Australian Government

Department of Immigration and Citizenship

ANNUAL REPORT

people our business

2012-13

2012-13

Contact us

SECRETARY

24 September 2013

The Hon Scott Morrison MP
Minister for Immigration and Border Protection
Parliament House
Canberra ACT 2600

Dear Minister

Annual Report for 2012–13

I am pleased to present the *Department of Immigration and Citizenship Annual Report 2012–13* as required by subsection 63(1) of the *Public Service Act 1999* ("the Act").

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 Act.

In accordance with the *Commonwealth Fraud Control Guidelines 2011*, I certify that I am satisfied that the department has:

- prepared fraud risk assessments and fraud control plans
- in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes that meet the department's specific needs
- taken all reasonable measures to minimise the incidence of fraud in the department, and to investigate and recover the proceeds of fraud against the department.

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

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Reader's guide

The Department of Immigration and Citizenship's *Annual Report 2012–13* 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 24 June 2013.

This year's annual report has been prepared to inform parliament about the department's performance in relation to its services in 2012–13.

The report is available in hard copy and online at www.immi.gov.au/about/reports/annual/2012–13.

The report is divided into seven parts.

Part 1: Secretary's review

A snapshot of the year's activities together with Secretary Martin Bowles's review.

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 2012–13* and the *Portfolio Additional Estimates Statements 2012–13*.

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 workplace 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 and a list of departmental Australia Day award recipients.

Part 7: Reference material

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

Accompanying video material is available on the annual report website wherever you see this symbol.

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Part 1

Secretary's review

Photo: Kap celebrates the contributions of refugees in Brisbane.

The year at a glance

Table 1: Snapshot of activity in 2012–13

Migration and temporary entry	
Total permanent and temporary visas granted	4 691 476
Total temporary visas granted	4 478 858
Total visitor visas granted[1]	3 753 819
Electronic Travel Authority grants	2 079 642
Working Holiday and Work and Holiday visas granted	258 248
Student visas granted (includes student guardians)	260 303
Temporary residents (other) visas granted	80 140
Temporary skilled migration visas granted (subclass 457)[2]	126 350
Family stream outcome	60 185
Skill stream outcome	128 973
Special eligibility	842
Total Migration Program outcome[3]	190 000
New Zealand citizens granted permanent visas	2 599
Revenue generated by visa applications	$1 163.1 million
Refugee and humanitarian entry	
Humanitarian Program visas granted	20 019
Border security	
Passenger and crew arrivals and departures	33.16 million
Immigration clearances refused at airports	2 306
Immigration clearances refused at seaports	22
Irregular maritime arrivals intercepted (excluding crew)	25 091
Compliance	
Percentage of temporary entrants and permanent visa holders who complied with their visa conditions	>99%
Unlawful non-citizens located	15 077
Notices issued to employers of illegal workers	302
Removals and assisted departures	13 486
Detention[4]	
Foreign fishers taken into immigration detention	53
Foreign fishers in immigration detention on 30 June 2013	0
Visa overstayers or people who breached visa conditions taken into immigration detention	2 813

Table 1: Snapshot of activity in 2012–13 *continued*

Detention	
Visa overstayers or people who breached visa conditions in immigration detention on 30 June 2013	459
Irregular maritime arrivals taken into immigration detention (including crew)	25 724
Irregular maritime arrivals in immigration detention on 30 June 2013	11 402
Total number of people taken into immigration detention	30 895
Total number of people released or removed from immigration detention	25 907
Total number of people in immigration detention on 30 June 2013	12 027
Settlement	
Refugees who arrived and received help through humanitarian settlement services	15 827
Grants to community based organisations under the settlement grants program	216
Citizenship	
Number of people conferred Australian citizenship at ceremonies	123 438
People approved as Australian citizens by conferral, descent and resumption	156 371
Presented telephone calls to citizenship information line	432 040
Multicultural affairs	
Event registrations for Harmony Day	5 006
Multicultural affairs grants to community organisations to build social cohesion	93
Client contact	
Presented telephone calls to service centres (general enquiries and citizenship information lines)	2 580 846
Presented telephone interpreting calls	1 432 826
Litigation	
Administrative law matters resolved in courts and the Administrative Appeals Tribunal	2 336
Percentage in favour of minister (that proceeded to defended hearings in court)	92%
Staff	
Australia-based staff	9 133
Overseas staff (locally engaged employees)	1 106
Total staff as at 30 June 2013	10 239

1. Includes onshore grants.

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

3. 4000 places allocated under Expert Panel Partner are reported separately (refer to Program 1.1 Overview).

4. Figures reflect changes in data entry processes and data quality management throughout the year.

Secretary's review

Introduction

The past year has been one of unprecedented change. The department has dealt with often unpredictable challenges in supporting the government to shape the nation through managing permanent and temporary movements of people in and out of Australia, and in delivering settlement and citizenship programs. To give an idea of the scope of our work, this year alone Australia had more than 30 million cross-border movements by students, tourists and temporary migrants, as well as permanent residents and Australian citizens.

At the same time we responded with speed and flexibility to rapidly changing global circumstances—economic conditions, conflict and civil unrest—that influenced the movement of millions of people around the world.

Through all of this, we have recognised that each interaction with a client is an interaction with the life of an individual or a family, each with aspirations that we are committed to dealing with fairly and professionally.

Migration is a central pillar of Australia's past and future. It is also a source of robust national debate. It is important and entirely appropriate that Australia continues to be fully engaged in a national conversation about migration as we progress through the 21st century.

Whether they are new migrants wishing to become citizens, families arriving for holidays, overseas business owners seeking assistance to set up new ventures in Australia, or international students preparing to study here, most clients will join the millions of citizens and visitors who cross our borders lawfully each year, enriching the nation in the process.

In conducting our business throughout the past year to 30 June 2013, we provided support to the previous Ministers for Immigration and Citizenship, the Hon Chris Bowen MP and the Hon Brendan O'Connor MP. Throughout the year, we also provided support to the Minister for Multicultural Affairs, Senator the Hon Kate Lundy, as well as Senator the Hon Matt Thistlethwaite who, in March, was appointed Parliamentary Secretary for Multicultural Affairs.

Optimising program and policy outcomes

While we have dealt with a challenging and unpredictable operational environment over the past year, the department has also been instrumental in shaping the future of a prosperous, inclusive Australia.

The department contributes to a cohesive, multicultural Australian society through promotion of cultural diversity and a unifying citizenship, and plays a significant role in building Australia's future through managed migration. Resettlement of some of the world's most vulnerable refugees is provided through the department's refugee resettlement program, and our international engagement strategy provides a framework for cooperation across the region and beyond.

2012–13 Migration Program

The total outcome for the 2012–13 Migration Program was 190 000 places. This is 5000 places higher than the 2011–12 Migration Program. The delivery of such a large Migration Program equal to the planning level has been achieved through strong program management and implementation of our innovative, best practice skilled migration selection system, SkillSelect. Introduced on 1 July 2012, SkillSelect has delivered around 38 per cent of the general skilled migration component of the skill stream. The 2012–13 skill stream outcome of 128 973 places accounted for 67.9 per cent of the total Migration Program. The skill stream also delivered a record number of targeted migrants under the demand-driven employer-sponsored category with an outcome of 47 740 places. It represented 37 per cent of the skill stream outcome. Family stream migration enabled 60 185 people to migrate to Australia for reunion with family members. This represents 31.7 per cent of the total Migration Program.

2012–13 Humanitarian Program

The 2012–13 Humanitarian Program was the largest in nearly 30 years with 20 019 visas granted. Of these visas, 12 515 were granted offshore and 7504 onshore. Of these offshore visas, 12 012 were for refugees, which was nearly double that of the previous year, and 503 were for people in humanitarian need proposed under the Special Humanitarian Program.

Under the 2012–13 Humanitarian Program, Australia worked closely with the United Nations High Commissioner for Refugees (UNHCR) and other agencies to resettle refugees from around the world. The top five countries were Iraq, Afghanistan, Myanmar, Bhutan and the Democratic Republic of the Congo.

In the onshore component 4949 visas were granted to people who arrived as IMAs[1] and 2555 were granted to people who arrived with visas and subsequently sought protection in Australia.

Another significant milestone in the 2012–13 Humanitarian Program was the launch by the minister of the community proposal pilot. The pilot provides up to 500 visa places under the Humanitarian Program for individuals and families in humanitarian situations outside Australia who have links with established communities and networks in Australia. On 23 March 2013 the department issued its first ImmiCards to Bridging E visa and Protection visa holders—a more secure document that replaced the visa evidence card. The introduction of the ImmiCard is the culmination of a two-year project that streamlines processes across the department and eliminates visa evidencing for these clients.

1. The term irregular maritime arrival (IMA) has been used throughout this report to describe a person who entered Australia by boat, without a valid visa, at an excised offshore place or any other place (for example, mainland Australia). IMA is not a term that is defined in the *Migration Act 1958*. The term unauthorised maritime arrival was inserted into the Act with effect from 1 June 2013 and will be the terminology used in future annual reports.

Temporary movements

Temporary movements of people into Australia contribute to the nation's social, cultural and economic capital.

In recognition of this, the business innovation and investment program was introduced on 1 July 2012 and aims to benefit the Australian economy by increasing the entrepreneurial and innovative talent entering Australia.

The Significant Investor visa was introduced on 24 November 2012 to attract foreign investment by high net worth individuals who must invest at least $5 million in certain investments in Australia and can become eligible for a permanent visa after holding a provisional visa and maintaining their investment in Australia for four years.

The Temporary Work (Skilled) subclass 457 visa program has been growing at a record rate. While most employers are using the subclass 457 visa program appropriately, certain employers are sourcing their skilled labour needs from offshore without regard to the availability of labour locally. In February 2013, the minister announced reforms to the subclass 457 visa program, introduced from 1 July 2013 that strengthen the department's capacity to prevent misuse.

The department continued to implement the 41 reforms arising from the government's response to the Hon Michael Knight AO's *Strategic review of the student visa program 2011* (the Knight Review) and we are working closely with universities to further streamline student visa processing.

The visa simplification and deregulation project was established, recognising that many clients find the visa framework complex to understand and to navigate. At the start of the project in 2009, Australia had 149 different visa subclasses, many of which contained similar provisions, eligibilities and entitlements. By July 2013, the department had reduced the number of visa subclasses to 99.

Settlement

This year, a record number of humanitarian clients were referred for assistance under the humanitarian settlement services (HSS) program. In 2012–13, there were 15 827 arrivals who went into the HSS program. The high number of arrivals in the HSS program is related to the increased number of places in Australia's Humanitarian Program and in line with the recommendations of the Expert Panel on Asylum Seekers in their August 2012 report. Clients continue to come from a range of backgrounds, but all share a common trait in having fled difficult circumstances, often displaced outside of their homelands, and many have endured long stays in refugee camps.

Most clients are young, with the majority in their 20s and 30s. Relatively smaller numbers are in older and younger age groups.

HSS clients have enthusiastically taken up the onshore orientation program which has been a feature of the HSS program since 2011. The orientation program teaches clients about Australia's laws and values, among other subjects. Many of these clients also take advantage of the department's other settlement programs, such as the settlement grants program (SGP) and the adult migrant English program (AMEP), as they continue their settlement journey. As a result of these effective settlement services, and their own determination to rebuild their lives in a safe and welcoming environment, many clients are already making valuable contributions to Australian society. I refer readers to our close-up studies, where we proudly showcase some of the wonderful success stories.

Citizenship

Interest in Australian citizenship has continued to be high. This year was the second successive year of sustained growth in applications, and saw the 500 000th citizenship test administered since its introduction.

A record number of 17 059 people became Australian citizens on Australia Day 2013.

I attended Australia Day celebrations in the National Capital and witnessed the world-renowned British actor Miriam Margolyes OBE make the pledge at a ceremony co-hosted by the department and the National Australia Day Council. As I watched the ceremony, I reflected on the millions of journeys and border crossings that culminated at ceremonies such as this throughout Australia each year.

Multicultural affairs

Harmony Day was celebrated in 2013 with the theme *Many stories—one Australia*, showcasing diverse migration and cultural stories at more than 5000 events nationwide. The department and SBS collaborated on the *Tell Us Your Harmony Stories* website and competition, encouraging the public to share their tales of living in a diverse community.

Our support for multicultural affairs was further enhanced when the government announced its support for all 20 recommendations in the report *Access and equity for a multicultural Australia*, presented by the Access and Equity Inquiry Panel chaired by Peter Hughes PSM, and that the government would take a leadership role in ensuring the needs of Australians from culturally and linguistically diverse backgrounds are being adequately met.

The department is leading this body of work to ensure all Australian Government departments and agencies develop and implement two-yearly agency multicultural plans from 1 July 2013.

Office of the Migration Agents Registration Authority

During 2012–13, the Office of the Migration Agents Registration Authority worked closely with its advisory board and stakeholders to protect consumers and improve standards within the migration advice profession. Professional development for migration agents is being improved and support and guidance materials for agents have been increased. Enhanced client service initiatives have resulted in a simplified online registration process and more flexible payment options. Following a review, a streamlined approach to complaints handling has been introduced to improve professional standards and consumer protection. This has resulted in shorter timeframes for resolving complaints and a substantial reduction of outstanding complaint numbers.

Enhancing compliance, border control and program integrity

Irregular migration remains a global issue. However, our compliance, border control and other activities mitigate risks to national security, the Australian community and the integrity of the Migration Program.

Compliance

Overall compliance with Australia's immigration system remains very high, with more than 99 per cent of the more than 5.1 million temporary entrants during the year complying with their visa term. The department promotes voluntary compliance, reserving firm enforcement measures for those who refuse to comply. The department conducted 15 077 locations of unlawful non-citizens in 2012–13.

The government announced reforms to the current sanctions for businesses that allow or refer non-citizens to work in Australia without the required permission. Infringement notices and civil penalties supplement existing criminal sanctions and include statutory safeguards for employers who undertake appropriate work entitlement checks.

Compliance status resolution program

The compliance status resolution program helps clients resolve their immigration status in a timely and appropriate manner. It encourages high levels of voluntary engagement with the department, increases the number of cases resolved, and reduces the entrenched case load of clients holding a Bridging E visa for more than five years.

The benefits of the department's status resolution approach are reflected in 3505 clients having their status resolved through the grant of substantive visas in 2012–13. In the same year there were 7815 departures of community-based compliance clients.

Risk, fraud and integrity

In 2012–13, the department developed a policy to strengthen identity management when processing visa and citizenship applications. It is broadening information sharing, such as biometric exchanges with key Australian agencies and other members of the Five Country Conference (FCC)—New Zealand, United Kingdom, United States of America and Canada—as well as capacity-building work on biometrics with other international stakeholders. This year the department deployed the border risk identification system (BRIS)—advanced risk analytics to assess the risk of each traveller seeking entry to Australia. These targeting tools deliver greater convenience for genuine travellers, more efficient use of staff time and resources, and reduced costs associated with the consequences of fraud.

Border security

At this time of increasing volumes and complexities of travellers, the lawful movement of people across Australia's borders is central to the department's work as well as deterring or preventing those likely to threaten the national interest.

In 2012–13, there were approximately 33.16 million movements across Australia's borders. This was an increase of 4.84 per cent from the 31.63 million movements in 2011–12. By 2020, it is estimated there will be approximately 50 million movements each year. Travel rates within the Asia-Pacific region continue to rise faster than in any other region.

Irregular maritime arrivals

Australia received more than 5000 Sri Lankan IMAs between July and December 2012. This sudden and dramatic rise did not reflect Sri Lankan asylum seeker movements internationally, which had been fairly constant between 2010 and 2012. It was also counter-intuitive as country circumstances in Sri Lanka had been improving. Initial interviews with Sri Lankan IMAs at the beginning of this surge suggested that a significant proportion of the cohort was coming to Australia for economic reasons.

This unprecedented increase in arrivals demanded a specific response, because of the life-threatening risks to people taking hazardous sea journeys to Australia. The department committed to assessing quickly through its enhanced screening process the nature of claims made by Sri Lankan IMAs in a manner consistent with Australia's non-*refoulement* obligations.

Since the enhanced screening process commenced on 27 October 2012 to 30 June 2013, 748 Sri Lankans were involuntarily removed from Australia and a further 23 chose to return to Sri Lanka voluntarily. A further 1729 Sri Lankans subject to enhanced screening remained in Australia for further processing.

Expert Panel on Asylum Seekers

The government commissioned an expert panel to provide advice on policy options to prevent asylum seekers risking lives on dangerous boat journeys to Australia.

The Expert Panel on Asylum Seekers reported its findings on 13 August 2012. The report highlighted the need to shift the balance of risk and incentive in favour of regular migration pathways and established international protections.

To encourage greater use of regular pathways, the government increased the Humanitarian Program by more than 30 per cent to 20 000 places each year, allocating a minimum of 12 000 places to offshore refugee resettlement.

A range of disincentives was pursued, most notably the establishment of regional processing capacity in Nauru and Manus Island, Papua New Guinea (PNG). Transfers of IMAs to Nauru started on 14 September 2012 and to PNG on 21 November 2012.

Significant work continues to assist our regional partners to manage the influx of asylum seekers across their borders and to tackle people smuggling. The department is actively engaged with the UNHCR and resettlement countries in South-East Asia to enhance protection space for asylum seekers within the region. Recent legislative amendments have passed through parliament, including the *Migration Amendment (Unauthorised Maritime and Other Measures) Act 2012*. The Act therefore provides that all arrivals in Australia by irregular maritime means will have the same legal status regardless of where they arrive, unless they are an excluded class or otherwise exempted.

Immigration detention

Australia's immigration detention exists to hold IMAs, visa overstayers, character cancellations, unauthorised air arrivals and illegal foreign fishers while their status is determined or their removal from Australia is arranged. During the past 12 months, the detention network has accommodated a significant number of people with a wide variety of backgrounds and circumstances. In 2012–13, 25 724 people classed as IMAs were taken into immigration detention, representing a 207 per cent increase compared to the previous year. However, Australia receives comparatively small numbers of applications for asylum when compared internationally. The community detention program was expanded considerably in October 2010 in response to the minister's announcement that children and families would be moved into community detention. During 2012–13 the minister approved 3441 clients (1675 adults and 1766 children) for community detention.

More IMAs are arriving in family groups. Over the past 12 months, the department has worked to ensure appropriate accommodation options are available for this cohort.

In November 2012, the government accepted (fully, in principle or partially) 26 of the 31 majority report recommendations made by the Joint Select Committee on Australia's Immigration Detention Network. The department has progressed many of these recommendations.

Immigration Health Advisory Group

In March 2013, I established a new departmental health advisory group, the Immigration Health Advisory Group (IHAG), to provide the department with independent expert advice on health care services and policies for people in immigration detention, as well as some asylum seekers and refugees who have recently been granted visas and are living in the community.

The new group has a broader focus than the department's previous detention health advisory group and reflects the changing nature of the detention and status resolution environment, including greater use of community placement.

Expert advice such as that provided by expert members of IHAG, contributes strongly to the department's improvement of service delivery for its clients.

International engagement

The department participates in a range of activities including multilateral engagement with international organisations, bilateral engagement and capacity-building programs throughout the region. In December 2012, I was pleased to co-chair with the Customs and Border Protection Service the inaugural Sri Lanka-Australia Joint Working Group on People Smuggling and Transnational Crime, to work with senior Sri Lankan government officials on people smuggling and border security issues.

The department provided funding of around $15 million for 16 projects which will help provide durable solutions for refugees and stabilise displaced populations.

Commonwealth and Immigration Ombudsman and Australian Human Rights Commission

The department's relationship with external oversight agencies continues to be an important element of our accountability framework. To help these agencies in their oversight role, the department provides briefing on policies and programs, as well as responding to Own Motion investigations and complaints.

The department received 241 new complaints from the Commonwealth and Immigration Ombudsman in 2012–13 and 238 complaints were finalised. This is a decrease of 11 per cent in the number of complaints received, compared to the previous year. The most common issues raised in complaints concern visa refusals, visa cancellations or delays in visa processing.

The department received 128 new complaints from the Australian Human Rights Commission in 2012–13 and 157 complaints were finalised.

Extending departmental capability

While the department has many external challenges, as a large organisation that deals with complex policy issues and delivers services to millions of clients each year, it continues to extend its capability through innovative developments and corporate initiatives.

Improving our organisational capability

The department has made significant progress on a range of actions resulting from the Capability Review conducted by the Australian Public Service Commission (APSC) in 2012.

A number of initiatives in the department's action plan have been completed and others are being implemented across the department. To drive the initiatives, the Strategic Policy and Innovation Division was formed to bring together key capabilities, namely strategic foresight, governance, research and evaluation, economic analysis, business planning and innovation.

The department is a learning organisation, looking at innovative ways to improve its ability to deliver objectives in a challenging environment. The senior leadership is committed to improving the department's organisational capability and recognises that relying solely on the delivery of the initiatives in the action plan will not be enough to achieve this outcome. The department is focused on adopting the APSC's Model of Capability, described in the report of the APSC's Capability Review, as part of its management approach.

Client services

The department is expanding its global footprint and providing 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 (SDPs) which provide services that vary by location, including the collection of visa applications and charges, the distribution of information to clients, the management of call centre functions and the collection of biometrics. The department also joined with the United Kingdom and New Zealand to open the first Five Country Conference (FCC) shared AVAC in Singapore this year. The department is exploring other options to share facilities with FCC partners. AVACs were also opened in Beijing and Shanghai in September 2012, along with a call centre in Guangzhou. The full AVAC service in Guangzhou became available in July 2013. Three AVACs with biometric collection capabilities were also opened in Pakistan in December 2012.

Throughout the year, the department developed new business processes and technology solutions for the new visa pricing arrangements which came into effect on 1 July 2013. The new arrangements introduce a user-pays structure for visas, in line with other comparable countries competing for migrants. The improvements enable the majority of visa applicants to use electronic channels to lodge, pay for and track the progress of their visa application.

The move to increased online lodgement and the implementation of global processing systems to support visa processing offshore, signifies a major period of change in some of the department's most challenging offices and locations.

The new Translating and Interpreting Service (TIS) National website (www.tisnational.gov.au) will help non-English speakers to gain access to information that is better aligned to their needs and written in their native language. TIS National is also developing natural language and voice recognition capabilities to improve non-English speaker clients access to its telephony and automated booking systems.

As to be expected, the demand on the department's website also continues to grow and it will launch a new, improved website in 2013–14. Applicants for, and holders of, Australian visas are also increasingly conducting their visa-related business online. Promotion of the department's visa entitlement verification online (VEVO) system, which allows registered Australian organisations and individuals to check current visa details and entitlements online, in combination with the introduction of the visa evidence charge in November 2012 resulted in VEVO enquiries by visa holders increasing by 11.4 per cent in 2012–13 compared to 2011–12.

Improving our technologies

To help deal with the growing volume of operations, the department has implemented a number of information technology system enhancements. They include redevelopment of the department's central client management system to an open standards platform to meet increasing demand and provide cost efficiencies, and enhancements to the department's biometrics capabilities.

Technology has been used to streamline processing times for selected business processes. In cooperation with Canada, the department has developed the eMedical system which is used by medical practitioners around the world to process health cases for both Australian and Canadian visa applicants. During 2012, the new system was rolled out to approximately 100 locations allowing more clients access to electronic health processing. More than 100 000 Australian health cases were processed in eMedical during its first six months of operation. More than 72 per cent of the cases were auto-cleared with no manual intervention and results were available in minutes.

Research and evaluation

The department's research and evaluation program has continued to support policy and program decision-making. A number of research and evaluation reports were finalised while the department also began six new projects.

The department's Continuous Survey of Australia's Migrants continues to provide valuable information on the labour market integration of recently arrived skilled and family migrants. With the introduction of state and territory migration plans, the survey will be expanded to support analysis of employment outcomes at state and territory level.

Evaluation of the Humanitarian Program has been enhanced considerably with the commencement of the department's longitudinal survey of refugees—*Building a New Life in Australia*. This five year study will expand the evidence base for successful settlement and lead to improved policies and program delivery.

Improving our communication and engagement

The department continues to be a leader in the use of social media for government communications. Social media platforms have been used with greater focus over the past year and are at the heart of two departmental campaigns—the launch of the SkillSelect online service, and the *Don't be sorry* anti-people smuggling campaign.

The department's YouTube platform, ImmiTV, now has more than 3000 subscribers and has recorded 1.5 million viewings. We also communicate through Flickr, Storify, Twitter, Facebook, Instagram and blogs.

The department uses Facebook to manage regular live chats. A record 1566 guests signed in for a recent live chat with departmental staff about SkillSelect. Our Facebook page has recorded more than 44 520 'likes', an increase of 351 per cent over the previous year. More than 2258 people follow the department on Twitter, which is used by our media team to correct misinformation swiftly, as well as direct followers to reliable website information.

At the same time, we answered 5220 media enquiries from journalists directed through the department's 24-hour, on-call media response team. The team wrote 518 media releases, produced more than 1744 sets of talking points and background summaries, and undertook numerous field visits to collect information about the department's wide array of activities, all of which indicate an intense period of media interest in the portfolio.

Financial results

Departmental operating result

The department's 2012–13 financial performance was strong despite the challenges posed by increased activity and complex operational demands.

The 2012–13 financial statements report an $87.7 million operating deficit compared to a $98.5 million operating deficit in 2011–12. Since 2010–11, depreciation and amortisation expenses have not been funded by government. In 2012–13, the department incurred $98.4 million in depreciation and amortisation expenses. If these items were funded, the 2012–13 result would have been a $7.2 million surplus representing less than 0.5 per cent of the department's annual turnover. The $7.2 million surplus excludes asset revaluation movements recorded as other comprehensive income.

Outlook for 2013–14

After a year of change and adaptation through capacity building and stakeholder engagement, the department is well-positioned to meet the new and emerging challenges that lie ahead.

Strong program management capability and the skilled migration stream have delivered a record number of targeted migrants. The department will continue to meet challenges in the coming year through use of improved technologies and innovative tools such as SkillSelect.

The department will continue to work closely with the UNHCR and other agencies to respond through the department's Humanitarian Program to increasing global needs for the resettlement of the world's most vulnerable refugees. The department will also continue to find improvements in the way we do business, through new initiatives. The department is committed to implementing recommendations from the Joint Select Committee on Australia's Immigration Detention Network. Together with our service providers, the department will continue to focus on delivery of an integrated immigration detention network that provides for primary care needs and contributes to the wellbeing of our clients.

The outcomes of other inquiries and reviews will similarly shape our work in the coming year.

The department will continue to expand its global footprint by providing people with greater access to immigration services and will broaden its use of information sharing using biometric exchanges, for example, with key Australian agencies and members of the FCC.

Conclusion

Over the past year, the department has faced many challenges at an operational and policy level. I am proud of the consistent dedication of the department's staff to the task of shaping portfolio policies and programs under the direction of the Australian Government.

In spite of many hurdles, staff reached milestones of excellence in a number of areas, focusing on improving the way we do business and delivering on the portfolio's many and varied responsibilities. I am incredibly proud of their work and their commitment towards the goal of making the department a world-leading immigration and citizenship agency.

I wish to thank staff at all levels for their contributions. I also extend my thanks to the department's many stakeholders and partners who have provided assistance and advice throughout the year. Together we have been able to address the challenges and opportunities of managing the movement and settlement of people in a manner that best serves Australia's national interest.

Part 2

Overview

Photo: Seven-year-old Zelal was born in Australia. Her parents migrated from Turkey 18 years ago.

Portfolio and department overview

Portfolio and departmental structure at 30 June 2013

Minister for Immigration and Citizenship
Mr Brendan O'Connor MP

Minister for Multicultural Affairs
Senator Kate Lundy

Parliamentary Secretary for Multicultural Affairs
Senator Matt Thistlethwaite

Department of Immigration and Citizenship
Secretary, Mr Martin Bowles PSM

Migration Review Tribunal and Refugee Review Tribunal
Principal Member, Ms Kay Ransome

The Department of Immigration and Citizenship, the Migration Review Tribunal (MRT) and the Refugee Review Tribunal (RRT) 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.

The Office of the Migration Agents Registration Authority (MARA), which reports directly to the secretary, is part of the department, but has its own independent management structure.

Role and functions

The department is a policy, program and service delivery agency. In 2012–13, 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 in a cost-conscious and customer-focused manner from offices in every state and territory and in 67 locations in 39 countries. These services include:

- developing innovative and strategic policy solutions based on a strong evidence base on migration, humanitarian entry, multicultural affairs, citizenship, irregular migration and border security
- managing the lawful entry and departure of people crossing the Australian border
- processing visa applications for permanent and temporary entrants, including business visitors, students and tourists
- 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
- promoting the value of Australian citizenship
- deciding applications for Australian citizenship and making decisions on citizenship status
- identifying and reducing irregular migration, people smuggling and trafficking in people

- ensuring the effective and efficient provision of services to clients accommodated in the immigration detention network and regional processing centres in Nauru and Manus Island, Papua New Guinea
- deterring, identifying and responding to breaches of immigration law
- 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 2012–13, 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 2012–13, 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
- respond to the challenges of displacement and irregular migration by administering Australia's Humanitarian Program and close engagement with regional immigration and border control agencies, relevant international organisations and through the Regional Cooperation Framework
- implement the recommendations of the Expert Panel on Asylum Seekers, including regional processing arrangements
- strengthen the department's organisational capability
- 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
- 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.

Legislation

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

- *Aliens Act Repeal Act 1984*
- *Australian Citizenship Act 2007*
- *Australian Citizenship (Transitionals and Consequentials) 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*
- *Migration (Visa Evidence) Charge Act 2012.*

Five Bills were introduced to parliament during 2012–13. In that period, all of those Bills passed both Houses of Parliament and became Acts upon Royal Assent being given. In addition, four Bills that were introduced into the Parliament in the previous year passed both Houses and received Royal Assent in 2012–13.

Further, 18 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 2012 can be found on the department's website at www.immi.gov.au/legislation/amendments/2012

The relevant notices of legislative change for the calendar year 2013 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 2012–13:

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

Ministerial Advisory Council on Skilled Migration (MACSM)—provides strategic policy advice to the government on skilled migration, including its impact on the Australian economy and labour market, the contribution of skilled migration to net overseas migration and the operation of the subclass 457 visa program. It consists of a chair, an equal number of business and union leaders (four each), senior public servants from each state and territory (eight) and an academic.

Australian Multicultural Council (AMC)—advises the government on multicultural affairs, acts as an independent champion of our multicultural nation, has a formal role in a strengthened access and equity strategy, has a research and advisory role around multicultural policy, assists with cultural diversity celebrations and Harmony Day activities and implements the People of Australia Ambassadors program to articulate the benefits of, and help celebrate, our multicultural nation.

Immigration Health Advisory Group (IHAG)—established in March 2013 and provides independent advice on the design, development, implementation and evaluation of health and mental health policies and services for people:

- who are asylum seekers or refugees holding temporary or recently granted permanent visas while receiving support through departmental assistance programs
- located at immigration detention facilities
- in community detention (residence determination).

Its focus is broader than the former Detention Health Advisory Group (DeHAG). This is appropriate given the significant change in the size, nature and complexity of the immigration detention and status resolution environment.

Minister's Council on Asylum Seekers and Detention (MCASD)—provides independent 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. This includes people whose immigration status is unresolved who are residing either in the community or any form of immigration detention.

Interim Joint Advisory Committees—established between the governments of Australia and the governments of Nauru and Papua New Guinea respectively to provide advice on the regional processing arrangements to the governments of Australia, Nauru, and Papua New Guinea. The interim Joint Advisory Committees will also inform the scope, role, membership and establishment of permanent Joint Advisory Committees, as agreed under the respective memoranda of understanding.

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

Departmental office and post locations

Figure 1: Departmental office and post locations as at 30 June 2013

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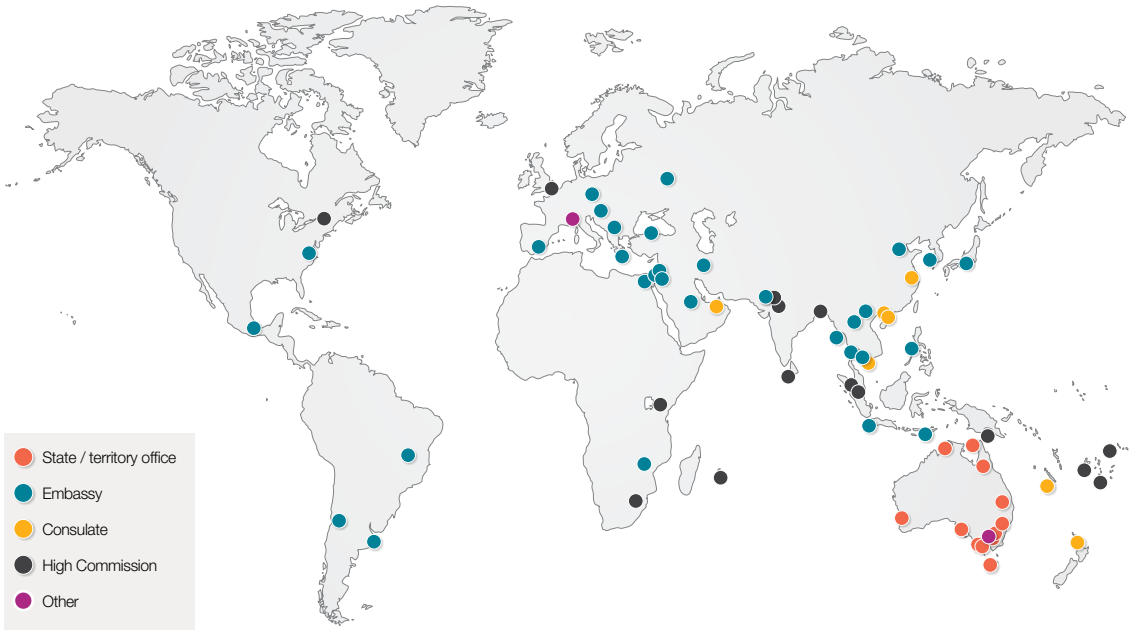
State / territory office	Embassy			Consulate	High Commission		Other
ACT and Regions	Amman	Hanoi	Seoul	Auckland	Apia	Nuku'alofa	Geneva
Adelaide	Ankara	Harare	Tehran	Dubai	Colombo	Ottawa	National Office
Brisbane	Athens	Jakarta	Tel Aviv	Guangzhou	Dhaka	Port Louis	
Cairns	Bangkok	Kabul	Tokyo	Ho Chi Minh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

Close-up

Campaign tells asylum seekers: Don't be sorry

The *Don't be sorry* campaign to discourage asylum seekers from undertaking potentially fatal sea journeys has reached hundreds of thousands of diaspora community members across Australia.

The campaign targets Sri Lankans, Iranians, Iraqis and Afghans, and more recently, the Vietnamese diaspora. Campaign activities include advertising in ethnic press, radio, television and online social media, and community engagement and events.

The department staffed information booths at numerous community events in Sydney, Melbourne and Brisbane to tell audiences about the changes to migration policy.

> 'In a tiny little wooden boat…it's not worth it.'

Abbass and his cousin Hamidreza are examples of the importance of Australian diaspora communities sending correct information to family and friends overseas.

Although Hamidreza had been approached by people smugglers in Indonesia, Abbass and his family encouraged Hamidreza to come to Australia the right way. Hamidreza persevered with the United Nations High Commissioner for Refugees on his family's advice and was later successful in being accepted as a refugee. Hamidreza is now settled in Australia with his wife and two teenage children.

'We really encourage all our countrymen and women, please don't get fooled by all those [people smuggler] promises,' said Abbass. 'In a tiny little wooden boat, it is not seaworthy. It's a huge situation in front of you. Don't risk it. It's not worth it.'

Sri Lankan professional cricketers Lasith Malinga and Muttiah Muralitharan recorded messages of support for the campaign. The messages have been viewed by thousands of people on YouTube, both in Australia and Sri Lanka.

Photo: (L–R) Abbass and Hamidreza encourage friends and family to come to Australia the correct way.

DON'T BE SORRY

Organisational structure

Figure 2: Organisational structure as at 30 June 2013

Secretary **Martin Bowles PSM**					

Deputy Secretary Policy and Program Management Group **Dr Wendy Southern PSM**

Refugee, Humanitarian and International Policy **Alison Larkins**

Humanitarian Jim O'Callaghan PSM	Onshore Protection Renelle Forster	International Cooperation Simon Schiwy	Irregular Migration Policy and Multilateral Engagement Margaret Hoffman	Geneva Kate O'Malley	Bangkok Greg Kelly

Migration and Visa Policy **Kruno Kukoc**

Migration Planning and Program Management Peter van Vliet	Skilled Migration Policy David Wilden	Education, Tourism and International Arrangements Sophie Montgomery	Visa Framework and Family Policy Richard Johnson

Citizenship, Settlement and Multicultural Affairs **Frances Finney** A/g

Multicultural and Settlement Policy Warren Pearson	Citizenship Adrian Burn A/g	Settlement and Multicultural Programs Fiona Lynch-Magor

Compliance and Case Resolution **Christopher Callanan**

Strategic Framework Robert Illingworth	Complex Cases and Portal Support Paula Williams	Compliance Status Resolution Lynne Gillam	Detention and Services Policy Charles Wann	Principal Character Decision Maker Thomas Wodak

Strategy Policy and Innovation **Garry Fleming**

Innovation Robert Jansen	Economic Analysis Unit Janice Wykes

Deputy Secretary Client Services Group **Peter Vardos PSM**

Borders, Refugee and Onshore Services **Stephen Allen**

Global Manager Borders Michael Minns	Global Manager Character and State Director Victoria Amanda Paxton	Global Manager Refugee and Humanitarian Visas and State Director NSW David Walsh	Global Manager Citizenship and Territory Director ACTRO Nick Evans	Territory Director Northern Territory Scott Matheson A/g	State Director Tasmania Sarah Forbes	Chief Medical Officer and Global Manager Health Paul Douglas

Visas and Offshore Services **Jim Williams**

Global Manager Visas (Skilled and Family) and State Director Queensland Robert Hoitink	Global Manager Visas and State Director Western Australia Peta Dunn	Global Manager Skilled Visas Jill Simpson	Offshore Biometrics and Overseas Network Michael Willard
Regional Director East Asia Daniel Boyer	Regional Director South Asia José Alvarez PSM	Regional Director South-East Asia Mary-Jane Jones	Regional Director Europe Elizabeth Hoffmann
Regional Director South Pacific Zdenka Zrno	Regional Director Americas Janette Haughton	Regional Director Africa Nicholas Torkington	Regional Director Middle East Judith O'Neill

Client Strategy and Performance **Marie Johnson**

Network Performance and Support Peter Richards	Client Strategy Phil Thurbon	Business Liaison and Systems Transformation Susan Pegg	Global Manager eBusiness Adrian Motherway	Global Manager Client Services Rocio Trapaga-Saul PSM

Risk, Fraud and Integrity **Gavin McCairns**

Fraud, Investigations and Prosecutions Hawari Badri	Risk Analysis and Monitoring Paul Farrell	Immigration Intelligence Sally Babbage	Identity Paul Cross	Global Manager Operational Integrity and State Director SA Louise Smith

| CEO |
| Office of the Migration Agents Registration Authority |
| Stephen Wood |

| Special Counsel |
| Ian Deane PSM |

Deputy Secretary Business Services Group **Liz Cosson AM CSC**

| National Communications | Ministerial, Executive and External Accountability |
| Sandi Logan | Kerryn Vine-Camp |

Technology Services **Tony Kwan** Chief Information Officer

ICT Service Management	Security and IT Service Operations	Knowledge Management and Business Intelligence	Visa Citizenship and Settlement Systems
Chris Gill	Glenn Peisley	Genevieve Leonard A/g	Brian Schumacher
Corporate Systems	Program Management	Border and Case Systems	Visa Pricing Transformation
Steve Peddle	David Whiteman A/g	Tim Drury	Watson Blaikie A/g

People Strategy and Services **Craig Farrell**

| People Services | Global Learning and Change | People Strategy and Planning |
| Keith Bender | Deborah Jacka | Mark Sweeney |

Financial Strategy and Services **Stephen Sheehan** Chief Finance Officer

| Financial Management and Operations | Property, Procurement and Contracts | Accounting and Financial Control | Financial Strategy and Budgets |
| James Malizani | Tony Judge | Susan Ryan | Charlotte Tressler |

Legal and Assurance **Vicki Parker**

| Litigation and Opinions | Legal Framework | Corporate Legal | Audit and Assurance |
| Jackie Davis | Greg Phillipson | Sanaz Mirzabegian | Chris Hodges |

Deputy Secretary Immigration Status Resolution Group **Matt Cahill A/g**

Status Resolution Services **Peter Speldewinde A/g**

National Operations and Capability	Program Analysis, Scrutiny and Evaluation	Support and Logistics	Regional Manager East
Fiona Andrew	Luke Mansfield	Paul McCormack A/g	Steve Ingram
Regional Manager Christmas Island	Regional Manager North	Regional Manager West	Regional Manager South
Joe Feld A/g	Scott Matheson A/g	Steven Biddle	Janet Mackin

Detention Infrastructure and Services **Ken Douglas**

| Detention Health Services | Detention Infrastructure | Services Management | Regional Manager Nauru and Papua New Guinea |
| Paul Windsor | Fatime Shyqyr | Mark Painting | Simon de Vere |

Community Programs and Children **Kate Pope PSM**

| Community Support and Children | Community Detention | Irregular Maritime Arrivals Bridging E visa Program and Community Engagement |
| Katie Constantinou | Julie Keenan | Cath Wilson |

Senior executives

Secretary Martin Bowles PSM

Martin Bowles is 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. On 29 January 2013, the Prime Minister appointed Mr Bowles as Secretary of the department.

In this role, he has oversight of the department's operations in each state and territory of Australia and at more than 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, and Deputy Secretary for Defence Support at the Department of Defence. In the latter 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.

Acting Deputy Secretary Matt Cahill

Matt Cahill is acting Deputy Secretary of the Immigration Status Resolution Group, which manages individuals in the resolution of their immigration status if they do not have authority to be in Australia or are in breach of their visa conditions. The group manages the onshore detention network, community detention and Bridging E visa programs and works with the regional processing countries of Nauru and Papua New Guinea.

Prior to joining the department, Mr Cahill was First Assistant Secretary Energy and Safety Programs Division, at the Department of Climate Change and Energy Efficiency.

Mr Cahill has worked in various government agencies during his public service career including CrimTrac, the Australian Taxation Office and the Australian National Audit Office.

Deputy Secretary Dr Wendy Southern PSM

Dr Wendy Southern is Deputy Secretary of the Policy and Program Management Group, responsible for policies and programs to achieve government outcomes.

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

Photo: (L–R) Matt Cahill and Martin Bowles PSM

She was awarded a Public Service Medal for her contribution to effective national counter-terrorism arrangements.

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

Deputy Secretary Elizabeth (Liz) Cosson, AM, CSC

Liz Cosson is the Deputy Secretary of the Business Services Group, responsible for the delivery of corporate services.

The group delivers enabling services to the department regardless of geographical location. These services include finance, property, human resources, business planning and reporting, technology, communications, risk, fraud and integrity, parliamentary and ministerial, and governance and legal.

Ms Cosson assumed this appointment on 19 November 2012 after two years with the Department of Veterans' Affairs and previously a 31 year career in the Australian Army earning recognition for her leadership during the planning for East Timor, her service in Bougainville and for delivering profound organisational change.

Ms Cosson was the first woman to attain the rank of Major General in the Australian Army when she was appointed Head of Defence Support Operations in November 2007.

Deputy Secretary Peter Vardos PSM

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 joined the Australian Public Service as a graduate in 1978. He has served with AusAID, including 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. Mr Vardos was promoted to Deputy Secretary of the Client Services Group in April 2011.

Photo: (L–R) Dr Wendy Southern PSM, Liz Cosson AM, CSC and Peter Vardos PSM

Outcome and program structure

The Budget framework is presented in outcomes, which are the intended results, impacts or consequences of actions by the Australian Government, and programs which are the primary methods government agencies apply to achieve the intended results of the outcome statements. The 2012–13 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

Figure 3: Outcome and program structure *continued*

Outcome 4		
Lawful stay of visa holders and access to citizenship rights for eligible people through promotion of visa compliance responsibilities, status resolution, citizenship acquisition integrity, case management, removal and detention, and policy advice and program design.		
Programs		
4.1 Visa compliance and status resolution	4.1.1 Visa compliance and status resolution—service delivery	4.1.2 Visa compliance and status resolution—policy advice and program design
4.2 Onshore detention network	4.2.1 Onshore detention network—service delivery	4.2.2 Onshore detention network—policy advice and program design
4.3 Offshore asylum seeker management	4.3.1 Offshore asylum seeker management—service delivery	4.3.2 Offshore asylum seeker management—policy advice and program design
4.3.3 Offshore asylum seeker management—refugee status determination	4.3.4 Offshore asylum seeker management—implementation of regional cooperation framework solution	
4.4 Foreign fishers	4.4.1 Foreign fishers—service delivery	4.4.2 Foreign fishers—policy advice and program design
4.5 Regional cooperation and associated activities	4.5.1 Regional cooperation and associated activities—service delivery	4.5.2 Regional cooperation and associated activities—policy advice and program design
4.6 Refugee status determinations for offshore entry persons[1]	4.6.1 Refugee status determinations for offshore entry persons—service delivery	4.6.2 Refugee status determinations for offshore entry persons—policy advice and program design

1. Responsibility for this program was transferred to the MRT-RRT.

Figure 3: Outcome and program structure *continued*

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

Part 3

Report on performance

Photo: Nilufa, originally from Bangladesh, studied in Canberra and is now a teacher in the ACT.

Summary of financial performance

Departmental operating result

The department's 2012–13 financial performance was strong despite the challenges posed by increased activity and complex operational demands.

The 2012–13 financial statements report an $87.7 million operating deficit compared to a $98.5 million operating deficit in 2011–12. Since 2010–11 depreciation and amortisation expenses have not been funded by government. In 2012–13, the department incurred $98.4 million in depreciation and amortisation expenses. If these items were funded, the 2012–13 result would have been a $7.2 million surplus representing less than 0.5 per cent of the department's annual turnover. The $7.2 million surplus excludes asset revaluation movements recorded as other comprehensive income.

The main factors contributing to the department's 2012–13 operating result were:

• a strong focus on performance and associated financial management

• a continued focus on improving business planning and monthly financial reporting activities

• an increase in the government long-term bond rate that reduced the department's employee expenses by approximately $6 million.

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). The cost of these items is fully reconciled and agreed with DoFD through the end of financial year process.

The department's 2012–13 statement of comprehensive income reports revenue from government of $1 429.6 million for earned appropriation, and also own source income of $54.7 million, which in aggregate total $1 484.3 million.

Expenses

The department's total expenses in 2012–13 were $1 575.6 million, which was $93.9 million higher than the $1 481.7 million expenses reported in 2011–12. The 2012–13 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 2012–13 administered expenses were $2 379.6 million which was $57.0 million (2.5%) higher than the expense estimate provided at 2012–13 Additional Estimates ($2 322.6 million). The variance is mainly attributable to increased expenses in Program 4.3–Offshore Asylum Seeker Management.

Total assets

As at 30 June 2013, the department held total assets of $826.4 million, which is $29.4 million higher than the department's 30 June 2012 asset position. This increase is predominately a result of an increase in departmental intangible assets. Administered assets held by the department at 30 June 2013, after depreciation of $53.9 million, totalled $1 173.9 million. These assets primarily relate to detention land, buildings and infrastructure.

Total liabilities

As at 30 June 2013, the department reported total liabilities of $430.8 million, an increase of $15.9 million compared to the previous financial year. The change in the liability balances mainly relates to:

- an increase of $14.9 million in employee provisions, which is a result of the higher staffing level and the flow-on impact of the Enterprise Agreement salary increase to employee leave provisions
- an increase of $3.8 million in makegood provisions due to higher costs to meet restoration obligations compared with the previous financial year.

Net assets

Overall, the department's 2012–13 net asset position of $395.5 million (assets minus liabilities) has increased in comparison to 2011–12 by $13.4 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 2012–13 continues to reflect a strong focus on financial management while delivering key activities and achieving significant milestones. Table 2 provides an overview of the department's resource statements, including available funding outlined in the department's *Portfolio Budget Statements 2012–13* and a summary of payments made during the financial year.

Figure 4: Departmental assets, liabilities and net equity trend
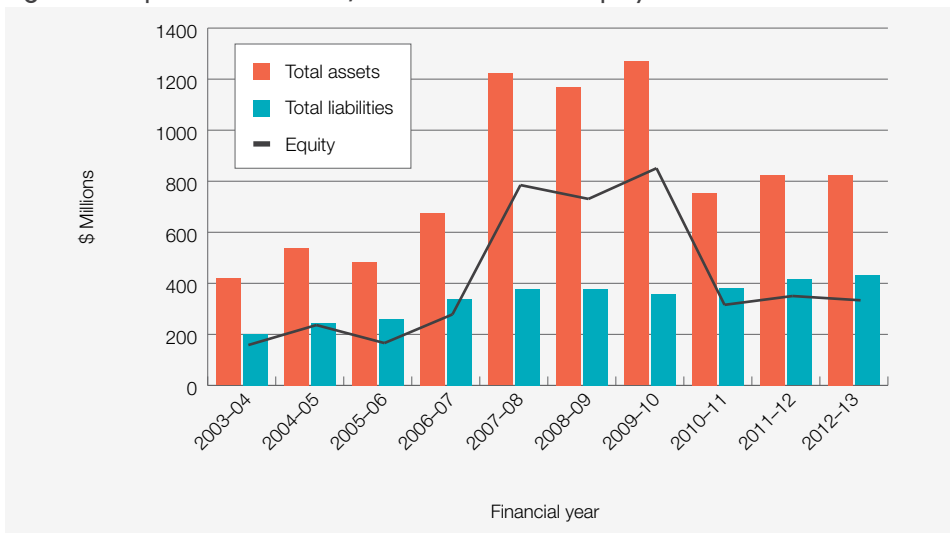
Table 2: All outcomes financial resources summary 2012–13

	Budget[1] 2012–13 $'000	Actual Expenses 2012–13 $'000
Administered		
Outcome 1: Visa and migration	-	2 295
Outcome 2: Refugee and humanitarian assistance	41 128	38 971
Outcome 3: Border management	-	-
Outcome 4.1: Visa compliance and status resolution	9 289	7 272
Outcome 4.2: Onshore detention network	62 988	63 799
Outcome 4.3: Offshore asylum seeker management	1 709 539	1 833 238
Outcome 4.4: Illegal foreign fishers	9 518	6 515
Outcome 4.5: Regional cooperation and associated activities	55 701	54 081
Outcome 4.6: Refugee status determination for offshore entry persons	13 617	2 021
Outcome 5: Settlement services for migrants and refugees	391 865	368 876
Outcome 6: Multicultural and citizenship services	3 057	2 539
Total administered expenses	2 296 702	2 379 607
Departmental		
Outcome 1: Visa and migration	596 273	583 136
Outcome 2: Refugee and humanitarian assistance	85 453	71 647
Outcome 3: Border management	139 661	150 298
Outcome 4.1: Visa compliance and status resolution	118 668	180 015
Outcome 4.2: Onshore detention network	26 945	28 322
Outcome 4.3: Offshore asylum seeker management	396 905	385 581
Outcome 4.4: Illegal foreign fishers	2 710	1 782
Outcome 4.5: Regional cooperation and associated activities	12 647	21 201
Outcome 4.6: Refugee status determination for offshore entry persons	12 731	8 106
Outcome 5: Settlement services for migrants and refugees	87 644	73 378
Outcome 6: Multicultural and citizenship services	75 953	72 144
Total departmental expenses	1 555 590	1 575 610
Total departmental and administered expenses	3 852 292	3 955 217

1. The 2012–13 Budget represents the Estimated Actual Budget published in the *Portfolio Budget Statements 2013–14.*

Table 3: Financial resource statement 2012–13

		Actual available appropriation for 2012–13 $'000	Payments made 2012–13 $'000	Balance remaining 2012–13 $'000
Ordinary annual services				
Appropriation receivable		242 132	240 353	1 779
Departmental appropriation[1]		1 517 242	1 227 770	289 472
s.31 relevant agency receipts		103 104	103 104	-
Total		1 862 478	1 571 227	291 251
Administered expenses				
Outcome 1		50	-	
Outcome 2		41 128	25 839	
Outcome 3		-	-	
Outcome 4		2 016 730	1 967 628	
Outcome 5		416 115	356 836	
Outcome 6		2 757	2 656	
Total		2 476 780	2 352 959	
Total ordinary annual services	A	4 339 258	3 924 186	
Other services				
Administered expenses Specific payments to states, ACT, NT and local government		-	-	
Total		-	-	
New administered expenses		-	-	
Total		-	-	
Departmental non-operating				
Equity injections		67 321	22 810	44 511
Total		67 321	22 810	44 511

1. Appropriation Bill (No.1) 2012–13, Appropriation (Implementation of the Report of the Expert Panel on Asylum Seekers) Bill (No.1) 2012–13 and Appropriation Bill (No.3) 2012–13.

Table 3: Financial resource statement 2012–13 *continued*

		Actual available appropriation for 2012–13 $'000	Payments made 2012–13 $'000	Balance remaining 2012–13 $'000
Administered non-operating				
Administered assets and liabilities		352 524	147 246	205 278
Payments to *Commonwealth Authorities and Companies Act 1997* (CAC) bodies—non-operating		-	-	-
Total		352 524	147 246	205 278
Total other services	B	419 845	170 056	249 789
Total available annual appropriations and payments		4 768 450	4 094 721	
Special appropriations				
Special appropriations limited by criteria/entitlement				
Migration Act s332B			-	
Special appropriation *Financial Management and Accountability Act 1997*			49 720	
Special appropriations limited				
By amount			-	
Total special appropriations	C		49 720	

Table 3: Financial resource statement 2012–13 *continued*

		Actual available appropriation for 2012–13 $'000	Payments made 2012–13 $'000	Balance remaining 2012–13 $'000
Special accounts				
Opening balance		240	-	
Appropriation receipts[1]		-	-	
Appropriation receipts—other agencies		-	-	
Non-appropriation receipts to special accounts		-	-	
Payments made		-	53	
Total special account	D	240	53	187
Total resourcing and payments A+B+C+D		4 759 343	4 144 015	
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		-	-	

1. Appropriation receipts from the department's annual and special appropriations for 2012–13 included above.

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 2013–14, relating to the items appropriated for the 2012–13 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: Student Natalia takes a break during study at university in Australia.

Program 1.1 Visa and migration

During 2012–13 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 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

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 migration and temporary entry, including[1]:

- developing policy in line with the government's expectations to implement migration and visa reform agendas including labour market initiatives, long-term migration planning, reforms to temporary entry programs and visa simplification and deregulation
- 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 agenda 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
- visa simplification and deregulation agenda
- implementation of a fairer approach to migration for people with a disability.

The department's performance will be measured by:

- the delivery of the 2012–13 Migration Program within parameters set by the government
- the Continuous Survey of Australia's Migrants to monitor the integration of recent migrants, and a rolling annual program for surveying the main groups of temporary 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 integration of research and evaluation programs, which support evidence-based policy formulation and decision making including relevant stakeholder input and expert opinions.

1. The wording of this strategy was altered in the *Portfolio Additional Estimates Statements 2012–13*.

Major achievements

Delivering the annual 2012–13 Migration Program

The 2012–13 Migration Program delivered an outcome of 190 000 places, on target with its planning level of 190 000 places. The skill stream outcome of 128 973 places accounted for 67.9 per cent of the total migration program. The family stream had an outcome of 60 185 places, representing 31.7 per cent of the total Migration Program. The balance of 842 places, or 0.4 per cent of the total migration program, was delivered under the special eligibility category.

In delivering the Migration Program on target, the department has shown its strong capacity for program management and service delivery. The department delivered the Migration Program to the size and composition set by the Australian Government to meet Australia's economic and social objectives.

Business innovation and investment program and the Significant Investor visa

On 1 July 2012, the business innovation and investment program commenced, replacing the business skills program after a comprehensive review process. These reforms were designed to increase entrepreneurial, innovative talent entering Australia through this program, thereby benefiting the entire Australian economy.

The reforms included:

- simplifying the visa framework
- integrating with SkillSelect
- introducing an innovation points test for provisional visa applicants
- improving integrity through visa criteria in relation to tax law compliance
- increasing asset thresholds to better align with the Australian business community
- making the program entirely state/territory nominated on the basis that this will help to increase the dispersal of business migrants across Australia and to ensure that the most experienced business people and high profile investors are invited to apply.

Other features of the reforms have included:

- adjusting policy settings to attract entrepreneurs who have sourced $1 million in venture capital funding in Australia
- giving business migrants more time to build their businesses and take greater business risks on their provisional visas before they are eligible to apply for permanent residence to encourage innovative businesses.

On 24 November 2012 the Significant Investor visa was introduced as a stream within the business innovation and investment program. The purpose of this visa stream is to attract foreign investment from high net worth individuals. Significant investors must invest at least $5 million in certain investments in Australia and can become eligible for a permanent visa after holding a provisional visa and maintaining their investment in Australia for four years. Significant investors contribute to the Australian economy through their skills in business or investment, their links to international markets and additional capital for investment in projects in Australia.

Reforms to the subclass 457 visa program

The Temporary Work (Skilled) (subclass 457) visa program's purpose is to enable employers to fill genuine short to medium-term skill shortages by recruiting qualified overseas workers where they cannot find appropriately skilled Australians.

The subclass 457 program has been growing at a record rate. For details on reforms to the subclass 457 program, see temporary skilled migration.

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, 26 have already been implemented. The implementation of a further two is planned for 2013–14 and work on the remaining 13 is ongoing as they involve further research and liaison between agencies.

Working holiday maker and Work and Holiday visa program

In 2012–13 the department expanded the Work and Holiday visa category, resulting in the implementation of a new Work and Holiday visa arrangement with Uruguay and the expansion of the existing Work and Holiday visa arrangement with Indonesia from 100 to 1000 places annually.

The department made substantial progress on the establishment of an additional 13 new Work and Holiday visa arrangements in 2012–13, the largest number of simultaneous bilateral negotiations undertaken since the inception of the working holiday maker visa program in 1975. Negotiations are underway with Andorra, Czech Republic, Greece, Hungary, Israel, Latvia, Mexico, Poland, Portugal, San Marino, Slovak Republic, Spain and Vietnam.

Migration blog

The department's migration blog continues to provide an innovative platform for sharing information on migration and visa policy with the Australian and international communities. Departmental officers have blogged about the range of new visa subclasses introduced under the visa simplification and deregulation project, statistical reports and SkillSelect.

From 1 July 2012 to 30 June 2013 the migration blog received 340 279 visits, 215 008 unique visitors, and 506 331 page views.

Visa simplification and deregulation

The visa simplification and deregulation project was established in recognition that many clients find the visa framework complex to understand and navigate. By July 2013, the department reduced the number of visa subclasses from 149 to 99.

On 24 November 2012, changes reducing the number of visa subclasses in the temporary work group from 17 to eight were implemented. On 23 March 2013, the government implemented a simplified visitor visa group, reducing the number of visa subclasses from nine to four.

Strengthening protections against forced marriage and family violence

On 24 November 2012, new arrangements expanding the range of evidence required by visa applicants to make a claim against the family violence provisions were introduced. Applicants can now provide evidence from support services they may already have engaged, lessening the burden for this particularly vulnerable group.

The changes were undertaken in consultation with a diverse group of more than 60 stakeholders, including women's refuges and migrant women's groups.

Changes to the Prospective Marriage visa (subclass 300)

On 26 June 2012, the Senate Legal and Constitutional Affairs Committee tabled its report into the Prospective Marriage visa. The committee found that current integrity measures in the Prospective Marriage visa program are robust, and made seven recommendations to further strengthen the protection measures in place.

The government accepted five of the recommendations. The government's response to the senate committee's report was tabled on 27 June 2013.

Consistent with the recommendations, the department prepared to implement legislative amendments coming into effect on 1 July 2013. The amendments will require that Prospective Marriage visa applicants and sponsors must be at least 18 years of age when the application is lodged and must have met, in person, since they both turned 18.

New visitor visa arrangements for parents of Australians

The new visitor visa arrangements put in place for parents of Australian children provide additional flexibility for parents to visit Australia to spend time with their children and grandchildren. The new arrangements reduce the impact on families of long waiting times in the queue for a Permanent Parent visa.

Challenges

The 2012–13 Migration Program

Delivering a migration program of 190 000 places across a network of six onshore offices and more than 40 overseas posts, covering more than 60 visa subclasses and more than a quarter of a million annual applications, is a considerable challenge for the department. Program management and service delivery challenges need to be carefully managed throughout the year to enable the end of year planning levels to be met on target.

The 2012–13 skill stream was marked by the move towards SkillSelect in the general skilled migration categories and, associated with that, a declining pipeline of on-hand applications. This represented a change in program delivery processes to a just-in-time system for the best and brightest applicants, rather than the previous reliance on a large pipeline of those able to meet minimum requirements. The department rose to the challenge of delivering the Migration Program under this new model.

More than 60 per cent of the skill stream places went to employer sponsored, state and territory government and regional sponsored places to help fill skills shortages in the Australian economy. The top priority regional sponsored migration scheme delivered a record 20 510 places.

The 2012–13 family stream was highlighted by increasing applications, an increasing pipeline of on-hand applications and consequent client services pressures. Against this, all family stream categories were delivered across the full program year and to the planning levels. The 2013–14 program year will be another challenging year for the department.

Family visa program

The family stream of the Migration Program continues to experience very high levels of demand.

The growth in demand for family stream visa places exceeds the increase in program places. This leads to a growing number of unfinalised applications on hand, resulting in longer processing times.

A challenge during 2012–13 was the movement of applicants from the special humanitarian program into the family stream of the Migration Program. This followed the government's agreement to implement a recommendation of the Expert Panel on Asylum Seekers report to make 4000 additional family-related visas available for family members sponsored by Protection visa holders. Access to the family visa stream for this caseload was made available from November 2012.

The administration of applications from the source countries of Protection visa holders generally is more complex than for other applications within the family visa stream. In managing this caseload, the department has to deal with a range of challenges when making a proper assessment of applications, including the challenge applicants may have in providing documentation to verify their identity and family relationships to the sponsor and the significant logistical difficulties facing both applicants and departmental officials during the assessment process. The inability of departmental officers and applicants to travel due to the difficult security situation in certain home countries of applicants can impede the processing of cases that require medical checks, DNA tests and/or interviews.

In light of this greater level of complexity, the department's granting of 1066 visas to family members of Protection visa holders was a significant achievement. The department continues to work with key stakeholders to address the challenges associated with this caseload.

Work and Holiday visa program

Work and Holiday visa arrangement negotiations usually take an extended period of time to successfully conclude. In particular, negotiations for full reciprocity and amendment of each country's legislative and administrative architecture can involve lengthy timeframes, varying in accordance with the complexity of issues presented by each potential partner country.

Table 4: Outcome 1 financial resources summary 2012–13

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] 2012–13 $'000	Actual Expense 2012–13 $'000	Variations 2012–13 $'000	Budget Estimate 2013–14 $'000
Program 1.1: Visa and Migration				
Administered Expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	-	2 295	2 295	-
Departmental expenses				
Departmental appropriation (Appropriation Acts 1 and 3) and Revenue from independent sources (Section 31 FMA Act)	529 278	533 017	3739	539 861
Expenses not requiring appropriation in the Budget year[1]	66 995	50 119	(16 876)	66 444
Total expenses for Outcome 1	596 273	585 431	(10 842)	606 305
Average Staffing Level (number)	3 908	3 900		3 960

1. Expenses not requiring appropriation in the Budget year are expenses relating to depreciation and amortisation.
2. The 2012–13 Budget represents the Estimated Actual Expenses published in the *Portfolio Budget Statements 2013–14*.

Program 1.1 Visa and migration

Program 1.1 consists of eight 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
- Visitors and working holiday makers—Electronic Travel Authorities (ETAs).

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 (MARA).

Objectives

Permanent migration and temporary entry 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 that responds to Australia's changing economic, cultural and social needs will be achieved by[1]:

- 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 migration and temporary entry
- 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 of the permanent skilled migration program in a way that supports the Australian economy, business, and the education and training of Australians
- a robust family migration program which brings benefits to individual families and the wider community
- the protection of the Australian people and health systems from potential health risks arising from migration
- supporting the Ministerial Advisory Council on Skilled Migration's (MACSM) capacity to provide strong advice to government.

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1. The program objective text was changed in the *Portfolio Additional Estimates Statements 2012–13* from the text originally published in the *Portfolio Budget Statements 2012–13* to better reflect migration reforms implemented this year.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

Visa and migration—deliverables[1]

Deliverable: Continue to develop and implement permanent migration and temporary entry strategies which support government priorities, including social, economic, budgetary and international imperatives.

Result: The 2012–13 Migration Program of 190 000 places provided an additional 5000 places on the previous year and was designed to meet the government's economic and social policy objectives.

The skill stream comprised 67.9 per cent of the program which supported Australia's businesses to address skill shortages. Permanent employer-sponsored outcomes in 2012–13 accounted for 37.0 per cent of the total skilled migration program, with 20 510 places under the top priority regional sponsored migration scheme and 27 230 places under the second priority employer nomination scheme.

The socially important family stream comprised 31.7 per cent of the program to facilitate the reunion of Australians with their close family members. The Partner category delivered 46 325 places, taking its proportion of the family migration program to 77.0 per cent. The Child category delivered 3850 places. These priority categories make a significant social and economic contribution to the nation.

The special eligibility stream comprised 0.4 per cent of the program. The majority of outcomes were for ministerial interventions grants under the subclass 151 Former Resident visa.

Reforms to the Temporary Work (Skilled) (subclass 457) visa program were developed for implementation from 1 July 2013, with the goal of ensuring the program is used only as a genuine supplement to skills shortages, preventing exploitation of overseas workers and safeguarding training and employment opportunities for Australians.

Since the government announced its response to the Knight Review the department has implemented 26 of the 41 recommendations to help enhance the program's quality, integrity and competitiveness.

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

Result: In 2012–13, 190 000 permanent visas were granted against a total planning level of 190 000 places, the closest to target on record, demonstrating strong program management, program delivery and integrity.

Deliverable: Process visa applications within service standards and according to applicable priority processing directions.

Result: For permanent visa applications processed in 2012–13, 74.7 per cent were finalised within service standards. Of these, 78.6 per cent of skilled migration visa applications and 72.7 per cent of family migration visa applications were finalised within service standards. For temporary entrants, 88.6 per cent of visa applications were finalised within service standards.

1. The text for deliverables for Program 1.1 was changed in the *Portfolio Additional Estimates Statements 2012–13* from the text originally published in the *Portfolio Budget Statements 2012–13*.

Deliverable: Ensure temporary entry and permanent migration does not increase health risks or costs to the Australian community.

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

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

The incidence of tuberculosis (TB) in Australia remains at six per 100 000, despite a substantial increase in migration. This demonstrates the low incidence of TB compared to the size of the population compared to other developed countries.

Deliverable: Undertake high quality evidence-based analysis of the way migration, the economy, the labour market and the wider community support evidence-based migration policy development and program delivery.

Result: The 2012–13 Migration Program was informed by extensive consultations with a wide variety of stakeholders, including state and territory governments, unions, peak industry groups and community groups.

Specific consultations were held in regional centres as well as with resource sector representatives, to seek the views of these stakeholders in the context of migration in the prevailing economic climate.

The department has drafted the long-term migration planning framework, which includes a detailed analysis of the Australian labour market and regional forecasts of net overseas migration out to 2022–23. The forecasts will provide information to assist local and state governments, as well as private organisations, plan for the future, including infrastructure, housing and other needs.

Points-tested skilled migration is being successfully managed through SkillSelect, Australia's online skilled migration selection mechanism, introduced on 1 July 2012. SkillSelect was established to ensure that only the best and brightest skilled migrants are selected and in the numbers required by our economy.

To support evidence-based policy development and decision making on family migration, the department, through the Policy and Innovation and Research and Evaluation Unit, commissioned research into the economic benefits of family migration to Australia.

The department prepares a bi-annual report on the working holiday maker (WHM) visa program as well as quarterly reports on the student visa and visitor visa programs. The reports help policy-makers and stakeholder organisations, as well as foreign governments and the broader community, to keep abreast of developments in these visa programs. In addition, the reports provide valuable program background and trend analysis material.

Visa and migration—deliverables *continued*

Deliverable: Work closely with key stakeholders to increase the level of awareness of key issues and concerns with the operation of visa programs and gain support for necessary changes.

Result: Stakeholder and community engagement is a high priority for the department.

The department regularly meets with key stakeholders to discuss skilled migration policy through the MACSM and the Skilled Migration Officials Group.

The department continues to engage with key stakeholders on the implementation of the recommendations of the Joint Standing Committee on Migration's Inquiry into the Migration Treatment of Disability.

In response to the Australian Law Reform Commission report, *Family violence and Commonwealth laws: improving legal frameworks*, the department consulted with more than 60 stakeholders to seek their views on what appropriate forms of evidence could be required to make a claim against the family violence provisions. After the changes were implemented, the department informed key stakeholders about the changes through follow-up information sessions.

The Education Visa Consultative Committee (EVCC) met four times in 2012–13, and continues to provide a valued forum for the Australian Government to engage with key stakeholders to share information and discuss policy matters regarding student visas, including the implementation of recommendations from the the Knight Review.

The Tourist Visa Advisory Group (TVAG) is a forum for the department and key tourism industry stakeholders to share information about visa initiatives, including the WHM visa program, seek feedback and input on performance and policy developments and changes and discuss key issues and concerns. TVAG met quarterly in 2012–13.

Deliverable: Provide secretariat support to the Ministerial Advisory Council on Skilled Migration to allow it to advise government on skilled migration policy.

Result: MACSM provides strategic policy advice to the government on skilled migration, including its impact on the Australian economy and labour market, the contribution of skilled migration to net overseas migration and the operation of the subclass 457 visa program. The council is chaired by Dr Michael Easson AM and has 18 members including four business leaders, four union leaders, senior public servants from each state and territory and an academic.

The MACSM secretariat has supported the council during the five meetings since its establishment. The council first met on 2 July 2012 and the fifth and most recent meeting was on 5 June 2013.

In addition, the secretariat assisted the MACSM sub-committee in its examination of subclass 457 visas.

Deliverable: Consolidate the new SkillSelect migrant selection model within the skilled migration program delivery framework.

Result: On 1 July 2012, the department implemented SkillSelect, one of the most significant reforms to skilled migration in a generation. SkillSelect is the department's online system for managing the skilled migration program and allows the best and brightest skilled migrants to be invited to apply for skilled visas at levels which match the dynamic needs of the Australian economy.

SkillSelect is a two-stage process, whereby intending migrants first lodge an expression of interest in SkillSelect and are allocated points based on a number of criteria, including:

- nominated occupation
- work experience
- study and education
- level of English skills
- a skills assessment related to the nominated occupation
- business and investment experience.

Those skilled workers who best meet Australia's skills needs are then invited to lodge visa applications.

From 1 July 2012 to 30 June 2013, 51 794 expressions of interest were submitted through SkillSelect and 32 389 of these were invited to apply for a skilled visa.

The department has granted 29 492 visas for primary and secondary applicants invited to apply, representing 38.9 per cent of visa grants in the general skilled segment of the skilled migration program.

Visa and migration—key performance indicators[1]

Indicator: Temporary and permanent migration programs actively contribute towards the government's social, economic, budgetary and international imperatives.

Result: The size and composition of the Migration Program, set by government, aims to meet the economic and social needs of the nation, whilst taking into account both fiscal and budgetary implications.

The skill stream outcome constituted 67.9 per cent of the total Migration Program. It contributes to the Australian economy by addressing skills shortages and contributes to higher levels of productivity, labour force participation and labour force growth.

Family migration constituted 31.7 per cent of the program result. The family stream provides social benefit to Australians by reuniting Australians with their close family members. The special eligibility category made up the balance of 0.4 per cent of the program.

The 2012–13 program also assisted with ameliorating the impacts of Australia's ageing population and provided skills that will be vital in filling labour skill shortages in the medium term.

1. The key performance indicators for Program 1.1 text were changed in the *Portfolio Additional Estimates Statements 2012–13* from the text originally published in the *Portfolio Budget Statements 2012–13*.

The department's Continuous Survey of Australia's Migrants provides evidence of this claim. The survey shows that skilled migrants make positive economic contributions as they have good employment outcomes and high participation rates. The research survey also shows that family migrants, particularly partners, also make positive economic contributions to Australia by easing labour market pressures in both skilled and semi-skilled occupations.

Australia's student visa program provides an opportunity for people who are not Australian citizens or permanent residents to study in Australia in an internationally recognised progressive, secure and culturally diverse learning environment. The objective of the student visa program is to contribute to Australia's society and economy by facilitating the lawful entry and temporary stay of international students. In the 2012–13 program year the student visa program experienced growth for the second year in a row, with a total of 259 278 student visas granted, an increase of 2.5 per cent compared to 2011–12.

The visitor visa program continues to support the Australian community by facilitating the entry of a wide range of international visitors. The entry of foreign tourists supports the hospitality and tourism industries, while family visitors support the Australian community. More generous visas for visiting parents were introduced in November 2012.

The visitor visa program also helps Australia maintain people-to-people links that foster good relations and cultural understanding between Australia and other countries. On 23 March 2013, the visitor visa framework was simplified, so that clients can more easily select the most appropriate visa for their intended purpose of stay in Australia.

In 2012–13, 3 264 978 tourist, family visitor and medical treatment visas were granted, an increase of 6.2 per cent on the previous year. There has been especially significant growth in the number of Chinese tourists choosing to visit Australia, up by 21.8 per cent in 2012–13.

The visitor visa program also supports the Australian economy and business community through the entry of business visitors. In 2012–13, 463 559 business visitor visas were granted (excluding the Superyacht Crew (subclass 488) visa), an increase of 0.1 per cent on 2011–12.

The WHM visa program allows young adults from partner countries to have an extended holiday in Australia, during which they can share valuable cultural experiences and engage in short-term work and study. In 2012–13, 258 248 WHM visas were granted, making Australia's program the largest of its kind in the world.

Australia currently has 28 WHM visa arrangements in effect with partner countries, with further expansion of the program underway. In early 2013, an arrangement with Uruguay was implemented and the program with Indonesia expanded. Formal negotiations with 13 new potential partner countries were also progressed.

The second Working Holiday (subclass 417) visa initiative grew by a further 16.1 per cent in 2012–13, providing ongoing support to the agriculture, mining and construction sectors. Additionally, the WHM program provided substantial short-term seasonal labour support to the tourism sector, with approximately 34 per cent of WHMs working in accommodation and food services roles. Research indicates that for every 100 working holiday makers arriving in Australia, there is a net gain to the Australian economy of 6.3 full time jobs[1]. This means that the 258 248 visas granted in 2012–13 will result in an estimated net gain to the Australian economy of 16 269.6 full-time jobs.

1. National Institute of Labour Studies, Flinders University, Adelaide, Australia, *Evaluation of Australia's working holiday maker (WHM) program*, 2009, Department of Immigration and Citizenship, Belconnen, ACT.

Visa and migration—key performance indicators *continued*

Indicator: The permanent migration program, including skilled migration, family migration and special eligibility components are delivered within government targets.

Result: The skilled migration stream delivered an outcome of 128 973 places against a final planning level of 128 970 places, a minor variation of three places above the final planning level. The family migration stream delivered an outcome of 60 185 places against a final planning level of 60 185 places. The special eligibility category delivered an outcome of 842 against a final planning level of 845 places, a minor variation of three places below the final planning level.

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

Result: For permanent visa applications processed in 2012–13, 74.7 per cent were finalised within service standards. Of these, 78.6 per cent of skilled migration visa applications and 72.7 per cent of family migration visa applications were finalised within service standards. For temporary entrants, 88.6 per cent of visa applications were finalised within service standards.

Indicator: Data and analysis is regularly provided on the performance of visa programs in order to support evidence-based policy development and implementation.

Result: A suite of reports covering temporary and permanent visa processing activity, migration program outcomes and other statistics is produced on a monthly basis to inform policy and program development.

The department forecasts net overseas migration to 2016–17 on a quarterly basis. The forecasts provide an indication to government of how the current policy settings will affect the change in population over time.

Quarterly reports are submitted to the executive and the minister on key statistical changes and caseload issues on family stream visas. In addition, the department monitored monthly implementation of the recommendations of the Expert Panel on Asylum Seekers relating to family reunification options for Protection visa holders.

Indicator: Temporary entry and permanent migration does not increase health risks or costs to the Australian community.

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

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

The latest data from the World Health Organization (2011) indicates that the incidence of TB in Australia is 6.0 per 100 000 people. This low rate has remained relatively steady for more than 20 years despite significant increases in the number of people arriving in Australia from countries with high rates of TB.

Indicator: Policy development and reform to visa programs are implemented effectively and in a timely and cost-effective manner while maintaining program integrity.

Result: This financial year has been a period of consolidation and minimal adjustment for points-tested skilled migration visas following significant changes introduced in previous years, including the introduction of a new points test on 1 July 2011 and SkillSelect on 1 July 2012.

Key legislative changes to the Prospective Marriage visa and to the family violence provisions were implemented to come into effect on 1 July 2013, around a year after the recommendations were released.

On 23 March 2013, new policy and visa reform changes were implemented for the Skilled Graduate (subclass 485) visa. This visa was renamed the Temporary Graduate (subclass 485) visa and offers new post-study work arrangements to certain graduates of an Australian bachelor, masters or doctoral degree. This initiative responds to recommendations four and eight of the Knight Review. The integrity of the student visa program was maintained through the requirement that applicants must have applied for, and been granted, their first student visa after the introduction of the genuine temporary entrant requirement on 5 November 2011.

The department successfully facilitated the expansion of the WHM visa program by starting negotiations for new reciprocal work and holiday visa arrangements with priority countries. In line with the *Australia in the Asian Century* White Paper, the department implemented an expanded program with Indonesia in 2012–13.

Reforms to the Temporary Work (Skilled) (subclass 457) visa program were developed effectively and on time within existing resources.

Indicator: High quality and timely support provided to key stakeholders through the provision of migration program policy advice via helpdesks, secretariats, briefings, speeches and presentations, and replies to correspondence.

Result: In 2012–13 the migration and visa policy helpdesk responded to 5459 queries, helping decision-makers to deliver permanent and temporary visa programs in accordance with service standards for processing visa applications.

The MACSM secretariat supported the council in the five meetings since its establishment and assisted the MACSM sub-committee in its examination of subclass 457 visas.

Through the Minister's Council on Asylum Seekers and Detention (MCASD) Secretariat, and other consultative forums, the department has provided detailed and timely advice on the delivery of family stream visas to the families of Protection visa holders.

In addition to the Education Visa Consultative Committee, support to international education stakeholders has included online fact sheets, replies to correspondence and presentations both in Australia and overseas.

The TVAG met quarterly in 2012–13 to facilitate consultation between the department and key tourism industry stakeholders. During 2012–13, the department continued to produce regular publications providing statistics on the visitor and working holiday maker programs.

All requests for working holiday maker visa program material, statistical reports and advice were actioned within required timeframes and were of a consistently high standard.

Visa and migration—key performance indicators *continued*

Indicator: Provide effective support to the Ministerial Advisory Council on Skilled Migration with appropriate secretariat services.

Result: The MACSM provides strategic policy advice to the government on skilled migration including its impact on the Australian economy and labour market, the contribution of skilled migration to net overseas migration, and the operation of the subclass 457 visa program. The MACSM secretariat has supported the council in the five meetings staged since its establishment—the first on 2 July 2012 and its fifth and most recent on 5 June 2013.

In addition, the secretariat has assisted the MACSM sub-committee in its examination of subclass 457 visas throughout its four meetings.

Table 5: Visa and migration—performance information

Key performance indicators	2010–11 Actual	2011–12 Actual	2012–13 Target	2012–13 Actual
Deliver the Migration Program within government targets for approved grants	168 685	184 998	190 000	190 000
Family migration is delivered in line with government planning levels[1]	54 543	58 604	60 185	60 185
Special eligibility component is delivered in line with government planning levels[1]	417	639	845	842
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	Contribute to the maintenance of TB rates in Australia at <6 cases per 100 000 people	Contribute to the maintenance of TB rates in Australia at <6 cases per 100 000 people	The incidence of TB in Australia was 6.0 per 100 000 people in 2011 (World Health Organization data)
Economic migration				
Percentage of temporary program applications for economic visas are finalised within service standards	85.6	73.8	75%	89.8
Permanent economic migration is delivered within government planning levels[1]	113 725	125 755	128 970	128 973
Non-economic migration				
Percentage of temporary program applications for non-economic visas are finalised within service standards	93.2	82.5	75%	80.2
Percentage of temporary entrants (visitor, working holiday makers, students) who abide by their visa conditions	99.0	99.3	>95%	99.6
Percentage of applications from eligible caseloads lodged through eVisa	81.9	89.8	>80%	95.1

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

1. The target figures for the family stream, special eligibility, and skill stream are the final target levels for the 2012–13 Migration Program. These final targets differ from the initial performance indicators published in the *Portfolio Additional Estimates 2012–13*, as a result of subsequent government decisions and ministerial determinations.

Administered item

Administered item: Joint Commonwealth, state and territory research program (for payment 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 (COAG) 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, was completed in 2012–13, and the final report was published on the departmental website on 21 June 2012.

By agreement between the governments, remaining funds will be used to update the *People of Australia* state and territory-focused population and diversity statistical profiles using 2011 Census data.

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

Economic migration

Economic migration delivers strong economic and budgetary benefits to the Australian economy and assists employers with addressing their skills needs.

Performance

SkillSelect

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 they can be identified for a skilled visa through an expression of interest.

SkillSelect allows the Australian Government to control who, when and in what numbers applications are made for points-based skilled migration. It 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

Points-tested skilled migration consists of three broad categories which were formerly collectively referred to as the general skilled migration program:

• skilled independent

• skilled state/territory sponsored

• skilled regional.

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. The skilled regional category includes the former skilled Australian family category.

All categories involve a points test in which applicants are allotted points on the basis of particular attributes which recognise a broad range of human capital skills 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.

The applicable points test pass mark is 60 points for applications lodged from 1 July 2012.

The department granted 74 020 visas in the 2012–13 points-tested skilled migration stream. Visa grants in the skilled independent category comprised 59.8 per cent of the points tested skilled migration program. The skilled—state/territory category made up a further 29.2 per cent, with the remainder from the points-tested skilled regional category.

In 2012–13, the five major source countries for points-tested skilled migration were India, the People's Republic of China, the United Kingdom, Sri Lanka and Malaysia. Table 6 shows the growth in the points-tested skilled migration program since 1997–98 and Table 7 shows a breakdown by nationality of the points-tested skilled migration program.

Table 6: Points-tested outcomes from 1997–98 to 2012–13

Program 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
2012–2013	74 020

Table 7: Points-tested skilled migration top 10 nationalities last three years and percentage change from 2011–12 to 2012–13

	Citizenship	2010–11	2011–12	2012–13	Percentage change from 2011–12
1	India	12 730	17 030	24 810	45.7
2	People's Republic of China	12 160	7 900	8 030	1.6
3	United Kingdom	8 380	9 820	6 670	-32.1
4	Sri Lanka	3 240	3 900	3 230	-17.2
5	Malaysia	3 030	3 620	3 160	-12.7
6	Nepal	1 410	1 270	2 470	94.5
7	South Africa	2 760	3 020	2 120	-29.8
8	Philippines	1 750	2 470	2 070	-16.2
9	Pakistan	990	2 810	2 060	-26.7
10	Bangladesh	1 240	1 730	1 830	5.8

Permanent employer–sponsored programs

The permanent employer-sponsored category enables employers operating in Australia to sponsor overseas skilled workers for permanent residence 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 to fill skilled vacancies in their businesses. The RSMS encourages 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 47 740 places, or 37.0 per cent of the total skilled migration program outcome of 128 973 places in 2012–13. Of these, 25 964 visas were granted under ENS, 20 510 under RSMS and 1266 were permanent visas under the labour agreement program. Of the total 47 740 permanent employer-sponsored visas granted in 2012–13, 21 651 were granted to primary skilled applicants and the remaining 26 089 were for secondary (dependent) applicants.

Subclass 457 visa holders accounted for the majority of visa grants in this category. This year, the department granted 69.0 per cent of ENS visas and 31.0 per cent of RSMS visas to people holding a subclass 457 visa at the time of the visa grant.

Business migration and the business innovation and investment program

The business innovation and investment (BII) program is part of Australia's overall skilled migration program and allows for migrants to establish new businesses or invest in the Australian economy. It started on 1 July 2012 following a comprehensive review of the pre-existing business skills program in operation in various forms since the mid-1990s.

The BII program is intended to support the push for national innovation through the creation of new small-to-medium businesses in Australia by overseas business migrants and increase foreign capital investment in Australia.

The BII program is designed as a two-stage visa process. Eligible migrants seeking to establish a business or invest in Australia will first be granted a provisional BII visa (subclass 188) for a four-year period. Eligibility criteria include a points test with elements focused on age, English language ability, personal wealth, business and investment activity and innovation metrics. Provisional visa holders are then required to meet prescribed business and investment thresholds in Australia, such as business assets and employment creation, before being eligible for the grant of a permanent residence BII visa (subclass 888). There is also direct permanent entry through the Business Talent visa (subclass 132) for people with significant business history or who have sourced venture capital funding to establish a business in Australia.

In November 2012, the government introduced the Significant Investor visa (SIV) to provide a boost to the Australian economy and to compete effectively for high net worth individuals seeking investment immigration. The SIV is a new stream within the BII visas (subclasses 188 and 888) where visa holders are required to make an investment of at least $A5 million. This amount is sufficient to make a meaningful investment contribution and justify eligibility for visa concessions such as not having to meet the business innovation and investment points test, and access to reduced residence requirements. Since the visa was introduced, more than 230 applications have been lodged totalling a potential of $A1.15 billion in investment. Three visas were granted to primary applicants.

There were 7010 visas granted in the BII program in 2012–13.

Distinguished talent

The Distinguished Talent visas, subclasses 124 (offshore) and 858 (onshore) are intended for individuals seeking permanent migration to Australia on the basis of an internationally recognised record of exceptional and outstanding achievement in a profession, sport, the arts or academia and research.

The distinguished talent program is a small sub-stream of the Migration Program's skilled stream, with an allocation of 200 visa places in the 2012–13 program year, all of which were granted.

Internationally recognised sports people comprise the major share of visas granted, followed by people with exceptional talent in the arts. A relatively small proportion of visas are granted to people recognised in a profession or from academia.

Table 8: Permanent Skilled visa performance against service standards

Category	Onshore		Offshore	
	Low risk	High risk	Low risk	High risk
Regional skilled migration scheme (subclasses 119, 857, 187)				
Target for subclasses 119, 857	75% finalised in 5 months	75% finalised in 8 months	75% finalised in 5 months	75% finalised in 8 months
Result	34.3%	44.8%	37.0%	48.9%
Target for subclass 187	75% finalised in 6 months	75% finalised in 6 months	75% finalised in 6 months	Not applicable
Result	74.4%	75.6%	79.0%	86.6%
Employer nominated scheme (subclasses 121, 856, 186)				
Target for subclasses 121, 856	75% finalised in 5 months	75% finalised in 8 months	75% finalised in 5 months	75% finalised in 8 months
Result	56.1%	67.7%	42.7%	63.5%
Target for subclass 186	75% finalised in 6 months	75% finalised in 6 months	75% finalised in 6 months	75% finalised in 6 months
Result	83.8%	77.3%	85.9%	78.6%

Table 8: Permanent Skilled visa performance against service standards *continued*

	Onshore		Offshore	
	Low risk	High risk	Low risk	High risk
State migration program (SMP) (subclasses 176, 190, 475, 487, 489 (state-sponsored stream only), 886)				
Target for subclasses 176, 475, 487, 886	75% finalised in 12 months	75% finalised in 12 months	75% finalised in 12 months	75% finalised in 12 months
Result	100.0%	93.7%	92.6%	82.4%
Target for subclasses 190, 489 (state-sponsored stream only)	75% finalised in 6 months	75% finalised in 6 months	75% finalised in 6 months	Not applicable
Result	99.0%	99.0%	96.2%	94.5%
SkillSelect independent and family sponsored (subclasses 175, 495, 496, 861, 862, 863, 880, 881, 882, 883, 885, 886 and 176, 475, 487 if not SMP, 189, 489 (family stream only))				
Target for subclasses 175, 495, 496, 861, 862, 863, 880, 881, 882, 883, 885, 886 and 176, 475, 487 if not SMP	75% finalised in 18 months	75% finalised in 18 months	75% finalised in 18 months	75% finalised in 18 months
Result	95.3%	88.5%	87.4%	71.4%
Target for subclass 189, 489 (family stream only)	75% finalised in 12 months	75% finalised in 12 months	75% finalised in 12 months	75% finalised in 12 months
Result	99.9%	99.9%	99.9%	99.5%
Business innovation and investment—Business Skills (subclasses 132, 160, 161, 162, 163, 164, 165, 845, 846, 890, 891, 892, 893)				
Target for subclasses 132, 160, 161, 162, 163, 164, 165, 845, 846	75% finalised in 11 months	75% finalised in 22 months	75% finalised in 9 months	75% finalised in 28 months
Result	96.8%	100.0%	55.0%	98.7%
Target for subclasses 890, 891, 892, 893	75% finalised in 11 months	75% finalised in 22 months	75% finalised in 9 months	75% finalised in 28 months
Result	99.6%	99.9%	-	-
Business innovation and investment—provisional (subclasses 132, 188, 888)				
Target for subclasses 132, 188, 888	75% finalised in 11 months	75% finalised in 22 months	75% finalised in 9 months	75% finalised in 28 months
Result	100.0%	100.0%	100.0%	100.0%

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, carers, aged dependent relatives 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 2012–13 about 77.0 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 2012–13 about 6.4 per cent of the family stream was comprised of child category visas

- parent, which includes both Parent (non-contributory) 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 2012–13 about 14.5 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 2012–13 about 2.1 per cent of the family stream was comprised of other family category visas.

Performance

Demand for family stream visas continued to grow in 2012–13. In recognition of this demand, the planning level for the family stream in 2012–13 was set at 60 185 visas. An additional 4000 places were allocated by the government to complement changes to the special humanitarian program as a result of the recommendations of the Expert Panel on Asylum Seekers.

Demand for the parent and other family categories outweighs the number of places made available in the migration program and as a result, are capped to limit the number of places that can be granted. During 2012–13, capping of these categories contributed to an increase in the pipeline, resulting in longer processing times.

Permanent family visa performance against the service standards is shown in Table 9.

Table 9: Permanent family visa performance against the service standards

Category	Onshore		Offshore	
	Low risk	High risk	Low risk	High risk
Prospective Marriage (subclass 300)				
Target	Not applicable	Not applicable	75% finalised in 5 months	75% finalised in 12 months
Result	-	-	27.9%	89.5%%
Partner (Temporary) (subclasses 309, 820)				
Target	75% finalised in 6 months	75% finalised in 8 months	75% finalised in 5 months	75% finalised in 12 months
Result	45.7%	54.4%	23.5%	90.9%
Partner (Permanent) (subclasses 100, 801)				
Target	75% finalised in 6 months	75% finalised in 8 months	75% finalised in 6 months	75% finalised in 8 months
Result	80.2%	83.1%	51.8%	72.8%
Child (subclasses 101, 102, 117, 445, 802, 837)				
Target	75% finalised in 7months	75% finalised in 8 months	75% finalised in 3 months	75% finalised in 14 months
Result	52.6%	58.3%	21.6%	84.9%

A major change during 2012–13 was the additional 4000 places allocated to the family stream, and the growth in application rates from key irregular maritime arrival (IMA) source countries as a result of the implementation of recommendations of the Expert Panel on Asylum Seekers.

Applications from these countries are generally more complex than the average family stream application, and the department's ability to grant 1066 visas to family of Protection visa holders was a significant achievement. The remaining 2934 places were filled by the applications from the migration program partner category pipeline.

Table 10 shows the family migration outcome for 2012–13 compared to 2011–12. The result for 2012–13 was an approximate increase of 2.7 per cent compared to the 2011–12 outcome.

Table 10: Family migration planning levels and outcomes

Type of visa	2011–12 planned[1]	2011–12 granted	2012–13 planned	2012–13 granted	Percentage change in visas granted[2]
Partner	45 150	45 150	46 325	46 325	2.6
Child	3 700	3 700	3 850	3 850	4.1
Parent (contributory)	6 500	6 502	6 575	6 575	1.1
Parent (non-contributory)	2 000	2 000	2 150	2 150	7.5
Other family	1 250	1 252	1 285	1 285	2.6
Total family migration visas	58 600	58 604	60 185	60 185	2.7
Family—EPAS recommendations[3]	n/a	n/a	4 000	4 000	n/a

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 2012–13 is based on a comparison with the number granted in 2011–12.
3. The additional 4000 family places, made available in 2012–13 following the implementations of recommendations from the EPAS, are counted separately from the planning levels for the family stream of the Migration program.

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

- 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
- monitoring of emerging trends and risks.

The Senate Legal and Constitutional Affairs Reference Committee conducted an inquiry into the Prospective Marriage visa program in June 2012, the comittee tabled its final report, including seven recommendations. The committee found that the integrity measures for the program are 'robust' and that 'most Prospective Marriage visa applicants utilise the program for its intended purpose'.

On 27 June 2013, the government tabled its response to the committee, accepting in full or in principle five of the seven recommendations and noting the other two.

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 is binding on the immigration decision-maker. Following a request for tender process LSC Psychology was awarded the contract to conduct independent expert assessments in February 2013, replacing the Department of Human Services.

Table 11 shows the number of claims under the family violence provisions made in 2012–13 and the outcome of the cases referred to the independent expert by departmental officers.

Table 11: Family violence cases referred to independent expert

Family violence cases referred to independent expert by departmental officers	2010–11	2011–12	2012–13
Family violence claims made to the department	1 023	1 076	867
Total cases referred to independent expert:	208	140	117
– meet provisions	69	33	38
– do not meet provisions	69	34	32
– not yet decided, or withdrawn	70	73	47
Percentage of claims referred	20.3%	13.0%	13.49%

The department has submitted a response to the Australian Law Reform Commission report, *Family violence and Commonwealth laws: improving legal frameworks*, and has made substantial progress in addressing the recommendations from the report including:

• implementing amendments in November 2012 to the evidentiary requirements to make a claim of family violence

• translating a two-page summary of the department's family violence fact sheet into 30 languages

• developing a print brochure for mainstream services (such as general practitioners and libraries)

• updating policy guidelines to give greater recognition to the fact that relationships may break down over a period of time and to give further guidance on dealing with such cases

• updating policy guidelines giving decision-makers more flexibility in interpretation of when a relationship existed

• repealing regulation 1.26 from the *Migration Regulations 1994* as part of the new streamlined family violence provisions

• developing a new form for people applying to be considered under the family violence provisions

• updating training material based on feedback received from stakeholder groups

• targeted training delivered to visa decision-makers, independent experts, community workers and volunteers assisting victims of family violence.

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 2012–13 was 100 039. Tables 12 and 13 show the number of visas granted in 2012–13, compared with the previous two years.

Table 12: Resident return visas, former resident visas and Australian declaratory visas

Number of visas granted	2010–11	2011–12	2012–13
Resident return visas	77 499	78 681	91 796
Former resident visas	417	658	849
Australian declaratory visas	778	657	684
Total number of visas granted	78 694	79 996	93 329

Table 13: Number of certificates issued

Number of certificates issued	2010–11	2011–12	2012–13
Certificates of evidence of resident status	11 995	9 376	5 766
Certificates of status for New Zealand citizens in Australia	654	613	613
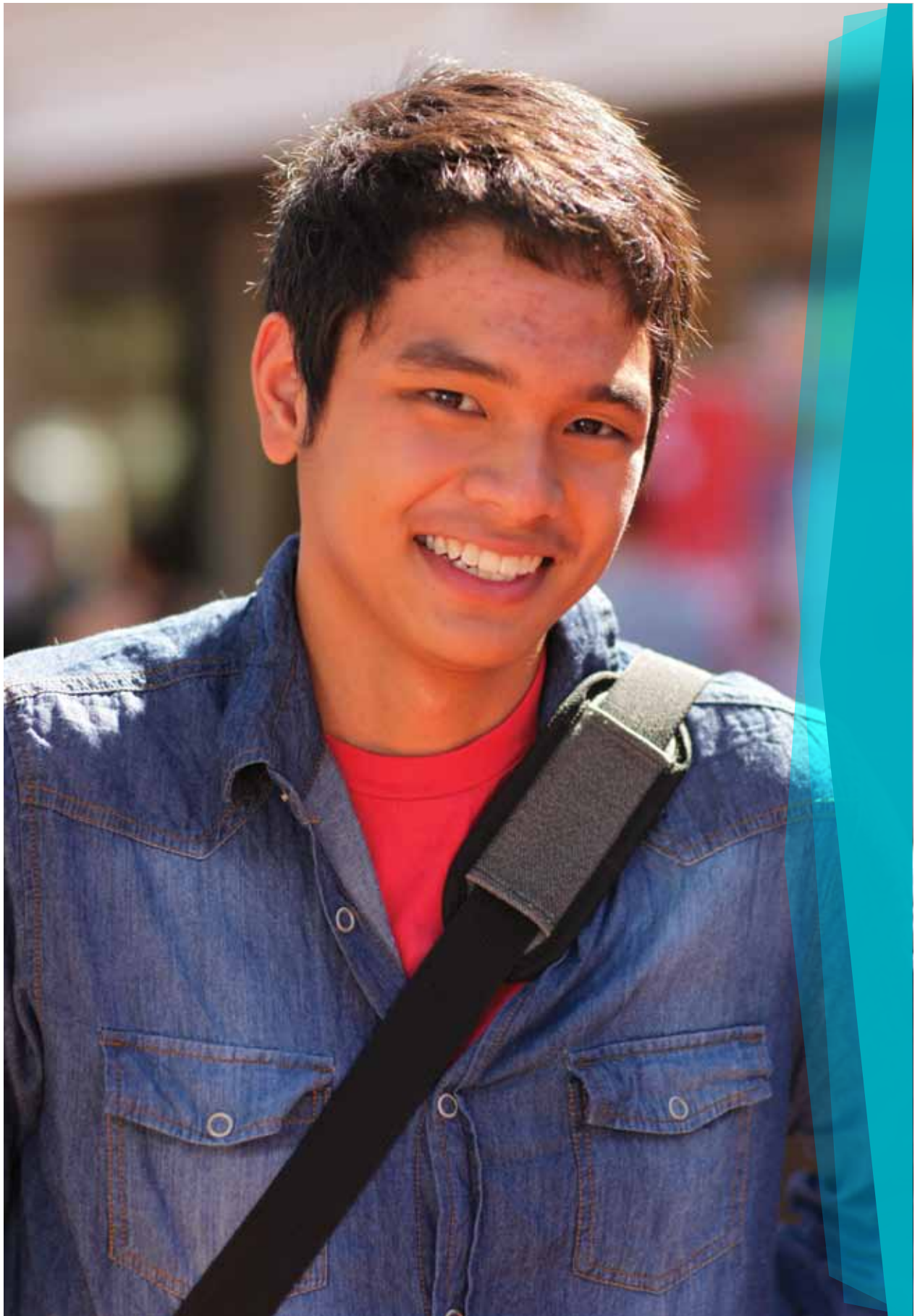
Close-up

Visa changes—a boost for the higher education sector

International education is one of Australia's largest export sectors, generating income of $15.3 billion in 2011–12 and generating thousands of jobs for Australians.

However, between 2009 and 2011 student visa grant numbers declined due to global and local factors.

In December 2010, the Australian Government commissioned the first independent review of Australia's student visa program, headed by the Hon Michael Knight AO.

> 'This is a great example of how good public policy can increase opportunities.'

The recommendations arising from the review aimed to address this decline through the introduction of initiatives such as streamlined visa processing, which allows eligible student visa applicants from certain universities to be assessed as a lower immigration risk, irrespective of their country of origin.

The review's recommendations also included offering post-study work arrangements for up to four years to international graduates who have completed their degree.

Allowing international students to gain Australian work experience to accompany their Australian qualification enhances the standing of the qualification overseas. It also provides students with valuable exposure to the Australian labour market and helps Australia remain globally competitive in higher education.

These changes were implemented in March 2013 when the Skilled Graduate (subclass 485) visa was renamed the Temporary Graduate (subclass 485) visa and amended to include the new post-study work arrangements for certain graduates of an Australian bachelor, masters or doctoral degree.

The changes provide Temporary Graduate (subclass 485) visa holders and their families with the opportunity to stay in Australia longer to work and travel after they have finished their studies.

'This is a great example of how good public policy can increase opportunities for international students in Australia,' says Assistant Secretary, Education Tourism and International Arrangements Sophie Montgomery.

'At the same time, it supports the international education sector while still maintaining a high level of integrity in the student visa program.'

The department has received many enquiries about the new initiative and is expecting a surge of applications at the end of the academic year.

Together with streamlined visa processing, the new arrangements make Australia a more popular destination for international students, who make a valuable contribution to academic life and their communities, as well as supporting an important sector of the Australian economy.

The changes have been welcomed by the higher education sector.

Photo: Eligible international students can work and travel in Australia after they have finished their studies.

Students

Australia welcomes international students. They are important to Australia's future because they help strengthen bilateral ties with key partner countries, contribute significantly to our economy and enrich our social and cultural fabric.

The student visa program provides an opportunity for people who are not Australian citizens or permanent residents to study in Australia in an internationally recognised, secure and culturally diverse learning environment. It is an important program for the department and Australia in general.

There is no cap on the student visa program and all applicants who meet the legislative requirements are granted a visa. The program contains a range of visa categories that broadly reflect the different education sectors. The visa categories are: English language intensive courses for overseas students (ELICOS), schools, vocational education and training (VET), higher education, postgraduate research and non-award. There is a separate visa for AusAID and Defence-sponsored students.

There are two visas in the program that are not directly related to education. The Student Guardian visa is for individuals to accompany and care for minors studying in Australia. The Temporary Graduate visa allows international students to live and work in Australia temporarily after they have finished their studies.

In the past few years, there have been significant changes in policy settings of the student visa program and these are reflected in the statistical trends.

Performance

This is the second year in a row that student visa grants experienced growth. Total student visa grants increased by 2.5 per cent in 2012–13 (259 278 grants) compared with 2011–12 when there were 253 046 grants. This increase was driven by higher education visas which grew by 12.5 per cent in the same period.

The People's Republic of China remained the largest source country for student visa grants, followed by India, the Republic of Korea, Vietnam and Brazil. Of the student visas granted in 2012–13 almost 43.6 per cent were to citizens of those five countries. However, Chinese students alone accounted for almost 20.8 per cent of total grants.

The Higher Education Sector visa was the most common visa category for student visa grants, at 49.1 per cent of total grants, followed by the Vocational Education and Training Sector visa at 22.6 per cent.

In 2012–13, for the first time in the last four years, offshore grants have increased. Offshore grants had been declining after reaching a peak in 2008–09. In 2012–13 there was also significant growth in offshore grants to nationals of the People's Republic of China (17.4 per cent), India (70.2 per cent), Vietnam (49.1 per cent), Brazil (19.3 per cent) and Thailand (22.6 per cent).

Table14 shows total student visa grants for 2011–12 and 2012–13 by location. Table 15 shows the top ten source countries for student visa grants for 2011–12 and 2012–13. Table 16 shows total student visa grants by subclass.

Table 14: Total student visa grants for 2011–12 and 2012–13 by location

Location	2011–12	2012–13	Percentage change
Offshore	125 119	141 810	13.3%
Onshore	127 927	117 468	-8.2%
Total	253 046	259 278	2.5%

Table 15: Top 10 source countries for student visa grants in 2011–12 and 2012–13

Citizenship country	2011–12	2012–13	Percentage change
People's Republic of China	49 592	54 015	8.9%
India	33 764	24 808	-26.5%
Republic of Korea	12 407	12 942	4.3%
Vietnam	8 161	10 725	31.4%
Brazil	9 695	10 682	10.2%
Thailand	8 760	9 274	5.9%
Malaysia	9 316	9 143	-1.9%
Saudi Arabia	8 517	8 084	-5.1%
Indonesia	8 211	8 060	-1.8%
United States of America	7 960	7 598	-4.5%
Total student visa grants for top 10 countries	156 383	155 331	-0.7%
Total global student visa grants	253 046	259 278	2.5%

Table 16: Total student visas granted by subclass, 2011–12 and 2012–13

Category	2011–12	2012–13	Percentage change
ELICOS	27 798	29 607	6.5%
Schools	9 519	9 189	-3.5%
Vocational education and training	69 944	58 563	-16.3%
Higher education	113 160	127 269	12.5%
Postgraduate research	10 605	10 715	1.0%
Non-award	16 160	17 079	5.7%
AusAID/Defence	5 860	6 856	17.0%
Total	253 046	259 278	2.5%

Note: Visa grant figures exclude Student Guardian visas.

On 30 June 2013, there were 304 251 student visa holders in Australia compared to 307 050 on 30 June 2012, which reflects a decrease of 0.9 per cent. The top ten source countries accounted for 65.8 per cent of student visa holders.

Table 17: Number of student visa holders in Australia on 30 June 2011, 2012 and 2013, by citizenship

Citizenship country	30 June 2011	30 June 2012	30 June 2013
People's Republic of China	75 578	71 227	71 196
India	50 980	38 029	30 403
Vietnam	16 283	15 504	17 156
Republic of Korea	18 695	16 864	16 089
Malaysia	15 514	14 301	14 080
Indonesia	11 508	11 671	11 674
Thailand	11 700	10 897	11 154
Nepal	13 228	12 284	11 129
Pakistan	6 418	7 400	8 748
Saudi Arabia	9 167	9 044	8 617
Other	103 638	99 829	104 005
Total	332 709	307 050	304 251

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

Temporary Graduate visa

The Temporary Graduate (subclass 485) visa has two streams, the graduate work stream and the post-study work stream. The post-study work stream was recently introduced and there have been no grants in this stream in 2012–13. The data below relates to the graduate work stream.

In 2012–13, there were 35 223 Temporary Graduate visas granted, 12.1 per cent less than last year. Most of these visas were granted to nationals from India (29.7 per cent) followed by the People's Republic of China (21.8 per cent). The top ten source countries for Temporary Graduate visa grants accounted for 80.7 per cent of total grants (see Table 18).

Table 18: Top 10 source countries for Temporary Graduate visa grants in 2012–13

Citizenship country	2011–12	2012–13	Percentage change
India	17 092	10 445	-38.9%
People's Republic of China	5 919	7 682	29.8%
Nepal	2 976	2 602	-12.6%
Malaysia	1 206	1 466	21.6%
Sri Lanka	1 374	1 296	-5.7%
Pakistan	952	1 123	18.0%
Indonesia	979	1 096	12.0%
Vietnam	585	979	67.4%
Republic of Korea	1 119	966	-13.7%
Bangladesh	876	771	-12.0%
Total visa grants for top 10 countries	33 078	28 426	-14.1%
Total global visa grants	40 062	35 223	-12.1%

Strategic review of the student visa program

The goverment announced its in-principle support for all 41 recommendations of the Knight Review on 22 September 2011.

To date 26 recommendations have been implemented. The implementation of a further two is planned for 2013–14 and work on the remaining 13 is ongoing as they involve further research and liaison between agencies.

Key achievements during 2012–13 include:

• Ongoing liaison with universities under the streamlined visa processing arrangements

The department has been working in close partnership with universities and with Universities Australia to ensure that any immigration risk management issues that may arise related to the streamlined visa processing arrangements are proactively addressed.

After 12 months of streamlined visa processing, indications are that the arrangements are generally working well for universities given the measures they introduced to assess the English language skills and the educational and financial background of their prospective students. The department will continue to work closely with universities participating in the arrangements.

• Extension of post-study work arrangements

On 23 March 2013 changes were made to the Skilled Graduate (subclass 485) visa in line with recommendations 4 and 8 of the Knight Review. This visa has been renamed the Temporary Graduate (subclass 485) visa and offers new post-study work arrangements to certain graduates of an Australian bachelor, masters or doctoral degree. The new arrangements provide graduates with the opportunity to gain practical work experience to accompany their Australian qualification and will encourage a greater flow of international students to Australia.

The previous Skilled Graduate (subclass 485) arrangements, which allowed eligible graduates to remain in Australia for an additional 18 months after their studies, remain available in the revised Temporary Graduate visa for international students who graduate with skills and qualifications that relate to an occupation on the skilled occupation list (SOL), regardless of when they applied for their first student visa to Australia.

• Cessation of automatic and mandatory cancellation

In line with recommendations 24 and 25 of the Knight Review, legislation to cease the automatic and mandatory cancellation of student visas came into effect on 13 April 2013. The removal of automatic and mandatory cancellation requirements provides fairer outcomes for students by allowing the department to take into account the individual circumstances of a student when considering a breach of visa conditions. This in turn increases the ability of the department to undertake more targeted and strategic analysis of non-compliance and risk in the student visa cohort.

Integrity

In anticipation of the changes, the department undertook a review of student integrity activity and identified key risks to inform integrity activity following the changes. The review identified key priorities for the department and a range of treatment strategies to address key risks and enhance the integrity of the student visa program. The department also worked in partnership with the Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education to develop reporting tools to ensure program integrity under the new framework.

Prior to the changes being implemented, the department delivered information sessions to education providers nationally. These sessions were the beginning of a unified and uniform approach to information sharing with stakeholders within the education sector and with students, under the new framework.

The department works closely with national regulators on non-compliance with student visa conditions and in 2012–13 undertook a number of joint audits with national regulators. The department also undertook a number of operations which focused on agreed priorities and risks associated with the student visa program.

An analysis of the department's cancellation data shows that 8667 student visas were cancelled during 2012–13. 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, 1739 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 4058 were cancelled where the visa holder was outside Australia.

Online lodgement for student visa applicants

Certain applicants for student visas can lodge their application online through the department's eVisa system.

For clients who are outside Australia, all applicants from assessment level 1 (low immigration risk) countries can lodge online.

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. However, they must do so through an agent with access approved by the department to 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.

Within Australia, all applicants from assessment level 1 countries can lodge online. Student visa holders in Australia applying for a subsequent student visa to extend their stay can also lodge online.

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 19).

Table 19: eVisa take-up rate for assessment level 1 student visa applicants

Financial year	eVisa take-up rate offshore (%)	eVisa take-up rate onshore (%)
2010–11	78.1	67.5
2011–12	80.8	69.8
2012–13	84.8	72.2

In the four countries where the assessment level 2–4 eVisa arrangements exist, the take-up rate is higher in the People's Republic of China than in Indonesia, Thailand and India. The number of agents authorised to access the facility in Indonesia, Thailand and India is much lower than the People's Republic of China. The number of authorised agents in these three countries 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 20).

Table 20: Offshore eVisa percentage take-up rates for assessment level 2–4 eVisa countries[1]

Citizenship country	2010–11	2011–12	2012–13
India[2]	22.9	19.3	20.7
People's Republic of China[3]	73.6	75.8	76.7
Thailand[4]	13.2	17.1	19.8
Indonesia[5]	32.0	43.7	35.1

1. Data excludes subclass 576 (AusAID/Defence), which does not have access to online lodgement.
2. India is AL1 for subclass 574 and so offshore applicants for this visa do not use the AL2–4 eVisa facility.
3. China is AL1 for subclass 574 and so offshore applicants for this visa do not use the AL2–4 eVisa facility.
4. Thailand is AL1 for subclasses 571, 573, 574, 575 and so offshore applicants for these visas do not use the AL2–4 eVisa facility.
5. Indonesia is AL1 for subclasses 571, 574 and so offshore applicants for these visas do not use the AL2–4 eVisa facility.

Streamlined visa processing arrangements do not affect lodgement channels. Clients from the four countries who are eligible for streamlined visa processing can still lodge online through an authorised agent.

Temporary residents (economic)

Enterprise migration agreement program

Enterprise migration agreements (EMAs) are available to resources projects with capital expenditure of more than $A2 billion 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 for Immigration and Citizenship announced the government's in-principle approval to enter into an EMA with the Roy Hill project in the Pilbara region of Western Australia. Since that date, the department has been working to finalise the agreement with Roy Hill Holdings Pty Ltd. Roy Hill Holdings Pty Ltd has publicly noted in both February and June 2013 that it will look to finalise the EMA only as a commercial safety net as it expects to be able to recruit a large number of the required workers locally due to domestic labour market softening. A further three EMAs were under negotiation during 2012–13.

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.

The subclass 457 program had been growing at a record rate and there was also a disturbing trend in some industries of certain employers sourcing their skilled labour needs from offshore without regard to the local availability of labour.

On 23 February 2013, in response to these issues, the Minister for Immigration and Citizenship announced a number of reforms to the subclass 457 program, enacted in parliament and introduced from 1 July 2013. The Migration Amendment (Temporary Sponsored Visas) Bill received Royal Assent on 29 June 2013, and can now be referred to as the *Migration Amendment (Temporary Sponsored Visas) Act 2013*. These reforms strengthen the department's capacity to identify and prevent activity not in keeping with the intent of the program.

Performance

457 visa program

Temporary Work (Skilled) (subclass 457) visas, commonly known as 457 visas, are temporary visas which allow skilled overseas workers to be sponsored by businesses to fill vacancies that cannot be filled from within Australia. A 457 visa may be granted with a validity period of between one day and four years. The program is uncapped and is intended to be demand driven, enabling businesses to fill emerging skill needs quickly.

The subclass 457 visa program recorded strong growth in 2012–13, with industries such as accommodation and food services (125.0 per cent), retail trade (83.5 per cent) and agriculture, forestry and fishing (63.1 per cent) having particularly high growth rates in the number of applications being lodged. For the first time in five years, more than half of all 457 visa applications were lodged from onshore by people who held a temporary visa.

There were 68 480 subclass 457 visas granted to primary applicants in 2012–13, exceeding the previous record of 68 310 set the previous year. At 30 June 2013, there were 191 200 subclass 457 visa holders in Australia, of whom 56.5 per cent were primary visa holders. This represents an 18.6 per cent increase in primary visa holders from the same date last year.

In 2012–13, Tasmania and South Australia had the highest growth rates in 457 primary visa grants of all states and territories at 33.2 per cent respectively, although these two states comprise only of 0.5 per cent and 3.0 per cent respectively of total primary 457 visa grants nationwide. Western Australia (down 10.0 per cent) and Queensland (down 3.2 per cent) both fell in 2012–13, in line with the slowing of the mining industry. However, New South Wales and Victoria between them continued to account for more than half of all primary visas granted.

The main users of the subclass 457 visa program in 2012–13 were other services[1] with 12.3 per cent of primary visas granted, followed by construction (11.5 per cent), health care and social assistance (10.9 per cent), accommodation and food services (9.9 per cent), and information media and telecommunications (9.8 per cent). Professional, scientific and technical accounted for 8.1 per cent of those granted primary visas, followed by mining (6.8 per cent), and manufacturing (5.5 per cent).

1. Includes personal services, religious, civic, professional and other interest group services; selected maintenance repair activities; and private households employing staff.

The top source country for the 457 visa in 2012–13 was India with 20.8 per cent of primary visas granted, followed by the United Kingdom (19.4 per cent), Ireland (9.6 per cent), the Philippines (5.9 per cent) and the United States of America (5.9 per cent). Table 21 shows the type and percentage of 457 visa applications lodged electronically. Table 22 provides an overview of the 457 visa program for the past three program years. Table 23 shows the number of visas granted to primary applicants each month during 2012–13.

Table 21: Type and percentage of subclass 457 visa applications lodged electronically

Program year	2010–11	2011–12	2012–13
Sponsorship applications	76.7%	81.0%	90.4%
Nominations	89.7%	92.5%	94.9%
Visa applications	87.6%	89.7%	90.8%

Table 22: Overview of the subclass 457 visa program for the past three program years

Measure	2010–11	2011–12	2012–13
Visa grants to primary applicants	48 080	68 310	68 480
Total visa grants	90 120	125 070	126 350
Sponsors with a grant to primary applicant	11 290	16 520	21 670
Average nominated base salary	$86 800	$85 400	$82 100

Table 23: Number of visas granted each month during 2012–13

Month	Primary visa grants
July	6 620
August	6 930
September	5 930
October	6 420
November	5 620
December	4 410
January	5 830
February	5 110
March	4 930
April	5 150
May	5 860
June	5 670
Total	68 480

Processing times for the 457 visa program continued to be well below the levels recorded in previous years. The median processing time as of 30 June 2013 for a 457 primary visa was 16 calendar days, a 60 per cent decrease from the boom year of 2007–08. Nearly 92 per cent of applications were finalised within the two-to three-month service standard.

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 is intended to facilitate 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 use the subclass 457 visa.

During 2012–13, the government consulted widely with local, state and federal government stakeholders, community groups, unions and businesses on the development of the RMA program. The minister also consulted with MACSM, whose members provided a range of views on the program.

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 premises or a place without force

• require a person to produce a record or documents

• inspect and make copies of any number of documents

• interview people while at premises or a place.

The *Migration Amendment (Temporary Sponsored Visas) Act 2013* substantially expanded the department's capacity to monitor sponsors. The new legislation provides powers to the Fair Work Ombudsman (FWO) to monitor and enforce compliance with sponsorship obligations.

From 1 July 2013, Fair Work inspectors will focus on monitoring key aspects of employers' compliance with sponsorship obligations, namely:

• 457 visa holders are being paid the market rates (Regulation 2.79)

• the job being done by the 457 visa holder matches the job title and description approved in their visa (Regulation 2.86).

In addition, FWO staff can refer suspicious activity to the department for further assessment against sponsorship requirements.

The FWO currently has more than 300 appointed inspectors across the country. Their appointment as inspectors under the Migration Act has substantially expanded the sponsor-monitoring inspectorate, and the government's capacity to monitor the subclass 457 program and other sponsored visas.

This will significantly improve sponsor monitoring and will send a strong signal to sponsors doing the wrong thing that they must fulfill their sponsorship obligations. These changes enable FWO inspectors to ask questions and request documents that demonstrate whether sponsoring employers are meeting their sponsorship obligations.

In 2012–13 there was a 38 per cent increase in the number of infringement notices served, and it is expected that the additional monitoring capacity and enforcement option brought into effect by the new legislation will bring increased sanction rates over the coming year.

Table 24 shows monitoring performance by the department over the past three program years.

Table 24: Subclass 457 monitoring performance

Measure	2010–11	2011–12	2012–13
Active sponsors (sponsors with a primary visa holder in Australia at the end of the financial year)	18 520	22 450	30 090
Sponsors monitored	2 091	1 754	1 857
Sponsors' sites visited	814	856	1 238
Sponsors formally sanctioned	140	125	217
Sponsors formally warned	453	449	302
Referrals to other agencies	61	18	12
Sponsors issued with an infringement notice	9	49	68
Sponsors subject to pecuniary penalty by the Federal Magistrates Court	0	1	0

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.

Labour agreements take considerable time to negotiate due to the rigorous assessment of large amounts of information. The negotiation period for a labour agreement is currently at a median of eight months.

At 30 June 2013, there were 167 labour agreements in place and a further 72 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 2013, 22 companies had a meat industry labour agreement in effect 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 COAG. At 30 June 2013, 66 companies had an on-hire industry labour agreement in effect and a further 29 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 2013, 11 companies had signed a fishing industry template labour agreement and an additional one was under negotiation.

In May 2012, a template arrangement was introduced for fast food employers seeking to sponsor store management staff, largely in regional and remote areas experiencing skilled labour shortages. At 30 June 2013, nine companies had signed a fast food industry template labour agreement and an additional four were 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.

Other temporary resident (economic) visas

Temporary Work (Short Stay Activity) (subclass 400) visa

On 23 March 2013, significant changes were made to visitor visas under the government's visa simplification and deregulation project. As part of these changes, work rights previously permitted on Business Visitor visas were provided for in the new Temporary Work (Short Stay Activity) (subclass 400) visa which allows a maximum stay of three months. The highly specialised work stream of the subclass 400 visa allows visa applicants to undertake short-term, highly specialised, non-ongoing work. There is also provision for a visa grant in Australia's interest in exceptional circumstances.

Seasonal worker program

On 1 July 2012, the Pacific seasonal worker pilot scheme was replaced by the seasonal worker program. The program is demand driven with 12 000 visa places available over four years: 10 450 for the horticulture program (2012–16) and 1550 for a three year trial in the accommodation, aquaculture, cane and cotton sectors (2012–15). Seasonal workers from Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu can participate in the program. The Department of Education, Employment and Workplace Relations (DEEWR) is the lead agency for this program, with the department supporting the program by managing the visa application process by ensuring visa compliance is monitored and by providing assistance with training in participating countries on Australia's visa requirements.

Other visas

Temporary economic entrants also come to Australia on a range of other visas, including the Temporary Work (Entertainment) (subclass 420) visa and the Temporary Work (Long Stay Activity) (subclass 401) visa in the exchange and domestic worker (executive) streams.

The subclass 420 visa provides for the temporary entry of people undertaking a wide range of activities within the entertainment industry. Around 18 000 visas were granted in 2012–13 facilitating a number of large events, including the Big Day Out, Cavalia, Bluesfest and the Bolshoi Russian Ballet tour.

Table 25: Other Temporary Resident (economic) visa grants

Visas	2010–11	2011–12	2012–13	Comment
Temporary Work (Short Stay Activity) (subclass 400)[1]	0	0	4 597	Highly specialised work and Australia's interest streams
Temporary Work (Long Stay Activity) (subclass 401)[3]	0	0	58	Exchange and domestic worker (executive) stream
Exchange (subclass 411)[2]	306	308	153	
Special Program (subclass 416)	423	1 070	1 492[4]	Seasonal worker program
Temporary Work (Entertainment) (subclass 420)	16 319	16 847	18 025	
Medical Practitioner (subclass 422)[5]	134	8	10	
Media and film Staff (subclass 423)[2]	30	74	31	
Domestic worker—Executive (subclass 427)[2]	17	12	7	
Total[6]	17 229	18 319	24 373	

1. This visa commenced on 23 March 2013.

2. These visas were repealed on 23 November 2012.

3. This visa commenced on 24 November 2012 and provided a pathway for the repealed subclass 411 and 427.

4. Includes 1473 visas granted under the seasonal worker program (SWP) and 19 visas granted under the Pacific seasonal worker pilot scheme (for applications lodged prior to, but granted after, the 1 July 2012 commencement of the SWP).

5. This visa was repealed on 1 July 2010.

6. Excludes Graduate (Temporary) Skilled (subclass 485) visa, Skilled—Recognised Graduate (temporary) (subclass 476) visa and Independent Executives—Temporary Work (Skilled) (subclass 457).

Temporary residents (non-economic)

On 23 March 2013, a number of significant changes were made to visitor visas as part of the Australian Government's visa simplification and deregulation project. As part of these changes, work rights previously permitted on business visitor visas were provided for in the new Temporary Work (Short Stay Activity) (subclass 400) visa which allows a maximum stay of three months. The invited participant stream of the subclass 400 visa allows applicants to participate in events on a non-ongoing basis at the invitation of an Australian organisation.

There are also a number of temporary visas that support Australia's international relations interest and facilitate entry to Australia for cultural, training and research purposes. For example, the Training and Research (subclass 402) visa allows people to enter Australia on a temporary basis to undertake occupational training, observe or participate in an Australian research project or participate in professional development activities. The Special Program (subclass 416) visa enhances international relations and cultural exchange by allowing people to share cultural and social experiences and knowledge in the Australian community through participation in approved programs. The sport stream of the Temporary Work (Long Stay Activity) (subclass 401) visa provides for the entry of persons to participate in high-level competition with Australian residents to improve the quality of a sport in Australia. Additionally, the religious worker stream of this visa supports a wide range of religious communities in Australia by enabling the temporary entry of spiritual leaders such as ministers, priests, imams, nuns, rabbis and monks.

Table 26: Temporary Resident (non-economic) visa grants

Visas	2010–11	2011–12	2012–13	Comment
Temporary Work (Short Stay Activity) (subclass 400)[1]	0	0	1 627	Invited participant stream
Temporary Work (Long Stay Activity) (subclass 401)[2]	0	0	912	Religious worker and sport streams
Training and Research (subclass 402)[3]	0	0	3 079	All streams
Temporary Work (International Relations) (subclass 403)[4]	0	0	578	All streams
Investor Retirement (subclass 405)	133	136	60	
Government Agreement (subclass 406)*	496	484	384	
Retirement (subclass 410)	1 875	1 327	645	
Foreign Government Agency (subclass 415)*	286	260	149	
Special Program (subclass 416)	2 140	1 894	1 842	Special programs other than the seasonal worker program
Visiting Academic (subclass 419)*	2 602	2 219	1 309	
Sport (subclass 421)*	497	470	386	
Domestic worker—Diplomatic or Consular (subclass 426)*	145	148	61	
Religious worker (subclass 428)*	1 835	1 989	1 248	
Occupational Trainee (subclass 442)*	3 480	3 831	2 018	
New Zealand Citizen Family Relationship (Temporary) (subclass 461)	2 197	2 371	2 517	
Professional Development (subclass 470)*	491	437	154	
Diplomatic (subclass 995)	2 330	2 777	2 949	
Total	18 507	18 343	19 918	

1. This visa commenced on 23 March 2013.

2. This visa commenced on 24 November 2012 and provided a pathway for the repealed subclass 421 and 428.

3. This visa commenced on 24 November 2012 and provided a pathway for the repealed subclass 419, 442 and 470.

4. This visa commenced on 24 November 2012 and provided a pathway for the repealed subclass 406, 415 and 426.

* These visas were repealed on 24 November 2012.

Close-up

457 workers save Broome building company

Gareth Owen's voice rings with pride when he talks about his Broome-based steel fabrication and construction company.

As the company accountant, he knows how close B & J Building Consultants and Steel Supplies came to going under a few years ago.

The mining boom sucked skilled workers out of the market, sparking major problems for the business.

'We could not keep a stable workforce, we weren't able to recruit experienced staff and we struggled with quality and giving the customers what they needed,' he said.

> 'The 457 program helped stabilise us.'

Mr Owen said the 457 skilled worker program saved the company.

And not just saved it, but inspired innovations that mean the company now recruits 95 per cent of its workforce locally and trains in-house.

Its training program was recognised last year with the prized Australian Training Awards Australian Apprenticeships—Employer Award, at a gala dinner in Melbourne in November 2012. The company also won awards from the Master Builders' Association in 2011 for Apprentice of the Year and Trainer of the Year.

'That's a big coup for a regional company,' Mr Owen said.

He said success sprang from the training regime developed to bring 457 workers into the company.

'The 457 workers stabilised the workforce at a time when staff movements were dragging the company under,' Mr Owen said.

'And the experience of teaching them about Australian workplace culture and our own company culture taught us that those things were an integral part of the training process.

'So now all our trainees learn about those things, as well as the skills of their trade,' Mr Owen said.

B & J Building no longer relies on 457 workers.

'The 457 program helped stabilise us and gave us qualified, competent staff and enabled us to meet customer demand in that boom period,' Mr Owen said.

'Once we had achieved stability it meant we could stop worrying about recruiting; people were actually able to put in a good training program and that enabled us to recruit locally, bring people into the business and give us a sustainable workforce.'

The company is growing—it now has 45 employees, 30 per cent of them Indigenous Australians—and is restructuring to build on its successes.

All of the nine original 457 workers stayed with the company for four years and are now permanent residents.

Photo: Ariel, a 457 worker at the B & J Building Consultants and Steel Supplies.

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. These visas were replaced by a single ETA (subclass 601) visa on 23 March 2013

- 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 of up to 12 months. This visa was replaced by the Visitor (subclass 600) visa—tourist and approved destination status streams on 23 March 2013

- Sponsored Family Visitor (subclass 679) visas, which are specifically designed for people seeking to visit family in Australia. This visa was replaced by the Visitor (subclass 600) visa—sponsored family stream on 23 March 2013

- 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. These visas were replaced by the Visitor (subclass 600) visa—business visitor stream on 23 March 2013

- 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. These visas were replaced by the Medical Treatment (subclass 602) visa on 23 March 2013.

The working holiday and work and holiday programs encourage cultural exchange and closer ties between arrangement countries by allowing young people to have an extended holiday supplemented by short-term employment.

Performance

During 2012–13, 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:

- reducing the number of visitor visa subclasses from nine to four to provide greater clarity and consistency for clients, stakeholders and departmental staff
- finalising 94.8 per cent of visitor and working holiday maker visa applications within service standards
- conducting ongoing integrity checks to minimise the risk of non-bona fide visitors being granted visitor visas
- promoting tourism to Australia through targeted schemes such as the approved destination status (ADS) scheme for Chinese tourists
- expanding access to online lodgement of visitor visa applications
- granting longer visitor visas for parents of Australian citizens and permanent residents
- providing assistance to international event organisers and participants in key events such as the International Indigenous Peoples and Local Communities Land and Sea Managers Conference and the Mining for Development Conference
- publishing regular statistical reports on the visitor and working holiday maker programs on the department's website at: www.immi.gov.au/media/statistics/visitor.htm

The use of electronic visitor visa options by eligible passport holders increased slightly to 99.2 per cent in 2012–13, compared to 98.5 per cent in 2011–12. This was due to an increase in lodgements for the tourist eVisitor (subclass 651) visa and the electronic version of the Tourist (subclass 676) visa, known as 'e676'.

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 remained steady in 2012–13 at 99.7 per cent, compared to 2011–12. These figures demonstrate that the vast majority of people granted visitor visas have been correctly assessed as genuine visitors.

In 2012–13, 96.5 per cent of visitor visas were finalised within service standards. This is consistent with 2010–11 (96.3 per cent) and 2011–12 (97.0 per cent).

On 23 March 2013 significant changes were made to the visitor visa program as part of the government's deregulation agenda. The purpose of these changes was to simplify the visitor visa framework so clients can more easily select the most appropriate visa for their intended purpose of stay in Australia. Part of the simplification has been to remove permission to work from the business visitor program and manage this separately in the Temporary Work (Short Stay Activity) (subclass 400) visa. The Visitor (subclass 600) visa allows for tourism, family or business visitors and replaces the Tourist (subclass 676), Sponsored Family Visitor (subclass 679), and the business visitor elements of the Business (Short Stay) (subclass 456) and the Sponsored Business Visitor (Short Stay) (subclass 459) visas. A single Electronic Travel Authority (ETA) (subclass 601) allowing for tourism and business visitor activities has replaced the three previous ETA tourist and business visitor visas.

Table 27: Visitor visa performance against the service standards

	Onshore		Offshore	
Category	Low risk	High risk	Low risk	High risk
Sponsored Family Visitor (subclasses 600, 679)				
Target	Not applied for onshore	Not applied for onshore	Not applicable	75% finalised in 1.5 months
Result	-	-	-	91.5%
Non-sponsored Visitor (subclasses 600, 601, 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	54.3%	65.1%	97.5%	96.1%
Sponsored Business Visitor (subclass 459)[1]				
Target	Not applied for onshore	Not applied for onshore	Not applicable	75% finalised in 1 month
Result	-	-	-	89.5%
Non-sponsored Business Visitor (subclasses 456, 600, 601, 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	-	-	92.5%	97.4%

1. This visa was repealed on 23 March 2013.

Visitor visa grants

In 2012–13, there were 3 728 879 visitor visas granted to people outside Australia, an increase of 5.4 per cent from the 2011–12 figure of 3 537 651. The United Kingdom remained the country with the highest number of visitor visa grants outside Australia. The total number of visitor visa grants to United Kingdom citizens increased by 3.5 per cent from 2011–12 (Table 28). The People's Republic of China remained the second largest source country (12.7 per cent of visitor visas in 2012–13, compared to 11.1 per cent in 2011–12). This reflects the increasing demand for travel by the emerging Chinese middle class and Chinese business people.

Table 28: Main source countries for visitor visa grants outside Australia

Country	2010–11	2011–12	2012–13
United Kingdom	570 561	524 880	543 495
People's Republic of China	323 007	393 988	473 206
United States of America	373 051	371 995	380 086
Japan	324 215	306 097	300 899
Malaysia	192 157	191 909	214 817
Singapore	141 684	139 625	169 812
Republic of Korea	175 502	166 918	161 317
Germany	142 133	135 859	139 386
India	106 116	117 187	130 497
France	122 872	121 384	113 317
Canada	105 100	106 655	102 241
Indonesia	83 167	86 850	88 924

More than 907 000 Tourist (subclass 676) and Visitor (subclass 600) tourist and approved destination status stream visas were granted offshore in 2012–13, a 14.2 per cent increase compared to 2011–12, driven mainly by growth from the People's Republic of China. Tourist (subclass 676) and Visitor (subclass 600) tourist and approved destination status stream visa grants in the People's Republic of China increased by 21.9 per cent in 2012–13 compared to 2011–12. Other countries in the Asian region also experienced growth, including India which increased by 13.0 per cent compared to 2011–12.

More than 438 000 tourist eVisitor (subclass 651) visas, which are available to certain European passport holders, were granted in 2012–13.

The ETA remains the most popular visa for those wishing to visit Australia for tourism purposes, with 1 899 215 grants in 2012–13.

Table 29: Visitor visa grants by category

Categories	2011–12	2012–13	Percentage variation
Electronic Travel Authority (ETA) (subclasses 601, 956, 976, 977)[1]	2 091 205	2 079 642	-0.6
eVisitor (subclass 651) visas	416 386	484 616	16.4
Superyacht Crew (subclass 488) visas	235	342	45.5
Tourist (non–ETA) (subclasses 600, 676) visas	794 142	907 286	14.2
Business Visitor (non–ETA, non-eVisitor) (subclasses 456, 459, 600) visas[1]	219 570	237 149	8.0
Sponsored Family Visitor (subclasses 600, 679) visas	13 802	17 732	28.5
Medical Treatment (subclasses 602, 675, 685) visas	2 311	2 112	-8.6
Total visitor visas	3 537 651	3 728 879	5.4

1. From 23 March 2013, permission to work moved from visa subclasses 456, 459, 956 and 977 to the newly created Temporary Work (Short Stay Activity) (subclass 400) visa which is reported under the Temporary residents (economic) section of this report. This figure includes ETAs granted for both tourism and business purposes.

The overall visitor visa approval rate for 2012–13 was 97.6 per cent, which was consistent with 2011–12 (97.3 per cent) and 2010–11 (97.6 per cent).

Table 30: Trends in visitor visa approval rates

Visa category	Approval rate 2009–10	Approval rate 2010–11	Approval rate 2011–12	Approval rate 2012–13
All offshore visitor visas	98.0%	97.6%	97.3%	97.6%
ETA (subclasses 601, 956, 976, 977) visas	100.0%	100.0%	100.0%	100.0%
eVisitor (subclass 651) visas	99.3%	99.0%	99.2%	99.1%
All other offshore visitor visa applications (subclasses 456, 459, 488, 600, 602, 676, 675, 685, 679)	92.3%	91.9%	91.6%	93.1%

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.

ADS travellers are required to stay with their tour group, and are not permitted to study, work or extend their stay in Australia.

Prior to 23 March 2013, tourists under the ADS scheme were granted a Tourist (subclass 676) visa. Since 23 March 2013, ADS travellers have been facilitated under a dedicated ADS stream of the Visitor (subclass 600) visa.

While independent travellers have outnumbered group travellers under the ADS scheme as the largest source of Chinese tourists to Australia since 2008–09, ADS continues to be popular for first-time travellers to Australia and record numbers are using the scheme. In 2012–13, 163 894 tourists travelled to Australia under the scheme, compared to 137 797 in 2011–12.

Figure 5: Trends in Tourist (subclass 676) and Visitor (subclass 600) visas granted under the approved destination status scheme
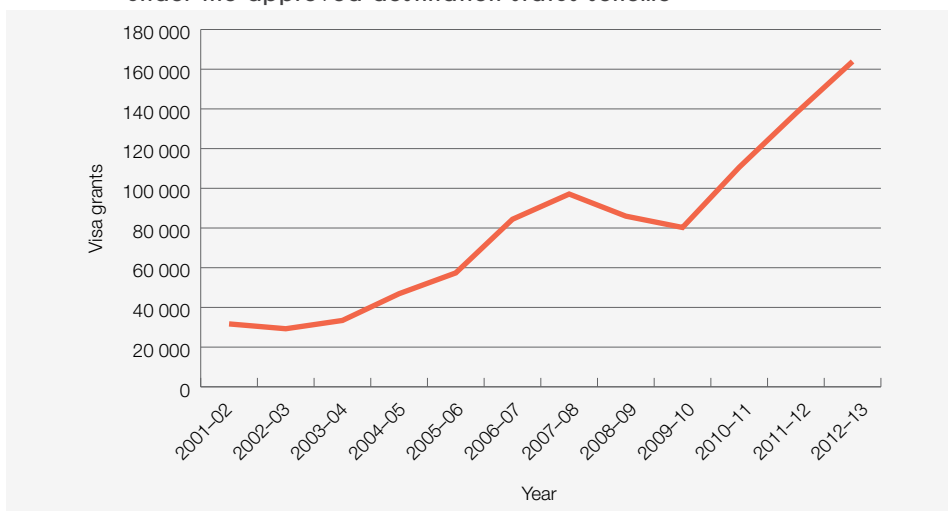
Visa initiatives to support the tourism industry and the Australian community

The TVAG met quarterly in 2012–13 to facilitate consultation between the department and key tourism industry stakeholders, including representatives from Tourism Australia, the Australian Tourism 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.

On 24 November 2012, the department introduced more generous arrangements for parents of Australian citizens and permanent residents. Parents who meet the criteria for a Visitor (subclass 600) visa can now be granted a Visitor visa valid for up to five years if they are in the Parent visa queue. This initiative has proven popular, particularly with Chinese and Indian nationals, with 23 419 visas granted in 2012–13.

The department is implementing changes to support the progressive expansion of online lodgement of Visitor visa applications to all countries in 2013–14. Visitors from Papua New Guinea were the first to be provided with online access to the Visitor (subclass 600) visa on 24 June 2013. Online lodgement offers benefits such as electronic payment of the visa application charge and quicker decision-making. It also removes the need for applicants to post their passport to an Australian visa office to have a printed visa label placed in their passport.

Table 31: e676 visa grants for eligible countries

Country	2011–12	2012–13
United Kingdom	15 786	19 779
Brazil	3 945	16 591
Argentina	2 345	7 413
Chile	2 710	5 700
Germany	4 300	5 419
Saudi Arabia	4 330	4 847
France	2 707	2 936
United States of America	2 690	2 746
Switzerland	2 653	2 547
Italy	1 694	2 495

Business visitors

Business visitor visas support Australian businesses by allowing business people to make general business and employment enquiries, attend conferences, negotiate and review business contracts and make official government to government visits.

Prior to simplification of the visitor visa framework, business visitor visa holders were also permitted to undertake specialised non-ongoing work. On 23 March 2013, work rights were moved from business visitor visas to a new dedicated visa, the Temporary Work (Short Stay Activity) (subclass 400) visa. This provides a clearer pathway for those clients seeking to enter Australia for a short period to perform specialised non-ongoing work and facilitates assessment of proposed activities so they do not adversely affect local employment and training opportunities.

In 2012–13, 463 559 short stay business visitor visas were granted (excluding Superyacht crew (subclass 488) visa), an increase of 0.1 per cent over 2011–12 (463 323 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 32: Breakdown of short stay business visitor visas granted in 2012–13[1]

Visa category	Visa grants in 2011–12	Visa grants in 2012–13	Percentage of total Business Visitor (Short Stay) visas granted in 2012–13
ETA Business Visitor visas (subclasses 601, 956 and 977)	198 711	180 427	38.9
eVisitor (subclass 651) (Business stream)	45 042	45 983	9.9
Non-electronic Business Visitor visas (subclasses 456, 459 and 600)	219 570	237 149	51.2

1. Excludes Superyacht Crew (subclass 488) visa

Table 33: Main source countries for short stay business visitor visa grants[1]

Country	2010–11	2011–12	2012–13
People's Republic of China	74 320	78 049	88 443
United States of America	62 669	68 557	61 755
United Kingdom	40 016	41 796	40 861
India	25 586	26 462	27 740
Japan	23 045	23 744	23 584
Singapore	19 290	19 097	19 999
Indonesia	15 892	15 837	15 309
Malaysia	14 480	13 663	14 890
Republic of Korea	12 342	12 009	14 669
Germany	13 927	15 013	13 575

1. Excludes Superyacht Crew (subclass 488) visa

Working holiday and work and holiday programs

In 2012–13, there was continued growth in the program with a 15.8 per cent increase in total working holiday maker (WHM) visa grants (258 248 grants) compared to the same period in 2011–12. There were increases in grants for all WHM visa categories: first Working Holiday (subclass 417), second Working Holiday (subclass 417) and Work and Holiday (subclass 462).

Grants

The top five countries for first Working Holiday (subclass 417) visa grants were the United Kingdom, with an increase of 8.6 per cent, the Republic of Korea (up 8.1 per cent), Taiwan (up 57.6 per cent), Germany (up 17.0 per cent) and France (up 22.6 per cent). Notable reductions in grants occurred for Ireland (down 39.4 per cent) and Norway (down 17.9 per cent).

The top five countries for second Working Holiday visa grants were the United Kingdom with an increase of 22.2 per cent, Ireland (up 15.2 per cent), Taiwan (up 68.7 per cent), the Republic of Korea (up 7.9 per cent) and France (up 32.4 per cent).

The top five countries for Work and Holiday visa grants were the United States of America with an increase of 0.7 per cent, Chile (up 26.4 per cent), Thailand (up 34.1 per cent), Argentina (up 59.8 per cent) and Indonesia (up 77.8 per cent).

Table 34: First and second Working Holiday (subclass 417) visa grants, 2012–13

Country of Citizenship	1st 417	2nd 417	Total grants	Percentage increase from 2011–12
United Kingdom	38 782	7 349	46 131	10.6%
Taiwan	28 599	7 162	35 761	59.7%
Republic of Korea	29 614	5 606	35 220	8.1%
Germany	24 687	1 497	26 184	16.4%
France	22 539	2 249	24 788	23.4%
Ireland	11 817	7 300	19 117	-26.0%
Italy	14 198	1 775	15 973	66.4%
Hong Kong Special Administrative Region of the People's Republic of China	9 544	1 910	11 454	52.5%
Japan	8 248	1 709	9 957	8.7%
Canada	6 900	589	7 489	-5.5%
Sweden	4 993	371	5 364	12.4%
Netherlands	4 005	301	4 306	11.0%
Estonia	1 559	626	2 185	20.5%
Belgium	1 630	155	1 785	22.6%
Denmark	1 425	91	1 516	2.2%
Finland	1 146	132	1 278	8.2%
Norway	480	24	504	-18.3%
Cyprus	126	2	128	300.0%
Malta	76	13	89	-10.1%
Not Specified[1]	1	1	2	-
Total	210 369	38 862	249 231	16.1%

1. Dual nationality

Table 35: Work and Holiday (subclass 462) visa grants, 2012–13

Country of Citizenship	Grants	Percentage increase from 2011–12
United States of America	6 878	0.7%
Chile	808	26.4%
Thailand	464	34.1%
Argentina[1]	417	59.8%
Indonesia[2]	176	77.8%
Turkey	102	385.7%
Malaysia	100	0.0%
Bangladesh	62	26.5%
Uruguay[3]	9	-
Not specified[4]	1	-
Total	9 017	8.0%

Note: Year-to-date figures are extracted from a live system and may be subject to change.

1. This reflects the fact that the arrangement with Argentina started in late February in the 2011–12 program year.

2. The expanded program with Indonesia started in early 2013.

3. This reflects the fact that the arrangement with Uruguay started on 1 April in the 2012–13 program year.

4. Dual nationality

Recent developments

A new Work and Holiday visa arrangement was signed with Uruguay in November 2012 and the arrangement came into effect on 1 April 2013.

As announced by the Prime Minister in July 2012, administrative arrangements have been put in place to expand the Work and Holiday visa arrangement with Indonesia from 100 capped places to 1000 capped places, and the expanded program is now in place.

The department made substantial progress on the establishment of an additional 13 new Work and Holiday visa arrangements in 2012–13, the largest number of simultaneous bilateral negotiations undertaken since the inception of the WHM visa program in 1975.

Australia is engaged in negotiations for new Work and Holiday visa program arrangements with the following countries: Andorra, Czech Republic, Greece, Hungary, Israel, Latvia, Mexico, Poland, Portugal, San Marino, Slovak Republic, Spain and Vietnam.

Migration health requirement

Applicants for visas to visit or to 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 health expenditure on health and community services resulting from migration is contained and that Australian residents continue to have access to a full range of health and other community services.

Table 36 demonstrates Australia's low rate of incidence of TB (number of new cases of active TB disease) compared to the size of the population, compared to other major developed countries. This indicates the success of Australia's health screening procedures for prospective migrants.

Table 36: Comparative rates of tuberculosis by country

Incidence of TB in the Australian population compared to other major developed countries[1]			
Country	Population (000s) 2011[2]	TB cases reported[3]	TB rate (cases per 100 000)[3]
Australia	22 324	1 300	6
Canada	34 484	1 500	5
France	63 249	5 000	4
New Zealand	4 405	310	8
Sweden	9 449	590	7
United Kingdom	61 761	9 000	14
United States of America	311 592	11 000	4

1. All figures have been rounded down.

2. OECD population data available from http://stats.oecd.org

3. TB data (figures as at 2011) available from WHO Global TB database available at
   www.who.int/tb/country/data/profiles/en/index.html

SkillSelect implementation—the first 12 months

The department successfully implemented SkillSelect, one of the most significant reforms to skilled migration in a generation on 1 July 2012. SkillSelect is the department's new innovative online system for managing the skilled migration program and selecting the best and brightest points-tested skilled migrants.

SkillSelect invites points-tested skilled migrants to apply for skilled visas at levels that match the needs of the Australian economy. It allows the department to better control the volume of visa grants and ensure skilled migration is operating in the national interest and not just in the interest of intending migrants. Further occupational ceilings under SkillSelect have ensured that the skilled migration program is not dominated by a narrow range of occupations, thereby potentially crowding out local job seekers.

Clients invited to apply for visas through SkillSelect have experienced reduced processing times as application numbers now better match the permanent migration program planning levels. Australian employers also have a tool for access to international skilled migrants where they cannot source those skills from within the Australian labour market.

SkillSelect allows skilled people from around the world to make an online expression of interest (EOI) in skilled migration to Australia. It provides feedback to clients on the requirements for each visa type and contains automated processes for issuing invitations to select clients who may then lodge a visa application.

Australian state and territory government representatives can use SkillSelect to search for and nominate relevant clients meeting the skilled and business migration needs of their jurisdiction.

SkillSelect's introduction was complemented by the creation of new visa subclasses for points-tested skilled migration, business innovation and investment, and employer-sponsored permanent migration. These also required changes to regulations, client information, visa lodgement and visa processing systems.

In the first year of operation more than 51 000 EOIs were submitted, following which 32 389 individuals and their families were invited to apply for skilled visas. This shows a healthy level of interest in skilled migration to Australia and through the SkillSelect system.

From these invitations, 15 353 (primary applications) have already resulted in visa approval with 15 286 approved for points-tested skilled visas and 67 for business innovation and investment visas. The total number of visas granted was 29 492 for clients invited to apply, which includes secondary applicants.

For clients, SkillSelect has delivered median visa processing times of 60 days—a significant improvement on previous points-tested migration processing times.

SkillSelect has given the department significant control and flexibility in ongoing management of the skilled migration program and improved processing times for clients. It is a significant milestone in the history of a department already considered a world leader in migration management and visa programs.

In 2012–13, 38.9 per cent of grants in the general skilled segment of the skilled migration program were filled from clients invited through SkillSelect. This has exceeded the department's goal of 30 per cent of grants in 2012–13 from invited SkillSelect clients.

Table 37: SkillSelect performance

SkillSelect 2012–13	
Expressions of interest submitted	51 794
Invitations issued via SkillSelect	32 389
Visa applications lodged by clients invited via SkillSelect (primary applications)	25 632
Visas granted to clients invited to apply via SkillSelect (primary applications)	15 353
Average visa processing time for SkillSelect clients	60 days
SkillSelect clients as percentage of general skilled migration program	38.9%
Expressions of interest on-hand in SkillSelect as at 30 June 2013	20 441

Office of the Migration Agents Registration Authority

The Office of the Migration Agents Registration Authority contributes to the well-managed entry and settlement of people in Australia through its regulation of migration agents under Part 3 of the *Migration Act 1958*. Its functions include deciding applications for registration as a migration agent, monitoring the conduct of agents and managing complaints about them, and deciding applications for the delivery of continuing professional development to agents.

At 30 June 2013, there were 4899 registered migration agents who were authorised to provide immigration assistance (as defined in section 276 of the Migration Act).

Objectives

The authority 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 migration 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 authority produces its own annual report which is available online at www.mara.gov.au

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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 authority maintains a comprehensive program of stakeholder engagement. This includes meetings with a range of key stakeholders such as professional associations, providers of education and continuing professional development (CPD) activities, community groups and agents. Other engagements include presentations at professional conferences, to university students undertaking qualifications to enter the profession, at migrant resource centres, to departmental staff and to other community-based organisations. A greater focus on broad consultation has seen the commencement of a program of visits to stakeholders in regional areas.

The authority communicates directly with registered migration agents through the CEO newsletter, which is published on the authority's website and distributed to agents electronically. Through the newsletter agents are informed of policy initiatives, legislative changes, relevant disciplinary decisions and code of conduct matters. In 2012–13 the newsletter also included advisory board outcome statements and general information updates.

The authority has continued to support the immigration advice profession by communicating information and developing products to help registered migration agents better understand their obligations. Products to facilitate this include the *Client monies toolkit* which was developed following a review into client monies handling and is available on the website. The authority has received positive feedback from agents commending the relevance and usefulness of the toolkit and noting how it has assisted them in their practice. Additionally, further modules of the online interactive resource *Ethics bytes* have been developed and are also available on the website.

Media releases pertaining to disciplinary action against registered migration agents have been used to highlight the authority's consumer protection function. The publicity raises consumer awareness of the standards required of agents and the avenues of redress the authority provides. Also emphasised is the importance of consumers checking the register on the authority's website to ensure they use only registered migration agents.

The authority expanded the number of languages in which its most popular information products are published. The publications *About us, Your rights—tips on using a registered migration agent* and *Consumer guide* are now available for download from the website in seven additional languages.

A popular new product developed by the authority is a bookmark for distribution to consumers. It is brightly coloured to attract attention, directs consumers to the 'Find an agent' area of the authority's website and incorporates the latest technology with the use of a QR code.

The authority's communication strategy was evaluated to determine how useful stakeholders found the communications tools and information products. The evaluation was based on data obtained through a survey, interactions with stakeholder groups, and monitoring of website and other information product usage. Analysis of the data showed that the strategy is effective, but suggested that it may be beneficial to increase the consumer focus, and improve accessibility by expanding the range of publications in electronic rather than printed format.

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 2012–13, the authority continued to ensure that only suitable people were approved to be registered migration agents. Ten applications for registration were refused, 10 were withdrawn and a further 20 were closed without decision on the basis that the applications were incomplete. Two matters were appealed to the Administrative Appeals Tribunal (AAT); both of these matters are still before the AAT. Issues contributing to the refusal of a number of registration applications included criminal history, lack of integrity, inadequate English language proficiency and not holding an equivalent occupation as required under the *Trans-Tasman Mutual Recognition Act 1997* (TTMR Act).

During the registration process, registered migration agents are audited to ensure that they meet their obligations under the code of conduct, specifically in relation to their handling of client monies, professional indemnity insurance and access to a professional library.

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

From July 2012, the English language requirement for initial applicants was incorporated into the regulations as a registration requirement. From 1 January 2014, agents applying for repeat registration will be required to satisfy English language proficiency requirements, unless they are exempt.

In 2012–13 the authority received 16 applications from persons seeking to be registered under the TTMR Act. As at 30 June 2013 there were 14 agents registered under the TTMR Act. Two applications for registration under the TTMR Act were refused on the basis that the applicant did not hold an occupation that was equivalent to the occupation of registered migration agent. One refused applicant has lodged an appeal and this matter is still before the AAT.

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

Result: In 2012–13, the authority continued to pursue enhancements to the continuing professional development (CPD) framework that address emerging needs and provide greater flexibility for agents. This included legislative changes resulting in the removal of core and elective activity classifications. The change provides greater clarity on CPD requirements and enables agents to select from all available CPD activities those that are most suited to their developmental needs.

Significant changes were implemented to the mentoring CPD activity type. Mentoring affords experienced agents the opportunity to share their professional skills and knowledge with less experienced agents. Under the new arrangement, the learning outcomes of mentoring agreements must be explicitly linked to the occupational competency standards for migration agents. A maximum of five CPD points can be awarded to each of the mentor and mentee, an increase from the two CPD points that were available for the mentor under the previous framework. These changes continue to acknowledge the value mentees gain by targeting the specific areas where they require development. They also enhance recognition of the experience gained by mentors in the preparation and development of a structured mentoring program to address a mentee's learning needs.

The authority applies quality assurance processes to CPD activities, including the provision of written feedback to CPD providers following an evaluation of selected activities. Depending on the nature of the activity, an evaluation may involve observing a face-to-face activity or undertaking a distance learning activity. The process is aimed at achieving its primary objective of continuous improvement in current and future CPD activities.

The authority is committed to ensuring that entry knowledge requirements address relevant competencies and practice readiness required in the profession, while providing reasonable pathways in respect of choice and flexibility. Following responses and input received from the advisory board, key stakeholders and the general public in relation to the prescribed course and prescribed exam, the authority aims to progress some key recommendations in the next financial year.

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

Result: The authority continues to have a strong focus on engagement with other regulatory and consumer agencies in the interests of consumer protection. It has continued to liaise with federal and state regulatory bodies, including legal regulators and the Tax Practitioners Board, the Insurance Council of Australia, DEEWR, and state consumer tribunals.

Additionally, the authority has a strong focus on engaging with agents to provide guidance and support to improve standards of professional practice in compliance with the code of conduct. This is achieved both through the authority's early resolution framework for managing complaints with less serious professional conduct issues, and through the advice provided to agents as part of the authority's general enquiry services.

While the authority does not have power to assess costs and to make costs orders it has acted to intervene and does have the power to order mediation. In 2012–13, the authority facilitated the return of $A136 822 to clients who were not happy with the quality or adequacy of service. Complaints involving a fee dispute that cannot be conciliated by agreement between the parties are referred to the consumer tribunal in the relevant state.

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

Result: The authority began implementing the recommendations of the review of its complaints handling, undertaken in 2011–12 which found that processes were sound and included many of the elements of good administrative practice. Complaints are managed in a fair, transparent and consistent manner.

In managing complaints raising minor breaches of the code of conduct, the authority, in accordance with the recommendations of the complaints handling review, has implemented more streamlined procedures to ensure more timely outcomes with a focus on education and guidance to improve professional standards. In relation to investigating complaints alleging serious professional misconduct the authority will make findings of fact and provide detailed reasons for decision.

Complaints that are not within the authority's power to investigate are referred to the appropriate agency. Complaints relating to the provision of immigration legal assistance by registered lawyer agents are referred to the legal regulators, as the provision of immigration legal assistance is within their jurisdiction. Complaints raising allegations of fraud and unregistered practice by an individual are referred to the Department of Immigration and Citizenship for investigation, as these matters fall within the jurisdiction of the department.

Office of the Migration Agents Registration Authority—key performance information

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

Result: Feedback received by the authority from community groups, and data relating to electronic downloads and requests for printed publications, provides anecdotal evidence that the information products developed by the authority are relevant to and useful for consumers.

Key information publications are now available for download on the website in seven additional languages, bringing the total number of languages available to 31. Tracking of electronic downloads of these publications shows that the new language versions are being accessed, a strong indication that these communication products are addressing a previously unmet need within the community.

Two media releases in 2012–13 resulted in newspaper and television coverage of disciplinary decisions made to cancel the registration of agents for reasons relating to their conduct. This publicity has served to highlight the role and functions of the authority and raise consumer awareness about the professional standards expected of migration agents.

As part of its stakeholder engagement plan, the authority has continued to meet with community groups and settlement workers to help raise the level of consumer awareness of the authority and the importance of using a registered migration agent.

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

Result: The authority continued to exceed the service standards for processing new 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 decreased slightly from 99.1 per cent in 2011–12 to 97.4 per cent

• finalisation of 95 per cent of complete repeat registration applications within four weeks of receipt—the standard achieved decreased slightly from 98.9 per cent in 2011–12 to 97.9 per cent.

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

Result: At 30 June 2013, 358 approved CPD activities encompassing a variety of delivery modes, were available through 52 providers. The authority approved 138 new activities submitted during 2012–13, having assessed each activity against the requisite conditions for approval.

During the year, the authority evaluated 40 activities to ensure that they were delivering the targeted learning outcomes.

Office of the Migration Agents Registration Authority—key performance information

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

Result: In 2012–13, 407 complaints were received or re-opened and 527 were finalised. The implementation of the recommendations of the complaints handling review to resolve complaints involving minor issues in a more timely manner with an educative focus has resulted in a continued reduction of on-hand complaint numbers.

The number of on-hand complaints fell from 278 on 1 July 2012 to 158 on 30 June 2013, a reduction of 43.2 per cent of total on-hand numbers. There is a continued trend of reduction of on-hand cases since 1 July 2012.

Complaints took an average of 7.5 months to finalise in 2012–13. In addition, 63.3 per cent of on-hand complaints were less than 6 months old. This compares to an average of 8.4 months in 2011–12 and 49.3 per cent of on-hand complaints less than 6 months old at 30 June 2012.

Performance

Table 37: Office of the MARA—performance information

Key performance indicators	2012–13 Target	2012–13 Results
Percentage of MARA's stakeholders that find information products useful and informative[1]	>60.0%	>60.0%
Percentage of complete registration applications finalised within service standards[2]	95.0%	>95.0%
Percentage of registered migration agents who participated in continuing professional development activities and found them useful[3]	>65.0%	>65.0%
Percentage of registered migration agents applying for repeat registration that are compliance checked	100.0%	100.0%
Percentage of complete complaints finalised within service standards	100.0%	75.8%

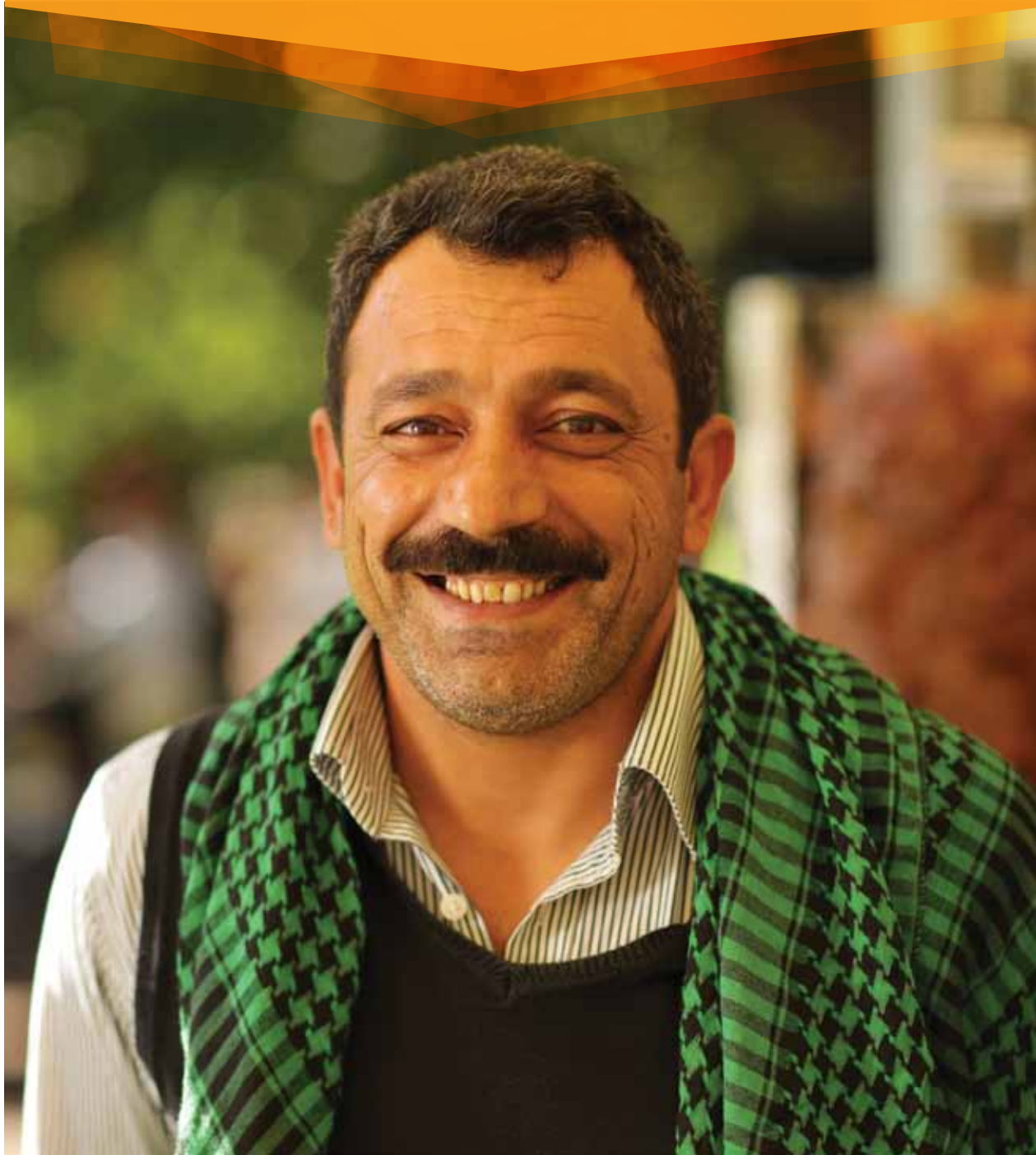1. Estimates only—based on survey results and anecdotal evidence.

2. Service standards available at www.mara.gov.au

3. Estimates only—based on participant feedback to CPD providers.

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: Neli is happy to catch up with friends and family at multicultural festivals.

Program 2.1 Refugee and humanitarian assistance

During 2012–13 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 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

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 policy, program design and procedures to improve the fairness, accountability and integrity of the Humanitarian Program.

Major achievements

Offshore program

A key commitment by the Australian Government in response to the report by the Expert Panel on Asylum Seekers was to increase the Humanitarian Program in 2012–13 to 20 000 places. This was an increase of 6250 places over the 2011–12 program of 13 750 places.

The 2012–13 program was fully delivered with 20 019 visa grants. This included 12 515 visas granted under the offshore component and 7504 program-countable[1] visas granted under the onshore component.

The 2012–13 Humanitarian Program was the largest in 30 years.

Within the total of 12 515 offshore visas, 12 012 visas were granted to refugees, which is a twice the number of refugee visas granted in 2011–12, and 503 visas were granted under the global Special Humanitarian Program (SHP).

In 2012–13, 1673 Woman at Risk visas were granted, representing 13.9 per cent of all refugee visa grants against the government's nominal allocation of 12 per cent. This is the largest number of Woman at Risk visas granted by Australia since the inception of these arrangements in 1989–90.

1. A visa is counted against the Humanitarian Program if the holder has not held a humanitarian visa before.

Australia worked closely with the UNHCR and other partner organisations across a number of locations globally to increase its resettlement of refugees during the year.

The increased resettlement of refugees in the 2012–13 Humanitarian Program places Australia as the second largest UNHCR refugee resettlement country behind only the United States of America.

In 2012–13, resettlement of refugees under the Humanitarian Program continued to reflect the UNHCR's global priorities with a focus on those from protracted and priority situations and others in critical need, including in urban situations.

In line with the recommendations of the expert panel, the refugee intake was refocused with greater emphasis on providing resettlement places to refugee populations and aimed at stabilising displaced populations in host and transit countries. This included the increased resettlement of Afghans in Pakistan and Iran.

Two specific commitments made by the government in relation to the 2012–13 program were to resettle an additional 1000 refugees from Syria, primarily Iraqis, in response to the crisis in that country and to increase the number of the UNHCR-referred refugees resettled from Indonesia by 400 places. Both of these commitments were fully met. During 2012–13, 1973 visas were granted to Iraqi refugees within Syria, an increase of 173 per cent over 2011–12, and 605 UNHCR-mandated refugees in Indonesia were granted visas, which was 234 per cent more than in 2011–12.

Refugees and persons granted SHP visas in 2012–13 came from the three priority regions of the Middle East/South West Asia, Asia and Africa. Iraqis were the largest nationality granted visas under the offshore component of the program with 4064 grants, followed by Afghans with 2431 grants and refugees from Myanmar with 2352 grants.

In December 2012, the government announced it would offer a visa pathway for eligible locally-engaged Afghan employees at risk of harm due to their employment in support of Australia's mission in Afghanistan. Under this visa policy, eligible Afghan employees will be able to make an application for a visa under Australia's Humanitarian Program.

The community proposal pilot commenced on 1 June 2013 and provides a mechanism for communities within Australia to identify individuals in humanitarian situations offshore and support their entry into Australia. The pilot provides up to 500 places from within the offshore component of the Humanitarian Program.

On 23 March 2013, the department launched the ImmiCard, a secure plastic card to replace the non-secure paper documents previously given to undocumented irregular maritime arrivals (IMAs) and Protection visa holders. To 30 June 2013, 9391 ImmiCards were issued to clients.

In 2013, a major milestone was achieved by the Australian Cultural Orientation (AUSCO) program. AUSCO courses have been delivered to over 50 000 humanitarian visa holders since the program began in 2003.

During Refugee Week from 16–22 June, the Minister for Immigration and Citizenship announced that Australia had welcomed 800 000 refugees and humanitarian entrants since the end of World War II.

Onshore program

Refugee status determination in regional processing countries

From 13 August 2012, IMAs who entered Australia at an excised offshore place were liable to be taken to regional processing countries for processing. From 1 June 2013, all non-citizens who arrive in Australia by sea without a visa in effect are subject to the regional processing arrangements, regardless of their place of arrival. These were recommendations made in the expert panel report.

The refugee status determination processes in regional processing countries are governed by those countries' domestic legislation, with Australia providing training and funding assistance. The government of Nauru started processing refugee claims on 19 March 2013. The department is currently assisting the Papua New Guinea Immigration and Citizenship Service Authority in developing legal and procedural guidelines for refugee determination on Manus Island.

Integrity

Program integrity in the Humanitarian Program enables the government and the community to have confidence that:

- the places in Australia's refugee program only go to those with a genuine need
- Australia does not return people to situations of danger
- when evidence is found of people who have sought to take advantage of Australia's program through fraudulent activities, decisive action is taken.

The department has a comprehensive integrity framework underpinning the Humanitarian Program that includes a range of measures to ensure end-to-end integrity management of the program, decision making and post grant stages. This year, achievements within the framework included:

- stronger policy guidance to provide improved support for decision makers when they request documentary evidence of an applicant's identity, nationality or citizenship, when it is not forthcoming and they wish to draw an adverse inference
- effective quality assurance that underpins the process for considering protection claims onshore.

Enhanced screening

Between July and December 2012, more than 5000 Sri Lankan IMAs arrived in Australia. This was an unprecedented increase in irregular movements from Sri Lanka to Australia and surpassed all previous experience of Sri Lankan IMAs. It was contrary to Sri Lankan asylum movements internationally, with the UNHCR figures suggesting the number of Sri Lankan asylum seekers had been fairly constant between 2010 and 2012. It was also counter-intuitive as country circumstances in Sri Lanka had been improving. Initial interviews with Sri Lankan IMAs at the beginning of this surge suggested that a significant proportion of the cohort was coming to Australia for economic reasons.

This unprecedented increase in arrivals demanded a specific response, particularly given the life-threatening risks to people undertaking hazardous sea journeys to Australia. Enhanced screening was part of a multi-layered approach to dealing with this issue, which also included engagement with the Sri Lankan government.

Enhanced screening is an assessment to determine whether a person should be allowed to remain in Australia in order to have their claims considered or whether they can be removed from Australia under the relevant provision of the *Migration Act 1958*.

Each person is interviewed by officers trained in Protection visa decision-making and interview techniques and their claims are considered individually in relation to Australia's non-*refoulement* obligations before a screening finding is made.

Since the enhanced screening process commenced on 27 October 2012, 748 Sri Lankans have been involuntarily removed from Australia and a further 23 have chosen to return to Sri Lanka voluntarily. A further 1729 Sri Lankans subject to enhanced screening remain in Australia for further processing.

Quality assurance

The department has established a comprehensive quality assurance framework for the Protection visa program. The purpose of the framework is to:

- identify opportunities to improve the quality of refugee status decision-making and ensure that decisions reflect the department's standards and principles, and comply with Australia's law and international obligations
- provide an overarching quality management system that combines risk management, an effective control framework and quality assurance. It helps ensure the department meets expected performance measures relating to the quality of Protection visa decision making.

Challenges

Offshore program

The increase in the 2012–13 Humanitarian Program to 20 000 places, including 12 000 places for refugees, was announced by the government on 23 August 2012 in response to the report of the expert panel. This was a doubling of the refugee planning level in the 2011–12 program of 6000 places.

The three main challenges in delivering the increased refugee program were to:

- work with the UNHCR across a number of locations globally to rapidly increase the number of refugee referrals
- work with the Australian Security Intelligence Organisation (ASIO) to ensure sufficient and timely security clearances for refugee applicants
- manage operations in selecting refugees from locations with volatile security situations.

The department worked closely and collaboratively with its key partners, including the UNHCR, ASIO and the IOM, to fully deliver the refugee component of 12 000 places. The department supported this increased activity by providing targeted funding to its partners. Australia also continued to explore innovative approaches such as the use of the UNHCR video conferencing, which was expanded for Iraqi refugees within Syria and used in Africa. Video conferencing is also being trialled for Afghan refugees in Pakistan.

On the recommendation of the expert panel, the department implemented a number of regulation and policy changes limiting the access of IMAs to family reunion concessions under the Special Humanitarian Program. The purpose of these changes is to encourage asylum seekers to choose regular migration and resettlement pathways rather than dangerous boat journeys and to create a framework for resolving the backlog of Special Humanitarian Program applications.

Onshore program

SZQRB

On 20 March 2013, the full Federal Court handed down its judgment in the case of SZQRB. The Court found that the threshold test applied by the department to assess complementary protection claims was incorrect, and determined that the relevant test is a lower threshold which generally applies in the Refugee Convention context. The minister has sought special leave to appeal the decision to the High Court.

Litigation

The department continues to manage a considerable volume of litigation referrals where policy advice is necessary. The number of cases before the courts involving Protection visa applicants remains consistently high.

Table 38: Outcome 2 financial resources summary 2012–13

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] 2012–13 $'000	Actual Expense 2012–13 $'000	Variations 2012–13 $'000	Budget Estimate 2013–14 $'000
Program 2.1: Refugee and Humanitarian Assistance				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	41 128	38 971	(2 157)	46 429
Departmental expenses				
Departmental appropriation (Appropriation Acts 1 and 3) and Revenue from independent sources (Section 31 FMA Act)	81 567	67 227	(14 340)	68 130
Expenses not requiring appropriation in the Budget year[1]	3 886	4 420	534	3 992
Total expenses for Outcome 2	126 581	110 618	(15 963)	118 551
Average Staffing Level (number)	459	395		460

1. Expenses not requiring appropriation in the Budget year are expenses relating to depreciation and amortisation
2. The 2012–13 Budget represents the Estimated Actual Expenses published in the *Portfolio Budget Statements 2013–14*.

Close-up

Hope and support for Afghan and Somali asylum seekers in India

The department is helping vulnerable Afghan and Somali refugees living in India, through a program providing support for a better future.

The displaced persons program (DPP) promotes solutions that help reduce the demand for irregular migration in the region and reduces people's vulnerability to people smuggling and trafficking.

Under the DPP, the department provided about $320 000 to the University of New South Wales's Centre for Refugee Research (CRR) project, called *Improving the protection of refugee women and girls at risk and other vulnerable groups*.

> It draws on the knowledge, skills and capacity of the refugee population.

The project developed and trialled a community-based program in New Delhi, to protect Afghan and Somali refugee women and girls at risk, and other vulnerable refugee groups such as the elderly, children and adolescents, and people with disabilities and chronic health problems.

It draws on the knowledge, skills and capacity of the refugee population and supports them to plan and provide services for their own community.

The outcomes include the establishment of women's support groups offering a mix of training and social activities, women and children's outings and emotional support services from trained refugee community workers.

The project has provided human rights training for refugee community members and leadership training for refugee community workers.

It also resulted in the opening of an Afghan restaurant and education for almost 200 students (about 70 per cent of whom are women) including literacy programs for Afghan and Somali women, classes in Somali and Afghan history, language and culture for children and maths classes for junior and senior high school students.

By providing opportunities and protection support, such as those being delivered through this project, the DPP plays an important part in enhancing Australia's international protection role.

The CRR was successful in receiving an additional $575 000 under the 2012–13 DPP to enable the project to continue to June 2015.

Photo: Women's support groups are providing hope for refugee women and children in India.

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.

Objectives

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 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

Refugee and humanitarian assistance—deliverables
Deliverable: Deliver a Humanitarian Program of 20 000 places (inclusive of onshore places)[1].
Result: In 2012–13, 20 019 visas were granted under the Humanitarian Program.
Deliverable: Deliver 12 per cent of offshore refugee grants through the Woman at Risk subclass.
Result: In 2012–13, 1673 Woman at Risk visas were granted under the Humanitarian Program, representing 13.9 per cent of offshore refugee grants.

1. The Humanitarian Program in the *Portfolio Budget Statements 2012–13* was set at 13 750 places. It was revised to 20 000 places based on recommendations of the Expert Panel on Asylum Seekers, led by Air Chief Marshal Angus Houston AC AFC (Retired).

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

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 dialogue on humanitarian issues took place in September 2012 and March 2013. The dialogue is attended by senior departmental officials, peak NGOs and other stakeholders of the Humanitarian Program. Departmental officers provided briefings and updates and NGOs provided feedback on policies, programs, services and related issues.

The Minister for Immigration and Citizenship and senior departmental officials met with representatives of peak refugee and humanitarian organisations in January 2013 as part of the community consultation on the size and composition of Australia's Humanitarian Program. During the consultation process, the department also considered some 37 submissions from community organisations, individuals and other government agencies with an interest in the Humanitarian Program.

The community proposal pilot was developed and implemented on 1 June 2013 following targeted consultations. More than 60 responses were received to a discussion paper released on 20 June 2012. Formal consultations and briefings with humanitarian organisations, resettled communities and potential proposing organisations took place prior to the commencement of the pilot.

The AUSCO program ran four workshops to engage with stakeholders and community representatives.

The orientation consultative committee provides a forum for industry experts and community groups to give feedback and raise important issues regarding the effectiveness of orientation programs.The committee met in September 2012 and March 2013.

The onshore protection consultative group (OPCG), established in 2008, met twice in 2012–13. The OPCG enables the department to engage key external stakeholders in the development and improvement of processes and procedures relating to refugee status determination in Australia. This consultative process draws on members' operational expertise to assist the department achieve high quality, lawful and effective client services and to provide guidance in the implementation of government policy initiatives.

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 regional support office (RSO) was officially opened in Bangkok on 10 September 2012. Australia and Indonesia co-manage the RSO with active engagement from the UNHCR, the IOM and other Bali Process members. It is now proactively pursuing a range of practical initiatives under the regional cooperation framework to enhance the migration management and protection capacity in the region, including a regional roundtable on irregular movements by sea in the Asia-Pacific region, a research project on enhancing data collection and sharing among Bali Process members and a voluntary return support and reintegration assistance project.

Together with AusAID, the department agreed to an Australia-UNHCR multi-year partnership framework (2012–16), which supports the UNHCR in carrying out its protection and humanitarian mandate through the provision of reliable and flexible funding.

Specific examples of the department's working relations with international partner agencies in 2012–13 included funding for the UNHCR in Kuala Lumpur and the IOM headquarters in Geneva, to support the placement of junior professional officers to enhance the capacities of these offices.

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, as evidenced by internal evaluation and review outcomes.

Result: Australia continued to engage in a range of multilateral activities to support Australia's interests and to positively affect global managed migration and refugee issues:

• As a member of the executive committee, Australia participated in the governance of the UNHCR and continued to support the international protection system through the Humanitarian Program, financial support and contributions to the policy settings of strategic responses to particular refugee situations.

• As a member state of the IOM, Australia participated in the governance mechanisms of the IOM, actively contributing to policy discussions supporting cooperation towards managed migration processes.

• Australia's participation in the intergovernmental consultations on migration, asylum and refugees (IGC) provided opportunities for policy debate and information exchange, and to benchmark Australian policies on a range of migration, asylum and refugee issues.

• As a member of the Global Forum on Migration and Development (GFMD), Australia engaged in the governing arrangements and policy discussions of the largest international platform for dialogue and cooperation in international migration and development. This included co-chairing with Ethiopia at the Summit a successful roundtable on migrant protection in the context of managed migration processes.

• Throughout the period, Australia has been an active participant in the preparatory processes for the second UN High Level Dialogue on International Migration and Development that is planned to take place in October 2013 in the General Assembly in New York. These processes have focused on how to optimise the outcomes of migration for migrants and societies alike.

The department's participation in the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime has assisted in enhancing regional collaboration on managed migration and refugee issues, through a broad range of initiatives including the regional cooperation framework and the associated RSO. The department has funded two projects under the RSO:

• a data harmonisation project that will assist members to identify ways to improve migration data collection and sharing

• a pilot regional assisted voluntary returns program to support the return of migrants in irregular situations in the region.

The department also supports the ASEAN-Australia relationship through engagement with the ASEAN Directors-General of Immigration Departments and Heads of Consular Affairs Divisions of the Ministries of Foreign Affairs (DGICM).

Table 39: Refugee and humanitarian assistance—performance information

Deliverable	2010–11 actual	2011–12 actual	2012–13 target	2012–13 actual
Percentage of onshore protection applications decided within 90 days in accordance with legislation	61%	65%	100%	51%

Administered items

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

Objective: This item provides for a one-off cash payment to cover the living expenses of holders of 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.

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: In 2012–13, there were 21 immigration advice and application advice scheme (IAAAS) providers funded to provide these services across Australia, comprising commercial migration agent practices, legal aid agencies and non-government community bodies. In 2012–13:

- 983 application assistance services were provided to people in immigration detention and eligible clients in the community
- 6941 general immigration advice services were provided.

The total cost was $3.234 million.

Note: Funding under this item does not provide services for irregular maritime arrivals (IMAs). For IAAAS services to IMAs see Outcome 4.3.

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 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: More than $15 million was allocated to international organisations and NGOs under the 2012–13 displaced persons program (DPP), including the UNHCR, the IOM, ChildFund Australia, CARE Australia and smaller NGOs that are delivery partners for larger organisations.

The DPP promotes durable solutions for displaced people that help reduce the demand for irregular migration, both within the region and to Australia, and reduces people's vulnerability to people smuggling and trafficking. Selected projects aim to assist some of the region's most vulnerable and most protracted displaced populations.

The priority populations for the 2012–13 DPP were Afghans, Iraqis, Pakistanis, Rohingyas and Sri Lankans, as well as displaced populations from these countries in the key transit countries of Indonesia, Malaysia and Thailand.

Funding was provided for 16 projects to support and assist displaced persons as follows:

- $5.1 million to the UNHCR for four projects to:
  - distribute non-food item kits in Afghanistan
  - work with Rohingyas on child protection, health and nutritional services and reducing sexual and gender-based violence in Bangladesh
  - provide identification, registration and financial assistance to Iraqis in Jordan
  - provide education, healthcare, a medical insurance scheme, increased detention monitoring and social protection projects in Malaysia

- $4.6 million to the IOM for four projects to:
  - construct shelters and community infrastructure in Afghanistan
  - provide life-skills development, social support and educational support in Indonesia
  - provide community outreach and greater access to social and health services to Rohingyas in Thailand
  - provide skills development and training, construction of community infrastructure and raise awareness of the dangers of irregular migration in Sri Lanka

- $2.1 million to CARE Australia for three projects to:
  - provide access to safe potable water, sanitation, health education, vocational and literacy training and continued support for saving and loans groups in Afghanistan (two projects)
  - provide case management services, food vouchers and livelihood training to Iraqis in Jordan

- $1.1 million to Save the Children Australia to provide vocational training, enterprise improvement grants and cash-based support in Pakistan

- $1.1 million to ChildFund Australia to empower and engage youth in Sri Lanka

- $700 000 to the Danish Refugee Council to provide protection, livelihoods and water, sanitation and hygiene assistance to Sri Lankans in India and Sri Lanka

- $575 000 to the University of New South Wales to provide livelihood and vocational training, education and protection services to Afghans and Somalis in India

- $420 000 to Health Equity Initiatives to provide mental health promotion, prevention and treatment in Malaysia.

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.

Result: Australia's annual funding was provided 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 2012–13, Australia contributed to, and maintained membership of the IOM through its financial contribution. This contribution supported the 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.

As a member of the working group on budget reform, Australia is participating in the IOM process that seeks solutions to ensure a budget structure that provides the IOM with adequate funding to carry out core functions and enhances the stability and predictability of resources.

Australia also participated in a number of governance meetings, including the 102nd IOM (Special) Session of the Council meeting on 14 June 2013, where the election for the position of Director-General for another five-year term took place.

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 2012–13, assistance was provided to 3505 people at a cost of $16.8 million. The number of people assisted was about 17 per cent above the forecast target and higher than the 3083 assisted in 2011–12. The increase in the number of people assisted under this scheme is due to an increase in Protection visa applications and longer periods requiring support in this program.

Note: Funding under this item does not provide services for irregular maritime arrivals (IMAs). For IAAAS services to IMAs see Outcome 4.3.

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, airfares and related expenses for all eligible applicants.

Deliverable: Number of refugees moved to Australia: 12 000.

Result: There were 7600 refugees moved to Australia at a total cost of $7.3 million.

Due to the Humanitarian Program increase a significant proportion of clients were granted in the final quarter of the program year. As a result, the remainder of refugees granted visas in the 2012–13 program year will be moved in the first quarter of 2013–14.

Deliverable: Number of refugee applicants medically screened for entry to Australia: 30 000.

Result: A total of 32 173 refugee applicants were medically screened for entry to Australia, with 9679 undertaking the departure health check (DHC), at a total cost of $5.137 million.

Overall expenditure on travel, medical screening and related services was $12.437 million.

Administered item—Secretariat for Inter-Governmental Consultations on migration, asylum and refugees—membership contribution

Objective: Australia contributes towards the administrative costs of the 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's annual funding contribution is provided on time.

Result: Australia's annual funding contribution was provided on time.

Deliverable: Australia's contribution to the IGC enables the department to have relatively low cost and effective access to a secure forum comprising 17 participating countries, the UNHCR, the IOM and the European Commission. The IGC provides an opportunity for Australia to share best practice and to influence international standards and policies on a range of migration, asylum and refugee issues.

Result: In 2012–13, the IGC continued to provide participating states with an informal framework for sharing information and developing policy perspectives on current migration and asylum issues, while taking into account the interests of individual participating states. Member states discussed best practice approaches to skilled migration, asylum and returns trends, and teleconferencing and other technologies.

Australia has committed to chair the IGC for the 2014–15 term.
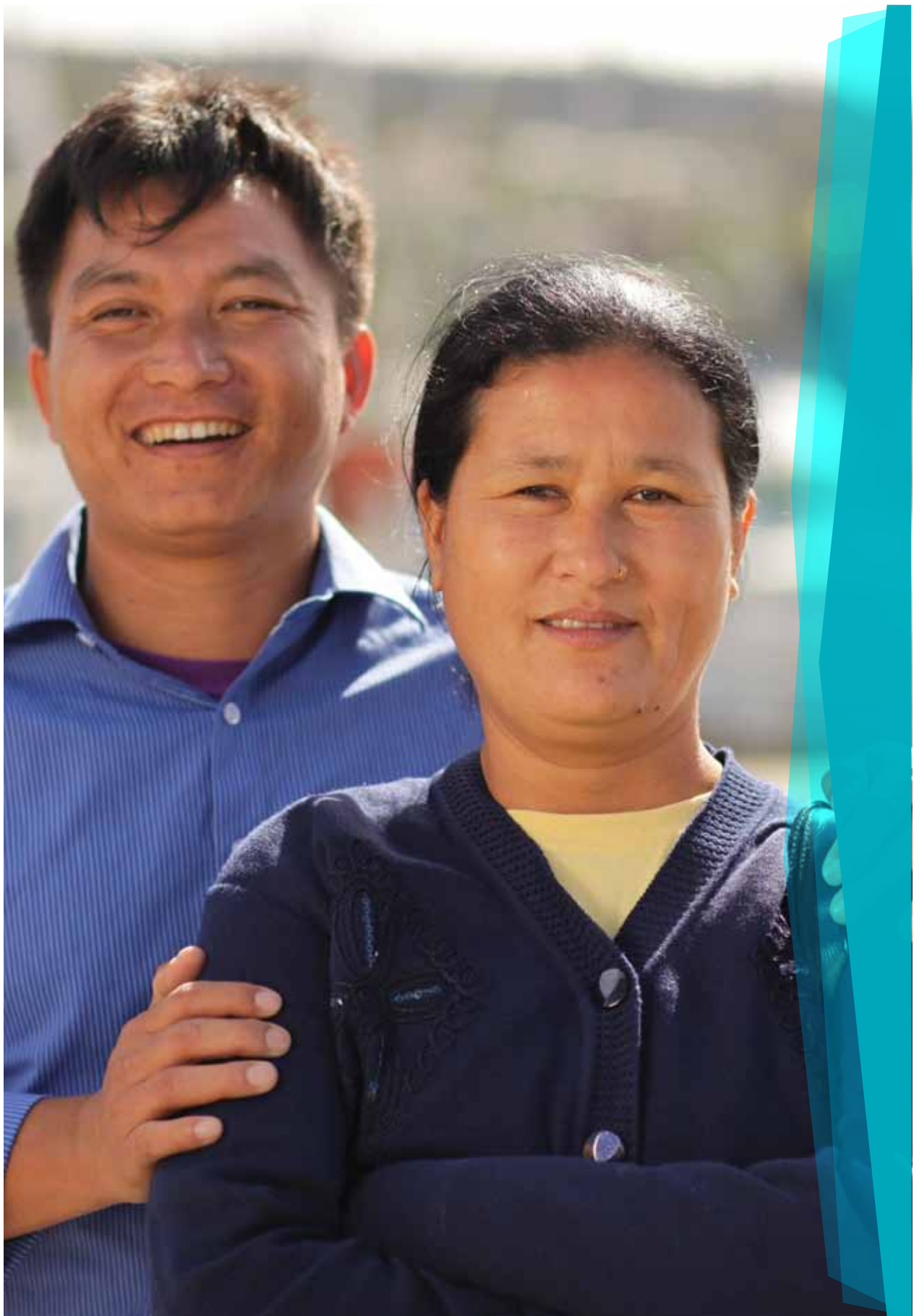
Close-up

A milestone worth celebrating for 800 000 refugees

Australia has a rich and proud history as a refugee resettlement country.

It is a cooperative international partner, warmly welcoming refugees and others in humanitarian need to resettle in Australia and rebuild their lives.

Australia's settlement program is considered one of the best in the world. In 2012–13 Australia was the second largest refugee resettlement country after the United States of America.

Humanitarian branch Assistant Secretary Jim O'Callaghan said the contributions of those who have been resettled under Australia's Humanitarian Program have been significant in making the country what it is today.

'Our help does not end at providing humanitarian entrants with a new life in Australia. The Australian Government is committed to ensuring that people settling here have the help they need to rebuild their lives and become active participants in the community,' Mr O'Callaghan said.

> 'I am very happy and proud to be here in Australia.'

The 800 000 refugees and other humanitarian entrants who have arrived since World War II represent a special milestone in 2012–13 for the Humanitarian Program.

One of the families to benefit from Australia's resettlement is the Rai family, who recently settled in Launceston.

Tek and Padam Maya Rai left Bhutan for the Beldangi camp in Nepal with their parents at a young age, growing up in the camp and establishing a family of their own.

For them, the journey to Australia was both exciting and daunting, with mixed emotions about leaving the camp where they had grown up, but also excitement at the opportunities before them.

'Now I have started my new life here I can do things for my family that I could not do in the camp,' said Tek.

'For my children's future, I am very excited my life in Australia is normal now and I am very happy and proud to be here in Australia,' he said.

Padam Maya spoke fondly of her family's new life, in particular the opportunities presented for their children.

'I have hope for my family and especially my children. I hope they will have a good education and get a good job in the future,' she said.

Photo: Tek and Padam Maya Rai are examples of the 800 000 refugees and other humanitarian entrants who have arrived in Australia since World War II.

Offshore Humanitarian Program

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

The objectives of the offshore humanitarian program are achieved through:

- 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 the UNHCR, the IOM, other resettlement countries and non-government organisations
- 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 2012–13, the Humanitarian Program was set at 20 000 places and 20 019 visas were granted during the program year. This included 12 515 (62.5 per cent) under the offshore (resettlement) component—12 012 (96.0 per cent) refugee visas and 503 (4.0 per cent) Special Humanitarian Program visas.

The remaining 7504 visas were granted under the onshore (protection) component.

Table 40: Humanitarian Program visa grants by component and subclass

Number of persons granted visas, by subclass 2012–13	
Subclass	Number
Refugee	
Subclass 200 (Refugee)	10 238
Subclass 201 (In-country Special Humanitarian)	71
Subclass 203 (Emergency Rescue)	30
Subclass 204 (Woman at Risk)	1 673
Total Refugee	*12 012*
Special Humanitarian Program	
Subclass 202 (Global Special Humanitarian)	503
Total Special Humanitarian Program	*503*
Total	12 515

Under the offshore component, the highest number of visas granted in 2012–13 was to applicants born in the Middle East (56.9 per cent), followed by Asia (28.4 per cent), followed by Africa (14.5 per cent) with the remaining visas (0.2 per cent) granted to applicants in Europe and the Americas.

Figure 6: Offshore Humanitarian Program—regional source trends
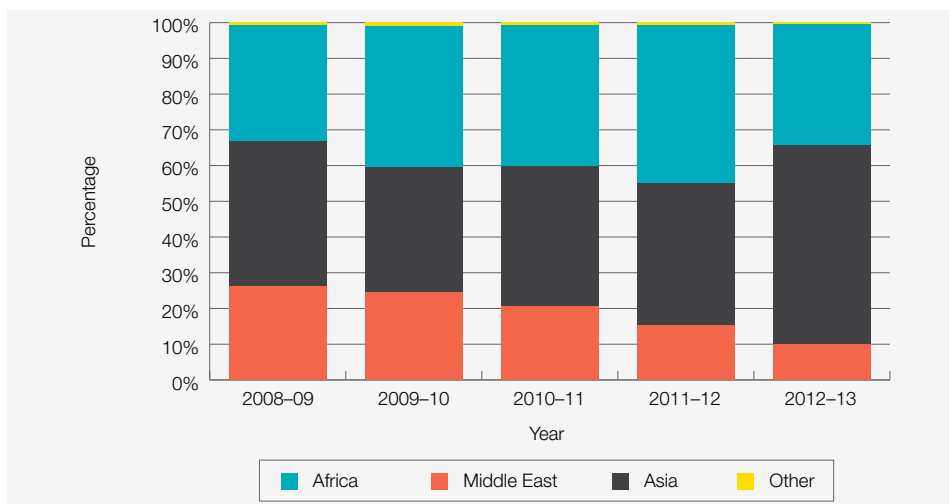
Processing times for the offshore component in 2012–13 improved compared to 2011–12 with 85.5 per cent of cases finalised within 52 weeks, which is well above the service standard of 75 per cent of applications finalised within 52 weeks.

In 2012–13, 50 444 people lodged applications under the offshore program, compared with 42 928 in 2011–12. This was an increase of 17.5 per cent[1].

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 2012–13, the target was met with 1673 visas granted to Woman at Risk applicants, representing 13.9 per cent of refugee category visa grants.

The top five countries of birth for Woman at Risk grants in 2012–13 were Afghanistan, Iraq, Myanmar, Democratic Republic of the Congo and Somalia.

1. Applications data relating to 2011–12 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.

Figure 7: Humanitarian Program Woman at Risk visa grants since inception
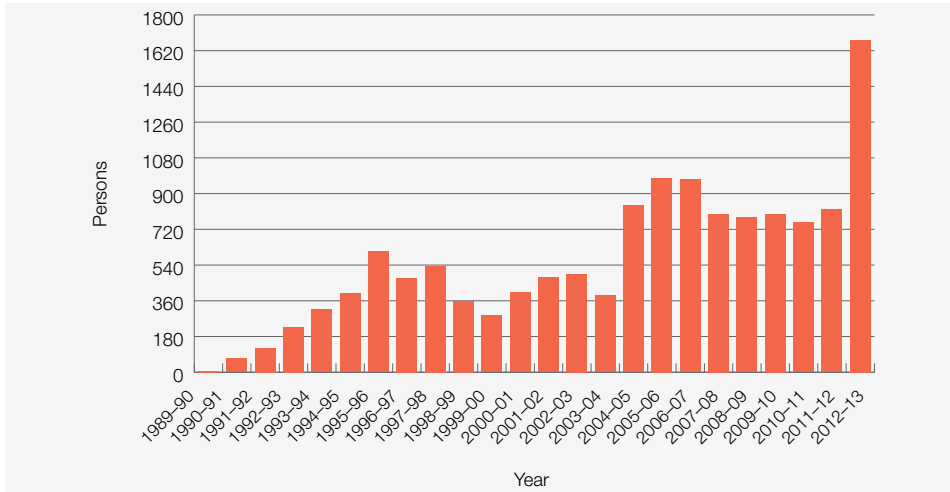
Consultations and information

A comprehensive program of engagement with humanitarian sector stakeholders was undertaken in 2012–13. To increase public understanding of the program, consultations with communities and stakeholders were undertaken and information products were developed to provide consistent and accurate public information.

Extensive consultations took place during the development and implementation of the community proposal pilot, which commenced on 1 June 2013. More than 60 responses were received to a discussion paper released on World Refugee Day, 20 June 2012. Formal consultations and briefings with humanitarian organisations, resettled communities and potential proposing organisations occurred prior to the commencement of the pilot.

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 2012–13, this included:

- development and publication of a discussion paper
- consultations with state and territory governments and other Australian Government agencies
- consultation with peak refugee and humanitarian bodies
- consideration of the 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 national consultations in 26 locations in 17 cities to develop this submission, involving 929 people, including representatives of 230 organisations and 34 ethno-specific communities.

ImmiCard

On 23 March 2013, the department introduced a secure plastic card called ImmiCard which helps undocumented clients establish a social footprint in Australia. There are currently two kinds of ImmiCards: the evidence of immigration status (EIS) ImmiCard for IMAs being released on Bridging E visas (BVE) and the permanent resident evidence (PRE) ImmiCard for Protection visa holders. The card has security features that align with the national identity security strategy and replaces the current visa evidence card paper document, commonly known as a PL056. The card helps clients to access services associated with their visa entitlements. These can include opening a bank account, accessing education services or enrolling for Medicare. Clients, government agencies, employers and others can check a client's visa status through the department's visa entitlement verification online (VEVO) system.

As of 30 June 2013, 9391 cards have been issued to clients. Of these, 9052 were for IMA BVE holders and 339 were applied for online by Protection visa holders.

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. The IOM is contracted to deliver the course on behalf of the department.

In 2012–13, 308 AUSCO courses were delivered to 5491 participants in their own languages in Egypt, Eritrea, Ethiopia, Ghana, Guinea, India, Indonesia, Iran, Jordan, Kenya, Lebanon, Malaysia, Nepal, Pakistan, Sudan, Mozambique, Thailand, Turkey and Uganda.

The AUSCO course provides an 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).

The department hosts an annual joint conference for AUSCO and HSS trainers to strengthen the linkages between offshore orientation and onshore settlement programs.

Assisted passage contract

On 30 November 2012, the department signed a new three-year assisted passage agreement with the IOM. The assistance provided under this agreement covers the full cost of medical examinations for humanitarian entrants including the DHC and the movement of refugee clients to Australia.

Community proposal pilot

The community proposal pilot started on 1 June 2013 and provides a mechanism for communities within Australia to identify and support individuals in humanitarian need overseas for entry into Australia. The pilot provides up to 500 places from within the offshore component of the Humanitarian Program.

The pilot tests the capacity of the Australian community to provide a substantial financial contribution towards the costs of humanitarian settlement and practical support to assist humanitarian entrants to settle successfully.

Under the pilot, organisations with deeds of agreement with the department, known as approved proposing organisations (APOs), work either independently, or with the assistance of a supporting community organisation to propose applications, ensure all costs associated with applications are paid, and provide the required settlement services and support to humanitarian entrants.

Under the deed of agreement, APOs are required to support proposed entrants through the application process and for the first 12 months after arrival in Australia by:

• ensuring payment of the two stage visa application charge

• paying medical assessment fees

• paying airfares to Australia

• providing practical support to assist humanitarian entrants settle successfully

• providing services broadly similar to those currently provided to humanitarian entrants under the HSS program.

International stakeholder engagement on resettlement

The department continued to build upon the strong and productive working relationships with international partners involved in resettlement—the UNHCR, the IOM, resettlement countries and NGOs—through participation in the UNHCR Annual Tripartite Consultations on Resettlement and the Working Group on Resettlement and influencing the agenda for these meetings. Additionally, the establishment of the Resettlement Working Group under the auspices of the Five Country Conference has provided a valuable forum for Australia to take forward issues of strategic interest. This working group also allows collective agreement on initiatives to enhance refugee resettlement policies and coordinated engagement with the UNHCR on issues of common interest to the five countries.

Protection visas (onshore)

Under the Protection visas (onshore) program, the department:

• determines if the claims of asylum seekers satisfy the refugee definition under the 1951 Convention relating to the Status of Refugees and the 1967 Protocol relating to the Status of Refugees

• determines if the claims of asylum seekers engage complementary protection. Complementary protection is a category of protection for people who are not refugees as defined in the Refugee Convention, but who cannot be returned to their home country or place of habitual residence because there is a real risk that they would suffer a type of harm that would engage Australia's international non-*refoulement* (non-return) obligations.

Performance

In 2012–13, there were 26 427 Protection visa applications and refugee status determination requests from people seeking asylum in Australia.

There were 7504 Protection visas granted to IMAs and non-IMAs, similar to the previous year.

Table 41: People seeking Australia's protection in 2012–13 compared to 2011–12

Applications lodged/requests received	2011–12	2012–13
Non-IMA Protection visa applications lodged	7 063	8 308
IMA refugee status determination requests received	7 373	18 119
Total	14 436	26 427

Table 42: Final Protection visa and resolution of status grants in 2012–13 compared to 2011–12

Grant type	2011–12[1]	2012–13
Protection visa grants to non-IMAs	2 274	2 555
Protection visa grants to IMAs	4 766	4 949
Protection visa grants—other[2]	1	0
Total Protection visa grants	7 041	7 504
Resolution of status grants	9	4

1. Protection visa figures relating to 2011–12 are as officially revised at the end of 2011–12 and therefore may differ from statistics previously published.
2. Includes Protection visas granted to former temporary Protection visa and temporary humanitarian visa holders and Protection visa grants from the ministerial intervention process.

The top 10 countries of citizenship for non-IMAs applying for Protection visas in 2012–13 (in descending order) were People's Republic of China, India, Pakistan, Egypt, Iran, Lebanon, Iraq, Libya, Fiji and Nepal. There were significant increases in lodgements from citizens of Pakistan, Egypt and Lebanon.

Table 43: Protection visa applications lodged by top 10 countries of citizenship in 2012–13 compared to 2011–12 (non-IMAs)

Country of citizenship	2011–12	2012–13
People's Republic of China	1 228	1 141
India	905	996
Pakistan	668	914
Egypt	358	732
Iran	462	571
Lebanon	177	416
Iraq	302	357
Libya	165	297
Fiji	270	205
Nepal	241	186
Other	2 287	2 493
Total	7 063	8 308

The top 10 countries of citizenship for non-IMAs granted Protection visas in 2012–13 (in descending order) were Pakistan, Iran, Egypt, People's Republic of China, Iraq, Libya, Syria, Sri Lanka, Fiji and Zimbabwe.

Table 44: Protection visa grants and grant rates by top 10 countries of citizenship in 2012–13 compared to 2011–12 (non-IMAs)

Citizenship	2011–12[1]	Final grant rate	2012–13	Final grant rate
Pakistan	310	75.6%	463	80.4%
Iran	351	93.6%	322	91.0%
Egypt	204	66.2%	277	78.7%
People's Republic of China	264	27.6%	215	25.8%
Iraq	146	96.1%	205	91.1%
Libya	19	70.4%	125	78.6%
Syria	46	92.0%	112	97.4%
Sri Lanka	125	64.1%	94	63.9%
Fiji	68	27.6%	68	33.3%
Zimbabwe	101	67.3%	62	63.9%
Total	2 274	44.6%	2 555	48.4%

1. Protection visa figures relating to 2011–12 are as officially revised at the end of 2012–13 and therefore may differ from statistics previously published.

Table 45: Refugee status determination requests by top five countries of citizenship in 2012–13 compared to 2011–12 (IMAs)

Country of citizenship	2011–12	2012–13
Sri Lanka	820	4 949
Iran	1 547	4 382
Afghanistan	3 153	3 572
Stateless*	603	1 608
Pakistan	646	1 320
Other	604	2 288
Total	7 373	18 119

*   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.

Table 46: Protection visa grants by top five[1] countries of citizenship in 2012–13 compared to 2011–12 (IMAs)

Country of citizenship	2011–12	2012–13
Afghanistan	1 972	2 352
Iran	1 269	1 020
Pakistan	94	469
Stateless*	628	459
Sri Lanka	299	269
Other	504	380
Total	4 766	4 949

* 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.

1. The top five countries of citizenship are based on 2012–13 program year grants.

Processing times

In 2012–13, 51 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 65 per cent in 2011–12.

The median number of days taken to decide primary cases during 2012–13 was 89 days compared to 44 days in 2011–12.

In 2012–13, 86 per cent of Protection visa decisions that took more than 90 days were department-related delays due to the increased number of arrivals, arrangements for allowing people to apply, the complexity of certain cases that 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 that 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 47: Ministerial intervention under section 417 of the Migration Act

Activity	2011–12[1]	2012–13
Requests received	2 031	2 021
Requests finalised[2]	612	510
Requests finalised by the minister	862	1 151
Visas granted	458	435

1. Figures relating to 2011–12 are officially revised at the end of 2012–13 and therefore may differ from statistics previously published.

2. This catagory includes requests finalised as inappropriate to consider, or no power under Section 417 and repeat requests not referred to the minister as they did not meet the guidlines.

Table 48: Ministerial intervention requests by top 10 countries of citizenship in 2012–13 compared to 2011–12

Country of citizenship	2011–12	2012–13
People's Republic of China	408	346
India	235	313
Fiji	271	192
Lebanon	71	103
Pakistan	50	91
Sri Lanka	62	87
Nepal	47	78
Bangladesh	54	66
Egypt, Arab Republic of	112	65
Indonesia	84	60
Other	637	620
Total	2 031	2 021

Table 49: Ministerial intervention visa grants by top 10 countries of citizenship in 2012–13 compared to 2011–12

Country of citizenship	2011–12	2012–13
People's Republic of China	39	55
Egypt	16	55
Republic of Korea	73	41
Bangladesh	8	25
Fiji	47	25
Tonga	9	25
Philippines	28	23
Indonesia	34	23
Lebanon	13	16
India	12	13
Other	179	134
Total	458	435

Litigation

The outcome of several significant cases currently before the courts may require further policy and legislative development. The decision of the Full Federal Court in *Minister for Immigration and Citizenship v SZQRB* [2013] FCAFC 33 has implications for the department's ongoing consideration of Australia's non-*refoulement* obligations and was one of a number of cases during the year which presented a challenge to the government.

Minister for Immigration and Citizenship v SZQRB [2013] FCAFC 33

This matter focused on the International Treaties Obligations Assessment, which was the process used to determine whether removal would accord with Australia's non-*refoulement* obligations under the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment and the International Covenant on Civil and Political Rights, prior to the commencement of the complementary protection provisions in March 2012. SZQRB is an irregular maritime arrival from Afghanistan, who was found by both the department and the independent merits reviewer not to engage Australia's protection obligations.

On 20 March 2013, the Full Federal Court (Lander, Besanko, Gordon, Flick and Jagot JJ) unanimously allowed SZQRB's application.

The court found that there were two legal errors in the International Treaties Obligations Assessment process, being that the wrong legal test had been applied in respect of the risk of significant harm and that SZQRB had been denied procedural fairness. In relation to the first error, the court found that the test to be applied in the International Treaties Obligation Assessment was whether there was a 'real chance' that SZQRB would suffer significant harm as a result of his removal, whereas the department's assessment had considered whether the risk of significant harm was 'more likely than not'. In relation to the second error, the court found that SZQRB had been denied procedural fairness because relevant country information relied on by the decision-maker had not been put to him for comment.

This decision is significant for the government because a 'real chance' test creates a different test than the 'more likely than not' test applied previously by the department.

The minister has applied for special leave to appeal this matter to the High Court.

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 the UNHCR and the IOM, and project delivery in cooperation with international and non-government organisations, to advance Australia's interests in relation to Outcome 2.

Key activities in 2012–13 were:

- funding to reinforce the capacity of the UNHCR to refer refugees from Asia, the Middle East and Africa for resettlement in Australia

- funding to the IOM under the regional cooperation arrangements in Indonesia, East Timor and Papua New Guinea to provide for the care and management of irregular migrants intercepted en route to Australia. This program also includes voluntary repatriation of irregular migrants

- funding the IOM under the reinforcing management of irregular migration in Indonesia project to maintain a network of outreach offices in Indonesia to assist the Indonesian Government to monitor migration flows, coordinate responses to irregular migration activity, and ensure suitable treatment of intercepted irregular migrants

- funding 16 humanitarian projects for stabilising and supporting displaced persons through the department's displaced persons program, including projects focused on health, livelihood, shelter and community infrastructure and refugee registration activities.

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 included:

- supporting Australia's engagement in the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime, including the Fifth Ministerial Conference in April 2013, to pursue regional cooperation on the irregular movement of people

- agreeing on practical cooperative arrangements in relation to immigration matters at the eighth ASEAN Directors-General of Immigration Departments and Heads of Consular Affairs Divisions of the Ministries of Foreign Affairs (DGICM) + Australia Consultation in September 2012

- co-chairing the sixth Malaysia–Australia Immigration Cooperation Working Group and participating in the fifth 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

- hosting the third Australia–Cambodia Immigration Forum in Australia 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

- continuing to support the Migration Service of Timor-Leste through institutional development, capacity building and expansion of the functionality of the border management system and processes currently in place

- funding a comprehensive capacity building training program with Indonesia spanning document examination training, intensive English language training in Australia and Masters scholarships in public administration, international relations and information technology in Australia for Directorate-General of Immigration (Imigrasi) officers

- continuing to work with Indonesian immigration authorities to enhance analytical, intelligence and biometric matching capabilities to assist in identifying people who may not be travelling to Indonesia for bona fide purposes

- participating in the 17th Australia–Indonesia Working Group on Immigration Cooperation, the primary forum for senior level engagement between the department and Imigrasi

- participating with representatives from regional countries in Singapore's annual immigration and checkpoints competencies training program

- endorsing terms of reference for a limited biometric data exchange trial with Malaysia

- representing Australia at the Pacific Immigration Directors' Conference Management Board meetings and annual conference

- attending the Australia-Papua New Guinea Immigration Forum to discuss progress, and determine future direction for the border management system program, and discuss migration management and border security issues

- continuing work with the Sri Lankan Department of Immigration and Emigration to strengthen border management capability through the inclusion of biometrics at the passport application stage

- funding the IOM to digitise Afghanistan's national identity document and to continue support for the development of the passport and visa systems in Afghanistan

- enhancing Pakistan's migration and border management capabilities through funding provided to the United Nations Office on Drugs and Crime (UNODC)

- training in Cambodia, Laos, Thailand, Timor-Leste and Vietnam, and in Australia to improve the English language competency of immigration officers. This will increase their ability to detect and combat irregular population movements, people trafficking and fraudulent documents, and to engage with Australia, particularly in relation to immigration matters

- co-chairing with the Customs and Border Protection Service the inaugural Sri Lanka-Australia Joint Working Group (JWG) on People Smuggling and Transnational Crime

- signing in June 2013 two memoranda of understanding with the United Arab Emirates on combating human trafficking and training, exchange of expertise and mutual cooperation, helping to strengthen the bilateral relationship as well as assisting to combat irregular movement in the region

- participating in the Pakistan-Australia Joint Working Group on Border Management and Transnational Crime in September 2012, providing an opportunity to discuss key issues with Pakistani government officials, including on irregular migration.

Regional cooperation

The Bali Process has continued to provide an effective regional forum for the pursuit of strengthened regional cooperation on irregular movement of people. At the Fifth Ministerial Conference of the Bali Process, in April 2013, ministers commended the establishment of the Regional Support Office, under the management of Indonesia and Australia, and encouraged members to continue the practical initiatives being implemented under the regional cooperation framework. The Bali Process marked its 10th anniversary in November 2012 with a commemorative conference and a forum on advancing regional cooperation on trafficking in persons.

The department also engaged closely with South-East Asian counterparts on migration management through the eighth annual ASEAN DGICM + Australia Consultation, including the delivery of an ASEAN-Australia Program of Work.

Outcome 3

Lawful entry of people to Australia through border management services involving bona fide traveller facilitation; identity management; document verification; intelligence analysis; partnerships with international and domestic agencies; and border policy advice and program design.

Program 3.1 Border management

During 2012–13, 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 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

Strategy

The key initiatives and major strategies contributing to Outcome 3 in 2012–13 are to:

- 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's 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 2012–13, the department facilitated the arrival and departure of 33.16 million passengers and crew compared to 31.63 million in 2011–12, an increase of 4.84 per cent.

During the year, 2328 people were refused immigration clearance at Australia's airports and seaports, compared to 2096 in 2011–12, an increase of 11.06 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 important part of the department's layered approach to border management. The ALO program has been involved in 171 interdictions of improperly documented passengers attempting to travel to Australia in 2012–13.

In June 2013, the border risk identification system (BRIS) was rolled into production. BRIS was developed in response to rapid growth and increasing complexity in the traveller caseload. It is designed to integrate automated risk modelling into border processing and assist airport staff in identifying and referring travellers of concern.

BRIS allows airport staff to more easily identify potential travellers of concern, research the traveller's background for supporting evidence and refer the client for interview if required.

BRIS is a web-based interface for the mainframe computer, providing rapid response times while compiling information into usable, readable and visually efficient displays. It is used to ensure that travellers who may not comply with the visa rules are identified with improved efficiency and less inconvenience to the majority of travellers.

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 33.16 million in 2012–13 to approximately 50 million by 2020.

The maritime environment continues to pose a challenge to border agencies, with changes to maritime legislation and increased shipping movements in both the commercial and cruise ship industries.

The sea environment provides additional challenges with the increasing numbers of overseas crew and larger numbers of cruise ships visiting Australia. We will continue to develop checks and processing capabilities to maintain the integrity of this aspect of our border functions.

A further challenge is the increasing volumes of passengers, requiring the development and expansion of technology to ensure we maintain our security and facilitation standards.

The increasing number of smaller airports, and possibly seaports, used for international visitors will add to these challenges.

Table 50: Outcome 3 financial resources summary 2012–13

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.

	Budget[2] 2012–13 $'000	Actual Expense 2012–13 $'000	Variations 2012–13 $'000	Budget Estimate 2013–14 $'000
Program 3.1: Border Management				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	-	-	-	-
Departmental expenses				
Departmental appropriation (Appropriation Acts 1 and 3) and Revenue from independent sources (Section 31 FMA Act)	122 124	137 629	15 505	128 940
Expenses not requiring appropriation in the Budget year[1]	17 537	12 669	(4 868)	17 669
Total expenses for Outcome 3	139 661	150 298	10 637	146 609
Average Staffing Level (number)	693	718		708

1. Expenses not requiring appropriation in the Budget year are expenses relating to depreciation and amortisation
2. The 2012–13 Budget represents the Estimated Actual Expenses published in the *Portfolio Budget Statements 2013–14*.
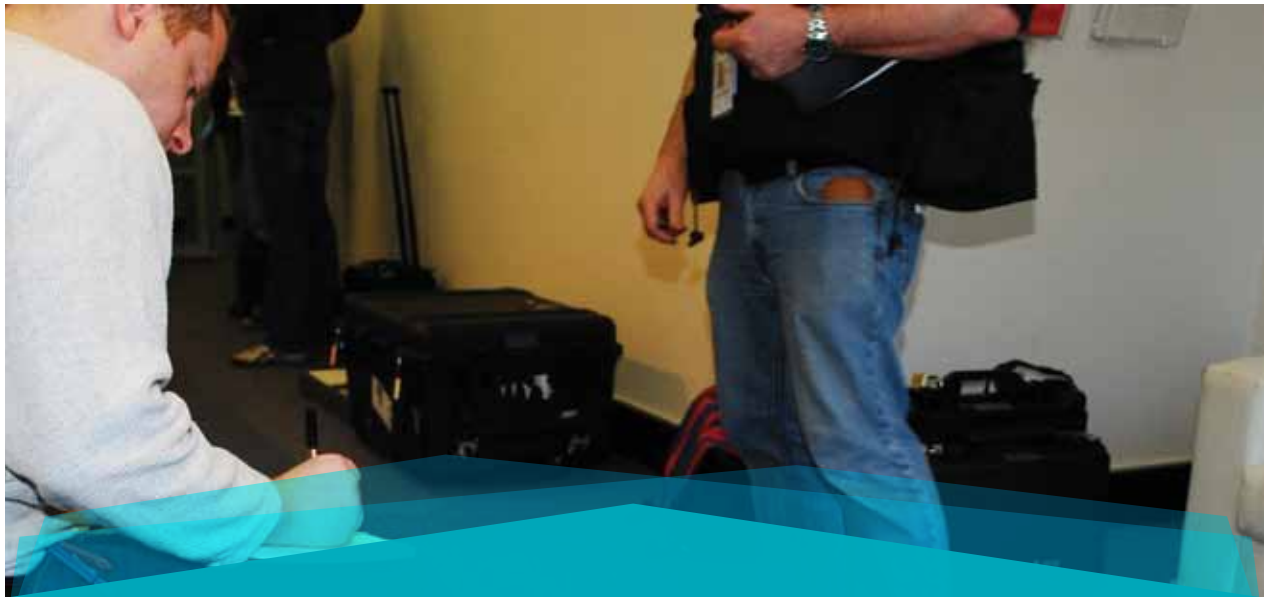
Close-up

Major migration fraud uncovered in joint investigation

One of the most sophisticated cases of organised migration fraud targeting the skilled migration program has been disrupted due to the work of the department's National Investigations team and the Australian Federal Police (AFP).

The investigation recovered hundreds of thousands of dollars in proceeds of crime. In addition, proposed charges against the suspects are under consideration by the Commonwealth Director of Public Prosecutions (CDPP). The suspects, who fled to India following the execution of warrants by the AFP and the department may also be sought for extradition.

The alleged fraud, perpetrated by a Melbourne-based migration agency, involved more than 1300 visa applications and revenue estimated at more than $3 million. A registered migration agent headed the agency, which targeted Indian students who wanted to remain in Australia to work.

> In co-operation with the AFP, the National Investigations team closed down the business and associated scam.

Promoting its scam on a website, by word-of-mouth and leaflets at Melbourne train stations, the agency boasted it could extend stays in Australia by two to four years by applying for skilled migration visas with associated bridging visas that gave full work rights. Once those applications were refused, the fraudsters would lodge appeals to the Migration Review Tribunal, again extending bridging visas with full work rights.

Following complaints from clients, the investigations team uncovered an extensive trail of applications containing false information and a range of methods designed to conceal the fraud.

By working in close co-operation with the AFP, the National Investigations team closed down this business and associated scam, retrieved close to $450 000 in cash, and has frozen a large amount of business and personal assets.

National Investigations is continuing to work with relevant law enforcement agencies to prosecute the migration agent and others potentially involved in the scam.

The disruption of this type of large-scale fraud is crucial to support the integrity of Australia's visa programs.

Photo: DIAC and AFP officers worked together to retrieve assets during a major migration fraud investigation.

Program 3.1 Border management

Program 3.1 consists of two departmental items:

• Borders

• Identity

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, as achieved 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 published in the *Portfolio Budget Statements 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

Border management—deliverables
Deliverable: Continued increase in the use of biometrics and identity management services.
Result: Since 2006, the department has collected biometrics—facial images and fingerprints—from most people in immigration detention, including IMAs and illegal foreign fishers (IFFs). In October 2007, the department began collecting biometric facial images from applicants for Australian citizenship and in November 2010 began collecting facial images and fingerprints from people who apply onshore for a Protection visa.
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 19: Bahrain, Bangladesh, Ethiopia, France, Ghana, Jordan, Kenya, Kuwait, Lebanon, Malaysia, Oman, Qatar, Saudi Arabia, Sri Lanka, United Arab Emirates, Yemen and Zimbabwe; and Cambodia and Pakistan were added in the past year. The department also undertakes mobile collection of biometrics in countries managed by its posts in Bangkok, Islamabad, Jakarta and Nairobi.
In March 2012, the department started a pilot project at Perth international airport to verify the identity of arriving passengers. This initiative introduces a deterrent factor for imposter and identity fraud. Clients are warned by means of conspicuously placed posters around the airport that biometric verification may occur. The purpose of verification is to ensure that the person who provided biometrics at the time of application is the same person entering Australia.
Visa holders whose biometrics have been collected as part of the offshore biometrics program are referred for identity verification. This process takes less than one minute and uses fingerprints to verify a person's identity.

Border management—deliverables *continued*

The pilot was extended to Melbourne airport in July 2012. A trial offshore was undertaken at Bangkok airport, where the ALO verified the identity of a selection of passengers before they boarded flights to Australia.

During 2012–13 biometric collection equipment was rolled out to eight Australian airports to collect biometrics from people who are refused entry to Australia and are subsequently turned around at airports, and from persons of interest as part of the interview process.

Deliverable: Facilitate the entry to Australia of genuine travellers.

Result: There were 33.16 million passenger and crew arrivals and departures in 2012–13. Customs and Border Protection facilitates the entry of genuine passengers on behalf of the department through the primary line processing, under a memorandum of understanding between the agency and the department. Passengers that may not meet the requirements for entry are referred to immigration officers for interview.

Of the 16.7 million arrival movements recorded in 2012–13, 313 000 passengers were referred to immigration officers for further investigation.

A total of 2328 people, 2306 at airports and 22 at seaports, were refused immigration clearance at Australia's airports and seaports during the program year. This is an increase of 11.06 per cent on the previous year.

The Border Operations Centre received 130 860 phone calls from airlines requiring assistance with checking in passengers on to their flights. Of these, 16 900 passengers required up-lift authorisation to facilitate their travel.

During 2012–13, the department issued a new instrument under section 495A, to extend SmartGate, an automated process for verifying visas and identities, to US nationals from 1 November 2012 and to United Kingdom nationals from 17 June 2013.

The department processed and granted 5173 border 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.

Deliverable: Border integrity is maintained, including work to prevent the entry of those likely to threaten the national interest.

Result: Of the 2328 passengers refused immigration clearance, 73 per cent were refused immigration on the grounds they were not genuine visitors to Australia. Others failed to meet the character requirement for entry to Australia, or were found with inappropriate documentation.

After consultation with the Border Operations Centre, 364 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 the traveller or travel document.

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 was involved in 171 interdictions of improperly documented passengers attempting to travel to Australia in 2012–13.

Deliverable: A high level of confidence in the accurate identification of people entering and departing Australia.

Result: The department's new identity policy document was endorsed by the executive committee in February 2013. This document outlines the strategic direction for identity management based on a set of principles and strategies aligned in the *National Identity Security Strategy 2012*.

Since 2006, the department has collected biometrics—facial images and fingerprints—from most people in immigration detention, including IMAs and IFFs. In October 2007, the department began collecting biometric facial images from applicants for Australian citizenship and in November 2010 began collecting facial images and fingerprints from people who apply onshore for a Protection visa.

In December 2010, an offshore biometrics program was introduced for offshore visa applicants.

In March 2012, the department started a pilot project at Perth international airport to verify the identity of arriving passengers. The pilot was extended to Melbourne airport in July 2012. A trial offshore was undertaken at Bangkok airport, where the ALO verified the identity of a selection of passengers before they boarded flights to Australia.

During 2012–13, biometric collection equipment was rolled out to eight airports to collect biometrics from people who are refused entry to Australia and are subsequently turned around at airports, and from persons of interest as part of the interview process.

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 is developing the capability for automated sharing of non-FCC citizens' biometric data with the other FCC partners. Automated biometric data sharing has commenced between Australia and the United States of America. Fully automated biometric data sharing, and the subsequent legal requirements to carry out this sharing, are expected to be operational between all FCC partners with a staged implementation over the coming years.

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: Ensure less than 0.015 per cent of total passenger and crew arrivals are refused immigration clearance at airports and seaports.

Result: Indicator met.

A total of 0.0139 per cent of all passengers and crew arrivals were refused immigration clearance at Australia's airports and seaports during 2012–13.

Table 51: Border management—performance information

Key performance indicator	2010–11 actual	2011–12 actual	2012–13 target	2012–13 actual
The percentage of people refused immigration clearance at airports and seaports, as a proportion of total passenger and crew arrivals	0.012%	0.013%	<0.015%	0.0139%

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 a person's authority to travel to and enter Australia is checked prior to arrival. Most significant is the advance passenger processing (APP) system.

Arrivals and departures

In 2012–13 there were 33.16 million passenger and crew arrivals and departures through Australian air and sea ports, an increase of 4.84 per cent over the previous program year.

These movements included 30.48 million air passengers, 1.68 million air crew, 0.24 million sea passengers and 0.76 million sea crew who travelled during the program year. There were also 16.46 million departures through Australian ports.

Table 52: Arrivals and departures

	2010–11	2011–12	2012–13
Number of passenger and crew arrivals and departures processed	30.05 million	31.63 million	33.16 million
Number of people refused immigration clearance at airports	1 809	2 048	2 306
Number of people refused immigration at seaports (Torres Strait travel excluded)	68	48	22

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.

APP, the pre-arrival reporting system, is used by international passenger airlines and cruise ships with regular international passenger services to Australia.

It checks to confirm that each traveller has a valid authority to travel to Australia, and to facilitate the 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, nor commercial carriers and may have ad hoc travel arrangements, provide Australia with advance passenger information.

At 30 June 2013, there were 47 passenger airlines flying into Australia that were subject to the mandatory APP requirements for both passengers and crew. This is less than the 49 in the previous year due to some airlines merging. In the 2012–13 program year, overall airline compliance with APP reporting requirements was maintained at the high level of 99.95 per cent.

Carrier companies are expected to maintain a threshold of checking 99.8 per cent of passengers every month. During the year, 15 airlines were issued with infringement notices when their compliance with APP reporting fell below this threshold. Of those airlines, seven were below the threshold for only one month.

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 2012–13, RMAS processed more than three million New Zealand and United States of America passport validation requests.

Infringement notices for inadequate documentation

Air and sea carriers are responsible for ensuring 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 2012–13, 317 infringement notices were issued to 38 airlines, a 22.7 per cent decrease in the number of infringement notices compared with the previous year.

There were 10 infringement notices served on shipping vessels in 2012–13, compared to 18 in 2011–12.

Airline liaison officer network

The ALO program is an integral part of the department's layered approach to border management. For further details on ALOs, see Outcome 3, border management— deliverables.

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. This process is to regulate the entry of people to Australia and ensure those who enter have authority to do so and are who they claim to be.

The Australian Customs and Border Protection Service 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 2012–13, some 202 000 air passengers were referred on arrival to departmental officers for a range of reasons, including updating departmental records, bona fide and character checks and travel document fraud. The overwhelming majority of these were cleared to enter Australia, with 0.0147 per cent of total arrivals refused immigration clearance.

Seaport clearances

Customs and Border Protection also undertake primary immigration clearance processing on behalf of the department at Australia's seaports. In the seaports environment, issues relating to a person's ability to meet Australia's entry requirements are generally referred to an immigration officer for resolution prior to arrival.

In 2012–13, departmental officers boarded 489 vessels to examine crew and passenger documents and resolve those cases referred by Customs and Border Protection that could not be resolved prior to arrival at a sea port.

During 2012–13, more than 108 170 passengers and 57 885 crew were reported by APP as arrivals by cruise ships.

Deserters and stowaways

In 2012–13, there were 33 deserters and four stowaways reported to the department. This compares to 55 deserters and four stowaways in 2011–12.

Torres Strait

The Torres Strait Treaty allows for a cooperative approach to manage the traditional movements of allowed inhabitants across the Torres Strait Protected Zone. Allowed inhabitants include Australians residing in the protected zone of the Torres Strait and citizens of Papua New Guinea (PNG) who reside in one of the 13 PNG treaty villages.

Under this arrangement, allowed inhabitants from both countries are able to move freely without passports or visas, but with visitor passes issued by village councils for traditional activities within the protected zone.

Traditional activities 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 13 movement monitoring officers (MMOs) located on inhabited islands in the Torres Strait. MMOs record traditional movements of people entering or departing the Torres Strait protected area, which is outlined in section 5 of the Migration Act. In this instance, it defines the Australian territory within the Torres Strait. MMOs also ensure that visitors comply with the permitted stay period set by the island manager or councillor. Traditional inhabitants report to the MMO on arrival in Australia to show their visitor passes.

In the 2012–13 program year there were 48 545 traditional movements, including arrivals and departures of both PNG and Australian inhabitants, across the Torres Strait. In the same timeframe, 1642 people were refused immigration clearance, compared to 2985 in the 2011–12 program year.

Refused immigration clearance

A total of 2328 people were refused immigration clearance at Australia's airports and seaports during the program year. This is an increase of 11.44 per cent on the previous year.

Of this number, 2306 people were refused immigration clearance at Australian airports, compared with 2048 in 2011–12, an increase of 12.6 per cent.

Approximately 73 per cent of those refused immigration clearance were refused on the grounds that they were not genuine visitors to Australia. The remainder included people who failed to meet the character requirement for entry to Australia and people found to have inappropriate documentation.

The majority of those refused immigration clearance at Australian airports departed Australia within 72 hours, in most cases on the next available flight.

In 2012–13, 22 people were refused immigration clearance at Australian seaports. This is a decrease of 46 per cent from 2011–12.

Border systems

Ongoing checks against the department's databases and systems are performed at different times during the traveller pathway, and assist in verifying the genuine identity of travellers and their documents.

The department's systems and databases include:

- the central movement alert list (CMAL) which consists of two databases, one recording identities of interest and the other recording travel documents of concern—either lost, stolen or missing
    - the 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
    - the document alert list (DAL) which records documents reported lost, stolen or cancelled, and bogus foreign travel documents. The DAL is checked prior to arrival
- the border risk identification system (BRIS), a web-based interface for the mainframe computer, providing rapid response times while compiling risk modelling information into useable, readable and visually efficient displays
- the Safeguards system, 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
- the IMtel system, which provides a capability to store, retrieve, link and analyse immigration intelligence and integrity data. Intelligence collected is available to departmental officers, including those at international airports and overseas missions.

Prevention of people smuggling

The department continued to engage with key bilateral partners in 2012–13 on the prevention and deterrence of people smuggling through information sharing, enhanced migration management and technical skills training. It did this through various forums including the third Australia-Cambodia Immigration Forum, and participating in the third Pakistan-Australia Joint Working Group on Border Management and Transnational Crime and the first Sri Lanka-Australia Joint Working Group on People Smuggling and Transnational Crime (in conjunction with the Australian Customs and Border Protection Service).

Capacity-building activities included funding the upgrade of Afghan passports and visa issuance systems to International Civil Aviation Organization (ICAO) standards, completion of a major program of support in the development of Indonesia's border control management system and continued implementation of improvements to a border management system in PNG.

Collaboration continued with FCC partner countries. The FCC provides 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.

Security referrals

Security checking is conducted to identify those visa applicants or visa holders, including IMAs, 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 a War Crimes Unit (WCU) dedicated to screening departmental clients.

The WCU conducts war crimes screening by comparing the information provided by clients with available information about war crimes, including from international courts and tribunals. Where there is sufficient information to support an assessment that the non-citizen may have been involved in war crimes, the case is referred to a decision-maker to decide whether the client's visa or citizenship status should be considered on character grounds, for example, visa refusal or cancellation under section 501 of the Migration Act. In such cases the WCU also refers the case to the AFP for further investigation for potential prosecution under the Criminal Code.
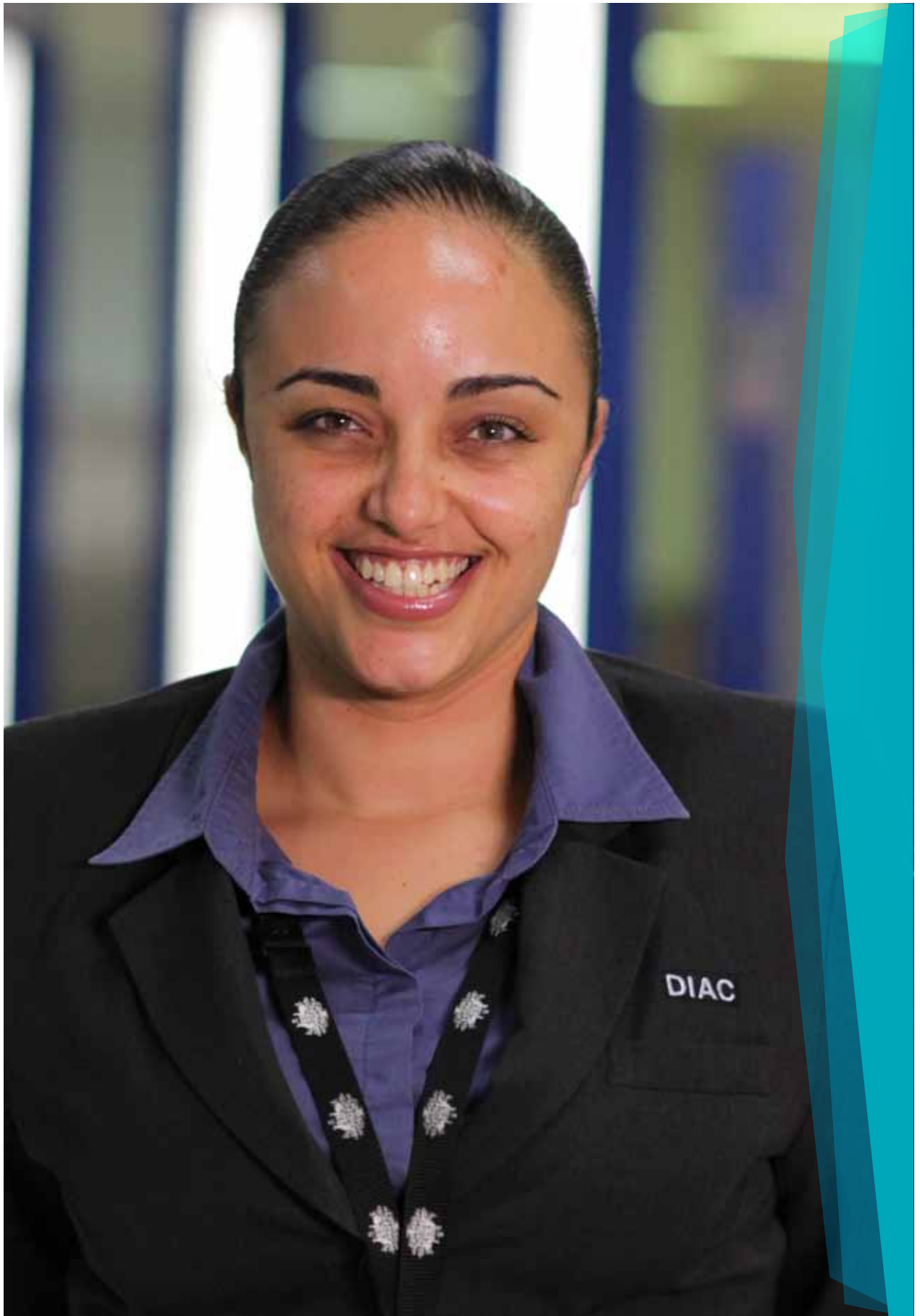
Close-up

Technology key to keeping busier borders strong

Operating in a rapidly changing global security environment, the department is using technology and dynamic solutions to strengthen the integrity of Australia's borders.

Australia faces a steady growth in the volume of travellers. In 2012–13, more than 16 million travellers arrived through Australia's international airports.

'We have more than 42 000 air travellers arrive in Australia every day,' Director of Intent Management and Analytics, Klaus Felsche said.

It is anticipated that by 2020 there will be 50 million movements, arrivals and departures, across Australia's borders.

'As air travel becomes more affordable and accessible, the number of airlines flying into Australia from a growing number of overseas locations is also expanding,' Mr Felsche said.

While this makes Australia a more desirable and accessible destination for tourists and business travellers, it also makes detection of increasingly sophisticated criminal elements more challenging.

'The department is responding by aiming to be a global leader in the emerging science of predictive analytics in border management,' Mr Felsche said.

The border risk identification system (BRIS) operates in real time and scans all in-bound travellers. It uses advanced risk analytics to enable immigration officers at airports in Australia to identify more precisely and quickly, the risk associated with people seeking to enter Australia.

'By more effectively identifying higher risk passengers, this new system allows border staff to easily identify and streamline the processing of genuine travellers, while freeing up resources to manage more problematic cases,' Mr Felsche said.

> 'We have more than 42 000 travellers arrive in Australia every day.'

BRIS will also be used at overseas locations by the department's network of airline liaison officers to intercept higher risk travellers at overseas airports before they board their flights to Australia.

'Over the past year BRIS has significantly enhanced the department's ability to detect potential problem travellers, making our border management systems more effective than ever before,' Mr Felsche added.

Photo: Astair on the job in her role as a border security officer.

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. It also ensures that the entry to Australia of genuine travellers is facilitated.

Performance

In December 2010, an offshore biometrics program was introduced for offshore visa applicants. For further details on the department's expansion of biometric aquisition, see Outcome 3, border management—deliverables.

Biometric data-sharing program

Since October 2009, the department has worked on the FCC biometric data-sharing program with partner countries.

To protect client privacy, biographic, immigration and other selected information is exchanged only in the event of a fingerprint match. Current FCC arrangements allow the department to check the fingerprints of people in immigration detention, IMAs, 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.

Identity Branch's forensic document examiners and facial image comparison specialists deliver ongoing training programs to immigration officials, primarily in the Asia-Pacific region. The training contributes to the department's professional reputation and helps to influence cooperation across many different aspects of government in the region.

Document examination and facial image comparison training sessions were conducted on a regular basis for departmental staff. More than 1756 officers participated in face-to-face or online courses in 2012–13. This training was also provided to 15 staff from other agencies, including Customs and Border Protection and DFAT.

SmartGate

The department works 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 allows the processing of increased numbers of travellers at international airports within the same physical space and is now in use at all major international airports in Australia.

The system 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 electronic chip of the ePassport.

SmartGate 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 was extended to United States of America nationals from 1 November 2012 and to United Kingdom nationals from 17 June 2013, under a trial conducted at Adelaide airport.

Passenger clearance course and seaports training

The department delivered training to Customs and Border Protection primary line officers in immigration clearance, fraudulent document detection and imposter detection throughout 2012–13. 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.

The department delivers ongoing immigration clearance training to Customs and Border Protection officers at most major and several regional seaports.

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: Paul works in the Identity Branch in Canberra.

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
Program 4.5 Regional cooperation and associated activities
Program 4.6 Refugee status determination for offshore entry persons

During 2012–13 Program 4.1 was managed by the Compliance and Case Resolution Division and Programs 4.2, 4.3, 4.4 and 4.5 were managed by the Immigration Status Resolution Group. Responsibility for Program 4.6 was transferred to the MRT–RRT with effect from 1 July 2012, including all reporting responsibilities. This section reports on the deliverables and key performance indicators for Outcome 4 programs as published in the department's *Portfolio Budget Statements 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

Strategy

To achieve this outcome, the department will:

- 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

- 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 and stakeholders through collaboration with other government service providers

- deter non-citizens from overstaying or breaching their visa conditions through prompt and effective enforcement of immigration and citizenship law

- reduce the incidence of people working illegally, deter people smugglers, investigate offences under migration and citizenship law by migration agents, employers or intermediaries, and undertake employer awareness activities through an active compliance strategy

- administer the immigration detention of unlawful non-citizens, including irregular maritime arrivals (IMAs) and foreign fishers in accordance with law and government policy by the provision of appropriate care, facilities and options for their lawful, humane and efficient detention

- efficiently and effectively develop and manage changes to detention infrastructure as necessary

- facilitate the continued use of residence determination (known as community detention) to enable children, families and vulnerable clients to live in the community with appropriate support while their status is being resolved

- manage people who are granted Bridging visas, including IMAs, to achieve an immigration outcome through early intervention and provision of needs-based support and assistance
- secure the return of people who do not have a right to remain in Australia, and those to whom Australia does not owe a protection obligation, including unlawful non-citizens, IMAs and foreign fishers
- strengthen the migration and border management capabilities of governments in the Asia-Pacific region and parts of South Asia and the Middle East
- 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
- support international organisations in the care of irregular migrants intercepted en route to Australia
- provide funding to the IOM to enhance Indonesian immigration detention and transit facilities
- provide resources including infrastructure to support, manage and oversee agreed bilateral and multilateral arrangements under the regional cooperation framework and other measures for harmonisation of treatment of asylum seekers across the region
- support and facilitate timely and efficient independent merits reviews and judicial reviews of refugee status determination for IMAs, and treat people fairly and reasonably within the law.

Compliance and detention overview

The vast majority of visa holders voluntarily comply with their visa obligations, with over 99 per cent of the more than 5.1 million temporary arrivals in 2012–13 voluntarily complying with the requirement to depart Australia prior to their visa expiring.

Compliance with visa conditions is encouraged by targeted outreach, education and awareness sessions. However where non-citizens overstay, otherwise breach their visa conditions or have their visas cancelled, the department's compliance field officers look to locate these clients. This includes field work, voluntary locations at departmental offices, and referrals from other government or law enforcement agencies.

On 1 June 2013 new laws introduced civil penalties and infringement notices for businesses that employ illegal workers, to complement the existing criminal sanctions in this field. A major awareness campaign which commenced in May 2012, and upgrades to the visa entitlement verification online (VEVO) system during 2012–13, supported the department's focus on education and the promotion of voluntary compliance by industry, employers and labour referral businesses.

Compliance activities may result in immigration detention for the purposes of facilitating removal. Only a small portion of the immigration detention population is detained as a result of compliance activities. As at 30 June 2013, almost 95 per cent of the detention population were irregular maritime arrivals.

Government policy remains that mandatory immigration detention is an essential component of strong border control. In order to preserve the integrity of Australia's migration program, 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.

IMAs who are taken into an immigration detention facility undergo mandatory processing, including health, identity and security checks. This supports the identification and management of community risks. Eligible clients have their cases referred to the minister for possible placement into community detention or are released on a temporary bridging visa while their refugee claims are considered or until they are removed from Australia. Offshore entry persons who arrived in Australia after 13 August 2012 are liable for transfer to a regional processing country.

Case managers and detention review managers provide oversight of cases to ensure that detention placement is an appropriate response to risks posed to the Australian community and that work continues to resolve the person's immigration status.

Status resolution officers seek to understand clients' individual circumstances and provide accurate departmental information and advice to help resolve cases. This includes identifying offshore migration options for clients who do not have a legal right to remain in Australia, and facilitating their departure from Australia in a timely manner. A small number of clients choose not to cooperate and are ultimately detained and removed from Australia.

Major achievements

During 2012–13 the department undertook a range of initiatives to strengthen its status resolution framework which aims to promote early client engagement and voluntary compliance. These initiatives included a comprehensive evaluation of the department's compliance status resolution program and instituting a national awareness campaign to educate businesses about new civil penalties and infringement notices on businesses that employ illegal workers. The department also developed expedited, larger scale return arrangements and continued to work in partnership with the International Organization for Migration to help facilitate voluntary returns.

In an environment where there were ongoing pressures within the immigration detention network, the department continued to work collaboratively with its service providers and other key stakeholders to manage clients in accordance with government policy. To manage ongoing pressures and changing client cohort compositions the department also successfully modified detention arrangements. To support the implementation of government policy, the department put in place a significant schedule of transfer operations. The department proactively responded to issues identified by clients and scrutiny bodies throughout 2012–13.

A number of business process improvements were successfully implemented in the community detention program to enhance the efficiency of service delivery, including the introduction of service provider access to the compliance, case management, detention and settlement (CCMDS) portal. There has also been an increased focus within the community detention program on engagement with community-based stakeholders.

During 2012–13, the department continued to utilise Bridging E visa (BVE) arrangements to manage people with unresolved immigration status, including IMAs. This provided opportunities for early intervention and the provision of needs-based support and assistance. As at 30 June 2013 there were 9590 non-IMA clients (an increase of 1.8 per cent from 9418 as at 30 June 2012) being managed in the community on BVEs.

Through effective management of people on BVEs, the department has ensured there has not been an increase in non-compliance of people on BVEs, with the overstayer rate for this cohort being 3.9 per cent in 2012–13 as compared to 4.7 per cent in 2011–12 and is considerably less than the Budget target of 9–10 per cent for 2012–13.

On 29 June 2013, changes to Migration Regulation 2.43(1) came into effect to strengthen the capacity to cancel a BVE. Condition 8564 was also introduced and can be attached to a BVE to require that the holder not engage in criminal activity. These changes to the regulations created discretionary grounds to cancel a BVE where the holder is subject to criminal charges or convictions or Interpol notice or investigations by Australian law enforcement or security agencies.

The department undertook a range of communication activities throughout 2012–13 to inform international students affected by changes to the migration program in 2010 of their options. This complemented departmental efforts to ensure the continued compliance of these clients. On 31 December 2012 there were 38 719 students on their original student visa which represents a 64 per cent decrease from the 106 825 students that were on their original student visa at as 31 December 2011.

On 1 September 2012 a new ministerial direction on character decision making was successfully implemented. The direction introduced principles for decision-makers with regard to those non-citizens who commit serious crimes, including violent or sexual offences, particularly against vulnerable members of the community, and who should generally be expected to be denied the privilege of coming to or remaining in Australia. The direction is binding on all departmental decision-makers and the Administrative Appeals Tribunal.

A departmental returns strategy was developed in response to Recommendation 16 of the Expert Panel on Asylum Seekers Report, August 2012. This strategy provides a framework to enhance return outcomes across the department and applies to all areas of the department, including those not directly engaged with return and removal functions, where there is scope to maximise potential for voluntary returns and influence outcomes to reduce international and domestic barriers to removing clients.

The department also introduced enhanced screening processes to enable the rapid removal of clients who were assessed as not engaging Australia's international obligations. Since 27 October 2012 when the enhanced screening process was introduced there have been a total of 30 return operations from Australia to Colombo.

During 2012–13, the department continued to maintain an effective reporting relationship with the Commonwealth Ombudsman's office, supporting the government's commitment to the regular review of the length and conditions of detention as well as the appropriateness of accommodation and services provided.

Challenges

There was a range of challenges the department faced during 2012–13 throughout the administration of the status resolution framework. The challenges include the increased number of arrivals, managing a large detention population and the testing of departmental decisions in the Australian courts.

The scale and pace of change during 2012–13 was significant in comparison to previous years. Driven by global influences, 2012–13 saw an unprecedented number of IMAs. The department met this challenge through responding to the increased operational requirements in an effective and efficient manner, with assistance from external agencies and contracted service providers.

The number of IMAs placed significant pressure on the detention network and required a rapid response from the department and its service providers to ensure that IMAs were accommodated appropriately and had continued access to relevant services and support. In 2012–13 there was a 77 per cent increase in the number of IMA family groups arriving in Australia. This increase also caused accommodation pressures, particularly across low security detention facilities.

The department continues to progress the implementation of arrangements that seek to engage proactively with people in immigration detention and support their wellbeing at all times. Self-harm and suicide is an area of significant risk in the management of IMAs in an administrative detention environment. Despite significantly increased numbers in the detention network compared to 18 months ago, self-harm incidents in held immigration detention facilities have fallen from more than 100 incidents per 1000 clients in August 2011 to consistently recording less than five incidents per 1000 clients between April 2012 and April 2013.

As stated in the department's response to the Ombudsman's own motion investigation report *Suicide and self harm in the immigration detention network*, the department and its service providers are resolute in continuing to improve the approach to managing the risks associated with suicide and self-harm and in the provision of services to meet the needs of people in care. (Refer to Part 4, Management and Accountability, for further details of the Ombudsman's report.)

The increase in arrivals also led to an increase in the number of IMAs released into the community on BVEs while they await resolution of their status. In turn, this has led to an increase in the number of clients eligible to receive support and services either under the asylum seeker assistance scheme (ASAS) or the community assistance support (CAS) program. To meet this challenge, the Australian Red Cross progressively expanded its capacity and the department procured, through direct-source arrangements, the services of five additional service providers in August 2012 and another in December 2012. CAS and ASAS support arrangements represent a more cost-effective alternative to either held detention or community detention.

There are now seven contracted service providers responsible for delivering the full suite of services available under the CAS and ASAS programs to IMA clients whilst they await resolution of their immigration status.

To enable the capacity to provide continued focused enhancements to support eligible clients as they resolve their immigration status, a request for tender was issued in May 2013 for services under what will become known as the status resolution support services program. When established in 2014, the program will draw together service provision for what are currently four separate programs:

- community assistance support
- asylum seeker assistance scheme
- community detention
- services to unaccompanied minors (UAMs) in alternative places of detention.

The department is assisting with coronial inquiries into the circumstances of five deaths that occurred in held immigration detention in 2012–13.

An additional challenge the department faced during 2012–13 was that a large number of departmental decisions were tested in the Australian courts. Judicial challenges to immigration decision-making have been a consistent feature of the immigration portfolio for a number of years. The outcomes of these court matters have significant impacts. When decisions are handed down, the department, through its legal and policy areas, devotes considerable effort to understanding the implications and applying them to ensure the decisions are reflected throughout the resolution of clients' immigration status.

Figure 8: Immigration detention facilities as at 30 June 2013

Map legend:
- Alternative place of detention
- Immigration residential housing
- Immigration detention centre
- Immigration transit accommodation

Alternative place of detention	Immigration residential housing	Immigration detention centre	Immigration transit accommodation
Aqua/Lilac	Perth	Curtin	Adelaide
Berrimah House	Port Augusta	Maribyrnong	Brisbane
Construction Camp	Sydney	North West Point	Melbourne
Curtin (Echo and Gardenia compounds) from 7 May 2013		Northern	
Darwin Airport Lodge		Perth	
Inverbrackie		Pontville Replaced by Pontville APOD on 7 January 2013	
Leonora		Scherger	
Phosphate Hill		Villawood	
Pontville from 7 January 2013		Wickham Point	
Wickham Point (Sand compound) from 29 April 2013		Yongah Hill	

Unless otherwise specified, these centres were operational throughout 2012–13

Table 53: Outcome 4 financial resources summary 2012–13

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] 2012–13 $'000	Actual Expense 2012–13 $'000	Variations 2012–13 $'000	Budget Estimate 2013–14 $'000
Program 4.1: Visa Compliance and Status Resolution				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	9 289	7 272	(2 017)	9 448
Departmental expenses				
Departmental appropriation (Appropriation Acts 1 and 3) and Revenue from independent sources (Section 31 FMA Act)	108 138	170 182	62 044	117 586
Expenses not requiring appropriation in the Budget year[1]	10 530	9 833	(697)	10 265
Total expenses for Program 4.1	127 957	187 287	59 330	137 299
Program 4.2: Onshore Detention Network				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	55 422	58 326	2 904	56 363
Expenses not requiring appropriation in the Budget year[1]	7 566	5 473	(2 093)	7 749
Departmental expenses				
Departmental appropriation (Appropriation Acts 1 and 3) and Revenue from independent sources (Section 31 FMA Act)	24 588	26 854	2 266	24 499
Expenses not requiring appropriation in the Budget year[1]	2 357	1 468	(889)	2 298
Total expenses for Program 4.2	89 933	92 121	2 188	90 909

Table 53: Outcome 4 financial resources summary 2012–13 *continued*

	Budget [2] 2012–13 $'000	Actual Expense 2012–13 $'000	Variations 2012–13 $'000	Budget Estimate 2013–14 $'000
Program 4.3: Offshore Asylum Seeker Management				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	1 681 283	1 788 032	106 749	2 429 830
Expenses not requiring appropriation in the Budget year[1]	28 256	45 206	16 950	28 311
Departmental expenses				
Departmental appropriation (Appropriation Acts 1 and 3) and Revenue from independent sources (Section 31 FMA Act)	389 043	374 495	(14 548)	399 853
Expenses not requiring appropriation in the Budget year[1]	7 862	11 086	3 224	7 664
Total expenses for Program 4.3	2 106 444	2 218 819	112 375	2 865 658
Program 4.4: Foreign Fishers				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	9 325	3 251	(6 074)	9 486
Expenses not requiring appropriation in the Budget year[1]	193	3 264	3 071	193
Departmental expenses				
Departmental appropriation (Appropriation Acts 1 and 3) and Revenue from independent sources (Section 31 FMA Act)	2 630	1 651	(979)	2 642
Expenses not requiring appropriation in the Budget year[1]	80	131	51	79
Total expenses for Program 4.4	12 228	8 297	(3 931)	12 400

Table 53: Outcome 4 financial resources summary 2012–13 *continued*

	Budget[2] 2012–13 $'000	Actual Expense 2012–13 $'000	Variations 2012–13 $'000	Budget Estimate 2013–14 $'000
Program 4.5: Regional Cooperation and Associated Activities				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	55 701	54 081	(1 620)	35 651
Expenses not requiring appropriation in the Budget year[1]	-	-	-	-
Departmental expenses				
Departmental appropriation (Appropriation Acts 1 and 3) and Revenue from independent sources (Section 31 FMA Act)	12 647	20 149	7 502	17 002
Expenses not requiring appropriation in the Budget year[1]	-	1 052	1 052	-
Total expenses for Program 4.5	68 348	75 282	6 934	52 653
Program 4.6: Refugee Status Determinations for Offshore Entry Persons				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	13 617	2 021	(11 596)	-
Expenses not requiring appropriation in the Budget year[1]	-	-	-	-
Departmental expenses				
Departmental appropriation (Appropriation Acts 1 and 3) and Revenue from independent sources (Section 31 FMA Act)	12 731	8 106	(4 625)	-
Expenses not requiring appropriation in the Budget year[1]	-	-	-	-
Total expenses for Program 4.6	26 348	10 127	(16 221)	-
Total expenses for Outcome 4	2 431 258	2 591 933	160 675	3 158 919
Average Staffing Level (number) for Outcome 4	3 058	3 150		3 055

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

2. The 2012–13 Budget represents the Estimated Actual Expenses published in the *Portfolio Budget Statements 2013–14*.

Program 4.1 Visa compliance and status resolution

Program 4.1 consists of three departmental items:

• Detection onshore

• Removals

• Status resolution.

There is one administered item under this program:

• Compliance resolution, community care and assistance.

Objectives

To design, manage and undertake an effective program of prevention and deterrence with enforcement used as a last resort that seeks to:

• achieve adherence to Australian entry and stay requirements

• identify and respond to suspected breaches of immigration and citizenship law in Australia

• detect and locate persons who have no lawful authority to be in Australia or are in breach of conditions that apply to their visa (for example, people working in breach of their conditions)

• protect the public through the cancellation or refusal of visas to non-citizens who may be of concern to the public for reasons such as their involvement in serious criminal activity

• obtain a substantive immigration outcome for unlawful non-citizens or Bridging E visa holders in a lawful, timely, fair and reasonable manner.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

Visa compliance and status resolution—deliverables
Deliverable: Provide general compliance activities including targeted communication strategies, promotion of visa obligations and education for clients, employers, unions, universities and other stakeholders.
Result: The number of onshore field visits; including outreach, educational activities and investigations for 2012–13 was 4382. Three communication strategies were implemented in 2012–13: • The community status resolution communication strategy for 2012–14 raised awareness of the department's status resolution approach to managing unlawful non-citizens and BVE holders in the community, resulting in measurable increases in enquiries to the department.

Visa compliance and status resolution—deliverables *continued*

- Communication activities informed students, affected by changes to the migration system in 2010, of their visa or departure options. The majority remained lawful and applied for further visas or departed Australia.

- The employer awareness communication strategy started on 5 May 2013 to inform businesses of changes to employer sanctions legislation, which commenced on 1 June 2013. The changes introduced new penalties for hiring illegal workers. The strategy has been effective in raising awareness.

In 2012–13, the department conducted 1087 awareness activities for employers and educational institutions.

Deliverable: Undertake compliance field activities to conduct awareness and integrity verification visits and locate unlawful non-citizens.

Result: In 2012–13, the department made 4382 field visits onshore to conduct awareness activities, locate unlawful non-citizens and investigate possible breaches of immigration law.

In 2012–13, the department conducted 15 077 locations[1] of non-citizens in the community, which was a slight decrease compared to 15 477 in 2011–12. In addition, 2161 clients were located[1] working illegally in 2012–13, which was an increase compared to 1928 in 2011–12.

Deliverable: Investigate suspected breaches of immigration and citizenship law and where appropriate impose prompt sanctions and prosecute individuals and third parties involved in the abuse of the immigration and citizenship systems/programs.

Result: The department conducted 126 formal investigations, which were either started or ongoing throughout the reporting period, into possible breaches of immigration and citizenship law. Thirteen of these formal investigations were undertaken in collaboration with other agencies. The department lodged 27 briefs of evidence with the Commonwealth Director of Public Prosecutions and secured 16 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 continues 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.

In 2012–13, the minister or his delegate made 1092 character-related decisions. These decisions comprised 139 cancellations, 65 refusals and 888 warning decisions.

Regulation changes to Migration Regulation 2.43(1) came into effect on 29 June 2013, which provide expanded grounds for possible BVE cancellations for persons who engage in criminal activity or are subject to criminal charges or convictions or Interpol notices or investigation by Australian law enforcement or security agencies.

1. Some clients may have been located more than once in any given program year. Each location event is counted.

Visa compliance and status resolution—deliverables *continued*

Deliverable: Initiate and manage immigration detention of non-citizens in accordance with the law and government policy.

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 to 48 hours of a person's detention, and monthly reviews of all people in held and community detention by a designated review committee. In 2012–13, 98 per cent of cases were reviewed within service standards.

Deliverable: Provide services that assist to resolve the immigration status of clients in the community or immigration detention.

Result: In 2012–13 the department resolved the status of 12 928 unlawful non-citizens who were located in Australia. This represents a 2.7 per cent increase from 12 588 in 2011–12.

Deliverable: Remove people who have no right to remain in Australia.

Result: Overall, the department assisted or managed the departure of 13 486 people from Australia in 2012–13, an increase of 25 per cent compared to 2011–12. This includes the voluntary departure of people from the community as well as the removal of unauthorised and irregular arrivals held in immigration detention.

Deliverable: Policy advice and service design to enable such service provision.

Result: In 2012–13, the department undertook a comprehensive evaluation of the compliance status resolution program, with a primary focus on assessing the key compliance status resolution services, including the community status resolution service, the compliance counter, the community assistance support program and the assisted voluntary return service.

The evaluation report found the program is supported by both internal and external stakeholders and has delivered more timely resolutions, compared to previous years and former approaches.

Table 54: Visa compliance and status resolution—deliverable

Deliverable	2010–11 Actual	2011–12 Actual	2012–13 Target	2012–13 Actual
Field activities to conduct awareness and integrity verification visits and locate unlawful non-citizens	3 502	4 279	2 000+	4 382

Visa compliance and status resolution—key performance indicators

Indicator: Prevention and deterrence strategies which increase voluntary compliance with visa conditions.

Result: Overall compliance with Australia's immigration system was high in 2012–13. More than 99 per cent of more than 5.1 million temporary entrants during the financial year complied with the requirement to maintain their lawful immigration status, or to depart Australia voluntarily prior to their visas expiring.

Indicator: Increased engagement of peak employment bodies, employers, unions and labour suppliers, the provision of employment status information to employers, through visa entitlement verification online (VEVO), and where appropriate the application of sanctions to limit the opportunity for illegal work in Australia.

Result: New infringement notices and civil penalties came into effect on 1 June 2013 that supplement existing warning notices and criminal offences. Enhanced guidance titled *Guide for Business* was published on the departmental website, explaining business obligations under the new legislation.

In 2012–13, the department engaged in 1087 awareness activities with business, industry and stakeholder groups. An information campaign was undertaken to support the introduction of new penalties and to educate the business community about hiring legal workers.

A VEVO check by an employer is promoted and accepted as a reasonable step for checking a non-citizen is allowed to work. In 2012–13, 10 158 businesses registered to use VEVO. Overall, more than 1 590 935 VEVO checks were completed which is an increase of 19 per cent compared to 1 338 759 in 2011–12.

Indicator: Enforcement strategies imposed that maintain the integrity of the department's programs by prosecuting serious breaches of immigration law.

Result: The department conducted 126 formal investigations, which were either started or ongoing throughout the reporting period, into possible breaches of immigration and citizenship law. Thirteen of these formal investigations were undertaken in collaboration with other agencies. The department lodged 27 briefs of evidence with the Commonwealth Director of Public Prosecutions and secured 16 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: In 2012–13, the minister or his delegate made 1092 character decisions under section 501. These decisions comprised 65 refusals (20 onshore, 45 offshore), 139 cancellations and 888 cases either not refused or not cancelled. For this latter group, standard practice is for the department to issue formal warnings.

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 and appropriate.

Result: Detention review managers review the circumstances and reasons for a person's detention in accordance with law and government policy. This includes reviews conducted by detention review managers within 24 to 48 hours of a person's detention, and monthly reviews of all people in held and community detention. In 2012–13, 98 per cent of cases were reviewed in accordance with 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 visa, does not lead to an unacceptable increase in non-compliance with Bridging E visa conditions.

Result: The percentage of Bridging E visa overstayers against relevant Bridging E visa grants is 3.9 per cent for non-IMAs.

Indicator: People who have no right to remain in Australia are removed by the department at the earliest practicable opportunity.

Result: In 2012–13, the percentage of people who were removed within two weeks of being detained, as a result of being located while unlawfully in the community or at an airport, was 74 per cent.

Table 55: Visa compliance and status resolution—key performance indicators

Key performance indicators	2010–11 Actual	2011–12 Actual	2012–13 Target	2012–13 Actual
Percentage of over-stayers against relevant temporary entries	<1%	<1%	<1%	<1%
Number of parties registered with VEVO	25 894	34 628	12 000+	44 661
Percentage of people held in immigration detention whose ongoing detention and placement is reviewed within service standards [1]	94%	98%	98%	98%
Percentage of Bridging E visa over-stayers against relevant Bridging E visa grants	<10%	<10%	9–10%	<10%

1. 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: Assistance and support through the CAS program provided access to income, health and welfare services for clients being case managed by the department. These services are delivered through seven service providers contracted to the department.

Deliverable: National assisted voluntary return service.

Result: In 2012–13, the number of referrals to the International Organization for Migration (IOM) under the assisted voluntary return (AVR) program was 798, compared to 734 referrals in 2011–12.

Deliverable: Expanded immigration advice and application assistance.

Result: Immigration advice and application assistance is reported under Program 2.1 and Program 4.3.

Detection onshore

Overall compliance with Australia's immigration requirements is very high. The vast majority of people comply with Australia's migration laws, leaving Australia before their visas cease. In addition, the majority of those that stay beyond the period of their visa expiry do so for a very short period and leave of their own accord. Unlawful non-citizens are considered to have an unresolved immigration status and, ultimately, the compliance status resolution program seeks to resolve their status.

The department educates and supports clients who want to comply, and takes stronger action, including detention or removal, against clients who set out to bypass Australia's immigration and citizenship programs, or who do not cooperate in the resolution of their situation.

The department, through robust enforcement strategies, seeks to identify and resolve the immigration status of unlawful non-citizens and bridging visa holders by determining an appropriate immigration outcome for these clients in a fair and timely manner. BVEs remain a key tool in maintaining lawful status while case resolution pathways are pursued. The grant of a BVE is not considered a final immigration outcome.

An immigration outcome provides certainty to the client and a sustained long-term solution to their immigration status, including either granting a substantive visa or facilitating their departure from Australia. Compliance activities are aimed at locating unlawful non-citizens and non-citizens working in breach of visa conditions. Such activities are prioritised in accordance with the national compliance field prioritisation matrix. The matrix responds to cases assessed as extreme risk—such as unlawful non-citizens assessed as a danger to the community. Responding to such cases is mandatory. High risk cases include disengaged clients and clients with histories of repeated non-compliance.

Performance

In 2012–13, the department continued to promote voluntary compliance and informed client choices through early and meaningful engagement. This has been underpinned by clearly communicating to clients and key stakeholders the department's expectations, client responsibilities and the consequences of non-compliance, by way of various media and awareness visits.

Strategic partnerships across the portfolio, with other agencies and the broader community have supported onshore detection efforts in the program year. Reflecting the government's immigration detention policies, responses to non-compliance are evidence-based, proportional to the level of risk and include the use of detention, the enforcement of penalties and litigation when necessary.

Identifying and finding non-compliant non-citizens

The department continues to work in partnership with other Australian Government and state and territory government agencies to identify instances of non-compliance with immigration law and visa conditions. This includes working closely with Centrelink and local employment bodies to identify people who may not be entitled to remain in Australia. Compliance field activity is planned and executed in close consultation with law enforcement agencies where illegal activity may be involved. The immigration status service responded to 9890 enquiries regarding clients' immigration status from law enforcement agencies.

The department operates 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 2012–13 the department received about 25 177 reports, or pieces of fraud-related information, compared to 18 955 in 2011–12.

Field activity

Field activities to locate unlawful non-citizens continue to be a significant component of compliance work, as reflected in 4256 compliance field activities being completed in 2012–13.

Locating unlawful non-citizens

The total number of locations in 2012–13 was 15 077, a slight decrease from the 15 477 locations in 2011–12. In 2010–11 there were 13 831 locations.

During 2012–13, 80 per cent of the overall number of unlawful non-citizens located in the community were voluntary, representing 12 065 locations. Some 20 per cent of locations were people located through field operations, or referred to the department by police, having either overstayed or breached their visa conditions. Many of these clients were subsequently granted bridging visas to facilitate their own departure from Australia. A small number were detained for the purpose of removal.

Refusal and cancellation of visas

The department refuses and cancels temporary and permanent visas for a variety of reasons, including for visa holders who are found to not meet the character provisions of the Migration Act.

In 2012–13, the minister or a delegate made 1092 character-related decisions. These decisions comprised 139 visa cancellations, 65 visa applications refused under character provisions and 888 warning decisions. Ministers refused 12 visas and their delegates refused 53 visas for 2012–13.

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 55, which replaced the previous direction on 1 September 2012. It is designed to help protect the community from unacceptable risks. The new direction introduces principles for decision makers, including that non-citizens who commit serious crimes, especially those of a violent or sexual nature, and particularly against vulnerable members of the community, should generally expect to be denied the privilege of coming to or remaining in Australia.

Where the minister personally makes a decision to refuse or cancel a person's visa, he is not bound by the ministerial direction.

On 25 July 2011, the government amended the provisions of the Migration Act to deal with people who engage in destructive, violent and criminal behaviour whilst in immigration detention. The Migration Act now provides that a person will not pass the character test if they receive a conviction of any kind in relation to behaviour while they are detained, regardless of whether a prison sentence has been imposed.

Under the new character provisions, there were five refusal decisions and five warnings issued.

On 29 June 2013 changes to Migration Regulation 2.43(1) came into effect to strengthen the capacity to cancel a BVE. Condition 8564 was also introduced and can be attached to a BVE to require that the holder not engage in criminal activity. These changes to the regulations created discretionary grounds to cancel a BVE where the holder is subject to criminal charges or convictions or Interpol notice or investigations by Australian law enforcement or security agencies.

People Trafficking Visa Framework

Australia has a comprehensive, whole-of-government strategy to prevent people 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 Australian Government's comprehensive People Trafficking Visa Framework comprising the Bridging visa F, the Criminal Justice Stay visa, and the Witness Protection (Trafficking) (Permanent) visa, enables foreign nationals who do not already hold a valid visa and who are suspected victims of trafficking to remain lawfully in Australia. In 2012–13, 18 Witness Protection (Trafficking) (Permanent) visas were granted, 12 to suspected victims of people trafficking and six to immediate family members. Holders of a valid visa who are suspected victims are able to access support through the Support for Trafficked People Program, which is administered by the Department of Families, Housing, Community Services and Indigenous Affairs.

The fifth National Roundtable on People Trafficking took place in November 2012. It serves as a consultative mechanism between government and non-government sectors on trafficking issues. Participants included the Minister for Immigration and Citizenship and colleagues, partner agencies in the anti-people trafficking strategy, and representatives from a range of non-government organisations. The senior officials meeting of the roundtable in May 2013, supplemented the ministerial-level roundtable and provided a forum for members to discuss their activities, achievements, issues and challenges.

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 indicators of possible people trafficking, they refer the matter to the Australian Federal Police for investigation. In conjunction with several other key government agencies, the department actively participates to resolve systemic operational issues that arise in the management of individual cases. Inter-agency cooperation extends to the provision of specialised training to ensure front-line staff and decision-makers are aware of trafficking indicators and the processes governing referral of suspected victims to the Australian Federal Police.

The *Crimes Legislation Amendment (Slavery, Slavery-like Conditions and People Trafficking) Act 2013* received Royal Assent on 7 March 2013. The amendment strengthens and expands the existing legal framework, providing specific protections against forced marriage. The department is currently developing policies to support the implementation of this Act.

In 2012–13, the department granted 16 Bridging F visas and 21 Criminal Justice Stay visas to suspected victims and immediate family members. A total of 18 Witness Protection (Trafficking) (Permanent) visas were granted, 12 to suspected victims of human trafficking and six to their immediate family members.

The following table includes visa grant statistics for previous years.

Table 56: Trafficking visas granted 2004–05 to 2012–13

Financial Year	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13
Bridging F visa	31	11	16	34	39	33	24	12	16
Criminal Justice Stay visa (CJSV)	23	8	18	18	30	23	29	17	21
Witness Protection (Trafficking) (Temporary) visa	-	-	4	13	-	The Witness Protection (Trafficking) (Temporary) visa was removed by legislative change on 30 June 2009.			
Witness Protection (Trafficking) (Permanent) visa	-	-	-	-	5	21	42	26	18

Notes:

The number of visas cited includes those granted to both suspected victims of trafficking and their immediate family members.

For the Bridging F and Criminal Justice Stay visas only, the number granted reflects the ability to grant such visas more than once to the same person.

Illegal workers

New laws to combat the practice of hiring, referring or sub-contracting illegal workers from overseas came into effect on 1 June 2013. New sanctions include an increase in a range of penalties for employers breaking the law.

The department has coordinated campaigns across metropolitan and regional radio, online and in industry publications to increase awareness of the changes to the law.

Table 57: Employer sanctions penalties from 1 June 2013

Infringement first breach	
Department administered fine:	
Individuals—9 penalty units	$1 530
Bodies corporate—45 penalty units	$7 650
Infringement	
Department administered fine:	
Individuals—18 penalty units	$3 060
Bodies corporate—90 penalty units	$15 300
Civil penalty	
Court imposed maximum fine:	
Individuals up to 90 penalty units	$15 300
Bodies corporate up to 450 penalty units	$76 500
Criminal offence	
Up to 2 years imprisonment and/or court imposed maximum fine:	
Individuals	$20 400
Bodies corporate	$102 000
Aggravated criminal offence	
Up to 5 years imprisonment and/or court imposed maximum fine:	
Individuals	$51 000
Bodies corporate	$255 000

Close-up

New immigration health advisory group formed

The department has worked with the Detention Health Advisory Group (DeHAG) and other key health stakeholders since 2006 to improve physical and mental health services for people under our care, and ensure that detention health policies for people in immigration detention are informed by evidence and based on best practice.

The expansion of the detention network and the evolving status resolution environment, including the use of bridging visas for clients who would previously have been held in detention, required a broader focus on health services.

> 'I...look forward to continuing to work with the department.'

In March 2013, a new departmental health advisory body, the Immigration Health Advisory Group (IHAG) was established.

IHAG's role is to provide the department with independent advice on the design, development, implementation and evaluation of health and mental health policies and services for people:

- who are asylum seekers or refugees holding temporary or recently granted permanent visas while receiving support through departmental assistance programs
- located at immigration detention facilities
- in community detention (residence determination).

IHAG has subgroups including the community and public health subgroup and the mental health subgroup. Additional subgroups relevant to IHAG's terms of reference may also be established in consultation with the department.

The secretary appointed Dr Paul Alexander AO as the Chair of IHAG.

Dr Alexander has had an extensive career in the Australian Defence Force, including as a senior medical officer with more than 32 years' experience in clinical executive posts, and board positions in military, private practice, commercial and not-for-profit organisations.

'I am very pleased to have been appointed Chair of IHAG and look forward to continuing to work with the department to provide recommendations and expert opinion on health matters in the changing immigration environment,' Dr Alexander said.

Members of IHAG include representatives of professional bodies who were selected based on their experience and contribution to the refugee and asylum seeker fields.

Photo: Dr Paul Alexander AO, Chair of the new Immigration Health Advisory Group

Removals

The regulation of the arrival and stay of non-citizens in Australia is an integral objective of the department's migration and border program. To manage Australia's borders effectively, the department can enforce the departure of a person who has no lawful right to remain in Australia.

The department engages early and effectively with people to provide support to achieve an immigration outcome in a lawful, timely, fair and reasonable manner. People are expected to co-operate with the department to resolve their immigration status. In the first instance, the department encourages people to depart Australia voluntarily. If the person does not depart voluntarily the department arranges for their removal from Australia.

Performance

During 2012–13, the department removed a total of 1979 unlawful non-citizens from Australia (non-IMAs). This number represents an 11.5 per cent increase on the 1775 removals undertaken in 2011–12. The majority of these removals are voluntary (1861 in 2012–13). This compares to 118 involuntary removals during 2012–13.

Removals 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 the removal pathway while a client is in the community.

Where an unlawful non-citizen is detained and available for removal, the department continues to engage with the client to ensure that their removal is appropriate and lawful, and keeps them informed of their removal arrangements. Wherever possible, notice is provided seven days prior to removal, provided that this timeframe does not unnecessarily extend a client's time in immigration detention.

A small amount of financial assistance may be provided to support immediate post-return needs, when required.

Removal activity requires the department to maintain strong relationships with a range of stakeholders. The department works closely with its current detention service provider, Serco, which provides essential logistical and security requirements during removal operations. This includes transporting and escorting a person to be removed from the immigration detention facility to an international airport and, in some cases, to their return destination overseas.

In order to facilitate, and seek agreement to the transport of people being removed, the department continues to work collaboratively with a range of airline companies. Most 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 a flight.

The department continues to build effective relationships with most countries to obtain travel documents to facilitate the removal of their nationals. Departmental staff continue to maintain close and regular contact with foreign missions in Australia and with foreign agencies overseas.

Status resolution

The compliance status resolution (CSR) program is designed to deliver open, fair, lawful, transparent and consistent compliance activities to ensure that immigration clients adhere to Australia's migration and citizenship laws.

The program uses a responsive regulatory compliance model, with a focus on maximising voluntary compliance. Appropriate weighting is given to education, client service assistance, and communication to help clients make informed choices in the first instance, with proportionate escalation to enforcement, penalties, cancellation and/or detention and removal where there is deliberate, repeat or high risk non-compliant behaviour.

The objectives and principles underpinning the program are articulated in the department's *Compliance Strategy 2012–15* which was launched in early 2012. Amongst those objectives, the program seeks to engage with clients early and effectively to achieve an immigration outcome in a timely manner, while also creating an environment that treats clients with dignity and respect and encourages voluntary compliance. Detention and involuntary removal are typically a last resort in achieving an immigration outcome.

The program's key client groups are foreign nationals who have not complied with entry or stay requirements (unlawful non-citizens as well as BVE holders), and foreign nationals who are of character or national security concern.

In 2009 the government expanded the community status resolution service (CSRS), the assisted voluntary return (AVR) program and the community assistance support (CAS) program—key initiatives of the new directions in detention initiative, which had just been released.

Collectively, these services are focused on providing compliant clients with tailored support and intervention to help them achieve a timely durable immigration outcome while they reside in the community. The overarching objective is to maximise voluntary compliance and reduce the need to resort to more costly, risky and time-consuming detention and enforcement options.

The performance data for 2012–13 shows an increase in compliance outcomes achieved with the adoption of responsive regulation principles and client engagement services that apply them.

Performance

In 2012–13 the department resolved the immigration status of 12 928 unlawful non-citizens who were located in Australia. The represents a 2.7 per cent increase from 12 588 in 2011–12.

An evaluation of the department's approach to the status resolution of community-based clients concluded that the compliance status resolution program is largely meeting program objectives and outcomes. Since mid-2009 when the program was expanded nationally, the department resolves more cases within a shorter period and has reduced the number of entrenched clients (for example, the number of people holding BVEs for more than five years).

Community status resolution service

The department's CSRS provides a framework for the early and effective management of clients who require proactive levels of engagement to resolve their immigration status. This service has been in operation for the past five years and consists of a network of 155 community status resolution officers located across Australia.

The key elements of the CSRS are:

• early and active engagement of clients

• appropriate assessment of client needs

• clear identification and communication of immigration pathways to clients

• identification of barriers and enablers to status resolution

• tailored assistance or intervention appropriate to assessed needs of the client

• effective management of the client's case, to achieve a timely immigration outcome.

Community status resolution officers help to achieve immigration outcomes by identifying, managing and reducing risks that may become barriers to status resolution such as tailoring a client's health assistance in accordance with a client's identified needs.

In 2012–13 the number of BVE holders actively engaged in the CSRS increased from 4534 as at 30 June 2012 to 5696 as at 30 June 2013, representing an increase of 26 per cent.

Client case management

Case management provides a service to clients requiring status resolution who have particular vulnerabilities or case complexities that may impede or prevent them from achieving an immigration outcome. Where vulnerabilities exist that may impede or prevent status resolution, case managers engage relevant stakeholders and service providers to coordinate services essential in removing or reducing barriers to a client's immigration outcome.

In 2012–13, 15 215 clients were managed within the case management service. Of these, 64 per cent were in detention (either held or community detention) and the remainder were in the community. Of the total number of persons who were case managed 94 per cent were IMAs either in detention or in the community. As at 30 June 2013 there were 221 case managers managing these clients.

Community assistance support program

The CAS program provides services and support to non-citizens living lawfully in the community on Bridging visas who have a prescribed vulnerability that prevents them from resolving their immigration status. This includes a service element called CAS transitional support (CAS TS), which delivers support services for a restricted period of up to a maximum of six weeks while clients transition from immigration detention to independence in the community or until they receive support through the department's humanitarian settlement services.

Historically, the Australian Red Cross was the department's sole service provider for the program. During 2012–13 the program was expanded to allow for the high numbers of IMAs being placed on bridging visas. Between August and December 2012 the department procured the services of six additional service providers.

In 2012–13, the CAS program helped 17 263 people. Of these, 16 689 people were IMAs in receipt of transitional support, which is funded under program 4.3.

Assisted voluntary returns

Assisted voluntary return (AVR) services were introduced by the Australian Government as part of a suite of status resolution initiatives, taking national effect from July 2009. Through engagement with the International Organization for Migration (IOM), the provision of AVR services continues to play a key role in encouraging BVE holders in the community to engage with the department and return home voluntarily. During any stage of the status resolution process, a person can choose to engage with the IOM to discuss the benefits of voluntary return. Some of these benefits include having greater control over their travel plans, avoiding the need for detention and removal, and avoiding other potential consequences, such as being unable to re-enter Australia for a period of time.

In 2012–13 the number of referrals to the IOM under the AVR program was 798 compared to 734 in 2011–12.

Use of immigration detention for unlawful non-citizens

Under government policy mandatory detention applies to:

- 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 the government's policy in relation to mandatory detention during 2012–13. This included:

- applying the government's position that indefinite or arbitrary detention is not acceptable and the length and the condition of detention are subject to regular review
- managing the debt recovery processes for the detention debt of those held in immigration detention as a result of arriving as crew
- research and development of proposed immigration detention standards
- ongoing policy development and review
- development of a program logic for detention and subsequent evaluation, program management and performance indicator measures
- development of a tool to support staff making high-risk decisions in managing clients in detention.

Encouraging results for onshore compliance strategies

The implementation of the government's policies for the onshore compliance caseload has continued to show promising results in 2012–13. A total of 15 077 locations of clients were made by the department. Of these, 12 065 were 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 BVEs has increased by 102 per cent, from 11 670 in June 2012 to 23 561 in June 2013 (these figures include IMAs and non-IMAs).

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 12 588 in 2011–12 to 12 928 in 2012–13.

People are continuing to be detained in the least restrictive environment. In June 2013 the percentage of the detention population held outside an immigration detention centre was about 57 per cent, compared to about 46 per cent in June 2012.

Legislation changes

The *Migration Amendment (Reform of Employer Sanctions) Act 2013* and associated regulations commenced on 1 June 2013. These legislative changes introduced infringement notices, civil penalties and amended criminal offences for allowing or referring non-citizens to work who do not have a visa permitting them to work in Australia, and introduced investigation powers to enforce these provisions. The legislation implemented the key recommendations of the Howells review of employer sanctions published in 2011 and was announced by the former Minister for Immigration and Citizenship on 12 December 2011. *The Migration Amendment (Reform of Employer Sanctions) Bill 2012* was introduced in Parliament on 19 September 2012 and had passed both houses by 27 February 2013.

Regulation change on BVE cancellation

On 29 June 2013, changes to Migration Regulation 2.43(1) came into effect to strengthen the capacity to cancel a BVE. Condition 8564 was also introduced and can be attached to a BVE to require that the holder not engage in criminal activity. These changes to the regulations created discretionary grounds to cancel a BVE where the holder is subject to criminal charges or convictions or Interpol notice or investigations by Australian law enforcement or security agencies.

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 that the minister is required to table in both Houses of Parliament within 15 sitting days of receipt of the report. In 2012–13 the department completed 1118 two-year reviews, under section 486N of the Act, of which 701 reviews were for subsequent six-month periods pursuant to section 486M of the Act.

Reviews of immigration detention cases focus on progress towards status 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

MCASD is an advisory body. Collectively its members provide a comprehensive understanding of irregular migration and asylum seeker issues including the detention, and resolution of immigration status, of non-citizens. The council provides advice to the minister on policies, processes, services and programs to achieve the timely, fair and effective resolution of immigration status for unlawful non-citizens, including irregular maritime arrivals, seeking migration outcomes from Australia. The department supported the council in 2012–13 through the provision of relevant information, research, secretariat services, and logistical support.

During 2012–13 the council held five general meetings and 27 sub-group or other meetings, and conducted 15 visits to immigration detention facilities onshore and the Nauru offshore processing facility to gain a first-hand view of operations and meet people residing under those arrangements. Members also chaired immigration detention community consultative groups, participated in joint oversight arrangements for the provision of services on Nauru and worked with non-government organisations both in Australia and overseas to assist in the provision of services to people seeking migration outcomes from Australia and to deter people possibly planning to travel to Australia through irregular means.

Client and stakeholder engagement

The department continues to engage with clients and stakeholders to raise and maintain the awareness of status resolution services and client responsibilities.

In 2012–13 the department used an integrated range of communication strategies to promote the role of the CSRS to people in the community who were unlawful non-citizens, or who were at risk of becoming unlawful non-citizens, as well as the stakeholders who interacted with them. This included targeted advertising and provision of information through culturally and linguistically diverse websites and media, regional and metropolitan 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 from 35 693 recorded views in 2011–12 to 96 817 recorded views in 2012–13 (171 per cent). The number of clients calling the CSRS phone line increased from 2130 in 2011–12 to 9519 for 2012–13 (347 per cent).

At the same time the department increased communication towards students affected by changes to general skilled migration in 2010. These activities sought to ensure that this group was aware of information about their options and could consider whether they intended to take up transitional arrangements.

On 31 December 2012 (the deadline to apply for transitional arrangements) the rate of compliance among affected students remained steady. Further communication through social media was conducted prior to March 2013, being a crucial period when many student visas expire. The department saw a slight rise in non-compliance, a common trend due to accidental visa overstays, which then decreased to a steady level during the following 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.

Extending this approach, online IMA information has been translated into a range of languages providing facts about protection processes and regional processing arrangements. This empowers IMAs to improve their understanding of immigration processes so they can make well-informed decisions and accept outcomes, including the need to depart Australia if they do not engage Australia's protection obligations. This information also supports service providers engaged to assist IMAs in detention or in the community.

Improving the effectiveness of the program

Systems improvements

The majority of the system enhancements to the CCMDS portal, delivered in 2012–13, involved the introduction of the ImmiCard, identity functionality and the introduction of the service provider interface with system enhancements to the CCMDS portal. Additional enhancements were made to reduce processing time, increase reporting capability, improve user experience, and enhance data integrity and record keeping.

Ongoing audits and quality assurance reviews

The Compliance Quality Assurance Framework remained the basis for objective and evidence-based assurance that the program operates lawfully, fairly, efficiently and effectively. The Compliance Quality Assurance work plan for 2012–13 consisted of 24 review projects focusing on risk and program priorities. These were complemented by a biannual program review, with findings submitted to the department's audit committee.

Reviews have demonstrated that risk assessment occurs across business lines and that managers are well aware of the need to have established controls and to monitor them regularly. No unlawful decisions were identified by any of these reviews. Reviews have, however, consistently found that the program is affected by a dynamic policy environment, including a sustained high rate of irregular maritime arrivals, which requires rapid changes in business practices and urgent responses to issues as they arise.

The national Evidence of Quality in Performance (EQuiP) tool has proven useful in identifying program issues and enabling managers to give feedback to individual staff on the quality of their work. Work continues to transfer EQuiP to a more sophisticated platform, which will provide greater system stability and an enhanced reporting capability.

Programs 4.2, 4.3 and 4.4–immigration detention statistics and services

This section provides key statistics and results for support programs and services provided to all clients in immigration detention—including unlawful non-citizens (Program 4.2), offshore asylum seekers (Program 4.3) and foreign fishers (Program 4.4)

Key statistics

A total of 38 147 people were held in immigration detention, including community detention, during 2012–13 compared to 19 370 people in 2011–12. This represents an increase of 97 per cent.

As described in detail in Figure 9 during 2012–13 there were 30 895 people taken into detention, compared to 12 967 in 2011–12

Figure 9: People taken into immigration detention during 2012–13
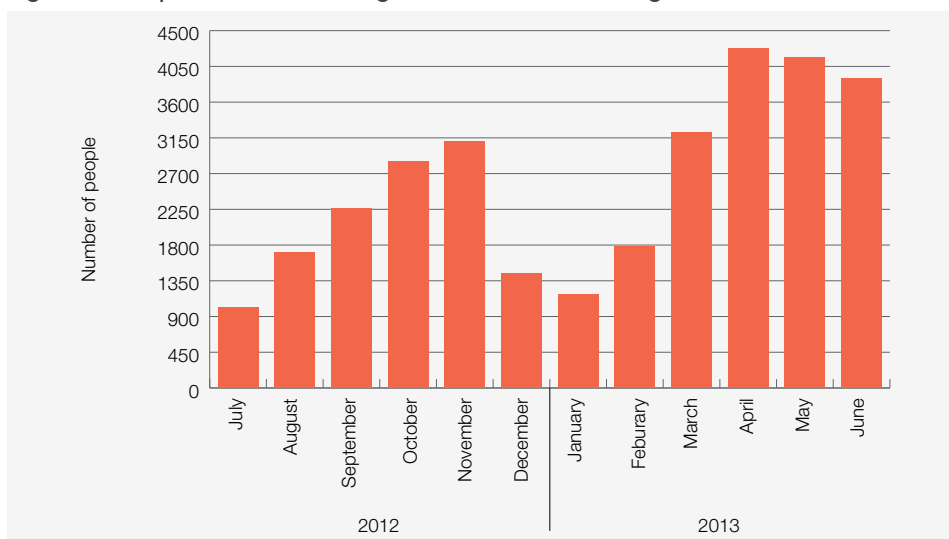
Figure 10: Population in immigration detention from July 2012 to June 2013*
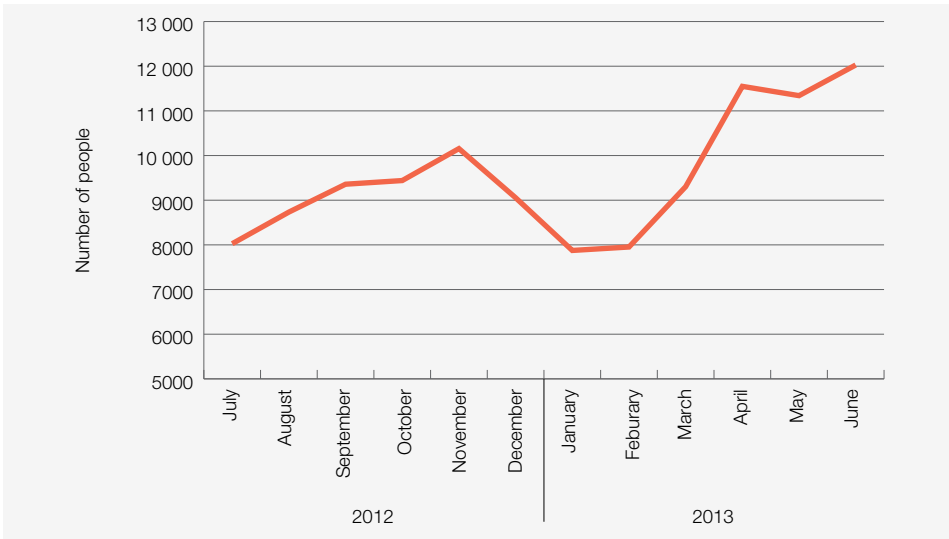
* excludes foreign fishers

As at 30 June 2013, there were 12 027 people in immigration detention compared to 7252 as at 30 June 2012.

These included 11 402 IMAs, 162 unauthorised air arrivals, 371 people who had been living in the community but had overstayed or breached visa conditions, no foreign fishers, 88 visa cancellations and four others such as stowaways and ship's deserters.

Figure 11: People in immigration detention by arrival type at 30 June 2013
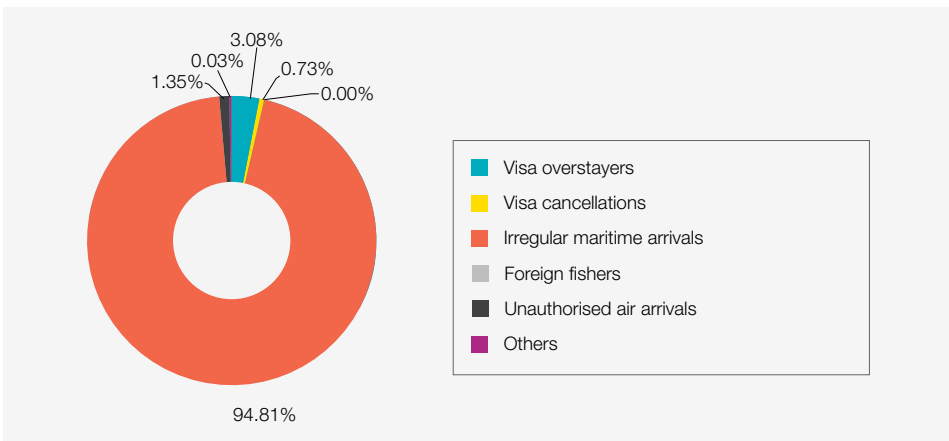
There were 30 895 people taken into immigration detention during 2012–13 of whom:

- 2813 were people who had been living in the community but overstayed or breached visa conditions, representing 9.1 per cent of the total
- 53 were foreign fishers, representing less than one per cent of the total
- 28 006 were unauthorised arrivals (2282 by air and 25 724 IMAs by boat), representing 91 per cent of the total
- 23 were in the other categories such as seaport arrivals, stowaways and ship's deserters, representing less than one per cent of the total.

Figure 12: People entering immigration detention by arrival type in 2012–13

Legend:
- Unauthorised air arrivals
- Foreign fishers
- Irregular maritime arrivals
- Overstay or breach visa
- Others
- Visa cancellations

Values shown: 7.39%, 0.17%, 83.27%, 7.48%, 0.07%, 1.62%
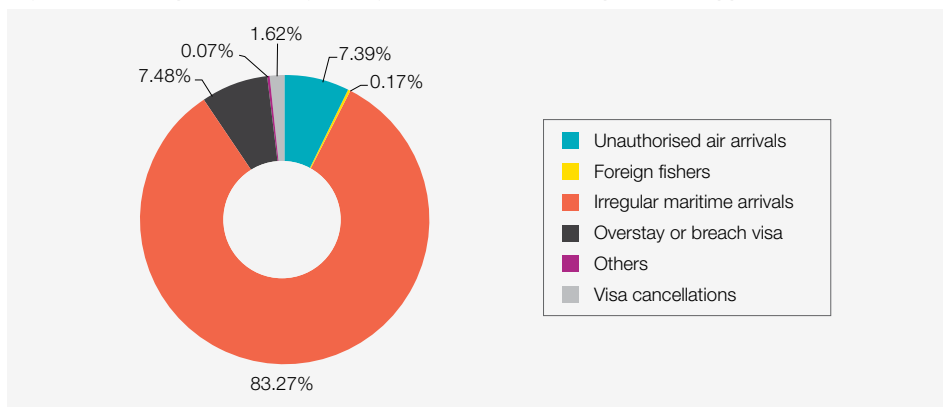
Community detention program

Residence determination, commonly referred to as community detention, was introduced in 2005 to enable children and people with particular vulnerabilities to live in the community rather than in a secure immigration detention facility while their immigration status is 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 community detention is only considered following appropriate health and security checks.

Inclusion in the program is voluntary and clients placed in community detention must comply with conditions including residing at a nominated address and continually engage with the department to resolve their immigration status.

The program was expanded considerably in October 2010 in response to the minister's announcement that children and families would be moved into community detention. Since this expansion the minister has approved 7595 clients (4123 adults and 3472 children) for community detention.

During 2012–13 the minister approved 3441 clients (1675 adults and 1766 children) for community detention. Protection visas were granted to 1476 clients in community detention, 547 clients were granted bridging visas and nine voluntarily returned to their country of origin.

On 30 June 2013, 2771 people were residing in community detention or had been approved for such arrangements and were transferring to their accommodation. Of these, 1452 were adults, 1319 were children (of whom 318 were UAMs). Of the 3441 clients approved for community detention 23 were onshore clients, 3360 were IMAs, and 58 were babies born to clients in community detention.

To ensure ongoing improvement, the department works with a technical reference group (TRG) made up of experts from service provider agencies and representatives from the MCASD. Regular service provider forums are also held.

Table 58: People approved to live in community detention in 2012–13

Program	2011–12	2012–13
Onshore	16	23
Irregular maritime arrivals	2 523	3 360
Foreign fishers	0	0
Babies born to clients in community detention	51	58
Total	2 590	3 441

Program 4.2 Onshore detention network

Program 4.2 consists of one departmental item:

• Community and Detention Services

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* (FMA Act) (Act of Grace payments).

Objectives

To advise on, develop and provide a range of support, health and detention services in community and detention environments that seeks 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

• minimise the time minors are detained in IDCs

• ensure the availability for immigration processing, or removal, of people detained under the Migration Act

• protect the Australian community from unlawful non-citizens who present unacceptable risks to the community

• enable the management of health, identity and security risks to the community arising from unauthorised arrivals.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

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 KPI targets for this program.

Onshore detention network—deliverables *continued*

Result: The government considers mandatory immigration detention to be an essential component of strong border control. Those subject to mandatory immigration detention are:

- 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.

In 2012–13 the department continued to provide a range of support, health and detention services to people in community and detention environments.

The onshore detention network manages all unlawful non-citizens placed into immigration detention. This includes people who have arrived in Australia at an excised offshore place (see Program 4.3), foreign fishers (Program 4.4), those who have overstayed their visas, whose visas have been cancelled, and those who have arrived by air without authorisation. This outcome relates specifically to those who have overstayed their visas, whose visas have been cancelled, and those who have arrived by air without authorisation.

The department procures support and health services for unlawful non-citizens in all immigration detention facilities. These services are consistent with the government's immigration detention values, ensuring the fair and reasonable treatment of all people in detention. Services are tailored at each site to ensure responsiveness to the needs of all people in detention, and include access to:

- case management services
- health and dental services
- personal 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
- external excursions
- specialist counselling services
- library services
- computer and internet services
- religious services
- telephones, television and a selection of linguistically diverse newspapers
- culturally and nutritionally appropriate meals and snacks
- incidental items for purchase.

Onshore detention network—deliverables *continued*

All people in immigration detention, including community detention, are provided with health care at a standard comparable to the health care available to the Australian community. Health services are provided by qualified health professionals and take into account the individual health needs of clients. People entering immigration detention are also screened for communicable diseases, which assists in identifying client health issues requiring treatment as well as safeguarding the Australian community from public health risks.

The department actively monitors the performance of all service providers to ensure contractual obligations and service delivery standards are being met.

In accordance with the government's immigration detention values, minors and their families are not accommodated in IDCs. In some exceptional circumstances a parent may have been separated.

A small number of non-IMA clients are accommodated in community detention. See Program 4.3 for information on services provided to people in community detention.

Deliverable: Policy advice and service design to enable such service provision.

Result: Detention policies (instructions) that underpin service provision in the immigration detention network are contained in the Detention Services Manual (DSM). Development and maintenance of these DSM policy instructions occurs in accordance with Secretary's Instruction 7 which requires that departmental policy instructions are reviewed regularly.

Onshore detention network—key performance indicators

Indicator: Only people who are not known to be, or are not reasonably suspected of being minors are detained in IDCs

Result: In accordance with the government's immigration detention policies, in 2012–13 no persons who were known or reasonably suspected to be minors were accommodated in IDCs.

The department undertakes age determination assessments in order to support appropriate placement decisions. Assessments are completed for clients whose claimed age is brought into question (particularly at the point of arrival), as well as for crew.

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: 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 to 48 hours of a person's detention, and monthly reviews of all people in held and community detention. In 2012–13, 98 per cent of cases were reviewed within service standards.

Table 59: Onshore detention network—key performance indicators

Indicators	Target 2012–13	Actual 2012–13
Percentage of people in IDCs that are not known to be, or are not reasonably suspected of being, a minor	100%	100%
Percentage of people held in immigration detention whose ongoing detention and placement is reviewed within service standards[1]	98%	98%

1. Service standards available on www.immi.gov.au

Administered items

Administered item—Community and detention services

Objective: 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
- minimise the time minors are detained in IDCs
- ensure the availability for immigration processing, or otherwise the removal of people detained under the Migration Act
- enable the management of health, identity and security risks to the community arising from unauthorised arrivals.

Deliverable: Provision of support, health and detention services to people in the immigration detention environments, including community detention, in accordance with the objectives and KPI targets for this program.

Result: The department procures support and health services for persons in detention across the range of immigration detention facilities.

During 2012–13 the contracted service providers were:

- detention services—Serco Australia
- health services—International Health and Medical Services (IHMS)
- unaccompanied minors support and independent observer services—MAXimus Solutions, Life Without Barriers (MAXimus Solutions commenced as the new service provider for UAM support and independent observer services during 2012–13)
- torture and trauma support services—organisations that are members of the Forum of Australian Services for Survivors of Torture and Trauma (FASSTT), the peak body for torture and trauma rehabilitation services in Australia.

Administered item—Community and detention services *continued*

The department reviews the performance of contracted service providers regularly. During 2012–13 the department continued to conduct performance and service delivery audits to ensure the quality and timely provision of contracted services.

The department works closely with contracted service providers to ensure that the range of support, health and detention services effectively delivers intended outcomes to non-IMA community detention clients. For more information on services provided to clients in community detention, see Program 4.3.

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: Two payments were made. Both of these claims were lodged in previous financial years, but not paid until the 2012–13 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). This includes people who have overstayed their visas, people whose visas have been cancelled, and those who have arrived by air without authorisation.

Performance

A total of 5495 people were held in onshore immigration detention during 2012–13, compared to 4932 people in 2011–12. This represented an increase of 11 per cent.

During 2012–13 there were 5118 people taken into onshore immigration detention, compared to 4596 in 2011–12. This represented an increase of 11 per cent.

At 30 June 2013, there were 625 people in onshore immigration detention, compared to 377 at 30 June 2012, an increase of 66 per cent.

Figure 13: People in onshore detention by placement type as at 30 June 2013

1.58%   4.51%   7.02%   9.55%

77.34%

- Community detention
- Immigration transit accommodation
- Alternative places of detention
- Immigration detention centre
- Immigration residential housing
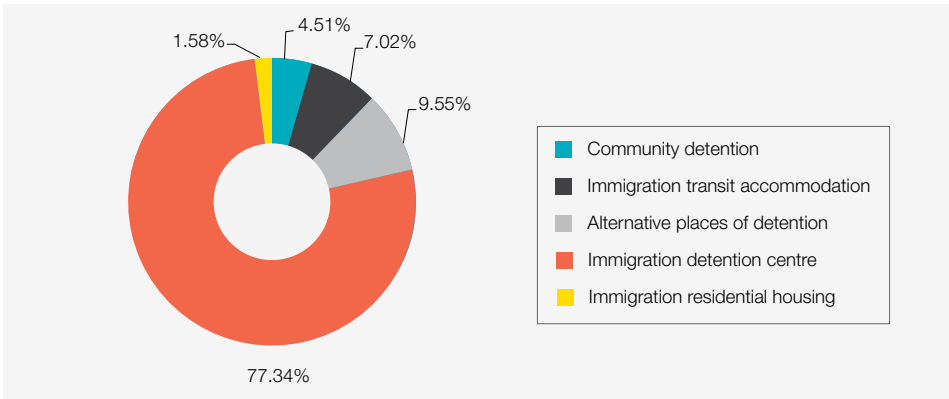
Figure 14: People in onshore detention by period detained as at 30 June 2013

2.48%
3.30%
2.95%
11.49%
8.47%
71.31%

- Less than 3 months
- 3 months – 6 months
- 6 months – 12 months
- 12 months – 18 months
- 18 months – 24 months
- More than 24 months
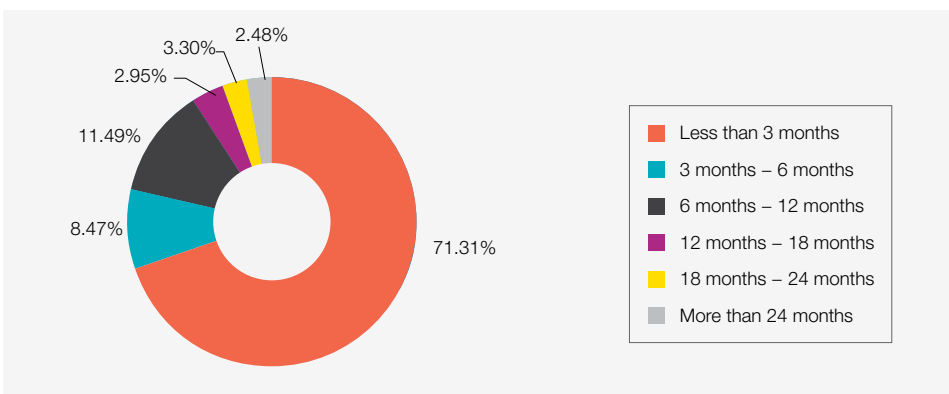
Infrastructure

During 2012–13 the department continued its commitment to providing infrastructure that supports a positive environment for people in immigration detention and for staff. This included:

- implementing strategies to provide a more flexible portfolio of accommodation in response to increased numbers of IMAs
- modifying a number of facilities to accommodate family groups including installation of playgrounds and additional education rooms
- expanding existing facilities:
  - Melbourne ITA—expansion has provided additional client accommodation, new recreation areas, a commercial grade kitchen, purpose-built medical facility and additional visitor areas
  - Adelaide ITA—expansion has provided for additional client accommodation and new amenities including a multi-purpose area for activities, improved access to IT services and a flexible living space
- building additional amenities:
  - completion of refurbishments at the Maribyrnong IDC to improve clients' ability to undertake activities such as religious observance and recreation activities. Enhancements to visitor and waiting areas were also completed
  - extension and refurbishment to the Medical Centre at Construction Camp on Christmas Island comprising main clinic, mental health rooms and waiting area
- progressing the Villawood Immigration Detention Facility redevelopment:
  - construction of Stage 1, which includes the main services infrastructure, such as kitchen, dining, medical, education and recreation facilities, and new client accommodation, began in late 2011 with completion scheduled for early 2014. The redevelopment is being managed by the Department of Finance and Deregulation, and construction of the whole facility is due for completion in late 2015.

Close-up

Sewing for the community—Curtin IDC reaches out

Clients at the Curtin Immigration Detention Centre in Western Australia have been involved in volunteering their skills to help the nearby community of Derby.

> 'They were very skilful, very professional and very neat. We really appreciated their services.'

Many of the clients that spend time at Curtin IDC awaiting an outcome to their visa application had previous experience as tailors and craftsmen.

'We run a number of programs and activities at Curtin, and this sewing project was one of the most popular,' said Tracey Hambridge from DIAC.

What started as a clothes-making service for a local women's centre then expanded to the design and production of pillows, doona covers and curtains for a local nursing home.

Shamiso Muchando, director of nursing at Numbala Nunga Nursing Home, has nothing but praise for the program.

'The department approached us saying they had some guys from the centre who were happy to offer their services freely. They had different professions, with quite a few tailors, and they were very skilful, very professional and very neat. We really appreciated their services,' Shamiso said.

One client explained his satisfaction at being involved in the program.

'When I make something and someone gets to wear it, it makes me happy. It is creative, it is my art. I feel proud and I know I am helping another human being—an elderly person or someone in the community who needs help—and it gives me great satisfaction,' he said.

Ensuring a healthy program of activities is one way to keep clients busy and active. In this case, it also allowed clients to connect with the Derby community, to make new friends and to learn a little bit more about Australia.

Photo: The local Derby aged care community benefited from the volunteer work of Curtin IDC clients.

Program 4.3 Offshore asylum seeker management

Program 4.3 consists of one departmental item:

• Offshore asylum seeker management.

There is one[1] administered item under Program 4.3:

• Community and detention services.

Objectives

To advise on, develop and provide a range of support, health care and services in regional processing centres, community and onshore detention environments for irregular maritime arrivals (IMAs) that seeks to[2]:

• best suit the needs of individual people transferred to regional processing centres, in immigration detention or on a Bridging E visa

• treat people in detention and the community fairly and reasonably within the law

• ensure the inherent dignity of people in immigration detention and on a Bridging E visa

• minimise the time minors are detained in immigration detention centres

• ensure the availability for immigration processing, or the removal of people under the Migration Act

• enable the management of health, identity and security risks to the community arising from IMAs

• encourage cooperation and voluntary compliance of IMAs, whether in detention or on a Bridging E visa, in respect of resolving their status

• remove from Australia IMAs who are not owed protection by Australia and who have no lawful basis to remain

• assist the Independent State of Papua New Guinea and the Republic of Nauru to best meet the needs, and ensure the inherent dignity, of people transferred for regional processing.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2012–13* and the *Portfolio Additional Estimates Statements 2012–13*.

1. The decrease in 2012–13 in the number of administered items for Program 4.3 is due to the creation of Programs 4.5 and 4.6 which previously were included as part of Program 4.3.

2. The wording of the program objective for Program 4.3 was altered in the *Portfolio Additional Estimates Statements 2012–13.*

Offshore asylum seeker management—deliverables[1]

Deliverable: Provision of support, health and other services to IMAs in the immigration detention network, community detention or those who are granted a Bridging E visa while their status is being resolved, in according with the objectives and KPI targets for this program.

Result: IMAs are provided with services that are consistent with the government's immigration detention values, ensuring the fair and reasonable treatment of all people in detention. Services are tailored at each site to ensure responsiveness to the needs of all people in detention, and include access to:

- case management services
- health and dental services
- personal 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
- external excursions
- specialist counselling services
- library services
- computer and internet services
- religious services
- telephones, television and a selection of linguistically diverse newspapers
- culturally and nutritionally appropriate meals and snacks
- incidental items for purchase.

IMAs detained in facilities are provided with access to health services at a standard comparable to that available to the Australian community. Many of the health services are provided on-site in detention facilities by qualified practitioners, with access to community health care practitioners for additional services when required.

The department actively monitors the performance of all service providers to ensure contractual obligations and service delivery standards are being met.

In accordance with the government's immigration detention values, minors and their families are not accommodated in IDCs. In some exceptional circumstances a parent may have been separated.

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.

1. The wording of the deliverables for Program 4.3 was altered in the *Portfolio Additional Estimates Statements 2012–13.*

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.

IMAs receive individual health assessments and screening for communicable diseases, and are not placed in community detention arrangements until infectious diseases have been excluded or treated so that the clients are not a public health risk. Health services to clients in community detention are funded by the department, coordinated by the department's contracted health services provider and delivered by a network of community health care 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.

The department's English as a second language (ESL) program provides ESL support to clients living in community detention. Clients are also encouraged to participate in various activities at their own initiative, such as cultural, religious and community activities, as well as volunteering opportunities.

As part of ongoing program improvement, the department works with a technical reference group made up of experts from service provider agencies and representatives from the MCASD. Regular service provider forums are also held.

Services provided to clients in community detention and UAMs in APODs have been included in the Request for Tender for Status Resolution Support Services (SRSS), which was published on AusTender on 31 May 2013 and closed on 31 July 2013.

IMAs released into the community receive support and services under either the ASAS or the CAS program while they await the resolution of their immigration status.

Expansion of CAS and ASAS capacity was required due to high numbers of IMAs being placed on bridging visas during 2012. During 2012 the Red Cross progressively expanded its capacity to provide services under ASAS and CAS to support the increasing numbers of IMA clients granted bridging visas. The department procured through direct-source arrangements the services of five additional service providers in August 2012, and another in December 2012, noting these arrangements represent a cheaper alternative to either in held detention facilities or in community detention.

The department reviews the performance of contracted service providers regularly. During 2012–13 the department continued to engage in performance and service delivery audits with the service providers to ensure the quality and timely provision of all contractually required services.

Offshore asylum seeker management—deliverables *continued*

Deliverable: Provision of policy advice and service design that enables service delivery.

Result: All facilities are managed in accordance with policy and contractual requirements.

Detention policies (instructions) that underpin service provision in the immigration detention network are contained in the detention services manual (DMS). Development and maintenance of the DSM policy instructions occurs in accordance with Secretary's Instruction 7 which requires that departmental policy instructions are reviewed regularly.

Deliverable: Services to develop, implement and undertake the removal from Australia of IMAs who are not owed protection by Australia. All removals to be 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 international obligations. This includes early engagement, clear communication of available options, and processes which encourage cooperation with removal arrangements, to ensure that removals are effected as soon as reasonably practicable. This is supported by the IOM which provides independent counselling and return assistance, including assistance to enable clients to reintegrate into their community when they return.

The department continues to work with governments of IMA source countries to effect timely agreement to the return of their nationals, and with its stakeholders, including its detention service provider, to facilitate the essential logistical and security requirements during these operations.

Offshore asylum seeker management—key performance indicators[1]

Indicator: Only people who are not known to be, or are not reasonably suspected of being, minors are detained in Immigration Detention Centres

Result: In accordance with the government's immigration detention policies, no persons who were known or reasonably suspected to be minors were accommodated in IDCs throughout 2012–13.

Those who were reasonably suspected or known to be minors were accommodated in sites designated as APODs, in immigration residential housing, in community detention, or released into the community on a BVE while their immigration status was resolved or their removal facilitated.

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: In 2012–13 the cases of all IMAs held in immigration detention were reviewed in accordance with the Migration Act and the arrangements agreed with the Ombudsman's Office.

During the 2012–13 financial year the department also responded to reports from external scrutiny bodies such as the Australian Human Rights Commission, the Ombudsman's Office and the Australian Red Cross.

1. The wording of the key performance indicators for Program 4.3 was altered in the *Portfolio Additional Estimates Statements 2012–13*.

Offshore asylum seeker management—key performance indicators *continued*

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 schedules the removal of IMAs as soon as reasonably practicable once they have no ongoing matters before the department or the courts and have been assessed as not engaging Australia's international obligations. IMAs in immigration detention can request their removal from Australia at any point in time and officers and the IOM work with clients to facilitate this. Wherever possible, the department seeks to return people voluntarily.

Of the 1288 IMA clients removed in 2012–13, 1140 were assessed as not engaging Australia's international obligations, including 1055 Sri Lankan nationals via a total of 30 air charter operations. The remainder either did not raise protection claims on arrival or chose not to have their protection claims tested. Of the 1140 who were assessed as not engaging Australia's international obligations, 64 returned voluntarily.

A total of 779 crew members were removed from Australia having raised no protection claims upon their arrival.

Table 60: Offshore asylum seeker management—key performance indicators

Key performance indicators	Target 2012–13	Actual 2012–13
Percentage of persons in IDCs that are not known to be, or are not reasonably suspected of being, a minor	100%	100%
Percentage of people held in immigration detention whose ongoing detention and placement is reviewed within service standards[1]	98%	100%

1. Service standards available on immi.gov.au

Administered items

Administered item—Community and Detention Services

Objective[1]: To fund the provision of a range of support, health and detention services to IMAs seeking asylum who are in an immigration detention environment, including community detention, as well as those in the community on Bridging E visas, that seek to:

- best suit the needs of individual people in immigration detention or on a Bridging E visa
- treat people in immigration detention, or on a Bridging E visa , fairly and reasonably within the law
- ensure the inherent dignity of people in immigration detention or on a Bridging E visa
- minimise the time minors are detained in immigration detention centres
- provide IMAs in immigration detention, or on a Bridging E visa, 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, as well as those in the community on Bridging E visas in accordance with the objectives and KPI targets for this program.

Result: The department procures support and health services for persons in detention across the range of immigration detention facilities.

During 2012–13 the contracted service providers were:

- detention services—Serco Australia
- health services —International Health and Medical Services (IHMS). Some health services on Christmas Island are provided under an MOU between the department and the Indian Ocean Territories Health Service (IOTHS)
- unaccompanied minors support and independent observer services—MAXimus Solutions, Life Without Barriers (MAXimus Solutions commenced as the new service provider for unaccompanied minor support and independent observer services during 2012–13)
- torture and trauma support services—organisations that are members of FASSTT, the peak body for torture and trauma rehabilitation services in Australia. On Christmas Island torture and trauma counselling services are provided by IOTHS, a Commonwealth Government agency.

During 2012–13 the department regularly reviewed the performance of contracted service providers.

1. The wording of the objective for this administered item was altered in the *Portfolio Additional Estimates Statements 2012–13*.

The department continued to conduct performance and service delivery audits to ensure the quality and timely provision of all contracted services.

For 2012–13, the service providers contracted to deliver the range of support and detention services to IMAs in Community Detention were:

- Australian Red Cross Society
- Wesley Mission Victoria
- Uniting Care Lentara
- Mercy Community Services (MercyCare)
- The Salvation Army (NSW)
- Multicultural Development Association
- Mackillop Family Services Limited
- Mercy Family Services
- Marist Youth Care Limited
- Access Community Services Limited
- Adult Multicultural Education Services (AMES)
- Anglicare Victoria
- Life Without Barriers.

Under the community detention program, the department works closely with the community detention service providers. These service providers have a range of experience and expertise to ensure that an appropriate level of services is provided to clients.

The department undertakes a quality assurance program to ensure that community detention service providers meet their obligations in accordance with the contract, the FMA Act and the operational framework for the community detention program.

The department provides support and services to asylum seekers through the CAS program and the ASAS. CAS provides services and support to non-citizens living lawfully in the community on a bridging visa and who have a prescribed vulnerability which prevents them from resolving their immigration status. ASAS provides financial support for asylum seekers in financial hardship who are living lawfully in the community while they await a resolution of their immigration status.

In terms of service provision, the principal difference between CAS and ASAS is that CAS provides clients with departmental case management and service provider case work, as well as greater assistance to address client vulnerability and source accommodation.

Since November 2011, IMAs released into the community on bridging visas access the same services as non-IMAs, including up to six weeks of CAS TS to help them transition to independence in the community. However, given few non-IMAs transitioned from detention to the community, CAS TS was mostly used by IMAs.

Administered item—Community and Detention Services *continued*

For the 2012–13 financial year the service providers contracted to deliver the ASAS and the CAS program were:

Queensland—Access Community Services Limited (ACCESS) and Multicultural Development Association Incorporated (MDA)

Victoria—Adult Multicultural Education Services (AMES)

Western Australia—Communicare Incorporated (Communicare)

South Australia—Migrant Resource Centre South Australia (MRCSA)

New South Wales—Settlement Services International Incorporated (SSI)

Nationally—Australian Red Cross (RC)

IMA referrals for CAS TS (community assistance support—transitional support) and CAS (community assistance support) for the program year to 30 June 2013 are 15 644 (CAS TS) and 1045 (CAS).

IMA referrals for ASAS (asylum seeker assistance scheme) for the program year to 30 June 2013 are 11 369.

Access to health services in the community is the equivalent of health services available to Australian residents under Medicare as prescribed under the Medical Benefits Schedule (MBS).

The arrangements facilitate more effective delivery of health services for IMA clients referred to CAS. Clients do not, however, have access to a health care card. Generally, they will be required to pay for any gaps in the cost of medical services and prescription medication beyond amounts covered by Medicare benefits and the Pharmaceutical Benefits 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 2012–13, 7980 services were provided to IMA asylum seekers at a cost of $25.191m.

IAAAS services are not available to IMAs subject to regional processing in PNG and Nauru. There are alternative assistance arrangements in place for these people.

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 32 599 IMAs who had been held in immigration detention during 2012–13, compared to 14 438 in 2011–12. This represents an increase of 126 per cent.

During 2012–13 there were 25 724 IMAs taken into immigration detention, compared to 8371 in 2011–12. This represents an increase of 207 per cent.

As at 30 June 2013, there were 11 402 IMAs in immigration detention, compared to 6875 as at 30 June 2012.

Figure 15: Irregular maritime arrivals by placement type as at 30 June 2013

Legend:
- Community detention
- Immigration transit accommodation
- Alternative place of detention
- Immigration detention centre
- Immigration residential housing

Values: 0.94%, 24.06%, 2.89%, 31.37%, 40.74%
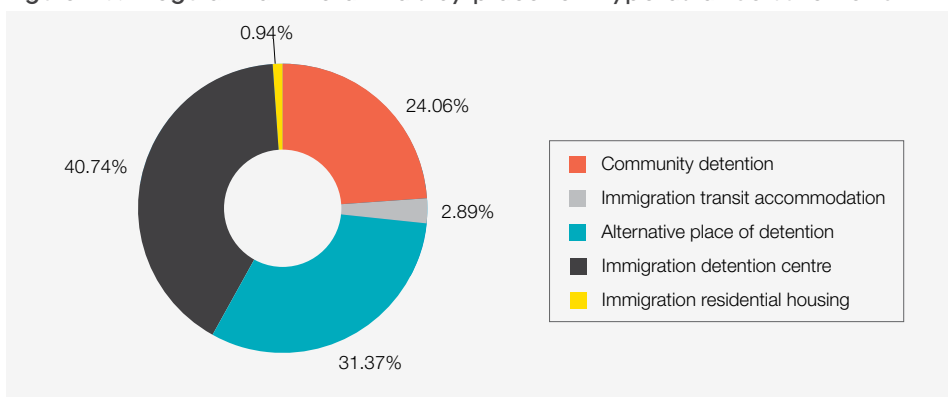
Figure 16: Irregular maritime arrivals by period detained as at 30 June 2013

Legend:
- Less than 3 months
- 3 months – 6 months
- 6 months – 12 months
- 12 months – 18 months
- 18 months – 24 months
- More than 24 months

Values: 3.55%, 0.76%, 1.62%, 20.52%, 4.66%, 68.89%
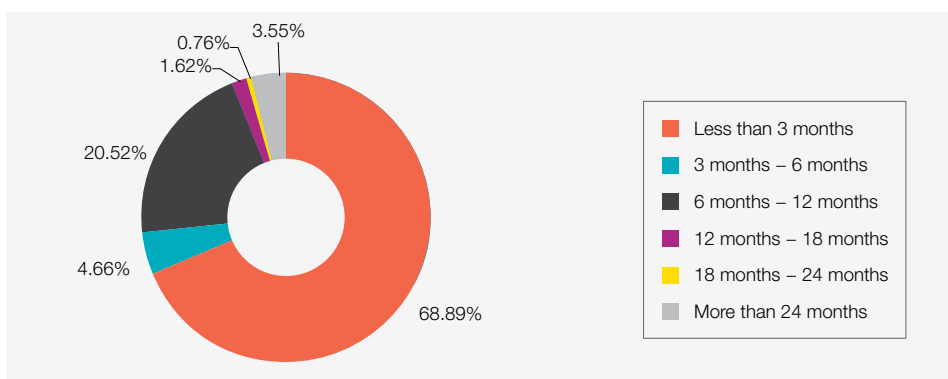
In 2012–13 there were 25 754 IMAs (including 663 crew) aboard 403 vessels intercepted and taken into immigration detention for initial processing.

Table 61: Irregular maritime arrivals on vessels taken into detention by gender in 2012–13

Irregular Maritime Arrivals	2011–12	2012–13
Adult male	5 899	18 999
Adult female	563	2 690
Accompanied minors—male	303	1 548
Accompanied minors—female	210	1 212
Unaccompanied minors—male	1 297	1 217
Unaccompanied minors—female	99	84
Total	8 371	25 750*

* Does not include 4 deceased.

* These figures reflect those vessels intercepted as at 30 June 2013. It does not include people who were not yet in immigration detention.

Offshore asylum seeker status resolution

In 2012–13, 25 724 IMAs arrived in Australia. In 2012–13, 4949 IMAs were granted permanent Protection visas and settled in Australia, 1288 were determined to be unlawful non-citizens and removed from Australia and 16 541 were released into the community on a BVE pending a substantive immigration outcome. IMAs granted Protection visas were settled in every state and territory, based on their individual backgrounds, settlement needs and links in Australia.

Table 62: Irregular maritime arrivals—client caseload for 2012–13

Irregular maritime arrivals	2012–13
Number of IMA clients who were held in immigration detention	32 599
Number of IMA clients granted protection visas and settled on the mainland	4 949
Number of IMA clients who have been removed (not including crew)	1 288
Number of IMA clients who have been placed in the community on a BVE	16 541

Immigration detention

Immigration detention continues to play a significant role in Australia's migration and humanitarian programs. Section 189 of the *Migration Act 1958* requires that unlawful non-citizens who are in Australia's migration zone must be detained and that unless they are granted permission to remain in Australia, they must be removed as soon as reasonably practicable.

As at 30 June 2013, the immigration detention network comprises 25 sites across Australia which are used flexibly to meet operational requirements. Accommodation capacity and needs across the immigration detention network are continuously monitored and adjustments made according to client cohort needs and within government policy parameters.

During the past 18 months the government has decided to provide additional flexible capacity within the immigration detention network. For information on additional capacity in the immigration detention network, see Program 4.2.

This capacity, together with existing sites, will continue to provide the department with a range of options to accommodate people who are required to be placed into immigration detention while health, identity and security checks are conducted.

Bridging visas for irregular maritime arrivals

Following a government decision in late 2011 bridging visas may be granted to some IMAs so that they can live lawfully in the Australian community until their immigration status is resolved.

The government continues to grant bridging visas to IMAs who have no significant security, health, identity or behavioural issues that might present a risk to the community. Bridging visas are part of a range of existing measures employed by the Government to best manage the immigration system, which also includes community detention and use of existing capacity in the detention network.

As at 30 June 2013, 19 282 bridging visas had been granted to IMAs since 25 November 2011 when such grants commenced. Of these, 16 541 were in 2012–13. Bridging visa holders are lawfully in the community and are free to choose where they live. Many bridging visa holders source their own accommodation in the private rental market or through community links such as friends and families.

Asylum seekers released on bridging visas receive services and support under the CAS program or the ASAS. Eligibility for either program is determined through an assessment of client support needs by the department.

People who arrived as IMAs on or after 13 August 2012 are subject to the 'no advantage' principle recommended by the Expert Panel on Asylum Seekers, even if they are not transferred offshore for regional processing.

The government announced in May 2013 that it would begin releasing some families with children aged 16 years and under into the community on bridging visas. The government had already released some families with children age 17 and older on bridging visas. These arrangements have now been extended to families with younger children. The support arrangements and conditions that apply to IMAs on bridging visas before this time also apply to families.

IMAs transferred to regional processing countries

To support the implementation of the Expert Panel on Asylum Seekers recommendations, transfers of IMAs to the regional processing centre (RPC) on Nauru commenced in September 2012 and transfers to Manus Island RPC in Papua New Guinea (PNG) commenced two months later in November 2012.

The department and the host governments of Nauru and PNG continue to cooperate in the joint management and oversight of the care and processing of transferees. In accordance with the Australian Government's memoranda of understanding with the host governments of Nauru and PNG, those transferred to and accommodated in Nauru and on Manus Island are being treated with dignity and respect and in accordance with relevant human rights standards.

Transferees to Nauru and PNG RPCs receive on-site health care, delivered by qualified health professionals, with referral to hospitals for further treatment if required.

Transferees are provided with welfare and support services to ensure their physical and mental wellbeing needs are met while their status is being resolved. This includes access to a range of educational and recreational activities delivered by service providers contracted by the department. All transferees have the opportunity to contribute to the design and structure of these activities.

The contracted service providers at the RPCs during 2012–13 were:

- welfare and support services—the Salvation Army
- garrison services—Transfield Services Australia (Nauru), G4S Australia (Manus Island)
- health services—International Health and Medical Services (IHMS)
- specialised children services—Save the Children Australia
- care and support services for people being transferred to an RPC, in particular people who are under the age of 18, including children with families and unaccompanied minors—MAXimus Solutions
- torture and trauma support services—organisations that are members of FASSTT, the peak body for torture and trauma rehabilitation services in Australia.

During 2012–13 the department worked very closely with all service providers to ensure the provision of services for transferees.

The department monitored the performance of contracted service providers during the establishment of the RPCs to ensure the quality and timely provision of all contractually required services.

As at 30 June 2013, a total of 611 people had been transferred to Nauru and 356 people transferred to Manus Island. As at 30 June 2013, the transferee population in Nauru was 521 single adult males, and the transferee population on Manus was 62 people in family groups and 190 single adult males.

Infrastructure

During 2012–13 the department commenced work to establish RPCs at Nauru and Manus Island to process the claims of IMAs transferred from Australia. Temporary facilities were put in place at both locations by the Department of Defence pending construction of permanent facilities.

Construction of RPCs on Nauru has commenced, with completion scheduled for mid-2014. Works related to a permanent centre on Manus Island are expected to commence in July 2013, with completion scheduled in early 2014.

Care and welfare 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.

The Australian Government has made a clear commitment that children, and where possible their families, will not be detained in IDCs. In accordance with this commitment, no children are knowingly held in IDCs. Unaccompanied or vulnerable children and their family members remain a priority group for consideration of a community detention placement.

Where it is considered necessary to detain those under the age of 18 for security, identity and health checks, they are placed in the form of accommodation most appropriate to their circumstances. This may be community detention, an alternative place of detention or immigration residential housing. These low security types of accommodation are best equipped to provide appropriate standards of support and services for children and their families. While the primary responsibility for the care and support of children lies with their parents or other identified guardian, additional care and support needs may arise due to an inability to provide day to day care and support (such as through illness, injury or disability). Where such additional care needs arise, individually commissioned care packages are developed to support the child within their family unit.

In line with community standards, all school-aged children in community detention (whether accompanied or unaccompanied) are enrolled in school (which may include an English language centre) or other educational institutions, such as those delivering specialist refugee programs, where available. Enrolment costs are covered by the department through agreements with state and territory governments and non-government education providers.

In addition, the health needs of clients in community detention, including children, are co-ordinated by the department's current contracted health services provider, International Health and Medical Services (IHMS), through a network of community-based providers. If needed, clients also have access to specialist torture and trauma counciling services. Through IHMS all health-related costs for clients in community detention, including access to hospital services, are funded by the Australian Government.

Support services for unaccompanied minors (UAMs)

For some UAMs, who arrive in Australia and intend to become permanent residents, the *Immigration (Guardianship of Children) Act 1946* (IGOC Act) provides that the Minister for Immigration and Citizenship is their legal guardian with his role delegated to various departmental officers.

As a guardian the minister and his delegated guardians have the same rights, powers, duties, obligations and liabilities as a natural parent of the child. This includes ensuring an unaccompanied minor's basic human needs—food, housing, health, education and protection from harm, are met. The minister's guardianship obligations are delivered through arrangements between the department and service providers who provide appropriate care, welfare, education and recreational activities including independent assistance to help with Protection visa applications, independent observers to support minors during interview procedures and carers if they are residing in community detention accommodation.

During 2012–13 UAMs in community detention were placed with Life Without Barriers (LWB), MacKillop Family Services, Wesley Mission and 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.

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, with MAXimus Solutions Australia being the successful tenderer.

Support services for unaccompanied minors in immigration detention facilities were previously 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 and MAXimus Solutions 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 provide pastoral care and support to the clients, and 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.

Independent Observer services are provided on Christmas Island, and across all APODs within Australia. In addition, independent observer services are commissioned for UAMs in detention on an as needed basis.

On 31 May 2013 the department published a Request for Tender for the provision of Status Resolution Support Services to eligible clients. Care and support services to UAMs in APODs and Community Detention form part of the procurement.

Health services

As at 30 June 2013, clients were not transferred to the RPCs in PNG and Nauru if they have a medical condition which could not be managed at the RPC. At the RPCs transferees receive primary and mental health care through on-site clinics which are provided seven days a week. These services are provided by qualified IHMS health care staff. After hours emergency support is available if required. IHMS also organises the provision of specialist, ancillary and acute care for transferees. These services are available at hospitals in the RPC country or through visiting health practitioners organised by IHMS. If required health services are not available in the RPC country, the client may be returned to Australia for treatment and will be returned to the RPC once treatment has completed.

Detention health

Primary health care services are generally provided on-site at immigration detention facilities by the contracted health services provider, 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 on-site by visiting practitioners arranged by IHMS, or offsite by referral to an IHMS community network provider.

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.

All people entering immigration detention undergo a health induction assessment conducted by health clinicians. This assessment, which informs an ongoing health care plan for a client if one is needed, includes screening for communicable diseases. Clients with an infectious communicable disease, such as infectious tuberculosis, receive health care in isolation, in consultation with relevant state and territory health authorities. They do not re-join the general immigration detention population, and are not placed into the community, until they are no longer infectious.

While in detention facilities clients are offered regular mental state examinations, designed to identify any existing or developing mental health issues requiring support. These examinations are also offered at any other time as needed, for example when concerns are raised by any party about a client's mental health.

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 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 FASSTT. On Christmas Island, torture and trauma counselling is provided by 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 an IHMS mental health clinician. This ensures that these clients receive appropriate health care support and that the care arrangements are communicated to and implemented by other detention service providers.

IHMS also provides advice to the department about client health care and support needs, which helps determine client placement decisions.

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.

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.

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

To advise on, develop and provide a range of support, health and other services for foreign fishers apprehended and detained in Australian territorial water that seeks 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

• minimise the time minors are detained in Immigration Detention Centres (IDCs)

• ensure the availability for immigration processing, legal proceedings, or removal of foreign fishers detained under the Migration Act

• protect the Australian community from foreign fishers who present unacceptable risks to the community

• enable the management of health, identity and security risks to the community arising from foreign fishers

• remove foreign fishers from Australia.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

Foreign fishers—deliverables

Deliverable: Provision of support, health and detention services to foreign fishers in immigration detention, in both community and detention environments, in accordance with the objectives and KPI targets for this program.

Result: All foreign fishers in immigration detention are detained within the onshore detention network. Foreign fishers are provided with services that are consistent with the government's immigration detention values, ensuring the fair and reasonable treatment of all people in detention. Services are tailored at each site to ensure responsiveness to the needs of all people in detention, and include access to:

• case management services

• health and dental services

• personal 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
- external excursions
- specialist counselling services
- library services
- computer and internet services
- religious services
- telephones, television and a selection of linguistically diverse newspapers
- culturally and nutritionally appropriate meals and snacks
- incidental items for purchase.

Foreign fishers detained in immigration detention facilities are provided with access to health services at a standard generally comparable to that available to the Australian community. Many of the health services are provided on-site in detention facilities by qualified practitioners, with access to community health care practitioners for additional services when required.

The department continually monitors the performance of all service providers to ensure contractual obligations and service delivery standards are being met.

In accordance with the government's immigration detention values, minors and their families are not accommodated in IDCs. In some exceptional circumstances a parent may have been separated.

See Program 4.2 for further details.

Deliverable: Provision of policy advice and service design that enables service delivery.

Result: The detention services manual (DSM) contains detention policies (instructions) that underpin service provision in the immigration detention network. Development and maintenance of the policies contained in the DSM occurs in accordance with Secretary's Instruction 7 which 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 removed from Australia once they become available for removal and as soon as reasonably practicable to ensure that the time spent in immigration detention is minimal. They are removed to their country of origin or to a country where they have a right of long-term stay. Any minors are removed as a priority in line with the department's guidelines for removing minors, including establishing guardianship.

The department removed 53 foreign fishers in 2012–13.

Foreign fishers—key performance indicators

Indicator: Only people who are not known to be, or are not reasonably suspected of being, minors are detained in immigration detention centres.

Result: In accordance with the government's immigration detention policies, no persons who were known or reasonably suspected to be minors were accommodated in IDCs throughout 2012–13.

During 2012–13, 53 foreign fishers were taken into and accommodated in immigration detention.

Foreign fishers, while in immigration detention, are provided with the same level of services as those in the onshore detention network. The period of detention, on average, was less than one month.

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 2012–13, 100 per cent of all foreign fishers detained were removed from Australia and returned to their country of origin.

Table 63: Foreign fishers—performance information

Key performance indicators	Target 2012–13	Actual 2012–13
Percentage of persons in IDCs that are not known to be or are reasonably suspected to be a minor.	100%	100%

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
- minimise the time 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 KPI targets for this program.

Result: The department procures services for immigration detention, support and health services for persons in detention across the range of immigration detention facilities.

During 2012–13 the contracted service providers were:

• detention services—Serco Australia

• health services—International Health and Medical Services

• unaccompanied minors support and independent observer services—MAXimus Solutions, Life Without Barriers (MAXimus Solutions commenced as the new service provider for unaccompanied minor support and independent observer services during 2012–13).

The department reviews the performance of contracted service providers regularly. During 2012–13 the department continued to engage in performance and service delivery audits with the service providers' to ensure the quality and timely provision of all contractually required services.

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 while a person is in immigration detention. The department is also responsible for the removal of foreign fishers to their country of origin as soon as it is reasonably practicable to do so. All foreign fishers who are minors, or are suspected of being minors, are given immediate attention and priority in the removal process.

While in immigration detention, foreign fishers are provided with the same level of services as those in the onshore detention network.

Performance

In 2012–13 there were 53 foreign fishers taken into immigration detention, a 22 per cent decrease compared to 68 people in 2011–12.

	In	Out	In immigration detention at 30 June 2013
Adults	51	51	0
Minors	2	2	0
Total	53	53	0

As at June 2013, there were no foreign fishers in immigration detention. All foreign fishers detained in 2012–13 were placed in accommodation appropriate to their needs.

Program 4.5 Regional cooperation and associated activities

Program 4.5 consists of one departmental item[1]:

• Regional cooperation and associated activities.

There are three administered items under Program 4.5:

• Management and care of irregular immigrants in Indonesia

• Regional cooperation and capacity building

• Returns and reintegration assistance package.

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 by providing advice on, developing and providing a range of support and other services in respect of regional cooperation and associated activities, that seeks 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

• support international organisations for the care of irregular migrants intercepted en route to Australia

• provide funding to the IOM to enhance Indonesian immigration detention and transit facilities

• provide assistance, training and resources to support, manage and oversee agreed bilateral and multilateral arrangements under the Regional Cooperation Framework (RCF) and other measures for the effective management and harmonisation of treatment of asylum seekers across the region

• assist in the establishment of a regional support office (RSO) to take forward a range of practical initiatives under the auspices of the Regional Cooperation Framework.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

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1. This program was previously included as part of Program 4.3.

Regional cooperation and associated activities—deliverables

Deliverable: Provide assistance, training and resources to support, manage and oversee agreed bilateral and multilateral arrangements under the Regional Cooperation Framework and other measures for the effective management and harmonisation of treatment of asylum seekers across the region.

Result: The department has proactively pursued a range of initiatives to promote enhanced cooperation under the Regional Cooperation Framework (RCF) and with other initiatives for the effective management of asylum seekers across the region.

In conjunction with the Department of Foreign Affairs and Trade, the department has supported Air Chief Marshal Angus Houston AC AFC (Retired) in his role as the Prime Minister's Special Envoy for regional cooperation on asylum issues.

The department has funded the establishment and ongoing operation of the regional support office (RSO), which was opened in September 2012 and is designed to operationalise the RCF. The department has also provided the Australian co-manager to the office and funded two of the RSO's four foundation projects:

- a research project on enhancing data collection, use and sharing among Member States and International Organisations of the Bali Process
- a pilot voluntary return support and reintegration assistance project, which has enabled the return of vulnerable persons from irregular migration situations.

The department has also supported the UNHCR initiatives to enhance regional cooperation through the RSO, which have included a regional roundtable on irregular movements by sea in the Asia–Pacific region. Additionally, the department has supported the secondment of an Afghanistan official to the RSO, to enhance Afghanistan's engagement under the RCF and enhance that country's document examination capabilities.

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, returns and reintegration assistance, cross-agency coordination mechanisms and policy frameworks), identity management, immigration intelligence initiatives and support for regional fora.

Result: The department continues to promote initiatives to strengthen regional collaboration on border management issues through the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime (Bali Process).

The RSO is co-managed by Australia and Indonesia, with close involvement by the International Organization for Migration and the Office of the United Nations High Commissioner for Refugees (UNHCR).

The establishment of the RSO was commended at the Fifth Ministerial Conference of the Bali Process held on 2 April 2013. At the conference, Bali Process members were encouraged to continue the practical initiatives being implemented under the RCF and further strengthen regional cooperation to better manage the irregular movement of people.

In addition to co-managing the RSO and funding associated projects, the department has co-hosted Bali Process workshops on document examination, intelligence cooperation and visa integrity.

The department has also worked in partnership with the United Nations Office on Drugs and Crime to pursue a range of enhanced migration management initiatives, including data collection and analysis, and capacity building activities.

Regional cooperation and associated activities—deliverables *continued*

Deliverable: 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 department has provided funding for the establishment of the RSO which opened in September 2012 and is designed to operationalise the RCF. The department has also provided the Australian co-manager to the office.

The RSO is undertaking a range of initiatives that support and strengthen practical cooperation on the effective management and harmonisation of treatment of asylum seekers across the region.

Deliverable: Support international organisations for the care of irregular migrants intercepted en route to Australia.

Result: Under the Regional Cooperation Arrangements (RCA), the department funds the IOM to provide food, accommodation, emergency medical assistance, counselling and transport to asylum seekers in Indonesia, Timor-Leste and Papua New Guinea. Under the RCA, the IOM also provides assistance to people who wish to return voluntarily to their country of origin.

Deliverable: Provide policy advice and service design to enable such service provision.

Result: The department has continued to promote regional cooperation and deliver associated activities through its bilateral and multilateral engagement with foreign governments, international organisations and in international consultative forums and processes. This includes engagement in: the Bali Process; the Regional Support Office; the ASEAN Directors-General of Immigration Departments and Heads of Consular Affairs Divisions of the Ministries of Foreign Affairs (DGICM) + Australia Consultation, the Pacific Immigration Directors' Conference, and immigration cooperation working groups and forums with Cambodia, Indonesia, Malaysia, Pakistan, Papua New Guinea, and Sri Lanka as well as working with organisations including the Office of the United Nations High Commissioner for Refugees, the International Organization for Migration, and the United Nations Office on Drugs and Crime.

This work has been supported through a range of policy-related activities conducted by the department including the provision of policy advice to the minister and senior executive to support international engagement, capacity building program design, contract management, organisation of capacity building workshops, development of new projects, negotiation of funding agreements and development of memoranda of understanding.

Regional cooperation and associated activities—key performance indicators

Indicator: The capacity of states in the region to manage irregular migration through the region, including that of asylum seekers is increased.

Result: The department has delivered six workshops on migration management issues through the Bali Process and through engagement with ASEAN counterparts. The subjects of these workshops included visa integrity, document examination, facial image analysis, information sharing, threat and risk analysis, and refused entry and removals.

Specialist advice was provided to Myanmar, Laos, Cambodia and Timor-Leste on border systems and regulatory arrangements, and a small project to remediate border systems and conduct IT administration training was funded in Laos. Workshops were conducted in Myanmar on border management and the International Civil Aviation Organisation (ICAO) Convention on International Civil Aviation (the Chicago Convention). A document examination eLearning package was developed and will be made available to Bali process members.

Indicator: The Regional Support Office is established and effectively acting as a focal point and coordination point for migration management and increased protection capacity in the region.

Result: The RSO was officially opened in Bangkok on 10 September 2012. It is now proactively pursuing a range of engagement and awareness raising initiatives, and practical projects, to enhance migration management and protection capacity in the region, including:

- Regional Roundtable on irregular movements by sea in the Asia-Pacific region
- research project on enhancing data collection, use and sharing among member states and international organisations of the Bali Process
- a pilot Voluntary Return Support and Reintegration Assistance project.

Indicator: Returns and reintegration assistance supports voluntary returns to country of origin for those found not to be in need of protection.

Result: The provision of individual reintegration assistance (IRA) packages, through engagement with the IOM, plays a key role in encouraging IMA clients to return home voluntarily. IMAs in detention or in the community can request their removal from Australia at any time and departmental officers and the IOM work with the client to facilitate this.

Modest IRA packages are provided to support the sustainable return of IMAs who choose to return to their country of origin. It is a discretionary program, the primary objective being to provide support for the returnee to rebuild their life in the country of return and to reduce risk of further irregular migration. IRA packages comprise in-kind and cash assistance to a maximum value of US$4000 for clients returning to Afghanistan and Iraq, and US$3300 for returns to other countries.

The IRA program was introduced in September 2010–11 as part of Australia's broader strategy to voluntarily resolve the immigration status of IMAs. In 2012–13 the number of clients returned with an IRA package was 266 compared to 50 in 2011–12.

Administered items

Administered item: Regional cooperation and capacity building

Objectives:

- 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 enhance migration management (enhancements to legislation, governance and organisational structures, business processes, cross-agency coordination mechanisms and policy frameworks), identity management and document examination, immigration intelligence initiatives, support for regional fora and English language training.

Result: 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 officials of Indonesia's Directorate-General of Immigration (Imigrasi) to enhance analytical and visa integrity processes with appropriate intelligence and analytical systems support
- enhancements to support the Indonesian border control management system, under the border management capacity building partnership
- funding a program of minor maintenance works to improve existing facilities within the Indonesian immigration detention centre network and residential accommodation arrangements for irregular migrants intercepted en route to Australia. Training is also delivered under this program to Imigrasi on the management and care of intercepted irregular migrants in line with international human rights standards
- funding postgraduate masters' scholarships in public administration, international relations, or information technology for Indonesian immigration officials
- continuing to support the Migration Service of Timor-Leste through institutional development, capacity building and expansion of the functionality of the border management system and processes currently in place.

Key projects in the Pacific include:

- Papua New Guinea—capacity building and technical assistance in developing border management and governance initiatives, including the continued roll-out of the border management system which incorporates visa, movement and alerts processing, and reporting functionality
- Vanuatu—continuing a program of activities to improve Vanuatu's border management capability.

Key projects in South and North Asia and the Middle East include:

- Afghanistan—funding provided to the IOM to digitise Afghan's national identity documents and to continue support for the development of the passport and visa systems in Afghanistan

- Sri Lanka—continued work with the Sri Lankan Department of Immigration and Emigration to strengthen border management capability through the inclusion of biometrics at the passport application stage

- Pakistan—funding provided to the United Nations Office on Drugs and Crime (UNODC) to enhance Pakistan's 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 2012–13, 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 comparison training to frontline 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

- training to improve the English language competency of immigration officers to increase their 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

- Australia-based English language training to officers from Cambodia, the People's Republic of China, Timor-Leste, Indonesia, Laos, Myanmar, Sri Lanka, Thailand and Vietnam

- in-country English language programs in Cambodia, Laos, Thailand, Timor-Leste 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.

Deliverable: Provide support to international organisations for the care of irregular migrants intercepted en route to Australia.

Result: Under the RCA, the department funds the IOM to provide food, accommodation, emergency medical assistance, counselling and transport in Indonesia, Timor-Leste and PNG to irregular migrants intercepted en route to Australia. Under the RCA, the IOM also provides assistance to people who wish to return voluntarily to their country of origin.

There has been an increase in the number of people in the IOM's care under the RCA in Indonesia in 2012–13, reflective of the higher number of irregular migrants in the region. As at June 2013, there were 3549 irregular migrants under the IOM's care in Indonesia, 15 in the IOM care in Papua New Guinea, and none in the IOM care in Timor-Leste.

Administered item: Management and care of irregular immigrants in Indonesia

Objectives:

• Strengthen regional cooperation arrangements in Indonesia to support international organisations to provide care and welfare for irregular migrants who are intercepted in Indonesia.

• Provide funding to the IOM to enhance Indonesian immigration detention and transit facilities and to improve the care and support provided to irregular migrants in Indonesia.

• Provide training in identity management to Indonesian immigration officials, in particular facial identification techniques.

Deliverable: Payment to the IOM to undertake major refurbishment works at a number of detention centres in Indonesia.

Result: Funding is provided to the IOM for the upgrade and refurbishment of existing Indonesian immigration detention facilities.

Phase 2 of the Management and Care of Intercepted Irregular Migrants Project (MCIIP II) involves major refurbishment of three detention sites (Balikpapan in East Kalimantan, Batam in Riau Islands and Semarang in Java) within the Indonesian immigration 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. Refurbishment work is underway at all three sites and is due to be completed in 2015.

Deliverable: Training sessions conducted for Indonesian immigration officials.

Result: The department funds a comprehensive training program for officials of Indonesia's Directorate-General of Immigration (Imigrasi) to properly operate and maintain its quarantine facilities, including training to strengthen Imigrasi's management and care of undocumented migrants and asylum seekers in accordance with international human rights standards and relevant international obligations. Further training includes document examination as well as English language training.

The department's training program with Imigrasi continues to foster goodwill between the agencies.

Regional cooperation and associated activities

The department has continued to support enhancement of regional cooperation through the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime. The department has supported the participation of the Australian Government in a broad range of Bali Process initiatives, including the 10th anniversary commemorations, the Fifth Ministerial Conference and through the establishment and ongoing support for the regional support office (RSO) which opened in Bangkok in September 2012.

Under the management of Australia and Indonesia, the RSO provides a policy, coordination and operational hub for implementation of the Regional Cooperation Framework (RCF). The establishment of the RSO is a significant development which 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 officers network (RILON) is 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 2012–13, Australia worked in partnership with a variety of Bali Process members to co-host three Bali Process workshops on visa integrity, document examination and immigration information and intelligence sharing. The workshops resulted in opportunities for participating Bali Process members to share information and develop their capacities in relevant border management issues.

The department has also undertaken a range of regional border management capacity building initiatives through the 8th annual ASEAN Directors-General of Immigration Departments and Heads of Consular Affairs Divisions of the Ministries of Foreign Affairs (DGICM) + Australia Consultation. The associated ASEAN-Australia Program of Work included workshops designed to enhance counterparts' visa integrity, impostor detection, and threat analysis capabilities.

Program 4.6 Refugee status determination for offshore entry persons

Program 4.6 relates wholly to the activities of the Independent Protection Assessments Office (IPAO) and related matters.

With effect from 1 July 2012, a machinery-of-government change transferred the IPAO, including responsibility for all of its ongoing and future activities, from the Department of Immigration and Citizenship to the Migration Review Tribunal—Refugee Review Tribunal (MRT–RRT).

The documentation for this transfer specifies that all annual report matters relating to the IPAO from 1 July 2012 onwards are the responsibility of the MRT–RRT.

Accordingly, the reader is referred to the 2012–13 Annual Report of the MRT–RRT and the MRT–RRT website (www.mrt-rrt.gov.au) for information on this program and the activities of the IPAO during 2012–13.

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: (L–R) Stephen, who was born in Kenya and his brother Michael, who was born in Australia, now live with their family in Brisbane.

Program 5.1 Settlement services for migrants and refugees

During 2012–13 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 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

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), 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
- providing translating and interpreting services.

Major achievements

Settlement grants program

The 2013–14 funding round closed on 12 December 2012 and was announced on 8 April 2013. The total appropriation for SGP in 2013–14 is $41.3 million. The funding available to the SGP is notionally distributed across states and territories based on SGP target group arrival numbers over the last five years. The settlement sector provided the department with positive feedback for the early announcement of the successful recipients from the 2013–14 funding round.

Humanitarian settlement services

The HSS provided intensive early settlement support to 15 827 humanitarian arrivals in this program year.

The 2012–13 program year saw the launch of a new and expanded version of *Getting settled—women refugees in Australia*. The publication contains an overview of the Woman at Risk (subclass 204) visa category, the personal stories of refugee women, and a guide to good practice approaches for service providers who work with these women. The Australian Government is committed to a target for the Woman at Risk visa subclass of 12 per cent of the annual refugee intake. In 2012–13, 13.9 per cent of the refugee category allocation was granted to Woman at Risk applicants, exceeding the nominal target. Australia remains one of few countries with a dedicated refugee and settlement program for assisting women at risk and their dependents.

As noted in the previous annual report, in December 2011 the government released the *Review of HSS performance measures and contract management*, which was conducted by Mr David Richmond AO. The department has now implemented the 70 recommendations stemming from the review. Some major achievements include:

- the establishment of a rigorous quality assurance (QA) framework and the introduction of a real-time, client and service delivery focused QA program
- implementation of an issues management framework and clarification of governance arrangements
- development of a communication strategy to improve messaging about the HSS program and its alignment with other department-funded settlement and support services
- completion of a risk management framework, assurance map, and program and contract level risk assessments
- improvements in reporting and data analysis.

Further, accommodation-related issues have been significantly addressed and these will inform a broad accommodation strategy which will direct future policy positions.

Adult migrant English program

The AMEP provider conference in May 2013 was a valuable opportunity for key AMEP stakeholders to exchange ideas about program design, delivery and improvement. This was the first AMEP service provider conference to be held since the current business model was implemented in July 2011 and was considered to be a great success.

Challenges

Humanitarian settlement services

The program continues to evolve to meet the needs of its clients. Some challenges include sourcing and securing accommodation in what is a highly competitive rental market in some contract regions and meeting the increased demand for services under the expanded humanitarian program.

Significant and increasing numbers of single entrants as IMAs continue to be a challenge to the delivery of the program.

Table 64: Outcome 5 financial resources summary 2012–13

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.

	Budget[2] 2012–13 $'000	Actual Expense 2012–13 $'000	Variations 2012–13 $'000	Budget Estimate 2013–14 $'000
Program 5.1: Settlement Services for Migrants and Refugees				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	391 865	368 876	(22 989)	456 613
Departmental expenses				
Departmental appropriation (Appropriation Acts 1 and 3) and Revenue from independent sources (Section 31 FMA Act)	84 385	69 749	(14 636)	92 383
Expenses not requiring appropriation in the Budget year[1]	3 259	3 629	370	3 478
Total expenses for Outcome 5	479 509	442 254	(37 255)	552 474
Average Staffing Level (number)	409	417		422

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

2. The 2012–13 Budget represents the Estimated Actual Expenses published in the *Portfolio Budget Statements 2013–14*.

Close-up

English language launches Nirmala into a new life

Learning English is one of the most important steps migrants and humanitarian entrants can take to successfully settle in Australia.

The department's adult migrant English program is the largest settlement program conducted by the Australian Government. It provides 510 hours of English language tuition to clients in the first five years of settlement in Australia.

The program assists clients to build self-reliance, foster connections with mainstream services and successfully settle into the Australian community.

Service providers across Australia conduct the English language courses.

> 'I can write and read English now and we speak it around the house.'

One of those who studied English as a second language (ESL) is Nirmala Ghimirey, a refugee from Bhutan.

Nirmala, 29 and living in Adelaide, spent almost 19 years in a refugee camp where she began her education, sponsored by the United Nations High Commissioner for Refugees.

After arriving in Adelaide with her husband and daughter in 2009, Nirmala enrolled in the ESL course with TAFE SA and has not looked back.

She achieved a Certificate 3 in Aged Care and after a placement at the Oxford Nursing Home she was offered a position there as a personal care assistant.

Nirmala's ultimate goal is to become a nurse and she believes the English course she completed has been instrumental in her success.

'It was really valuable for me,' Nirmala said.

'I can write and read English now and we speak it around the house most of the time.

'Working with the elderly was also valuable. I learnt many things from them about Australia that I was not aware of in the camp.'

Nirmala's next goal is Australian citizenship, for which she will be eligible this year.

Photo: Nirmala lived in a refugee camp for 19 years and is now working towards becoming a nurse 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 on-site interpreting

• TIS telephone interpreting.

There are six administered items under Program 5.1[1]:

• Adult migrant English program

• Refugee Council of Australia

• Grants for settlement services

• Humanitarian settlement services

• National Accreditation Authority for Translators and Interpreters Ltd—contribution

• Supervision and welfare for unaccompanied humanitarian minors.

Objectives

The objectives of Program 5.1 are to:

• 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 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

1. The administered items were altered in the *Portfolio Additional Estimates Statements 2012–13*.

Settlement services for migrants and refugees—deliverables[1]

Deliverable: Evidence-based policy advice to the government on settlement services for migrants and humanitarian entrants.

Result: An interdepartmental working group (IWG) on improving education and employment outcomes for refugees and vulnerable migrants was established in March 2010. The Department of Education, Employment and Workplace Relations (DEEWR) 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, Climate Change, Science, Research and Tertiary Education.

A key focus for the IWG in 2012–13 was implementation of the recommendations of its June 2012 report to the Minister for Multicultural Affairs, Senator the Hon Kate Lundy, former Minister for Employment and Workplace Relations, the Hon Bill Shorten MP and the Minister for Employment Participation, the Hon Kate Ellis MP.

Recommendations included initiatives for improving services provided to refugee job seekers, informing employment services policy development through a series of roundtables with migrant communities around Australia, and promoting and facilitating sharing of good practices through a series of forums with employment, settlement and other services providers, around Australia. Another key focus related to better alignment of Australian Government English language programs, including identifying ideal client pathways between complementary programs.

Deliverable: Settlement planning information to support community organisations and migrants and humanitarian entrants.

Result: The settlement reporting facility (SRF) is a reporting tool that is accessible via the department's website. It provides point-in-time statistical data on permanent visas granted since January 1991. The settlement statistics represent permanent visa grants 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.

During 2012–13, there was a reduction in the number of reports provided on request to clients (including internal departmental requests, state and local governments, mainstream and migrant service providers and researchers). This can be attributed to enhancements of the SRF during 2012–13, whereby clients can produce their own reports more easily and efficiently.

The SRF was accessed an average of 55 times a day by external users during 2012–13, an increase in usage from the previous year.

Settlement planning information is included with the settlement grants program (SGP) application booklet each year and is available on the department's website. It includes a summary of settlement needs and demographic data on arrival numbers, settlement locations, countries of birth, visa type, age and gender.

This information assists service providers in targeting funding bids under the SGP to ensure they are responsive to changing settlement patterns and needs. It also informs broader policies and program management relating to other departmental settlement programs.

1. The wording of the program deliverables was altered in the *Portfolio Additional Estimates Statements 2012–13*.

Settlement services for migrants and refugees—deliverables *continued*

The department is using a data-sharing web platform to provide jurisdictions with regularly updated statistics that will enable key agencies to better plan for the settlement needs of Australia's migrants.

The department's website 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 (AMEP).

Result: In 2012–13, the AMEP was administered through 27 contracts and was delivered at 274 locations across Australia, to 59 754 clients from 188 countries.

Deliverable: Administration of the settlement grants program.

Result: In 2012–13, $39.416 million was expended on 108 new SGP grants and 108 ongoing SGP grants. This involved management of 216 funding agreements involving 140 organisations.

Deliverable: Support for humanitarian entrants by effective management of the humanitarian settlement services and complex case support programs.

Result: The humanitarian settlement services (HSS) program was delivered through its 18 contract service providers across 24 contract regions throughout Australia. The support was delivered through a coordinated case management approach and was delivered on time and as required by the contract.

The complex case support (CCS) program provided support for humanitarian entrants with exceptional needs. CCS works in partnership with settlement and mainstream services to address barriers humanitarian entrants face in their settlement journey in Australia.

Deliverable: Support the National Accreditation Authority for Translators and Interpreters Ltd (NAATI) in the provision of an effective credentialing framework for translators and interpreters.

Result: Financial 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.

Settlement services for migrants and refugees—deliverables *continued*

Deliverable: Supervision and settlement of unaccompanied humanitarian minors.

Result: An unaccompanied humanitarian minor (UHM) is an unaccompanied minor who has been found to be a refugee under Australia's offshore humanitarian program or has been granted a Protection visa in Australia. UHMs include minors who fall under the minister's guardianship under the *Immigration (Guardianship of Children) Act 1946* (IGOC Act) as well as minors living with relatives or community links, depending on their state/territory of residence.

Throughout 2012–13, the Australian Government and state and territory governments worked together to oversee the national delivery of the UHM program including providing assistance, support and advocacy in relation to UHMs' welfare, settlement and transition to adulthood.

In 2012–13, the department also established the refugee youth support pilot to test an alternative model of care and provision of settlement services to older UHMs (aged 16 to 17 years) in the care of the Commonwealth, focusing on transitioning them to independent living. An evaluation of the pilot has informed program design.

Deliverable: Translating and interpreting services for eligible clients.

Result: In 2012–13 TIS National delivered 135 211 free telephone interpreting services and 45 266 free on-site interpreting services.

In 2012–13 the Victorian Interpreting and Translating Services (VITS) translated a total of 10 027 documents for the free translating service.

Settlement services for eligible migrants and refugees—key performance indicators[1]

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 migrants and humanitarian entrants through contracted service providers as well as information to clients offshore prior to their arrival. 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.

Indicator: Humanitarian settlement services and complex case support services are available and being delivered across Australia

Result: Through 18 contracted service providers, the department delivered services to HSS clients in capital cities and regional areas across Australia. Extensive settlement information is provided to HSS clients on the department's website through tools such as the settlement services locator, and information booklets.

Through its 35 contracted service providers the humanitarian services panel provides CCS services in metropolitan and major regional settlement areas around Australia.

Indicator: NAATI provides a high quality credentialling service supported by members

Result: As an independent company (supported by the Commonwealth, state and territory members) NAATI provides a high quality credentialling service.

1. The wording of the program key performance indicators was altered in the *Portfolio Additional Estimates Statements 2012–13*.

Indicator: Administer the payment for the provision of fee-free language services for eligible clients.

Result: The free translating and interpreting services were delivered within budget in 2012–13. Additional funding was received to supplement the program in response to the increase in the size of the humanitarian program.

Table 65: Settlement services for migrants and refugees—performance information[1]

Key performance indicators	2010–11 actual	2011–12 actual	2012–13 target	2012–13 actual
Effective and timely assessment of grants applications	n/a	n/a	95.0%	95.0%
Percentage of service level standards in HSS contracts are met[1]	95.0%	95.0%	95.0%	98.0%
Settlement-focused English language training is made available to all eligible humanitarian entrants and migrants through contracted service providers	100.0%	100.0%	100.0%	100%

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

Administered items

Administered item—Adult migrant English program

Objective: Provide access to settlement focused English language training to eligible migrants and humanitarian entrants.

Deliverable: Settlement-focused English language training is made available to all eligible migrants and humanitarian entrants through contracted service providers.

Result: AMEP services are available in all 27 contract regions across Australia, and delivered at 274 service delivery sites, including at colleges, community locations, client homes and through distance eLearning channels such as telephone and internet.

1. The wording of the program key performance indicators was altered in the *Portfolio Additional Estimates Statements 2012–13*.

Administered item—Grants for settlement services

Objective: Provide grants to community based organisations under the SGP for the delivery of settlement services including:

- assistance to new arrivals to acquire and develop the knowledge and skills to settle in Australia
- assistance to new communities to grow and develop in a self-sustaining manner
- promotion of social participation and integration.

Deliverable: Grant funding is allocated according to SGP eligibility criteria.

Result: In 2012–13, 108 new grants were funded, all of which met the eligibility criteria of the SGP. These grants were assessed and allocated funding through a competitive grants process.

Deliverable: Grant recipients provide services in line with grant agreements.

Result: In 2012–13, the department managed 216 SGP funding agreements. Where grant recipients were unable to provide services in accordance with their funding agreements, the department worked closely with relevant organisations to ensure that clients were provided with appropriate services so that there were no disruptions to their settlement journeys.

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: For the HSS program year 2012–13, 15 827 clients arrived in the contract regions where service providers delivered initial settlement support. The 8891 cases, containing the 15 827 clients, represents a new high, in comparison with last year's number of 8005, and marks an increase of 11 per cent. This continues a trend in the last few years of an increased number of single clients from the refugee and humanitarian caseload, because of the increased proportion of IMA clients.

The humanitarian services panel is in its first full year of operation. During 2012–13, 242 referrals were received, of which 136 were accepted by the department to receive assistance through the CCS program.

Administered item—National Accreditation Authority for Translators and Interpreters Ltd—contribution

Objective: Provide financial support to 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 whose members are the Australian state and territory government ministers for multicultural affairs and/or language policy. The Australian, state and territory governments provide an annual contribution to NAATI.

NAATI sets and maintains national standards in translating and interpreting, and supports the ongoing development of credentialled translators and interpreters who are responsive to the changing needs of Australian society.

NAATI continued to provide a valuable community service as the national accreditation authority for translators and interpreters. During the year, NAATI awarded 2699 accreditations, 65 recognitions and 23 language-aide certifications.

In 2012–13 the Australian Government provided a standard contribution to NAATI of $612 000 and an additional $100 000 (from departmental funding) to deliver the new interpreters project.

Administered item—Refugee Council of Australia

Objective: Provide a grant to the Refugee Council of Australia (RCOA) for advice on the views of the refugee and humanitarian non-government sector on the Humanitarian Program[1] including resettlement and onshore protection, and on humanitarian settlement issues.

Deliverable: Funding agreement meets government objectives.

Result: In 2012–13, the RCOA consolidated its position as a peak body for refugees and the organisations and individuals who support them, through strong strategic contact with the department and other key government agencies and through its continued engagement and consultation with stakeholders to highlight protection and settlement issues.

The RCOA has been a participant in several departmental consultative groups and has informed a number of new policy developments, bringing together independent research, the views of the sector and the perspectives of the international non-governmental organisation (NGO) community. The organisation facilitates the dissemination of accurate and factual information to interested stakeholders and to the broader community.

RCOA has also continued to play a valuable role in the planning and organisation of the Working Group on Resettlement meetings and planning for the Annual Tripartite Consultations on Resettlement.

Administered item—Supervision and welfare for unaccompanied humanitarian minors

Objective[2]: To have in place guardianship, monitoring and settlement support arrangements for UHMs until they reach 18 years of age or otherwise exit the program.

Deliverable: Supervision and settlement of UHMs.

Result: The UHM program delivered accommodation, care, welfare and settlement services to UHMs throughout 2012–13. As at 30 June 2013, 744 UHMs were in the program.

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1. The wording of this administered item was altered in the *Portfolio Additional Estimates Statements 2012–13*.
2. The wording of this administered item was altered in the *Portfolio Additional Estimates Statements 2012–13*.

Adult migrant English program administration

The AMEP has been administered by the department and its predecessor departments since 1948. The *Immigration (Education) Act 1971* and the Immigration (Education) Regulations 1992 provide the legislative authority for the administration of the program.

The AMEP is the Australian Government's largest settlement program, providing 510 hours of free English language tuition to eligible migrants and humanitarian entrants in their first five years of settlement.

Gaining a reasonable level of English proficiency is one of the most important steps migrants and humanitarian entrants can take towards successfully settling in Australia. Through the AMEP, new arrivals are able to build self-reliance, foster connections with mainstream services and develop confidence to participate fully in Australian communities.

The program supports the government's social inclusion agenda, and reflects its commitment to long-term sustainable settlement outcomes for new migrants through integrated, targeted and well-designed programs that support them in their transition to life in Australia.

Performance

The AMEP is delivered across Australia by contracted external service providers including technical and further education (TAFE) colleges, state education departments, and private and not-for-profit organisations.

In 2012–13, the AMEP was managed through 27 contracts with 12 service providers who delivered AMEP services to a record number of 59 754 clients at 274 locations across Australia.

The AMEP is structured to meet the needs of individuals in its diverse client base. In recognition of the different needs of clients, the AMEP provides a range of flexible learning options, including:

- full-time or part-time face-to-face tuition
- flexible class hours, including night and weekend classes
- teacher-assisted distance learning
- self-paced eLearning
- one-on-one assistance through the home tutor scheme.

In 2012–13, 80 per cent of AMEP clients participated in face-to-face classroom tuition, three per cent of clients accessed home study through the distance/eLearning program, four per cent participated in the home tutor scheme, while 13 per cent accessed a combination of various tuition types.

The AMEP enables clients to move in and out of the program as they choose over their five year entitlement period, which is particularly relevant for clients with family or work responsibilities, or health-related issues.

AMEP service providers use the certificates in spoken and written English (CSWE) curriculum assessment framework to deliver the program. It is a competency-based national curriculum that is used to develop the speaking, reading, writing and listening skills of clients participating in any of the CSWE levels (Table 67).

Table 66: Certificates in spoken and written English competency levels

CSWE Level	Competency
pre-CSWE	Pre-literate/elementary
Certificate I	Beginner
Certificate II	Post-beginner
Certificate III	Intermediate—completion is equivalent to basic functional English proficiency

Service providers assess the English language proficiency of clients at the time of registration to determine the most appropriate CSWE level to meet their individual learning needs. Clients enrolling at pre-CSWE level would typically have little or no prior education in their first language on entering the AMEP.

Special preparatory program

AMEP clients come from many diverse backgrounds and the Australian Government recognises that some clients require greater support with learning English in order to successfully transition to life in Australia.

Eligible humanitarian entrants may also be able to access up to 400 additional hours of English language tuition through the AMEP special preparatory program (SPP), which supports clients with limited prior education or difficult pre-migration circumstances, such as torture or trauma.

SPP classes are smaller than general AMEP classes, and students are offered additional support such as bilingual assistance, to help them to learn in a more supportive and tailored environment. In 2012–13, 9782 clients were enrolled in SPP classes.

Settlement language pathways to employment and training program

In addition to helping migrants and humanitarian entrants to develop core English language skills to aid their settlement in the Australian community, the AMEP can also help clients to prepare for entry into the workforce.

The settlement language pathways to employment and training (SLPET) program provides eligible clients with an additional 200 hours of English language tuition, including up to 80 hours of work experience, to help them prepare for the employment environment.

The SLPET program focuses on general employment coaching such as resume writing and interview skills as well as structured sessions to help clients understand Australian workplace culture and practices, work ethics, employment processes, occupation health and safety, and taxation requirements.

SLPET has been a very positive component of the AMEP in 2012–13, with 2639 clients participating in the program across Australia. Feedback from service providers is that SLPET students were very motivated and expressed a high level of satisfaction with the program.

Employers also embraced the program with close to 1000 organisations across Australia having offered work experience placements to SLPET students in areas such as customer service, aged care, childcare, education, construction, hospitality, office administration and retail operations.

Snapshot of AMEP clients in 2012–13

The AMEP is a voluntary program and client registrations are dependent on the department's annual migration programs from the family, skilled and humanitarian streams. Of the record number of 59 754 clients in the program in 2012–13, 28 423 were new and 31 331 were continuing from the previous year. An additional 4146 clients had also registered in the program, but had not yet enrolled in an AMEP course as at 30 June 2013. The number of client registrations in 2012–13 represents 52 per cent of all new arrivals, excluding clients from English speaking countries. This figure is based on a new method of calculation of registrations not comparable to previous years. The new method improves reporting accuracy from the previous method, which relied on client voluntary self-reporting of English language proficiency at the time of visa application.

Clients in the AMEP come from a diverse range of backgrounds. In 2012–13 clients represented 188 countries of birth and spoke 252 languages. The top three countries of birth were the People's Republic of China, Afghanistan and Vietnam. The most common first languages of clients were Mandarin, Arabic and Vietnamese.

Table 67 provides a snapshot of AMEP clients in 2012–13.

Table 67: AMEP clients in 2012–13

Category	Number	Percentage
Age		
15–17 years	68	0.1
18–25 years	8 948	15.0
26–44 years	34 376	57.5
45–65 years	13 810	23.1
Over 65 years	2 552	4.3
Gender		
Male	21 771	36.4
Female	37 983	63.6
Location in Australia		
Metropolitan	53 304	89.2
Rural/regional	6 450	10.8
Years of schooling in first language		
0–5 years	7 763	13.0
6–10 years	15 245	25.5
More than 10 years	36 746	61.5
Visa stream		
Humanitarian	16 605	27.8
Skilled	10 611	17.8
Family	32 538	54.4

Client achievements

AMEP clients begin their English language tuition with a wide range of capabilities and achieve different levels of English proficiency during their time in the program. Many clients come to the program with little or no English language skills, and some also have limited or no education in their first language. These factors, as well as client age, community and social linkages and support, and the intensity of learning, all influence individual client outcomes and achievements.

In 2012–13, 2296 clients were awarded CSWE Level III certificates. This is the highest level a client can achieve in the program, and equates to the attainment of basic functional English. Table 68 shows overall client achievements for 2012–13, by CSWE course completed or certificate awarded.

Table 68: AMEP client achievements in 2012–13

CSWE Level	Number achieved
pre-CSWE Course	1 674
CSWE Certificate I	4 068
CSWE Certificate II	3 387
CSWE Certificate III	2 296

AMEP support services

Counselling

A range of support services are available to AMEP clients to facilitate their participation in the program, and to maximise their learning outcomes.

AMEP clients have access to dedicated counsellors to provide them with guidance and support during their time in the program. Using individual pathway guides, counsellors document and monitor clients' progress and learning outcomes throughout the program, including any changes to their learning goals or circumstances.

In 2012–13 over 63 989[1] clients received educational/vocational counselling from 770 counsellors across all AMEP delivery sites. Some AMEP counsellors are also bilingual which has helped many clients, particularly those with very low English language skills, to fully engage in the program.

AMEP counsellors are responsible for ensuring that clients are referred where necessary to appropriate third party support services, such as other government programs, vocational education providers and torture and trauma services.

Youth programs

The AMEP provides a number of youth-specific courses for clients under the age of 25. These are designed to provide a greater level of support for young people who require more intensive English language tuition, and for youth aged between 15 and 17 years whose needs cannot be met by mainstream schooling.

In 2012–13, 7219 clients aged between 15 and 24 years were enrolled in the AMEP.

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1. This number is higher than the reported total student number for the 2012–13 period, as it includes clients who have ceased classes in 2011–12 but subsequently accessed counselling in 2012–13, as well as clients who are enrolled to commence their first class in 2013–14.

AMEP service providers worked closely in partnership with schools, local community groups, youth services and the vocational education training sector to offer tailored programs that have both a social and education focus, aiming to target the specific settlement needs of young people. Activities offered include youth-specific learning modules, vocationally-based activities, extracurricular activities such as sport and drama and life skills sessions.

Dedicated youth coordinators are employed at some locations to oversee and coordinate youth programs and activities, as well as to refer clients to other support services where necessary.

Childcare

AMEP clients with children under school age can access free childcare services while they are in the program. This free service is an important component of the AMEP as it helps to facilitate client attendance, particularly for female clients who may otherwise be unable to attend due to childcare responsibilities.

In 2012–13, 6526 AMEP clients used free childcare services, for 7946 children.

Childcare is secured by AMEP service providers before clients commence classes. This removes the burden on clients to find childcare while they are settling into the community. Childcare is generally provided at centres located within close proximity to classes, and in some cases childcare is provided on-site at the AMEP campus.

Monitoring and quality assurance

The AMEP has a comprehensive and rigorous quality assurance program, which includes monitoring by departmental officers, as well as by an external quality assurance provider.

In 2012–13 the performance of service providers was monitored against quarterly and annual reports and national key performance indicators. Departmental officers also conducted regular contract management meetings and site visits across Australia.

Additionally, the national English language teaching (ELT) accreditation scheme (NEAS) is contracted by the department to provide quality assurance and monitoring of AMEP services. NEAS ensures that AMEP facilities, resources and processes meet required standards for the program. In 2012–13, NEAS conducted a total of 74 AMEP site visits, and assessed all contracted service providers as meeting the requisite standards.

NEAS also maintains an assessment task bank that can be accessed by AMEP service providers through a secure online portal. The assessment task bank stores a large collection of student and classroom activities to assist AMEP teachers to develop and assess client learning outcomes within the CSWE framework. The tasks are created by AMEP teachers, under the direction of a national working group established by NEAS in 2011–12.

Virtual English tuition for migrants trial

The department has been working in partnership with the AMEP distance/eLearning service provider, the AMEP Flexible Learning Network, and the Department of Broadband, Communications and the Digital Economy, to deliver the virtual English tuition for migrants trial.

The three-year trial, which started in 2011–12 and will continue until 2013–14, takes advantage of early National Broadband Network deployments to deliver online English language tuition, including virtual classes, to eligible migrants and humanitarian entrants, especially those in regional areas, for whom access to eLearning may not otherwise be a viable option.

The AMEP virtual classroom platform, accompanied by a curriculum designed specifically for virtual tuition, enables eligible AMEP students to participate in trials at various digital hubs, or at their NBN-enabled homes. In 2012–13, 35 AMEP clients participated in the trial, which will involve up to 200 participants during the trial period.

A comprehensive evaluation will be completed towards the conclusion of the trial.

AMEP research study

In 2011, the department engaged Macquarie University to conduct a three-year ethnographic study, *The AMEP longitudinal study 2011–14*. The study constitutes the second phase of a longitudinal study of AMEP clients. The first phase: *Language training and settlement success: Are they related?* was conducted in 2008–09.

The second phase of the study follows the language learning and settlement trajectories, such as the use of English in social interactions, of two groups of migrants to Australia—one cohort from the original study (85 participants) who participated in the AMEP, and a second, newly recruited cohort (60 participants) currently studying in the AMEP.

Macquarie University is also developing two professional development resources, which will be used to support AMEP teachers and clients during their time in the program.

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 and specialists providing services under Medicare
- incorporated, non-profit, non-government, community-based organisations providing casework and emergency services (subject to their funding arrangements)
- members of parliament for constituency purposes
- local government authorities
- trade unions
- pharmacies for the purpose of dispensing pharmaceutical benefits scheme (PBS) medications.

Free translations of personal settlement-related documents are provided to permanent residents and some temporary visa holders, as well as to returning Australian citizens within their first two years of arrival or grant of permanent residence.

Documents eligible for free translation include, for example, identity and relationship documents, birth and marriage certificates, facilitation documents, drivers licences and education and employment documents.

Performance

During 2012–13, 180 477 free interpreting services were provided, compared to 188 172 in 2011–12. Of these, 135 211 were for telephone interpreting and 45 266 were for on-site interpreting.

In 2012–13, 7177 applications were received to use the free translating service for a total of 10 027 documents. This compares to 2011–12, when 6773 applications were received for a total of 8741 documents. Drivers' licences continue to be the majority of documents submitted for the free translating service, followed by education certificates (including transcripts) and identity documents.

Table 69: Number of free interpreting services

	2010–11	2011–12	2012–13
Telephone[1]	130 298	152 607	135 211
On-site	30 192	35 565	45 266
Total	160 490	188 172	180 477

1. The decrease in the number of telephone services provided in 2012–13, compared to 2011–12 does not reflect reduced demand. This decrease can be attributed to a disruption in services caused by a fire related outage at TIS National in late August to early Dec 2012. All interpreting services were briefly affected, but emergency and priority telephone services continued uninterrupted as per TIS National's Disaster Recovery Plan.

Table 70: Number of free translating services

	2010–11	2011–12	2012–13
Number of free translation documents	8 649	8 741	10 027
Number of free translation applications	6 553	6 773	7 177

Humanitarian settlement services

The HSS program provides initial support for refugees and humanitarian entrants. The HSS provides its clients with the opportunity to participate in their new communities by encouraging independence and self-reliance.

The program is personalised to each case, including addressing the needs of young people. The HSS focuses on case management, with case plans established around a client's strengths, needs and goals.

The HSS program assists clients in their settlement journey by aiming for positive and achievable settlement outcomes. Clients can exit from the program once they have achieved these outcomes, which usually are attained within six to 12 months after entry into the program.

The CCS program delivers specialised and intensive case management services to humanitarian clients with complex or intense needs. The CCS program is specifically targeted at supporting clients whose complexity and intensity of needs extends beyond the scope of other settlement services, such as the HSS program and the SGP. The CCS program is designed to work in partnership with settlement and mainstream services to address the often significant barriers that the most vulnerable humanitarian clients face in settling in Australia.

Performance

The HSS program is now in its third program year, having commenced on 4 April 2011. The program has been successful, with HSS providers gaining valuable experience in service delivery that has resulted in new initiatives and innovations being introduced to the program. Some of these innovations include the constructive use of volunteers, the use of local media to promote the program to the wider community and the strengthening of stakeholder relations through the local area coordination (LAC) meetings.

HSS providers have risen to the challenge of providing affordable and appropriate accommodation through a number of innovative and flexible methods. These include the use of cluster accommodation, and close engagement with local real estate agents, community housing providers and advising landlords about the benefits of renting properties to humanitarian clients. These partnerships are largely the result of stakeholder engagement through the LAC meetings.

The service delivery performance outcomes of the department's contracted service providers have been measured in several different ways. These include the use of key performance indicators (KPIs) that are provided in six-monthly reports from service providers and departmental state and territory offices, and the numerous quality assurance activities performed by the department's state and territory offices and National Office, such as client contact visits and property inspections.

The implementation of the recommendations of the *Review of the HSS performance measures and contract management* conducted by Mr David Richmond AO was completed in June 2013. In line with the Richmond Review's recommendations, the department is continuing to focus on achieving sustainable improvements to the HSS program.

Complex case support

The current CCS program has delivered specialised and intensive case management to humanitarian clients since commencement of the contracts on 16 January 2012.

Among the range of issues for which clients seek help from the program, the most common are:

• mental health and/or emotional wellbeing

• accommodation

• physical health including disability

• social isolation

• family and/or relationship breakdowns.

The additional support CCS provides to humanitarian entrants complements the humanitarian settlement services, settlement grants and adult migrant English programs.

Settlement planning and information delivery

Planning for settlement services is the process by which the government identifies new arrivals who are most in need of assistance to settle, identifies what their particular needs are and how best to target policy and programs to meet those needs. Information, including demographic data on new arrivals, is essential to inform government and service providers in planning for settlement services.

Effective planning for the settlement of newly arrived migrants and humanitarian entrants is crucial to ensure a sustainable Australia with liveable communities—with the right mix of services, employment and education opportunities, and affordable housing—and to ensure new arrivals are better able to participate in Australian society.

Performance

Select Council on Immigration and Settlement—national settlement framework

The Select Council on Immigration and Settlement, established by COAG in 2011, was tasked with developing a national settlement framework. During 2012, representatives from state and territory jurisdictions formed a working group to progress the development of the framework. The tripartite intergovernmental framework will provide guiding principles and focus areas to ensure collaborative informed decisions are made in the development of planning structures across Australia's states and territories. The framework will guide states and territories to achieve consistent service delivery that supports economic, social participation and greater productivity outcomes for Australia's migrants.

The framework will focus on strengthening relationships, communication and cooperation between the three tiers of government and service providers in the settlement sector (such as community organisations, volunteers and peak bodies), to drive coordinated client-centric service delivery and achieve clear national outcomes through enhanced evaluation of services and sharing of best practice.

The framework will address gaps and minimise duplication of services in nine priority areas including education and training, employment, health and wellbeing, housing, language services, transport, civic participation, family, and social support and justice.

Settlement planning

Planning for settlement services begins with consideration of net overseas migration flows, in particular the numbers and composition of the Migration Program, Humanitarian Program and temporary entrants.

A needs-based approach is used by the department to inform its settlement planning. The identification and analysis of ongoing, emerging and predicted settlement needs is documented in the department's settlement needs register. The register is updated from a range of sources including:

- state and territory settlement planning forums, generally including the three tiers of government, and representatives of the non-government sector, including service providers and community organisations
- regular meetings with peak bodies and advisory councils
- various inter-agency meetings and forums
- analysis of relevant research and evaluations.

Information on settlement needs, together with demographic data on migrants and migration to Australia, is used to target policy and settlement services.

Regional humanitarian settlement

As part of the department's work to support regional humanitarian settlement a booklet, *Building welcoming communities*, has been developed. As part of the development process the department consulted with a range of stakeholders in 2012–13, including sector bodies and relevant government agencies. The booklet helps local government and communities in regional Australia plan for and provide settlement support to refugees.

Settlement information—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 visas granted since January 1991. The settlement statistics represent permanent visa grants under all migration streams.

For further details on the settlement reporting facility, see Outcome 3, settlement services for migrants and refugees—deliverables.

Sector peak bodies and advisory councils

The department provides financial support to, and engages regularly with, a number of sector peak bodies who are organised, collaborative and representative of providers that service refugees and humanitarian entrants or advocate directly for the interests of a diverse range of client groups. The department also engages with advisory bodies to provide advice to government on matters relating to refugee and humanitarian settlement issues.

Peak bodies and advisory councils play an important role in supporting dialogue within the sector, bringing together service providers and various migrant client groups to have a greater voice and to ensure their varying needs, views and opinions are well represented and taken into account.

The department engages with these bodies to become better informed through their sharing of information, including first-hand experiences and best practice about what works at local levels. Ongoing dialogue with these bodies is invaluable in helping the department better structure and target its settlement policies and assist with planning for settlement programs. It is only through collaboration that the department is able to help identify and respond to service gaps or barriers in policy and programs, directly relevant to early settlement success.

Each group plays a different role, and each role is crucial to the settlement journey of newly arrived refugees to Australia.

- Settlement Council of Australia

The Settlement Council of Australia (SCOA) is an incorporated national peak body representing settlement agencies across Australia. SCOA provides a formal network to bring settlement service providers together at a national level to improve collaborative and strategic planning processes for the settlement sector.

Key activities of SCOA include supporting dialogue within the settlement sector, work force development including sector capacity building activities, sharing of best practice and research through regular newsletters, website, member consultations and through contributions at relevant sector forums.

In 2012–13, SCOA focused on follow-up to their very successful second National Settlement Conference in June 2012. An important outcome of the conference was a report which includes specific recommendations and strategies agreed by conference attendees as a cross-sector action plan against the two key themes of the conference, employment participation and building service capacity. SCOA has been working with members and the settlement sector on implementing the key recommendations.

- Multicultural Youth Advocacy Network

The Multicultural Youth Advocacy Network (MYAN) is a national body that represents multicultural youth sector networks in each of Australia's states and territories, and is auspiced through the Centre for Multicultural Youth (CMY).

The MYAN has a focus on building capacity in states and territories to identify and be responsive to the needs of multicultural young people through policy and advocacy work. Of particular note, in November 2012, a new partnership project was established between the CMY, the Greater Western Sydney Giants Football Club, MYAN New South Wales and its local host organisation Settlement Services International for the establishment of a new independent service in New South Wales that will support young people from migrant and refugee backgrounds in the Greater Western Sydney area.

MYAN promotes the issues of multicultural youth by stakeholder engagement through newsletters, its website, presentations and links with peak bodies. MYAN continues to provide representative advice to government through comprehensive submissions and policy advice on issues affecting multicultural youth. In 2012–13, MYAN established a strategic stakeholder advisory group, involving a range of relevant government and non-government stakeholders, to focus on overseeing the development and implementation of a nationally consistent best practice policy and model to deliver youth settlement services.

The Migration Council Australia (MCA) is a not-for-profit organisation which was launched on 1 August 2012. The MCA seeks to improve the productive benefits of Australia's migration and humanitarian programs by encouraging greater understanding of migration and settlement issues through the promotion of best practice, research and in building partnerships between corporate Australia, the community sector and government.

In March 2013, the MCA hosted their inaugural Migration and Settlement Awards. The awards showcased the work of organisations and individuals who assist new migrants to settle in Australia, feel included in society and participate in the broader community and labour market. The awards ceremony was attended by more than 250 guests including leaders in business, government, sport, academia, the media and the community.

In April 2013, the Minister for Multicultural Affairs announced a package of new measures for 2012–13 and 2013–14 to empower local communities to embrace the benefits of multiculturalism and maintain cohesive and socially inclusive neighbourhoods. As part of the package, in June 2013, the minister awarded a grant of $5 million to the MCA over 2012–13 and 2013–14 for the empowering multicultural communities—community hubs program. The program aims to create meeting spaces in up to 100 communities across Australia and will offer practical assistance to migrants to establish links with wider community services and support in a safe and familiar environment and thereby support their full participation in Australian society.

The program will be delivered through a partnership between the department, the MCA, the Scanlon Foundation and the Murdoch Children's Research Institute. Of the total grant amount of $5 million, the MCA will administer one-off, merit-based secondary grants with a total value of approximately $4.5 million to a range of organisations and locations that support a community hub. The MCA will also retain approximately $500 000 to provide a range of activities and services including project management services and secondary grants administration services.

Support for community services

The SGP supports the delivery of settlement services for migrants and refugees by:

- providing settlement services designed to support migrants and humanitarian entrants to settle and participate in Australian society as fully as possible

- 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 grants 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 service-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.

The department also regularly monitors and updates its SGP program risk assessment documentation to ensure risks (including the risk of internal and external fraud) are identified and managed in a timely manner.

TIS on-site interpreting

TIS National arranges for interpreters to attend appointments face-to-face when using a telephone interpreter would not be suitable, to enable accessible, high-quality communication between people who do not speak English and agencies and businesses that need to communicate with their non-English speaking clients.

The service is used by the department's clients as well as government agencies, non-government organisations, service providers and private businesses. On-site interpreting services can be arranged for any location in Australia subject to interpreter availability.

New technology enhancements have made TIS National's on-site booking processes more efficient. On-site booking requests sent using the online booking request form automatically register in TIS National's system, reducing errors and allowing requests to be processed in the shortest possible time frame.

Close-up

Kabul street kid makes school captain

Afghan-born Dawood Baqiri wonders how he survived alone on Kabul's tough streets from the age of 13. More humbling, Dawood said, was being elected a Victorian school captain just a year after resettling in Australia.

Now 21, he is studying for a bachelor of social science (legal and dispute studies) at Melbourne's RMIT University.

This will add to Dawood's numerous achievements since he arrived as a refugee on New Year's Eve in 2009, unable to speak English.

His achievements include the Australian Defence Force Long Tan Leadership and Teamwork Award in 2011, Shepparton's McGuire College Academic Achievement Award in 2011 and 2012 and last year's Honouring a Local Hero Award.

While still in Year 12, Dawood was elected vice-president of the Shepparton Afghan community.

Dawood spent his early life in Pakistan and at age 13, he returned alone to Afghanistan and fended for himself on the streets of Kabul and Herat by selling cigarettes and chewing gum.

'I was a street boy,' he said. 'Some days I didn't go to school; mainly I worked before or after school and at weekends. It was dangerous for me. Sometimes I didn't have a place to sleep at night—just wherever I could. I lived like that for three years.'

At 16, Dawood successfully applied to join his step-family in Australia.

In 2009, aged 17, when granted a visa for Australia, he had to return to Pakistan for interviews before resettling here.

In Australia, Dawood commenced school at McGuire College in Shepparton in 2010.

> 'Sometimes I didn't have a place to sleep at night.'

Despite not speaking English, he threw himself into secondary education, relying on skills that helped him survive Kabul's 'school of hard knocks'.

Dawood overcame the language barrier and his lack of a primary school education, and in 2012 he was elected McGuire College school captain from a field of seven candidates—after receiving 70 per cent of the votes.

'Being elected school captain changed everything for me. It has given me the inspiration to do my best.'

Photo: Streets ahead—Dawood Baqiri outside RMIT University in Melbourne.

Performance

In 2012–13, TIS National experienced a 11.1 per cent growth in the number of on-site interpreting services delivered, providing 72 512 services.

A significant portion of this increase can be attributed to the provision of interpreters as part of the department's response to irregular maritime arrivals (IMAs), as well as a marked growth in demand in the health sector for the provision of on-site interpreters.

The number of on-site services performed by NAATI-accredited or recognised interpreters increased in 2012–13, representing 81.7 per cent of all on-site services provided.

There was a significant increase in demand for on-site interpreting services in recently introduced community languages, where NAATI accreditation is not available.

TIS National continues to work with its interpreters to improve their credentials through collaboration with NAATI to establish new language testing panels, the interpreter improvement scholarship and sponsorship program and other initiatives. The 10 languages most in demand for on-site services were (in descending order): Arabic, Vietnamese, Persian, Mandarin, Dari, Turkish, Hazaragi, Cantonese, Tamil and Nepali.

Figure 17: On-site interpreting
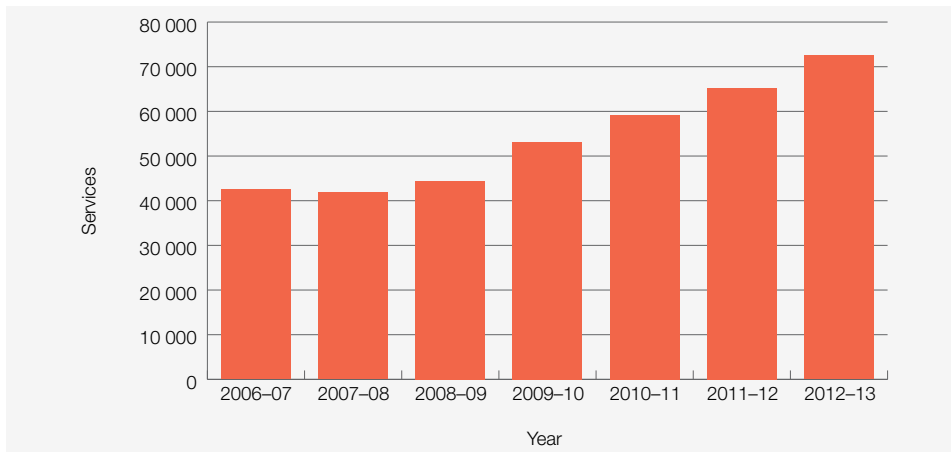
TIS telephone interpreting

TIS National provides immediate telephone interpreting, automated telephone interpreting and pre-booked telephone interpreting, to enable accessible, high-quality communication between people who do not speak English and agencies and businesses that need to communicate with their non-English speaking clients.

The service is used by the department's clients as well as government agencies, non-government organisations, service providers and private businesses.

TIS National provides access to immediate telephone interpreters 24 hours a day, every day of the year. The service facilitates three-way conversations between English speaking and non-English speaking parties and an interpreter through the use of a national phone number—131 450. People who do not speak English can also directly request interpreting services using the national phone number.

TIS National also provides an automated voice prompted telephone interpreting service—ATIS Voice. ATIS Voice allows English speaking clients to access an immediate telephone interpreter without assistance from a TIS National operator 24 hours a day, every day of the year. The number of languages available through ATIS Voice will be expanded in 2013–14.

TIS National also provides priority lines for emergency services and medical practitioners.

New technology enhancements have made TIS National's pre-booked telephone booking processes more efficient. Pre-booked telephone interpreting requests sent using the online booking request form automatically register in TIS National's system, reducing errors and allowing requests to be processed in the shortest possible time frame.

Performance

In 2012–13, TIS National experienced a 7.5 per cent decrease in the number of telephone interpreting services delivered, providing 1 027 528 services.

The number of services delivered decreased as a result of a major disruption to all services caused by an electrical fire in the TIS National office in August 2012. After the fire, essential services were restored quickly, with full services restored in three months.

Non-English speaking clients directly initiated 51 per cent of requests for an immediate telephone interpreter.

The 10 languages most in demand for telephone services were (in descending order): Mandarin, Arabic, Persian, Vietnamese, Tamil, Hazaragi, Korean, Cantonese, Dari and Turkish.

Figure 18: TIS National Telephone Interpreting jobs
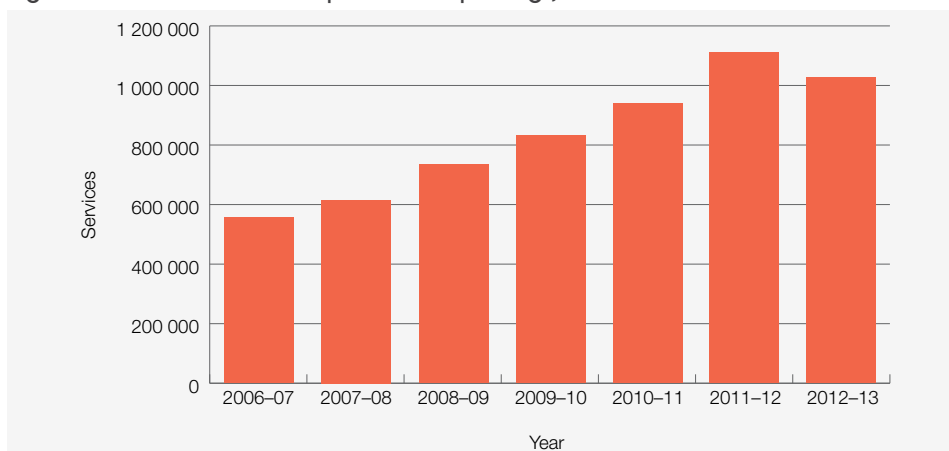
Outcome 6

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: Jessica, whose parents were born in Vietnam, is studying at university.
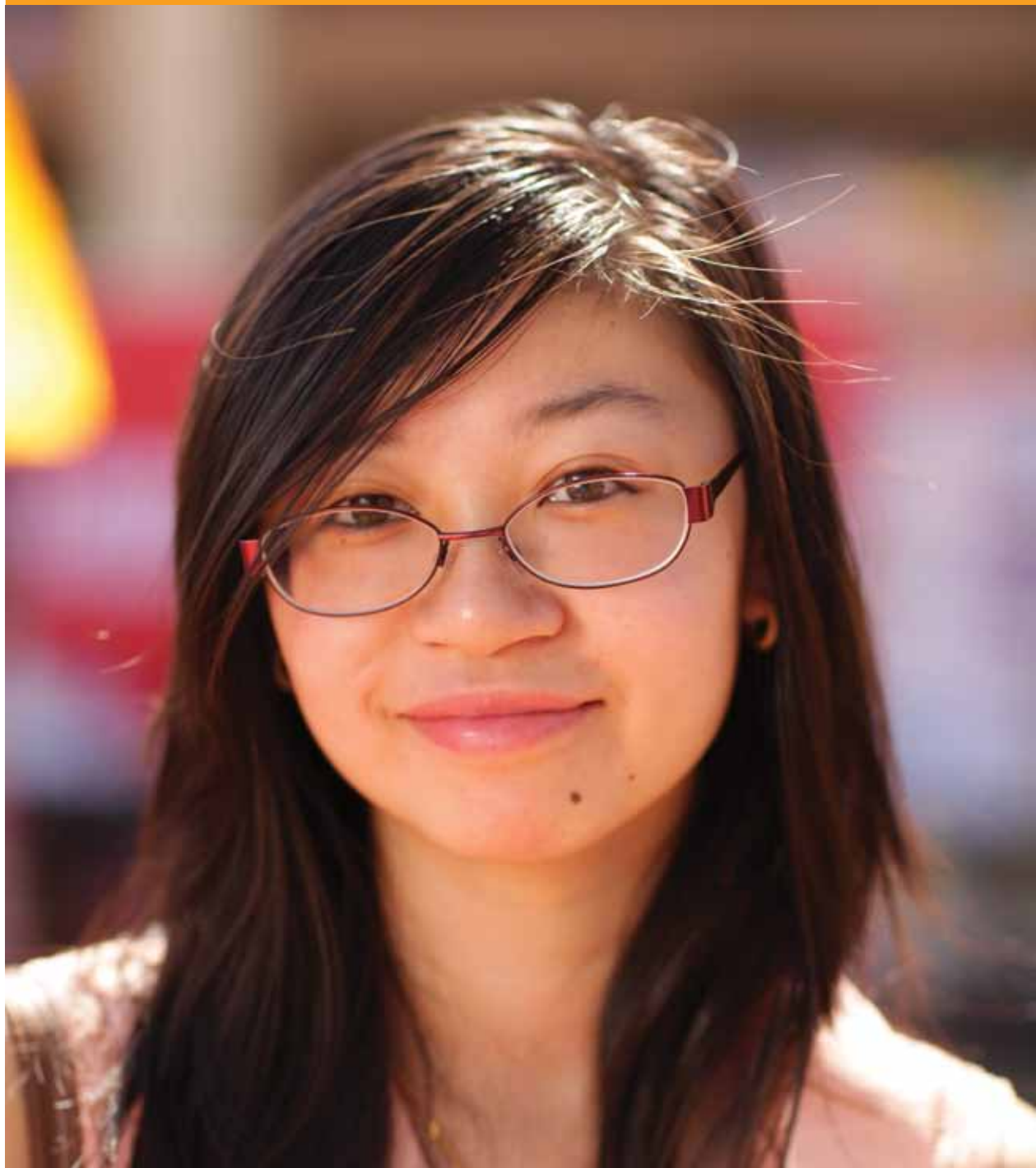
Program 6.1 Multicultural and citizenship services

During 2012–13 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 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

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[1]:

- implementing the *People of Australia,* Australia's multicultural policy and its initiatives
- a 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
- an Australian Government multicultural access and equity policy and *Multicultural language services guidelines for Australian Government agencies*, which promotes the importance of Australian Government agencies being responsive to Australia's cultural diversity
- the department's nationwide network of community liaison officers, which monitors 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 all three ministers[2]
- providing secretariat support for the Australian Multicultural Council (AMC), 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. The wording of the Program 6.1 strategy was altered in the *Portfolio Additional Estimates Statements 2012–13*.
2. Senator the Hon Matt Thistlethwaite was sworn in as Parliamentary Secretary for Multicultural Affairs and Pacific Island Affairs on 26 March 2013.

Major achievements

Citizenship program

In 2012–13, the conferral application rate increased by approximately 32.6 per cent compared to the 2011–12 program year. The department performed strongly in managing the increase in the application rate, resulting in the finalising of 39.8 per cent more applications than in 2011–12. As a result of the increase in the application rate, some 123 438 people took the final step in their migration journey and became Australian citizens in 2012–13. The growth and diversity of the program was reflected by the 17 059 people from 145 countries who became Australian citizens at 430 ceremonies staged as part of Australia Day 2013 celebrations.

Having assisted the minister to introduce the Australian Citizenship Amendment (Defence Families) Bill 2012 late in 2011–12, the department supported the minister in guiding the Bill through parliament. The *Australian Citizenship Amendment (Defence Families) Act 2012* recceived Royal Assent on 12 September 2012 and came into effect on 1 January 2013. This amendment to the *Australian Citizenship Act 2007* enables 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.

The department also delivered the *Australian Citizenship Amendment (Special Residence Requirements) Act 2013*, which received Royal Assent on 21 June 2013 and came into effect on 22 June 2013. The Act amends the *Australian Citizenship Act 2007* to provide the Minister for Immigration and Citizenship with a non-compellable, non-delegable power to apply alternative residence requirements to certain applicants for citizenship by conferral in cases where it would be of benefit to Australia to do so. The categories of people covered by these provisions, and by the general special residence requirement, are set out in a legislative instrument. This list has been expanded to include scientists and researchers, medical specialists, performing artists who are holders of a distinguished talent visa and chief executive officers and executive managers of an ASX 200—All Australian listed company. Cricket Australia has been added to the list of sporting bodies which can support a special residence application.

Australian Multicultural Council public discourse strategy

The Australian Multicultural Council's (AMC) public discourse strategy was significantly enhanced in 2012–13 by the establishment of an annual lecture series to promote the social and economic benefits of a culturally diverse Australia and the conduct of a major industry-focused roundtable.

The inaugural Australian Multicultural Council lecture was held in Parliament House on the evening of 19 September 2012 and was delivered by distinguished Australian businessman Mr Frank Lowy AC. Nearly 150 people attended the lecture, including a large number of federal parliamentarians. The AMC was very pleased with the support the lecture received from across the political spectrum and was honoured that both the Prime Minister and Leader of the Opposition paid tribute to, and pledged support for, Australia's multiculturalism. The AMC was also pleased with the significant media and public reaction to the event which was broadcast on ABC News 24 and Sky News Australia. Transcripts and video clips of the major speeches from the inaugural lecture are available on the AMC's website, www.amc.gov.au.

The AMC hosted the Productivity, Diversity and Migration in an Asian Century roundtable in Melbourne on 15 March 2013. The council's aim was to promote dialogue between industry, trade unions, civil society and academia, and to inform the AMC's advice to government about the economic opportunities and challenges in managing diversity and migration. Moderated by Peter Mares from the Grattan Institute, the day brought together an engaging group of panellists to challenge participants to consider how business, industry and the Australian economy benefit from diversity.

Strengthened multicultural access and equity policy and agency multicultural plans

In March 2013, the government responded to the report titled *Access and equity for a multicultural Australia*, presented by the Access and Equity Inquiry Panel chaired by Peter Hughes PSM, and affirmed its commitment to each of the recommendations. The result is the strengthened *Multicultural access and equity policy: Respecting diversity. Improving responsiveness*. The policy is the primary vehicle for improving the responsiveness of government services to Australia's culturally and linguistically diverse population.

Access and equity is about ensuring that all Australians receive equitable access to government services regardless of their cultural or linguistic backgrounds. The strengthened policy covers all engagement and communication of government departments and agencies with multicultural communities, not just direct service delivery. The policy also enables access and equity reporting to be more transparent, and departments and agencies to be more accountable by requiring them to develop and implement two-yearly agency multicultural plans (AMPs). Plans include six dimensions—leadership, engagement, performance, capability, responsiveness and openness—on which departments and agencies must report. The Australian Government has committed to delivering minimum obligations included in each of these dimensions. The department developed and issued resources to assist departments and agencies in understanding and meeting their obligations under the strengthened policy.

At the same time the department issued the revised *Multicultural language services guidelines* for Australian Government agencies in response to recommendations from the Access and Equity Inquiry and the 2009 Commonwealth Ombudsman's Own Motion investigation into the use of interpreters in four Australian Government agencies. The guidelines provide a practical framework for departments and agencies to develop their own tailored guidelines on all forms of communication in languages other than English (including translating and interpreting services).

The department provided whole-of-government leadership and coordination in the development of AMPs for all Australian Government departments and agencies required under the FMA Act to develop a plan. Draft plans were reviewed by the AMC, with final endorsement by the Minister for Multicultural Affairs. Plans are to be published on departmental and agency websites from 1 July 2013.

Challenges

Citizenship program

The 2012–13, program year saw the citizenship conferral application rate increase by approximately 32.6 per cent compared to the 2011–12 program year and 95.1 per cent compared to the 2010–11 program year. This increase in conferral applications was largely the result of the flow-on effect from large migration programs over recent years. Due to this significant growth, 62.9 per cent of conferral applications were processed within the service standard in 2012–13 and measures have been implemented to address this in 2012–13. The department will continue to focus on processing efficiency and on providing greater support for decision-makers.

Table 71: Outcome 6 financial resources summary 2012–13

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] 2012–13 $'000	Actual Expense 2012–13 $'000	Variations 2012–13 $'000	Budget Estimate 2013–14 $'000
Program 6.1: Multicultural and Citizenship Services				
Administered expenses				
Ordinary annual services (Appropriation Acts 1 and 3)	3 057	2 539	(518)	11 443
Departmental expenses				
Departmental appropriation (Appropriation Acts 1 and 3) and Revenue from independent sources (Section 31 FMA Act)	70 102	68 294	(1 808)	71 378
Expenses not requiring appropriation in the Budget year[1]	5 851	3 850	(2 001)	5 974
Total expenses for Outcome 6	79 010	74 683	(4 327)	88 795
Average Staffing Level (number)	470	475		475

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

2. The 2012–13 Budget represents the Estimated Actual Expenses published in the *Portfolio Budget Statements 2013–14*.

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.

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
- Promote the value of Australian citizenship.

The following tables report against the deliverables and key performance indicators as published in the *Portfolio Budget Statements 2012–13* and *Portfolio Additional Estimates Statements 2012–13*.

Multicultural and citizenship services—deliverables[1]
Deliverable: **Provide research, evidence based policy advice and support services to both ministers.**
Result: The department provided advice to the Minister for Immigration and Citizenship on a number of matters relating to citizenship law and policy, including submissions on international arrangements for reproductive surrogacy and amendments to the *Australian Citizenship Act 2007* to provide the Minister for Immigration and Citizenship with a non-compellable, non-delegable power to apply alternative residence requirements to certain applicants for citizenship by conferral.

Research undertaken by Edith Cowan University into social cohesion was completed this year. The research, *Current and emerging drivers for social cohesion, social division and conflict in multicultural Australia,* provides case study exploration of the drivers of social cohesion, social division and conflict in multicultural Australia. |

1. The wording of the program deliverables was altered in the *Portfolio Additional Estimates Statements 2012–13.*

The research identified factors for building social cohesion including positive intergroup contact through community events, strategies and programs to strengthen access and equity; and the promotion of diversity and plurality at all levels of government. The findings contribute to an evidence base that will help to improve social cohesion initiatives and strategies.

The department is collaborating with the Australian National University in an Australian Research Council Linkage Grant project *Building successful diverse communities: what works and why?* which focuses on how to build successful, diverse communities through grants funded under the department's diversity and social cohesion program (DSCP). The project will provide a larger evidence base to inform policy and programs on social harmony in Australia.

A component of the strengthened *Multicultural access and equity policy: Respecting diversity. Improving responsiveness* is that Australian Government departments and agencies consider their responsiveness to the needs of Australia's culturally and linguistically diverse populations in their policies, programs and services. This includes building on client-related research and evidence to support better business planning to improve the delivery of government services.

As the lead agency in coordinating and implementing the strengthened policy, the department has developed and distributed a toolkit of policy and planning resources and good practice guidelines, and conducted five whole-of-government workshops to assist departments and agencies in meeting their multicultural access and equity minimum obligations.

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 2012–13 work plan. These included:

- communicating and promoting the benefits of Australia's cultural diversity to the broad community, through a range of media and communications initiatives, including FECCA's website, electronic bulletin and magazine
- advocating on behalf of culturally and linguistically diverse Australians through, for example, formal submissions to government
- conducting a wide-ranging organisational review of FECCA to strengthen its capacity to represent Australians from culturally and linguistically diverse backgrounds
- contributing to the implementation of the government's access and equity strategy and framework through, for example, community consultations and reporting to government.

In April 2013, the Minister for Multicultural Affairs announced a $15 million package of new measures to empower local communities to embrace the benefits of multiculturalism and maintain cohesive and socially inclusive neighbourhoods. As part of this package, the new building multicultural communities program was advertised in May 2013 to provide resources to improve infrastructure that will enhance social inclusion and create meeting places to bring together individuals and families in the community.

Multicultural and citizenship services—deliverables *continued*

Deliverable: Manage the diversity and social cohesion program.

Result: In 2012–13, 49 diversity and social cohesion program 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 92 projects which continued from previous funding rounds.

In 2012–13 multicultural arts and festivals grants (MAFG) provided funding to 43 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 with the aim of increasing social cohesion.

In April 2013 the Minister for Multicultural Affairs announced a package of new measures for 2012–13 and 2013–14 to empower local communities to embrace the benefits of multiculturalism and maintain cohesive and socially inclusive neighbourhoods. This included expanding the DSCP and including funding to respond to emerging issues. The empowering local communities program was developed as part of the DSCP, under which three grants were awarded in 2012–13.

Deliverable: Provide support services to the Australian Multicultural Council.

Result: The department continued to provide secretariat support to the AMC, supporting four formal meetings and providing policy and logistical support to assist the AMC in fulfilling its multicultural advisory responsibilities as outlined in its terms of reference.

Deliverable: Encourage Australian Government agency responsiveness to cultural and linguistic diversity through implementing the *Multicultural access and equity policy and Multicultural language services guidelines for Australian Government agencies*.

Result: As the lead agency in coordinating the whole-of-government implementation of the strengthened *Multicultural access and equity policy*, the department has developed and distributed a toolkit of policy and planning resources and good practice guidelines, and conducted five whole-of-government workshops to assist departments and agencies in being responsive to their diverse clients in their policy, program and service deliveries.

Under the new policy, the department has also developed its inaugural Agency Multicultural Plan which will span the period 1 July 2013 to 30 June 2015. The plan sets out the actions the department will take to improve its responsiveness to the cultural and linguistic diversity of the Australian community.

To further support implementation of the new policy, the department has published the revised *Multicultural language services guidelines for Australian Government agencies*. The guidelines provide a practical framework for Australian Government agencies to develop their own tailored language and communication plans on all forms of communication in languages other than English (including translating and interpreting services).

In April 2013, the Minister for Multicultural Affairs announced a $15 million package of new measures to empower local communities to embrace the benefits of multiculturalism and maintain cohesive and socially inclusive neighbourhoods.

One million dollars over 2012–13 and 2013–14 was allocated to expanding translation services and increasing resources for language translation services for Australian Government programs to ensure that all Australians have equal access to government services and programs.

To 30 June 2013, $169 000 has been spent on translations completed as part of the new measure.

Deliverable: Deliver lawful citizenship decisions under Australian citizenship legislation.

Result: In 2012–13, a total of 178 826 decisions were made on client applications for citizenship by conferral or descent and resumption of citizenship. To ensure the delivery of lawful citizenship decisions, the department provided training on citizenship law and policy to 72 citizenship officers through the citizenship training program and various tailored courses delivered by policy experts to state and territory offices.

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: Continue to provide 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 2012–13, resulting in 123 438 people from more than 190 countries becoming Australian citizens throughout Australia during the year.

Multicultural and citizenship services—key performance indicators

Indicator: Milestones and timelines specified in funding agreements for grants are met.

Result: During 2012–13, in addition to 49 new DSCP projects, the department also managed 92 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.

During 2012–13 the department managed 43 projects funded under the MAFG component of the DSCP. All projects were completed within agreed timelines in 2012–13.

FECCA substantially met the performance indicators under its 2012–13 funding agreement and work plan. A grant of $432 000 (GST exclusive) was paid on time in two equal instalments in July 2012 and February 2013.

Indicator: Government agencies report increased client satisfaction with the delivery of government services.

Result: The department compiled the *Access and equity in government services report 2010–12*, which is the final report under the previous access and equity framework. Future reports which compile the access and equity approach to Australian Government policies, programs and services will be based on individual agency multicultural plans, a key component of the *Multicultural access and equity policy: Respecting diversity. Improving responsiveness* which was launched in March 2013.

FECCA conducted community consultations to report on the level of satisfaction with the delivery of government services to culturally and linguistically diverse clients. Consultations were held in Auburn, Cooma, Perth and Ballarat with the findings reported to government in June 2013.

Multicultural and citizenship services—key performance indicators *continued*

Indicator: **Government services available and accessible nationwide.**

Result: The department is facilitating the implementation of the *Multicultural access and equity policy: Respecting diversity*. *Improving responsiveness* to ensure that government programs and services are responsive to the needs of Australia's culturally and linguistically diverse communities. To assist Australian Government departments and agencies, the department has distributed a multicultural access and equity policy toolkit and agency multicultural plan template to support access and equity in government services.

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. In 2012–13, 62.9 per cent of applications were decided within the service standard, due to a sustained increase in the number of applications received.

Indicator: **Increased awareness of, and interest in, Australian citizenship.**

Result: In 2012–13, there were 380 245 visits to the department's online Citizenship Wizard, compared to 353 321 in 2011–12, and 432 040 phone calls to the citizenship information line were answered by an information officer, compared to 320 662 in 2011–12.

Table 72: Multicultural and citizenship services—performance information[1]

Key performance indicators	2010–11 actual	2011–12 actual	2012–13 target	2012–13 actual
Visits to the Citizenship Wizard	309 634	353 321	300 000	380 245
Percentage of citizenship decisions overturned	<1.0%	<1.0%	<1.0%	<1.0%
Percentage of conferral client applications decided within the 60 day service standard	78.9%	82.1%	80.0%	62.9%

1. The wording of the program performance indicators was altered in the *Portfolio Additional Estimates Statements 2012–13*.

Administered items

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 diversity and social cohesion policy guidelines.

Result: In 2012–13, 49 new grants were funded, all of which met the eligibility criteria of the DSCP. These grants were assessed and allocated funding through a competitive grants process.

MAFG funding was awarded to 43 organisations. These grants were assessed and allocated funding through a competitive grants process.

Deliverable: Projects achieve agreed objectives/milestones.

Result: 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.

Administered item—Grants for multicultural affairs

Objective: Provide a grant to the Federation of Ethnic Communities' Councils of Australia to provide advice on behalf of ethnic communities in Australia to government and the wider community.

Deliverable: Funding agreement meets government objectives.

Result: Federation of Ethnic Communities' Councils of Australia (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 all forms of discrimination and racism. FECCA's membership comprises state, territory and regional multicultural and ethnic councils.

In 2012–13, the government provided a grant of $432 000 (GST exclusive) to FECCA to assist in meeting its objectives.

During the year, FECCA focused on promoting the benefits of cultural diversity to the Australian community, advocating on behalf of migrant and refugee communities, conducting a wide-ranging organisational review of FECCA to strengthen its capacity to represent Australians from culturally and linguistically diverse backgrounds, and contributing to the implementation of the government's access and equity strategy and framework.

FECCA provided submissions to government on a range of issues including:

- anti-discrimination laws
- employment services
- asylum seeker processing
- disability services
- barriers to employment for older Australians.

FECCA conducted community consultations on the accessibility of government services to culturally and linguistically diverse clients, and as a member of the national anti-racism partnership, contributed to the development and implementation of the national anti-racism strategy.

FECCA substantially met the performance indicators under its 2012–13 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 2012–13, the invitation-for-construction tender was released. Tender responses have been evaluated and the City of Stirling has endorsed the preferred tenderer for the project. Refurbishment work has commenced, and practical completion is expected in 2014.

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: The Pacific seasonal worker scheme closed on 30 June 2012 and has received no funding since 2011–12.

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 2012–13, 178 826 decisions were made on client applications for citizenship status by conferral, descent and resumption, compared to 133 129 in 2011–12. This represents an increase of 34.3 per cent and is largely the result of more people applying for citizenship following large migration programs over recent years. The overall approval rate of applications for conferral was 62.9 per cent in 2012–13.

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 2012–13.

Table 73: Outcomes of citizenship applications 2011–12 to 2012–13

Citizenship outcome	Results		
	2010–11	2011–12	2012–3
People approved for conferral of Australian citizenship	85 916	95 776	137 062
People issued with Certificates of Evidence of Australian citizenship	19 872	18 942	18 417
People registered as Australian citizens by descent	16 682	18 718	19 075
People resuming Australian citizenship	262	191	234
People registered as losing Australian citizenship[1]	381	240	463

1. Loss statistics include renunciation of Australian citizenship.

Citizenship test outcomes

Outcomes of the Australian citizenship test administered during 2012–13 were as follows:

- 103 431 clients sat the Australian citizenship test
- 101 710 clients (98.3 per cent) passed the test
- 124 856 tests were administered, including re-sits where clients did not pass the test on their first attempt.

A range of measures is 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 possible answers, or operating the mouse.
- If clients have low literacy skills and have completed at least 400 hours of English language tuition under the AMEP, a government officer will provide assistance by reading the questions and possible answers.
- A citizenship course, *Our common bond: a course in Australian citizenship*, is available where demand exists, as an alternative citizenship test for a small group of disadvantaged 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

Community information sessions were delivered in October 2012 in Albury-Wodonga. These sessions were designed specifically for the Bhutanese community. The Bhutanese community have been settling in Albury since 2009 and are progressively meeting the four years' residence requirement to become eligible to apply for Australian citizenship. A total of 83 people attended the three presentations.

Most people who attended were refugee and humanitarian entrants who had low levels of English literacy, especially the older adults. Many were concerned about passing the citizenship test. The information sessions explained the different test options available to clients, including the citizenship course where there was sufficient demand.

Although the number of community information sessions decreased during 2012–13 when compared with the previous year, they continued to increase public awareness of Australian citizenship by explaining the application process, promoting the availability of study resources and the citizenship course as an alternative pathway to citizenship.

Close-up

Sweet harmony for a new Australian citizen

Like more than 120 000 people from across the country, singing star Paulini became an Australian citizen in 2012–13.

Paulini, an Australian Idol finalist in 2003, joined 50 other new citizens to make the Australian citizenship pledge at a ceremony in Canberra marking Harmony Day on March 21.

'Australian citizens come from across the globe and my story is no different,' Paulini said.

'I moved here from Fiji when I was four-years-old. I am so excited to be taking this step to formally join the Australian family.'

Paulini thrilled the crowd at the ceremony with her performance of her hit *I believe* with local hip-hop group KultureBreak, founded by Paulini's friend and ACT Local Hero for 2013, Francis Owusu.

This special ceremony was one of hundreds staged across Australia this year.

More than 17 000 people became Australian citizens in 430 ceremonies on Australia Day alone.

The department received and finalised more citizenship applications this year than in any other. The 2012–13 program year saw a 32.6 per cent increase in the number of people applying to become an Australian citizen.

> 'I am so excited to be taking this step to formally join the Australian family.'

Forecasts for next year indicate that more than 200 000 migrants will make the decision to formally become part of the Australian family by becoming citizens.

Photo: Paulini took the citizenship pledge on Harmony Day.

Citizenship course outcomes

The citizenship course-based test continued to meet its objectives of providing an alternate pathway to citizenship for disadvantaged clients.

In 2012–13, 37 courses were delivered by relevant AMEP service providers in metropolitan Sydney, Melbourne, Perth, Adelaide, Brisbane and regional Shepparton.

A total of 606 clients enrolled in the course. Of these, 542 clients (89 per cent) passed the course, 56 clients failed the course (9 per cent) and 8 clients (1 per cent) withdrew from the course.

Table 74: Citizenship course outcomes

Number of clients[1]:	2012–13
Enrolled	606
Passed the course	542 (89%)
Failed the course	56 (9%)
Withdrew from the course	8 (1%)

1. Percentages of components do not tally to 100 per cent due to rounding.

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 2012

Australian Citizenship Day 2012 saw around 3000 people from 115 countries become Australian citizens. One example of the 60 citizenship ceremonies staged on and around 17 September was a ceremony hosted by the department for 30 new citizens at the iconic Museum of Old and New Art (MONA) in Tasmania where People of Australia Ambassador, Mr Fayia Isaiah Lahai, was a guest speaker.

In 2012 the department approached schools, scouting groups, councils, community organisations, multicultural groups and government departments to encourage them to reflect on what it means to be an Australian citizen and encourage use of the Australian citizenship affirmation. A number of community groups and schools registered Australian Citizenship Day events. This included the first Cherrybrook Scout Group in NSW who used the *I am Australian: exploring Australian citizenship* educational resources to support a visit to their local council to meet the mayor and learn about civics, citizenship and government. The Scout Group also hosted an affirmation ceremony to earn their Citizenship Level 1 badge.

The department also encouraged community engagement through social media in 2012 including hosting the first Australian Citizenship Day themed live chat on the department's Facebook page.

Australia Day 2013

Australia Day continues to be a pivotal day to recognise Australian citizenship as the unifying bond in our nation and the most popular day to welcome new citizens into the community. On Australia Day 2013, a record number of 17 059 people become Australian citizens at 430 special ceremonies across the country.

A key component of the department's strategy to promote the value of Australian citizenship is its partnership with the National Australia Day Council (NADC). The NADC works closely with the department to promote the Australian citizenship affirmation and encourages the inclusion of affirmation ceremonies in Australia Day events. More than 27 500 affirmation resources were distributed by the NADC to local councils for their Australia Day events, giving thousands of existing Australian citizens the opportunity to affirm their commitment to Australia.

A major highlight of the partnership was the national capital's Australian citizenship ceremony presided over by the Prime Minister, with the Governor-General leading the affirmation ceremony. This ceremony was broadcast live to an audience of 52 000 ABC1 viewers and was available to view after the event on ABC iview, giving many thousands of Australians the opportunity to witness a citizenship and affirmation ceremony.

Australia's Local Hero Award

The department continued to work with the NADC to promote the value of Australian citizenship through its sponsorship of Australia's Local Hero Award, one of the four categories of the Australian of the Year Awards. Australia's Local Hero Award recognises the extraordinary contributions made by Australian citizens who work to make their local community a better place.

Australia's Local Hero for 2013 is outstanding community leader, Mr Shane Phillips from New South Wales. Mr Phillips is a respected member of the Redfern Aboriginal community and is credited with improving the relationship between Redfern youth and local police through the Clean Slate Without Prejudice program. He is also the fulltime CEO of the Tribal Warrior Association, a non-profit organisation directed by Aboriginal people and elders that offers training and mentoring programs and helps at the grassroots level with emergency relief for struggling families.

Stakeholder and community engagement

The department conducted a range of stakeholder and community engagement activities to promote the value of Australian citizenship, encourage eligible non-citizens to apply and to provide support to key stakeholders. This included hosting information booths at major events such as the National Multicultural Festival in Canberra in February 2013; the Local Government Managers Australia National Congress and Business Expo in Hobart in May 2013; the Australian Local Government Association National General Assembly in Canberra in June 2013; and the Australia Day National Conference in Canberra in June 2013. The department also wrote to key stakeholders throughout the year to encourage use of Australian citizenship resources.

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

During the year the department has continued to implement initiatives of *The People of Australia*, Australia's national multicultural policy which was launched in February 2011.

Australian Multicultural Council

The AMC has met 10 times since it was established in August 2011 including four times this year.

The AMC's priorities, as set out in its terms of reference, are to:

- act as an independent champion of our multicultural nation
- have a formal role in a strengthened access and equity strategy
- have a research advisory role around multicultural policy
- assist with cultural diversity celebrations and Harmony Day activities
- implement the People of Australia Ambassador program to articulate the benefits of our multicultural nation and help celebrate it.

One of the highlights for the year was the establishment of the AMC lecture to promote the benefits of Australia's cultural diversity. The inaugural lecture was delivered by Mr Frank Lowy AC in Canberra on 19 September 2012 and was well attended.

Access and equity

During 2012–13, the department commenced implementation of the strengthened *Multicultural access and equity policy: Respecting diversity. Improving responsiveness*. This was one of the key recommendations of the access and equity Inquiry report which was presented to the government in June 2012.

National anti-racism partnership and strategy

The department is a key partner of the national anti-racism partnership, which is led by the Australian Human Rights Commission. The partners met five times during 2012–13 to develop the national anti-racism strategy and progress its implementation.

The national anti-racism strategy was launched by the Minister for Multicultural Affairs, Senator the Hon Kate Lundy and the then Attorney-General, the Hon Nicola Roxon MP on 24 August 2012. The strategy includes the campaign *Racism. It stops with me* which aims to raise awareness of, and reduce racism.

The department is contributing to the implementation of the strategy primarily through the DSCP by encouraging applications which have a strong anti-racism focus.

Close-up

Social media spreads harmony story that everyone belongs

Harmony Day promotes cultural diversity, anti-racism and the importance of social cohesion and continues to reach the Australian community with the message of *Everyone belongs*—sharing respect, understanding, acceptance and a fair go for all.

It has been celebrated at more than 60 000 events nationwide and is embraced every year by schools, community groups and across government and business.

This year, social media was again used to extend Harmony Day's presence on platforms such as Twitter, Facebook and Instagram.

The department wanted to drive home the message that no matter where we come from, everyone belongs.

The theme of *Many stories—one Australia* grew from that and when combined with social media, people had a platform to share their stories with others.

The department's approach was that by sharing individual stories, people have greater respect and appreciation, and discover how everyone's stories enrich our multicultural nation.

The department partnered with SBS to develop the *Tell Us Your Harmony Story* competition, inviting Australians to share their stories. Harmony Day event organisers were encouraged to base their events around the story-telling theme.

A new schools resource—the Harmony Day Stories application—brought to life three Harmony Day characters through the use of augmented-reality technology. The application and associated plans were designed to spark conversations in schools around themes of multiculturalism, social cohesion and hope.

> No matter where we come from, everyone belongs.

And the results?

In 2013, Harmony Day became a top 10 trending topic on Twitter, more than one million Twitter conversations were captured and the Harmony Day Stories app was downloaded more than 1500 times.

More than 170 entries were submitted for the competition and more than 5000 events were registered.

The Harmony Day website www.harmony.gov.au received 7527 visitors in January, 15 763 in February and 58 072 in March.

Photo: Three-year-old Christian participated in his first celebration of Harmony Day this year at an event in Canberra.

People of Australia Ambassadors

On Harmony Day, 17 new ambassadors were inducted as People of Australia Ambassadors, bringing to 53 the total number of influential Australians selected for their outstanding work in building strong and cohesive communities.

Grants programs

The diversity and social cohesion program—including multicultural arts and festivals grants, and the empowering local communities and building multicultural communities programs for equipment and infrastructure—continues to demonstrate in practical terms the government's unwavering support for a culturally diverse and socially cohesive nation. The programs attracted considerable interest from a variety of organisations across Australia.

Part 4

Management and accountability

Photo: Fevzi likes to join community celebrations in Melbourne whenever he can.

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 currently has four core business groups in its functional and organisational structure. The key responsibilities of these business groups are:

• Client Services Group
The Client Services Group is responsible for delivering the department's key immigration and citizenship programs through a network of offices across Australia and overseas.

• Policy and Program Management Group
The Policy and Program Management Group brings together all policy areas into one group to deliver policies that are based on quality research, clear evidence and that are integrated across the department.

• Business Services Group
The Business Services Group is responsible for delivering specialist support services to the department. These services include finance, property, human resources, technology, legal and assurance services, communications, parliamentary and ministerial support and risk, fraud and integrity.

• 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.

Governance structure

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 our dealings with clients.

The department continues to evolve its governance framework and decision-making processes by adopting best-practice principles and recommendations of independent reviews of governance processes and by engaging with governance and leadership experts and communities of practice. Some recent developments include the centralisation of secretariat services for most key governance committees and the inclusion of capability champions on all the key governance committees.

Change management framework

The change management framework is a governance mechanism that provides a portfolio view of all programs and projects across the department. Programs and projects are initiated by completing a change proposal. This is a logical document that defines all major aspects of a program or project and forms the basis for involving relevant stakeholders and allocating resources. The framework also provides a robust level of business consultation on proposed projects and initiatives to ensure key risks have been identified and business impacts appropriately considered by all relevant stakeholders.

Incident Response Support Unit

The work of the Incident Response Support Unit continued in 2012–13 following its creation in 2010–11. The department has had a long history of responding to requests for assistance at a whole-of-government level to 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 Aceh, Japan and Christchurch).

The role of the unit is to co-ordinate the department's actions prior to, during and after a response to an incident or major event (other than an irregular maritime arrival), 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 for rapid deployment in response to incidents

• maintaining the incident response framework for the department in line with whole-of-government changes

• supporting the activities of the incident response group of senior executive officers from various areas of the department who decide on the manner in which responses to incidents are to be made

• keeping the minister's office and departmental executives informed of the department's whole-of-government response to incidents.

During 2012–13, the unit concentrated on preparations and exercises within the department and with other agencies, in conjunction with the Attorney-General's Department, the Department of the Prime Minister and Cabinet, the Department of Foreign Affairs and Trade (DFAT) and other border agencies, particularly with respect to upcoming G20-related meetings. The unit also provided liaison officers to work with the Department of Defence and DFAT in major simulated international evacuation exercises in far north Queensland.

Corporate and operational planning

The department launched the *Strategic Intent 2012–16*, a new one-page document to replace the previous strategic plan. The strategic intent clearly states what we do as a department and how we will meet our commitment to the government and the people of Australia.

The strategic intent is the key document that informs the department's business planning processes.

Figure 19: Business planning framework—hierarchy of plans

Tier 1: The department's strategic intent provides strategic guidance for the next 12 months. It is the basis of departmental business planning, and it influences how we work with each other, our stakeholders and the community.

Tier 2: Functional plans include budget and capital plans, communication plans, risk and fraud plans and the people strategy.

Tier 3: Business and operational plans include divisional, global manager and section plans.

Tier 4: Individual performance and development agreements.

The business planning process allows sections, branches, global managers and divisions to map their work back to the Portfolio Budget Statement outcomes and assists in managing resources and risks. The flexibility of the business planning process allows the department to respond to new demands as they arise.

Reporting against divisional business plans occurs on a quarterly basis and allows the department to track organisational progress against business objectives. This reporting provides the department with measures of performance that are directly linked to the PBS, thus ensuring that PBS outcomes are accurately measured and business outcomes that might be at risk are identified and mitigation strategies outlined.

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 2011–15*
- *People Strategy 2011–14*
- *Fraud Control Plan 2013–15*
- *Reconciliation Action Plan 2013–16*.

Internal audit and quality management

The internal audit function is managed by the department's Internal Audit Section which reports to the Assistant Secretary, Audit and Assurance Branch, under the authority of the Internal Audit Charter. During 2012–13, the internal audit program was delivered by the Section and a panel of three service providers, Ernst and Young, PricewaterhouseCoopers and Protiviti. The panel was established by an open tender process in 2010 and ceased on 30 June 2013. A tendering process has established a new internal audit panel of two providers commencing from 1 July 2013. The two panel providers are KPMG and Ernst and Young.

To further strengthen the quality and performance of the department's business processes, the department has updated its quality management framework. In 2012, *Secretary's Instruction 8: quality assurance* and the departmental *Quality management policy* replaced the department's *National quality assurance framework*. The two documents describe general responsibilities and guiding principles for the implementation of quality management in the department, in accordance with the requirements of the International Organization for Standardization.

Fraud control

On 3 June 2013 the Executive Committee agreed that the department's overarching fraud control framework will be managed by the Assistant Secretary, Audit and Assurance Branch. The fraud control function will provide independent corporate oversight of the fraud control framework across the department and will provide reports and briefings to the executive on the adequacy of fraud control measures.

The success of fraud control within the department depends on an effective fraud control framework that assigns responsibility for development, implementation and review of fraud control to specific business areas. The new *Fraud Control Plan 2013–15* sets out the department's strategies and operational responses to prevent, detect, investigate and prosecute fraud.

Departmental Audit Committee

The Departmental Audit Committee (DAC) was established in compliance with section 46 of the *Financial Management and Accountability Act 1997*. The DAC provides independent assurance and assistance to the secretary and to the executive committee on the department's internal audit program, risk management, quality assurance, fraud control framework and its external accountabilities.

The 2012–13 annual internal audit program, comprising 13 audits and three health checks, was developed with reference to key departmental strategic and tactical risks.

The financial statements subcommittee of the DAC is responsible for oversight of the annual financial statements preparation, including facilitating resolution of any identified issues in a timely manner. The DAC reviews and clears the department's annual financial statements before they are submitted to the secretary.

The department works co-operatively with the Australian National Audit Office (ANAO) to co-ordinate overall audit activity within the department and to ensure that audit effort is not duplicated. ANAO officers are invited to attend DAC meetings and the financial statements subcommittee.

Risk, fraud and integrity measures

Risk, Fraud and Integrity Division (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 was created during the 2009 transformation process as a central point for risk, fraud and integrity in the department. The division began to take shape throughout 2010–11 and developed again in 2011–12 and 2012–13.

In August 2012, RFID expanded from four to five branches with the integration of the Global Manager of Operational Integrity (GMOI) within RFID. The integration of GMOI within RFID strengthens the delivery of integrity services to the department's key visa and citizenship business areas.

After three years of growth, change and transition, RFID aims to consolidate and strengthen its operations from 2013–14.

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

The department's *Enterprise Risk Map 2013–14* identifies seven strategic risks and 37 tactical risks as well as the senior managers responsible for ensuring risk is effectively managed. The risk map is part of the department's risk management framework and supports the department's strategic planning, audit and assurance activities, procurement and contract management and business continuity management.

Risk management

In 2012–13, the department achieved significant outcomes in risk management, including:

- a review of all divisional risk and fraud assessments to ensure risks are accurately identified and effective controls to mitigate risk are in place
- implementation of an updated risk management framework to support the new *Enterprise Risk Map 2013–14*
- development of a new risk management eLearning course to provide staff with introductory background and information on risk management in the department
- participation in Comcover's annual risk management benchmarking survey (the department achieved a score of 8.59 out of a possible 10, which will result in a 9.15 per cent discount on the department's insurance premium).

Public Interest Criterion 4020

On 2 April 2011, the department introduced a new Public Interest Criterion (PIC) 4020 that provides for visa refusal where a bogus document or false or misleading information is provided in a visa application. PIC 4020 aims to strengthen the integrity of Australia's migration program by minimizing the level of fraud in visa applications.

During 2012–13, PIC 4020 was extended further and now covers all skilled, temporary, and student visas. From 1 July 2013, PIC 4020 will apply to all family stream visa applications.

Investigations

The National Investigations Section conducts specialised criminal investigations to support the department's core policy, operational and business functions as set out in the strategic intent. The investigation of fraud by the department is primarily governed by the Commonwealth fraud control guidelines and the Australian Government investigations standards.

During 2012–13, National Investigations has significantly increased its presence in the courts across all states, submitting 27 briefs of evidence to the Commonwealth Director of Public Prosecutions (CDPP) and achieving 16 successful prosecution outcomes. Criminal prosecutions can also result in further administrative outcomes, such as visa cancellations and refusals.

National Investigations achieved several important operational outcomes, including:

- the execution of a search warrant in Qld on the residence of a couple alleged to be involved in arranging over 500 contrived marriages for migration purposes. At the conclusion of this warrant, the Australian Federal Police Criminal Assets Confiscation Taskforce restrained nine properties worth $2.1m and a bank account, thought to be the proceeds of crime

- the execution of multiple search warrants on a West Australian business entity alleged to be falsifying employment records for skilled migration and providing unregistered migration assistance to applicants for permanent skilled migration. The investigation is still ongoing with a brief of evidence to be submitted to the CDPP

- a wholly suspended sentence of imprisonment totaling two years and three months in NSW for an individual who used up to three other identities to travel through Australian borders over a significant period of time to circumvent the integrity of prescribed visa requirements and lawful migration. Following the sentencing, the individual voluntarily departed Australia and the permanent visa he held was subsequently cancelled

- custodial sentences of three and six months imprisonment handed down in Victoria to two individuals engaged in identity fraud against the department.

These positive results have been achieved through the continued development and refinement of information technology, corporate governance, policy structures and strategic partnerships with key agencies.

These achievements were underpinned by the completion of a series of strategic projects. The development of national fraud investigation guidelines (NFIG) establishes best practice investigation processes for the department, including greater engagement with key external stakeholders including the AFP and the CDPP. The NFIG has been integrated with IMpact, an investigation case management system, which enables greater accountability and efficiency in the investigation of criminal offences.

A primary focus for 2012–13 was the formal establishment of strategic operational relationships with key stakeholders. National Investigations supports the deployment of investigators to multi-agency taskforces, such as the AFP fraud and anti-corruption teams in Brisbane, Sydney and Melbourne. In December 2012, the Australian Crime Commission (ACC) and the department signed a Memorandum of Understanding for cooperation and information sharing. In March 2013, an ACC Special Investigation Authorisation and Determination was signed which specified department staff to be included in certain ACC Board authorisations and determinations. This agreement between the two agencies allows for more collaborative whole-of-government approaches for targeting and joint agency operations.

Advanced analytics

RFID employs a range of new and innovative tools and capabilities to analyse risk and 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.

Big Data technologies attract a great deal of attention in both government and private sectors and RFID is developing important capabilities that allow the department to deal with the variety, volumes and velocity of data required to be managed. Importantly, the department is leveraging these techniques and tools to make better use of data already collected to identify risks in visas at the border.

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 identification system (BRIS)—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.
- Networks analytics capability—a system that can identify hidden connections between people, organisations and addresses to support investigations and decision-making.
- 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.

By identifying potential risk accurately, low-risk cases can be more effectively streamlined while integrity resources are focused on higher risk. The department continually develops its capabilities in this field to ensure that it continues to effectively manage Australia's migration and citizenship programs. All of this predictive analysis is cutting edge work. However, it only makes sense when developed and applied with highly-trained departmental officers and in partnership with other agencies.

National Integrity Analysis Service

National Integrity Analysis Service plays a key role in ensuring integrity within the department's operations by identifying risks and proposing mitigation strategies.

The service provides innovative and forward-looking advice to program areas and the department's executive by identifying and analysing threats and trends in the strategic environment. These risks and threats range across the full spectrum of the department's visa, citizenship and border programs. These include fraud and integrity issues and emerging regional and global trends as well as providing analysis and advice with respect to proposed policy and procedural changes.

Identity and biometrics

The new departmental identity policy document was endorsed by the Executive Committee in February 2013. This document outlines the strategic direction for identity management based on a set of principles and strategies aligned with the *National Identity Security Strategy 2012*.

Expansion of biometric acquisition

In 2006, the department began to collect biometrics. The biometrics collection now includes facial images and fingerprints from people in immigration detention, applicants for citizenship, people who apply onshore for a Protection visa, offshore applicants and more recently a pilot project has been lauched in 2012–13 to verify the identity of arriving passengers.

For more details on the expansion of the department's biometric acquisition, see Outcome 3, border management—deliverables.

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.

This arrangement currently enables each country to exchange the anonymised fingerprints of selected non-citizens with each of the partner countries for checking against their immigration data holdings. Where a match is verified, information about the circumstances under which the fingerprints were collected and identity information is shared. The manual nature of this arrangement has meant that the numbers of records exchanged has been limited. The department is now developing the capability for automated sharing of non-FCC citizens biometric data with the other FCC partners. Automated biometric data sharing has commenced between Australia and the United States of America. Fully automated biometric data sharing, and the subsequent legal requirements to carry out this sharing, are expected to be operational between all FCC partners with a staged implementation over the coming years.

The ability of biometric fingerprints to link departmental clients to prior international records demonstrates both the effectiveness of the technology and the importance of the department's information sharing arrangements with FCC member countries. The results of fingerprint matching against international data holdings has proven to be extremely valuable and has revealed information that supports a client's claims as well as important information that was not disclosed to the department by a client, as the following examples demonstrate:

- Undisclosed criminal history—a Visitor visa application was refused after the applicant's fingerprints matched against those of a known child sex offender from the United Kingdom who left there prior to sentencing.
- Wanted felon in the US—an Onshore Protection visa applicant's fingerprint match revealed that the subject was wanted for credit card and identity fraud in the United States of America. The Onshore Protection visa outcome is pending and consideration is being given to extradition proceedings.

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.

Biometric matches have detected cases of clients with other identities, immigration history or criminal activity previously unknown to the department, as shown in the examples below:

- Interpol red notice—an offshore Visitor visa application was refused after the applicant's fingerprints matched against an Interpol red notice in NAFIS. Interpol Germany advised that the client is wanted for importing large quantities of cocaine into Austria.
- Outstanding arrest warrant—an IMA's fingerprints matched against a NSW Police record indicating that the subject is wanted on two NSW warrants and is known by other names. The subject's criminal history includes common assault, destroying or damaging property, driving with high alcohol range and breaking and entering. NSW Police did not seek extradition back to NSW, however, if the subject were to return to NSW, the warrants would be executed and the subject would be arrested to face these charges. The client is currently in immigration detention and his Protection visa application outcome is pending.

International capacity building

The ongoing international capacity building work of the Facial Image Comparison (FIC) Team facilitates increased travel security for Australia and the region. The FIC team conducted 23 courses in facial image comparison in 2012–13. More than 430 people from nine foreign governments throughout the region received facial image comparison training, and more than 800 people from more than 20 foreign governments were trained in document examination skills during the 2012–13 year.

Document examination network

Forensic document examiners received 1381 new cases during the year and completed 1326 of those on hand. Of those, 93 documents were determined to be counterfeit and a further 124 were found to be fraudulently altered. Findings of counterfeit and fraudulently altered documents were referred to relevant visa program areas to assist in the determination to grant or refuse a visa application.

Identity integrity

The Identity Integrity Section (IIS) was established in late 2012 to help analyse and assess client identity information. In February 2013, the IIS created a specialist sub-unit named the Identity Analysis Centre (IAC), whose role was to assess client identity cases.
It comprises officers with document analysis skills, document examination skills, identity assessors and administrative support officers. The IIS's primary focus is examining the claimed identities of clients and the process is designed to encourage clients to provide credible and honest information about their identity. Identity information is requested from clients and, where necessary, focused identity interviews with clients are conducted by Irregular Maritime Arrivals Entry Service Section.

Since its establishment, the IIS has increased identity capability through training 85 departmental officers. One quarter of these work in the IAC and the remainder are in the Irregular Maritime Arrivals Entry Service Section or are Protection visa decision-makers.

Intelligence

Intelligence is used to help inform strategic, operational and tactical decision-making. The primary source of intelligence for the department is obtained 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 are connected to the intelligence resources of other agencies and, where possible, participate in the Joint Airport Intelligence Groups (JAIGs) chaired by the AFP at Australia's major international airports.

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 (PAU) of the Australian Customs and Border Protection Service (ACBPS).

Through an intelligence-led, risk-based focus on flight and passenger data, TSU analysts provide targeted operational support to departmental staff offshore (principally airline liaison officers) and onshore to help identify passengers attempting to travel to Australia improperly documented. In 2012–13, the TSU identified 80 passengers attempting to fly to Australia improperly documented; 66 of these were interdicted offshore, while another 14 arrived improperly documented in Australia. With regard to the latter as at 30 June 2013, six were removed from Australia, six sought to engage Australia's protection obligations—four of these claims were being assessed, while two had subsequently requested ministerial intervention and this was in process. One was awaiting removal and one was granted a Protection visa.

TSU referrals also resulted in the identification of five passengers with genuine documents suspected of being facilitators or escorts of improperly documented travellers, refused immigration clearance of 22 passengers on bona fides grounds and referred four passengers to ACBPS that were subsequently found to be carrying narcotics upon their arrival in Australia.

In May 2012, the TSU identified and referred to the department's New South Wales Office, three Taiwanese passport holders travelling to Sydney from Singapore. All three passengers were refused entry and removed from Australia. Further research and analysis was undertaken by NSW border intelligence and information was subsequently shared by the department with immigration and law enforcement counterparts overseas. The information assisted Taiwanese authorities to bust a major people smuggling syndicate that was operating in Taiwan and China.

This syndicate allegedly conducted more than 50 operations and focused on the smuggling of Chinese nationals to Australia and Canada. It was reported by Taiwanese authorities that at least 40 suspected people smugglers were arrested and that this may have been the largest cross-strait people smuggling syndicate in operation.

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 seconding an officer to a multi-agency team within ACBPS to prevent maritime people smuggling and producing assessments that assists other agencies in understand people smuggling pipelines. Arrangements were also put in place to work closely with law enforcement agencies to identify clients allegedly involved in 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 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.

Interviews of irregular maritime arrivals

The Irregular Maritime Arrivals Entry Services (IMAES) Section conducts arrival and induction interviews of all IMAs aged 16 years or older, to establish a range of information relevant to Australian Government agencies, including clients' identities, backgrounds and the circumstances under which they travelled to Australia. During 2012–13, a total of 21 044 clients were interviewed by IMAES with the section maintaining a permanent presence on Christmas Island and in Darwin to conduct interviews. Staff were deployed to other immigration detention facilities as operationally required.

Security referrals

Security checking is conducted to identify visa applicants or visa holders, including irregular maritime arrivals (IMAs), whose entry into or continued stay in Australia, would present a risk to national security. In particular security checking is conducted to prevent terrorists gaining entry to Australia and executing acts of terrorism. The department refers individuals to ASIO for security assessment.

Visa screening arrangements are also in place that aim to prevent the entry and stay of people whose presence in Australia may be directly or indirectly associated with the proliferation of weapons of mass destruction. The department refers individuals to the Department of Foreign Affairs and Trade (DFAT) for this assessment.

Operational integrity

National allegations assessment

The National Allegations Assessment Team (NAAT) undertakes the centralised collection, recording, assessment and dissemination of allegations and fraud referrals for visa and citizenship programs received by the department from all sources. These allegations and other fraud related matters are referred to the appropriate business areas for investigation and relevant risk treatment.

NAAT established improved arrangements for streamlining and referring allegations to business areas which enabled them to remove a significant backlog of allegations. A total of 3953 allegations were finalised. New procedures for the operation of a dob-in line in the service centre have improved the timeliness of call handling.

During 2012–13 NAAT reviewed 6999 allegations of fraud with the majority of these referred to operational integrity, compliance and visa processing areas.

Program integrity

The Program Integrity Unit (PIU) is responsible for monitoring subclass 457 (Temporary Business Entry) and 400 series visas sponsorship obligations, using inspectors and monitoring officers. This includes completing audits of sponsorship obligations and taking action against more serious breaches which may result in sanctions, infringements or civil action.

The PIU undertakes onshore integrity verification site visits on behalf of visa program areas to investigate integrity concerns relating to the employment or relationship claims prior to a decision being made on a visa application. During 2012–13 the PIU completed 1951 monitoring events and 1231 onshore referrals to support program and policy areas. This included serving a total of 68 infringement notices totaling $289 020.

The PIU provided input into the subclass 457 legislation amendments including arrangements to work with the Fair Work Ombudsman. A Memorandum of Understanding was signed in early July 2013 to implement changes that will see the Fair Work Ombudsman undertake monitoring of two key obligations on our behalf, using a bigger network of inspectors.

Migration integrity

The Migration Integrity Officer Liaison Section (MIOLS) is the central integrity link between onshore and offshore operations. A key responsibility for the section is the coordination and distribution of offshore integrity reporting to ensure offshore integrity risks and fraud issues are being addressed within onshore caseloads.

Operational integrity reporting

The Operational Integrity Reporting (OIR) units provide integrity analysis services and reporting of emerging or unusual fraud trends across a range of different visa programs. During 2012–13, OIR completed 30 large-scale analysis projects across a range of visa programs, 49 ad-hoc small-scale projects or data requests and produced ongoing reports across various visa programs.

Some highlights include a report to identify the highest risk group of non-enrolled students for potential cancellation, summary reports of risk treatment activity for visa programs and analytical projects supporting the implementation of the Knight Review recommendations for students.

National student integrity

National Student Integrity Unit's key responsibilities include managing of student visa cancellation activity, engaging with education regulators, liaising with education providers and students and implementing Knight Review changes. It proactively engages with key stakeholders to promote compliance through education. This unit also manages allegations and is tasked with evaluating students in breach of visa conditions.

The unit also assisted in the implementation of a new discretionary cancellation framework for student visa holders and has established a set of risk priorities following the abolition of the automatic and mandatory cancellation regime as a result of the Knight Review.

During 2012–13, the National Student Integrity Unit recorded 4777 decisions to cancel a student visa for breach of visa conditions.

Visa Cancellations Unit

Visa Cancellations Unit assists in maintaining the integrity of temporary and permanent visa programs through assessment of grounds for possible visa cancellation (except section 501 —Character) and takes action in accordance with the relevant provisions of the Migration Act.

The Unit completed a total of 480 complex cancellations (excluding s501) with 1348 otherwise finalised during the program year. A total of 18 869 subclass 457 visas were cancelled with 11 510 otherwise finalised.

Visa Cancellations Unit processed 5313 requests for voluntary cancellations on all visa subclasses (except student and subclass 457) during the program year.

Information Collection Unit

The Information Collection Unit (ICU) is the single point of contact where all community phone allegations are recorded, classified and triaged for forwarding to a range of stakeholders. This work unit is managed in partnership with the Global Manager, Client Services.

A total of 11 543 telephone calls were transferred to the ICU during 2012–13 program year. Of those transferred 9827 were serviced by the ICU.

Operational Integrity Strategy Unit

Operational Integrity Strategy (OIS) Unit provides strategic support to the OI Network, GMOI and Deputy GMOI. The section coordinates core corporate functions on behalf of the OI network including performance reporting via a monthly performance dashboard, business planning and budgetary matters.

OIS also manages a broad range of strategic projects. OIS coordinate and deliver role-specific OI officer training—in partnership with Global Learning and Change Division— with courses in operational integrity basics and field skills and sponsored monitoring specialist training including inspector training.

Senior executive service remuneration

Senior executive service (SES) remuneration is outlined in the SES remuneration and performance management policy which provides an efficient, transparent and effective way of administering SES remuneration and performance management. All SES employees are required to have a comprehensive individual determination under section 24(1) of the *Public Service Act 1999* which outlines their conditions of employment, 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 guided by the APS values, APS code of conduct and the department's strategic themes, which include:

- fair and reasonable dealings with clients
- open and accountable organisation
- 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. During 2012–13 WRCS focused on preparing and/or updating policies, processes, training and campaign materials in readiness for the new APS values and employment principles to apply across the APS from 1 July 2013.

The WRCS is also responsible for preventing, detecting and investigating allegations of fraud and criminal behaviour, and potential breaches of the APS values and code of conduct by departmental employees. In 2012–13, the WRCS managed 514 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 during 2012–13:

- production and distribution of promotional and educational material to increase awareness among staff of changes to the *Public Service Act 1999*, particularly relating to the new APS values and employment principles
- continued promotion 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
- development of new IDEAL scenarios, including six video scenarios focusing on bullying and harassment in the workplace
- delivery of bullying and harassment information sessions nationally across the department, in addition to mandatory online code of conduct training undertaken by all employees on commencement with the department and then every two years as refresher training
- engagement and ongoing training of an active harassment contact officer network across the department.

External scrutiny

Significant developments in external scrutiny

Reports by external bodies

Commonwealth and Immigration Ombudsman

In May 2013, the Ombudsman published a report entitled *Suicide and self-harm in the immigration detention network*. The Ombudsman found that while the department is now in a stronger position in terms of its capacity to manage the immigration detention network and associated risks and issues, there is scope for further improvement and lessons that can be learned from recent challenges.

The Ombudsman made nine recommendations including that the department continue to review and improve:

- data collection and management reporting regarding the physical and mental health of people in immigration detention
- policies and governance frameworks for managing the risk of suicide and self-harm
- processes in the status resolution and placement of people in immigration detention.

The Ombudsman also recommended that the department develops, as a priority, a policy framework and process for managing protracted caseloads in immigration detention to help reduce the long-term detention of these detainees, particularly in immigration detention facilities.

In its response, the department accepted or partially accepted the recommendations in the report and reaffirmed its commitment to continuing to build on the significant measures implemented to date and to find improved ways to support the health and wellbeing of people in immigration detention in order to minimise the risk of suicide and self-harm.

Australian Human Rights Commission

In July 2012 the Australian Human Rights Commission (AHRC) published a report entitled *An age of uncertainty: inquiry into the treatment of individuals suspected of people smuggling offences who say that they are children*. The major finding was that Australia's treatment of individuals suspected of people smuggling offences who said that they were children has led to numerous breaches of both the Convention on the Rights of the Child (CRC) and the International Covenant on Civil and Political Rights (ICCPR).

The AHRC made 17 recommendations in this report, which were mainly relevant for the Attorney-General's Department, the AFP and the CDPP.

The department provided a substantial amount of information to the AHRC for this inquiry, including policy documents and individual case information. In the report the AHRC noted that the department has no role in the investigation or prosecution of people-smuggling matters and has little control over the amount of time an individual suspected of people-smuggling offences spends in immigration detention.

Human rights reports

A number of human rights reports concerning immigration matters were tabled in Parliament and subsequently published on the AHRC website in 2012–13.

In July 2012, the AHRC published a report entitled *Miss Judy Tuifangaloka v Commonwealth of Australia (Department of Immigration and Citizenship), report into the right to be protected from arbitrary interference with family, the right to liberty and the right to have the best interests of the child considered as a primary consideration in actions concerning children*. In this report, the AHRC found that the removal of Mr Taufa from Australia and the resulting separation of Ms Tuifangaloka from her father; the decision to detain Ms Taufa and her children, including Ms Tuifangaloka, for questioning about their visas; the decision to cancel Ms Taufa's visa which led automatically to the cancellation of Ms Tuifangaloka's visa; the failure to place Ms Tuifangaloka in a less restrictive form of detention; and the decision to invite Ms Taufa to sign an undertaking that Ms Tuifangaloka remain with her in detention as a visitor after she became an Australian citizen were all inconsistent with and contrary to the human rights of Ms Tuifangaloka. The AHRC found that these actions were inconsistent with articles 17(1) and 23(1) of the ICCPR; article 9(1) of the ICCPR; article 37(b) of the CRC; and article 3(1) of the CRC.

The AHRC made two recommendations, one for compensation and the other for an apology. The department's response included regret for any harm caused to Ms Tuifangaloka as a consequence of the removal of her father and agreement to provide her with an apology. The department's response also noted that it is continuing to pursue options under the discretionary compensation mechanisms for Ms Tuifangaloka.

In September 2012, the AHRC published a report entitled *Mr SD v Commonwealth of Australia (Department of Immigration and Citizenship), report into arbitrary detention*. In this report the AHRC found that the detention of Mr SD in Villawood Immigration Detention Centre was not necessary and was not proportionate to any legitimate aim of the Commonwealth. The AHRC found that the failure of the minister to place Mr SD in community detention, or other less restrictive form of detention, after his visa was cancelled was inconsistent with the prohibition on arbitrary detention in article 9(1) of the ICCPR.

The AHRC made three recommendations, including that the department apologise and pay compensation to Mr SD. The department's response noted that Mr SD's detention was lawful and therefore the department did not agree to pay compensation or to provide a formal written apology. The AHRC also recommended that the department change its practices on a number of issues. The department noted these issues and advised that Mr SD's case was assessed in line with the appropriate legislation and policies but that the AHRC's comments would be taken into account in any future consideration that may be given by the minister to amending ministerial guidelines.

In September 2012, the AHRC published a report entitled *Pak family v Commonwealth of Australia (Department of Immigration and Citizenship)*, report into the best interests of the child and the right not to be subject to arbitrary interference with the family. The AHRC found that the department failed to protect the best interests of Master Pak and that the decision to remove Master Pak's parents from Australia was not in the best interests of the child. The AHRC found that these actions were contrary to the complainant's rights not to be subject to arbitrary or unlawful interference with the family, under article 3 of the CRC and articles 17(1) and 23(1) of the ICCPR.

The AHRC made a recommendation that the department refer the matter back to the minister for further consideration and for the minister to exercise his public interest power under section 417 of the *Migration Act 1958*. The department's response noted that the matter would be referred back to the minister for further consideration.

In October 2012, the AHRC published a report entitled *BZ and AD v Commonwealth of Australia (Department of Immigration and Citizenship), report into breaches of privacy, arbitrary detention, the right for the child to be treated with humanity and with respect for the inherent dignity of the human person and the failure of the Commonwealth to treat the best interests of the child as a primary consideration*. In this report, the AHRC found that it was contrary to the complainants' right of privacy, under article 17(1) of the ICCPR and article 16(1) of the CRC, when the department permitted officials to question the mothers of the complainants. The AHRC also found that the failure to consider less restrictive forms of detention and to make appropriate referrals to the minister resulted in arbitrary detention and was contrary to article 9(1) of the ICCPR and article 37(b) of the CRC. The AHRC also found that the conditions endured by BZ while in detention were contrary to article 10 of the ICCPR and article 37(c) of the CRC.

The AHRC made three recommendations, including that the department provide a written apology and pay compensation to BZ and AD for arbitrary interference with their privacy and for arbitrary detention. In its response the department noted these recommendations and advised that no action would be taken as the department believed that BZ and AD were not arbitrarily detained. The AHRC also recommended policy change related to ministerial intervention powers. The department noted that the AHRC's comments would be taken into account in any future consideration that may be given to amending the minister's intervention guidelines.

In December 2012, the AHRC published a report entitled *Report of an inquiry into complaints by Sri Lankan refugees in immigration detention with adverse security assessments, report into arbitrary detention, and the best interests of the child*. In this report the AHRC found that the minister's failure to consider less restrictive forms of detention or release from detention to people who had received adverse security assessments, based on the advice received from ASIO, was inconsistent with or contrary to the human rights of these refugees. The AHRC found that these actions were contrary to article 9(1) of the ICCPR and articles 3 and 37(b) of the CRC.

The AHRC made six recommendations, including that the minister not refuse to consider a person in immigration detention for release from detention or placement in a less restrictive form of detention, merely because of an adverse security assessment by ASIO. The AHRC also recommended that the department refer each of the complainants to ASIO and request that ASIO provide a security assessment pursuant to section 37(1) of the ASIO Act. In its response, the department acknowledged these recommendations but advised that no action would be taken. The AHRC also recommended that the minister consider third country resettlement options for people in detention with adverse security assessments. The department's response noted this recommendation and advised that the department is continuing its efforts to identify third country resettlement options for people in immigration detention with adverse security assessments, noting that any options identified will be consistent with Australia's international obligations.

In June 2013, the AHRC published a report entitled *BB v Commonwealth of Australia (Department of Immigration and Citizenship), report into arbitrary detention and the right to be treated with humanity and with respect for the inherent dignity of the human person*. In this report the AHRC found that certain acts of the Commonwealth were inconsistent with the human rights of Mr BB and that the detention of Mr BB was not necessary and not proportionate to the Commonwealth's legitimate aim of protecting the Australian community from non-citizens who pose a risk to the community. The AHRC also found that the failure to consider community detention or other less restrictive forms of detention, as soon as Mr BB entered the custody of the Commonwealth, was inconsistent with the prohibition on arbitrary detention in article 9(1) of the ICCPR.

The AHRC made three recommendations that the department amend its policies, including that the need to detain in an immigration detention facility should be assessed on a case-by-case basis taking into consideration individual circumstances, that the department should conduct regular reviews of detention for all people in immigration detention facilities and that the guidelines relating to the minister's residence determination power should be amended. The department noted these recommendations, highlighting that detention placement is currently based on individual circumstances and is reviewed regularly. With regard to the recommendation to amend the guidelines relating to the minister's residence determination power, the department advised that the AHRC's comments have been referred for consideration to the responsible area that is currently reviewing the existing Ministerial Guidelines on Residence Determination.

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 department acknowledged that performance in responding to 'non-routine' freedom of information requests needed to be improved and, throughout 2011–12 and 2012–13, the department worked with Mr Robert Cornall AO and Ernst and Young to find process improvements. Both of these reports are available on www.immi.gov.au.

The Australian Information Commissioner published his report of this Own Motion investigation on 26 September 2012. This investigation is now closed. Details of the report and the department's response are available from the Office of the Australian Commissioner's website www.oaic.gov.au.

Judicial decisions and decisions of administrative tribunals

Notable decisions

One of the most significant judgments this year was the High Court's decision in *Plaintiff M47/2012 v Director-General of Security and Ors* [2012] HCA 46.

On 5 October 2012, a majority of the High Court of Australia held invalid a regulation (to the extent that it makes public interest criterion (PIC) 4002 a criterion for the grant of a Protection visa) which prevented the grant of a Protection visa to a refugee if ASIO had assessed the refugee to be a risk to security. Accordingly, a majority of the court held that the decision to refuse the plaintiff a Protection visa on the basis of that regulation had not been made according to law.

The plaintiff commenced proceedings in the original jurisdiction of the High Court challenging the validity of the decision to refuse him a Protection visa and challenging his continued detention. The plaintiff argued that ASIO had denied him procedural fairness when making a fresh adverse security assessment in 2012, that the requirement that he satisfy PIC 4002 was invalid and that the *Migration Act 1958* did not authorise the removal and detention of a person found to be a refugee.

On 7 September 2012 the High Court unanimously confirmed in *Plaintiff S10/2011 v Minister for Immigration and Citizenship* [2012] HCA 31 that the processes for the administration and exercise of the minister's intervention powers are robust and lawful. This decision recognises that the minister's intervention powers are an important safety net which allows the minister to grant visas or allows further protection visa applications to be lodged in exceptional circumstances. The High Court found that parliament's intention was to exclude procedural fairness in relation to these powers due to their extraordinary nature and their exceptional place in the migration legislation. It was of determinative significance that the powers are personal and non-compellable and that people only have access to them once they have failed to establish a right to a visa and had the opportunity to apply for merits and judicial review. This decision takes away significant potential barriers to the removal of people who have exhausted their visa application and review processes and have no legal right to remain in the country.

Another notable decision by the High Court was in the matter of *Plaintiff M79/2012 v Minister for Immigration and Citizenship* [2013] HCA 24. On 29 May 2013 the High Court found by a majority of 4 to 1, that the decision of the minister to grant Plaintiff M79 a Temporary Safe Haven visa (TSHV) under section 195A of the *Migration Act 1958* was within power and validly made. The High Court also found that the Protection visa application lodged by Plaintiff M79 was invalid.

Plaintiff M79 is an irregular maritime arrival who entered Australia prior to 24 March 2012. He had his claims for protection assessed through the protection obligations determination process and was found not to be owed protection. Plaintiff M79 lodged an application for a Protection visa which was determined to be invalid because having once been the holder of a TSHV, the Act prevented him lodging a valid application for a visa (other than a TSHV) unless the minister determined he could do so.

A majority of the High Court found that it was open to the minister to grant a TSHV by reference to the legal characteristics and consequences of that visa, unconstrained by the purpose for which that class of visa was created. The High Court found that the purpose for which the minister granted the visa (to preserve the steps previously taken in assessing Plaintiff M79's claims for protection) was not beyond the power conferred by section 195A of the Act.

In another notable decision, on 20 March 2013 the Full Federal Court unanimously allowed SZQRB's application for judicial review of a decision of the minister. The court found that procedural fairness was owed to SZQRB in respect of the International Treaties Obligations Assessment process and that he had been denied procedural fairness because relevant country information relied on by the decision maker had not been put to him for comment. The court also found that the wrong test had been applied in respect of the risk of significant harm. The department had applied a more 'probable than not' test rather than the 'real chance' test that the court found should be applied to the assessment. This decision was significant because it changed the test the department is required to apply in respect of Australia's complementary protection obligations. The minister has applied for special leave to appeal this matter to the High Court. Further information about this case can be found under Outcome 2, Program 2.1 and Litigation.

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 2013 there were 50 claims for compensation in the courts or Fair Work Commission, 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 2013, 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 in immigration detention. As at 30 June 2013, 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 27 May 2013, the State Coroner of Queensland reported on the 2011 death of Mr Hussain at Scherger Immigration Detention Centre. The Coroner noted that in May 2013 the Commonwealth and Immigration Ombudsman had published a report on suicide and self-harm in Australia's immigration detention network. The report contained a number of recommendations which the department has accepted and is planning to implement. Noting that the Ombudsman's investigation had a wider scope and a more comprehensive evidence base than the inquest, the Coroner refrained from making any recommendations in relation to this death.

Findings were made in relation to another death of a person in immigration detention, however a non-publication order prevents the department from reporting on this inquest.

Reports by the Auditor General

Specific Australian National Audit Office (ANAO) audits that were conducted in the department during 2012–13

Individual management services provided to people in immigration detention

The objective of this audit was to assess the effectiveness of the department's management of individual services provided to people in immigration detention. The report was tabled in February 2013.

Management of the central movement alert list

The objective of this audit is to assess the effectiveness of the department's management of the central movement alert list (CMAL), including key stakeholder relationships, having particular regard to the findings and recommendations contained in Audit Report No.35 of 2008–09. The CMAL audit report is expected to be tabled in September 2013.

Cross-agency audits involving the department

Managing conflicts of interest

The objective of this audit is to determine whether FMA agencies are implementing appropriate policies and processes to identify and manage conflicts of interest. The report is expected to be tabled in March 2014.

Confidentiality in government contracts: Senate Order for departmental and agency contracts (calendar year 2011 compliance)

The objective of this audit was to assess the appropriateness of the use and reporting of confidentiality provisions in Australian Government contracts. The report was tabled in September 2012.

Revision of the Public Sector Internal Audit Better Practice Guide

This revision replaces the previous guide issued by the ANAO in 2007. The revision is a reference document for chief executives, boards, members of audit committees, managers with responsibility for internal audit activities, and internal audit staff to identify and apply better practice principles that are tailored to each entity's particular circumstances. The report was tabled in September 2012.

Complaints

Commonwealth and Immigration Ombudsman

The department received 241 new complaints from the Ombudsman in 2012–13 and 238 complaints were finalised, compared to 272 and 285 respectively in 2011–12. This is a decrease of 11 per cent in the number of complaints received in 2012–13, compared to the previous year. This continues a trend of small year-on-year decreases in the number of complaints received by the department since 2007–08. The most common issues raised in complaints concern visa refusals, cancellations and delays in processing.

Australian Human Rights Commission

The department received 128 new complaints from the Australian Human Rights Commission in 2012–13 and 157 complaints were finalised. Most of these complaints raised issues regarding immigration detention. While this was a significant decrease on 2011–12 levels, where 315 complaints were received and 223 were finalised, the number of complaints received is comparable to the number received in 2010–11. However, the number of complaints finalised in 2012–13 was significantly higher than the number finalised in 2010–11.

Freedom of Information

This year the department has focused on maintaining performance in responding to requests under the *Freedom of Information Act 1982* (FOI Act) while reducing the number of overdue cases. This will ensure that the department is well equipped to further increase performance over the coming year.

The total number of requests received in 2012–13, including amendment requests, was 12 198 with 12 399 requests finalised in 2012–13. At 30 June 2013, the department had a compliance rate of 88.7 per cent of requests finalised within 30 days, and 35 overdue requests on hand. This compares favourably with a compliance rate of 85 per cent and 282 overdue requests at 30 June 2012.

In 2012–13 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:

- the secretary issuing an instruction to all staff outlining the department's expectations about FOI
- continued department participation in inter-departmental FOI contact officer network meetings
- liaising with the Office of the Australian Information Commissioner on the preparation of FOI policy and procedural information.

Client service excellence

Functional review

The department has continued the functional review program 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.

Ten major process and practice reviews were conducted in the borders, operational integrity and client service business lines to identify cost drivers and opportunities for business improvement. 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 continue to build on this work in 2013–14, to maintain a focus on further productivity gains.

Improving client service excellence

In 2012–13, the department continued to implement the visa pricing transformation program which was introduced following an announcement by the government in late November 2011. From 1 July 2013, a number of new charges will bring Australia's visa prices in line with comparable countries. These charges include the additional applicant charge, the non-internet application charge and the subsequent temporary application charge.

New business process and technology solutions to support the introduction of the new visa pricing arrangements were finalised ahead of their introduction on 1 July 2013. These and future improvements will deliver globally competitive visa products and enable the majority of clients to use electronic channels to lodge, pay for and track the progress of their visa applications.

The department has continued its focus on engaging clients online. Applications across the suite of online lodgement products have increased as a result of actively encouraging clients to use the digital channel. During the 2012–13 financial year, 1.58 million applications were lodged online, a 19.1 per cent increase compared to 2011–12.

The demand on the immigration website also continues to grow. The department is working to improve the website and will launch a re-designed website that is more accessible, with content that is easier to find and understand.

Australian visa holders are also increasingly conducting their visa-related business online. An increase in the promotion of the department's visa entitlement verification online (VEVO) system, which allows registered Australian organisations and individuals to check current visa details and entitlements online, in combination with the introduction of the visa evidence charge in November 2012 resulted in VEVO enquiries by visa holders increasing significantly—by 11.4 per cent in 2013 compared to 2011–12.

The department has made improvements to VEVO in 2012–13, most notably the inclusion of VEVO email, a tool that allows visa holders to email a copy of their entitlements to a third party of their choosing. This tool has been well received by Australian employers who can now ask a visa holder for evidence of their right to work. Since its release at the end of March 2013, more than 26 500 visa holders have used VEVO email.

In December 2012, the department released its new electronic health processing system known as eMedical. This system, which was developed in conjunction with Citizenship and Immigration Canada, can be used to process both Australian and Canadian health examinations. During 2012–13, the new system was rolled out to approximately 100 locations globally—allowing more clients access to electronic health processing, with consequent speed and efficiency benefits. More than 100 000 Australian health cases were processed in eMedical during its first six months of operation, with more than 72 per cent of these cases 'auto-cleared' with no manual intervention required and results available in minutes.

Phase one of the new TIS Online website, launched on 20 June 2013, is the first release of a new site that will assist the non-English speaking community to access information better aligned to their needs and written in their native language. It will offer access to improved interpreter booking services through a self-service, cost effective and easy to use website. TIS National is also developing natural language and voice recognition capabilities to improve non-English speaker access to its telephony and automated booking systems.

Client feedback

The department is 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 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 2012–13, 96 per cent of complaints to the department were resolved within service standards, exceeding the performance target of 90 per cent. A total of 15 865 feedback cases was recorded by the Global Feedback Unit. The type of feedback has remained fairly steady with 65 per cent of cases being complaints, 25 per cent compliments and 8 per cent suggestions[1]. 'Status of application' and 'decision refusals' were the major complaint issues, which is consistent with previous years. 'Good staff attitude' has again been the top compliment from clients in 2012–13. Quarterly statistical and performance reporting is provided to all business areas, overseas posts and global manager networks to assist them in providing improved client service.

Improving service centres

In June 2013, the enterprise knowledge support system (EKSS) was introduced at the Sydney and Melbourne service centres. The new EKSS software houses all information used to answer client enquiries. It aims to ensure all phone and counter staff provide clients with consistent and relevant information, quickly, and on the first contact. It is an easy-to-navigate system which in the long-term will replace the client enquiry system.

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1. The final 2 per cent is 'other'.

During 2012–13 the department continued improving services provided to clients through the service centres. A key initiative was the introduction of the client call recording function in our offshore 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.

TIS National continues to offer fee-free interpreting services to clients who do not speak English fluently.

In 2012–13 TIS National delivered more than 1.1 million interpreting services in total, through telephone and on-site interpreting.

For further detail on TIS National, see Outcome 5.

Purchaser/provider arrangements

The department has arrangements in place with DFAT and the Australian Trade Commission (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.

In June 2012, the department signed a new three-year agreement with DFAT from 1 July 2012 to 30 June 2015. A new agreement was signed with Austrade by the department in August 2012 for the period 1 September 2012 to 30 June 2015.

The department pays global service fees to DFAT and Austrade for delivering such 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 2012–13 SLA costs were $5 224 849 (DFAT) and $604 573 (Austrade).

Management of human resources

Workforce planning, staff retention and turnover

The department is committed to building a collaborative, capable, flexible and innovative workforce to deliver current and future business outcomes, and to achieve this by investing in and valuing our people.

Workforce planning activities in the department have been increasingly aligned with the business and corporate planning processes, recognising that they are a critical business activity which, if done well, can help the department mobilise its workforce to achieve its strategic objectives.

Work also started this year to build a more robust approach to developing organisational capability in workforce planning, to ensure the department is well positioned for its future state. The new approach includes:

- a new framework which integrates workforce planning activity at all levels of the organisation, to facilitate a top-down 'cascading' sharing of information from the strategic departmental level down and across our networks—the framework also assists us to join up existing networks/governance committees at every level of the organisation to ensure key workforce issues and risks identified at lower levels are escalated to appropriate levels for resolution and management

- supporting managers to understand their workforce, key issues and to manage workforce performance—to this end managers have been provided with a range of useful information, from future-focused environmental scans through to targeted regular workforce scorecards and trend analyses

- optimising our corporate systems to support effective workforce planning.

Job families

An important component of the new workforce planning framework has been the implementation of phase one of the APS Job Family Model. This is a whole-of-government framework used to catalogue the types of job roles across the department and the capabilities required for employees to be successful in those roles. Implementing phase one involved assigning all of the positions in the department to the corresponding job role within the Job Family Model. The department has since begun reporting this very useful information internally to senior executives, managers and all staff, and to external audiences including the Australian Government Information Management Office (AGIMO) for ICT workforce reporting and the Australian Public Service Commission (APSC) for the annual remuneration survey.

The next phase in implementing the APS Job Family Model will be to undertake more detailed profiling of each job role within the department. Profiling will include detailing the capabilities (including the skills, knowledge and behaviours) of each job role, as well as an overlaying assessment of factors such as work level standards and job role criticality. The library of job role profiles will be used to produce a career pathways framework that maps comparable job roles across the department, to enable current skills and experience to be applied to new environments in the pursuit of further internal career opportunities.

Fully implementing the APS Job Family Model will ensure the department achieves the following outcomes:

• alignment with whole-of-government workforce planning initiatives through the consistent application of the Job Family Model

• an in-depth view of the department workforce, allowing enhanced analysis of the workforce risks impacting business deliverables

• enhanced organisational workforce planning and management by using job family data to tailor learning and development, ensure consistency in recruitment practices, and inform meaningful capability-based performance management

• defined career pathways to strengthen capability development and increase employee deployability, with a view to targeting employee retention and managing key risks among the workforce

• an increased understanding of workforce capability across the department.

Workforce composition

Departmental employees are located in every state and territory and at 54 overseas posts. At 30 June 2013 the department employed 9133 ongoing and non-ongoing staff. There were 3775 staff in National Office, 5167 in state and territory offices, and 191 providing services overseas. The number of staff overseas comprises 137 Australia-based staff at overseas posts, 15 airline liaison officers, 11 employees on short-term missions, four employees in Papua New Guinea working as part of the whole-of-government Strongim Gavman program, one employee involved in the Five Country Exchange program, seven employees deployed to Manus Island and 16 employees deployed to Nauru.

The department employed an additional 1106 locally engaged employees in overseas locations, who are administered by DFAT on the department's behalf.

The department's workforce consists of:

• 91 per cent ongoing employees and nine per cent non-ongoing employees

• 86 per cent full-time employees and 14 per cent part-time employees

• 62 per cent female staff and 38 per cent male staff.

The department's voluntary separation rate of ongoing employees has decreased from 6.4 per cent in 2011–12 to 4.1 per cent in 2012–13. The average age of employees at 30 June has increased from 39.9 years in 2012 to 40.8 years in 2013.

Table 75 shows the staffing profile by classification, Table 76 shows the SES profile by gender and Table 77 shows the staffing profile by location.

Table 75: Staffing headcount by classification

Actual Classification	30 June 2012			30 June 2013		
	Ongoing	Non-ongoing	Total	Ongoing	Non-ongoing	Total
Cadet	7	0	7	9	0	9
Graduate	47	0	47	35	0	35
APS Level 1	17	4	21	15	4	19
APS Level 2	28	14	42	34	12	46
APS Level 3	646	333	979	644	386	1 030
APS Level 4	1 495	135	1 630	1 578	149	1 727
APS Level 5	1 495	98	1 593	1 631	118	1 749
APS Level 6	1 795	96	1 891	1 915	81	1 996
Executive Level 1	1 469	52	1 521	1 608	47	1 655
Executive Level 2	494	8	502	543	9	552
Medical Officer 2	9	0	9	7	1	8
Medical Officer 3	4	0	4	5	0	5
Medical Officer 4	1	0	1	1	0	1
Public Affairs Officer 1	3	3	6	7	3	10
Public Affairs Officer 2	7	1	8	12	0	12
Public Affairs Officer 3	16	0	16	16	3	19
Senior Public Affairs Officer	4	0	4	4	0	4
Legal Officer	25	12	37	36	4	40
Senior Legal Officer	56	6	62	71	6	77
Principal Legal Officer	18	1	19	18	1	19
SES Band 1	84	0	84	91	0	91
SES Band 2	19	2	21	19	2	21
SES Band 3	4	0	4	7	0	7
Secretary	2	0	2	1	0	1
Total	7 745	765	8 510	8 307	826	9 133

Note: Results exclude locally engaged employees.

Figures include employees acting as at 30 June 2013 and those seconded to other agencies who continue to be paid for by the department.

4

Management and accountability

Table 76: Senior Executive Service headcount

Actual classification	30 June 2012			30 June 2013		
	Male	Female	Total	Male	Female	Total
SES Band 1	44	40	84	51	40	91
SES Band 2	14	7	21	14	7	21
SES Band 3	2	2	4	4	3	7
Total	60	49	109	69	50	119

Note: Figures include employees acting as at 30 June 2013 and those seconded to other agencies who continue to be paid for by the department.

Table 77: Staffing headcount by location

	30 June 2012	30 June 2013
National Office	3 386	3 775
New South Wales	1 580	1 619
Victoria	1 187	1 239
Queensland	627	641
South Australia	450	449
Western Australia[1]	746	796
Tasmania	149	169
Northern Territory	190	204
ACT and regional offices	38	50
Overseas (Australia-based staff)	132	137
Overseas (other)	25[2]	54[3]
Ongoing and non-ongoing total	8 510	9 133
Overseas (locally engaged employees)[4]	1 037	1 106
Total	9 547	10 239

1. Figure includes staff located on Christmas Island

2. 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.

3. Figure includes 15 airline liaison officers, 11 employees on short-term missions located overseas, four employees in Papua New Guinea as part of the whole-of-government Strongim Gavman Program, one employee involved in the Five Country Exchange Program, seven employees on Manus Island and 16 on Nauru.

4. Locally engaged employees are staff administered by DFAT on behalf of the department.

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. Progress against the initiatives and actions in the *People Strategy Implementation Plan 2011–14* was reviewed in April 2013.

A new *People Strategy and Implementation Plan 2013–16* is being developed to align with the department's *Strategic Intent 2013–16* which will continue the department's commitment to build a sustainable workforce to support the delivery of government objectives. The department aims to establish a collaborative, capable, flexible, resilient and innovative workforce to deliver current and future outcomes.

Talent management

To build leadership capability, succession planning and talent management was conducted for Executive Level 2 officers aspiring to SES Band 1 roles. This includes 360-degree feedback and discussion by SES leaders to provide a consistent assessment of potential. High potential EL2s are then provided with development opportunities such as the Next Step program, secondment, project work or formal training, which (when combined with existing performance and development feedback processes) are designed to strengthen leadership potential and competitiveness for SES roles. In line with the work of the APSC's Strategic Centre, the department is planning to broaden this approach to other levels of leadership throughout 2013 and beyond.

SES leadership and performance

Leaders play a significant role in shaping the culture of an organisation and in 2012–13 the department implemented initiatives to address leadership capability in the SES cohort. These initiatives included the senior leadership framework which identifies 10 essential leadership qualities required of all leaders to ensure delivery of the department's *Strategic Intent 2013–16*. Inherent in the framework is the view that leadership is not only about achieving our goals (the 'what we do') it is also about the way in which we achieve those goals (the 'how we do it'). Each SES employee is assessed against the essential leadership qualities in their performance and development agreement, annual 360-degree feedback process and departmental staff survey.
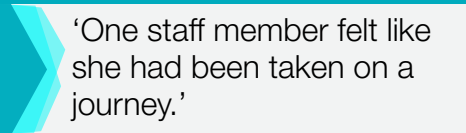
Close-up

Cultural awareness package attracting attention

The department's award-winning Aboriginal and Torres Strait Islander cultural awareness eLearning package is attracting the interest of many other government and non-government organisations (NGOs).

The package was developed in consultation with groups such as the Australian National University, the department's Reconciliation Ambassadors and Indigenous employee network and has been published on the department's eLearning platform.

> 'One staff member felt like she had been taken on a journey.'

The module develops mutually beneficial relationships with Aboriginal and Torres Strait Islander people by building a culturally diverse workforce, raising awareness and informing Australians of the unique history and culture of Aboriginal and Torres Strait Islander people.

This training was made a mandatory learning program in 2012 and currently almost 7000 or 63 per cent of all staff had completed it.

Staff have reacted enthusiastically to the eLearning package according to the Director of Workforce Design and Strategy Section, Robyn White.

'Our staff tell us the package has a great mix of historical and contextual information for those who don't have a developed understanding of Indigenous issues, past and present,' she said.

'They especially enjoyed the interactive sections, especially the music and photos—one staff member said she felt like she had been taken on a journey.'

Inclusion of the training in the department's supervision and leadership course ensures supervisors and managers are exposed to cultural information to assist them to work sensitively and effectively with Aboriginal and Torres Strait Islander employees.

The eLearning module was recognised as best practice by the Australian Institute of Training and Development and won the top overall award for 2012.

The Department of Climate Change and Energy Efficiency, Department of Defence, Fair Work Ombudsman and Indigenous Business Australia have entered into memoranda of understanding with the department to use the eLearning module content.

Another 11 organisations (Australian Government, state and NGOs) have started discussions to share the eLearning module.

Photo: Greater understanding of the cultural background of Indigenous staff such as Matty, is occurring in DIAC as a result of its award-winning eLearning package.

Workplace diversity

The department is committed to creating a workforce that is reflective of the community it serves and is taking steps to 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 2010–20*, the department's *Reconciliation Action Plan* and the *National Carer Strategy*. In May 2013 the department launched its inaugural Indigenous employment strategy and supporting implementation plan which aim to build on initiatives outlined in the Workplace Diversity Strategy and to achieve 2.7 per cent Indigenous workforce representation by 2015 under the National Partnership Agreement on Indigenous Economic Participation.

The department continued its membership of peak bodies in 2012–13, including the Diversity Council of Australia and the Australian Network on Disability. In addition, the department maintained its accreditation as a breastfeeding-friendly workplace at all office locations across Australia.

The department includes workplace diversity components within its orientation training for new employees and within foundational training for future supervisors and leaders. It continues to support employees to achieve a work/life balance by facilitating working in virtual teams across interstate locations, job relocation, flexible work options and work-from-home arrangements.

The department also continues its internal promotional efforts to acknowledge and raise awareness of diversity events and days of celebration.

Indigenous Australians

The department is committed to closing the gap on Aboriginal and Torres Strait Islander disadvantage and continues to increase Indigenous recruitment. In the period July 2012 to May 2013, the department increased in size by five per cent, and the level of Indigenous staff increased by just over 25 per cent. The increase in numbers can be attributed to increased participation in the APSC pathways program and other initiatives such as the cross-government recruitment action undertaken with the Department of Human Services recruitment of additional trainees located in Darwin. During 2012–13, the team recruited 27 additional employees through the APSC's pathways program.

The department launched its second *Reconciliation Action Plan 2013–16* during National Reconciliation Week in May 2013. This builds on the progress made in the previous plan and recognises that reconciliation is everyone's business with a whole-of-department approach required. In part, this is being achieved by increasing our understanding of Indigenous cultures through the department's Aboriginal and Torres Strait Islander cultural awareness eLearning package which continues to receive overwhelmingly positive responses from staff and is being shared with other external agencies.

The department utilises *Welcome to Country and Acknowledgment of Country* protocols at key meetings and events, including all citizenship ceremonies conducted by the department. It continues to build networks to support the employment of Aboriginal and Torres Strait Islander peoples within the department.

People with disability

At 30 June 2013 departmental staff who self-identified as having a disability (under the Australian Bureau of Statistics' definition), represented 2.6 per cent of the department's workforce. The proportion of staff who disclosed a disability has increased by 0.1 per cent from 30 June 2012 to 30 June 2013.

Through the development of a Disability Action Plan in 2013 the department has implemented a range of high impact initiatives that focus on the attraction, recruitment and retention of people with disability. The use of APSC Circular 2010/2 has resulted in the direct appointment of staff with disability and the department has committed to participate in the APSC RecruitAbility pilot program in the coming year.

Additionally, the department participated in the Australian Network on Disability mentoring program, positive action towards career engagement and in the willing and able mentoring program run by Deakin University.

The department's user-centred design competency centre is developing a web accessibility implementation plan to ensure that the department's information technology services are compliant with *Web Content Accessibility Guidelines* (WCAG) 2.0.

The department is developing a reasonable adjustment policy to provide employees and prospective employees with the assurance that their assistive technology and other requirements will be met.

The department maintains a national network of employees who aim to provide a consultation and advocacy role for people with disability, and support for employees with disability. The network raises disability awareness and is consulted on the development of disability policy, strategies and initiatives.

Through the development of health and safety management arrangements the department maintains a flexible framework for the management of occupational health and safety.

The *National Injury Prevention and Management Plan 2010–12* 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. 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 has an ongoing employee assistance program (EAP) in place and regularly promotes the benefits of this to staff. Managers and supervisors are encouraged to use the ManagerAssist component of this program, and employees are directed to the range of services they may find beneficial.

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.

In April 2013, the department became officially registered as a Care Aware workplace.

The intergenerational workforce

A succession planning process has been implemented to enable the development of strategies that address phased retirement approaches, special projects, and flexible work options to ensure retention of skills and corporate knowledge held by older SES employees.

Analysis of results from a youth survey in 2013 has resulted in the exploration of new strategies to engage younger employees and meet needs that are unique to that generation.

The lesbian, gay, bisexual, trans- and intersex cohort

To further its commitment to support the lesbian, gay, bisexual, trans- and intersex (LGBTI) cohort the department participated in the 2013 Australian Workplace Equality Index which will benchmark the department on LGBTI-inclusive workplace practices and initiatives.

Results from the survey will be used to inform the development of the department's *Workplace Diversity Strategy and Implementation Plan 2013–16*.

Women in the workplace

At 30 June 2013, the department employed 5650 women, or 61.9 per cent of its total workfource (excluding contractors/externals). This compares favourably with the APS average (as at 30 June 2012) of 57.6 per cent. Women occupy 44 per cent of SES Band 1 positions, 33 per cent of Band 2 and 43 per cent of Band 3.

Twenty-one per cent of the department's EL2 cohort participated in the 2013 succession planning process. Thirty-five individuals were assessed as having high leadership potential, of which 66 per cent were women. This means that 23 women were assessed as having the potential to transition into SES Band 1 positions in the coming 12 months.

In 2013 the department celebrated International Women's Day by hosting an event titled 'Following Your Passions—combining career, family and other interests'. The event was chaired by Deputy Secretary Dr Wendy Southern and featured presentations by Lin Hatfield-Dodds, National Director of UnitingCare Australia, one of Australia's leading social justice advocates and a recognised expert on social policy and community services and Deputy Secretary Liz Cosson.

Culturally and linguistically diverse employees

Culturally and linguistically diverse employees make up 22.5 per cent of the department's workforce. This compares favourably with the APS average (as at 30 June 2012) of 15.6 per cent.

The department is developing an *Agency Multicultural Plan 2013–15* to ensure that the intended benefits of the multicultural access and equity policy are realised and fully delivered. The plan is due for release in August 2013.

Impact and features of enterprise or collective agreements, determinations, common law contracts and AWAs

The 2012–13 financial year was the second year of operation of the department's *Enterprise Agreement 2011–14* (EA), which took effect on 6 October 2011 and nominally expires on 30 June 2014.

The second instalment of three salary increases under the EA was effected for all staff on 5 July 2012. Also on this date, the EA introduced the alignment of all salary point (or incremental) advancement for all staff covered by the EA to a common date in July each year.

Enterprise agreements and individual employment arrangements

The EA provides for flexible remuneration arrangements. Table 78 shows the department's salary range by classification level. The range reflects what is available under both the EA and individual flexibility arrangements. Appendix 1 provides a breakdown of salary ranges within each level as prescribed in the EA.

Table 78: Salary ranges for employees as at 30 June 2013

Classification	Range of salaries
APS Level 1	$ 24 952 – $ 46 082
APS level 2	$ 46 494 – $ 52 307
APS Level 3	$ 52 879 – $ 58 758
APS Level 4	$ 59 267 – $ 65 592
APS Level 5	$ 66 312 – $ 72 757
APS Level 6	$ 72 864 – $ 101 000
Executive Level 1	$ 90 981 – $ 138 000
Executive Level 2	$ 107 803 – $ 253 437
SES Band 1	$ 159 120 – $ 239 292
SES Band 2 / SES Band 3	$ 208 080 – $ 280 429

Note: Classifications such as medical officers, public affairs officers and legal officers have been reported under the relevant APS classification in accordance with the *Public Service Classification Rules 2000*.

Salary ranges reflect the department's *Enterprise Agreement 2011–14* and employees on individual employment arrangements.

The Executive Level 2 classification also includes salaries for the relevant medical officer classification as per the *Public Service Classification Rules 2000*.

Close-up

Jacinta jumps on board Indigenous traineeship program

Jacinta began her Australian Public Service (APS) Indigenous traineeship program in the department's busy Darwin office and hasn't looked back.

'The program provides me with the opportunity to learn new skills that are important for my future job prospects,' Jacinta said.

The 15 month traineeship program is designed to increase employment in the APS of Indigenous Australians with no prior formal qualifications. It provides a pathway to employment for Aboriginal and Torres Strait Islanders who may not have a working background relevant to employment in the APS, but have the capability to do so.

> 'My plan is to continue learning and to enhance my skills.'

The department's traineeship consists of ongoing employment at the APS2 level on entry, rotational work placements within business areas and accredited training at Certificate IV level in government.

It also includes personal and career learning and development opportunities, support from the registered training organisation, access to a mentor and support from their employing agencies.

'I started the program by working at the Darwin Regional Office and have gained experience in the client services and citizenship area,' Jacinta said. She is one of 20 people who entered the program in 2012–13.

'My plan is to continue learning and to enhance my skills.'

To gain a traineeship with the department, applicants are required to demonstrate a number of key competencies during their assessment process. These are based on the APS integrated leadership system.

This system provides capability development guidance for individuals and agencies in the form of descriptions and behaviours for all levels in the APS. It contains practical tools for individuals and agencies to chart leadership development.

On successful completion of the program, Jacinta will be suitable for a promotion to a newly created position within the Northern Territory.

Photo: Jacinta will use skills gained in the Indigenous traineeship program.

Individual employment arrangements

A number of employees are on section 24(1) determinations under the *Public Service Act 1999*, or individual flexibility arrangements pursuant to clause 11.22 of the EA.

Table 79: Number of departmental employees on individual employment arrangements as at 30 June 2013 (nominal)

Classification	Employees on section 24(1) determinations	Employees on individual flexibility arrangements	Total
APS Level 5	3	2	5
APS Level 6	8	4	12
Executive Level 1	9	41	50
Executive Level 2	2	68	70
SES	92	0	92
Total	114	115	229

Other non-salary benefits

The range of benefits other than base salary, provided to employees under the department's enterprise agreement and individual employment arrangements include:

- flexible working arrangements including flextime, flexible time-off arrangements, variable working hours, part-time employment, job sharing and home-based work
- flexible leave such as 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 (EAP)
- salary packaging
- allowances which include 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 2012–13.

Impact of training and development

Global Learning and Change Branch (GLCB) commits to building capability across the department by developing and delivering training to staff in Australia and overseas. Learning and development products and services build skills, knowledge and behaviours in the following areas:

- Learning for new employees—includes the orientation program and mandatory training in code of conduct, fraud awareness, records awareness, security essentials, work health and safety law, and Aboriginal and Torres Strait Islander awareness.

- Core foundations—targets core skills and knowledge a DIAC officer requires, and includes courses on client service skills, writing skills, intercultural effectiveness, and interview skills.

- Role specific—targets skills and knowledge a departmental officer requires for specific roles for the department and includes courses on visa decision-making, case management, compliance status resolution concepts, and the overseas preparation course.

- Leadership training—targets skills and knowledge a departmental officer needs to effectively lead people and manage business programs and processes, and includes training on supervision and coaching, and the SES Leadership Program.

GLCB delivers training through numerous formats, including:

- face-to-face training, where experienced trainers deliver sessions from a catalogue of 80 courses. There were more than 13 700 registrations by departmental staff for face-to-face training

- eLearning, where approximately 50 000 training modules were accessed by departmental staff from a catalogue of 340 courses

- virtual classroom, a cost-effective online training channel with wide reach across the department. Approximately 8500 staff used virtual classrooms

- partnering with business areas to support on-the-job training and development.

Blended learning

GLCB has focused on the development of blended learning, which incorporates numerous training formats into one integrated and cohesive program. Blended learning offers a cost effective, flexible training channel that reflects best practice. GLCB's initiatives in this format include:

- The orientation program, where employees new to the department will complete eLearning before their commencement date and formal face-to-face induction training once they join the department.

- The ongoing graduate development program, where a range of learning and development opportunities for participants are available through on-the-job learning, formal training, eLearning courses and a mentoring program.

Learning and development support for change management

GLCB supports the department through change in policy and priorities with learning and development solutions. The branch's achievements in this regard include:

- adapting training for IMAs, compliance and case management staff to meet changes in government policy—an example is the regional processing essentials (Manus Island and Nauru) course developed this year to meet IMA policy

- facilitating global consistency in the use of departmental ICT systems through the development and delivery of comprehensive training products and services. Examples of this include the training program for offshore staff in the use of the department's prime ICT system, the integrated client service environment (ICSE), and the recent training initiatives preparing for the launch of ourPeople—the fully integrated system for recruitment, performance and learning management

- supporting staff to manage clients' understanding and expectations of new visa pricing and payments through the visa pricing transformation overview sessions, delivered face-to-face and via virtual classrooms.

Work health and safety

Building on the work done before new Commonwealth work health and safety (WHS) laws came into effect on 1 January 2012 the department continues to embed WHS within its business operations with a focus on mitigating risks associated with high-risk business areas and developing an appropriate framework for the ongoing assurance of compliance with the *Work Health and Safety Act 2011* (WHS Act).

Health and safety management arrangements

The purpose of the health and safety management arrangements (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.

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. Under these arrangements, the department established new HSRs as part of implementation of regional processing centres in Nauru and Manus Island.

Work health and safety training

In October 2012 a revised national WHS eLearning module was launched across the department. All new and existing staff must complete this module annually.

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 and removal officer training.

New WHS modules were also developed and delivered for a number of departmental roles involved in processing IMAs, including case management, regional processing essentials training and the immigration detention facility (IDF) executive leadership 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 2012–13.

Health, safety and wellbeing

To promote health, safety and wellbeing within the organisation, the department delivered a range of services and activities throughout 2012–13 including:

- a national influenza vaccination program, with more than 2000 staff vaccinated
- health and wellbeing activities during Safe Work Australia Week, including displays in departmental offices, wellbeing seminars delivered by the department's EAP provider, and a national fun walk in various states and territories
- the annual departmental health and safety awards
- 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 on-site 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 increased from 2011–12 to 2012–13, the rate continued to be lower than the rate for all agencies, as shown in Table 80:

Table 80: Premium rate for the department compared to all agencies 2010–11 to 2012–13

Premium rate	2010–11	2011–12	2012–13
Department	0.92%	1.12%	1.55%
All agencies	1.20%	1.41%	1.77%
Variation	-0.28	-0.29	-0.22

To keep its share of overall Comcare scheme costs as low as possible, the department focuses 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. Mechanism of injury descriptors are based on a national classification system that assists in identifying injury trends and setting injury prevention performance targets. Table 81 shows how the level of injury claims for the department that have been accepted by Comcare has decreased when compared to 2011–12.

Table 81: Three-year summary of mechanism of injury for accepted claims

Accepted claims	2010–11	2011–12	2012–13
Falls, trips and slips	14	22	11
Hitting objects	0	2	2
Being hit by moving objects	6	1	2
Sound and pressure	1	0	2
Body stressing	38	50	31
Heat, electricity and other environmental	1	1	1
Chemicals and other substances	0	0	0
Biological factors	4	2	1
Psychological	8	13	8
Other or unspecified	2	1	3
Total	74	90	61*
Total Australia-based staff	7 607	8 510	9 133
Percentage of injury claims	0.97%	1.06%	0.67%

* The number of accepted claims for 2012–13 is likely to increase over time as workers compensation claims continue to be lodged and accepted by Comcare for injuries/illnesses that occurred in 2012–13.

Regulatory activity

The department liaises regularly with Comcare on all regulatory and cooperative compliance matters, particularly in relation to the management of WHS at IDFs. This includes provision and monitoring of incident reports and information as required under the WHS Act, or as requested by Comcare.

In the period 1 July 2012 to 30 June 2013, Comcare conducted regulatory inspections at Villawood, Christmas Island, Yongah Hill, Perth, Scherger, Pontville and Inverbrackie IDFs as well as a visit to the Darwin Airport Lodge.

In February 2013, Comcare conducted a liaison visit to the Torres Strait to gain a better understanding of the operations of Commonwealth agencies in the region and the associated WHS issues faced by federal workers, including the department's movement monitoring officers.

In April 2013, Comcare conducted a liaison visit to the regional processing centre in Nauru. The purpose of this visit was for Comcare to gain a better understanding of the operations of the centre and the associated WHS issues faced by workers.

No formal improvement notices have been issued nor have there been any identified breaches of the WHS Act arising from any of these inspections or visits.

The department has also participated in cross-jurisdictional WHS forums run by Comcare including the international deployment campaign which commenced in October 2012, and the remote work campaign from March 2013.

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 changed the incident classification descriptions and some reporting thresholds and requires the reporting of incidents to Comcare as soon as possible, without the prescribed timeframes for reporting as required under previous laws.

Between 1 July 2012 and 30 June 2013, 298 incidents were notified under sections 35, 36 and 37 of the WHS Act. Table 82 summarises all incidents notified to Comcare by the department for this period for the 2011–12 and 2012–13 financial years.

Table 82: Incidents notified to Comcare under sections 35, 36 and 37 of the Work Health and Safety Act

Notifiable incident classification	Number of incidents notified 2011–12	Number of incidents notified 2012–13
Death	4	3
Serious injury/illness (SII)	377	188
Dangerous incident (DI)	1 140	107
Total	1 521	298

The lower incidence of reporting of incidents to Comcare in 2011–12, 298 compared to 1521 incidents reported in 2012–13 can be primarily attributed to improvements in the quality of guidance materials, training and support to staff to assist them in making decisions in accordance with legislative requirements and reduce the level of over-reporting of incidents. The department continues to liaise closely with Comcare on its incident reporting activity and related systems.

Support programs for staff

The department has in place a range of programs to ensure the health and safety of staff deployed at onshore detention facilities and at overseas posts. The programs and services are as follows:

• General health assessments—all officers deployed for more than three months must undertake a general health assessment before being deployed.

• Psychological resilience and self-care support program—which identifies psychological health and safety risks associated with staff working in remote and demanding environments.

• On-site psychological support—on-site counselling services have been implemented for staff working at higher risk detention facilities such as Christmas Island.

• Infectious disease and vaccination program—implemented to reduce the risk of exposure to infectious disease when working in high risk work roles and environments.

Unscheduled absence management

In 2012–13, the department's average unscheduled absence rate was 13.6 days per person per year. The EA commits the department to developing and implementing initiatives to reduce the department's average unscheduled absence rate per employee by one day per year over the life of the agreement.

Initiatives 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

• the promotion of programs to facilitate employee awareness and general health and wellbeing.

The interventions to assist employees and managers build on the successful launch of the dedicated toolkit to assist managers in unscheduled absence management called *Be WELL, BEING Here* and a new eLearning package called *Managing for Performance*.

The *Be WELL, BEING Here* 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.

The *Managing for Performance* eLearning package was launched in May 2012. The package has six modules, including one about managing unscheduled absence and a series of 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* (FMA Act) and the Commonwealth Procurement Rules (CPRs).

The Business Services Group provides specialist advice and assistance to all areas of the department engaged in procurement and contract management, through:

- self-service which includes streamlined information, guidance and tools for procurement under $80 000, supported by a helpdesk function
- dedicated procurement staff to provide support and advice for approaches to market
- centralised management of high value/high risk procurement and an assurance function to manage risk and compliance with legal and policy requirements, and to ensure value for money
- development and maintenance of policy documentation and guidance
- coordination of the department's external procurement reporting responsibilities
- legal and probity advice.

Procurement documentation is published on AusTender in accordance with the requirements of the CPRs 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 CPRs 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 2012–13, the department entered into 69 new consultancy contracts involving total actual expenditure of $5 622 014.31 (inclusive of GST). In addition, 29 ongoing consultancy contracts were active during 2012–13, involving total actual expenditure of $2 229 427.13 (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

The department does not have any contracts with a value of $10 000 or more (inclusive of GST) or any standing offers that have been exempted by the chief executive from being published in AusTender on the basis that they would disclose exempt matters under the *Freedom of Information Act 1982*.

Details of all other contracts with a value of $10 000 or more have been published on AusTender in accordance with the reporting requirements of the CPRs.

Asset management

The department manages non-current assets with a gross book value of $1.785 billion (net value of $1.417 billion), the majority of these assets (gross book value of $1.020 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 2012–13 financial year, the gross book value of departmental and administered assets increased by $113 million, which was primarily due to:

- the construction of additional detention facilities
- the ongoing development of software to meet the business requirements.

The department manages its asset replacements 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 property, plant and equipment 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 2012–13 financial statements in Part 5 of this report.

Advertising and market research

Table 83 lists expenditure and market research contracts during 2012–13.

Table 83: Advertising and market research expenditure

Media advertising	Total amount paid against contract
Advertising agencies	
Diverse Communications Pty Ltd: Creative services for the 'Don't be sorry' campaign	$109 053.95
Market research organisations	
Diverse Communications Pty Ltd: Public relations plan to market to culturally and linguistically diverse communities	$65 000.00
Hall and Partners Open Mind Pty Ltd: Market research for concept testing of campaign advertising creative	$45 760.00
Essence Communications Trust: Market testing for the concept testing for the 'Don't be sorry' campaign	$272 305.00
McNair Ingenuity Research Pty Ltd: Evaluation and research for the 'Don't be sorry' campaign	$69 864.99
Media advertising organisations	
Adcorp Australia Limited: Print advertising for regional and ethnic newspapers—People of Australia ambassadors program	$36 155.81
Adcorp Australia Limited: Print media/tender release advertisements for the status resolution support services procurement	$20 622.80
Adcorp Australia Limited: 'No advantage' campaign	$26 398.05
Adcorp Australia Limited: Advertising to support the pre-release notice for vulnerable clients	$18 152.00
Mediabrands Australia Pty Ltd: Television/radio/print/online advertising for the 'Don't be sorry' campaign	$713 645.94
Mediabrands Australia Pty Ltd: Radio/print/online advertising for employer sanctions reforms campaign	$600 000.00
Mediabrands Australia Pty Ltd: Radio/print/online advertising for community status resolution service	$200 000.00
Mediabrands Australia Pty Ltd: Print/online advertising for students	$110 000.00
Mediabrands Australia Pty Ltd: Creative concept development for community status resolution service advertising	$25 337.40
Mediabrands Australia Pty Ltd: Skilled migration promotion advertising	$49 500.00

During 2012–13, the department conducted the following advertising campaigns:

• Employer awareness

• No advantage

• Don't be sorry.

Further information on those advertising campaigns is available at www.immi.gov.au and 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 its focus on ecologically sustainable development and environmental performance during the 2012–13 financial year. The department is seeking to reduce the direct environmental impact of its operations by making more efficient use of energy, water, paper and procurement of materials.

In 2012–13 the department continued to develop its national environmental management framework, clearly reflecting its commitment to fostering the sustainable use of the Earth's resources and minimising greenhouse gas emissions. The following commentary provides a summary of the department's environmental management performance and activities during 2012–13.

National environmental policy

The secretary endorsed the national environmental policy in 2009. The policy provides the foundation for environmental stewardship within departmental offices. It sets out the level of environmental responsibility and performance expected by the department.

Under the national environmental policy, the department will:

- 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 implementation of environmental protection measures.

The development of the EMS was based on international standard AS/NZS ISO 14001.

Green initiatives

During 2012–13 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 proportion of six-cylinder vehicles to 15.2 per cent of the current national fleet. In 2012–13 the proportion was 27.2 per cent. On average, replacing a six-cylinder vehicle with a four-cylinder vehicle reduces average CO_2 emissions by approximately 30 g/km.
- increasing the percentage of Australian-made vehicles in the department's fleet from 51 per cent in 2011–12 to 65 per cent in 2012–13
- leasing 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
- completion of energy audits across nine major office buildings within Australia. Potential energy conservation measures have been identified and planning is underway to realise these potential savings through the energy management plans for the GLS sites
- 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 2012–13 the department continued its implementation of recommendations from the 2009 Sir Peter Gershon's review of the Australian Government's use of information and communication technology, with a particular focus on data centres and desktop computing. Continued investment in virtualisation, and new investment in high density computing platforms (blade servers), as recommended by the 2012–15 Infrastructure Management Plan, has seen data centre energy efficiency improve across the department.

Investment in an energy reporting solution for the department's managed Belconnen Data Centre (BDC) site has also resulted in information on which to base strategic planning. Key power usage effectiveness (PUE) metrics for the Canberra Data Centre (CDC) site in Hume, and BDC, are at 1.54 and 1.57, respectively. This meets the Australian Government ICT sustainability targets for PUE (from 1.7 to 2.2) in advance of the 2015 target.

With regard to end-user computing, The Switch program 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 being equivalent to powering the machines off. Initial tenancy energy usage reports indicate energy billing has decreased from 6 per cent to 12 per cent (compared to the same period in the previous year) at sites where this capability has been deployed.

Energy performance

In 2012–13 the department's tenant light and power energy consumption was 5829 megajoules per person per annum, which was a significant decrease from usage in 2011–12 (Table 84). The decrease is due to full year reporting on change of leases to more efficient buildings, implementation of ICT sustainability initiatives and higher average staffing levels per square metre across the department.

Table 84: The department's energy performance against energy efficiency in government operations targets for 2012–13

	2008–09	2009–10	2010–11	2011–12	2012–13
Tenant light and power (MJ pp pa1) (Target 7500 MJ by 2012)	7 268	6 618	6 003	6 322	5 829

1. MJ pp pa = megajoules per person per annum

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 currently 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.

The department is working towards the establishment of a dedicated heritage precinct on the site to communicate its significance and to interpret the key themes and stories in its history.

Some of the key design elements of the heritage precinct include:

- an obvious entry point that welcomes visitors
- communal spaces and seating, and new plantings
- pedestrian access (with vehicle access for deliveries, disabled access or emergencies)
- signage that communicates the human experiences connected to the site
- external interpretation signs to provide an overview of the values of the site and to interpret the site after hours.

The construction of the precinct is scheduled for completion in the second stage of the redevelopment of Villawood in 2014.

Social justice and equity

New arrivals in the community, including humanitarian entrants, are assisted by the department through a range of settlement services including the humanitarian settlement services program, the adult migrant English program, the complex case support program, and the settlement grants program. These services assist new arrivals to establish themselves in the Australian community by connecting them with local services such as health, housing, employment, community and family programs, and helping them to gain English language skills.

The department promotes the social inclusion of new arrivals to Australia through engagement with the settlement sector in a number of fora, such as the Refugee Resettlement Advisory Council and the Settlement Council of Australia.

The department led implementation of the strengthened multicultural access and equity policy across Australian government, supporting agencies and departments with tools, resources and feedback mechanisms to develop their first biennial Agency Multicultural Plans. The department has also developed its own inaugural agency multicultural plan, which establishes a high standard for responsiveness to all Australians, including those who may be disadvantaged by cultural or linguistic barriers. This plan has been endorsed by the Australian Multicultural Council and formally approved by the Minister for Multicultural Affairs, Senator the Hon Kate Lundy.

The department's diversity and social cohesion program funds organisations which contribute to community harmony and social inclusion. These organisations:

- promote respect, fairness and a sense of belonging for Australians of every race, culture and religion
- develop the capacity-building skills of specific community groups under significant pressure due to their cultural, religious or racial diversity.

Grants

Discretionary grants are payments where the portfolio minister has discretion in determining the outcome of a grant application, and may impose conditions on the grantee in return for the grant. The minister's decision is final and there are no review or appeal processes.

The department administered the following discretionary grant programs in 2012–13:

- settlement grants program
- diversity and social cohesion program
- multicultural arts and festivals grants (as part of the diversity and social cohesion program)
- multicultural affairs (Federation of Ethnic Communities' Council of Australia).

Spatial reporting

The Immigration and Citizenship portfolio is committed to supporting rural and regional communities in Australia. A number of immigration and citizenship programs specifically target regional Australia, encouraging migrants and humanitarian entrants to settle in regional areas.

The table below illustrates a summary of expenditure by program disaggregated between regional Australia, non-regional and non-specific location comparing 2012–13 actual expenditure against the 2012–13 budget year for the Immigration and Citizenship portfolio.

Table 85: 2012–13 Expenditure disaggregated for the Department of Immigration and Citizenship

Program	Category	Budget estimate 2012–13 $m (a)	Actual expenses 2012–13 $m (b)	Variation 2012–13 $m (a-b)
Grants for Community Settlement Services	Regional	2.0	6.0	-4.0
	Non-regional[1]	13.8	35.0	-21.2
	Non-specific[2]	27.0	0.0	27.0
				0
Other programs	Regional	0.0	0.0	0.0
	Non-regional1	39.2	49.0	-9.8
	Non-specific2	3.0	0.0	3.0
Total—Department of Immigration and Citizenship	Regional	2.0	6.0	-4.0
	Non-regional	53.0	84.0	-31.0
	Non-specific	30.0	0.0	30.0
Portfolio Grand Total	Regional	2.0	6.0	-4.0
	Non-regional	53.0	84.0	-31.0
	Non-specific	30.0	0.0	30.0

1. In the 2012–13 Budget estimate, an amount of $12.2 million has been reclassified from Grants and Community Settlement Services non-regional to Other Programs non-regional.

2. Amounts recorded against non-specific at Budget relate to grants that have not yet been allocated. The allocation occurs during the financial year, therefore, by the end of the financial year these amounts have allocated to regional or non-regional.

Grants for Community Settlement Services Program (also known as SGP) is an ongoing grants program with funding provided through a grants application round each year for services over a maximum of three years, with the possibility of an extension in certain cases. Generally, the majority of funding occurs in the first year. Migrant and humanitarian entrants arrive unfamiliar with cultural and social norms, a lack of family or social support, limited education or employment experience and with limited English language proficiency. Those settling in regional locations face additional challenges of:

• limited local availability of a range of relevant services

• limited local experience in delivering services to culturally and linguistically diverse clients

• limited understanding of the particular settlement needs of each group.

The department provides settlement support through the SGP in both metropolitan and regional locations to overcome these barriers. Funding to organisations is made on a service basis, with funding priorities for particular regions and communities determined by an annual need-based planning process. These SGP services are made available to the broad range of migrant and humanitarian clients and do not duplicate services provided under the humanitarian settlement services (HSS) program.

Regional locations receive a higher weighting in recognition of the higher cost of delivering SGP services in those areas and possible lack of access to mainstream services that are available in metropolitan areas.

Part 5

Financial statements

Photo: Dilek enjoys traditional food, dress and music at the Kurdish New Year festival.

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 2013, which comprise: a Statement by the Secretary and Chief Financial Officer; Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; 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.

Secretary's Responsibility for the Financial Statements

The Secretary of the Department of Immigration and Citizenship is responsible for the preparation of financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards, and for such internal control as 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 Secretary of the 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 2013 and of its financial performance and cash flows for the year then ended.
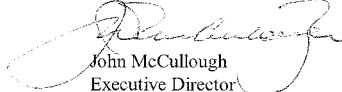
Report on Other Legal and Regulatory Requirements

Note 31: "Compliance with Statutory Conditions for Payments from the Consolidated Revenue Fund" discloses information on the Department of Immigration and Citizenship's review of its exposure to risks of not complying with statutory conditions on payments from special appropriations and special accounts, and annual appropriations which fund statutory payments. Non-compliance with statutory conditions may lead to a contravention of section 83 of the Constitution, which requires that no money shall be drawn from the Treasury of the Commonwealth except under an appropriation made by law.

As disclosed in Note 31, 2012–13 payments in breach of section 83 of the Constitution total $150,071 under the *Migration Act 1958,* and $3,261 under the *Long Service Leave (Commonwealth Employees) Act 1976.*

Australian National Audit Office

John McCullough
Executive Director
Delegate of the Auditor-General
Canberra
20 August 2013

DEPARTMENT OF IMMIGRATION AND CITIZENSHIP
STATEMENT BY THE SECRETARY AND CHIEF FINANCIAL OFFICER

In our opinion, the financial statements for the year ended 30 June 2013 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
Secretary

20 August 2013

Stephen Sheehan
Chief Financial Officer

20 August 2013

Department of Immigration and Citizenship
Statement of comprehensive income
for the period ended 30 June 2013

	Notes	2013 $'000	2012 $'000
Expenses			
Employee benefits	3A	829 779	799 345
Supplier expenses	3B	627 533	578 319
Depreciation and amortisation	3C	98 449	90 435
Finance costs	3D	1 098	2 264
Write-down and impairment of assets	3E	17 975	10 778
Foreign exchange losses	3F	502	57
Losses from asset sales	3G	10	13
Other expenses		264	511
Total expenses		1 575 610	1 481 722
Less:			
Own-source income			
Own-source revenue			
Sale of goods and rendering of services	4A	31 236	27 696
Fees and fines	4B	7 984	7 241
Rental income	4C	2 157	1 388
Royalties	4D	2 034	1 251
Recovery of costs		7 698	7 549
Comcover insurance recoveries		881	5 000
Other revenue		526	423
Total own-source revenue		52 516	50 548
Gains			
Sale of assets	4E	29	21
Foreign exchange	4F	173	140
Reversals of previous asset write-downs and impairment	4G	1 306	1 228
Other gains	4H	719	621
Total gains		2 227	2 010
Total own-source income		54 743	52 558
Net cost of services		1 520 867	1 429 164
Revenue from government	4I	1 429 644	1 330 622
Surplus (Deficit) on continuing operations		(91 223)	(98 543)
Other comprehensive income			
Items not subject to subsequent reclassification to profit or loss			
Changes in asset revaluation reserves		3 555	-
Total comprehensive income (loss)		(87 668)	(98 543)

The above statement should be read in conjunction with the accompanying notes.

Department of Immigration and Citizenship
Balance sheet
as at 30 June 2013

	Notes	2013 $'000	2012 $'000
Assets			
Financial assets			
Cash and cash equivalents	6A	2 435	2 386
Trade and other receivables	6B	394 796	354 569
Other financial assets	6C	1 761	1 171
Total financial assets		398 992	358 126
Non-financial assets			
Land and buildings	7A,C	56 539	73 761
Property, plant and equipment	7B,C	39 596	37 511
Intangibles	7D,E	315 955	313 165
Other non-financial assets	7F	15 297	14 407
Total non-financial assets		427 387	438 844
Total assets		826 379	796 970
Liabilities			
Payables			
Suppliers	8A	119 456	123 005
Other payables	8B	55 553	53 920
Total payables		175 009	176 925
Interest bearing liabilities			
Leases	9	1 893	2 690
Total interest bearing liabilities		1 893	2 690
Provisions			
Employee provisions	10A	221 162	206 235
Other provisions	10B	32 775	29 021
Total provisions		253 937	235 256
Total liabilities		430 839	414 871
Net assets		395 540	382 099
Equity			
Parent entity interest			
Contributed equity		580 117	478 737
Reserves		116 049	112 494
Retained surplus (accumulated deficit)		(300 626)	(209 132)
Total equity		395 540	382 099

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 2013

	Retained earnings		Asset revaluation reserve		Contributed equity/capital		Total equity	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Opening balance								
Balance carried forward from previous period	(209 133)	(110 590)	112 494	112 493	478 737	362 294	382 099	364 197
Adjustment for errors	(270)	-	-	1	-	(1)	(270)	-
Adjusted opening balance	(209 403)	(110 590)	112 494	112 494	478 737	362 293	381 828	364 197
Comprehensive income								
Other comprehensive income—changes in asset revaluation reserves	-	-	3 555	-	-	-	3 555	-
Surplus (Deficit) for the period	(91 223)	(98 542)	-	-	-	-	(91 223)	(98 542)
Total comprehensive income	(91 223)	(98 542)	3 555	-	-	-	(87 668)	(98 542)
Transactions with owners								
Contributions by owners								
Equity injection—appropriations	-	-	-	-	25 115	11 698	25 115	11 698
Departmental Capital Budget appropriation	-	-	-	-	76 187	104 746	76 187	104 746
Restructuring (Note 11)	-	-	-	-	78	-	78	-
Sub-total transactions with owners	-	-	-	-	101 380	116 444	101 380	116 444
Closing balance at 30 June	(300 626)	(209 132)	116 049	112 494	580 117	478 737	395 540	382 099

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 2013

	Notes	2013 $'000	2012 $'000
Operating activities			
Cash received			
Goods and services		59 152	36 310
Appropriations		1 427 395	1 409 476
Net GST received		48 593	49 887
Other cash received		10 736	17 582
Total cash received		1 545 876	1 513 255
Cash used			
Employees		824 332	758 641
Suppliers		676 672	638 423
Borrowing costs		1 098	2 264
Cash transferred to the Official Public Account		41 954	107 925
Other cash used		1 012	30
Total cash used		1 545 068	1 507 283
Net cash from operating activities	12	808	5 972
Investing activities			
Cash received			
Proceeds from sales of property, plant and equipment		38	25
Total cash received		38	25
Cash used			
Purchase of property, plant and equipment		22 920	39 213
Purchase of intangibles		83 132	97 531
Total cash used		106 052	136 744
Net cash (used by) investing activities		(106 014)	(136 719)
Financing activities			
Cash received			
Contributed equity		106 052	136 744
Total cash received		106 052	136 744
Cash used			
Repayment of borrowings (finance leases)		797	14 833
Total cash used		797	14 833
Net cash from financing activities		105 255	121 911
Net increase in cash held		49	(8 836)
Cash and cash equivalents at the beginning of the reporting period		2 386	11 222
Cash and cash equivalents at the end of the reporting period	6A	2 435	2 386

The above statement should be read in conjunction with the accompanying notes.

Department of Immigration and Citizenship
Schedule of commitments
as at 30 June 2013

	2013 $'000	2012 $'000
By type		
Commitments receivable		
Sublease rental income	(4 637)	(6 466)
Other receivables	(165)	(800)
GST recoverable on commitments	(54 465)	(47 888)
Total commitments receivable	(59 267)	(55 154)
Commitments payable		
Capital commitments		
Land and buildings	8 261	1 947
Intangibles	12 748	1 038
Total capital commitments	21 009	2 985
Other commitments		
Operating leases [1]	318 639	325 670
Information technology services [2]	288 689	206 838
Other [3]	33 048	32 450
Total other commitments	640 376	564 958
Total commitments payable	661 385	567 943
Net commitments by type	602 118	512 789
By maturity		
Commitments receivable		
Operating lease and others		
One year or less	(1 913)	(2 500)
From one to five years	(2 889)	(4 766)
Total operating lease and others	(4 802)	(7 266)
GST receivable		
One year or less	(15 697)	(19 079)
From one to five years	(34 783)	(23 668)
Over five years	(3 985)	(5 141)
Total GST receivable	(54 465)	(47 888)
Total commitments receivable	(59 267)	(55 154)

Department of Immigration and Citizenship
Schedule of commitments *continued*
as at 30 June 2013

	2013 $'000	2012 $'000
Commitments payable		
Capital commitments		
One year or less	9 309	2 090
From one to five years	11 700	895
Total capital commitments	21 009	2 985
Operating lease commitments		
One year or less	85 397	70 897
From one to five years	205 546	195 980
Over five years	27 696	58 793
Total operating lease commitments	318 639	325 670
Other commitments		
One year or less	109 903	159 530
From one to five years	194 868	79 723
Over five years	16 966	35
Total other commitments	321 737	239 288
Total commitments payable	661 385	567 943
Net commitments by maturity	602 118	512 789

Commitments are GST inclusive where relevant.

1. Operating lease commitments include leases for onshore and offshore office and staff accommodation.

2. Information technology service commitments primarily includes costs for contracted services.

3. Other commitments include costs primarily relating to the outsourcing of office services and the provision of accommodation 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. Leases of office accommodation 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 and midrange infrastructure and software expire on 30 June 2018. The agreement for telecommunications services will continue until 30 September 2014 and options for extension are available.

The above schedule should be read in conjunction with the accompanying notes.

Department of Immigration and Citizenship
Schedule of contingencies
as at 30 June 2013

	2013 $'000	2012 $'000
Contingent liabilities		
Indemnities	920	901
Claims for damages or costs	2 570	9 949
Total contingent liabilities	3 490	10 850

As at 30 June 2013, the department had no quantifiable contingent assets or guarantees (2012: 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 2013

	Notes	2013 $'000	2012 $'000
Expenses			
Suppliers	18A	2 110 849	1 369 031
Personal benefits	18B	146 569	73 765
Grants	18C	62 442	55 529
Depreciation and amortisation	18D	53 943	33 262
Write-down and impairment of assets	18E	3 231	7 847
Losses from asset sales	18F	15	-
Foreign exchange losses	18G	2 466	4
Other expenses	18H	92	218
Total expenses administered on behalf of government		2 379 607	1 539 656
Less:			
Own-source income			
Own-source revenue			
Non-taxation revenue			
Fees and fines	19A	1 209 272	1 063 910
Recovery of detention costs		3 456	2 970
Other revenue		(487)	15 010
Total own-source revenue administered on behalf of government		1 212 241	1 081 890
Gains			
Sale of assets	19B	24	-
Reversal of previous asset write-downs and impairments	19C	128	187
Foreign exchange	19D	322	466
Total gains administered on behalf of government		474	653
Total own-source income administered on behalf of government		1 212 715	1 082 543
Net cost of services		1 166 892	457 113

This 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 2013

	Notes	2013 $'000	2012 $'000
Assets			
Financial assets			
Cash and cash equivalents	21A	22 126	24 708
Trade and other receivables	21B	30 255	14 146
Other financial assets	21C	11 790	22 192
Total financial assets		64 171	61 046
Non-financial assets			
Land and buildings	22A,C	866 144	895 100
Property, plant and equipment	22B,C	138 671	5 277
Other non-financial assets	22D	104 899	73
Total non-financial assets		1 109 714	900 450
Total assets administered on behalf of government		1 173 885	961 496
Liabilities			
Payables			
Suppliers	23A	380 249	354 303
Personal benefits	23B	15 851	13 732
Grants	23C	17 142	7 659
Other payables	23D	249	96
Total payables		413 491	375 790
Provisions			
Bonds	24A	19 306	13 157
Total provisions		19 306	13 157
Total liabilities administered on behalf of government		432 797	388 947
Net assets		741 088	572 549

This schedule should be read in conjunction with the accompanying notes.

Department of Immigration and Citizenship
Administered reconciliation schedule

	2013 $'000	2012 $'000
Opening administered assets less administered liabilities as at 1 July	572 549	503 422
Plus: Administered income	1 212 715	1 082 543
Less: Administered expenses (non CAC)	(2 379 607)	(1 539 656)
Administered transfers to/from Australian Government:		
Appropriation transfers from Official Public Account:		
Annual appropriations for administered expenses (non CAC)	2 398 120	1 412 582
Administered assets and liabilities appropriations	366 025	349 056
Transfers to Official Public Account	(1 434 206)	(1 220 125)
Transfer from the Department of Finance and Deregulation	-	2 197
Administered revaluations taken to (from) reserves	5 492	(17 470)
Closing administered assets less administered liabilities as at 30 June	741 088	572 549

This schedule should be read in conjunction with the accompanying notes.

Department of Immigration and Citizenship
Administered cash flow statement

for the period ended 30 June 2013

	Notes	2013 $'000	2012 $'000
Operating activities			
Cash received			
Immigration fees		1 223 894	1 058 315
Bonds received		37 330	18 393
Sales of goods and rendering of services		-	1 464
Fines		2 056	2 344
Net GST received		186 906	156 560
Other		2 525	10 883
Total cash received		1 452 711	1 247 959
Cash used			
Grant paid		52 993	50 808
Bonds paid		30 223	32 292
Personal benefits		144 529	67 312
Suppliers		2 391 405	1 433 793
Refunds paid		4 385	3 169
Total cash used		2 623 535	1 587 374
Net cash flows (used by) operating activities	25	(1 170 824)	(339 415)
Investing activities			
Cash received			
Proceeds from sale of property, plant and equipment		30	-
Total cash received		30	-
Cash used			
Purchase of property, plant and equipment		161 730	192 494
Total cash used		161 730	192 494
Net cash flows (used by) investing activities		(161 700)	(192 494)
Financing activities			
Cash received			
Contributed equity		161 730	192 494
Total cash received		161 730	192 494
Net cash flows from financing activities		161 730	192 494
Net increase (decrease) in cash held		(1 170 794)	(339 415)
Cash and cash equivalents at the beginning of the reporting period		24 708	15 106
Cash from Official Public Account for:			
- Appropriations		2 602 418	1 569 142
		2 602 418	1 569 142
Cash to Official Public Account for:			
- Appropriations		1 434 206	1 220 125
		1 434 206	1 220 125
Cash and cash equivalents at the end of the reporting period	21A	22 126	24 708

This statement should be read in conjunction with the accompanying notes.

Department of Immigration and Citizenship
Schedule of administered commitments
as at 30 June 2013

	2013 $'000	2012 $'000
By type		
Commitments receivable		
Sublease rental income	-	(3 340)
GST recoverable on commitments	(60 030)	(75 415)
Total commitments receivable	(60 030)	(78 755)
Commitments payable		
Capital commitments		
Land and buildings	8 800	-
Infrastructure, plant and equipment	5 497	8 949
Total capital commitments	14 297	8 949
Other commitments		
Suppliers [1]	468 020	288 752
Health and medical services [2]	133 429	372 327
Operating leases [3]	93 918	65 692
Grants [4]	63 915	33 828
Policing services [5]	24 437	46 200
Education services [6]	3 029	-
Other commitments	50 930	36 322
Total other commitments	837 678	843 121
Net commitments by type	791 945	773 316

Department of Immigration and Citizenship
Schedule of administered commitments *continued*
as at 30 June 2013

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Financial statements

	2013 $'000	2012 $'000
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	(54 512)	(51 963)
From one to five years	(5 518)	(23 452)
Total other commitments receivable	(60 030)	(75 415)
Total commitments receivable	(60 030)	(78 755)
Commitments payable		
Capital commitments		
One year or less	12 885	3 835
From one to five years	1 412	5 114
Total capital commitments	14 297	8 949
Operating lease commitments		
One year or less	78 426	33 672
From one to five years	15 492	32 020
Total operating lease commitments	93 918	65 692
Other commitments		
One year or less	682 217	553 762
From one to five years	61 543	223 668
Total other commitments	743 760	777 430
Net commitments by maturity	791 945	773 316

NB: Commitments are GST inclusive where relevant.

1. Supplier commitments mainly relate to the cost of operating detention centres, including the new centres on Manus Island and Nauru.

2. Health and medical services commitments predominately relate to the provision of health services by International Health and Medical Services (IHMS).

3. Operating leases includes the leasing of a facility at Wickham Point and Blaydin Point in the Northern Territory to accommodate Unauthorised Maritime Arrivals (UMAs) and residential leases to house contractors and interpreters.

4. Grant commitments relate primarily to the delivery of the Grant Settlement Program.

5. Policing services commitments relate to the provision of policing services by AFP and States and Territories.

6. Education services commitments primarily relate to the provision of education services by States and Territories.

This schedule should be read in conjunction with the accompanying notes.

Department of Immigration and Citizenship
Schedule of administered contingencies

as at 30 June 2013

	2013 $'000	2012 $'000
Administered contingent liabilities		
Claims for damages or costs	2 670	300
Total administered contingent liabilities	2 670	300

As at 30 June 2013 the department reported $2 670 000 of contingent liabilities (2012: $300 000).

Details of each class of contingent liabilities 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

5

Financial statements

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 4.5: Regional Cooperation and Associated Activities

  - Regional cooperation and capacity building

  - Management and care for Irregular Immigrants in Indonesia

  - Returns and reintegration assistance packages

Program 4.6: Refugee Status Determination for Offshore Entry Person

  - Refugee status determination for offshore entry persons

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

The Australian Government continues to have regard to developments in case law, including the High Court's most recent decision on Commonwealth expenditure in *Williams v Commonwealth* (2012) 288 ALR 410, as they contribute to the larger body of law relevant to the development of Commonwealth programs. In accordance with its general practice, the government will continue to monitor and assess risk and decide on any appropriate actions to respond to risks of expenditure not being consistent with constitutional or other legal requirements.

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.

Note 1: Summary of significant accounting policies *continued*

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.

1.3 Significant accounting judgements and estimates

In the process of applying the accounting policies listed in this note, the department has made a judgement that has a most significant impact on the amounts recorded in the financial statements: the fair value of land and buildings has been taken to be the market value of similar properties as determined by an independent valuer. In some instances, entity buildings are purpose-built and may in fact realise more or less in the market.

In 2012–13 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 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.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

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.

New standards that were issued prior to the signing of the Statement by the Secretary 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

No new standards were issued by the Australian Accounting Standards Board prior to the signing of the Statement by the Secretary and Chief Financial Officer, which are expected to have a financial impact on the department for future reporting periods:

No new standards, revised standards, interpretations and amending standards, that were issued prior to the signing of the Statement by the Secretary and Chief Financial Officer, are expected to have a financial impact on the department for future reporting periods.

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.

Note 1: Summary of significant accounting policies *continued*

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) following completion of the financial year when final activity levels are known and validated. 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 Unauthorised Maritime Arrivals). The cost of these items is fully reconciled through the end of financial year process for actual expenditure in those programs, using thorough control mechanisms to validate expenditure.

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.

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.

Note 1: Summary of significant accounting policies *continued*

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 2012–13, the department had no returns of contributed equity (2012: nil).

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 the work of an actuary conducted in April 2013. 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.

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.

Note 1: Summary of significant accounting policies *continued*

The liability for superannuation recognised as at 30 June 2013 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 2013 the department held no financial guarantee contracts (2012: 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 'makegood' 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 'makegood' 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 or depreciated replacement cost
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:

	2013	2012
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 40 years[*]	3 to 10 years

* Some detention centre infrastructure assets classified under "Building on freehold land" in 2012 have been reclassified to "Plant and equipment" in 2013. They have longer useful lives (40 years) than other plant and equipment assets.

Useful lives are determined by the managing business unit on capitalisations and are reviewed regularly as part of the asset revaluation.

Note 1: Summary of significant accounting policies *continued*

Impairment

All assets were assessed for impairment at 30 June 2013. 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

Useful lives are determined by the managing business unit on capitalisations and are reviewed regularly as part of the software impairment exercise.

All software assets were assessed for indications of impairment as at 30 June 2013.

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; and

  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 2012–13 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

The department administers a number of grant schemes on behalf of the government.

Grant 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

Departmental

The Statute Stocktake (Appropriations) Act 2013 received Royal Assent on 1 July 2013. This Act repeals annual Appropriation Acts from 1999–2000 until 2009–2010. Note 29 Table C: Unspent Annual Appropriations includes unspent departmental and administered appropriations that were repealed by the Act after the reporting period. The *Statute Stocktake (Appropriations) Act 2013* will effectively reduce the departmental appropriation receivable balance by $12.988 million (2012: nil) for unspent appropriations relating to financial years 2008–09 and 2009–10.

Administered

Facilities on Nauru were extensively damaged as a result of riots that took place on Friday 19 July 2013. Due to the remote location of those facilities and the extent of the damage, it has not yet been possible to quantify the financial impact arising from the riots. The department is working with Comcover to expedite assessment of the damage and to resolve the position in relation to insurance cover.

Note 3: Expenses

	2013 $'000	2012 $'000
Note 3A: Employee benefits		
Wages and salaries	564 761	518 512
Superannuation:		
Defined contribution plans	110 713	95 667
Leave and other entitlements	110 715	133 298
Separation and redundancies	2 484	2 794
Other employee expenses	41 106	49 074
Total employee benefits	829 779	799 345
Note 3B: Suppliers		
Goods and services		
Contractors and consultants	136 973	151 788
Information technology and communications	143 209	136 644
Travel	52 315	42 756
Records management, office, stores and stationery	33 724	28 031
Client related	31 781	17 977
Office and staff accommodation	28 724	39 143
Legal and litigation	28 359	25 489
Bank and merchant fees	9 257	7 470
Insurance	8 453	5 793
Overseas office administration	7 435	7 111
Training	6 059	6 435
Other	36 361	29 503
Total goods and services	522 650	498 140
Goods and services are made up of:		
Provision of goods—related entities	7 529	16
Provision of goods—external parties	6 351	7 934
Rendering of services—related entities	77 955	42 383
Rendering of services—external parties	430 815	447 807
Total goods and services	522 650	498 140
Other supplier expenses		
Operating lease rentals—related entities:		
Minimum lease payments	8 806	7 104
Sublease	9 749	13 237
Operating lease rentals—external parties:		
Minimum lease payments	75 694	52 476
Workers compensation expenses	10 634	7 362
Total other supplier expenses	104 883	80 179
Total supplier expenses	627 533	578 319

Note 3: Expenses *continued*

	2013 $'000	2012 $'000
Note 3C: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	15 537	3 422
Buildings	12	12
Leasehold improvements	15 550	18 507
Total depreciation	**31 099**	**21 941**
Amortisation:		
Assets held under finance leases	1 841	7 310
Intangibles—computer software	65 509	61 184
Total amortisation	**67 350**	**68 494**
Total depreciation and amortisation	**98 449**	**90 435**
Note 3D: Finance costs		
Finance leases	312	1 280
Unwinding of discount	755	984
Other interest payments	31	-
Total finance costs	**1 098**	**2 264**
Note 3E: Write-down and impairment of assets		
Asset impairments from:		
Financial instruments	4 318	5 580
Intangible assets	11 470	4 211
Land and buildings	17	30
Asset write-downs from:		
Property, plant and equipment	2 170	957
Total write-down and impairment of assets	**17 975**	**10 778**
Note 3F: Foreign exchange losses		
Non-speculative losses	502	57
Total foreign exchange losses	**502**	**57**
Note 3G: Losses from asset sales		
Property, plant and equipment		
Proceeds from sale	(5)	(3)
Carrying value of assets sold	15	16
Total losses from asset sales	**10**	**13**

Note 4: Income

	2013 $'000	2012 $'000
Own-source revenue		
Note 4A: Sale of goods and rendering of services		
Provision of goods—related entities	23	-
Provision of goods—external parties	12	45
Rendering of services—related entities	7 565	3 751
Rendering of services—external parties	23 636	23 900
Total sale of goods and rendering of services	31 236	27 696
Note 4B: Fees and fines		
Electronic Travel Authority fees	7 984	7 241
Total fees and fines	7 984	7 241
Note 4C: Rental income		
Operating lease:		
Property rental	2 157	1 388
Total rental income	2 157	1 388
Note 4D: Royalties		
Software	2 034	1 251
Total royalties	2 034	1 251
Gains		
Note 4E: Sale of assets		
Land and buildings		
Proceeds from sale	-	2
Property, plant and equipment		
Proceeds from sale	33	20
Less: Carrying value of assets sold	4	1
Net gain from sale of assets	29	21
Note 4F: Foreign exchange		
Non-speculative gains	173	140
Total foreign exchange gains	173	140
Note 4G: Reversals of previous asset write-downs and impairments		
Write back of financial instruments	1 260	1 216
Write back of property, plant and equipment	46	12
Total reversals of previous asset write-downs and impairments	1 306	1 228

Note 4: Income *continued*

	2013 $'000	2012 $'000
Note 4H: Other gains		
Resources received free of charge	719	621
Total other gains	719	621
Note 4I: Revenue from government		
Appropriations:		
Departmental appropriations	1 429 644	1 330 622
Total revenue from government	1 429 644	1 330 622

Note 5: Other comprehensive income

No reclassification adjustments have been recognised in other comprehensive income.

Note 6: Financial assets

	2013 $'000	2012 $'000
Note 6A: Cash and cash equivalents		
Cash on hand or on deposit	1 584	1 731
Cash held by outsiders	851	655
Total cash and cash equivalents	2 435	2 386
Note 6B: Trade and other receivables		
Goods and services:		
Goods and services—related entities	2 046	2 663
Goods and services—external parties	16 834	13 785
Total receivables for goods and services	18 880	16 448
Appropriations receivable:		
For existing programs	373 410	334 148
Total appropriations receivable	373 410	334 148
Other receivables:		
GST receivable from the Australian Taxation Office	5 220	7 944
Accrued revenue	3 395	899
Total other receivables	8 615	8 843
Total trade and other receivables (gross)	400 905	359 439
Less: impairment allowance account		
Goods and services allowance	(6 109)	(4 870)
Total impairment allowance account	(6 109)	(4 870)
Total trade and other receivables (net)	394 796	354 569
Receivables are expected to be recovered in:		
No more than 12 months	394 796	354 569
Total trade and other receivables (net)	394 796	354 569
Receivables are aged as follows:		
Not overdue	389 662	349 496
Overdue by:		
0 to 30 days	998	2 504
31 to 60 days	1 399	1 027
61 to 90 days	860	1 013
More than 90 days	7 986	5 398
Total receivables (gross)	400 905	359 439

Note 6: Financial assets *continued*

	2013 $'000	2012 $'000
The impairment allowance account is aged as follows:		
Not overdue	-	785
Overdue by:		
0 to 30 days	467	221
31 to 60 days	394	446
61 to 90 days	297	532
More than 90 days	4 951	2 886
Total impairment allowance account	6 109	4 870

Reconciliation of the impairment allowance account:

Movements in relation to 2013	Goods and services $'000	Total $'000
Opening balance	4 870	4 870
Amounts written off	(1 995)	(1 995)
Amounts recovered and reversed	(144)	(144)
Increase/(decrease) recognised in net surplus	3 378	3 378
Closing balance	6 109	6 109

Movements in relation to 2012	Goods and services $'000	Total $'000
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

	2013 $'000	2012 $'000
Note 6C: Other financial assets		
Property bonds	1 304	1 050
Education bonds	137	121
Comcare receipts	320	-
Total other financial assets	1 761	1 171

Total other financial assets are expected to be recovered in no more than 12 months.

Note 7: Non-financial assets

	2013 $'000	2012 $'000
Note 7A: Land and buildings		
Land:		
Land at fair value	400	400
Total land	400	400
Buildings on freehold land:		
Fair value	250	275
Accumulated depreciation	-	(12)
Total buildings on freehold land	250	263
Leasehold improvements:		
Work in progress	6 680	7 755
Fair value	49 686	83 844
Accumulated depreciation	(477)	(18 501)
Total leasehold improvements	55 889	73 098
Total land and buildings	56 539	73 761

All revaluations undertaken during 2012–13 were conducted in accordance with the revaluation policy stated in Note 1. In June 2013, Preston Rowe Paterson NSW Pty Ltd conducted the revaluations. The valuer provided the fair value of land and buildings as at 30 June 2013 in accordance with AASB *116 Property, Plant and Equipment*.There were no changes for land. The revaluation increments for buildings and leasehold improvements are $2 423 000 (2012: nil).

Impairment of $17 000 has been recognised (2012: $30 000).

No land or buildings are expected to be sold or disposed of within the next 12 months.

Note 7B: Property, plant and equipment

	2013 $'000	2012 $'000
Other property, plant and equipment:		
Work in progress	6 897	11 678
Fair value	57 625	37 748
Accumulated depreciation	(24 926)	(11 915)
Total property, plant and equipment	39 596	37 511

All revaluations undertaken during 2012–13 were conducted in accordance with the revaluation policy stated in Note 1. In June 2013, Preston Rowe Paterson NSW Pty Ltd conducted the revaluations. The valuer provided the fair value of property, plant and equipment as at 30 June 2013 in accordance with AASB *116 Property, Plant and Equipment*. The revaluation increment for property, plant and equipment is $1 132 000 (2012: nil).

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 *continued*

Note 7C: Reconciliation of the opening and closing balances of property, plant and equipment 2013

	Land $'000	Buildings $'000	Buildings—leasehold improvements $'000	Total land and buildings $'000	Other property, plant and equipment $'000	Total $'000
As at 1 July 2012						
Gross book value	400	275	91 599	92 274	49 426	141 700
Accumulated depreciation and impairment	-	(12)	(18 501)	(18 513)	(11 915)	(30 428)
Net book value 1 July 2012	400	263	73 098	73 761	37 511	111 272
Additions:						
By purchase	-	-	5 899	5 899	9 705	15 604
By finance lease	-	-	-	-	892	892
Revaluations recognised in other comprehensive income	-	(1)	2 424	2 423	1 132	3 555
Reclassifications	-	-	(9 923)	(9 923)	9 923	-
Depreciation and amortisation expense	-	(12)	(15 550)	(15 562)	(17 378)	(32 940)
Other movements:						
Write-offs	-	-	(17)	(17)	(2 170)	(2 187)
From disposal of entities or operations (including restructuring)	-	-	(42)	(42)	-	(42)
Other	-	-	-	-	(19)	(19)
Net book value 30 June 2013	400	250	55 889	56 539	39 596	96 135
Net book value as of 30 June 2013 represented by:						
Gross book value	400	250	56 366	57 016	64 522	121 538
Accumulated depreciation/amortisation expense [1]	-	-	(477)	(477)	(24 926)	(25 403)
Net book value 30 June 2013	400	250	55 889	56 539	39 596	96 135

1. The accumulated depreciation balance as at 30 June 2013 reflects the impact of the revaluation process.

Note 7: Non-financial assets continued

	Land $'000	Buildings $'000	Buildings— leasehold improvements $'000	Total land and buildings $'000	Other property, plant and equipment $'000	Total $'000
Note 7C continued: 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/amortisation 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/amortisation expense[1]	-	(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

1. The accumulated depreciation balance as at 30 June 2012 reflects the impact of the revaluation process.

Note 7: Non-financial assets *continued*

	2013 $'000	2012 $'000
Note 7D: Intangibles		
Computer software:		
Internally developed—in progress	90 880	84 980
Internally developed—in use	501 557	461 173
Purchased	51 476	47 094
Accumulated amortisation	(327 958)	(280 082)
Total computer software	315 955	313 165
Total intangibles	315 955	313 165

Impairment of $11 470 000 has been recognised (2012: $4 211 000).

No intangible assets are expected to be sold or disposed of within the next 12 months.

Note 7: Non-financial assets *continued*

	Computer software internally developed $'000	Computer software purchased $'000	Total $'000

Note 7E: Reconciliation of the opening and closing balances of intangibles 2013

As at 1 July 2012			
Gross book value	546 153	47 094	593 247
Accumulated amortisation and impairment	(254 086)	(25 996)	(280 082)
Net book value 1 July 2012	292 067	21 098	313 165
Additions:			
Internally developed	73 108	6 661	79 769
Impairments recognised in the operating result	(11 309)	(162)	(11 470)
Amortisation	(58 348)	(7 161)	(65 509)
Net book value 30 June 2013	295 519	20 436	315 955

Net book value as of 30 June 2013 represented by:			
Gross book value	592 437	51 476	643 913
Accumulated amortisation and impairment	(296 918)	(31 040)	(327 958)
Net book value 30 June 2013	295 519	20 436	315 955

	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*

	2013 $'000	2012 $'000
Note 7F: Other non-financial assets		
Prepayments	15 297	14 407
Total other non-financial assets	15 297	14 407

No indicators of impairment were found for other non-financial assets.

	2013 $'000	2012 $'000
Total other non-financial assets are expected to be recovered in:		
No more than 12 months	15 236	14 231
More than 12 months	61	176
Total other non-financial assets	15 297	14 407

Note 8: Payables

	2013 $'000	2012 $'000
Note 8A: Suppliers		
Trade creditors and accruals [1]	118 033	121 730
Operating lease rentals	1 423	1 275
Total supplier payables	119 456	123 005
Supplier payables expected to be settled within 12 months:		
Related entities	19 368	13 203
External parties	100 088	109 802
Total	119 456	123 005

Settlement is usually made net 30 days.

	2013 $'000	2012 $'000
Note 8B: Other payables		
Salaries and wages	19 192	17 214
Salary sacrifice payable	1 040	1 286
Superannuation	3 139	2 655
Separations and redundancies	4 507	4 598
Unearned income [1]	10 010	8 677
Operating leases	11 823	12 346
Lease incentives	4 816	6 171
Other	1 026	973
Total other payables	55 553	53 920
Total other payables are expected to be settled in:		
No more than 12 months	41 361	36 843
More than 12 months	14 192	17 077
Total other payables	55 553	53 920

1. The 2012 comparative has been restated as unearned income was not separately reported in 2012.

Note 9: Interest bearing liabilities

	2013 $'000	2012 $'000
Note 9: Leases		
Finance lease liability [1]	1 893	2 690
Total finance leases	1 893	2 690
Payable:		
Within one year		
Minimum lease payments	784	1 773
Deduct: future finance charges	(43)	(177)
In one to five years		
Minimum lease payments	1 177	1 171
Deduct: future finance charges	(25)	(77)
Finance leases recognised on the balance sheet	1 893	2 690

1. Finance leases exist in relation to certain information technology assets. The leases are for fixed terms and average four years. The interest rate implicit in the leases averaged 3.76% (2012: 5.78%). 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

	2013 $'000	2012 $'000
Note 10A: Employee provisions		
Leave	219 257	204 342
Other employee provisions	1 905	1 893
Total employee provisions	221 162	206 235
Employee provisions are expected to be settled in:		
No more than 12 months	62 731	56 407
More than 12 months	158 431	149 828
Total employee provisions	221 162	206 235
Note 10B: Other provisions		
Restoration obligations [1]	24 796	21 783
Onerous contracts [2]	7 979	7 238
Total other provisions	32 775	29 021
Other provisions are expected to be settled in:		
No more than 12 months	5 698	4 503
More than 12 months	27 077	24 518
Total other provisions	32 775	29 021

	Provision for restoration [1] $'000	Provision for onerous contracts [2] $'000	Total $'000
Carrying amount 1 July 2012	21 783	7 238	29 021
Additional provisions made	3 901	2 618	6 519
Amounts used	(182)	(306)	(488)
Amounts reversed	(1 366)	(1 666)	(3 032)
Unwinding of discount or change in discount rate	660	95	755
Closing balance 30 June 2013	24 796	7 979	32 775

1. The department has 79 agreements for the leasing of premises which have provisions requiring restoration of the premises to their original condition at the conclusion of the lease. The department has made a provision to reflect the present value of these 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

	2013 $'000	2012 $'000
Departmental restructuring		
	Migration Review Tribunal and Refugee Review Tribunal	
Function relinquished		
Assets relinquished		
Land and buildings	42	-
Total assets relinquished	42	-
Liabilities relinquished		
Other provisions: restoration obligations	120	-
Total liabilities relinquished	120	-
Net assets / (liability) relinquished	(78)	-

1. Due to a government decision, effective 1 July 2012, functions relating to the Independent Protection Assessment Office (IPAO) were transferred from the department to the Migration Review Tribunal and Refugee Review Tribunal. The net liability relinquished as a result of this transfer was $78 000.

Note 12: Cash flow reconciliation

	2013 $'000	2012 $'000
Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement		
Cash and cash equivalents as per:		
Cash flow statement	2 435	2 386
Balance sheet	2 435	2 386
Difference	-	-
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	(1 520 867)	(1 429 164)
Add revenue from government	1 429 644	1 330 622
Adjustments for non-cash items		
Depreciation / amortisation	98 449	90 435
Net write down of non-financial assets	17 975	5 198
Net gain on disposal of assets	(19)	(8)
Accumulated results prior financial year errors	(270)	-
Changes in assets / liabilities		
Assets recognised for the first time	(46)	(12)
(Increase) / decrease in net receivables	(39 744)	(28 684)
(Increase) / decrease in accrued revenues	(2 496)	214
(Increase) / decrease in prepayments	(890)	1 955
Increase / (decrease) in unearned income [1]	1 333	6 752
(Increase) / decrease in other financial assets	(590)	(155)
Increase / (decrease) in employee provisions	14 928	42 281
Increase / (decrease) in supplier payables [1]	(1 420)	(12 039)
Increase / (decrease) in other provisions	3 754	(5 140)
Increase / (decrease) in lease incentives	(1 355)	(1 464)
Increase / (decrease) in other payables [1]	2 423	5 181
Net cash from operating activities	808	5 972

1. The 2012 comparative has been restated as unearned income was not separately reported in 2012.

Note 13: Contingent assets and liabilities

	Indemnities		Claims for damages or costs		Total	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Contingent liabilities						
Balance from previous period	901	1 157	9 949	7 132	10 850	8 289
New	-	-	320	7 359	320	7 359
Re-measurement	19	4	(700)	155	(681)	159
Liabilities recognised	-	-	-	(578)	-	(578)
Obligations expired	-	(260)	(6 999)	(4 119)	(6 999)	(4 379)
Total contingent liabilities	920	901	2 570	9 949	3 490	10 850

As at 30 June 2013 the department had no quantifiable contingent assets or guarantees (2012: nil).

Quantifiable contingencies

The schedule of contingencies reports net contingent liabilities in respect of indemnities and claims for damages or costs of $3 490 000 (2012: $10 850 000). 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 2013 the department has two claims under the CDDA scheme for which payment has been assessed as remote. The amounts 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

	2013 $	2012 $
Note 14A: Senior executive remuneration expenses for the reporting period		
Short-term employee benefits:		
Salary	16 417 332	15 354 016
Annual leave accrued	1 666 712	1 609 272
Motor vehicle and other allowances	2 806 215	2 491 603
Other benefits	1 562 886	1 388 553
Total short-term employee benefits	22 453 145	20 843 444
Post-employment benefits:		
Superannuation	3 172 176	2 969 586
Total post-employment benefits	3 172 176	2 969 586
Other long-term benefits:		
Long-service leave	976 996	1 768 245
Total other long-term benefits	976 996	1 768 245
Termination benefits		
Voluntary redundancy payments	-	288 017
Total termination benefits	-	288 017
Total senior executive remuneration expenses	26 602 316	25 869 292

1. Note 14A is prepared on an accrual basis.

2. Note 14A excludes acting arrangements and part-year service where total remuneration expensed for a senior executive was less than $180 000.

Note 14: Senior executive remuneration *continued*

Average annual reportable remuneration paid to substantive senior executives in 2013

Average annual reportable remuneration [1]	Senior Executives No.	Reportable salary [2] $	Contributed superannuation [3] $	Reportable allowances [4] $	Bonus paid $	Total $
Total remuneration (including part-time arrangements):						
less than $180 000	21	68 088	10 605	35	-	78 728
$180 000 to $209 999	17	158 280	26 918	26	-	185 224
$210 000 to $239 999	43	196 041	30 823	61	-	226 925
$240 000 to $269 999	13	216 826	33 556	286	-	250 668
$270 000 to $299 999	11	246 601	37 819	129	-	284 549
$300 000 to $329 999	5	273 003	44 755	92	-	317 850
$330 000 to $359 999	4	298 509	48 241	99	-	346 849
$600 000 to $629 999	1	566 266	35 258	-	-	601 524
Total	115					

Average annual reportable remuneration paid to substantive senior executives in 2012

Average annual reportable remuneration [1]	Senior Executives No.	Reportable salary [2] $	Contributed superannuation [3] $	Reportable allowances [4] $	Bonus paid $	Total $
Total remuneration (including part-time arrangements):						
less than $180 000	42	92 437	15 019	48	-	107 504
$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
$420 000 to $449 999	1	401 450	78 845	-	-	480 295
Total	117					

1. 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.

2. 'Reportable salary' includes the following:
    a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
    b) reportable fringe benefits (at the net amount prior to 'grossing up' for tax purposes)
    c) exempt foreign employment income
    d) salary sacrificed benefits.

3. The 'contributed superannuation' amount is the average cost to the department for the provision of superannuation benefits to substantive senior executives in that reportable remuneration band during the reporting period.

4. Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.

Note 14: Senior executive remuneration *continued*

Note 14C: Average annual reportable remuneration paid to other highly paid staff during the reporting period

Average annual reportable remuneration paid to substantive senior executives in 2013

Average annual reportable remuneration [1]	Staff No.	Reportable salary [2] $	Contributed superannuation [3] $	Reportable allowances [4] $	Bonus paid $	Total $
Total remuneration (including part-time arrangements):						
$180 000 to $209 999	20	167 943	22 849	214	-	191 006
$210 000 to $239 999	6	195 674	24 094	-	-	219 768
$240 000 to $269 999	1	225 034	25 982	-	-	251 016
Total	27					

Average annual reportable remuneration paid to substantive senior executives in 2012

Average annual reportable remuneration [1]	Staff No.	Reportable salary [2] $	Contributed superannuation [3] $	Reportable allowances [4] $	Bonus paid $	Total $
Total remuneration (including part-time arrangements):						
$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	26					

1. This table reports staff:
   a) who were employed by the department during the reporting period
   b) whose reportable remuneration was $180 000 or more for the financial period
   c) were not required to be disclosed in Note 14B.
   Each row is an averaged figure based on headcount for individuals in the band.

2. 'Reportable salary' includes the following:
   a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column)
   b) reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax purposes)
   c) exempt foreign employment income
   d) salary sacrificed benefits.

3. 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.

4. 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.

Note 15: Remuneration of auditors

	2013 $'000	2012 $'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	514	415
Total	514	415

No other services were provided by the ANAO.

Note 16: Financial instruments

	2013 $'000	2012 $'000
Note 16A: Categories of financial instruments		
Financial assets		
Loans and receivables:		
Cash and cash equivalents	2 435	2 386
Goods and services receivables	12 771	11 578
Total	15 206	13 964
Carrying amount of financial assets	15 206	13 964
Financial liabilities		
At amortised cost:		
Finance leases	1 893	2 690
Trade creditors	118 033	121 730
Operating lease creditors	1 423	1 275
Total	121 349	125 695
Carrying amount of financial liabilities	121 349	125 695
Note 16B: Net income and expense from financial assets		
Loans and receivables		
Impairment	(4 318)	(5 580)
Net gain/(loss) from financial assets	(4 318)	(5 580)

There was no interest income from financial assets not at fair value through profit or loss in 2013 (2012: nil).

	2013 $'000	2012 $'000
Note 16C: Net income and expense from financial liabilities		
Financial liabilities—at amortised cost		
Interest expense	(343)	(1 280)
Net gain/(loss) from financial liabilities at amortised cost	(343)	(1 280)

The net expense from financial instruments not at fair value from profit and loss is $4 661 000 (2012: $6 860 000).

The carrying amount of financial instruments is a reasonable approximation of fair value.

Note 16: Financial instruments *continued*

Note 16D: Credit risk

The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables of $18 880 000 in 2013 (2012: $16 448 000).

The department has assessed the risk of the default on payment and has allocated $6 109 000 in 2013 (2012: $4 870 000) 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 2013 $'000	Not past due nor impaired 2012 $'000	Past due or impaired 2013 $'000	Past due or impaired 2012 $'000
Loans and receivables				
Cash and cash equivalents	2 435	2 386	-	-
Goods and services receivable	6 570	5 583	12 310	10 865
Total	9 005	7 969	12 310	10 865

Ageing of financial assets that were past due but not impaired for 2013

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	212	905	513	1 422	3 052
Total	212	905	513	1 422	3 052

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

Note 16: Financial instruments *continued*

Note 16D *continued*: Credit risk

The following assets have been individually assessed as impaired or partially impaired for 2013

Financial Assets	Not past due $'000	1 to 30 days $'000	31 to 60 days $'000	61 to 90 days $'000	90+ days $'000	Total $'000
Loans and receivables						
Goods and services receivable	1 067	786	494	347	6 564	9 258
Total	1 067	786	494	347	6 564	9 258

The following assets have been individually assessed as impaired or partially 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

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 2013

	On demand $'000	Within 1 year $'000	1 to 2 years $'000	2 to 5 years $'000	> 5 years $'000	Total $'000
Finance leases	-	742	762	389	-	1 893
Trade creditors	-	118 033	-	-	-	118 033
Operating lease creditors	-	1 423	-	-	-	1 423
Total	-	120 198	762	389	-	121 349

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	-	121 730	-	-	-	121 730
Operating lease creditors	-	1 275	-	-	-	1 275
Total	-	124 601	478	616	-	125 695

The department has no derivative financial liabilities in either 2013 or 2012.

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	2013 $'000	2012 $'000
Financial assets			
Total financial assets as per balance sheet		398 992	358 126
Less: non-financial instrument components:			
Appropriations receivable	6B	373 410	334 148
Other receivables	6B	8 615	8 843
Other financial assets	6C	1 761	1 171
Total non-financial instrument components		383 786	344 162
Total financial assets as per financial instruments note		15 206	13 964

Note 18: Administered—expenses

	2013 $'000	2012 $'000
Expenses		
Note 18A: Suppliers		
Goods and services		
Adult Migrant English Program	221 482	195 055
Detention centres and detainee related	1 144 487	645 097
Refugees settlement and related	403 267	290 764
Travel and transport	202 713	98 445
Contractors and consultants	61 343	46 351
Other	62 612	78 019
Total goods and services	2 095 904	1 353 731
Goods and services consist of:		
Rendering of services – related entities	17 764	9 075
Rendering of services – external parties	2 078 140	1 344 656
Total goods and services	2 095 904	1 353 731
Other supplier expenses		
Operating lease rentals - external parties:		
Minimum lease payments	14 945	15,300
Total other suppliers expenses	14 945	15,300
Total suppliers expenses	2 110 849	1,369,031
Note 18B: Personal benefits [1]		
Direct benefits	468	459
Indirect benefits	128 388	55,501
State payment – refugee minors	17 713	17,805
Total personal benefits	146 569	73,765

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. The 2012 comparative amounts for both direct and indirect personal benefits have been restated due to the reclassification of the Purchasing Allowance Scheme from direct benefits to indirect benefits.

Note 18: Administered—expenses *continued*

	2013 $'000	2012 $'000
Note 18C: Grants [1]		
Private sector:		
Non-profit organisations	62 442	55 529
Total grants	62 442	55 529
Note 18D: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	3 177	1 418
Buildings	35 781	26 675
Leasehold Improvements	14 985	5 169
Total depreciation	53 943	33 262
Total depreciation and amortisation	53 943	33 262
Note 18E: Write-down and impairment of assets		
Asset write-downs from:		
Receivables	2 980	3 176
Write-down of property, plant and equipment	251	4 671
Total write-down and impairment of assets	3 231	7 847
Note 18F: Losses from asset sales		
Property, plant and equipment:		
Proceeds from sale	(2)	-
Carrying value of assets sold	17	-
Total net loss from disposal of assets	15	-
Note 18G: Foreign exchange losses		
Non-speculative losses	2 466	4
Total foreign exchange losses	2 466	4
Note 18H: Other expenses		
Act of Grace payments	34	23
Gifting of public property	58	195
Total other expenses	92	218

1. The 2012 comparative amount has been restated due to the reclassification of some items from subsidies to grants.

Note 19: Administered—income

	2013 $'000	2012 $'000
Own-source revenue		
Note 19A: Fees and fines		
Visa application fees	1 163 109	1 029 223
Visa evidence charges	4 968	-
Citizenship fees	32 250	25 669
Immigration fines	1 809	2 215
Other fees	7 136	6 803
Total fees and fines	1 209 272	1 063 910
Gains		
Note 19B: Sale of assets		
Property, plant and equipment:		
Proceeds from sale	28	-
Carrying value of asset sold	(4)	-
Total net gain from disposal of assets	24	-
Note 19C: Reversal of previous asset write-downs and impairments		
Write back of financial instruments	128	58
Reversal of impairment losses	-	129
Total reversals of previous asset write-downs and impairments	128	187
Note 19D: Foreign exchange gains		
Non-speculative	322	466
Total foreign exchange gains	322	466

Note 20: Administered—Other comprehensive income

No reclassification adjustments have been recognised in other comprehensive income.

Note 21: Administered—financial assets

	2013 $'000	2012 $'000
Note 21A: Cash and cash equivalents		
Cash on hand or on deposit	22 126	24 708
Total cash and cash equivalents	22 126	24 708
Note 21B: Trade and other receivables		
Goods and services:		
Goods and services receivable—external parties	217	132
Total receivables for goods and services	217	132
Other receivables:		
Fees	-	510
Detainee debts	2 740	2 227
GST receivable from the Australian Taxation Office	28 653	12 638
Total other receivables	31 393	15 375
Total trade and other receivables (gross)	31 610	15 507
Less: Impairment allowance account		
Other receivables	(1 355)	(1 361)
Total impairment allowance account	(1 355)	(1 361)
Total trade and other receivables (net)	30 255	14 146
Receivables are aged as follows:		
Not overdue	29 658	13 428
Overdue by:		
0 to 30 days	384	229
31 to 60 days	39	119
61 to 90 days	179	361
More than 90 days	1 350	1 370
Total trade and other receivables (gross)	31 610	15 507
The impairment allowance account is aged as follows:		
Overdue by:		
0 to 30 days	260	-
31 to 60 days	1	90
61 to 90 days	139	351
More than 90 days	955	920
Total impairment allowance account	1 355	1 361

All receivables are current assets.

Goods and services receivables are related to entities external to the Australian Government. Credit terms are net 30 days (2012: 30 days).

Note 21: Administered—financial assets *continued*

Reconciliation of the impairment allowance account: Movements in relation to 2013

	Other Receivables $'000	Total $'000
Opening balance	1 361	1 361
Amounts written off	(831)	(831)
Amounts recovered and reversed	(133)	(133)
Increase/(decrease) recognised in net surplus	958	958
Closing balance	1 355	1 355
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

	2013 $'000	2012 $'000
Note 21C: Other financial assets		
Accrued revenue	11 790	22 192
Total other financial assets	11 790	22 192

All other financial assets are current assets.

Note 22: Administered—non-financial assets

	2013 $'000	2012 $'000
Note 22A: Land and buildings		
Land at fair value	71 255	66 470
Buildings on freehold land:		
Work in progress	185 296	226 762
Fair value	462 424	570 078
Accumulated depreciation	(5 688)	(29 042)
Total buildings on freehold land	713 287	834 268
Leasehold improvements:		
Work in progress	5 703	23
Fair value	154 749	66 267
Accumulated depreciation	(7 595)	(5 458)
Total leasehold improvements	152 857	60 832
Total land and buildings	866 144	895 100

All revaluations undertaken in 2012–13 were conducted in accordance with the revaluation policy stated in Note 1. In 2013, Preston Rowe Paterson NSW Pty Ltd conducted the revaluations. The valuer provided the fair value of land and buildings as at 30 June 2013 in accordance with AASB 116 *Property, Plant and Equipment*. The revaluation increment for land is $4 785 000 compared to a revaluation decrement of $17 470 000 in 2012. The revaluation decrements for buildings and fitout assets are $1 448 000 (2012: nil).

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 22B: Property, plant and equipment

	2013 $'000	2012 $'000
Other property, plant and equipment:		
Work in progress	809	166
Fair value	139 434	7 794
Accumulated depreciation	(1 572)	(2 683)
Total property, plant and equipment	138 671	5 277

All revaluations undertaken in 2012–13 were conducted in accordance with the revaluation policy stated in Note 1. In 2013, Preston Rowe Paterson NSW Pty Ltd conducted the revaluations. The valuer provided the fair value of property, plant and equipment as at 30 June 2013 in accordance with AASB 116 *Property, Plant and Equipment*. The revaluation increments for property, plant and equipment are $2 155 000 (2012: nil).

No indicators of impairment were found for property, plant and equipment.

No property, plant and equipment is expected to be sold or disposed of within the next 12 months.

Note 22: Administered—non-financial assets *continued*

Note 22C: Reconciliation of the opening and closing balances of property, plant and equipment (2013)

	Land	Buildings	Buildings—leasehold improvements	Total land and buildings	Other property, plant and equipment	Total
	$'000	$'000	$'000	$'000	$'000	$'000
As at 1 July 2012						
Gross book value	66 470	796 840	66 290	929 600	7 960	937 560
Accumulated depreciation and impairment	-	(29 042)	(5 458)	(34 500)	(2 683)	(37 183)
Net book value 1 July 2012	66 470	767 798	60 832	895 100	5 277	900 377
Additions:						
By purchase	-	35 901	105 184	141 085	12 076	153 161
Revaluations and impairments recognised in other comprehensive income	4 785	(3 305)	1 857	3 337	2 155	5 492
Reclassifications	-	(122 513)	-	(122 513)	122 513	-
Depreciation expense	-	(35 781)	(14 985)	(50 766)	(3 177)	(53 943)
Other movements:						
Write-offs	-	(68)	(31)	(99)	(152)	(251)
Disposals:						
Other	-	-	-	-	(21)	(21)
Net book value 30 June 2013	71 255	642 032	152 857	866 144	138 671	1 004 815
Net book value as of 30 June 2013 represented by:						
Gross book value	71 255	647 720	160 452	879 427	140 243	1 019 670
Accumulated depreciation	-	(5 688)	(7 595)	(13 283)	(1 572)	(14 855)
Net book value 30 June 2013 [1]	71 255	642 032	152 857	866 144	138 671	1 004 815

1. The accumulated depreciation balance as at 30 June 2013 reflects the impact of the revaluation process.

Note 22: Administered—non-financial assets *continued*

Note 22C continued: Reconciliation of the opening and closing balances of property, plant and equipment (2012)

	Land $'000	Buildings $'000	Buildings – leasehold improvements $'000	Total land and buildings $'000	Other property, plant and equipment $'000	Total $'000
As at 1 July 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 and impairments recognised in other comprehensive income	(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 [1]	66 470	767 798	60 832	895 100	5 277	900 377

1. The accumulated depreciation balance as at 30 June 2012 reflects the impact of the revaluation process.

Note 22: Administered—non-financial assets *continued*

	2013 $'000	2012 $'000
Note 22D: Other non-financial assets		
Prepayments	104 899	73
Total other non-financial assets	104 899	73

All prepayments are expected to be recovered within 12 months.

No indicators of impairment were found for other non-financial assets.

Note 23: Administered—payables

	2013 $'000	2012 $'000
Payables		
Note 23A: Suppliers		
Trade creditors and accruals	377 489	354 303
Operating lease rental	2 760	-
Total suppliers	380 249	354 303
Supplier payables expected to be settled within 12 months:		
Related entities	10 093	7 909
External parties	370 156	346 394
Total suppliers	380 249	354 303
Settlement is usually made within 30 days.		
Note 23B: Personal benefits		
Indirect benefits	15 851	13 732
Total personal benefits	15 851	13 732
All personal benefits payable are expected to be settled within 12 months.		
Note 23C: Grants		
Private sector:		
Non-profit organisations [1]	17 142	7 659
Total grants	17 142	7 659
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 23D: Other payables		
Unearned income	249	96
Total other payables	249	96

All other payables are expected to be settled within 12 months.

1. The 2012 comparative amount has been restated due to the reclassification of some items from subsidies payable to grants payable.

Note 24: Administered—provisions

	2013 $'000	2012 $'000
Provisions		
Note 24A: Provisions		
Provision for bonds [1]	19 306	13 157
Total other provisions	19 306	13 157
Other provisions are expected to be settled in:		
No more than 12 months	18 222	11 975
More than 12 months	1 084	1 182
Total other provisions	19 306	13 157

	Provision for bonds $'000	Total $'000
Carrying amount 1 July 2012	13 157	13 157
Additional provisions made	37 330	37 330
Amounts used	(30 223)	(30 223)
Amounts reversed	(958)	(958)
Closing balance 30 June 2013	19 306	19 306

1. The department collects and repays security bonds 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 bonds.

Note 25: Administered—cash flow reconciliation

	2013 $'000	2012 $'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	22 126	24 708
Schedule of administered assets and liabilities	22 126	24 708
Difference	-	-
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	1 166 892	457 113
Adjustments for non-cash items		
Depreciation / amortisation	53 943	33 262
Net write down of non-financial assets	251	4 671
Sale of assets	(21)	-
Reversal of previous asset writedown	(128)	(187)
Changes in assets / liabilities		
(Increase) / decrease in net receivables	(15 974)	21 970
(Increase) / decrease in accrued revenues	10 402	(4 810)
(Increase) / decrease in other non financial assets	(104 826)	(73)
Increase / (decrease) in supplier payables	34 517	67 056
Increase / (decrease) in personal benefits payable	2 119	6 504
Increase / (decrease) in grants payable	9 483	4 816
Increase / (decrease) in other payables	153	(112)
Increase / (decrease) in other provisions	6 149	(15 399)
Net cash from operating activities	(1 170 824)	(339 415)

Note 26: Administered—contingent assets and liabilities

	Claims for damages or costs		Total	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Contingent liabilities				
Balance from previous period	300	5 824	300	5 824
New	2 420	300	2 420	300
Liabilities recognised	(30)	-	(30)	-
Obligations expired	(20)	(5 824)	(20)	(5 824)
Total contingent liabilities	2 670	300	2 670	300

As at 30 June 2013 the department had no quantifiable administered contingent assets, indemnities or guarantees (2012: nil).

Quantifiable contingencies

The schedule of administered contingencies reports net contingent liabilities in respect of claims for damages or costs of $2 670 000 (2012: $300 000).

The amounts claimed for damages or cost represent an estimate of the department's potential liability. The department is attempting to settle 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 2013 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.

Significant remote contingencies

As at 30 June 2013 the department has no contingencies that have been assessed as remote (2012: nil).

Note 27: Administered—financial instruments

	2013 $'000	2012 $'000
Note 27A: Categories of financial instruments		
Financial assets		
Loans and receivables		
Cash and cash equivalents	22 126	24 708
Goods and services receivable	217	132
Carrying amount of financial assets	22 343	24 840
Financial liabilities		
At amortised cost:		
Other liabilities		
Trade creditors and operating lease rentals	380 249	354 303
Personal benefits payable	15 851	13 732
Grants payable	17 142	7 659
Carrying amount of financial liabilities	413 242	375 694

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 of $217 000 in 2013 (2012: $132 000).

The department has assessed the risk of the default on payment and has made no allocation to an impairment allowance account in 2013 (2012: nil).

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 2013 $'000	Not past due nor impaired 2012 $'000	Past due or impaired 2013 $'000	Past due or impaired 2012 $'000
Loans and receivables				
Cash and cash equivalents	22 126	24 708	-	-
Goods and services receivable	31	1	186	131
Total	22 157	24 709	186	131

Ageing of financial assets that were past due but not impaired for 2013

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	8	18	19	141	186
Total	8	18	19	141	186

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

Note 27: Administered—financial instruments *continued*

Note 27C: Liquidity risk

The department's financial liabilities are trade creditors, operating lease rentals, subsidies payable, personal benefits payable and grants payable. 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 2013

Other liabilities	Within 1 year 2013 $'000	Total 2013 $'000
Trade creditors and operating lease rentals	380 249	380 249
Personal benefits payable	15 851	15 851
Grants payable	17 142	17 142
Total	413 242	413 242

Maturities for non-derivative financial liabilities 2012

Other liabilities	Within 1 year 2012 $'000	Total 2012 $'000
Trade creditors	354 303	354 303
Personal benefits payable	13 732	13 732
Grants payable	7 659	7 659
Total	375 694	375 694

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	2013 $'000	2012 $'000
Financial assets			
Total financial assets as per schedule of administered assets and liabilities		64 171	61 046
Less: Non-financial instrument components			
Other receivables and accrued revenue	21B,C	41 828	36 206
Total non-financial instrument components		41 828	36 206
Total financial assets as per financial instruments note		22 343	24 840

Note 29: Appropriations

Table A: Annual appropriations ('recoverable GST exclusive')

| | 2013 Appropriations | | | | | | | | |
| | Appropriation Act | | | FMA Act | | | | | |
	Annual appropriation $'000	Appropriations reduced [1] $'000	AFM $'000	Section 30 $'000	Section 31 $'000	Section 32 [2] $'000	Total appropriation $'000	Appropriation applied in 2013 (current and prior years) $'000	Variance[3] $'000
Departmental									
Ordinary annual services [4]	1 534 243	-	-	-	103 104	(17 001)	1 620 346	(1 571 706)	48 640
Other services									
Equity	25 115	-	-	-	-	-	25 115	(22 810)	2 305
Total departmental	1 559 358	-	-	-	103 104	(17 001)	1 645 461	(1 594 516)	50 945
Administered									
Ordinary annual services									
Administered items	2 488 083	(25 050)	-	1 714	-	(11 303)	2 453 444	(2 398 120)	55 324
Other services									
Administered assets and liabilities	299 774	-	-	-	-	-	299 774	(147 246)	152 528
Total administered	2 787 857	(25 050)	-	1 714	-	(11 303)	2 753 218	(2 545 366)	207 852

1. Appropriations reduced under Appropriation Acts (Nos. 1 and 3) 2012–13: sections 10, 11, 12 and 15 and under Appropriation Acts (Nos. 2 and 4) 2012–13: sections 12, 13, 14 and 17. Departmental appropriations do not lapse at the end of a financial year. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request that the Finance Minister reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament. In 2013, there was no reduction in departmental and 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 and 3) 2012–13 and section 12 of Appropriation Acts (Nos. 2 and 4) 2012–13, the appropriation is taken to be reduced to the required amount specified in Table F 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.

2. Departmental appropriations of $17 001 446 and administered appropriations of $11 303 000 were transferred for the movement of the Independent Protection Assessment Office to the Migration Review Tribunal/Refugee Review Tribunal.

3. The administered other services assets and liabilities variance of $152 258 000 relates predominantly to a $120 000 000 movement of funds from 2012–13 to 2013-14.

4. During 2012–13 legal advice was received that indicated there could be breaches of Section 83 of the *Constitution* under certain circumstances with payments for long service leave, goods and services tax and payments under determinations of the Remuneration Tribunal. The department has reviewed its processes and controls over payments for these items to minimise the possibility for future breaches as a result of these payments. The department has determined that there is a low risk of the certain circumstances mentioned in the legal advice applying to the department. The department has reported breaches of Section 83 of the *Constitution* in Note 31.

Note 29: Appropriations continued

Table A continued: Annual appropriations ('recoverable GST exclusive')

	2012 Appropriations								
	Appropriation Act			FMA Act					
	Annual appropriation	Appropriations reduced [1]	Section 14 (Act No. 1)	Section 30	Section 31	Section 32 [2]	Total appropriation	Appropriation applied in 2012 (current and prior years)	Variance
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'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
Other services									
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)

1. Appropriations reduced under Appropriation Acts (Nos. 1,3) 2011–12: sections 10, 11 and 12 and under Appropriation Acts (Nos. 2,4) 2011–12: sections 12, 13 and 14. Departmental appropriations do not lapse at the end of the financial year. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament.

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 and 5) 2011–12 and section 12 of Appropriation Acts (Nos. 2, 4 and 6) 2011–12, the appropriation is taken to be reduced to the required amount specified in Table F 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.

2. Departmental appropriations of $270 498 and administered appropriations of $140 000 were transferred for the movement of the National Anti-Racism Partnership and Strategy functions to the Australian Human Rights Commission.

Note 29: Appropriations *continued*

Table B: Departmental and administered capital budgets ('recoverable GST exclusive')

| | 2013 Capital Budget Appropriations | | | | Capital Budget Appropriations applied in 2013 (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]	76 187	-	-	76 187	83 242	-	(83 242)	(7 055)
Administered								
Ordinary annual services – Administered Capital Budget[1]	15 525	-	-	15 525	14 484	-	(14 484)	1 041

1. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No. 1, 3). They form part of ordinary annual services and are not separately identified in 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) 2012–13: 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 and expenditure on assets which has been capitalised.

Table B *continued*: 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	Appropriations reduced [2]	Section 32					
	$'000	$'000	$'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

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) 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 and expenditure on assets which has been capitalised.

Note 29: Appropriations *continued*

Table C: Unspent annual appropriations ('recoverable GST exclusive')

Authority	2013 $'000	2012 $'000
Departmental		
2008–09 Appropriation Act 2 [1]	371	371
2009–10 Appropriation Act 2 [1]	10 000	10 000
2009–10 Appropriation Act 4 [1]	2 617	21 025
2010–11 Appropriation Act 1	8	8
2010–11 Appropriation Act 1—Departmental Capital Budget (DCB)	1 771	1 770
2010–11 Appropriation Act 2	624	624
2011–12 Appropriation Act 1	-	69 447
2011–12 Appropriation Act 1—Cash at Bank [2]	-	1 956
2011–12 Appropriation Act 1—Departmental Capital Budget (DCB)	-	7 795
2011–12 Appropriation Act 2	917	917
2011–12 Appropriation Act 3	-	161 156
2011–12 Appropriation Act 4	9 269	9 269
2012–13 Appropriation Act 1	120 974	-
2012–13 Appropriation Act 1—Cash at Bank [2]	2 435	-
2012–13 Appropriation Act 1—Departmental Capital Budget (DCB)	740	-
2012–13 Approp (Expert Panel Report on Asylum Seekers) Act (No. 1)	146 147	-
2012–13 Approp (Expert Panel Report on Asylum Seekers) Act (No. 2)	600	-
2012–13 Appropriation Act 2	20 113	-
2012–13 Appropriation Act 3	19 177	-
Total	**335 763**	**284 338**
Administered		
2009–10 Appropriation Act 1	-	1 409
2009–10 Appropriation Act 3	-	4 373
2010–11 Appropriation Act 1	1	22 098
2010–11 Appropriation Act 4	-	52 554
2011–12 Appropriation Act 1	-	33 359
2011–12 Appropriation Act 1—Capital Budget	4 665	14 642
2011–12 Appropriation Act 1—Cash at Bank [2]	-	16 885
2011–12 Appropriation Act 2	-	196
2011–12 Appropriation Act 3	-	980
2012–13 Appropriation Act 1	54 814	-
2012–13 Appropriation Act 1—Capital Budget	11 018	-
2012–13 Appropriation Act 1—Cash at Bank [2]	22 126	-
2012–13 Approp (Expert Panel Report on Asylum Seekers) Act (No. 1)	28 098	-
2012–13 Approp (Expert Panel Report on Asylum Seekers) Act (No. 2)	76 854	-
2012–13 Appropriation Act 3	4 890	-
2012–13 Appropriation Act 4	8 425	-
Total	**210 891**	**146 496**

1. Act repealed by the *Statute Stocktake (Appropriations) Act 2013* in July 2013. Refer to Note 2, Events after the Reporting Period.

2. Cash at bank mainly relates to deposits made on 30 June that are subject to Section 31 of the *Financial Management and Accountability Act 1997*.

Note 29: Appropriations *continued*

Table D: Special appropriations ('recoverable GST exclusive')

Authority	Type	Purpose	Appropriation applied	
			2013 $'000	2012 $'000
Migration Act 1958 – 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.	-	-
Financial Management and Accountability Act 1997 s.28(2), 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.	49 720	87 212
Total			49 720	87 212

Table E: Disclosure by Agent in Relation to Annual and Special Appropriations ('Recoverable GST exclusive')

2013	Department of Families, Housing, Community Services and Indigenous Affairs $'000
Total receipts	767
Total payments	(767)

The department made wage supplementation payments from the Social and Community Services Pay Equity Special Account administered by the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) to eligible social and community services workers.

The department did not make any agency payments in 2012.

Note 29: Appropriations continued

Table F: Reduction in administered items ('recoverable GST exclusive')

2013	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) $			
Outcome 1	-	-	-	50 000.00	50 000.00
Outcome 2	41 128 000.00	-	41 128 000.00	41 128 000.00	-
Outcome 3	-	-	-	-	-
Outcome 4	1 984 031 000.00	32 699 000.00	2 016 730 000.00	2 016 730 000.00	-
Outcome 5	382 932 000.00	8 183 000.00	391 115 000.00	416 115 000.00	25 000 000.00
Outcome 6	2 757 000.00	-	2 757 000.00	2 757 000.00	-
Total	2 410 848 000.00	40 882 000.00	2 451 730 000.00	2 476 780 000.00	25 050 000.00

1. Amounts reported in this section of the table must be disclosed to the cent.
2. Administered items for 2013 are reduced to these amounts when these financial statements will be tabled in Parliament as part of the department's 2013 annual report. This reduction is effective in 2014, but the amounts are reflected in Table A in the 2013 financial statements in the column 'Appropriations reduced' as they were adjustments to 2013 appropriations.
3. Amount required as per Appropriation Act (Act 1 s. 11; Act 2 s. 12).
4. Total amount appropriated in 2013.
5. Total reduction effective in 2014.

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) $			
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

1. Amounts reported 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 2012, but the amounts were reflected in Table A in the 2012 financial statements in the column 'Appropriations reduced' as 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.

Note 30: Special accounts

	Australian Population Multicultural and Immigration Research Program (APMIRP) Special Account (administered)[1]		Other Trust Monies Account[2]	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Note 30A: Special accounts (recoverable GST exclusive)				
Balance brought forward from previous period	235	326	5	12
Increases:				
Appropriation credited to special account	-	-	-	-
Costs recovered	-	-	-	-
Realised investments	-	-	-	-
Other receipts	-	-	-	18
Total increases	-	-	-	18
Available for payments	235	326	5	30
Decreases:			.	
Departmental				
Investments made from the special account (FMA Act section 39)	-	-	-	-
Payments made to suppliers	-	-	-	-
Payments made to employees	-	-	-	-
Payments made to competitive neutrality	-	-	-	-
Total departmental decreases	-	-	-	-
Administered				
Payments made	48	91	5	25
Investments made from the special account (FMA Act section 39)	-	-	-	-
Payments made to suppliers	-	-	-	-
Total administered decreases	48	91	5	25
Total decreases	48	91	5	25
Total balance carried to the next period	187	235	0	5

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

    (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 was abolished on 30 June 2012 by Financial Management and Accountability Determination 2012/02).

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:

- 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 Money Account (Special Public Money) account
- Revenue refunds made under section 28 of the *Financial Management and Accountability Act 1997* (FMA Act).

The risk assessment determined 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 visa revenue refunds. That risk is higher at overseas posts, as a refund could be processed at a different location from where the fee was paid, which exposes the department to the risk of processing a refund more than once. Systems are in place to prevent duplication of refunds at overseas posts. However, those systems are not as robust as the systems that are in place 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
- the payer's legal personal representative, where the payer has died, or the payer has a serious physical or mental incapacity
- the trustee of the estate of the payer, where the payer is bankrupt.

The outcomes of the risk assessment were supported by an external review which confirmed the outcome of the department's assessment.

Note 31: Compliance with statutory conditions for payments from the Consolidated Revenue Fund *continued*

In the 2012–13 financial year, the department determined that changes to the risks identified in the 2011-12 risk assessment were not significant. The Other Trust Money special account, one of the two special accounts identified as areas of risk in prior years, was closed on 30 June 2012 on instructions from the Department of Finance and Deregulation.

In July 2013, the Department of Finance and Deregulation advised two additional areas of risk, GST and long service leave payments, with potential for breaching Section 83 of the *Constitution*.

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 2012 to 30 June 2013 were in accordance with the required payment preconditions.

During the 2012–13 financial year the department made the following overpayments which breached Section 83.

Act	Number of breaches	Amount overpaid $	Amount recovered $	Comments
Migration Act 1958	7	150 071	144 571	the department is pursuing recovery of balance
Long Service Leave (Commonwealth Employees) Act 1976	2	3 261	3 261	

In the 2013–14 financial year, the department plans to undertake a risk assessment and perform testing to identify potential breaches of Section 83 of the *Constitution*. Subsequent to this controls will be put in place to prevent a recurrence of breaches in future years.

Note 32: Compensation and debt relief

	2013 $	2012 $
Compensation and debt relief—departmental		
No 'Act of Grace' expenses were incurred during the reporting period (2012: nil).	-	-
No waivers of amounts owing to the Australian Government were made pursuant to s34(1) of the *Financial Management and Accountability Act 1997* (2012: nil).	-	-
Sixty payments were provided under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme during the reporting period (2012: Fifty five payments).	81 520	72 335
No ex-gratia payments were provided for during the reporting period (2012: nil).	-	-
No 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 (2012: nil).	-	-

	2013 $	2012 $
Compensation and debt relief—administered		
Two 'Act of Grace' payments were incurred during the reporting period (2012: Three payments).	34 080	27 353
None of the above payments were paid on a periodic basis (2012: nil). 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* (2012: nil).	-	-
No payments were provided under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme during the reporting period (2012: nil).	-	-
No ex-gratia payments were provided for during the reporting period (2012: nil).	-	-
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 (2012: nil).	-	-

Note 33: Reporting of outcomes

The department used a program allocation model 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 2013 $'000	Outcome 1 2012 $'000	Outcome 2 2013 $'000	Outcome 2 2012 $'000	Outcome 3 2013 $'000	Outcome 3 2012 $'000	Outcome 4 2013 $'000	Outcome 4 2012 $'000	Outcome 5 2013 $'000	Outcome 5 2012 $'000	Outcome 6 2013 $'000	Outcome 6 2012 $'000	Total 2013 $'000	Total 2012 $'000
Departmental														
Expenses	(583 136)	(565 627)	(71 647)	(71 521)	(150 298)	(148 050)	(625 007)	(557 256)	(73 378)	(70 128)	(72 144)	(69 140)	(1 575 610)	(1 481 722)
Own-source income	14 449	11 196	1 071	779	7 135	7 056	4 677	8 975	26 245	23 734	1 166	818	54 743	52 558
Administered														
Expenses	(2 295)	-	(38 971)	(34 496)	-	(279)	(1 966 926)	(1 162 830)	(368 876)	(337 149)	(2 539)	(4 902)	(2 379 607)	(1 539 656)
Own-source income	1 158 195	1 034 206	47	2 125	1 811	2 215	3 883	4 236	15 804	14 065	32 975	25 696	1 212 715	1 082 543
Net cost of outcome delivery	587 213	479 775	(109 500)	(103 113)	(141 352)	(139 058)	(2 583 373)	(1 706 875)	(400 205)	(369 478)	(40 542)	(47 528)	(2 687 759)	(1 886 277)

Note 33B: Major classes of departmental expense, income, assets and liabilities by outcomes

	Outcome 1 2013 $'000	Outcome 1 2012 $'000	Outcome 2 2013 $'000	Outcome 2 2012 $'000	Outcome 3 2013 $'000	Outcome 3 2012 $'000	Outcome 4 2013 $'000	Outcome 4 2012 $'000	Outcome 5 2013 $'000	Outcome 5 2012 $'000	Outcome 6 2013 $'000	Outcome 6 2012 $'000	Total 2013 $'000	Total 2012 $'000
Departmental expenses:														
Employees	310 427	309 284	36 042	41 987	75 173	74 356	328 757	298 803	38 845	35 540	40 535	39 375	829 779	799 345
Suppliers	212 855	199 471	30 025	26 143	60 674	58 330	267 353	237 744	29 993	31 813	26 633	24 818	627 533	578 319
Depreciation and amortisation	50 119	51 413	4 420	2 867	12 669	13 232	23 762	16 277	3 629	2 299	3 850	4 347	98 449	90 435
Other	9 735	5 459	1 160	524	1 782	2 132	5 135	4 432	911	476	1 126	600	19 849	13 623
Total	583 136	565 627	71 647	71 521	150 298	148 050	625 007	557 256	73 378	70 128	72 144	69 140	1 575 610	1 481 722
Departmental income:														
Sales of goods and services	1 862	1 268	135	90	1 357	1 842	2 146	1 123	25 619	23 282	117	91	31 236	27 696
Revenue from government	521 203	499 972	66 492	67 464	131 157	126 988	599 598	528 782	43 725	43 828	67 469	63 588	1 429 644	1 330 622
Other	12 587	9 928	936	689	5 778	5 214	2 531	7 852	626	452	1 049	727	23 507	24 862
Total	535 652	511 168	67 563	68 243	138 292	134 044	604 275	537 757	69 970	67 562	68 635	64 406	1 484 387	1 383 180

Note 33: Reporting of outcomes *continued*

Note 33B *continued*: Major classes of departmental expense, income, assets and liabilities by outcomes

	Outcome 1 2013 $'000	Outcome 1 2012 $'000	Outcome 2 2013 $'000	Outcome 2 2012 $'000	Outcome 3 2013 $'000	Outcome 3 2012 $'000	Outcome 4 2013 $'000	Outcome 4 2012 $'000	Outcome 5 2013 $'000	Outcome 5 2012 $'000	Outcome 6 2013 $'000	Outcome 6 2012 $'000	Total 2013 $'000	Total 2012 $'000
Departmental assets														
Cash and cash equivalents	1 057	1 041	189	186	501	496	(431)	(452)	1 506	1 504	(387)	(389)	2 435	2 386
Appropriation receivable	136 134	125 554	17 367	16 942	34 257	31 889	156 609	132 789	11 421	11 006	17 622	15 968	373 410	334 148
Trade and other receivables	3 570	3 121	469	389	1 421	1 663	4 607	3 927	10 909	10 948	410	373	21 386	20 421
Other financial assets	574	375	85	51	177	123	762	505	89	68	74	49	1 761	1 171
Land and buildings	24 808	38 821	2 836	5 035	7 497	9 332	15 703	10 146	2 489	5 896	3 206	4 531	56 539	73 761
Property plant and equipment	17 836	18 871	2 079	2 377	4 084	4 704	11 871	7 071	1 688	1 960	2 038	2 528	39 596	37 511
Intangibles	220 450	206 940	8 026	8 583	26 317	38 589	47 395	41 933	6 352	7 825	7 415	9 295	315 955	313 165
Other	5 661	6 003	725	708	1 342	1 282	6 270	5 074	635	673	665	667	15 297	14 407
Total	410 090	400 726	31 776	34 271	75 596	88 078	242 786	200 993	35 089	39 880	31 043	33 022	826 379	796 970
Departmental liabilities														
Suppliers	44 037	52 311	5 639	6 175	10 441	11 173	48 771	44 226	5 395	11 980	5 173	5 817	119 456	131 682
Other payables	15 477	16 581	1 782	2 062	3 447	3 357	16 404	13 524	1 705	1 615	1 912	1 933	40 727	39 072
Unearned income	2 819	-	293	-	-	-	(2)	-	6 568	-	332	-	10 010	-
Lease incentives	1 995	3 163	225	336	361	451	1 862	1 687	157	220	216	314	4 816	6 171
Finance lease liability	953	1 377	153	137	152	263	454	638	76	110	105	165	1 893	2 690
Employee provisions	82 737	79 797	9 606	10 833	20 036	19 184	87 625	77 093	10 354	9 169	10 804	10 159	221 162	206 235
Other provisions	13 576	14 871	1 531	1 581	2 457	2 121	12 672	7 936	1 066	1 035	1 473	1 477	32 775	29 021
Total	161 594	168 100	19 229	21 124	36 894	36 549	167 786	145 104	25 321	24 129	20 015	19 865	430 839	414 871

All outcomes are described in Note 1.

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	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Administered expenses														
Suppliers expenses	-	-	17 077	19 240	-	279	1 784 053	1 070 558	309 719	278 954	-	-	2 110 849	1 369 031
Depreciation and Amortisation	-	-	-	-	-	-	53 943	33 262	-	-	-	-	53 943	33 262
Personal benefits	-	-	11 243	7 229	-	-	117 084	48 171	18 242	18 365	-	-	146 569	73 765
Grants	-	-	10 651	8 027	-	-	8 337	2 770	40 915	39 830	2 539	4 902	62 442	55 529
Write-down and impairment of assets	-	-	-	-	-	-	3 231	7 847	-	-	-	-	3 231	7 847
Asset sales	-	-	-	-	-	-	15	-	-	-	-	-	15	-
Foreign exchange losses	2 295	-	-	-	-	-	171	4	-	-	-	-	2 466	4
Other expenses	-	-	-	-	-	-	92	218	-	-	-	-	92	218
Total	2 295	-	38 971	34 496	-	279	1 966 926	1 162 830	368 876	337 149	2 539	4 902	2 379 607	1 539 656
Administered income														
Fees and fines	1 158 804	1 022 110			1 811	2 215	-	-	15 691	13 916	32 966	25 669	1 209 272	1 063 910
Recovery of detention costs	-	-	-	-	-	-	3 456	2 970	-	-	-	-	3 456	2 970
Other revenue	(609)	12 096	-	2 026	-	-	-	712	113	149	9	27	(487)	15 010
Gains	-	-	47	99	-	-	427	554	-	-	-	-	474	653
Total	1 158 195	1 034 206	47	2 125	1 811	2 215	3 883	4 236	15 804	14 065	32 975	25 696	1 212 715	1 082 543

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	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Administered assets														
Cash and cash equivalents	34	(20)	650	567	55	56	16 265	17 939	5 029	6 152	93	14	22 126	24 708
Receivables	(135)	299	232	178	343	346	25 602	10 748	4 207	2 575	6	-	30 255	14 146
Other financial assets	10 877	15 480	-	-	-	-	-	-	604	6 323	309	389	11 790	22 192
Land and Buildings	-	-	-	-	-	-	866 144	895 100	-	-	-	-	866 144	895 100
Property, plant and equipment	-	-	-	-	-	-	138 671	5 277	-	-	-	-	138 671	5 277
Other non financial assets	-	-	(39)	-	-	-	104 938	73	-	-	-	-	104 899	73
Total	10 776	15 759	843	745	398	402	1 151 620	929 137	9 840	15 050	408	403	1 173 885	961 496
Administered liabilities														
Suppliers	2 690	18	5 417	3 393	-	-	309 720	298 384	62 051	52 478	371	30	380 249	354 303
Personal Benefits	-	-	1 771	1 370	-	-	11 363	6 951	2 717	5 411	-	-	15 851	13 732
Grants	-	-	10 631	6 512	-	-	5 687	163	757	64	67	920	17 142	7 659
Other payables	249	96	-	-	-	-	-	-	-	-	-	-	249	96
Other provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonds	19 306	13 157	-	-	-	-	-	-	-	-	-	-	19 306	13 157
Total	22 245	13 271	17 819	11 275	-	-	326 770	305 498	65 525	57 953	438	950	432 797	388 947

Note 34: Competitive neutrality and cost recovery

	2013 $'000	2012 $'000
Note 34A: Departmental receipts subject to cost recovery policy		
Significant cost recovery arrangements		
Translating and interpreting services	25 656	20 979
APEC business travel cards	892	1 335
Superannuation certificates	329	242
New Zealand certificates of residence status	34	145
Research, statistics and other publications	122	99
Other cost recovery arrangements		
Telephone enquiry service	-	24
Migration agent register and professional development activity assessment fees	95	12
Total receipts subject to cost recovery policy	27 128	22 836

Note 35: Net cash appropriation arrangements

	2013 $'000	2012 $'000
Total comprehensive income (loss) less depreciation/ amortisation expenses previously funded through revenue appropriations[1]	10 781	(8 107)
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	(98 449)	(90 435)
Total comprehensive income (loss)—as per the statement of comprehensive income	(87 668)	(98 542)

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

Photo: Hansani enjoying the sights and sounds of the Sri Lankan New Year festival.

Appendix 1: Classifications and salary rates

Table 86: Classification and salary rates—Indigenous cadets and graduates

APS Classification	Salary prior to commencement of this agreement	Salary on commencement of this 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
	$42 621	$45 178	$46 082	$47 004
Graduate APS (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

1. Under 18 years old (60%)
2. 18 years (70%)
3. 19 years (81%)
4. 20 years (91%)

Table 87: Classification and salary rates—APS level employees

APS classification	Salary prior to commencement of this agreement	Salary on commencement of this 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 88: Classification and salary rates—executive level employees

APS classification	Salary prior to commencement of this agreement	Salary on commencement of this 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 89: Classification and salary rates—legal officers

APS classification	Local title	Salary prior to commencement of this agreement	Salary on commencement of this 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 90: Classification and salary rates—public affairs officers

APS classification	Local title	Salary prior to commencement of this agreement	Salary on commencement of this 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 91: Classification and salary rates—medical officers

APS classification	Salary prior to commencement of this agreement	Salary on commencement of this 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 2012–13, published in compliance with paragraph 11.1 (ba) of the *Legal Services Directions 2005*.

Table 92: Legal services expenditure

Description	Cost (excluding GST)
Total legal services expenditure	$43 839 844
Total external legal services expenditure	$25 580 499
External expenditure on solicitors[1]	$21 418 652
External expenditure on counsel	$3 312 750
Number of matters in which male counsel briefed[2]—574	
Estimated value of briefs to male counsel[2]	$2 103 459
Number of matters in which female counsel briefed[2]—198	
Estimated value of briefs to female counsel[2]	$699 095
Disbursements on external legal services	$849 097
Total internal legal services expenditure	$18 259 345
Employees	$17 466 125
Overheads (for example, office stores and stationery, training and travel	$793 220

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 section 8 of the *Freedom of Information Act 1982* (FOI Act).

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
Mr Stephen Wood
Ms Sophie Montgomery

Immigration Health Advisory Group

Dr Paul Alexander AO (Chair)
Professor Louise Newman AM
Dr Gillian Singleton
Adjunct Assoc Prof Amanda Gordon
Conjoint Assoc Prof Karen Zwi
Ms Sandy Eagar
Dr Choong-Siew Yong
Mr Jorge Aroche
Dr Paul Douglas
Dr Bernie Towler
Ms Justine Jones
Ms Caz Coleman

Ministerial Advisory Council on Skilled Migration

Mr Michael Easson AM (Chair)
Mr Peter Anderson
Mr Paul Bastian
Ms Gerardine Kearney
Prof Peter McDonald AM
Mr David Noonan
Mr James Pearson
Ms Karen Read
Mr Peter Tighe
Mr Innes Willox
Ms Amanda Chadwick
Ms Marion van Rooden
Mr Rob Whiddon
Mr Simon Walker
Mr Donald Frater
Mr Jonathan Wood
Ms Cathy Hudson
Mr Kim Jenkins

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

Refugee Resettlement Advisory Council

The Hon Bruce Baird AM (Chair)
Mr Rasoul Ahmady
Mr Paris Aristotle AM
Ms Jasmina Bajraktarevic-Hayward
Ms Carmel Guerra
Ms Arja Keski-Nummi PSM
Mr Paul Power
Ms Jenny Semple

The Minister's Council on Asylum Seekers and Detention

Mr Paris Aristotle AM (Chair)
Air Marshal Ray Funnell AC (Rtd) (Deputy Chair)
Ms Kerrin Benson
Ms Caz Coleman
Mr Noel Clement
Ms Libby Lloyd AM
Prof Nicholas Procter
Dr Maryanne Loughry AM
Dr Jama Rifi
Assoc Prof Mary Anne Kenny

Appendix 5: Citizenship statistics

The following tables show the number of people who were conferred as Australian citizens, details of their former nationality/citizenship, and the country in which they were ordinarily resident before entering Australia.

Table 93: Previous country of nationality or citizenship of people who were conferred in 2012–13

Previous country of nationality or citizenship	Persons	Previous country of nationality or citizenship	Persons
Afghanistan	1 253	China	8 979
Africa (not further defined)	1	Colombia	627
Albania	123	Comoros	2
Algeria	21	Congo, Democratic Republic of the	235
Angola	2	Costa Rica	2
Argentina	120	Cote d'Ivoire	7
Armenia	31	Croatia	73
Austria	87	Cuba	25
Azerbaijan	16	Cyprus	24
Bahrain	13	Czech Republic	93
Bangladesh	1 946	Czechoslovakia	2
Barbados	2	Denmark	42
Belarus	58	Djibouti	1
Belgium	132	Dominican Republic	11
Benin	2	East Africa (not further defined)	1
Bhutan	377	East Timor	17
Bolivia	13	Ecuador	44
Bosnia-Herzegovina	127	Egypt	860
Botswana	13	El Salvador	45
Brazil	766	Eritrea	133
Brunei Darussalam	10	Estonia	34
Bulgaria	88	Ethiopia	309
Burkina Faso	5	Fiji	1 459
Burundi	272	Finland	121
Cambodia	507	France	842
Cameroon	27	French Polynesia	3
Canada	1 074	Gabon	2
Chad	1	Gambia	6
Chile	226		

Table 93: Previous country of nationality or citizenship of people who were conferred in 2012–13 *continued*

Previous country of nationality or citizenship	Persons	Previous country of nationality or citizenship	Persons
Georgia	11	Lesotho	2
Germany	900	Liberia	197
Ghana	196	Libya	23
Gibraltar	1	Liechtenstein	1
Greece	70	Lithuania	8
Grenada	2	Luxembourg	4
Guatemala	11	Macedonia	230
Guinea	14	Madagascar	1
Guinea-Bissau	1	Malawi	16
Guyana	6	Malaysia	1 841
Honduras	5	Maldives	41
Hungary	202	Mali	2
Iceland	14	Malta	191
India	19 217	Mauritania	54
Indonesia	1 056	Mauritius	657
Iran	1 657	Mexico	239
Iraq	2 739	Micronesia, Federated States of	2
Ireland	1 796	Moldova	26
Israel	399	Mongolia	36
Italy	694	Montenegro	14
Jamaica	17	Morocco	37
Japan	177	Mozambique	10
Jordan	280	Myanmar (Burma)	1 489
Kazakhstan	69	Namibia	16
Kenya	483	Nauru	6
Kiribati	5	Nepal	1 384
Korea, North	7	Netherlands	510
Korea, South	2 109	New Caledonia	7
Kosovo	8	New Zealand	3 794
Kuwait	4	Nicaragua	4
Kyrgyzstan	20	Nigeria	341
Laos	39	Norway	12
Latvia	25	Oman	2
Lebanon	1 057		

Table 93: Previous country of nationality or citizenship of people who were conferred in 2012–13 *continued*

Previous country of nationality or citizenship	Persons	Previous country of nationality or citizenship	Persons
Pakistan	2 100	Sweden	274
Palestinian Authority	75	Switzerland	178
Panama	2	Syria	171
Papua New Guinea	142	Taiwan	615
Paraguay	2	Tajikistan	5
Peru	309	Tanzania	42
Philippines	9 090	Thailand	1 316
Poland	416	Togo	73
Portugal	143	Tonga	95
Qatar	2	Trinidad and Tobago	19
Romania	253	Tunisia	10
Russian Federation	885	Turkey	484
Rwanda	47	Turkmenistan	2
Saint Lucia	4	Tuvalu	1
Samoa	37	Union of Soviet Socialist Republics (former)	9
Saudi Arabia	9		
Senegal	14	Uganda	56
Serbia	195	Ukraine	243
Serbia and Montenegro (former)	48	United Arab Emirates	6
		United Kingdom	20 478
Seychelles	45	United States	1 564
Sierra Leone	201	Uruguay	31
Singapore	742	Uzbekistan	52
Slovakia	77	Vanuatu	9
Slovenia	46	Vatican City	1
Solomon Islands	14	Venezuela	250
Somalia	161	Vietnam	2 568
South Africa	7 900	Yemen	14
South Sudan	28	Yugoslavia (former)	82
Spain	141	Zambia	73
Sri Lanka	2 746	Zimbabwe	1 437
Sudan	866	Not Stated/Other	734
Suriname, Republic of	2	**Grand Total**	**123 438**
Swaziland	4		

Table 94: Previous country of residence of people who were conferred in 2012–13

Previous country of residence	Persons	Previous country of residence	Persons
Afghanistan	781	Cook Islands	10
Albania	112	Costa Rica	2
Algeria	15	Cote D'Ivoire	15
Angola	3	Croatia	67
Argentina	129	Cuba	21
Armenia	26	Cyprus	39
Austria	61	Czech Republic	86
Azerbaijan	13	Czechoslovakia	4
Bahamas	2	Denmark	44
Bahrain	66	Dominican Republic	10
Bangladesh	1 844	East Africa (not further defined)	1
Barbados	5	East Timor	24
Belarus	50	Ecuador	44
Belgium	123	Egypt	1 044
Benin	39	El Salvador	40
Bermuda	5	Eritrea	58
Bhutan	117	Estonia	30
Bolivia	12	Ethiopia	261
Bosnia-Herzegovina	135	Fiji	1 441
Botswana	87	Finland	103
Brazil	710	France	752
Brunei Darussalam	35	French Polynesia	8
Bulgaria	86	Gabon	3
Burkina Faso	5	Gambia	9
Burundi	89	Georgia	9
Cambodia	499	Germany	862
Cameroon	27	Ghana	217
Canada	1 098	Gibraltar	1
Cayman Islands	6	Greece	88
Channel Islands	9	Grenada	1
Chile	240	Guam	4
China	9 048	Guatemala	10
Colombia	600	Guernsey	9
Comoros	2	Guinea	138
Congo, Democratic Republic of the	111	Guyana	5

Table 94: Previous country of residence of people who were conferred in 2012–13 continued

Previous country of residence	Persons		
Honduras	5	Malaysia	1 918
Hungary	198	Maldives	34
Iceland	12	Mali	1
India	17 595	Malta	201
Indonesia	1 049	Marshall Island	7
Iran	1 755	Mauritania	13
Iraq	1 924	Mauritius	630
Ireland	1 696	Mexico	220
Isle of Man	9	Micronesia, Federated States of	1
Israel	386	Moldova	25
Italy	617	Mongolia	36
Jamaica	20	Montenegro	18
Japan	285	Morocco	34
Jersey	14	Mozambique	18
Jordan	414	Myanmar (Burma)	840
Kazakhstan	61	Namibia	25
Kenya	778	Nauru	5
Kiribati	3	Nepal	1 615
Korea, North	5	Netherlands	471
Korea, South	2 004	New Caledonia	23
Kosovo	12	New Zealand	4 205
Kuwait	83	Nicaragua	2
Kyrgyzstan	20	Nigeria	253
Laos	37	Niue	1
Latvia	23	Norway	38
Lebanon	1 081	Oman	74
Lesotho	5	Pakistan	2 159
Liberia	86	Palau	1
Libya	24	Palestinian Authority	34
Liechtenstein	2	Panama	3
Lithuania	4	Papua New Guinea	186
Luxembourg	3	Paraguay	2
Macedonia	221	Peru	293
Madagascar	1	Philippines	8 358
Malawi	32		

Table 94: Previous country of residence of people who were conferred in 2012–13
continued

Previous country of residence	Persons	Previous country of residence	Persons
Poland	354	Thailand	1 946
Portugal	105	Togo	29
Puerto Rico	1	Tonga	78
Qatar	91	Trinidad and Tobago	29
Romania	218	Tunisia	4
Russian Federation	831	Turkey	571
Rwanda	29	Tuvalu	1
Saint Kitts and Nevis	2	Union of Soviet Socialist Republics (former)	9
Saint Lucia	5		
Samoa	38	Uganda	163
Saudi Arabia	133	Ukraine	223
Senegal	52	United Arab Emirates	664
Serbia	232	United Kingdom	20 375
Serbia and Montenegro (former)	11	United States	1 713
		Uruguay	28
Seychelles	44	Uzbekistan	52
Sierra Leone	152	Vanuatu	15
Singapore	1 381	Venezuela	244
Slovakia	69	Vietnam	2 524
Slovenia	46	Virgin Islands (British)	8
Solomon Islands	16	Yemen	14
Somalia	75	Yugoslavia (former)	54
South Africa	7 860	Zambia	90
South Sudan	12	Zimbabwe	1 366
Spain	141	Not Stated/Other	2 460
Sri Lanka	2 606	**Grand Total**	**123 438**
Sudan	508		
Suriname, Republic of	1		
Swaziland	11		
Sweden	268		
Switzerland	189		
Syria	561		
Taiwan	603		
Tajikistan	4		
Tanzania	271		

Appendix 6:
Australia Day award recipients 2013

Building community and stakeholder confidence

Individual
Greg O'Connell
Jenny Green

Team
Community Services Policy and Community Services
Victorian Offshore Humanitarian Processing Centre

Excellence in client service

Individual
Edward Jones

Team
Charters and Transfers Team
China Client Strategy Implementation Team
Community Relations Section
eService Support Section
Irregular Maritime Arrival (IMA) Team Villawood (Bridging E visa)
The Working Group on Resettlement

Excellence in leadership

Individual
Abby Shore
Cathy Milfull
Chloe Bird
Elizabeth Grady
Hasan Sowaid
Hosana Goncalves
Serena King

Team
Translating and Interpreting Service (TIS) National Management Team and Business Services staff involved in the disaster recovery effort

Exemplifying the department's strategic themes of what we do and how we do it

Individual
Diana Costello
Elke Timmony
Guy Egginton
Wayne Jenkins

Team
Chris Mitchell, Nerys Jones and Sarah McHarg
Members of the Professional Standards and Integrity Team
Christmas Island Team
Northern Immigration Detention Centre Fire Rectification Team
Offshore Infrastructure Team
Student Integrity NSW, Compliance Policy, Legislation B, Student Integrity Taskforce, Diplomatic and Research Visa Policy
Torres Strait Branch
Unaccompanied Humanitarian Minors Operation Team
State and territory office (STO) Leadership Forum Project Team—Build Team WA
Wickham Point and Yongah Hill Establishment Teams
Workforce Design and Strategy Section and the Reconciliation Champion David Walsh
Working Holiday Policy Section

Innovation in advancing strategic themes

Team
Enhanced Screening Team
Palacios, Michelle Toolin
Border Risk Identification System Team
Client Correspondence Team
eMedical Project Team
Global Learning and Change Branch—Operational Integrity Training Team and Global Manager Operational Integrity—Operational Integrity Section
Kristy Curnow and Steven Jones, Client Services South Australia STO
Manus and Nauru Processing Centre Implementation Teams
Program Management, Performance and Reporting Section
Skills Australia Needs Houston event
Visa Evidence Charge Project Team
Visa Simplification and Deregulation Team

Greg Gore-Johnson award

Individual
Chris Tullis

Appendix 7:
Information Publication Scheme

Agencies subject to the Freedom of Information Act 1982 (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 publishes 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

Appendix 8:
Correction of material errors

The following errors were detected after the publication of the *Annual Report 2011–12*.

Page 63

The table on page 63 has a row titled 'Percentage of temporary program applications for economic visas are finalised within service standards' (and a footnote reference which infers this is only for 457 visas). The figures in the row are correct except for the 2011–12 actual figure of 73.8 percent which is incorrect. The correct figure is 91.8 per cent

Page 84

To reduce processing times for the subclass 457 visa program, the department introduced an accredited sponsorship scheme for low-risk, high-volume sponsors. Figures relating to the number of approved sponsors were incorrect. The number should have been 26 sponsors.

Page 84

The statement 'nearly 90 per cent of applications were finalised within the two to three-month service standard' is incorrect.

The statement should read 'more than 90 per cent', as the actual figure—as noted above—is 91.8 per cent

Page 253

In table 63, the number of free translation documents for 2011–12 should have read 8741, not 8471.

Part 7

Reference material

Photo: Rez, born in Iran, is studying in the field of mental health and also works as a volunteer at the Blacktown Community Aid Centre.
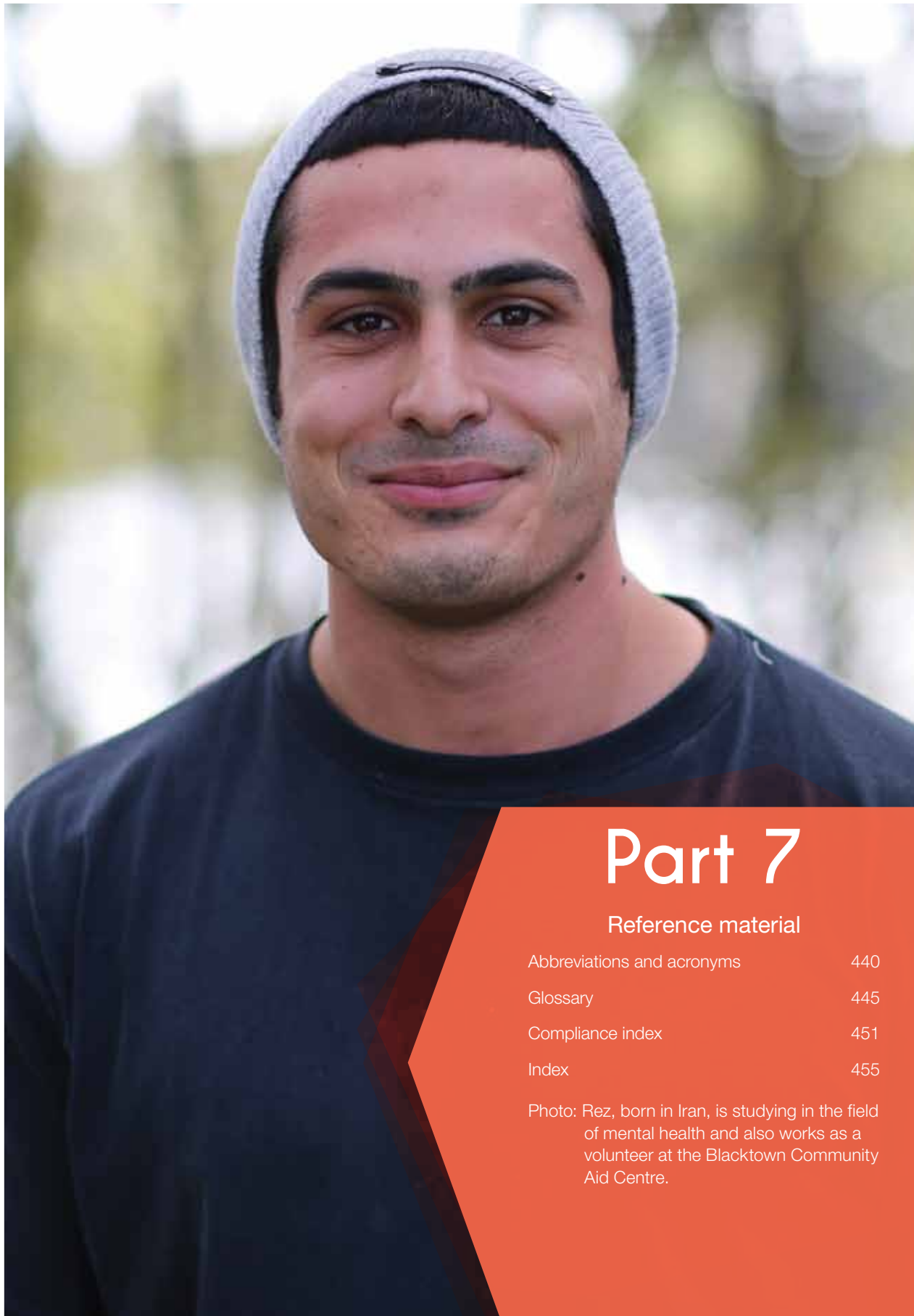
Abbreviations and acronyms

A/g	Acting		APOD	Alternative place of detention
AAT	Administrative Appeals Tribunal		APP	Advance passenger processing
ACSE	Award for client service excellence		APS	Australian Public Service
ADS	Approved destination status		ATCR/ WGR	Annual Tripartite Consultations on Resettlement/Working Group on Resettlement
AFL	Australian Football League			
AFP	Australian Federal Police		AUSCO	Australian Cultural Orientation program
AGD	Attorney-General's Department		AVAC	Australia Visa Application Centres
AGIMO	Australian Government Information Management Office		AVR	Assisted voluntary return
AHRC	Australian Human Rights Commission		BCAMP	Border Control Agency Management Program
ALO	Airline liaison officer		BDC	Belconnen Data Centre
AM	Member of the Order of Australia		BIO	Border intelligence officer
AMC	Australian Multicultural Council		BMCP	Building Multicultural Communities Program
AMEP	Adult migrant English program		BVE	Bridging E visa
ANAO	Australian National Audit Office		CAC	Commonwealth Authorities and Companies
AO	Order of Australia		CAS	Community assistance support
APEC	Asia-Pacific Economic Cooperation		CCMDS	Compliance, case management, detention and settlement
			CCS	Complex case support

CDC	Canberra Data Centre
CEI	Chief Executive Instruction
CERS	Certificate of evidence of resident status
CHOGM	Commonwealth Heads of Government Meeting
CIC	Citizenship and Immigration Canada
CISSR	Council for Immigration Services and Status Resolution
CMAL	Central movement alert list
CPD	Continuing professional development
CPG	Commonwealth procurement guideline
CQAF	Compliance quality assurance framework
CSAM	Continuous Survey of Australian Migrants
CSOL	Consolidated sponsored occupation list
CSRS	Community status resolution service
CSWE	Certificates in spoken and written English
DAC	Departmental Audit Committee
DDSN	DIAC disability support network

DEEWR	Department of Education, Employment and Workplace Relations
DeHAG	Detention Health Advisory Group
DESC	Documentary Evidence Security Committee
DFAT	Department of Foreign Affairs and Trade
DHC	Departure health check
DIAC	Department of Immigration and Citizenship
DoA	Deed of Agreement
DoFD	Department of Finance and Deregulation
DPP	Displaced Persons Program
DRDM	Detention related decision making
DSCP	Diversity and Social Cohesion Program
EA	Enterprise agreement
EAP	Employee assistance program
EC	Executive Committee
ELCP	Empowering Local Communities Program
EMA	Enterprise migration agreement
EMS	Environmental management system

ENS	Employer nomination scheme		IDF	Immigration detention facility
ENSOL	Employer nomination scheme skilled occupation list		IFA	Individual Flexibility Arrangement
ESL	English as a second language		IIRHWG	Intergovernmental Immigration and Refugee Health Working Group
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		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			
HC	High Court		IPS	Informaiton publication scheme
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
			KPI	Key performance indicator
ICCPR	International Covenant on Civil and Political Rights		LA	Labour agreement
ICT	Information and communication technology		LEE	Locally engaged employee
IDC	Immigration detention centre		LTPF	Long term migration planning framework

MAFG	Multicultural arts and festival grants	
MARA	Migration Agents Registration Authority	
MCASD	Minister's Council on Asylum Seekers and Detention	
MCIMA	Ministerial Council on Immigration and Multicultural Affairs	
MIAC	Minister for Immigration and Citizenship	
MMO	Movement monitoring officer	
MOU	Memorandum of Understanding	
MP	Member of Parliament	
MRT	Migration Review Tribunal	
MYAN	Multicultural Youth Advocacy Network	
NAATI	National Accreditation Authority for Translators and Interpreters	
NABERS	National Australian Built Environment Energy Ratings Standards	
NADC	National Australia Day Council	
NAFIS	National automated fingerprint identification system	

NBN	National Broadband Network
NEAS	National English language training accreditation scheme
NGO	Non-government organisation
NSW	New South Wales
OECD	Organisation for Economic Cooperation and Development
OHS	Occupational health and safety
PAM	Procedures advice manual
PAS	Preferred Aussie specialist
PIC	Public interest criterion
POD	Protection Obligations Determination
PSM	Public Service Medal
QA	Quality assurance
RAC	Research Advisory Committee
RCB	Regional certifying body
RCOA	Refugee Council of Australia
RFID	Risk, Fraud and Integrity Division
RILON	Regional immigration liaison network

RMAs	Regional migration agreements	SWP	Seasonal Worker Program
RMAS	Regional movement alert system	TB	Tuberculosis
RRAC	Refugee Resettlement Advisory Council	TIS	Translating and Interpreting Service
RRT	Refugee Review Tribunal	TSU	Tactical Support Unit
RSO	Regional support office	TVAG	Tourism Visas Advisory Group
RSMS	Regional sponsored migration scheme	UAM	Unaccompanied minors
SCoA	Settlement Council of Australia	UHMs	Unaccompanied humanitarian minor
SES	Senior executive service	UNHCR	United Nations High Commissioner for Refugees
SGP	Settlement grants program	VET	Vocational education and training
SHP	Special Humanitarian Program	VEVO	Visa entitlement verification online
SIEV	Suspected illegal entry vessel	VIAT	Vulnerabilty identification and assessment tool
SLA	Service level agreement	VIDC	Villawood Immigration Detention Centre
SLPET	Settlement language pathways to employment and training	WCU	War Crimes Unit
SOL	Skilled occupation list	WHS	Work health and safety
SONA	Settlement outcome of new arrivals study		
SPP	Special Preparatory Program		
SRF	Settlement Reporting Facility		

Glossary

Term	Definition
Approved destination status (ADS) scheme	A bilateral tourism arrangement which provides streamlined group travel to Australia for Chinese tourists.
Approved employer	An Australian employer or employing organisation which has been approved by DEEWR and DIAC for the purposes of employing Pacific Island seasonal workers under the Pacific Seasonal Workers Pilot Scheme.
Assessment level	The level of risk (specified by legislative instrument) attributed to a student visa applicant as per their passport and education sector. The assessment level determines the evidentiary requirements that a student visa applicant must meet in order to be granted a student visa.
Assisted voluntary return	A service delivered in partnership with the International Organization for Migration, which provides impartial immigration advice, counselling and financial support for clients who wish to return home but require some level of support to do so, thus avoiding the need to detain and enforce removal.
Australian population, multicultural and immigration research program	Established jointly by the Australian Government and state and territory governments to undertake studies in the areas of migration settlement, multicultural affairs and population trends.
Central health	An integrated IT and business solution for central and seamless health processing.
Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS)	Institutions and courses for overseas students are required to be registered on CRICOS under the *Education Services for Overseas Students Act 2000*. It is maintained by 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 *Migration Act 1958* 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 deriving from Article 33(1) of the 1951 Convention Relating to the Status of Refugees, which provides that: '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 low skilled 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, which commenced 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 and 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 Immigration (Guardianship of Children) Act 1946* (IGOC Act). 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 the 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 the 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.

Table 95: Compliance index

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Letter of transmittal	Mandatory	iii
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Review by departmental secretary	Mandatory	4
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Role and functions	Mandatory	16
Organisational structure	Mandatory	22–23
Outcome and program structure	Mandatory	26–27
Where outcome and program structures differ from PB Statements/PAES or other portfolio statements accompanying any other additional appropriation bills (other portfolio statements), details of variation and reasons for change	Mandatory	Not applicable
Portfolio structure	Portfolio departments—mandatory	16
Report on performance		
Review of performance during the year in relation to programs and contribution to outcomes	Mandatory	38–272
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Description	Requirement	Page
Where performance targets differ from the PBS/PAES, details of both former and new targets, and reasons for the change	Mandatory	Not applicable
Narrative discussion and analysis of performance	Mandatory	38–272
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Performance of purchaser/provider arrangements	If applicable, suggested	300
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The annual report must include a summary statement detailing the number of new consultancy services contracts let during the year; the total actual expenditure on all new consultancy contracts let during the year (inclusive of GST); the number of ongoing consultancy contracts that were active in the reporting year; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST). The annual report must include a statement noting that information on contracts and consultancies is available through the AusTender website	Mandatory	321

Table 95: Compliance index *continued*

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