones, newspapers and television
- culturally appropriate meals and snacks
- incidental items for purchase.

All people in immigration detention are provided with access to health care at a standard generally comparable to the health care available to the Australian community. Health care services are provided by qualified health professionals and take into account the diverse and potentially complex health care needs of people in immigration detention.

The provision of services is guided by the government's immigration detention values. These values ensure that people in immigration detention are treated fairly and reasonably within the law and with dignity and respect at all times, are suitably accommodated to best suit their individual needs, and are provided with appropriate support and a variety of services to meet their daily requirements.

In October 2010, the government announced the expansion of existing community detention arrangements to enable significant numbers of IMA clients, particularly children and families, to be relocated from immigration detention facilities to community-based accommodation under residence determination arrangements.

The department manages the community detention program in partnership with contracted service providers. Contracted services included accommodation, case work, and residential care to unaccompanied minors and other vulnerable clients.

1. The wording of this deliverable was altered in the *Portfolio Additional Estimates Statements 2011–12*.

Offshore asylum seeker management—deliverables *continued*

The delivery of health services to clients in community detention is coordinated by the department's contracted health services provider, through a network of community-based providers.

All school-aged children in community detention are enrolled in school or other educational institutions (such as English language schools), while a small number of older youths are enrolled in programs that are more appropriate for those who have missed a lot of schooling and/or are behaviourally more mature.

In late 2011, the department successfully piloted an ESL program for clients in community detention and subsequently expanded it to meet increasing demand. Clients are also encouraged to participate in various activities at their own initiative, such as cultural or religious activities, volunteering opportunities, community gardens and men's sheds.

The department works closely with the MCASD to support the community detention program.

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. Development and maintenance of these policy instructions occur in accordance with Chief Executive Instruction 30 (CEI 30). CEI 30 requires that departmental policy instructions are reviewed regularly.

As part of ongoing improvement processes, the design and delivery of services to clients will continue to be revised and improved.

Deliverable: Services to develop, implement and undertake the removal from Australia of IMAs who are not owed protection by Australia handled expeditiously in line with service standards.

Result: The department applies status resolution principles to resolve the status of clients who do not engage Australia's protection obligations. This includes early engagement, clear communication of available options, and processes which encourage cooperation with return arrangements, to ensure that removal is effected as soon as reasonably practicable. This is supported by the International Organization for Migration (IOM) which provides independent counselling and return assistance, including assistance to enable clients to reintegrate into their community when they return. The department also works closely with governments of IMA source countries to effect timely agreement to the return of their nationals.

Offshore asylum seeker management—key performance indicators

Indicator: The level of care and services provided in immigration detention to IMAs 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: In 2011–12, 8371 IMAs were taken into immigration detention.

The department actively manages the service contracts for detention, health and support services to ensure that value for money is achieved, and that policy, laws, rules and practices governing the department's duty of care towards people in immigration detention are being effectively applied.

The detention services contract stipulates indicator measures which are targeted on key delivery areas that are fundamental to the performance of the contract. The monitoring process is integral to objectively measuring the detention service provider's performance. Where the service provider fails to meet the minimum performance levels required under the contract, the services fee is adjusted.

All people in immigration detention are provided with access to health care at a standard generally comparable to the health care available to the Australian community.

All school-aged children in facility-based or community detention are enrolled in school or other educational institutions. Adults are also encouraged to participate in various activities at their own initiative, such as cultural or religious activities and volunteering opportunities, and have access to ESL programs. The existing AMEP service providers deliver the ESL program to clients in community detention, which affords continuity if clients are subsequently granted a Protection visa.

The department works closely with MCASD to support the community detention program.

During 2011–12, the community detention program procured additional service providers to meet increasing demand. Contracted service providers deliver services in line with contract obligations and the community detention program operational framework.

In addition to the performance monitoring process, the department undertakes an ongoing audit program to ensure that the service providers meet their contractual obligations.

Indicator: Only people who are not known or reasonably suspected to be minors are detained in immigration detention centres.

Result: In accordance with government policy, in 2011–12 no persons who were known or reasonably suspected to be minors were accommodated in immigration detention centres.

Offshore asylum seeker management—key performance indicators *continued*

Indicator: IMAs 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: It is the department's policy that all IMAs are reviewed at regular intervals, six-monthly by the senior review officer, at detention review committee meetings, and through the Ombudsman reporting arrangements, including mandatory two-year reports (and each subsequent six months) to the Commonwealth and Immigration Ombudsman. As with the compliance caseload, given the size of the current detention population, the department has been unable to review all clients, of every review type, within the agreed timeframes. All mandatory reports have been delivered on time. However, performance has improved over this year and all IMAs have been reviewed by one or more of the mechanisms.

Indicator: IMAs 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 arranges the removal of IMAs as soon as reasonably practicable once they have no ongoing matters before the department or the courts. IMAs in immigration detention can request their removal from Australia at any point in time and officers and IOM work with the client to facilitate this. Given the complexities involved in effecting an involuntary removal, it is highly preferable that wherever possible removals are voluntary.

Of the 52 IMA clients removed in 2011–12, 38 were failed asylum seekers. The remainder either did not raise protection claims on arrival or chose not to have their protection claims tested. Of the 38 failed asylum seekers, all but two returned voluntarily. A further 313 crew members were removed from Australia having either raised no protection claims upon arriving in Australia, or having sought voluntary removal before receiving the outcome of their protection assessment.

The program key performance indicators (KPIs) table on page 58 of the *Portfolio Budget Statements 2011–12* 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 the immigration detention environments, including community detention, to IMAs 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 immigration detention centres
- help IMAs 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 IMAs in immigration detention environments, including community detention, in accordance with the objectives and key performance indicator targets for this program.

Result: For the 2011–12 financial year, the service providers contracted to deliver effectively the range of support, health and detention services were:

- detention services—Serco Australia
- community detention services—Australian Red Cross
- health services—International Health and Medical Services
- unaccompanied minors support and independent observer services—Life Without Barriers.
- torture and trauma—the Indian Ocean Territories Health Service, and member agencies of the Forum of Australian Services for Survivors of Torture and Trauma

During 2010–11, the department worked closely with Serco and Life Without Barriers to ensure that detention and support services to people in detention were delivered in line with the program objectives.

For people in facility-based detention (IDCs, APODs and ITAs), most primary health services are available onsite with referral to external health service providers in the community as clinically required. For people in community detention and immigration residential housing, health care services are provided exclusively by community-based health providers.

People in immigration detention who are identified as survivors of torture and trauma are referred to appropriate counselling services. Mainland services were provided through member agencies of the Forum of Australian Services for Survivors of Torture and Trauma. Services on Christmas Island were provided by the Indian Ocean Territories Health Service.

The department continually monitors and actively manages the service providers' performance against contractual obligations.

Administered item: Community and detention services *continued*

Under the community detention program, the department works closely with the Australian Red Cross as the main contracted agency for community detention services. The Australian Red Cross subcontracts a range of agencies, including those with experience and expertise in out-of-home care for minors, to ensure that an appropriate level of services is provided to unaccompanied asylum seeker children.

Additional service providers were also contracted during 2011–12 to assist with accommodation and case support services and to enable a higher number of vulnerable clients to be moved out of held detention as a matter of priority. The new providers were Wesley Mission Victoria, Hotham Mission Asylum Seeker Project, MercyCare, The Salvation Army East, Multicultural Development Association, Mackillop Family Services, Mercy Family Services, Marist Youth Care and Access Community Services.

The department undertakes a quality assurance program to ensure that community detention service providers meet their obligations in accordance with the contract and the operational framework for the community detention program.

IMAs who have been granted a BVE to live in the community pending the outcome of their immigration processing may be eligible for support under the CAS and ASAS. Both programs are funded by the department and administered by the Australian Red Cross. Clients identified as needing assistance can be provided with transitional support for up to six weeks. Services under these programs may include:

- income support and rental assistance at 89 per cent of the equivalent special benefit
- emergency short-term accommodation while the client finds a place of their own
- transit assistance when travelling from an immigration detention facility to their destination in the community
- orientation in the community.

Where eligible, IMA BVE holders may be able to access transitional accommodation support on a short term basis, including 'home stay' style arrangements.

IMAs are provided with publicly funded independent professional immigration advice and assistance under the immigration advice and application assistance scheme (IAAAS). IAAAS providers who service IMAs are registered migration agents with experience in immigration legislative, policy and procedural requirements. They help their clients to complete and submit Protection visa applications and to liaise with the department; provide advice on immigration matters; explain outcomes of applications; and provide information and advice on further options available in the event of a refusal decision. IAAAS assistance is also available at the merits review stage, but not to those seeking judicial review of an immigration decision.

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 International Organization for Migration (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 establish an additional immigration detention and transit facility in Indonesia.

Result: Funding is provided to IOM for the upgrade and refurbishment of existing immigration detention facilities. The department does not fund the establishment of immigration detention and transit facilities in Indonesia.

The management and care of intercepted irregular migrants project (MCIIIP), involves major refurbishment of three detention sites within the Indonesian Immigration (Imigrasi) detention centre network, with approved funding totalling \$19.9 million. In the 2012–13 Budget context the government agreed to moving \$7.9 million in funding from 2011–12 to 2012–13 to facilitate completion of the project. The agreed sites for refurbishment under phase 2 of the MCIIIP are at Balikpapan in East Kalimantan, Batam in Riau Islands and Semarang in Java.

Deliverable: Training sessions conducted for Indonesian immigration officials.

Result: The department funds a comprehensive training program for Indonesian immigration officials, including document examination and facial comparison training as well as English language training.

The department's training program with Imigrasi continues to foster goodwill between both agencies.

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 forums and English language training.

Result: The department delivers an extensive capacity building program which strengthens the migration and border management capabilities of governments in the Asia-Pacific and Middle East.

Key projects in South-East Asia include:

- Indonesia—assistance to Imigrasi to enhance analytical and visa integrity processes with appropriate intelligence and analytical systems support.
- Funding for a specialist information technology consultant to assist in progressing border systems work.
- Enhancements to support the Indonesia border control management system, under the border management capacity building partnership.
- Funding a program of minor maintenance works to improve existing facilities and residential accommodation arrangements for irregular migrants intercepted en route to Australia.
- Funding postgraduate masters scholarships in public administration, international relations, or information technology for Indonesian immigration officials.
- 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 processes and systems.

Key projects in the Pacific include:

- Papua New Guinea—capacity building and technical assistance in developing border management and governance initiatives, including continued roll-out of the border management system which incorporates visa, movement and alerts processing, and reporting functionality.
- Vanuatu—commencement of a program of activities to improve Vanuatu's border management capability.

Administered item: Regional cooperation and capacity building *continued*

Key projects in South and North Asia and the Middle East include:

- Afghanistan—funding provided to IOM to continue support for the development of the passport and visa issuance systems in Afghanistan.
- Sri Lanka—continued work with the Sri Lankan Department of Immigration and Emigration to strengthen border management capability.
- Iraq—funding to assist improvement Iraq's in migration and border management capabilities.

The department has implemented a comprehensive and targeted training program for immigration agencies throughout Asia, the Pacific, and Middle East regions to increase immigration officials' capacity in specific areas of migration management. In 2011–12, this included providing:

- document examination equipment and training to front line immigration officers in airports and at land borders to help deter irregular migration, by enabling immigration officers to confidently and accurately detect fraudulent travel documentation at borders
- facial image analysis training to front line immigration officers at airport 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
- immigration officers with training to improve their English language competency to increase ability to detect and combat irregular population movements, people trafficking and fraudulent documents, conduct business transactions and engage with Australia, particularly in relation to immigration matters
- Australian-based English language training was provided to officers from Cambodia, the People's Republic of China, East Timor, Indonesia, Laos, Myanmar, Sri Lanka, Thailand and Vietnam
- in-country English language programs were delivered in Cambodia, Laos, Thailand and Vietnam
- a formal communications and management training program, Border Control Agency management program (BCAMP), targeted at middle level immigration officials in Vietnam and the broader Mekong region who are involved in managing people movement across borders. Two BCAMPs have been delivered to Vietnamese officers from relevant agencies in 2011–12.

Through the Bali Process on People Smuggling, Trafficking in Persons and related Transnational Crime—a forum which comprises 46 members, including countries and international organisations—the department has participated in initiatives to strengthen regional collaboration on border management issues.

Administered item: Regional cooperation and capacity building *continued*

This included the establishment of the Regional Immigration Liaison Network (RILON) as a forum for exchange of information on immigration related issues. RILON brings together representatives from key host country agencies and foreign missions involved in issuing travel documentation and facilitation and related border security issues.

Additionally, in April 2012, Australia and India co-hosted a Bali Process workshop on biometrics for identity integrity in immigration. The workshop resulted in the collation of a stocktake of the current biometric capability in the 16 participating Bali Process member countries.

Deliverable: Provide support to international organisations for the care of irregular migrants intercepted en route to Australia.

Result: The department funds the IOM to provide food, accommodation, emergency medical assistance, counselling and transport to asylum seekers in the region, and assistance to people who wish to return voluntarily to their country of origin. In June 2012, there were 2444 people receiving care under these arrangements.

Under this program, IOM also provides ongoing training to Indonesian Imigrasi officers in standard operating procedures for immigration detention facilities, and the care of detainees in accordance with international human rights standards and obligations.

Administered item: Regional Cooperation Framework

Objective: To implement potential bilateral and multilateral arrangements under the Regional Cooperation Framework agreed to by Ministers at the Bali Process Ministerial Conference in March 2011 and other measures for harmonisation of treatment of asylum seekers across the region.

Deliverable: Provision of resources for infrastructure to support agreed arrangements and resources to manage/oversee these arrangements.

Result: Following the agreement of ministers at the 4th Regional Ministerial Conference of the Bali Process on 30 March 2011 to establish a regional cooperation framework, the Australian Government engaged closely with regional partners to develop measures under the framework.

The transfer and resettlement arrangement between the governments of Malaysia and Australia, augmented by an assessment centre in Papua New Guinea, were two of the first practical initiatives under the framework. These initiatives represent proactive and genuine progress in regional cooperation and a significant advance in the management of irregular migration and in combating people smuggling. Funding was expended in developing and preparing for the implementation of these arrangements, however the High Court decision of 31 August 2011 prevented full implementation.

Deliverable: Provision of additional resources to relevant international organisations to assist with the implementation of agreed arrangements.

Result: Under this item, it was envisaged that funding would be provided to IOM and UNHCR to support implementation of the transfer and resettlement arrangement between the governments of Malaysia and Australia. While some funding was expended on preparing for implementation, the High Court decision of 31 August 2011 on the arrangement prevented implementation of this deliverable.

Administered item: Regional Cooperation Framework *continued*

Deliverable¹: Assist in the establishment of a regional support office to take forward a range of practical initiatives under the auspices of the regional cooperation framework.

Result: The willingness of states in the region to work together to address the complex issue of irregular migration is evidenced by the agreement of the Bali Process Co-Chair Ministers to establish a regional support office in Bangkok, Thailand. The office will provide a policy, coordination and operational hub to take forward ideas for practical implementation of the regional cooperation framework.

The department has funding for the establishment and operation of the regional support office over four years. The office will be co-managed by a senior officer from the department and a counterpart from Indonesia.

Administered item: Returns and reintegration assistance packages²

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—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: The individual reintegration assistance package (IRA) is an important component in the suite of measures utilised in resolving the status of IMA clients.

The IRA program is delivered on behalf of the department by the IOM which works with IMA 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, the preferences identified by the client, and the extent of available support in the country of return.

In 2011–12, 49 people availed themselves of an assistance package and departed Australia.

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: Officials from both countries undertake regular consultations and discuss implementation of, and progress under, the MoU.

In 2011–12, five people returned to Afghanistan under the auspices of the tripartite MoU.

1. The *Regional Cooperation Framework—establishment of a regional support office* was a policy decision taken since the 2011–12 Budget and was reported in the 2011–12 Mid-Year Economic and Fiscal Outlook.

2. The objectives and deliverables for this administered item were omitted from the *Portfolio Budget Statements 2011–12* and the *Portfolio Additional Estimates Statements 2011–12*.

Administered item: Refugee status determinations

Objective: To streamline the process for the determination of refugee status for offshore entry persons.

Deliverable: Refugee status assessments under the protection obligation determination (POD) process will be made efficiently and lawfully.

Result: During the reporting period a single Protection visa process was introduced, irrespective of the mode of arrival. Under this change, the refugee status of offshore entry persons is determined in the statutory protection visa process, with independent merit review by the Refugee Review Tribunal.

This change will increase efficiency by eliminating the need for two parallel processes performing an identical function.

Administered item: Refugee status determinations *continued*

Deliverable: The backlog of requests for independent merits review of negative decisions under the previous process will be determined expeditiously, concurrently with POD assessments being finalised.

Result: During 2011–12, the Independent Protection Assessment Office (IPAO) increased capacity to undertake independent merit reviews of negative decisions in a timely manner. As a result, the number of independent merits reviews in 2011–12 increased significantly from 2010–11.

At the beginning of 2011–12, the IPAO had approximately 2300 cases awaiting review finalisation. Immediately before the start of the financial year, there were 50 administrative staff and some 85 active reviewers. The minister appointed 25 reviewers on 16 June 2011 before the beginning of the financial year, meaning that the actual number of reviewers at 30 June 2012 was 110. Further appointments in July and October expanded reviewer numbers to a peak of 132. In support of these reviewers, administrative staff numbers grew to a peak of 94 in September 2011. In July 2011, the minister also appointed a principal reviewer and three senior reviewers, for the purpose of mentoring reviewers in matters of report preparation, and improving the management of reviewers' individual and collective caseloads.

From the peak of approximately 2300 cases at the beginning of the year, the on-hand case figure was reduced to 1300 cases in December 2011, 900 cases in April 2012 and 700 cases at 30 June 2012.

Of these 700 cases, 2 per cent were awaiting allocation to reviewers, 43 per cent were with reviewers awaiting interview, and 55 per cent had been interviewed and were awaiting finalisation of recommendation reports. All interviews were due to be finalised by August 2012 and all except a very small number of more complex cases were expected to have their recommendations finalised by the end of November 2012.

Cases returned from judicial review by reason of court judgements, or because joint parties agreed to reconsider claims and not proceed to hearings, contributed to the caseload during the year.

The minister announced that the IMR and IPA processes would cease in January 2012, to coincide with the introduction of complementary protection legislation on 24 March 2012. Claimants for refugee status interviewed on and after that date and found not to be refugees can seek review through a legislated process at the Migration Review Tribunal-Refugee Review Tribunal (MRT-RRT). In preparation for the transition of work to the MRT-RRT, staff numbers across IPAO offices in Sydney, Melbourne and Canberra were reduced. Under a machinery of government decision endorsed by the minister, the functions of the IPAO and 51 Sydney office staff were transferred to the MRT-RRT, effective on 1 July 2012.

The Chief Executive Officer of IPAO, Mr John Lynch, ceased having responsibility for IPAO on 30 June 2012. In early 2010, Mr Lynch, who established the IPAO with a handful of staff and three reviewers, oversaw significant growth in staff and reviewer numbers, and in the output of the IPAO. During his time with the IPAO, the High Court opened reviewers' recommendations to judicial review. The government introduced and then lifted suspensions on IMA processing and government policy and legislation changed, requiring the IPAO to prepare itself for closure.

Offshore asylum seeker management

The offshore asylum seeker management program manages people in immigration detention who arrive in Australia at an excised offshore place.

Performance

There were a total of 14 438 IMAs who had been held in immigration detention during 2011–12, compared to 9044 in 2010–11. This represents an increase of 60 per cent.

During 2011–12, there were 8371 IMAs taken into immigration detention, compared to 4910 in 2010–11. This represents an increase of 70 per cent.

As at 30 June 2012, there were 6875 IMAs in immigration detention, compared to 6067 as at 30 June 2011.

Figure 18: Irregular maritime arrivals by placement type as at 30 June 2012

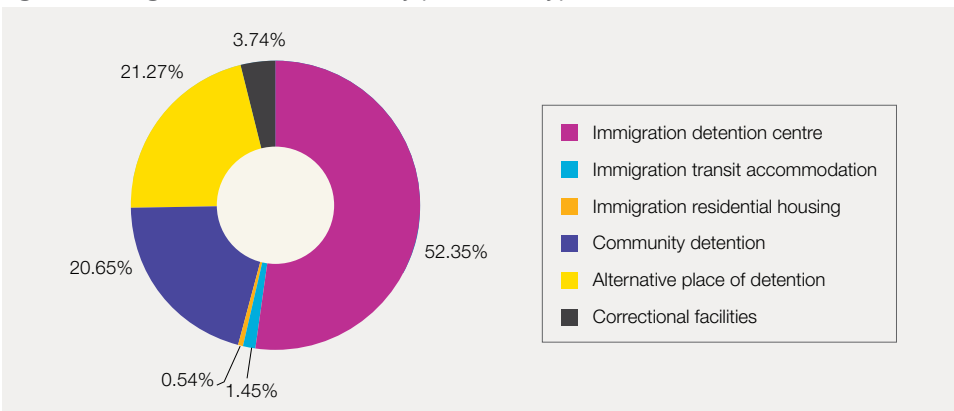
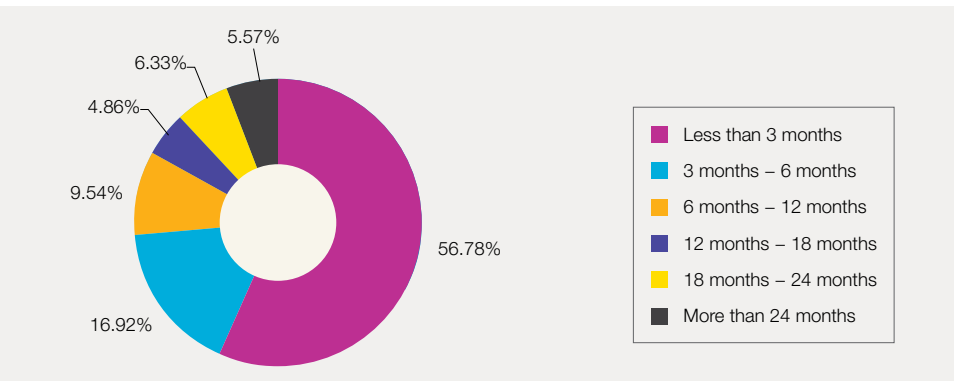


Figure 19: Irregular maritime arrivals by period detained as at 30 June 2012



In 2011–12 there were 8371 IMAs (including 245 crew) aboard 111 vessels intercepted and taken into immigration detention for initial processing.

Table 55: Irregular maritime arrivals on vessels taken into detention by gender in 2011–12

Irregular maritime arrival	2010–11	2011–12
Adult male	3 281	5 899
Adult female	567	563
Accompanied minors—male	372	303
Accompanied minors—female	279	210
Unaccompanied minors—male	387	1 297
Unaccompanied minors—female	24	99
Total	4 910	8 371

The Christmas Island IDC is used to accommodate single men. Children, women, families and vulnerable clients are accommodated at the low-security Construction Camp, Phosphate Hill and Lilac and Aqua APODs.

Following initial processing on Christmas Island, IMAs are generally transferred to immigration detention facilities or community detention on the Australian mainland, where they undergo further processing.

Offshore asylum seeker status resolution

In 2011–12, 4377 IMAs were granted permanent Protection visas and settled in Australia. IMAs were settled in every state and territory, based on their individual backgrounds and strengths, settlement needs and links in Australia.

Table 56: Irregular maritime arrivals—client caseload for 2011–12

Irregular maritime arrivals	2011–12
Number of IMA clients who were held in immigration detention	14 438
Number of IMA clients granted protection visas and settled on the mainland	4 377
Number of IMA clients who have been removed (not including crew)	52

Bridging visas

In 2011–12, 2741 Bridging E visa grants were issued to IMAs.

Detention services

Immigration detention plays a significant role in maintaining the integrity of Australia's migration and refugee and humanitarian programs. Australia's immigration detention policy was introduced in 1992 and has been maintained by successive governments.

The main focus of the immigration detention policy is to ensure that:

- people who arrive without lawful authority do not enter the Australian community until their identity and status have been properly assessed and they have been granted a visa
- people who do not have authority to be in Australia are available for removal from Australia.

The care and security of accommodation for people in immigration detention is based on humane principles and standards. A suite of immigration detention placements has been developed to place people in immigration detention and in living arrangements that are appropriate to their needs.

Infrastructure

In 2011–12, increasing numbers of IMAs arrived at Cocos Island. In June 2012, the department put in place temporary accommodation arrangements to ease the pressure placed on this small community. The temporary centre can accommodate up to 100 clients for a short period until they can be transferred to the Christmas Island facility.

In addition to client accommodation, the department has sourced through the Department of Regional Australia, Local Government, Arts and Sport, accommodation for a small number of staff.

Detention centre management

The department procures immigration detention services across the range of IDFs. The provision of services is guided by the government's immigration detention values. These values ensure that people in detention are treated fairly and reasonably within the law, and at all times with dignity and respect are accommodated to best suit their individual needs and are provided with appropriate support and a variety of services to meet their daily requirements.

The detention services provider is Serco Australia. The department continually monitors and actively manages the service provider's performance and assesses it against contractual obligations.

Community detention program

Residence determination (commonly known as community detention) was introduced in June 2005 to enable people in immigration detention to live in the community while their immigration status was resolved.

Only the minister can make, vary or revoke a residence determination, using his intervention powers under the Migration Act. Residence determination is not a visa grant and the person remains administratively in immigration detention. Placement in the community is only considered following appropriate health and security checks. Inclusion in the program is voluntary and clients must indicate that they will reside at the place specified by the minister, abide by the conditions of their residence determination, and continue to engage with the department to resolve their immigration status.

In October 2010, the government announced the expansion of the existing community detention program to progressively move significant numbers of IMA children, families and vulnerable adults out of immigration detention facilities and into community-based accommodation, with the assistance of community organisations. At that time, there were about 750 children in immigration detention facilities. Since then, more than 1900 IMA children have moved into the community.

While the Australian Red Cross remains the lead agency for the community detention program, additional service providers were sourced to meet increasing demand. Contracted services include accommodation, case work, and residential care for unaccompanied minors and other vulnerable clients. The majority of clients and all unaccompanied minors continue to be placed with the Australian Red Cross and its subcontractors.

During 2011–12, the minister approved 2590 clients (1446 adults and 1144 children) for community detention. Protection visas were granted to 1568 community detention clients, bridging visas were granted to 235 clients, and five other clients voluntarily returned to their country of origin. At 30 June 2012, 1437 clients were residing in the community under residence determination arrangements (948 adults and 489 children).

The department is managing the community detention program in close cooperation with MCASD and in partnership with several service providers. The department also works with a technical working group of experts from the Australian Red Cross and other service providers to develop policies and processes related to clients in 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.

Information about the department's age determination process is on page 294.

In accordance with the government's 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 APODs or in community detention. Care and support is provided to minors in immigration detention to cater to their specific educational, social and medical needs. All minors in immigration detention are case managed to ensure that their cases progress in the shortest time possible.

Children and their family members are priority groups for consideration of a community detention placement. As at 30 June 2012, all eligible children who arrived prior to early April 2012 had been approved for community detention.

The health needs of clients in community detention, including children, are co-ordinated by the department's contracted health services provider, IHMS, through a network of community-based providers. When needed, clients also have access to psychological or other enhanced health services, including specialist torture and trauma services. Through IHMS, all health-related costs for clients in community detention, including access to hospital services, are funded by the Australian Government.

All school-aged children in community detention (whether accompanied or unaccompanied) are enrolled in school or other educational institutions (such as English language schools). Enrolment costs are covered by the department through agreements with state and territory governments and the non-government education sector. Educational arrangements for older children (16–17 years of age) take into account their behaviour and maturity, their vocational aspirations, and the range of education and training options available where they are living. For example, this may include a high school, an ESL program delivered through a TAFE, or a specialist refugee youth program, such as the young adult migrant education course delivered by the Northern Melbourne Institute of TAFE in Victoria.

Care of unaccompanied minors

Unaccompanied minors (UAMs) are non-citizen children under the age of 18, who arrive in Australia without a parent or adult relative to care for them.

The *Immigration (Guardianship of Children) Act 1946* provides that the minister is the legal guardian of non-citizen children who arrive in Australia without a parent or relative over 21 years of age and who have the intention of residing permanently in Australia. The minister can delegate his powers and functions to certain officers of the department and within state and territory child welfare agencies.

As the guardian of a non-citizen child, the minister or his delegate has the 'same rights, powers, duties, obligations and liabilities as a natural guardian (for example, a parent) of the child'. This means that guardians have responsibility for considering a non-citizen child's basic human needs—food, housing, health, education and protection from harm. However, they are not obliged to personally provide day-to-day care to the minor.

The department has a range of policies and programs in place to ensure a minor's day-to-day care and welfare are provided, including independent assistance to help UAMs with their Protection visa applications, independent observers to support them during interview procedures, and carers if they are residing in community detention accommodation.

During 2011–12, UAMs in community detention were placed with the Australian Red Cross and its network of specialist service providers. Carers responsible for minors are required under the community detention contract to be appropriately trained and qualified to care for children. Most UAMs in community detention live with a carer in a group house arrangement; however, those with relatives in the community can be placed with them, where appropriate. In line with community standards, UAMs in community detention attend schools, have access to health care and are also supported to participate in after school activities, such as soccer clubs, art or music classes and other recreational and creative activities.

UAM support services for minors in IDFs were procured through Life Without Barriers (LWB). This agency provided care and support services to UAMs accommodated within APODs on mainland Australia. UAMs are supported under a care model that meets the cultural, spiritual and linguistic needs of each individual. The model facilitates meaningful skills development opportunities, English language classes, day-to-day living skills and engagement in recreational activities, which supplement those provided by the detention services provider, Serco, at the facilities.

The department also contracted LWB to provide independent observer services on Christmas Island and mainland Australia to support UAMs seeking asylum in Australia and, on occasions, other unaccompanied minors in the detention network. Independent observers ensure that the treatment of minors is fair, appropriate and reasonable during formal processes with the department and other agencies.

While there is no legislative requirement for an independent observer to be present during an interview or discussion with a UAM, the minister and the department owe a duty of care to persons in immigration detention and the independent observer builds rapport with the minor so that they can more effectively assist and reassure them while their immigration status is being resolved.

In 2011–12, an open market tender was conducted to procure UAM support services for 2012–14. The procurement process was finalised in July 2012.

Detention health

The department ensures the provision of comprehensive health care services to all people in immigration detention that is commensurate with the services available to the general Australian population.

Primary health care services are generally provided onsite at detention facilities by IHMS. These services are delivered by IHMS general practitioners, nurses, including mental health nurses, psychologists and counsellors.

Other health services, such as specialist and ancillary services, including psychiatric and dental, are provided off site by referral to an IHMS community network provider, or onsite by visiting practitioners arranged by IHMS.

Emergency and in-patient care, as well as some ancillary and specialist services, are provided by public hospitals and clinics through agreements between the department and state and territory governments.

People in community detention are assigned a community-based GP and pharmacy by IHMS. Clients in community detention self-refer to their GP and their GP refers them to other services, including specialists, when needed. These clients are subject to the same waiting times as any member of the Australian community accessing public health services.

All people entering immigration detention undergo a health induction assessment conducted by health clinicians. This assessment, which includes screening for communicable diseases and a mental state examination, informs an ongoing health care plan for the client, if one is needed. Mental state examinations continue to be offered to clients in immigration detention facilities at regular intervals, or at any other time when concerns are raised by any party about a client's mental health.

Clients with an infectious communicable disease, such as infectious tuberculosis, are isolated and treated in a hospital. They do not rejoin the general immigration detention population, and are not placed into the community, until they are no longer infectious.

People in immigration detention, and in particular clients who arrive by boat, may be survivors of torture and trauma and at risk of poor mental health. Anyone in immigration detention who declares or is identified as being a survivor of torture or trauma is referred for specialist counselling. On the mainland, torture and trauma counselling is provided by member organisations of the Forum of Australian Services for Survivors of Torture and Trauma. On Christmas Island, torture and trauma counselling is provided by the Indian Ocean Territories Health Service.

The care of anyone who is considered to be at heightened risk of self-harm is overseen by an inter-disciplinary team, led by a senior IHMS mental health clinician. This ensures that these clients receive appropriate health care support and that the care arrangements are communicated and implemented by other detention service providers.

IHMS also provides advice to the department about client health care and support needs. If these cannot be met under their current detention placement, the department will relocate the client to another facility or another form of immigration detention, such as community detention.

Clients released from immigration detention are provided with a summary of their health care while in detention, as well as a supply of medication if needed, to last them until they access a community-based GP.

Bridging visas for irregular maritime arrivals

On 13 October 2011, the government announced that it would be making greater use of existing bridging visas to more flexibly manage IMAs. Under these arrangements, the minister uses his intervention power under s195A of the Migration Act to allow IMAs to live in the community on bridging visas while their claims for protection are being assessed.

BVEs are granted in a staged, orderly manner in accordance with a prioritisation framework which considers clients on a case-by-case basis. While initial priority was given to longer-term and vulnerable cases, all IMAs are now considered for the grant of a BVE, provided that they have no adverse security, health, identity or behavioural issues which could present an unacceptable risk to the community. They must also agree to report regularly to the department and advise any change of address. Those who are unable to be granted a Bridging visa may be eligible for the community detention program.

At 30 June 2012, 2741 IMA clients had been granted a BVE to reside in the community while their immigration status was resolved, the great majority of them—2598—adult men. Of these 2741 clients, 355 were granted Protection visas and have progressed into the humanitarian settlement services program.

All IMAs on a BVE are able to work without limitation and are eligible for Medicare. They are not eligible for public housing or for the payment of benefits through Centrelink.

Support is provided on an as-needs basis following an assessment of a client's needs and existing support, such as family and friends in the community. Most clients receive initial transitional support under the community assistance support (CAS) program for up to six weeks, which may include income support and rental assistance, emergency short-term accommodation, and orientation in the community. Those with a genuine need for ongoing support may be eligible for income and rental assistance through the asylum seeker assistance scheme (ASAS), or continued assistance through CAS if they have particularly high vulnerabilities. Both programs are funded by the department and administered by the Australian Red Cross.

While many bridging visa holders find their own accommodation in the private rental market or through friends and family, others may be eligible for short-term, transitional accommodation, including 'home stay' style arrangements.

Immigration advice and application assistance scheme

IMAs are provided with publicly funded independent professional immigration advice and assistance under the IAAAS. IAAAS providers servicing IMAs are registered migration agents with experience in immigration legislative, policy and procedural requirements. They help their clients to complete and submit Protection visa applications, liaise with the department, provide advice on immigration matters, explain outcomes of applications, and provide information and advice on further options available in the event of a refusal decision. IAAAS assistance is also available at the merits review stage, but not to those seeking judicial review of an immigration decision.

During 2011–12, 7196 services were provided to IMA asylum seekers at a cost of \$18 892 699.

Detention Health Advisory Group

The Detention Health Advisory Group (DeHAG) is a departmental advisory body established in 2006. DeHAG provides independent and professional advice on the design and implementation of health policy and the delivery of health services in immigration detention.

DeHAG comprises nominees from professional health bodies and a member of MCASD, with the Commonwealth Ombudsman's Office having observer status. Departmental representatives, including the chief medical officer, also attend meetings.

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, and provide recommendations to the department to better manage both the physical and mental health of clients.

DeHAG's work includes visits to immigration detention facilities.

One of the challenges faced by the department during 2011–12 was addressing the rate of self-harm in immigration detention facilities. DeHAG's advice led to increased mental health staffing in facilities, as well as an external review of the implementation of the department's psychological support program, the key policy for managing self-harm risk in detention. The outcome of this review will assist the department and service providers to improve the implementation of this policy.

Since the establishment of DeHAG, the number and composition of people in immigration detention, as well as the number and types of places of immigration detention, have changed considerably. IMAs now comprise more than 90 per cent of the detention population and significant numbers of clients are in the community under community detention arrangements, or as holders of bridging visas.

Given the changing immigration detention environment, as well as changes in the way that health services are accessed by IMAs and other clients awaiting status resolution, a health advisory body focusing on health services in immigration detention facilities may no longer be appropriate. The department is therefore considering whether DeHAG should be replaced by a new health advisory body with a broader immigration health focus.

Program 4.4 Foreign fishers

Program 4.4 consists of one departmental item:

- Foreign fishers

There is one administered item under Program 4.4:

- Community and detention services

Objective

In respect of foreign fishers apprehended and detained in Australian territorial waters, to advise on, develop and provide a range of support, health and detention services in the immigration detention environments that seek to¹:

- 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
- ensure the availability for immigration processing, legal proceedings, or removal of people detained under the *Migration Act 1958*
- 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
- remove foreign fishers from Australia.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

Foreign fishers—deliverables

Deliverable: Provision of support, health and detention services to foreign fishers in the immigration detention environments, in accordance with the objectives and key performance indicator targets for this program.

Result: The department procures services for immigration detention, support and health services to foreign fishers.

1. The wording of this objective was altered in the *Portfolio Additional Estimates Statements 2011–12* to reflect that community detention arrangements are not used for foreign fishers.

Foreign fishers—deliverables *continued*

A wide range of services is provided at each immigration detention facility, including access to:

- active case management services
- health services
- private and official visitors
- legal and consular services
- external government and non-government oversight bodies
- educational programs, including English-language instruction
- cultural, recreational and sporting activities
- library services
- computers and the internet
- religious services
- telephones, newspapers and television
- culturally appropriate meals and snacks
- incidental items for purchase.

All people in immigration detention are provided with access to health care at a standard generally comparable to the health care available to the Australian community. Health care services are provided by qualified health professionals and take into account the diverse and potentially complex health care needs of people in immigration detention.

The provision of services is guided by the government's immigration detention values. These values ensure that people in immigration detention are treated fairly and reasonably within the law, and at all times with dignity and respect are accommodated suitably to best suit their individual needs and are provided with appropriate support and a variety of services to meet their daily requirements.

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. Development and maintenance of these policy instructions occur in accordance with Chief Executive Instruction 30 (CEI 30). CEI 30 requires that departmental policy instructions are reviewed regularly.

Deliverable: Services to develop, implement and undertake the removal of foreign fishers from Australia.

Result: Foreign fishers are held in immigration detention for a minimal time. They are returned to their country of origin as soon as reasonably practicable to do so. The removal of minors is a priority, to minimise the time they are required to spend in immigration detention.

The department removed 74 foreign fishers in 2011–12.

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: During 2011–12, 68 foreign fishers were taken into immigration detention.

All foreign fishers were accommodated in an IDF.

Foreign fishers, while in immigration detention, are provided with the same level of services as those in the onshore detention network.

In all cases, the time spent in detention as at 30 June 2012 was less than three months.

Indicator: Only people who are not known or reasonably suspected to be minors are detained in immigration detention centres.

Result: In accordance with the government's immigration detention policies, children are only detained as a last resort and are not detained in IDCs. Current practice is that people who are known or reasonably suspected of being minors are accommodated in lower security alternative places of detention within the immigration detention network.

In 2011–12, there were no people who were known to be minors, or reasonably suspected of being minors, who were accommodated in an IDC. Foreign fishers who are minors are removed from Australia as soon as reasonably practicable.

Indicator: Foreign fishers, who have no right to remain in Australia, are to be removed by the department at the earliest practicable opportunity.

Result: Foreign fishers are returned to their country of origin as soon as reasonably practicable. In 2011–12, all foreign fishers detained were removed from Australia compared to 99 per cent in 2010–11.

The program key performance indicators (KPIs) table on page 59 of the *Portfolio Budget Statements 2011–12* has been omitted because the detention services contract is not structured to report on these KPIs.

Administered item

Administered item: Community and detention services

Objective: To fund the provision of a range of support, health and detention services in the immigration 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
- 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 foreign fishers.

Deliverable: Provision of support, health and detention services to foreign fishers in immigration detention environments, in accordance with the objectives and key performance indicator targets for this program.

Result: The department works closely with contracted service providers to ensure that the range of support, health and detention services effectively deliver intended outcomes.

For the 2011–12 financial year, the contracted service providers were:

- detention services—Serco Australia
- health services—International Health and Medical Services
- unaccompanied minors support and independent observer services—Life Without Barriers

For people in facility-based detention (IDCs, APODs and ITAs) most primary health services are available onsite, with referral to external health services providers in the community as clinically required.

The department continually monitors and actively manages the service providers' performance against their contractual obligations.

Foreign fishers

This program manages people in immigration detention apprehended on suspicion of breaking Australian fishing laws in Australia's northern waters. It does not apply to foreign fishers intercepted in waters south of Australia.

The department is responsible for providing a range of support, health and detention services to people in immigration detention. The department is also responsible for removing foreign fishers to their country of origin as soon as reasonably practicable. All foreign fishers who are minors, or are suspected of being minors, are given immediate attention and priority in the removal process.

Performance

In 2011–12, there was a 20 per cent decrease in the total number of foreign fishers in immigration detention, from 92 people in 2010–11 to 74 people in 2011–12. During 2011–12, 68 foreign fishers were taken into immigration detention, compared to 87 in 2010–11, a decrease of 22 per cent.

At 30 June 2012, there were no foreign fishers in immigration detention, a decrease of six compared with the number at 30 June 2011. All foreign fishers were accommodated in an immigration detention centre, as none were determined to be minors.

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: Mareng works for a community radio station in Melbourne. He came to Australia in 2008 as a refugee and is now an Australian citizen.

Outcome 5 consists of one program:

Program 5.1 Settlement services for migrants and refugees.

During 2011–12, 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 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

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 (HSS), previously known as the integrated humanitarian settlement strategy, managed through contracted service providers
- supporting the settlement grants program (SGP) by helping funded organisations manage work programs, service agreements and reporting and financial accountability requirements
- supporting the adult migrant English program (AMEP) managed by the department through contracts for English training and ancillary services
- supporting the supervision and settlement of unaccompanied humanitarian minors (UHMs) in the UHM program in line with relevant guardianship responsibilities, shared with state and territory child welfare agencies and through the provision of contracted care services
- providing translating and interpreting services.

Major achievements

Settlement grants program

In 2011–12, a number of policy changes were made to the SGP, due to a shift from output-based project funding to outcome-focused service delivery. The policy has been strengthened to more closely align with the key principles of the program; welcoming communities, connecting individuals and connecting government. In order to provide more certainty of funding to organisations consistently funded under the SGP, funding periods were extended to a maximum of three years.

Adult migrant English program

The current AMEP contracts for the 2011–14 period began on 1 July 2011 and provided an opportunity to implement the enhanced business model for the program, which has been designed to encourage greater commitment from clients, and to facilitate continuous, coherent, settlement-focused learning. The department worked collaboratively with AMEP service providers across Australia and successfully implemented the new business model.

In 2011–12, the department was successful in initiating, jointly with the Department of Broadband, Communications and the Digital Economy, the National Broadband Network (NBN)-enabled virtual English tuition for migrants trial.

The trial, announced on 7 February 2012, will take advantage of high speed broadband connectivity available through the NBN deployments to deliver online English language tuition, including virtual classrooms, to AMEP clients. It will enable better access to online English language tuition, particularly for migrants in rural, regional and remote areas for whom access to classroom tuition may not otherwise be available. This trial has the potential to lead to a new standard in service delivery and to offer a high level of flexibility to AMEP clients, with benefits in improved program reach and language outcomes.

Humanitarian settlement services program

The department marked the end of the first year of the HSS program on 4 April 2012.

The first year saw the roll-out of a number of key service delivery enhancements, including strengthened case management, better local stakeholder engagement through new local area coordination meetings, improved youth support, and the introduction of a comprehensive onshore orientation program. In its first full program year, HSS providers delivered initial settlement support to 14 512 humanitarian clients, which is higher than any single program year under the previous integrated humanitarian settlement strategy.

The department made great progress in implementing the recommendations of the *Review of humanitarian settlement services performance measures and contract management*, conducted by Mr David Richmond AO and released by the government on 13 December 2011. Improved governance, training, risk management and quality assurance have been key priorities and focus areas as outlined in the review's 70 recommendations.

Complex case support program

Following a departmental review of the complex case support (CCS) program in 2010, an open tender process was completed in 2011–12 to refresh the humanitarian services panel. The new panel includes 35 organisations which provide adequate service coverage across the country including several major regional settlement locations. New contracts came into effect on 16 January 2012, with minimal disruption to service delivery.

Challenges

Settlement grants program

As part of the SGP policy revisions in 2011–12, the department consulted and worked with settlement providers and other agencies to streamline the SGP grant application and reporting process to reduce red tape.

Humanitarian settlement services program

The HSS program continues to experience high numbers of single clients entering the program, driven predominantly by the large proportion of single adult men among the former irregular maritime arrival (IMA) cohort. Single clients are among the most challenging cohorts from a service delivery perspective, particularly in light of the extremely tight rental market across much of the country.

Table 57: Outcome 5 Financial resources summary 2011–12

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 ² 2011–12 \$'000 (a)	Actual expenses 2011–12 \$'000 (b)	Variation 2011–12 \$'000 (b)-(a)	Budget estimate 2012–13 \$'000 (c)
Program 5.1: Settlement services for migrants and refugees				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	318 079	337 149	19 070	334 439
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	85 567	67 829	(17 738)	88 490
Expenses not requiring appropriation in the Budget year ¹	5 068	2 299	(2 769)	4 986
Total for Program 5.1	408 714	407 277	(1 437)	427 915
Total expenses for Outcome 5	408 714	407 277	(1 437)	427 915
Average staffing level (number)	396	391	(5)	390

1. Expenses not requiring appropriation in the Budget year are expenses relating to depreciation and amortisation.

2. The 2011–12 Budget represents the Estimated Actual Budget published in the *Portfolio Budget Statements 2012–13*.



Case study

'Life is good'

Life in Darwin is good for Annie Nkiere, who arrived in Australia in 2008 with her son and daughter through the Woman at Risk (subclass 204) visa category.

'I had to flee to safety and security because of the political issues in my country; I left with my two children. There were no refugee camps in Cameroon in Central Africa, and finding accommodation was very hard for a single mother. Existing each day there was very hard,' Ms Nkiere said.

Ms Nkiere said that with the help of community volunteers and the support of the Melaleuca Refugee Centre she and her children were able to adjust to life in Australia.



'I support others in my community and life is good.'

'Quite quickly my children were enrolled in school and I went to English classes to brush up on my English. I had attained a graduate diploma in English-African literature and culture and a diploma in business studies in my country before becoming a refugee.

'However, as 17 years had passed, my English needed refreshing. Within two years of being in Australia I had earned a Diploma in Business Administration and was working in a fulltime job with an organisation offering intensive support to humanitarian refugees.

'I am happy because I have a house and soon I will become an Australian citizen. I support others in my community and life is good.'

According to a new publication the department released this year, *Getting settled*, Australia's refugee program has helped to protect more than 11 000 vulnerable women through the Woman at Risk visa since it was established in 1989.

The Woman at Risk visa category targets women who are subject to persecution or registered as being of concern by the United Nations High Commissioner for Refugees (UNHCR), are living outside their home country, do not have the protection of a male relative and are in danger of victimisation, harassment or serious abuse because of their gender.

Australia is one of only three resettlement countries to have a refugee program with a designated visa category for refugee women at risk, alongside Canada and New Zealand.

Generally, women at risk have no schooling experience, 29 per cent have experienced torture and trauma and the majority are young—under 26 years-of-age.

The oldest woman to arrive in Australia under this visa category was 92-years-old and the youngest was just eight months.

Photo: Annie Nkiere works at the Melaleuca Refugee Centre in Darwin to support other humanitarian entrants to establish a new life in Australia.

Program 5.1 Settlement services for migrants and refugees

Program 5.1 consists of seven departmental items:

- AMEP administration
- Free translating and interpreting services
- Humanitarian settlement services
- Settlement planning and information delivery
- Support for community services
- TIS National onsite interpreting
- TIS National telephone interpreting

There are seven administered items under Program 5.1:

- Adult migrant English program
- Assistance for former child migrants
- Grants for settlement services
- Humanitarian settlement services
- National Accreditation Authority for Translators and Interpreters Ltd (NAATI)—contribution
- Refugee Council of Australia
- Supervision and welfare of 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 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

Settlement services for migrants and refugees — deliverables

Deliverable: Evidence-based policy advice to the government on settlement services for migrants and humanitarian entrants.

Result: Research informs broader policies and program management relating to settlement programs. A planning and research agenda is in place to support evidence-based policy. Following the release of the *Settlement outcomes of new arrivals* study and the *Economic, social and civic contributions of first and second generation humanitarian entrants* report, the findings have contributed to further research within the department and have been considered by key stakeholder groups and service providers.

These research findings have confirmed that some migrants, particularly refugee and humanitarian entrants, have greater challenges in settling in Australia and achieving independence. The research supports the department's continued focus on improving outcomes for more vulnerable groups and has confirmed the importance of working in partnership with other government agencies, state governments and a range of stakeholders.

An interdepartmental working group (IWG) on improving education and employment outcomes for refugees and migrants was established in March 2010. The Department of Employment, Education and Workplace Relations chairs the IWG and in addition to the Department of Immigration and Citizenship, IWG members include representatives from the Department of the Prime Minister and Cabinet, the Department of Human Services, and since 2012, the Department of Industry, Innovation, Science Research and Tertiary Education.

In November 2011, the then Parliamentary Secretary, now Minister for Multicultural Affairs, Senator the Hon Kate Lundy, and Minister for Employment Participation, the Hon Kate Ellis MP, in consultation with Minister for Tertiary Education, Skills, Science and Research, Senator the Hon Christopher Evans, gave a Ministerial Directive to the IWG to consider a range of issues related to refugee job seekers and make recommendations on options for improving employment outcomes for refugees. The IWG finalised its report and recommendations to relevant ministers in June 2012 and these are now under consideration.

In addition, research findings have resulted in advice to government on sustainable regional humanitarian settlement and the importance of family links in migrant and refugee settlement.

Deliverable: Settlement planning information to support community organisations and migrants and humanitarian entrants.

Result: Settlement planning information includes for each state and territory:

- a needs assessment, to identify and analyse current and emerging settlement needs of newly arrived humanitarian entrants
- demographic data on arrival numbers, settlement locations, countries of birth, visa type, age and gender.

Planning information assists in targeting funding under the SGP and in informing broader policies and program management relating to other settlement programs.

Settlement services for migrants and refugees — deliverables *continued*

Information for the semi-annual needs assessment is provided from a range of sources, including feedback from various state and territory settlement planning forums. Information is also identified through regular consultation with peak bodies, other government agencies, and non-government organisations. Settlement issues are also identified through analysis of relevant research and evaluations.

This information helps service providers meet the needs of newly arrived migrants and humanitarian entrants by ensuring that services provided are responsive to changing settlement patterns and needs.

Settlement planning information, including a summary of settlement needs and demographic data, is included as part of the settlement grants program application booklet each year and is available on the department's website. The department's website also provides access to extensive settlement information, including resources about life in Australia, publications on research into various migrant cohorts, and links to settlement services for migrants and humanitarian entrants.

Deliverable: Administration of the adult migrant English program.

Result: In 2011–12, the AMEP was administered through 27 contracts and was delivered at 296 locations across Australia, to 54 154 clients from 188 countries.

Deliverable: Administration of the settlement grants program.

Result: In 2011–12, \$38.5 million was provided for 180 new SGP projects and 99 ongoing SGP projects. This included management of 279 funding agreements involving 209 organisations.

Deliverable: Support for humanitarian entrants by effective management of the humanitarian settlement services and complex case support programs.

Result: The HSS program delivered intensive initial settlement support to eligible humanitarian entrants through a coordinated case management approach. The support was delivered to a high standard by 19 service providers across 24 contract regions.

On 13 December 2011, the government released the review of HSS performance measures and contract management conducted by Mr David Richmond and accepted its 70 recommendations. The review concluded that the HSS program is generally well managed, but also identified improvements in areas such as contract performance management, reporting, and quality control. The department is well advanced in implementing the recommendations of the review.

Governance has been strengthened through the establishment of end-to-end business management of HSS policy, strategy, operations and contract management. Risk and quality assurance frameworks for the program have been developed, and a new quality assurance program is being implemented.

The CCS program delivered intensive case management support to humanitarian entrants with complex needs. This support was delivered without interruption during an open tender process, with a transition to new contracts on 16 January 2012.

Settlement services for migrants and refugees—deliverables *continued*

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: In 2011–12, funding contributions were provided to NAATI to support the achievement of its objectives. The NAATI board continued to use the Statement of Expectations, provided to NAATI in 2011–12, to assist in guiding its strategic direction and achieving its projected deliverables.

Deliverable: Supervision and settlement of unaccompanied humanitarian minors.

Result: Supervision, care and settlement support processes were in place for minors in the UHM program in 2011–12. As at 30 June 2012, 865 UHMs were in the program.

Table 58: UHM program 2011–12

Wards			Non-wards	Total UHMs
State child welfare agencies	DIAC contracted service providers	Total wards		
346	206	552	313	865

Deliverable: Translating and interpreting services for eligible clients.

Result: In 2011–12, TIS National delivered 1 111 283 telephone services (representing an 18 per cent growth in demand from 2010–11) and 65 242 onsite services (representing a 10 per cent growth in demand from 2010–11).

In 2011–12, the delivery of fee-free interpreting services (including all free services) increased by 17.2 per cent from 2010–11.

Settlement services for migrants and refugees—key performance indicator

Indicator: Settlement information and services are available to eligible migrants and humanitarian entrants nationwide.

Result: The department provided Australia-wide 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 59: Settlement services for migrants and refugees—performance information

Key performance indicators	2009–10 actual	2010–11 actual	2011–12 target	2011–12 actual
Percentage of milestones specified in settlement grant funding agreements that are met	95%	95%	95%	95%
Percentage of service level standards in HSS contracts that are met	95%	95%	95%	95%
AMEP services available in all identified regions of Australia	100%	100%	100%	100%

Note: 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 through contracted service providers.

Result: AMEP services are available in all 27 contract 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: In 2011–12, the Child Migrants Trust had a client base of 1667 clients, including 295 new clients. Family tracing support was sought by 643 clients. A total of 3167 counselling sessions were delivered.

The department's funding to the Child Migrants Trust ended on 30 June 2012. The Child Migrants Trust is now receiving funding from the Department of Families, Housing, Community Services and Indigenous Affairs through their National Find and Connect Service.

Administered item: Grants for settlement services

Objective: Provide grants to community-based organisations under the settlement grants program (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: In 2011–12, 180 new projects were funded, all of which met the eligibility criteria of the SGP. These projects were assessed and allocated funding through a competitive grants process.

Deliverable: Grant recipients provide services in line with grant agreements.

Result: Performance reporting from service providers indicates that they are delivering outcomes consistent with SGP policy objectives and agreed work programs. This is supported by the evaluation undertaken by the department.

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
- complex case support services.

Result: In 2011–12, 14 512 humanitarian clients were referred to the HSS program for intensive initial settlement support. The number of cases supported by contracted providers during this period was 8005, which represents an increase of 37 per cent on last year's high of 5849. This trend towards an increasing number of cases supported under HSS results from the continued high number of single clients among the refugee and humanitarian case-load in recent years, as the proportion of IMA clients in the HSS client case mix continues to increase.

CCS services were delivered to 192 referred cases through the humanitarian services panel. Following an open tender process, new contracts were signed on 16 January 2012 with 35 organisations selected to deliver the program across the country.

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 and jointly owned by the Australian Government and state and territory governments, which contribute to its funding. NAATI aims to set and maintain high national standards in translating and interpreting, and it supports the ongoing development of a pool of accredited translators and interpreters who are responsive to the changing needs of Australian society.

NAATI continued to provide a valuable community service by setting, maintaining and promoting high standards in the translating and interpreting industry. In 2011–12, NAATI awarded 2485 accreditations and 70 recognitions.

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. Combined, more than 200 accreditations and recognitions have been issued since the start of this project in July 2008.

Administered item: Refugee Council of Australia

Objective: Provide a grant to the Refugee Council of Australia 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 2011–12, the Refugee Council of Australia (RCoA) continued to play a significant role as an influential peak body for refugee resettlement and asylum issues, representing the interests of a diverse range of stakeholders.

RCoA assumed the non-government organisation (NGO) lead role at the Working Group on Resettlement (WGR), as Australia took the chair of the Annual Tripartite Consultations on Resettlement for 2011–12. In this role, the RCoA brought service providers and the NGO community together to discuss key issues of interest.

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: Under the UHM Program, UHMs are cared for by either:

- a relative or other approved carer, under the supervision of the relevant state or territory child welfare agency, or
- a service provider contracted by the department.

The Minister for Immigration and Citizenship is, by virtue of the *Immigration (Guardianship of Children) Act 1946*, the guardian of UHMs who are not in the care of a parent or adult relative aged 21 years or older. The minister's responsibilities as guardian are delegated to officers of state and territory child welfare agencies in respect of UHMs who reside with an approved carer in their jurisdiction. Guardianship responsibilities for UHMs in the care of a contracted service provider are delegated to a departmental officer.

Some UHMs arrive in Australia unaccompanied by a parent, but in the care of, or with the intention of residing with, a close relative who is 21 years of age or older. The minister is not the guardian of these UHMs. These UHMs are referred to as non-wards, and are provided with state child welfare agency services as part of the UHM program in Queensland, Victoria and South Australia.

When UHMs do not identify a suitable carer, they are placed with a contracted service provider, most commonly Life Without Barriers, which provides full-time care and accommodation services in Brisbane and Perth.

In February 2012, the department started the refugee youth support pilot to trial a new approach to the delivery of settlement services for some older UHMs (aged 16 to 17 years) which does not involve 24-hour care. The program is delivered by contracted service providers and places UHMs in shared housing arrangements to develop independent living skills in a supported environment. The trial is operating in Melbourne, Brisbane and Adelaide and will continue until February 2013.

Adult migrant English program administration

The AMEP is part of a suite of settlement services aimed at empowering newly arrived migrants and humanitarian entrants, through English language acquisition, to enable them to build self-reliance, foster connections with mainstream services, and successfully settle in the Australian community.

Performance

Learning English is one of the most important steps migrants and humanitarian entrants can take towards successfully settling in Australia. The AMEP is the Australian Government's largest settlement program and provides 510 hours of English language tuition to eligible migrants and humanitarian entrants who do not have functional English in their first five years of settlement in Australia.

The AMEP has been administered by the department and its predecessor departments since 1948 and is underpinned by the *Immigration (Education) Act 1971* and the Immigration (Education) Regulations 1992.

The program supports the government's social inclusion agenda by fostering social inclusion and participation, and 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.

The department is committed to maintaining a whole-of-government approach and has worked collaboratively with Australian Government agencies to facilitate information and data sharing to enhance program delivery for AMEP clients.

In 2011–12, the AMEP was managed through 27 contracts with service providers throughout Australia. Qualified teachers in English as a second language delivered the accredited program at 296 locations across Australia, to 54 154 clients from 188 countries.

Dedicated contract managers in the department worked closely with AMEP service providers to ensure that the highest standards were maintained in the program. Contract managers managed and monitored performance by assessing quarterly and annual reports from service providers against key performance indicators, and by conducting regular contract management meetings, policy workshops and site visits across Australia.

The new AMEP business model

Following consultation with AMEP clients, practitioners and service providers, the program was redesigned to improve program delivery and achieve better outcomes for clients. The new business model, which began on 1 July 2011, aims to encourage greater commitment from AMEP clients, and to facilitate continuous, coherent, settlement-focused learning. It includes the following key features:

- an enhanced role for AMEP counsellors, to provide clients with increased support throughout their tuition
- the introduction of the individual pathway guide, which provides a greater level of guidance and support to clients through more clearly delineated pathways to further English as a second language courses, education, employment and vocational training
- a settlement course which reinforces important settlement information to all AMEP clients upon entry to and exit from the program
- a single national service provider for distance/e-learning and a national distance/e-learning curriculum
- the delivery of specialised youth classes for clients aged under 25
- AMEP access for eligible 15 to 17-year-old migrants and humanitarian entrants who are not attending mainstream school, to encourage them to remain engaged in education and continue social participation. It is the department's preference, however, that this cohort attends mainstream schools wherever possible, in line with the compulsory school age legislation of the respective state or territory.

The program also continues to provide childcare for under-school-aged children for parents who attend AMEP classes.

AMEP classes

In AMEP classes, clients learn about Australian society, customs and culture, and are taught English language skills needed for day-to-day situations, such as shopping and paying bills. This enables migrants and humanitarian entrants to make informed decisions and helps them to successfully settle in the Australian community.

The AMEP is structured to meet the needs of individuals in its diverse client base and to provide clients with the opportunity to achieve educational outcomes at the end of the program. The development of English language skills enables migrants to feel a sense of belonging within the Australian community and equips them with the necessary skills to establish social networks and participate in cultural, economic and political life.

The AMEP uses the certificates in spoken and written English (CSWE) curriculum assessment framework, a competency-based national curriculum, starting at pre-Certificate I up to Certificate III. The CSWE curriculum is directly aligned with the Australian Qualification Framework that is used in the education and training sector in Australia.

The use of a national curriculum facilitates client movement between all service providers across Australia, and communication between service providers, promoting consistency in assessment and reporting.

AMEP clients also have access to various types of tuition, including full-time and part-time classroom tuition, as well as the option of studying at home through distance/e-learning and the home tutor scheme. Self-paced e-modules are also available to all AMEP clients, to support and supplement their learning on an independent basis. These flexible learning options are designed to encourage clients to learn at their own pace in a manner appropriate to their individual and cultural needs.

In 2011–12, 85 per cent of AMEP clients participated in face-to-face classroom tuition. Seven per cent of clients accessed home study through the distance/e-learning program and/or the home tutor scheme while 8 per cent accessed a combination of face-to-face classroom tuition and home study.

Special preparatory program

In recognition of the special needs of humanitarian entrants with limited education and/or difficult pre-migration experiences such as torture or trauma, up to an additional 400 hours of tuition is offered through the special preparatory program (SPP).

Bilingual support in SPP classes is provided especially during the initial weeks, to help explain teaching methodology and identify learning and settlement issues. SPP clients are also offered additional support through a trained home tutor volunteer.

Settlement language pathways to employment and training program

The AMEP plays a crucial role in equipping newly arrived migrants and humanitarian entrants with the language skills they need to successfully settle in Australia and secure meaningful, ongoing employment.

To assist in the transition to work, an additional 200 hours of vocation-specific tuition, including up to 80 hours of work experience placements, are available to eligible AMEP clients through the settlement language pathways to employment and training (SLPET) program. This employment-focused program enables clients to learn vocation-specific English language skills, while gaining familiarity with Australian workplace culture and practices, including work ethics and work health and safety procedures.

Clients also participate in workplace visits, simulated work environments and work experience placements in a wide range of fields, including retail, construction, hospitality, childcare, aged care and office administration. The SLPET program complements other adult community education courses and employment-focused training programs in the vocational education and training sector.

Virtual English tuition for migrants trial

The department is committed to increasing participation and access to the program for clients who settle in regional and remote locations in Australia and are unable to attend AMEP classes. The virtual English tuition for migrants trial, announced on 7 February 2012, provides the opportunity to test the development of virtual classrooms and virtual worlds to enable distance/e-learning clients, especially those in regional areas, to access many of the features and advantages of classroom learning.

The three-year trial, starting in 2011–12 and continuing until 2013–14, is expected to improve English language outcomes, enabling migrants and humanitarian entrants in widely dispersed locations to better engage with and contribute to Australian society.

The department has been working in partnership with the AMEP distance/e-learning service provider, the AMEP Flexible Learning Network, to deliver the trial by the end of 2012.

Following the outcome of a comprehensive independent evaluation scheduled to take place in late 2013–14, the department may incorporate the components developed through the trial into the AMEP distance/e-learning program.

Improving social cohesion—supporting parents and developing children project

The department is also an Australian Government project partner in the mother and child English language program, which is a component of the Scanlon Foundation's improving social cohesion—supporting parents and developing children project, implemented in the City of Hume in Victoria.

The mother and child English language program allows mothers and children from culturally and linguistically diverse backgrounds to learn English together in a community-based setting and seeks to increase the attendance rate of mothers in the AMEP. It is anticipated that the program will identify potential impediments to accessing classes for women with pre-school-aged children and lead to the development of strategies that can be applied across Australia to increase the participation of vulnerable mothers in the AMEP.

Snapshot of AMEP clients in 2011–12

The AMEP is a voluntary program and client numbers are dependent on the department's annual migration program. In 2011–12, 59 per cent of all eligible clients registered in the program. Almost 90 per cent of eligible humanitarian entrants, 53 per cent of eligible clients from the family migration stream and 35 per cent of eligible clients from the skilled migration stream registered in the program.

New migrants bring with them to Australia a range of valuable skills and experience, and contribute to the nation's economic and social prosperity. The AMEP is diverse in both its geographical span and the diverse nature of its clients. In 2011–12, clients represented 188 countries of birth and 256 languages spoken. The top three countries of birth were the People's Republic of China, Vietnam and Afghanistan. The most common first languages of clients were Mandarin, Arabic and Vietnamese.

Table 60: Snapshot of AMEP clients in 2011–12.

Category	Number	Percentage
Age		
15–17	99	0.2%
18–25	8 660	16%
26–44	30 943	57.1%
45–65	12 268	22.7%
65+	2 184	4%
Gender		
Male	19 540	36%
Female	34 612	64%
Location in Australia		
Metropolitan	49 249	90%
Rural/regional	5 388	10%
Level of schooling in first language		
Less than 10 years	21 782	40%
More than 10 years	32 372	60%
Visa stream		
Humanitarian	15 524	28.7%
Skilled	9 642	17.8%
Family	28 988	53.5%

Client achievement

In 2011–12, 49 per cent of AMEP clients had significantly low levels of formal education or written literacy in their first language. Although education levels and other factors, such as pre-migration experiences, may impact on an individual's ability to make English language gains, all clients exiting the AMEP have demonstrated progress from the time of their entry into the program.

Clients are no longer eligible to access the program if they have completed 510 hours of tuition, participated in the program for five years, or attained functional English.

In 2011–12, 3001 clients completed between 500 and 510 hours, 69 clients reached five years in the program, and 1906 clients achieved functional English.

The levels of achievement attained by these clients are provided in Table 61.

Table 61: Levels of achievement attained by AMEP clients

	Pre-CSWE	CSWE Level I	CSWE Level II	CSWE Level III
Completed 5 years	33	16	10	10
Completed 510 hours	329	1 525	886	261
Achieved functional English	N/A	N/A	N/A	1906

Associated contracted services

In 2011–12, following an open market tender process, the national ELT accreditation scheme (NEAS) was awarded a contract by the department for the provision of quality assurance and monitoring of AMEP services.

In 2011–12, NEAS conducted a total of 72 site visits, as well as distance learning sites. NEAS provided quality assurance and monitoring services by ensuring that the facilities, resources and processes by which the AMEP is delivered were at an appropriate standard in accordance with contractual obligations.

NEAS is also contracted to maintain an assessment task bank for the AMEP. In 2011–12, NEAS established a working group made up of AMEP teachers and industry experts to develop and moderate an assessment task bank for all AMEP teachers throughout Australia. The assessment task bank has been designed to facilitate a consistent national program, and provides benefits in the delivery and assessment of learning modules by enabling the learning outcomes of AMEP clients across the country to be measured in a more consistent manner. AMEP teachers have access to the assessment task bank through a secure online portal.

AMEP research study

In June 2011, Macquarie University was engaged to undertake a second phase of a longitudinal research project, *Language training and settlement success: Are they related?*

The second phase, the AMEP Longitudinal Study 2011–14, will provide a longer-term understanding of the findings from the first phase, and also provide a greater understanding of the communication and interaction patterns and language learning needs of new arrivals during early settlement.

As with the first phase, which was conducted in 2008–09, the second phase of the study is designed as a longitudinal, multi-site and participant ethnography. This methodology allows for a qualitative exploration of issues related to language learning and use in context, and how this may change over a period of time.

This study considers settlement indicators and outcomes and will compare the experiences of clients under the new AMEP business model with the experience of clients involved in the first phase of the study. Research reports generated throughout the study will assist in the development of AMEP policy development and improvements to service delivery. Furthermore, study findings will lead to two professional development resources designed to support AMEP teachers and clients, the first of these to be available in the first half of the 2012–13 program year.

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 translation of personal settlement-related documents is provided to permanent residents, some temporary or provisional visa holders and returning Australian citizens within their first two years of arrival in Australia, or grant of permanent residence.

Documents eligible for the free translating service include birth and marriage certificates, drivers licences, medical reports, education certificates and employment documents.

Performance

Free interpreting services

In 2011–12, a total of 188 172 free interpreting services were provided, compared to 160 490 in 2010–11. Of these free interpreting services, 152 607 were for telephone interpreting and 35 565 for onsite interpreting.

Free translating services

In 2011–12, a total of 6773 applications were received to use the free translating service for a total of 8741 documents. This compares to the 2010–11, when 6553 applications were received to use the free translating service for a total of 8649 documents.

Real estate free interpreting pilot

In March 2011, the government announced that a pilot offering free telephone interpreting services to selected real estate agents would be expanded to capture other major areas of high settlement need, in both metropolitan and regional areas. An evaluation of the initial pilot for real estate agents 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.

In October 2011, the pilot was expanded for an additional 12 months, with the number of participating real estate agencies increasing from 114 to about 340. Real estate agents have been nominated by service providers funded under the department's HSS program and SGP and are located throughout Australia.

The free interpreting service was used 257 times in the 2011–12 financial year, since the expanded pilot began in October 2011, by 63 real estate agencies. The department will evaluate the expanded pilot at its conclusion in October 2012.

Table 62: Free interpreting services (onsite and telephone)

	2009–10	2010–11	2011–12
Telephone	170 317	130 298	152 607
Onsite	26 743	30 192	35 565
Total	197 060	160 490	188 172

Table 63: Free translating services

	2009–10	2010–11	2011–12
Number of free translation documents	10 072	8 649	8 471
Number of free translation clients ¹	7 520	6 553	6 773

1. The department's 2010–11 annual report erroneously reported that in 2010–11 8408 clients utilised the free translating service, compared to 10 015 in 2009–10

Humanitarian settlement services

The HSS is Australia's flagship program for the delivery of settlement support to refugees and humanitarian entrants. It aims to equip clients with the skills and knowledge needed to start their settlement journey, participate in the economic and social life of Australia, and chart their own future pathways.

The HSS program is tailored to individual needs, including the specific needs of young people. It is built on a foundation of case management, with case plans developed on the basis of a client's strengths, needs and goals, with clear strategies for support.

The HSS program focuses on helping clients to reach sustainable and measurable settlement outcomes that will stand them in good stead on their settlement journey. Exit from the program is based on clients achieving these settlement outcomes. It is expected that outcomes will generally be reached between six and 12 months after a client's arrival.

The complex case support (CCS) program delivers specialised and intensive case management services to humanitarian entrants with exceptional needs. CCS is designed to work in partnership with settlement and mainstream services to address the barriers that these clients face in settling in Australia.



Case study

Burmese family finds safety and security in Wagga Wagga

After fleeing persecution in Burma, Sai Kham Nan Hee and his family were accepted under Australia's refugee and humanitarian program. They have now found a home in Wagga Wagga.

Upon arrival, like all humanitarian entrants, they were eligible for Australia's settlement services.

'Before I came to Australia I'd been in Malaysia for three years and then I came to Wagga,' Mr Nan Hee said.

'I got help from the multicultural council ... they helped me to find a house, to move, and helped me a lot with my English skills. If I don't understand a letter ... I go and ask them.'

The Multicultural Council of Wagga Wagga and St Vincent de Paul provide intensive settlement services via the department's humanitarian settlement services (HSS) program, helping refugees to settle and establish a new life within the first six months of arrival.

 'Sometimes you forget the enormity of what they've been through in their home country and it's not until you start to build a relationship with the family and they share their story and their journey, that you realise what an integral part you are in their life as a whole.'

The program aims to strengthen the ability of humanitarian clients to participate in the economic and social life of Australia and to equip them with the skills and knowledge to independently use services beyond the initial settlement period.

A community development worker from the Multicultural Council of Wagga Wagga, Kristy Williamson said case workers from the HSS program provided initial intensive settlement services to new arrivals in Wagga.

'As soon as the family arrive ... we meet them at the airport then start the process to establish a life in the first six months in Australia,' Ms Williamson said.

'Sometimes you forget the enormity of what they've been through in their home country and it's not until you start to build a relationship with the family and they share their story and their journey, that you realise what an integral part you are in their life as a whole.'

About 11 500 clients were settled under the HSS program in 2011–12. About 52 per cent of these people were processed offshore.

Mr Nan Hee is now employed and also does bilingual work for the council's orientation sessions to help other Burmese arrivals.

Photo: Mr Nan Hee (centre) and his family fled from persecution in Burma and have found safety and security in Wagga Wagga.



See the video of Sai Kham Nan Hee and his family on the enclosed CD-Rom.

Performance

Humanitarian settlement services

The new HSS program began on 4 April 2011, and has now been in operation for more than a year. The program has been largely successful and, in particular, the new enhancements such as the orientation program and the local area coordination meetings have been very well received.

Ongoing challenges include the considerable number of single entrants entering Australia as IMAs, 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.

Service providers have implemented the 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. These partnerships have largely been built through the success of the local area coordination meetings.

Performance of HSS provision and client settlement outcomes has been measured in several ways. Service delivery against program key performance indicators was measured through a periodic report from service providers and departmental state and territory offices. The department's state and territory offices have also completed numerous quality assurance (QA) activities required under the agreement between the department and service providers, including client contact visits and property inspections.

Risk and QA frameworks have been developed in response to the *Review of humanitarian settlement services performance measures and contract management* conducted by Mr David Richmond AO, with the benefit of being 12 months into the HSS contract.

Both frameworks laid the foundations to:

- develop a program-level risk assessment
- conduct a QA review of HSS service delivery, with particular focus on client settlement experiences and outcomes, and high risk components of the program.

Complex case support program

There were 314 referrals to the CCS program in 2011–12, of which 192 were accepted, resulting in the delivery of services to 669 clients.

The new CCS contracts have inserted a requirement for service providers to report every six months against key performance indicators, with the first reports due on 30 September 2012. This approach will result in more detailed monitoring of CCS performance outcomes in future annual reports.

Settlement planning and information delivery

Settlement planning and information delivery provides the framework for planning for the provision of settlement support services and demographic data and information to inform government and service providers, in order to meet the needs of newly arrived migrants and humanitarian entrants and so ensure that they are better able to participate in Australian society.

Performance

Select Council on Immigration and Settlement—national settlement framework

In November 2011, the Council of Australian Governments established the Select Council on Immigration and Settlement. One of the tasks of the council is to develop a national settlement framework to support economic and social participation and greater productivity outcomes for migrants, and to achieve consistent service delivery across jurisdictions through improved coordination, collaboration and the effective use of existing resources.

A working group, comprising the department and all state and territory jurisdictions, has been established to progress the development of the framework. While the framework is in the early stages of development, it is envisaged that it will provide guiding principles and key areas of focus for governments to facilitate:

- collaboration during settlement planning, to ensure that informed decisions can be made to achieve successful settlement outcomes for migrants
- coordination in the provision of services to minimise duplication and identify and address service gaps
- enhanced evaluation of services, through communication and sharing of best practice.

The framework will see social policy agencies continue to collaborate through a range of forums to share information on national and local issues, to proactively plan for services, and to address issues that may arise.

Settlement planning and information delivery

Planning involves assessing which migrants require assistance to settle, what their particular needs are, and how best to target policy and programs to meet those needs.

Settlement planning is informed by the identification of settlement issues and needs. The identification and analysis of ongoing, emerging and predicted settlement needs for newly arrived migrants are undertaken by the department on a semi-annual basis.

Settlement issues are identified through a range of consultative mechanisms including:

- state and territory settlement forums, generally including state and territory government and service agencies, local government (particularly in areas receiving significant numbers of migrants), local branches of Australian Government agencies, settlement service providers, relevant community organisations, migrant and refugee communities, employers and business groups
- regular meetings with key peak bodies
- other advice and feedback from reference groups and NGOs.

The department also makes demographic data on migrants and migration to Australia publicly available, to help settlement agencies and other industries plan for the services they provide. Public information also encompasses research on the settlement experiences of refugees and the contributions they make to Australia.

Settlement information delivery includes the provision of information to new migrants which will assist them on their settlement journey. It includes practical advice on where to learn English, how to access essential health, transport and education services, and how to apply for a drivers licence, open a bank account and register with Medicare.

Settlement reporting facility

The settlement reporting facility (SRF) is a reporting tool that is accessible through the department's website. It provides point-in-time statistical data on permanent arrivals in 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 2011–12, a large number of reports were provided on request to departmental officers and external clients, including state and local governments, mainstream and migrant service providers and researchers.

On average in 2011–12, the SRF was accessed 45 times a day by external users, a similar level to the previous year. Information on where settlers are located is the most requested, with more than 25 per cent of the reports including location information at the local government area level.

Settlement Council of Australia

The Settlement Council of Australia (SCoA) is a national body that represents migrant and refugee settlement service providers across Australia. SCoA works to improve collaborative and strategic planning in the settlement sector by consulting with service providers on a state and national level, developing policy advice papers on issues impacting settlement service providers, promoting best practice models of service delivery, and providing national advice to the Australian Government.

Multicultural Youth Advocacy Network

The Multicultural Youth Advocacy Network (MYAN) represents multicultural youth sector networks in each state and territory. MYAN works in partnership with government and non-government agencies to ensure that the needs of multicultural youth are met by convening national network teleconferences, distributing newsletters, and providing representative advice to the Australian Government.

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 for Immigration and Citizenship on the basis of their individual experience, expertise and commitment to settlement issues, in particular relating to humanitarian entrants.

In July 2010, the Australian Government reappointed 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 council's sixth term include providing advice on:

- changes to policy surrounding the Humanitarian Program
- improving settlement outcomes, including providing input on the delivery of humanitarian settlement services
- the settlement needs of refugee youth and families
- supporting settlement in rural and regional locations
- improving employment outcomes for refugees and humanitarian entrants.

Regional humanitarian settlement

The department supports humanitarian settlement in regional areas where infrastructure, mainstream services, employment opportunities and community support are available.

In 2011–12, the department developed a sustainable regional humanitarian settlement policy and strategy to identify current practices and outcomes. The paper included options and approaches for improved settlement and retention of humanitarian entrants in regional locations. The paper was developed in collaboration with the department's state and territory offices, key government agencies and stakeholders.

The department continues to consider new locations for regional settlement and to develop regional profiles by mapping the availability of settlement services, accommodation, employment, infrastructure, and health services. These profiles will assist in consultations about suitable locations and will serve as an evidence base for future regional development.

The department is developing a guide to assist local government, business and community members to successfully settle migrants and refugees in regional Australia.

Support for community services

The settlement grants program (SGP) supports the delivery of settlement services for migrants and refugees to settle and participate as fully as possible 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 three tiers 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 eligible client groups are able to access services as appropriate.

Performance

The department has a series of practical measures to monitor and evaluate the performance of SGP projects and the program as a whole. These include regular reporting by service providers which focuses on client outcomes, as well as compliance with the SGP funding agreement.

The SGP has streamlined elements of program administration to ensure a strong focus on outcomes for clients and improved evaluation of these outcomes. The quarterly reporting template for all SGP grants is continually reviewed and updated to address any issues and concerns that may arise during the course of the funding year.

The nature of the SGP is project-based, delivering many outcomes for newly arrived migrants across a range of issues. Some of the activities funded under the program build clients' individual capacity to acquire settlement life skills, including:

- building confidence to independently navigate their way around mainstream services
- providing information on the Australian legal system
- mentoring and leadership development
- linking to employment providers and advocating for their needs
- supporting the establishment of small business enterprises
- building the capacity of communities to alleviate social isolation.

TIS National onsite interpreting

Translating and Interpreting Service (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 2011–12, TIS National experienced a 10 per cent growth in the number of onsite interpreting services delivered, providing 65 242 services.

A significant portion of this increase can be attributed to the provision of interpreters as part of the department's response to IMAs, as well as a marked growth in demand in the health sector for the provision of onsite interpreters.

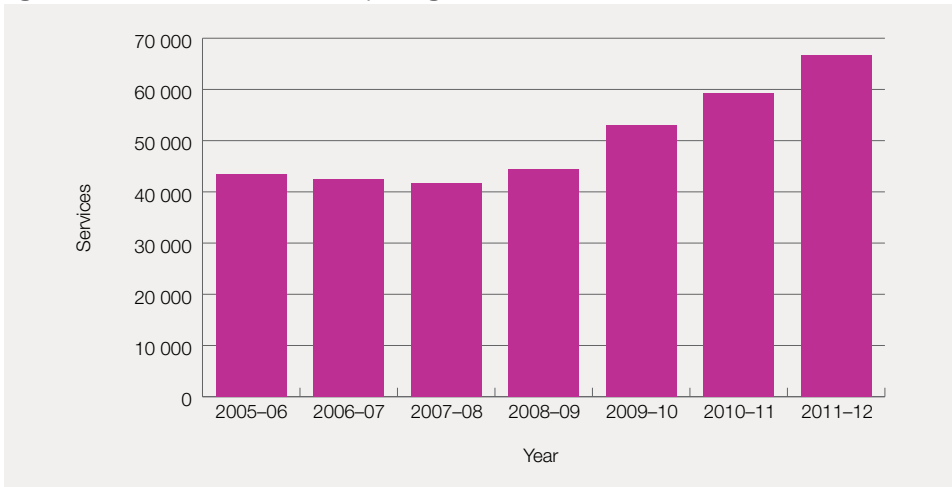
The number of onsite services performed by NAATI-accredited or recognised interpreters, in languages where accreditation is available, increased in the 2011–12 financial year, representing 80.7 per cent of all onsite services provided.

There was also a significant increase in demand for onsite interpreting services, including IMA assignments, in new and emerging community languages, where NAATI accreditation is not available.

TIS National continues to work with its interpreters to improve their credentials through collaboration with NAATI, the establishment of new language testing panels, the interpreter improvement scholarship program and other initiatives.

The 10 languages most in demand for onsite services were (in descending order): Arabic, Vietnamese, Mandarin, Persian, Dari, Turkish, Cantonese, Hazaragi, Nepali and Serbian.

Figure 20: TIS National onsite 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

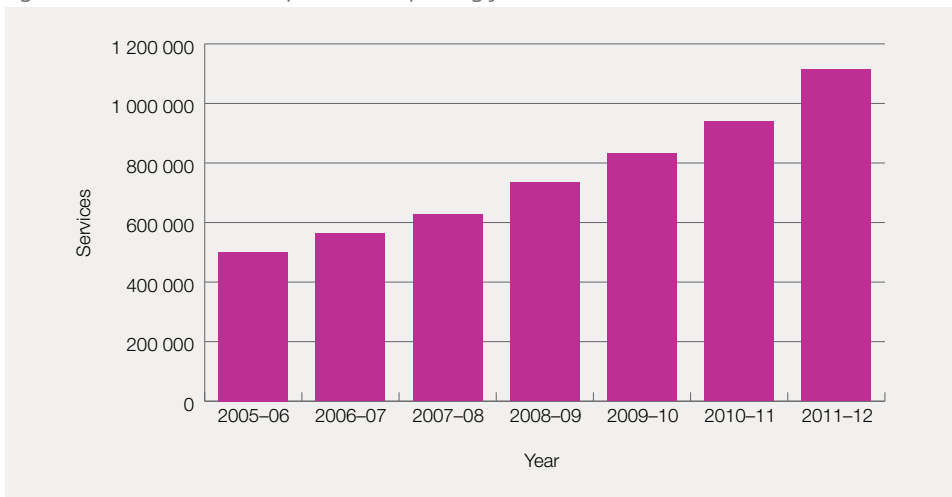
In 2011–12, continued and consistent growth in demand for telephone interpreting services resulted in an 18 per cent increase in services provided.

TIS National provided 1 111 283 telephone interpreting services in 2011–12. This marked the first time that TIS National has delivered more than one million telephone interpreting services during a financial year.

Non-English speaking clients directly initiated 50.1 per cent of requests for a telephone interpreter.

The 10 languages most in demand for telephone services were (in descending order): Mandarin, Arabic, Persian, Vietnamese, Cantonese, Korean, Hazaragi, Tamil, Dari and Turkish.

Figure 21: TIS National telephone interpreting jobs





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: Farzana came to Australia in 2007 as a refugee. She is now a student and community volunteer.

Outcome 6 consists of one program:

Program 6.1 Multicultural and citizenship services

During 2011–12, 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 2011–12*.

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:

- 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.

This outcome will be achieved through:

- implementation of *The People of Australia*, Australia's Multicultural Policy and its initiatives
- the diversity and social cohesion program, which addresses issues of cultural, racial and religious intolerance by delivering grants to community-based organisations and information activities such as Harmony Day
- the Australian Government Access and Equity Strategy, which promotes the importance of Australian Government agencies being responsive to Australia's cultural diversity
- the department's nationwide network of community liaison officers, who monitor community relations through extensive contacts with community groups and individuals
- provision of funding to eligible community organisations to conduct community-based projects that build on social cohesion, harmony and security
- provision of research, evidence-based policy advice and support for the minister and parliamentary secretary¹
- providing secretariat support for the Australian Multicultural Advisory Council², a ministerially-appointed body that provides advice on social cohesion, the inclusion of migrants into Australian society, overcoming racism and intolerance and communicating the benefits of Australia's cultural diversity to the community
- a communication strategy that promotes the value of Australian citizenship
- lawful decision-making in accordance with Australian citizenship legislation.

1. Prime Minister Julia Gillard announced the promotion of Senator Kate Lundy from Parliamentary Secretary for Immigration and Multicultural Affairs to Minister for Sport, Minister for Multicultural Affairs and Minister Assisting for Industry and Innovation on 2 March 2012.

2. The Australian Multicultural Advisory Council was replaced by the Australian Multicultural Council in August 2011.

Major achievements

Citizenship program

In 2011–12, the service standard for processing conferral applications was exceeded in all but the final three months of the year. Some 13 700 people from 144 countries became Australian citizens at 365 ceremonies held as part of Australia Day 2012 celebrations.

The department successfully delivered the Citizenship Amendment (Defence Families) Bill 2012, which was passed by the House of Representatives on 19 June and read for the first time in the Senate on 20 June. The Bill proposes amendments to the *Australian Citizenship Act 2007* to enable spouses and family members of Australian Defence Force (ADF) overseas lateral recruits to be eligible for the same reduced residence requirement as the eligible ADF member; that is, a reduction from four years to 90 days. It also provides further clarification of eligibility requirements for ADF personnel, including more clearly specifying service periods for Reserve force members.

Multicultural policy

As part of the government's multicultural policy, *The People of Australia*, announced in February 2011, the department provided secretariat support for an independent inquiry into the responsiveness of Australian Government services to clients disadvantaged by cultural or linguistic barriers—the Access and Equity Inquiry. The inquiry panel delivered its report to the government, including whole-of-government recommendations, on 27 June 2012. The report was launched by Minister for Multicultural Affairs, Senator the Hon Kate Lundy, on 29 June 2012.

Challenges

Citizenship program

The 2011–12 program year saw citizenship conferral application rates increase by approximately 47 per cent compared to the previous program year—a significant increase with existing resources. The increase in conferral applications is a result of the cessation of the transitional residence requirements on 30 June 2010. The department will continue to focus on processing efficiency and on providing greater support for decision makers.



Case study

Harmony—a sporting achievement

Former Socceroo Craig Foster, Australian cricketer Lisa Sthalekar, former NRL player and One Community Program Ambassador Hazem El Masri, Richmond AFL player Bachar Houli and Australian netballer Mo'onia Gerrard came together as Harmony Heroes to promote Harmony Day 2012 and its theme: 'Sport—play, engage, inspire'.

Harmony Day is celebrated around Australia on 21 March each year, and gives people the opportunity to share what Australians have in common and to celebrate the different cultures that make Australia unique. The message of Harmony Day is that 'everyone belongs', which means that regardless of their background, all Australians are a welcome part of the nation.

More than one million people participated in the 5000 registered Harmony Day events across the country. Cricket Australia, the National Rugby League, the Australian Football League, Football Federation Australia, Netball Australia and Australian Athletes with a Disability supported Harmony Day by promoting cultural diversity at games and clinics, as well as sharing the events on their websites and social media pages.



'Harmony Day is a marvellous initiative. I'm extremely proud of the fact that we take the time to celebrate the diversity of Australian life.'

This year saw the department spreading Harmony Day messages using social media for the second time. The department developed a Harmony Day app and also shared messages and information using the @harmonydaydiac Twitter account. 'Happy Harmony Day' was the most shared message on Twitter in Australia on 21 March.

Supporters such as SBS, Local Government Managers Australia, Scouts and Guides Australia, Red Cross and NSW Railcorp promoted Harmony Day through their expansive networks. NSW Railcorp in Sydney organised live multicultural performances at a number of stations for CityRail commuters on their way to work, and SBS sponsored a 'pollies vs professionals' soccer match at Parliament House.

Led by Minister for Sport and Minister for Multicultural Affairs Senator Kate Lundy, the team of politicians managed to draw 8–8 with the team of professionals led by Craig Foster.

'Harmony Day is a marvellous initiative. I'm extremely proud of the fact that we take the time to celebrate the diversity of Australian life,' Mr Foster said.

'It's something particularly close to my heart, as is football, so it's wonderful to come here and take part in a game that unites everyone around the world, and to be able to make friends and build understanding through playing together.'

Photo: Former Socceroo Craig Foster was one of the Harmony Day ambassadors in 2012.



See the video of the 2012 ambassadors promoting Harmony Day on the enclosed CD-Rom.

Table 64: Outcome 6 Financial resources summary 2011–12

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.

	Budget ² 2011–12 \$'000 (a)	Actual expenses 2011–12 \$'000 (b)	Variation 2011–12 \$'000 (b)-(a)	Budget estimate 2012–13 \$'000 (c)
Program 6.1: Multicultural and citizenship services				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	5 433	4 902	(531)	2 757
Departmental expenses				
Ordinary annual services (Appropriation Acts 1 and 3) and revenues from independent sources (Section 31 FMA Act)	71 482	64 794	(6 688)	70 074
Expenses not requiring appropriation in the Budget year ¹	5 861	4 347	(1 514)	5 889
Total for Program 6.1	82 776	74 043	(8 733)	78 720
Total expenses for Outcome 6	82 776	74 043	(8 733)	78 720
Average staffing level (number)	455	463	8	448

1. Expenses not requiring appropriation in the Budget year are expenses relating to depreciation and amortisation.
2. The 2011–12 Budget represents the Estimated Actual Budget published in the *Portfolio Budget Statements 2012–13*.

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 four administered items under Program 6.1:

- Diversity and social cohesion program
- Grants for multicultural affairs
- Mirrabooka Multicultural Centre—contribution
- Pacific seasonal worker pilot scheme—establishment

Objectives

- Promoting mutual respect, fairness, inclusion and a sense of belonging and addressing issues of cultural, racial and religious intolerance
- Efficient and effective delivery of the Australian citizenship program in line with Australia's citizenship law and government policies
- Promoting the value of Australian citizenship

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2011–12* and *Portfolio Additional Estimates Statements 2011–12*.

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 40 submissions to the Minister for Multicultural Affairs on a range of matters related to multicultural issues. Advice was provided to the Minister for Immigration and Citizenship on a number of matters relating to citizenship law and policy, including for an amendment to the <i>Australian Citizenship Act 2007</i> to align the residence requirements for family members of lateral recruits to the Australian Defence Force with the reduced residence requirements that apply to those overseas lateral recruits.

Multicultural and citizenship services—deliverables *continued*

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 2011–12 work plan. The objectives and milestones included:

- promoting the benefits of Australia's cultural diversity through a range of media and communications initiatives, including FECCA's website, electronic bulletins 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 new and emerging communities through, for example, organising a national forum focusing on sustainable strategies to enhance participation and inclusion of these groups.

In 2011–12, diversity and social cohesion program (DSCP) project milestones were substantially met, and where these were not met, the department worked closely with relevant organisations to bring projects to fruition.

The multicultural arts and festivals grants (MAFG) component of the DSCP met its objectives in 2011–12, providing funding for multicultural projects designed to encourage social cohesion and mutual understanding. All funded projects were completed as scheduled.

Deliverable: Implement the diversity and social cohesion program.

Result: In 2011–12, 40 DSCP grants were awarded to community organisations to build social cohesion through stronger community relations. Grants were provided to undertake activities which addressed issues relating to racism, intolerance and community disharmony. The department also managed 59 projects which continued from previous funding rounds.

In 2011–12, MAFG provided funding to 36 organisations, mainly small community organisations, to conduct multicultural festivals or arts projects. The projects provided opportunities for all Australians to come together and share different cultural experiences, to increase social cohesion.

Deliverable: Provide support services to the Australian Multicultural Council.

Result: In August 2011, the Australian Government established a new independent body, the Australian Multicultural Council (AMC) to replace the Australian Multicultural Advisory Council. The department provided secretariat support to the new council, supporting six formal meetings and providing policy and logistical support to assist the AMC to discharge its multicultural advisory responsibilities as outlined in its terms of reference.

Multicultural and citizenship services—deliverables *continued*

Deliverable: Encourage Australian Government agency responsiveness to cultural and linguistic diversity through implementing the Access and Equity Strategy.

Result: To strengthen the government's approach to access and equity, and to implement one of the multicultural policy initiatives, the department provided support to an independent panel which undertook an inquiry into the responsiveness of Australian Government services to clients disadvantaged by cultural or linguistic barriers. The panel delivered its report to the government on 27 June 2012.

In compiling information provided by government departments for the *Access and Equity Report 2010–12*, the department received 2010–11 fiscal year information from more than 100 departments and agencies. Based on this evidence, the majority of agencies are aware of their responsibilities under the existing Access and Equity Strategy and support the undertaking of the Access and Equity Inquiry.

Deliverable: Deliver lawful citizenship decisions under Australian citizenship legislation.

Result: In 2011–12, 133 129 decisions were made on client applications for Australian citizenship status by conferral, descent and resumption. To ensure the delivery of lawful citizenship decisions which accord with citizenship legislation, the department provided training to 66 decision makers through the citizenship training program, as well as advice to 103 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: The department continued to promote the value of Australian citizenship in 2011–12, resulting in 84 183 people being conferred Australian citizenship across Australia during the year.

Multicultural and citizenship services—key performance indicators

Indicator: Milestones and timelines specified in funding agreements for grants are met.

Result: FECCA substantially met the performance indicators under its 2011–12 funding agreement and work plan. A grant of \$426 000 (GST exclusive) was paid on time in two equal instalments in July 2011 and March 2012.

During 2011–12, in addition to 40 new DSCP projects, the department also managed 59 projects which continued from previous funding rounds. Project milestones were substantially met during this period, and where these were not met, the department worked closely with relevant organisations to bring projects to fruition.

The MAFG component of the DSCP commenced in 2011–12. During 2011–12, the department managed 36 projects funded under the MAFG. All projects were completed within agreed timelines.

Multicultural and citizenship services—key performance indicators *continued*

Indicator: Government agencies report increased client satisfaction with the delivery of government services.

Result: The Access and Equity Inquiry included an extensive consultation process. To facilitate community and other stakeholder discussions, the independent panel released two documents. One discussion paper targeted both government departments and the community sector, while a shorter document, available in 27 languages, focused on the client experience. The consultation process also included face-to-face community and government sector meetings, and a public call for submissions which was advertised in both mainstream and ethnic newspapers. Overall, the inquiry received 136 submissions which informed the panel's report, delivered to the government on 27 June 2012.

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. In providing their 2010–11 data for the *Access and Equity Report 2010–12*, government departments provided examples of good practices in their work across Australia.

Indicator: Percentage of refusal decisions for Australian citizenship overturned through an appeal process.

Result: Less than 1 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 for conferral applications is to decide 80 per cent of applications within 60 calendar days of lodgement. The national average of applications decided within the service standard for 2011–12 was 82.1 per cent. The service standard was exceeded for all but the final three months of the program year, which were affected by an accumulation of on-hand cases due to an increase in conferral applications across the program year.

Indicator: Increased awareness of, and interest in, Australian citizenship.

Result: In 2011–12, there were 353 321 visits to the department's online citizenship wizard, compared to 309 634 in 2010–11, and 320 662 phone calls to the citizenship information line were answered by an information officer, compared to 295 946 in 2010–11.

Table 65: Multicultural and citizenship services—performance information

Key performance indicators	2009–10 actual	2010–11 actual	2011–12 target	2011–12 actual
Visits to the Citizenship Wizard ¹ .	428 242	309 634	300 000	353 321
Percentage of citizenship decisions overturned.	<1%	<1%	<1%	<1%
Percentage of conferral client applications decided within the service standard.	89.2% within 90 days to 9 November and 80.3% within 60 days from 9 November.	78.9%	80%	82.1% were decided within 60 days

1. This target was increased from 80 000 visits to 300 000 visits in the *Portfolio Additional Estimates Statements 2011–12*.

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 DSCP policy guidelines.

Result: In 2011–12, DSCP funding was awarded to 40 new projects and 59 ongoing projects to address racism, intolerance and community disharmony. The projects were also funded to address social cohesion issues through, for example, capacity building of communities and development of leadership skills.

The MAFG component of the DSCP started in 2011–12. During this year, MAFG funding was awarded to 36 organisations.

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 the DSCP on 1 July 2010.

During 2011–12, DSCP funding was awarded to 40 community organisations for new projects to address racism, intolerance and community disharmony.

Deliverable: Projects achieve agreed objectives/milestones.

Result: In 2011–12, DSCP funding was awarded to 40 community organisations to build social cohesion through stronger community relations. Project milestones were substantially met during this period, and where these were not met, the department worked closely with relevant organisations to bring projects to fruition.

A total of 81 applications for MAFG funding were received in 2011–12. MAFG funding was awarded to 36 organisations to encourage social cohesion and mutual understanding. All projects were completed within agreed timelines.

Administered item: Grants for multicultural affairs

Objective: Provide a grant to the Federation of Ethnic Communities' Councils of Australia (FECCA) 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 2011–12, the government provided a grant of \$426 000 (GST exclusive) to FECCA to assist it in meeting its objectives.

Administered item: Grants for multicultural affairs *continued*

During the year, FECCA made contributions to policies and programs to support consideration of cultural diversity issues in a range of areas, including submissions on migration legislation amendments, the National Cultural Policy, human rights, rural and regional settlement, composition of the Humanitarian Program, the Federal Budget and the accessibility of government services to clients from diverse backgrounds.

FECCA organised a successful and well attended national conference in Adelaide with the theme 'Advancing Multiculturalism'. It also conducted a national forum for new and emerging communities, as well as public forums on both racism and inter-faith issues.

FECCA helped support the government's access and equity strategy and framework and inform the work of the Access and Equity Inquiry through conducting community consultations and reporting.

FECCA substantially met the performance indicators under its 2011–12 funding agreement and work plan.

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 department continues to work in partnership with the City of Stirling on the multi-year project to develop a multicultural centre in Mirrabooka, Western Australia.

During 2011–12, the City of Stirling developed concept designs and cost estimates for building the centre, due for completion in late 2013.

Administered item: Pacific seasonal 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 2011–12, five projects were funded and managed to a total value of \$380 000:

- projects in Robinvale and Swan Hill, Victoria, and Mundubbera in Queensland, where large numbers of seasonal workers are placed
- a cultural awareness package with the Australian National University, to address cross-cultural conflict and communication issues
- a nation-wide mentoring project.

All projects, except the mentoring project, which is still being assessed, have met the key objectives outlined in the funding agreements.

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 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 2011–12, 133 129 decisions were made on client applications for Australian citizenship status by conferral, descent and resumption, compared to 114 212 in 2010–11. This represents an increase of 16.6 per cent. The most likely reasons for this increase were that a greater number of people were eligible to apply, following higher than average migration programs, and a greater number were eligible based on residence following the transition to the four-year residence requirement. The overall approval rate of applications for conferral was 84.7 per cent in 2011–12.

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 2011–12.

Table 66: Outcomes of citizenship applications 2009–10 to 2011–12

Citizenship outcome	Results		
	2009–10	2010–11	2011–12
People approved for conferral of Australian citizenship ¹	114 121	85 916	95 776
People issued with Certificates of Evidence of Australian citizenship	21 169	19 872	18 942
People registered as Australian citizens by descent	15 458	16 682	18 718
People resuming Australian citizenship	313	262	191
People registered as losing Australian citizenship ²	381	381	240

1. The method used to determine this figure was changed in 2011–12 to include clients who acquired citizenship on approval: figures for previous years have been amended accordingly.

2. Loss statistics include renunciation of Australian citizenship.

Citizenship test outcomes

Outcomes of the Australian citizenship test administered during 2011–12 were as follows:

- 71 662 clients sat the Australian citizenship test
- 70 744 clients (or 98.7 per cent) passed the test
- 87 101 tests were administered, including re-sits where clients did not pass the test on their first attempt.

A range of measures are in place to assist vulnerable clients to meet the citizenship test requirements:

- While the test is undertaken only in English, the test resource book is translated into 37 community languages. This assists clients to prepare for the test in their native language, even though the actual test is in English.
- A DVD presenting key points from the testable section of the resource book, including 20 practice questions, is available free of charge.
- There is a test tutorial and practice test on the citizenship website.
- If clients have difficulty reading the computer screen, or operating a computer mouse, a government officer may assist by reading the questions and multiple choice answers, or operating the mouse.
- If clients have low literacy skills, a government officer will provide assistance by reading the questions and multiple choice answers.
- A citizenship course is available, where demand exists, as an alternative citizenship test for a small group of people who are likely to struggle when undertaking a computer-based test, particularly for individuals with low levels of English literacy and schooling.

Client information sessions

A number of community information sessions were delivered from 25 October to 16 December 2011 in metropolitan and regional locations in New South Wales, Victoria, Tasmania and South Australia. These sessions were attended by 692 people.

This initiative was implemented to increase public awareness of Australian citizenship, explain the application process, and promote the available study resources and the Australian citizenship course, *Our common bond: A course in Australian citizenship*, as an alternative pathway to citizenship.

Most people who attended were refugee and humanitarian entrants.

Citizenship course outcomes

The citizenship course-based test continued to meet its objectives of providing an alternate pathway to citizenship for disadvantaged clients.

In 2011–12, 21 courses were delivered by relevant AMEP service providers in metropolitan Sydney, Melbourne, Perth and Adelaide.

Of the 339 clients who confirmed their interest in attending the course, 311 (92 per cent) clients enrolled. A total of 285 clients (92 per cent) passed the course, 22 clients failed the course (7 per cent of the total number who attended) and four clients (1 per cent) withdrew from the course for personal reasons.

Table 67: Citizenship course outcomes

Number of clients:	2011–12
Enrolled	311
Passed the course	285 (92%)
Failed the course	22 (7)%
Withdrew from the course	4 (1%)

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 to encourage the acquisition of citizenship by eligible non-citizens.

Performance

Australian Citizenship Day 2011—Australian citizenship affirmation ceremony at Aranda Primary School, Canberra

As part of Australian Citizenship Day 2011 celebrations on 17 September, the department, in partnership with the National Australia Day Council (NADC) and Aranda Primary School in Canberra, hosted an Australian citizenship affirmation ceremony with special guest Mr Adam Gilchrist AM, Chair of the NADC.

All students in years 5 and 6 attended the ceremony, enhancing their learning under the civics and citizenship curriculum and encouraging them to value their Australian citizenship through practical experience. Mr Gilchrist gave an inspiring presentation to the students about taking pride in being an Australian citizen.

Australian Citizenship Day 2011 saw more than 4000 people from 115 countries become Australian citizens at 120 ceremonies around the nation.

Australia Day 2012

Australia Day remains an important day for Australian citizenship and is the day when most citizenship ceremonies occur.

Approximately 13 700 people from 144 countries became Australian citizens at 365 Australian citizenship ceremonies around the country. Many thousands of existing Australian citizens also participated in some 125 Australian citizenship affirmation ceremonies.

Australian citizenship affirmation ceremonies continue to grow as part of Australia Day celebrations, with 44 412 Australian citizenship affirmation resource packs distributed to 137 local government councils across Australia for their Australia Day events.

A key component of the department's strategy to promote the value of Australian citizenship is its partnership with the NADC. This partnership encourages the Australian community to reflect on what it means to be an Australian citizen, as well as to celebrate what is great about Australia. A highlight of Australia Day 2012 was the national capital's Australian citizenship ceremony presided over by the Prime Minister, with the Governor-General leading the Australian citizenship affirmation ceremony. This ceremony was broadcast live to an audience of 93 000 ABC1 viewers, giving many thousands of Australians the opportunity to witness a citizenship and affirmation ceremony.

Australia's Local Hero Award

The department continued its close relationship with the NADC by sponsoring Australia's Local Hero Award for the tenth consecutive year.

Australia's Local Hero Award is a category of the Australian of the Year Awards and recognises the extraordinary contributions made by Australian citizens who work to make their local community a better place.

Australia's Local Hero for 2012 is Ms Lynne Sawyers from New South Wales. As a foster mother for more than 15 years, Ms Sawyers has shared her home, her family and her love with more than 200 children. At the age of 68, Ms Sawyers continues to do her very best to give children a chance at a better life.

Stakeholder and community engagement

The department engaged in a range of stakeholder and community engagement activities to promote the value of Australian citizenship throughout the year. This included hosting information booths at major events, including the National Multicultural Festival in Canberra in February 2012 which attracted more than 260 000 people, and the Australian Local Government Association national conference in Canberra in June 2012. This conference was an opportunity to showcase Australian citizenship resources and to discuss with hundreds of mayors and councillors the important role that local government councils play in Australian citizenship ceremonies.

Promoting the benefits of a united and diverse society

Under this item, the department implements a range of activities to assist communities in creating a spirit of inclusiveness, and help ensure that Australians of all backgrounds are treated equitably.

Performance

Multicultural policy

During 2011–12, the department successfully implemented or progressed several initiatives of Australia's national multicultural policy, *The People of Australia*, which was launched in February 2011.

Establishment of the Australian Multicultural Council and the People of Australia Ambassadors

The new Australian Multicultural Council (AMC) has met six times since it was established in August 2011. The AMC's priorities are covered in its terms of reference and are to:

- advise the government on multicultural affairs
- play a formal role in a strengthened access and equity strategy
- have a research and advisory role on multicultural policy
- assist with cultural diversity celebrations and Harmony Day activities
- implement a People of Australia Ambassadors Program to articulate the benefits of, and help celebrate, our multicultural nation
- review government expenditure in ethnic media.

The inaugural People of Australia Ambassadors program began in January 2012 with the announcement of the 2012 ambassadors, 40 influential Australians selected for their outstanding work in building strong and cohesive local communities.

National anti-racism partnership and strategy

The department is a key partner in the national anti-racism strategy which is led by the Australian Human Rights Commission. The partners have met six times, including for a strategic planning day in Canberra during 2011–12, and have undertaken extensive public and targeted consultation in the development of a national strategy which aims to:

- create awareness of racism and how it affects individuals and the broader community
- identify, promote and build on good practice initiatives to prevent and reduce racism
- empower communities and individuals to take action to prevent and reduce racism and seek redress when it occurs.

Strengthening access and equity

In November 2011, the government announced an inquiry into the responsiveness of Australian Government services to clients disadvantaged by cultural or linguistic barriers. During 2011–12, the department provided secretariat support for an independent panel which delivered its report and recommendations to government on 27 June 2012, following extensive consultations.

Multicultural arts and festivals grants

The multicultural arts and festivals grants (MAFG) is a discretionary, merit-based small grants program. These grants provide opportunities for Australians of all backgrounds to come together and share different cultural experiences. This increases mutual awareness and social cohesion. A total of \$500 000 was allocated to MAFG over four years, from 2011–12 to 2014–15, or \$125 000 per financial year, re-prioritised from within the DSCP. In 2011–12, MAFG funded 36 separate projects across Australia.



Case study

Ambassadors celebrate diversity, build unity

According to People of Australia Ambassador Pastor Brad Chilcott, it is essential that Australians embrace the reality of a diverse nation of many cultures.

‘As we celebrate diversity, we can build unity,’ he said.

‘Fearing it will only create conflict.’

Pastor Chilcott is the founder and director of Adelaide-based volunteer organisation Welcome to Australia which operates a range of programs designed to welcome refugees and other new arrivals. He was announced as one of 40 inaugural People of Australia Ambassadors by Prime Minister Julia Gillard and Minister for Multicultural Affairs Senator Kate Lundy on 18 January 2012.

Australians were encouraged to nominate inspirational people who have helped to build bridges, promote inclusion and strengthen ties in their communities for the ambassadorial roles.



‘As we celebrate diversity, we can build unity. Fearing it will only create conflict.’

‘The 40 ambassadors now have a new platform to promote their good work and share their ideas and initiatives that can help inspire others,’ Prime Minister Gillard said at the launch.

A key part of the ambassador role is providing advice to the Australian Government and the Australian Multicultural Council.

The ambassadors come from every state and territory and were recognised for the real impact they have on the lives of many Australians—from bringing children together through sport, to helping small business owners from diverse backgrounds get up and running.

Other ambassadors include: Chair of the Canberra Multicultural Community Forum Sam Wong AM; Sydney-based Dr Cen Amores, founding President of the Alliance of Philippine Community Organisations; Director of the Townsville Intercultural Centre Dr Favardin Daliri OAM; Collingwood footballer Harry O’Brien; and Central Desert Shire Councillor Sascha McKell from the Northern Territory.

This year, the ambassadors participated in a variety of community events including International Women’s Day celebrations, citizenship ceremonies, Australia Day and Harmony Day celebrations and numerous multicultural festivals and activities throughout the country.

People of Australia Ambassadors have made significant contributions to their local community through active engagement with youth groups, migrant community organisations and community service organisations.

They have also participated in the national anti-racism strategy local community consultations, managed by the Australian Human Rights Commission.

The 2012 ambassadors’ term ends on 30 December 2012.

Photo: Pastor Brad Chilcott is one of the 40 inaugural People of Australia Ambassadors.



A video profile of Pastor Brad Chilcott is available on the enclosed CD-Rom.

Additional multicultural outcomes

Access and Equity Report 2010–12

In collecting information for the *Access and Equity Report 2010–12*, the department received 2010–11 data from 111 government agencies about their approaches to the delivery of government services to clients from culturally and linguistically diverse backgrounds. The department anticipates tabling the *Access and Equity Report 2010–12* in mid-2013. The next access and equity reporting cycle, in 2012–14, will reflect the government's response to the recommendations of the Access and Equity Inquiry Report.

Federation of Ethnic Communities' Councils of Australia (FECCA)

During 2011–12, as part of its funded work program, FECCA conducted a series of community consultations on the accessibility of government services to clients from diverse backgrounds, including in Hobart, Wagga Wagga, Melbourne, Darwin, Newcastle and Logan. Some of these consultations were held as part of the Access and Equity Inquiry.

The consultations have allowed FECCA to further develop its understanding of the responsiveness of Australian Government services to a culturally and linguistically diverse population. This has informed FECCA's submissions to government and its broader policy work, to help ensure that programs and services are accessible to all eligible recipients.

Community liaison officer network

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 have an 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 broad migration policy changes.

The network also manages grants to community organisations and others, funded under the DSCP and MAFG.

In this way, the community liaison officer network works to encourage interaction with the broader community, reduce marginalisation and promote community harmony, social cohesion and the benefits of cultural diversity.

Whole-of-government engagement

The department is a key contributor to the Australian Government's countering violent extremism strategy. This participation reflects the importance that social cohesion plays in contributing to the prevention of violent extremism in a multicultural nation such as 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.

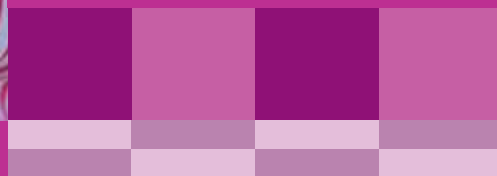


Part 4

Management and accountability

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Photo: Canberra-based officer Shellie is a case management training coordinator.



Corporate governance

Statement of main governance practices

Managing a highly responsive, robust and sustainable immigration system requires an organisational structure that has a strong strategic policy capability and one that clearly articulates accountabilities.

The department realigned its organisational architecture in 2011–12 to four core groups, with a functional and organisational structure that manages end-to-end accountability, as follows:

- **Client Services Group**
The Client Services Group has moved from a geographically based model to a global operating structure for managing major visa caseloads and client service activities. This includes 14 global managers situated in various departmental offices across Australia, each responsible for the end-to-end accountability of a global business line.
- **Policy and Program Management Group**
The Policy and Program Management Group brings together all policy into one group, increasing the department's policy and evaluation focus in response to the government's forward agenda.
- **Business Services Group**
The Business Services Group adopts a business partnering approach to the provision of corporate and business functions. The group has centralised a full range of internal specialist service areas in the department to standardise business processes in the areas of information technology, governance and legal services, learning and development, human resources, finance and communications.
- **Immigration Status Resolution Group**
The Immigration Status Resolution Group brings together all immigration detention services to support the well-managed entry and stay of people in Australia. The group is responsible for the development and maintenance of immigration detention facilities, for co-ordinating and managing detention operations nationally, including contracts and service providers, and for the co-ordination and processing of irregular maritime arrivals and the subsequent placement of people into the community under residence determinations.

In April 2012, the enterprise governance framework was streamlined to support the organisational changes. The governance committee framework works outside the department's organisational structure to ensure effective decision-making, management and oversight of the department's operations and performance.

The department's key decision-making committees are:

- Executive Committee—provides assurance to the secretary on strategic issues and matters of organisational and operational significance.
- Departmental Audit Committee—functions under section 46 of the *Financial Management and Accountability Act 1997* and provides oversight of corporate and strategic risks, strategic internal audit planning, the annual internal audit program, annual financial statements and certificates of compliance.
- Strategic Business Support Committee—has oversight of portfolio governance matters, particularly in relation to the departmental capital plan, information and communication technology change releases, significant projects and assurance of business rules.
- Resources and Finance Committee—provides advice and makes recommendations on strategic financial operational and governance initiatives, in the context of the broader financial operating environment.
- People and Values Committee—provides advice and assurance to the secretary and to the Executive Committee on strategies for monitoring and enhancing departmental processes, systems and practices, to support departmental values, staff health and well-being and driving integrity in decision-making and in our dealings with clients.

Change management framework

The change management framework is a governance mechanism that provides a portfolio view of all programs and projects across the department. The primary tool used is the change proposal. This is a logical document that defines all major aspects of a program or project and forms the basis to involve relevant stakeholders and allocate resources. The framework also provides a robust level of business consultation on proposed projects and initiatives, to ensure the key risks associated with projects are identified and all relevant policy, legislative, finance, systems and business process implications are considered.

Leadership and governance

The prominent speaker program brings leading individuals from the public, private, academic and community sectors to address the department's 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 leadership throughout the organisation.

The program also highlights the importance of maintaining a strong and contemporary appreciation of policy issues. It is recognised as an avenue for knowledge building, information sharing and networking. The theme of the 2011–12 program was 'strategic financial management and organisational performance'. It continues to have presentations by speakers with notable expertise in leadership and governance subjects.

Incident Response Support Unit

The work of the Incident Response Support Unit continued into 2011–12, following its creation in 2010–11. The department has a history of responding in an ad hoc, although professional, manner to requests for assistance at a whole-of-government level in unplanned incidents such as civil unrest (for example, in Cairo), bombings (for example, in Bali and Mumbai), and natural catastrophes such as tsunamis and earthquakes (for example, in Japan and Christchurch).

The Incident Response Support Unit's role is to fully coordinate the department's actions prior to, during and after non-boat-related incidents and major events in which the department is involved, particularly in a whole-of-government context and where the required response is out of the ordinary and involves various parts of the department.

The unit is responsible for:

- compiling and maintaining a list of security-cleared officers in the department as a 'ready reserve' of staff to rapidly respond to incidents
- developing the incident response framework for the department
- supporting the activities of the incident response group of senior executive officers from various areas of the department, who make decisions on the manner in which responses to incidents are to be made
- keeping the departmental executive and the minister's office informed of the department's whole-of-government response to incidents.

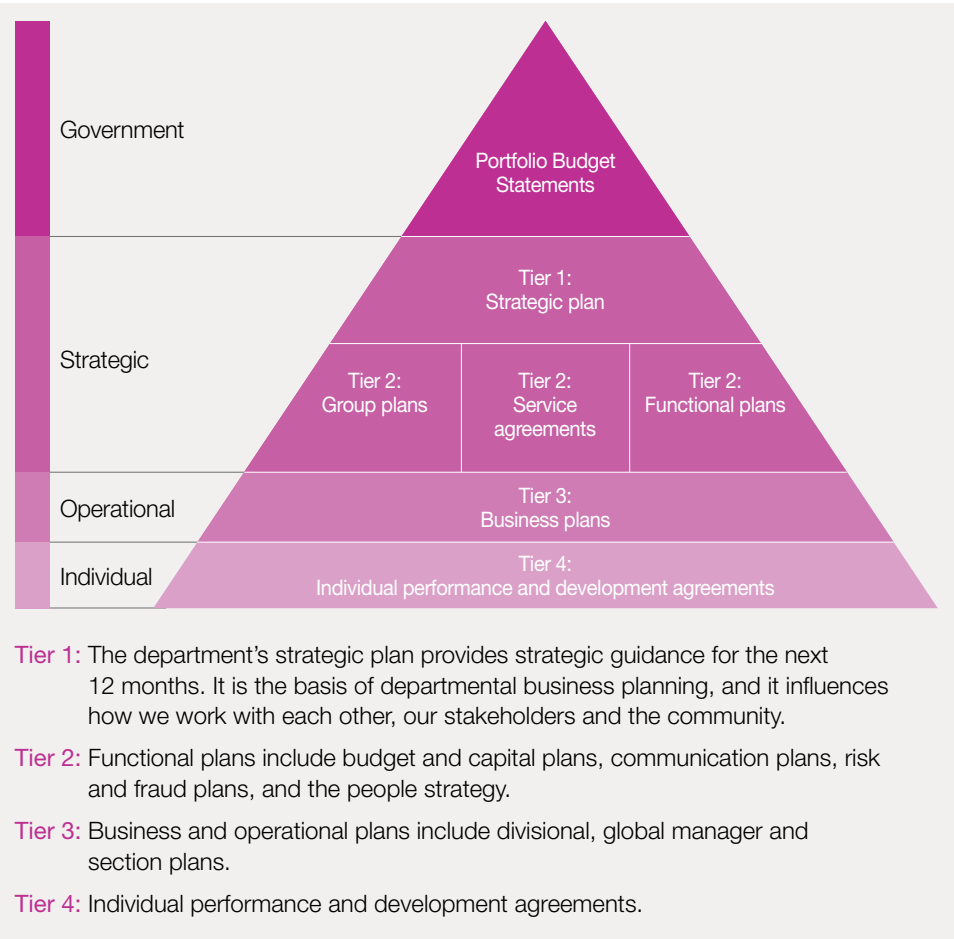
During 2011–12, the unit concentrated on preparations (exercises) within the department and with other agencies, in conjunction with the Attorney-General's Department (AGD) and the Department of Foreign Affairs and Trade. The unit also provided liaison officers to work with AGD during the Commonwealth Heads of Government Meeting in October 2011.

Corporate and operational planning

The *Strategic Plan 2011–12* articulates the department’s key priorities and goals for the year ahead. The plan outlines the department’s vision to build Australia’s future through the well-managed entry and settlement of people.

The strategic plan shapes the department’s cascading plans from top-end level division plans, through to individual performance and development agreements. Performance reporting against division plans occurs every three months, in line with the department’s endorsed business planning cycle and associated strategic planning calendar.

Figure 22: Business planning framework—hierarchy of plans



The business planning process provides a tool for sections, branches, global managers and divisions to better map their anticipated business for 2011–12. The department’s business planning process allows for much needed flexibility to respond to new demands as they arise.

The balanced scorecard provides a high level overview of organisational performance against agreed targets, by using an analysis of key performance indicators in four traditional quadrants—business, client, people and finance—and two department-specific segments—organisational risk and irregular maritime arrivals.

The balanced scorecard report, together with the accompanying exception report, allows the Executive Committee to make effective and timely strategic management decisions based on up-to-date data that reflect organisational performance, identify issues for performance improvement, present mitigation strategies and suggest resolution timeframes.

The Portfolio Budget Statements (PBS) report contains measures of performance taken directly from the published PBS and those developed by business areas, to ensure that the PBS outcomes are accurately measured. The accompanying exception report highlights the PBS outcomes that might be at risk and outlines mitigation strategies and suggested resolution.

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 2011–13*
- *Reconciliation Action Plan 2010–12.*

Risk management and fraud control measures

The Risk, Fraud and Integrity Division (RFID) was created during the 2009 transformation process as a central point for risk, fraud and integrity in the department. RFID works in partnership across the department, nationally and internationally, to deliver professional risk, fraud, intelligence, investigations and identity services to lead a risk based approach to support the integrity of Australia's border, migration, detention and citizenship programs.

RFID provides the department with intelligence and analytical capabilities to address and respond to existing risks. This includes risks that have traditionally not been visible. RFID also works with other agencies to support a whole-of-government approach to managing Australia's borders.

RFID employs a multi-pronged approach to the provision of risk, fraud and integrity services by:

- leveraging existing processes and systems
- enhancing and augmenting existing processes and systems
- employing new technology and processes, such as analytics.

RFID works on the principle that issues in one program area can have an impact on other areas. For example, what happens in the department's visa decision-making and integrity checking processes affects our compliance activities in the field, and vice versa.

Working together across integrated business functions is vital to achieving timely outcomes for our clients and the success of all our programs.

RFID's approach involves:

- enhancing the department's intelligence and analytics capability
- better use of biometric processes to improve identity management
- working more closely with other agencies to manage information and respond to risk
- enhancing the layered border by strengthening potential 'control points' with a major emphasis on enhanced integrity in the visa process
- integrating risk tools with new visa systems and processes and focusing on risk and intelligence-led investigations of fraud and serious organised criminal activities.

Strategic risks

During 2011–12, the department continued to consolidate risk management practices across the full range of its governance activities, including business planning, contract management and change management. All divisions, state and territory offices and overseas regions develop risk management plans as part of the department's annual business planning cycle, and must also submit quarterly cycle reviews as a means of identifying realised risks, reporting new and emerging risks and measuring how effectively the department treats existing risks.

In June 2012, the Executive Committee endorsed a new strategic and tactical risk map for 2012–13, which comprises six overarching strategic risks and 39 tactical risks. The risk map documents the department's highest level risks and is a key management tool for prioritising and managing risk at a departmental level.

Risk management

In 2011–12, the department achieved significant outcomes in risk management, including:

- development of work health and safety risk assessments across the department to comprehensively identify critical health and safety risks prior to the introduction of the new Work Health and Safety Act in January 2012
- participation in Comcover's annual risk management benchmarking survey — the department achieved a score of 8.3 out of a possible 10, which will result in a 7.75 per cent discount on the department's insurance premium
- participation in the Comcover awards for excellence in risk management, which resulted in the department receiving an honourable mention for its ongoing work in developing an enterprise-wide risk management framework
- implementation of a new risk management framework, which enforces the responsibility of all managers and staff to manage risks that fall within their area of responsibility.

Fraud control

RFID continues to manage department-wide fraud identification activities to ensure compliance with its statutory fraud control obligations.

As well as setting out a framework for fraud control in the department, the *Fraud Control Plan 2011–13* lists 26 action items to better manage fraud control in the department. Among these items is mandatory fraud awareness training for all departmental staff. By 30 June 2012, 65 per cent of all staff had completed the fraud awareness training, with a target completion rate of 90 per cent by the end of 2012.

During 2011, RFID assumed policy ownership of the Fraud Public Interest Criterion (PIC) 4020. The Fraud PIC aims to minimise the level of fraud in visa applications by providing a strong disincentive to people submitting false or misleading information in a visa application.

Investigations

The 2011–12 financial year was the first full year of operation for the National Investigations Section. National Investigations achieved several important operational outcomes, including:

- the seizure of approximately \$450 000 from an organised immigration scheme in Victoria, in conjunction with the Australian Federal Police
- the jailing in New South Wales of a former New Zealand citizen who failed to declare his serious criminal history to Australian authorities
- convictions recorded against a cohort of foreign nationals defrauding the department's second working holiday maker program
- a guilty plea and conviction of an offender for providing unregistered immigration assistance in Western Australia.

These achievements were underpinned by the completion of a series of strategic projects. For example, a program of works was developed by National Investigations to provide strategic direction concerning the selection of matters suitable for investigation. The program identified five key integrity themes for National Investigations in the 2011–12 financial year that will be updated each financial year to reflect emerging risks. The themes are:

- combating identity crime
- unregistered and fraudulent immigration assistance
- partnering with law enforcement and other government agencies
- seizure of the proceeds of crime and/or investigating money laundering offences associated with immigration offences
- emerging issues identified by stakeholders.

IMpact, an investigation case management system, was successfully procured and implemented during the 2011–12 financial year. This system allows for the management of an entire investigation process from initial referral of an allegation, through to production of a brief of evidence. IMpact was delivered on time and on budget and was adopted by all investigation teams in January 2012. This system enhances National Investigations' capacity to both undertake coordinated investigation activities throughout Australia and report on investigation outcomes.

In keeping with the department's commitment to a whole-of-government approach to managing risks, National Investigations continues to support the deployment of investigators to multi-agency taskforces, such as the People Smuggling Strike Teams and Identity Security Strike Teams, led by the Australian Federal Police and the Australian Crime Commission's Financial Intelligence Analysis Team.

Advanced analytics

RFID employs a range of new and innovative tools and capabilities to analyse risk and to identify mitigation strategies. A key tool is the application of enhanced analytics in a range of areas, including fraud control, risk management and integrity scans.

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, operations and service delivery.

Since the establishment of this capability in 2010, the department has continued to develop and implement the following analytics-based capabilities:

- Risk tiering—risk models help determine the nature and degree of risk associated with visa applications.
- Next Generation border security—a state-of-the-art risk scoring engine developed by departmental analysts uses complex statistical models to process large amounts of data in real time, to identify higher than acceptable 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 inbound 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 forecast more accurately future trends in traveller arrivals to Australia and generate alerts when unusual patterns are detected.

The department continually develops its capabilities in this field to ensure that it continues to effectively manage Australia's migration and citizenship programs.

Identity and biometrics

The department has implemented a new business model to take a more proactive approach to identity management, which includes an assurance program.

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 (IMAs) and foreign fishers. In October 2007, the department began collecting biometric facial images from applicants for Australian citizenship.

In December 2010, an offshore biometrics program was introduced for offshore visa applicants. The department has increased the number of countries where biometrics are collected from visa applicants to 17 countries—Bahrain, Bangladesh, France, Jordan, Kenya, Kuwait, Lebanon, Malaysia, Oman, Qatar, Saudi Arabia, Sri Lanka, United Arab Emirates, Yemen and Zimbabwe. Ethiopia and Ghana were added in 2011–12.

In March 2012, the department started a pilot project at Perth International Airport to verify the identity of arriving passengers. Visa holders whose biometrics have been collected as part of the offshore biometrics program are referred for identity verification. The process takes less than one minute and uses fingerprints to verify a person's identity. The pilot will be extended to other Australian airports in 2012–13. The initiative is also expected to be extended to facilitate the collection of biometrics from people who are refused entry to Australia and are subsequently turned around at airports.

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.

Under this program, the department has identified people of interest to law enforcement agencies in other FCC countries and people not entitled to protection visas.

The storage and matching of fingerprints on NAFIS

Since 21 August 2010, all fingerprints collected 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 law enforcement records.

International capacity building

The ongoing international capacity building work of the Global Document Examination Network and the facial image comparison team facilitates increased travel security for Australia and the region.

Documentary Evidence Security Committee

The Documentary Evidence Security Committee (DESC) was established and is chaired by the department's Identity Branch. It is instrumental in implementing recommendations from an internal audit on document security in the department. The DESC oversees and coordinates advances in the department's client identification materials.

The DESC includes representatives of program areas that issue documents relating to immigration status, the national identity security strategy of the Attorney-General's Department, document security and verification experts, and systems analysts for IT implementation concerning client identification.

Undocumented arrivals

A new procedures advice manual, which establishes levels of identity assurance for undocumented arrivals, was implemented during 2011–12. The new procedures aim to improve identity integrity in the IMA cohort.

Age determination

Revised age determination processes began in August 2011. Age determination refers to an assessment of a client's claim to be a minor, defined as being under 18 years of age. Between its implementation in August 2011 and 30 June 2012, 621 age determination assessments were conducted on IMA asylum seekers. Of these, 272 were found to be adults (43.8 per cent).

On 21 November 2011, the government announced that the department would use its age determination process to help determine whether Indonesian crew who have arrived on IMA boats are under or over the age of 18 years. From 8 December 2011 to 30 June 2012, 103 Indonesian crew were age assessed with 59 people found to be adults (57.3 per cent).

The department has trained 70 people to undertake the age determination process. The training includes a two-day face-to-face course, with follow-up mentoring by experienced officers in the field.

This intensive course covers training in techniques and assessments during the age determination process, including mock interviews with evaluation and feedback. A quality and assurance process covering administration, record-keeping, interview techniques and assessment write-ups has also been developed by experienced officers evaluating trained officers' interview techniques and assessments over a period of time.

Intelligence

Intelligence refers to information provided to assist decision-makers with strategic, operational and tactical decisions. The primary source of intelligence is 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 and the Tactical Support Unit

Border intelligence officers (BIOs) are located in state and territory offices and maintain a presence at Australia's major international airports. These officers connect the department nationally and locally to the intelligence resources of other agencies. During 2011–12, BIOs produced approximately 1000 intelligence reports and responded to more than 2000 information requests.

BIOs collect information at the border, analyse that information and synthesise it with information from other sources in order to develop targeting products and alerts for intervention strategies. BIOs work in conjunction with the department's Tactical Support Unit (TSU), embedded in the Passenger Analysis Unit of the Australian Customs and Border Protection Service.

Through an intelligence-led, risk-based focus on flight and passenger data, TSU analysts provide targeted operational support to the department's airline liaison officers and border officers in identifying improperly documented passengers. In 2011–12, TSU referrals resulted in 33 offshore and 10 onshore interdictions, and the identification of six passengers suspected of being facilitators or escorts.

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 people movements by air
- supporting whole-of-government operational arrangements for combating maritime people smuggling, including the secondment of an officer to a multi-agency team within 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 support their operations
- training 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 that are relevant in the immigration context, to raise skills and capacity to prevent immigration fraud
- supporting bilateral and multilateral initiatives, such as the Bali Process to prevent irregular people movement, including people smuggling, human trafficking and movements associated with suspected terrorism or serious and organised crime
- collecting, collating and analysing information on irregular people movements globally, enabling the department to identify real and potential threats to immigration programs, and to identify people-smuggling organisers, facilitators and methods.

Security referrals

Security checking is conducted to identify visa applicants or visa holders, including IMAs, whose entry into, or continued stay in Australia, would present a risk to national security.

War crimes screening

Identifying and preventing the entry of people suspected of war crimes, crimes against humanity and genocide (described generically as 'war crimes') is an essential element in maintaining the integrity of Australia's borders. To this end, the department has established a War Crimes Unit (WCU).

The WCU conducts war crimes screening by comparing the information provided by non-citizens with available information about war crimes, including from international courts and tribunals. A total of 890 cases were referred to the WCU for screening advice during 2011–12.

Where there was sufficient information to support an assessment that a person may have been involved in a war crime, the department referred the case to the Australian Federal Police for further investigation.

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.

Establishment and maintenance of appropriate ethical standards

The department's values and ethical standards are outlined in the *Strategic Plan 2011–12*. Broadly, the department's values include having fair and reasonable dealings with clients, being an open and accountable organisation, and having well developed and supported staff.

The department's Workplace Relations and Conduct Section (WRCS) has an active role in embedding these values and ethical standards in the management practices of the organisation. Underpinning this work is the development and implementation of departmental policies on the APS Values and Code of Conduct under the *Public Service Act 1999* and tailored training and support services for departmental employees and managers on related matters.

The WRCS is also responsible for the prevention, detection and investigation of allegations of fraud and criminal behaviour, and potential breaches of the APS Values and Code of Conduct by departmental employees. In 2011–12, the WRCS managed 213 allegations relating to the misconduct of departmental employees.

To reinforce the department's commitment that its employees exhibit appropriate values and ethical standards, the following training, development and awareness initiatives were undertaken over 2011–12:

- the release to all employees of new guidelines for handling misconduct which provide contemporary information on procedural arrangements and support services on misconduct issues
- the release to all employees of a new eLearning training package, *Managing for performance*, which supports managers in actively managing their staff, including negative workplace behaviours under the APS Values and Code of Conduct
- the expansion of the department's decision-making capability through specialist training for an increased number of Code of Conduct breach and sanction delegates
- the introduction of a mandatory requirement that employees sign a form confirming that they understand their APS Values and Code of Conduct obligations before they can be deployed to detention centres and other remote locations
- the continued management and development of the Immigration Dilemmas: Ethics, APS Values and Leadership (IDEAL) program, under which all employees are encouraged to discuss ethical issues drawn from real life scenarios within their teams
- the delivery of many harassment and bullying information sessions department-wide, as well as mandated sessions in induction courses on the APS Values for new staff and mandated refresher on-line Code of Conduct training every two years
- the maintenance of an active harassment contact officer network across the organisation.

External scrutiny

Significant developments in external scrutiny

Reports by external bodies

Commonwealth and Immigration Ombudsman

In April 2012, the Ombudsman published a report entitled *Detention arrangements—the transfer of 22 detainees from Villawood Immigration Detention Facility to the Metropolitan Remand and Reception Facility Silverwater*. The investigation found deficiencies in the way detainees were transferred to Silverwater and identified three areas in which the relevant departmental procedures advice manual 3 (PAM 3) was not followed. These three areas were notification to the detainees of the transfer, record keeping, and protocols for visits to people in detention.

The department agreed with the four recommendations made by the Ombudsman. Broadly, the department has agreed to train and remind officers of their responsibilities under PAM 3. The department has also agreed, on an ongoing basis, to review the policy concerning the transfer of immigration clients between detention facilities and correctional facilities.

As a result, the current PAM 3 guidelines are being amended will be sent to stakeholders for comment. The Departmental Audit Committee (DAC) monitors progress on the implementation of the Ombudsman's recommendations.

Own Motion investigations

On 11 April 2011, the Ombudsman initiated an Own Motion investigation into the use of force by members of the Australian Federal Police (AFP) and Serco officers relating to incidents on Christmas Island which began on 12 March 2011.

The terms of reference for the investigation included the investigation of decisions regarding the use of any restrictive compounds, or restrictive detention arrangements, adherence to policy and procedures regarding the use of force and the use of restrictive detention arrangements by the AFP, Serco and the department, and how decisions were made in relation to the use of force by each agency and organisation.

After considering all the information provided by the department, the acting Ombudsman has advised that a formal report is not warranted. This is largely because of an independent review undertaken by Dr Allan Hawke AC and Ms Helen Williams AO (the Hawke Williams review), which examined similar issues and made recommendations which were consistent with those being considered by the Ombudsman.

On 20 July 2011, the Ombudsman wrote to the secretary to advise him of the terms of reference for an Own Motion investigation into suicide and self-harm in immigration detention facilities.

The department has responded to the Ombudsman's requests for policy, guidelines, case records for large client groups, health records and client immigration and detention histories.

The Ombudsman's Office has advised that the report has not been finalised as at 30 June 2012.

Australian Human Rights Commission

In July 2011, the Australian Human Rights Commission (AHRC) published a report entitled *Mr Parvis Yousefi, Mrs Mehrmoosh Yousefi and Manoochehr Yousefi v Commonwealth of Australia (Department of Immigration and Citizenship), report into arbitrary detention*, the standard of treatment in detention and rights of the child in detention. The AHRC found that the department breached the Yousefi family's human rights which were protected under the International Covenant on Civil and Political Rights (ICCPR) and the Convention on the Rights of the Child.

The AHRC made eight recommendations, including recommendations that the department apologise and pay compensation to the Yousefi family. The department responded and stated that these recommendations would be considered in light of ongoing litigation involving Mrs Yousefi and Manoochehr Yousefi. In other recommendations, the AHRC recommended policy changes. The department noted these recommendations and outlined how the current policy positions addressed the AHRC's recommendations.

In July 2011, the AHRC also published a report entitled *Mr Al Jenabi v Commonwealth of Australia (Department of Immigration and Citizenship), report into arbitrary detention*. The AHRC's findings were that the failure to place Mr Al Jenabi in community detention, or another less restrictive form of detention, was inconsistent with the prohibition against arbitrary detention in article 9(1) of the ICCPR; and that Mr Al Jenabi should have been removed from detention earlier through either the grant of a bridging visa or residence determination when he cleared his Australian Security Intelligence Organisation assessment.

The AHRC made three recommendations, including that the department should apologise and pay compensation. The department responded and stated that Mr Al Jenabi's detention was lawful and did not warrant an apology or compensation. The AHRC also recommended that the department consider policy changes in a number of areas related to detention placement and ministerial intervention guidelines. The department noted these recommendations and agreed that policy reviews in these areas is a departmental priority. The department also outlined the policy changes that have already taken place in the detention placement and ministerial guidelines.

The AHRC tabled a report in September 2011 entitled *Mr Heyward v Commonwealth of Australia (Department of Immigration and Citizenship), report into arbitrary detention, the right of people in detention to protection of the family and freedom from arbitrary interference with the family*. The report found that Mr Heyward's prolonged detention was not proportionate to the Commonwealth's legitimate purpose of regulating immigration into Australia.

The AHRC made two recommendations for this case, one for compensation and the other for an apology. The department reviewed the findings and responded that Mr Heyward was detained lawfully and according to the *Migration Act 1958*. The department acknowledged the AHRC's recommendations, but advised that no action would be taken.

In March 2012, the AHRC published a report entitled *Mr Cherkupalli v Commonwealth of Australia (Department of Immigration and Citizenship), report into arbitrary detention*. The AHRC found that Mr Cherkupalli's detention in Villawood Immigration Detention Centre (VIDC) during the period 26 November 2004–19 April 2006 was arbitrary and that the actual detention procedures established by the *Migration Act 1958* were not followed. The AHRC also found that the error in Mr Cherkupalli's detention and subsequent visa cancellation should have been known to the department from around 13 December 2004. Further, the AHRC found that the department should not have refused Mr Cherkupalli's subsequent applications for BVEs and should have considered a less restrictive detention option.

The AHRC made eight recommendations, including that the department pay Mr Cherkupalli compensation and provide him with a written apology. The department responded that it would consider the recommendations in light of ongoing litigation involving Mr Cherkupalli. The AHRC also recommended that the minister reconsider Mr Cherkupalli's application under section 351 of the *Migration Act 1958*. The department did not agree to this recommendation, unless new information or a change in circumstances occurred. The AHRC also recommended training of staff and policy changes. The department advised that policy addressing these recommendations was introduced as a result of the Palmer and Comrie reviews in 2005.

In March 2012, the AHRC published a report entitled *Ms Maria Brown v Commonwealth of Australia (Department of Immigration and Citizenship), report into arbitrary detention, the right to be treated with humanity and with respect for the inherent dignity of the human person and the right to be free from arbitrary interference with and to protection of the family*. In its report, the AHRC found that Ms Brown's detention in VIDC was arbitrary and that she, as an unaccompanied female, should have been placed in women-only accommodation, and that the detention interfered with her family and breached her human rights.

The AHRC made three recommendations, including that the department apologise and pay compensation to Ms Brown. The department responded that Ms Brown's detention was lawful and therefore the department did not agree to pay compensation or to provide a formal written apology. In its third recommendation, the AHRC recommended that the department should change its practices on a number of issues, particularly with regard to better case management mechanisms in detention facilities. The department noted these issues and outlined how the current policy positions addressed the AHRC's concerns.

On 21 November 2011, the president of the AHRC wrote to the secretary seeking information about the treatment of individuals suspected of people smuggling offences who claim that they are children. The president also sought information from the Australian Federal Police, the Commonwealth Director of Public Prosecutions and the Attorney-General's Department.

The department provided a substantial amount of information to the AHRC for this inquiry, including policy documents and individual case information. On 19 and 20 April 2012, senior departmental officers attended a public hearing of the inquiry in Canberra.

On 18 June 2012, the AHRC wrote to the department to seek the department's feedback on the draft report into the inquiry.

Office of the Australian Information Commissioner

On 29 March 2012 the Australian Information Commissioner initiated an Own Motion investigation under section 69(2) of the *Freedom of Information Act 1982*. This investigation focused on a number of issues relating to the department's handling of non-routine Freedom of Information requests considered complex or sensitive.

The investigation had not been finalised as at 30 June 2012.

Judicial decisions and decisions of administrative tribunals

The most significant judgment this year was the High Court's judgment in *Plaintiff M70/2011 v Minister for Immigration and Citizenship and Plaintiff M106/2011* by his *Litigation Guardian, Plaintiff M70/2011 v Minister for Immigration and Citizenship*.

On 31 August 2011, a 6–1 majority of the High Court held that the Minister for Immigration and Citizenship's declaration of Malaysia under s 198A(3) of the *Migration Act 1958* (the Migration Act) was invalid. Subsection 198A(3) empowers the minister to declare that a country meets specified criteria. The minister's declaration is a critical step in enabling asylum seekers to be taken to another country for the processing of their protection claims.

The High Court found that the minister cannot validly declare a country under section 198A(3) of the Migration Act unless that country is legally bound, by international law or its own domestic laws, to provide:

- access for asylum seekers to effective procedures for assessing their need for protection
- protection for asylum seekers pending determination of their refugee status
- protection for persons given refugee status pending their voluntary return to their country of origin or their resettlement in another country

(see section 198A(3)(a)(i)–(iii)).

The High Court found that the procedures and the protections referred to in section 198A(3)(a) are those provided for in the Refugees Convention and Protocol, at least for those who have been assessed as refugees. The protections include, but are not limited to, *non-refoulement*, rights relating to education, the practice of religion, employment, housing, freedom of movement and free access to the courts.

The country must additionally meet relevant human rights standards in providing that protection (see section 198A(3)(a)(iv)).

The High Court concluded that the criteria in section 198A(3)(a) are jurisdictional facts. This means that each of the criteria must exist as a matter of objective fact and the existence of those facts can only be finally determined by a court.

The High Court also found that the minister has no other power under the Migration Act to remove from Australia asylum seekers whose claims for protection have not been determined. In particular, the general removal powers under section 198 cannot be used.

Finally, the court decided that an unaccompanied minor who is an asylum seeker cannot be lawfully taken from Australia without the minister's written consent under section 6A of the *Immigration (Guardianship of Children) Act 1946*. The minister's decision to grant consent would be judicially reviewable.

Other notable decisions and caseloads

Almost all decisions made in Australia in relation to the refusal or cancellation of visas under the Migration Act 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 on 11 November 2010 in *Plaintiff M61/2010E v Commonwealth, Plaintiff M69 v Commonwealth*. The court held that the assessment of refugee claims made by irregular maritime arrivals (IMAs) is subject to judicial review. The court also declared that the assessments in relation to the two Sri Lankan plaintiffs involved error of law and denial of procedural fairness.

The decision made it clear that aggrieved clients may seek judicial review of refugee assessments.

Following the High Court's judgment, significant numbers of clients have applied for judicial review—the independent merits review (IMR) litigation caseload. At 30 June 2012, there were 239 cases pending in the courts.

The success rate in defended matters is significantly lower in the IMR litigation caseload, when compared to the RRT litigation caseload. In the IMR context, a large proportion of losses before the courts relate to breaches of common law procedural fairness.

The requirement for procedural fairness at common law is often difficult to ascertain as what is required to discharge the obligation may differ, depending on the particular circumstances of the case. Breaches of procedural fairness are also the primary reason for withdrawals in the IMR litigation caseload. This is in contrast to the RRT litigation caseload, where procedural fairness is embodied in a code of procedure. Statutory obligations have defined and modified the extent of procedural fairness required and have ensured that procedural fairness obligations are applied consistently across the RRT litigation caseload.

The move to onshore processing will mean that the IMR litigation caseload will decrease over time. The department anticipates, however, a corresponding increase in the RRT litigation caseload as clients move through the RRT process.

Another new litigation caseload involves applications to the High Court for judicial review of decision-making associated with the minister's non-compellable personal powers, for example, the power to intervene to grant a visa to a client who has been unsuccessful at the MRT or RRT. Test cases were heard by the High Court in February 2012 and judgment is reserved.

The litigation caseload of applications for judicial review of MRT decisions has remained steady as has the number of MRT decisions being quashed by the courts.

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 2005*, 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 2012, 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 2012, 242 of the 247 Ombudsman-referred cases had been resolved by the department.

Other forms of external scrutiny have been activated by 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. The department provides full cooperation and assistance to these inquiries.

On 19 December 2011, the NSW Coroner reported on the deaths in 2010 of Mr Rauluni, Mr Al Akabi and Mr Saunders at Villawood Immigration Detention Centre. The department welcomes the NSW Coroner's findings and recommendations, which will help ensure the department is better placed to care for clients in immigration detention. The department has considered the recommendations and the extent of further action that needs to be undertaken to address the issues raised. One recommendation, for example, on clinical governance structures, was fully implemented in August 2011. The department is progressing a number of other measures in response to the remainder of the coroner's recommendations, with all measures expected to be fully implemented as soon as possible.

On 23 February 2012, the State Coroner of Western Australia delivered his findings into the SIEV 221 shipwreck which occurred at the cliffs of Rocky Point, Christmas Island on the morning of 15 December 2010. The coroner noted that the tragic events of 15 December 2010 mark the largest loss of human life in Australian coastal waters during peace time in 115 years. The coroner found that 50 people died in the incident, either by drowning or by injuries suffered as a consequence of impact with the shore, or with debris in the ocean. Many people, however, were saved by the combined actions of naval and customs officers and Christmas Island residents. The report found that the conduct of the people smugglers who organised the failed venture and, to a lesser extent, in terms of culpability, the crew, principally contributed to the deaths.

The department's involvement in this inquiry increased significantly upon allegations being made by former immigration detainees that they had told the department, Serco and individuals from other agencies of the imminent arrival of a vessel, the SIEV 221, prior to the tragedy occurring. These allegations were extensively investigated by the Western Australian Police and the Australian Federal Police on behalf of the coroner. A number of former detainees who either made or corroborated such accounts of advance notice were called to the hearings to give evidence. The coroner found that all the allegations in this regard were unfounded and/or fabricated. He concluded that 'there was no reliable actionable information available to any persons in authority to the effect that the SIEV 221 or any other similar vessel was to arrive'.

Reports by the Auditor-General

Specific Australian National Audit Office (ANAO) audits that were conducted in the department during 2011–12

Providing individual management services to people in immigration detention

The objective of this audit was to assess the effectiveness of the department's management of the individual management services provided to people in immigration detention.

The report is expected to be tabled in December 2012.

Cross-agency audits involving the department

Development and approval of grant guidelines

The objective of this audit was 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 was tabled in May 2012.

Security assessments of individuals

The objective of this audit was to assess the effectiveness of the Australian Security Intelligence Organisation's arrangements for providing timely and soundly based security assessments of individuals to client agencies.

The report was tabled in June 2012.

Records management in the Australian Public Service

The objective of this audit was to assess whether agencies create, manage and dispose of records in accordance with key legislative and administrative requirements. The main focus was on electronic records, but some paper records were also reviewed.

The report was tabled in June 2012.

Complaints

Commonwealth and Immigration Ombudsman

The number of complaints referred to the department by the Ombudsman decreased slightly, by 14 per cent on the previous year. The department received 272 new complaints in 2011–12 and 285 complaints were finalised. The most common complaints were visa-related, including refusals, cancellations and delays in processing. Other complaints related to client service, provision of inadequate advice, and procedural deficiencies.

Australian Human Rights Commission

The number of complaints referred to the department by the AHRC increased substantially, by 203 per cent on the previous year. The department received 315 new complaints in 2011–12 and 223 complaints were finalised. The number of questions, the complexity and the issues raised in each complaint also increased considerably in 2011–12, as did the number of complaints which raised issues regarding detention.

Office of the Australian Information Commissioner

The Office of the Australian Information Commissioner (OAIC) referred a total of 15 complaints to the department in 2011–12. This was the first full year of operation for the OAIC. Most complaints related to the department's delays in processing FOI requests within statutory timeframes.

At 30 June 2012 four complaints had been closed by the OAIC.

Freedom of Information

In line with the government's commitment to operate in an open and accountable manner, the department has continued to improve how it processes requests for access to and amendment of personal information in accordance with its statutory obligations under the *Freedom of Information Act 1982* (the FOI Act).

In 2011–12, the department continued to enhance its business processes to promote the government's directive of proactive disclosure of information through implementing a range of strategies. These included:

- reducing the number of unnecessary FOI requests by improving staff understanding of what information can be released or amended under the *Privacy Act 1988*, with FOI processing centres referring requests to business areas to be efficiently processed under relevant legislation
- providing information and leadership to staff through FOI messages from the secretary
- ensuring that updated advice is available to client contact areas and web information to drive cultural change on access to information in the department
- participating in inter-departmental FOI contact officer network meetings, and liaising with the Office of the Australian Information Commissioner on the preparation of FOI policy and procedural information.

At 30 June 2012, the department had a compliance rate of around 85 per cent of requests finalised within 30 days, and a total of 282 overdue requests on hand. This compares with a compliance rate of 88 per cent and 246 overdue requests at 30 June 2011.

This year, the department has maintained its high levels of compliance, despite a 10 per cent increase in the number of FOI access requests received. The department received 8838 access requests in 2011–12, compared to 8057 in 2010–11.

The total number of requests received in 2011–12, including amendment requests, was 12 328, which is a 5 per cent increase on the 11 725 requests received in 2010–11.

Information publication scheme

Agencies which are subject to the FOI Act are required to publish information to the public as part of the information publication scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report. Each agency must display on its website a plan showing what information it published in accordance with the IPS requirements.

Information on the department's IPS is available on the department's website at www.immi.gov.au/about/foi/info-publication-scheme.htm

Client service excellence

Improving client service delivery

In 2011–12, the department continued to focus on keeping client needs central to the delivery of client services. The department maintained its commitment to client service excellence with a focus on efficiency. Central to this was ensuring service standards for visa application processing remained a priority. Of all the applications processed in 2011–12, 86 per cent were finalised within service standards.

The year saw the department introduce a number of new initiatives and undertake a range of business improvement activities as part of the ongoing work under the client services transformation strategy.

The strategy aims to improve the way services are delivered to clients and is being progressively implemented through a range of projects across the department's four main service delivery channels.

Enhancing and expanding online services

Findings from the 2010–11 strategic review of the department's website identified a number of opportunities for targeted web service enhancements that would improve clients' experience in using our online services.

The department enriched its online presence in 2011–12, offering clients a new look web space with access to a broader range of information, greater functionality, easier navigation and a more accessible and simplified structure. A number of improvements were made to the website, including an updated newsroom and new SkillSelect and Electronic Travel Authority functionality. Online visa and citizenship products were also enhanced, giving clients the ability to attach documents to their online applications.

On 15 February 2012, developments were made to the online lodgement system for the Tourist (subclass 676) visa, known as the 'e676', giving citizens from Brazil and Argentina the ability to lodge and track their application online. Since the introduction, 82 per cent of Brazilian nationals have used the online system to lodge their tourist visa applications.

Work was undertaken to prepare for the introduction of the employer nomination scheme and regional sponsored migration scheme online lodgement functions were successfully introduced on 1 July 2012. They give visa applicants the ability to lodge their applications electronically for the first time.

Broadening overseas service delivery

The department provides visa application services to overseas clients through arrangements with a number of service delivery partners. This year the department continued to expand these arrangements with the introduction of 12 new Australian Visa Application Centres (AVACs) in 10 countries in the South Pacific and two additional AVACs in Africa (Ethiopia and Ghana). The new centres in Ghana and Ethiopia have been established in partnership with the United Kingdom Border Agency.

The introduction of new AVACs has improved client access to the department's services, by offering our clients the benefits of extended operating hours within a safe and secure environment.

Improving service centre capabilities

During 2011–12, the department continued to improve the services provided to clients by our service centres. A key initiative included the introduction of the client call recording function in our national service centres. This function allows the department to assess the quality of information provided to clients and ensures that the highest client service standards are maintained and monitored.

Service centre opening hours in Australia were also extended in 2011–12, giving clients a more efficient and effective service during peak times and offering greater flexibility and improved access to the department's phone services.

From 1 July 2011, extended opening hours were also introduced in the London service centre following the consolidation of the London and Berlin contact centres. This gave clients in Europe greater accessibility to information and assistance with their visa enquiries.

The Translating and Interpreting Service (TIS) National continues to offer fee-free assistance to clients who do not speak English fluently. TIS National saw an 18 per cent increase in demand in 2011–12, delivering a record-breaking number of telephone translation services to more than 1.1 million clients.

Client experience

During 2011–12, the client experience program continued with a number of targeted research projects aimed at better understanding clients' needs and their interactions with the department. Three key pieces of work have provided further insights into clients' experience and have identified opportunities for the department to develop more tailored services for our clients.

In May 2011, research was conducted to better understand clients' use of the website, online applications and general online engagement, such as use of social media. The research included surveys of 4000 clients and 385 departmental staff, as well as 50 interviews with clients who had provided feedback to the Global Feedback Unit.

Results indicated that clients' willingness to engage with the department online was high, with 77 per cent of respondents indicating that they were more comfortable lodging applications online than on paper forms. Of clients surveyed, 87 per cent indicated that they had visited the department's website for information prior to submitting their application.

Between December 2011 and May 2012, the department conducted a study of 267 000 clients who had applied to work or invest in Australia. This project included a survey of 2900 skilled visa applicants, focus groups and interviews to identify issues experienced by clients throughout their journey with the department. The results identified a number of groups with distinct needs, as well as potential new ways of servicing and communicating with these clients.

Skilled applicants surveyed reported high use of the website, but while most (80 per cent of those who had used it) said they trusted the information on the site, only half felt that it had provided all the information they needed.

Research was also conducted in February 2012 to explore why clients seek in-person service from the department. This research involved short interviews with 400 clients at departmental offices across Australia.

Issues with the department's other service delivery channels, such as receiving inconsistent information and not understanding how information fits their personal circumstances, emerged as the top driver of in-person contact (24 per cent). An equal number of respondents felt that there were no negatives in applying for a visa in person, compared with those who were concerned about wait times at the office (37 per cent).

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, feedback brochures and comment cards. Information brochures are displayed in client service areas and in the client areas at airports. Information on the feedback process is also included with client correspondence and decision records.

The Global Feedback Unit, established to centrally receive, track and respond to client 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, trends and service shortfalls, and overcome barriers to achieving good client service outcomes within established service standards.

In 2011–12, a total of 15 521 feedback cases were recorded by the Global Feedback Unit. The make-up of feedback has remained fairly steady with 50–55 per cent of cases being complaints, 30 per cent compliments and 10 per cent suggestions. 'Status of application' and 'decision refusals' were the major complaint issues, with 'good staff attitude' consistently being the top compliment.

Monthly statistical and performance reporting is provided to all business areas, overseas posts and global manager networks to assist them in providing improved client service.

Functional review and productivity gains

The department continuously seeks to improve the delivery of its programs and services, through greater use of technology and improved business processes and practices, while ensuring high levels of integrity. In 2011–12, the department achieved a 5 per cent reduction in service delivery costs while finalising more than 400 000 permanent and 1.9 million temporary visa applications (excluding Electronic Travel Authorities).

High levels of visa compliance were maintained. A functional review of the service delivery network was undertaken to identify cost drivers and opportunities for business improvement. This included 16 process and practice reviews of the major visa and citizenship services onshore. Better practices have been implemented as a result of these reviews, to improve efficiency and provide an evidence base for the appropriate allocation of resources. The department will build upon this work in 2012–13, to maintain a focus on further productivity gains.

Purchaser/provider arrangements

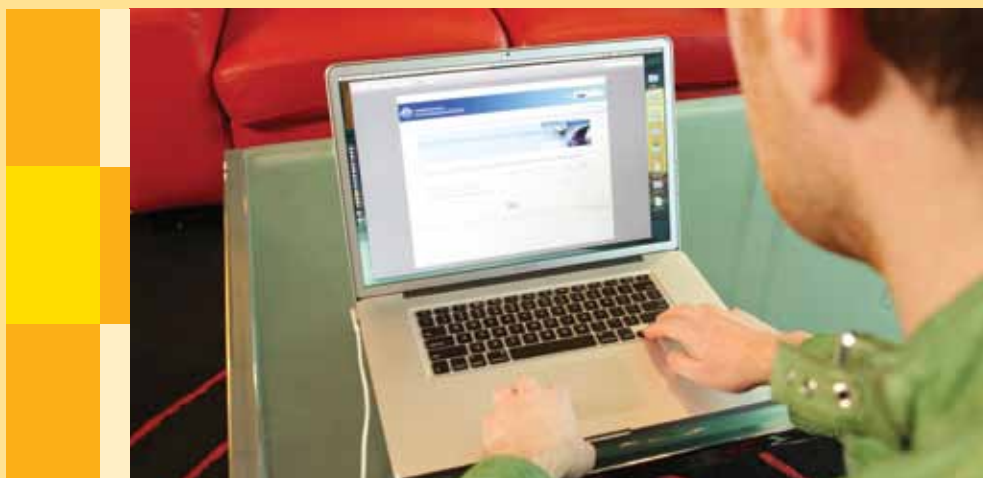
The department has arrangements in place with the Department of Foreign Affairs and Trade (DFAT) and Austrade for the provision of management services at overseas posts.

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 signed a 12-month (interim) agreement with DFAT which commenced on 1 July 2011. A new three-year agreement was signed on 1 July 2012. The agreement with Austrade was extended for the 2011–12 financial year.

The department pays global service fees to DFAT and Austrade for delivering the services. The fees are calculated on the basis of the cost of locally engaged staff salaries, the time spent by those staff delivering management services for the department and the number of departmental Australia-based and/or locally engaged employees at post. The department's total 2011–12 SLA costs were \$4 791 725 (DFAT) and \$700 832 (Austrade).



Case study

Better understanding our clients

During 2011, the department started work on an ambitious series of projects to connect with its diverse client base and better understand their needs, expectations and preferences when dealing with the department. This work forms part of the department's ongoing transformation of its client services.

First Assistant Secretary Client Strategy and Performance Marie Johnson said that these projects have drawn on industry best practice and have helped to create a deeper understanding of how services and engagement with clients can be enhanced.

'The adoption of a variety of research techniques, such as online bulletin boards and plotting client application journeys, has helped the department to identify client segments with similar needs and opportunities to tailor services for these clients,' Ms Johnson said.

A key project was a study of more than 260 000 clients coming to work or invest in Australia. This project included a survey of 3000 skilled visa applicants and qualitative research in both regional and metropolitan centres. The study identified motivators for and barriers to clients interacting with the department online and confirmed that planned website improvements are in line with client needs.

'The research further highlighted the need for the department to ensure its service design is client-focused, to ensure services are delivered through the most effective channels to improve the overall client experience. The findings also allowed us to identify opportunities for the department to expand and promote self-service options that allow clients to manage their interactions with the department online,' Ms Johnson said.

Additionally, findings have contributed to the development of design elements of the department's website, with the department's user centred design team finding that the work has contributed greatly to the development of some innovative design solutions for the department's web presence.

Moving forward the department will continue to engage with clients to ensure its service strategies are well-targeted and improvement initiatives are supported by an evidence base of client insights.

Photo: The department uses a variety of research techniques to help improve its services to clients.

Management of human resources

Workforce planning, staff retention and turnover

The department is committed to building and sustaining a diverse workforce to deliver its current and future business objectives, and to achieve this by attracting, developing and retaining skilled, engaged and committed employees.

Workforce planning activities in the department have increasingly been aligned with the business and budget planning processes, recognising that they are a critical business activity which, if done well, can help the department in better mobilising its workforce to achieve its strategic objectives.

Departmental employees are located in every state and territory and at 58 overseas posts. At 30 June 2012, the department employed 8510 ongoing and non-ongoing staff. There were 3386 staff in National Office, 4967 in state and territory offices, and 157 providing services overseas. The number of staff overseas comprises 132 Australia-based staff at overseas posts, 16 airline liaison officers, four employees on short-term missions, four employees in Papua New Guinea working as part of the whole-of-government Strongim Gavman Program, and one employee involved in the Five Country Exchange Program.

The department employed an additional 1037 locally engaged employees in overseas locations, who are administered by the Department of Foreign Affairs and Trade on the department's behalf.

The department's workforce consists of:

- 91 per cent ongoing employees and 9 per cent non-ongoing employees
- 87 per cent full-time employees and 13 per cent part-time employees
- 62.2 per cent female staff and 37.8 per cent male staff.

The average age of employees is 39.9 years. Table 68 shows the age and gender profile of the department's workforce.

Table 68: Age and gender profile

Gender	Average age
Female	39.3
Male	41.1
Average age of total workforce	39.9

The department continues a trend of low staff turnover, with a voluntary separation rate of 6.39 per cent for ongoing employees in 2011–12. The department's total separation rate was 11.89 per cent. This figure includes employee-initiated separations and ongoing transfers to other APS agencies.

Workforce composition

At 30 June 2012, the department had 9547 employees, including locally engaged employees who are administered by the Department of Foreign Affairs and Trade on the department's behalf. This represents an increase from 2010–11. Table 69 and Table 70 show the staffing profile by classification, full-time/part time status and gender, for the past two years. Table 71 shows the numbers of SES for the past two years and Table 72 shows the staffing profile by location for the past two years.

Table 69: Staffing levels by classification as at 30 June 2012

Classification	Ongoing as at 30 June 2012						Non-ongoing as at 30 June 2012						Overall result ¹
	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	2	5	7										7
Graduate	15	32	47										47
APS Level 1	7	6	13	4		4				3	1	4	21
APS Level 2	12	7	19	4	5	9	6	7	13		1	1	42
APS Level 3	213	324	537	15	94	109	105	209	314	6	13	19	979
APS Level 4	465	819	1 284	23	188	211	36	95	131		4	4	1 630
APS Level 5	486	778	1 264	24	207	231	37	53	90	1	7	8	1 593
APS Level 6	648	903	1 551	30	214	244	34	54	88	3	5	8	1 891
Executive Level 1	597	684	1 281	22	166	188	27	15	42	5	5	10	1 521
Executive Level 2	252	214	466	4	24	28	6		6	2		2	502
Medical Officer 2	3	1	4	1	4	5							9
Medical Officer 3	1	1	2	1	1	2							4
Medical Officer 4	1		1										1

1. Results exclude locally engaged employees.

Note: Figures are actual classifications and include people acting as at 30 June 2012.

Table 69: Staffing levels by classification as at 30 June 2012 *continued*

Classification	Ongoing as at 30 June 2012						Non-ongoing as at 30 June 2012						Overall result ¹
	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				1	2	3				6
Public Affairs Officer 2	4	3	7					1	1				8
Public Affairs Officer 3	3	12	15		1	1							16
Senior Public Affairs Officer	3	1	4										4
Legal Officer	10	14	24		1	1	2	10	12				37
Senior Legal Officer	19	22	41		15	15	1	4	5		1	1	62
Principal Legal Officer	8	9	17		1	1				1		1	19
SES Band 1	44	38	82		2	2							84
SES Band 2	12	6	18		1	1	2		2				21
SES Band 3	2	2	4										4
Secretary	2		2										2
Total	2 810	3 883	6 693	128	924	1 052	257	450	707	21	37	58	8 510

1. Results exclude locally engaged employees.

Note: Figures are actual classifications and include people acting as at 30 June 2012.

Table 70: Staffing levels by classification as at 30 June 2011

Classification	Ongoing as at 30 June 2011						Non-ongoing as at 30 June 2011 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 and include people acting as at 30 June 2011.

Table 70: Staffing levels by classification as at 30 June 2011 *continued*

Classification	Ongoing as at 30 June 2011						Non-ongoing as at 30 June 2011 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 and include people acting as at 30 June 2011.

Table 71: Senior Executive Service

Actual classification	2010–11			2011–12		
	Male	Female	Total	Male	Female	Total
SES Band 1	57	43	100	44	40	84
SES Band 2	20	8	28	14	7	21
SES Band 3	4	2	6	2	2	4
Total	81	53	134	60	49	109

Note: Figures include people acting as at 30 June.

Table 72: Staffing levels by location (head count)

Location	As at 30 June 2011	As at June 30 2012
National Office	3 144	3 386
New South Wales	1 516	1 580
Victoria	1 129	1 187
Queensland	507	627
South Australia	460	450
Western Australia ¹	645	746
Tasmania	147	149
Northern Territory	131	190
ACT and regional offices	44	38
Overseas (Australia-based staff)	130	132
Overseas (other)	32 ²	25 ³
Australia total	7 885	8 510
Overseas (locally engaged employees) ⁴	994	1 037
Total	8 879	9 547

1. Figure includes staff located on Christmas Island.

2. 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.

3. Figure includes 16 airline liaison officers, four employees on short-term missions located overseas, four employees in Papua New Guinea as part of the whole-of-government Strongim Gavman Program, and one employee involved in the Five Country Exchange Program.

4. Locally engaged employees are staff administered by the Department of Foreign Affairs and Trade on behalf of the department. Figures represent the staff at post during the month of June.

People management initiatives

People strategy

The *People Strategy 2011–14* represents the highest level of strategic human resources and learning and development planning in the department. The strategy continues the department's commitment to a well-led, sustainable, engaged and high performing workforce to support the achievement of our goals.

The strategy identifies four key strategic people priorities over the next three years:

- Build a sustainable workforce to deliver business objectives.
- Attract and retain skilled, engaged and committed employees.
- Enhance leadership capability at all levels.
- Drive organisational capability and successful adoption of change.

Progress against the initiatives and actions in the *People Strategy Implementation Plan 2011–14* is reviewed and updated twice each year, with regular reporting to the People and Values Committee and the Executive Committee.

Effectiveness of human resources initiatives

Leadership strategy

During 2011–12, the department developed and implemented the senior leadership framework. The framework defines the qualities that senior leaders need in the department to better meet our business needs, now and into the future. It is supported by a number of strategies to ensure that the department's leadership group is characterised by the qualities outlined in the framework.

Succession planning

In 2011–12, the department completed a succession planning program for SES Band 1 roles, identifying Executive Level 2 (EL2s) staff members who are ready now for succession to SES Band 1, as well as those who will be ready in the longer term. Of all departmental EL2s, 10 per cent were identified as having high senior leadership potential. The department is well-placed to respond to succession risk at the SES Band 1 level in the medium term.

Graduate strategy

In 2011–12, the department developed and implemented a graduate strategy. The purpose of the graduate strategy is to define the business needs and aims of the graduate development program, including the information communication technology stream. It also defined graduate intake numbers and skills in line with departmental workforce planning requirements, and recommended actions to support the strategic aims of the program.

Engagement surveys

Internal engagement surveys are conducted every two months, with approximately 10 per cent of all departmental staff invited to participate. The surveys measure how the department is tracking in between the broader whole-of-department staff surveys, and ensures that action taken in response to the staff survey remains relevant. Internal engagement surveys allow the department to identify and track staff engagement and ensure that measures are implemented to address identified issues.

The internal engagement surveys measure and track different drivers that influence staff engagement including:

- job satisfaction
- management and leadership
- employee value and recognition
- learning and development opportunities
- workplace culture
- career prospects.

Workplace diversity

The department is committed to creating a workforce that is representative of the broader community and to taking steps that help provide opportunities for all Australians to participate actively in employment. The *Workplace Diversity Strategy 2011–13* and the supporting *Workplace Diversity Implementation Plan 2011–13* provide the department with guidance on ways to successfully manage diversity by creating an environment that values the contributions of people with different backgrounds, experiences and perspectives.

The strategy aims to address barriers experienced by some people in gaining access to employment, development or promotional opportunities. The department acknowledges that innovative and flexible strategies are required if it is to attract, recruit and retain the best people and remain competitive within the employment market as workforce demographics evolve. Through this strategy and supporting implementation plan, a range of initiatives have been implemented that work towards this goal and help the department meet its obligations under the National Disability Strategy, the department's Reconciliation Action Plan and the National Carer Strategy.

The department continued its membership of peak bodies in 2011–12, including the Diversity Council of Australia and Australian Network on Disability, to support this work. In addition, the department maintained its accreditation as a Breastfeeding Friendly Workplace at all office locations across Australia.

As a retention measure, more experienced staff are providing support for younger employees through mentoring and coaching programs launched this year. The department also supports phased retirement for older employees and uses its home-based work and variable working hours policies to strengthen the work/life balance of its employees in all age groups.

To promote Indigenous Australians, important dates, for example, National Reconciliation and NAIDOC Weeks, are advertised on the department's external website and promoted through the staff newsletter. The department also continues to look at strategies for raising the profile of other minority groups.

Employees with disability

As at 30 June 2012, departmental staff who self-identify as having a disability represented 2.46 per cent of the department's workforce. That is an increase of 0.36 per cent on the number of staff who self-identified as having disability on 30 June 2011.

Appointment of a disability champion

In September 2011, the deputy secretary of the Business Services Group was appointed as the department's disability champion to give a higher profile to issues relating to disability at the leadership and senior executive levels. According to the *State of the Service report 2010–11*, only 54 per cent of Australian Government agencies have appointed a senior SES officer to this role.

Attraction, recruitment and retention

The department's recruitment policy guides selection panels to ensure that processes do not disadvantage applicants with disability. All independent committee members receive awareness training on how to accommodate people with disability at interview and are guided by Australian Network on Disability (AND) resources made available as part of the department's membership.

AND also provides disability, mental health and wellbeing awareness training for departmental supervisors and for the peers of staff with disability to ensure that the potential of these staff is realised. The department's global integrated curriculum contains disability awareness materials and inclusive messages within its learning and development programs for supervisors, managers and new staff.

As part of a strategy to promote the department as an employer of choice, profiles of existing staff with disability will soon be made available on the 'Careers' section of the department's internet site. This new material will also provide information regarding support for staff with disability within the department.

The department's flexible working hours strategy makes available the use of part-time employment, variable working hours, job sharing and home-based work options.

The DIAC Disability Support Network (DDSN) provides the opportunity for staff with a disability to share information, raise strategic issues and consult on policy and programs under development. Information from the *State of the Service Report 2010–11* indicates that only 17 per cent of Australian Government agencies operated a staff with disability network.

The department provides appropriate assistive technology or other access required by people disclosing a disability, and uses government funded programs such as Job Access to ensure that employees have appropriate access or adjustments to undertake their duties. Specialist disability agencies consult with the department and make recommendations for specific newly engaged employees.

The national injury prevention and management plan ensures that staff with injuries are identified and appropriately managed in order to limit, where possible, deterioration in their condition. The caring for our colleagues policy enables supervisors and co-workers to provide coordinated, timely and sensitive support to departmental employees who have a life-threatening illness, or who are caring for a person with such an illness.

The department actively supports people with psychological issues in the workplace. These staff are assessed and supported by rehabilitation providers who liaise with their specialists and general practitioners, to ensure that they remain active participants in the workplace.

Further practical guidance, and a framework for supporting employees with mental health issues, is provided in the department's mental health policy and guidelines.

The department regularly meets with other APS agencies and key disability stakeholders to ensure that it stays informed regarding best practice initiatives, programs and strategies.

National Carer Strategy

The department has also developed several initiatives for employees with caring responsibilities as part of implementing the workplace diversity strategy. A number of the items have progressed significantly and the department remains committed to implementing the remaining initiatives before the end of 2013.

DIAC Disability Support Network

As well as being open to all staff who identify as having a disability, the DDSN is also open to those who have caring responsibilities, or staff who have an interest in supporting and advocating for staff with disability.

Work and life balance

The department helps employees to maintain their work and life balance and responsibilities while developing or maintaining a career, by educating managers to consider employees on flexible arrangements as outlined in the department's flexible working arrangements strategy.

Flexible working arrangements

The department has published a manager's toolkit entitled *Be WELL, BEING Here* to support the strategy and implementation plan. It is designed to support managers to provide effective, coordinated, timely and sensitive support to employees with injuries, illnesses and caring responsibilities. This toolkit is supported by carer leave provisions within the department's *Enterprise Agreement 2011–14* and by the department's flexible working arrangements strategy and variable working hours policy.

Carers' support services

The department's disability awareness training also includes educating managers about the services available to support employees with disability and staff who have caring responsibilities. Employee leave entitlements and policies relating to flexible working conditions are discussed during orientation and foundations of supervision and leadership courses.

Education and training

The department ensures that all employees, including those with caring responsibilities, have access to a development program within their personal development agreement. The department also encourages managers to communicate regularly with all employees about their personal goals and aspirations.

Reconciliation Action Plan

The department launched its inaugural *Reconciliation Action Plan 2010–12* in March 2011 and is committed to progressing reconciliation activities at all levels. Since the launch of the plan, the department has made significant achievements, supported by the appointment of a Reconciliation Champion at SES level, David Walsh, and 27 Reconciliation Ambassadors across the country. Ambassadors have been instrumental in organising creative and respectful activities to celebrate important dates in the Indigenous calendar and the department has showcased these during National Reconciliation and NAIDOC Weeks.

The development of departmental *Welcome to Country and Acknowledgement of Country Protocols* facilitates their inclusion at key meetings and events, including all citizenship ceremonies conducted by the department. As a further show of respect for traditional land owners, acknowledgement plaques have been acquired for all state and territory office locations across Australia.

During National Reconciliation Week 2012, the department launched its Aboriginal and Torres Strait Islander cultural awareness eLearning package. This package was developed internally and was a product of collaboration with Reconciliation Australia, the Australian National University and the Torres Strait Regional Authority. It has received overwhelmingly positive responses from staff and is being sought by other external agencies.

To further support cultural awareness, an information kit for supervisors of Aboriginal and Torres Strait Islander employees was developed with an accompanying tip-sheet and brochure.

As part of its commitment to reaching the Council of Australian Government's target of 2.7 per cent Indigenous workforce representation by 2015, the department established an Indigenous employment team through a number of special measures positions. The team is responsible for attracting, recruiting, developing and retaining Indigenous staff across the department. During 2011–12, the team recruited 24 additional employees through the Australian Public Service Commission's pathways program.

The department continues to work closely with Indigenous employees and fosters a collaborative approach between Indigenous and non-Indigenous staff, ensuring wide consultation on Indigenous matters.

Impact and features of enterprise or collective agreements, determinations, common law contracts and AWAs

Enterprise agreements

The new departmental *Enterprise Agreement 2011–14* (EA) took effect on 6 October 2011, and meets all requirements of the Australian Public Service bargaining framework (APSBF) and the *Fair Work Act 2009*. From 20–23 September 2011, with the active support of the Community and Public Sector Union, 90.24 per cent of participating employees voted to agree to its terms.

Salary increases under the department's EA for non-SES employees adhere to the 3 per cent average annualised wage increase requirements of the APSBF, while delivering average increases of 11 per cent across all classifications to its nominal expiry date of 30 June 2014. To achieve this outcome, salary points within all classification ranges were increased at varying amounts to move the department's overall pay structures closer to the salary median across all Australian Public Service (APS) agencies.

The new EA maintained all other employment conditions in the department's previous EA. It also introduced a new, contemporary and flexible annual irregular maritime arrivals (IMA) allowance for regular, planned and ongoing IMA work performed at an immigration detention facility (IDF). Under this new allowance model, staff are eligible for varying rates to recognise such factors as location and relative remoteness of IMA work, as opposed to the previous static allowance across all IDFs, which is maintained for urgent, unplanned IMA deployments. Under the department's new EA, in response to changes in the IMA landscape, the secretary also has the flexibility to add or abolish categories and locations, and increase, reduce or abolish applicable rates.

Key productivity initiatives outlined in the EA include more effective use of the department's performance management framework, improved linkages between this framework and the department's business planning and reporting framework, further reductions to unscheduled absence, improved training processes, career pathways and succession planning, and the implementation of a leadership strategy.

Enterprise agreements and individual employment arrangements

The department's EA also provides for flexible remuneration arrangements through individual flexibility arrangements (IFAs). Table 73 shows the department's salary ranges by classification level. The ranges reflect what is available under both the department's EA and IFAs. Appendix 1 provides a breakdown of salary ranges within each level, as prescribed in the department's EA.

Table 73: Salary ranges for employees as at 30 June 2012

Classification	Range of salaries
APS Level 1	\$24 463–\$45 178
APS Level 2	\$45 582–\$51 281
APS Level 3	\$51 842–\$58 758
APS Level 4	\$58 105–\$68 899
APS Level 5	\$65 012–\$99 168
APS Level 6	\$71 435–\$101 000
Executive Level 1	\$89 197–\$126 978
Executive Level 2	\$105 689–\$248 468
SES Band 1	\$152 035–\$207 925
SES Band 2 / SES Band 3	\$200 830–\$274 930

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*.

Individual arrangements

A number of employees are on section 24(1) determinations under the *Public Service Act 1999*, or IFAs pursuant to clause 11.22 of the department's Enterprise Agreement.

Table 74: Number of departmental employees on individual employment arrangements as at 30 June 2012 (nominal)

Classification	Employees on section 24(1) determinations	Employees on individual flexibility arrangements	Total
APS Level 3	3	0	3
APS Level 4	11	0	11
APS Level 5	11	1	12
APS Level 6	21	3	24
Executive Level 1	4	11	15
Executive Level 2	1	29	30
SES	100	0	100
Total	151	44	195

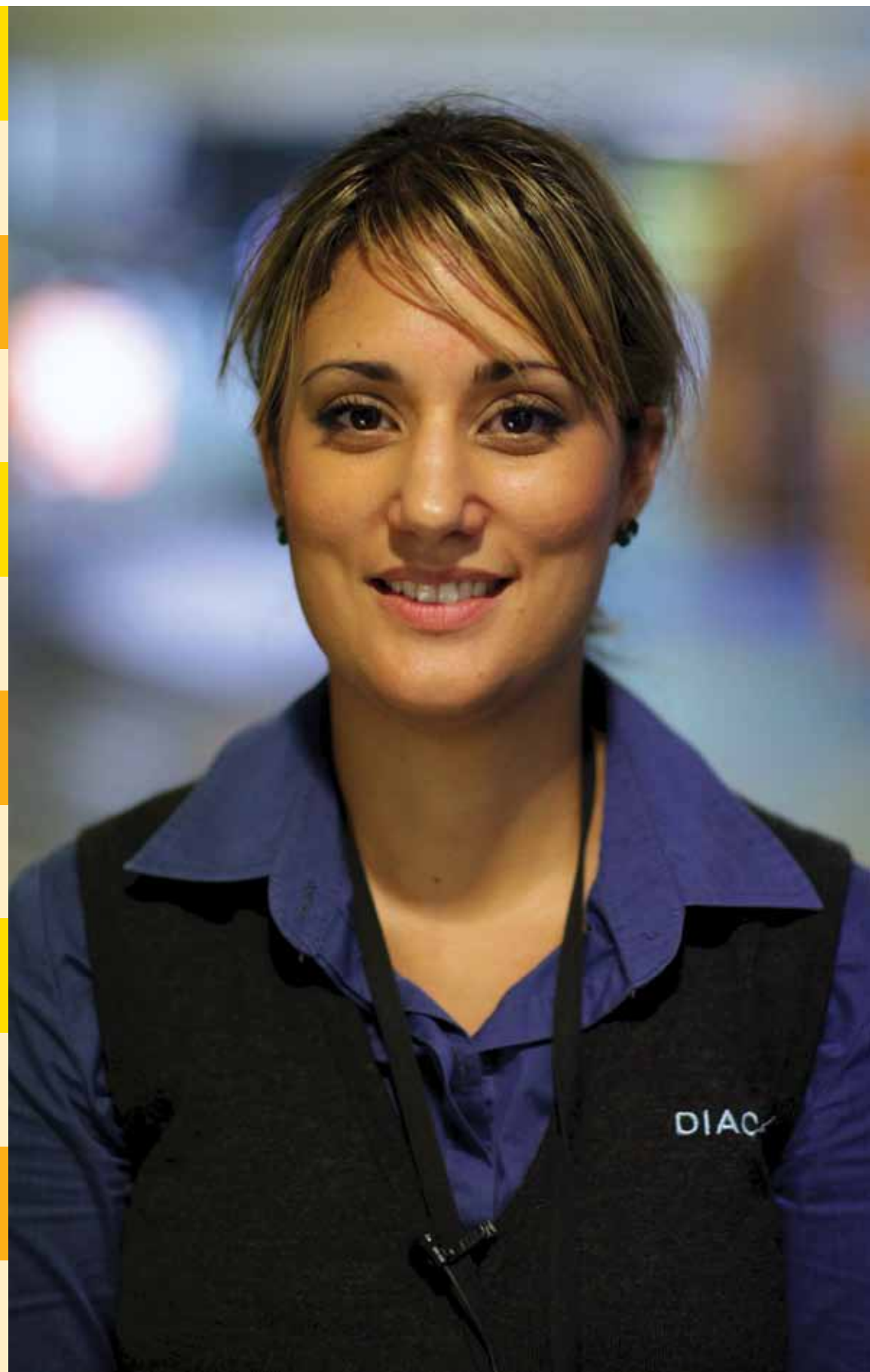
Other non-salary benefits

The range of benefits, other than base salary, provided to employees under the department's EA and individual employment arrangements include:

- flexible working arrangements such as flextime, flexible time-off arrangements, variable working hours, part-time employment, job sharing and home-based work
- flexible leave such as adoption/foster leave, annual leave at both full and half pay, ceremonial leave, community service volunteer leave, compassionate or bereavement leave, defence reserve leave, maternity leave, NAIDOC leave, parental leave, personal leave, purchased leave and war service sick leave
- carers' rooms
- access to the employee assistance program
- salary packaging
- a range of allowances, including community language allowance, first aid allowance, IMA allowance, restriction allowance and uniform allowance.

Performance pay

The department's remuneration strategy does not include performance pay. Therefore, no such payments were made to employees in 2011–12.



Case study

Reconciliation Ambassador Peta helps raise cultural awareness

The excitement of the unknown is what Cairns Airport officer Peta loves about her job at the department.

'Each day brings a new and different challenge,' she said.

Peta is one of the department's first Indigenous graduates from the Australian Public Service Commission's Indigenous pathways program.

 'I think the Reconciliation Action Plan makes an important statement about the department's commitment to increasing and improving employment opportunities for Aboriginal and Torres Strait Islanders.'

'I started working in the department in February 2010 as an Indigenous graduate in the Cairns Regional Office. I first worked in the Client Services and Citizenship team. After I finished my graduate year and a further year as a citizenship ceremonies and processing officer, I transferred to the Cairns International Airport,' Peta said.

'The best part of my role as an airport inspector is I meet lots of interesting people from other cultures and diverse backgrounds. I think the possibility of detecting an impostor or identifying a fraudulent or counterfeit travel document is exciting.

'I am also a Reconciliation Ambassador for the department. I think the Reconciliation Action Plan makes an important statement about the department's commitment to increasing and improving employment opportunities for Aboriginal and Torres Strait Islanders.'

During NAIDOC Week this year the department launched the first Aboriginal and Torres Strait Islander Cultural Awareness eLearning training—a Reconciliation Action Plan initiative. The training was developed after extensive consultation with the department's Indigenous Employees Network and Reconciliation Ambassador Network, and was informed by the expertise of Reconciliation Australia, the Australian National University and the Torres Strait Regional Authority.

'I think the training program is effective in building the awareness and knowledge base of staff members about the First Peoples of Australia,' Peta said.

'I love working for the department. I have worked in a number of government agencies and I have found my work here to be the most rewarding and interesting. I would like to stay in my current role for a couple of years and then progress my way up the ladder either in a state office or at National Office. A little bit further down the track I will look for an overseas posting.'

Photo: Peta is an airport inspector at the Cairns International Airport and a Reconciliation Ambassador for the department.



A video of Peta discussing her career in the department can be viewed on the enclosed CD-Rom.

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 for acknowledging and rewarding staff who achieve 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 and the Public Service Medal.

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 or Queen's Birthday Honour is at Appendix 7.

The 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.

The secretary's leadership challenge award continues to reward and nurture emerging and outstanding leadership of staff within the department. The challenge was created to support one of the department's three strategic themes—well trained and supported staff.

Impact of training and development

Global Learning and Change Branch provides all staff with access to consistent learning products, no matter where in the department they work. The global integrated curriculum consists of four streams of learning:

- learning for new employees
- core/foundation learning
- role-specific training
- leadership and management development.

Learning is delivered by the following methods:

- e-learning
- virtual classroom
- face-to-face
- work-related learning.

The provision of training for staff undertaking irregular maritime arrival (IMA) placements continues to be a focus, and a new course for executive staff in IMA roles was successfully implemented this year.

Other highlights this year include the mandatory e-learning *Work Health and Safety Act 2011* course, launched on 11 November 2011. The Aboriginal and Torres Strait Islander cultural awareness e-learning course was developed in collaboration with the department's Indigenous Employees Network and Reconciliation Ambassadors, and since its launch this year other APS agencies have expressed interest in using the product.

Mentoring has been a focus this year, with programs developed for participants in the graduate development program, Indigenous traineeship and the overseas preparation course.

The department continues to support information communication technology change releases and the successful implementation of 'The Switch'—an upgrade of departmental operating systems from Lotus Notes to Windows 7 and Microsoft 2010 suite.

Work health and safety

On 1 January 2012, new Commonwealth work health and safety laws came into effect with the passing of the *Work Health and Safety Act 2011* (WHS Act). A significant amount of work to ensure readiness for the new legislation was undertaken by the department in the lead up to 1 January, including:

- an extensive communications strategy to ensure widespread understanding of the new laws by staff and key stakeholders with whom the department works closely
- the implementation of a national work health and safety (WHS) eLearning module completed by more than 8000 staff and contractors
- an extensive review of departmental business and risk plans with a focus on WHS risks
- a review of the department's health and safety policies and procedures to bring them into alignment with the new laws
- a review of the impact of the new laws on departmental procurement and contractual arrangements and related documentation
- an external review of the department's readiness for the new laws.

The department put in place a high-level WHS steering committee to oversee this work. The committee meets regularly to ensure a continuing focus on the appropriate management of WHS risks, through the department's ongoing forward program of work. The focus of the committee includes legal developments, the outcomes of Comcare activity, departmental WHS incident reporting and WHS training compliance.

Health and safety management arrangements

As part of a broader review of departmental policies and procedures in readiness for the new WHS Act, the department reviewed its health and safety management arrangements (HSMA) to ensure alignment with the new legislation.

The purpose of the HSMA is to facilitate the management, promotion and improvement of the health and safety of all workers, as defined by the WHS Act, including departmental employees. The arrangements enable effective cooperation between the department and workers in promoting and developing measures to ensure health, safety and welfare at work.

Injury prevention and management

The *Injury Prevention and Management Plan 2010–12* forms the basis for a range of initiatives aimed at improving the department's injury prevention and management performance. The plan places ownership of work 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 was named as a finalist in the 2011 Safety, Rehabilitation and Compensation Council's national awards in the category of 'Leadership in injury or disease prevention and management'.

Health and safety representatives

Under section 51 of the WHS Act, work groups are established whenever the department moves into new office locations. Nominations are sought for health and safety representatives (HSRs) as vacancies are identified. Accredited training is provided to all departmental HSRs as they are appointed.

Work health and safety training

In preparation for the new WHS Act, a national eLearning module was developed and rolled out across the entire department in November 2011. More than 8000 departmental workers completed the module prior to the legislation coming into effect.

WHS training was delivered as part of the department's mandatory orientation program for all new departmental staff.

Specialised WHS and rehabilitation training was also provided as a component of various role-based training sessions in the department, including the overseas preparation course, compliance officer training, removal officer training and subclass 457 visa monitor officer training.

New WHS modules were also developed and delivered for a number of departmental roles involved in processing irregular maritime arrivals, including case management, regional managers team training and the IDF executive course.

Health and safety committees

In line with legislative requirements to consult with workers and their representatives on WHS issues, the department convenes quarterly meetings of health and safety committees in all national, state and territory offices and all IDFs. Key WHS issues are referred to the National OHS Committee, which met four times during 2011–12.

Health, safety and wellbeing

To promote health, safety and wellbeing within the organisation, the department delivered a range of services and activities throughout 2011–12, 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 employee assistance program (EAP) provider, and a national fun walk in various states and territories
- 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 specialised health assessment program for SES officers
- a national resilience and self-care support program
- extensive onsite counselling support for departmental staff deployed to IDFs
- a new pre-deployment infectious disease screening and vaccination program.

Health and safety outcomes

While the department's underlying Comcare premium rate increased slightly from 2010–11 to 2011–12, the rate for the department continued to remain well below the rate for all agencies, as shown in Table 75:

Table 75: Premium rate for the department compared to all agencies 2009–10 to 2011–12

Premium rate	2009–10	2010–11	2011–12
Department	1.12	0.92	1.12
All agencies	1.25	1.20	1.41
Variation	-0.13	-0.28	-0.29

In order to keep the department's share of the overall scheme costs as low as possible, it continues to focus on reducing the lifetime cost of injury claims through active injury prevention and management strategies. These strategies are aimed at minimising the number of compensation claims, and rehabilitating and returning staff to the workplace as quickly as possible.

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 in identifying injury trends and setting injury prevention performance targets. Table 76 shows how the level of injury claims for the department that have been accepted by Comcare has remained relatively steady from 2009–10 to 2011–12, with the percentage of accepted claims continuing to track at just under 1 per cent of total staff.

Table 76: Three-year summary of mechanism of injury for accepted claims

Accepted claims	2009–10	2010–11	2011–12
Falls, trips and slips	11	14	20
Hitting objects	1	0	2
Being hit by moving objects	2	6	1
Sound and pressure	1	0	0
Body stressing	35	38	36
Heat, electricity and other environmental	1	1	1
Chemicals and other substances	0	0	0
Biological factors	1	4	0
Mental stress	7	7	3
Other or unspecified	4	2	1
Total	63	72	64
Total Australia-based staff	6 998	7 607	8 510
Percentage of injury claims	0.90%	0.95%	0.75%

Regulatory activity

Comcare continues to closely monitor the department's management of work health and safety, particularly in relation to IDFs and related incidents. In 2011–12, four investigations were carried out by Comcare with the following outcomes:

- allegations of key safety issues at Western Australian IDFs—no breach of the *Occupational Health and Safety Act 1991*
- incorrect emergency signage at the Pontville IDF—no breach of the WHS Act
- client found unconscious at Scherger IDF—no breach of the Occupational Health and Safety Act
- serious injury sustained by client while taking a shower at Scherger IDF in Queensland—breach of section 17 of the Occupational Health and Safety Act and section 1.05(1) of the Occupational Health and Safety (Safety Standards) Regulations 1994.

Inspections were carried out at 15 detention locations and section 191 improvement notices were issued to the department in three cases: Phosphate Hill and Construction Camp sites on Christmas Island on 13 January 2012, and Pontville, Tasmania on 20 January 2012. The department has complied with the improvement notices.

The department continues to work collaboratively with Comcare on all regulatory matters including the finalisation of all required actions arising from Comcare's investigation into the department's management of seven IDFs conducted in the first half of 2011.

In 2011–12, the department has also voluntarily participated in proactive regulatory interventions including:

- Comcare's national workplace bullying management campaign
- a collaborative project with Comcare examining the department's psychological support programs.

Notification and reporting of accidents and dangerous occurrences

From 1 January 2012, the WHS Act introduced new requirements in relation to the reporting of deaths, serious injuries or illnesses, and dangerous incidents.

In respect of incident reporting, the new WHS legislation changes the incident classification descriptions and some reporting thresholds and requires the reporting of incidents to Comcare as soon as possible, with no set time-frames for reporting as required under previous laws.

Between 1 July 2011 and 31 December 2011, 535 incidents were notified to Comcare in compliance with section 68 of the Occupational Health and Safety Act. Table 77 summarises all incidents notified to Comcare by the department for this period.

Table 77: Incidents notified to Comcare in compliance with section 68 of the Occupational Health and Safety Act

Notifiable incident classification	Number of incidents notified
Death	2
Serious personal injury (SPI)	47
Prescribed incapacity (PI)	0
Dangerous occurrences (DO)	486
Total	535

Between 1 January 2012 and 30 June 2012, 986 incidents were notified under sections 35, 36 and 37 of the WHS Act. Table 78 summarises all incidents notified to Comcare by the department for this period.

Table 78: Incidents notified to Comcare under sections 35, 36 and 37 of the Work Health and Safety Act

Notifiable incident classification	Number of incidents notified
Death	2
Serious injury/illness (SII)	330
Dangerous incident (DI)	654
Total	986

The significant increase in incidents reported to Comcare in 2011–12, compared with 194 incidents reported in 2010–11, can be primarily attributed to an increased focus on communication throughout the department about incident reporting requirements, and the introduction of a more automated process for reporting notifiable events to Comcare, arranged to coincide with the implementation of the WHS Act on 1 January 2012.

The department continues to work closely with Comcare to seek guidance to ensure that incident reporting processes and related guidelines are improved.

Support programs for staff

In accordance with the WHS Act, when it is known by an employer that an employee's health and safety may be at risk, the employer's primary obligation is to fulfill its duty of care to that employee and 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 the employee.

In recognition of the importance of meeting these obligations, the department continues to make a substantial investment in its resilience and self-care support program for staff undertaking long-term deployments to IDFs and overseas. The primary purpose of the program is to mitigate the health and safety risks associated with particular departmental roles and to provide on-going support to staff undertaking these roles before, during and after deployment.

An individualised self-care plan is developed for each staff member who undertakes the resilience assessment. This plan focuses on building resilience and maintaining health and emotional wellbeing while on deployment.

The resilience and self-care support program provides an assurance to the department that staff being deployed to demanding working environments are suitable for the roles and are provided with the best available support.

Unscheduled absence management

In 2011–12, the department's average unscheduled absence rate was 12.91 days per person per year. The *Enterprise Agreement 2011–14* commits the department to developing and implementing a range of initiatives to reduce the department's average unscheduled absence rate per employee by one day per year over the life of the agreement. Initiatives being considered include:

- improved reporting and analysis
- improved guidance, support and training for employees and managers
- appropriate access to early tailored professional rehabilitation case management intervention to assist employees and managers
- strategies to improve employee engagement and attendance
- the promotion of programs to facilitate employee awareness and general health and wellbeing.

During 2011–12, the department formally launched a dedicated toolkit to assist managers in unscheduled absence management called *Be WELL, BEING Here*. The toolkit is a practical resource for managers that:

- provides clear direction on managing unscheduled absences
- suggests practical strategies and tips for addressing attendance issues
- provides guidance on how to conduct difficult conversations
- provides a list of resources available to assist managers.

In May 2012, the department launched a new eLearning package called *Managing for performance*. The package has six modules, including one on managing unscheduled absences, together with case studies, one of which specifically addresses unscheduled absence.

Purchasing

The department's purchasing and procurement policies are based on the *Financial Management and Accountability Act 1997* and the Commonwealth Procurement Guidelines (CPGs).

The Business Services Group provides specialist advice and assistance to all areas of the department engaged in procurement, through:

- dedicated procurement support staff and a helpdesk for procurement advice across the department
- 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
- coordination of the department's procurement reporting responsibilities
- legal and probity advice
- management of external legal advice relating to procurement.

Procurement documentation is published on AusTender in accordance with the requirements of the CPGs and other relevant guidelines. In addition to the information published on AusTender, the department has an in-house contract reporting system. There are quality assurance measures and assurance processes in the system to enhance the accuracy and completeness of procurement information.

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. Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website: www.tenders.gov.au

During 2011–12, the department entered into 82 new consultancy contracts involving total actual expenditure of \$7.27 million (inclusive of GST). In total, 30 ongoing consultancy contracts were active during 2011–12, involving total actual expenditure of \$2.48 million (inclusive of GST).

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.

During 2011–12 the department contracted the University of New South Wales to research the experience of detainees in immigration detention facilities as an exempt procurement. The contract value was \$416 646.53 (inclusive of GST).

Asset management

The department manages non-current assets with a gross book value of \$1.673 billion (net value of \$1.325 billion), the majority of these assets (gross book value of \$0.938 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 2011–12 financial year, the gross book value of assets increased by \$332 million. The increase was primarily due to:

- the construction of additional detention facilities
- the ongoing development of software to meet the business requirements.

The department manages its assets through an annual capital plan which reflects both government priorities and ongoing business requirements. The department monitors the management of this capital plan on a regular basis to ensure that the planned expenditure reflects the department's business requirements.

The department undertakes an annual stocktake of its non-current assets and performs an annual asset impairment review, which are used to update and verify the accuracy of asset records and to review the condition and ongoing utility of assets. The review includes a reassessment of expected 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 is available in the 2011–12 financial statements in Part 5 of this report.

Advertising and market research

The following table lists expenditure and market research contracts during 2011–12.

Table 79: Advertising and market research expenditure

Media advertising	Total amount paid against contract
Market research organisations	
Taylor Nelson Sofres Pty Ltd: Client research program for departmental web redevelopment	\$117 920.00
Hall & Partners Open Mind Pty Ltd: Research strategies to deter illegal workers	\$79 376.00
Intelligent Business Research Services: ICT research and advisory license	\$60 500.00
Colmar Brunton Social Research : IMA communications research	\$49 643.00
Rouse Representatives: IT customer survey service	\$22 550.00
Orima Research Pty Ltd: Research program to gain a better understanding of clients who attend departmental offices in Australia	\$16 783.64
The Social Research Centre: Survey of business users of VEVO	\$15 000.00
Media advertising organisations	
Mediabrand Australia Pty Ltd: radio, print and online advertising for the community status resolution service	\$145 000.00
Mediabrand Australia Pty Ltd: print and online advertising and cards for 8 February students	\$105 000.00
Adcorp Australia: media planning, buying and placement: anti-people smuggling communication activity	\$52 904.94
Adcorp Australia: Access and Equity advertising	\$16 652.99
Adcorp: Complex case support tender advertising	\$18 767.81
EWKi Pty Ltd: Advertising search for Australian Multicultural Council members	\$12 500.00

During 2011–12, the department did not conduct any advertising campaigns.

Further information on advertising campaigns is available in the reports on Australian Government advertising prepared by the Department of Finance and Deregulation.

Those reports are available at www.finance.gov.au/advertising/index.html

Ecologically sustainable development and environmental performance

The department has continued to focus on ecologically sustainable development and environmental performance during 2011–12. It 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 2011–12, the department continued to develop its national environmental management framework, clearly reflecting its commitment to fostering the sustainable use of resources and minimising greenhouse gas emissions. The following commentary provides a summary of the department's environmental management performance and activities during 2011–12.

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 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 2011–12, the department undertook several environmental initiatives including:

- promotion and participation in Earth Hour
- ongoing participation in mobile phone recycling in National Office
- ongoing recycling of used printer cartridges for multi-function devices
- ongoing replacement of six cylinder vehicles by four cylinder vehicles. The department has successfully reduced the number of six cylinder vehicles to 27.2 per cent of the current national fleet from the previous financial year which was 34 per cent. As the department replaces the current six cylinder cars with four cylinder cars, it is reducing its average CO₂ emissions by around 30 g/km (on average comparing our six cylinder cars and four cylinder cars)
- continuing to lease vehicles which are ethanol fuel suitable and nominating E10 as the department's preferred fuel type
- nominating four cylinder vehicles as the preferred choice of hire vehicle except in cases where a larger vehicle is required for a specific business purpose
- inclusion and ongoing management of the green lease schedule (GLS) in new building leases within Australia as required by the energy efficiency in government operations policy. For each GLS the department has established a management committee in accordance with GLS obligations. The management committees ensure ongoing environmental performance to the national Australian built environment rating system (NABERS) standards.
- continuing commitment to sourcing properties with NABERS ratings of 4.5 stars or more
- commissioning of nine energy audits to complete the energy audit program for all major office buildings in Australia. The energy audits undertaken by the department during the past 12 months have enabled energy conservation measures to be identified and included in the energy management plans for the GLS sites. The department is developing a program to implement the energy conservation measures and improve the NABERS energy performance in its tenancies.
- continuing 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 2011–12, 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, with a particular focus on data centres and desktop computing. With the implementation of the Canberra Data Centre (CDC), the department has begun implementing high-density computing platforms to consolidate the volume of ICT equipment in the CDC and Belconnen Data Centres (BDC), and take further advantage of improved energy efficiencies at these sites.

Work continued at the BDC site to implement energy use monitoring measures, with both CDC and BDC sites achieving the required power usage effectiveness (PUE) measures ahead of the AGIMO 2015 target date. With regard to end-user computing, The Switch has delivered the capability to implement personal computer (PC) hibernation so that PCs will automatically go into the lower power 'sleep' mode after 90 minutes during the day and 60 minutes after hours. This will increase energy efficiencies across the department.

Heritage strategy

The department continues to manage its obligations under the *Environmental Protection and Biodiversity Conservation Act 1999* in regard to the preservation and promotion of Commonwealth heritage sites. The Villawood Immigration Detention Centre is the only departmental property included on the Commonwealth Heritage List. Its citation notes its social and cultural significance as one of the largest and longest running migrant hostels established in Australia in the post war period. It is noted for its association with significant Australians including band members from AC/DC as well as The Easybeats' *Friday on My Mind*, the first Australian song to make it to number one on the British music charts, was penned at Villawood.

In June this year, the Department of Sustainability, Environment, Water, Population and Communities approved the establishment of a heritage precinct within the Villawood Immigration Detention Facility site. This precinct has now been master-planned in consultation with external stakeholders including Bankstown City Council, NSW Heritage Branch, NSW Migrant Centre and Fairfield Museum. The precinct will:

- acknowledge the associations and meanings of the heritage values of Villawood to the community—it will tell the human stories of the site and enable the changing characteristics and qualities of the site to be appreciated
- represent the key elements of the Villawood Migrant Hostel, with the Nissen accommodation huts, the former dining room and the boilers from the original laundry as well as existing mature trees forming the basis of the precinct.

The construction of the precinct is scheduled to be completed as part of the first stage of the redevelopment of Villawood in 2013.

Energy performance

In 2011-12, the department's tenant light and power energy consumption was 6322 MJ per person per annum. Although the department's energy consumption was greater than in 2010-11, it is well within the target of 7500 megajoules per person per annum set by the Australian Government. Energy audits have been undertaken across several offices to identify possibilities for additional energy efficiency improvements.

Table 80: The department's energy performance against energy efficiency in government operations targets for 2011-12

	2007-08	2008-09	2009-10	2010-11	2011-12
Tenant light and power (MJ pp pa) (Target 7500 MJ by 2012)	7 486	7 268	6 618	6 003	6 322

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 plays a significant role in ensuring the inclusion of new arrivals in Australian society.

The department also contributes to the Australian Government's broader social inclusion agenda through the humanitarian settlement services program, which supports the government's 'no exits into homelessness' strategy; through ongoing engagement with the settlement sector, which contributes to the government's not-for-profit sector reform agenda; and by advocating for Australian Government agencies to consider the needs of culturally and linguistically diverse clients as part of their access and equity obligations.

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.

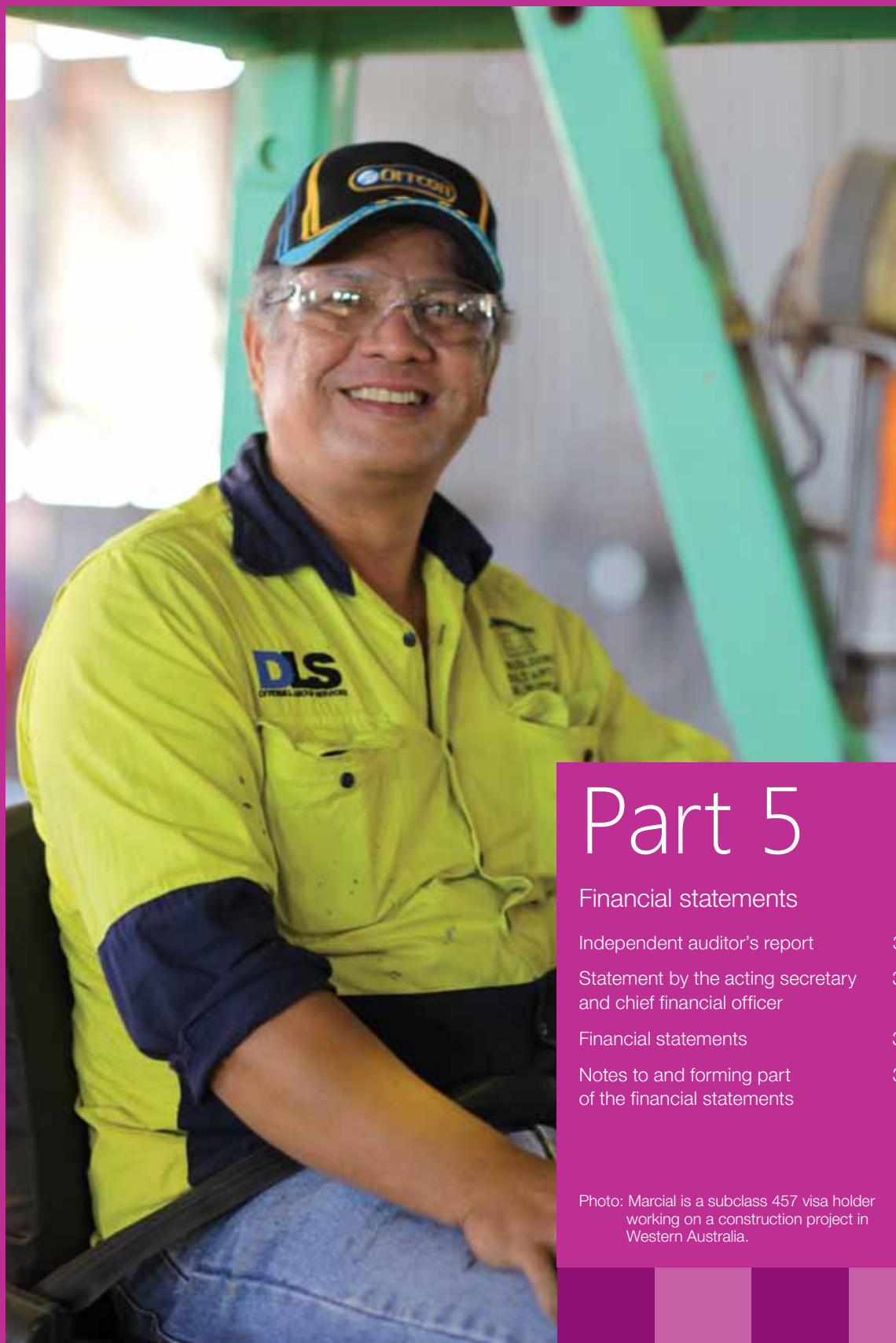
Grants

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.

In 2011–12, the department administered the following discretionary grant programs:

- settlement grants program
- diversity and social cohesion program (incorporating the former Diversity Australia program and the national action plan to build on social cohesion, harmony and security community grants, which ceased on 30 June 2010)
- Multicultural arts and festivals grants (subset of the diversity and social cohesion program)
- Multicultural affairs (Federation of Ethnic Communities' Councils of Australia).

Information on grants awarded by the department can be viewed at www.immi.gov.au/about/reports/grants/



Part 5

Financial statements

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Photo: Marcial is a subclass 457 visa holder working on a construction project in Western Australia.





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 2012, which comprise: a Statement by the Chief Executive and Chief Financial Officer; Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; Administered Schedule of Comprehensive Income; Administered Schedule of Assets and Liabilities; Administered Reconciliation Schedule; Administered Cash Flow Statement; Schedule of Administered Commitments; Schedule of Administered Contingencies; and Notes comprising a Summary of Significant Accounting Policies and other explanatory information.

Acting Secretary's responsibility for the Financial Statements

The Acting 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 is necessary to enable the preparation of the financial statements that give a true and fair view and 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 used and the reasonableness of accounting estimates made by the Acting Secretary of the

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Department of Immigration and Citizenship, 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:

- (a) 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
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Department of Immigration and Citizenship's financial position as at 30 June 2012 and of its financial performance and cash flows for the year then ended.

Australian National Audit Office



John McCullough
Executive Director
Delegate of the Auditor-General

Canberra
18 September 2012

DEPARTMENT OF IMMIGRATION AND CITIZENSHIP
STATEMENT BY THE ACTING SECRETARY AND CHIEF FINANCIAL OFFICER

In our opinion, the financial statements for the year ended 30 June 2012 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.



Martin Bowles, PSM
Acting Secretary

18 September 2012



Stephen Sheehan
Chief Financial Officer

18 September 2012

Department of Immigration and Citizenship Statement of comprehensive income

for the period ended 30 June 2012

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Financial statements

	Notes	2012 \$'000	2011 \$'000
Expenses			
Employee benefits	3A	799 345	679 528
Supplier expenses	3B	578 319	526 766
Depreciation and amortisation	3C	90 435	77 932
Finance costs	3D	2 264	2 245
Write-down and impairment of assets	3E	10 778	8 138
Foreign exchange losses	3F	57	1
Losses from asset sales	3G	13	11
Other expenses		511	448
Total expenses		1 481 722	1 295 069
Less:			
Own-source income			
Own-source revenue			
Sale of goods and rendering of services	4A	27 696	24 496
Fees and fines	4B	7 241	7 168
Rental income	4C	1 388	450
Royalties	4D	1 251	1 873
Recovery of costs		7 549	5 715
Comcover insurance recoveries		5 000	6
Other revenue		423	1 636
Total own-source revenue		50 548	41 344
Gains			
Sale of assets	4E	21	17
Foreign exchange	4F	140	464
Reversals of previous asset write-downs and impairment	4G	1 228	1 249
Other gains	4H	621	485
Total gains		2 010	2 215
Total own-source income		52 558	43 559
Net cost of services		1 429 164	1 251 510
Revenue from government	4I	1 330 622	1 188 426
Surplus (Deficit) on continuing operations		(98 542)	(63 084)
Other comprehensive income			
Changes in asset revaluation reserves		-	(12 918)
Total other comprehensive income		-	(12 918)
Total comprehensive income (loss)		(98 542)	(76 002)

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

Department of Immigration and Citizenship Balance sheet

as at 30 June 2012

	Notes	2012 \$'000	2011 \$'000
Assets			
Financial assets			
Cash and cash equivalents	6A	2 386	11 222
Trade and other receivables	6B	354 569	346 400
Other financial assets	6C	1 171	1 016
Total financial assets		358 126	358 638
Non-financial assets			
Land and buildings	7A	73 761	82 901
Property, plant and equipment	7B,C	37 511	19 995
Intangibles	7D,E	313 165	266 819
Other non-financial assets	7F	14 407	16 362
Total non-financial assets		438 844	386 077
Total assets		796 970	744 715
Liabilities			
Payables			
Suppliers	8A	131 682	121 429
Other payables	8B	45 243	43 452
Total payables		176 925	164 881
Interest Bearing Liabilities			
Leases	9	2 690	17 522
Total interest bearing liabilities		2 690	17 522
Provisions			
Employee provisions	10A	206 235	163 954
Other provisions	10B	29 021	34 161
Total provisions		235 256	198 115
Total liabilities		414 871	380 518
Net assets		382 099	364 197
Equity			
Parent Entity Interest			
Contributed equity		478 737	362 294
Reserves		112 494	112 493
Retained surplus (accumulated deficit)		(209 132)	(110 590)
Total equity		382 099	364 197

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 2012

	Retained earnings		Asset revaluation surplus		Contributed equity/capital		Total equity	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Opening balance								
Balance carried forward from previous period	(110 590)	(47 506)	112 493	125 411	362 294	831 993	364 197	909 898
Adjustment for errors	-	-	1	-	(1)	-	-	-
Adjusted opening balance	(110 590)	(47 506)	112 494	125 411	362 293	831 993	364 197	909 898
Comprehensive income								
Other comprehensive income—Changes in asset revaluation reserves	-	-	-	(12 918)	-	-	-	(12 918)
Surplus (Deficit) for the period	(98 542)	(63 084)	-	-	-	-	(98 542)	(63 084)
Total comprehensive income	(98 542)	(63 084)	-	(12 918)	-	-	(98 542)	(76 002)
Transactions with owners								
Distributions to owners								
Returns of capital:								
Restructuring	-	-	-	-	-	(530 758)	-	(530 758)
Return of contributed equity	-	-	-	-	-	(38 683)	-	(38 683)
Contributions by owners								
Equity injection—Appropriations	-	-	-	-	11 698	6 435	11 698	6 435
Departmental capital budget	-	-	-	-	104 746	93 307	104 746	93 307
Sub-total transactions with owners	-	-	-	-	116 444	(469 699)	116 444	(469 699)
Closing balance at 30 June	(209 132)	(110 590)	112 494	112 493	478 737	362 294	382 099	364 197

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 2012

	Notes	2012 \$'000	2011 \$'000
Operating activities			
Cash received			
Goods and services		36 310	41 894
Appropriations		1 409 476	1 274 571
Net GST received		49 887	49 609
Other cash received		17 582	12 502
Total cash received		1 513 255	1 378 576
Cash used			
Employees		758 641	666 890
Suppliers		638 423	580 710
Borrowing costs		2 264	1 990
Cash transferred to the Official Public Account		107 925	115 556
Other cash used		30	78
Total cash used		1 507 283	1 365 224
Net cash from operating activities	12	5 972	13 352
Investing activities			
Cash received			
Proceeds from sale of property, plant and equipment		25	22
Total cash received		25	22
Cash used			
Purchase of property, plant and equipment		39 213	20 140
Purchase of intangibles		97 531	42 680
Total cash used		136 744	62 820
Net cash used by investing activities		(136 719)	(62 798)
Financing activities			
Cash received			
Contributed equity		136 744	68 413
Total cash received		136 744	68 413
Cash used			
Repayment of borrowings (finance leases)		14 833	13 351
Total cash used		14 833	13 351
Net cash from financing activities		121 911	55 062
Net increase in cash held		(8 836)	5 616
Cash and cash equivalents at the beginning of the reporting period		11 222	5 606
Cash and cash equivalents at the end of the reporting period	6A	2 386	11 222

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

Department of Immigration and Citizenship Schedule of commitments

as at 30 June 2012

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Financial statements

	2012 \$'000	2011 \$'000
By type		
Commitments receivable		
Sublease rental income	(6 466)	(7 567)
Other receivables	(800)	(800)
GST recoverable on commitments	(47 888)	(52 565)
Total commitments receivable	(55 154)	(60 932)
Commitments payable		
Capital commitments		
Land and buildings	1 947	168
Property, plant and equipment	-	709
Intangibles	1 038	-
Total capital commitments	2 985	877
Other commitments		
Operating leases ¹	325 670	360 045
IT services ²	206 838	222 765
Other ³	32 450	41 320
Total other commitments	564 958	624 130
Total commitments payable	567 943	625 007
Net commitments by type	512 789	564 075
By maturity		
Commitments receivable		
Operating lease and others		
One year or less	(2 500)	(1 175)
From one to five years	(4 766)	(7 192)
Total operating lease and others	(7 266)	(8 367)
GST receivable		
One year or less	(19 079)	(19 132)
From one to five years	(23 668)	(24 993)
Over five years	(5 141)	(8 440)
Total GST receivable	(47 888)	(52 565)
Total commitments receivable	(55 154)	(60 932)

Department of Immigration and Citizenship Schedule of commitments *continued*

as at 30 June 2012

	2012 \$'000	2011 \$'000
Commitments payable		
Capital commitments		
One year or less	2 090	877
From one to five years	895	-
Total capital commitments	2 985	877
Operating lease commitments		
One year or less	70 897	67 821
From one to five years	195 980	196 296
Over five years	58 793	95 928
Total operating lease commitments	325 670	360 045
Other commitments		
One year or less	159 530	162 777
From one to five years	79 723	101 308
Over five years	35	-
Total other commitments	239 288	264 085
Total commitments payable	567 943	625 007
Net commitments by maturity	512 789	564 075

Commitments are GST inclusive where relevant.

1. Operating lease commitments include leases for onshore and offshore accommodation.
2. IT service commitments primarily 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 upward movements in the Consumer Price Index. The initial periods of office accommodation leases are still 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 two agreements for desktop infrastructure and software (with Unisys) and midrange infrastructure and software (with CSC) expire on 30 June 2013 with no extension options available. The department is currently undertaking a procurement process to source the service provider. The agreement for telecommunications services (with Optus) will continue until 30 September 2014 and there are options for extension available.

Department of Immigration and Citizenship Schedule of contingencies

as at 30 June 2012

	2012 \$'000	2011 \$'000
Contingent liabilities		
Indemnities	901	1 157
Claims for damages or costs	9 949	7 132
Total contingent liabilities	10 850	8 289

As at 30 June 2012 the department had no quantifiable contingent assets or guarantees (2011: 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
Administered schedule of comprehensive income

for the period ended 30 June 2012

	Notes	2012 \$'000	2011 \$'000
Expenses			
Suppliers	18A	1 369 031	981 978
Subsidies	18B	12 031	11 983
Personal benefits	18C	73 765	36 311
Grants	18D	43 498	39 754
Depreciation and amortisation	18E	33 262	26 464
Write-down and impairment of assets	18F	7 847	2 737
Foreign exchange losses	18G	4	20
Other expenses	18H	218	254
Total expenses administered on behalf of government		1 539 656	1 099 501
Less:			
Own-source income			
Own-source revenue			
Non-taxation revenue			
Fees and fines	19A	1 063 910	957 065
Recovery of detention costs		2 970	3 488
Other revenue		15 010	16 113
Total own-source revenue administered on behalf of government		1 081 890	976 666
Gains			
Reversal of previous asset write-downs and impairments	19B	187	97
Foreign exchange	19C	466	269
Total gains administered on behalf of government		653	366
Total own-source income administered on behalf of government		1 082 543	977 032
Net cost of services		457 113	122 469

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

Department of Immigration and Citizenship Administered schedule of assets and liabilities

as at 30 June 2012

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Financial statements

	Notes	2012 \$'000	2011 \$'000
Assets administered on behalf of government			
Financial assets			
Cash and cash equivalents	21A	24 708	15 106
Receivables	21B	14 146	36 058
Other financial assets	21C	22 192	17 382
Total financial assets		61 046	68 546
Non-financial assets			
Land and buildings	22A	895 100	714 213
Property, plant and equipment	22B,C	5 277	5 693
Other non-financial assets	22D	73	-
Total non-financial assets		900 450	719 906
Total assets administered on behalf of government		961 496	788 452
Liabilities administered on behalf of government			
Payables			
Suppliers	23A	354 303	246 195
Subsidies	23B	6 675	2 515
Personal benefits	23C	13 732	7 228
Grants	23D	984	328
Other payables	23E	96	208
Total payables		375 790	256 474
Provisions			
Bonds	24A	13 157	27 056
Other provisions		-	1 500
Total provisions		13 157	28 556
Total liabilities administered on behalf of government		388 947	285 030
Net Assets		572 549	503 422

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

Department of Immigration and Citizenship Administered reconciliation schedule

	2012 \$'000	2011 \$'000
Opening administered assets less administered liabilities as at 1 July	503 422	(149 235)
Plus: Administered income	1 082 543	977 032
Less: Administered expenses (non CAC)	(1 539 656)	(1 099 500)
Administered transfers to/from Australian Government:		
Appropriation transfers from Official Public Account:		
Annual appropriations for administered expenses (non CAC)	1 412 582	1 063 800
Administered assets and liabilities appropriations	349 056	248 719
Transfers to Official Public Account	(1 220 125)	(1 122 131)
Restructuring	-	530 758
Transfer from the Department of Finance and Deregulation	2 197	-
Administered revaluations taken to (from) reserves	(17 470)	53 979
Closing administered assets less administered liabilities as at 30 June	572 549	503 422

Department of Immigration and Citizenship Administered cash flow statement

for the period ended 30 June 2012

5

Financial statements

	Notes	2012 \$'000	2011 \$'000
Operating activities			
Cash received			
Immigration fees		1 058 315	967 972
Bonds received		18 393	84 877
Sales of goods and rendering of services		1 464	1 053
Fines		2 344	2 355
Net GST received		156 560	104 318
Other		10 883	2 600
Total cash received		1 247 959	1 163 175
Cash used			
Grant payments		42 938	37 946
Bonds paid		32 292	104 221
Subsidies paid		7 408	14 856
Personal benefits		67 312	31 760
Suppliers		1 434 255	1 005 832
Refunds paid		3 169	9 140
Total cash used		1 587 374	1 203 755
Net cash flows from (or used by) operating activities	25	(339 415)	(40 580)
Investing activities			
Cash used			
Purchase of property, plant and equipment and intangibles		192 494	144 401
Total cash used		192 494	144 401
Net cash flows used by investing activities		(192 494)	(144 401)
Financing activities			
Cash received			
Contributed equity		192 494	144 401
Total cash received		192 494	144 401
Net cash flows from financing activities		192 494	144 401
Net increase (decrease) in cash held		(339 415)	(40 580)
Cash and cash equivalents at the beginning of the reporting period			
		15 106	9 697
Cash from Official Public Account for:			
– Appropriations		1 569 142	1 168 120
		1 569 142	1 168 120
Cash to Official Public Account for:			
– Appropriations		1 220 125	1 122 131
		1 220 125	1 122 131
Cash and cash equivalents at the end of the reporting period	21A	24 708	15 106

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

Department of Immigration and Citizenship Schedule of administered commitments

as at 30 June 2012

	2012 \$'000	2011 \$'000
By type		
Commitments receivable		
Sublease rental income	(3 340)	-
Net GST recoverable on commitments	(57 400)	(12 333)
Total commitments receivable	(60 740)	(12 333)
Commitments payable		
Capital commitments		
Land and buildings	-	16 825
Infrastructure, plant and equipment	8 949	10 212
Other capital commitments	-	2 559
Total capital commitments	8 949	29 596
Other commitments		
Operating leases ¹	65 692	-
Grants ²	33 828	16 932
Suppliers	90 589	-
Health and medical services ³	372 327	78 175
Policing services ⁴	46 200	-
Other commitments	36 322	26 464
Total other commitments	644 958	121 571
Net commitments by type	593 167	138 834
By maturity		
Commitments receivable		
Operating lease income		
One year or less	(3 340)	-
Total operating lease income	(3 340)	-
Other commitments receivable		
One year or less	(33 948)	(7 733)
From one to five years	(23 452)	(4 600)
Total other commitment receivables	(57 400)	(12 333)
Commitments payable		
Capital commitments		
One year or less	3 835	29 596
From one to five years	5 114	-
Total capital commitments	8 949	29 596

Department of Immigration and Citizenship
Schedule of administered commitments *continued*

as at 30 June 2012

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Financial statements

	2012 \$'000	2011 \$'000
Operating lease commitments		
One year or less	33 672	-
From one to five years	32 020	-
Total operating lease commitments	65 692	-
Other commitments		
One year or less	355 598	67 819
From one to five years	223 668	53 752
Total other commitments	579 266	121 571
Net commitments by maturity	593 167	138 834
1. Operating leases includes the leasing of a facility at Wickham Point in the Northern Territory to accommodate Irregular Maritime Arrivals (IMAs) and residential leases to accommodate departmental staff and interpreters. 2. Grant commitments relate primarily to the delivery of the Settlement Grants Program. 3. Health and medical services commitments relate to the provision of health services provided by the service provider, International Health and Medical Services (IHMS). 4. Policing services commitments relate to the provision of policing services by AFP and Northern Territory Police. Commitments are GST inclusive where relevant. The above schedule should be read in conjunction with the accompanying notes.		

Department of Immigration and Citizenship Schedule of administered contingencies

as at 30 June 2012

	2012 \$'000	2011 \$'000
Administered contingent liabilities		
Claims for damages or costs	300	5 824
Total administered contingent liabilities	300	5 824

As at 30 June 2012 the department had no quantifiable contingent assets or guarantees (2011: nil).

Details of each class of contingent liabilities and contingent assets in the above table are disclosed in Note 26: Administered Contingent Assets and Liabilities, 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

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 to build 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
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.

The continued existence of the department in its present form and with its present programs is dependent on government policy and on continuing funding by Parliament for the department's administration and programs.

The department's activities contributing toward these outcomes are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income 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 department conducts the following administered activities on behalf of the government:

Program 1.1: Visa and migration

- Joint Commonwealth, State and Territory Research Program (for payment to the Australian Population, Multicultural and Immigration Research Program Account)

Program 2.1: Refugee and humanitarian assistance

- Allowances for persons granted temporary visas in the Humanitarian Program
- Immigration advice and application assistance scheme—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

Note 1: Summary of significant accounting policies *continued*

Program 4.1: Visa compliance and status resolution

- Compliance resolution, community care and assistance

Program 4.2: Onshore detention network

- Community and detention services
- Payments under Section 33 (FMA Act)—Act of Grace Payments

Program 4.3: Offshore asylum seeker management

- Community and detention services

Program 4.4: Foreign fishers

- Community and detention services

Program 5.1: Settlement services for migrants and refugees

- Adult migrant English program
- Grants for settlement services
- Humanitarian settlement services
- National Accreditation Authority for Translators and Interpreters Ltd—contribution
- Refugee Council of Australia
- Supervision and welfare for unaccompanied humanitarian minors (UHMs)

Program 6.1: Multicultural and citizenship services

- Diversity and social cohesion program
- Grants for multicultural affairs
- Mirrabooka Multicultural Centre—contribution
- Pacific seasonal worker pilot scheme

1.2 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and are required by section 49 of the *Financial Management and Accountability Act 1997*.

The financial statements have been prepared in accordance with:

- Finance Minister's Orders (FMOs) for reporting periods ending on or after 1 July 2011
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) 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 which have been reported 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 department 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 executory contracts 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 an alternative treatment is specifically required by an accounting standard, income 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.

Note 1: Summary of significant accounting policies *continued*

1.3 Significant accounting judgements and estimates

In 2011–12 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 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

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 or new standards issued prior to the signing of the Statement by the Chief Executive and Chief Financial Officer, were applicable to the current reporting period and had a financial impact on the department:

AASB 7 Financial Instrument: Disclosures

This revised standard requires the department to disclose financial instruments with maximum exposure to credit risk but no longer requires disclosure of items that would be past due or impaired had their terms not been renegotiated.

AASB 101 Presentation of Financial Statements

This revised standard requires the department to disclose reconciliation of each item of other comprehensive income in the notes.

AASB 1054 Australian Additional Disclosures

This new standard requires the department to disclose the relevant statutory or reporting framework under which the financial statements are prepared.

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 department.

Future Australian Accounting Standard requirements

The following new standards were issued by the Australian Accounting Standards Board prior to the signing of the Statement by the Chief Executive and Chief Financial Officer, which are expected to have a financial impact on the department for future reporting periods:

AASB 119 Employee Benefits

This revised standard requires all actuarial gains and losses on defined benefit superannuation plans to be recognised in equity. It also requires annual leave to be classified as a long-term employee benefit.

AASB 13 Fair Value Measurement

This revised standard introduces increased disclosures regarding non-financial assets measured at fair value. It also requires fair value to be based on highest and best use by market participants.

AASB 101 Presentation of Financial Statements

This revised standard requires:

- the presentation of other comprehensive income to separately identify items that will subsequently be reclassified to profit or loss or items that will not be reclassified to profit or loss
- a change in terminology from the 'statement of other comprehensive income' to 'statement of profit and loss and other comprehensive income'.

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 future reporting period are not expected to have a future financial impact on the department.

Note 1: Summary of significant accounting policies *continued*

1.5 Revenue

Revenue from the sale of goods is recognised when:

- a) the risks and rewards of ownership have been transferred to the buyer
- b) the department retains no managerial involvement nor effective control over the goods
- c) the revenue and transaction costs incurred can be reliably measured
- d) it is probable that the economic benefits associated with the transaction will flow to the department.

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:

- a) the amount of revenue, stage of completion and transaction costs incurred can be reliably measured
- b) the probable economic benefits associated with the transaction will flow to the department.

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 trading 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.

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

Revenue from government

Amounts appropriated for departmental appropriations for the financial year (adjusted for any formal additions and reductions) are recognised as revenue from government 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. Appropriations receivable are recognised at their nominal amounts.

The current price-based funding model that provides the basis for the department's revenue was approved by government and took effect from 1 July 2008. The funding 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 maritime arrivals). The cost of these items is fully reconciled as part of the end of financial year reconciliation process.

As part of the annual reconciliation process for no-win no-loss activities, any revenue earned is incorporated into the reconciliation. In this context, to the extent that revenues exceed costs for these activities, the excess revenue is returned to government.

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).

Sale of assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

Note 1: Summary of significant accounting policies *continued*

1.7 Transactions with the government as owner

Equity injections

Amounts appropriated which are designated as 'equity injections' for a financial year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Restructuring of administrative arrangements

Net assets received from or relinquished to another government entity 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 2011–12, the department had no returns of contributed equity (2011: \$38 683 000).

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 the end of reporting period 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.

Other 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 less the fair value at the end of the reporting period of plan assets (if any) from which the obligations will 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 personal or 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 department's 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

The department's staff 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.

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 in the Department of Finance and Deregulation's administered schedules and disclosure notes.

Note 1: Summary of significant accounting policies *continued*

The department makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the government. The department accounts for the contributions as if these were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June 2012 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 and communications equipment, and are non-cancellable.

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 is recognised at its nominal amount. Cash and cash equivalents includes:

- a) cash on hand
- b) demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value
- c) cash held by outsiders
- d) cash in special accounts.

1.12 Financial assets

The department classifies its financial assets in the following categories:

- a) financial assets at fair value through profit or loss
- b) 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.

Note 1: Summary of significant accounting policies *continued*

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.

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period.

Financial assets carried 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.

These 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 disclosure notes. These 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 the probability of settlement is greater than remote.

1.15 Financial guarantee contracts

As at 30 June 2012 the department held no financial guarantee contracts (2011: 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.

Note 1: Summary of significant accounting policies *continued*

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 these purchases 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.

Revaluations

Fair values for each class of asset are determined as shown below:

Asset Class	Fair value measurement
Land	Market selling price
Buildings excluding 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 reversed 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 reversed 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:

	2012	2011
Buildings on freehold land	25 to 40 years	25 to 40 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

Note 1: Summary of significant accounting policies *continued*

Impairment

All assets were assessed for impairment at 30 June 2012. 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 (2011: three to ten years).

All software assets were assessed for indications of impairment as at 30 June 2012.

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:

- a) where the amount of GST incurred is not recoverable from the Australian Taxation Office
- b) 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.

Note 1: Summary of significant accounting policies *continued*

1.21 Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related disclosure 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) 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 schedule of administered cash flows and in the administered reconciliation schedule.

Revenue

All administered revenues are revenues relating to the course of ordinary activities performed by the department on behalf of the Australian Government. As such, administered appropriations are not revenues of the individual entity that oversees distribution or expenditure of the funds as directed.

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 Note 26: Administered—Contingent assets and liabilities. At the time of completion of the 2011–12 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 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

There were no subsequent events that would have the potential to significantly affect the ongoing structure and financial activities of the department.

Note 3: Expenses

	2012 \$'000	2011 \$'000

Note 3A: Employee benefits

Wages and salaries	518 512	460 922
Superannuation:		
Defined contribution plans	95 667	85 700
Leave and other entitlements	133 298	89 341
Separation and redundancies	2 794	2 482
Other employee expenses	49 074	41 083
Total employee benefits	799 345	679 528

Note 3B: Suppliers**Goods and services**

Contractors and consultants	151 788	142 656
IT and communications	136 644	130 639
Travel	42 756	45 086
Property related	39 143	20 725
Office operating related	28 031	31 765
Legal and litigation	25 489	20 042
Bank fees	7 470	6 560
Overseas administrative	7 111	7 320
Training	6 435	6 490
Insurance	5 793	4 741
Others	47 480	42 515
Total goods and services	498 140	458 539

Goods and services are made up of:

Provision of goods—related entities	16	4
Provision of goods—external parties	7 934	9 590
Rendering of services—related entities	42 383	49 643
Rendering of services—external parties	447 807	399 302
Total goods and services	498 140	458 539

Other supplier expenses**Operating lease rentals—related entities:**

Minimum lease payments	7 104	11 086
Sublease	13 237	14 780

Operating lease rentals—external parties:

Minimum lease payments	52 476	37 053
Workers compensation expenses	7 362	5 308
Total other supplier expenses	80 179	68 227
Total supplier expenses	578 319	526 766

Note 3: Expenses *continued*

	2012 \$'000	2011 \$'000

Note 3C: Depreciation and amortisation

Depreciation:

Property, plant and equipment	3 422	3 511
Buildings	12	2
Leasehold improvements	18 507	20 398
Total depreciation	21 941	23 911

Amortisation:

Assets held under finance leases	7 310	10 785
Intangibles—computer software	61 184	43 236
Total amortisation	68 494	54 021
Total depreciation and amortisation	90 435	77 932

Note 3D: Finance costs

Finance leases	1 280	1 089
Unwinding of discount	984	1 156
Total finance costs	2 264	2 245

Note 3E: Write-down and impairment of assets

Asset impairments from:

Financial instruments	5 580	7 373
Intangible assets	4 211	335
Land and buildings	30	-

Asset write-downs from:

Land and buildings	-	295
Property, plant and equipment	957	135
Total write-down and impairment of assets	10 778	8 138

Note 3F: Foreign exchange losses

Non-speculative losses	57	1
Total foreign exchange losses	57	1

Note 3G: Losses from asset sales

Property, plant and equipment

Proceeds from sale	(3)	(3)
Carrying value of assets sold	16	14
Total losses from asset sales	13	11

Note 4: Income

	2012 \$'000	2011 \$'000
Own-source revenue		
<u>Note 4A: Sale of goods and rendering of services</u>		
Provision of goods—external parties	45	98
Rendering of services—related entities	3 751	11 355
Rendering of services—external parties	23 900	13 043
Total sale of goods and rendering of services	27 696	24 496
<u>Note 4B: Fees and fines</u>		
Electronic Travel Authority fees	7 241	7 168
Total fees and fines	7 241	7 168
<u>Note 4C: Rental income</u>		
Operating lease:		
Property rental	1 388	450
Total rental income	1 388	450
<u>Note 4D: Royalties</u>		
Software	1 251	1 873
Total royalties	1 251	1 873
Gains		
<u>Note 4E: Sale of assets</u>		
Land and buildings		
Proceeds from sale	2	-
Property, plant and equipment		
Proceeds from sale	20	18
Carrying value of assets sold	(1)	(1)
Net gain from sale of assets	21	17
<u>Note 4F: Foreign exchange</u>		
Non-speculative gains	140	464
Total foreign exchange gains	140	464
<u>Note 4G: Reversals of previous asset write-downs and impairments</u>		
Write back of financial instruments	1 216	1 191
Write back of non-current assets	12	58
Total reversals of previous asset write-downs and impairments	1 228	1 249

Note 4: Income *continued*

	2012 \$'000	2011 \$'000

Note 4H: Other gains

Resources received free of charge	621	485
Total other gains	621	485

Note 4I: Revenue from government

Appropriations:

Departmental outputs	1 330 622	1 188 426
Total revenue from government	1 330 622	1 188 426

Note 5: Other comprehensive income

No reclassification adjustments have been recognised in other comprehensive income.

Note 6: Financial assets

	2012 \$'000	2011 \$'000
Note 6A: Cash and cash equivalents		
Cash on hand or on deposit	1 731	10 580
Cash held by outsiders	655	642
Total cash and cash equivalents	2 386	11 222
Note 6B: Trade and other receivables		
Goods and Services:		
Goods and services—related entities	2 663	1 892
Goods and services—external parties	13 785	16 393
Total receivables for goods and services	16 448	18 285
Appropriations receivable:		
For existing outputs	334 148	325 377
Total appropriations receivable	334 148	325 377
Other receivables:		
GST receivable from the Australian Taxation Office	7 804	2 382
GST accrued receivable	140	7 567
Accrued revenue	899	1 113
Total other receivables	8 843	11 062
Total trade and other receivables (gross)	359 439	354 724
Less: impairment allowance account		
Goods and services allowance	(4 870)	(8 324)
Total impairment allowance account	(4 870)	(8 324)
Total trade and other receivables (net)	354 569	346 400
Receivables are expected to be recovered in:		
No more than 12 months	354 569	346 400
Total trade and other receivables (net)	354 569	346 400
Receivables are aged as follows:		
Not overdue	349 497	342 259
Overdue by:		
0 to 30 days	2 504	1 366
31 to 60 days	1 027	939
61 to 90 days	1 013	456
More than 90 days	5 398	9 704
Total receivables (gross)	359 439	354 724

Note 6: Financial assets *continued*

	2012 \$'000	2011 \$'000

The impairment allowance account is aged as follows:

Not overdue	785	574
Overdue by:		
0 to 30 days	221	228
31 to 60 days	446	468
61 to 90 days	532	202
More than 90 days	2 886	6 852
Total impairment allowance account	4 870	8 324

Reconciliation of the impairment allowance account:

	Goods and services \$'000	Total \$'000

Movements in relation to 2012

Opening balance	8 324	8 324
Amounts written off	(6 529)	(6 529)
Amounts recovered and reversed	(56)	(56)
Increase/(decrease) recognised in net surplus	3 131	3 131
Closing balance	4 870	4 870

Movements in relation to 2011

Opening balance	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	8 324	8 324

	2012 \$'000	2011 \$'000

Note 6C: Other financial assets

Property bonds	1 050	864
Education bonds	121	34
Comcare	-	118
Total other financial assets	1 171	1 016

All other financial assets are current assets.

Note 7: Non-financial assets

	2012 \$'000	2011 \$'000

Note 7A: Land and buildings

Land:

Land at fair value	400	400
Total land	400	400

Buildings on freehold land:

Fair value	275	275
Accumulated depreciation	(12)	-
Total buildings on freehold land	263	275

Leasehold improvements:

Work in progress	7 755	18 283
Fair value	83 844	63 947
Accumulated depreciation	(18 501)	(4)
Total leasehold improvements	73 098	82 226
Total land and buildings	73 761	82 901

All revaluations were conducted in accordance with the revaluation policy stated in Note 1. In June 2012, Preston Rowe Paterson NSW Pty Ltd conducted the revaluations. The valuer has confirmed that the carrying amounts as at 30 June 2012 are suitably representative of fair value as defined in AASB 116. Therefore no revaluation increment or decrement has been recognised for any assets. (2011: Increments for land \$255 000; decrement for buildings and leasehold improvements \$13 173 000).

No indicators of impairment were found for land and buildings.

No land or buildings are expected to be sold or disposed of within the next 12 months.

Note 7B: Property, plant and equipment

Other property, plant and equipment:

Work in progress	11 678	673
Fair value	37 748	44 987
Accumulated depreciation	(11 915)	(25 665)
Total property, plant and equipment	37 511	19 995

No indicators of impairment were found for property, plant and equipment.

No property, plant or equipment is expected to be sold or disposed of within the next 12 months.

Note 7: Non-financial assets

	Land	Buildings	Buildings— leasehold improvements	Total land and buildings	Other property, plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

Note 7C: Reconciliation of the opening and closing balances of property, plant and equipment 2012

As at 1 July 2011						
Gross book value	400	17 669	64 836	82 905	45 660	128 565
Accumulated depreciation and impairment	-	-	(4)	(4)	(25 665)	(25 669)
Net book value 1 July 2011	400	17 669	64 832	82 901	19 995	102 896
Opening balance adjustment	-	(17 394)	15 445	(1 949)	1 545	(404)
Additions:						
By purchase	-	-	11 358	11 358	31 086	42 444
By finance lease	-	-	-	-	4 554	4 554
Depreciation expense	-	(12)	(18 507)	(18 519)	(10 732)	(29 251)
Other movements:						
Write-offs	-	-	(30)	(30)	(974)	(1 004)
Other	-	-	-	-	(7 963)	(7 963)
Net book value 30 June 2012	400	263	73 098	73 761	37 511	111 272
Net book value as of 30 June 2012 represented by:						
Gross book value	400	275	91 599	92 274	49 426	141 700
Accumulated depreciation	-	(12)	(18 501)	(18 513)	(11 915)	(30 428)
Net book value 30 June 2012	400	263	73 098	73 761	37 511	111 272

Note 7: Non-financial assets *continued*

	Land	Buildings	Buildings— leasehold improvements	Total land and buildings	Other property, plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

Note 7C continued: Reconciliation of the opening and closing balances of property, plant and equipment 2011

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	45 660	128 565
Accumulated depreciation ¹	-	-	(4)	(4)	(25 665)	(25 669)
Net book value 30 June 2011	400	17 669	64 832	82 901	19 995	102 896

1. The accumulated depreciation balance as at 30 June 2011 reflects the impact of the revaluation process.

Note 7: Non-financial assets *continued*

	2012 \$'000	2011 \$'000

Note 7D: Intangibles

Computer software:

Internally developed—in progress	84 980	47 961
Internally developed—in use	461 173	403 899
Purchased	47 094	36 903
Accumulated amortisation	(280 082)	(221 944)
Total computer software	313 165	266 819
Total intangibles	313 165	266 819

No intangible assets are expected to be sold or disposed of within the next 12 months.

Impairment of \$4 211 000 has been recognised.

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000

Note 7E: Reconciliation of the opening and closing balances of intangibles 2012

As at 1 July 2011

Gross book value	451 860	36 903	488 763
Accumulated amortisation and impairment	(199 924)	(22 020)	(221 944)
Net book value 1 July 2011	251 936	14 883	266 819
Opening balance adjustment	404	-	404
Additions:			
Internally developed	100 998	10 339	111 337
Impairments recognised in the operating result	(4 208)	(3)	(4 211)
Amortisation	(57 063)	(4 121)	(61 184)
Net book value 30 June 2012	292 067	21 098	313 165

Net book value as of 30 June 2012

represented by:

Gross book value	546 153	47 094	593 247
Accumulated amortisation and impairment	(254 086)	(25 996)	(280 082)
Net book value 30 June 2012	292 067	21 098	313 165

Note 7: Non-financial assets *continued*

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000

Note 7E continued: Reconciliation of the opening and closing balances of intangibles 2011**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)
Net book value 30 June 2011	251 936	14 883	266 819

	2012 \$'000	2011 \$'000

Note 7F: Other non-financial assets

Prepayments	14 407	16 362
Total other non-financial assets	14 407	16 362

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	14 231	16 085
More than 12 months	176	277
Total other non-financial assets	14 407	16 362

Note 8: Payables

	2012 \$'000	2011 \$'000

Note 8A: Suppliers

Trade creditors and accruals	130 407	113 404
Operating lease rentals	1 275	8 025
Total supplier payables	131 682	121 429

Supplier payables expected to be settled within 12 months:

Related entities	13 203	31 027
External parties	118 479	90 402
Total	131 682	121 429

Settlement is usually made net 30 days.

Note 8B: Other payables

Salaries and wages	17 214	12 905
Salary sacrifice payable	1 286	1 133
Superannuation	2 655	2 091
Separations and redundancies	4 598	4 893
Unearned income	-	1 926
Operating leases	12 346	12 818
Lease incentives	6 171	7 635
Other	973	51
Total other payables	45 243	43 452

Total other payables are expected to be settled in:

No more than 12 months	28 166	22 382
More than 12 months	17 077	21 070
Total other payables	45 243	43 452

Note 9: Interest bearing liabilities

	2012 \$'000	2011 \$'000
Note 9A: Leases		
Finance lease liability ¹	2 690	17 522
Total finance leases	2 690	17 522
Payable:		
Within one year		
Minimum lease payments	1 773	10 114
Deduct: future finance charges	(177)	(676)
In one to five years		
Minimum lease payments	1 171	8 824
Deduct: future finance charges	(77)	(740)
Finance leases recognised on the balance sheet	2 690	17 522

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 5.78% (2011: 5.85%). 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

	2012 \$'000	2011 \$'000

Note 10A: Employee provisions

Leave	204 342	155 502
Other employee provisions	1 893	8 452
Total employee provisions	206 235	163 954

Employee provisions are expected to be settled in:

No more than 12 months	56 407	50 956
More than 12 months	149 828	112 998
Total employee provisions	206 235	163 954

Note 10B: Other provisions

Restoration obligations ¹	21 783	20 805
Onerous contracts ²	7 238	13 356
Total other provisions	29 021	34 161

Other provisions are expected to be settled in:

No more than 12 months	4 503	9 170
More than 12 months	24 518	24 991
Total other provisions	29 021	34 161

	Provision for restoration \$'000	Provision for onerous contracts \$'000	Total \$'000
Carrying amount 1 July 2011	20 805	13 356	34 161
Additional provisions made	1 724	3 370	5 094
Amounts used	(221)	(999)	(1 220)
Amounts reversed	(1 042)	(8 956)	(9 998)
Unwinding of discount or change in discount rate	517	467	984
Closing balance 30 June 2012	21 783	7 238	29 021

1. 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 six 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

	2012 \$'000	2011 \$'000

Note 11A: Departmental restructuring

		Assets relating to detention centres ¹
Function relinquished		
Assets relinquished		
– Land and buildings	-	509 520
– Property, plant and equipment	-	22 738
Total assets relinquished	-	532 258
Liabilities relinquished		
– Other provisions: restoration obligations	-	(1 500)
Total liabilities relinquished	-	(1 500)
Net assets relinquished	-	530 758

1. Effective from 1 July 2010, all assets relating to Detention Centres were transferred from Departmental to Administered Items. The net assets relinquished were \$530 758 000.

	2012 \$'000	2011 \$'000

Note 11B: Administered restructuring

		Assets relating to detention centres ¹
Function assumed		
Assets recognised		
– Land and buildings	-	509 520
– Property, plant and equipment	-	22 738
– Other receivables	-	-
Total assets recognised	-	532 258
Liabilities recognised		
– Other provisions: restoration obligations	-	(1 500)
Total liabilities recognised	-	(1 500)
Net assets assumed	-	530 758

1. Effective from 1 July 2010, all assets relating to Detention Centres were transferred from Departmental to Administered Items. The net assets assumed were \$530 758 000.

Note 12: Cash flow reconciliation

	2012 \$'000	2011 \$'000
Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement		
Cash and cash equivalents as per:		
Cash flow statement	2 386	11 222
Balance sheet	2 386	11 222
Difference	-	-
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	(1 429 164)	(1 251 510)
Add revenue from government	1 330 622	1 188 426
Adjustments for non-cash items		
Depreciation / amortisation	90 435	77 932
Net write down of non-financial assets	5 198	765
Gain on disposal of assets	(8)	(6)
Changes in assets / liabilities		
Assets recognised for the first time	(12)	(58)
(Increase) / decrease in net receivables	(28 684)	(23 498)
(Increase) / decrease in accrued revenues	214	917
(Increase) / decrease in prepayments	1 955	(4 992)
(Increase) / decrease in other financial assets	(155)	(89)
Increase / (decrease) in employee provisions	42 281	18 047
Increase / (decrease) in supplier payables	(3 361)	25 029
Increase / (decrease) in other provisions	(5 140)	(17 969)
Increase / (decrease) in lease incentives	(1 464)	(1 513)
Increase / (decrease) in other payables	3 255	1 871
Net cash from operating activities	5 972	13 352

Note 13: Contingent liabilities and assets

	Indemnities		Claims for damages or costs		Total	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Contingent liabilities						
Balance from previous period	1 157	1 170	7 132	4 696	8 289	5 866
New	-	-	7 359	4 497	7 359	4 497
Re-measurement	4	(13)	155	(4)	159	(17)
Liabilities recognised	-	-	(578)	(20)	(578)	(20)
Obligations expired	(260)	-	(4 119)	(2 037)	(4 379)	(2 037)
Total contingent liabilities	901	1 157	9 949	7 132	10 850	8 289

As at 30 June 2012 the department had no quantifiable contingent assets or guarantees (2011: nil).

Quantifiable contingencies

The schedule of contingencies reports net contingent liabilities in respect of indemnities and claims for damages or costs of \$10 850 000 (2011: \$8 289 000). The estimates for indemnities have been determined through reference to the amounts stated in the contracts. The estimates for claims for damages or 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.

Significant remote contingencies

As at 30 June 2012 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 an overseas broadcaster which contains a contractor indemnity clause. The indemnity clause may be invoked if information provided by the broadcaster is used for purposes outside the agreement guidelines. This indemnity is capped at \$650 000.

Note 14: Senior executive remuneration

	2012 \$	2011 \$

Note 14A: Senior executive remuneration expenses for the reporting period

Short-term employee benefits:

Salary	16 698 378	15 338 846
Annual leave accrued	1 752 425	1 722 447
Performance bonuses	-	-
Motor vehicle and other allowances	2 723 501	2 401 289
Other benefits	1 558 775	1 790 436
Total short-term employee benefits	22 733 079	21 253 018

Post-employment benefits:

Superannuation	3 197 220	3 031 837
Total post-employment benefits	3 197 220	3 031 837

Other long-term benefits:

Long-service leave	1 772 536	570 855
Total other long-term benefits	1 772 536	570 855

Termination benefits	366 095	534 117
Total employment benefits	28 068 930	25 389 827

Notes:

1. Note 14A is prepared on an accrual basis (therefore the performance bonus expenses disclosed above may differ from the cash 'Bonus paid' in Note 14B).
2. Note 14A excludes acting arrangements and part-year service where total remuneration expensed for a senior executive was less than \$150 000.

Note 14: Senior executive remuneration *continued*

Note 14B: Average annual reportable remuneration paid to substantive senior executives during the reporting period

Average annual reportable remuneration ¹	2012					
	Senior Executives No.	Reportable salary ² \$	Contributed superannuation ³ \$	Reportable allowances ⁴ \$	Bonus paid ⁵ \$	Total \$
Total remuneration (including part-time arrangements):						
less than \$150 000	25	60 862	8 755	19	-	69 636
\$150 000 to \$179 999	17	138 872	24 232	91	-	163 195
\$180 000 to \$209 999	30	170 751	27 263	36	-	198 050
\$210 000 to \$239 999	19	188 979	31 542	137	-	220 658
\$240 000 to \$269 999	13	222 427	33 792	28	-	256 247
\$270 000 to \$299 999	6	251 853	33 043	-	-	284 896
\$300 000 to \$329 999	5	270 148	44 894	92	-	315 134
\$330 000 to \$359 999	1	303 798	40 138	-	-	343 936
\$480 000 to \$509 999	1	401 450	78 845	-	-	480 295
Total	117					

Average annual reportable remuneration ¹	2011					
	Senior Executives No.	Reportable salary ² \$	Contributed superannuation ³ \$	Reportable allowances ⁴ \$	Bonus paid ⁵ \$	Total \$
Total remuneration (including part-time arrangements):						
less than \$150 000	23	73 273	13 299	31	-	86 603
\$150 000 to \$179 999	12	135 514	25 785	48	1 497	162 844
\$180 000 to \$209 999	35	169 069	28 409	81	223	197 782
\$210 000 to \$239 999	17	187 815	31 642	153	-	219 610
\$240 000 to \$269 999	12	219 353	33 642	-	-	252 995
\$270 000 to \$299 999	2	254 258	29 780	-	-	284 038
\$300 000 to \$329 999	3	272 528	40 071	-	-	312 599
\$330 000 to \$359 999	1	308 410	33 661	-	-	342 072
\$420 000 to \$449 999	1	350 632	80 459	-	-	431 091
Total	106					

Notes:

- This table reports substantive senior executives who received remuneration during the reporting period and as such this count may exceed the total number of substantive senior executives in the department at any point in time. Each row is an averaged figure based on headcount for individuals in the band.
- 'Reportable salary' includes the following:
 - gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
 - reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax benefits); and
 - exempt foreign employment income.
- The 'contributed superannuation' amount is the average actual superannuation contributions paid to senior executives in that reportable remuneration band during the reporting period, including any salary sacrificed amounts.
- 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.
- 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the department during the financial year.
- Various salary sacrifice arrangements were available to senior executives including superannuation, motor vehicle and expense payment fringe benefits. Salary sacrifice benefits are reported in the 'reportable salary' column, excluding salary sacrificed superannuation, which is reported in the 'contributed superannuation' column.

Note 14: Senior executive remuneration *continued*

Note 14C: Other highly paid staff

Average annual reportable remuneration ¹	2012					
	Staff	Reportable salary ²	Contributed superannuation ³	Reportable allowances ⁴	Bonus paid ⁵	Total
	No.	\$	\$	\$	\$	\$

Total remuneration (including part-time arrangements):

\$150 000 to \$179 999	87	141 416	20 367	207	-	161 990
\$180 000 to \$209 999	22	173 552	19 892	-	-	193 444
\$210 000 to \$239 999	4	203 971	18 477	-	-	222 448
Total	113					

Average annual reportable remuneration ¹	2011					
	Staff	Reportable salary ²	Contributed superannuation ³	Reportable allowances ⁴	Bonus paid ⁵	Total
	No.	\$	\$	\$	\$	\$

Total remuneration (including part-time arrangements):

\$150 000 to \$179 999	98	133 313	20 390	37	7 985	161 725
\$180 000 to \$209 999	17	167 518	19 549	-	6 204	193 271
\$210 000 to \$239 999	8	196 856	15 507	-	8 211	220 574
Total	123					

Notes:

- This table reports staff:
 - who were employed by the entity during the reporting period;
 - whose reportable remuneration was \$150 000 or more for the financial period; and
 - were not required to be disclosed in Tables A, B or director disclosures.
 Each row is an averaged figure based on headcount for individuals in the band.
- 'Reportable salary' includes the following:
 - gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
 - reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax benefits); and
 - exempt foreign employment income.
- The 'contributed superannuation' amount is the average actual superannuation contributions paid to staff in that reportable remuneration band during the reporting period, including any salary sacrificed amounts.
- 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.
- 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.
- Various salary sacrifice arrangements were available to other highly paid staff including superannuation, motor vehicle and expense payment fringe benefits. Salary sacrifice benefits are reported in the 'reportable salary' column, excluding salary sacrificed superannuation, which is reported in the 'contributed superannuation' column.

Note 15: Remuneration of auditors

	2012 \$'000	2011 \$'000
Financial statement audit services were provided free of charge to the department by the Australian National Audit Office (ANAO).		
Fair value of the services provided		
Financial statement audit services	415	440
Total	415	440

No other services were provided by the ANAO.

Note 16: Financial instruments

	2012 \$'000	2011 \$'000

Note 16A: Categories of financial instruments

Financial assets

Loans and receivables:

Cash and cash equivalents	2 386	11 222
Trade and other receivables	11 578	9 960
Total	13 964	21 182
Carrying amount of financial assets	13 964	21 182

Financial liabilities

At amortised cost:

Finance leases	2 690	17 522
Trade creditors	130 407	113 404
Operating lease creditors	1 275	8 025
Total	134 372	138 951
Carrying amount of financial liabilities	134 372	138 951

Note 16B: Net income and expense from financial assets

Loans and receivables

Impairment	(5 580)	(7 373)
Net gain/(loss) from financial assets	(5 580)	(7 373)

There was no interest income from financial assets not at fair value through profit or loss in 2012 (2011: nil).

Note 16C: Net income and expense from financial liabilities

Financial liabilities—at amortised cost

Interest expense	(1 280)	(1 089)
Net gain/(loss) from financial liabilities at amortised cost	(1 280)	(1 089)

The net expense from financial instruments not at fair value from profit and loss is \$6 860 000 (2011: \$8 462 000).

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 \$16 448 000 in 2012 (2011: \$18 285 000).

The department has assessed the risk of the default on payment and has allocated \$4 870 000 in 2012 (2011: \$8 324 000) 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

Financial Assets	Not past due nor impaired 2012 \$'000	Not past due nor impaired 2011 \$'000	Past due or impaired 2012 \$'000	Past due or impaired 2011 \$'000
Loans and receivables				
Cash and cash equivalents	2 386	11 222	-	-
Goods and services receivable	5 583	5 230	10 865	13 055
Total	7 969	16 452	10 865	13 055

Ageing of financial assets that were past due but not impaired for 2012

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	2 209	479	388	2 163	5 239
Total	2 209	479	388	2 163	5 239

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	1 021	363	217	615	2 216
Total	1 021	363	217	615	2 216

Note 16: Financial instruments *continued*

Note 16D continued: Credit risk

The following assets have been individually assessed as impaired for 2012

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	923	294	549	625	3 235	5 626
Total	923	294	549	625	3 235	5 626

The following assets have been individually assessed as impaired for 2011

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	590	345	577	239	9 088	10 839
Total	590	345	577	239	9 088	10 839

Note 16E: Liquidity risk

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 2012

	On demand \$'000	within 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	> 5 years \$'000	Total \$'000
Finance leases	-	1 596	478	616	-	2 690
Trade creditors	-	130 407	-	-	-	130 407
Operating lease creditors	-	1 275	-	-	-	1 275
Total	-	133 278	478	616	-	134 372

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

The department has no derivative financial liabilities in either 2012 or 2011.

Note 16: Financial instruments *continued*

Note 16F: Market risk

The department holds basic financial instruments that do not expose the department to material market risk.

Note 17: Financial assets reconciliation

	Notes	2012 \$'000	2011 \$'000
Financial assets			
Total financial assets as per balance sheet		358 126	358 638
Less: non-financial instrument components:			
Appropriations receivable	6B	334 148	325 377
Other receivables	6B	8 843	11 063
Other financial assets	6C	1 171	1 016
Total non-financial instrument components		344 162	337 456
Total financial assets as per financial instruments note		13 964	21 182

Note 18: Administered—expenses

	2012 \$'000	2011 \$'000
Expenses		
Note 18A: Suppliers		
Goods and services		
Adult migrant English program	195 055	191 807
Detention centres and detainee related	660 397	500 835
Refugees settlement and related	290 764	143 067
Travel and transport	98 445	53 832
Contractors and consultants	46 351	24 169
Other	78 019	68 268
Total goods and services	1 369 031	981 978
Goods and services consist of:		
Rendering of services—related entities	9 075	11 376
Rendering of services—external parties	1 359 956	970 602
Total goods and services	1 369 031	981 978
Total suppliers expenses	1 369 031	981 978
Note 18B: Subsidies		
Payable to external parties	12 031	11 983
Total subsidies	12 031	11 983
Note 18C: Personal benefits¹		
Direct benefits	10 800	12 971
Indirect benefits	45 160	15 843
State payment – refugee minors	17 805	7 497
Total personal benefits	73 765	36 311
1. 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.		

Note 18: Administered—expenses *continued*

	2012 \$'000	2011 \$'000
<u>Note 18D: Grants</u>		
Private sector:		
Non-profit organisations	43 498	39 754
Total grants	43 498	39 754
<u>Note 18E: Depreciation and amortisation</u>		
Depreciation:		
Property, plant and equipment	1 418	1 223
Buildings	26 675	18 095
Leasehold Improvements	5 169	7 146
Total depreciation	33 262	26 464
Total depreciation and amortisation	33 262	26 464
<u>Note 18F: Write-down and impairment of assets</u>		
Asset write-downs from:		
Receivables	3 176	2 433
Write-down of property, plant and equipment	4 671	304
Total write-down and impairment of assets	7 847	2 737
<u>Note 18G: Foreign exchange losses</u>		
Non-speculative losses	4	20
Total foreign exchange losses	4	20
<u>Note 18H: Other expenses</u>		
Act of Grace payments	23	6
Gifting of public property	195	248
Total other expenses	218	254

Note 19: Administered—income

	2012 \$'000	2011 \$'000
Own-source revenue		
<u>Note 19A: Fees and fines</u>		
Visa application fees	1 029 223	927 721
Citizenship fees	25 669	19 456
Immigration fines	2 215	2 341
Other fees	6 803	7 547
Total fees and fines	1 063 910	957 065
Gains		
<u>Note 19B: Reversal of previous asset write-downs and impairments</u>		
Write back of financial instruments	58	97
Reversal of impairment losses	129	-
Total reversals of previous asset write-downs and impairments	187	97
<u>Note 19C: Foreign exchange</u>		
Non-speculative	466	269
Total foreign exchange gains	466	269

Note 20: Administered other comprehensive income

No reclassification adjustments have been recognised in other comprehensive income.

Note 21: Administered—financial assets

	2012 \$'000	2011 \$'000
Financial assets		
Note 21A: Cash and cash equivalents		
Cash on hand or on deposit	24 708	15 106
Total cash and cash equivalents	24 708	15 106
Note 21B: Receivables		
Goods and services:		
Goods and services receivable—external parties	132	182
Total receivables for goods and services	132	182
Other receivables:		
Fees	510	441
Detainee debts	2 227	2 818
GST accrued receivable	-	16 933
GST receivable from ATO	12 638	17 277
Total other receivables	15 375	37 469
Total receivables (gross)	15 507	37 651
Less: Allowance for impairment		
Other receivables	(1 361)	(1 593)
Total allowance for impairment	(1 361)	(1 593)
Total receivables (net)	14 146	36 058
Receivables are aged as follows:		
Not overdue	13 428	34 624
Overdue by:		
0 to 30 days	229	671
31 to 60 days	119	254
61 to 90 days	361	633
More than 90 days	1 370	1 469
Total receivables (gross)	15 507	37 651
The allowance for impairment is aged as follows:		
Overdue by:		
0 to 30 days	-	150
31 to 60 days	90	152
61 to 90 days	351	444
More than 90 days	920	847
Total allowance for impairment	1 361	1 593
All receivables are current assets.		
Goods and services receivables are related to entities external to the Australian Government.		
Credit terms are net 30 days (2011: 30 days).		

Note 21: Administered—financial assets *continued*

	Other receivables \$'000	Total \$'000
Reconciliation of the allowance for impairment:		
Movements in relation to 2012		
Opening balance	1 593	1 593
Amounts written off	(1 566)	(1 566)
Amounts recovered and reversed	7	7
Increase/(decrease) recognised in net surplus	1 327	1 327
Closing balance	1 361	1 361
Movements in relation to 2011		
Opening balance		
Amounts written off	-	-
Amounts recovered and reversed	-	-
Increase/(decrease) recognised in net surplus	1 593	1 593
Closing balance	1 593	1 593
	2012 \$'000	2011 \$'000
<u>Note 21C: Other financial assets</u>		
Accrued revenue	22 192	17 382
Total other financial assets	22 192	17 382
All other financial assets are current assets.		

Note 22: Administered—non-financial assets

	2012 \$'000	2011 \$'000
Note 22A: Land and buildings		
Land at fair value	66 470	87 866
Buildings on freehold land:		
Work in progress	226 762	146 726
Fair value	570 078	453 180
Accumulated depreciation	(29 042)	(2 478)
Total buildings on freehold land	834 268	685 294
Leasehold improvements:		
Work in progress	23	568
Fair value	66 267	28 642
Accumulated depreciation	(5 458)	(291)
Total leasehold improvements	60 832	28 919
Total land and buildings	895 100	714 213

In 2012, Jones Lang LaSalle and Preston Rowe Paterson NSW Pty Ltd were engaged to conduct the revaluations of all assets. A revaluation decrement of \$17 470 000 was recognised as at 30 June 2012.

Note 22B: Property, plant and equipment**Other property, plant and equipment:**

Work in progress	166	33
Fair value	7 794	7 008
Accumulated depreciation	(2 683)	(1 348)
Total property, plant and equipment	5 277	5 693

No property, plant or equipment is expected to be sold or disposed of within the next 12 months.

Note 22: Administered—non-financial assets *continued*

	Land	Buildings	Buildings— leasehold improvements	Total land and buildings	Other property, plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Note 22C: Reconciliation of the opening and closing balances of property, plant and equipment 2012						
As at 1 July 2011						
Gross book value	87 866	599 906	29 210	716 982	7 041	724 023
Accumulated depreciation and impairment	-	(2 478)	(291)	(2 769)	(1 348)	(4 117)
Net book value 1 July 2011	87 866	597 428	28 919	714 213	5 693	719 906
Additions:						
By purchase	-	197 549	37 087	234 636	1 238	235 874
Revaluations recognised in the operating result	(17 470)	-	-	(17 470)	-	(17 470)
Depreciation expense	-	(26 675)	(5 169)	(31 844)	(1 418)	(33 262)
Other movements:						
Write-offs	(3 926)	(504)	(5)	(4 435)	(236)	(4 671)
Net book value 30 June 2012	66 470	767 798	60 832	895 100	5 277	900 377
Net book value as of 30 June 2012 represented by:						
Gross book value	66 470	796 840	66 290	929 600	7 960	937 560
Accumulated depreciation	-	(29 042)	(5 458)	(34 500)	(2 683)	(37 183)
Net book value 30 June 2012	66 470	767 798	60 832	895 100	5 277	900 377

Note 22: Administered—non-financial assets *continued*

	Land	Buildings	Buildings — leasehold improvements	Total land and buildings	Other property, plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Note 22C continued: Reconciliation of the opening and closing balances of property, plant and equipment 2011						
As at 1 July 2010						
Gross book value	-	-	-	-	-	-
Accumulated depreciation and impairment	-	-	-	-	-	-
Net book value 1 July 2010	-	-	-	-	-	-
Additions:						
By purchase	-	158 154	726	158 880	1 557	160 437
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
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)
Net book value 30 June 2011	87 866	597 428	28 919	714 213	5 693	719 906

Note 22: Administered—non-financial assets *continued*

	2012 \$'000	2011 \$'000

Note 22D: Other non-financial assets

Prepayments	73	-
Total other non-financial assets	73	-

No indicators of impairment were found for other non-financial assets.

Total other non-financial assets expected to be recovered in:

No more than 12 months	73	-
Total other non-financial assets	73	-

Note 23: Administered—payables

	2012 \$'000	2011 \$'000
Payables		
Note 23A: Suppliers		
Trade creditors and accruals	354 303	246 195
Total suppliers	354 303	246 195
Supplier payables expected to be settled within 12 months		
Related entities	7 909	31 286
External parties	346 394	214 909
Total suppliers	354 303	246 195
Settlement is usually made within 30 days.		
Note 23B: Subsidies		
Payable to external parties	6 675	2 515
Total subsidies	6 675	2 515
All subsidies payable are expected to be settled within 12 months.		
Note 23C: Personal benefits		
Indirect benefits	13 732	7 228
Total personal benefits	13 732	7 228
All personal benefits payable are expected to be settled within 12 months.		
Note 23D: Grants		
Private sector:		
Non-profit organisations	984	328
Total grants	984	328
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 23E: Other payables		
Unearned income	96	208
Total other payables	96	208
All other payables are expected to be settled within 12 months.		

Note 24: Administered—provisions

	2012 \$'000	2011 \$'000
Provisions		
<u>Note 24A: Provisions</u>		
Provision for bonds ¹	13 157	27 056
Provision for restoration	-	1 500
Total other provisions	13 157	28 556
Other provisions are expected to be settled in:		
No more than 12 months	11 975	25 694
More than 12 months	1 182	2 862
Total other provisions	13 157	28 556

	Provision for Restoration \$'000	Provision for bonds \$'000	Total \$'000
Carrying amount 1 July 2011	1 500	27 056	28 556
Additional provisions made	-	19 687	19 687
Amounts used	(1 500)	(32 292)	(33 792)
Amounts reversed	-	(1 294)	(1 294)
Closing balance 30 June 2012	-	13 157	13 157

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.

Note 25: Administered—cash flow reconciliation

	2012 \$'000	2011 \$'000
Reconciliation of cash and cash equivalents as per administered schedule of assets and liabilities to administered cash flow statement		
Cash and cash equivalents as per:		
Schedule of administered cash flows	24 708	15 106
Schedule of administered assets and liabilities	24 708	15 106
Difference	-	-
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	457 113	122 469
Adjustments for non-cash items		
Depreciation / amortisation	33 262	26 464
Net write down of non-financial assets	4 671	304
Reversal of previous asset writedown	(187)	(97)
Changes in assets / liabilities		
(Increase) / decrease in net receivables	21 970	(18 757)
(Increase) / decrease in accrued revenues	(4 810)	(4 774)
(Increase) / decrease in other non-financial asset	(73)	-
Increase / (decrease) in supplier payables	67 056	100 121
Increase / (decrease) in subsidies payable	4 160	(3 120)
Increase / (decrease) in personal benefits payable	6 504	4 619
Increase / (decrease) in grants payable	656	307
Increase / (decrease) in other payables	(112)	133
Increase / (decrease) in other provisions	(15 399)	(23 310)
	(339 415)	(40 580)

Note 26: Administered—contingent assets and liabilities

	Claims for damages or costs		Total	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Contingent liabilities				
Balance from previous period	5 824	5 851	5 824	5 851
New	300	-	300	-
Liabilities recognised	-	(27)	-	(27)
Obligations expired	(5 824)	-	(5 824)	-
Total contingent liabilities	300	5 824	300	5 824

As at 30 June 2012 the department had no quantifiable administered contingent assets, indemnities or guarantees (2011: nil).

Quantifiable contingencies

The schedule of Administered contingencies reports net contingent liabilities in respect of indemnities and claims for damages or costs of \$300 000 (2011: \$5 824 000).

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.

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.

Unquantifiable contingencies

As at 30 June 2012 the department had a number of legal claims against it including the matter of *Giles & Anors v Commonwealth & 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 while 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.

The department is aware of two possible claims against it for fees due under contracts entered into and for which certain services have been provided. The potential claims relate to services provided at the Curtin Immigration Detention Centre and the Asti Motel. The department disputes the amounts claimed and in accordance with its obligations under the Legal Services Directions, is in discussion with the contractors in an attempt to resolve the matters before they proceed further. It is not possible to estimate the amounts of any eventual payments that may be required in relation to these matters.

Significant remote contingencies

As at 30 June 2012 the department has no contingencies that have been assessed as remote (2011: nil).

Note 27: Administered—financial instruments

	2012 \$'000	2011 \$'000
<u>Note 27A: Categories of financial instruments</u>		
Financial assets		
Loans and receivables		
Cash and cash equivalents	24 708	15 106
Goods and services receivable	132	182
Carrying amount of financial assets	24 840	15 288
Financial liabilities		
At amortised cost:		
Other liabilities		
Trade creditors	354 303	246 195
Subsidies payable	6 675	2 515
Personal benefits payable	13 732	7 228
Grants payable	984	328
Carrying amount of financial liabilities	375 694	256 266
The carrying value of financial instruments is a reasonable approximation of their fair value.		

Note 27: Administered—financial instruments *continued*

Note 27B: 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 (2012: \$132 000 and 2011 equivalent: \$182 000).

The department has assessed the risk of the default on payment and has allocated \$0 in 2012 (2011 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 2012 \$'000	Not past due nor impaired 2011 \$'000	Past due or impaired 2012 \$'000	Past due or impaired 2011 \$'000
Loans and receivables				
Cash and cash equivalents	24 708	15 106	-	-
Goods and services receivable	1	111	131	71
Total	24 709	15 217	131	71

Ageing of financial assets that were past due but not impaired for 2012

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	12	40	-	79	131
Total	12	40	-	79	131

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

Note 27: Administered—financial instruments *continued*

Note 27C: 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 2012

Other liabilities	Within 1 year 2012 \$'000	Total 2012 \$'000
Trade creditors	354 303	354 303
Subsidies payable	6 675	6 675
Personal benefits payable	13 732	13 732
Grants payable	984	984
Total	375 694	375 694

Maturities for non-derivative financial liabilities 2011

Other liabilities	Within 1 year 2011 \$'000	Total 2011 \$'000
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

Note 27D: Market risk

The department holds basic financial instruments that do not expose the department to material market risk.

Note 28: Administered—financial assets reconciliation

	Notes	2012 \$'000	2011 \$'000
<u>Financial assets</u>			
Total Financial Assets as per schedule of administered assets and liabilities		61 046	68 546
Less: Non-financial instrument components			
Other receivables	21B,C	36 206	53 258
Total non-financial instrument components		36 206	53 258
Total financial assets as per financial instruments note		24 840	15 288

Note 29: Appropriations

Table A: Annual appropriations ('recoverable GST exclusive')

	2012 Appropriations							Appropriation applied in 2012 (current and prior years) \$'000	Variance \$'000
	Appropriation Act			FMA Act			Total appropriation \$'000		
	Annual Appropriation ³ \$'000	Appropriations reduced ¹ \$'000	AFM ² \$'000	Section 30 \$'000	Section 31 \$'000	Section 32 \$'000			
Departmental									
Ordinary annual services	1 437 243	-	-	-	101 725	(270)	1 538 698	(1 534 580)	4 118
Other services									
Equity	11 698	-	-	-	-	-	11 698	(4 762)	6 936
Total departmental	1 448 941	-	-	-	101 725	(270)	1 550 396	(1 539 342)	11 054
Administered									
Ordinary annual services									
Administered items	1 440 093	(12 587)	-	288	-	(140)	1 427 654	(1 415 722)	11 932
Administered assets and liabilities	23 966	-	-	-	-	-	23 966	(180 880)	(156 914)
Total administered	1 464 059	(12 587)	-	288	-	(140)	1 451 620	(1 596 602)	(144 982)

Notes:

- Appropriations reduced under Appropriation Acts (Nos. 1,3&5) 2011–12: sections 10, 11, and 12 and under Appropriation Acts (Nos. 2,4&6) 2011–12: sections 12,13, and 14. Departmental appropriations do not lapse at financial year-end. 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 2012, there was no reduction in departmental or non-operating departmental appropriations. As with departmental appropriations, the responsible Minister may decide that part or all of an administered appropriation is not required and request that the Finance Minister reduce that appropriation. For administered appropriations reduced under section 11 of Appropriation Acts (Nos. 1,3&5) 2011–12 and section 12 of Appropriation Acts (Nos. 2,4&6) 2011–12, the appropriation is taken to be reduced to the required amount specified in Table E of this note once the annual report is tabled in Parliament. All administered appropriations may be adjusted by a Finance Minister's determination, which is disallowable by Parliament. In 2012, there was no reduction in administered or non-operating administered appropriations.
- Advance to the Finance Minister (AFM) – Appropriation Acts (Nos. 1,3&5) 2011–12: section 13 and Appropriation Acts (Nos. 2,4&6) 2011–12: section 15.
- In 2011–12, there were no adjustments that met the recognition criteria of a formal addition or reduction in revenue (in accordance with FMO Div 101) but at law the appropriations had not been amended before the end of the reporting period.
- There are no entities who spend money from the CRF on behalf of the department.

Note 29: Appropriations *continued*

Table A continued: Annual appropriations ('recoverable GST exclusive')

	2011 Appropriations							Appropriation applied in 2011 (current and prior years)	Variance
	Appropriation Act			FMA Act			Total appropriation		
	Annual Appropriation	Appropriations reduced ¹	Section 14 (Act No. 1)	Section 30	Section 31	Section 32			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental									
Ordinary annual services	1 228 483	-	-	-	81 360	(120)	1 309 723	(1 328 616)	(18 893)
Other services									
Equity	6 435	-	-	-	-	-	6 435	(5 811)	624
Total departmental	1 234 918	-	-	-	81 360	(120)	1 316 158	(1 334 427)	(18 269)
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	(1 120 709)	247 189

Notes:

- Appropriations reduced under Appropriation Acts (Nos. 1,3) 2010–11: sections 10, 11 and 12 and under Appropriation Acts (Nos. 2,4) 2010–11: sections 12, 13 and 14. Departmental appropriations do not lapse at financial year-end. 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.
As with departmental appropriations, the responsible minister may decide that part or all of an administered appropriation is not required and request that the Finance Minister reduce that appropriation. For administered appropriations reduced under section 11 of Appropriation Acts (Nos. 1,3&5) 2010–11 and section 12 of Appropriation Acts (Nos. 2,4&6) 2010–11, the appropriation is taken to be reduced to the required amount specified in Table E of this note once the annual report is tabled in Parliament. All administered appropriations may be adjusted by a Finance Minister's determination, which is disallowable by Parliament.
- Advance to the Finance Minister (AFM) – Appropriation Acts (Nos. 1,3&5) 2010–11: section 13 and Appropriation Acts (Nos. 2,4&6) 2010–11: section 15.

Note 29: Appropriations *continued*

Table B: Departmental and administered capital budgets ('recoverable GST exclusive')

	2012 Capital Budget Appropriations				Capital Budget Appropriations applied in 2012 (current and prior years)			Variance
	Appropriation Act		FMA Act	Total Capital Budget Appropriations	Payments for non-financial assets ³	Payments for other purposes	Total payments	
	Annual Capital Budget \$'000	Appropriations reduced ² \$'000	Section 32 \$'000					
				\$'000	\$'000	\$'000	\$'000	\$'000
Departmental								
Ordinary annual services— Departmental Capital Budget ¹	104 746	-	-	104 746	(131 982)	-	(131 982)	(27 236)
Administered								
Ordinary annual services— Administered Capital Budget ¹	18 517	-	-	18 517	(11 614)	-	(11 614)	(6 903)

Notes:

1. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts. The variance represents the appropriation carried over from previous years which was spent in the 2011–12 financial year. For more information on ordinary annual services appropriations, please see Table A: Annual appropriations.
2. Appropriations reduced under Appropriation Acts (No.1,3,5) 2011–12: sections 10, 11, 12 and 15 or via a determination by the Finance Minister.
3. Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition, and the capital repayment component of finance leases.

Note 29: Appropriations *continued*

Table B *continued*: Departmental and administered capital budgets ('recoverable GST exclusive')

	2011 Capital Budget Appropriations				Capital Budget Appropriations applied in 2011 (current and prior years)			Variance
	Appropriation Act		FMA Act	Total Capital Budget Appropriations	Payments for non-financial assets ³	Payments for other purposes	Total payments	
	Annual Capital Budget \$'000	Appropriations reduced ² \$'000	Section 32 \$'000					
				\$'000	\$'000	\$'000	\$'000	\$'000
Departmental								
Ordinary annual services— Departmental Capital Budget ¹	93 307	-	-	93 307	(56 505)	-	(56 505)	36 802
Administered								
Ordinary annual services— Administered Capital Budget ¹	15 000	-	-	15 000	(4 713)	-	(4 713)	10 287

Notes:

1. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts. For more information on ordinary annual services appropriations, please see Table A: Annual appropriations.
2. Appropriations reduced under Appropriation Acts (No.1,3,5) 2010–11: sections 10, 11, 12 and 15 or via a determination by the Finance Minister.
3. Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition, and the capital repayment component of finance leases.

Note 29: Appropriations *continued*

Table C: Unspent annual appropriations ('recoverable GST exclusive')

Authority	2012 \$'000	2011 \$'000
Departmental		
Appropriation Act (No. 2) 2008–09	371	371
Appropriation Act (No. 1) 2009–10	-	16 165
Appropriation Act (No. 2) 2009–10	10 000	10 000
Appropriation Act (No. 4) 2009–10	21 025	24 275
Appropriation Act (No. 1) 2010–11	1 770	172 912
Appropriation Act (No. 2) 2010–11	624	624
Appropriation Act (No. 3) 2010–11	-	58 823
Appropriation Act (No. 1) 2011–12	79 198	-
Appropriation Act (No. 2) 2011–12	917	-
Appropriation Act (No. 3) 2011–12	161 156	-
Appropriation Act (No. 4) 2011–12	9 269	-
Total	284 330	283 170
Administered		
Appropriation Act (No. 1) 2009–10	1 409	1 409
Appropriation Act (No. 3) 2009–10	4 373	4 373
Appropriation Act (No. 1) 2010–11	22 098	64 044
Appropriation Act (No. 2) 2010–11	-	16 709
Appropriation Act (No. 3) 2010–11	-	7 093
Appropriation Act (No. 4) 2010–11	52 554	192 956
Appropriation Act (No. 1) 2011–12	64 886	-
Appropriation Act (No. 2) 2011–12	196	-
Appropriation Act (No. 3) 2011–12	980	-
Total	146 496	286 584

Note 29: Appropriations *continued*

Table D: Special appropriations ('recoverable GST exclusive')

Authority	Type	Purpose	Appropriation applied	
			2012 \$'000	2011 \$'000
<i>Migration Act 1958</i> —section 332B (administered)	Limited Amount	To deal with registration applications and monitor the conduct of registered agents and lawyers in the provision of migration assistance.	-	-
<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.	(87 212)	(121 725)
Total			(87 212)	(121 725)

Note: There are no entities who spend money from the CRF on behalf of the department.

Note 29: Appropriations *continued*

Table E: Reduction in administered items ('recoverable GST exclusive')

2012	Amount required ³ —by Appropriation Act			Total amount required ³	Total amount appropriated ⁴	Total reduction ⁵
Ordinary Annual Services	Act (No.1)	Act (No.3)	Act (No.5)			
Outcome 1	-	-	-	-	50 000.00	50 000.00
Outcome 2	37 169 000.00	-	-	37 169 000.00	37 169 000.00	-
Outcome 3	-	154 414.67	-	154 414.67	168 000.00	13 585.33
Outcome 4	898 853 000.00	156 920 000.00	-	1 055 773 000.00	1 067 491 000.00	11 718 000.00
Outcome 5	329 642 000.00	-	-	329 642 000.00	329 642 000.00	-
Outcome 6	4 467 000.00	160 501.82	-	4 627 501.82	5 433 000.00	805 498.18
Total	1 270 131 000.00	157 234 916.49	-	1 427 365 916.49	1 439 953 000.00	12 587 083.51

Notes:

1. Numbers in this section of the table must be disclosed to the cent.

2. Administered items for 2012 were reduced to these amounts when these financial statements were tabled in Parliament as part of the department's 2012 annual report. This reduction was effective in 2013, but the amounts were reflected in Table A in the 2012 financial statements in the column 'Appropriations reduced' as they were adjustments to 2012 appropriations.

3. Amount required as per Appropriation Act (Act 1 s. 11; Act 2 s. 12).

4. Total amount appropriated in 2012.

5. Total reduction effective in 2013.

2011	Amount required ³ —by Appropriation Act			Total amount required ³	Total amount appropriated ⁴	Total reduction ⁵
Ordinary Annual Services	Act (No.1)	Act (No.3)	Act (No.5)			
Outcome 1	50 000.00	-	-	50 000.00	50 000.00	-
Outcome 2	33 188 000.00	-	-	33 188 000.00	33 188 000.00	-
Outcome 3	4 306 371.08	-	-	4 306 371.08	4 469 000.00	162 628.92
Outcome 4	418 940 000.00	239 358 000.00	-	658 298 000.00	658 298 000.00	-
Outcome 5	319 509 000.00	-	-	319 509 000.00	319 509 000.00	-
Outcome 6	3 168 730.80	-	-	3 168 730.80	5 278 000.00	2 109 269.20
Total	779 162 101.88	239 358 000.00	-	1 018 520 101.88	1 020 792 000.00	2 271 898.12

Notes:

1. Numbers in this section of the table must be disclosed to the cent.

2. Administered items for 2011 were reduced to these amounts when these financial statements were tabled in Parliament as part of the department's 2011 annual report. This reduction was effective in 2012, but the amounts were reflected in Table A in the 2011 financial statements in the column 'Appropriations reduced' as they were adjustments to 2011 appropriations.

3. Amount required as per Appropriation Act (Act 1 s. 11; Act 2 s. 12).

4. Total amount appropriated in 2011.

5. Total reduction effective in 2012.

Note 30: Special accounts

	Australian Population, Multicultural and Immigration Research Program (APMIRP) Special Account (Administered) ¹		Other Trust Monies Account ²	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000

Note 30A: Special accounts (recoverable GST exclusive)

Balance brought forward from previous period	326	265	12	12
Increases:				
Appropriation credited to special account	-	50	-	-
Other receipts	-	55	18	8
Total increases	-	105	18	8
Available for payments	326	370	30	20
Decreases:				
Administered				
Payments made	91	44	25	8
Total administered decreases	91	44	25	8
Total decreases	91	44	25	8
Total balance carried to the next period	235	326	5	12

1. 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)
 - (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)
 - (d) reduce the balance of the Special Account (and, therefore, the available appropriation for the Account) without making a real or notional payment
 - (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
 - (b) dealing with direct and indirect costs.

2. Appropriation: Financial Management and Accountability Act 1997 section 20 (this account is abolished in 2012–13).
Establishing Instrument: Initial Determination to Establish Components of the Reserved Money Fund (31/12/97),
Financial Management and Accountability Determination 2008/15

Purpose:

- (a) For expenditure of moneys temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth
- (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.

Note 31: Compliance with statutory conditions for payments from the Consolidated Revenue Fund

Section 83 of the *Constitution* provides that no amount may be paid out of the Consolidated Revenue Fund except under an appropriation made by law. The Department of Finance and Deregulation provided information to all agencies in 2011 regarding the need for risk assessments in relation to compliance with statutory conditions on payments from special appropriations, including special accounts. The possibility of this being an issue for the department was reported in the notes to the 2010–11 financial statements and the department undertook to investigate the issue during 2011–12.

During 2011–12, the department developed a plan to review exposure to risks of not complying with statutory conditions on payments from appropriations.

The plan involved:

- identifying each special appropriation and special account
- determining the risk of non-compliance by assessing the difficulty of administering the statutory conditions and assessing the extent to which existing payment systems and processes satisfy those conditions
- determining procedures to confirm risk assessments in medium risk cases and to quantify the extent of non-compliance, if any, in higher risk situations
- obtaining legal advice as appropriate to resolve questions of potential non-compliance
- considering legislative or procedural changes to reduce the risk of non-compliance in the future.

The review concluded that there were two areas of risk as follows:

- Incorrect payments from the two special accounts that the department manages, the Australian Population Multicultural and Immigration Research Program (APMIRP) Special Account and the Other Trust Moneys Account (Special Public Money) account.
- Revenue refunds made under section 28 of the *Financial Management and Accountability Act 1997* (FMA Act).

The outcomes from the risk assessment was that the risk of breaching section 83 on the two special accounts was low as the special accounts are not subject to highly specific statutory payment conditions. The key area of risk for the department was identified as being in the area of revenue refunds. The risk is higher at overseas posts where a refund could be processed at a location different from where the fee was paid, exposing the department to the risk of processing a refund more than once. While there is systems support available to overseas posts to prevent this, the systems are not as robust as onshore, where the majority of applications and refunds are processed.

Breaches of section 83 could also occur if revenue refunds are not paid to the recipient in accordance with the *Migration Regulations 1994*, which specifies that a refund must be made to the:

- payer, or
- if the payer has died, or the payer has a serious physical or mental incapacity, the payer's legal personal representative, or
- if the payer is bankrupt, the trustee of the estate of the payer.

The outcomes of the risk assessment were supported by an external review which confirmed the outcome of the department's assessment.

In order to provide assurance as to the accuracy of the financial statements, the department has undertaken the following activities:

- review of all transactions in the two special accounts
- confirmation from all overseas posts that refunds processed from 1 July 2011 to 30 June 2012 were in accordance with the required payment preconditions
- completion of a desktop analysis of the onshore refund process combined with the testing of a sample of transactions against relevant legislation.

The department has also implemented uniform procedures in the processing of revenue refunds at overseas posts and provided training to further reduce the risk of breaching section 83. As at 30 June 2012 this work had been completed and has identified no issues of non compliance with section 83.

Note 32: Compensation and debt relief

	2012 \$	2011 \$
Compensation and debt relief—Departmental		
No 'Act of Grace' expenses were incurred during the reporting period. (2011: No expenses)	-	-
No 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> . (2011: two waivers).	-	19 688
Fifty-five payments were provided under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme during the reporting period. (2011: Fifty-six payments).	72 335	105 537
No ex-gratia payments were provided for during the reporting period. (2011: No payments)	-	-
No 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. (2011: One payment).	-	2 580
Compensation and debt relief—Administered		
Three 'Act of Grace' expenses were incurred during the reporting period. (2011: Two expenses).	27 353	14 785
None of the above expenses were paid on a periodic basis (2011: 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 <i>Financial Management and Accountability Act 1997</i> . (2011: No waivers).	-	-
No payments were provided under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme during the reporting period. (2011: No payments).	-	-
No ex-gratia payments were provided for during the reporting period. (2011: No payments).	-	-
No payments were 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. (2011: No payments).	-	-

Note 33: Reporting of outcomes

The department used 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 33A: Net cost of outcome delivery

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Outcome 5		Outcome 6		Total	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Departmental														
Expenses	(565 627)	(551 309)	(71 521)	(68 453)	(148 050)	(153 741)	(557 256)	(378 416)	(70 128)	(71 763)	(69 140)	(71 387)	(1 481 722)	(1 295 069)
Own-source income	11 196	10 682	779	759	7 056	5 343	8 975	2 501	23 734	508	818	908	52 558	20 701
Administered														
Expenses	-	(50)	(34 496)	(35 723)	(279)	(3 819)	(1 162 830)	(738 257)	(337 149)	(318 486)	(4 902)	(3 166)	(1 539 656)	(1 099 501)
Own-source income	1 034 206	939 424	2 125	240	2 215	2 341	4 236	5 419	14 065	10 119	25 696	19 489	1 082 543	977 032
Net cost of outcome delivery	479 775	398 747	(103 113)	(103 177)	(139 058)	(149 876)	(1 706 875)	(1 108 753)	(369 478)	(379 622)	(47 528)	(54 156)	(1 886 277)	(1 396 837)

Note 33B: Major classes of departmental expense, income, assets and liabilities by outcomes

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Outcome 5		Outcome 6		Total	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Departmental Expenses:														
Employees	309 284	276 420	41 987	40 282	74 356	75 443	298 803	212 659	35 540	34 666	39 375	40 058	799 345	679 528
Suppliers	199 471	224 003	26 143	24 678	58 330	63 867	237 744	153 964	31 813	33 902	24 818	26 352	578 319	526 766
Depreciation and amortisation	51 413	44 926	2 867	2 815	13 232	13 384	16 277	9 981	2 299	2 624	4 347	4 202	90 435	77 932
Other	5 459	5 960	524	678	2 132	1 047	4 432	1 812	476	571	600	775	13 623	10 843
Total	565 627	551 309	71 521	68 453	148 050	153 741	557 256	378 416	70 128	71 763	69 140	71 387	1 481 722	1 295 069
Departmental Income:														
Sales of goods & services	1 268	847	90	38	1 842	1 805	1 123	699	23 282	21 039	91	68	27 696	24 496
Income from government	499 972	504 284	67 464	71 865	126 988	131 991	528 782	355 796	43 828	54 400	63 588	70 090	1 330 622	1 188 426
Other	9 928	10 365	689	734	5 214	4 761	7 852	1 836	452	488	727	879	24 862	19 063
Total	511 168	515 496	68 243	72 637	134 044	138 557	537 757	358 331	67 562	75 927	64 406	71 037	1 383 180	1 231 985

Note 33: Reporting of outcomes *continued*

Note 33B *continued*: Major classes of departmental expense, income, assets and liabilities by outcomes

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Outcome 5		Outcome 6		Total	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Departmental Assets														
Cash and cash equivalents	1 041	4 720	186	621	496	1 283	(452)	3 509	1 504	456	(389)	633	2 386	11 222
Appropriation receivable	125 554	142 124	16 942	27 820	31 889	45 683	132 789	40 334	11 006	31 424	15 968	37 992	334 148	325 377
Trade and other receivables	3 121	7 438	389	842	1 663	2 109	3 927	4 687	10 948	5 063	373	884	20 421	21 023
Other financial assets	375	805	51	26	123	30	505	65	68	51	49	39	1 171	1 016
Land and buildings	38 821	42 570	5 035	5 526	9 332	10 773	10 146	12 621	5 896	6 305	4 531	5 106	73 761	82 901
Property, plant and equipment	18 871	11 142	2 377	1 305	4 704	3 010	7 071	2 041	1 960	1 044	2 528	1 453	37 511	19 995
Intangibles	206 940	192 085	8 583	4 270	38 589	34 823	41 933	23 569	7 825	5 892	9 295	6 180	313 165	266 819
Other	6 003	10 454	708	1 070	1 282	1 097	5 074	2 343	673	546	667	852	14 407	16 362
Total	400 726	411 338	34 271	41 480	88 078	98 808	200 993	89 169	39 880	50 781	33 022	53 139	796 970	744 715
Departmental Liabilities														
Suppliers	52 311	53 068	6 175	6 024	11 173	14 136	44 226	26 594	11 980	15 355	5 817	6 252	131 682	121 429
Other payables	16 581	15 858	2 062	2 080	3 357	3 632	13 524	9 374	1 615	1 166	1 933	1 781	39 072	33 891
Unearned income	-	1 395	-	198	-	137	-	81	-	6	-	109	-	1 926
Lease incentives	3 163	2 975	336	428	451	1 065	1 687	2 648	220	82	314	437	6 171	7 635
Finance lease liability	1 377	10 091	137	1 257	263	1 954	638	1 695	110	1 050	165	1 475	2 690	17 522
Employee provisions	79 797	69 149	10 833	10 451	19 184	19 178	77 093	47 894	9 169	7 873	10 159	9 409	206 235	163 954
Other provisions	14 871	17 351	1 581	1 931	2 121	4 788	7 936	6 314	1 035	1 912	1 477	1 865	29 021	34 161
Total	168 100	169 887	21 124	22 369	36 549	44 890	145 104	94 600	24 129	27 444	19 865	21 328	414 871	380 518

Note 33: Reporting of outcomes *continued*

Note 33C: Major classes of administered expenses, income, assets and liabilities by outcomes

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Outcome 5		Outcome 6		Total	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Administered Expenses														
Suppliers expenses	-	-	19 240	19 743	279	3 616	1 070 558	686 704	278 954	271 915	-	-	1 369 031	981 978
Depreciation and Amortisation	-	-	-	-	-	-	33 262	26 464	-	-	-	-	33 262	26 464
Subsidies	-	50	8 027	7 788	-	203	2 763	2 010	1 241	1 932	-	-	12 031	11 983
Personal benefits	-	-	7 229	8 192	-	-	48 171	20 067	18 365	8 052	-	-	73 765	36 311
Grants	-	-	-	-	-	-	7	1	38 589	36 587	4 902	3 166	43 498	39 754
Write-down and impairment of assets	-	-	-	-	-	-	7 847	2 737	-	-	-	-	7 847	2 737
Foreign exchange losses	-	-	-	-	-	-	4	20	-	-	-	-	4	20
Other expenses	-	-	-	-	-	-	218	254	-	-	-	-	218	254
Total	-	50	34 496	35 723	279	3 819	1 162 830	738 257	337 149	318 486	4 902	3 166	1 539 656	1 099 501
Administered Income														
Fees and fines	1 022 110	935 266	-	-	2 215	2 341	-	-	13 916	-	25 669	19 458	1 063 910	957 065
Recovery of detention costs	-	-	-	-	-	-	2 970	3 488	-	-	-	-	2 970	3 488
Other revenue	12 096	4 158	2 026	-	-	-	712	1 805	149	10 119	27	31	15 010	16 113
Gains	-	-	99	240	-	-	554	126	-	-	-	-	653	366
Total	1 034 206	939 424	2 125	240	2 215	2 341	4 236	5 419	14 065	10 119	25 696	19 489	1 082 543	977 032

Note 33: Reporting of outcomes *continued*

Note 33C *continued*: Major classes of administered expenses, income, assets and liabilities by outcomes

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Outcome 5		Outcome 6		Total	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Administered Assets														
Cash and cash equivalents	(20)	1	567	492	56	53	17 939	10 130	6 152	4 386	14	44	24 708	15 106
Receivables	299	11	178	1 115	346	526	10 748	24 373	2 575	9 934	-	99	14 146	36 058
Other financial assets	15 480	7 930	-	-	-	-	-	8	6 323	9 381	389	63	22 192	17 382
Land and Buildings	-	-	-	-	-	-	895 100	714 213	-	-	-	-	895 100	714 213
Infrastructure, plant and equipment	-	-	-	-	-	-	5 277	5 693	-	-	-	-	5 277	5 693
Other non financial assets	-	-	-	-	-	-	73	-	-	-	-	-	73	-
Total	15 759	7 942	745	1 607	402	579	929 137	754 417	15 050	23 701	403	206	961 496	788 452
Administered Liabilities														
Suppliers	18	38	3 393	3 869	-	2 178	298 384	185 585	52 478	54 372	30	153	354 303	246 195
Subsidies	-	-	6 512	2 512	-	-	163	3	-	-	-	-	6 675	2 515
Personal Benefits	-	-	1 370	1 378	-	-	6 951	3 440	5 411	2 410	-	-	13 732	7 228
Grants	-	41	-	-	-	-	-	4	64	26	920	257	984	328
Other payables	96	208	-	-	-	-	-	-	-	-	-	-	96	208
Other provisions	-	-	-	-	-	-	-	1 500	-	-	-	-	-	1 500
Bonds	13 157	27 056	-	-	-	-	-	-	-	-	-	-	13 157	27 056
Total	13 271	27 343	11 275	7 759	-	2 178	305 498	190 532	57 953	56 808	950	410	388 947	285 030

Note 34: Competitive neutrality and cost recovery

	2012 \$'000	2011 \$'000
Note 34A: Departmental receipts subject to cost recovery policy		
Significant cost recovery arrangements		
Translating and interpreting services	20 979	20 390
APEC business travel cards	1 335	1 332
Superannuation certificates	242	200
New Zealand certificates of residence status	145	21
Research, statistics and other publications	99	85
Migration application packs	-	44
Other cost recovery arrangements		
Telephone enquiry service	24	147
Migration agent register and professional development activity assessment fees	12	14
Total receipts subject to cost recovery policy	22 836	22 233

Note 34B: Administered receipts subject to cost recovery policy

There are no administered receipts subject to Cost Recovery Policy.

Note 35: Net cash appropriation arrangements

	2012 \$'000	2011 \$'000
Total comprehensive income (loss) less depreciation/ amortisation expenses previously funded through revenue appropriations ¹	(8 107)	1 930
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	(90 435)	(77 932)
Total comprehensive income (loss)—as per the statement of comprehensive income	(98 542)	(76 002)

Note:

1. From 2010–11, the government introduced net cash appropriation arrangements, where revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.



Part 6

Appendices

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Photo: Adit's family fled from Sudan to a refugee camp in Kenya before being resettled in Australia.

Appendix 1:

Classifications and salary rates

Table 81: Classification and salary rates—Indigenous cadets and graduates

APS Classification	Salary prior to commencement of this Enterprise Agreement	Salary on commencement of this Enterprise Agreement	Salary effective 5 July 2012 (2.0%)	Salary effective 4 July 2013 (2.0%)
Indigenous Cadet pay rates during full time study. 60% of full time APS1	\$13 835			
	\$16 140			
	\$18 677			
	\$20 982			
	\$23 057	\$24 463	\$24 952	\$25 451
APS1 and Indigenous Cadet during practical training	\$23 057 ¹			
	\$26 900 ²			
	\$31 127 ³			
	\$34 971 ⁴			
	\$38 429			
	\$39 973	\$40 772	\$41 587	\$42 419
	\$41 298	\$42 124	\$42 966	\$43 825
Graduate APS (APS Level 3)	\$42 621	\$45 178	\$46 082	\$47 004
	\$49 537			
	\$50 825	\$51 842	\$52 879	\$53 937
	\$52 349	\$53 396	\$54 464	\$55 553
	\$53 838	\$57 606	\$58 758	\$59 933

1. Under 18 years old (60%)

2. 18 years (70%)

3. 19 years (81%)

4. 20 years (91%)

Table 82: Classification and salary rates—APS level employees

APS classification	Salary prior to commencement of this Enterprise Agreement	Salary on commencement of this Enterprise Agreement	Salary effective 5 July 2012 (2.0%)	Salary effective 4 July 2013 (2.0%)
APS Level 1	\$23 057 ¹			
	\$26 900 ²			
	\$31 127 ³			
	\$34 971 ⁴			
	\$38 429 ⁵			
	\$39 973	\$40 772	\$41 587	\$42 419
	\$41 298	\$42 124	\$42 966	\$43 825
	\$42 621	\$45 178	\$46 082	\$47 004
APS Level 2	\$43 492			
	\$44 688	\$45 582	\$46 494	\$47 424
	\$45 860	\$46 777	\$47 713	\$48 667
	\$47 055	\$47 996	\$48 956	\$49 935
	\$48 379	\$51 281	\$52 307	\$53 353
APS Level 3	\$49 537			
	\$50 825	\$51 842	\$52 879	\$53 937
	\$52 349	\$53 396	\$54 464	\$55 553
	\$53 838	\$57 606	\$58 758	\$59 933
APS Level 4	\$55 210			
	\$56 966	\$58 105	\$59 267	\$60 452
	\$58 450	\$59 619	\$60 811	\$62 027
	\$60 100	\$64 306	\$65 592	\$66 904
APS Level 5	\$61 582	\$65 012	\$66 312	\$67 638
	\$63 511	\$66 271	\$67 596	\$68 948
	\$65 446	\$70 026	\$71 427	\$72 856
APS Level 6	\$68 168			
	\$70 034	\$71 435	\$72 864	\$74 321
	\$73 553	\$75 024	\$76 524	\$78 054
	\$76 626	\$81 988	\$83 628	\$85 301

1. Under 18 years old (60%)

2. 18 years (70%)

3. 19 years (81%)

4. 20 years (91%)

5. Bottom salary point of adult salary rate

Table 83: Classification and salary rates—executive level employees

APS classification	Salary prior to commencement of this Enterprise Agreement	Salary on commencement of this Enterprise Agreement	Salary effective 5 July 2012 (2.0%)	Salary effective 4 July 2013 (2.0%)
Executive Level 1	\$85 181			
	\$87 448	\$89 197	\$90 981	\$92 801
	\$89 599	\$91 391	\$93 219	\$95 083
	\$92 878	\$99 378	\$101 366	\$103 393
Executive Level 2	\$98 214			
	\$103 617	\$105 689	\$107 803	\$109 959
	\$107 490	\$109 640	\$111 833	\$114 070
	\$111 363	\$113 590	\$115 862	\$118 179
	\$115 091	\$123 145	\$125 608	\$128 120

Table 84: Classification and salary rates—legal officers

APS classification	Local title	Salary prior to commencement of this Enterprise Agreement	Salary on commencement of this Enterprise Agreement	Salary effective 5 July 2012 (2.0%)	Salary effective 4 July 2013 (2.0%)
APS Level 4	Legal Officer	\$58 450	\$63 709	\$64 983	\$66 283
APS Level 5		\$63 511	\$69 225	\$70 610	\$72 022
APS Level 6		\$68 168			
		\$70 034	\$71 435	\$72 864	\$74 321
		\$73 553	\$75 024	\$76 524	\$78 054
		\$76 626	\$83 520	\$85 190	\$86 894
Executive Level 1	Senior Legal Officer	\$85 181			
		\$92 878	\$94 736	\$96 631	\$98 564
		\$100 776	\$102 792	\$104 848	\$106 945
		\$104 056	\$113 418	\$115 686	\$118 000
Executive Level 2	Principal Legal Officer	\$114 491	\$122 503	\$124 953	\$127 452
		\$118 217	\$128 853	\$131 430	\$134 059

Table 85: Classification and salary rates—public affairs officers

APS classification	Local title	Salary prior to commencement of this Enterprise Agreement	Salary on commencement of this Enterprise Agreement	Salary effective 5 July 2012 (2.0%)	Salary effective 4 July 2013 (2.0%)
APS Level 4	Public Affairs Officer 1	\$56 966	\$58 105	\$59 267	\$60 452
		\$59 949	\$64 144	\$65 427	\$66 736
APS Level 5		\$63 511	\$64 781	\$66 077	\$67 399
		\$65 446	\$70 026	\$71 427	\$72 856
APS Level 6	Public Affairs Officer 2	\$70 034			
		\$71 793	\$73 229	\$74 694	\$76 188
		\$73 553	\$75 024	\$76 524	\$78 054
		\$75 803	\$77 319	\$78 865	\$80 442
		\$78 876	\$84 396	\$86 084	\$87 806
Executive Level 1	Public Affairs Officer 3	\$92 878			
		\$98 755	\$100 730	\$102 745	\$104 800
		\$100 776	\$102 792	\$104 848	\$106 945
		\$104 056	\$111 338	\$113 565	\$115 836
Executive Level 2	Senior Public Affairs Officer B	\$108 081	\$110 243	\$112 448	\$114 697
		\$111 806	\$119 630	\$122 023	\$124 463
	Senior Public Affairs Officer A	\$114 042	\$116 323	\$118 649	\$121 022
		\$117 770	\$126 012	\$128 532	\$131 103

Table 86: Classification and salary rates—medical officers

APS classification	Salary prior to commencement of this Enterprise Agreement	Salary on commencement of this Enterprise Agreement	Salary effective 5 July 2012 (2.0%)	Salary effective 4 July 2013 (2.0%)
Medical Officer Class 2	\$109 856	\$112 053	\$114 294	\$116 580
	\$114 193	\$122 184	\$124 628	\$127 121
Medical Officer Class 3	\$122 795	\$125 251	\$127 756	\$130 311
	\$126 864	\$135 742	\$138 457	\$141 226
Medical Officer Class 4	\$133 922			
	\$139 147	\$141 930	\$144 769	\$147 664
	\$141 772	\$144 607	\$147 499	\$150 449
	\$145 498	\$155 680	\$158 794	\$161 970

Note: Where an employee's salary is above the top salary point within each of the classifications in this appendix (by virtue of an individual industrial instrument) prior to the commencement of the *Enterprise Agreement 2011–14* they will receive:

- a 2.0 per cent increase to base salary with effect from the beginning of the first full pay period commencing on or after the date of commencement of this Enterprise Agreement
- a 2.0 per cent increase to base salary with effect from 5 July 2012 (payable on the pay day of 19 July 2012)
- a 2.0 per cent increase to base salary with effect from 4 July 2013 (payable on the pay day of 18 July 2013).

Appendix 2: Legal services expenditure

This is a statement of legal services expenditure by the Department of Immigration and Citizenship for 2011–12, published in compliance with paragraph 11.1 (ba) of the *Legal Services Directions 2005*.

Table 87: Legal services expenditure

Description	Cost (excluding GST)
Total legal services expenditure	\$37 891 441
Total external legal services expenditure	\$22 321 344
External expenditure on solicitors ¹	\$18 197 285
External expenditure on counsel	\$2 981 152
Number of matters in which male counsel briefed ² — 454	
Estimated value of briefs to male counsel ²	\$1 434 345
Number of matters in which female counsel briefed ² — 179	
Estimated value of briefs to female counsel ²	\$369 961
Disbursements on external legal services	\$1 142 907
Total internal legal services expenditure	\$15 570 097
Employees	\$14 086 526
Overheads (for example, office stores and stationery, training and travel)	\$1 483 571

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 figures relate to finalised litigation matters only.

Appendix 3:

Freedom of Information

This information complies with the amended section 8 of the *Freedom of Information Act 1982* (the FOI Act) that came into effect on 1 May 2011.

Information about the department, including its structure, appears earlier in this report as well as online at 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 or authorise the function of 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

Appendix 4: Membership of advisory bodies

Office of the MARA Advisory Board

Ms Helen Williams AO (Chair)
Ms Jenni Mack (Deputy Chair)
Ms Sonia Caton
Mr Glenn Ferguson
Mr Ray Brown
Mr Andrew Holloway
Mr Jim McKiernan
Ms Christine Sykes
Ms Sophie Montgomery

Australian Multicultural Council

Judge Rauf Soulio (Chair)
Ms Gail Ker OAM (Deputy Chair)
Ms Yassmin Abdel-Magied
Dr Tanveer Ahmed
Dr Hass Dellal OAM
Ms Carmel Guerra
Dr Tim Soutphommasane
Mr Peter Wertheim AM
Professor Samina Yasmeen
Mr Talal Yassine OAM

Detention Health Advisory Group

Professor Louise Newman AM (Chair)
Dr Gillian Singleton
Mr Jorge Aroche
Ms Caz Coleman
Ms Sandy Eagar
Adjunct Associate Professor
Amanda Gordon
Dr Paul Kotala
Professor Maxine Whittaker
Dr Choong-Siew Yong
Associate Professor Karen Zwi

Minister's Council on Asylum Seekers and Detention

Mr Paris Aristotle AM (Chair)
Air Marshal Ray Funnell AC (Retd)
(Deputy Chair)
Ms Kerrin Benson
Mr Noel Clement
Ms Caz Coleman
Ms Libby Lloyd AM
Dr Maryanne Loughry AM
Associate Professor Harry Minas
Professor Nicholas Procter
Dr Jamal Rifi
Associate Professor Mary Anne Kenny
Bishop D Eugene Hurley

Refugee Resettlement Advisory Council

The Hon Bruce Baird AM (Chair)
Mr Paris Aristotle AM
Mr Rasoul Ahmady
Ms Carmel Guerra
Ms Jasmina Bajraktarevic-Hayward
Ms Eleri Morgan-Thomas
Mr Paul Power
Ms Jenny Semple
Ms Arja Keski-Nummi

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 88: Previous country of nationality or citizenship of people who were conferred in 2011–12

Previous country of nationality or citizenship	Persons
Afghanistan	889
Albania	95
Algeria	18
Angola	4
Argentina	120
Armenia	18
Austria	82
Azerbaijan	11
Bahrain	4
Bangladesh	1 183
Barbados	1
Belarus	47
Belgium	127
Bermuda	3
Bhutan	1
Bolivia	18
Bosnia-Herzegovina	104
Botswana	14
Brazil	646
Brunei Darussalam	10
Bulgaria	43
Burkina Faso	7
Burma	754
Burundi	176
Cambodia	420
Cameroon	22
Canada	835
Central African Republic	7

Previous country of nationality or citizenship	Persons
Chad	8
Chile	199
China, People's Republic of	6 876
Colombia	393
Congo	203
Cook Islands	3
Costa Rica	5
Cote d'Ivoire	4
Croatia	87
Cuba	16
Cyprus	13
Czech Republic	63
Czechoslovakia	2
Denmark	39
Dominican Republic	6
Ecuador	34
Egypt	448
El Salvador	26
Eritrea	156
Estonia	27
Ethiopia	267
Fiji	878
Finland	79
France	580
French Polynesia	2
Gambia	3
Gaza Strip	1
Georgia	5

Table 88: Previous country of nationality or citizenship of people who were conferred in 2011–12 *continued*

Previous country of nationality or citizenship	Persons	Previous country of nationality or citizenship	Persons
Germany	843	Lithuania	17
Ghana	149	Luxembourg	3
Greece	99	Macedonia	214
Guatemala	7	Madagascar	1
Guinea	6	Malawi	14
Guyana	1	Malaysia	1 487
Haiti	1	Maldives	15
Honduras	5	Mali	1
Hungary	172	Malta	204
Iceland	8	Marshall Islands, Republic of the	2
India	10 076	Mauritania	11
Indonesia	882	Mauritius	331
Iran	1 024	Mexico	125
Iraq	1 103	Moldova	20
Ireland	1 145	Mongolia	16
Israel	298	Montenegro	6
Italy	513	Morocco	36
Jamaica	8	Mozambique	5
Japan	126	Namibia	22
Jordan	168	Nauru	1
Kazakhstan	24	Nepal	589
Kenya	293	Netherlands	390
Kiribati	6	Netherlands Antilles	3
Korea, Democratic People's Republic of	2	New Caledonia	3
Korea, Republic of	1 570	New Zealand	3 458
Kosovo	14	Nicaragua	2
Kuwait	6	Nigeria	214
Kyrgyzstan	8	Norway	7
Laos	37	Oman	1
Latvia	19	Pakistan	990
Lebanon	789	Palestinian Authority	59
Lesotho	2	Panama	2
Liberia	162	Papua	1
Libya	5	Papua New Guinea	110

Table 88: Previous country of nationality or citizenship of people who were conferred in 2011–12 *continued*

Previous country of nationality or citizenship	Persons	Previous country of nationality or citizenship	Persons
Paraguay	2	Thailand	1 125
Peru	213	Timor, East	32
Philippines	5 592	Togo	30
Poland	307	Tonga	68
Portugal	103	Trinidad And Tobago	17
Romania	183	Tunisia	7
Russia	498	Turkey	347
Rwanda	31	Turkmenistan	2
Saint Vincent and the Grenadines	1	USSR	8
Samoa	15	Uganda	46
Saudi Arabia	6	Ukraine	187
Senegal	4	United Arab Emirates	1
Serbia	107	United Kingdom	16 401
Serbia and Montenegro, Former	121	United States	1 356
Seychelles	40	Uruguay	16
Sierra Leone	96	Uzbekistan	33
Singapore	577	Vanuatu	15
Slovakia	69	Venezuela	95
Slovenia	47	Vietnam	1 929
Solomon Islands	20	West Bank	2
Somalia	135	Yemen	8
South Africa	4 206	Yugoslavia, Former	46
Spain	109	Zaire	13
Sri Lanka	1 671	Zambia	65
Sudan	913	Zimbabwe	1 143
Swaziland	2	Not stated/other	1 074
Sweden	250	Total	84 183
Switzerland	166		
Syria	140		
Tahiti	1		
Taiwan	444		
Tajikistan	6		
Tanzania	29		

Table 89: Previous country of residence of people who were conferred in 2011–12

Previous country of residence	Persons	Previous country of residence	Persons
Afghanistan	585	China, People's Republic of	6 945
Africa (so stated)	2	Colombia	365
Albania	84	Congo	122
Algeria	15	Cook Islands	20
American Samoa	2	Costa Rica	6
Andorra	1	Cote d'Ivoire	6
Angola	4	Croatia	77
Argentina	117	Cuba	15
Armenia	18	Cyprus	23
Austria	61	Czech Republic	62
Azerbaijan	9	Czechoslovakia	5
Bahamas	1	Denmark	48
Bahrain	36	Dominican Republic	5
Bangladesh	1 086	East Timor	7
Belarus	39	Ecuador	28
Belgium	118	Egypt	596
Benin	8	El Salvador	25
Bermuda	7	Eritrea	61
Bolivia	20	Estonia	23
Bosnia-Herzegovina	110	Ethiopia	232
Botswana	79	Falkland Islands	2
Brazil	598	Fiji	883
Brunei Darussalam	42	Finland	72
Bulgaria	39	France	489
Burkina Faso	7	French Polynesia	4
Burma	571	Gambia	2
Burundi	68	Gaza Strip	1
Cambodia	424	Georgia	5
Cameroon	35	Germany	854
Canada	843	Ghana	177
Cayman Islands	11	Gibraltar	2
Chad	5	Greece	116
Channel Islands	9	Guatemala	7
Chile	201	Guernsey	9

Table 89: Previous country of residence of people who were conferred in 2011–12 *continued*

Previous country of residence	Persons	Previous country of residence	Persons
Guinea	106	Lithuania	6
Guyana	2	Luxembourg	5
Haiti	1	Macedonia	226
Honduras	7	Malawi	50
Hungary	154	Malaysia	1 444
Iceland	6	Maldives	19
India	8 987	Mali	1
Indonesia	859	Malta	210
Iran	1 065	Marshall Islands, Republic of the	2
Iraq	779	Mauritius	331
Ireland	1 029	Mexico	112
Isle Of Man	7	Moldova	18
Israel	287	Mongolia	16
Italy	472	Montenegro	10
Jamaica	7	Morocco	27
Japan	193	Mozambique	12
Jersey	11	Namibia	26
Jordan	210	Nauru	4
Kazakhstan	26	Nepal	561
Kenya	549	Netherlands	359
Kiribati	3	Netherlands Antilles	3
Korea, Democratic People's Republic of	2	New Caledonia	20
Korea, Republic of	1 488	New Zealand	3 682
Kosovo	28	Nicaragua	2
Kuwait	48	Nigeria	158
Kyrgyzstan	9	Norway	17
Laos	36	Oman	48
Latvia	23	Pakistan	1 097
Lebanon	799	Palestinian Authority	34
Lesotho	5	Panama	1
Liberia	67	Papua New Guinea	142
Libya	8	Paraguay	3
Liechtenstein	2	Peru	204

Table 89: Previous country of residence of people who were conferred in 2011–12 *continued*

Previous country of residence	Persons
Philippines	5 068
Poland	268
Portugal	82
Qatar	57
Romania	168
Russia	471
Rwanda	13
Saint Lucia	3
Saint Vincent and the Grenadines	3
Samoa	17
Saudi Arabia	99
Senegal	15
Serbia	169
Serbia and Montenegro, Former	59
Seychelles	38
Sierra Leone	70
Singapore	1 016
Slovakia	61
Slovenia	48
Solomon Islands	21
Somalia	73
South Africa	4 154
Spain	124
Sri Lanka	1 583
Sudan	607
Swaziland	1
Sweden	250
Switzerland	176
Syria	204
Taiwan	446
Tajikistan	9
Tanzania	153

Previous country of residence	Persons
Thailand	1 375
Timor, East	27
Togo	14
Tonga	64
Trinidad And Tobago	21
Tunisia	5
Turkey	372
Turkmenistan	1
USSR	10
Uganda	175
Ukraine	170
United Arab Emirates	458
United Kingdom	16 428
United States	1 425
Uruguay	16
Uzbekistan	32
Vanuatu	17
Venezuela	90
Vietnam	1 903
Virgin Islands	5
West Bank	4
Yemen	7
Zambia	73
Zimbabwe	1 103
Not stated/other	2 188
Total	84 183

Appendix 6:

Third Annual Address on Immigration and Citizenship—transcript

Professor Fiona Wood AM
Old Parliament House
Museum of Australian Democracy
Canberra

Thursday 29 March 2012

Distinguished guests, ladies and gentlemen

Thank you very much indeed for such a kind introduction, and some of those aspects I will have to come back to. Thank you very much for inviting me here this evening, and certainly when I was asked to come along and deliver the third Annual Address on Immigration and Citizenship, my first thought was ‘am I an immigrant?’

Well, then I started looking—I thought I’d better do a little bit of homework, and one in four of us in Australia were born overseas, I saw on the website. Also on the website, it indicates that we are promoting a multicultural policy so that everybody has the opportunity to belong.

My story is one of belonging, where I can feel like I can be a proud Yorkshire lass, and an Australian, and the two are not incompatible at all. I feel to be in a position of extraordinary privilege, and as one famous Australian has said in the past—I think Facey was Australian, wasn’t he? He was a real one?—I’ve had a fortunate life, and so I’d like to share some of that with you tonight.

Australia Day in 2012 was an opportunity for me to travel in Western Australia with my youngest daughter, coerced into the car, to go from Perth, to Margaret River, Augusta, back to Margaret River and back, to give three speeches at citizenship ceremonies.

‘It’s not far, you’ll be right, why are you going in the morning?’ We’d had lots of other family commitments, and thought ‘oh, it’s alright, we’ll just get up early, we’ll be sweet, no problem at all.’ So she dragged herself out, and there we were, at our first citizenship ceremony. It was a really good time for me to reflect on what had happened to me when I took that oath.

That was actually at Australia House, before I left. I was solo, with my husband and friends in there, and it was clear I caused a little bit of consternation, being an Australian on my passport, but English on another passport when I actually arrived, because I’d been made an Australian actually in England, so it was all very complicated.



But it became more complicated when we were travelling with number three. He was very little, and so I just put him on my English one because it was easier. Then we went to New Zealand and we couldn't get him back in, they thought we had taken somebody else, because he was now overseas but an Australian born here. So I kind of got to know this system where there are no shortcuts, essentially.

So then I started thinking on Australia Day 2012 about the national anthem. It's one when every time I hear, I swallow hard. I thought. 'When did I really first hear that?' I heard it in Australia House that day, but it wasn't in Australia House that I first heard it; I heard it the day after I was married.

As you know, I'm married to a surgeon from Esperance. He was born in Norseman and then moved to Esperance and then Perth, and he said to me 'it's non-negotiable, you marry me, we live in Perth'. I'd known him three weeks, it was the best decision I've made in my life, I think. When it came to it, we eloped, and then went home to face the music. My father, mother, brothers and sister, and they said 'we'll stand him on that table, and if he can't sing *Waltzing Matilda*, he's an impostor'. He has a real aversion to *Waltzing Matilda*, so he said 'no, but I'll sing *Advance Australia Fair*'. So a true blue Aussie, and I think my parents looked at him and thought 'sounds reasonable'.

We were singing at each ceremony, and I felt very conscious that Evie, my youngest, was with me, and that I had to make her feel that she was included in all this. So my story developed around the national anthem, and around when I was asked 'when did you really know that you were Australian of the Year in 2005?'

My answer was when I heard that playing, and I'm looking down from Parliament House, and all those flags, and it still makes me swallow hard. But the best time I heard the national anthem, and I'm sure nobody will begrudge me this, was in November, in Birmingham in the UK in 2011. My 17-year-old won the under-19 world championship trampolining competition, the first Australian to win in an environment dominated by Eastern bloc and Chinese and Japanese kids.

She won the first gold medal that Australia had seen in that event in 19 years, since before she was born. When that flag went up and her face was on the big screen with the big bling around her neck; that brought a tear to my eye. I thought how amazing that our journey had come so far, that I can stand here and know all the words of every verse and lead 30 other athletes in singing that at the top of their lungs. Singing it louder than all the Russians did, they were getting bored with singing it. It was something that made me very proud to be Australian.

So what makes someone leave their country, what makes someone take that jump? I've told you why it was made for me, I guess. But what makes you do that—is it your personality, is it that you are able to seek adventure, you actually want to engage, that you want to see what the world has to offer. Or is it just luck of the draw? I guess it's a bit of everything and I guess it's also I felt very lucky, I'd felt that I'd kind of won Lotto, because I came to Perth.

I didn't have any comprehension of the complex nature of our society and the dynamics within it. Never crossed my mind as I woke up that first morning and I woke up my husband 'wake up, wake up, wake up!' and he asked what was the matter and I said 'it's a sunny day, we can't miss it'. He said 'you know, there'll be 360 more of them,' and I thought 'wow, where have I come?'.

Then as I grew, and went to work in my first hospital in Western Australia, it was the Charles Gairdner Hospital, all those years ago, 24 years ago. I walked down the corridor which is as wide as from the chairs here to there, carpeted, and I looked and said 'is this a public hospital?'. I'd come from the NHS, or fondly we all called it the forced labour camp. I was amazed. I had come from an environment where I hadn't understood that I was involved in health rationing.

This is a story I want to tell you now, because I will come back to it. I was there with my friend, a physician, and I was the surgical registrar, and I was looking at a lady who was 80. She was on dialysis and she had diabetes. I said to my friend 'what's she doing here?' and my friend said 'dialysis? I know you're a surgeon, but you know,' and I go 'yeah, yeah, yeah, I know, but, you know, she's 80'. And my friend's looking at me saying 'yes, and?' I was about to let it slide because I realised I'd said something really stupid, and she says 'why?' and I said that I'd just come from an environment if you're diabetic and over 60, you're not offered dialysis.

It was the first time I had any comprehension that I'd been involved in that environment where there were treatments that could prolong life, improve life, that were not being offered. It's not like that now, in that particular circumstance, as technologies improved and opportunities improved, but it really gave me food for thought. I remember thinking I didn't come here to be average. I see average every day and I think it's really sad.

I didn't come here to be average. I came here to practice medicine the very best I can, and in order to do that, I realised I had to engage. I had to engage globally to understand what was out there, such that if anybody was in front of me, I could offer them the very best that was available on this planet. Maybe in the future, in the galaxy, because I believe in aspirational dreams. I believe in dreaming.

So there I was, in my journey in health. We've engaged, I guess, in a lot of different things. I went through my training, and in December of 1990 I was the plastic surgery registrar. January 1991, I was the Director of the Burns Service of Western Australia.

There was only one applicant so the alternative would have been very embarrassing. I decided that was the area I wanted to specialise in, to focus on, to really understand how we could improve, and improve care, for every individual whose life had changed in an instant for whatever reason they were in front of me at that particular point in time.

I felt very fortunate, because I met people at every turn who were extraordinarily positive, extraordinarily helpful and supportive of me in my career, and of the system that I was trying to create. A multidisciplinary team involves a lot of different people working on one subject, all focused on that person's life at that particular point in time. So it requires a lot of energy, a lot of resources. I guess particularly I've made a positive and deliberate effort not to engage in the negative. I'd learnt that early on, I'd learnt that in my early days in medical school, when I couldn't keep my mouth shut, and I told everybody I wanted to be a surgeon. I was one of 12 girls in my year, and girls don't do that.

So by opening my mouth and putting my head above the parapet, I realised that two things happen. Some people support you and some people certainly don't. You can choose to engage in the negative or to engage in the positive, and for me it's a no-brainer. So all those people that are negative, I walk on by. It's given me energy, energy to keep going, to engage with those that are positive as we go forward.

So really when I heard the description of 2002, of the patients that had burns on up to 90 per cent of their bodies, not all, by any means, and not all survived. Three patients didn't survive, and one died within the first 24 hours. She was the most massively injured, and she was the first to be evacuated. The registrar in Bali was my registrar that had just gone on holiday the day before, communicating with us, had made sure that she was the first to come.

Afterwards we talked about why, because he knew in his heart that she couldn't survive. But she had the opportunity to die with her family, and you would be a hard man not to give her that opportunity. The next patient died at seven days, when we had tried everything we possibly could, but the effects of the blast injury were beyond salvage.

The third person died at 56 days, and that's a hard time. No time is easy, but by then, I've stood with her parents. They've told me they've lost their other child, the other twin, please don't lose her. We've worked hard, we've pulled out all the stops, we've looked internationally for anything that possibly can help, and we've come up empty-handed. And after three months, that's a hard road.

Yet, I remember those people, and I remember them well, because everything we learn means that we do better tomorrow. The first patient I treated with culture skin in 1990 as a registrar changed the lives of many, many people who came afterwards. It's only by learning, it's only by learning the hard lessons that we get better.

'I think' maybe takes a huge lateral jump. When I was thinking about coming here this evening, I was thinking about history. I was thinking about the conflicts that we learnt about in history in school, that we see on tv, that we see on SBS, on the History Channel. Why have we not been able to learn from that? Why have we not been able to learn from conflicts around religion, around diversity, such that we actually learn how to live together in a multicultural environment? Embracing diversity for what it is; an opportunity to be better. An opportunity to learn.

So for me, when 2005, actually at the end of 2004, a certain young man asked me a question about being Australian of the Year. It's a year that still amazes me; I still can't



believe it happened to me, I still don't really understand it, because it came from left field. I've been very goal driven, which probably is obvious. You go to school, you get exams, those exams that get you to the next stage, and so on. Australian of the Year, left field, there's nothing you can do or understand in that framework, that's not a linear framework.

I was asked what was it that I would like to share with Australia that year, and that's pertinent to my initial comment, to my initial story about health rationing. I believe I work in one of the best health systems, if not the best, in the world. In parts of it, there are pockets of excellence that really blow your socks off. There are people doing amazing things.

Could we be better? Absolutely. How are we going to be better? Well I've lived, as they say, a charmed existence, a very privileged journey, I believe. I've been supported in building a burns service, one that we strive to be excellent on a daily basis. We've seen how science can make a difference to an individual. How we can take a little piece of skin that isn't injured, and how the scientists can work their magic, and I'm just the practical one who puts it back on. We can change the way people scar. I've seen the power of basic science to individuals at the bedside. That is so special.

But as I stand back from that I think: 'Well, is that the way of the future?' If we want a health service of excellence, if we want a society of excellence, then we all have to understand we're in this together, and we have to take responsibility; responsibility for our health, our wellness and our education, and such that we can change the health budget. I'm sure a few people not far from here would be happy to hear that.

Since that time, since 2005, I've become passionate about prevention and first aid; because I know that you can change the health budget by 30 seconds of education. And you are going to get that 30 seconds of education right now. Every time I stand up I say this, even as I stand up to do the washing up the kids go 'oh, sit her down, she's going to give a speech'.

So, if you see a young child, a cup of coffee down the chest, at a coffee shop over the weekend, or whatever, you remove the clothes. If the skin comes with it was always going to. But you can reduce that injury by 80 per cent in that child's scold by cool, clean water, 15 to 18 degrees, and if you can pour it on that would be ideal, if you can't you just keep changing the serviettes, maybe at the table. You'll feel they get warm very quickly. You take the energy out of that and in 20 minutes you will reduce that by 80 per cent.

Now everybody in this room can change the health budget, because that child will then go, have dressings, heal, maybe require some protection for a short period of time. The alternative is requiring skin grafting, pressure garments, scar management, to the point which you require reconstructive surgery when you're 16 because you want to go to the school ball and wear a dress, same as your friends. The cost differential is one to 20, for a simple scald, which happen every day.

As I say, I could speak long on prevention, I could speak long on education. But it's a small example of how a small aspect of information, of knowledge, can change lives. You'll change the child's life; you'll change certainly the parents' lives, as often I say to the teenagers 'you don't remember this, but your mother will never forget.' So we are in a position of extraordinary privilege. It isn't equally distributed; we've got work to do.

We have one in four of us born overseas, certainly that's something we should be proud of. We see people achieving in all different walks of life, from all different areas; that's something we should be proud of. In an environment, again from the website, where over 260 languages are spoken in this country, and I have to confess it's not me. I do Yorkshire and English. From 270 ancestries, that is something to be extraordinarily proud of. You know, how do we then translate that, how do we actually think about our diversity and make it our strength, and lead the world?

As I said, I'm a dreamer. When I talk about burns I talk about *Star Wars*, that science fiction, 'maybe one day.' When the stormtroopers blow Luke Skywalker away, they put him in a Bacta tank and he regenerates, just as handsome as before. I just want a Bacta tank, you see. All our research, all our energies in that particular field, is moving, is inching, slowly towards that.

But we'll never get there unless we have aspirational dreams. We'll never have a society dependant upon the integrity of each and every one of us, rather than the elite elect of a few, unless we dream. Unless we understand what opportunity diversity brings to the table, and actually make the choice. With every choice we make as an individual, it has an impact on our society. We can choose exactly which way we go. Are we going to make a choice that we can lead the world, and give them an example of how people can live together? Or not?

I'm going to leave you with words from Lieutenant General John Sanderson. He welcomed me home on the day after Australia Day in 2005. I'd seen him, and I'd heard him speak, and I thought he was an amazing person. Some of the things he said really resonated with me, and there I was, meeting him, in his house. It's a really nice house, Government House in Perth. There I was, with all the kids looking like they're stunned mullets, because they couldn't quite work out what had happened to us.

That journey I've had has been fantastic, because I've met all sorts of amazing people. Inspirational people, and he is one of them. I've also met a lot of ordinary people with great good news stories. So, in his words, it is a complex and chaotic world. But it is laden with opportunity to build something better. It is only through cooperation and trust that this can be done. That is what our dialogues should be about.

He said that when he was talking about the Australian Constitution being drafted in the 1890s, and whether it was still relevant today, or how we had to engage in dialogue, such that we could make it relevant today. I'm sure you'd agree with me, inspirational words from an inspirational individual. As I said, I've met many of them, and that is a privilege, something that I hold dear. I've also met many inspirational patients, who have recovered from inconceivable injuries, to embrace life. I hold that dear.

But what I would like you to really take from me tonight is for me, Australia is one good news story. I am the world's greatest optimist, self-confessed, and I've had a charmed run. More of us could have, if we look at everybody, and see the uniqueness in them. I've said many times that I'm a great believer in that everybody is unique and special. Everybody has a gift to give. Unfortunately, all too often, they get to the end of their life without realising it. As a surgeon, I've spent a lot of time working on how to operate. If I don't do that, it's a waste. It's a waste of everybody's energy in me, of the training and the support in me, and so I'm driven to always to do better to justify the support, because with recognition comes responsibility.

But I'd also like to tell you that I've seen a lot of people with good news stories that we need to share. We need to look for what's unique and special in each and every one of us. In particular we need to offer that hand of friendship and support to make sure that those around us realise their potential.

As I grow older, and I see those that I teach, think 'gosh, I'd like to live in *The Matrix*'. Obviously I'm a science-fiction movie person, because then I could just do the plug-in business, 'here you go, take it.' Throw out what's rubbish, take the good bits, and build. Make sure that we learn from today to make sure tomorrow is better for all of us.

Thank you very much indeed.

Appendix 7: DIAC Australia Day 2012— award recipients

Public Service Medal and Officer of the Order of Australia

Name	Citation
Andrew Metcalfe AO Secretary, Department of Immigration and Citizenship	For distinguished service to public sector leadership through contributions to Australia's international relations and to major public policy development and program implementation in the areas of immigration, Australian citizenship, cultural diversity and national security, and to the community.
Martin Bowles PSM Acting Secretary, Department of Immigration and Citizenship	For outstanding public service in delivering highly successful energy efficiency policies and remediation programs for the home insulation and green loans programs.
Kate Pope PSM First Assistant Secretary, Community Programs and Child Division	For outstanding public service in delivering the government's commitments in relation to expanding community detention arrangements for asylum seekers.
Rocio Trapaga-Saul PSM Global Manager, Compliance and Case Resolution East and North	For outstanding public service in the operational delivery of compliance and case resolution services for all relevant Department of Immigration and Citizenship clients in the east and north of the country.

Medallion recipients—individuals

Category	Name
Excellence in leadership	James Larsen, Department of Foreign Affairs and Trade
	Justin Vavrina, Border Security Division
	Matt Moroney, Governance and Legal Division
	Peter Hughes, PSM, previously Deputy Secretary, Policy and Program Management Group
	Rebecca O’Riley, Refugee, Borders and Onshore Services Division
	Sonya Louise Boylan, South Asia Region
	Vicki Parker, Border Security, Refugee and International Division
Exemplifying the department’s values	Kelly Williamson, Borders and Onshore Services Division
	Mazz Irwin, Compliance and Case Resolution Division
Innovation in advancing our strategic themes	Steve Meerwald, Financial Strategy and Services Division
Excellence in client service	Kerrie Rutherford, Technology Service Division
	Susan Jones, Governance and Legal Division
Building community and stakeholder confidence	Bill Pettitt, Risk, Fraud and Integrity Division

Secretary citation recipients—teams

Category	Name
Excellence in leadership	Health and Safety Section, Detention Infrastructure and Services Division
Exemplifying the department's values	Community Detention Health team
	Japan team, Visa and Offshore Services Division
	Middle East Region team: • Visa and Offshore Services Division • Compliance and Case Resolution Division • Risk Fraud and Integrity Division
	New Zealand team, Visa and Offshore Services Division
	Statistics Management Unit, Migration and Visa Policy Division
	Visa Pricing Transformation team, Client Strategy and Performance Division

Secretary citation recipients—teams *continued*

Category	Name
Innovation in advancing our strategic themes	AMEP Tender team, Citizenship Settlement and Multicultural Affairs Division AMEP Section, Financial Strategy and Service Division
	Entry Assessments (Adobe Integration) Project team, Compliance and Case Resolution Division
	Facial Image Comparison Unit, Business Services Group
	Health Strategies and Coordination Section, Migration Visa Policy
	Migration Integrity Officer Network, Visa and Offshore Services Division
	Offshore Initiatives Implementation team, Immigration Detention Services Group
	Ethics Project team, Office of the Migration Agents Registration Authority
	Regional Cooperation Branch, Border Security, Refugee and International Division
	Risk Management and Fraud Section, Risk Fraud and Integrity Division
Excellence in client service	WA Compliance Field Team, Global Manager Compliance and Case Resolution South and West
	CHOGM 2011: • Governance and Legal Division • Visa and Offshore Services Division • Migration and Visa Policy Division • Risk, Fraud and Integrity Division
	Information Collection Unit, Global Manager Client Service

Secretary citation recipients—teams *continued*

Category	Name
Excellence in client service	Operational Integrity Reporting Tasmania, Visa and Offshore Services Division
	Shanghai Post, East Asia region
Building community and stakeholder confidence	Community Detention Branch
	Detention census
	2011 Enterprise Agreement team, People Strategy and Services Division
	Knight Review Secretariat team, Migration Visa Policy Division

Greg Gore-Johnson Award recipient

Category	Name
Greg Gore-Johnson Award	Robyn Doyle, Technology Service Division

Secretary’s Leadership Challenge

Winner
Cassandra Ireland
Highly Commended
Matthew Filippi
Zeb Chohan
Ben Neal
Ann Marie Tarry
Linda Thomson
Emily Brooks

Award for Client Service Excellence 2011

Quarter	Name
March	Sam Harris, Ministerial Contact Officer, Parramatta
	Hasan Sowaid, Kym Maguire, Sue Masullo, Rebecca O'Riley, Benjamin Stoneley, Jennifer Wood and Fiona Andrew—Compliance Case and Resolution team, Christmas Island
June	Nader Yeganah, Senior Status Resolution Officer, Brisbane
September	Mona Fang, Case Officer, Sydney
	Naviel Aranzamandez, Assistant Manager Visa Cancellations, Sydney
December	Svetlana McNeil, Industry Outreach Officer NSW

Secretary's Client Service Challenge 2011

Winners
New Delhi Students team
National Integrity and Analysis Service
Community Detention
Highly Commended
Cabinet Liaison Officer team
Northern Territory School Liaison team

Appendix 8: Correction of material errors

The following errors were detected after the publication of the *Annual Report 2010–11*.

Page 248

Figures relating to the usage of the free translating service were incorrectly reported as 8408 clients utilising the service in 2010–11 compared to 10 015 clients in 2009–10. This information should read: 6553 free translating service applications were received in 2010–11 for a total of 8649 documents. This compares to 2009–10 when 7520 free translating service applications were received for a total of 10 072 documents.

Page 398

The column heading titles in the table on this page were incorrect. This mistakenly increased the expenses listed by \$'000. The correct table is:

Note 27: Compensation and debt relief

Compensation and debt relief—Departmental (FMA Act only)

	2011	2010
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 *Financial Management and Accountability Act 1997*. (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: Sixty eight 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 *Public Service Act 1999* (PS Act) during the reporting period. (2010: One payment).

2 580	100 000

Compensation and Debt Relief—Administered (FMA Act only)

	2011	2010
Two 'Act of Grace' expenses were incurred during the reporting period (2010: Eighteen expenses).	\$	\$

14 785	135 994

Note 27: Compensation and Debt Relief *continue*

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)

- 1 077

Uddin affected cases

- 73 949

Other

- 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).

- -

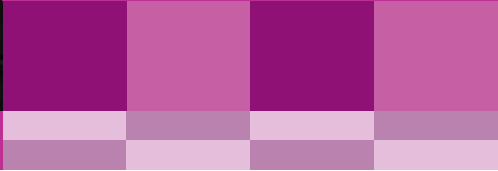
A portrait of a man with short dark hair, smiling, wearing a dark suit, a light-colored striped shirt, and a dark tie. The background is a blurred office setting. The entire page is framed by a thick magenta border.

Part 7

Reference material

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Photo: Jeremy works in the Risk, Fraud and Integrity Division and is a Reconciliation ambassador.

A decorative grid of colored squares in various shades of purple and magenta, located at the bottom right of the page.

Abbreviations and acronyms

A/g	Acting	APP	Advance passenger processing
AAT	Administrative Appeals Tribunal	APS	Australian Public Service
ACSE	Award for client service excellence	ATCR/ WGR	Annual Tripartite Consultations on Resettlement/Working Group on Resettlement
ADS	Approved destination status	AUSCO	Australian cultural orientation
AFL	Australian Football League	AVAC	Australia Visa Application Centres
AFP	Australian Federal Police	AVR	Assisted voluntary return
AGD	Attorney-General's Department	BCAMP	Border control agency management program
AGIMO	Australian Government Information Management Office	BDC	Belconnen Data Centre
AHRC	Australian Human Rights Commission	BIO	Border intelligence officer
ALO	Airline liaison officer	BVE	Bridging E visa
AM	Member of the Order of Australia	CAC	Commonwealth Authorities and Companies
AMC	Australian Multicultural Council	CAS	Community assistance support
AMEP	Adult migrant English program	CCMDS	Compliance, case management, detention and settlement
ANAO	Australian National Audit Office	CCS	Complex case support
AO	Order of Australia	CDC	Canberra data centre
APEC	Asia-Pacific Economic Cooperation	CEI	Chief Executive Instruction
APOD	Alternative place of detention	CERS	Certificate of evidence of resident status

CHOGM	Commonwealth Heads of Government Meeting	DFAT	Department of Foreign Affairs and Trade
CIC	Citizenship and Immigration Canada	DHC	Departure health check
CISSR	Council for Immigration Services and Status Resolution	DIAC	Department of Immigration and Citizenship
		DoA	Deed of Agreement
CMAL	Central movement alert list	DoFD	Department of Finance and Deregulation
CPD	Continuing professional development	DPP	Displaced persons program
CPG	Commonwealth procurement guidelines	DRDM	Detention related decision making
CQAF	Compliance quality assurance framework	DSCP	Diversity and social cohesion program
CSAM	Continuous Survey of Australian Migrants	EA	Enterprise agreement
CSOL	Consolidated sponsored occupation list	EAP	Employee assistance program
CSRS	Community status resolution service	EC	Executive Committee
CSWE	Certificates in spoken and written English	ELICOS	English language intensive course for overseas students
DAC	Departmental Audit Committee	EMA	Enterprise migration agreement
DDSN	DIAC Disability Support Network	EMS	Environmental management system
DEEWR	Department of Education, Employment and Workplace Relations	ENS	Employer nomination scheme
DeHAG	Detention Health Advisory Group	ENSOL	Employer nomination scheme skilled occupation list
DESC	Documentary Evidence Security Committee	ESL	English as a second language

ETA	Electronic travel authority	IMA	Irregular maritime arrivals
FCC	Five Country Conference	IMR	Independent merits review
FECCA	Federation of Ethnic Communities' Councils of Australia	IMtel	Immigration Intelligence Repository
FMCA	Federal Magistrates Court of Australia	IOM	International Organization for Migration
FOI	Freedom of Information	IPA	Independent Protection Assessment
GLS	Green lease schedule	IPAO	Independent Protection Assessment Office
GVP	Generic visa portal	IPS	Informaiton publication scheme
HC	High Court	IRA	Individual reintegration assistance
HSMA	Health and safety management arrangements	IRH	Immigration residential housing
HSS	Humanitarian settlement services	ISS	Immigration status service
IAAAS	Immigration advice and application assistance scheme	ITA	Immigration transit accommodation
ICCPR	International Covenant on Civil and Political Rights	KPI	Key performance indicator
ICT	Information and communication technology	LA	Labour agreement
IDC	Immigration detention centre	LEE	Locally engaged employee
IDF	Immigration detention facility	LTPF	Long term migration planning framework
IFA	Individual flexibility arrangement	LWB	Life Without Barriers
IIRHWG	Intergovernmental Immigration and Refugee Health Working Group	MAFG	Multicultural arts and festival grants
		MARA	Migration Agents Registration Authority

MCASD	Minister's Council on Asylum Seekers and Detention	NGO	Non-government organisation
MCIMA	Ministerial Council on Immigration and Multicultural Affairs	NRL	National Rugby League
MCIIP	Management and care of intercepted irregular migrants project	OAIC	Office of the Australian Information Commissioner
MIAC	Minister for Immigration and Citizenship	OECD	Organisation for Economic Cooperation and Development
MMO	Movement monitoring officer	OHS	Occupational health and safety
MoU	Memorandum of Understanding	PAM	Procedures advice manual
MP	Member of Parliament	PAS	Preferred Aussie specialist
MRT	Migration Review Tribunal	PIC	Public interest criterion
MYAN	Multicultural Youth Advocacy Network	POD	Protection Obligations Determination
NAATI	National Accreditation Authority for Translators and Interpreters	PSM	Public Service Medal
NABERS	National Australian Built Environment Energy Ratings Standards	QA	Quality assurance
NADC	National Australia Day Council	RAC	Research Advisory Committee
NAFIS	National automated fingerprint identification system	RCB	Regional certifying body
NBN	National Broadband Network	RCoA	Refugee Council of Australia
NEAS	National English language training accreditation scheme	RFID	Risk, Fraud and Integrity Division
		RILON	Regional Immigration Liaison Network
		RMA	Regional migration agreements
		RMAS	Regional movement alert system
		RRAC	Refugee Resettlement Advisory Council

RRT	Refugee Review Tribunal	UHMs	Unaccompanied humanitarian minor
RSMS	Regional sponsored migration scheme	UNHCR	United Nations High Commissioner for Refugees
SCoA	Settlement Council of Australia	VET	Vocational education and training
SES	Senior executive service	VEVO	Visa entitlement verification online
SGP	Settlement grants program	VIAT	Vulnerability identification and assessment tool
SHP	Special humanitarian program	VIDC	Villawood Immigration Detention Centre
SIEV	Suspected illegal entry vessel	WCU	War Crimes Unit
SLA	Service level agreement	WHS	Work health and safety
SLPET	Settlement language pathways to employment and training		
SOL	Skilled occupation list		
SONA	Settlement outcome of new arrivals study		
SPP	Special preparatory program		
SRF	Settlement reporting facility		
SWP	Seasonal worker program		
TB	Tuberculosis		
TIS	Translating and Interpreting Service		
TSU	Tactical Support Unit		
TVAG	Tourism Visas Advisory Group		
UAM	Unaccompanied minors		

Glossary

7

Reference material

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 worker 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.
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 the Department of Industry, Innovation, Science, Research and Tertiary Education.
Community detention	An alternative term for 'residence determination' which allows a person who is required or permitted to be taken into immigration detention, or who is in immigration detention, to reside in the community at a specified address and in accordance with certain conditions, instead of being detained at a place of immigration detention. Under the Migration Act, the Minister for Immigration and Citizenship has a non-compellable, non-delegable power to make, vary or revoke a residence determination if he thinks it is in the public interest to do so.
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 counselled.
Fraud Public Interest Criterion (PIC 4020)	Applies to certain skilled migration visa subclasses and all student 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.

Term	Definition
Immigration (Guardianship of Children) Act 1946	This legislation provides that the Minister for Immigration and Citizenship is the legal guardian of certain non-citizen minors who arrive in Australia unaccompanied by a parent or relative at least 21 years of age, and who intend to permanently reside.
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 Australian 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.
Non-refoulement	An obligation under international refugee treaties deriving from Article 33(1) of the 1951 Convention Relating to the Status of Refugees which provides: 'No Contracting State shall expel or return ('refouler') a refugee in any manner whatsoever to the frontiers of territories where his [or her] life or freedom would be threatened on account of his [or her] race, religion, nationality, membership of a particular social group or political opinion'.
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 labour force from the Pacific and the benefit to Pacific island country partners of remittances and skills transfer.

Term	Definition
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.
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.
Primary visa applicant	The person who must satisfy the primary criteria for the grant of a visa under the migration regulations.
Priority processing direction	The order in which the department considers permanent skilled migration applications.
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.
Resolution of Status visas	Subclass 851 permanent visas for which current and former Temporary Protection visa holders or Temporary Humanitarian visa holders, who have already been determined to be refugees and who have met health, character and security requirements, are eligible to apply.
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.

Term	Definition
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 occupation list (SOL)	Lists eligible occupations for migration under the points-tested skilled migration visa categories.
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.
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.
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, commencing on 1 July 2012.
Special eligibility stream	A subset of the Migration Program which provides for the migration of former residents of 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 positions 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. Some other visas in this category also support social and cultural events and promote knowledge exchange.

Term	Definition
Temporary resident (non-economic) visas	A subset of temporary visas that allows people to come to Australia for a variety of 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 that benefit 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.
Unaccompanied humanitarian minor	An unaccompanied minor for whom the Minister of Immigration and Citizenship is guardian who is granted a permanent humanitarian visa, such as a Protection visa.
Unaccompanied minor	A child who has been separated from his or her parents and other relatives and is not being cared for by an adult who is at least 21 years of age and who, by law or custom, is responsible for doing so. Certain unaccompanied minors fall under the guardianship of the Minister for Immigration and Citizenship by operation of the <i>Immigration (Guardianship of Children) Act 1946 (IGOC Act)</i> . The minister remains the guardian of an unaccompanied minor under the IGOC Act until the minor turns 18 years of age, leaves Australia permanently, becomes an Australian citizen, or the minister directs that the ward will not be covered by the IGOC Act. This may occur, for example, when the child is adopted or a relative over the age of 21 years takes responsibility for them.
Woman at Risk visa	The subclass 204 visa is for female applicants and their dependants who are subject to persecution or are people of concern to UNHCR, are living outside their home country without the protection of a male relative and are in danger of victimisation, harassment or serious abuse because of their gender. This subclass recognises the priority given by UNHCR to the protection of refugee women who are in particularly vulnerable situations.
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.

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