



Australian Government

Department of Immigration
and Border Protection

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

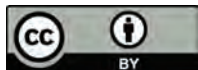
ANNUAL REPORT 2014–15

**DEPARTMENT OF
IMMIGRATION AND
BORDER PROTECTION**

ANNUAL REPORT 2014–15

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Australian Government
**Department of Immigration
and Border Protection**

SECRETARY

The Hon Peter Dutton MP
Minister for Immigration and Border Protection
Parliament House
Canberra ACT 2600

Dear Minister

I am pleased to present the Department of Immigration and Border Protection (DIBP) Annual Report 2014–15 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.

I certify that DIBP has prepared fraud and corruption risk assessments and a fraud control and anti-corruption plan that comply with the requirements of section 10 of the Public Governance, Performance and Accountability Rule 2014. We have robust fraud prevention, detection, investigation, reporting and data collection procedures and processes in place that align with the principles outlined in the *Australian National Audit Office Better Practice Guide on Fraud Control in Australian Government Entities, 2011*.

We have taken all reasonable measures to minimise the incidence of fraud within DIBP and to investigate and recover the proceeds of fraud against DIBP.

A comprehensive new Fraud Control Plan is in place for the new Department on 1 July 2015.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Michael Pezzullo'.

Michael Pezzullo

September 2015

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READER'S GUIDE

The Department of Immigration and Border Protection Annual Report 2014–15 has been prepared in accordance with the Department of the Prime Minister and Cabinet's *Requirements for Annual Reports for Departments, Executive Agencies and other Non-corporate Commonwealth Entities*, issued on 25 June 2015.

This year's annual report has been prepared to inform the Australian Parliament about the Department's performance in relation to its services in 2014–15.

The report is divided into seven parts.

PART 1: INTRODUCTION

This part summarises significant issues and developments during the year, and reviews the Department's performance and financial results. This part also includes a special feature about the integrated Department of Immigration and Border Protection that started on 1 July 2015.

PART 2: OVERVIEW

This part gives an overview about the Portfolio and Department, including its role, functions, organisational structure, and outcome and programme structure. It also includes a special feature about 70 years of the Department of Immigration's history.

PART 3: REPORT ON PERFORMANCE

This part summarises 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 2014–15* and the *Portfolio Additional Estimates Statements 2014–15*.

PART 4: MANAGEMENT AND ACCOUNTABILITY

This part provides information about the Department's governance, fraud and risk management arrangements, external scrutiny, workforce planning, human resources and purchasing. It also includes information about workplace health and safety, small business, procurement initiatives, advertising and market research, ecologically sustainable development and environmental performance, and grants programmes.

PART 5: FINANCIAL STATEMENTS

This part contains the Department's audited financial statements and a report by the Auditor-General.

PART 6: APPENDICES

This part provides supplementary information, such as employee classifications and salary rates, legal services, freedom of information, membership of advisory bodies and citizenship statistics.

PART 7: REFERENCE MATERIAL

This part comprises a glossary, list of abbreviations and acronyms, compliance index and an alphabetical index.





PART 1

INTRODUCTION

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THE YEAR AT A GLANCE

Table 1: Year at a glance in 2014–15

Permanent outcomes and visas granted	
Revenue generated by visa applications	\$1,818.7 million
Total permanent outcomes and visas granted ^a	7,500,794
Total temporary visas granted ^b	7,173,556
Visitor visas granted	4,311,498
Special Category (subclass 444) visas granted	1,798,220
Maritime Crew and Transit visas granted	320,067
Student visas granted (includes student guardians)	300,963
Working holiday maker visas granted	226,812
Temporary residents (other) visas granted ^c	119,813
Temporary Work (Skilled) (subclass 457) visas granted	96,084
Total Migration Programme outcome	189,097
Skill stream outcome	127,774
Family stream outcome	61,085
Special eligibility	238
Resident Return visas granted	121,811
New Zealand citizens granted permanent visas	2,530
Refugee and humanitarian entry	
Humanitarian Programme visas granted	13,756
Temporary Protection visas granted	44
Border security	
Passenger and crew arrivals and departures	36.76 million
Immigration clearances refused at airports	3,667
Immigration clearances refused at seaports	54
Illegal maritime arrivals (IMAs) transferred to immigration authorities	164
Compliance	
Percentage of temporary entrants who maintained their lawful immigration status while in Australia	99%
Unlawful non-citizens located	16,567
Notices issued to employers of illegal workers	655
Removals and assisted departures (onshore) ^d	11,705

Table 1: Year at a glance in 2014–15

Detention	
Foreign fishers taken into immigration detention	25
Foreign fishers in immigration detention on 30 June 2015	0
Visa overstayers or people who breached visa conditions taken into immigration detention	3,889
Visa overstayers or people who breached visa conditions in immigration detention on 30 June 2015	892
IMAs taken into immigration detention (including crew)	963
IMAs in immigration detention on 30 June 2015	2,239
Total number of people taken into immigration detention	8,588
Total number of people released or removed from immigration detention	12,108
Total number of people in immigration detention on 30 June 2015	3,202
Citizenship	
Number of people conferred Australian citizenship	136,572
People approved as Australian citizens by conferral, descent and resumption	167,624
Telephone calls to citizenship information line	341,697
Client contact	
Telephone calls to service centres (general enquiries and citizenship information lines)	1.13 million
Telephone interpreting calls	1.25 million
Litigation	
Administrative law matters resolved in courts and the Administrative Appeals Tribunal	4,023
Percentage in favour of Minister (that proceeded to defended hearings in court)	95%
Staff	
Australia-based staff (ongoing and non-going)	8,225
Overseas-based staff (Australian-based staff overseas and locally engaged employees) ^e	1,334
Total staff at 30 June 2015	9,559

a Excludes Bridging visas.

b From 2014–15 the definition of temporary visa was expanded. Includes Criminal Justice Entry (35) and Criminal Justice Stay (64) visa grants.

c Includes temporary graduates, economic (excluding subclass 457) and non-economic.

d This figure accounts for total onshore compliance departures and excludes IMAs, IMA crew, IMA BVE, IFFs and other unauthorised arrivals.

e Total overseas staff includes 204 A-based staff and 1130 locally engaged staff.

SECRETARY'S REVIEW



INTRODUCTION

This year continued to be one of significant change for the Department of Immigration and Border Protection (DIBP). We worked closely with our Australian Customs and Border Protection Service (ACBPS) colleagues to transition to one Department from 1 July 2015. This included establishing the Australian Border Force (ABF) and its legal framework within the integrated Department.

Throughout 2014–15, all policy, regulatory and corporate functions of DIBP and ACBPS were progressively integrated into the one Department of Immigration and Border Protection, including finance and human resource systems. From 2 March 2015, both organisations' staff started working within an integrated structure in the lead-up to 1 July. Combining two large and complex organisations with long and proud histories was a challenging but rewarding task—and it was a task we did well.

In addition to working towards integration, in 2014–15 DIBP continued to work in a complex environment and made a significant contribution to national security, the economy and Australian society. We continued to respond to Australia's immigration and border protection challenges, maintained our commitment to nation-building through managed migration, contributed to Australia's security through border management, promoted Australian citizenship and assisted refugees, and contributed to international humanitarian policy.

MIGRATION, CITIZENSHIP AND HUMANITARIAN PROTECTION

Managing the lawful movement of people across Australia's border is central to our continuing work to build our nation and protect Australian citizens. Managing the movement of people across Australia's border protects our society and provides economic, social and cultural benefits. Our citizenship, temporary and permanent migration and humanitarian programmes contributed to these benefits.

During 2014–15 Australian citizenship was conferred on 136,572 people. There was an increased number of visitors to Australia who contributed to economic growth. The People's Republic of China was Australia's largest source of visitors, a travel market worth more than \$5 billion to our economy. More than 661,000 visitor visas were granted to Chinese nationals in 2014–15, the highest number for any nationality and about twice the number of five years ago. A total of 7.2 million temporary visas were granted in 2014–15 compared with 6.8 million¹ in 2013–14.

The permanent Migration Programme outcome was 189,097 places within the programme ceiling of 190,000 places. Economic migration, which includes skilled migrants or people with significant funds to invest in Australia, accounted for 67.6 per cent of the 2014–15 programme, including 48,250 employer sponsored visas. The Family stream, which is the social and cultural side of the programme, was delivered with an outcome of 61,085 places.

This year also saw the completion of an independent review of the Office of the Migration Agents Registration Authority (OMARA) that the Assistant Minister for Immigration and Border Protection, Senator the Hon Michaelia Cash, announced in June 2014. The Department worked closely with OMARA during the year to consolidate its functions into the Department to coincide with the launch of the integrated Department on 1 July 2015. The Department has put in place measures to help the public and migration agents during the transition. Implementation of the review's recommendations will start in the second half of 2015 after further consultations with stakeholders.

The 2014–15 Humanitarian Programme supported Australia's international and humanitarian obligations with the grant of 13,756 visas, including 1009 Woman at Risk visas for vulnerable women and their children who are at risk of harassment and victimisation because of their gender. Due to the humanitarian crisis in the Middle East, Syrians and Iraqis comprised the two largest caseloads within our 2014–15 Humanitarian Programme, making up 5011 visa grants across both the onshore and offshore components of the programme.

The passage of the *Migration and Maritime Powers Legislation Amendment (Resolving the Asylum Legacy Caseload) Act 2014* in December 2014 and the *Migration Amendment (Protection and Other Measures) Act 2015* in March 2015 has achieved the Australian Government's policy intention of establishing an effective onshore protection-status determination process with strong integrity. These legislative reforms reintroduced Temporary Protection visas (TPVs) and introduced Safe Haven Enterprise visas (SHEVs) for illegal arrivals, and allowed for the processing of the legacy caseload of around 30,000 illegal maritime arrivals (IMAs) to begin.

¹ Total temporary visas 4.7 million in 2013–14 excluded Special Category, Maritime Crew and Transit visas. The 6.8 million total includes Special Category, Maritime Crew and Transit visas.

In 2014–15 the Department made the processing of visa applications quicker and easier for eligible applicants. Since the launch of ImmiAccount in December 2013, this global visa and citizenship system has been expanded to additional countries where online applications can be lodged. ImmiAccount allows clients to self-manage their visa applications online, including lodging applications, uploading documents, paying and tracking progress. More than 2.4 million ImmiAccounts have been created since the system was launched, with an average of more than 5000 new applications made daily.

Two other initiatives exemplify the Department's move towards digital channels. We are the first government agency to pilot virtual-assistant technology. This technology will reduce client telephone calls to the Department and visits to our service counters. In turn, this will reduce staff resource costs. The Department is also developing web and mobile applications (apps) to take advantage of the growing trend in client preferences for accessible mobile programmes. For example, myVEVO is a free mobile app that provides a fast and convenient way for clients to check and email their Australian visa entitlements—work rights, study rights, travel conditions and expiry date.

In 2014–15 the Department expanded its Offshore Biometrics Programme, effectively doubling annual enrolments. Expansion will continue in 2015–16, with enrolments again set to double in the next 12 months. The introduction of biometric collection into offshore visa processing strengthens national security and visa integrity.

COMPLIANCE AND BORDER CONTROL

Operation Sovereign Borders (OSB), the military-led border security operation dedicated to combatting people smuggling, is supported by a range of government agencies through the Joint Agency Task Force (JATF). The JATF continued to successfully manage the whole-of-government effort to combat people smuggling and manage Australia's border.

Under OSB there was a substantial and sustained reduction in maritime ventures and potential illegal immigrants attempting to reach Australia. No people smuggling ventures had reached Australia since July 2014. Continued vigilance ensures that people smugglers are denied a product to sell, and prevents deaths at sea. Importantly, for more than 18 months, there has been no known loss of life at sea of those trying to reach Australia by boat.

The ongoing success of OSB in stopping the boats has allowed seven immigration detention facilities to be closed during 2014–15. This builds on earlier closures of immigration detention facilities and has delivered a combined saving of \$570.1 million over the forward estimates period.

In February 2015 the Australian Human Rights Commission (AHRC) released its report on *The Forgotten Children: National Inquiry into Children in Immigration Detention (2014)*. Before its release, the Department made significant progress in releasing eligible children and their families from IDFs. At 30 June 2015 only 127 children remained in held immigration detention compared with 699 children in immigration detention at 30 June 2014. The release of children into the community, including transferring children and their families from Christmas Island to the mainland, became viable because of temporary protection measures and regional processing arrangements.

The Department continues to support the Governments of Nauru and Papua New Guinea in managing services for transferees and refugees in Nauru and Manus. Major infrastructure projects have been a focus of the programme, with new facilities being built to meet the needs of staff and transferees within the regional processing centres (RPCs). These projects have often benefited the local community. On Manus, the facilities include new medical, recreational and accommodation amenities. In Nauru, an emphasis on children's education has resulted in projects that will see additional teaching resources and the extensive refurbishment of school facilities.

In October 2014 the then Minister for Immigration and Border Protection, the Hon Scott Morrison MP, announced a review of recent allegations relating to conditions and circumstances at the RPC in Nauru. A former Integrity Commissioner with the Australian Commission for Law Enforcement Integrity, Mr Philip Moss, was commissioned to conduct the review. The Department accepted all of the 19 recommendations and has been working closely with the Government of Nauru and service providers to implement the recommendations.

In May 2015, the Minister for Immigration and Border Protection, the Hon Peter Dutton MP, announced that the Department would establish a Child Protection Panel to provide independent advice on child protection in immigration detention and RPCs and, in addition, four additional Australian Federal Police (AFP) officers would travel to Nauru to advise local police. This followed the establishment of the detention assurance team in December 2014, within the Department's Integrity, Security and Assurance Division, to strengthen assurance and integrity in the management of detention services. This team operates separately from the relevant line management which oversees the provision of these services and is playing a key role in assuring me that the recommendations made in the Moss Review are being implemented.

The Senate established the Select Committee on the Recent Allegations relating to Conditions and Circumstances at the RPC in Nauru on 26 March 2015 to inquire into the Australian Government's responsibilities in the management and operation of the RPC. The Department prepared a comprehensive public submission focusing on the operational and policy frameworks underpinning the RPC. The Department will consider the Select Committee's report after it is published in August 2015.

The RPCs in Papua New Guinea and Nauru are central elements of the Government's border protection strategy. It is imperative therefore that they function as intended, and that they be places of good order, safety and security.

On 26 September 2014 the Governments of Australia and Cambodia signed a Memorandum of Understanding (MOU) relating to the settlement of refugees in Cambodia. The agreement provides for the permanent settlement in Cambodia of people found to be refugees by the Republic of Nauru. As signatories to the Refugee Convention, Australia and Cambodia share a strong commitment to achieving humanitarian outcomes for refugees in the region. In June 2015 the Department facilitated the transfer of the first refugees from Nauru to be settled in Cambodia under the MOU.

The Department has also been working with the AFP, the Attorney-General's Department and the Department of Foreign Affairs and Trade (DFAT) on recommendations that require a whole-of-government response. These include deploying additional AFP officers to support the Nauru Police Force, improving incident reporting and management, reviewing all stakeholder meetings and guidelines, enhancing staff training, and developing a child protection framework.

The Department remains committed to cooperating fully with properly constituted reviews and inquiries relating to our operations.

POLICY AND BUSINESS REFORMS

National security continued to be one of the Department's biggest challenges in 2014–15. Following reviews of Australia's counter-terrorism machinery and in response to the Martin Place siege, the Department established a Visa Regulatory Reform Task Force to develop options to enhance visa and citizenship decision-making, with a focus on identifying reforms needed to protect Australians and facilitate the flow of visitors and migrants.

Working in close consultation with the task force, the Client Services Decision Support Review was established in the Department in February 2015 to examine how visa and citizenship decisions are made. Its work will ensure that we can deal with the twin imperatives of facilitative decision-making and protecting the Australian community. The review seeks to ensure that we are well-positioned to manage projected business volumes and government policy directions in the future. The review will deliver an integrated change-management plan.

In December 2014 the Department established a new Research and Innovation Division to deliver value-added research advice and innovative technology solutions to support the Department's strategic priorities. Its vision is to lead innovation into technology-based solutions that strengthen Australia's border protection. Throughout the year the division developed links with other Australian government, academic and private sector organisations to enhance its research and innovation outcomes. Some of the key stakeholders included the Defence Science and Technology Organisation (DSTO), the Commonwealth Scientific and Industrial Research Organisation (CSIRO), and NICTA (National ICT Australia).

In 2014–15 a range of amendments to the *Migration Act 1958* strengthened the Department's powers to cancel and refuse visas on character, integrity and national security grounds. These grounds included a broadening of the character test within s. 501 of the Migration Act, the introduction of mandatory visa cancellation under s. 501 for certain non-citizens in prison, and enhanced measures within the general visa cancellation provisions to deal with non-citizens who present integrity, identity or fraud risks.

In December 2014 the DIBP Secretary and ACBPS CEO jointly announced a new Integrity Framework that was applied to the integrated Department from 1 July 2015. The framework is a set of measures designed to protect the Department's people, property, systems and information from infiltration and corruption.

Throughout the 12 months under review, the Department continued to address complaints from the Commonwealth Ombudsman and the AHRC, including responding to the inquiry into children in immigration detention, and supporting external reviews of immigration matters.

FINANCIAL PERFORMANCE

The Department's 2014–15 financial performance was strong.

The departmental 2014–15 financial statements report an \$85.3 million operating deficit compared with a \$105.7 million operating deficit in 2013–14. In 2014–15 the Department incurred \$109.9 million in departmental depreciation and amortisation expenses. Had these items been funded, the 2014–15 departmental result would have been a \$24.6 million surplus, a less than 2 per cent variation.

CONCLUSION

The way forward for the integrated Department is clear. We seek to be a world leader in border management and set the global benchmark in all facets of our work, including refugee and humanitarian assistance, immigration and citizenship, enforcement of detention and removal, trade and customs facilitation and enforcement, offshore maritime security and revenue collection.

From 1 July 2015, together we will enhance our capability and improve our effectiveness. We are forging a new workforce culture in the integrated Department with a focus on integrity, professionalism and capability to deliver the best possible outcomes for Australians and those we welcome to Australia. This will enable the new Department and the ABF to provide a secure gateway between Australia and the world, and to facilitate trade, travel and migration while protecting our border.

Crucial to our future success is the effective management of the movement of people and goods across our border and maintaining the Department's integrity. The ABF will protect our border at our airports and seaports and undertake detection, investigations, compliance and enforcement in relation to illicit goods and people who have no legal basis to enter—or remain—in Australia.

To effect the movement of people and goods, the newly established Research and Innovation Division will build on and extend the professional skills of its researchers and IT specialists to build our future capabilities.

We will continue on our reform journey in 2015–16. We will provide a nationally coordinated approach to border operations, enhance our intelligence systems and analytical capability to reduce threats and risks, and enhance travelling experiences for our citizens and visitors to Australia. On 1 July 2015 the integrated Department launched its inaugural *Strategy 2020*—our plan for the future.

In rising to the many challenges of the past year, I wish to thank all departmental staff for their contributions that have made it possible to achieve the integration of DIBP and ACBPS, and the establishment of the ABF. All staff have demonstrated professionalism and resilience. I also extend my thanks to the Department's many stakeholders and partners who provided assistance and advice throughout the year.

ONE DEPARTMENT

Globalisation is changing the way immigration, trade, citizenship, maritime security, revenue, travel and humanitarian policies need to be managed across the border continuum.

On 9 May 2014 the then Minister for Immigration and Border Protection, the Hon Scott Morrison MP, announced significant changes to the way that Australia's border will be protected and managed to enhance national security and the economy.

Australia is a free, prosperous and harmonious society, however, it is also these aspects of our society that terrorists and violent extremists seek to harm. The threat to Australia from these groups is real and growing.

Geopolitical events ranging from civil instability and armed conflict to global health crises can similarly create both direct and indirect security challenges for Australia.

A renewed focus on national security and immigration that continues to enable the seamless legitimate movement of people and goods is essential to ensuring that Australia remains a prosperous society. To meet these challenges, from 1 July 2015 DIBP and ACBPS integrated to become the Department of Immigration and Border Protection.

For the first time traditional immigration and customs policies—including refugee and humanitarian programmes, immigration and citizenship, trade and customs, offshore maritime security and revenue collection—were brought together into a single policy space.

The ABF was formally established on 1 July 2015 as the front line operational enforcement entity within the integrated Department, focusing on investigations, compliance and detention operations offshore and onshore, across air and seaports, land and maritime domains.

The Secretary, Michael Pezzullo, is responsible for all departmental functions and the Commissioner ABF, Roman Quaadvlieg, is responsible for the ABF and its operational activities.

INTEGRATION

A staged approach was used to integrate the functions of DIBP and ACBPS and a Reform and Integration Task Force was established to oversee and guide the implementation.

On 2 March 2015 a new internal organisational structure for the Department was launched in ACBPS and DIBP, and staff began working within this integrated structure from this time.

New systems and processes were implemented in the lead-up to 1 July 2015 to streamline and strengthen our operational capabilities and policy framework. Counter Terrorism Units (CTUs) were deployed throughout the year to eight Australian international airports to combat home-grown terrorism and threats to national security. The Strategic Border Command (SBC) operating model was implemented and the National Border Targeting Centre (NBTC) was established, bringing together partner agencies to better target suspect goods and travellers. An interim ABF College, known at the time as the ACBPS College, was also successfully trialled in Sydney to deliver ABF recruitment and training ahead of its official 1 July launch.

A Client Services Decision Support Review began in February 2015 to examine how visas and citizenship decisions are made. Its findings will help to build capacity to manage expected future demand and prevailing global trends around migration, labour mobility, transnational crime and national security.

Ahead of 1 July 2015, a new Departmental Integrity Framework was launched to align professional standards and values, clarify new roles and mitigate public sector integrity risk.

OUR FUTURE

Over the coming years, projected growth in the volume of goods and people moving across the border will be significant, creating opportunities for Australia.

To support responsive border systems and processes, the integrated Department will continue to develop and promote the use of new technologies to automate old processes and offer more tailored solutions. Through the establishment of the Research and Innovation Division in December 2014, new innovative business technology-based solutions that strengthen Australia's border protection will be investigated in 2015–16.

Increasing the security of systems through the greater use of biometrics, SmartGates and Trusted Trader schemes will reduce red tape and provide self-serve options that will enhance the border experience for legitimate travellers, traders and those seeking to call Australia home.

These changes will also support processes to fill crucial skills shortages, manage Australia's Humanitarian Programme and collect revenue. Combining immigration and customs resources will enable the Department to build its capability to better protect Australia's border and manage the flow of people and goods across it.





PART 2

OVERVIEW

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PORTFOLIO AND DEPARTMENT OVERVIEW

The Portfolio has two Ministers, the Hon Peter Dutton MP, Minister for Immigration and Border Protection, and Senator the Hon Michaelia Cash, Assistant Minister for Immigration and Border Protection.¹

The Portfolio agencies—all of which are *Public Governance, Performance and Accountability Act 2013*² (PGPA Act) entities—are the:

- Department of Immigration and Border Protection (the Department or DIBP)
- Australian Customs and Border Protection Service (ACBPS or the Service)
- Migration Review Tribunal and Refugee Review Tribunal (MRT–RRT).

During 2014–15 DIBP and the ACBPS worked closely to progressively transition into an integrated Department of Immigration and Border Protection with effect from 1 July 2015.³ This included establishing the Australian Border Force (ABF)—a single front-line operational border entity with statutory responsibilities to enforce our customs and immigration laws—within the new integrated Department.

From 1 July 2015 the ABF will draw together the operational border, investigations, compliance, detention and enforcement functions of DIBP and ACBPS. Policy, regulatory and corporate functions will combine within the integrated Department.

During 2014–15 the MRT–RRT worked with other Commonwealth external merits review tribunals, boards and relevant departments to implement the Government’s decision to amalgamate the Administrative Appeals Tribunal (AAT), the Migration Review Tribunal (MRT), the Refugee Review Tribunal (RRT), and the Social Security Appeals Tribunal (SSAT) with effect from 1 July 2015. The amalgamated tribunal was established under the *Administrative Appeals Tribunal Act 1975*, called the Administrative Appeals Tribunal, and is situated within the Attorney-General’s Portfolio.

In 2015–16 the Office of the Migration Agents Registration Authority (OMARA) will be progressively consolidated into the integrated Department as part of the Government’s deregulation agenda. As a result, OMARA will no longer be attached to DIBP as a discrete office. OMARA’s performance results are reported under Outcome 1 of this report on page 104.

1 From September 2013 to December 2014, the Hon Scott Morrison MP served as the Minister for Immigration and Border Protection. On 23 December 2014 the Hon Peter Dutton MP was appointed as Minister for Immigration and Border Protection. Change between the *Portfolio Budget Statements 2014–15* (PBS), pp. 3&5, and the *Portfolio Additional Estimates Statements 2014–15* (PAES), p. 13.

2 The *Public Governance, Performance and Accountability Act 2013* came into effect on 1 July 2014 and replaced the *Financial Management and Accountability Act 1997*.

3 The consolidation of the Department of Immigration and Border Protection (DIBP) and the Australian Customs and Border Protection Service (ACBPS) functions will continue in the 2015–16 financial year. *Portfolio Budget Statement 2014–15* (PBS), p. 3 refers.

ROLE AND FUNCTIONS

In 2014–15 the Department's purpose was to build Australia's future through the well-managed entry and settlement of people.⁴

The Department is a policy, programme and service delivery agency that supports a prosperous and inclusive Australia through the maintenance of strong borders, well-managed migration, refugee protection, and the promotion of Australian citizenship.

The Department makes a significant contribution to national security, the economy and Australian society. Our functional responsibilities cover a range of Government priorities including managing our borders in partnership with other agencies, meeting our obligations to help the world's most vulnerable people, responding to the demand for skilled migrants to develop the Australian economy, and enhancing our global connections, particularly within our region.

The Department continues to work in a complex environment and provides a forward-looking focus to respond to Australia's future needs. Collaboration with other Government agencies, as well as with the private sector and other community groups, is a priority for a Department which is committed to the continuous improvement of its policies, programmes and services.

OBJECTIVES AND PRIORITIES

In 2014–15 the Department's business was to:

- contribute to Australia's future through managed migration
- contribute to Australia's security through border management and traveller facilitation
- promote Australian citizenship
- protect refugees and contribute to humanitarian policy internationally
- make fair and reasonable decisions for people entering or leaving Australia, ensuring compliance with Australia's immigration laws and integrity in decision-making.

The strategic priorities for the Department in 2014–15 were to:

- work with the ACBPS to position DIBP for fundamental changes to Portfolio Administrative Arrangements, including the integration of functions through a multi-phased approach into one consolidated Department of Immigration and Border Protection. This will include additional investment in border, enforcement and intelligence capabilities with integration to be completed by 1 July 2016
- contribute to the protection of Australia's borders and combat people smuggling in partnership with the Joint Agency Task Force and other agencies implementing Operation Sovereign Borders
- support and build the capability of regional partners to implement offshore regional processing arrangements⁵
- resolve the status of the legacy cohort of illegal maritime arrivals (IMAs)
- review visa programme settings to ensure that migration continues to contribute to Australia's productivity into the future
- build our capability to facilitate a significant increase in border crossings and trade while maintaining the integrity of the border and our programmes
- strengthen the protection status determination system

4 During 2014–15 DIBP and the ACBPS worked closely to progressively transition into a single integrated Department of Immigration and Border Protection with effect from 1 July 2015. The integrated Department's purpose will change from 1 July to 'protect Australia's border and manage the movement of people and goods across it'.

5 Offshore regional processing is referred to as regional processing throughout this report.

- simplify our business by contributing to decreasing the costs of excessive regulation and streamlining processes
- build more efficient and effective ways of delivering our services, including the use of digital channels as our default form of delivery
- strengthen our key relationships to leverage knowledge and experience in areas of mutual interest
- build leadership at all levels and foster a culture of excellence, innovation and empowerment
- manage cost and invest in forward planning and long term sustainability to position the Department well for the future.

LEGISLATION

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

- *Aliens Act Repeal Act 1984*
- *Australian Citizenship Act 2007*
- *Australian Citizenship (Transitional and Consequential) Act 2007*
- *Immigration (Education) Act 1971*
- *Immigration (Education) Charge Act 1992*
- *Immigration (Guardianship of Children) Act 1946*
- *Migration Act 1958*
- *Migration Agents Registration Application Charge Act 1997*
- *Migration (Health Services) Charge Act 1991*
- *Migration (Sponsorship Fees) Act 2007*
- *Migration (Visa Application) Charge Act 1997*
- *Migration (Visa Evidence) Charge Act 2012.*

Seven Bills were introduced to the Australian Parliament during 2014–15. In that period, six Portfolio Bills passed both Houses of Parliament and became Acts upon Royal Assent being given. Two of those Bills were introduced in the previous year. Further, 13 Amendment Regulations and 162 additional legislative instruments were made.

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

OFFICE AND POST LOCATIONS

Figure 1: Office and post locations at 30 June 2015



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

ORGANISATIONAL STRUCTURE

A staged approach was used to integrate the functions of DIBP and ACBPS throughout 2014–15 resulting in staff working within an integrated structure from 2 March 2015. The structure below shows the organisational structure at 30 June 2015.⁶

Figure 2: Organisational structure at 30 June 2015

Secretary Michael Pezzullo				
Chief Executive Officer Roman Quaadvlieg APM				
Deputy Secretary Client Services, Decision Support Review Task Force Peter Vardos PSM				
Deputy Secretary Policy Group Rachel Noble PSM				
Executive Maree Bridger*				
Communication and Media Matt Wardell (A/g)	Parliamentary and Executive Coordination Guy Boekenstein (A/g)		Governance and Performance Evaluation Stephen Heskett (A/g)	
Strategic Policy and Planning Rachael Spalding				
Strategy Ben Evans	Capability Development Robyn Ross (A/g)		Policy Research and Statistics Janice Wykes	
Immigration and Citizenship Policy David Wilden				
Immigration Policy Cathy Hoitink	Economic Mobility Ben Meagher (A/g)	Mobility Sophie Montgomery	Citizenship and Humanitarian Policy Fiona Lynch-Magor	Visa Regulatory Reform Task Force Richard Johnson
Trade, Customs and Industry Policy Linda Geddes				
Customs and Industry Sharon Nyakuengama	Trade Anita Langford (A/g)		Trusted Traders Teresa Conolan	
International Lachlan Colquhoun				
International Strategy Agnieszka Holland	Middle East, Africa and South Asia Margaret Hoffman		Pacific, Americas, North Asia and Europe Peter Speldewinde	
International Posts				
Minister Counsellor Geneva Kate O'Malley	Minister Counsellor Jakarta Chris Wall	East Asia Michael Willard	Middle East and Africa John Moorhouse	South East Asia Annette Keenan
South Asia Jose Alvarez Moro	Europe Elizabeth Hoffman	Americas Janette Haughton	ABF Attaché South Pacific Phil Brezzo	Mekong Region Greg Kelly
International Protection Task Force Robert Hoitink				

⁶ The Office of the Migration Agents Registration Authority (OMARA) will be progressively consolidated into the integrated Department in 2015–16.

Deputy Secretary Detention Capability Review Task Force Janet Connell				
Deputy Secretary Corporate Group, Chief Operating Officer Marion Grant PSM				
Support Craig Farrell				
Shared Services Brad Clark	Property and Commercial Services Nick Evans	Procurement and Contracts Sanaz Mirzabegian	Information Access Task Force Stephen Wood	Headquarters Task Force Michael Leiper (A/g)
People Paula Goodwin (A/g)				
Learning and Development Allison Denny-Collins (A/g)	People Strategy and Policy Martine Cooper (A/g)	Workforce Management Anne Leo	Enterprise Agreement Task Force David Leonard	
Finance, Chief Finance Officer Steven Groves				
External Budgets and Revenue Lisa Harris	Management Accounting Stephanie Cargill	Financial Operations James Malizani	Finance Integration Task Force Sam Hatherly (A/g)	
Legal, General Counsel Pip de Veau				
Legislation and Framework Greg Phillipson	Litigation Miriam Moore	Commercial and Employment Law Alicia Wright	Legal Advice and Operational Support Anton Bockwinkel (A/g)	
Special Counsel Ian Deane PSM				
Integrity, Security and Assurance, Chief Risk Officer / Chief Audit Executive Jan Dorrington PSM				
Integrity and Professional Standards Kaylene Zakharoff	Security Glenn Peisley		Risk and Assurance Steve Hayward	
Head Strategic Reform Programme Charlotte Tressler				
Deputy Secretary Visa and Citizenship Services Group Michael Manthorpe PSM				
Visa and Citizenship Management Jim Williams				
Permanent Visa and Citizenship Programme Frances Finney	Temporary Visa Programme Judith O'Neill		Network Planning and Support John Napier (A/g)	
Regional Director NSW/ACT Mary-Jane Jones*	Regional Director Queensland Jodie Bjerregaard (A/g)		Regional Director Central Louise Smith	
Regional Director Victoria/Tasmania Amanda Paxton			Regional Director West Steven Biddle*	
Refugee and Humanitarian Visa Management Kruno Kukoc				
Refugee and Humanitarian Programme Libby Hampton	Temporary Protection Visa Assessment Sally Babbage		Onshore Protection Lynne Gillam	
Community Protection Peta Dunn				
Public Risk Assessment Fiona Andrew	Chief Medical Officer Immigration Health Paul Douglas	Character Assessment and Cancellations Peter Van Vliet		Caseload Assurance Peter Richards
Digital Channels Task Force Phil Thurbon				
Digital Business Strategy Task Force Troy Czabania			Channel Strategies and Management Task Force Rocio Trapaga-Saul PSM	
Office of the MARA Dora Chin-Tan (A/g)				

Deputy Secretary Intelligence and Capability Group María Fernandez			
Intelligence Karen Harfield			
Strategic Intelligence Angela Black (A/g)	Operational Intelligence Paul Farrell		Tactical Intelligence John Gibbon
ICT, Chief Information Officer Matthew Yannopoulos			
ICT Plans Vanessa Horton (A/g)	Corporate Systems Steve Peddle		Border Systems Tim Drury
ICT Service and Vendor Management Brendan Dalton		ICT Infrastructure Operations Sean Hugo (A/g)	
Major Capability Randall Brugeaud			
Capability Coordination Jagtej Singh	Identity and Intelligence Capability Paul Cross	Operational Capability Anthony Corbitt (A/g)	Future Traveller Capability Task Force Brian Schumacher
Research and Innovation Gavin McCairns			
Chief Scientist Jennie Clothier		Business Innovation Michael Minns	

Deputy Secretary Immigration Status Resolution Group Cindy Briscoe				
Status Resolution and Detention Operations Janet Mackin				
Offshore Operations Kylie Scholten (A/g)	Nauru Anthony Kneipp (A/g)		Papua New Guinea Scott Matheson	
South Angelo Fitsioris (A/g)	East Mary-Jane Jones*		North and West Steven Biddle*	
Detention Services Neil Skill				
Detention Health Services Support Paul Windsor	Contracts and Services Kylie Burnett (A/g)	Services Management Mark Painting	Detention Infrastructure Fatime Shyqyr	
Children, Community and Settlement Robyn Miller (A/g)				
Community Support Julie Keenan	Community Operations Karen Hacker (A/g)	Regional Processing and Settlement Kingsley Woodford-Smith	IMA Compliance Task Force Janet Mackin	Child Protection and Wellbeing Tanya Morgan (A/g)
Australian Border Force Change Management Task Force Maree Bridger*				
Removals Task Force Andrew Speldewinde (A/g)				

Deputy Chief Executive Officer Border Operations Group Michael Outram APM			
Commander Border Protection Command RADM Michael Noonan RAN			
Deputy Commander Border Protection Command Abi Bradshaw			
Assistant Commissioner Investigations Division Steve Lancaster			
National Security Anthony Seebach	Support and Technical Chris Waters (A/g)	Immigration and Customs Enforcement David Nockels	Organised Crime Bjorn Roberts (A/g)
Border Management Stephen Allen			
Operational Strategies Janet Hartmann (A/g)	Compliance Control Pat Gallagher (A/g)	Revenue and Trade Crime Task Force Craig Petrie	
Border Force Capability Peter Docwra			
Air and Marine Ian Laverock	Australian Border Force College Terry Wall	Australian Border Force Career Management Robert Jansen	
Strategic Border Command Terry Price PSM (A/g)			
Strategic Border Command Jo Crooks (A/g)		Detention Operations Craig Sommerville	
Regional Commands			
NSW Tim Fitzgerald	Victoria/Tasmania Don Smith	Queensland John Ikin (A/g)	
Western Australia Rod O'Donnell		Central James Watson	

a Some senior executive staff held multiple roles in June 2015 during the restructure of the organisation.

SENIOR EXECUTIVES

The Portfolio senior executive team at 30 June 2015:

Michael Pezzullo was appointed as the Secretary of DIBP on 13 October 2014. Michael led more than 9500 staff, including more than 1100 staff based at Australian diplomatic missions overseas. He is responsible for ensuring the integrity of Australia's borders, with border security a key component of Australia's national security arrangements. Michael oversaw the integration of DIBP with the ACBPS on 1 July 2015, including the launch of the ABF.

Roman Quaedvlieg APM was the Chief Executive Officer (CEO) of ACBPS over the reporting period, having been in this role since October 2014. In 2014–15 Roman led more than 5000 personnel responsible for protecting Australia's national borders and fostering lawful trade and travel across them. Roman oversaw a range of complex capabilities and assets, including a fleet of ocean-going patrol vessels, and ensured close cooperative and effective partnerships with other government and international agencies that have a role in supporting the integrity of Australia's borders.

Rachel Noble PSM was the Deputy Secretary of the Policy Group. Rachel was responsible for ensuring the Portfolio's comprehensive policy capability, including a broad range of high-level responsibilities covering strategic policy and planning, immigration and citizenship, trade, customs and industry and international activities, along with an Executive support function.



Maria
Fernandez

Michael
Outram APM

Jenet
Connell

Peter
Vardos PSM

Roman
Quaedvlieg APM

Marion Grant PSM was the Chief Operating Officer and Deputy Secretary of the Corporate Group. During the year, Marion had responsibility for the delivery of integrated services around people, support, finance, legal, integrity, security and assurance that allowed the Portfolio to function effectively.

Maria Fernandez was the Deputy Secretary of the Intelligence and Capability Group in 2014–15. Maria was responsible for bringing together functions that provided integrated support, capability and intelligence services for the Department.

Michael Manthorpe PSM was the Deputy Secretary of the Visa and Citizenship Services Group during the year. Michael had overall responsibility for visa and citizenship programmes, including service delivery and decision-making spanning pre-lodgement, application, visa grant or refusal, visa cancellation, and conferral and revocation of citizenship.

Cindy Briscoe was the Deputy Secretary of the Immigration Status Resolution Group in 2014–15. Cindy was responsible for immigration detention and status resolution services to support the well-managed entry and stay of people in Australia.

Peter Vardos PSM was the Deputy Secretary of the Client Services Decision Support Review Task Force during the year, responsible for examining possible changes to the visa and citizenship decision-making framework.

Jenet Connell was the Deputy Secretary of the Detention Capability Review Task Force in 2014–15. Jenet was responsible for a fundamental review of Australia's immigration detention and regional processing network to ensure that it is strategically aligned, affordable, sustainable and supports capability needs now and in the future.

Michael Outram APM was the Deputy CEO of Border Operations Group. Michael was responsible for operations relating to the management of travellers, goods and cargo throughout the border continuum, including immigration field operations and onshore detention.



Michael
Pezzullo

Cindy
Briscoe

Michael
Manthorpe PSM

Rachel
Noble PSM

Marion
Grant PSM

OUTCOME AND PROGRAMME STRUCTURE

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programmes are the primary vehicle by which Government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programmes which contribute to Government outcomes over the Budget and forward years.

Outcomes and programmes were restructured in 2014–15 to better align the Department’s business functions, simplify its approach, and provide greater transparency regarding programme costs. This revised structure incorporates the Administrative Arrangements Order (AAO) of 18 September 2013.

In 2013–14 the Department had six outcomes. These were reduced to three in 2014–15, when the number of supporting programmes were reduced from 23 to 13. Figure 3 shows the new outcome and programme structure in 2014–15. The outcome statements have been updated accordingly.

The Department continues to deliver programmes that contribute to national security, the economy and Australian society. The revised outcomes reflect these key dimensions of DIBP’s business.

Figure 3: Outcome and programme structure 2014–15

Outcome 1			
Support a prosperous and inclusive Australia through managing temporary and permanent migration, entry through Australia’s borders, and Australian citizenship.			
Programme 1.1	Programme 1.2	Programme 1.3	
Border Management (administered)	Visa and Citizenship (administered)	Migration, Border Management and Citizenship (departmental)	
Outcome 2			
Support Australia’s international and humanitarian obligations by providing protection, resettlement and assistance to refugees and those in humanitarian need, including through arrangements with other countries.			
Programme 2.1	Programme 2.2	Programme 2.3	Programme 2.4
Refugee and Humanitarian Assistance (administered)	Refugee and Humanitarian Assistance (departmental)	Regional Cooperation (administered)	Regional Cooperation (departmental)

Outcome 3

Support Australia's border protection through managing the stay and departure of all non-citizens.

Programme 3.1	Programme 3.2	Programme 3.3	Programme 3.4
Compliance, Detention and Status Resolution (administered)	Compliance, Detention and Status Resolution (departmental)	Illegal Maritime Arrival (IMA) Onshore Management (administered)	Illegal Maritime Arrival (IMA) Onshore Management (departmental)
Programme 3.5	Programme 3.6		
Illegal Maritime Arrival (IMA) Offshore Management (administered)	Illegal Maritime Arrival (IMA) Offshore Management (departmental)		



70 YEARS IN IMMIGRATION

Australia's Department of Immigration was established in 1945 to manage an ambitious nation-building programme in the years after World War II.

In the first two decades, the Department's mandate was to increase the population to supply labour for major post-war nation-building projects, such as the Snowy Mountains Hydro-electric Scheme, and to ensure Australia's ongoing prosperity and security.

The first two substantive secretaries of the Department, Tasman Heyes and Peter Heydon, engineered and guided the establishment of the Migration Programme. Heyes oversaw the diversification of the programme to include people from across Europe, who transformed the social and cultural landscape of Australia. When Heydon became secretary in 1961, he prepared the way for changes that gradually abandoned the restrictive immigration policies that excluded non-European migrants.

Between 1970 and 1980 the Department responded more specifically to Australia's economic, social and labour concerns through migration planning that placed greater emphasis on skills and family reunion.

From its beginning, the Department has been at the forefront of humanitarian resettlement, which began with the arrival of more than 170,000 displaced persons from Europe between 1947 and 1954. In the late 1970s, the Humanitarian Programme was established to provide a more targeted response to refugee crises, in cooperation with the international community.

In the final decades of the 20th Century and early 21st Century, the Department managed huge increases in visitor numbers, refined its processes with the use of advanced technology, augmented the skills of its workforce, and managed complicated legal, policy and operational environments.

Australia is now inextricably linked to complex international networks of governance, business, finance, trade, travel, technology, knowledge exchange, and cultural and family connections. In response to these dynamic global forces, the Department will continue to support business and skilled migration to ensure that Australia is well-placed to meet future challenges.

Looking ahead, the current Secretary, Michael Pezzullo, said, 'Compared with the Department of old, we no longer predominantly run a permanent migration programme, but rather a border control programme that focuses on national security, societal cohesion and economic strength.'

Photos (clockwise from top left): A Good Neighbour Council member greets British migrants arriving in Sydney, 1962. Image courtesy of the National Archives of Australia, A12111, 1/1962/4/56; Migration officers interview a Vietnamese refugee in Thailand, 1984. From the 1970s assistance programmes were confined to refugee groups selected for resettlement in Australia. Image courtesy of the National Archives of Australia, A12111, 2/1984/46A/16; An English class at Bathurst Reception Centre, New South Wales. Image courtesy of the National Archives of Australia, A12111, 1/1951/22/34; Australia's 100,000th Dutch migrant, 27-year-old Adriana Zevenbergen, who arrived at Port Melbourne with her husband and children. Image courtesy of the National Archives of Australia, A12111, 1/1958/4/80.

JOHN MOORHOUSE

One of the highlights of being with the Department is the incredible diversity of work it offers, according to the Regional Director, Middle East and Africa, John Moorhouse, who is based in Dubai.

John says Australia's ability to build permanent and temporary visa programmes that serve the interests of our economy and society, and that are delivered with integrity, is the key to our successful immigration history.

'The ability to move between very different but equally challenging areas of work has kept me highly engaged with the Department,' John said.

'This makes me optimistic that we can successfully work our way through the integration challenges ahead and, with respect and goodwill, create one organisation that will preserve the best of both organisations.'

John migrated to Australia from the United Kingdom with his family in the late 1960s. He is proud to have been part of building Australia into the dynamic multicultural society it is today.



GREG KELLY

Minister Counsellor and Regional Director Mekong, Greg Kelly's role is critical to building and maintaining cross-border relationships between the Department and the countries in the South East Asia region to ensure Australia maintains its border control integrity in the region. This includes combating people smuggling, irregular movement and fraud.

Greg says the Department initiated a programme in 2014–15 that will build capacity in the region to help countries such as Myanmar, Thailand, Laos, Cambodia and Vietnam to enhance their border management capabilities.

Greg began working with the Department in 1974. His career highlights include working in refugee camps, supporting refugees and humanitarian entrants bound for resettlement in Australia, and boarding suspected illegal maritime arrival vessels at sea.

'However, sometimes the highlights are small things: the look a refugee family gives you when you say yes, and the pride you feel in officiating at an Australian citizenship ceremony,' Greg said.

Turning to the future, Greg said, 'Starting 1 July, the Department has a new mandate, a new vision and new opportunities to shape Australia. It's exciting to be at the forefront of this new beginning.'



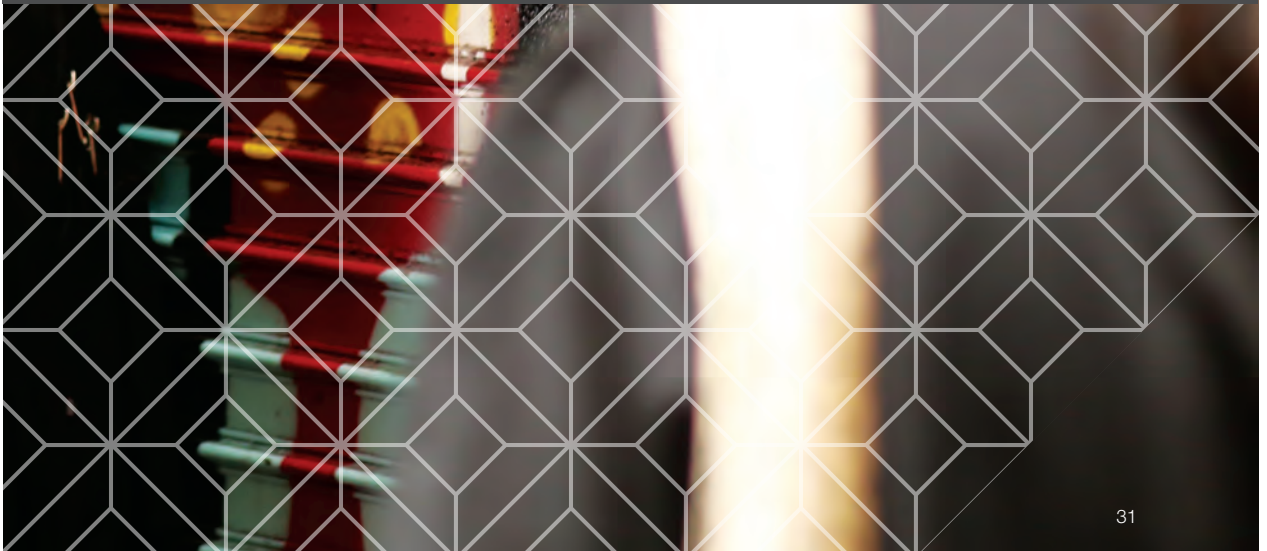




PART 3

REPORT ON PERFORMANCE

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SUMMARY OF FINANCIAL PERFORMANCE

DEPARTMENTAL OPERATING RESULT

The Department of Immigration and Border Protection's 2014–15 financial performance was strong, with decreases in departmental appropriation revenue from government offset by reductions in expenditure and increases in own-sourced revenue.

The 2014–15 financial statements report an \$85.3 million operating deficit compared with a \$105.7 million operating deficit in 2013–14. The Australian Government has not funded depreciation and amortisation expenses since 2010–11. In 2014–15 the Department incurred \$109.9 million in depreciation and amortisation expenses. Had these items been funded, the 2014–15 result would have been a \$24.6 million surplus.

Principal factors contributing to the Department's 2014–15 operating result were:

- a reduction in employee benefits expense of \$33.1 million due to a reduction in average staffing levels by 497 during the financial year which partly relates to reduced funding from government associated with the management of IMAs
- an increase in revenue from rendering of services to related parties of \$22.9 million, driven by transactions from translating and interpreting services, recoveries from legal challenges and merchant fees
- a reduction in departmental appropriation revenue from Government of \$108.5 million compared to 2013–14, matched by commensurate decrease in expenditure.

REVENUE

The Department's appropriation revenue includes funding generated under two funding model agreements with the Department of Finance. These models had 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, border movements and illegal maritime arrivals (IMA) processing.

The Department's 2014–15 statement of comprehensive income reports revenue from Government of \$1,373.8 million for earned appropriation and own-source income of \$129.7 million—a total of \$1,503.5 million.

EXPENSES

The Department's total expenses in 2014–15 were \$1,588.8 million, which was \$62.3 million lower than that reported in 2013–14 (\$1,651.1 million).

ADMINISTERED PROGRAMME PERFORMANCE

The Department's 2014–15 administered expenses were \$2,532.9 million, which was lower than budget and the prior year figure of \$3,047.3 million. The variance is mainly attributable to the reduced costs associated with the management of IMAs.

TOTAL ASSETS

At 30 June 2015 the Department held total assets of \$877.9 million, \$9.9 million higher than the Department's 30 June 2014 asset position. This increase was predominately a result of the revaluation of fixed assets. Administered assets held by the Department at 30 June 2015, totalled \$1,558.2 million. These administered assets primarily relate to detention and regional processing land, buildings and infrastructure.

TOTAL LIABILITIES

At 30 June 2015 the Department reported total liabilities of \$429.3 million, a decrease of \$47.2 million compared with the previous financial year. The change in the liability balances mainly relates to:

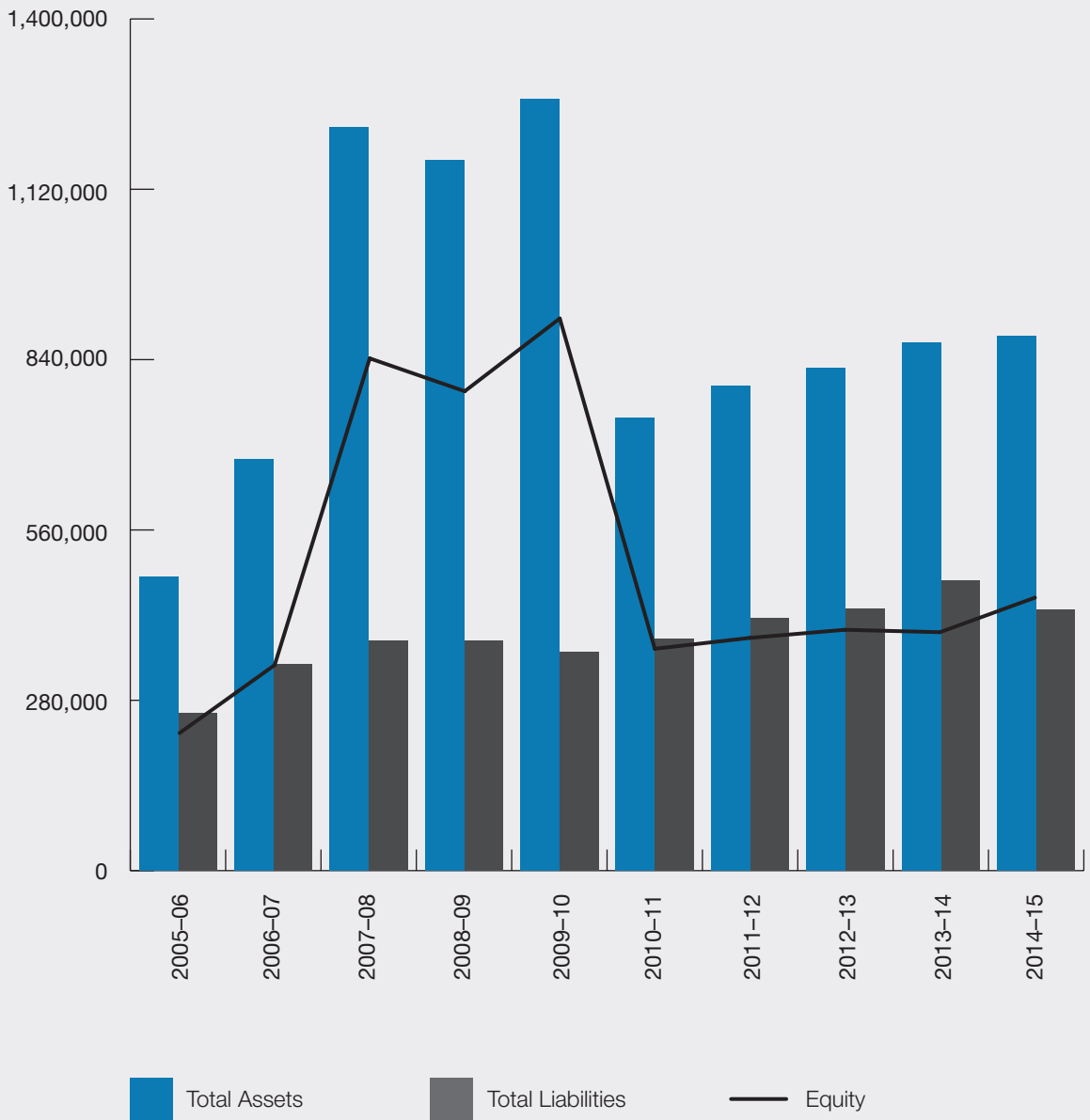
- \$12.6 million decrease in trade creditors
- \$17.5 million decrease in other payables
- \$20.0 million decrease in onerous contracts, mainly from a change in accounting estimates to recognise the physical market limitations of sub-leasing of vacant workstations.

NET ASSETS

Overall, the Department's 2014–15 net asset position of \$448.6 million (assets minus liabilities) increased in comparison with 2013–14 by \$57.1 million (Figure 4). The Department had a strong net asset position at 30 June 2015 whereby liabilities equated to 49 per cent of the total asset base.

FIGURE 4

DEPARTMENTAL ASSETS, LIABILITIES AND NET EQUITY TREND (\$'000)



The Department's financial performance continued to improve in 2014–15. Tables 2 and 3 provide an overview of the Department's resource statements, including available funding outlined in the Department's *Portfolio Budget Statements 2014–15* (PBS), the *Portfolio Additional Estimates Statements 2014–15* (PAES), the *Portfolio Supplementary Additional Estimates Statements 2014–15* (PSAES) and a summary of actual expenses incurred during the financial year.

Table 2: All Outcomes—financial resources summary 2014–15

	Budget ^a 2014–15 \$'000	Actual Expenses 2014–15 \$'000
Administered		
Outcome 1: Support a prosperous and inclusive Australia through managing temporary and permanent migration, entry through Australia's borders, and Australian citizenship	2,053	1,201
Outcome 2: Support Australia's international and humanitarian obligations by providing protection, resettlement and assistance to refugees and those in humanitarian need, including through arrangements with other countries	145,679	118,684
Outcome 3: Support Australia's border protection through managing the stay and departure of all non-citizens	2,563,549	2,412,997
Total administered expenses	2,711,281	2,532,882
Departmental		
Outcome 1: Support a prosperous and inclusive Australia through managing temporary and permanent migration, entry through Australia's borders, and Australian citizenship	887,178	877,403
Outcome 2: Support Australia's international and humanitarian obligations by providing protection, resettlement and assistance to refugees and those in humanitarian need, including through arrangements with other countries	89,167	91,976
Outcome 3: Support Australia's border protection through managing the stay and departure of all non-citizens	592,342	619,452
Total departmental expenses	1,568,687	1,588,831
Total departmental and administered expenses	4,279,968	4,121,713

a Budget relates to the revised budget estimates reported in the PAES 2014–15 and the PSAES 2014–15.

Table 3: Financial resources statement 2014–15

		Actual available appropriation for 2014–15 ^a \$'000	Payments made 2014–15 \$'000	Balance remaining 2014–15 \$'000
Ordinary annual services				
Appropriation receivable		297,686	297,095	591
Departmental appropriation ^b		1,523,110	1,216,222	306,888
Section 74 of the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act)—relevant agency receipts		127,507	127,507	–
Total		1,948,303	1,640,824	307,479
Administered expenses				
Outcome 1		2,248	2,077	
Outcome 2		153,326	110,316	
Outcome 3		2,997,885	2,255,826	
Total^c		3,153,459	2,368,219	
Total ordinary annual services	A	5,101,762	4,009,043	
Other services				
Administered expenses specific payments to states, ACT, NT and local government		–	–	–
Total		–	–	–
New administered expenses		–	–	–
Total		–	–	–
Departmental non-operating				
Equity injections		52,980	11,035	41,945
Total		52,980	11,035	41,945

a Payments made in 2014–15 for Appropriation receivable include \$1.7 million of appropriations returned to Finance under Omnibus Repeal Day (Autumn 2014) Bill 2014.

b Appropriation Bill (No.1) 2014–15 and Appropriation Bill (No.3) 2014–15.

c Administered available appropriations include Bills 1, 3, 5 and prior year available appropriation. Administered payments include all cash payments in 2014–15 for administered expenses.

Table 3: Financial resources statement 2014–15

		Actual available appropriation for 2014–15 ^a \$'000	Payments made 2014–15 \$'000	Balance remaining 2014–15 \$'000
Administered non-operating				
Administered assets and liabilities		625,419	340,043	285,376
Payments to Commonwealth companies (PGPA) bodies— non-operating		–	–	–
Total		625,419	340,043	285,376
Total other services	B	678,399	351,078	327,321
Total available annual appropriations and payments		5,780,161	4,360,121	
Special appropriations				
Special appropriations limited by criteria/entitlement				
Migration Act s. 332B			–	
Special appropriation— PGPA			61,138	
Special appropriations limited				
By amount			–	
Total special appropriations	C		61,138	

a Payments made in 2014–15 for Appropriation receivable include \$1.7 million of appropriations returned to Finance under Omnibus Repeal Day (Autumn 2014) Bill 2014.

Table 3: All Outcomes—financial resources summary 2014–15

		Actual available appropriation for 2014–15 ^a \$'000	Payments made 2014–15 \$'000	Balance remaining 2014–15 \$'000
Special accounts				
Opening balance		54	–	
Appropriation receipts		–	–	
Appropriation receipts— other agencies		–	–	
Non-appropriation receipts to special accounts		–	–	
Payments made		–	–	
Total special account	D	54	–	54
Total resourcing and payments A+B+C+D		5,780,215	4,421,259	
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or PGPA bodies through annual appropriations		–	–	
Total net resourcing and payments for the department		–	–	

a Payments made in 2014–15 for Appropriation receivable include \$1.7 million of appropriations returned to Finance under Omnibus Repeal Day (Autumn 2014) Bill 2014.

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 Australian Parliament. Due to variants in activity, there will be a lapsing of appropriation items in 2015–16 relating to the items appropriated for the 2014–15 financial year.

OUTCOME ONE

Support a prosperous and inclusive Australia through managing temporary and permanent migration, entry through Australia's borders, and Australian citizenship.

The programmes managed under Outcome 1 are:

PROGRAMME 1.1 – BORDER MANAGEMENT (ADMINISTERED)

PROGRAMME 1.2 – VISA AND CITIZENSHIP (ADMINISTERED)

PROGRAMME 1.3 – MIGRATION, BORDER MANAGEMENT AND CITIZENSHIP (DEPARTMENTAL)

STRATEGY

Outcome 1 contributes to Australia's economic and social prosperity through the provision of visa services, inclusive and secure policy, programme development in relation to permanent migration and temporary entry, as well as a strong and cohesive Australian society through the promotion of a unifying citizenship. This will be achieved through:

- a cohesive, inclusive and secure policy framework that supports the effective delivery of the Australian Government's expectations
- a targeted deregulation agenda that reduces impost to industry, business and clients
- policy development and programme accountability in line with the Government's migration and visa reform agendas
- migration and temporary entry that contributes to economic and social growth with enhanced integrity measures
- effective delivery of client services through designated channels which meet reasonable client expectations
- implementation of Government policy supportive of the objectives of Australia's immigration and citizenship law

- maintaining the integrity of Australia's citizenship programme while promoting the acquisition, and recognition within the community, of the importance of acquiring Australian citizenship
- enhanced ability to acquire and use identity information through the further development of international and inter-jurisdictional agreements and the wider use of biometric technology
- support of 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 a contribution to the Government's efforts in relation to counter terrorism activities through the use of information, intelligence and technology
- working with both national and international border agencies to develop new intelligence-led, risk-based entry policies and procedures to detect and minimise identity and document fraud
- contribution to whole-of-government initiatives to counter identity fraud, transnational organised crime and offshore emergencies.

The Department of Immigration and Border Protection's progress is measured on the development and implementation of the Government's agenda including:

- effective skills-targeting within the permanent migration and temporary entry programme to support industry and businesses
- continued enhancement of the student programme
- ongoing development of the working holiday, visitor and specialist entry programmes
- a robust and sustainable family reunion programme
- a communication strategy that promotes the value and acquisition of Australian citizenship.

The Department's performance will be measured by:

- effective deregulation of the current migration and temporary entry programmes
- delivery of the 2014–15 Migration Programme within the parameters and policy guidelines set by the Government
- evidence-based policy formation and decision-making including relevant research and evaluation, stakeholder input and expert opinions.

OVERVIEW

The lawful movement of people across Australia's borders helps shape the future of our nation through temporary visas, permanent migration and citizenship.

In 2014–15 the Department delivered 189,097 places for the annual Migration Programme and granted 7,173,556 temporary visas.¹ As in previous years, about two-thirds of permanent visas were issued to skilled migrants and their families in the employer sponsored, general skilled and business categories.

Interest in Australian citizenship continued to be high in 2014–15, with the Department receiving applications for citizenship by conferral, descent, adoption or resumption. About 90 per cent of applicants were for citizenship by conferral. The Department also received an increased number of applications from clients wishing to obtain evidence of their Australian citizenship.

In 2014–15 the Department established the Visa Regulatory Reform Task Force and the Client Services Decision Support Review to identify ways to improve visa and citizenship decision-making and outcomes. The Department supported the Government's development of reforms to the citizenship programme and amendments to strengthen powers to cancel and refuse visas on character, integrity and national security grounds.

¹ From 2014–15 the definition of temporary visa was expanded. This total includes 1,798,220 New Zealanders entering Australia on Special Category visas (subclass 444), Maritime Crew and Transit (320,067), Criminal Justice Entry (35) and Criminal Justice Stay (64) visas which were not included in temporary visa totals in previous years.

In 2014–15 the Department granted:

- 7,173,556 temporary visas²
- 189,097 visas in the permanent Migration Programme to provide long-term economic benefits and support family reunion. To ensure overall economic benefit to Australia and recognising the greater financial contribution of skilled visa holders, 67.6 per cent of places in the 2014–15 programme were for skilled migrants, including those in the employer sponsored, general skilled and business categories.

MAJOR ACHIEVEMENTS

CITIZENSHIP REFORMS

On 26 May 2015 the Government announced that it intended to update the *Australian Citizenship Act 2007* so that dual nationals who engaged in terrorism could lose their citizenship. The Government also launched national consultation to improve understanding of the privileges and responsibilities of Australian citizenship. The Department provided policy and administrative support for both initiatives, including:

- developing the Australian Citizenship Amendment (Allegiance to Australia) Bill 2015, which was introduced to the Australian Parliament on 24 June 2015 and provides for the automatic loss of Australian citizenship in specified circumstances where a dual citizen repudiates their allegiance to Australia by engaging in terrorism-related conduct
- preparation of the consultation paper *Australian Citizenship – Your Right, Your Responsibility*, developing the consultation process for Senator the Hon Concetta Fierravanti-Wells, Parliamentary Secretary to the Attorney-General and Parliamentary Secretary to the Minister for Social Services, and the Hon Phillip Ruddock MP, Special Envoy for Citizenship and Community Engagement, and analysing submissions received in response to the consultation process.

VISA SIMPLIFICATION AND DEREGULATION

In September 2014 the Department initiated a review of the skilled migration and temporary activity visa programmes. It is exploring a number of key visa components, including age thresholds, English-language proficiency, skills and industry standards, skills assessments, occupation lists, points-test factors, SkillSelect, sponsorship and nomination requirements and short-term migration categories.

This review has been expanded to include the business innovation and investment programme (BIIP) based on recommendations made by the Joint Standing Committee on Migration (JSCM) in its report released on 24 March 2015.

It is anticipated that this review will consolidate 25 visa subclasses and numerous visa streams into a simplified visa framework.

To further support the Australian Government's commitment to reducing the burden and cost of unnecessary or inefficient regulation imposed on individuals, business and community organisations, the Department is working with the Ministry for the Arts to review the Temporary Work (Entertainment) visa.

² From 2014–15 the definition of temporary visa was expanded. This total includes 1,798,220 New Zealanders entering Australia on Special Category visas (subclass 444), Maritime Crew and Transit (320,067), Criminal Justice Entry (35) and Criminal Justice Stay (64) visas which were not included in temporary visa totals in previous years.

IMPROVING CLIENT SERVICE

As part of its client service strategy, the Department continues to expand its offshore service delivery partner (SDP) arrangements. These arrangements outsource visa lodgement support services and biometric capture services to commercial companies.

The key drivers of the strategy are:

- increased efficiency by reducing the Department's direct service delivery costs in the areas of data entry and client contact
- improved client service by increasing client access points and hours
- facilitating biometric collection.

During 2014–15 SDP operations were expanded to include Hong Kong, Colombia, Mexico and Burma. Biometric collection was also introduced in Nepal and Singapore through SDP operations.

Many SDP arrangements include sharing of visa application centres with Five Country Conference (FCC) partners—Australia, Canada, New Zealand, United Kingdom (UK) and United States of America (USA).

FCC countries recognise that the use of shared visa application facilities will lead to improved services for clients. This approach will achieve greater efficiencies through shared infrastructure, facilities and staffing and will help reduce costs.

SUPPORTING INTERCOUNTRY ADOPTION

The Department established an adoption liaison team to support Intercountry Adoption Australia, a new service of the Australian Government implemented at the Prime Minister's request. This team provides special assistance on immigration and citizenship to adopting parents.

INDEPENDENT REVIEW INTO INTEGRITY OF THE 457 PROGRAMME

In March 2015 the Australian Government announced its response to recommendations made by the Independent Review into Integrity in the 457 Programme in its report *Robust New Foundations: A Streamlined, Transparent and Responsive System for the 457 Programme*, released in September 2014.

The Department is implementing reforms based on the review's recommendations. Key areas of reform include:

- replacing the current training benchmarks with a requirement for sponsors to make a financial contribution to a new fund to improve training opportunities for Australians
- streamlining the sponsorship process for low-risk sponsors
- strengthening compliance and enforcement to ensure that a strong integrity framework underpins the programme.

A number of recommendations were implemented in the last quarter of 2014–15 and it is anticipated that all reforms will be in place by 2016.

ENRICHING AUSTRALIA THROUGH INVESTMENT

In May 2015 the Government announced the new complying-investment design for the Significant Investor visa and the proposed Premium Investor visa, which will have a minimum investment threshold of \$15 million. The Australian Trade Commission has assumed responsibility for setting complying investment policy.

In support of the Government's Industry, Innovation and Competitiveness Agenda, the Department worked to implement these reforms from 1 July 2015.

SIMPLIFIED INTERNATIONAL STUDENT VISA FRAMEWORK

In June 2015 the Government announced the intended introduction of a simplified international student visa framework (SSVF) to support Australia's education services sector.

The key changes under the SSVF include a reduction in the number of student visa subclasses from eight to two and a new immigration risk framework to guide student visa evidentiary requirements.

The changes are in response to recommendations from the *Future directions for streamlined visa processing report*, which was based on consultation with the international education sector, including education peak bodies, state and territory governments and relevant Australian Government agencies.

The reforms will simplify the student visa programme, reduce red tape and deliver a more targeted approach to immigration integrity. They are due to be implemented in mid-2016.

THE 2014–15 CITIZENSHIP PROGRAMME

The Department delivered the citizenship programme across a network of offices in Australia and overseas in the face of increased demand. The Department received 191,750 applications for citizenship by conferral in 2014–15. This figure exceeded the previous record of 185,838 applications received in 2013–14.

The Department finalised 82.9 per cent of conferral applications within the service standard, an increase of 7.9 per cent over the previous reporting period.

INDEPENDENT REVIEW OF THE OFFICE OF MIGRATION AGENTS REGISTRATION AUTHORITY

The 2014 Independent Review of the OMARA made 24 recommendations about the office's performance, organisational capability, challenges it faces and the effectiveness of its internal controls and governance.

Key measures to be implemented include:

- removing lawyers from the migration agents' regulatory scheme
- reviewing the registration process for migration agents
- improving the management of continuing professional development courses
- strengthening the training and entry qualifications for new entrants into the migration agent profession
- consolidating the OMARA into DIBP
- reviewing the scope and content of the code of conduct.

The review's recommendations are being implemented in consultation with stakeholders.

SUPPORTING MAJOR EVENTS IN AUSTRALIA

During 2014–15 the Department facilitated the entry of delegates, participants and spectators involved in several major events, such as the G20 conference, the Asian Football Confederation (AFC) Asian Cup and International Cricket Council (ICC) Cricket World Cup. These events attracted large numbers of international travellers and had a positive net benefit to the local economies of Australian host cities.

Co-hosting the Cricket World Cup with New Zealand allowed the two nations to work together to develop a single visa arrangement for ease of movement across the Tasman. More information about the trans-Tasman visa arrangement for the Cricket World Cup can be found in the case study titled *Trans-Tasman success* on page 115.

2015 AUSTRALIAN GOVERNMENT ICT AWARD

The Department won the 2015 Australian Government ICT Award for Applications Development for eMedical, its electronic health processing system. This ground-breaking initiative was designed and delivered by the Department in conjunction with Citizenship and Immigration Canada. It is used to process Australian, Canadian and New Zealand immigration health examinations in more than 140 countries, demonstrating the practical achievements that can be put in place when international government agencies cooperate for common outcomes.

More than 1.3 million Australian immigration health cases have been processed using the eMedical system, delivering substantial savings and efficiencies to Government, enhanced integrity and improved client service.

NATIONAL ARCHIVES' INAUGURAL DIGITAL EXCELLENCE AWARD

The Department was one of two large agencies that won the National Archives' inaugural Digital Excellence Award in 2015. This award recognised the ImmiAccount initiative, which allows clients to manage visa applications in a digitised format, using a secure online account. It integrates a single accessible user interface based on open and reusable standards and aligns with back-end systems operating on different technology platforms. Benefits include a greater focus on higher value tasks, increased client satisfaction, reduced processing times and improved information accessibility.

CHALLENGES

PROTECTING AUSTRALIANS

Events of 2014–15 have renewed the Department's focus on migration and citizenship provisions aimed at protecting Australians, including identity, character and health assessments.

To meet potential threats to our national security, the Department is reviewing Australia's regulatory framework and initiating strategies to improve our assessment and operational capability.

This review will consider the challenges involved in confirming a person's identity, assessing their character, accessing intelligence information to determine known security risks and responding appropriately to adverse information by refusing visa applications or revoking visas and citizenship.

Immigration health officers have been working with international organisations to develop multilateral solutions to protect the Australian community. The Department's Chief Medical Officer was engaged as a technical expert by the World Health Organization (WHO), resulting in Australia taking the lead in international migration policy to eliminate tuberculosis (TB).

THE 2014–15 MIGRATION PROGRAMME

The Department successfully delivered the Migration Programme of 189,097 places covering nearly 60 visa subclasses. Although there was decreased demand in some visa categories there was an increased focus on integrity checks in complex caseloads. Overall, at least two-thirds of the programme was delivered from the Skill stream, maintaining the economic focus of the Migration Programme.

Planning levels for 2014–15 were:

- 128,550 places for skilled migrants, including employer sponsored, general skilled and business categories (67.6 per cent)
- 61,085 places for family migrants sponsored by immediate family members (32.3 per cent)
- 365 places for special eligibility migrants, including former permanent residents who maintain close business, cultural or personal ties with Australia.

Attracting the best and brightest migrants to Australia and setting achievable planning levels will remain a priority for the Department in view of decreasing demand for places in some skilled visa categories and a softening economy.

Applications for family visas continue to increase under the Migration Programme. The time it takes to finalise applications for some family visas was also affected by the repeal of legislation on 2 June 2014 and its consequent disallowance on 25 September 2014.

VISITORS FROM CHINA SUPPORTING AUSTRALIA'S TOURISM INDUSTRY

The Department managed a record number of visitor visas in 2014–15, with 4.3 million granted. This represents an increase of 8.0 per cent (318,092 grants) compared with 2013–14.

The People's Republic of China has grown in importance as a source of international visitors to Australia. The number of visas originating from China has doubled in the past five years, and in the lead-up to the 2015 Chinese New Year the Department's office in China processed about 120,000 visitor visas in six weeks. To manage this growth and support Australia's tourism industry and reputation as a destination of choice, the Department has developed innovative means to identify and manage risk in the visitor visa programme. Further innovations in the China visitor market have been announced, including visitor lodgement forms in Chinese, a 10-year validity visa and a premium service visa. These initiatives will be implemented from 1 July 2016.

RESOURCES

The administered and departmental financial resources allocated to Outcome 1 are outlined in Table 4.

Table 4: Outcome 1 financial resources summary 2014–15

Outcome 1: Support a prosperous and inclusive Australia through managing temporary and permanent migration, entry through Australia's borders, and Australian citizenship.			
	Budget ^a 2014–15 \$'000	Actual Expense 2014–15 \$'000	Variations 2014–15 \$'000
Programme 1.1: Border Management			
Administered expenses: Ordinary annual services (Appropriation Acts No. 1 and Bill No. 3 and No. 5)	1,850	1,005	(845)
Departmental expenses: Departmental appropriation ^b	0	0	0
Expenses not requiring appropriation in the Budget year ^c	0	0	0
Total expenses for Programme 1.1	1,850	1,005	(845)
Programme 1.2: Visa and Citizenship			
Administered expenses: Ordinary annual services (Appropriation Acts No. 1 and Bill No. 3 and No. 5)	203	196	(7)
Departmental expenses: Departmental appropriation ^b	0	0	0
Expenses not requiring appropriation in the Budget year ^c	0	0	0
Total expenses for Programme 1.2	203	196	(7)
Programme 1.3: Migration, Border Management and Citizenship			
Administered expenses: Ordinary annual services (Appropriation Acts No. 1 and Bill No. 3 and No. 5)	0	0	0
Departmental expenses: Departmental appropriation ^b	821,034	729,664	(91,370)
Expenses not requiring appropriation in the Budget year ^c	66,144	147,739	81,595
Total expenses for Programme 1.3	887,178	877,403	(9,775)
Total expenses for Outcome 1	889,231	878,604	(10,627)
Average staffing level (number)	5,288	5,314	26

a Budget relates to the revised Budget estimates reported in the *Portfolio Additional Estimates Statements 2014–15* (PAES) and the *Portfolio Supplementary Additional Estimates Statements 2014–15* (PSAES).

b Departmental appropriation combines 'Ordinary annual services (Appropriation Acts No. 1 and Bill No. 3 and No. 5)' and 'Retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*'.

c Expenses not requiring appropriation in the budget year are expenses relating to depreciation, amortisation and cost recovery expense.

PROGRAMMES 1.1, 1.2 AND 1.3— BORDER MANAGEMENT, VISA AND CITIZENSHIP, AND MIGRATION

Programme 1.1 Border Management consisted of one administered item:

- Enhanced border management.

Programme 1.2 Visa and Citizenship consisted of one administered item:

- Citizenship testing.

Programme 1.3 Migration, Border Management and Citizenship consisted of 15 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
- Regulation of migration agents³
- Borders
- Identity
- Translating and Interpreting Service—on-site interpreting
- Translating and Interpreting Service—telephone interpreting
- Decision on citizenship status
- Promoting the value of Australian citizenship.

³ This measure is reported separately in this report at the end of Outcome 1 under the Office of the Migration Agents Registration Authority (OMARA) from page 104.

OBJECTIVES

Permanent migration and temporary entry are key contributors to Australia's economic, demographic, cultural and social needs. Targeted migration and citizenship programmes which facilitate the lawful and orderly entry and stay of people in Australia and that respond to Australia's changing economic, cultural and social needs, will be achieved by:

- delivery of the migration and citizenship programmes within the parameters set by Government
- delivery of the permanent skilled migration programme that meets the needs of industry, businesses and employers
- implementation of strategies to strengthen the economic, budgetary, cultural and social benefits achieved from permanent migration and temporary entry
- delivery of the permanent family migration programme that supports immediate family reunification
- the protection of the Australian people and health system from potential health risks arising from migration
- promoting the value of Australian citizenship.

DELIVERABLES

The following reports against the Programme 1.1, 1.2 and 1.3 deliverables as published in the Department's *Portfolio Budget Statements 2014–15* (PBS) and *Portfolio Additional Estimates Statements 2014–15* (PAES).

Visa, Migration, Borders and Citizenship—deliverables

Deliverable: Continue to develop and implement, through evidence-based permanent migration and temporary entry analysis, strategies to support Government priorities, including social, economic, budgetary and international imperatives, to better meet the needs of business, education and tourism.

Result: The Department continued to develop and implement strategies to support Government priorities, including social, economic, budgetary and international imperatives.

In 2014–15 the Department delivered 189,097 places for the annual Migration Programme and granted 7,173,556 temporary visas.⁴

To support Government priorities, planning levels for the 2014–15 Migration Programme were:

- 128,550 places for skilled migrants, including employer sponsored, general skilled and business categories (67.6 per cent)
- 61,085 places for family migrants sponsored by immediate family members (32.3 per cent)
- 365 places for special eligibility migrants, including former permanent residents who maintained close business, cultural or personal ties with Australia.

Although there was decreased demand in some visa categories, there was an increased focus on integrity checks in complex caseloads. Overall, at least two-thirds of the programme was delivered from the Skill stream, maintaining the economic focus of the Migration Programme.

Public consultations on the 2014–15 Migration Programme were well attended and provided the Department with views about the broader impact of migration in the prevailing economic climate. Specific consultation with academics and researchers provided input for the evidence-base to inform the size and composition of the programme.

⁴ From 2014–15 the definition of temporary visa was expanded. This total includes 1,798,220 New Zealanders entering Australia on Special Category visas (subclass 444), Maritime Crew and Transit (320,067), Criminal Justice Entry (35) and Criminal Justice Stay (64) visas, which were not included in temporary visa totals in previous years.

Visa, Migration, Borders and Citizenship—deliverables

The Department also delivered a record number of visitor visas, with 4.3 million visas granted. This was an increase of 8.0 per cent (318,092 grants) compared with 2013–14.

Responding to the recommendations made by the Independent Review into Integrity in the 457 Programme in its report *Robust New Foundations: A Streamlined, Transparent and Responsive System for the 457 Programme*, the Department implemented a number of reforms in the last quarter of 2014–15. Key areas of reform included:

- replacing the current training benchmarks with a requirement for sponsors to make a financial contribution to a new fund to improve training opportunities for Australians
- streamlining the sponsorship process for low-risk sponsors
- strengthening compliance and enforcement to ensure that a strong integrity framework underpins the programme.

It is anticipated that all reforms will be in place by 2016.

Supporting the Government's social, economic and international imperatives, the Department also facilitated the entry of delegates, participants and spectators involved in such major events as the G20 conference, the AFC's Asian Cup and the Cricket World Cup. These events attracted large numbers of international travellers and had a positive net benefit for Australian host city economies. Co-hosting the Cricket World Cup with New Zealand allowed the two nations to work together to develop a single visa arrangement for ease of movement across the Tasman.

Deliverable: Deliver the Migration Programme within Government targets whilst maintaining programme integrity and intention.

Result: In 2014–15, 189,097 permanent visas were granted against a ceiling of 190,000 permanent migration places. This represents delivery of the programme within 99.5 per cent of the maximum number of available places. Visa grants in some categories fell slightly short owing to decreased demand and an increased focus on caseload integrity.

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

Result: In 2014–15, 60.1 per cent of permanent visa applications processed were finalised within service standards. Of these, 68.9 per cent of skilled migration visa applications and 54.2 per cent of family migration visa applications were finalised within applicable service standards. Demand for skilled and family visas continues to exceed the number of available places, resulting in an increase in waiting times and impact on performance against service standards.

For temporary entrants, 89.2 per cent of visa applications were decided within service standards. Of these, 61.3 per cent of student visa applications and 92.4 per cent of visitor visa applications were finalised within applicable service standards.

Both permanent and temporary visa programmes were delivered in accordance with applicable priority processing directions.

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

Result: The Department continues to implement health policies that are designed to:

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

The Department has continued the expansion of its electronic health capability, with an estimated 95 per cent of Australian immigration health examinations now processed electronically in about 140 countries through the Department's eMedical system.

Use of eMedical has also facilitated the 2014 implementation of the Department's new migration medical service provider arrangements, with Bupa medical visa services now completing all onshore immigration health examinations, as well as health assessments.

Deliverable: Increase the use of biometrics and identity management services to facilitate the entry of genuine travellers and to detect and deter those who pose a risk.

Result: Under the Five Country Conference (FCC) biometric data matching programme, the Department is developing capability to automate the exchange of non-FCC citizens' biometric data with other FCC partners. Automation of biometric data exchange has begun between Australia and the USA, and between Australia and the UK. Full automation of biometric data exchange, and the subsequent legal requirements to carry out this sharing, will be progressively rolled out to all FCC partners over the coming years.

Extra funding was allocated in December 2013 to deliver the regional biometric data exchange solution (RBDES) programme. In partnership with the International Organization for Migration (IOM), the RBDES will deliver a regional mechanism to facilitate the exchange of biometric data over multiple years. Exchange will occur through a secure system, within a policy framework, between interested members of the Bali Process group. A technical review committee was formed and met in Bangkok in December 2014 and February 2015. The proof of concept system and framework were endorsed at these meetings. The 9th Ad-Hoc Group Senior Officials Meeting (AHG SOM) of the Bali Process, in Wellington on 6 May 2015, welcomed the further developments of the RBDES.

A significant expansion of the offshore biometrics programme began in 2014–15. Colombia, Hong Kong, Singapore, Nepal and Mexico are now included in the programme and further expansion is planned for coming years. At 30 June 2015 the Offshore Biometrics Programme operated in 32 countries in Europe, Africa, the Middle East, Asia and the Americas, including locations where mobile biometric collection units have been deployed.

Visa, Migration, Borders and Citizenship—deliverables

Deliverable: Promote a high level of confidence in the accurate identification of people entering and departing Australia and those likely to threaten the national interest.

Result: Biometric matching has been progressively introduced since 2006, with upgrades in capability providing significant improvements to the Department's matching ability.

All biometrics collected for non-nationals are matched against both the Department's own records and national law enforcement fingerprint records held in CrimTrac's national automated fingerprint identification system (NAFIS).

A selection of the Department's fingerprint records are also referred to FCC border agencies. At 30 June 2015, 173,495 fingerprint records have been shared with FCC partners. The checks continue to reveal new identity, law enforcement and immigration history information on individuals that would otherwise not be known to the Department. The referral process is also making a significant contribution to improving identity management in the Department.

Case studies

Offshore visa applicant subject of active Interpol green notice

An individual applied for a visitor visa at an overseas post in December 2014. As part of the visa application process, biometrics were collected and checked against NAFIS. A positive fingerprint match was returned, indicating that the individual was the subject of an active Interpol green notice. The individual had been convicted for 'attempted dissemination of indecent materials to minors' and subsequently deported as a child sex offender. A supplementary warning stated that the individual might be dangerous and/or violent and was liable to commit sexual offences involving minors.

The overseas post was advised of the fingerprint match results and refused the individual's visa application in March 2015.

Offshore visa applicant with adverse immigration history in an FCC partner country

In April 2015 an individual applied for a visitor visa at an overseas post. Biometrics were collected as part of the application process and checked against the databases of our international partners.

A match report was returned from an FCC partner indicating that the individual had been detained for an aggravated felony. The individual had been deported from that country in December 2014.

The overseas post was advised of the fingerprint match results and in May 2015 refused the visa application.

Offshore visa applicant with adverse immigration history in two other countries

An individual applied for a visitor visa at an overseas post on 24 February 2015. The individual's biometrics were captured and referred for FCC checking.

One partner country returned an FCC match in March 2015 and advised that on 19 December 2008 the individual had been apprehended by immigration and customs officials and charged with being an undocumented arrival. The individual left the partner country on 27 March 2009.

The individual had used a different name and nationality in their dealings with the partner country, and may have been charged with offences under this alias. The individual had been linked with another applicant suspected of involvement with criminal groups.

Visa, Migration, Borders and Citizenship—deliverables

A second FCC country also returned a fingerprint match and revealed that the individual had applied for refugee protection there. In March 2005 the individual was reported inadmissible for being a member of an organised crime group that specialised in the theft of money and jewellery. It was also reported that the individual had been convicted on 10 August 2005 of an offence punishable by a maximum term of imprisonment of at least 10 years, or for which a term of imprisonment of more than six months was imposed.

The second partner country had issued a deportation order in December 2005 and the individual had been removed in January 2006.

The individual's application for an Australian visitor visa was refused at post on 8 April 2015.

Deliverable: Contribute to whole-of-government efforts to combat people smuggling.

Result: In support of the Government's people smuggling policy, the Department made major contributions to the Operation Sovereign Borders Joint Agency Task Force (OSB JATF). The task force was established in October 2013 to ensure a whole-of-government effort to combat maritime people smuggling.

The Department cooperates with countries throughout the region to help strengthen border management and controls. It does this by:

- providing specialist advice and assistance on border management processes and systems architecture
- facilitating the development of eLearning border training packages through the Bali Process
- working with countries to strengthen legislation, policy and procedures to deter and disrupt irregular movement of people in the region.

For more information, see Programme 2.3 administered item 'Regional Cooperation' on page 144.

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 2014–15. During the reporting period, citizenship was conferred upon 136,572 new Australian citizens. The 65th anniversary of the creation of Australian citizenship, celebrated throughout 2014, was highlighted on Australian Citizenship Day (17 September 2014) with ceremonies and communication activities.

KEY PERFORMANCE INDICATORS

The following table reports against the Programme 1.1 key performance indicators as published in the Department's PBS 2014–15 and PAES 2014–15.

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: This indicator was not met.

A total of 0.0201 per cent of all passengers and crew arrivals were refused immigration clearance at Australia's airports and seaport during 2014–15.

The increased number of refusals is largely a result of the deployment of the Border Risk Identification System (BRIS) tool. BRIS operates post check-in and uses advanced analytics to better identify travellers who are more likely not to comply with their visa conditions.

The following table reports against the Programme 1.2 key performance indicators as published in the PBS 2014–15 and PAES 2014–15.

Migration and Citizenship—key performance indicators

Indicator: Migration Programme supports the Government's social agenda and industry and business needs.

Result: This indicator was met.

The 2014–15 Migration Programme was set following broad stakeholder consultation across Australia which took into account business and community views, and considered economic and labour market forecasts, international research, net overseas migration, and economic and fiscal modelling. The size and composition of the programme reflects Australia's ongoing and longer-term economic needs as well as the family reunion needs of Australians.

The Department removed Child category visas (excluding Orphan Relatives) from the permanent Migration Programme from 1 July 2015 based on the recommendations of the Interdepartmental Committee on Inter-country Adoption to the Prime Minister. This will ensure that planning levels do not act as a barrier to or delay intercountry adoption (or uniting other children with their Australian families), improving the time it takes to finalise applications.

Indicator: The student visa programme supports sustainable growth in the international education sector in line with Government priorities.

Result: This indicator was met.

The student visa programme contributes to Australia's society and economy by facilitating the lawful entry and temporary stay of international students. In 2014–15 the programme grew for the fourth year in a row, with a total of 299,540 student visas granted—an increase of 2.6 per cent compared with 2013–14.

Indicator: Visitor visa policy and services continue to support global tourism and the domestic economy.

Result: This indicator was met.

The visitor visa programme continues to grow. In 2014–15 the Department managed record numbers of visitor visas, with 4.3 million visas granted. This is an increase of 8.0 per cent (318,092 grants) compared with 2013–14.

The Department has continued its history of innovation to manage escalating visitor application numbers while improving client services and encouraging tourism.

- 2014–15 saw the continued expansion of access to online lodgement for Visitor visas (subclass 600). More than 200 nationalities are now eligible to lodge visitor visa applications online.
- Trials of online lodgement commenced in China and India, and are planned to be rolled out fully in China in 2016 and India in 2017.
- The Department continued to expand its network of Australian visa applications centres (AVACs), managed by service delivery partners overseas, to provide better access and more service options to our offshore clients.

Migration and Citizenship—key performance indicators

Indicator: Working holiday maker negotiations are targeted towards Government priorities.

Result: This indicator was met.

The working holiday maker programme provides cultural and social benefits to Australia by encouraging youth mobility and cultural exchange between Australians and citizens of participating countries.

The number of negotiations under way is at a historical high. In 2014–15 the Government signed Work and Holiday visa (subclass 462) arrangements with China, Israel, Portugal, Slovakia, Slovenia, Spain and Vietnam. The arrangements with Portugal and Spain were implemented in 2014–15, as was the arrangement with Poland (which was signed in 2013–14).

The negotiation of new arrangements enhances Australia's bilateral ties with partner countries and supports the Australian Government's international goals and priorities.

Indicator: Temporary visa programmes support the Government's international priorities and obligations.

Result: This indicator was met.

Australia's temporary visa framework includes visas that contribute to international relations and visas that afford mutual benefit to Australians under reciprocal arrangements that provide an equivalent level of benefits to partner countries.

The Department supports the Government's international priorities and obligations by regularly participating in international forums on temporary entry strategies and administering multiple temporary visa programmes that provide social and mutual benefits.

The Department maintains engagement by managing and participating in relevant consultative meetings. For example, the Department convenes the education visa consultative committee, a forum focussed on the student visa programme. The committee involves international education sector stakeholders in discussions on a quarterly basis.

During free trade agreement (FTA) negotiations, the Department provides expert advice on immigration matters to the Department of Foreign Affairs and Trade (DFAT). This involves information about Australia's visa framework and how it can facilitate business entry to Australia, and commenting on issues concerning visa requirements for Australians seeking to enter the country of the other negotiating party.

The Department ensures that the level of access agreed for the temporary entry of people under an FTA can be provided using Australia's temporary visa programmes.

Indicator: Finalise visa applications and deliver the permanent migration programmes within Government targets and according to applicable priority processing directions.

Result: This indicator was met.

The permanent Migration Programme was delivered within the programme ceiling of 190,000 places—the outcome was 189,097 places. The Skilled Migration stream delivered 127,774 places (against the planning level of 128,550 places), the Family Migration stream delivered 61,085 places (against the planning level of 61,085 places) and the special eligibility category delivered 238 places (against the planning level of 365 places).

Migration and Citizenship—key performance indicators

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

Result: This indicator was met.

Throughout the year, a range of reports and pivot tables were produced, covering temporary and permanent visa activity, Migration Programme outcomes, overseas arrivals and departures, and forecasts of net overseas migration. The reports were used to manage the visa programmes and inform policy development.

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

Result: This indicator was met.

The Department works closely with other agencies to protect the Australian community from current and emerging public health threats:

- Active TB remains a focus, with TB specifically identified as a public health threat under migration legislation. By applying immigration health screening arrangements, for more than 20 years Australia has maintained a low and relatively steady rate of TB incidence, despite significant increases in the number of people arriving from countries with high rates of the disease.
- This year has seen increased coordination with other agencies to manage new and emerging public health threats, such as polio and Ebola, with additional visa and border screening arrangements put in place, based on clinical and inter-agency advice.
- Increased cooperation with Australia's FCC partners has continued to enhance our public health protection efforts, with new shared panel physician arrangements fully implemented with Immigration New Zealand (INZ).

Migration and Citizenship—key performance indicators

Indicator: Policy development and deregulatory reform to visa programmes are implemented effectively and in a timely and cost-effective manner while supporting programme delivery and integrity.

Result: This indicator was met.

The Department began implementing the recommendations of the 457 integrity review by introducing the following reforms on 18 April 2015:

- increasing the length of sponsorship periods from three to five years for established businesses and 12 to 18 months for start-ups
- providing greater flexibility in the English-language requirements
- extending the period in which sponsors can notify the Department of certain events from 10 working days to 28 calendar days.

In 2014–15 the Department prepared amendments to the *Australian Citizenship Act 2007* as part of a reform package for intercountry adoption announced by the Prime Minister on 5 May 2014. These changes facilitate citizenship for adoptions made under specific bilateral arrangements between Australia and countries that are not parties to the Hague Convention of 29 May 1993 on Protection of Children and Co-operation in Respect of Intercountry Adoption.

The reforms are designed to ensure that intercountry adoption is conducted in the best interests of the child, while also reducing the barriers facing Australian families that wish to provide a safe and loving home for children who legitimately need a permanent home.

In November 2014 streamlined visa processing arrangements were extended to eligible advanced diploma-level students to support ongoing growth in the education sector and provide more international students with streamlined visa application requirements.

In 2014–15 a review of the policy settings of the Meat Industry Labour Agreement (MILA) was finalised in consultation with stakeholders, including industry bodies, employers and unions. This review resulted in the following reforms being implemented for the MILA:

- the term of operation was increased from three years to five years
- the minimum period of employment required prior to transitioning to a permanent visa was reduced from four years to three years and six months
- streamlined processes, including reduced evidentiary requirements for businesses that are already standard business sponsors, to provide a more flexible arrangement for managing the numbers of visas granted under agreements, including simpler annual reporting requirements.

In addition, in 2014–15 ongoing expansion of eLodgement resulted in more than 200 nationalities now being eligible to lodge visitor visa applications online.

Migration and Citizenship—key performance indicators

Indicator: Provision of high quality and timely support to key stakeholders on migration programme policy advice.

Result: This indicator was met.

The Department provides policy information on the internet and provides registered migration agents with access to departmental policy information. The Department also develops discussion papers on the review of policy issues and regularly responds to public inquiries on immigration issues.

In 2014–15 the Department initiated consultation on:

- a review of the skilled migration and temporary activity visa programmes that aims to develop an improved model for delivering the skilled migration and temporary activity visa programmes through two discussion papers: *Reviewing the Skilled Migration and 400 Series Visa Programmes* dated September 2014 and *Simplification of the skilled migration and temporary activity visa programmes* dated December 2014
- the development of the new complying investment framework for the Significant Investor and Premium Investor visas, in partnership with the Australian Trade Commission
- ways to improve the student visa programme through the discussion paper *Future directions for streamlined visa processing*, released November 2014
- reforms to the citizenship programme, particularly those relating to national security, through the discussion paper *Australian Citizenship – Your Right, Your Responsibility*. Views were requested by 30 June 2015.

In addition, the Department:

- provided input regarding the 457 programme to the whole-of-government submission to the Senate Education and Employment References Committee's inquiry into the impact of temporary work visa programs on the Australian labour market and temporary visa holders
- assisted the Joint Standing Committee on Migration by providing input to its inquiry into the business innovation and investment programme
- made a submission to the House Standing Committee on Economics as part of its inquiry into foreign investment in residential real estate
- contributed to the Productivity Commission's tourism research project on Australia's international tourism industry.

Indicator: Our clients are able to access information about our products and services and are kept informed during the application process.

Result: This indicator was met.

The Department continues to improve and enhance digital channels to help clients to manage their applications. Clients can use ImmiAccount to apply for a visa or citizenship online, provide documents, check the progress of their application and provide updates to the Department, such as change of address or passport details.

There are currently 2.4 million ImmiAccounts, an increase of more than 178.3 per cent since June 2014.

In 2014–15 the Department's service centre answered 1.13 million calls. In all, 1.11 million (or 98.5 per cent) of these calls related to enquiries about visa, citizenship and other departmental services and 58 per cent were answered within 10 minutes. A further 16,700 (or 1.5 per cent) of calls to the service centre related to enquiries about the status of applications currently with the Department and 21 per cent were answered within 10 minutes.

Migration and Citizenship—key performance indicators

Indicator: Percentage of refusal decisions for Australian citizenship overturned through an appeal process is less than 1.0 per cent.

Result: This indicator was met.

Less than 1.0 per cent of refusal decisions for conferral, descent and resumption applications were overturned at review.

Indicator: Percentage of client conferral applications decided within service delivery standards is 80.0 per cent.

Result: This indicator was met.

The service delivery standard for conferral applications is to decide 80.0 per cent of applications within 80 calendar days of lodgement. In 2014–15, 82.9 per cent of applications were decided within the service standard.

Indicator: Increased awareness of, and interest in, Australian citizenship—measured through visits to the Citizenship Wizard reach 300,000.

Result: This indicator was not met.

In 2014–15 there were 294,336 visits to the Department's online Citizenship Wizard, compared with 361,169 in 2013–14.

Although the number of visits to the Citizenship Wizard decreased in 2014–15, the overall number of applications for citizenship by conferral increased. The Department received 191,750 applications for citizenship by conferral in 2014–15. This exceeded the previous record of 185,838 applications received in 2013–14.

This increase in applications indicates overall awareness of and interest in Australian citizenship has increased, but with the Citizenship Wizard complemented by promotion of citizenship through increasing social media activity, Australian Citizenship Day and other initiatives.

Table 5: Visa and Migration—key performance indicators

Key performance indicators	2012–13 Actual	2013–14 Actual	2014–15 Target	2014–15 Actual
The permanent Migration Programme is delivered within Government targets.	190,000	190,000	<190,000	189,097
Temporary and permanent migration does not increase the incidence of health risks or costs to the Australian community.	The incidence of TB in Australia was 5.8 per 100,000 people in 2012 ^a	The incidence of TB in Australia was 5.6 per 100,000 people in 2013 ^a	Contribute to maintaining TB rates in Australia at <6 cases per 100,000 people	The incidence of TB rated as 5.7 per 100,000 people in 2014 ^a
SkillSelect moves to becoming the main source of independent skilled migrants.	No data available	74% of the general skilled migration programme ^b	Register 100% of applications under all categories	100% of the general skilled migration programme

a TB incidence figures by calendar year from the Australian Government Department of Health 'National Notifiable Diseases Surveillance System', www9.health.gov.au/cda/source/rpt_3.cfm, at 17 July 2015.

b 74 per cent of the general skilled migration programme outcome has been delivered from prospective migrants invited to apply through SkillSelect. The remaining 26 per cent are from residual visa applications prior to the introduction of SkillSelect visas.



CASE STUDY

MANAGING VISITOR GROWTH FROM CHINA

The People's Republic of China is Australia's largest source of visitors, a travel market worth more than \$5 billion to our economy. More than 661,000 visitor visas were granted to Chinese nationals in 2014–15, the highest number for any nationality and about twice the number of five years ago. Visitor numbers are expected to increase by almost 20 per cent each year due to China's rising middle class.

It is estimated that by 2020, more than 200 million Chinese people will be travelling overseas annually. On the top 10 list for Chinese travellers, Australia is regarded as a diverse and unique tourist destination.

Not surprisingly, the 2015 Chinese New Year period was the busiest season ever for our hardworking team in China. Our offices across China finalised about 120,000 visitor applications in the six-week lead up to the holiday break, a 19.6 per cent increase on the previous year.

The Department of Immigration and Border Protection's Regional Director for East Asia, Michael Willard, said that to manage growth of this order, it was essential that Australia remained at the cutting-edge of visa innovation.

'Visa reform and deregulation is part of the broader effort to ensure Australia remains competitive,' he said.

'Alongside this positive growth, our offices in China continue to face sophisticated attempts to circumvent visa requirements by organised syndicates. Maintaining high levels of visa compliance is a challenge that we can't understate.

'We have to fulfil our role to protect Australia's border, while facilitating legitimate travel efficiently and effectively. The team's success to date in managing such high volumes with increased speed is a result of our ability to use data to maintain a dynamic, risk-based approach to visa processing. Continued vigilance and advanced data analytics are key to identifying non-*bona fide* applications.'

Other measures Australia has in place to capture the rapidly growing Chinese tourist market include extending SmartGate processing trials to visitors from China. This 2014–15 year also saw the approval of a range of innovative initiatives that will support continued growth in this key market, including a trial of online applications in Mandarin.

'We're continuing to roll out visa and travel processing improvements for Chinese nationals to remove unnecessary requirements and encourage tourism, without compromising our role to protect the border,' Mr Willard said.

Photo: Chinese tourists to Australia.

PROGRAMME 1.1— BORDER MANAGEMENT (ADMINISTERED)

ENHANCED BORDER MANAGEMENT

The Department continued to build international relationships to enhance its intelligence-led and risk-based entry policies and procedures to detect and minimise identity and document fraud.

For more information about the Department's work on the border management capabilities of partner governments, see Programme 2.3 administered item 'Regional cooperation' on page 144.

PROGRAMME 1.2— VISA AND CITIZENSHIP (ADMINISTERED)

CITIZENSHIP TESTING

This Programme 1.2 administered item was met.

The performance results on citizenship testing are reported under Programme 1.3 departmental item 'Decision on citizenship status' on pages 100–101.

PROGRAMME 1.3— MIGRATION, BORDER MANAGEMENT AND CITIZENSHIP (DEPARTMENTAL)

ECONOMIC MIGRATION

SKILLSELECT

SkillSelect is an online expression of interest service that supports the effective management of Australia's skilled migration programme. It helps to ensure the skilled migration programme is based on Australia's economic needs. It supports the Government in determining who can apply for skilled migration, when they can apply and in what numbers. As a result, the time taken to process a visa application is significantly reduced.

SkillSelect also helps to address regional skill shortages. It allows intending migrants to indicate if they are willing to live and work in regional Australia. This is of particular benefit to employers experiencing regional skill shortages and state and territory governments attempting to settle migrants in regional Australia.

POINTS-TESTED SKILLED MIGRATION

The human capital component of the skilled migration programme, also known as the points-tested programme, is designed to attract migrants who are highly skilled in key occupations of medium- to long-term need in Australia. The points test is the mechanism used to select skilled migrants who offer the best in terms of economic benefit to Australia by awarding points for various human capital attributes. The points-tested programme includes independent, state or territory government agency-nominated or eligible family sponsored visa categories.

PERMANENT EMPLOYER SPONSORED VISA PROGRAMME

The permanent employer sponsored visa programme encompasses the employer nominated scheme and regional sponsored migration scheme. These visas aim to fill skills shortages in the Australian labour market.

They allow visa holders to work in Australia under one of three streams:

- Temporary Residence Transition stream
- Direct Entry stream
- Agreement stream.

The regional sponsored migration scheme features settings to encourage migration to regional Australia.

BUSINESS INNOVATION AND INVESTMENT PROGRAMME

The business innovation and investment programme encompasses business innovation and investment visas and the Business Talent visa (subclass 132).

Innovation and investment visas are designed to channel business knowledge and expertise, as well as liquid capital, into Australia. They seek to attract high-quality investors and entrepreneurs to invest and settle in Australia.

The purpose of the Business Talent visa is to attract high-calibre business people to permanently migrate to Australia and to facilitate the entry of entrepreneurs.

DISTINGUISHED TALENT PROGRAMME

The purpose of the Distinguished Talent visa (subclasses 124 [offshore] and 858 [onshore]) is to provide maximum benefit for Australia by creating a permanent visa pathway for exceptionally talented individuals, especially those who might not fit within another visa pathway. These individuals enrich Australia's society, economy and innovative potential through their contribution, as well as enhancing Australia's international reputation in their area of talent.

Table 6 shows the outcomes in the points-tested skilled migration programme since 2012–13.

Table 7 shows a breakdown by citizenship country of the points-tested skilled migration programme.

Table 6: Points-tested outcomes from 2012–13 to 2014–15

Programme year	Outcome
2012–13	74,020
2013–14	74,740
2014–15	72,840

Table 7: Points-tested skilled migration: Outcome of top five citizenship countries over past three years and percentage change from 2012–13 to 2014–15

No	Citizenship country	2012–13 outcome	2013–14 outcome	2014–15 outcome	Percentage change from 2013–14 to 2014–15
1	India	24,812	24,568	20,290	(17.4%)
2	China, People's Republic of	8,034	8,339	8,584	2.9%
3	Pakistan	2,061	4,263	6,495	52.4%
4	United Kingdom	6,668	6,647	5,744	(13.6%)
5	Philippines	2,072	2,991	3,478	16.3%
n/a	Other	30,373	27,932	28,249	1.1%

Table 8 provides information on permanent skilled visas finalised within service standards and supports migration and citizenship key performance indicators.

Table 8: Permanent Skilled visa performance against service standards

	Onshore		Offshore	
	Low-risk	High-risk	Low-risk	High-risk
Regional skilled migration scheme (subclass 187)				
Target for subclass 187	75% finalised in 6 months	75% finalised in 6 months	75% finalised in 6 months	75% finalised in 6 months
Result	85.8%	83.7%	87.4%	84.6%
Employer nomination scheme (subclass 186)				
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	91.9%	88.4%	89.5%	82.0%
SkillSelect independent and family sponsored (subclasses 189, 190 and 489)				
Target for subclasses 189 (skilled independent)	75% finalised in 12 months	75% finalised in 12 months	75% finalised in 12 months	75% finalised in 12 months
Result	65.7%	67.0%	50.3%	46.6%
Target for subclasses 489 (skilled regional family sponsored)	75% finalised in 12 months	75% finalised in 12 months	75% finalised in 12 months	75% finalised in 12 months
Result	56.3%	72.4%	62.3%	64.6%
Target for subclasses 190 and 489 (state and territory sponsored)	75% finalised in 12 months	75% finalised in 12 months	75% finalised in 12 months	75% finalised in 12 months
Result	50.6%	53.0%	38.6%	42.2%
Business innovation and investment—business skills (subclasses 132, 890, 891, 892, 893)				
Target for subclass 132	75% finalised in 11 months	75% finalised in 22 months	75% finalised in 9 months	75% finalised in 28 months
Result	50.0%	91.7%	80.0%	78.7%
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	96.2%	99.5%	n/a	n/a
Business innovation and investment—provisional (subclass 188)				
Target for subclass 188	75% finalised in 11 months	75% finalised in 22 months	75% finalised in 9 months	75% finalised in 28 months
Result	69.8%	79.8%	63.6%	81.1%
Business innovation and investment—permanent (subclass 888)				
Target for subclass 888	75% finalised in 11 months	75% finalised in 22 months	75% finalised in 9 months	75% finalised in 28 months
Result	n/a	100.0%	100.0%	n/a

FAMILY MIGRATION

Australian citizens, Australian permanent residents and eligible New Zealand citizens are able to sponsor partners, children, parents and certain other members of their extended family through the following visas and programmes in which priority is given to partners (including fiancés) and dependent children.

CARER VISAS

The purpose of carer visas is to provide applicants an opportunity to care for a relative in Australia with a long-term medical condition, or assist a relative in providing this care to a member of their family unit living in their household.

CHILD VISAS

Child visas enable biological, adopted, orphan relative or step-children to join Australian citizens, permanent residents, eligible New Zealand citizens and provisional partner visa holders in Australia.

PARENT VISAS

The parent visa category encompasses temporary and permanent parent visas and has specific categories that cater for contributory and aged parents.

The parent visa categories allow parents to live in Australia if their child is an Australian citizen, permanent resident or eligible New Zealand citizen who is settled in Australia.

This programme recognises that contributory parent visa holders make a substantially higher financial contribution towards their future health, welfare and other costs in Australia.

PARTNER MIGRATION PROGRAMME

This programme encompasses partner visa categories for married and de facto partners who are in or outside Australia and prospective marriage visas for fiancés who are outside Australia. Partner visas are usually 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.

OTHER FAMILY MIGRATION PROGRAMME

This programme encompasses visas for carers, remaining relatives and aged dependent relatives of an Australian citizen, permanent resident or eligible New Zealand citizen who is settled in Australia.

Remaining relative and aged dependent relative visas are for people who want to live in Australia:

- to be with their only near relatives or
- if they rely on an eligible relative in Australia to provide financial support.

Note: The aged parent visas and the other family migration programme visas were previously repealed and closed from 2 June 2014 until 25 September 2014. Applications are now accepted for these visas.

Australia's family reunion programme has been achieved through:

- policy development and programme accountability in line with the Government's migration and visa reform agendas
- effective deregulation to maximise the economic benefit to Australia
- delivery of the 2014–15 Migration Programme within the policy guidelines set by the Government
- evidence-based policy formation and decision-making, including research and evaluation, stakeholder input and expert opinions.

Demand for family visas continues to exceed the number of available places, resulting in an increase in waiting times and impact on performance against service standards (Table 9). In 2014–15 the Family stream delivered its planning level of 61,085 places, a decrease of 0.04 per cent on the previous 12 months.

Table 9: Permanent Family visa performance against service standards

Category	Onshore		Offshore	
	Low-risk	High-risk	Low-risk	High-risk
Prospective Marriage (subclass 300)				
Target	n/a	n/a	75% finalised in 5 months	75% finalised in 12 months
Result	n/a	n/a	8.4%	80.1%
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	7.2%	29.0%	8.9%	80.1%
New Zealand Citizen Family Relationship (Temporary) (subclass 461)				
Target	75% finalised in 2 months	75% finalised in 3 months	75% finalised in 2 months	75% finalised in 3 months
Result	31.8%	41.4%	48.5%	28.4%
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	61.2%	70.8%	18.6%	17.7%
Child (subclasses 101, 102, 117, 445, 802, 837)				
Target	75% finalised in 7 months	75% finalised in 8 months	75% finalised in 3 months	75% finalised in 14 months
Result	70.8%	76.8%	11.2%	77.9%

Table 10 shows the family migration outcome for 2014–15 compared with 2013–14. The result for 2014–15 was a decrease of 0.04 per cent compared to the 2013–14 outcome.

Table 10: Family migration planning levels and outcomes

Type of visa	2012–13 outcome	2013–14 outcome	2014–15 planned	2014–15 outcome	Percentage change in outcome from 2013–14 to 2014–15
Partner	46,325	47,752	47,825	47,825	0.2%
Child	3,850	3,850	4,135	4,135	7.4%
Parent (contributory)	6,575	6,675	7,175	7,175	7.5%
Parent (non-contributory)	2,150	2,250	1,500	1,500	(33.3%)
Other family	1,285	585	450	450	(23.1%)

Table 11 shows the number of claims made under the family violence provisions in 2014–15 and the outcome of the cases referred to the independent expert by departmental officers. The independent expert provides an opinion to the Department either that family violence has or has not occurred. An independent expert's opinion must be accepted by the Department.

Table 11: Family violence cases referred to independent expert

Family violence cases referred to independent expert ^a by departmental officers	2012–13	2013–14	2014–15
Family violence claims made to the Department	867	746	458
Total cases referred to independent expert:	117	193	215
• meet provisions ^b	38 ^e	87	130
• do not meet provision ^c	32	73	75
• not yet decided or withdrawn ^d	47	33	10
Percentage of claims referred	13.5%	25.9%	46.9%

a The independent expert is the service provider who performs an independent assessment of the non-judicially determined claims of family violence where requested by the Department.

b Refers to the number of cases where the independent expert has accepted that the applicant's claim meets the family violence provisions.

c Refers to the number of cases where the independent expert has determined that the applicant's claim does not meet the family violence provisions.

d Refers to the number of cases that the independent expert has not assessed or made a finding about yet, or the applicant has withdrawn their application.

e The total number of 2012–13 cases referred to an independent expert (published in Table 11 of the DIBP Annual Report 2013–14) was incorrect. The total number is 38 (not 58).

RESIDENT RETURN VISAS, FORMER RESIDENT VISAS, AUSTRALIAN DECLARATORY VISAS AND CERTIFICATES OF EVIDENCE OF RESIDENT STATUS

The purpose of the resident and Australian declaratory visas is to facilitate the re-entry of Australian permanent residents, allow former Australian permanent residents to re-enter Australia, and to facilitate the re-entry of Australian citizens travelling on foreign passports. Resident visas ensure that only those with a genuine commitment to reside in Australia or who are contributing to Australia's wellbeing retain the right to reside permanently in Australia.

Certificates of evidence of resident status are issued to Australian permanent residents and eligible New Zealand citizens in Australia who require evidence of their status.

Tables 12 and 13 show the number of visas granted and certificates finalised in 2014–15, compared with the previous two years.

Table 12: Number of resident return visas, former resident visas and Australian declaratory visas granted

Visa	2012–13	2013–14	2014–15
Resident return visas	91,796	107,683	121,811
Former resident visas	849	336 ^a	260
Australian declaratory visas	684	635 ^a	659
Total	93,329	108,654^a	122,730

a Error reported in the DIBP Annual Report 2013–14, see, page 60 reference.

Table 13: Number of certificates finalised

Certificate	2012–13	2013–14	2014–15
Certificates of evidence of resident status	5,874	3,013	1,809
Certificates of status for New Zealand citizens in Australia	695	552	347
Total	6,569	3,565	2,156

STUDENTS

The programme enables persons who are not Australian citizens or Australian permanent residents to study internationally recognised courses in a progressive, secure and culturally diverse learning environment. It is an integral part of Australia's international education sector and delivers both economic and social benefits to the nation.

The student visa programme consists of eight visa categories. The six main visa categories broadly reflect the different education sectors:

- English language intensive courses for overseas students (ELICOS)
- schools
- vocational education and training (VET)
- higher education
- postgraduate research
- non-award.

There is a separate visa for students sponsored by Department of Foreign Affairs (DFAT) and the Department of Defence (subclass 576). The Student Guardian visa (subclass 580) allows an individual to accompany and care for a student under 18 years of age.

There is no cap on the number of student visas granted each year. All student visa applicants who satisfy the legislative criteria are granted a student visa. These criteria include the requirement that applicants must both be a genuine student and a genuine temporary entrant.

The student visa programme is experiencing growth across all sectors. Total student visa grants in 2014–15 increased by 2.6 per cent (299,540 grants) compared with the 2013–14 financial year, when 292,060 visas were granted.

China remained the largest citizenship country for student visa grants, followed by India, then South Korea, Brazil and Thailand. Of all student visas granted, 44.5 per cent were granted to citizens of these five countries. Students from China made up 21.9 per cent of student visa grants in 2014–15.

Offshore student visa grants increased in 2014–15 for the fourth consecutive year. There was growth in offshore grants to citizens of all five top citizenship countries. The most significant increase was in the total number of grants to Chinese nationals, which grew by 9.0 per cent compared with 2013–14.

The Higher Education Sector visa (subclass 573) accounted for 50.6 per cent of student visa grants in 2014–15. The Vocational Education and Training Sector visa (subclass 572) was second, accounting for 21.9 per cent of the total student visas granted.

Table 14 shows the number student visas granted from 2012–13 to 2014–15 by client location. Table 15 shows the top 10 citizenship countries for student visa grants from 2012–13 to 2014–15. Table 16 shows total student visa grants by subclass from 2012–13 to 2014–15.

Table 14: Student visa grants by client location

Client location	2012–13	2013–14	2014–15	Percentage change from 2013–14 to 2014–15
Offshore	141,810	179,147	187,242	4.5%
Onshore	117,468	112,913	112,298	(0.5%)
Total	259,278	292,060	299,540	2.6%

Table 15: Top 10 citizenship countries for student visa grants from 2012–13 to 2014–15

No	Citizenship	2012–13	2013–14	2014–15	Percentage change from 2013–14 to 2014–15
1	China, People's Republic of	54,015	60,315	65,737	9.0%
2	India	24,808	34,130	29,573	(13.4%)
3	Korea, South (Republic of Korea)	12,942	12,883	13,229	2.7%
4	Brazil	10,682	12,115	13,034	7.6%
5	Thailand	9,274	11,245	11,686	3.9%
6	Malaysia	9,143	9,592	10,414	8.6%
7	Vietnam	10,725	12,495	10,283	(17.7%)
8	Indonesia	8,060	8,862	9,178	3.6%
9	Nepal	7,112	10,651	8,987	(15.6%)
10	Saudi Arabia	8,084	8,164	8,739	7.0%
Total student visa grants for the top 10 citizenship countries		154,845	180,452	180,860	0.2%
Total global student visa grants		259,278	292,060	299,540	2.6%

Table 16: Total student visas granted by category from 2012–13 to 2014–15

Category	2012–13	2013–14	2014–15	Percentage change from 2013–14 to 2014–15
ELICOS	29,607	30,964	33,215	7.3%
Schools	9,189	9,959	12,011	20.6%
Vocational education and training	58,563	60,648	65,690	8.3%
Higher education	127,269	152,344	151,713	(0.4%)
Postgraduate research	10,715	11,321	11,108	(1.9%)
Non-award	17,079	19,933	19,203	(3.7%)
DFAT/Defence	6,856	6,891	6,600	(4.2%)
Total	259,278	292,060	299,540	2.6%

On 30 June 2015 there were 374,566 student visa holders in Australia, compared with 339,763 student visa holders in Australia on 30 June 2014. This represents a 10.2 per cent increase. As shown in Table 17, the top 10 citizenship countries accounted for 66.7 per cent of student visa holders in Australia on 30 June 2015.

Table 17: Number of student visa holders in Australia on 30 June 2013, 2014 and 2015 by citizenship country

No	Citizenship country	30 June 2013	30 June 2014	30 June 2015
1	China, People's Republic of	71,196	76,152	82,572
2	India	30,403	40,595	48,585
3	Vietnam	17,156	20,054	20,693
4	Korea, South (Republic of Korea)	16,089	16,030	17,152
5	Nepal	11,129	14,043	16,447
6	Thailand	11,154	13,615	15,488
7	Malaysia	14,080	13,666	14,468
8	Indonesia	11,674	11,838	12,797
9	Pakistan	8,748	10,303	11,497
10	Brazil	6,522	8,624	10,074
n/a	Other	106,100	114,843	124,793
Total		304,251	339,763	374,566

The Department publishes quarterly and annual statistics on the student visa programme. These reports include data on student visa grants and lodgements by sector and citizenship country for each programme year. The publications are available on the DIBP website (www.border.gov.au).

TEMPORARY GRADUATE VISA

The Temporary Graduate visa (subclass 485) allows eligible international students to live and work temporarily in Australia after they have completed their studies.

The visa has two streams:

- The Graduate Work stream is for eligible international students who graduate with skills and qualifications that relate to an occupation on the skilled occupations list (SOL).
- The Post-study Work stream was introduced on 23 March 2013 for certain international students who graduate with a higher education degree from an Australian education provider, regardless of their field of study. This stream is only available to students who applied for and were granted their first student visa to Australia on or after 5 November 2011.

In 2014–15, 22,895 Temporary Graduate visas were granted, 0.1 per cent more than the previous year. Of these, 14,066 were granted in the Graduate Work stream, 8586 in the Post-study Work stream, and 243 Skilled Graduate visa.

Table 18 shows total Temporary Graduate visas granted over the past three programme years (2012–13 to 2014–15).

Table 18: Total Temporary Graduate visas (subclass 485) granted from 2012–13 to 2014–15

	2012–13	2013–14	2014–15
	35,223	22,867	22,895

Table 19 shows the top 10 citizenship countries for Temporary Graduate visa grants from 2012–13 to 2014–15. China, India and Nepal were the top three citizenship countries for Temporary Graduate visas in 2014–15, accounting for 59.1 per cent of visa grants.

Table 19: Top 10 citizenship countries for Temporary Graduate visa grants from 2012–13 to 2014–15

No	Citizenship country	2012–13	2013–14	2014–15	Percentage change
1	China, People's Republic of	7,682	7,006	7,635	9.0%
2	India	10,445	3,772	3,960	5.0%
3	Nepal	2,602	2,373	1,947	(18.0%)
4	Pakistan	1,123	1,075	1,194	11.1%
5	Vietnam	979	793	858	8.2%
6	Philippines	601	717	759	5.9%
7	Malaysia	1,466	1,002	718	(28.3%)
8	Sri Lanka	1,296	588	580	(1.4%)
9	Indonesia	1,096	638	572	(10.3%)
10	Bangladesh	771	522	538	3.1%
Total Temporary Graduate visa grants for the top 10 citizenship countries		28,061	18,486	18,761	1.5%
Total Temporary Graduate visa grants, all citizenship countries		35,223	22,867	22,895	0.1%

ONGOING LIAISON WITH EDUCATION PROVIDERS

The Department monitors the streamlined visa processing (SVP) arrangements and works closely with education providers to ensure that any immigration risks that arise are addressed. While SVP is generally working well, concerns have been identified by stakeholders relating to the market impacts and regulatory cost of arrangements, as well as the challenges faced by education providers in effectively managing their responsibilities under SVP. In consideration of these factors, the *Future directions for streamlined visa processing* report, released in June 2015, found that current SVP arrangements are not sustainable long term and recommended implementing a broader, simpler and fairer framework.

Of the 247,714 student visas granted in sectors eligible for streamlined processing in 2014–15, 59.3 per cent were assessed and granted as streamlined.

ONLINE LODGEMENT FOR STUDENT VISAS

During 2014–15, 49.4 per cent of offshore student visa applications were lodged online, compared with 48.9 per cent of applications in 2013–14.

Outside Australia, all applicants from assessment level 1 (AL 1) countries can apply for a student visa online. Online lodgement overseas is also available to prospective students from India, China, Thailand and Indonesia, where they apply through an authorised agent with approved access to the Department's online lodgement service.

In Australia, all applicants from AL 1 countries can apply online. Student visa holders in Australia applying for a subsequent student visa to extend their stay can also apply online.

TEMPORARY RESIDENTS (ECONOMIC)

To maximise the economic benefit to Australia, temporary resident (economic) visa programmes target people who could contribute to Australia's economic growth and productivity by enabling employers, enterprises and regions to meet short to medium-term goals. The visas that enable this to be achieved are:

- Temporary Work (Skilled) visa (subclass 457)
- Highly Specialised Work stream of the Temporary Work (Short Stay Activity) visa (subclass 400)
- Exchange and Domestic Worker (Executive) streams of the Temporary Work (Long Stay Activity) visa (subclass 401)
- Domestic Worker (Diplomatic or Consular) stream of the Temporary Work (International Relations) visa (subclass 403)
- Seasonal Worker Programme stream of the Special Program visa (subclass 416)
- Temporary Work (Entertainment) visa (subclass 420).

Employers can seek access to a labour agreement when these visas are not appropriate. There are four types of labour agreements:

- Company-specific labour agreements
- Industry-specific labour agreements
- Designated area migration agreements (DAMAs)
- Project agreements.

For more detail about these visa categories, see the Glossary terms in Part 7 of this report.

TEMPORARY WORK (SKILLED) VISA (SUBCLASS 457) PROGRAMME

The growth of the Temporary Work (Skilled) visa (subclass 457) programme has slowed in recent years. Table 20 illustrates the programme's demand-driven nature. The overall number of 457 primary visas granted in 2014–15 fell by 1.6 per cent from the previous reporting period. This decrease follows on from a 24.2 per cent decline in primary grants in 2013–14 compared with 2012–13.

While visa grants fell slightly in 2014–15, the number of active sponsors using the programme at 30 June 2015 had grown by 3.4 per cent when compared with 30 June 2014. The number of sponsorship applications lodged grew by 20.8 per cent in 2014–15 and nominations lodged grew by 11.5 per cent compared with 2013–14.

The median processing time for subclass 457 primary visa applications granted in 2014–15 was 22 calendar days, an improvement on the 2013–14 median processing time of 34 calendar days. As well, 86.6 per cent of applications decided in 2014–15 were finalised within the two- to three-month service standard, compared with 77.3 per cent in 2013–14.

There was a decline in primary 457 visa grants in most industries in 2014–15 compared with 2013–14. The most significant declines were seen in the public administration and safety industry (down 40.8 per cent), followed by electricity, gas, water and waste services industry (down 32.6 per cent), mining (down 30.7 per cent) and retail trade (down 23.3 per cent).

Table 20: Overview of the subclass 457 programme for the past three programme years

Measure	2012–13	2013–14	2014–15
Visa grants to primary applicants	68,480	51,939	51,125
Nominations lodged by sponsors	95,637	65,173	71,829
Primary applications lodged	81,547	49,145	55,309
Active sponsors ^a	30,090	35,285	36,482
Average nominated base salary	\$82,100	\$86,200	\$88,000

a Active sponsors mean any current or former approved sponsor who employed a subclass 457 visa holder at 30 June for that programme year.

The main industry users of the subclass 457 programme in 2014–15 were consistent with 2013–14 and are detailed in Table 21. Of these industries, declines were recorded in primary 457 visa grants in the construction industry (down 16.2 per cent), followed by health care and social assistance (down 10.0 per cent) and the accommodation and food services industry (down 3.4 per cent). The information, media and telecommunications industry experienced the largest growth in the programme (20.1 per cent), followed by the professional, scientific and technical sectors (14.6 per cent).

The top three citizenship countries for 457 visas in 2014–15 were India, which accounted for 24.3 per cent of primary 457 visas granted, followed by the UK (17.2 per cent) and China (6.9 per cent). China replaced the Republic of Ireland, which held the position of third highest citizenship country in 2013–14.

At 30 June 2015 there were 188,000 subclass 457 visa holders in Australia. Of these, 55.7 per cent were primary visa holders and 44.3 per cent were secondary visa holders. This represents a decline of 3.6 per cent when compared with 30 June 2014, reflecting the slowing growth of the programme.

Table 21: Number of primary 457 applications granted for the past three programme years by top six sponsored industries

Sponsor Industry	2012–13	2013–14	2014–15
Other services ^a	8,440	7,209	8,281
Information media and telecommunications	6,700	5,817	6,986
Accommodation and food services	6,790	6,269	6,053
Professional, scientific and technical	5,580	5,074	5,816
Health care and social assistance	7,430	5,145	4,632
Construction	7,870	4,735	3,969

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

AGREEMENTS

Labour agreements enable 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.

While labour agreements represented just 2.9 per cent of temporary subclass 457 visa grants and 2.2 per cent of permanent Employer Sponsored visa grants in 2014–15, they play an important role by helping industry to overcome constraints that result from a shortage of workers in a particular location or industry sector. Because a labour agreement provides a variation to standard migration requirements, additional terms and conditions may apply. Labour agreements are developed 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 or make genuine efforts to consult industry stakeholders, including relevant trade unions and peak industry bodies when developing 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.

At 30 June 2015, 213 labour agreements were in place and a further 29 agreements were still to be finalised.

Labour agreements are considered on a case-by-case basis. To maintain the programme's integrity, the Department scrutinises employer requests. A processing standard of three months, from the date of complete request to decision, was introduced on 1 December 2014. The mean time that the current on-hand caseload has been under consideration is 45 days. This is a decrease from more than eight months for the on-hand caseload reported in June 2014. Of the agreements that have been received since late last year and have been approved, the average processing time was 44 days, well below the three-month service standard.

Company-specific labour agreements are developed directly between the Department and individual employers seeking overseas workers. Once in place, industry-specific labour agreements quickly allow employers to access a labour agreement in which the terms and conditions have already been established.

At 30 June 2015 industry-specific labour agreements were in place for the fast food, fishing, meat, on-hire, pork and snow sports industries, as well as one for ministers of religion.

Table 22 shows the number of agreements in effect at 30 June 2015 and the number still subject to further development.

Table 22: Labour agreements finalised and currently under development by agreement type at 30 June 2015

Labour agreement type	Finalised	Under development
Company-specific	65	<10
Industry-specific	146	<10
Designated area migration agreements (DAMA)	12	<10
Project agreements	0	0

DAMAs are collaborative arrangements that are designed to provide flexibility for states, territories or regions to respond to particular economic and labour market conditions by allowing employers to sponsor skilled and semi-skilled workers from overseas. DIBP manages the programme and considers requests for a DAMA on behalf of the Commonwealth.

DAMAs are two-tier agreements. As a first step, a designated area representative—which might be a state or territory government or statutory authority, a regional authority or local council—seeks an overarching agreement that sets out occupations, ceilings and concessions to be covered. When the DAMA is agreed, it will record the number of overseas workers who can be engaged within the designated area and the terms surrounding those engagements.

With the overarching agreement in place, employers in the designated area can then seek to have individual labour agreements made. Employers can approach the designated area representative to sponsor and nominate overseas workers to be engaged in occupations covered by the DAMA. Approved sponsors must comply with sponsorship obligations associated with the labour agreements.

There is one DAMA in place. It has been in operation with the Northern Territory Government since 10 February 2014. At 30 June 2015, 12 businesses held labour agreements under the Northern Territory DAMA.

TEMPORARY WORK (SHORT STAY ACTIVITY) VISA (SUBCLASS 400)

In 2014–15, 54,688 Temporary Work (Short Stay Activity) visas were granted, 41,999 of these being in the Highly Specialised Work stream.

SEASONAL WORKER PROGRAMME

The seasonal worker programme contributes to the economic development of the participating countries—Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu. The programme is demand-driven, with 12,000 visa places available over four years. There were 3250 places available to Australian approved employers in 2014–15.

The Department of Employment is the lead agency for this programme, with DIBP providing support by managing the visa application process, monitoring visa compliance and providing assistance with training in participating countries.

NEW ZEALAND SPECIAL CATEGORY VISA

The Special Category (subclass 444) visa (SCV) is a temporary visa that enables eligible New Zealand citizens to enter and remain in Australia as temporary residents as long as they remain New Zealand citizens. Individuals apply for the SCV on arrival in Australia. For this visa to be granted, New Zealand citizens must meet all visa criteria, including health and character. The SCV ceases when the holder departs Australia. Individuals must apply for a new SCV on each subsequent arrival in Australia.

OTHER VISAS

Several other visas allow a range of skilled or specialised entrants to work or undertake activities in Australia on a temporary basis. The Temporary Work (Entertainment) visa (subclass 420) facilitates the temporary entry of people to work in Australia's entertainment industry, including performers (and their support staff) for film, television or live productions, and directors, producers and production crew. Visa grants for 2014–15 were 19,116, facilitating entry for large events as well as other community and cultural events.

Small numbers of workers also come to Australia under the Exchange and Domestic Worker (Executive) streams of the Temporary Work (Long Stay Activity) visa (subclass 401).

Table 23 shows the number of other temporary resident (economic) visa grants for 2012–13 to 2014–15.

Table 23: Other temporary resident (economic) visa grants

Visas	2012–13	2013–14	2014–15
Highly Specialised Work stream of the Temporary Work (Short Stay Activity) visa (subclass 400) ^a	4,587	32,984	41,999
Exchange and Domestic Worker (Executive) streams of the Temporary Work (Long Stay Activity) visa (subclass 401) ^b	58	197	200
Domestic Worker (Diplomatic or Consular) stream of the Temporary Work (International Relations) visa (subclass 403) ^c	44	96	85
Exchange visa (subclass 411) ^d	153	0	0
The Seasonal Worker Programme stream of the Special Programme visa (subclass 416) ^e	1,492	2,014	3,177
Temporary Work (Entertainment) visa (subclass 420)	18,025	19,270	19,116
Medical Practitioner (subclass 422) ^f	10	0	0
Media and Film Staff visa (subclass 423) ^f	31	<10	0
Domestic Worker – Executive visa (subclass 427) ^f	<10	0	0
Special Category visas (subclass 444)	1,705,150	1,762,890	1,798,220
Total	1,729,557	1,817,452	1,862,797

a Visa commenced 23 March 2013.

b Visa commenced on 24 November 2012 and provided a pathway for the repealed subclass 411 visa. From 23 March 2013 the visa provided a pathway for the repealed 427 visa.

c The subclass 403 visa commenced on 24 November 2012.

d Visa repealed on 24 November 2012.

e 2012–13 figures include the 1473 visas granted under the seasonal worker programme and 19 visas granted under the Pacific seasonal worker pilot scheme (applications lodged before the seasonal worker programme began on 1 July 2012).

f Visa repealed on 24 November 2012.

MONITORING OF SPONSOR OBLIGATIONS

Sponsored temporary visa programmes are supported by an enforceable framework of sponsorship obligations aimed to enhance programme integrity. This seeks to ensure that visa holders are not mistreated by their sponsors in Australia. If a sponsor does not satisfy these obligations they may be barred from accessing the programme for a specific period, have their approval as a sponsor cancelled and be issued an infringement notice. Legal action can be taken in the case of serious breaches.

In 2014–15 two cases were identified as suitable for civil penalty applications, and proceedings were taken in the Federal Court in both matters. One matter was finalised in June 2015, with penalties and restitution ordered against the respondent. The other matter was ongoing at 30 June 2015.

Departmental inspectors and monitoring officers assess sponsors' compliance with their obligations and take appropriate enforcement action proportionate to the seriousness of identified breaches. In 2014–15, the Department completed 2262 monitoring events which led to a total of 569 infringement and breach notices and 321 sanctions.

TEMPORARY RESIDENTS (NON-ECONOMIC)

Temporary residents (non-economic) visas support Australia's international relations and facilitate entry to Australia for cultural, training and research purposes. Broadly, these visas:

- allow non-citizens and residents to undertake occupational training, observe or participate in an Australian research project or participate in professional development activities in Australia
- enhance international relations and cultural exchange by allowing people to share cultural and social experiences and activities in the Australian community by participating in approved programmes and events
- support Australia's international relations by helping to facilitate relationships with foreign government agencies and meet its obligations under international conventions
- allow those undertaking specialist activities, such as religious workers, entertainers or sports people, to participate in events and work in Australia on a temporary basis
- allow non-citizen and resident retirees and their partners to reside in Australia temporarily during their retirement years.

In 2014–15 the Invited Participant stream of the Temporary Work (Short Stay Activity) visa (subclass 400) provided a visa pathway for international participants in major events, including the 2015 AFC Asian Cup and the ICC's 2015 Cricket World Cup.

The Training and Research visa (subclass 402) allows people to enter Australia on a temporary basis for training, research or professional development opportunities.

In 2014–15, 5026 Special Programme visas (subclass 416) were granted. This represented an increase of 27.9 per cent when compared with the previous year. The Seasonal Worker stream of the Special Programme visa continues to grow, with Fiji joining the programme in April 2015. There were 3177 Seasonal Worker stream visas granted in 2014–15, a 57.7 per cent increase over 2013–14 (2014 visas granted).

The Religious Worker stream of the Temporary Work (Long Stay Activity) visa (subclass 401) allows appropriately skilled religious workers to undertake full-time religious work, on a temporary basis, for approved religious institutions in Australia. The Sport stream facilitates the entry of international sports people to take part in sporting activities. There were 2404 visa grants made under these two streams in 2014–15.

The Investor Retirement visa (subclass 405) covers self-funded retirees who are able to make a significant long-term financial investment in Australia. Visa grants in 2014–15 totalled 85, a decrease of 15.0 per cent from the previous year.

Table 24 shows the number of temporary resident (non-economic) visa grants for 2012–13 to 2014–15.

Table 24: Temporary resident (non-economic) visa grants

Visas	2012–13	2013–14	2014–15
Invited Participant stream of the Temporary Work (Short Stay Activity) visa (subclass 400) ^a	1,627	7,858	12,592
Religious Worker and Sport streams of the Temporary Work (Long Stay Activity) visa (subclass 401) ^b	912	2,640	2,404
Training and Research visa (subclass 402) ^c	3,079	6,897	7,677
Foreign Government Agency, Government Agreement and Privileges and Immunities streams of the Temporary Work (International Relations) visa (subclass 403) ^d	534	993	1,125
Investor Retirement visa (subclass 405)	60	100	85
Government Agreement visa (subclass 406) ^e	384	<10	<10
Retirement visa (subclass 410)	645	110	<10
Foreign Government Agency visa (subclass 415) ^e	149	0	<10
Special Programme stream of the Special Programme visa (subclass 416)	1,842	1,917	1,849
Visiting Academic visa (subclass 419) ^e	1,309	0	0
Sport visa (subclass 421) ^e	386	<10	<10
Domestic Worker – Diplomatic or Consular visa (subclass 426) ^e	61	<10	0
Religious Worker visa (subclass 428) ^e	1,248	25	0
Occupational Trainee visa (subclass 442) ^e	2,018	13	<10
New Zealand Citizen Family Relationship (Temporary) visa (subclass 461)	2,517	2,443	2,673
Professional Development visa (subclass 470) ^e	154	0	0
Diplomatic visa (subclass 995)	2,949	2,908	2,813
Total	19,874	25,912	31,229

a Visa commenced 23 March 2013.

b Visa commenced on 24 November 2012 and provides a pathway for the repealed subclasses 421 and 428.

c Visa commenced on 24 November 2012 and provides a pathway for the repealed subclasses 419, 442 and 470.

d Visa commenced on 24 November 2012 and provides a pathway for the repealed subclasses 406, 415 and 426.

e Visa repealed on 24 November 2012.

VISITORS AND WORKING HOLIDAY MAKERS

During 2014–15 the Department’s facilitation of legitimate visitors to Australia supported the tourism industry, international trade and commerce, and the needs of the Australian community through:

- the efficient delivery of the visitor visa programme, balancing national security and community protection with economic and trade interests
- finalising 94.7 per cent of offshore Tourist stream visa applications within service standards and 61.9 per cent of onshore Tourist stream visa applications within service standards (Table 25)
- ensuring that Australia remains competitive in key markets, particularly China and India, from which visits increased by 19.9 per cent and 15.8 per cent respectively in 2014–15, while conducting ongoing integrity checks to minimise the risk of non-*bona fide* visitors being granted visitor visas
- the introduction of biometric collection into offshore visa processing, strengthening national security and visa integrity, and minimising 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 Australian visa application centres (AVACs), managed by SDPs overseas, to provide better access and more service options to overseas clients
- the continued expansion of online lodgements of Visitor visa (subclass 600), with more than 200 nationalities now being eligible to lodge visitor visa applications online
- facilitating entry for delegates, participants and spectators involved in such major events as the G20 conference, the AFC’s Asian Cup and the Cricket World Cup. These events attracted large numbers of international travellers and had a positive net benefit for Australian host city economies. The immigration and entry processes for these events were well managed, thanks to strong partnerships with both internal and external stakeholders.

ONLINE LODGEMENT FOR VISITOR VISAS

The use of online visitor visa options by eligible passport holders increased, with online lodgements expanded to about 80 additional countries or territories in 2014–15.

Online applications are now available from most countries in Europe, the Americas, Africa, the South Pacific, the Middle East and South Asia.

Online lodgement offers benefits such as 24/7 accessibility, electronic payment of the visa application charge and the ability to check the status of applications lodged online.

Table 25 shows visitor visa performance against the service standards.

Table 25: Visitor visa performance against the service standards

Category	Lodged in Australia		Lodged outside Australia	
	Low-risk	High-risk	Low-risk	High-risk
Tourist stream (subclass 600 including ADS)				
Target	75% finalised in 1 working day	75% finalised in 1 week	75% finalised in 1 working day	75% finalised in 1 month
Result	49.6%	61.9%	41.7%	94.7%
Business Visitor stream (subclass 600)				
Target	n/a	n/a	75% finalised in 1 working day	75% finalised in 1 month
Result	n/a	n/a	73.2%	97.4%
Sponsored Family stream (subclass 600)				
Target	n/a	75% finalised in 1.5 months	n/a	n/a
Result	n/a	83.8%	n/a	n/a
Medical Treatment (subclass 602)				
Target	75% finalised in 1 week	75% finalised in 1 month	75% finalised in 1 week	75% finalised in 1.5 months
Result	55.6%	82.8%	96.9%	87.9%
eVisitor (subclass 651)				
Target	n/a	n/a	75% finalised in 1 working day	75% finalised in 1 month
Result	n/a	n/a	92.1%	93.6%

VISITOR VISAS

In 2014–15 there were a record number of visitors to Australia, with 4.3 million visitor visas granted, an increase of 8.0 per cent from the 4 million visas granted in 2013–14 (Table 26).

China remains the largest citizenship country for visitors to Australia, with 661,943 visas granted in 2014–15, an increase of 19.9 per cent from 2013–14 (Table 26). This reflects the increasing demand for travel by the growing Chinese middle class and Chinese business people. The UK was the second-largest citizenship country (12.9 per cent of visitor visas in 2014–15, compared with 13.7 per cent in 2013–14).

Note: Table 26 includes visitor visa grants where the client was outside or in Australia. In previous annual reports, tables on visitor visa grants generally only included clients outside Australia.

Table 26: Top 10 citizenship countries for total visitor visa grants

Citizenship countries	2012–13	2013–14	2014–15	Percentage change from 2013–14 to 2014–15
China, People's Republic of	475,657	551,999	661,943	19.9%
United Kingdom	545,594	548,663	557,918	1.7%
United States of America	381,280	390,151	426,950	9.4%
Japan	301,350	288,537	295,531	2.4%
Malaysia	215,896	267,400	292,280	9.3%
Singapore	170,136	194,447	203,300	4.6%
Korea, South (Republic of Korea)	162,702	165,735	185,083	11.7%
India	133,648	151,478	175,402	15.8%
Germany	140,067	145,826	151,168	3.7%
France	113,936	121,426	131,544	8.3%
Total visitor visa grants for the top 10 citizenship countries	2,640,266	2,825,662	3,081,119	9.0%
Total visitor visa grants	3,753,819	3,993,406	4,311,498	8.0%

More than 653,000 eVisitor visas (subclass 651), available to certain European passport holders, were granted in 2014–15 (Table 27). Table 27 also shows the Electronic Travel Authority (ETA) visa (subclass 601) remains the most popular visa for those wishing to visit Australia for tourism purposes, with more than 2.2 million grants in 2014–15.

Note: Table 27 includes visitor visa grants where the client was outside or in Australia. In previous annual reports, tables on visitor visa grants generally only included clients outside Australia.

Table 27: Visitor visa grants by subclass

Categories	2013–14	2014–15	Percentage Variation
Electronic Travel Authority (ETA) visas (subclasses 601, 956, 976, 977) ^a	2,135,851	2,225,769	4.2%
eVisitor visa (subclass 651)	587,593	653,617	11.2%
Superyacht Crew visa (subclass 488)	292	454	55.5%
Tourist (non-ETA) visas (subclasses 600, 676)	1,035,210	1,185,212	14.5%
Business visitor (non-ETA, non-eVisitor) visas (subclasses 456, 459, 600) ^a	211,323	219,634	3.9%
Sponsored family visitor visas (subclasses 600, 679)	20,277	23,875	17.7%
Medical treatment visas (subclasses 602, 675, 685) ^b	2,860	2,937	2.7%
Total visitor visas	3,993,406	4,311,498	8.0%

a From March 2013, permission to work moved from visa subclasses 456, 459, 651, 956 and 977 to the newly created Temporary Work (Short Stay Activity) visa (subclass 400), reported under the temporary residents (economic) section of this report. This figure includes ETAs granted for both tourism and business purposes.

b The Medical Treatment visa (subclass 602) was introduced on 23 March 2013. It replaced the Medical Treatment (Long Stay) visa (subclass 685) and the Medical Treatment (Short Stay) visa (subclass 675), which were closed to new applications on 22 March 2013.

The overall visitor visa approval rate (Table 28) for applicants outside of Australia in 2014–15 was 97.3 per cent, which was consistent with 2013–14 (97.5 per cent) and 2012–13 (97.6 per cent).

Table 28: Trends in visitor visa approval rates

Visa category	Approval rate 2012–13	Approval rate 2013–14	Approval rate 2014–15
All offshore visitor visas	97.6%	97.5%	97.3%
eVisitor visa (subclass 651)	99.1%	98.8%	99.0%
All other offshore visitor visa applications (subclasses 456, 459, 488, 600, 602, 676, 675, 685, 679)	93.1%	92.8%	92.5%

APPROVED DESTINATION STATUS SCHEME

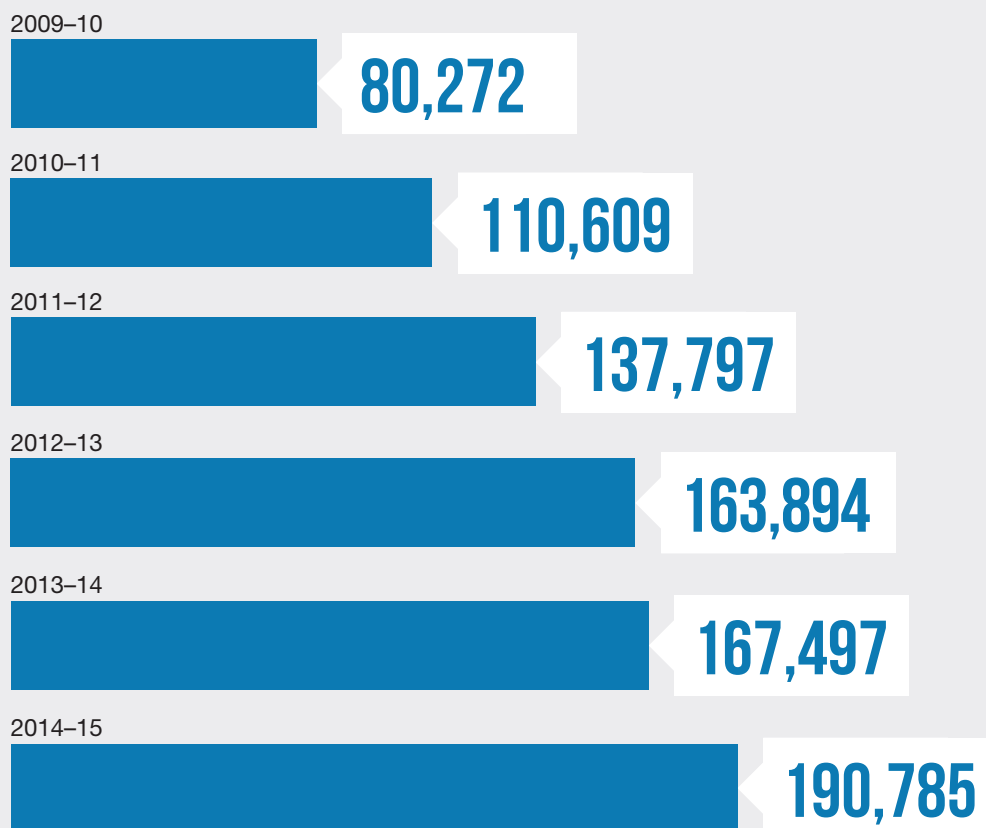
The approved destination status (ADS) scheme, established in 1999 between the Governments of Australia and China, is a bilateral tourism arrangement which provides streamlined travel opportunities for Chinese tourists to undertake group leisure travel to Australia. ADS scheme travellers are required to stay with their tour group and are not permitted to study, work or extend their stay.

Until 23 March 2013 ADS scheme tourists were granted a Tourist visa (subclass 676). Since that date, they have been granted a Visitor visa (subclass 600)—a dedicated ADS stream of visitor visa. Figure 5 shows the number of visas granted in the ADS scheme over the past six programme years.

While independent travellers have outnumbered ADS scheme group travellers as the largest source of Chinese tourists to Australia since 2008–09, the scheme remains popular for people travelling to Australia for the first time. In 2014–15, 190,785 visas were granted under the ADS, compared with 167,497 in 2013–14.

FIGURE 5

TRENDS IN TOURIST VISA (SUBCLASS 676) AND VISITOR VISA (SUBCLASS 600) GRANTS UNDER THE APPROVED DESTINATION STATUS SCHEME BY FINANCIAL YEAR



ONGOING LIAISON WITH THE TOURISM INDUSTRY

The Tourist Visa Advisory Group (TVAG) met quarterly in 2014-15 to maintain engagement and consultation between DIBP and tourism industry stakeholders, including representatives of 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 other government agencies.

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.

On 7 February 2014 the Department introduced a three-year, multiple-entry visa for Chinese business visitors. This provides greater flexibility and ease of travel, and supports growth in the Chinese visitor caseload. The changes mean that Chinese business visitors involved in bilateral trade and investment activities of significant benefit to Australia will not have to apply for a new visa every 12 months.

In all, 445,685 business visitor visas were granted in 2014–15, an increase of 2.7 per cent when compared with 434,024 in 2013–14 (Table 29). The major citizenship countries for business visitors for the year were China (79,097 visas granted) and the USA (63,643 visas granted).

Table 29 shows the number of business visitor visas granted in 2013–14 and 2014–15.

Table 29: Breakdown of business visitor visas granted in 2013–14 and 2014–15

Visa category	Visa grants 2013–14	Visa grants 2014–15	Percentage of total business visitor (short stay) visas granted in 2014–15
ETA Business Visitor visas (subclasses 601, 956 and 977)	171,900	173,528	38.9%
eVisitor visa (subclass 651) (Business stream)	50,801	52,523	11.8%
Non-Electronic Business Visitor visas (subclasses 456, 459 and 600)	211,323	219,634	49.3%
Total	434,024	445,685	100.0%

WORKING HOLIDAY AND WORK AND HOLIDAY PROGRAMMES

New Work and Holiday visa arrangements were signed with Spain and Portugal in September 2014, Israel in October 2014, Vietnam in April 2015, Slovakia in May 2015, and Slovenia and China in June 2015. The arrangements with Spain and Portugal were implemented in November 2014 and the other arrangements are expected to come into effect during 2015–16. The Department also continues to explore options to expand the programme to other countries.

Total Working Holiday Maker visa (first Working Holiday visa [subclass 417], second Working Holiday visa [subclass 417] and Work and Holiday visa [subclass 462]) grants declined by 5.3 per cent in 2014–15 (226,812 grants), compared with 2013–14 (Tables 30 and 31).

This was due to a decrease in the number of first and second Working Holiday visas (subclass 417) granted in 2014–15 compared with 2013–14. However, Work and Holiday visa (subclass 462) grants increased by 17.3 per cent compared with the same period in 2013–14.

The top five countries for the first Working Holiday visa (subclass 417) grants were the United Kingdom, with a decrease of 1.4 per cent when compared with 2013–14, Germany (decreased 2.6 per cent), South Korea (decreased 2.1 per cent), France (decreased 11.8 per cent) and Taiwan (decreased 2.2 per cent). Notable reductions in visa grants occurred for Cyprus (decreased by 45.4 per cent), Estonia (decreased by 26.6 per cent) and Ireland (decreased by 22.8 per cent) (Table 30).

The top five countries for second Working Holiday visa (subclass 417) grants were Taiwan, with a decrease of 20.5 per cent when compared with 2013–14, the United Kingdom (increased 0.5 per cent), South Korea (decreased 14.8 per cent), Italy (increased 7.5 per cent) and France (increased 12.7 per cent) (Table 31). The top five countries for Work and Holiday (subclass 462) visa grants were United States of America, with an increase of 11.3 per cent when compared with 2013–14, Chile (increased 38.2 per cent), Argentina (no change), Thailand (decreased 1.1 per cent) and Spain (arrangement commenced on 23 November 2014) (Table 32).

Table 30: First Working Holiday visa (subclass 417) grants from 2012–13 to 2014–15

Citizenship country	2012–13	2013–14	2014–15	Percentage change between 2013–14 and 2014–15
United Kingdom	38,782	36,778	36,257	(1.4%)
Germany	24,687	25,207	24,561	(2.6%)
Korea, South (Republic of Korea)	29,614	21,110	20,661	(2.1%)
France	22,539	22,958	20,246	(11.8%)
Taiwan	28,599	18,071	17,673	(2.2%)
Italy	14,198	12,895	10,751	(16.6%)
Japan	8,248	8,539	9,333	9.3%
Canada	6,900	6,525	6,943	6.4%
Hong Kong (SAR PRC) ^a	9,544	8,713	6,842	(21.5%)
Ireland, Republic of	11,817	6,763	5,221	(22.8%)
Sweden	4,993	5,058	4,454	(11.9%)
Netherlands	4,005	3,912	4,038	3.2%
Belgium	1,630	1,850	1,954	5.6%
Denmark	1,425	1,585	1,461	(7.8%)
Finland	1,146	1,356	1,444	6.5%
Estonia	1,559	1,421	1,043	(26.6%)
Norway	480	504	465	(7.7%)
Malta	76	84	88	4.8%
Cyprus	126	97	53	(45.4%)
Not specified ^b	<10 ^c	<10 ^c	<10 ^c	50.0%
Total	210,369	183,428	173,491	(5.4%)

a Hong Kong (SAR PRC) means Hong Kong Special Administrative Region of the People's Republic of China.

b Dual nationality.

c Values less than five have been masked as '<10' for privacy and accuracy reasons. Totals will include masked values.

Table 31: Second Working Holiday visa (subclass 417) grants from 2012–13 to 2014–15

Citizenship country	2012–13	2013–14	2014–15	Percentage change between 2013–14 and 2014–15
Taiwan	7,162	11,295	8,975	(20.5%)
United Kingdom	7,349	8,430	8,473	0.5%
Korea, South	5,606	5,783	4,928	(14.8%)
Italy	1,775	3,150	3,387	7.5%
France	2,249	2,776	3,129	12.7%
Hong Kong (SAR PRC) ^a	1,910	2,954	2,878	(2.6%)
Ireland, Republic of	7,300	5,233	2,572	(50.9%)
Japan	1,709	2,040	2,148	5.3%
Germany	1,497	1,612	1,766	9.6%
Canada	589	649	762	17.4%
Estonia	626	785	693	(11.7%)
Sweden	371	406	541	33.3%
Netherlands	301	381	480	26.0%
Belgium	155	162	234	44.4%
Finland	132	154	180	16.9%
Denmark	91	87	115	32.2%
Norway	24	26	38	46.2%
Cyprus	<10 ^c	13	25	92.3%
Malta	13	14	15	7.1%
Not specified ^b	<10 ^c	0	0	n/a
Total	38,862	45,950	41,339	(10.0%)

a Hong Kong (SAR PRC) means Hong Kong Special Administrative Region of the People's Republic of China.

b Dual nationality.

c Values less than five have been masked as '<10' for privacy and accuracy reasons. Totals will include masked values.

Table 32: Work and Holiday visa (subclass 462) grants from 2012–13 to 2014–15

Citizenship country	2012–13	2013–14	2014–15	Percentage change between 2013–14
United States of America	6,878	7,499	8,347	11.3
Chile	808	1,004	1,388	38.2
Argentina	417	500	500	0.0
Thailand	464	471	466	(1.1)
Spain	n/a ^a	n/a ^a	419	n/a
Indonesia	176	437	288	(34.1)
Poland	n/a ^a	n/a ^a	200	n/a
Turkey	102	100	100	0.0
Malaysia	100	100	100	0.0
Portugal	n/a ^a	n/a ^a	82	n/a
Uruguay	<10 ^c	40	47	17.5
Bangladesh	62	63	44	(30.2)
Not specified ^b	<10 ^c	0	<10 ^c	n/a
Total	9,017	10,214	11,982	17.3

a The n/a means the Work and Holiday visa arrangement was not yet in place during that reporting period.

b Dual nationality.

c Values less than five have been masked as '<10' for privacy and accuracy reasons. Totals will include masked values.

The Department publishes regular statistical reports on the visitor and working holiday maker programmes on the Department's website at www.border.gov.au/about/reports-publications/research-statistics/statistics/visit-australia.

VISITORS AND WORKING HOLIDAY MAKERS— ELECTRONIC TRAVEL AUTHORITIES

This Programme 1.3 departmental item was met.

The performance results, specifically the Electronic Travel Authority (ETA) visas, are reported under Programme 1.3 departmental item 'Visitors and working holiday makers' on page 82.

BORDERS

Australia's universal visa system requires that all non-citizens hold a current visa to enter and stay in Australia. The visa application provides the first opportunity to screen applicants' identity, health and character to assess potential risks, including their intention to comply with their visa requirements. Applicants are also checked against known risk profiles, departmental alert lists and records to target non-genuine travellers. The Department may undertake site visits to investigate concerns about employment or relationship claims before making a decision on a visa application.

BORDER SYSTEMS

Ongoing checks against the Department's databases and systems are performed at different times during the traveller pathway and help to verify the identity of travellers and their documents.

The Department's systems and databases include the following:

- The central movement alert list (CMAL), which holds intelligence data about persons and documents of concern to Australia. The purpose of CMAL is to provide a centralised high-quality check of all visa (including ETA) and citizenship applicants against the CMAL person alert list (PAL) and document alert list (DAL). By these means DIBP decision-makers are alerted in a timely way to applicants and travel documents of known concern so that border control and compliance risks can be suitably managed.
 - The PAL identifies people who are of concern for a number of reasons, including health, character and national security. The PAL is checked during visa and citizenship processing.
 - The DAL records documents reported lost, stolen or cancelled and bogus foreign travel documents. The DAL is checked before a traveller arrives.
- BRIS, a web-based interface for the mainframe computer, which provides rapid response times while compiling risk-modelling information into useable, readable and visually efficient displays.
- Safeguards system, an information management system that is designed to help decision-makers to assess applications by ensuring that appropriate checks are undertaken. It enables the decision-maker to gain access to information, including local intelligence, before deciding on an application. The system is not used as the basis for deciding the visa application.
- The IMtel system, which has the ability 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.
- The regional movement alert system (RMAS), which provides a real-time travel document validation service between participating RMAS economies—currently Australia, New Zealand, the USA and the Philippines. The system provides a mechanism to detect lost, stolen or otherwise invalid travel documents either in real-time at the point of boarding or during flight, depending on when the RMAS request is sent. RMAS has the advantage of enabling people tendering invalid travel documents to be prevented from boarding a flight from any boarding point when travelling to a participating RMAS country.
- The border security portal (BSP), the Department's primary web user interface for accessing border-related client information. It operates in conjunction with the client search portal (CSP) and helps border staff to manage and refer travellers at the border.

During 2014–15 the Department made significant enhancements to the CMAL and Border Security Portal (BSP) user interfaces as a step towards achieving compliance with the web content accessibility guidelines (WCAG) version 2.0 AA standards. The Department has also implemented technical changes to the RMAS system to improve robustness and availability.

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 border. The Department screens information provided by people who are seeking entry to Australia and compares it with available information about war crimes, including information available from international courts and tribunals. If there is sufficient information or evidence to suspect that a non-citizen may have been involved in war crimes, the Department will assess whether to refuse or cancel that person's visa or citizenship status on character grounds. Where appropriate, the Department refers cases to the Australian Federal Police (AFP) for further investigation.

ADVANCE PASSENGER PROCESSING

Airlines bringing travellers to Australia are required to confirm that each traveller they uplift has an authority to travel to Australia, usually in the form of a visa. Airlines confirm this authority using the advance passenger processing (APP) system, which also reports details of all passengers and crew to the Department before arrival. This gives the Department and other agencies advance notice in real time of a person arriving by air and helps to facilitate immigration clearance of genuine travellers on arrival.

Airlines are expected to maintain a high threshold of compliance with APP reporting arrangements. They can be issued with an infringement notice when they fail to submit reporting. At 30 June 2015, 46 airlines flying into Australia were required to provide APP for passengers and crew. In 2014–15 overall airline compliance with APP reporting requirements was maintained at the high level of 99.96 per cent. Five airlines were issued with infringement notices when compliance fell below the threshold.

INTERPOL STOLEN AND LOST TRAVEL DOCUMENTS DATABASE

In September 2014, as part of the airline check-in process, the Department began checking all travel documents presented at the time of airline check-in overseas against the Interpol stolen and lost travel documents database. Permission to uplift a non-citizen presenting a document listed on the database is refused, without exception, and the traveller is advised to contact their nearest embassy to resolve the issue.

AIRLINE LIAISON OFFICER NETWORK

The airline liaison officer (ALO) programme is an integral part of the Department's border management measures. ALOs work with airlines, airport security groups and host governments, as well as colleagues from other countries, and have a dual role of preventing improperly documented passengers from travelling and facilitating the travel of genuine passengers at key overseas airports. In 2014–15 the ALO programme prevented 173 improperly documented passengers from travelling to Australia.

ARRIVALS AND DEPARTURES

There were 18.47 million arrivals and 18.28 million departures through Australian airports and seaports in 2014–15, an increase of 3.8 per cent on the previous year (Table 33). These movements included 33.73 million air passengers, 1.82 million aircrew, 325,400 sea passengers and 888,700 sea crew.

Immigration clearance on arrival

People entering Australia, including Australian citizens, must provide evidence of their identity (usually a passport) and evidence of their authority to enter. This evidence is presented to the primary line clearance officer or to SmartGate, the automated immigration clearance processing system installed at airports.

Primary line clearance officers will refer a traveller to secondary clearance when a traveller's immigration clearance is not straightforward or when alerted by a systems-generated message. Travellers may also be referred for other reasons, including assessing *bona fides*, rectifying departmental records, conducting health and character checks, and verifying travel documents.

In 2014–15, 294,600 air and 1945 sea travellers were referred for secondary examination (Table 33), resulting in 3721 persons being refused immigration clearance.

Table 33: Movement, referrals and refusals—key performance indicators

Key performance indicators	2012–13		2013–14		2014–15	
	Airports	Seaports	Airports	Seaports	Airports	Seaports
Number of passenger and crew arrivals and departures processed (to nearest thousand)	32,167,500	977,600	34,310,300	1,100,100	35,540,000	1,214,100
Number of travellers referred to immigration	308,400	2,587	298,600	1,797	294,600	1,945
Number of people refused immigration clearance	2,289	22	3,089	48	3,667	54

CRIMINAL INVESTIGATIONS

The Department conducts specialised intelligence-led investigations focussed on serious and organised criminal activity that affects the integrity of the migration and citizenship programmes.

The Department maintains a strong formal and strategic relationship with key law enforcement organisations, including the AFP, the Australian Transaction Reports and Analysis Centre (AUSTRAC) and the Australian Crime Commission (ACC). This involves leading and supporting a number of joint agency and other large-scale fraud investigations to locate organised criminal groups across the country.

In 2014–15 investigations targeted a number of types of fraud, including contrived marriage and illegal labour hire. The Department finalised 120 formal investigations into possible breaches of immigration and citizenship law. These resulted in nine prosecutions and 23 cases being referred to the Commonwealth Director of Public Prosecutions for possible action. There were 87 active investigation cases at 30 June 2015, including nine that were undertaken in collaboration with other agencies.

In addition to targeting serious visa and migration fraud and associated criminal offences, investigations also support the integrity of the Department's programmes by referring matters of concern to programme managers and other relevant government agencies.

IDENTITY

The increased use of biometrics and identity management services improved the Department's ability to facilitate the entry of genuine travellers and to detect and deter those who pose a risk or would be likely to threaten the national interest. See Outcome 1 deliverables 'Visa, Migration, Borders and Citizenship' from page 48.

TRANSLATING AND INTERPRETING SERVICE— ON-SITE INTERPRETING

TIS National arranges for interpreters to attend face-to-face appointments with non-English-speaking people when using a telephone interpreter would not ensure accessible, high-quality communication. The service is used by the Department's clients as well as by government agencies, non-governmental organisations (NGOs), service providers and private businesses. On-site interpreting services are available in any location in Australia, subject to interpreter availability.

In February 2015, TIS National launched the new web-based TIS Online booking system, which enabled agency clients to manage their on-site interpreter booking requests online. The launch of TIS Online has helped to reduce significantly the average lead-time to fulfil an on-site interpreter booking request, with an interpreter allocated to 57.7 per cent of requests in less than two hours.

In 2014–15 TIS National experienced a 5.8 per cent growth in the number of on-site interpreting services delivered, providing 85,263 services. Figure 6 shows the growth in demand for on-site interpreting services since 2007–08.

A significant portion of this increase can be attributed to growth in demand for on-site interpreters in the health sector.

There was a significant increase in demand for on-site interpreting services in recently introduced community languages, where accreditation by the National Accreditation Authority for Translators and Interpreters (NAATI) is not available.

The number of on-site services performed by NAATI-accredited or recognised interpreters remained stable in 2014–15, and represented 81.1 per cent of all on-site services provided.

TIS National continues to work with its interpreters to improve their credentials. It does this through collaboration with NAATI to establish new language testing panels, the interpreter improvement scholarship and sponsorship programme, and other initiatives.

The 10 languages most in demand for on-site services were (in descending order): Arabic, Farsi (Persian), Vietnamese, Mandarin, Dari, Cantonese, Tamil, Nepali, Turkish and Hazaragi.

FIGURE 6

ON-SITE INTERPRETING SERVICES PROVIDED TO INDIVIDUALS BY FINANCIAL YEAR

2007-08



2008-09



2009-10



2010-11



2011-12



2012-13



2013-14



2014-15



TRANSLATING AND INTERPRETING SERVICE— TELEPHONE INTERPRETING

TIS National now provides immediate telephone interpreting, automated telephone interpreting and pre-booked telephone interpreting services to non-English-speaking people, and to agencies and businesses that need to communicate with non-English-speaking clients. The service ensures accessibility and high-quality communication is available. The service is used by the Department's clients and by government agencies, NGOs, service providers and private businesses.

TIS National is available 24 hours a day, seven days a week, including public holidays.

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 this number.

TIS National also provides an automated voice-prompted telephone interpreting service, ATIS Voice. It allows English-speaking clients to access an immediate telephone interpreter without assistance from a TIS National operator 24 hours a day, seven days a week, including public holidays.

TIS National also provides priority lines for emergency services and medical practitioners.

In 2014–15 TIS National provided 1.25 million services, a 13.4 per cent decrease on the number of services provided in 2013–14. The decline in demand follows the loss of two large external clients and a reduction in demand for IMA-related services, including flow-on demand by agencies in the community that work with IMA clients. Figure 7 shows the number of telephone interpreting services that TIS National provided during previous financial years. Non-English-speaking clients directly initiated 50 per cent of requests for an immediate telephone interpreter.

The 10 languages most in demand for telephone services were (in descending order): Mandarin, Arabic, Farsi (Persian), Vietnamese, Tamil, Korean, Cantonese, Hazaragi, Dari and Spanish.

FIGURE 7

TELEPHONE INTERPRETING
SERVICES PROVIDED TO
INDIVIDUALS BY FINANCIAL YEAR

2007-08



2008-09



2009-10



2010-11



2011-12



2012-13



2013-14



2014-15



TIS NATIONAL'S DIGITAL TRANSFORMATION

TIS National provides interpreting services in more than 160 languages and dialects for people who do not speak English and for agencies and businesses that need to communicate with their non-English-speaking clients. In 2014–15 TIS National acquired additional languages, including Pijin Solomon Islands and Tok Pisin. In 2015 TIS National also significantly improved the way that on-site interpreter booking requests are managed by transitioning from a manual booking process to an automated online self-service platform, TIS Online.

The introduction of the new TIS Online booking system in February 2015 has transformed the way the Department provides on-site interpreting services. TIS Online provides an automated booking request and allocation system which allows agency clients and interpreters to log into their personal TIS Online portal to self-manage their on-site interpreter bookings and update their details online.

TIS Online also plays an important role helping Australian Government departments and agencies to fulfil the access and equity obligations outlined in their *Agency Multicultural Plans* (AMPs). Gaining access to interpreting services through the new digital channel ensures that government programmes and services are responsive to the needs of the nation's culturally and linguistically diverse population.

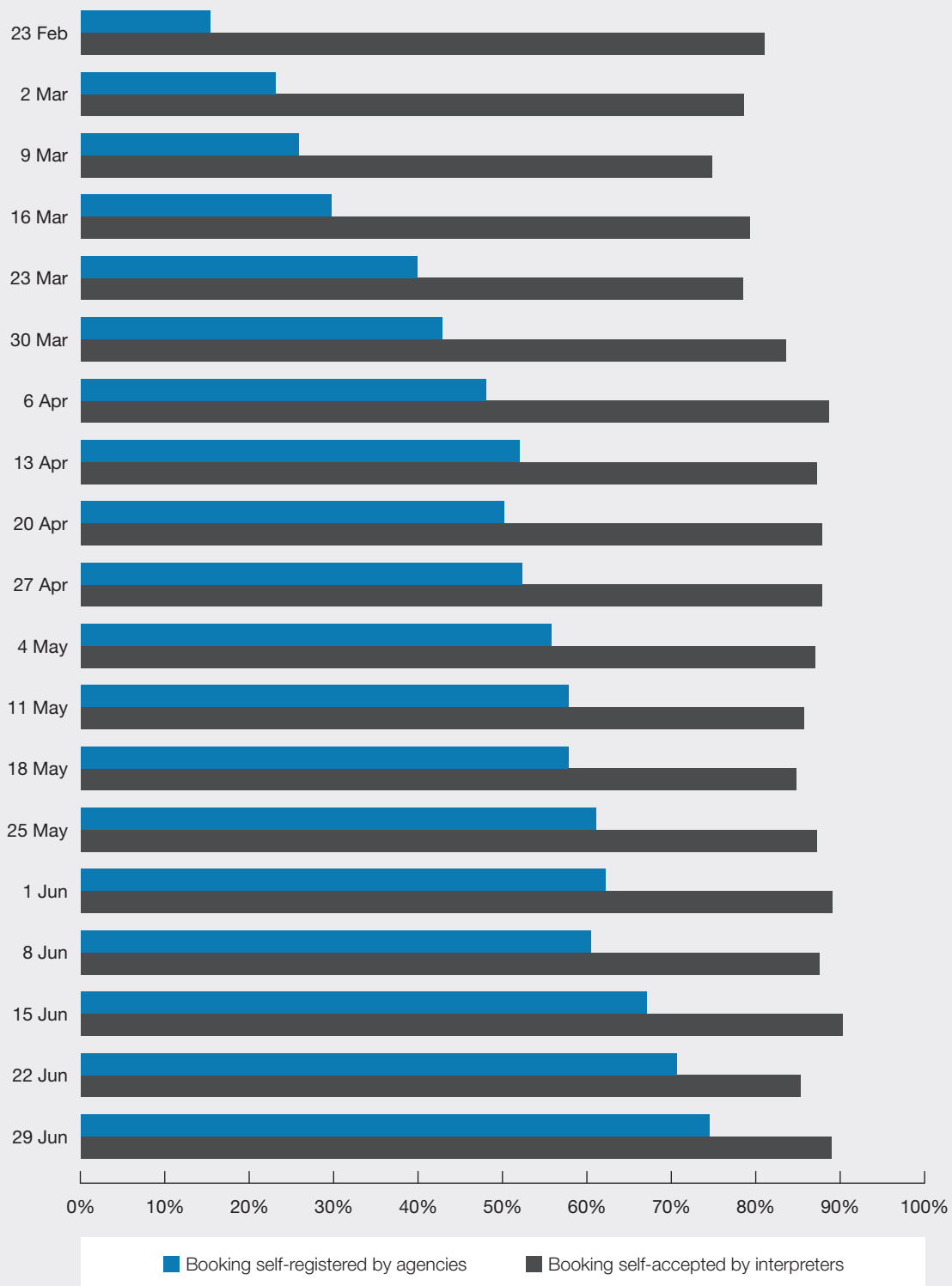
The system provides many benefits for TIS National's more than 2900 interpreters, including instant access to available jobs and an easier way to manage and control their work schedule. Agency clients can manage their bookings online, giving them access to government services at a time convenient to them.

More about TIS Online is available in the Glossary terms in Part 7 of this report.

The take-up of TIS Online (Figure 8) from users early in its life-cycle has been positive, exceeding initial projections. In the initial 12 weeks following its launch, more than 40 per cent of requests for an on-site interpreter were self-registered by agency clients through TIS Online, and more than 80 per cent of bookings were self-accepted by interpreters.

FIGURE 8

ADOPTION OF TIS ONLINE 2015



TIS Online has led to remarkable improvements in service delivery. Booking requests are now assigned to interpreters within hours, where previously it could take up to 21 days to manually register, source and allocate an interpreter.

The system also provides a better assurance of quality by offering assignments to most highly credentialed interpreters first—ensuring users consistently receive the most qualified available interpreter.

DECISION ON CITIZENSHIP STATUS

The Department delivers the citizenship programme within the parameters set by the Australian Government. Individual status is managed through decisions on applications for citizenship by conferral, descent, adoption under full and permanent Hague Convention or bilateral arrangements, and resumption. It is also managed through applications for evidence of citizenship and renunciation of citizenship.

In 2014–15, 210,455 decisions were made on applications for citizenship status by conferral, descent and resumption, compared with 213,885 in 2013–14. This represents a decrease of 1.6 per cent.

Appendix 5 in Part 6 of this report, provides information on the total number of people on whom citizenship was conferred in 2014–15, details of their former nationality/citizenship, and the country in which they were ordinarily resident before entering Australia.

The overall approval rate of Australian citizenship applications for conferral (approved decisions) in 2014–15 was 96.5 per cent (Table 34).

Table 34: Outcomes of citizenship applications from 2012–13 to 2014–15

Citizenship outcome	Results		
	2012–13	2013–14	2014–15
People approved for conferral of Australian citizenship	137,062	158,870	148,856
People issued with Certificates of Evidence of Australian citizenship	18,417	16,228	20,117
People registered as Australian citizens by descent	19,075	19,471	18,635
People resuming Australian citizenship	234	229	133
People renouncing Australian citizenship	196	172	164

CITIZENSHIP TESTING

The Australian citizenship test is designed to assess whether citizenship applicants satisfy a number of legislative requirements to become an Australian citizen, including:

- an understanding of the nature of their application
- a basic knowledge of the English language
- an adequate knowledge of Australia and the responsibilities and privileges of citizenship.

Most applicants for conferral of Australian citizenship, aged between 18 and 59 years, are required to sit the citizenship test. The test is in English, consists of 20 multiple-choice questions and has a pass mark of 75 per cent.

Outcomes of the Australian citizenship test administered during 2014–15 were as follows:

- 113,914 clients sat the test
- 111,760 clients (98.1 per cent) passed the test
- 141,256 tests were administered, including re-sittings where clients did not pass the test on their first attempt.

The citizenship course-based test provides an alternative pathway to citizenship for vulnerable clients who have difficulty passing a computer-based test. In 2014–15, 41 courses were delivered by adult migrant English programme service providers in NSW, Queensland, South Australia, Victoria and Western Australia. There were 751 clients who attended the course and 703 clients (93.6 per cent) passed the course-based test in 2014–15.

PROMOTING THE VALUE OF AUSTRALIAN CITIZENSHIP

The value of Australian citizenship was promoted through a range of methods, including community engagement, celebrations and awards.

SPECIAL ENVOY FOR CITIZENSHIP AND COMMUNITY ENGAGEMENT

In May 2015 the Government began public consultation to improve the understanding of the privileges and responsibilities of Australian citizenship. The Department prepared the consultation paper *Australian Citizenship – Your Right, Your Responsibility*, developed and managed the primary avenues for public submissions and supported the Special Envoy for Citizenship and Community Engagement, the Hon Philip Ruddock MP, and the Parliamentary Secretary to the Attorney-General and Parliamentary Secretary for Social Services, Senator the Hon Concetta Fierravanti-Wells, in their consultations with eminent persons and community representatives.

AUSTRALIAN CITIZENSHIP DAY, 17 SEPTEMBER 2014

Australian Citizenship Day saw citizenship conferred on 5027 new citizens from 123 countries at 93 ceremonies hosted by the Department and local councils at venues around the country. Venues included Canberra's Floriade festival, the Royal Adelaide Show, Port Adelaide Football Club, the State Library of Western Australia, Melbourne's Royal College of Surgeons and Government House in Hobart and in Darwin.

The Governor-General, Sir Peter Cosgrove⁵, presided at his first citizenship ceremony, which was at the Albert Hall, Canberra—the same venue where the first Australian citizenship ceremony took place in 1949.

Media coverage of Australian Citizenship Day was positive and comparable to the previous year, with a total of 89 items (34 broadcast and 55 print media) appearing.

Social media was used to promote community engagement, with content posted on the Department's Facebook, Twitter, YouTube and Instagram accounts using the hashtag #AusPledge.

The 65th anniversary of Australian citizenship (1949–14) continued to be celebrated and highlighted during Australian Citizenship Day 2014 activities.

AUSTRALIA DAY, 26 JANUARY 2015

Australia Day continues to be the most popular day of the year for conferral of citizenship ceremonies. This year saw almost 16,000 new citizens from around 150 countries have citizenship conferred at more than 330 ceremonies.

The national flag raising and citizenship ceremony in Canberra was a highlight of the day. The Prime Minister, the Hon Tony Abbott MP, gave a keynote address and conferred citizenship on 25 new Australians. The newly appointed Chair of the National Australia Day Council (NADC), Mr Ben Roberts-Smith VC, MG, gave his first Australia Day speech at the ceremony. The Department's Secretary, Mr Michael Pezzullo, helped the Prime Minister to present certificates to the new citizens, who included Ms Hilary Kay, the antiques expert, author and BBC TV presenter from the *Antiques Roadshow*.

The Minister for Immigration and Border Protection, the Hon Peter Dutton MP, presided at his first ceremonies since being appointed to the position in December 2014. The Minister presided at the Samford Valley Rotary Club's citizenship ceremony in Brisbane on the morning of Australia Day and at a ceremony that afternoon at the Sydney Cricket Ground.

Australia Day ceremonies were strongly supported by a number of the Department's stakeholders, including the NADC, local government councils, service clubs (Lions, Rotary and Apex) and sporting organisations (Cricket Australia and North Melbourne Football Club). These relationships are an integral component of the community engagement strategy and increase public awareness of the value of Australian citizenship.

Ceremonial venues included the Australian National Maritime Museum, Sydney Cricket Ground, North Melbourne Football Club, town parks, community centres and aboard a scenic flight from Perth over Antarctica.

Australia Day ceremonies and new citizen stories attracted widespread positive media coverage. A total of 1088 Australia Day citizenship items were reported in the press and by broadcast media to more than 35.4 million people, with an advertising space rate of \$3,655,411.

⁵ The Governor-General, His Excellency General the Hon Sir Peter Cosgrove AK MC (Retd).

AUSTRALIA'S LOCAL HERO AWARD

In 2014–15 the Department continued to sponsor Australia's Local Hero Award, a category of the Australian of the Year Awards, to acknowledge the extraordinary contributions made by Australian citizens in their local communities and to promote the value of Australian citizenship.

Australia's Local Hero 2015 is Ms Juliette Wright, founder of grassroots charity GIVIT—goods for good causes. The charity's mission is to connect people in need with those willing to give. Over the past six years GIVIT has given more than 126,000 donated items to support around 900 charities. During the 2011 Queensland floods the GIVIT website (www.givit.org.au) received 1.8 million hits in 10 days and more than 33,500 donated goods were matched within three weeks. The Department is proud to engage with Ms Wright as she works to expand GIVIT nationally.

STAKEHOLDER AND COMMUNITY ENGAGEMENT

During 2014–15 the Department continued stakeholder and community engagement to promote the value of Australian citizenship.

Local government councils and Australia Day committees are important citizenship stakeholders. Continuing engagement with these stakeholders included attending the Australian Local Government Association National General Assembly (ALGA – LGA) in Canberra and the Australia Day national conference in Southport, both in June 2015.

OFFICE OF THE MIGRATION AGENTS REGISTRATION AUTHORITY

OVERVIEW

The Office of the Migration Agents Registration Authority (OMARA), regulates the activities of the Australian migration advice profession in order to provide consumers of migration advice services with appropriate protection and assurance.

OBJECTIVES

The OMARA worked 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.

DELIVERABLES

The following table reports against the OMARA programme deliverables under Outcome 1 as published in the Department's *Portfolio Budget Statements 2014–15* (PBS) and *Portfolio Additional Estimates Statements 2014–15* (PAES).

OMARA programme—deliverables

Deliverable: Ensure only suitable persons are registered as migration agents, and unsuitable persons are refused registration or re-registration.

Result: In 2014–15 the OMARA continued to ensure that only suitable persons were approved to be registered migration agents, in accordance with legislative and procedural requirements. Of the applications decided, 11 were refused and 33 applications were withdrawn by the applicant before a decision was made.

The OMARA refused initial registration applications where an applicant was found not to be a 'fit and proper' person to give immigration assistance and also where an applicant did not meet the English-language requirement for registration as a migration agent.

The OMARA refused repeat registration applications where an applicant was found not to be a 'fit and proper' person to give immigration assistance or did not hold professional indemnity insurance or did not hold a professional library subscription.

Out of the five refusal decisions appealed to the Administrative Appeals Tribunal (AAT), two have been dismissed and three are yet to be heard.

Deliverable: Maintain a quality assurance and monitoring framework for registered migration agents and continuing professional development providers.⁶

Result: The OMARA's monitoring framework focused on working with agents to ensure compliance with the code of conduct for registered migration agents. During 2014–15 a range of activities were undertaken to monitor agents, including site visits, self-audit checklists, surveys and desktop audits of both registration documentation provided by agents and their websites.

Monitoring activities have been educative in nature, identifying systemic issues and providing feedback and guidance to improve overall compliance with the code of conduct. Agents participating in monitoring visits have provided feedback that they found this engagement with the regulator helpful.

On 30 June 2015 there were 26 continuing professional development providers offering a range of courses tailored to meet the development needs of registered migration agents.

Quality assurance measures have been undertaken for both continuing professional development providers and activities. These measures include participant surveys, reviews of provider reporting, and assessing activity content for currency and accuracy.

In 2014–15 attending a workshop was the most popular type of continuing professional development activity with registered migration agents, comprising 42 per cent of all activities reported. Distance learning was the next most popular continuing professional development activity, comprising 21 per cent of all activities reported.

⁶ This deliverable has been amended to correct a typographical error in the PBS 2014–15, p. 29. Changed 'quality assistance' to 'quality assurance'. Also removed 'of' in 'professional development providers'. The incorrect measure reported 'Maintain a quality assistance and monitoring framework for registered migration agents and continuing professional development of providers'.

OMARA programme—deliverables

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

Result: In 2014–15 the OMARA has continued to address all complaints within its jurisdiction against a risk-based complaints classification model.

In 2014–15 the OMARA received 776 complaints, of which 317 were received as referrals from the Department. As a result of the risk-based approach, the OMARA finalised 747 complaints, an increase of 87.6 per cent from 2013–14. This indicates the success of the OMARA's early resolution framework to resolve complaints about minor breaches of the code of conduct in a timely way.

Five registered migration agents were disciplined in 2014–15 on the basis of a total of 14 complaints. The disciplinary decisions were one suspension and four cancellations.

Complaints about persons who are not registered migration agents providing immigration assistance or other conduct which falls outside of the OMARA's jurisdiction are referred to the Department or other relevant agencies for investigation. During 2014–15, 53 complaints were referred to the Department or other agencies with authority to investigate the conduct.

Deliverable: Pursue improvements to communications that increase consumers' understanding of their rights and agents' understanding of their obligations under the regulatory framework.

Result: In 2014–15 the OMARA published four blogs on the Department's website, which has been identified as a cost-effective means of reaching likely consumers of migration agent services. Blog topics focused on consumer expectations when engaging a registered migration agent. The time spent reading the OMARA blogs consistently exceeded departmental averages when the post was viewed on its own.

Information promoting an understanding of agents' obligations under the code of conduct was conveyed to agents via all-agent emails and practice guides for registered migration agents. The OMARA shared feedback on monitoring activities, providing information on areas of concern and tips for improving compliance with the code. Practice guidelines were updated, including a new guide for registered migration agents working for a company.

The OMARA has established a partnership with the NSW Office of Fair Trading to participate in its Think Smart programme. Think Smart is a community education initiative aimed at increasing awareness and understanding of consumer rights issues with members of the state's culturally and linguistically diverse communities.

During 2014–15 the OMARA presented at two business seminars through the Think Smart programme to convey its consumer awareness message about registered migration agents.

KEY PERFORMANCE INDICATORS

The following table reports against the OMARA programme key performance indicators under Outcome 1 as published in the Department's PBS 2014–15 and PAES 2014–15.

OMARA programme—key performance indicators

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

Result: In 2014–15 the OMARA met its service standards. These were as follows:

- finalise 95 per cent of initial applications within four weeks of receiving a complete application and the 30-day objection period lapsing. The standard achieved increased from 93 per cent in 2013–14 to 97 per cent
- finalise 95 per cent of renewal applications within four weeks of receiving a complete application. In the period under review, 98.7 per cent were finalised within the service standard, an increase from 85.6 per cent in 2013–14.

Indicator: Quality assurance and monitoring activities are conducted for registering migration agents and continuing professional development providers.⁷

Result: This indicator was met.

A key focus of quality assurance and monitoring during 2014–15 was building an understanding of the new multifaceted monitoring programme among agents.

Quality assurance and monitoring activities included:

- monitoring 524 agents through surveys, examining agent websites and self-audit checklists to ensure that they were complying with the code of conduct
- site visits to 17 agents in Sydney, Brisbane and the Gold Coast
- monitoring 88 agents who had claimed a non-commercial status but were connected to sole trader businesses. This was done to assess their bona fides as non-commercial agents
- monitoring three continuing professional development providers to assess their compliance with the OMARA's standard provider conditions
- quality assurance reviews of 20 continuing professional development activities
- quality assurance reviews of 5 per cent of agent registration application decisions.

The programme has received positive feedback and support from registered migration agents.

Indicator: Efficient resolution of complaints about registered or formerly registered migration agents.⁸

Result: This indicator was met.

There was a 79.2 per cent increase in the overall number of complaints received compared with 2013–14 (Table 35). Despite this, 96.79 per cent of complaints were finalised within the 12-month service standard.

⁷ This indicator has been amended to correct a typographical error in the PBS 2014–15, p. 31. The PBS incorrectly shows three indicators and not four. This indicator does not form part of the indicator below.

⁸ This indicator has been amended to correct a typographical error in the PBS 2014–15, p. 31. The PBS incorrectly shows three indicators and not four. This indicator does not form part of the indicator above.

OMARA programme—key performance indicators

Indicator: Information about the Authority and the use of registered migration agents is widely available to consumers.

Result: This indicator was met.

The OMARA's consumer publications the *Consumer guide* and *Your rights – tips for using a registered migration agent* are available on the OMARA website in 35 languages, including English. In 2014–15 these publications were most often viewed in Chinese, Farsi (Persian), Arabic, English, Russian, Vietnamese and Hindi.

During 2014–15 the OMARA contributed four consumer awareness articles about the use of registered migration agents to the Department's migration blog. The articles were:

- What to expect from a registered migration agent
- Migration agent fees and charges (how much should they cost)
- How the Department engages with your registered migration agent
- Migration agent fees and charges (when should you pay your agent).

The blog articles were well received by the public and had more than 21,000 hits at 30 June 2015.

The OMARA answered more than 2800 online enquiries, many of which directed consumers to the OMARA's website 'Search for an agent' facility. The OMARA also handled more than 2000 telephone enquiries from consumers about using registered migration agents.

Table 35: Complaints received, finalised and on hand at 30 June 2014 and 30 June 2015

	2013–14	2014–15	Change (%)
Unresolved complaints carried forward from preceding programme year	158	212	(23.7%)
Complaints received	433	776	79.2%
Subtotal	591	988	67.2%
Complaints finalised in programme year	398	747	87.6%
Unresolved complaints carried through to new programme year	212	241	13.8%

OVERVIEW OF THE PROFESSION

On 30 June 2015, 5706 persons were registered as migration agents. This compares with 5212 on 30 June 2014 and represents an increase of 9.4 per cent in 12 months.

PROFILE OF REGISTERED MIGRATION AGENTS

- 46 per cent are female and 54 per cent are male
- 44.2 years is the average age
- 34.3 per cent have a legal practising certificate. Of the 414 agents who are registered as not-for-profit, 54.3 per cent hold a legal practising certificate
- 73.7 per cent have never had a complaint made against them
- 43.7 per cent report operating in a business as a sole trader.

Figure 9 shows that at 30 June 2015, about 1140 (20 per cent) migration agents had been continuously registered for less than one year and 1383 (24 per cent) had been registered for between one and three years. There were 1422 (25 per cent) agents registered for more than 10 years.

FIGURE 9

YEARS OF EXPERIENCE OF REGISTERED MIGRATION AGENTS AT 30 JUNE 2015

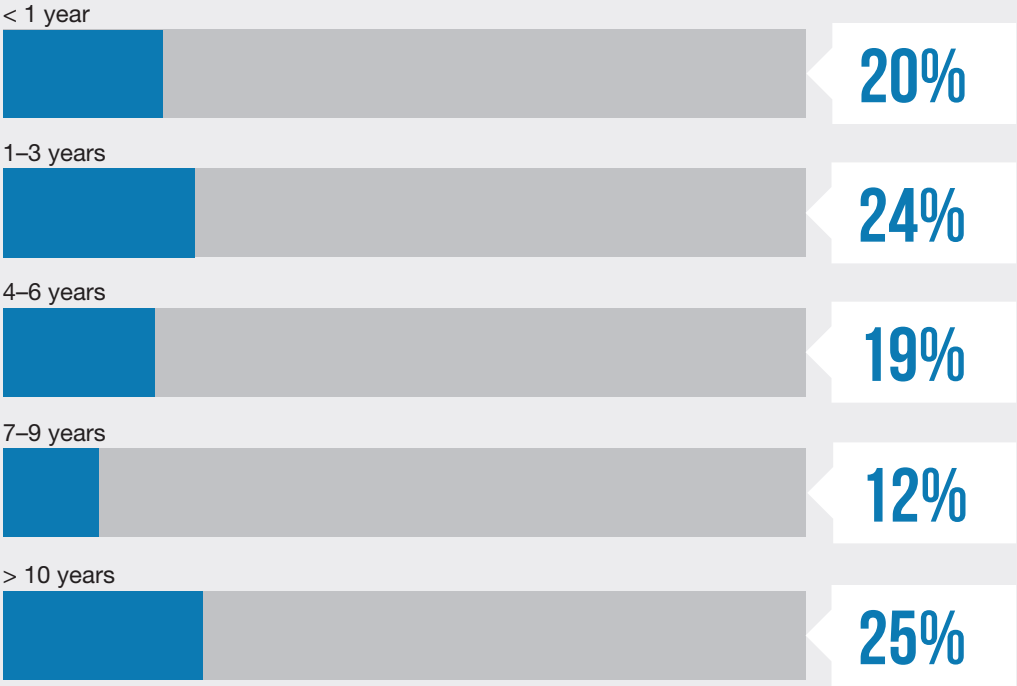
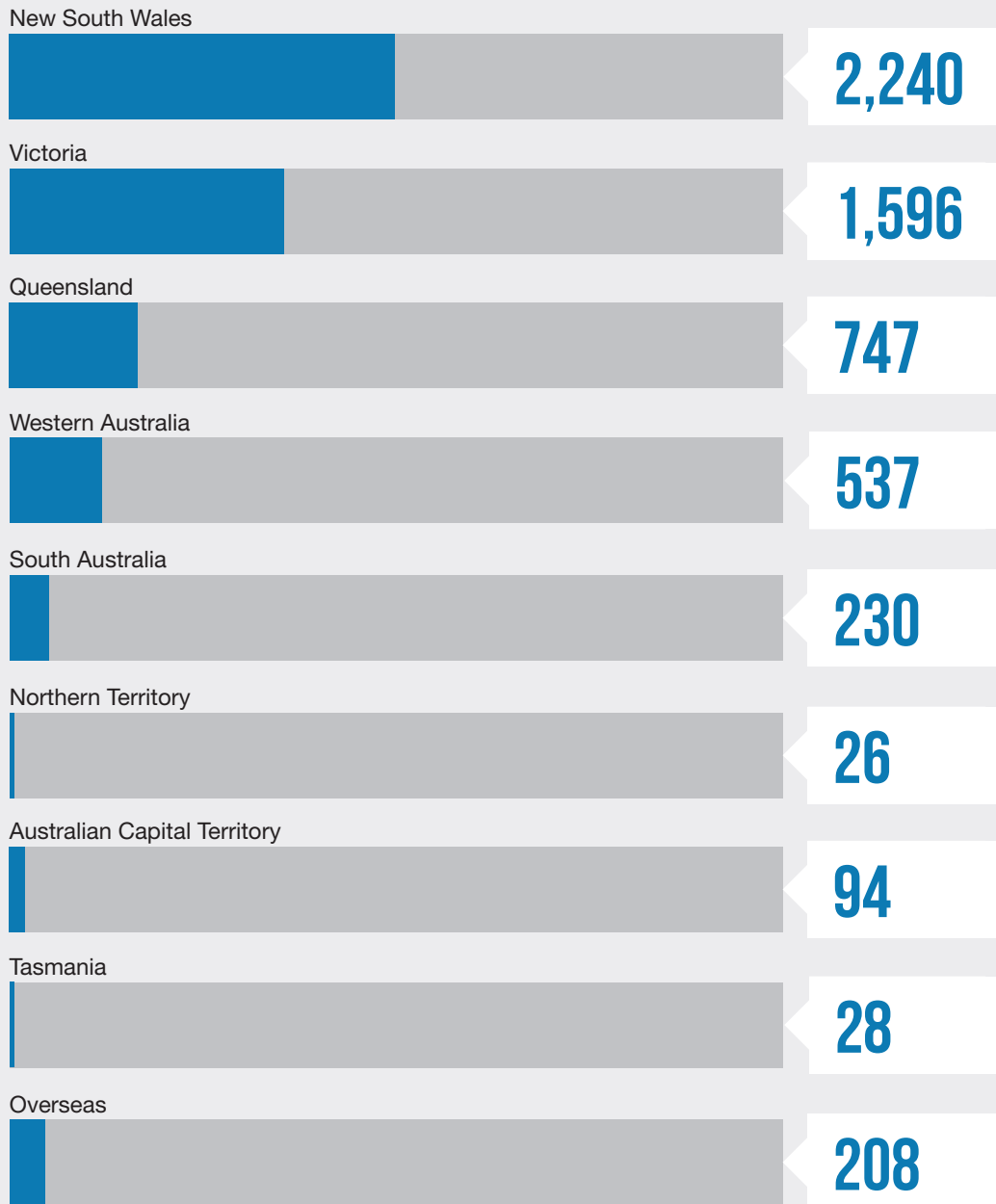


FIGURE 10

GEOGRAPHIC DISTRIBUTION
OF REGISTERED MIGRATION
AGENTS AT 30 JUNE 2015



MAINTAINING THE INTEGRITY OF THE PROFESSION

The OMARA maintains the integrity of the profession through its risk-based complaints-handling process.

Complaints which indicate minor breaches of the code of conduct or minor fee disputes are streamed through an early resolution framework whereby the OMARA tries to achieve a negotiated outcome between the parties. Complaints of a more serious nature—such as those indicating systemic issues in a registered migration agent’s practice, a history of misconduct or a failure by the agent to be a person of integrity or a fit and proper person—may result in more serious action. Such action is applied in a commensurate and graduated manner, and includes issuing a warning letter, a caution, suspending registration or cancelling registration.

Where appropriate, the OMARA will recommend remedial action that an agent can take to ensure that similar conduct does not occur in the future. This can include attending courses, reviewing practices and implementing changes. The agent may also be referred to the monitoring section of the OMARA.

The disciplinary regime administered by the OMARA includes imposing a caution with or without conditions, suspending registration with or without conditions for up to five years, and cancelling registration. Cancellations have the effect that registered migration agents will not be able to be registered for five years.

In 2014–15 the OMARA disciplined five registered migration agents on the grounds of significant breaches of the code of conduct and/or for not being a ‘fit and proper’ person or otherwise not a person of integrity. Of the five registered migration agents sanctioned, one held a legal practising certificate. Table 36 on page 112 outlines these disciplinary decisions.

Table 36: Disciplinary decisions against registered migration agents in 2014–15

	Decision	Number of complaints subject of the decision
Cancellation	4	13
Suspension for 18 months and with conditions	1	1

ADVISORY BOARD

An advisory board appointed by the Minister for Immigration and Border Protection has provided independent advice to the OMARA Chief Executive Officer since 2009. Existing board appointments expired on 30 June 2015 (Table 37). One recommendation of the independent review is that the board be replaced by an independent reference group.

COMPOSITION OF THE ADVISORY BOARD

Table 37: Composition of the advisory board during 2014–15

Independent Chair	Ms Helen Williams AO
Deputy Chair	Ms Jenni Mack, representing consumers
Members	<p>Ms Sonia Caton, representing the not-for-profit sector</p> <p>Mr Glenn Ferguson, nominee of the Law Council of Australia</p> <p>Mr Ray Brown, nominee of the Migration Institute of Australia</p> <p>Mr Jim McKiernan, former senator, representing the community sector</p> <p>CEO of the OMARA</p> <p>Assistant Secretary Economic Mobility, representing the Department</p> <p>Mr Andrew Holloway, represented the university sector^a</p>

MEETINGS

The advisory board met three times in 2014–15. The matters on which the members provided advice included:

- input to the independent review of the OMARA, including implementation strategies
- the operation of the *Trans-Tasman Mutual Recognition Act 2007* and its impact on migration agents
- deregulation initiatives
- requirements for organisations that engage agents on a voluntary basis.

**TWO COUNTRIES
ONE VISA**





CASE STUDY

TRANS-TASMAN SUCCESS

When you think of Australia and New Zealand, the first thought is often trans-Tasman rivalry—All Blacks v Wallabies, Kangaroos v Kiwis, the Silver Ferns taking on the Australian Diamonds, the Black Caps on the field against the men in the baggy greens.

What do all these events have in common? Trans-Tasman tourism.

Between 14 February and 29 March 2015, Australia and New Zealand co-hosted the International Cricket Council's (ICC) Cricket World Cup. To support this international event, a temporary trans-Tasman visa arrangement was established by the Department of Immigration and Border Protection to allow eligible visitors to apply for one visa to travel between both countries for the duration of the tournament.

New Zealand granted visitors who held an eligible Australian visa, a three-month visitor visa, when they arrived in New Zealand. Through the advanced passenger processing (APP) system shared by both countries, a visitor's eligibility to enter New Zealand or Australia could be determined when they were boarding their flight.

International visitors were still required to meet the usual health, security and character checks of both countries and each country retained the right to refuse entry if proper requirements were not met.

The Chief Executive of the ICC Cricket World Cup 2015 Local Organising Committee, John Harnden, welcomed the support given by the Australian and New Zealand Governments, saying, 'This is a real coup for fans travelling to Australia and New Zealand to witness the world's best players compete in the biggest sporting event of 2015.'

This was a true trans-Tasman success. Through close cooperation between Australia and New Zealand more than 8500 visitors from all around the world were able to enter both countries using only one visa. It has also paved the way for future cooperation in trans-Tasman travel.

Photo: Australia and New Zealand co-hosted the ICC Cricket World Cup.

OUTCOME TWO

Support Australia's international and humanitarian obligations by providing protection, resettlement and assistance to refugees and those in humanitarian need, including through arrangements with other countries.

The programmes managed under Outcome 2 are:

PROGRAMMES 2.1 AND 2.2 – REFUGEE AND HUMANITARIAN ASSISTANCE (ADMINISTERED AND DEPARTMENTAL)

PROGRAMMES 2.3 AND 2.4 – REGIONAL COOPERATION (ADMINISTERED AND DEPARTMENTAL)

STRATEGY

To achieve Outcome 2, the Department of Immigration and Border Protection will work collaboratively with all levels of government, internationally and with stakeholders to:

- contribute to the resettlement of refugees and those in humanitarian need through the delivery of the Humanitarian Programme
- resettle humanitarian entrants living in protracted or refugee-like situations who are in need of protection
- provide visa pathways to those seeking Australia's protection, including through the use of temporary visas for those who sought protection in Australia after arriving in an illegal manner
- continue to develop policy, programme design and procedures to improve the efficiency, effectiveness, accountability and integrity of the Humanitarian Programme
- strengthen the migration and border management capabilities of governments in the Asia-Pacific region and parts of South Asia and the Middle East
- support international organisations providing services for irregular migrants intercepted en route to Australia.

OVERVIEW

The passage of the *Migration and Maritime Powers Legislation Amendment (Resolving the Asylum Legacy Caseload) Act 2014* (RALC Act) in December 2014 and the *Migration Amendment (Protection and Other Measures) Act 2015* (POM Act) in March 2015 supported efforts by the Department to achieve the Australian Government's policy outcomes in relation to an efficient and coherent onshore protection status determination process.

Significantly, these legislative reforms have reintroduced Temporary Protection visas (TPVs) for illegal arrivals who engage Australia's protection obligations. They also introduced the Safe Haven Enterprise visa (SHEV) designed to provide temporary protection and to encourage enterprise through earning and learning while strengthening regional Australia.

In 2014–15 the Government maintained the size of the Humanitarian Programme at 13,750 places and continued to restore the special humanitarian programme (SHP) to provide more opportunities for families to reunite.

The Department plays a significant role in supporting regional efforts to manage refugee flows and to counter people smuggling and trafficking. This includes providing assistance through regional programmes and institutions, such as the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime (of which Australia is co-chair) and to support regional partners to manage the challenge of irregular people movements.

The Department also works with key partners, such as the International Organization for Migration (IOM), to help countries in the region to care for the victims of people smuggling and trafficking. For example, in 2014–15 the Department supported the IOM in Indonesia to provide assistance, including food, accommodation and emergency medical assistance, to victims of people smuggling and trafficking.

The unaccompanied humanitarian minors (UHM) programme facilitates the provision of accommodation, care, welfare and settlement services to minors on certain visas who are in Australia without a parent or legal guardian, who fall under the auspices of the *Immigration (Guardianship of Children) Act 1946* (IGOC Act), and for whom the Minister for Immigration and Border Protection is the legal guardian. In certain circumstances, the UHM programme also assists minors who do not fall under the IGOC Act.

When the UHM programme was first implemented, it was intended to cater for minors entering Australia through Australia's offshore Humanitarian Programme. UHM programme eligibility has since expanded to include minors who have either permanent resident, temporary humanitarian or temporary protection or equivalent substantive temporary visas.

Minors are provided with services through contracted service provider (SP) arrangements and/or in partnership with state or territory government child welfare agencies (SCWAs).

MAJOR ACHIEVEMENTS

OFFSHORE PROGRAMME

The Humanitarian Programme was fully delivered in 2014–15, with 13,756 visa grants. This included 11,009 visas granted under the offshore component and 2747 visas granted under the onshore component.

Of the total offshore visas, 6002 were granted to refugees and 5007 were granted under the SHP.

Refugees and people granted SHP visas in 2014–15 came from three priority regions: the Middle East, Asia and Africa. People from Iraq represented the largest nationality group granted visas under the offshore component of the programme with 2335 grants, followed by Syria (2232 grants) and Burma (2029 grants).

In 2014–15, 1009 Woman at Risk visas were granted, representing 16.8 per cent of all refugee visa grants. The Government had committed to granting at least 1000 Woman at Risk places in 2014–15. This commitment will be continued into the 2015–16 programme.

The collection of biometrics from offshore humanitarian entrants was extended to more overseas posts in 2014–15, enhancing the integrity in the caseload.

During 2014–15 the Portfolio issued 11,950 ImmiCards to undocumented arrivals in Australia. Refugee and humanitarian entrants have often left all their belongings and identity documentation behind when they have fled their homes, or come from countries where they cannot be issued with identity or travel documents due to a lack of government infrastructure, instability and conflict, or persecution by their own government.

ImmiCards provide a secure and consistent way for government and industry stakeholders to identify visa holders while helping the cardholder to gain access to services associated with their visa entitlements. Further identity integrity improvements were made during 2014–15 with the introduction of a new, fourth ImmiCard for offshore entrants. The Australian Migration Status ImmiCard is an International Civil Aviation Organization (ICAO) compliant machine-readable travel document that facilitates travel to Australia for refugee and humanitarian entrants.

To resettle refugees, Australia worked with the United Nations High Commissioner for Refugees (UNHCR) and other partner organisations at a number of overseas locations.

The highest number of people granted visas in the offshore programme came from the Middle East. The Government committed 40 per cent of the 11,000 available places in the 2014–15 programme to resettling Syrians and Iraqis, who come from areas facing two of the gravest humanitarian crises in the world. Some 2232 visas were granted to Syrians and 2335 visas to Iraqis in 2014–15. Resettlement also continued from other long-standing refugee populations, including people from Burma, Afghanistan, Bhutan and the Democratic Republic of the Congo. In total, people from 35 different countries were granted visas in 2014–15.

Australia also continued to grant visas to at-risk locally engaged Afghans who were employed with various agencies in support of Australia's mission in Afghanistan. Since 2013, more than 600 Afghan nationals have been resettled under this initiative, reflecting Australia's fulfilment of its obligation to help those who provided invaluable support to Australia in Afghanistan.

The community proposal pilot continued in 2014–15 and provided a means for communities in Australia to identify people fleeing persecution or facing substantial discrimination and to help them to enter Australia. Under the pilot, 507 visas were granted under the offshore component of the Humanitarian Programme. The pilot has been extended for a further 12 months.

The SHP component of the offshore programme was increased from 4500 to 5000 places in 2014–15 as the Government continued to restore it to previous levels. SHP applications are

lodged in Australia at either the Victorian or NSW Offshore Humanitarian Processing Centres (OHPCs). The OHPCs provided additional referrals of SHP applications to overseas posts during the year, particularly to the Middle East and Asia, where there remains a strong demand for SHP visas from family members in Australia.

As one of the top three resettlement countries, Australia remained an active and influential participant in international resettlement forums, including the Annual Tripartite Consultations on Resettlement that includes the UNHCR, resettlement countries, and non-government organisation (NGO) partners.

Australia also continued to take an active role in UNHCR-led contact and core groups that have been established to promote collaboration and ensure greater predictability and sustainability in resettlement efforts. These groups encourage increased dialogue with host countries, focusing on strengthened protection mechanisms and support strategies for refugees who remain in host countries. Australia chairs the Pakistan Contact Group for Afghan refugees and the Bhutanese Core Group, and also participates in the Syrian Contact Group.

ONSHORE PROGRAMME

A total of 2747 visas were finally determined under the onshore programme in 2014–15. Permanent Protection visas are granted to people who arrived in Australia lawfully and who engage Australia's protection obligations, and who meet public interest criteria (PIC) relating to health, character and security. Only permanent Protection visas are counted against the Humanitarian Programme.

ILLEGAL MARITIME ARRIVALS LEGACY CASELOAD

The passage of the RALC Act and the POM Act allowed the Department to act on the Government's commitment to processing the illegal maritime arrival (IMA) legacy caseload through the newly established fast track assessment process. The package of legislative reform provides decision-makers with the necessary tools to make quality protection decisions. They include a more robust protection status determination process that focuses on enhanced integrity, establishing identity and increased administrative efficiency.

The passage of these Acts marks a turning point that will see the Government implement long-overdue and fundamental reforms to the way asylum seekers' protection claims are assessed.

The new visa arrangements have allowed the Government to begin processing asylum claims of the legacy caseload and implement more rapid processing and streamlined review arrangements. As well as reintroducing TPVs, the Government also introduced the new SHEV.

The SHEV is intended to provide temporary protection and to encourage enterprise through earning and learning while strengthening the development of regional Australia. SHEVs will be valid for five years and may offer a pathway to a substantive onshore visa, but not a Permanent Protection visa. Following the introduction of the SHEV on 1 July 2015, illegal maritime arrivals will be able to apply for either a TPV or a SHEV.

The Department has recruited additional staff and conducted extensive training for new and existing decision-makers on the new legislative measures and on a strengthened identity integrity framework to ensure a comprehensive assessment of claims.

Collectively, the measures will bolster the effective and orderly management of Australia's Migration Programme, enhance the integrity of Australia's protection programme and further protect Australia's borders.

The measures in the Acts are a continuation of the Government's protection reform agenda and make it clear that there will not be permanent protection for those who travel to Australia illegally. The measures support a robust protection status determination process and enable a tailored approach to be applied to assess claims and show cause for the return of unsuccessful asylum seekers.

UNACCOMPANIED HUMANITARIAN MINORS

In 2014–15 the UHM programme completed its first year of service under a new contractual model that consists of individually tailored levels of care (low, medium and high needs), depending on the needs of the minor. This delivery model continues the crucial provision of accommodation, care, welfare and settlement services to UHMs in the programme, while giving them support as they move towards adulthood and independent living.

In collaboration with both the contracted SPs and the relevant SCWAs, the new approach focuses on helping minors to develop practical skills such as decision-making and personal organisation, and offering tailored education and employment support. The services also incorporate various measures to promote social inclusion and help to create a sense of belonging to the wider Australian community.

REGIONAL COOPERATION

On 28 April 2015 the Director General of the International Organization for Migration, William (Bill) Lacy Swing, and the Minister for Immigration and Border Protection, the Hon Peter Dutton MP, signed a Strategic Partnership Framework (SPF). The signing was a significant milestone for Australia and IOM. The SPF represents a whole-of-government commitment to strengthening Australia's important relationship with IOM, and was developed in close consultation with relevant external agencies.

As part of the shared commitment to structured dialogue under the SPF, it is anticipated that the first of a series of high-level meetings to review the effectiveness of the partnership will be held between IOM and the Australian Government in Geneva in late 2015.

During 2014–15 Australia's bilateral relationships in the region strengthened. For example, in September 2014 the Governments of Australia and Cambodia signed a Memorandum of Understanding (MOU) to provide permanent settlement in Cambodia for people recognised as refugees by Nauru. In December 2014 Australia and Malaysia signed an MOU in the field of transnational crime. This MOU provides an overarching statement of the shared commitment between the two countries to enhance and promote bilateral cooperation on transnational crime. In March 2015 a further MOU was signed between Australia and Cambodia relating to immigration cooperation, creating a framework to guide bilateral immigration cooperation on capacity building and border management.

CHALLENGES

The key challenges for the UHM programme include the mitigation of difficulties that minors in this client group may experience upon arriving in a new country, including dealing with language barriers and issues that may affect survivors who have experienced torture and trauma, as well as the normal challenges associated with growing from childhood to adulthood.

The Department seeks to enhance the integrity of the decision-making process. It does this through interviews, close examination of information provided by applicants and their proposers, and checking documentation, as well as checks undertaken by other agencies.

Interviews also help to establish the identity and family composition of applicants who may possess limited official documentation. The Department conducts interviews in a large number of locations globally. In some cases officers may have to travel to refugee camps in remote locations. Officers in the Nairobi, Bangkok, Cairo, New Delhi and Dubai posts travel regularly to interview applicants. Video-conferencing is used for other locations where officers are unable to travel, such as interviews involving Iraqi applicants inside Syria.

RESOURCES

The administered and departmental financial resources allocated to Outcome 2 are outlined in Table 38.

Table 38: Outcome 2 financial resources summary 2014–15

Outcome 2: Support Australia's international and humanitarian obligations by providing protection, resettlement and assistance to refugees and those in humanitarian need, including through arrangements with other countries.

	Budget ^a 2014–15 \$'000	Actual expense 2014–15 \$'000	Variations 2014–15 \$'000
Programme 2.1 and 2.2: Refugee and Humanitarian Assistance			
Administered expenses:	69,180	59,567	(9,613)
Ordinary annual services (Appropriation Acts No. 1 and Bill No. 3 and No. 5)			
Departmental expenses:	70,195	62,140	(8,055)
Departmental appropriation ^b			
Expenses not requiring appropriation in the Budget year ^c	3,159	6,705	3,546
Total expenses for Programme 2.1 and 2.2	142,534	128,412	(14,122)
Programme 2.3 and 2.4: Regional Cooperation			
Administered expenses:	76,499	59,117	(17,382)
Ordinary annual services (Appropriation Acts No. 1 and Bill No. 3 and No. 5)			
Departmental expenses:	15,056	21,239	6,183
Departmental appropriation ^b			
Expenses not requiring appropriation in the Budget year ^c	757	1,892	1,135
Total expenses for Programme 2.3 and 2.4	92,312	82,248	(10,064)
Total expenses for Outcome 2	234,846	210,660	(24,186)
Average staffing level (number)	562	560	(2)

a Budget relates to the revised budget estimates reported in the *Portfolio Additional Estimates Statements 2014–15* (PAES) and the *Portfolio Supplementary Additional Estimates Statements 2014–15* (PSAES).

b Departmental appropriation combines 'Ordinary annual services (Appropriation Acts No. 1 and Bill No. 3 and No. 5)' and 'Retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*'.

c Expenses not requiring appropriation in the budget year are expenses relating to depreciation, amortisation and cost recovery expense.

PROGRAMMES 2.1 AND 2.2— REFUGEE AND HUMANITARIAN ASSISTANCE

Programme 2.1 consisted of nine administered items:

- Allowances for persons granted temporary visas in the Humanitarian Programme
- Payments for the asylum seeker assistance scheme
- Application assistance scheme—onshore protection
- Initiatives to address the situation of displaced persons and promote sustainable returns
- International Organization for Migration—contribution
- Refugee and humanitarian passage, associated costs and related services
- Secretariat for Intergovernmental Consultations on migration, asylum and refugees—membership contribution
- Grant to Refugee Council of Australia⁹
- Supervision and welfare for unaccompanied humanitarian minors.

Programme 2.2 consisted of two departmental items:

- Refugee and humanitarian assistance
- Temporary protection and protection visas onshore.

OBJECTIVES

- Deliver programmes consistent with Australia's international protection obligations in relation to people claiming protection within Australia's jurisdiction.
- Contribute to the resettlement of humanitarian entrants through the delivery of the annual offshore component of the Humanitarian Programme.
- Manage an effective onshore protection framework that is consistent with Government priorities and reflects Australia's international protection obligations.
- Ensure that the visa pathway provided to persons requiring protection is in line with Government priorities.
- Affirm Australia's commitment to the resettlement of refugees and advance Australia's interests on migration and refugee issues internationally.
- Support for unaccompanied humanitarian minors (UHMs) through the UHM programme.
- Support the Minister to fulfil his guardianship responsibilities under the *Immigration Guardianship of Children Act 1946*.

⁹ This funding was returned to Government in 2014–15.

DELIVERABLES

The following table reports against the Programme 2.1 and 2.2 deliverables as published in the Department's *Portfolio Budget Statements 2014–15* (PBS) and *Portfolio Additional Estimates Statements 2014–15* (PAES).

Refugee and Humanitarian Assistance—deliverables
<p>Deliverable: Deliver a Humanitarian Programme of 13,750 places.</p> <p>Result: In 2014–15, 13,756 visas were granted under the programme against the 13,750 target.</p>
<p>Deliverable: Deliver at least 1000 visas through the Woman at Risk subclass.</p> <p>Result: In 2014–15, 1009 Woman at Risk visas were granted under the programme against the 1000 target, representing 16.8 per cent of offshore refugee visa grants.</p>
<p>Deliverable: The onshore component of the Humanitarian Programme is delivered in line with agreed planning levels.</p> <p>Result: In 2014–15, 2747 permanent Protection visas were granted under the onshore component of the programme in line with a planning level of 2750 places.</p>
<p>Deliverable: Legislation and policy changes that strengthen the integrity of Australia's onshore protection framework.</p> <p>Result: The POM Act was passed by the Australian Parliament on 25 March 2015 and received Royal Assent on 13 April 2015. Most measures within this Act came into effect by Proclamation on 18 April 2015. This Act amends the <i>Migration Act 1958</i> to implement a range of measures that increase efficiency and enhance integrity in the onshore protection status determination process.</p>
<p>Deliverable: Legislation to implement a Temporary Protection visa for those requiring Australia's protection who arrived in Australia illegally.</p> <p>Result: The RALC Act was passed by Parliament on 5 December 2014 and received Royal Assent on 15 December 2014. Selected measures within this Act came into effect the day after Royal Assent (16 December 2014), but most measures commenced by Proclamation on 18 April 2015. This Act reintroduced TPVs to illegal arrivals in Australia.</p>
<p>Deliverable: Processing of the legacy cohort of persons who arrived in Australia as illegal maritime arrivals (IMAs).</p> <p>Result: The passage of legislation has allowed the Department to begin processing the about 30,000 asylum seeker legacy caseload. The Australian Government has committed to processing the cohort by end 2018. Recruitment of additional staff and extensive training of all existing and new officers has resourced the Department to deliver within the Government's timeframe.</p> <p>Processing of TPVs commenced in April 2015. Processing will be staged over three years largely in order of date of arrival. Support will be available to vulnerable applicants through the Primary Application Information Service (PAIS). Protection Application Information Guides (PAIG) in a number of languages have also been made available on the website to inform applicants about the application and assessment process.</p>

Refugee and Humanitarian Assistance—deliverables

Deliverable: Legal services for decision-makers, policy-makers and Government that ensure the onshore protection framework is appropriately managed.

Result: Extensive policy and legal training has been provided to decision-makers on the effects of the amendments made by the RALC Act and the POM Act, including, but not limited to, the new fast track assessment process.

The Department's Legal Division continues its long-standing role of providing legal advice to policy areas and decision-makers about the full range of issues that arise in the management of this complex caseload, both in individual cases and from a strategic point of view.

The Legal Division also managed the judicial review of unsuccessful protection claims, provided advice on reducing legal risk, assisted in interpreting judgments, and developed procedures consistent with legal authority.

Deliverable: Care and supervision services for eligible UHMs.¹⁰

Result: Eligible minors receiving UHM programme services include minors that have either permanent resident, temporary humanitarian or temporary protection or equivalent substantive temporary visas.

Minors in the UHM programme include those 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 having community links (that is relatives, friends or organisations in the community willing to take on the role of carer or custodian) depending on their state or territory of residence.

Throughout 2014–15 the Australian Government and state and territory governments worked together to oversee the national delivery of the UHM programme, including providing assistance, support and advocacy in relation to UHMs' welfare, settlement, and transition to adulthood.

The programme delivered accommodation, care, welfare and settlement services to eligible minors throughout 2014–15. At 30 June 2015 there were 255 minors receiving services in the UHM programme.

¹⁰ Eligible minors in the UHM programme.

KEY PERFORMANCE INDICATORS

The following table reports against the Programmes 2.1 and 2.2 key performance indicators as published in the Department's PBS 2014–15 and PAES 2014–15.

Refugee and Humanitarian Assistance—key performance indicators

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

Result: This indicator was met.

In 2014–15 Australia maintained its position as a leading resettlement country, ranking among the top three countries that resettle refugees.

Indicator: Australia's international protection obligations are reflected in an effective onshore protection framework, including articulated policies and procedures relating to the assessment of protection claims.

Result: This indicator was met.

Australia provides protection to refugees consistent with its obligations, as set out in the statutory refugee framework provisions of the *Migration Act 1958*. This framework codifies Australia's protection obligations under the Refugee Convention.

People who are eligible to apply for protection in Australia have their claims assessed on an individual basis against this framework and complementary protection obligations (derived from other relevant international treaties and incorporated into paragraph 36(2)(aa) of the *Migration Act 1958*), with reference to up-to-date information on conditions in the applicant's home country.

Policy and procedural guidance reflect these protection obligations. Applicants for protection must also satisfy health, identity, character and security checks.

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: This indicator was met.

Australia works closely with the UNHCR on a range of international protection issues, including resettlement and measures to address refugee populations and maritime migration, particularly in the Asia-Pacific region. In 2014–15 the Portfolio helped the UNHCR to register and undertake refugee status determination for asylum seekers in Malaysia. The Portfolio also engaged with UNHCR to improve UNHCR's biometrics capacity. As a member of the UNHCR executive committee, Australia participated in the organisation's governance and continued to support the international protection system through the Humanitarian Programme, financial support, and contributions to the policy settings for strategic responses to particular refugee issues.

As one of the top three resettlement countries, Australia continued to be an active and influential participant in international forums on resettlement, including the Annual Tripartite Consultations on Resettlement with the UNHCR, and working with resettlement countries and NGO partners. Australia took an active role in UNHCR-led contact and core groups established to promote collaboration and ensure greater predictability and sustainability in resettlement efforts. These groups encouraged increased dialogue with host countries and focused on strengthened protection mechanisms and support strategies to benefit refugees who remain in host countries. Australia chairs the Pakistan Contact Group for Afghan refugees and the Bhutanese Core Group.

As an active member of the Five Country Conference (FCC) resettlement network, Australia took part in discussions about cooperation on global resettlement matters, including communicating important information to the UNHCR about enhanced biometric capabilities and fraud mitigation strategies as a means of ensuring the integrity in offshore refugee resettlement processes.

Refugee and Humanitarian Assistance—key performance indicators

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: This indicator was met.

Australia continued to engage in a range of multilateral forums to support Australia's interests and to exert a positive influence on global managed migration and refugee issues.

As a member state of IOM, Australia participated in the organisation's governance mechanisms, actively contributed to policy discussions and supported cooperation on managed migration processes.

IOM is a key strategic partner for Australia on a wide range of managed migration, development and humanitarian responses. In addition, Australia's engagement with IOM on matters such as assisted voluntary returns and enhancing border integrity in the region form part of Australia's approach to achieving its national security objectives.

The SPF between Australia and the IOM, signed on 28 April 2015, provides a high-level articulation of joint strategic policy and operational interests, and will serve to set and strengthen governance and expectations related to priorities, objectives and service-level agreements.

Australia's participation in the Intergovernmental Consultations (IGC) on migration, asylum and refugees provided opportunities to debate policy, exchange information, and 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.

Table 39: Refugee and humanitarian assistance¹¹

Key performance indicators	2013–14 Target	2013–14 Actual	2014–15 Target	2014–15 Actual ^c
Percentage of onshore protection applications decided within 90 days in accordance with legislation. ^a	100%	7%	100%	8%
Australia's ranking as a resettlement country. ^b	Within top 3	Within top 3	Within top 3	Within top 3

a The 90-day figures are discussed under the processing times heading below.

b As per UNHCR Projected Global Resettlement Needs 2016, UNHCR Resettlement Departures 2010–14, p. 53. Results are based on calendar year period.

c Actual results are to 28 February 2015, when the legislative requirement for this reporting ceased.

The requirement under s. 91Y of the Migration Act to monitor and report on Protection visa processing times within 90 days was repealed as part of the RALC Act (Table 39). As such, the Department was required to provide reporting covering part of the year (1 July 2014 to 28 February 2015).¹¹

The Department's level of compliance with the 90-day processing timeframe over the period in which the provisions applied remained low, with 8 per cent of initial decisions and decisions after remittal by the courts or tribunals made within 90 days.

¹¹ These Outcome 2 indicators are not a performance measure in the PBS 2014–15, p. 32 or PAES 2014–15, p. 36. As suggested in the *Requirements for Annual Reports* dated 25 June 2015 on p. 7, a tabular presentation of information is used to clearly present quantitative KPIs.

PROGRAMME 2.1— REFUGEE AND HUMANITARIAN ASSISTANCE (ADMINISTERED)

ALLOWANCES FOR PERSONS GRANTED TEMPORARY VISAS IN THE HUMANITARIAN PROGRAMME

This 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.

No payments were made in 2014–15.

PAYMENTS FOR THE ASYLUM SEEKER ASSISTANCE SCHEME

During 2014–15 assistance was provided to 3606 people at a cost of \$35.1 million. From 1 January 2015 the services provided under the asylum seeker assistance scheme (ASAS) were included into the delivery arrangements for the new status resolution support services (SRSS) scheme.

More information is available under Programme 3.1 administered item 'Compliance, Detention and Status Resolution' on page 167.

APPLICATION ASSISTANCE SCHEME— ONSHORE PROTECTION

The Immigration Advice and Application Assistance Scheme (IAAAS) provides professional immigration advice and visa application assistance to eligible authorised arrivals residing in the Australian community and in immigration detention.

A total of 10,331 immigration advice services were provided in 2014–15 (5541 face-to-face advice, 4589 telephone advice, and 201 community information sessions). A total of 432 application assistance services were provided at the primary stage to authorised arrivals living in the Australian community, and 19 application assistance services were provided at the primary stage to authorised arrivals in immigration detention.

Overall expenditure on IAAAS services in 2014–15 was \$2.5 million.

INITIATIVES TO ADDRESS THE SITUATION OF DISPLACED PERSONS AND PROMOTE SUSTAINABLE RETURNS

As reported in the *Department of Immigration and Border Protection Annual Report 2013–14*, the displaced persons programme was discontinued in 2013–14 as part of a broader package of savings measures. The Department finalised a residual payment to the UNHCR in 2014–15.

INTERNATIONAL ORGANIZATION FOR MIGRATION—CONTRIBUTION

As a significant financial partner, Australia has a long-standing, collaborative working relationship with the IOM. In 2014–15 Australia maintained its status as a member state of IOM through its annual membership contribution. Australia was actively involved in the overall governance of IOM and also assumed the role of Second Vice Chair on the IOM Governing Bureau at the 105th Council Session in November 2014.

The IOM is based in Geneva and works to the principle that humane and orderly migration benefits migrants and society. As an intergovernmental body, the IOM acts with its partners in the international community to help meet the operational challenges of migration to advance understanding of, and formulate practical solutions for, migration issues to uphold the human dignity and wellbeing of migrants.

As a member state, in 2014–15 Australia was engaged in international dialogue to enhance our global connections, to share knowledge and experience in areas of mutual interest, and promote managed migration pathways. Funding contributions also gave further support for IOM's operations.

REFUGEE AND HUMANITARIAN PASSAGE, ASSOCIATED COSTS AND RELATED SERVICES

Under contract to the Department, the IOM conducts health screening for all eligible applicants under the offshore Humanitarian Programme and helps individuals approved for entry to Australia as a refugee with the airfares and related expenses.

During 2014–15, IOM conducted health screening on 9040 refugee and humanitarian applicants seeking entry to Australia. This screening included health assessments carried out as part of the visa application process and departure health checks to determine if a humanitarian visa holder is fit to travel to Australia. The total cost of IOM medical services was \$5.8 million.

Overall expenditure on refugee and humanitarian passage, associated costs and related services (which included services provided by IOM and other providers) was \$13.3 million.

SECRETARIAT FOR INTERGOVERNMENTAL CONSULTATIONS ON MIGRATION, ASYLUM AND REFUGEES – MEMBERSHIP CONTRIBUTION

The Intergovernmental Consultations on migration, asylum and refugees (IGC) is an informal non-decision-making forum for the exchange of information and policy debate on issues of relevance to managing international migratory flows. Australia has been a member of the IGC since 1987. The IGC is a secure forum comprising 16 participating countries, the UNHCR, the IOM and the European Commission (EC). As part of its membership, Australia provides an annual contribution to the IGC's administrative and operational costs.

Membership provided the Department with opportunities to contribute to global dialogues, as well as working-level access to governments, including those of the United States of America, Canada, New Zealand and various European countries. It also enabled cross-consultations to occur between senior officials from immigration and border agencies, as well as access to an informal network in which policy perspectives could be shared and developed while taking account of the interests of participating states.

As chair of the IGC in 2014–15, Australia raised its profile in the international community and shaped the IGC work programme and research agenda. The Australian chair's theme for 2014–15 'Strengthening Public Confidence in Migration Policy and Practice' was supported by four pillars identified as critical in strengthening public confidence: a robust and reliable evidence-base, stakeholder engagement and partnerships, strategic communication, and organisational capability.

Member states discussed best-practice approaches to skilled migration, trends in asylum seeking and migrant returns, sharing country of origin information, and managing risks and benefits associated with the assisted voluntary returns and reintegration programme.

Australia commissioned a number of research papers to explore and promote discussion in the IGC community of how the four pillars influence public confidence in migration governance.

SUPERVISION AND WELFARE FOR UNACCOMPANIED HUMANITARIAN MINORS

The UHM programme delivered accommodation, care, welfare and settlement services to UHMs and UAMs who were on certain substantive visas throughout 2014–15. At 30 June 2015 there were 255 minors receiving services in the UHM programme.





CASE STUDY

INTERVIEW MISSIONS PROVIDE HOPE FOR REFUGEES IN KAKUMA CAMP

Australia is committed to resettling some of the world's most vulnerable refugees, many of whom are located in Africa in camps such as Kakuma.

In the past two years, the Department of Immigration and Border Protection's (DIBP) Nairobi team has twice visited Kakuma, one of many interview locations across 43 sub-Saharan countries, to interview about 430 refugees. An Australian mission to Kakuma refugee camp (population 180,000) in remote north-western Kenya always generates excitement for those who will be interviewed.

The remote location means that the journey involves a small plane flight from Nairobi and a 4WD trip with a Kenyan security escort. The International Organization for Migration (IOM) offers invaluable help, including organising travel and security details, suitable facilities for the interviews, biometric collection, interpreters and helping families to arrive on time. Processing in Kakuma is not easy—quarters and accommodation are primitive, and interviews are difficult and confronting.

Amid the buzz of children, DIBP officers meet IOM and United Nations High Commissioner for Refugees (UNHCR) representatives. Interview missions from Australia, the United States and Canada provide hope for the refugees in the Kakuma camp. Some applicants have grown up in Kakuma while others have come and gone over two decades as the security situation in their home country has fluctuated.

At interviews, families wait anxiously for biometrics to be taken and paperwork to be completed. They swelter in the heat, wearing their best clothing for the occasion.

Sleeping babies are wrapped and tied to their mothers. Older children jostle to see what is happening. Some shyly touch the interviewers to feel their skin, while others practise English learnt in the local UNHCR-run schools.

When a young male orphan is asked at the interview where he would want to live if he went to Australia, he replies, 'Anywhere I can have peace and study'. This is his second stay at Kakuma. His family had fled South Sudan when he was very young but they later returned in the belief that the situation had improved and that they would be safe.

After five days, the DIBP officers and other mission teams pack up and begin their long return journey to Nairobi. For some of about 150 refugees from Kakuma granted visas in 2014–15, this visit marks the beginning of their own journey to a new life in Australia.

Photo: Children at a refugee camp in Kenya, © UNHCR, E. Hockstein.

PROGRAMME 2.2— REFUGEE AND HUMANITARIAN ASSISTANCE (DEPARTMENTAL)

REFUGEE AND HUMANITARIAN ASSISTANCE

The objectives of the Australia's Humanitarian Programme are to:

- resettle people overseas who have been determined to be refugees or in humanitarian need (offshore component)
- assist people already in Australia who claim Australia's protection and are found to be refugees (onshore component).

The objectives of the offshore component are achieved through:

- effective planning and delivery of the resettlement programme 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 and other resettlement countries and NGOs
- conducting and commissioning research to inform policy development and continuous improvement
- enhancing community involvement and support for the programme through engagement with stakeholders.

In 2014–15 the Humanitarian Programme was set at 13,750 places and 13,756 visas were granted during the programme year. This comprised 11,009 under the offshore (humanitarian) component (80 per cent) and 2747 under the onshore (protection) component (20 per cent).

Under the offshore component (Table 40), 6002 were refugee visas (54.5 per cent) and 5007 were special humanitarian programme visas (45.5 per cent).

Table 40: Offshore Humanitarian Programme visa grants by component and subclass

Number of persons granted visas, by subclass 2014–15 decision	
Subclass	Number
Refugee	
Subclass 200 (Refugee)	4,849
Subclass 201 (In-country Special Humanitarian)	133
Subclass 203 (Emergency Rescue)	11
Subclass 204 (Woman at Risk)	1,009
Total refugee	6,002
SHP	
Subclass 202 (Global Special Humanitarian)	5,007
Total SHP	5,007
Total	11,009

Figure 11 shows that under the offshore component, the highest number of visas granted in 2014–15 was to applicants born in the Middle East (45 per cent, 4984), followed by those from Asia and Pacific (40 per cent, 4361) and Africa (15 per cent, 1664). There were no people granted visas outside these three main regions.

FIGURE 11 | OFFSHORE HUMANITARIAN PROGRAMME— REGIONAL SOURCE TRENDS— PEOPLE GRANTED VISAS

Middle East



Asia and Pacific



Africa



During the 12 months, 62,709 people lodged applications under the offshore programme, compared with 74,076¹² in 2013–14. This was a decrease of 15.3 per cent.

¹² All offshore Humanitarian figures, including past years, are as officially revised at the end of 2014–15 and therefore may differ from statistics previously published in annual reports or elsewhere.

WOMAN AT RISK VISAS

The allocation for Woman at Risk visas in 2014–15 was 1000 visas within the programme's offshore component. In all, 1009 visas were granted to Woman at Risk applicants, or 16.8 per cent of refugee category visa grants.

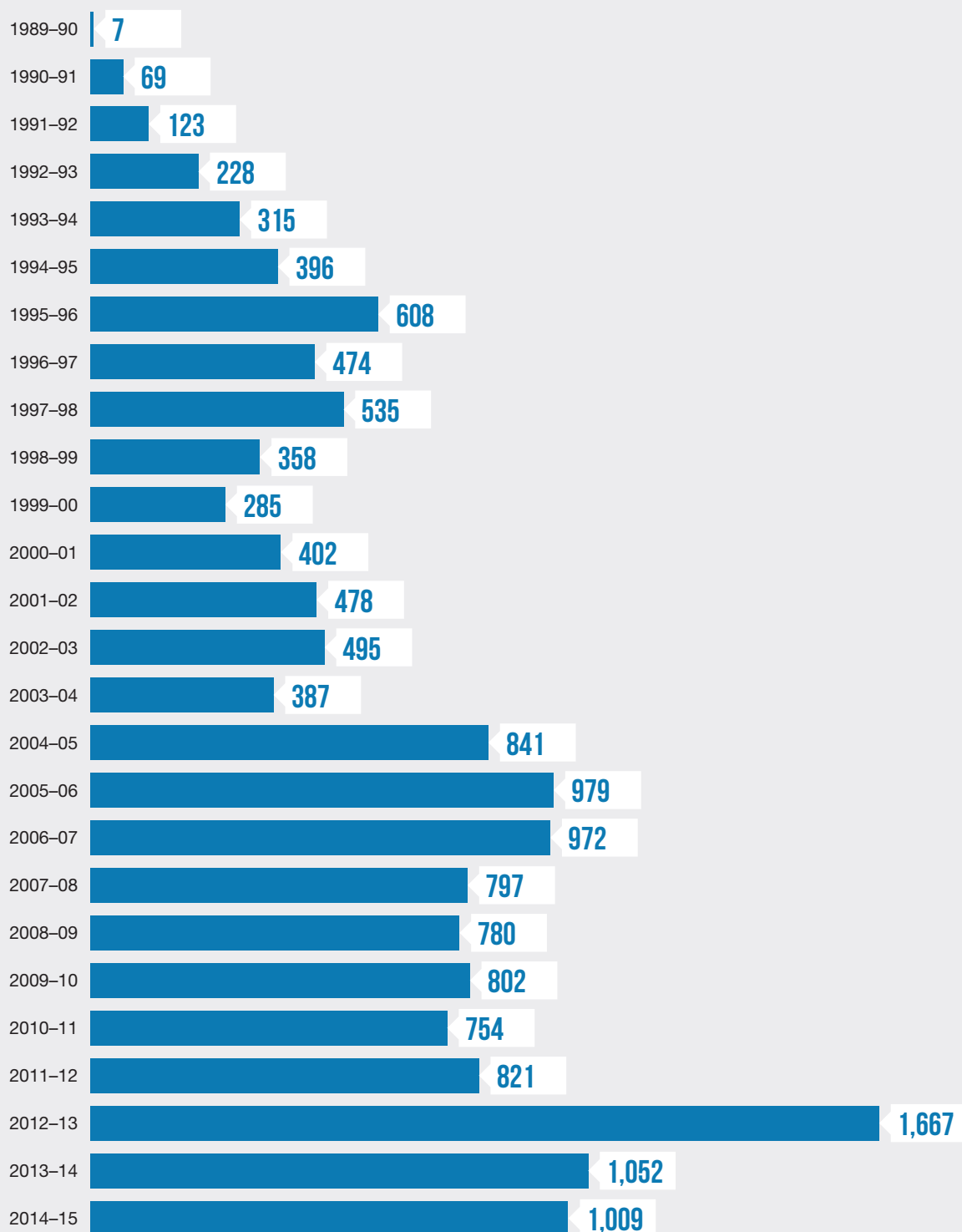
The top five countries of birth for people granted Woman at Risk visas in 2014–15 were Afghanistan, Burma, the Democratic Republic of the Congo, Eritrea and Ethiopia.

A total of 15,634 Woman at Risk visas have been granted since the visa was created in 1989.

Figure 12 provides the number of Humanitarian Programme Woman at Risk visas granted each year from 1989–90 to 2014–15.

FIGURE 12

HUMANITARIAN PROGRAMME
WOMAN AT RISK VISA GRANTS SINCE
INCEPTION BY PROGRAMME YEAR



PROGRAMME FORMULATION

The Department undertakes a consultation process each year to help determine the Government's decisions about the size and composition of the Humanitarian Programme.

In 2014–15 this included:

- development and publication of an information paper
- consultations with states, territories and other government agencies
- consultations with peak refugee and humanitarian bodies and communities already resettled in Australia
- consideration of UNHCR advice on global resettlement needs and priorities
- consideration of the views of the Australian community.

A submission from the Refugee Council of Australia (ROCA) was funded by the Department and was also considered during the consultation process.

TEMPORARY PROTECTION AND PROTECTION VISAS ONSHORE

During the period under review, the legislative framework for Protection visas was reformed by two pieces of legislation, the RALC Act and the *Migration Amendment (Protection and Other Measures Act) 2015* (POM Act). Together these Acts enhance the integrity of Australia's onshore protection refugee status determination process by providing greater emphasis on establishing identity, placing the onus to establish protection claims on the applicant and codifying Australia's protection obligations under the Refugee Convention.

Processing of the IMA legacy caseload (which consists of about 30,000 people who arrived in Australia illegally by boat) began after a reformed protection status determination process was introduced. The changes included the establishment of the fast track assessment process and commencement of two visa options for illegal arrivals seeking Australia's protection: the TPV and the SHEV.

Tables 41 and 42 below show a decrease in the number of Protection visa applications lodged and granted to IMAs. This is due to changing Government policies, including the commitment to not grant a permanent visa to an IMA.

Table 41: Protection visa applications lodged in 2014–15 compared with 2013–14

Applications lodged	2013–14 ^a	2014–15
Non-IMA Protection visa applications lodged	9,688	8,587
IMA Protection visa applications lodged	1,007	261
Total	10,695	8,848

a Protection visa figures relating to 2013–14 are as officially revised at the end of 2014–15 and therefore may differ from statistics previously published.

Table 42: Final Protection visa grants

Grant type	2013–14 ^a	2014–15
Protection visa grants to non-IMAs	2,207	2,746
Protection visa grants to IMAs	546	1
Total Protection visa grants	2,753	2,747
Temporary Protection visa grants	23	44
Temporary Humanitarian Concern visa grants	111	21
Temporary Humanitarian Stay visa grants ^b	252	91

a Protection visa figures relating to 2013–14 are as officially revised at the end of 2014–15 and therefore may differ from statistics previously published.

b These figures do not include Temporary Humanitarian Stay visas granted for the purposes of release from immigration detention. These figures are included in Outcome 1 of this report.

Table 43 provides the top 10 countries of citizenship for non-IMAs applying for Protection visas in 2014–15, in descending order.

Table 43: Protection visa applications lodged by top 10 countries of citizenship in 2014–15 compared with 2013–14 (non-IMAs)

No	Country of citizenship	2013–14 ^a	2014–15
1	Malaysia	294	1,401
2	China, People's Republic of	1,799	1,299
3	Pakistan	998	717
4	India	1,214	674
5	Iraq	252	625
6	Libya	322	300
7	Fiji	479	231
8	Iran	366	227
9	Bangladesh	272	182
10	Lebanon	304	176
n/a	Other	3,388	2,755
Total		9,688	8,587

a Protection visa figures for 2013–14 are as officially revised at the end of 2014–15 and therefore may differ from statistics previously published.

Table 44 provides the top 10 countries of citizenship for non-IMAs granted Protection visas in 2013–14, in descending order.

Table 44: Permanent Protection visa grants and grant rates by top 10 countries of citizenship in 2014–15 compared with 2013–14 (non-IMAs)

No	Citizenship	2013–14 ^a	Final grant rate (%) ^b	2014–15	Final grant rate (%)
1	Pakistan	382	74.6%	430	63.2%
2	Iraq	100	84.1%	355	96.7%
3	Iran	309	88.5%	340	95.0%
4	China, People's Republic of	144	20.7%	239	23.7%
5	Egypt	342	83.4%	239	53.5%
6	Libya	191	91.0%	183	88.0%
7	Afghanistan	85	97.5%	123	99.2%
8	Syria	49	96.0%	89	95.7%
9	Papua New Guinea	53	89.8%	70	76.9%
10	Turkey	39	66.1%	57	70.4%
n/a	Other	513	–	621	–
Total		2,217	49.9%	2,746	44.2%

a Protection visa figures are as officially revised at the end of 2014–15 and therefore may differ from statistics previously published.

b The final grant rate for 2013–14 includes only decisions made before 5 March 2014 when a cap was introduced that prevented further Protection visa grants during the year.

The ongoing reduction in applications for IMAs in the 2014–15 programme year is largely due to changes in IMA processing arrangements, including the introduction of legislation to facilitate the processing of the IMA legacy caseload (Table 45).

Table 45: Protection visa applications lodged by key countries of citizenship in 2014–15 compared with 2013–14 (IMAs)

Country of citizenship	2013–14 ^a	2014–15
Iraq	28	65
Iran	270	46
Stateless ^b	216	36
Vietnam	143	32
Afghanistan	41	30
Sri Lanka	127	22
Egypt	0	7
Somalia	10	7
Other	172	16
Total	1,007	261

a Protection visa figures for 2013–14 are as officially revised at the end of 2014–15 and therefore may differ from statistics previously published.

b A stateless person is someone 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.

The ongoing reduction in grants for IMAs in the 2014–15 programme year is largely due to changes in IMA processing arrangements including the introduction of legislation to facilitate the processing of the IMA legacy caseload (Table 46).

Table 46: Permanent Protection visa grants by key countries of citizenship in 2014–15 compared with 2013–14 (IMAs)

Country of citizenship	2013–14 ^a	2014–15
Afghanistan	232	0
Stateless ^b	78	0
Iran	73	0
Sri Lanka	58	0
Pakistan	50	1
Iraq	30	0
Other	25	0
Total	546	1

a Protection visa figures relating to 2013–14 are as officially revised at the end of 2014–15 and therefore may differ from statistics previously published.

b A stateless person is someone 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.

Ministerial intervention

The Minister has a set of powers under the Migration Act that allows a visa to be granted, 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 s. 417 of the Migration Act

Activity	2013–14 ^a	2014–15
Requests received	1,930	1,955
Requests finalised ^b	2,232	1,534
Requests finalised by the Minister	1,577	834
Visas granted	139	64

a Figures relating to 2013–14 are as officially revised at the end of 2014–15 and therefore may differ from statistics previously published.

b This category includes withdrawn requests, requests finalised as inappropriate to consider, or no power under s. 417 and repeat requests not referred to the Minister as they did not meet the guidelines.

The top 10 countries of citizenship for requests for ministerial intervention during 2014–15 in descending order.

Table 48: Ministerial intervention requests by top 10 countries of citizenship in 2014–15 compared with 2013–14

No	Citizenship	2013–14	2014–15
1	China, People's Republic of	283	321
2	India	267	231
3	Fiji	156	193
4	Sri Lanka	119	139
5	Lebanon	199	129
6	Pakistan	88	99
7	Egypt	54	90
8	Iran	49	78
9	Bangladesh	44	73
10	Nepal	66	63
n/a	Other	605	539
Total		1,930	1,955

Note: Last year the top 10 countries were provided. This year the table was changed to top five countries to ensure privacy obligations are met.

Table 49: Ministerial intervention grants by top five countries of citizenship in 2014–15 compared with 2013–14

No	Citizenship	2013–14	2014–15
1	Philippines	5	8
2	Indonesia	12	7
3	China, People's Republic of	13	6
4	India	6	5
5	Lebanon	14	5
n/a	Other	89	33
Total		139	64

PROGRAMMES 2.3 AND 2.4— REGIONAL COOPERATION

Programme 2.3 consisted of four administered items:

- Management and care of irregular immigrants in Indonesia¹³
- Regional cooperation and capacity building
- Regional support office
- Combatting people smuggling—address irregular migration in region.

Programme 2.4 consisted of one departmental item:

- Regional cooperation.

OBJECTIVES

To strengthen the migration and border management capabilities of partner governments through regional cooperation and associated activities, which seek 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 and transit countries
- support the effective management and harmonisation of treatment of asylum seekers across the region
- support international organisations providing services for irregular migrants intercepted en route to Australia.

¹³ Additional Programme 2.3 administered item. Change between *PBS 2014–15*, p. 36 and *PAES 2014–15*, p. 39.

DELIVERABLES

The following table reports against the Programme 2.3 and 2.4 deliverables as published in the Department's PBS 2014–15 and PAES 2014–15.

Regional Cooperation—deliverables

Deliverable: Work collaboratively with international organisations to enhance the migration, identity, immigration intelligence and border management capabilities of partner governments.

Result: The Department continued its work to enhance the border management capabilities of partner governments, in strong collaboration with international organisations. Examples include:

- funding UNHCR in Malaysia to register and assess the refugee status of asylum seekers and to support improvements to processes, such as enhancing the integrity of identity cards issued to asylum seekers by including biometric identifiers
- continued funding to the United Nations Office on Drugs and Crime to assist the Government of Pakistan to develop a legislative framework on human trafficking and people smuggling.

Deliverable: Provide assistance, training and resources to support, manage and oversee agreed bilateral and multilateral arrangements under the regional cooperation framework and other measures.

Result: The Department provided assistance in the region to support the implementation of bilateral and multilateral arrangements. Key training programmes were delivered to enhance the migration management capacity of regional governments, including the following:

- Document examination equipment and training for front-line immigration officers in airports and at land borders to help deter irregular migration and capture data to report on trends in irregular migration. This training also facilitated the exchange of intelligence information about irregular arrivals between Australia and foreign governments, such as those of South Asian countries.
- Australia-based and in-country English-language training programmes to help officers from counterpart immigration agencies to develop a working level of English so that they can conduct immigration enquiries and better detect irregular people movements, people trafficking and fraudulent documents. Immigration officials from Vietnam, Indonesia, Thailand and Sri Lanka were among those who received English-language training.

Deliverable: Support for the regional support office to implement a range of practical initiatives to combat people smuggling, human trafficking and transnational crime.

Result: As part of Australia's involvement with the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime, the Department continued funding to meet the operational costs of the regional support office (RSO), including funding an Australian co-manager and an IOM senior policy officer. The Department also helped to fund a range of practical initiatives to strengthen Australia's cooperation with Bali Process counterparts, including the immigration liaison officer (IMMLO) training and development programme, and the development of a curriculum on standard induction training for frontline border officials.

Regional Cooperation—deliverables

Deliverable: Work collaboratively with international organisations to develop policy and services for irregular migrants intercepted en route to Australia.

Result: In 2014–15 the Department continued to promote regional cooperation and undertake associated activities through bilateral and multilateral engagement with foreign governments, international organisations, and international consultative forums and processes.

Under the IOM Regional Cooperation Arrangements (RCA), the Department funded IOM to provide food, accommodation, emergency medical assistance and counselling to asylum seekers in the Indo-Pacific region, primarily in Indonesia in 2014–15. Under the RCA, IOM also provided assistance to people who wish to return voluntarily to their country of origin.

KEY PERFORMANCE INDICATORS

The following table reports against the Programmes 2.3 and 2.4 key performance indicators as published in the Department's PBS 2014–15 and PAES 2014–15.

Regional Cooperation—key performance indicators

Indicator: The capacity of states to manage irregular migration through the region, including that of asylum seekers, is enhanced.

Result: This indicator was met.

The Department undertook an extensive programme of engagement in the region during 2014–15. Examples include:

- the provision of assistance for IOM to establish a victim reception and support centre in Karachi, Pakistan, to help manage returning migrants
- support for IOM to maintain a network of outreach officers in Indonesia to help the Indonesian Government manage migration flows
- funding assistance to Care Australia to support Afghanistan to undertake reintegration work for Afghan returnees
- assistance to the Chin Refugee Committee to support Malaysia to provide shelters to accommodate displaced Chin people.

Indicator: The regional support office is effectively acting as a key coordination point for migration management and increased protection capacity in the region.

Result: This indicator was met.

The RSO actively pursued a range of initiatives to enhance migration management and protection capacity in the region by coordinating activities such as:

- developing policy guides on criminalising migrant trafficking and smuggling, and policy guides on the protection and identification of victims of trafficking
- developing a handbook to assist Bali Process member states to address irregular migration through effective information campaigns. The handbook contains the perspectives of countries of origin, transit and destination
- a regional assisted voluntary return and reintegration (AVRR) programme for Bali Process member states, implemented by IOM, which provided a regional mechanism to assist the voluntary, safe and dignified return of irregular migrants, and rejected asylum seekers.

PROGRAMME 2.3— REGIONAL COOPERATION (ADMINISTERED)

MANAGEMENT AND CARE OF IRREGULAR IMMIGRANTS IN INDONESIA

In 2014–15 the Department continued to progress a significant programme of work, through funding to the IOM, to help Indonesia to manage and care for its population of irregular migrants. Under the RCA, the Department has funded the IOM since 2000 to assist Indonesian authorities through the provision of services to irregular migrants in that country. Services have included food, accommodation, basic and emergency medical services, and counselling, as well as an assisted voluntary return programme. At 30 June 2015, 9886 migrants in Indonesia were receiving assistance under the RCA.

In addition, the Coordination and Outreach Migration Management Support through IOM Satellite Sites (COMMSAT) project continued in 2014–15. Under COMMSAT, the IOM maintained a network of outreach offices in Indonesia to help the Indonesian Government monitor migration flows, coordinate responses to irregular migration activity and train Indonesian officials in managing irregular migrants.

The Department also funded the IOM Circle of Care for Displaced Persons in Indonesia Project (I-CARE), under which vulnerable irregular migrant cohorts in Indonesia, particularly unaccompanied minors, were given additional support to the services provided under the IOM RCA.

The Department's assistance to Indonesia extended to supporting the IOM to carry out improvements to Indonesia's network of detention centres and immigration quarantine facilities. These improvements ranged from minor repairs to significant refurbishments, and included upgrades to water and sanitation infrastructure to improve overall conditions at the facilities.

In addition, the Department provided funding for the Indonesian office of the UNHCR to undertake refugee status determination processing in Indonesia.

In 2014–15 the Department also funded the IOM to provide emergency care and assistance to hundreds of trafficked fishermen abandoned by unscrupulous fishing operators in eastern Indonesia. This assistance played an important role in helping regional countries to manage and stabilise vulnerable populations, and further demonstrated Australia's commitment to regional efforts to combat trafficking in people.

REGIONAL COOPERATION AND CAPACITY BUILDING

The Department promoted regional cooperation and undertook associated activities through bilateral and multilateral engagement with foreign governments, international organisations, and international consultative forums and processes.

The Department also sought to achieve Portfolio objectives through capacity-building initiatives. Capacity building involves imparting skills, experience, and technical and management capability to foreign governments, often through technical assistance, short- or long-term training, and specialist inputs (such as ICT systems). It also involves delivering carefully focused initiatives to build community capacity to overcome people's motivations to migrate irregularly.

REGIONAL SUPPORT OFFICE

As part of Australia's involvement with the Bali Process, the RSO was established in 2012 to promote greater information sharing and practical cooperation on people smuggling and trafficking in persons, border management and refugee protection among Bali Process members.

The RSO operates under the scrutiny and direction of the Bali Process co-chairs, and in consultation with the UNHCR and IOM. Day-to-day operations are overseen by RSO co-managers from Australia and Indonesia.

The RSO aims to support and strengthen practical cooperation on refugee protection and international migration, including human trafficking and smuggling and other components of migration management.

The RSO is the only cooperation mechanism of its kind in the region. It helps members to address people smuggling, trafficking in persons and related transnational crime by:

- allowing resources to be pooled among member states
- providing secretariat and logistical support for migration-related projects
- working to avoid duplication of efforts across the region
- working towards common migration-related goals and thus free members to pursue other objectives
- developing regional linkages
- providing specialised support for bilateral and multilateral initiatives.

COMBATTING PEOPLE SMUGGLING—ADDRESS IRREGULAR MIGRATION IN REGION

BALI PROCESS

The Bali Process, established in 2002, is a non-binding forum of 48 member states and international organisations. In 2014–15 the Bali Process, co-chaired by Australia and Indonesia, remained the preeminent multilateral forum in the Asia-Pacific to raise regional awareness of the consequences of people smuggling, trafficking in persons and related transnational crime. This included developing and implementing strategies and practical cooperation in response to these issues.

BALI PROCESS STRATEGY

The *Bali Process Strategy for Cooperation: 2014 and Beyond* was endorsed at the 8th Bali Process Ad Hoc Group Senior Officials Meeting (AHG SOM) in Canberra on 6 August 2014. The strategy promoted coordinated approaches to reducing irregular migration in the region and outlined a work programme focused on practical cooperation to strengthen immigration management, refugee protection, border integrity and related legal capacity-building and law-enforcement measures.

Activities and progress on the strategy were reviewed when the 9th AHG SOM was held in Wellington, New Zealand, on 6 May 2015. That meeting saw new, practical initiatives proposed in an updated draft Bali Process Strategy.

The updated draft strategy reinforced the priorities of the Bali Process and the Jakarta Declaration, with an emphasis on action to combat trafficking in persons, address the nexus between irregular migration and transnational crime, and strengthen links with other relevant regional forums.

PROGRAMME 2.4— REGIONAL COOPERATION (DEPARTMENTAL)

REGIONAL COOPERATION

In 2014–15 the Department undertook an extensive range of capacity-building initiatives to strengthen the migration and border-management capabilities of partner governments. While much of the funding for these initiatives was administered, departmental funding supported the Department's attendance and participation in a range of international meetings and forums. These included:

- the 8th and 9th Bali Process AHG SOMs
- a series of ASEAN-Australia workshops focussing on ASEAN common visa arrangements
- the 9th Annual 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 (PIDC), which promotes dialogue and cooperation with a focus on migration and border management
- engagement with FCC partner states on a range of cooperation initiatives.

Departmental funding enabled comprehensive and targeted training programmes for immigration and border agencies to be delivered throughout Asia, the Pacific and Middle East regions. These covered document examination, facial image comparison and immigration intelligence analysis.

The Department also funded the ongoing appointment of an Australian co-manager to the Bali Process RSO.



CASE STUDY

SYRIAN COUPLE FIND PEACE AND FAMILY IN AUSTRALIA

Syrian couple Sarkis Auadis and his wife Freda Bloutian were filled with anguish when fighting erupted around their home in Damascus. They were forced to flee, leaving behind parents and other family members. They escaped into neighbouring Lebanon, where they were proposed by their Australian relatives under the special humanitarian programme (SHP).

Sarkis and Freda, then expecting their first child, had limited English when they arrived in Sydney in 2014 and were relieved to be welcomed into the home of Freda's sister Alina and her Australian husband, Sebouh.

Sarkis and Freda are among more than 3300 Syrians who have been resettled under the offshore Humanitarian Programme since 2012. Syrians are now one of the largest nationalities granted visas through the programme, reflecting the escalating humanitarian crisis caused by conflict in that country.

In 2014–15 the Australian Government set aside a special allocation of up to 2200 places for Syrians in the programme, including SHP applicants and refugees referred by the United Nations High Commissioner for Refugees. The SHP, which enables close family members to propose relatives who have become refugees, recognises the importance that family support can provide to help people to settle into their new life in Australia.

After overcoming their trauma and early fears, Sarkis and Freda have embraced their new home. Along with their Australian-born baby daughter, Garineh, they are learning to enjoy the relaxed Sydney lifestyle. Taking in their first Vivid light festival recently, Freda said, 'We are so happy to be living in this beautiful city and to enjoy normal outings with our family without fear.'

The couple are working very hard to improve their English by studying two nights a week at TAFE. Sarkis, who was a metal worker in Syria, said, 'First I worked for three months as a casual labourer, but now I have a good permanent job in an aluminium factory. I want to improve my chances of promotion, so I will continue improving my English.'

Freda had been a dental secretary in Damascus. She plans to retrain as an early childhood teacher.

Photo: Sarkis Auadis and his wife Freda Bloutian and their daughter, Garineh.

INTERNATIONAL ENGAGEMENT

In 2014–15 the Department contributed to a range of engagement initiatives focused on strengthening existing partnerships and developing new partnerships in the context of global and regional developments in immigration and border protection matters. Key engagements included:

- meetings with United States House Committee on Foreign Affairs and the US Department of Homeland Security on border management
- the European Union Senior Officials Dialogue to discuss matters of mutual concern, including legal migration, asylum issues, border management and visas, as well as bilateral meetings with European counterparts about Australia's experience in implementing Operation Sovereign Borders
- participating in the 18th Australia-Indonesia Immigration Working Group, the 1st Malaysia-Australia Joint Working Group on Transnational Crime, the 5th Pakistan-Australia Joint Working Group on Border Management and Transnational Crime, and the 4th Australia-India Joint Working Group on Visas, Passports and Consular Matters
- the Joint Ministerial Forum with Nauru to oversee the implementation of the Memorandum of Understanding (MOU) for regional processing arrangements in Nauru
- the Organisation for Economic Co-operation and Development High Level Policy Forum on Mobilising Migrants' Skills for Economic Success, which covered the challenges of managing migration and the social and economic integration of immigrants
- the Senior Officials Meeting of the Budapest Process, a consultative forum where more than 50 governments exchange information and best practice on a range of migration issues.

International engagement with important global and regional partners continued across a range of issues throughout 2014–15. Key departmental activities to support engagement and capability included:

- assistance to Malaysia to help improve its border management systems capabilities
- conducting exchange programmes with Singaporean agencies for technical training and border management, including participation in Singapore's annual Immigration and Checkpoints Competencies Training Programme
- facilitating workshops in Laos, Cambodia and Burma to develop capacity on border management to help address irregular migration and enhance border capability
- capacity-building projects in Central and South America, focused on increased cooperation and information sharing with immigration agencies, and the opening of Australian Biometrics Collection Centres in Mexico
- deploying four advisers under the Strongim Gavman Programme to work with Papua New Guinean immigration counterparts to strengthen border management capacities
- work with the Kiribati Department of Foreign Affairs and Immigration to complete the machine-readable travel document issuing system project.

MULTILATERAL ENGAGEMENT

The Department continued its strong contribution and commitment to multilateral cooperation and engagement on humanitarian protection, managed migration, countering human trafficking and people smuggling, and other border management efforts. It maintained its influence in shaping global dialogues on migration and border management.

The Department participated in a number of multilateral forums in 2014–15 including:

- chairing the Intergovernmental Consultations (IGC) on migration, asylum and refugees mini and full rounds of consultations
- the 9th Annual ASEAN Directors-General of Immigration Departments and Heads of Consular Affairs Divisions of the Ministries of Foreign Affairs + Australia Consultation, and the associated ASEAN-Australia Programme of Work
- leading Australia's delegation at the 8th Ad-Hoc Group Senior Officials Meeting (AHG SOM) of the Bali Process held in Canberra on 6 August 2014 and the 9th AHG SOM held in Wellington on 6 May 2015
- participation in the 29th Session of the United Nations Human Rights Council
- participation in the Pacific Immigration Directors' Conference, the key regional immigration forum in the South Pacific, which promotes dialogue and cooperation with a focus on migration and border management
- Five Country Conference participation on key initiatives, including the Secure Real Time Platform for biometric data exchange, a five-way MOU for visa application centre sharing, the eMedical system and targeting immigration fraud
- participation in the Global Forum on Migration and Development dialogue and cooperation on international migration and development.

Through the above multilateral forums and working with other multilateral partner organisations, the Department focused on delivering programmes of work and strengthening global and regional approaches to address migration and border management related concerns. Key activities included:

- working with the Association of Southeast Asian Nations (ASEAN) counterparts under the ASEAN-Australia Programme of Work to strengthen the region's ability to address irregular migration, with a focus on ASEAN common visa arrangements
- funding the IOM to provide care and management of potential illegal immigrants in Indonesia, a network of outreach offices in Indonesia to help the Indonesian Government to monitor migration flows and coordinate irregular migration responses
- funding capacity-building through the IOM to strengthen migration and border management in the Solomon Islands and Vanuatu. This included extra funding for post-cyclone assistance for Vanuatu's Immigration and Customs agencies
- funding to the UNHCR for a comprehensive review of its operations and registration processes to prioritise vulnerable or at-risk populations
- working with the FCC to explore joint initiatives on information sharing and data analytics with Customs counterparts in the Border Five Group (B5)
- finalising, in the Department's role as convener of the Asia-Pacific Economic Cooperation (APEC) Business Mobility Group (BMG), the agreement to extend the validity of the APEC Business Travel Card (ABTC) from three to five years with effect from 1 September 2015. In consultation with the 21 APEC member economies, the Department amended the ABTC operating framework to give effect to this change
- under APEC, working to expand the participation base of the Regional Movement Alert System (RMAS). This work included signing a MOU with the Philippines to enable validation of Philippines passports presented for travel with participating APEC economies
- funding to ChildFund, CARE and the IOM to support reintegration of irregular migrant returnees and stabilise communities considered 'at-risk' of engaging a people smuggling venture.

OUTCOME THREE

Support Australia's border protection through managing the stay and departure of all non-citizens.

The programmes managed under Outcome 3 are:

PROGRAMMES 3.1 AND 3.2 — COMPLIANCE, DETENTION AND STATUS RESOLUTION (ADMINISTERED AND DEPARTMENTAL)

PROGRAMMES 3.3 AND 3.4 — ILLEGAL MARITIME ARRIVAL (IMA) ONSHORE MANAGEMENT (ADMINISTERED AND DEPARTMENTAL)

PROGRAMMES 3.5 AND 3.6 — ILLEGAL MARITIME ARRIVAL (IMA) OFFSHORE MANAGEMENT (ADMINISTERED AND DEPARTMENTAL)

STRATEGY

To achieve this outcome, the Department of Immigration and Border Protection will work collaboratively with all levels of Government, internationally and with stakeholders to:

- support Operation Sovereign Borders, the Joint Agency Task Force, and regional processing countries in the management of illegal maritime arrivals (IMAs)
- resolve the status of the legacy cohort of IMAs
- maximise cooperation and voluntary compliance with visa obligations and encourage timely resolution of immigration status
- support the management of Australia's borders and the integrity of Australia's migration, humanitarian and citizenship programmes by identifying and addressing breaches of immigration and citizenship law or other irregularities
- identify risks and address non-compliance through enforcement strategies including visa cancellation, detention of non-citizens and departure from Australia
- identify and apply enforcement action against serious and organised crime, and non-citizens who pose a risk to the Australian community.

OVERVIEW

During the 2014–15 financial year, the Department continued to develop its capability in response to changing operational demands. There were significant reductions in the held immigration detention population, from 3624 at 30 June 2014 to 2013 at 30 June 2015. This decrease was due to the passage of the *Resolving the Asylum Legacy Caseload Act 2014* (RALC Act), which reinstated Temporary Protection visas (TPVs) and introduced a new Safe Haven Enterprise visa (SHEV) among other measures, and enabled eligible illegal maritime arrivals (IMAs) to be released into the community on Bridging E visas (BVE) or community detention while they await the resolution of their immigration status.

The size of the community detention population reduced during 2014–15, through the grant of BVEs, from 3007 at 30 June 2014 to 1189 at 30 June 2015.

As a result of recent key policy changes and the consequent reduction in the number of IMAs, the population in immigration detention centres (IDCs) in 2014–15 comprised a larger number of unlawful non-citizens who had overstayed their visas, had their visas cancelled on character grounds, who were in breach of visa conditions or who were refused entry at Australia's international airports. Immigration detention facilities (IDFs) also continued to accommodate IMAs while their immigration status is resolved. This ensures that health, identity and security risks to the community can be managed.

Officers of the Department have worked closely with contracted service providers and other stakeholders to successfully deliver infrastructure projects and works to ensure that facilities across the immigration detention network, and processing and resettlement spectrum, are fit for purpose and are able to meet changing operational needs. Such projects included the establishment of a learning centre on Christmas Island, commenced the redevelopment of the Melbourne Immigration Transit Accommodation (ITA) and continued the major redevelopment work at the Villawood IDC.

Of the 5.8 million temporary arrivals in 2014–15, more than 99 per cent voluntarily complied with the requirement to leave Australia before their visa expired. Under the visa compliance and status resolution programme, the Department worked to manage people effectively, including those on BVEs. As a result, the rate of non-compliance has decreased from 0.3 per cent in 2013–14 to 0.2 per cent in 2014–15.

The Department is committed to using the best balance of prevention, deterrence and enforcement to achieve its goal of limiting opportunities for illegal work in Australia. Businesses face penalties if they employ, refer or contract non-citizens who are not allowed to work or who are restricted doing so. This is regardless of whether or not they know the person was an illegal worker. Employers convicted under Commonwealth legislation for employing illegal workers face fines up to \$21,600 and/or two years' imprisonment, while companies face fines up to \$108,000.

In the regional processing context, Nauru and Papua New Guinea (PNG) continued to progress refugee determinations and provide or develop settlement opportunities for refugees. The Government of PNG commenced refugee determination hand-downs in December 2014 and reached 129 positive ministerial final determinations in 2014–15. In Nauru, implementation of the settlement arrangements progressed, resulting in 410 refugees being settled in to the Nauruan community during 2014–15 and the first settlement of Nauru-determined refugees in Cambodia in June 2015.

In October 2014 Mr Philip Moss conducted an independent inquiry into allegations of abuse and sexual misconduct at the Nauru Regional Processing Centre (RPC). His final report to the Department on 27 March 2015 included 19 recommendations. The Department accepted and

responded to all recommendations, which included introducing measures for stakeholders to work more collaboratively, developing capacity within Nauruan agencies and their staff, reviewing infrastructure to enhance privacy, providing support in the development of a child protection framework, noting the Government of Nauru's independent arrangements with other stakeholders to build and develop their child protection capabilities. Significant progress has been made in implementing the recommendations, with most having been completed.

Further to this, the detention assurance team (DAT) was established in December 2014 to strengthen assurance and integrity in the management of detention services. This team is responsible for undertaking investigations and supporting commissioned inquiries into allegations or incidents in the onshore detention network and RPCs.

MAJOR ACHIEVEMENTS

During 2014–15 the Department closed Curtin IDC, Bladin Alternative Place of Detention (APOD) and the Inverbrackie APOD on mainland Australia, and the Aqua, Lilac, Construction Camp and Phosphate Hill APODs on Christmas Island.

These closures reflected the decline in the number of IMAs since Operation Sovereign Borders began and the *Migration and Maritime Powers Legislation Amendment (Resolving the Asylum Seekers Caseload) Act 2014* (the RALC Act) was passed. The closure of 13 IDFs since 2013–14 has delivered a combined saving of \$570.1 million.

Between 1 July 2014 and 30 June 2015, the number of children in held or community detention has reduced substantially from around 2220 at 30 June 2014, to around 770 at 30 June 2015. The number of children in held detention has reduced by around 570 to 127 at 30 June 2015, and the number of children in community detention has reduced by around 880 to 642 at 30 June 2015.

With the commencement of the *Migration Amendment (Character and General Visa Cancellation) Act 2014* on 12 December 2014, the Department has been able to cancel visas on the basis that the visa holder presents or may present, or would or might present a risk to the health, safety or good order of the Australian community. This Act has also enabled the Department to cancel temporary visas where a visa holder has been convicted of a criminal offence in Australia.

While a number of IDFs have closed during the 2014–15 year, the Department has delivered or commenced a number of new onshore infrastructure projects. The Department constructed and commissioned a learning centre on Christmas Island and began redeveloping parts of the Melbourne ITA. Works on the Villawood IDC redevelopment project continue.

During this period, the Department also constructed and commissioned the East Lorengau Refugee Transit Centre (ELRTC) in Manus Province, PNG. The facility can accommodate up to 298 transferees with supporting amenity¹⁴ and water, power and waste water services. The Department also has commissioned a precinct within the ELRTC for the PNG Immigration and Citizenship Authority that includes a small office, accommodation and associated services.

PNG handed down its first positive ministerial final determination in December 2014 and the first PNG determined refugee moved into the ELRTC in January 2015.

Infrastructure to improve conditions at the Manus RPC and increase PNG's administrative capacity at the RPC has also been constructed and commissioned by the Department. This infrastructure includes a new medical centre, staff accommodation, an interview and processing building, administration and gatehouse facilities, and a logistics and warehouse precinct. New self-sufficient engineering services, including power generation, water production and treatment, waste water

¹⁴ Amenities include laundries, classrooms outdoor areas, recreational rooms, etc.

treatment and communications have also been established at the RPC on the Lombrum Naval Base. During 2014–15 the Department supported the construction of two 150-bed settlement accommodation facilities in Nauru for refugees and advanced significant improvements to community infrastructure at the Republic of Nauru Hospital and local schools.

CHALLENGES

The Department will continue to face challenges due to the number of people overstaying their visas and from the increased number of visas being cancelled because of character concerns. This could result in a larger high-risk caseload needing to be detained in the onshore immigration detention network. As a result, ongoing consideration is being given to the Department's ability to manage fluctuations in the onshore network caseload, while ensuring the safety and security of occupants and staff. This planning entails the provision of appropriate security, personnel, amenity and support capability to the network viewed holistically.

Key policy and legislative changes made by the Australian Government towards the end of 2014 have enabled a steady increase in removals activity. The ability to maintain a stream of removals depends on the acquisition of travel documents from foreign governments and possible judicial challenges.

The Department faces challenges in returning detainees to certain countries that will not accept involuntary returns.

The Department will also face challenges arising from the amenities that exist in the regional processing countries. Upgrades to power, water and communication services in PNG will continue to be a priority. In addition, the Department will consider potential upgrades to administration, information technology and recreation in facilities in RPCs.

The Department will continue to work closely with PNG and Nauru to provide durable settlement solutions to transferees found to be refugees, including advancing the third country settlement arrangements.

RESOURCES

The administered and departmental financial resources allocated to Outcome 3 are outlined in Table 50.

Table 50: Outcome 3 financial resources summary 2014–15

Outcome 3: Support Australia's border protection through managing the stay and departure of all non-citizens.			
	Budget ^a 2014–15 \$'000	Actual expense 2014–15 \$'000	Variations 2014–15 \$'000
Programme 3.1 and 3.2: Compliance, Detention and Status resolution			
Administered expenses:	83,317	90,397	7,080
Ordinary annual services (Appropriation Acts No. 1 and Bill No. 3 and No. 5)			
Departmental expenses:	188,600	208,026	19,426
Departmental appropriation ^b			
Expenses not requiring appropriation in the Budget year ^c	27,334	42,611	15,277
Total expenses for Programme 3.1 and 3.2	299,251	341,034	41,783
Programme 3.3 and 3.4: IMA Onshore Management			
Administered expenses:	1,590,520	1,300,021	(290,499)
Ordinary annual services (Appropriation Acts No. 1 and Bill No. 3 and No. 5)			
Departmental expenses:	322,164	279,368	(42,796)
Departmental appropriation ^b			
Expenses not requiring appropriation in the Budget year ^c	65,056	78,008	12,952
Total expenses for Programme 2.3 and 2.4	1,977,740	1,657,397	(320,343)
Programme 3.5 and 3.6: IMA Offshore Management			
Administered expenses:	862,924	928,506	65,582
Ordinary annual services (Appropriation Acts No. 1 and Bill No. 3 and No. 5)			
Departmental expenses:	54,188	69,478	15,290
Departmental appropriation ^b			
Expenses not requiring appropriation in the Budget year ^c	13,309	36,034	22,725
Total expenses for Programme 3.5 and 3.6	930,421	1,034,018	103,597
Total expenses for Outcome 3	3,207,412	3,032,449	(174,963)
Average staffing level (number)	2,974	2,951	(23)

a Budget relates to the revised Budget estimates reported in the *Portfolio Additional Estimates Statements 2014–15* (PAES) and the *Portfolio Supplementary Additional Estimates Statements 2014–15* (PSAES).

b Departmental appropriation combines 'Ordinary annual services (Appropriation Acts No. 1 and Bill No. 3 and No. 5)' and 'Retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*'.

c Expenses not requiring appropriation in the budget year are expenses relating to depreciation, amortisation and cost recovery expense.

PROGRAMMES 3.1 AND 3.2— COMPLIANCE, DETENTION AND STATUS RESOLUTION

Programme 3.1 consisted of five administered items:

- Compliance resolution community care and assistance
- Community place and detention services
- Payments under section 65 (PGPA Act)—*act of grace* payments¹⁵
- Recovery of removal charges and detention costs
- Foreign fishers.

Programme 3.2 consisted of five departmental items:

- Compliance
- Community place and detention services
- Status resolution
- Returns and removals
- Foreign fishers.

OBJECTIVES

Actively resolve the status of non-citizens through mechanisms to facilitate voluntary and involuntary outcomes, including departures where appropriate.

Administer an effective programme of prevention, deterrence and enforcement that maximises adherence to Australian entry and stay requirements and protects the public through:

- targeted education, information and engagement about visa obligations and requirements
- identification and response to suspected breaches of immigration and citizenship law in Australia
- detection and location of persons who have no lawful authority to be in Australia or are in breach of conditions that apply to their visa
- cancellation or refusal of visas to non-citizens who may present a public risk for reasons such as their involvement in serious criminal activity or matters that relate to national security
- facilitation of a substantive immigration outcome in a lawful, timely, fair and reasonable manner including through visa grant or departure from Australia.

Administer programmes and services in community and detention environments in Australia that:

- support the management of risks to the integrity of the migration, humanitarian and citizenship programmes
- support the management of character and national security risks to the community presented by certain non-citizens
- treat unlawful non-citizens with dignity and respect
- meet the health and other care needs of unlawful non-citizens to an appropriate standard.

¹⁵ The *Public Governance, Performance and Accountability Act 2013* came into effect on 1 July 2014 and replaced the *Financial Management and Accountability Act 1997*.

DELIVERABLES

The following table reports against the Programmes 3.1 and 3.2 deliverables as published in the Department's *Portfolio Budget Statements 2014–15* (PBS) and *Portfolio Additional Estimates Statements 2014–15* (PAES).

Compliance, Detention and Status Resolution — deliverables

Deliverable: Targeted information and engagement activities that deter non-citizens from overstaying or breaching their visa conditions.

Result: The compliance status resolution communication strategy 2013–15 outlines the framework for informing and educating clients about their visa obligations and responsibilities. Communication products reinforce consistent messages to help clients make informed decisions. Various methods of communication are used to deliver preventive messages underpinned by the responsive compliance model.

Deliverable: Risk-based response to non-citizens who have breached immigration law or pose a character or national security risk, including through visa cancellations and refusal where appropriate.

Result: The Government rapidly responds to threats to the Australian community and amends the cancellation framework accordingly. In June 2013 and in December 2014, major changes were made to the *Migration Act 1958* and the Migration Regulations 1994 to strengthen the thresholds for visa cancellation on the basis of criminality and risk. These changes reflect the Government's position that travelling to, and remaining in, Australia is a privilege, not a right, and that any non-citizen who would seek to do us harm or who chooses to breach the law or who fails to uphold the behavioural standards expected by the Australian community should expect to be refused entry or have their visa cancelled.

In June 2013 the Migration Amendment (Subclass 050 and Subclass 051 Visas) Regulation 2013 amended the Migration Regulations 1994. This enabled the Department to consider visa cancellation for Bridging E Visa (BVE) holders who were charged or convicted of an offence in Australia or overseas. The Department cancelled 112 BVEs held by illegal maritime arrivals (IMAs) under these provisions during the 2014–15 programme year based on charges and convictions for indecent assault, theft, domestic violence, driving under the influence, and drug-related crimes. The 2013 regulation also put in place a code of behaviour, a set of enforceable behavioural standards, for IMA BVE holders living in the community. One IMA BVE holder has had their visa cancelled due to a breach of the code this programme year.

On 11 December 2014 the *Migration Amendment (Character and General Visa Cancellation) Act 2014* came into effect. In the period between the introduction of the Act amendments and 30 June 2015, one BVE holder was cancelled on the basis that they posed a risk to the safety of the Australian community.

Work continued in a variety of other locations and circumstances to cancel the visas of people who had breached conditions, committed fraud, whose circumstances had changed or who were no longer entitled to hold a visa. This has involved compliance field teams, staff at the Australian border, at overseas offices and in the general cancellation network.

The Minister or a delegate may cancel a visa or refuse a person's visa application for a variety of reasons, including past and present criminal conduct and whether they present a danger to the Australian community under the character provisions at s. 501 of the Migration Act.

In 2014–15 the Minister or a departmental delegate made 970 character-related decisions under s. 501 of the Migration Act, leading to 588 visa cancellations (including eight consequential cancellations), 135 refusals to grant a visa and 247 decisions not to refuse or cancel a visa.

In 2014–15 the Department undertook 5491 field visits onshore to increase awareness, locate unlawful non-citizens and investigate possible breaches of immigration law.

Compliance, Detention and Status Resolution—deliverables

Deliverable: Health and other support services for unlawful non-citizens in immigration detention.

Result: Unlawful non-citizens (UNCs) in immigration detention in Australia received individualised health care to a standard comparable to health services available within the Australian community under the public health system.

UNCs received health screenings on entering immigration detention, including checks for communicable diseases. Primary and mental health clinics were provided on-site, with allied and specialist health care provided through visiting practitioners or through referral to community-based practitioners. Emergency and acute care was provided by local hospitals.

Specialist torture and trauma counselling was offered to UNCs as clinically indicated.

UNCs detained in the community received free health care from a network of community-based providers.

For more information, see Programmes 3.3 and 3.4 deliverable 'Health and other support services for IMAs in Immigration detention' on page 185.

Deliverable: Support services for non-citizens in the community.

Result: During 2014–15, 33,777 non-citizens (including 28,880 IMAs) were provided with support while seeking to resolve their immigration status and living in community detention (CD) or in the community through status resolution support services (SRSS) and its component programmes, community assistance support (CAS) and asylum seeker assistance scheme (ASAS).

Case workers, employed by contracted service providers, work with recipients to ensure that the services provided are targeted to meet identified needs and build independence. Departmental guidelines and decision-makers ensure that services remain consistent with status resolution processes and Australian community standards. These arrangements are supported by monitoring and quality assurance activities to ensure that services are delivered appropriately.

The transition to SRSS during 2014–15 supports the longer term efficiency of support services for non-citizens in the community by reducing administrative costs associated with multiple programmes and allowing service levels to be targeted more effectively to recipient needs.

Compliance, Detention and Status Resolution—deliverables

Deliverable: Services that facilitate status resolution for unlawful non-citizens, including voluntary return to the person's country of origin and, where appropriate, reintegration assistance packages.

Result: The International Organization for Migration (IOM) delivers the assisted voluntary return (AVR) programme to eligible unlawful non-citizens, including IMAs, on behalf of the Department. This is done to support their timely return to their country of origin. An underlying principle of this programme is its voluntary nature—that is, ensuring that those returning are doing so based on personal and informed decisions that are free of coercion or incentives.

AVR is available to eligible unlawful non-citizens who wish to return to their home country from Australia but are unable to do so without financial assistance. A person can gain access to IOM returns assistance at any stage of the status resolution process.

Benefits to people returning under the AVR programme include assistance in the form of counselling, travel assistance, accommodation and immediate post-return support. This assistance is available to those who choose voluntarily to return either to their home country or to a country where they have right of entry and long-term stay.

The Department also provides reintegration assistance (RA) services to support IMAs upon their return home. Reintegration assistance is designed to facilitate income-generating, employment or educational activities upon return.

In 2014–15, 682 referrals were sent to IOM for access to the AVR program compared with 570 in 2013–14.

In 2014–15, 440 returns were completed with the assistance of the AVR program compared with 398 in 2013–14.

The services provided to unlawful non-citizens and BVE holders through SRSS are intended to facilitate status resolution by addressing and preventing vulnerabilities that might otherwise prevent engagement with the Department and/or create barriers to departure from Australia.

Homelessness and destitution may cause a person to stop engaging with the Department and the status resolution process. To prevent this, SRSS recipients receive a living allowance, case worker support and assistance to find affordable accommodation.

Similarly, mental health concerns may inhibit effective status resolution. SRSS providers link recipients to meaningful community engagement activities that reduce social isolation and support access, on a needs basis, to mental health services and torture and trauma counselling.

KEY PERFORMANCE INDICATORS

The following table reports against the Programmes 3.1 and 3.2 key performance indicators as published in the Department's PBS 2014–15 and PAES 2014–15.

Compliance, Detention and Status Resolution—key performance indicators

Indicator: Voluntary compliance is maintained as the primary approach to resolving the immigration status of non-citizens.

Result: This indicator was met.

Overall compliance with Australia's immigration system was high in 2014–15. More than 99 per cent of more than 5.8 million temporary arrivals during the financial year complied with the requirement to maintain their lawful immigration status or to leave Australia before their visa expired.

The Department implemented an employer awareness campaign using low-cost communication channels. The campaign increased employer awareness about their responsibilities when hiring and referring non-citizens. The channels most effective were a dedicated webpage and an information video about employing legal workers.

In 2014–15 the Department undertook 1271 awareness visits with business, industry and stakeholder groups.

A visa entitlement verification online (VEVO) check is promoted and accepted as a reasonable step for checking if a non-citizen is allowed to work. In 2014–15, 11,648 businesses registered to use VEVO. Overall, more than 2,641,245 VEVO checks were completed in 2014–15 compared with 2,302,508 in 2013–14, an increase of 15 per cent.

In 2014–15 the Department issued 655 illegal worker warning notices to educate businesses about their responsibilities when hiring non-citizens and warned them of the consequences of continued non-compliance with legislation. In 2014–15 eight infringement notices were issued to non-compliant employers, with fines totalling \$62,730.

Indicator: The management of lawful non-citizens and resolution of their immigration status while they are in the community, does not lead to an unacceptable increase in non-compliance.

Result: This indicator was met.

During 2014–15, in an attempt to resolve their immigration status, community status resolution officers (CSROs) had engaged with a total of 75,561 people (including IMAs) who were living in the community as an alternative to detention. At 30 June 2015 CSROs was managing 36,849 people, an increase of 37 per cent compared with 26,829 people being managed as at 30 June 2014.

The effective management of non-citizens in the Australian community on BVEs has not led to an unacceptable increase in non-compliance with BVE conditions, with the percentage of BVE overstayers against relevant BVE grants remaining relatively stable at less than 10 per cent in recent years.

Compliance, Detention and Status Resolution—key performance indicators

Indicator: The immigration status of the majority of non-citizens located in the Australian community for breach of immigration law is resolved in a timely way.

Result: This indicator was met.

In 2014–15, of the 16,567 people who were located unlawfully in the community, 52 per cent had departed Australia by 30 June 2015. Of the remaining 48 per cent, common impediments to an expeditious removal included the person not being fit to travel, time taken to verify their identity so that a travel document could be issued, and the lodgement of further applications.

During 2014–15 the Department assisted in or managed the departure of 16,026 people from Australia, a decrease of 2.6 per cent compared with 2013–14 (16,446). These figures include voluntary departure of people from the community, the removal (voluntary and involuntary) of non-citizens held in immigration detention (including IMAs), and the return of transferees from RPCs.

A number of factors contributed to the decrease in removals, including important changes by the Government to character provisions in the Migration Act that led to a large number of people who needed to be detained because of a criminal conviction or criminal charges, escalated engagement with source countries to facilitate returns, and increased commitment to addressing impediments to returns.

The Department manages a programme to regularly review the circumstances and reasons for a person's detention. These include reviews conducted by detention review managers within 24–48 hours of a person's detention, monthly reviews of all people held in detention and CD, and regular reviews of detention placements.

In 2014–15, 98.1 per cent of cases were reviewed within service standards, see Table 5.1 'Visa compliance status resolution' on page 166.

Compliance, Detention and Status Resolution—key performance indicators

Indicator: The immigration detention network meets operational requirements and is maintained to a standard that supports the health, safety and security of detainees and staff.

Result: This indicator was met.

The Department maintains a network of IDFs that cater for differing caseloads and individual needs. Facilities are categorised as an immigration detention centre (IDC), immigration residential housing (IRH), immigration transit accommodation (ITA) or an alternative place of detention (APOD), established under the Migration Act.

To ensure the safety and security of all people in detention, higher-risk detainees are accommodated in IDCs while families with minors are accommodated at IRH, ITA and APODs. Maintaining good order, safety and security of IDFs is of paramount importance. An individual's known risk history or criminal history is considered when placement and management in an IDF is being considered. The safety of the detainee and others are taken into account.

In accordance with Government policy, minors are only detained in immigration detention as a last resort and for the shortest practicable time. Between 1 July 2014 and 30 June 2015, the number of children in immigration detention has reduced substantially from around 2220 at 30 June 2014 to around 770 at 30 June 2015.

Following passage of the *Resolving the Asylum Legacy Caseload Act 2014* (RALC Act), more than 550 children and their families were released from held immigration detention into the community on bridging visas or into community detention.

The amenities at departmental facilities provide suitable conditions for people in immigration detention. The detainee population at different facilities is managed in a manner appropriate to meet identified needs and management protocols commensurate with security, service delivery and other characteristics of the detainee population. Immigration detainees are given access to a range of services that are comparable with Australian community standards (next indicator refers). This is consistent with Government policies that ensure the fair and reasonable treatment of all immigration detainees.

Compliance, Detention and Status Resolution—key performance indicators

Indicator: Non-citizens in immigration detention have access to services consistent with relevant laws and standards.

Result: This indicator was met.

Detainees in immigration detention, as well as staff, are provided with access to a range of services that support their health, safety and security, including:

- coordinated primary and mental health care, including provision of allied, specialist and acute care as required
- access to external government and non-government oversight bodies
- educational programmes, including English-language instruction
- cultural, recreational and sporting activities
- external excursions
- specialist counselling services
- library services
- computer and internet services
- culturally and nutritionally appropriate meals
- incidental items for purchase.

The Department's contracted service provider, Serco Australia Pty Ltd, maintained an individual management plan for each detainee. This plan recognises the unique requirements and circumstances of each individual while they are in immigration detention. It describes the measurable outcomes that the service provider must deliver in order to satisfy the Department that it is fulfilling its duty-of-care obligations to each person in immigration detention.

To ensure the safety and security of all detainees and staff, Serco created and maintained a security risk assessment for each individual. All service providers use the information in the security risk assessment to ensure that those people who pose a risk to the good order of the facility and the safety and security of detainees, visitors and staff, as well as those who pose a threat to the Australian community, are appropriately managed.

Detainees are given access to individualised health care that is broadly comparable to the level of health care provided to the broader Australian community under the public health system. The Department monitors the performance of Serco and where contractual requirements are not met, significant financial penalties are applied.

Indicator: Eligible non-citizens have appropriate access to services that supports timely return to their country of origin.

Result: This indicator was met.

The performance results are reported under Programmes 3.1 and 3.2 deliverable 'Services that facilitate status resolution for unlawful non-citizens, including voluntary return to the person's country of origin and, where appropriate, reintegration assistance packages' on page 161.

Table 51: Visa compliance status resolution

Visa compliance status resolution measure	2012–13	2013–14	2014–15
Percentage of individuals held in immigration detention whose ongoing detention and placement is reviewed within service standards. ^a	98.0%	98.8% ^b	98.1%

a Service standards available at www.border.gov.au.

b In 2013–14 the detention review managers reviewed the initial detention of 98.8 per cent of non-IMAs within service standards.

PROGRAMME 3.1— COMPLIANCE, DETENTION AND STATUS RESOLUTION (ADMINISTERED)

COMPLIANCE RESOLUTION COMMUNITY CARE AND ASSISTANCE

COMMUNITY STATUS RESOLUTION SERVICE

On 1 January 2015 the status resolution support services (SRSS) scheme commenced. It brought together four support programmes for people with an unresolved immigration status:

- community detention (CD) programme
- community assistance support (CAS) programme
- asylum seeker assistance scheme (ASAS)
- services to unaccompanied minors in alternative places of detention (APODs).

Service settings remain similar to those under the four previous programmes. However, implementation of SRSS will achieve a number of efficiencies:

- standardisation of service provider contracts
- reduction of reliance on manual administration and record-keeping methods
- introduction of a shared ICT platform across the programme
- introduction of an inter-agency data link with the Department of Human Services (DHS) to manage and report on support payments
- increased capability for programme reporting and trend analysis.

Contracts were signed with 11 service providers in September 2014 to deliver SRSS services after an open market tender process.

SRSS facilitates status resolution by addressing barriers that would otherwise impede a recipient's active engagement in resolving their immigration status.

SRSS and its component programmes were also delivered under:

- Programme 2.1 administered item 'Payments for the asylum seeker assistance scheme', see page 127
- Programme 3.3 deliverable 'Support services for IMAs in the community on bridging visas', see page 185.

COMMUNITY PLACEMENT AND DETENTION SERVICES

The community status resolution service (CSRS) works with non-citizens in the community who have compliance-related issues, specifically BVE holders and unlawful non-citizens. It seeks to facilitate immigration outcomes through early and active engagement, clear and consistent messaging, and applying a level of intervention appropriate to the individual's level of assessed need. The great majority of this work is conducted in the office, with a small amount of outreach activity. Dedicated compliance counter staff engage with people with less complex cases who approach the Department voluntarily to resolve their status.

Once non-citizens are engaged with CSRS, their options are limited by their individual immigration history and BVE status. Essentially there are two pathways available to them:

- the grant of a substantive visa to remain in Australia
- departure.

CSRS will provide voluntary return assistance through the IOM to non-citizens who have no right to remain in Australia because they are not eligible for the grant of a substantive visa and who cannot finance their own departure.

As Table 52 shows, in 2014–15 the Minister approved 587 people for CD. The decision to release people to community detention is a case by case consideration.

Table 52: People approved to live in community detention in 2014–15

Programme	2013–14	2014–15
Onshore	8	13
Illegal maritime arrivals	1,448	444
Foreign fishers	0	0
Babies born to community detainees	110 ^a	130 ^a
Total	1,566	587

^a Includes five babies born to non-IMA adults.

PAYMENTS UNDER SECTION 65 (PGPA ACT)— ACT OF GRACE PAYMENTS

Payments made under s. 65 of the PGPA Act¹⁶ are special discretionary compensatory payments (*acts of grace*) made in circumstances where no other viable avenue of redress is available and the Minister for Finance considers the payment is appropriate because of the 'special circumstances'.

There were no special discretionary compensatory payments made in 2014–15.

RECOVERY OF REMOVAL CHARGES AND DETENTION COSTS

Section 210 of the *Migration Act 1958* specifies that a person who is removed or deported, other than a person who comes to Australia on a criminal justice visa, is personally liable to pay the Commonwealth the costs of their removal or deportation.

The costs incurred as part of a removal become a debt to the Commonwealth. Debt to the Commonwealth is a public interest criterion 4004 (PIC 4004) applied in Schedule 2 of the Migration Regulations 1994.

FOREIGN FISHERS

This programme manages people in immigration detention who are the crew of vessels involved in incursions by illegal, unreported and unregulated vessels into the Australian Exclusive Economic Zone that are suspected of breaching Australian fishing laws in Australian waters.

The Department provides a range of support, health and detention services while an illegal foreign fisher is in immigration detention and during their transition from fisheries detention under the *Fisheries Management Act 1991* or *Torres Strait Fisheries Act 1984* to an IDF. Illegal foreign fishers are provided with access to the same services as other detainees in the onshore detention network without regard to either of the two types of detention (immigration detention and the fisheries detention) under which they may be held in an IDF.

The Department removes illegal foreign fishers to their country of origin as soon as it is reasonably practicable to do so and on the advice of the apprehending agency or the Commonwealth Director of Public Prosecutions. All illegal foreign fishers who are minors, or are suspected of being minors, are given priority in the removal process.

¹⁶ The *Public Governance, Performance and Accountability Act 2013* came into effect on 1 July 2014 and replaced the *Financial Management and Accountability Act 1997*.

Table 53 shows that 25 illegal foreign fishers were taken into immigration detention in 2014–15.

At 30 June 2015 no illegal foreign fishers were in immigration detention. All illegal foreign fishers detained in 2014–15 were placed in accommodation appropriate to their needs.

Table 53: Illegal foreign fishers taken into immigration detention

Illegal foreign fishers	In	Out	In detention at 30 June 2105
Adults	22	23	0
Minors	3	4	0
Total	25	27	0

PROGRAMME 3.2— COMPLIANCE, DETENTION AND STATUS RESOLUTION (DEPARTMENTAL)

COMPLIANCE

Overall compliance with Australia's immigration requirements remains high. The vast majority of people complied with Australia's migration laws in 2014–15, including leaving Australia before their visas expired.

For the minority of unlawful non-citizens who did not leave of their own accord in 2014–15, status resolution officers helped them to achieve an immigration status resolution by explaining immigration or departure options, addressing obstacles to resolution, and connecting them with services on a needs basis. Wherever possible, the officers encouraged clients to participate in resolving their status to achieve voluntary outcomes.

FIELD ACTIVITY

The Department is committed to using the best balance of prevention, deterrence and enforcement to achieve its goal of limiting opportunities for illegal work in Australia. Businesses face penalties if they employ, refer or contract non-citizens who are not allowed to work or who are restricted from doing certain types of work. Employers who are convicted under Commonwealth legislation for employing illegal workers face fines of up to \$20,400 and two years' imprisonment, while companies face fines of up to \$102,000 per illegal worker.

Field activity to locate UNCs and regularise their status remained a significant part of compliance work in 2014–15. Identifying the availability of detention resources was a necessary part of planning a compliance operation.

Compliance field officers conduct targeted-based on intelligence and community information operations to locate UNCs or non-citizens working in breach of their visa conditions. Compliance field staff may cancel a person's visa, regularise the individual's status by granting a BVE to enable them to remain in the community while they make arrangements to leave or seek a substantive visa, or detain them for the purpose of removal from Australia. Those granted BVEs are referred to the CSRS team while they remain in the community. Compliance officers also undertake employer awareness work, educating businesses and individuals to avoid breaching immigration laws by employing non-citizens who do not have permission to work.

All field action is carried out by trained compliance field staff. Field action can be differentiated by those where a warrant was requested and those where no warrant was requested—that is, non-warrant visits and employer education visits.

Table 54: Key statistics and trends

Programme integrity activities	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15
Source information (dob-ins/ allegations)	14,039	15,657	19,139	25,448	28,512	29,948
Field actions— visited/ executed ^a	3,993	3,802	4,404	4,743	5,663	5,491
Locations ^b	14,396	13,948	15,601	15,173	17,237	16,567

a Field actions include employer awareness visits.

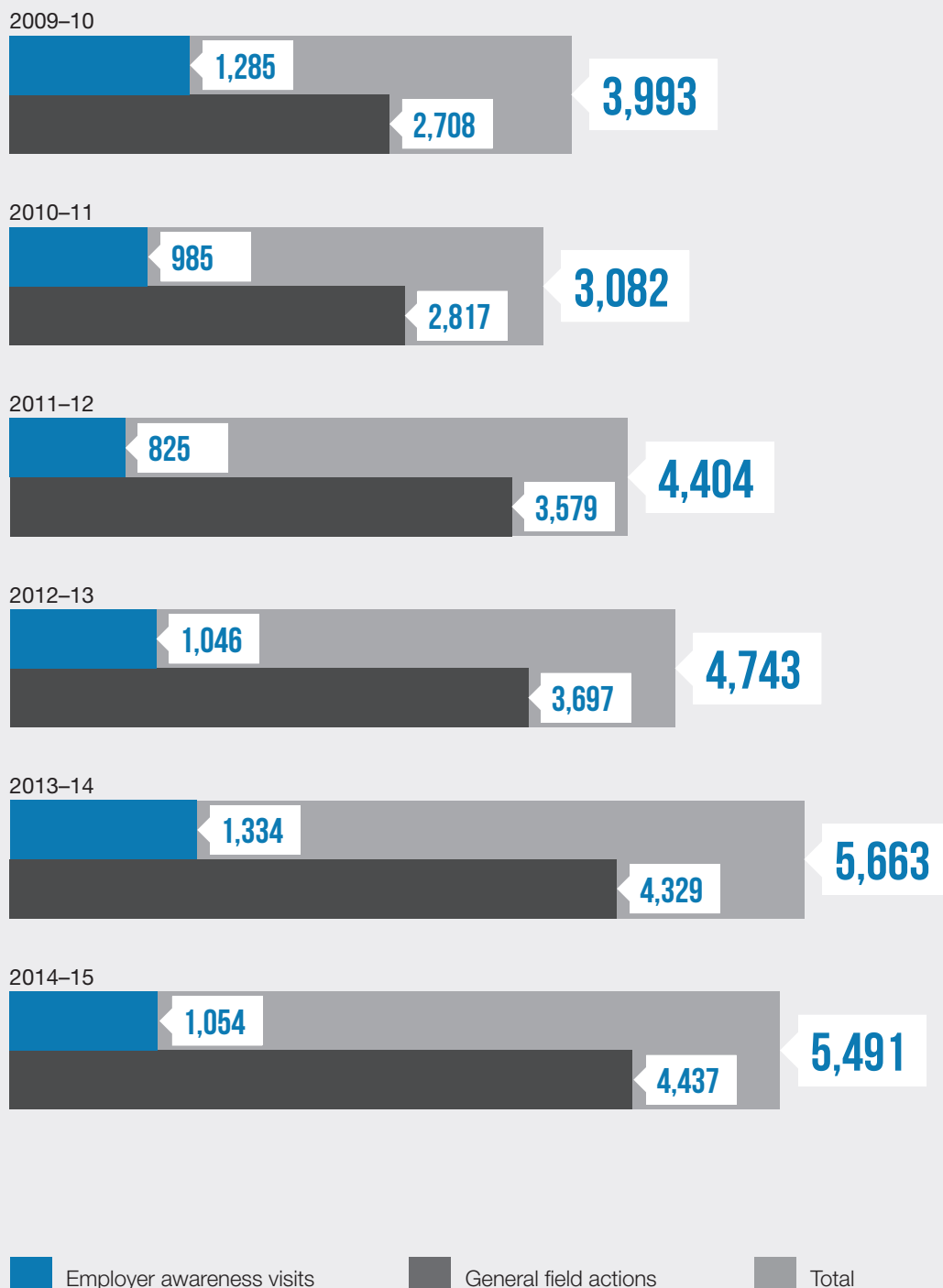
b Some non-citizens may have been located more than once in any given programme year. Each location event is counted.

Field actions are undertaken by appropriately trained compliance field staff. Field actions can be distinguished by those field actions where an awareness visit or a general field action was undertaken.

Figure 13 shows the total number of field actions which were visited or executed by the Department.

FIGURE 13

FIELD ACTIONS VISITED/EXECUTED BY THE DEPARTMENT BY FINANCIAL YEAR



COMMUNITY PLACEMENT AND DETENTION SERVICES

COMMUNITY STATUS RESOLUTION SERVICE

The CSRS assists unlawful non-citizens and BVE holders in the community who need help to resolve their immigration status.

The CSRS operates between the Department's counter services, where minimal or no intervention is required to progress and resolve a case, through to the case management service (CMS), where intensive specialist assistance is provided.

The CSRS is made up of a national network of community status resolution officers (CSROs) located in departmental offices around Australia. CSROs manage people in the community in accordance with the status resolution principles.

In 2014–15 the number of BVE holders (not including IMAs) actively engaged in the CSRS increased from 11,598 to 12,309 as at 30 June 2015, representing an increase of 6 per cent.

CASE MANAGEMENT SERVICE

Departmental case managers work with people in immigration detention or in the community who have particular vulnerabilities or case complexities that may impede their engagement in the status resolution process, and prevent them from achieving an immigration outcome. Case managers may engage relevant stakeholders and service providers to provide appropriate services to address identified needs to enable further progress towards an immigration outcome.

Case managers coordinate and oversee the provision of services and ensure that all parties are working collaboratively towards the objectives of the status resolution programme.

In 2014–15, 4912 non-citizens were case managed. Of these, 62 per cent were in detention (either held or community detention) and the remainder were in the community lawfully on bridging or other visas. Of the total number of people who were case-managed, 71 per cent were IMAs either in detention or in the community. At 30 June 2015, 129 case managers were performing this role.

LEGISLATIVE CHANGES

A summary of relevant legislative changes is outlined in Programmes 3.1 and 3.2 deliverable 'Risk-based response to non-citizens who have breached immigration law or pose a character or national security risk, including through visa cancellations and refusal where appropriate' on page 159.

DETENTION REVIEW ARRANGEMENTS

The Department is required to report to the Commonwealth Immigration Ombudsman under s. 486N and s. 486M of the Migration Act when a person has been detained for two years and at the end of each subsequent six-month period if the detainee 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 2014–15 the Department provided the Ombudsman with 2365 two-year reviews under s. 486N, and 1841 subsequent six-month reviews pursuant to s. 486M of the Migration Act.

MINISTER'S COUNCIL ON ASYLUM SEEKERS AND DETENTION

The Minister's Council on Asylum Seekers and Detention (MCASD) is an advisory council to the Minister for Immigration and Border Protection. Members are appointed by the Minister for their expertise, demonstrated commitment to immigration and humanitarian issues and community representation.

MCASD's principal purpose is to provide the Minister with independent advice on the policies, processes, services and programmes necessary to achieve the timely, fair and effective resolution of immigration status for people seeking migration outcomes. This includes people whose immigration status is unresolved and who are residing in the community or any form of immigration detention.

MCASD provides advice on:

- policies, services and programmes designed to help to manage asylum seeker issues
- policies, services and programmes to support the timely resolution of immigration status outcomes
- the appropriateness and adequacy of services to assist people whose immigration status is unresolved
- immigration detention matters, including but not limited to the suitability of facilities, accommodation and service arrangements.

This is done by:

- developing a work programme, agreed by the Minister, identifying priority issues to be addressed
- responding to specific issues identified as priorities by the Minister
- liaising regularly with relevant non-government and inter-governmental organisations, statutory bodies and immigration detention service providers
- regularly visiting IDFs to obtain information on the suitability, environment and operation of each facility
- contributing to areas of research that would help to improve policies, programmes and services
- reporting regularly to the Minister on MCASD's activities.

MCASD had three general meetings and five sub-group meetings during 2014–15, conducted eight onshore visits to IDFs, and convened 13 community consultative forums.

USE OF IMMIGRATION DETENTION FOR UNLAWFUL NON-CITIZENS

The Government considers mandatory immigration detention to be an essential component of strong border control. Immigration detention supports Australia's well-managed migration system and is used to manage potential risks to the Australian community. Detainees might include people who are perceived as national security, health or character risks. It also supports the integrity of Australia's visa programmes.

Immigration detention is an essential element in ensuring the integrity of Australia's border security. People who arrive in or seek to enter Australia without appropriate authority do not provide the Government with an opportunity to assess in advance any risks they might pose.

The length and conditions of detention, including the appropriateness of both the accommodation and the services provided, are subject to regular review.

Those subject to mandatory detention are:

- all illegal arrivals, for management of health, identity and security risks to the community
- Unlawful non-citizens (UNCs) who present unacceptable risks to the community
- UNCs who have repeatedly refused to comply with their visa conditions or are unlikely to do so.

Service delivery

The Immigration Detention Facilities and Detainee Services Contract with Serco began on 11 December 2014. The contract's initial term is for five years and it may be extended for further periods thereafter. Its total value of about \$1.9 billion had been estimated to achieve a saving in the order of 20 per cent over the five-year contract term, relative to the previous arrangements in place.

Financial reporting for the 2014–15 financial year has confirmed that the 20 per cent savings under this contract are being realised. At 30 June 2015 the Department had successfully completed the transition to a new contract in accordance with the agreed timeframes and had begun formal performance monitoring, including the abatement and incentive regimes, to ensure that Serco's services are delivered in accordance with agreed standards.

Management of safety and security within the immigration detention network

The Department continues to negotiate, implement and manage MOUs for the provision of policing services at IDFs. The MOUs support the objective of maintaining safety and security in IDFs and the dignity of people in immigration detention by ensuring that, when needed, people in detention can gain access to police services and the protection of the law in Australia to maintain good order and deal with possible criminal offences committed by detainees.

MOUs that provide policing services to IDFs are in place in the Northern Territory, New South Wales, South Australia, Western Australia and Victoria. The Department has also negotiated an agreement for the Australian Federal Police to provide policing services to IDFs on Christmas Island.

Health care services

Following an open approach to market in April 2014, International Health and Medical Services (IHMS) was selected as the successful tenderer for immigration detention health services in Australia. The Department and IHMS signed the Immigration Detention Health Services Contract on 10 December 2014. It began on 11 December 2014 for an initial five-year period.

The Department worked with IHMS to expand the range of health services provided at RPCs. This included expanding a programme of visiting specialists and allied health care practitioners, as well as implementing telehealth services that enable some specialist consultations to be provided by a videoconference link. Specialist mental health services continued to be provided at the RPCs by visiting psychiatrists, including child psychiatrists.

Infrastructure

In addition to closing facilities, the Department constructed and commissioned a learning centre on Christmas Island and began redeveloping parts of the Melbourne ITA. Work on the major redevelopment of the Villawood IDC continues. Stage one of the redevelopment was opened in May 2014 and included new accommodation, medical, educational, dining and administration facilities spread over three precincts. Stage two (2A), which includes further accommodation for low to medium risk detainees, is nearing completion and it is expected that hand over will occur in October 2015. Following the completion of stage 2A, work will commence on the final stage which is expected to be completed in late 2016.

IMMIGRATION DETENTION STATISTICS

This section provides a statistical overview of people in immigration detention in Australia during 2014–15. Statistical data is sourced from several departmental processing and recording systems.

Data relating to the immigration detention population is dynamic and there can be delays in transmitting information from the Department's immigration detention network operations. Consequently, minor variations in figures can occur. Figures for those taken into detention include IMAs being detained following return from RPCs or detained after being in the community on a bridging visa.

KEY STATISTICS

In 2014–15 a total of 15,219 people were held in immigration detention in Australia (Figure 14), including CD, compared with 27,721 people in 2013–14. This represents a decrease of 45.1 per cent.

As described in detail in Figure 14, during 2014–15 a total of 8588 people were taken into detention, compared with 15,694 in 2013–14.

FIGURE 14

PEOPLE TAKEN INTO IMMIGRATION
DETENTION DURING 2014-15

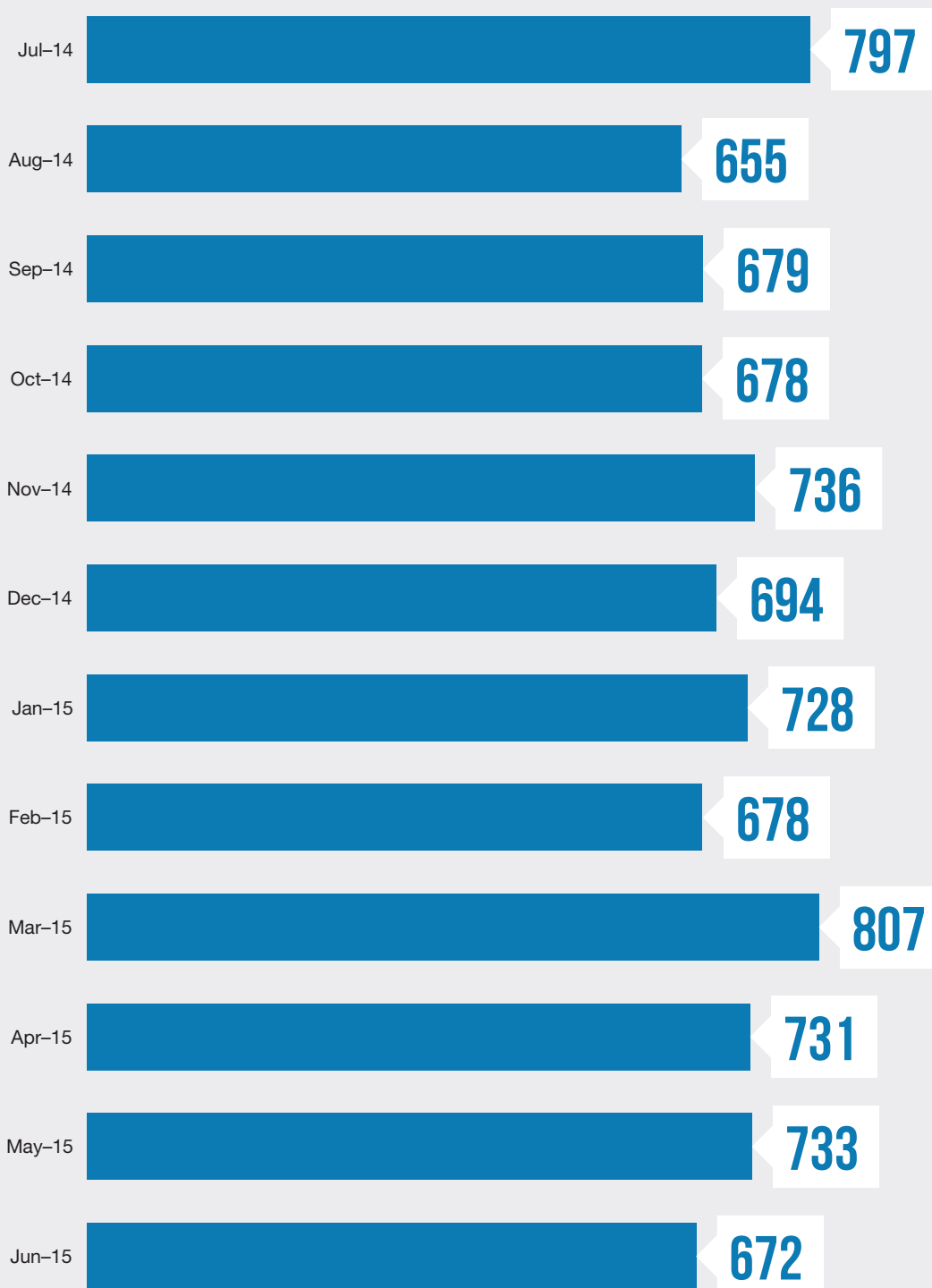
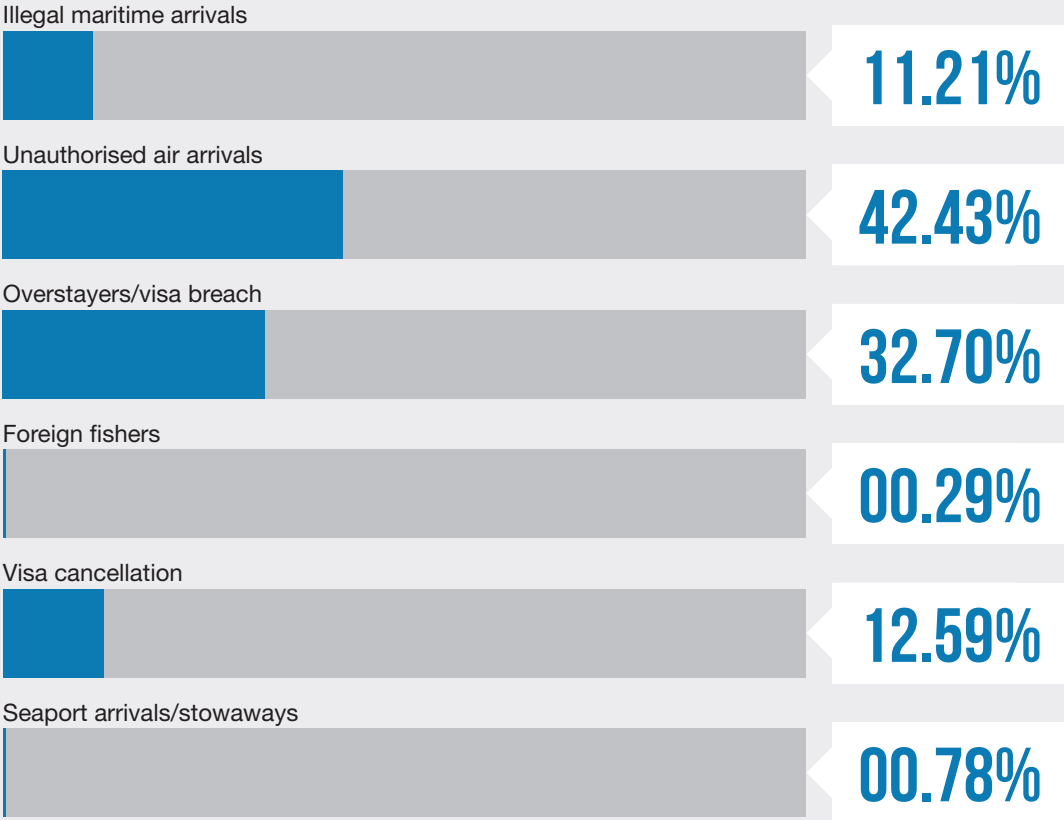


Figure 15 provides a percentage breakdown of the 8588 people taken into immigration detention:

- 2822 were people who had been living in the community but overstayed or breached visa conditions; another 1067 had their visas cancelled. This group represented 45 per cent of the total
- 25 were illegal foreign fishers, representing less than 0.3 per cent of the total
- 4607 were unauthorised arrivals (3644 by air and 963 IMAs by boat or re-detained from RPCs and Bridging E visas), representing 54 per cent of the total
- 67 were in the other categories such as seaport arrivals, stowaways and ship deserters, representing less than 1 per cent of the total.

FIGURE 15

PEOPLE ENTERING IMMIGRATION DETENTION BY ARRIVAL TYPE DURING 2014-15



Tables 55 and 56 give an overview of people in the various detention facilities at 30 June 2015 and their length of time in detention. Both tables are based on the Department's systems data at end of month, and cover both held and community detention.

Table 55: People in onshore detention by period detained at 30 June 2015

Period detained	People in onshore detention at 30 June 2014	People in onshore detention at 30 June 2015
7 days or less	73	87
8–31 days	224	203
32–91 days	356	306
92–182 days	382	345
183–365 days	2,722	534
366–547 days	1,973	402
548–730 days	411	501
More than 730 days	490	824
Total	6,631	3,202

At 30 June 2015 there were 3202 people in immigration detention compared with 6631 as at 30 June 2014 (Table 56). These comprised 2239 IMAs, 67 unauthorised air arrivals, 490 people who had been living in the community but had overstayed or breached visa conditions, no illegal foreign fishers, 402 visa cancellations and four others such as stowaways and ship deserters.

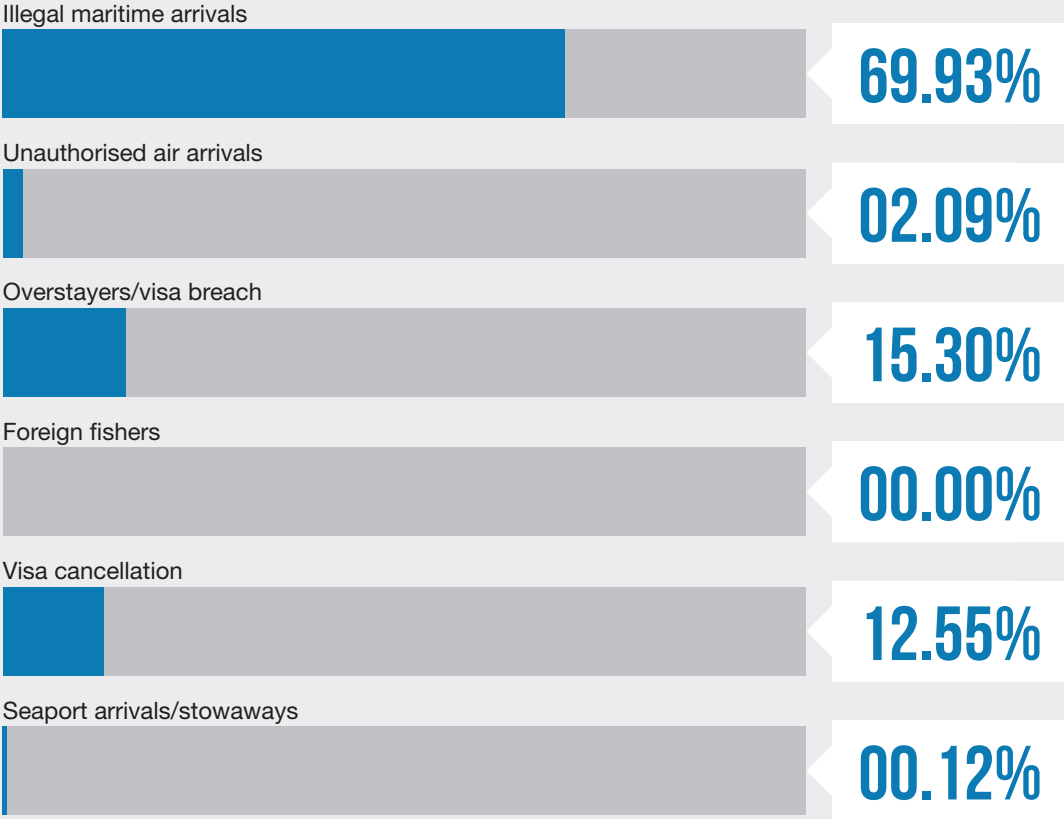
Table 56: People in onshore detention by period placement type at 30 June 2015

Placement type	People in onshore detention at 30 June 2014	People in onshore detention at 30 June 2015
Immigration detention centre	1,865	1,125
Alternative placement of detention	1,389	612
Immigration residential housing	67	49
Immigration transit accommodation	303	227
Community detention	3,007	1,189
Total	6,631	3,202

Figure 16 shows the percentage of people in immigration detention by arrival type. The largest percentage of detainees in immigration detention at 30 June 2015 was IMAs.

FIGURE 16

PEOPLE IN IMMIGRATION DETENTION BY ARRIVAL TYPE AT 30 JUNE 2015



Note: Due to rounding percentages, totals do not equal 100 per cent.

STATUS RESOLUTION

The Department supports Australia's border protection by managing the entry, stay and, where applicable, the departure of all non-citizens. It employs a status resolution approach that focuses on active and early engagement to help people achieve timely and effective immigration outcomes. This approach emphasises using community-based alternatives while a person's immigration status is resolved. Detention continues to be a measure used to manage and respond to non-compliance where necessary.

RETURNS AND REMOVALS

During 2014–15 the Department assisted in or managed the departure of a total of 11,057 UNCs from onshore immigration detention and the Australian community (non-IMAs). This was a 4.5 per cent increase on the 10,585 assisted or managed departures undertaken in 2013–14. Most removals from onshore immigration detention during 2014–15 were voluntary (2723) and the remainder (120) were involuntary.

STATUS RESOLUTION AND REMOVAL

Under s. 198 of the Migration Act, an officer must remove an UNC as soon as reasonably practicable. The Act does not define a set period for doing this but removal officers must ensure there are no unnecessary delays in effecting a removal.

When a UNC is in immigration detention and removal is found to be justified and lawful, the Department will provide the UNC with as much notice of the planned removal date as possible. The UNC will generally be notified at least seven days before removal, so long as this timeframe does not unnecessarily extend their stay in immigration detention.

BARRIERS THAT CAN DELAY REMOVAL

A range of events and situations may affect the Department's ability to remove a person from Australia, although in many cases these issues are temporary and can be resolved.

When health concerns mean that a person is not fit to travel, their removal is delayed until the Department and health services provider are satisfied they are in a condition to do so.

In other situations a person designated for removal may be required to remain in Australia for judicial reasons, either to face charges or appear as a witness in criminal proceedings.

Someone being considered for removal may also be entitled to seek judicial review of a visa decision, and these proceedings may delay departure. Removal will only take place when proceedings are finalised and removal is practicable.

STAKEHOLDER ENGAGEMENT

The Department worked closely with a range of foreign governments during 2014–15 to facilitate the return and removal of their nationals who had no lawful authority to remain in Australia or who were seeking assistance to depart voluntarily. The Department's relationship with diplomatic missions in Australia and government agencies plays an important role in enabling returns and removals to occur in an effective and sustainable manner. Engagement with foreign governments has significantly improved processes, including agreements for sharing of information and reducing the time taken to issue travel documents.

The Department maintains strong relationships with a range of stakeholders to ensure that obligations for duty of care and the safety of people returning or being removed are met. Serco provides escort services during removal operations, both from IDFs to an international airport as well as international transport and escorts overseas. Domestic and international airlines help to transport those being removed to their home countries. Most removals are undertaken with the assistance of commercial airlines, but if a removal presents an unacceptable risk to a commercial flight and the operator refuses to carry the person, the Department has the option to charter a flight.

POST-REMOVAL ASSISTANCE

When organising a removal the Department may, under certain circumstances, provide immediate post-removal assistance. Arrangements will vary according to the individual's circumstances but may include providing accommodation, food, clothing, money, special escorts, medical or welfare support on arrival, and in consultation with relevant welfare bodies.

FOREIGN FISHERS

This Programme 3.2 departmental item was met. The performance results are reported under Programme 3.1 administered item 'Foreign fishers' on page 169.

PROGRAMMES 3.3 AND 3.4— ILLEGAL MARITIME ARRIVAL (IMA) ONSHORE MANAGEMENT

Programme 3.3 consisted of two administered items:

- Community places and detention services—onshore
- Returns, removals and reintegration assistance packages—onshore.

Programme 3.4 consisted of two departmental items:

- IMAs onshore management
- Returns and removals—onshore.¹⁷

OBJECTIVES

- Actively resolve the status of IMAs through appropriate mechanisms to facilitate voluntary and involuntary outcomes, including departures.
- Administer effective programmes and strategies that support the integrity of the Australian border and advance the objectives of Operation Sovereign Borders through:
 - transfer of eligible IMAs to a Regional Processing Centre (RPC)¹⁸
 - facilitation of a substantive immigration outcome for IMAs in a lawful, timely, fair and reasonable manner, including through departure from Australia.

Administer programmes and services in community and detention environments in Australia that:

- manage health, identity and security risks to the Australian community relating to IMAs
- treat IMAs with dignity and respect
- provide advice to IMAs on their responsibilities under the code of behaviour
- meet the health and other care needs of IMAs to an appropriate standard.

¹⁷ Additional Programme 3.4 departmental item. Change between the PBS 2014–15, p. 45, and the PAES 2014–15, p. 44.

¹⁸ This objective has been amended to correct a terminology reference in the PBS 2014–15, p. 43. Changed Offshore Processing Centres (OPCs) to Regional Processing Centres (RPCs).

DELIVERABLES

The following table reports against the Programmes 3.3 and 3.4 deliverables as published in the Department's PBS 2014–15 and PAES 2014–15.

Illegal Maritime Arrival (IMA) Onshore Management—deliverables

Deliverable: Transfer of eligible IMAs to a Regional Processing Centre (RPC).¹⁹

Result: On the commencement of OSB on 18 September 2013, the Department implemented a rapid transfer process for IMAs that involved the transfer of IMAs to a RPC as soon as possible after arrival at the port of entry.

Deliverable: Health and other support services for IMAs in immigration detention.

Result: IMAs in immigration detention in Australia received individualised health care to a standard broadly comparable to health services available within the Australian community under the public health system.

Upon entry to immigration detention, IMAs received health screening, including for communicable diseases. Primary and mental health clinics were provided on-site, with allied and specialist health care provided through visiting practitioners or through referral to community-based practitioners. Emergency and acute care was provided by local hospitals.

Specialist torture and trauma counselling was offered to IMAs as clinically indicated.

Deliverable: Support services for IMAs in the community on bridging visas.

Result: During 2014–15, 25,762 IMAs on bridging visas were supported while in the community through SRSS and its component programmes, CAS and ASAS. For more information on SRSS, see deliverable 'Support services for non-citizens in the community' on page 160.

Deliverable: Services that facilitate status resolution for IMAs, including voluntary return to the person's country of origin and, where appropriate, reintegration assistance packages.

Result: The IOM delivers the AVR programme to eligible UNCs, including IMAs, on behalf of the Department in order to support their timely return to their country of origin. A key underlying principle of this programme is its voluntary nature—that is, ensuring that those returning are doing so based on personal and informed decisions that are free of coercion or incentives.

AVR is available to eligible UNCs who wish to return to their home country from Australia but are unable to do so without financial assistance. A person can gain access to IOM returns assistance at any stage of the status resolution process. The services available under the AVR programme to IMAs include returns counselling, assistance obtaining travel documents and travel arrangements, and reception assistance. These services are available to those who choose to voluntarily return either to their home country or go to a country where they have right of entry and long-term stay.

The Department also provides reintegration assistance services to support IMAs upon their return home. Reintegration assistance is designed to facilitate income-generating employment or educational activities upon return.

In 2014–15 783 IMAs (629 onshore IMA referrals) were referred to IOM for access to the AVR and RA programmes.

There were 336 onshore IMA returns completed with the assistance of the AVR programme and 456 IMAs departed with reintegration packages.

¹⁹ This deliverable has been amended to correct a terminology reference in the PBS 2014–15, p.46. Changed Offshore Processing Centres (OPCs) to Regional Processing Centres (RPCs).

KEY PERFORMANCE INDICATORS

The following table reports against the Programmes 3.3 and 3.4 key performance indicators as published in the Department's PBS 2014–15 and PAES 2014–15.²⁰

Illegal Maritime Arrival (IMA) Onshore Management—key performance indicators

Indicator: Eligible IMAs are transferred to a Regional Processing Service (RPC)²⁰ in a safe and timely manner.

Result: This indicator was met.

The Department undertook IMA transfer operations to RPCs in accordance with well-established processes and agreed administrative arrangements with regional processing countries.

Indicator: A network of immigration detention facilities that meets operational requirements is available and maintained to a standard that supports the health, safety and security of detainees and staff.

Result: This indicator was met.

To manage operations effectively across the detention network, facilities have been established that are flexible in their security, capabilities and amenity for detainees, including infrastructure and service-provider competencies. Facilities have been—and work continues in this regard—adaptable to changes in caseload and risk profile to provide the broadest range of options at each location. This not only allows the Department to respond appropriately to managing special needs or risk but also reduces the need to transfer detainees to other locations, which is a very costly exercise, particularly for high-risk detainees. A range of planning continues to enhance the flexibility and adaptability of the network to support the changing cohort of detainees.

The immigration detention health services contract with IHMS for detainees in onshore immigration detention is valued at \$438 million over the contract period (11 December 2014 to 10 December 2019). Primary health care services are provided onsite at IDFs by IHMS and are delivered by general practitioners, nurses (including mental health nurses), psychologists and counsellors. IHMS also arranges the provision of allied, specialist and acute care as clinically indicated and consistent with Australian public health standards.

The detention service provider contract with Serco is valued at \$1.94 billion over five years. Serco is contracted to deliver the services documented within the contract in a way that maintains the integrity of immigration detention and ensures the safety and security of the facilities and detainees.

²⁰ This indicator has been amended to correct a terminology reference in the PBS 2014–15, p. 47. Changed Offshore Processing Centres (OPCs) to Regional Processing Centres (RPCs).

Illegal Maritime Arrival (IMA) Onshore Management—key performance indicators

Indicator: IMAs in immigration detention and in the community receive services consistent with relevant laws and government standards.

Result: This indicator was met.

Services provided to IMAs who live in community detention or who hold BVEs are designed to be similar to but not more extensive than those available to low-income Australian families. For example, health services are Medicare equivalent and they receive a living allowance that is based on no more than 89 per cent of the relevant rate of the Centrelink Special Benefit, from which a contribution to the cost of provided accommodation is deducted.

Unaccompanied minors in CD receive a higher level of service in recognition of the Department's duty of care and, where applicable, the Minister's guardianship of the children. This includes full-time carer support in a group home environment.

Indicator: Breaches of the code of behaviour by IMAs residing in the community are actioned in a timely manner.

Result: This indicator was met.

An assessment is initiated when the Department becomes aware that a breach of the code may have occurred. When a breach is found to have occurred, however, the Department does not automatically return the individual to detention. A range of options are considered, based on the type of behaviour which breached the code.

From 1 July 2014 to 30 June 2015:

- one IMA had their BVE cancelled for breaching the code
- nine IMAs had a formal discussion with a DIBP officer to reinforce expected behavioural standards
- 40 IMAs had a discussion with their SRSS provider about expected behavioural standards.

These figures do not include IMAs who may have breached the code but whose visa was cancelled under other provisions relating to criminal charges and convictions.

If the BVE is cancelled, the former visa holder is placed in immigration detention.

Indicator: IMAs have appropriate access to services that support timely return to their country of origin.

Result: This indicator was met.

The performance results are reported under Programmes 3.3 and 3.4 deliverable 'Services that facilitate status resolution for IMAs, including voluntary return to the person's country of origin and, where appropriate, reintegration assistance packages' on page 185.

PROGRAMME 3.3— ILLEGAL MARITIME ARRIVAL (IMA) ONSHORE MANAGEMENT (ADMINISTERED)

COMMUNITY PLACES AND DETENTION SERVICES—ONSHORE

COMMUNITY STATUS RESOLUTION SERVICE

The Community Status Resolution Service (CSRS) actively manages UNCs and BVE holders in the community who need help to resolve their immigration status.

The CSRS operates between the Department's counter services, where minimal or no intervention is required to progress and resolve a case, and the CMS, where intensive, specialist assistance is provided.

The key objectives of the CSRS are:

- early and active engagement
- identifying factors that might either obstruct or facilitate status being resolved
- communicating appropriate ways and options to resolve status
- tailored assistance or intervention according to assessed needs
- effective management of cases to achieve timely immigration outcomes.

The CSRS is made up of a national network of CSROs located in departmental offices around Australia. CSROs manage people in the community in accordance with the status resolution principles.

RETURNS, REMOVALS AND REINTEGRATION ASSISTANCE PACKAGES—ONSHORE

This Programme 3.3 administered item was met. The performance results are reported under Programmes 3.3 and 3.4 deliverable 'Services that facilitate status resolution for IMAs, including voluntary return to the person's country of origin and, where appropriate, reintegration assistance packages' on page 185.

PROGRAMME 3.4— ILLEGAL MARITIME ARRIVAL (IMA) ONSHORE MANAGEMENT (DEPARTMENTAL)

ILLEGAL MARITIME ARRIVALS ONSHORE MANAGEMENT

This Programme 3.4 departmental item was met. The performance results are reported under Programmes 3.3 and 3.4—IMA onshore management—deliverables and key performance indicators from pages 185 to 187.

RETURNS AND REMOVALS—ONSHORE

The returns and removals policy team provides a range of operational support mechanisms to network departmental officers and contracted service providers, including the continuing development and application of policy by the departmental network, and the provision of oversight and direction for contacted service providers. This ensures that the indicator 'IMAs have appropriate access to services that support timely departure to their country of origin' is met by facilitating the status resolution of IMAs, through voluntary return to a person's country of origin and, where appropriate, reintegration assistance packages.

For additional information about the range of activities the team delivers to achieve the outcomes of Programmes 3.3 and 3.4, see deliverable 'Services that facilitate status resolution for IMAs, including voluntary return to the person's country of origin and, where appropriate, reintegration assistance packages' on page 185.

IDF LOCATIONS

Figure 17: Location of Immigration detention facilities at 30 June 2015



Immigration detention centre	Alternative place of detention	Immigration residential housing	Immigration transit accommodation
Christmas Island (CI)	Construction Camp (CI)	Perth	Adelaide
Perth	Phosphate Hill (CI)	Sydney	Brisbane
Yongah Hill (Northam)	Wickham Point (Darwin)		Melbourne
Villawood (Sydney)			
Maribyrnong (Melbourne)			

PROGRAMMES 3.5 AND 3.6— ILLEGAL MARITIME ARRIVAL (IMA) OFFSHORE MANAGEMENT

Programme 3.5 consisted of two administered items:

- Regional processing services²¹
- Returns, removals and reintegration assistance packages—offshore.

Programme 3.6 consisted of two departmental items:

- IMA offshore management
- Returns and removals—offshore.²²

OBJECTIVES

Administer arrangements that assist regional processing countries²³ to implement the Memoranda of Understanding (MOUs) and Administrative Arrangements agreed with Australia, including building regional processing countries'²⁴ capabilities to:

- manage IMAs transferred to a RPC²⁵
- determine the refugee status of transferees
- return and remove transferees
- settle refugees.

21 The Department's preference is to use regional processing services and not offshore processing services.

22 Additional Programme 3.6 departmental item. Change between the PBS 2014–15, p. 45, and the PAES 2014–15, p. 44.

23 This objective has been amended to correct a terminology reference in the PBS 2014–15, p. 43. Changed RPCs to regional processing countries.

24 This objective has been amended to correct a terminology reference in the PBS 2014–15, p. 43. Changed RPCs to regional processing countries.

25 This objective has been amended to correct a terminology reference in the PBS 2014–15, p. 43. Changed Offshore Processing Centres (OPCs) to Regional Processing Centres (RPCs).

DELIVERABLES

The following table reports against the Programmes 3.5 and 3.6 deliverables as published in the Department's PBS 2014–15 and PAES 2014–15.

Illegal Maritime Arrival Offshore Management—deliverables

Deliverable: Capability development support for regional processing countries²⁶ in relation to matters covered by the Memoranda of Understanding (MOU) and Administrative Arrangements agreed with Australia.

Result: Under the auspices of MOUs and Administrative Arrangements, the Department contracts service providers to support the Governments of Nauru and PNG to provide safe and secure environments for all people at RPCs. The Department also supports regional processing and settlement countries to deliver settlement services to refugees through both local services and contracted service providers.

The Department worked with IHMS to expand the range of health services provided at the RPC in Nauru. School-aged transferee children at the RPCs attend an onsite school and have access to a comprehensive after-school and weekend activity programme. Adult transferees at the RPCs also have a range of programmes and activities available to them, including English as a Second Language classes.

The Department has assisted the Governments of Nauru and PNG to develop and implement refugee determination processes, including merits review processes. The Department has provided specialist mentors to work closely with Government of Nauru and PNG protection claims officers and has provided training to refugee determination staff. The Department contracts claims assistance providers to help transferees prepare and state their protection claims. Claims assistance is also available at merits review.

In 2014–15 the Department supported a PNG Government-led refugee settlement awareness campaign involving community consultation sessions across PNG. The Department also supported the development of a Community Orientation and Preparation Programme (COPP) for refugees moving into the PNG community and an evaluation of the COPP.

Deliverable: Construction and maintenance of facilities that support regional processing countries²⁷ to manage and accommodate transferees.

Result: In 2014–15 the Department constructed and commissioned the ELRTC on Manus. The facility can accommodate up to 298 refugees and has a range of amenities including recreation, laundry and classrooms, and is equipped with stand-alone water, power and waste-water services. The Department has also commissioned a precinct for the PNG Immigration and Citizenship Authority—it includes office space, accommodation and associated services.

The Department has also supported the improvement of infrastructure at the RPCs to increase capability on Manus. This includes a new medical centre, staff accommodation, an interview and processing building, administration and gatehouse facilities, and a logistics and warehousing precinct. New self-sufficient engineering services, including power generation, water production and treatment, waste-water treatment and communications, plus a mess hall and kitchen have also been established at the Lombrum RPC, Lombrum Naval Base.

The Department continued to make improvements to security fencing, security lighting and other associated amenity at the Nauru RPC.

²⁶ This deliverable has been amended to correct a terminology reference in the PBS 2014–15, p. 47. Changed RPCs to regional processing countries.

²⁷ This deliverable has been amended to correct a terminology reference and to correct a typographical error in the PBS 2014–15, p. 47. Changed RPCs to regional processing countries. Also changed facilitates to facilities.

Illegal Maritime Arrival Offshore Management—deliverables

Deliverable: Services that support regional processing countries²⁸ to manage the health and welfare of transferees.

Result: Transferees at RPCs received individualised health care to a standard broadly comparable to the public health services available to the Australian community. General practitioner, nursing and mental health care clinics were open at the centres seven days a week. Staff were also available to respond to after-hours medical emergencies. These services were supplemented by visiting health practitioners, a telehealth service and medical transfers when required. Specialist torture and trauma counselling was offered to transferees as clinically indicated.

The Department worked with IHMS to expand the range of health services provided at RPCs. This included expanding a programme of visiting specialists and allied health care practitioners, as well as implementing telehealth services for some specialist consultations. Specialist mental health services continued to be provided at RPCs by visiting psychiatrists, including child psychiatrists.

IHMS medical professionals also provide primary care for pregnant women and infants at the Nauru RPC, with support from the Republic of Nauru Hospital. IHMS staff at the centre included a dedicated midwife, general nurses with midwifery qualifications, paediatric nurses, a medical officer with paediatric experience, and visiting sonographers, paediatricians and obstetricians. Pregnant women and children received regular health screening and checks consistent with Australian public health standards.

In addition to health services provision, the Department contracts Transfield Services in PNG and Nauru and Save the Children in Nauru, on behalf of the Governments of Nauru and PNG, to provide welfare services to transferees.

School-aged transferee children at RPCs attend an on-site school and have individually assessed learning plans that take account of their schooling background, level of achievement and English-language skills. Children have access to a comprehensive after-school and weekend activity programme that includes arts, crafts, social interaction, sport, music and family activities.

Plans to integrate children into local Nauruan schools were under way in 2014–15.

Adult transferees at the RPCs also have a range of programmes and activities available to them, including English as a Second Language classes, excursions to local cultural sites, sports, fitness, social and cultural or religious activities.

Deliverable: Services that support regional processing countries²⁹ to ensure the safety and security of people accommodated and working within Regional Processing Centres (RPCs)³⁰.

Result: The Department contracts service providers to assist the Governments of Nauru and PNG in providing safe and secure environments for all people at the RPCs, including the management of routine events and incident response. Service providers have developed management plans to support the good order of the centres. Their personnel are appropriately trained and all people at RPCs are given ongoing briefings on safety and security.

As part of its contract management role, the Department also attends the operational planning and management meetings of the national governments and contracted service providers.

28 This deliverable has been amended to correct a terminology reference in the PBS 2014–15, p. 47. Changed RPCs to regional processing countries.

29 This deliverable has been amended to correct a terminology reference in the PBS 2014–15, p. 47. Changed RPCs to regional processing countries.

30 This deliverable has been amended to correct a terminology reference in the PBS 2014–15, p. 47. Changed Offshore Processing Centres (OPCs) to Regional Processing Centres (RPCs).

Illegal Maritime Arrival Offshore Management—deliverables

Deliverable: Services that support regional processing countries³¹ to determine the refugee status of transferees.

Result: Support in determining the refugee status of transferees by regional processing countries is underpinned by MOUs between Australia and Nauru, and between Australia and PNG. The Department provided advice and support to both Nauru and PNG to develop and implement refugee status determination processes and continue to mentor Nauru and PNG officers to develop greater capability.

At 30 June 2015 the Government of Nauru had determined 506 transferees to be refugees and the Government of PNG had determined 129 transferees to be refugees.

Deliverable: Services that assist regional processing countries³² to return or remove transferees to their country of origin.

Result: Voluntary return from RPCs in Nauru and Manus is facilitated through one of two service options:

- Assisted voluntary return and reintegration (AVRR) assistance and rapid departure assistance, facilitated by the IOM, reintegration assistance is a combination of cash and in-kind assistance
- Voluntary departure assistance (VDA) facilitated by the Department, reintegration assistance is a combination of cash and in-kind assistance.

These services are designed to facilitate the voluntary return of transferees from Nauru or PNG to their home country or a country where they have right of entry and long-term stay.

The decision to return home voluntarily rests exclusively with the transferee. In 2014–15, 198 transferees voluntarily returned from the Manus RPC to their country of origin and 28 voluntarily returned from the Nauru RPC.

The Department has also provided support and assistance to the Governments of Nauru and PNG to develop their removal capabilities, with a key focus on training and skills development.

All of the above is funded under Administered Appropriation. Using Departmental appropriation, the Department deploys staff to assist regional processing countries to support the Governments of Nauru and PNG to promote awareness of options for voluntary return.

³¹ This deliverable has been amended to correct a terminology reference in the PBS 2014–15, p. 47. Changed RPCs to regional processing countries.

³² This deliverable has been amended to correct a terminology reference in the PBS 2014–15, p. 47. Changed RPCs to regional processing countries.

Illegal Maritime Arrival Offshore Management—deliverables

Deliverable: Services that assist regional processing countries³³ to manage settlement of transferees found to be refugees.

Result: The Department supports the Governments of Nauru and PNG with local services and contracted service providers to deliver settlement services to refugees. Depending on these countries' policies, services may include basic living allowances, cultural and community, case management and language training, links to education and employment opportunities and health services. Specialised torture and trauma counselling is also provided.

In Nauru, the Department has engaged Connect Settlement Services to support the Government of Nauru to deliver settlement support services direct to refugees living in the Nauru community. Refugees are accommodated in a range of purpose-built settlement accommodation, private rental and adapted lodge-style accommodation facilities across Nauru. Refugees are assisted to connect to local Nauru services and are offered a range of supplementary services to assist with their adjustment to life in the Nauru community. A number of refugees have attained employment with local Nauruan businesses, including the Government of Nauru and the Menen Hotel, and a number of refugees have established their own businesses.

At 30 June 2015, 505 refugees were settled in the community in Nauru (410 settling in the 2014–15 financial year). Forty refugees had moved into the East Lorengau RFTC on Manus under transitioning to broader PNG settlement arrangements and four refugees had settled in Cambodia.

³³ This deliverable has been amended to correct a terminology reference in the PBS 2014–15, p. 47. Changed RPCs to regional processing countries.

KEY PERFORMANCE INDICATORS

The following table reports against the Programmes 3.5 and 3.6 key performance indicators as published in the Department's PBS 2014–15 and PAES 2014–15.

Illegal Maritime Arrival Offshore Management—key performance indicators

Indicator: Services delivered are consistent with the MOU and Administrative Arrangements agreed with Australia and relevant local standards.

Result: This indicator was met.

The Department worked closely with regional processing countries through a range of mechanisms to support service delivery that is consistent with the MOUs and Administrative Arrangements agreed between Australia and PNG and Nauru, respectively. This occurred through engagement with relevant governance forums, contract management and capacity building.

Service standards are determined by regional processing countries and are broadly consistent with services available in the local community.

Indicator: Regional Processing Centre (RPC)³⁴ facilities are constructed and maintained in a manner that meets operational requirements and relevant local standards.

Result: This indicator was met.

The Department continues to support the Governments of Nauru and PNG to provide accommodation for transferees pending protection claims processing, and for refugees, once settled.

Detailed information about these results are reported under Programmes 3.5 and 3.6 deliverable 'Construction and maintenance of facilities that support regional processing countries to manage and accommodate transferees' on page 192.

³⁴ This indicator has been amended to correct a terminology reference in the PBS 2014–15, p. 47. Changed Offshore Processing Centres (OPCs) to Regional Processing Centres (RPCs).

PROGRAMME 3.5— ILLEGAL MARITIME ARRIVAL (IMA) OFFSHORE MANAGEMENT (ADMINISTERED)

REGIONAL PROCESSING SERVICES³⁵

Australia has MOUs with key regional partners for the transfer, protection claims assessment and settlement of IMAs from Australia. The Governments of Nauru and PNG are responsible for refugee determination and settlement arrangements within their respective nations and the Government of Cambodia is responsible for settlement arrangements in Cambodia. The arrangements commit countries to work collaboratively with Australia to combat people smuggling in the region.

The Department helps regional processing countries to build their refugee determination and settlement capabilities by providing financial, administrative and mentoring support. With assistance from the Department, the Governments of Nauru and PNG have implemented robust refugee determination assessment models and administer these processes to make decisions on refugee status. Australia funds and administers a range of contracts for services in these countries that support the above deliverables.

In September 2014 Australia signed a MOU with Cambodia for the voluntary and permanent settlement of Nauru-determined refugees in Cambodia. This resulted in the first group of refugees settling in Cambodia in June 2015.

The Department signed a four-year funding agreement with the IOM in relation to the provision of settlement services to refugees in Cambodia.

The Department also funds and provides expertise and advice to improve Cambodian Government capacity in areas such as national refugee and settlement policy, design and implementation of various government programmes, and developing and maintaining legislative instruments to support refugees.

RETURNS, REMOVALS AND REINTEGRATION ASSISTANCE PACKAGES—OFFSHORE

This Programme 3.5 administered item was met. The performance results are reported under Programmes 3.5 and 3.6 deliverable 'Services that assist regional processing countries to return or remove transferees to their country of origin' on page 194.

³⁵ This administered item has been amended to correct terminology referenced in the PBS 2014–15, p. 45. Changed from offshore processing services to regional processing services.

PROGRAMME 3.6— ILLEGAL MARITIME ARRIVAL (IMA) OFFSHORE MANAGEMENT (DEPARTMENTAL)

ILLEGAL MARITIME ARRIVAL OFFSHORE MANAGEMENT

REGIONAL PROCESSING CENTRES

At June 2015 the population at the Nauru RPC was 655, made up of 348 single adult males, 32 single adult females, 274 transferees in family groups and one unaccompanied minor who was accommodated in the community as a decision of the Government of Nauru. The transferee population at the Manus RPC comprised 945 single adult males.

In the 2014–15 programme year there were 30 transfer charter flights³⁶ from Australia to RPCs, comprising 29 flights to the Nauru RPC and one to the Manus RPC. With the exception of a transfer taking new IMAs to Nauru in August 2014, the remaining flights related to medical transfers.

Upon arrival in Australian immigration detention, and before transfer to a RPC, all IMAs, including children, undergo a health induction assessment which includes screenings for public health risks, pre-existing health conditions and mental health. The screening for communicable diseases includes a public health questionnaire, a physical examination by a health clinician, a chest x-ray and pathology tests.

Children under 11 years of age and pregnant women do not have a chest x-ray unless clinically indicated. Blood-test and any other pathology test results, as applicable, are generally available within three to six days and are provided directly to health service provider staff at RPCs when they are needed to help determine ongoing treatment. Where blood and pathology test results subsequently reveal the presence of a blood-borne virus such as HIV, Hepatitis B or Hepatitis C, transferees may be returned to Australia.

An IMA will not be transferred to a regional processing country while they have a confirmed or suspected significant health condition that cannot be supported in the regional processing country. Where such a health condition is confirmed or suspected, the IMA will remain in Australia pending further testing or treatment.

The health screening procedures were developed in consultation with medical practitioners, including the Department's Chief Medical Officer.

³⁶ Number of flights, not transferees.

REVIEWS

Between February and April 2014, and between July and August 2014, the Department commissioned KPMG to review the safety and security framework at the RPCs.

In October 2014 the then Minister for Immigration and Border Protection, the Hon Scott Morrison MP, announced a review of allegations relating to conditions and circumstances at the Nauru RPC. Mr Philip Moss was commissioned to conduct the independent investigation and provided the final report to the Secretary on 27 March 2015. The Department has worked closely with the Government of Nauru and service providers, as well as with other Commonwealth departments, to address the recommendations.

Senate inquiry—Manus

In response to the violent disturbance at the Manus RPC from 16–18 February 2014, on 5 March 2014 the Senate referred the matter to the Legal and Constitutional Affairs References Committee for inquiry.

The Department attended the public hearing in June and July that year and submitted documents as the committee requested. The Senate inquiry report was tabled in December 2014 and a Government response was tabled in May 2015.

Select Committee—Nauru

On 26 March 2015 the Senate resolved to establish the Select Committee on the Recent Allegations relating to Conditions and Circumstances at the RPC in Nauru. The Terms of Reference for the inquiry include how the Australian Government is fulfilling its obligations under the MOU between Nauru and Australia, the performance of the Government in connection with the RPC, including the conduct and behaviour of staff, the Government's duty-of-care obligations and responsibilities, the circumstances that precipitated the Moss Review, including allegations made about conditions and circumstances and what the Government knew of those allegations, factors relating to the release of the Moss Review, and the response of the Government to those recommendations.

The Department appeared before the committee on 9 June 2015.

RETURNS AND REMOVALS—OFFSHORE

This Programme 3.6 departmental item was met. The performance results are reported under Programmes 3.5 and 3.6 deliverable 'Services that assist RPCs to return or remove transferees to their country of origin' on page 194.





CASE STUDY

CRACKING DOWN ON UNSCRUPULOUS EMPLOYERS AND ILLEGAL WORK

Every year seasonal workers follow the harvest trail of ripening fruit, vegetables and other crops around Australia.

In 2014–15 the Department of Immigration and Border Protection conducted a series of major compliance operations across southern NSW harvest trail regions to target unscrupulous labour hire contractors and employers organising and supplying illegal workers to the horticulture sector. The aim of the operation was to disrupt illegal work activities and promote employer awareness of legal obligations when employing foreign workers. The operations were a collaborative national compliance effort, led by the Department's compliance team in the ACT and Regions Office.

The first operation, Operation Sage, was conducted in Hillston, NSW, on 9 October 2014. An infringement notice for \$15,300 was issued to an employer found to be in breach of Employer Sanctions legislation. Thirty-seven unlawful non-citizens (people without valid visas) and illegal workers (people working in breach of their visa conditions) were located and detained.

Operation Thyme and Operation Pepper were carried out in Euston, NSW, on 20 November 2014 and 10 December 2014. They resulted in the location and detention of 40 unlawful non-citizens and illegal workers.

Operation Tumbleweed was carried out in Barooga, NSW, on 11 February 2015. Thirty-six unlawful non-citizens and illegal workers were located and detained.

The ACT and Regions Office credits the success of these operations to information provided by members of the community about unlawful non-citizens and illegal workers in the region. During the operations, the Department collected further information about illegal activities in the sector.

Allegations from community members provided the basis to commence investigations and identify people of interest and specific properties to target. This ultimately gave the Department the power to conduct operations under search warrants.

The Department will continue to explore these leads with a view to targeting people of interest—particularly illegal worker suppliers and unscrupulous employers—as evidence is gathered. It is essential that employers are aware that they may face fines and be liable for civil penalties if they employ, refer or contract non-citizens who do not have a valid visa allowing them to work.

Penalties range from \$3060 to \$76,500 per illegal worker and businesses convicted of allowing or referring an illegal worker to work face fines of up to \$20,400 and two years' imprisonment, while companies face fines of up to \$102,000 per illegal worker.



PART 4

MANAGEMENT AND ACCOUNTABILITY

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CORPORATE GOVERNANCE

STATEMENT OF MAIN GOVERNANCE PRACTICES

The Department of Immigration and Border Protection has responsibility for administering legislation, policy development, programme management, compliance and service delivery. The breadth of these responsibilities makes it essential that the Department has a clear framework for its governance and decision-making processes, and that the roles and responsibilities are clearly defined to ensure objectives are achieved effectively and efficiently.

How the Department implemented compliance through service delivery is reported under Outcome 1 and Outcome 3 in Part 3 of this report (pages 39–113 and pages 153–199).

GOVERNANCE STRUCTURE

During 2014–15 DIBP and the Australian Customs and Border Protection Service (ACBPS) commenced an historic integration journey following the Government's decision to combine the two organisations to take effect on 1 July 2015. The integrated Department, which will encompass the Australian Border Force (ABF), will represent a fundamental turning point in Australia's approach to border protection.

During the 2014–15 financial year, governance arrangements, including the senior governance committee structure, were revised as part of the amalgamation. The combined senior governance committee structure included an Executive Committee, a Strategic Command Group, a Strategy and Capability Committee and a Resources and Finance Committee. Both DIBP and ACBPS maintained separate audit and risk committees until 30 June 2015.

Governance bodies and decision-making groups encourage the best use of organisational capabilities and support the Department to achieve goals and objectives.

The primary functions of the various governance bodies follow.

Executive Committee

During 2014–15 the Executive Committee was chaired jointly by the Secretary of DIBP and the Chief Executive Officer (CEO) of the ACBPS. The CEO was the decision-maker on all committee matters relating to the ACBPS, and the Secretary was the decision-maker on all DIBP and Portfolio-wide matters. The key responsibility of the committee was to provide advice to the Secretary and the CEO on strategic issues and matters of organisational and operational significance.

Audit and Risk Committees

During 2014–15 the Audit and Risk Committees provided independent advice to the Secretary and the CEO on all aspects of governance including audit, risk management, financial management, quality management, fraud control and other compliance obligations. The committee functions comply with section 45 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

Strategic Command Group

During 2014–15 the Strategic Command Group was chaired by the CEO of the ACBPS. The key responsibilities of the committee included setting strategic operational priorities and reviewing these in line with emerging threats and risks. The committee was also responsible for considering operational performance and overseeing border-related operational matters during the year.

Strategy and Capability Committee

During 2014–15 the Strategy and Capability Committee was chaired by the Deputy Secretary Policy. The committee provided a forum for discussion, analysis and advice to the chair on all aspects of Portfolio strategy and capability management.

Resources and Finance Committee

During 2014–15 the Resources and Finance Committee was chaired by the Deputy Secretary Corporate. The committee provided a forum for discussion, analysis and advice to the chair on all aspects of the Portfolio financial management framework and resource allocation during the year.

Portfolio Reform Board

Throughout 2014–15, the Portfolio Reform Board provided strategic oversight and direction of the integration of DIBP and ACBPS, including the establishment of the ABF and associated reforms. Chaired by the Secretary and ACBPS CEO, the board approved key aspects of the nature and implementation of integration arrangements, ensuring—and reporting to the Minister on—steady progress of reform initiatives while minimising disruption to the Portfolio's business as usual activities.

CORPORATE AND OPERATIONAL PLANNING

The Department's *Strategic Intent 2014–15*, which was superseded by the *Interim Strategy* and *Plan for Integration*, set out the Department's direction, strategic priorities and capability targets. During 2014–15 these documents outlined what we intended to do and how we would go about achieving it. Staff were able to refer to the documents to prioritise tasks (inputs and outputs) to ensure that the Department would move towards its intended outcomes.

The business planning process allowed sections, branches, divisions and groups to map their work back to *Portfolio Budget Statement 2014–15* (PBS) outcomes and helped to manage resources and risks. Because of the flexibility in the Department's business planning process, it could respond quickly as new priorities were identified.

Bi-annual reporting against divisional business plans allowed the Department to track organisational progress against objectives. This reporting process provided us with measures of performance that are directly linked to the PBS, ensuring Portfolio outcomes are accurately measured and reported.

RISK, FRAUD AND INTEGRITY MEASURES

RISK MANAGEMENT

The Department used an Enterprise Risk Map (ERM) to outline its key risks at the strategic and tactical levels. The ERM formed part of the Department's Risk Management Framework (RMF) and provided a view of risk exposure to the Department to support decision-making and planning activities.

Midway through 2014–15, DIBP started working closely with the ACPBS to develop a new Risk Management Policy Framework (RMPF) for the integrated Department to support compliance with the PGPA Act.

The Department participated in the annual Comcover Risk Management Benchmarking Survey. This was the first survey designed to align with the nine elements within the Commonwealth Risk Management Policy, and introduced a new Risk Management Maturity Model reflecting maturity against these elements. The Department achieved an overall risk-management score of 'integrated'. The strongest risk-management capabilities were recognised as:

- defining responsibility for managing risk
- embedding systematic risk management into business processes
- establishing a risk management framework.

INTERNAL AUDIT

The annual internal audit programme (IAP) is one of the Department's principal risk mitigation tools and an integral element of our assurance and risk management arrangements. The 2014–15 IAP was developed following an analysis of our risk profile and extensive consultation with the Department's senior managers. The 2014–15 IAP comprised of 13 compliance or performance audits across the Department:

- compliance and case resolution
- technology services
- migration and citizenship policy
- visa and offshore services
- risk, fraud and integrity
- people
- finance
- refugee, humanitarian and visa management
- immigration status resolution.

Throughout the year, the Department worked closely with the Australian National Audit Office (ANAO) to coordinate overall audit activity. This involved the ANAO's attendance at departmental Audit Committee meetings and Financial Statements Sub-Committee meetings.

FRAUD CONTROL AND ANTI-CORRUPTION MEASURES

During 2014–15 the Department substantially redeveloped its Fraud and Corruption Risk-Assessment and Risk-Management Framework. The redesigned framework will provide the new integrated Department with a more detailed assessment of internal fraud and corruption vulnerabilities, enabling it to develop and implement stronger controls to more effectively prevent, detect and respond to fraud or corruption activities in the future, if they occur.

Senior executives are assigned to manage fraud and corruption risks, while the overall investment in controlling those risks is governed by a senior committee chaired by the Deputy Secretary of Policy Group.

In December 2014 the fraud control and anti-corruption functions of DIBP and ACBPS were merged to provide a whole-of-portfolio approach to risk in the lead-up to the creation of the new integrated Department on 1 July 2015.

From December 2014 the Department conducted a series of in-depth risk assessments across its operations. This culminated in the creation of its new *Fraud Control and Anti-Corruption Plan 2015–17*, which will take effect on 1 July 2015.

INTEGRITY FRAMEWORK

In December 2014 the DIBP Secretary and ACBPS CEO jointly announced a new Integrity Framework that would be fully implemented in the integrated Department from 1 July 2015. The framework is a set of measures designed to protect the integrated Department's people, property, systems and information from infiltration and corruption. The integrity measures are guided by the Australian Public Service (APS) values and are supported by organisational behaviours developed specifically for the new Department.

Because the new Department encompasses both immigration and customs functions, staff and officers will be exposed to a broader range of risks. The integrated Department will have access to a range of secure environments and make decisions that affect a person's safety, rights and freedoms, and Australian trade and commerce.

The work and the information we hold in the integrated Department are highly valuable to organised crime syndicates that actively try to circumvent border controls, reduce border integrity and threaten national security. Visa and citizenship decision-making and border management activities are significant targets for criminal groups, which have strong financial and other motives to infiltrate border protection agencies across the globe.

Corruption in the integrated Department would greatly undermine government and public confidence, as well as the confidence of its partners, including intelligence organisations and foreign governments. Integrity within the Portfolio must be of the highest order and staff behaviour consistent with the laws it enforces. The measures covered by the Integrity Framework include assessment of employment suitability, security screening, mandatory reporting of serious misconduct and criminal activity, drug and alcohol testing, integrity testing and the requirement that staff seek approval for outside employment and voluntary activities.

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 managing performance.

All SES employees are required to have a comprehensive individual determination under section 24(1) of the *Public Service Act 1999* (PS Act), 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 policy and practices on the establishment and maintenance of appropriate ethical standards is outlined under the Integrity Framework heading above.

EXTERNAL SCRUTINY

SIGNIFICANT DEVELOPMENTS IN EXTERNAL SCRUTINY

REPORTS BY EXTERNAL BODIES

The Department continued to be subject to external oversight in 2014–15.

Commonwealth Ombudsman

The Commonwealth Ombudsman released two investigation reports concerning the Department in 2014–15:

- In October 2014 the Department was referenced in case studies as part of the *Complaint management by government agencies: An investigation into the management of complaints by Commonwealth and ACT Government*.
- In November 2014 the *Report into an investigation of a complaint about property management at an Immigration Detention Facility* was released.

The Commonwealth Ombudsman is required by the *Migration Act 1958* to report on the appropriateness of immigration detention arrangements for each person detained for more than two years. Each report is provided to the Minister for Immigration and Border Protection, along with a de-identified version that the Minister must table in the Australian Parliament. In January 2015 the Commonwealth Ombudsman released a report titled *An analysis of reports under section 486O of the Migration Act 1958 sent to the Minister by the Ombudsman in 2014*.

These investigation reports and immigration detention review reports are publicly available at the Commonwealth Ombudsman's website at www.ombudsman.gov.au.

Australian Human Rights Commission

The trend towards formal reporting under the *Australian Human Rights Commission Act 1986* continued in 2014–15. Twenty-two Australian Human Rights Commission (AHRC) reports concerning the Department were tabled in the Australian Parliament and subsequently published on the AHRC website:

- No 67 *Stevanovic v Commonwealth (DIAC)*
- No 68 *Parker v Commonwealth (DIAC)*
- No 69 *Ogawa v Commonwealth (DIAC)*
- No 70 *Abdellatif v Commonwealth (DIBP)*
- No 71 *Mansoor and Mr IA v Commonwealth (DIBP)*
- No 73 *Mai v Commonwealth of Australia (DIBP)*
- No 74 *MC and Hassan Ghanbari v Commonwealth of Australia (DIBP)*
- No 75 *Arif v Commonwealth of Australia (DIBP)*
- No 76 *Mordechai v Commonwealth of Australia (DIBP)*
- No 77 *Basikbasik v Commonwealth of Australia (DIBP)*
- No 78 *Ismail Mirza Jan v Commonwealth of Australia (DIBP)*

- No 79 *CB v Commonwealth of Australia (DIBP)*
- No 82 *Alwy Fadhel v Commonwealth of Australia (DIBP)*
- No 83 *FA, FB, FC and FD v Commonwealth of Australia (DIBP)*
- No 84 *AQ v Commonwealth of Australia (DIBP)*
- No 85 *Jafari v Commonwealth of Australia (DIBP)*
- No 86 *MG v Commonwealth of Australia (DIBP)*
- No 87 *HA, HB, HC, HD and HE v Commonwealth of Australia (DIBP)*
- No 88 *AH v Commonwealth of Australia (DIBP)*
- No 90 *Charlie v Commonwealth of Australia (DIBP)*
- No 91 *Tapara v Commonwealth of Australia (DIBP)*
- No 92 *Immigration detainees with adverse security assessments v Commonwealth of Australia (DIBP)*.

Office of the Australian Information Commissioner

The Office of the Australian Information Commissioner (OAIC) did not release any public reports into the Department during 2014–15.

JUDICIAL DECISIONS AND DECISIONS OF ADMINISTRATIVE TRIBUNALS

NOTABLE DECISIONS

One of the most significant judgments this year was *CPCF v Minister for Immigration and Border Protection* and the Commonwealth [2015] HCA 1, in which a majority of the High Court found in favour of the Commonwealth on 28 January 2015. CPCF was one of 157 people on board an Indian-flagged vessel that left Pondicherry, India, intending to reach Christmas Island. The case challenged the lawfulness of detention under section 72(4) of the *Maritime Powers Act 2013* (Cth) (Maritime Powers Act) by maritime officers as part of Operation Sovereign Borders. The decision was a complete win for the Commonwealth.

A majority of the High Court held that CPCF was not entitled to claim damages for false imprisonment arising out of CPCF's detention at sea on a Commonwealth vessel. The majority also held that s. 72(4) of the Maritime Powers Act authorised a maritime officer to detain CPCF for the purpose of taking CPCF from Australia's contiguous zone to a place outside Australia, being India.

In the judgment of *Plaintiff S297/2013 v Minister of Immigration and Border Protection* [2015] HCA 3, the High Court unanimously found that the Minister's decision to refuse to grant Plaintiff S297 a Protection visa was invalid. The court found that it was not open to the Minister to find that Plaintiff S297 did not meet the national interest criterion solely on the basis of his status as an illegal maritime arrival (IMA). The High Court had previously ordered that the Minister consider and determine Plaintiff S297's Protection visa application according to law (*Plaintiff S297/2013 v Minister of Immigration and Border Protection* [2014] HCA 39). As the national interest criterion was the only basis upon which the Minister refused to grant the visa, the High Court found that in order to comply with the earlier order, the Minister was required to grant a permanent Protection visa to Plaintiff S297.

CIVIL LITIGATION

The Department receives a relatively small number of claims for monetary compensation. 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 2015 there were 89 claims for compensation in the courts or with the Fair Work Commission.

REPORTS BY THE AUDITOR-GENERAL

AGENCY-SPECIFIC AUDITS

The reports that the Australian National Audit Office (ANAO) tabled during the 2014–15 financial year were:

- Management of translating and interpreting services. The objective of this audit, published as *Management of Interpreting Services*, was to assess the Department's effectiveness in delivering high-quality translating and interpreting services to clients and agencies.
- *Verifying Identity in the Citizenship Programme*. The objective of this audit was to assess the effectiveness of the Department's identity verification arrangements for applicants in the citizenship programme.

CROSS-AGENCY AUDITS INVOLVING THE DEPARTMENT

The cross-agency audit report, which the ANAO tabled in the 2014–15 financial year, was:

- *Confidentiality in Government Contracts: Senate Order for Department and Agency Contracts (Calendar Year 2013 Compliance)*. The objective of the audit was to assess the appropriateness of the use and reporting of confidentiality provisions in a sample of Australian Government contracts.

COMPLAINTS

COMMONWEALTH OMBUDSMAN

The Department received 252 complaints from the Commonwealth Ombudsman in 2014–15, a decrease of 33 per cent on the previous year.

In all, 316 complaints were resolved during the period.

AUSTRALIAN HUMAN RIGHTS COMMISSION

The Department received 156 complaints from the AHRC in 2014–15, an increase of 15 per cent on the previous year. Many of the complaints concerned detainees in immigration detention.

In all, 178 complaints were resolved in 2014–15.

OFFICE OF THE AUSTRALIAN INFORMATION COMMISSIONER

Privacy complaints

The Office of the Australian Information Commissioner's (OAIC) focus on the Department in 2014–15 continued to be the *Immigration Detention and Community Statistics Summary Report*. This report was published on the Department's website in February 2014 in what was known colloquially as the 'web data breach'. This inadvertent disclosure of personal information resulted in a breach of the *Privacy Act 1988*, affecting 9258 immigration detainees. To reduce the likelihood of similar future contraventions, the Department engaged KPMG to conduct a comprehensive review into circumstances that led to the data breach. The Department implemented the recommendations of that review. An independent audit of the measures implemented to prevent a recurrence completed by KPMG in February 2015 was provided to the OAIC. The OAIC oversaw the process. The Department continued to work with the OAIC to resolve any resultant complaints.

Freedom of information complaints

The Department received one freedom of information complaint from the OAIC in 2014–15. This compares favourably to the preceding financial year, when eight complaints were received.

In all, two complaints were brought to a resolution in 2014–15.

FREEDOM OF INFORMATION

The number of freedom of information requests grew by up to 31.1 per cent over the course of the financial year. The total number of requests received in 2014–15, including amendment requests, was 21,361—with 19,273 requests finalised in 2014–15. A significant proportion of this increase is due to requests by IMAs seeking documents prior to applying for the new Temporary Protection visas (TPVs).

At 30 June 2015 the Department had a compliance rate of 93.1 per cent of requests finalised within the statutory timeframe and 742 overdue requests on hand.





CASE STUDY

STOPPING FOREIGN FIGHTERS AT THE BORDER

Since the introduction of Counter Terrorism Unit (CTU) teams at Australia's eight major international airports in late 2014, officers from across the Immigration and Border Protection Portfolio have been working together on the national security exercise programme (NSEP).

NSEP involves delivering a series of activities over 18 months to test that the Portfolio's national security arrangements are working as the public expects and the Australian Government intends.

Under NSEP, officers assessed a range of measures, including national security command and control, information sharing with partners working at airports, intervention strategies and CTU policies, procedures and training in 2014–15. They also reviewed the roles and responsibilities of CTU teams, leaders in the Department's new structure, and other departmental officers responsible for national security.

ACBPS Deputy Chief Executive Officer Border Operations, Michael Outram, said 'NSEP was the first large-scale exercise to see officers from the Department of Immigration and Border Protection and the Australian Customs and Border Protection Service working in an integrated Portfolio'.

'This is a great example of how both agencies are working together to strengthen counter-terrorism efforts at the border. We are utilising immigration and customs expertise to identify best practice for catching potential foreign fighters before they can leave Australia,' Mr Outram said.

'This programme reflects the critical role the Portfolio plays in protecting Australia's national security,' Mr Outram said.

The first activity in the programme was a meeting in Canberra with the Portfolio's executives in May 2015 to discuss security arrangements for air travel and how this will evolve in the future.

Another meeting with the Australian Federal Police (AFP) in June 2015 discussed the AFP's cooperation and collaboration at airports. More programme activities will be delivered in 2015–16.

Photo: Counter Terrorism Unit team member.

CLIENT SERVICE EXCELLENCE

IMPROVING CLIENT SERVICE DELIVERY

In 2014–15 the Department continued to provide excellent client service through existing channels and by expanding online service delivery.

DIGITAL SERVICES FOR CLIENTS

The success of ImmiAccount, the Department's digital application system, led to it being named joint winner in May 2015 of the 2015 National Archives of Australia Award for Digital Excellence by a Large Agency.

Clients using ImmiAccount can lodge, track, manage and pay for a range of visa and citizenship applications. Since the system was launched in December 2013, more than 2.5 million ImmiAccounts have been created, with an average of more than 5000 new applications created every day.

ImmiAccount is subject to continuous improvement to meet the demands of the online community. New features allow clients to check application status and visa entitlements and to upload attachments to their applications. Citizenship applications recently became available in the system, ahead of plans to introduce a wider range of products and services.

About 30 per cent of all people who use the Department's website do so using mobile devices. Recognising this demand, in 2014–15 the Department launched a free mobile app, myVEVO, that allows clients to check their visa entitlement online. A second mobile application for third parties is planned to be available in the 2015–16 financial year.

The Department is also trialling virtual assistant technology that is designed to provide clients with evidence of their citizenship. This technology provides comprehensive, accurate and tailored advice to clients 24 hours a day, seven days a week. Other business areas in the new Department plan to take up the technology in the 2016 calendar year.

SERVICE CENTRE

A number of initiatives at the service centre improved client service during 2014–15. A new telephony platform deployed in the service centre in 2013–14 continues to improve the experience for clients making general enquiries. The availability of virtual hold technology (VHT) has been increased, allowing clients to maintain their place in a queue virtually and receive a return call when an officer is available. This ensures that clients can obtain information by phone without having to wait on hold to speak with an officer. Data demonstrates that VHT has reduced the average handling time for telephone enquiries. It has improved the Department's ability to answer client calls quickly, thereby reducing waiting times for clients.

In addition, business processes were revised to better address client enquiries irrespective of how they were received. Initial results have seen a reduction in handling times for telephone inquiries and shorter waiting times. These initiatives will be extended to all enquiry types managed by the service centre.

As part of the Portfolio reform and the integration of the ACBPS and DIBP, the Customs General Enquiry phone number, email function and staff transitioned to the DIBP Sydney Service Centre (SSC) on 22 June 2015. The complete service integration was a success and was operationally ready for the 1 July 2015 implementation date.

CLIENT SERVICE COUNTERS

Client service counters continue to help clients in using digital channels. In most offices, traditional reception counters have been converted into self-serve computer kiosks. Counter staff have become client liaison officers (CLOs) operating front of house to deal directly with clients. The CLO's role is to guide clients to the most appropriate and efficient lodgement method and encourage them to use digital channels, such as the Department's website. With more products now available online, CLOs refer clients who present themselves at counters to internet kiosks to access the Department's digital services. CLOs now resolve more than 90 per cent of client interactions. This approach has dramatically reduced client waiting times and increased the ability of client service counter staff to undertake more complex, sensitive and urgent tasks.

The transition to back-of-house processing has led to efficiencies as well as improving client waiting times and average transaction times. Clients can now leave applications and supporting documents in custom-designed drop boxes. The removal of on-the-spot processing and expansion of online capabilities have led to a notable saving of work effort related to data entry and payment processing, which averages about 15 minutes of work effort per transaction. Since the changes to client service counters were implemented, the cost to the Department for each transaction has fallen from more than \$15 to less than \$10.

CLIENT EXPERIENCE

In line with its client service charter, the Department regularly conducts qualitative and quantitative research into client experiences. A survey conducted in 2014 found that 91 per cent of visa and citizenship clients said they were 'satisfied' or 'very satisfied' with their dealings with the Department.

Another survey will be conducted in 2015–16 to identify further areas for potential improvement and to set a client service baseline for the integrated Department.

CLIENT FEEDBACK

In the period under review, the Department encouraged client feedback through the compliments and complaints link on its website, through feedback brochures, and from client correspondence and visa decision records. Information brochures telling the public how to engage with the Department are displayed in all client service areas, including airports.

The Department's well-established feedback channels were managed through the Global Feedback Unit (GFU). By centralising the recording and active management of feedback, the Department was able to identify systemic issues, trends and service shortfalls, and overcome obstacles to good client service outcomes within service standards.

The GFU resolved 17,099 instances of feedback in 2014–15, a decrease of about 4.7 per cent from the previous reporting period.

Feedback totals by category decreased from the previous reporting period. They comprised 77 per cent complaints, 9 per cent compliments, 4 per cent requests, 4 per cent general enquiries, and 4 per cent suggestions. Less than 1 per cent of feedback cases were recorded as being outside the Department's jurisdiction.

The top three complaints issued in 2014–15 were:

1. visa processing outside standard processing times 1389 (11 per cent)
2. visa refusal 952 (7 per cent)
3. status of application 914 (7 per cent).

It was also pleasing to note that the top two compliments in 2014–15 were:

1. good staff attitude 1036 (66 per cent)
2. improved visa processing times 191 (12 per cent).

The Department's complaint resolution performance remained above the target of 90 per cent for each quarter, with 96 per cent of complaints resolved within the 10-day service standard achieved across the programme year. The GFU resolved 32 per cent of feedback at first point of contact, including 41 per cent of all complaints.

TRANSLATING AND INTERPRETING SERVICE

The Translating and Interpreting Service (TIS National) continues to administer and provide fee-free interpreting services to clients who do not speak English fluently.

In 2014–15, TIS National delivered more than 1.1 million interpreting services through telephone and on-site interpreting.

For further detail on TIS National, see Outcome 1 on page 94 to 100.

PURCHASER-PROVIDER ARRANGEMENTS

The Department has arrangements with the Department of Foreign Affairs (DFAT) and the Australian Trade Commission (Austrade) to provide management services at overseas posts.

The service-level agreements (SLAs) remove the potential for duplicating administrative services and help to ensure efficient, whole-of-government use of resources overseas.

SLAs cover management services, agency responsibilities, performance indicators and cost-recovery arrangements. Management services include personnel, office, property and financial services.

The Department signed a three-year agreement with DFAT in June 2012 to cover the period from 1 July 2012 to 30 June 2015. DIBP has agreed to DFAT's request to extend the current agreement for 12 months while negotiations for a new agreement take place. The Department also signed an agreement with Austrade in August 2012 for the period 1 September 2012 to 30 June 2015.

The Department pays DFAT and Austrade global service fees which are calculated on the cost of locally engaged staff salaries, the time those staff spend delivering management services for the Department, and the number of departmental Australia-based and/or locally engaged staff at post. The Department's total 2014–15 SLA costs were \$5,512,284 (DFAT) (or \$5,742,901 if including ACPBS) and \$888,983 (Austrade).

MANAGEMENT OF HUMAN RESOURCES

ASSESSMENT OF EFFECTIVENESS IN MANAGING AND DEVELOPING HUMAN RESOURCES TO ACHIEVE DEPARTMENTAL OBJECTIVES

The integration of DIBP and ACBPS on 1 July 2015 provides an opportunity to develop enhanced capability along the border continuum (pre, at and post) by aligning workforce and associated activities. Work progressed during 2014–15 to create an integrated workforce, building on the success of previous reform activities. There has been a particular focus on establishing the ABF, expanding career opportunities for the integrated workforce, and exploring new opportunities made possible by integration. Activities to develop the integrated workforce include:

- implementing a single organisational structure for the Department, and blending DIBP and ACBPS teams
- negotiating a single Enterprise Agreement (EA) to set employment terms and conditions for the integrated Department
- aligning human resource policies and strategies to support an integrated workforce
- establishing the ABF College
- implementing integrated approaches to career management
- integrating induction and graduate recruitment
- developing a *People Strategy 2020* to provide an overarching vision and culture for the integrated Department
- developing a leadership strategy to support the Department's vision, mission and Portfolio strategy.

WORKFORCE PLANNING, STAFF RETENTION AND TURNOVER

WORKFORCE PLANNING

A concerted effort was made during 2014–15 to develop an integrated and highly professional workforce that would enhance the Portfolio's capability. There was specific focus on expanding career opportunities for the integrated workforce and exploring new opportunities that would emerge from integration.

WORKFORCE COMPOSITION

The Department's workforce is located in every state and territory, and in more than 50 locations internationally. At 30 June 2015 the Department employed 8429 ongoing and non-ongoing staff under the *Public Service Act 1999*. It also employed 1130 locally engaged staff at international locations. Locally engaged staff were administered by DFAT on behalf of the Department.

At 30 June 2015 the Department's workforce comprised:

- 7704 ongoing and 725 non-ongoing staff
- 84.4 per cent full-time staff and 15.6 per cent part-time staff
- 38.6 per cent male and 61.4 per cent female staff
- workers with an average age of 40.1 years. The average age has decreased from 41.5 years at 30 June 2014.

The ongoing voluntary separation rate for 2014–15 was 6.1 per cent, an increase from 4.4 per cent in 2013–14.

Table 57 shows the staffing headcount by classification. Table 59 shows the Senior Executive Service (SES) headcount by gender. Table 58 shows the staffing headcount by location. Table 60 shows the statistics on staff who identify as Indigenous.

Table 57: Staffing headcount by classification

Actual classification	30 June 2014			30 June 2015		
	Ongoing	Non-ongoing	Total	Ongoing	Non-ongoing	Total
Cadet	7	0	7	6	0	6
Indigenous Trainee	0	0	0	7	0	7
Graduate	57	0	57	39	0	39
APS Level 1	18	1	19	12	0	12
APS Level 2	25	2	27	13	1	14
APS Level 3	736	236	972	599	419	1,018
APS Level 4	1,687	64	1,751	1,617	141	1,758
APS Level 5	1,502	42	1,544	1,396	57	1,453
APS Level 6	1,737	44	1,781	1,714	70	1,784
Executive Level 1	1,479	13	1,492	1,500	12	1,512
Executive Level 2	529	3	532	488	3	491
Medical Officer 2	5	0	5	0	0	0
Medical Officer 3	5	0	5	6	0	6
Medical Officer 4	1	0	1	1	0	1
Public Affairs Officer 1	5	0	5	5	0	5
Public Affairs Officer 2	5	0	5	5	2	7
Public Affairs Officer 3	16	0	16	16	1	17
Senior Public Affairs Officer	6	0	6	3	0	3
Legal Officer	37	4	41	42	11	53
Senior Legal Officer	82	3	85	85	7	92

Table 57: Staffing headcount by classification

Actual classification	30 June 2014			30 June 2015		
	Ongoing	Non-ongoing	Total	Ongoing	Non-ongoing	Total
Principal Legal Officer	17	1	18	22	0	22
SES Band 1	90	1	91	89	1	90
SES Band 2	23	0	23	32	0	32
SES Band 3	5	0	5	7	0	7
Total	8,074	414	8,488	7,704	725	8,429

Note in the table above the:

- results exclude locally engaged staff
- figures are actual classifications and include staff acting at 30 June 2015
- figures exclude the Secretary of the Department

Table 58: Staffing headcount by location

State and territory location	30 June 2014	30 June 2015
National Office	3,625	3,586
New South Wales	1,512	1,580
Victoria	1,178	1,186
Queensland	567	552
South Australia	432	422
Western Australia ^a	661	606
Tasmania	150	151
Northern Territory	123	100
ACT and Regions Office	38	42
Overseas (Australia-based staff)	137	132
Overseas (other)	66 ^b	72 ^c
Ongoing and non-ongoing total	8,489	8,429
Overseas (locally engaged staff) ^d	1,125	1,130
Total	9,614	9,559

a Figure includes staff located on Christmas Island.

b Figure includes 14 Airline Liaison Officers, six staff on short-term missions located overseas, four staff in PNG as part of the whole-of-government Strongim Gavman Programme, one staff involved in the Five Country Exchange Programme, one staff involved in the Bali Process, and 22 staff in Nauru and 18 on Manus.

c Figure includes 20 Airline Liaison Officers, seven staff on short-term missions located overseas, and four staff in PNG as part of the whole-of-government Strongim Gavman Programme, one staff involved in the Five Country Exchange Programme, one staff involved in the Bali Process, and 24 staff in Nauru and 16 staff on Manus.

d Locally engaged staff are staff administered by DFAT on behalf of the Department.

Table 59: Senior Executive Service headcount by gender

Actual classification	30 June 2014			30 June 2015		
	Male	Female	Total	Male	Female	Total
SES Band 1	50	41	91	50	40	90
SES Band 2	15	8	23	21	11	32
SES Band 3	3	2	5	2	5	7
Total	68	51	119	73	56	129

PEOPLE MANAGEMENT INITIATIVES

PEOPLE STRATEGY

In 2014–15 DIBP worked closely with ACBPS to develop the *People Strategy 2020* for the integrated Department. The strategy recognises the importance of having strong leadership, shared values and culture, and a professional workforce to meet future challenges and deliver our business. The strategy includes an overarching people vision, roadmap, outcomes, supporting initiatives and performance measures to develop our staff and to create a high-performing organisation.

TALENT MANAGEMENT

The Department has developed an integrated career management framework to build a high-performance environment that will provide opportunities for career growth and job satisfaction. Within the framework, talent management is an identified priority in an employee's work cycle. It will recognise high-performing and high-potential staff, prepare staff for advancement, embed succession planning, and acknowledge the value that secondment opportunities bring to the Department's overall performance. It also recognises the importance of the experience that staff gain through overseas postings. It will take a targeted talent approach to recruiting for these roles and reintegrating staff into areas of the Department where their experience will be enhanced and further contribute to developing and maintaining a high-performing workforce.

SES DEVELOPMENT STRATEGY

An independent assessment of the SES was conducted during 2014–15 to gain an understanding of individual and collective capabilities. This information will inform the new departmental *SES Development Strategy* as well as being the basis for decisions on high-potential development programmes, and individual learning and development needs.

During 2014–15 senior executives continued to participate in external development opportunities, including programmes offered by the Australian Public Service Commission (APSC), Australian and New Zealand School of Government (ANZSOG), Australia Institute of Project Management (AIPM), and the National Security College (NSC).

The Department is in the process of creating a new leadership strategy as a key pillar of the *People Strategy 2020*. It includes SES development as a key priority so that our business is delivered by a professional, flexible, capable and diverse workforce that is responsive to change.

This new leadership strategy answers the primary question 'How do we build the leadership required to achieve the Department's vision, mission and *Portfolio Strategy*?' The leadership strategy also aligns with and supports the *Values and Behaviours Strategy* and the *Workforce Strategy*, which together form the three pillars of the *People Strategy*.

WORKFORCE DIVERSITY

The Department's *Workplace Diversity Strategy* (WDS) provided guidance on diversity and inclusion in the workplace. It included initiatives supporting the *National Disability Strategy 2010–20*, the *National Carer Strategy*, the Department's *Reconciliation Plan and Disability Action Plan*.

The Department recognises the importance of having different qualities, skills and experience in the workplace. By valuing and making the most of these differences, the Department not only improves the workplace for individuals, but enhances its overall performance.

In 2014–15 the focus remained on increasing representation of Indigenous staff and staff with disability.

The Department successfully participated in the Australian Network on Disability's Positive Action towards Career Engagement (PACE) mentoring programme and the APSC's Jawun Indigenous APS Community Secondment Programme (Jawun Secondment Programme). These initiatives exposed staff to the personal experiences of people with disability and Indigenous business owners, leading to a more mature understanding of potential barriers and solutions to workforce participation.

The Department helped staff achieve a balance between work and home commitments through the continued use of virtual classroom technology, job relocation and flexible work options.

The Department acknowledged the valuable contribution that non-government agencies made to its diversity and inclusion initiatives and has retained membership of such external agencies as the Diversity Council of Australia and the Australian Network on Disability.

The Department's commitment to workplace diversity was further strengthened by the appointment of diversity, disability and Indigenous champions and co-champions. These roles have provided high-level, visible support for diversity and inclusion initiatives.

INDIGENOUS AUSTRALIANS

In 2014–15 the Department maintained its focus on increasing the representation of Indigenous staff. At 30 June 2015 Indigenous staff comprised 1.6 per cent of the Department's workforce, which remains consistent with 1.6 per cent at 30 June 2014. Table 60 shows the number of ongoing and non-ongoing Indigenous staff in the Department at 30 June 2015, compared with last year.

Table 60: Statistics on staff who identify as Indigenous

Indigenous staff	30 June 2014	30 June 2015
Ongoing	127	129
Non-ongoing	11	7
Total	138	136

The Department continued to participate in the APSC Indigenous Pathway Programmes, through which one graduate and nine trainees were engaged.

The Department's *Reconciliation Action Plan* and *Indigenous Employment Strategy* continued to guide initiatives to increase the employment of new Indigenous staff and to retain and develop existing staff.

Programmes to support Indigenous staff, such as the Indigenous Employee Network and annual Indigenous Employees Conference, gave Indigenous staff opportunities to participate in their career and development planning.

The Department developed a partnership with the Jawun Secondment Programme. This allowed executive level staff to work on specific projects in Indigenous communities to build the capabilities of Indigenous people and promote understanding of the Indigenous culture and further reconciliation.

The appointment of an Indigenous champion and co-champion provided additional high-level support for Indigenous employment and reconciliation initiatives in the Department.

PEOPLE WITH A DISABILITY

At 30 June 2015 departmental staff who self-identified as having a disability (under the Australian Bureau of Statistics' definition) made up 2.6 per cent of the Department's workforce, which remains consistent with 2.6 per cent as at 30 June 2014.

The Department remained focused on increasing the confidence of staff with disability and promoting the benefits of self-identification. Communication plans were developed to support these goals with diverse and innovative strategies employed to promote reasonable adjustment and working in a variety of teams.

The Department's Disability Support Network continued to grow during 2014–15, with increased membership and representation across all states and territories. The Department's Disability Forum also expanded, with additional members joining in Western Australia and the Northern Territory. The network and forum provide valuable feedback on the impact of workplace policies and play an active role in raising the profile of disability in the workplace.

The appointment of a disability champion and co-champion provided additional high-level support for disability initiatives.

The Department remained committed to maintaining a workplace that encourages staff to look after their mental health, and provides support for staff experiencing mental health difficulties. The Department has a mental-health policy and guidelines to help managers and colleagues to support staff with mental health issues.

The Department provides an employee assistance programme, and managers and supervisors are encouraged to use the programme's Manager Assist component. Managers are also encouraged to refer to the Department's caring for our colleagues' policy and the APSC publication titled *Working together: promoting mental health and wellbeing at work*.

The Department confers regularly with other APS agencies and key disability stakeholders, including the Australian Network on Disability, to ensure that it stays informed regarding best-practice initiatives, programmes and strategies.

THE INTERGENERATIONAL WORKFORCE

At 30 June 2015 staff over 45 years of age made up 36.9 per cent of the Department's workforce, an increase of 3.9 per cent from 30 June 2014. At 30 June 2015, 73.8 per cent of senior executive staff were over 45 years of age, an increase of 2.8 per cent from 30 June 2014.

The Department has implemented a number of strategies to address the loss of corporate knowledge caused by high rates of retirement. Initiatives include transition to retirement options such as phased retirement, flexible work arrangements and mentoring arrangements.

At 30 June 2015 staff under 25 years of age comprised 3.3 per cent of the Department's workforce, compared with 4 per cent for the previous reporting period.

The Department implemented a number of initiatives in 2014–15 to ensure the continued engagement and retention of staff under 25. These included access to corporate gym memberships, flexible work arrangements, online forums and social club activities.

THE LESBIAN, GAY, BISEXUAL, TRANSGENDER AND INTERSEX COHORT

In 2015 the Department introduced voluntary self-identification for staff identifying with the lesbian, gay, bisexual, transgender and intersex (LGBTI) cohort. More than 300 staff have identified as LGBTI.

The Department continued to participate in the Australian Workplace Equality Index, an initiative of Pride in Diversity. Participation in the Index enables the Department to gauge the level of LGBTI confidence in the workplace and to identify areas for improvement.

In response to the 2014 index results, the Department implemented an online forum, Rainbow Jam, for LGBTI staff and friends. The forum allows members to discuss LGBTI workplace issues, share information and provide support for other LGBTI staff.

WOMEN IN THE WORKPLACE

At 30 June 2015 women made up 61.4 per cent of the Department's workforce, an increase from the previous reporting period of 61.3 per cent. This compares favourably with the APS average (at 30 June 2014) of 58 per cent.

At 30 June 2015 women occupy 48.3 per cent of SES Band 1 positions, 31.4 per cent of Band 2 and 62.5 per cent of Band 3.

The Department's Women in Leadership group continued to support the empowerment of women to achieve their career goals. The group chaired speaking events, provided mentors and worked collaboratively with other agencies to share knowledge and discuss development opportunities.

The commitment to increasing the participation of women in senior leadership roles was further strengthened by the appointment of a diversity champion and co-champion. Both champions are active members of the Women in Leadership group and will continue to provide high-level, visible support for women in the workplace.

STAFF FROM CULTURALLY AND LINGUISTICALLY DIVERSE BACKGROUNDS

Staff from culturally and linguistically diverse backgrounds made up 22.3 per cent of the Department's workforce. This compares favourably with the APS average (at 30 June 2014) of about 15.5 per cent.

The Department's *Agency Multicultural Plan 2013–15* has been instrumental in providing an equitable service that embraces its clients' diversity. The development of an eLearning resource has further increased staff knowledge of the multicultural access and equity policy, and the importance of cultural diversity.

IMPACT AND FEATURES OF ENTERPRISE OR COLLECTIVE AGREEMENTS, DETERMINATIONS, COMMON LAW CONTRACTS AND AWAS

Negotiations began in June 2014 for a new EA to replace the Department's 2011–14 Enterprise Agreement (DIBP EA)—which nominally expired on 30 June 2014.

In May 2014 the Australian Government announced that the ACBPS would be integrated with DIBP from 1 July 2015. In March 2015 DIBP and ACBPS began bargaining for a single EA to apply to the integrated Department. Negotiations for the EA will continue into 2015–16.

On 26 June 2015 transitional arrangements that maintain a range of conditions for ACBPS staff were put in place to apply from 1 July 2015 through determinations made under the *Public Service Act 1999*. The transitional arrangements will apply until a new EA for the integrated Department is in place.

The Department does not have any AWAs in place as at 30 June 2015. All AWAs in Immigration were bought out in 2010.

ENTERPRISE AGREEMENTS AND INDIVIDUAL EMPLOYMENT ARRANGEMENTS

The DIBP EA provides for flexible remuneration arrangements. Table 61 shows the Department's salary range by classification level. The range reflects what is available under both the DIBP EA and individual flexibility arrangements. Individual flexibility arrangements may be used to attract and retain specialist skills sets where paying additional remuneration, over and above what is available under the DIBP EA salary range, is necessary. Appendix 1 in this report provides a breakdown of salary ranges within each level as prescribed in the DIBP EA.

Table 61: Salary ranges for staff at 30 June 2015

Classification	Range of salaries
APS Level 1	\$25,451–\$47,004
APS Level 2	\$47,424–\$53,353
APS Level 3	\$53,937–\$59,933
APS Level 4	\$60,452–\$69,038
APS Level 5	\$67,638–\$83,780
APS Level 6	\$74,321–\$105,081
Executive Level 1	\$92,801–\$140,760
Executive Level 2	\$109,959–\$184,382
SES Band 1	\$162,302–\$244,078
SES Band 2/SES Band 3	\$212,242–\$337,201

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 EA 2011–14 and employees on individual employment arrangements.

The APS Level 1 classification above includes salaries for the Indigenous cadet pay rates during full time study (60 per cent of full time APS Level 1).

INDIVIDUAL EMPLOYMENT ARRANGEMENTS

Table 62 shows the number of departmental staff on s. 24(1) determinations under the PS Act or individual flexibility arrangements (IFAs) pursuant to clause 11.22 of the EA.

Table 62: Number of departmental staff on individual employment arrangements at 30 June 2015

Classification	Employees on s. 24(1s)	Employees on IFAs	Total
APS Level 4	3	6	9 ^a
APS Level 5	4	5	9 ^b
APS Level 6	4	14	18 ^c
Executive Level 1	6	58	64 ^d
Executive Level 2	2	75	77 ^e
SES	102	0	102
Total	121	158	279

a In the total of 9 APS 4 staff, three staff had both an IFA and a s. 24(1) determination in place.

b In the total of 9 APS 5 staff, four staff had both an IFA and a s. 24(1) determination in place.

c In the total of 18 APS6 staff, four staff had both an IFA and a s. 24(1) determination in place.

d In the total of 64 EL1 staff, six staff had both an IFA and a s. 24(1) determination in place.

e In the total of 77 EL2 staff, two staff had both an IFA and a s. 24(1) determination in place.

NON-SALARY BENEFITS

The range of benefits, other than base salary, provided to staff under the DIBP EA 2011–14 and individual employment arrangements include:

- flexible working arrangements, including flex time, 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 Programme (EAP)
- salary packaging
- allowances, such as 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 staff in 2014–15.

IMPACT OF TRAINING AND DEVELOPMENT

BLENDED LEARNING

As part of the consolidation of ACBPS and DIBP during 2014–15, a new Learning and Development Branch was established on 1 December 2014 to integrate the DIBP and ACBPS learning and development functions. Since then, significant effort has been devoted to develop a standardised national approach to learning and development for the new Department to take effect on 1 July 2015. The new learning and development approach will ensure staff have the experience and skills they need to excel in their jobs, now and in the future.

The integrated learning and development framework will govern the development and delivery of learning and development programmes. It will consider the capability requirements of each workforce specialisation and ensure that the integrated Department has the technology to support different modes of learning. It will support the new Department's goal to professionalise the workforce and show the learning curriculum pathways within vocational streams.

The framework will significantly expand the implementation of the 70–20–10 learning approach that already operates in some work areas and programmes across DIBP. This approach recognises that most adult learning takes place on the job and through feedback and reflection, and a smaller amount is through mentoring, coaching and formal training, such as eLearning and classroom education.

A key focus over the year was to support the establishment of the ABF College. The ABF College will be an educational and operational training institution that will meet the current and future needs of a contemporary workforce and border protection service. It will develop and deliver foundational, as well as specialised training, for ABF officers.

LEARNING AND DEVELOPMENT SUPPORT FOR CHANGE MANAGEMENT

During 2014–15 the Department developed a suite of learning and development opportunities for staff to ensure its business is delivered by a professional, adaptable, capable and diverse workforce that is responsive to change.

Key components of this new learning and development suite include:

- leadership development experiences (LDEs)
- coaching for leadership workshops
- leading and managing change workshops.

The leading and managing change programme was developed to specifically address integration and complements a number of other programmes, such as the EAP and coping with change.

During 2014–15, 40 programmes were delivered to 530 participants nationally. Based on initial demand planning, it is anticipated that delivery of these programmes will continue in 2015–16.

WORK HEALTH AND SAFETY PERFORMANCE

The Department remains committed to fulfilling its duties, as a Person Conducting a Business or Undertaking (PCBU), under the *Work Health and Safety Act 2011* (WHS Act). It aims to manage and evaluate workplace safety through collaboration and high-level leadership.

During 2014–15 the Department continued to review and modify its business operations to mitigate risks associated with work health and safety.

The Department also strives to promote effective communication and consultation to improve awareness and accountability in health and workplace safety. The nature and structure of the Department's work health and safety programmes are outlined below.

HEALTH AND SAFETY MANAGEMENT ARRANGEMENTS

Managers and supervisors play a critical role in supporting staff with injury or illness. In addition, managers have an important role in ensuring work health and safety (WHS) risks and processes are understood and implemented to ensure the wellbeing of workers.

HEALTH AND SAFETY REPRESENTATIVES

Health and safety representatives (HSRs) represent the workers in a work group as defined in the WHS Act. The Department has 120 work groups across Australia, including those at detention facilities and Regional Processing Centres (RPCs).

Work groups are established and reconfigured periodically to reflect the Department's operational activities. Nominations for HSRs are called as vacancies are identified, and accredited training is provided to all HSRs as they are appointed.

HEALTH AND SAFETY TRAINING

A national WHS eLearning module is in place across the Department. All staff must complete this module every 12 months. At 30 June 2015, 78 per cent of the Department's staff had completed the module in the preceding 12 months.

WHS modules continue to be delivered in a number of Departmental training programmes, including the overseas preparation course, deployment essentials training, and immigration detention facility (IDF) executive leadership training.

HEALTH AND SAFETY COMMITTEES

In line with legislative requirements and to consult workers and their representatives on WHS issues, the Department convenes quarterly health and safety committee meetings in all national, state and territory offices, IDFs and RPCs. Key WHS issues are referred to the National Work Health and Safety Committee, which met three times during 2014–15.

HEALTH, SAFETY AND WELLBEING

The Department provided a range of services and activities in 2014–15 to promote physical and psychological health, safety and wellbeing within the organisation, including:

- a national influenza vaccination programme
- rehabilitation services to reduce the human and financial costs of work-related and non-work-related injury and illness
- an employee assistance programme to provide employees with confidential and professional counselling
- guidance materials to assist managers
- eyesight testing for screen-based activities
- ergonomic workstation assessments
- training for new health and safety representatives
- training for first aid officers

- psychological assessments and self-care support programmes for staff going on deployment or overseas postings
- on-site counselling support for departmental staff and interpreters deployed to the detention network and RPCs
- a pre-deployment infectious disease screening and vaccination programme
- audit and assurance activities in rehabilitation case management and WHS.

HEALTH AND SAFETY OUTCOMES

The Department's Comcare premium rate increased to 2.19 per cent of payroll for 2014–15 (\$17.5 million). The premium rate comparison to all agencies combined is shown in Table 63.

Table 63: Premium rate for the Department compared with all agencies from 2012–13 to 2015–16

Premium rate	2012–13	2013–14	2014–15
Department	1.47%	1.92%	2.19%
All agencies	1.77%	1.81%	2.12%
Variation	(0.30%)	0.11%	0.07%

MECHANISM OF INJURY

The Department identifies actions, events and situations that can cause serious injury and disease. Mechanism of injury descriptors are based on a national classification system. Table 64 shows injury claims by mechanism of injury accepted by Comcare.

Table 64: Three-year summary of mechanism of injury for accepted claims

Accepted claims	2012–13	2013–14	2014–15
Falls, trips and slips	11	9	8
Hitting objects	2	1	0
Being hit by moving objects	2	3	3
Sound and pressure	2	0	0
Body stressing	31	38	16
Heat, electricity and other environmental	1	0	3
Chemicals and other substances	0	2	1
Biological factors	1	0	1
Mental stress	8	16	1
Other or unspecified	3	2	3
Total	61	71^a	36^b
Total number of staff (headcount)	9,133	8,489	8,429^c

a The total number of injury claims in 2013–14 (55) was incorrect. The headcount has been corrected to 71.

b The number of accepted claims for 2014–15 may increase over time as workers' compensation claims continue to be lodged and accepted by Comcare for injuries/illnesses that occurred in 2014–15.

c This figure includes Australian-based staff overseas but excludes locally engaged staff.

REGULATORY ACTIVITY

The Department liaises with Comcare on all regulatory and cooperative compliance matters. This includes the provision and monitoring of incident reports and information as required under the WHS Act.

From 1 July 2014 to 30 June 2015, Comcare conducted regulatory inspections at the following work locations:

- Brisbane Immigration Transit Accommodation (ITA)
- Christmas Island IDF
- Maribyrnong ITA
- Melbourne ITA
- RPC, Manus, Papua New Guinea
- RPC, Republic of Nauru
- Torres Strait
- Villawood IDF, Sydney
- Wickham Point IDF, Darwin
- Yongah Hill IDF, Western Australia.

In addition, Comcare conducted an electrical safety campaign during the year, and carried out inspections at departmental offices in Canberra, Melbourne and Perth. Inspections also took place at the Brisbane ITA and the Wickham Point IDF in Darwin.

NOTIFICATION AND REPORTING OF ACCIDENTS AND DANGEROUS OCCURRENCES

Between 1 July 2014 and 30 June 2015, the Department notified Comcare of 662 incidents.

Table 65 summarises all incidents notified by the Department for the 2012–13, 2013–14 and 2014–15 financial years.

Table 65: Incidents notified to Comcare under sections 35, 36 and 37 of the *Work Health and Safety Act 2011*

Notifiable incident classification	2012–13	2013–14	2014–15
Death	3	8	6 ^a
Serious injury/illness (SII)	188	338	586
Dangerous incident (DI)	107	103	70
Total	298	449	662

a This figure includes two Nauruan nationals.

The higher number of serious injury/illness incidents reported to Comcare in 2014–15, compared with 2013–14, is in part due to the introduction in July 2014 of the requirement to report incidents involving the transport of a person to hospital by ambulance, irrespective of the nature of the injury or illness, based on advice from Comcare. Comcare has withdrawn this recommendation.

A total of 86 per cent, or 572, of all incidents, including deaths, related to workers as well as contractors' employees, interpreters, locally engaged overseas employees, volunteers and other persons (including detainees and transferees), as opposed to departmental staff. There were no deaths relating to staff.

SUPPORT PROGRAMMES FOR STAFF

Professional Support Framework

The Professional Support Framework (PSF), approved by the Executive Committee in November 2013, offers enhanced support to staff deploying to IDFs and RPCs.

The PSF was developed to capitalise on current support mechanisms and, where appropriate, enhance services provided to identify high-risk groups as required. The PSF includes the following initiatives:

- General health assessments—all Departmental staff and interpreters being deployed to the IDF and RPC networks (irrespective of length of deployment) must undertake a general health assessment before deployment. Providers from the Department's health services panel conduct these assessments.
- Psychological resilience and self-care support programme—identifies the psychological health and safety risks associated with staff working in the IDF and RPC networks and puts in place measures to mitigate the risks, where required. All departmental staff deployed within these networks must undertake the resilience programme.
- On-site psychological support—to complement the resilience programme, the Department has implemented on-site counselling services for departmental staff working in the IDF and RPC networks. During 2014–15 these services were provided within the IDF and RPC networks and the Sydney Service Centre.
- Mandatory post-deployment debriefings for all staff with the Department's EAP provider and relevant home manager—within one month of completing a deployment, staff are required to complete a post-deployment debriefing with the EAP provider and their home manager to ensure that staff, returning to their regular work role, are adequately supported.
- Counselling service—the EAP telephone counselling service is made available to all staff and interpreters.
- Vaccination programme—an infectious disease and vaccination programme is provided to reduce the risk of exposure to infectious disease when working in high-risk roles and environments. The programme has been developed in consultation with the Department's Chief Medical Officer.

Support for managers

Managers and supervisors play a critical role in supporting staff with injury or illness. They also have an important role in ensuring WHS risks and processes are understood and implemented to ensure the wellbeing of workers.

A toolkit has been developed to provide managers with additional information to support staff and ensure compliance with WHS obligations. The toolkit contains information on:

- managing unscheduled absences
- manager roles and responsibilities in supporting staff with illness or injury
- managing WHS risks in the workplace
- manager's guides on:
 - mental health in the workplace
 - chronic health conditions in the workplace
 - fitness for duty
 - incident reporting guidelines
 - information about the EAP.

UNSCHEDULED ABSENCE MANAGEMENT

The ANAO and the APSC define unscheduled absence as the combination of personal leave, compensation leave and any absence not approved by management.

The Department's unscheduled absence rate remained steady, reporting 14.1 days per employee in both 2013–14 and 2014–15. This figure is slightly higher than the 2013–14 average for large APS agencies.

Based on analysis, the Department has initiated measures to reduce unscheduled absences as part of a framework to create a healthier and more productive workforce. The Department is developing an attendance framework to improve individual and organisational work ability with a focus on:

- developing targeted reporting with hot-spot analysis
- improving management practice through the provision of better information and advice
- targeted health and wellbeing support
- addressing work practice issues
- developing improved performance management strategies.



CASE STUDY

CAREER CHANGE FOR JESSE COLEMAN

After a career as a paratrooper with the Australian Army, starting work at the Department of Immigration and Border Protection has been just as significant for Jesse Coleman.

Jesse is undertaking the Australian Public Service Commission (APSC) Indigenous Pathways Traineeship Programme and started in the Department in 2015. He is currently working in the Information Communications and Technology Division (ICT), where he is able to expand his knowledge and skills in the information technology (IT) field. Every day Jesse finds himself working on new and diverse tasks.

'No two days are the same. There have been so many highlights. I have met and made contacts in so many different areas including developers, architects, analysts and project managers,' he said.

'I was attracted to the Department because I believe in immigration's role to protect the country's security and prosperity.'

Jesse's section is responsible for managing the IT delivery programme of capital, new policy proposals and business-as-usual funded projects. Jesse's key role is project management support and administration.

Although his work is diverse, Jesse has learned to adapt and understands the importance of teamwork in an office environment. Jesse has also benefited from shadowing colleagues and responding to complex issues.

'I'm learning from senior staff and management, the amount of knowledge across the team is amazing. I enjoy working with my work colleagues as everyone gives it 100 per cent and there is great cohesion within our team.'

As part of the traineeship with the Department, it is a requirement to complete the Certificate IV in Government. Jesse keeps in constant contact with the Indigenous Employment Team as well as the APSC and the Canberra Institute of Technology.

Balancing his workload with his study has helped Jesse develop time-management skills. Subject to successful completion of the traineeship and its requirements, Jesse will secure a permanent position with the Department and advance from an APS2 to APS3 position.

'Hopefully this is setting a strong foundation for a very long career within the Department,' Jesse said.

Photo: Jesse Coleman.

PURCHASING

The Department based its purchasing and procurement policies on the PGPA Act and the Commonwealth Procurement Rules (CPRs).

The Corporate Group provided specialist advice and assistance to all departmental areas engaged in procurement and contract management through:

- self-service, which included streamlined information, guidance and tools supported by a helpdesk function
- dedicated procurement staff to provide appropriate support and advice for approaches to market
- centralised management of high value/high risk procurement
- developing and maintaining policy documentation and guidance
- coordinating 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. Quality assurance measures and assurance processes in the system are used to maintain the accuracy and completeness of procurement-related information.

CONSULTANTS AND CONSULTANCY SERVICES

The Department's policy for selecting and engaging consultants was conducted in accordance with the CPRs and was based on the core principle of value for money.

In 2014–15 the Department entered into 59 new consultancy contracts involving total actual expenditure of \$23.5 million (inclusive of GST). In addition, 21 ongoing consultancy contracts were active during 2014–15, involving total actual expenditure of \$1.6 million (inclusive of GST).

Information on the value of contracts and consultancies is available on the AusTender website (www.tenders.gov.au).

SMALL BUSINESS

The Department supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website: www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts/.

The Department recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website: www.treasury.gov.au.

The Department's procurement practices to support SMEs were consistent with paragraph 5.4 of the CPRs. For example, initiatives/practices by the Department in 2014–15 which demonstrate this commitment were:

- the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000
- Australian Industry Participation Plans in whole-of-government procurement where applicable
- the Small Business Engagement Principles (outlined in the Government's Industry Innovation and Competitiveness Agenda), such as communicating in clear, simple language and presenting information in an accessible format
- electronic systems or other processes used to facilitate on-time payment performance, including the use of payment cards.

ANAO ACCESS PROVISIONS

The Department's standard contract templates include provisions allowing the ANAO to gain access to a contractor's premises. The Department did not have any contracts that did not contain the ANAO access provisions.

EXEMPT CONTRACTS

The Department did not have any contracts with a value of \$10,000 or more (inclusive of GST) or any standing offers that had been exempted by the Secretary from being published on 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 managed non-financial assets with a value of \$1.970 billion during 2014–15. Most of these assets (with a value of \$1.508 billion) were administered property that supports the care and management of detainees, including IMAs in immigration detention. The Department's main asset classes are land and buildings, leasehold improvements, plant and equipment, and intangible assets (software).

During the 2014–15 financial year, the gross book value of departmental and administered assets increased by \$226.8 million, due primarily to the construction of additional detention facilities and the ongoing development of software to meet business requirements.

The Department manages asset replacements through an annual capital plan that reflects both Government priorities and ongoing business requirements. It regularly monitors the management of this capital plan to ensure that planned expenditure reflects the Department's business requirements.

The Department undertakes an annual stocktake of its non-current assets and performs an impairment review that is used to update and verify the accuracy of asset records and to review the condition and utility of assets. The review includes a reassessment of expected useful lives and residual values. In 2014–15 the Department, as required by Accounting Standards, engaged an independent external valuer to revalue all non-current assets (excluding intangibles).

The Department's property, plant and equipment assets, including those leased under contract from various service providers, are maintained through specific maintenance programmes.

Additional information on the value, acquisition and disposal of assets is available in the 2014–15 financial statements in Part 5 of this report.

ADVERTISING AND MARKET RESEARCH

During 2014–15 the Department conducted the following advertising campaigns:

- *No way*
- Onshore voluntary returns.

Further information on the advertising campaigns is available at www.border.gov.au and in reports on Australian Government advertising prepared by the Department of Finance. Those reports are available at www.finance.gov.au/advertising/index.html.

Table 66: Advertising and market research expenditure 2014–15

Media advertising and market research	Total amount paid against contract (GST inclusive)
Market research organisations	
McNair Ingenuity Research Pty Ltd: Tracking and evaluation market research for the <i>No way</i> campaign	\$218,512.00
Hall & Partners Open Mind Pty Ltd: Research for the Customs Watch programme	\$103,816.00
Cubit Media Research Pty Ltd: Large scale collation and comparative analysis of media representations of migration	\$385,191.29
Hall & Partners Open Mind Pty Ltd: Illegal work tracking market research	\$30,052.00
Media advertising organisations	
Mitchell & Partners Australia Pty Ltd: <i>No way</i> campaign advertising – phase 1	\$85,032.57
Mitchell & Partners Australia Pty Ltd: <i>No way</i> campaign advertising – phase 2	\$127,733.64
Mitchell & Partners Australia Pty Ltd: Community Status Resolution Service advertising for visa overstayers	\$252,799.76
Mitchell & Partners Australia Pty Ltd: Onshore voluntary returns campaign advertising illegal maritime arrivals	\$164,992.42
The Trustee for LMG Melbourne Unit Trust: Community engagement services – <i>No way</i> campaign	\$112,750.00

ECOLOGICALLY SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PERFORMANCE

NATIONAL ENVIRONMENTAL POLICY

Under section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), Commonwealth organisations have a statutory requirement to report on their environmental performance and how they accord with, and advance the principles of, ecologically sustainable development. The following information reports on our environmental performance in accordance with these requirements.

The national environmental policy, endorsed by the Secretary in 2009, has been the foundation for environmental stewardship within departmental offices. It sets out the level of environmental responsibility and performance that the Department expects. Under this policy, the Department undertook to:

- 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 Government and state and territory government environmental legislation, regulations, policies, initiatives and other requirements that related to the Department's environmental aspects.

ENVIRONMENTAL MANAGEMENT SYSTEM

The Department employed an environmental management system (EMS) to help meet its environmental policy objectives. The EMS was a strategic tool to manage the impact of the Department's activities on the environment. It also provided a structured approach to daily operations in helping to plan and implement environmental protection measures.

The development of the EMS was based on international standard AS/NZS ISO 14001.

GREEN INITIATIVES

The Department undertook several environmental initiatives in 2014–15, including:

- promoting and participating in Earth Hour
- the continued participation in mobile phone recycling in its National Office in Belconnen
- the recycling of used printer cartridges for multi-function devices
- reducing the national vehicle fleet from 179 in 2013–14 to 152 in 2014–15
- giving preference to leasing vehicles that are ethanol suitable
- making four-cylinder vehicles the default choice for leased vehicles
- continuing to replace six-cylinder vehicles with four-cylinder vehicles. This has reduced the proportion of six-cylinder vehicles to 7 per cent of the national fleet, down from 15 per cent in the previous financial year.

GREEN LEASE SCHEDULE OVERVIEW

As a Commonwealth agency, it was critical that the Department demonstrated support and compliance with the Government's Energy Efficiency in Government Operations (EEGO) Policy and the green lease schedules (GLSs), which are key policy requirements. In the period under review, Jones Lang LaSalle managed departmental sites that have GLSs.

NABERS OVERVIEW

The National Australian Built Environment Rating System (NABERS) measures a building's environmental performance during operation—in particular the rating of its measured operational impact, such as energy, water, waste and indoor environment. The NABERS energy rating has been chosen as the performance benchmark for GLSs and the mandatory Commercial Building Disclosure programme. These environmental indicators and the associated measurement techniques have been subject to extensive research and deliberation, drawing on international and local expertise. More information can be found at the NABERS website (www.nabers.com.au).

INFORMATION AND COMMUNICATION TECHNOLOGY SUSTAINABILITY INITIATIVES

The Department continued to implement the 2012–15 infrastructure management plan, transforming hardware platforms to 'high density compute' platforms such as blade server infrastructure and an improved storage network platform.

Overall energy consumption in data centres at Hume and at the in-house site at Belconnen increased by 3 per cent on the previous year. This was mainly due to new platforms running parallel with legacy platforms for some periods. Energy costs dropped by 11 per cent and 7 per cent respectively, largely due to market changes. Despite the increase in energy consumption, overall energy efficiency continued to improve, with the Hume site Power Usage Effectiveness (PUE) metric dropping to PUE 1.42 from PUE 1.54 in 2013–14, and Belconnen dropping to 1.58 from 1.6 over the same period. This improvement can largely be attributed to the increased computer power delivered by the new platforms.

Both sites exceeded the July 2015 target (PUE from 2.2 to 1.7) ahead of schedule.

In addition, 2014–15 saw extensive planning to deliver a new outsourced data centre site in 2015–16. This will enable the integrated Department to continue to build on the energy efficiency of the current outsourced data centre and enable legacy in-house managed sites to be downsized.

The Department continued to meet whole-of-government requirements for an after-hours shut-down through desktops automatically going into 'sleep' mode after 30 minutes of inactivity.

ENERGY PERFORMANCE

The EEGO policy aims to reduce the energy consumption by government operations, with particular emphasis on building energy efficiency. A key EEGO objective was for government office buildings in all portfolios to achieve an energy intensity target of 7500 megajoules per person per annum for tenant light and power by June 2012.

The Department continued to improve compliance with this target. In 2014–15 consumption was 4325 megajoules per person per annum, a significant decrease from previous years. The fall is attributed to continued ICT sustainability initiatives and the closure of sites.

Table 67: The Department's energy performance against EEGO policy intensity target

EEGO policy intensity target	2010–11	2011–12	2012–13	2013–14	2014–15
Tenant light and power at 7,500 MJ pp/pa ^a by June 2012	6,003	6,322	5,829	5,155	4,325

a MJ pp/pa means 'megajoules per average staff level per annum'.

HERITAGE STRATEGY

The Department continued to manage its obligations under the *Environmental Protection and Biodiversity Conservation Act 1999* to preserve and promote Commonwealth heritage sites. The Villawood Immigration Detention Facility is the only departmental property included on the Commonwealth Heritage List.

A heritage precinct has been established on the northern boundary of the Villawood IDF, facing Miowera and Gurney Roads. A Heritage Precinct Master Plan will ensure the continuing protection of the site's remaining heritage values.

The precinct will feature key elements of the Villawood migrant hostel, with two Nissen accommodation huts, the former dining room and the boilers from the original laundry. These buildings have already been relocated and repaired. A qualified heritage specialist has been engaged to complete the development of the precinct, including landscaping works and the installation of interpretive signage.

GRANT PROGRAMMES

Information on grants awarded by the Department during the period 1 July 2014 to 30 June 2015 is available at www.border.gov.au.

SOCIAL JUSTICE AND EQUITY

All Australian Government departments and agencies were required to prepare biennial agency multicultural plans (AMPs) commencing on 1 July 2013. The plans set out the action Government departments will take to improve their performance on access and equity in client service delivery. This includes ensuring staff and contractors are responsive to the needs of culturally and linguistically diverse clients.

The Department's *Agency Multicultural Plan 2013–15* was launched to staff on 14 August 2013. In 2014–15 the Department delivered on more than 25 action items to enhance the culture in the Department that embraces multicultural access and equity principles in all aspects of its work. These are reported here and in Part 3 of this report between pages 39 and 201. Particular references to the Department's *Agency Multicultural Plan* are in Part 3 on page 98 and Part 4 on page 223.

In 2014–15 DIBP and ACBPS worked closely to draw on their shared experiences to launch a Portfolio-wide Multicultural Plan for the integrated Department and the ABF to take effect on 1 July 2015.

The Department is committed to a diverse workforce and socially inclusive society in which everyone feels valued and has the opportunity to participate fully in Australia's social, economic and cultural life, consistent with their immigration status and entitlements.

The Department's *Agency Multicultural Plan* set out initiatives to consolidate a culture that embraces multicultural access and equity practices in all aspects of the Department's work. This includes ensuring that departmental staff, officers and contractors are responsive to the needs of a culturally and linguistically diverse range of clients.

Initiatives such as the appointment of a multicultural access and equity champion, the celebration of Harmony Day, and the development of the multicultural access and equity eLearning resource have provided staff with the opportunity to further their understanding of the needs of a multicultural society and the importance of embracing the diversity of our staff and clients.

Before the Administrative Arrangements Order changes on 18 September 2013, the Department had the lead responsibility for whole-of-government coordination and implementation of Australia's Multicultural Access and Equity Policy. This responsibility has since moved to the Department of Social Services. As a result, a number of initiatives in the Department's *Agency Multicultural Plan* are no longer applicable. This matter is being addressed through a new plan currently being developed for the integrated Department and the Australian Border Force to take effect on 1 July 2015.

ETHNIC LIAISON OFFICER NETWORK

The Department's 10 ethnic liaison officers (ELOs) engage with key communities around the country and manage the flow of information to and from ethnic community leaders. ELOs build and maintain stakeholder relationships to provide information on policies and programmes, and they collect information from communities to inform Australian Government policies and programmes.

ELO liaison activities are delivered in accordance with priorities agreed with regions.

Throughout 2014–15, the ELOs facilitated a number of community information campaigns, including Returns and Removals, Refugee Week 2015 and Ebola.



PART 5

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

To the Minister for Immigration and Border Protection

I have audited the accompanying annual financial statements of the Department of Immigration and Border Protection for the year ended 30 June 2015, which comprise:

- Statement by the Accountable Authority and the Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cash Flows;
- Schedule of Commitments;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Schedule of Administered Cash Flow;
- Schedule of Administered Commitments; and
- Notes to and forming part of the financial statements including a Summary of significant accounting policies and other explanatory information.

Accountable Authority's Responsibility for the Financial Statements

The Accountable Authority of the Department of Immigration and Border Protection is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act. The Accountable Authority is also responsible for such internal control as is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

GPO Box 707 CANBERRA ACT 2601
19 National Circuit BARTON ACT
Phone (02) 6203 7300 Fax (02) 6203 7777

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 entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Accountable Authority of the entity, 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 Border Protection:

- (a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Department of Immigration and Border Protection as at 30 June 2015 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



Serena Buchanan
Executive Director

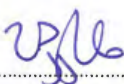
Delegate of the Auditor-General

Canberra
15 September 2015

**Department of Immigration and Border Protection
Statement by the Accountable Authority and the Chief Finance Officer**

In our opinion, the attached financial statements for the year ended 30 June 2015 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Department of Immigration and Border Protection will be able to pay its debts as and when they fall due.

Signed.....

Michael Pezzullo
Accountable Authority

Signed.....

Steven Groves
Chief Finance Officer

15 September 2015

15 September 2015

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2015

5

Financial statements

	Notes	2015 \$'000	2014 \$'000
Net cost of services			
Expenses			
Employee benefits	4A	842,614	875,686
Suppliers	4B	621,832	634,551
Depreciation and amortisation	8A	109,852	120,053
Finance costs	4C	542	948
Write-down and impairment of assets	4D	9,988	18,485
Foreign exchange losses—non-speculative		60	297
Losses from asset sales		31	14
Assistance to foreign governments—gifting of public property		35	833
Other expenses		3,877	257
Total expenses		1,588,831	1,651,124
Own-source income			
Own-source revenue			
Sale of goods and rendering of services	5A	57,658	34,703
Recovery of costs	5B	27,165	12,530
Electronic travel authority fees		6,677	9,518
Operating leases—property rental income		1,420	1,752
Software royalties		1,403	1,201
Comcover insurance recoveries		10,325	262
Other revenue		7,394	322
Total own-source revenue		112,042	60,288
Gains			
Gains from sale of assets		37	24
Foreign exchange gains—non-speculative		9	-
Reversals of previous asset write-downs and impairments	5C	1,401	2,076
Other gains	5D	16,216	726
Total gains		17,663	2,826
Total own-source income		129,705	63,114
Net cost of services		(1,459,126)	(1,588,010)
Revenue from Government—departmental appropriations		1,373,836	1,482,355
Deficit attributable to the Australian Government		(85,290)	(105,655)
Other comprehensive income			
Items not subject to subsequent reclassification to net cost of services			
Changes in asset revaluation surplus		31,647	6,850
Total other comprehensive income		31,647	6,850
Total comprehensive income attributable to the Australian Government		(53,643)	(98,805)

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Assets			
Financial assets			
Cash and cash equivalents	7A	1,716	2,906
Trade and other receivables	7B	413,046	429,067
Other financial assets	7C	1,338	1,380
Total financial assets		416,100	433,353
Non-financial assets			
Land	8A	400	400
Buildings	8A	260	275
Leasehold improvements	8A	80,706	52,048
Property, plant and equipment	8A	58,556	50,383
Computer software—internally developed	8A	280,006	287,935
Computer software—purchased	8A	14,481	15,777
Other non-financial assets	8B	27,425	27,873
Total non-financial assets		461,834	434,691
Total assets		877,934	868,044
Liabilities			
Payables			
Suppliers	9A	123,695	136,341
Other payables	9B	53,836	71,383
Total payables		177,531	207,724
Interest bearing liabilities			
Finance leases	10	389	1,152
Total interest bearing liabilities		389	1,152
Provisions			
Employee provisions	11A	229,114	223,581
Other provisions	11B	22,283	44,088
Total provisions		251,397	267,669
Total liabilities		429,317	476,545
Net assets		448,617	391,499
Equity			
Contributed equity		768,267	674,881
Reserves		154,546	122,899
(Accumulated deficit)		(474,196)	(406,281)
Total equity		448,617	391,499

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2015

	Retained earnings		Asset revaluation surplus		Contributed equity/capital		Total equity	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Opening balance								
Balance carried forward from previous period	(406,281)	(300,626)	122,899	116,049	674,881	580,117	391,499	395,540
Adjustments to prior year's surplus/(deficit)	17,383	-	-	-	-	-	17,383	-
Adjusted opening balance	(388,898)	(300,626)	122,899	116,049	674,881	580,117	408,882	395,540
Comprehensive income								
Other comprehensive income	-	-	31,647	6,850	-	-	31,647	6,850
(Deficit) for the period	(85,290)	(105,655)	-	-	-	-	(85,290)	(105,655)
Total comprehensive income	(85,290)	(105,655)	31,647	6,850	-	-	(53,643)	(98,805)
Transactions with owners								
Distributions to owners								
Returns on capital								
Return of contributed equity	(8)	-	-	-	(3,543)	(12,988)	(3,551)	(12,988)
Contributions by owners								
Equity injection – Appropriations	-	-	-	-	10,970	26,056	10,970	26,056
Departmental capital budget	-	-	-	-	85,959	81,765	85,959	81,765
Restructuring	-	-	-	-	-	(70)	-	(70)
Total transactions with owners	(8)	-	-	-	93,386	94,764	93,378	94,764
Closing balance attributable to the Australian Government	(474,196)	(406,281)	154,546	122,899	768,267	674,881	448,617	391,499

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

STATEMENT OF CASH FLOWS

For the period ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Operating activities			
Cash received			
Goods and services		34,737	64,835
Appropriations		1,430,667	1,511,720
Net GST received		44,759	32,101
Other cash received		38,910	14,545
Total cash received		1,549,073	1,623,201
Cash used			
Employees		852,415	886,539
Suppliers		693,516	700,881
Borrowing costs		542	948
Cash transferred to the Official Public Account		-	32,582
Other		5,008	1,075
Total cash used		1,551,481	1,622,025
Net cash from/(used by) operating activities	13	(2,408)	1,176
Investing activities			
Cash received			
Proceeds from sales of property, plant and equipment		113	36
Total cash received		113	36
Cash used			
Purchase of property, plant and equipment		24,604	14,480
Purchase of intangibles		84,289	78,056
Total cash used		108,893	92,536
Net cash from/(used by) investing activities		(108,780)	(92,500)
Financing activities			
Cash received			
Contributed equity		110,761	92,536
Total cash received		110,761	92,536
Cash used			
Repayment of borrowings (finance leases)		763	741
Total cash used		763	741
Net cash from/(used by) financing activities		109,998	91,795
Net increase/(decrease) in cash held		(1,190)	471
Cash and cash equivalents at the beginning of the reporting period		2,906	2,435
Cash and cash equivalents at the end of the reporting period	7A	1,716	2,906

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

SCHEDULE OF COMMITMENTS

As at 30 June 2015

	< 1 year \$'000	1 year to 5 years \$'000	> 5 years \$'000	Total \$'000
2015				
Commitments receivable				
Sublease rental income	(1,280)	(18)	-	(1,298)
Net GST recoverable on commitments	(16,735)	(29,216)	(1,748)	(47,699)
Total commitments receivable	(18,015)	(29,234)	(1,748)	(48,997)
Commitments payable				
Capital commitments				
Property, plant and equipment	114	-	-	114
Intangibles	1,324	-	-	1,324
Total capital commitments	1,438	-	-	1,438
Other commitments				
Operating leases ^a	77,366	159,589	7,752	244,707
Information technology services ^b	112,480	153,819	11,476	277,775
Other ^c	30,453	30,493	-	60,946
Total other commitments	220,299	343,901	19,228	583,428
Net commitments	203,722	314,667	17,480	535,869
2014				
Commitments receivable				
Sublease rental income	(1,196)	(1,284)	-	(2,480)
Other receivables	(90)	-	-	(90)
Net GST recoverable on commitments	(17,716)	(36,973)	(2,677)	(57,366)
Total commitments receivable	(19,002)	(38,257)	(2,677)	(59,936)
Commitments payable				
Capital commitments				
Land and buildings	1,491	-	-	1,491
Property, plant and equipment	1,292	-	-	1,292
Intangibles	9,452	17	-	9,469
Total capital commitments	12,235	17	-	12,252
Other commitments				
Operating leases ^a	89,814	211,256	14,626	315,696
Information technology services ^b	111,288	223,921	15,377	350,586
Other ^c	5,344	-	-	5,344
Total other commitments	206,446	435,177	30,003	671,626
Net commitments	199,679	396,937	27,326	623,942

The above schedule should be read in conjunction with the accompanying notes.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

SCHEDULE OF COMMITMENTS

As at 30 June 2015

Note: Commitments are GST inclusive where relevant.

- a. Operating lease commitments include leases for onshore and offshore office and staff accommodation.
- b. Information technology service commitments primarily include costs for contracted services.
- c. Other commitments include costs primarily relating to the provision of accommodation cleaning and maintenance services.

Nature of lease/general description of leasing arrangement

a. 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 options.

b. Agreements in relation to support costs for computer equipment, software and telecommunications

The Department has agreements relating to support costs:

- Two agreements for desktop infrastructure, midrange infrastructure and software expire on 30 June 2018.
- One agreement for telecommunications services will continue until 30 June 2016.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME

For the period ended 30 June 2015

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Financial statements

	Notes	2015 \$'000	2014 \$'000
Net cost of services			
Expenses			
Suppliers	18A	2,006,284	2,551,742
Personal benefits	18B	333,146	303,112
Grants and subsidies		6,031	25,562
Depreciation and amortisation	22A	94,073	61,937
Write-down and impairment of assets	18C	87,721	100,280
Losses from asset sales		3,990	3,969
Foreign exchange losses—non-speculative		983	634
Other expenses	18D	654	28
Total expenses		2,532,882	3,047,264
Income			
Revenue			
Non-taxation revenue			
Fees and fines	19A	1,869,890	1,645,095
Recovery of detention costs		6,502	6,768
Other revenue		3,718	11,215
Total non-taxation revenue		1,880,110	1,663,078
Total revenue		1,880,110	1,663,078
Gains			
Gains from sale of assets		44	8
Reversals of previous asset write-downs and impairments	19B	378	123
Foreign exchange gains—non-speculative		201	355
Total gains		623	486
Total income		1,880,733	1,663,564
Net cost of services		652,149	1,383,700
Surplus/(deficit)		(652,149)	(1,383,700)

The above schedule should be read in conjunction with the accompanying notes.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES

For the period ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Assets			
Financial assets			
Cash and cash equivalents		21,259	32,747
Trade and other receivables	21A	16,956	25,931
Accrued revenue		11,620	17,025
Total financial assets		49,835	75,703
Non-financial assets			
Land and buildings	22A	1,315,564	1,172,204
Property, plant and equipment	22A	164,304	157,604
Prepayments		661	103,899
Total non-financial assets		1,480,529	1,433,707
Assets held for sale	22A	27,885	41,798
Total assets administered on behalf of Government		1,558,249	1,551,208
Liabilities			
Payables			
Suppliers	23A	275,766	406,428
Personal benefits		9,663	3,648
Grants—non-profit organisations		-	125
Unearned income		360	260
Total payables		285,789	410,461
Provisions			
Bonds	24A	20,032	17,551
Total provisions		20,032	17,551
Total liabilities administered on behalf of Government		305,821	428,012
Net assets/(liabilities)		1,252,428	1,123,196

The above schedule should be read in conjunction with the accompanying notes.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION ADMINISTERED RECONCILIATION SCHEDULE

For the period ended 30 June 2015

	2015 \$'000	2014 \$'000
Opening assets less liabilities as at 1 July	1,123,196	741,088
Net (cost of)/contribution by services		
Income	1,880,733	1,663,564
Expenses	(2,532,882)	(3,047,264)
Transfers (to)/from the Australian Government		
Appropriation transfers from Official Public Account		
Annual appropriation for administered expenses	2,438,170	2,940,176
Administered assets and liabilities appropriations	348,959	639,220
Appropriation transfers to Official Public Account	(1,969,841)	(1,946,059)
Restructuring	-	9,183
Transfers from the Department of Finance	-	112,359
Administered revaluations taken to reserves	(35,907)	10,929
Closing assets less liabilities as at 30 June	1,252,428	1,123,196

The above schedule should be read in conjunction with the accompanying notes.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

SCHEDULE OF ADMINISTERED CASH FLOW

For the period ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Operating activities			
Cash received			
Immigration fees		1,883,203	1,658,464
Bonds received		52,528	54,855
Sale of goods and rendering of services		273	-
Fines		2,151	1,533
Net GST received		89,915	228,150
Other		-	2,941
Total cash received		2,028,070	1,945,943
Cash used			
Grants and subsidies paid		6,156	26,261
Bonds paid		48,815	53,917
Personal benefits		327,131	315,314
Suppliers		2,113,489	2,761,097
Refunds paid		13,621	13,723
Total cash used		2,509,212	3,170,312
Net cash from/(used by) operating activities	25	(481,142)	(1,224,369)
Investing activities			
Cash received			
Proceeds from sales of property, plant and equipment		564	118
Total cash received		564	118
Cash used			
Purchase of property, plant and equipment		348,198	398,463
Total cash used		348,198	398,463
Net cash from/(used by) investing activities		(347,634)	(398,345)
Financing activities			
Cash received			
Contributed equity		348,959	398,463
Total cash received		348,959	398,463
Net cash from/(used by) financing activities		348,959	398,463
Net increase/(decrease) in cash held		(479,817)	(1,224,251)
Cash and cash equivalents at the beginning of the reporting period		32,747	22,126
Cash from Official Public Account			
Appropriations		2,438,170	3,180,932
Total cash from Official Public Account		2,438,170	3,180,932
Cash to Official Public Account			
Appropriations		1,969,841	1,946,060
Total cash to Official Public Account		1,969,841	1,946,060
Cash and cash equivalents at the end of the reporting period		21,259	32,747

The above schedule should be read in conjunction with the accompanying notes.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION SCHEDULE OF ADMINISTERED COMMITMENTS

As at 30 June 2015

	< 1 year \$'000	1 year to 5 years \$'000	> 5 years \$'000	Total \$'000
2015				
Commitments receivable				
GST recoverable on commitments	(22,160)	(7,164)	-	(29,324)
Total commitments receivable	(22,160)	(7,164)	-	(29,324)
Commitments payable				
Capital commitments				
Property, plant and equipment	96,731	-	-	96,731
Total capital commitments	96,731	-	-	96,731
Other commitments				
Suppliers ^a	293,759	1,998	-	295,757
Health and medical services ^b	5,923	203	-	6,126
Operating leases ^c	45,610	18,934	-	64,544
Policing services ^d	24,568	426	-	24,994
Education services ^e	20,193	-	-	20,193
Other commitments	49,264	59,926	-	109,190
Total other commitments	439,317	81,487	-	520,804
Total commitments payable	536,048	81,487	-	617,535
Net commitments	513,888	74,323	-	588,211

The above schedule should be read in conjunction with the accompanying notes on page 258.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION SCHEDULE OF ADMINISTERED COMMITMENTS

As at 30 June 2015

	< 1 year \$'000	1 year to 5 years \$'000	> 5 years \$'000	Total \$'000
2014				
Commitments receivable				
GST recoverable on commitments	(44,969)	(5,417)	-	(50,386)
Total commitments receivable	(44,969)	(5,417)	-	(50,386)
Commitments payable				
Capital commitments				
Property, plant and equipment	46,085	2	-	46,087
Total capital commitments	46,085	2	-	46,087
Other commitments				
Suppliers ^a	474,174	118,628	-	592,802
Health and medical services ^b	133,244	10,543	-	143,787
Operating leases ^c	69,159	1,435	-	70,594
Policing services ^d	24,980	24,653	-	49,633
Education services ^e	308	109	-	417
Other commitments	75,250	-	-	75,250
Total other commitments	777,115	155,368	-	932,483
Total commitments payable	823,200	155,370	-	978,570
Net commitments	778,231	149,953	-	928,184

The above schedule should be read in conjunction with the accompanying notes.

Note: Commitments are GST inclusive where relevant.

- Supplier commitments mainly relate to the cost of operating detention centres and the offshore processing centres on Nauru and Manus.
- Health and medical services commitments predominantly relate to the provision of health services by International Health and Medical Services.
- Operating leases includes the leasing of a facility at Wickham Point and Blaydin Point in the Northern Territory to accommodate illegal maritime arrivals (IMAs) and residential leases to house contractors and interpreters.
- Policing services commitments relate to the provision of policing services by the Australian Federal Police and the state and territory governments.
- Education services commitments primarily relate to the provision of education services by state and territory governments.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 1: Summary of significant accounting policies

1.1 Objectives of the Department

The Department of Immigration and Border Protection is an Australian Government controlled, not-for-profit entity. The Department's 2014–15 purpose was to build Australia's future through the well-managed entry and settlement of people. The Department's business was to:

- contribute to Australia's future through managed migration
- contribute to Australia's security through border management and traveller facilitation
- promote Australian citizenship
- protect refugees and contribute to humanitarian policy internationally
- make fair and reasonable decisions for people entering or leaving Australia, ensuring compliance with Australia's immigration laws and integrity in decision making.

The Department and the Australian Customs and Border Protection Service (ACBPS) merged into the Department of Immigration and Border Protection on 1 July 2015. The purpose of the new Department is to protect Australia's border and manage the movement of people and goods across it.

In 2014–15 the Department's outcomes and programmes have reduced to three (from six outcomes in 2013–14) to better align business functions, simplify our approach, and provide greater transparency regarding programme costs.

The Department continues to deliver programmes that contribute to national security, the economy and Australian society. The revised outcomes below, from the *Portfolio Budget Statements 2014–15*, reflect these key dimensions of our Department's business. In 2014–15, the Department was structured as follows¹.

Outcome 1: Support a prosperous and inclusive Australia through managing temporary and permanent migration, entry through Australia's borders, and Australian citizenship.

Outcome 2: Support Australia's international and humanitarian obligations by providing protection, resettlement and assistance to refugees and those in humanitarian need, including through arrangements with other countries.

Outcome 3: Support Australia's border protection through managing the stay and departure of all non-citizens.'

As noted above, it was the Government's policy that from 1 July 2015 the ACBPS, including its programmes, administration and funding, be merged into a new Department of Immigration and Border Protection. This has resulted in the Department continuing to exist but in a different form.

The Department's activities contributing toward the above 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.

¹ For details about the Department's outcome structure, see the transition maps in the Immigration and Border Protection Portfolio, *Portfolio Budget Statements 2014–15*, pp. 22–23.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

The Department conducts the following activities on behalf of the Australian Government:

Programme 1.1: Border Management	<ul style="list-style-type: none"> Enhanced border management.
Programme 1.2: Visa and Citizenship	<ul style="list-style-type: none"> Citizenship testing.
Programme 1.3: Migration, Border Management and Citizenship	<ul style="list-style-type: none"> Enhanced border management. Citizenship testing.
Programme 2.1 and 2.2: Refugee and Humanitarian Assistance	<ul style="list-style-type: none"> Allowances for persons granted temporary visas in the Humanitarian Programme. Payments for the asylum seeker assistance scheme. Application assistant scheme—onshore protection. Initiatives to address the situation of displaced persons and promote sustainable returns. International Organization for Migration—contribution. Refugee and humanitarian passage, associated costs and related services. Secretariat for inter-governmental consultations on migration, asylum and refugees—membership contribution. Grant to Refugees Council of Australia. Supervision and welfare for unaccompanied humanitarian minors.
Programme 2.3 and 2.4: Regional Cooperation	<ul style="list-style-type: none"> Management and care of irregular immigrants in Indonesia². Regional cooperation and capacity building. Regional support office combatting people smuggling—address irregular migration in region.
Programme 3.1 and 3.2: Compliance, Detention and Status Resolution	<ul style="list-style-type: none"> Compliance resolution community care and assistance. Community placement and detention services. Payments under s. 65 of the PGPA Act—<i>act of grace</i> payments. Recovery of removal charges and detention costs. Foreign fishers.
Programme 3.3 and 3.4: IMA Onshore Management	<ul style="list-style-type: none"> Community placements and detention services—onshore. Returns, removals and reintegration assistance packages—onshore.
Programme 3.5 and 3.6: IMA Offshore Management	<ul style="list-style-type: none"> Offshore processing services. Returns, removals and reintegration assistance packages—offshore.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.2 Basis of preparation of the financial statements

These financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

These financial statements have been prepared in accordance with:

- the Government's Financial Reporting Rule (FRR) for reporting periods ending on or after 1 July 2014
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities which have been reported at fair value. Except where stated, no allowance has been made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FRR, assets and liabilities are recognised in the Statement of Financial Position when, and only when, it is probable that future economic benefits will flow to the entity or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executory contracts are not recognised unless required by an accounting standard. Assets and liabilities that are unrecognised are reported in the schedule of commitments or the contingencies note.

Unless 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 the following judgements that have the most significant impact on the amounts recorded in the financial statements:

Land and buildings

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, departmental buildings are purpose-built and may in fact realise more or less in the market if they were disposed. The Department leases premises where appropriate and related improvements are included in the land and buildings asset category.

Property, plant and equipment

The fair value of property, plant and equipment has been taken to be the market value of similar assets or depreciated replacement value as determined by an independent valuer.

Componentisation of non-financial assets

Major assets, such as internally developed software, are componentised if it is likely that the components will have useful lives that differ significantly from the other parts of the asset. The useful lives of components may be determined with reference to the individual component of the primary asset.

² Additional Programme 2.3 administered item. Change between *Portfolio Budget Statement 2014–15*, p. 36 and *Portfolio Additional Estimates Statement 2014–15*, p. 39.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Onerous contracts provision

The Department changed its accounting estimation approach in 2014–15 in regard to the recognition of onerous lease contracts. The Department recognises that a lease should be deemed onerous (and provided for) only if it relates to a larger sub-lettable floor of a building for which there are no immediate future plans or sub-lettable arrangements.

The Department has recognised the change in estimate of the provision in line with this voluntary change through the Statement of Comprehensive Income in line with AASB108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

The Department actively reviews the provision in line with new and changing lease arrangements and activities in future periods.

Provision for restoration

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 estimated 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

The Department has chosen to early adopt AASB 2015-7 *Amendments to Australian Accounting Standards – Fair Value Disclosures for Not-for-Profit Public Sector Entities*.

The following new standard, was issued prior to the signing of these statements by the Accountable Authority and Chief Finance Officer, and was applicable to the current reporting period:

Standard/interpretation	Nature of change in accounting policy, transitional provisions and adjustments to the financial statements
AASB 1055	The purpose of the Budgetary Reporting standard is to specify budgetary disclosure requirements for public sector entities. In response to adopting this standard, Note 33 provides original budgeted financial statements along with explanations of major variances between reported actuals and the corresponding budget amounts.

All other new standards, amendments to standards and interpretations that were issued prior to the sign-off date, and are applicable to future reporting periods, are not expected to have a material financial impact on the Department's financial statements.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.5 Revenue

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer
- the Department retains no managerial involvement or effective control over the goods
- the revenue and transaction costs incurred can be reliably measured
- it is probable that the economic benefits associated with the transaction will flow to the Department.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured
- 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:

- services performed to date as a percentage of total services to be performed
- 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 for bad and doubtful debts. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt becomes less 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 to reflect the Department's funding model agreements, 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 Department has two funding models which inform Revenue from Government. As part of the annual reconciliation process of the funding models, any movements in funding earned are recognised as adjustments to Revenue from Government in the current financial year.

1. The broader immigration and citizenship services 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, for example visa finalisations and citizenship decisions.
2. A demand driven model applied to departmental activities supporting offshore asylum seeker management. Under this model, funding is driven by cost and volume factors related to illegal maritime arrivals (IMAs) management activities undertaken by the Department.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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 entity 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 (DCB), are recognised directly in contributed equity in that year.

Restructuring of administrative arrangements

Net assets received from or relinquished to another Government entity under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

Other distributions to owners

The FRR require that distributions to owners be debited to contributed equity unless these are in the nature of a dividend. There was no distribution to owners in the 2014–15 financial year, except for return of contributed equity.

1.8 Employee benefits

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within 12 months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the amounts 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 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.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for personal leave, as all personal leave is non-vesting and the average personal leave taken in future years by employees of the Department is estimated to be less than the annual entitlement for personal leave.

The leave liabilities are calculated on the basis of the employee's 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 as at 30 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 the conditions of service at each post.

LEE conditions at some posts include separation payments, for any cessation of employment, based on years of service. The provisions recognised for these entitlements do not represent termination payments.

Separation and redundancy

Provision is made for separation and redundancy benefit payments. The Department recognises a provision for termination payments when it has developed a detailed formal plan for the terminations and has informed employees affected that it will carry out the terminations.

Superannuation

The Department's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap), or non-government superannuation funds where employees have exercised choice.

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's administered schedules and 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 Government. The Department accounts for the contributions as if they were contributions to defined contribution plans.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the financial year.

1.9 Leases

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 leased premises 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. Subsequent lease payments are allocated between a reduction of the liability and property rental expense to effect a spreading of the rental expense in accordance with the pattern of benefits derived from the rental properties.

The Department makes an immediate allowance for property make-good where required under lease agreements.

1.10 Borrowing costs

All borrowing costs are expensed as incurred.

1.11 Fair value measurement

The Department deems transfers between levels of the fair value hierarchy to have occurred at 30 June 2015 following an assessment by the independent external valuer, Australian Valuation Solutions.

1.12 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- cash on hand
- demand deposits in bank accounts with an original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value
- cash in special accounts/security deposits.

1.13 Financial assets

The Department classifies its financial assets as '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. All receivables are expected to be recovered within 12 months except where indicated.

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.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period. All external receivables are regularly assessed for likelihood of recovery and, where recovery becomes unlikely, a provision is raised. If there is objective evidence that an impairment loss has been incurred for loans and receivables, 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 associated loss is recognised in the Statement of Comprehensive Income.

1.14 Financial liabilities

Financial liabilities are classified as 'other financial liabilities'. Financial liabilities are recognised and derecognised upon trade date.

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 in finance costs.

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—irrespective of having been invoiced.

All payables are expected to be settled within 12 months except where indicated.

1.15 Commitments

The Department includes the total value of all future payments in the schedule, regardless of the existence and details of any termination clauses within individual contracts.

1.16 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position, but are reported in the Notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable, but not virtually certain and contingent liabilities are disclosed when the probability of settlement is greater than remote.

1.17 Acquisitions 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 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's accounts immediately prior to the restructuring.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.18 Property, plant and equipment

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to ‘make good’ provisions in property leases taken up by the Department where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Department’s leasehold improvements with a corresponding provision for the ‘make good’ recognised.

Revaluations

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation and 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. An external revaluation was undertaken in 2014–15 for all land, buildings, leasehold improvements, property, plant and equipment.

Revaluation adjustments were made on a class basis. Any revaluation increment was 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 were 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 then 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 entity using, in all cases, the straight-line method of depreciation.

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:

	2014–15	2013–14
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 40 years

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Impairment

All assets were assessed for impairment at 30 June 2015. 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 of disposal 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 entity 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.

1.19 Intangibles

The Department's intangibles primarily comprise purchased and internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful life of the Department's software is three to 10 years. Useful lives of intangible assets are determined by the business unit responsible for the asset upon capitalisation. Useful lives are reviewed annually to determine that they remain appropriate.

The recognition threshold for internally developed software is \$100,000 and for purchased software \$10,000 per licence.

All software assets were assessed for indications of impairment as at 30 June 2015.

1.20 Taxation

The Department is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST). Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office and
- for receivables and payables.

1.21 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 the reporting date. Associated currency gains and losses are not material. Exchange gains and losses are reported in the Statement of Comprehensive Income.

1.22 Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes. Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as departmental items, including the application of Australian Accounting Standards.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

The Department administered the following activities on behalf of Government:

- Border Management
- Visa and Citizenship
- Refugee and Humanitarian Assistance
- Regional Cooperation
- Compliance, Detention and Status Resolution
- IMA Onshore Management
- IMA Offshore Management.

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. 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 ordinary activities performed by the Department on behalf of Government.

Fees are charged for citizenship applications under the *Australian Citizenship Act 2007* (Citizenship Act). Fees are charged for visa applications and migration applications under the *Migration Act 1958* (Migration Act) and in accordance with the *Migration (Visa Application) Charge Act 1997*. Administered revenues are recognised when collected by the Department.

Fines are charged for non-compliance with the Migration Act. Administered fines are recognised in the period in which the breach occurs. Revenue is recognised at its nominal amount due, less any impairment allowance.

Personal benefits

Personal benefits are paid to provide living costs of asylum seekers and refugees who have no other form of support when they are living in the community. Payments are recognised when made either to a service provider or directly to recipients. Personal benefits do not require any economic benefit to flow back to the Government.

Receivables

Receivables are measured at amortised cost using the effective interest method less impairment.

Bonds

The Department collects and repays bonds on behalf of Government for the purposes of compliance with the provisions of the Migration Act 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 customers. Revenue is only recognised at the point of forfeiture.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 2: Events after the reporting period

On 1 July 2015, the functions of the Department of Immigration and Border Protection and the Australian Customs and Border Protection Service (the ACBPS) were integrated into a single Department (the Department of Immigration and Border Protection), and the ACBPS ceased to exist at that time. From this date the Australian Border Force was also established as a single frontline operational border control and enforcement arm of the Department of Immigration and Border Protection.

For 2015–16, the consolidated entity will:

- have approximately 13,700 employees
- collect \$12.7 billion in duties, taxes, fees and fines
- manage departmental appropriation of \$2.8 billion, administered appropriation of \$2.2 billion
- manage \$2.0 billion in departmental assets and \$2.5 billion in administered assets.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 3: Net cash appropriation arrangements

	2015 \$'000	2014 \$'000
Total comprehensive income/(loss) less depreciation/ amortisation expenses previously funded through revenue appropriations ^a	56,209	21,248
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	<u>(109,852)</u>	<u>(120,053)</u>
Total comprehensive income/(loss)—as per the Statement of Comprehensive Income	<u>(53,643)</u>	<u>(98,805)</u>

- a. 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.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 4: Expenses

	2015	2014
	\$'000	\$'000
Note 4A: Employee benefits		
Wages and salaries	563,943	591,108
Superannuation		
Defined contribution plans	118,237	121,948
Leave and other entitlements	116,315	119,793
Separation and redundancies	9,186	2,715
Other employee expenses	34,933	40,122
Total employee benefits	<u>842,614</u>	<u>875,686</u>
Note 4B: Suppliers		
Goods and services supplied or rendered		
Contractors and consultants	170,936	128,296
Information technology and communications	115,687	121,693
Travel	47,645	53,952
Records management, office, stores and stationery	34,994	25,898
Client related	22,703	25,164
Office and staff accommodation	28,365	28,740
Legal and litigation	37,466	33,131
Fringe Benefits Tax	15,721	19,721
Bank and merchant fees	11,039	17,403
Insurance	3,799	8,471
Overseas office administration	8,470	8,371
Training	7,507	6,631
Other	19,697	23,576
Total goods and services supplied or rendered	<u>524,029</u>	<u>501,047</u>
Goods supplied in connection with		
Related parties	1,503	3,763
External parties	8,354	5,646
Total goods supplied	<u>9,857</u>	<u>9,409</u>
Services rendered in connection with		
Related parties	73,037	98,855
External parties	441,135	392,783
Total services rendered	<u>514,172</u>	<u>491,638</u>
Total goods and services supplied or rendered	<u>524,029</u>	<u>501,047</u>

Note 4B continued on next page.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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Financial statements

	2015 \$'000	2014 \$'000
Note 4B: Suppliers (continued)		
Other suppliers		
Operating lease rentals in connection with		
Related parties		
Minimum lease payments	8,864	9,332
Sublease	11,958	11,962
External parties		
Minimum lease payments	59,125	96,484
Workers compensation expenses	17,856	15,726
Total other suppliers	<u>97,803</u>	<u>133,504</u>
Total suppliers	<u>621,832</u>	<u>634,551</u>
Note 4C: Finance costs		
Finance leases	22	43
Unwinding of discount	506	905
Other interest payments	14	-
Total finance costs	<u>542</u>	<u>948</u>
Note 4D: Write-down and impairment of assets		
Asset impairments from		
Financial instruments	6,998	12,386
Intangible assets	2,394	5,351
Property, plant and equipment	500	-
Land and buildings	-	168
Asset write-downs from		
Property, plant and equipment	96	580
Total write-down and impairment of assets	<u>9,988</u>	<u>18,485</u>

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 5: Own-source income

	2015	2014
	\$'000	\$'000
Own-source revenue		
<u>Note 5A: Sale of goods and rendering of services</u>		
Sale of goods in connection with		
Related parties	14	44
External parties	13	22
Total sale of goods	27	66
Rendering of services in connection with		
Related parties	31,046	8,109
External parties	26,585	26,528
Total rendering of services	57,631	34,637
Total sale of goods and rendering of services	57,658	34,703
<u>Note 5B: Recovery of costs</u>		
Legal	11,180	8,920
Merchant fees	14,785	2,724
Other	1,200	886
Total recovery of costs	27,165	12,530
Gains		
<u>Note 5C: Reversals of previous asset write-downs and impairments</u>		
Write back of financial instruments	1,401	1,357
Write back of property, plant and equipment	-	719
Total reversals of previous asset write-downs and impairments	1,401	2,076
<u>Note 5D: Other gains</u>		
Reversal of provisions ^a	13,913	-
Resources received free-of-charge	1,688	210
Remuneration of auditors	615	516
Total other gains	16,216	726

- a. The Department changed its accounting estimate in 2014–15 of onerous lease contracts to recognise the impact of physical and market limitations on the potential sub-leasing of vacant workstations. This resulted in the recognition of a reduction in the onerous lease provision that is offset by a \$13.3 million other gain. This line also includes a derecognition of an employee provision of \$0.6 million.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 6: Fair value measurements

The following tables provide an analysis of assets and liabilities that are measured at fair value.

The different levels of the fair value hierarchy are defined below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Department can access at measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

[Note 6A: Fair value measurements, valuation techniques and inputs used](#)

	Fair value measurements at the end of the reporting period		For levels 2 and 3 fair value measurements	
	2015 \$'000	2014 \$'000	Category (level 1, 2 or 3 ^a)	Valuation technique(s) ^b Inputs used
Non-financial assets^c				
Land and buildings	-	400	Level 2	Market approach
Land and buildings	660	-	Level 3	Market approach
Land and buildings	-	275	Level 3	Depreciated replacement cost (DRC)
Leasehold improvements	1,565	-	Level 2	Market Approach
Leasehold improvements	66,591	32,719	Level 3	Depreciated replacement cost (DRC)
Property, plant and equipment	11,724	266	Level 2	Market approach
Property, plant and equipment	343	-	Level 3	Market approach
Property, plant and equipment	36,484	33,547	Level 3	Depreciated replacement cost (DRC)
Total non-financial assets^a	117,367	67,207		
Total fair value measurements of assets in the statement of financial position	117,367	67,207		

- a. The Department did not measure any non-financial assets at fair value on a non-recurring basis as at 30 June 2015.
- b. There have been changes to the valuation techniques for assets controlled by the Department. A number of assets which were valued using the DRC approach in 2013–14 have been valued using the market approach where there were sufficient observable inputs, such as market transactions of similar assets, identified in 2014–15. In instances where sufficient observable inputs were identified in 2013–14 but not in 2014–15, the valuation technique was changed from a market approach to a DRC approach.
- c. **Fair value measurements — highest and best use differs from current use for non-financial assets (NFAs):** The Department's assets are held for operational purposes and not held for the purposes of deriving a profit. The current use of all NFAs is considered their highest and best use.
- d. **Recurring and non-recurring level 3 fair value measurements — valuation processes:** The Department tests the valuation model at least once every 12 months (with a formal revaluation undertaken once every three years). If a particular asset class experiences significant and volatile changes in fair value (that is where indicators suggest that the value of the class has changed materially since the previous reporting period), that class is subject to specific valuation in the reporting period, where practicable, regardless of the timing of the last specific valuation. The Department engaged Australian Valuation Solutions (AVS) to undertake a full revaluation and confirm that the models developed comply with AASB 13 Fair Value Measurements.

Significant level 3 inputs utilised by the entity are derived and evaluated as follows:

Land and buildings — adjusted market transactions

The Department controls assets situated in remote locations where property markets experience few transactions. Reference was made to available sales evidence together with other relevant information related to local economic, property zoning and property market conditions. The valuer has used significant professional judgement in determining the fair value measurements of these assets.

Property, plant and equipment — market approach

The Department controls vehicle assets located on remote offshore locations that are not considered to provide reliable market based transactions. Consideration has therefore been given to the most advantageous market located in surrounding locations including Fiji, Australia and New Zealand.

Leasehold improvements, property, plant and equipment — consumed economic benefit/asset obsolescence

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured utilising the cost (depreciated replacement cost (DRC)) approach. Under the DRC approach the estimated cost to replace the asset is calculated and then adjusted to take into account its consumed economic benefit/asset obsolescence (accumulated depreciation). Consumed economic benefit/asset obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration.

The weighted average is determined by assessing the fair value measurement as a proportion of the total fair value for the class against the total useful life of each asset.

The above note does not include assets under construction (AUC) amounts. The 2013–14 amounts have been adjusted to exclude AUC.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 6B: Reconciliation for recurring level 3 fair value measurements

Recurring level 3 fair value measurements—reconciliation for assets

	Non-financial assets							
	Land and buildings		Leasehold improvements		Property, plant and equipment		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
As at 1 July	275	250	32,717	49,208	33,545	32,364	66,537	81,822
Total gains/(losses) recognised in net cost of services ^a	(14)	(12)	(12,567)	(17,086)	(15,684)	(15,105)	(28,265)	(32,203)
Total gains/(losses) recognised in other comprehensive income ^b	(1)	37	28,883	(1,946)	5,302	8,756	34,184	6,847
Purchases	-	-	20,973	-	22,944	662	43,917	662
Sales	-	-	-	(1)	(76)	(195)	(76)	(196)
Reclassifications	-	-	10	2,542	(10)	7,063	-	9,605
Transfers into level 3 ^c	400	-	-	-	35	-	435	-
Transfers out of level 3 ^d	-	-	(3,425)	-	(9,229)	-	(12,654)	-
Total as at 30 June	660	275	66,591	32,717	36,827	33,545	104,078	66,537

a. These gains/(losses) are presented in the Statement of Comprehensive Income under depreciation and amortisation expense, write-down and impairment of assets, and gains from sales of assets.

b. These gains/(losses) are presented in the Statement of Comprehensive Income under changes in asset revaluation reserve.

c. There have been transfers of assets into level 3 during the year due to lack of reliable market evidence, requiring a change in valuation technique from a market approach to DRC, and reliance upon the valuer's professional judgement.

d. There have been transfers of assets out of level 3 during the year due to changes in the valuation technique from DRC to a market approach.

The Department's policy for determining when transfers between levels are deemed to have occurred can be found in Note 1.11. The above note does not include AUC amounts. The 2013–14 amounts have been adjusted to exclude AUC.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 7: Financial assets

	2015	2014
	\$'000	\$'000
Note 7A: Cash and cash equivalents		
Cash on hand or on deposit	1,716	2,906
Total cash and cash equivalents	1,716	2,906
Note 7B: Trade and other receivables		
Goods and services receivables in connection with		
Related parties	3,802	3,194
External parties	25,125	25,608
Total goods and services receivables	28,927	28,802
Appropriations receivables		
Existing programmes	345,935	336,791
Accrued for additional outputs	3,540	69,516
Total appropriations receivable	349,475	406,306
Other receivables		
GST receivable from the Australian Taxation Office	10,551	5,071
Accrued revenue	39,547	4,447
Total other receivables	50,098	9,518
Total trade and other receivables (gross)	428,500	444,626
Less impairment allowance		
Goods and services	(15,454)	(15,559)
Total impairment allowance	(15,454)	(15,559)
Total trade and other receivables (net)	413,046	429,067

All trade and other receivables are expected to be recovered in no more than 12 months.

Trade and other receivables (gross) aged as follows

Not overdue	408,473	427,596
Overdue by		
0 to 30 days	2,995	2,365
31 to 60 days	1,444	1,540
61 to 90 days	1,518	953
More than 90 days	14,070	12,172
Total trade and other receivables (gross)	428,500	444,626

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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Financial statements

	2015 \$'000	2014 \$'000
Impairment allowance aged as follows		
Not overdue	2,149	2,014
Overdue by		
0 to 30 days	1,037	1,130
31 to 60 days	696	940
61 to 90 days	910	770
More than 90 days	10,662	10,705
Total impairment allowance	15,454	15,559

Reconciliation of the impairment allowance

Movements in relation to 2015

	Goods and services \$'000	Total \$'000
As at 1 July 2014	15,559	15,559
Amounts written off	(824)	(824)
Amounts recovered and reversed	(14,551)	(14,551)
Increase recognised in net surplus	15,270	15,270
Total as at 30 June 2015	15,454	15,454

Movements in relation to 2014

	Goods and services \$'000	Total \$'000
As at 1 July 2013	6,109	6,109
Amounts written off	(1,517)	(1,517)
Amounts recovered and reversed	(259)	(259)
Increase recognised in net surplus	11,226	11,226
Total as at 30 June 2014	15,559	15,559

	2015 \$'000	2014 \$'000
Note 7C: Other financial assets		
Property bonds	1,248	1,212
Education bonds	93	63
Comcare receipts	(3)	105
Total other financial assets	1,338	1,380

All other financial assets are expected to be recovered in no more than 12 months.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 8: Non-financial assets

Note 8A: Reconciliation of the opening and closing balances of land and buildings, property, plant and equipment and intangibles

Reconciliation of the opening and closing balances of land and buildings, property, plant and equipment and intangibles for 2015

	Land	Buildings	Leasehold improvements	Property, plant and equipment	Computer software internally developed	Computer software purchased	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2014							
Gross book value	400	275	55,247	60,058	665,822	54,199	836,001
Accumulated depreciation and impairment	-	-	(3,199)	(9,675)	(377,887)	(38,422)	(429,183)
Total as at 1 July 2014	400	275	52,048	50,383	287,935	15,777	406,818
Additions							
Purchased or internally developed	-	-	14,346	10,258	84,289	-	108,893
Revaluations recognised in other comprehensive income	-	(1)	27,283	4,365	-	-	31,647
Impairments recognised in net cost of services	-	-	-	(500)	(2,394)	-	(2,894)
Reclassifications	-	-	571	15,414	(23,623)	7,638	-
Depreciation and amortisation	-	(14)	(13,542)	(21,161)	(66,201)	(8,934)	(109,852)
Write-offs	-	-	-	(96)	-	-	(96)
Disposals	-	-	-	-	-	-	-
Other	-	-	-	(107)	-	-	(107)
Total as at 30 June 2015	400	260	80,706	58,556	280,006	14,481	434,409
Total as at 30 June 2015 represented by							
Gross book value							
Fair value	400	260	68,156	57,764	-	-	126,580
Internally developed—in progress	-	-	-	-	59,232	-	59,232
Internally developed—in use	-	-	-	-	658,436	-	658,436
Purchased	-	-	-	-	-	61,837	61,837
Work in progress	-	-	12,550	9,254	-	-	21,804
Accumulated depreciation and amortisation ^a	-	-	-	(8,462)	(437,662)	(47,356)	(493,480)
Total as at 30 June 2015	400	260	80,706	58,556	280,006	14,481	434,409

a. The accumulated depreciation balance as at 30 June 2015 reflects the impact of the revaluation process.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 8A: Reconciliation of the opening and closing balances of land and buildings, property, plant and equipment and intangibles (continued)

Reconciliation of the opening and closing balances of land and buildings, property, plant and equipment and intangibles for 2014	Land	Buildings	Leasehold improvements	Property, plant and equipment	Computer software internally developed	Computer software purchased	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2013	400	250	56,366	64,522	592,437	51,476	765,451
Gross book value	-	-	(477)	(24,926)	(296,918)	(31,040)	(353,361)
Accumulated depreciation and impairment	400	250	55,889	39,596	295,519	20,436	412,090
Total as at 1 July 2013	400	250	55,889	39,596	295,519	20,436	412,090
Additions							
Purchased or internally developed	-	-	15,225	15,496	78,839	2,723	112,283
Revaluations recognised in other comprehensive income	-	37	(1,946)	8,759	-	-	6,850
Impairments recognised in net cost of services	-	-	-	-	(5,351)	-	(5,351)
Reclassifications	-	-	(28)	1,995	-	-	1,967
Depreciation and amortisation	-	(12)	(16,923)	(14,664)	(81,072)	(7,382)	(120,053)
Other movements	-	-	(168)	(580)	-	-	(748)
Write-offs	-	-	-	-	-	-	-
Disposals	-	-	(1)	(26)	-	-	(27)
Other	-	-	-	-	-	-	-
From disposal of entities or operations (including restructuring)	-	-	-	(193)	-	-	(193)
Total as at 30 June 2014	400	275	52,048	50,383	287,935	15,777	406,818
Total as at 30 June 2014 represented by							
Gross book value	400	275	35,918	43,488	-	-	80,081
Fair value	-	-	-	-	76,764	-	76,764
Internally developed—in progress	-	-	-	-	589,058	-	589,058
Internally developed—in use	-	-	-	-	-	54,199	54,199
Purchased	-	-	-	-	-	-	-
Work in progress	-	-	19,329	16,570	-	-	35,899
Accumulated depreciation and amortisation ^a	-	-	(3,199)	(9,675)	(377,887)	(38,422)	(429,183)
Total as at 30 June 2014	400	275	52,048	50,383	287,935	15,777	406,818

a. The accumulated depreciation balance as at 30 June 2014 reflects the impact of the revaluation process.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Impairment of non-financial assets

No impairment has been recognised for land and buildings (2013–14: \$0.16 million).

Impairment of \$0.5 million has been recognised for property, plant and equipment 2013–14: nil).

Impairment of \$2.394 million has been recognised for intangibles (2013–14: \$5.351 million).

Revaluations of non-financial assets

All revaluations undertaken in 2014–15 were conducted in accordance with the revaluation policy stated in Note 1. Australian Valuation Solutions conducted revaluations in 2014–15. The valuer provided the fair value of land and buildings as at 30 June 2015 in accordance with AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*. There were no changes for land.

The revaluation increment for buildings and fitout assets is \$27.283 million (2013–14: decrements \$1.909 million).

The revaluation increment for property, plant and equipment is \$4.365 million (2013–14: increment \$8.759 million).

No property, plant and equipment is expected to be sold or disposed of within the next 12 months.

No land or buildings are expected to be sold or disposed of in the next 12 months.

	2015	2014
	\$'000	\$'000
Note 8B: Other non-financial assets		
Prepayments	27,425	27,873
Total other non-financial assets	27,425	27,873
Other non-financial assets expected to be recovered		
No more than 12 months	24,630	24,777
More than 12 months	2,795	3,096
Total other non-financial assets	27,425	27,873

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 9: Payables

	2015 \$'000	2014 \$'000
Note 9A: Suppliers		
Trade creditors and accruals	123,695	136,054
Operating lease rentals	-	287
Total suppliers	<u>123,695</u>	<u>136,341</u>
Suppliers in connection with		
Related parties	37,539	17,444
External parties	86,156	118,897
Total suppliers	<u>123,695</u>	<u>136,341</u>

All suppliers are expected to be settled in no more than 12 months.

Note 9B: Other payables

Wages and salaries	23,267	20,880
Salary sacrifice payable	300	1,336
Superannuation	4,063	3,570
Separations and redundancies	10,151	5,359
Unearned income	1,480	23,067
Operating leases	10,944	12,318
Lease incentives	2,635	3,767
Other	996	1,086
Total other payables	<u>53,836</u>	<u>71,383</u>
Other payables expected to be settled		
No more than 12 months	42,257	55,631
More than 12 months	11,579	15,752
Total other payables	<u>53,836</u>	<u>71,383</u>

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 10: Interest bearing liabilities

	2015	2014
	\$'000	\$'000
Note 10A: Finance leases		
Leases expected to be settled		
Within 1 year		
Minimum lease payments	392	784
Future finance charges	(3)	(22)
Between 1 to 5 years		
Minimum lease payments	-	390
Future finance charges	-	-
Total leases	<u>389</u>	<u>1,152</u>

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 2.76 per cent. The leased assets secure the lease liabilities. The Department guarantees the residual values of all assets leased. There are no contingent rentals.

Note 11: Provisions

	2015	2014
	\$'000	\$'000
Note 11A: Employee provisions		
Leave	228,271	221,446
Other employee provisions	843	2,135
Total employee provisions	<u>229,114</u>	<u>223,581</u>
Employee provisions expected to be settled		
No more than 12 months	64,949	64,393
More than 12 months	164,165	159,188
Total employee provisions	<u>229,114</u>	<u>223,581</u>
Note 11B: Other provisions		
Restoration obligations ^a	20,690	22,503
Onerous contracts ^b	1,593	21,585
Total other provisions	<u>22,283</u>	<u>44,088</u>
Other provisions expected to be settled		
No more than 12 months	6,099	8,596
More than 12 months	16,184	35,492
Total other provisions	<u>22,283</u>	<u>44,088</u>

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	Provision for restoration obligations ^a	Provision for onerous contracts ^b	Total
	\$'000	\$'000	\$'000
As at 1 July 2014	22,503	21,585	44,088
Additional provisions made	-	-	-
Amounts reversed	(2,289)	(13,333)	(15,622)
Amounts used	(250)	(6,659)	(6,909)
Unwinding of discount or change in discount rate	726	-	726
Total as at 30 June 2015	20,690	1,593	22,283

- a. The Department has 75 (2013–14: 82) 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.
- b. The Department changed its accounting estimate in 2015 of onerous lease contracts to recognise the impact of physical and market limitations on the potential sub-leasing of vacant workstations. This resulted in recognition of a one-off 'other gain' of \$13.5 million which offsets the reduction between the 2013–14 and 2014–15 onerous lease provisions.

Note 12: Restructuring

There was no departmental or administered restructuring undertaken in the reporting period ending 30 June 2015.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 13: Cash flow reconciliation

	2015	2014
	\$'000	\$'000
Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement		
Cash and cash equivalents as per		
Cash Flow Statement	1,716	2,906
Statement of Financial Position	<u>1,716</u>	<u>2,906</u>
Discrepancy	<u>-</u>	<u>-</u>
Reconciliation of net cost of services to net cash from/(used by) operating activities		
Net cost of services	(1,459,126)	(1,588,010)
Revenue from Government	1,373,836	1,482,355
Adjustments for non-cash items		
Depreciation/amortisation	109,852	120,053
Net write-down of non-financial assets	2,990	18,485
Losses from sale of assets	31	-
Gain on disposal of assets	(37)	(10)
Movements in assets and liabilities		
Assets		
Assets recognised for the first time	-	(719)
(Increase)/decrease in net receivables	51,121	(38,106)
(Increase)/decrease in accrued revenues	(35,100)	(1,052)
(Increase)/decrease in prepayments	448	(12,576)
(Increase)/decrease in other financial asset	42	381
Liabilities		
Increase/(decrease) in unearned income	(21,587)	13,057
Increase/(decrease) in employee provisions	5,533	2,419
Increase/(decrease) in supplier payables	(12,646)	(8,396)
Increase/(decrease) in other provisions	(21,805)	11,313
Increase/(decrease) in lease incentives	(1,132)	(1,049)
Increase/(decrease) in other payable	<u>5,172</u>	<u>3,031</u>
Net cash from operating activities	<u>(2,408)</u>	<u>1,176</u>

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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Financial statements

Note 14: Contingent assets and liabilities

	Indemnities		Claims for damages or costs		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Contingent liabilities						
Balance from previous period	948	920	291	2,570	1,239	3,490
New contingent liabilities recognised	-	-	-	178	-	178
Re-measurement	(6)	28	10	(1,526)	4	(1,498)
Liabilities realised	-	-	(14)	(404)	(14)	(404)
Obligations expired	(650)	-	-	(527)	(650)	(527)
Total contingent liabilities	292	948	287	291	579	1,239

As at 30 June 2015 the Department had no quantifiable contingent assets or guarantees (2013–14: nil).

Quantifiable contingencies

The above table reports net contingent liabilities in respect of indemnities and claims for damages or costs of \$0.579 million (2013–14: \$1.239 million). The estimates for indemnities have been determined through reference to the amounts stated in the associated contracts. The estimates for claims for damages or costs represent an estimate of the Department's potential liability based on precedent cases. The Department is defending the claims. The Department's insurer (Comcover) is notified of all claims for compensation as required by the terms of our insurance coverage.

Unquantifiable contingencies

The scheme for Compensation for Detriment caused by Defective Administration (CDDA) provides 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. As at 30 June 2015, the Department is investigating these claims. At this time it is not possible to estimate any potential liability.

Significant remote contingencies

The Department has entered into a deed of agreement with an overseas bank which contains an indemnity clause. The indemnity is \$0.292 million (2013–14: \$0.298 million) and will be triggered as specified in the agreement.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 15: Senior management personnel remuneration

	2015	2014
	\$'000	\$'000
Short-term employee benefits		
Salary	17,046,330	17,046,351
Motor vehicle and other allowances	3,338,871	3,306,781
Other benefits	1,911,894	1,749,068
Total short-term employee benefits	<u>22,297,095</u>	<u>22,102,200</u>
Post-employment benefits		
Superannuation	3,849,954	3,741,819
Total post-employment benefits	<u>3,849,954</u>	<u>3,741,819</u>
Other long-term employee benefits		
Annual leave accrued	2,413,669	1,688,141
Long-service leave	2,248,366	1,251,079
Total other long-term employee benefits	<u>4,662,035</u>	<u>2,939,220</u>
Termination benefits		
Voluntary redundancy payments	480,448	1,005,237
Total termination benefits	<u>480,448</u>	<u>1,005,237</u>
Total senior executive remuneration expenses	<u>31,289,532</u>	<u>29,788,476</u>

Note 15 includes senior managers who acted at the senior executive level for a continuous period of six months or more.

The number of senior managers directly remunerated by the Department that are included in the above table is 143 (2013–14: 124). As this number includes managers who were only employed by the Department for part of the year, on the basis of full time equivalency, the number of senior managers directly remunerated during 2014–15 was 97.72 (2013–14: 98.37)

During the financial year the Department and the Australian Customs and Border Protection Services (ACBPS) were transitioning towards consolidation from 1 July 2015 (refer to Note 2 for additional information). As a consequence, some senior executive services were provided to the Department by ACBPS senior managers. The remuneration for those services was paid by ACBPS and has been included in Note 5D: Other gains as 'Resources received free of charge'. This amount has been excluded from the above table as it did not involve direct expenditure by the Department. On a proportion of efforts basis, these services equated to \$1,573,843. At the same time, the Department also provided senior management services to ACBPS, which has been similarly disclosed in the ACBPS financial statements. As the remuneration for these managers was paid by the Department, the costs have been included in the table above. On a proportion of efforts basis, these services equated to \$2,930,082.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 16: Financial instruments

	2015	2014
	\$'000	\$'000
Note 16A: Categories of financial instruments		
Financial assets		
Loans and receivables		
Cash and cash equivalents	1,716	2,906
Trade and other receivables	13,473	13,243
Total loans and receivables	15,189	16,149
Total financial assets	15,189	16,149
Financial liabilities		
Financial liabilities measured at amortised cost		
Finance leases	389	1,152
Trade creditors	123,695	136,054
Operating lease creditors	-	287
Total financial liabilities measured at amortised cost	124,084	137,493
Total financial liabilities	124,084	137,493

The net fair values of the financial assets and liabilities are at their carrying amounts. The Department derived no interest income from financial assets in either the current and prior year.

Note 16B: Net gains or losses on financial assets

Loans and receivables		
Impairment	(6,998)	(12,386)
Net gain/(loss) on financial assets	(6,998)	(12,386)

Note 16C: Net gains or losses on financial liabilities

Financial liabilities measured at amortised cost		
Interest expense	(36)	(43)
Net gain/(loss) on financial liabilities measured at amortised cost	(36)	(43)

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 \$28.927 million in 2014–15 (2013–14: \$28.802 million). The Department has assessed the risk of the default on payment and has allocated \$15.454 million in 2014–15 (2013–14: \$15.559 million) to an impairment allowance account. The Department holds no collateral to mitigate credit risk. Note 7B provides ageing of gross receivables past due and an analysis of impaired receivables.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 16E: Liquidity risk

The Department's financial liabilities are trade creditors and finance leases. 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 (for example, 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. The maturities for non-derivative financial liabilities are less than two years in both the current and prior year.

The Department has no derivative financial liabilities in either 2014–15 or 2013–14.

Note 16F: Market risk

The Department held basic financial instruments that did not expose the Department to certain market risks.

Note 17: Financial assets reconciliation

	Notes	2015 \$'000	2014 \$'000
Total financial assets as per statement of financial position		416,100	433,353
Less: non-financial instrument components			
Appropriation receivables	7B	349,475	406,306
Other receivables	7B	50,098	9,518
Other financial assets	7C	1,338	1,380
Total non-financial instrument components		400,911	417,204
Total financial assets as per financial instruments note	16A	15,189	16,149

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 18: Administered—expenses

	2015	2014
	\$'000	\$'000
Note 18A: Suppliers		
Services rendered		
Detention centres and detainee related	1,335,689	1,626,236
Refugees settlement and related	325,922	470,109
Travel and transport	164,089	232,693
Contractors and consultants	22,921	69,461
Adult migrant english programme	695	58,133
Other	125,088	75,220
Total services rendered	1,974,404	2,531,852
Services rendered in connection with		
Related parties	18,281	39,347
External parties	1,956,123	2,492,505
Total services rendered	1,974,404	2,531,852
Other suppliers		
Operating lease rentals in connection with		
External parties		
Minimum lease payments	31,880	19,890
Total other suppliers	31,880	19,890
Total suppliers	2,006,284	2,551,742
Note 18B: Personal benefits^a		
Direct benefits		
Living allowance	232,000	-
Reintegration package payments	3,496	3,636
Other	21	280
Total direct benefits	235,517	3,916
Indirect benefits		
Living allowance and income support	84,356	267,628
Purchasing allowance scheme	4,055	15,000
Other	2,137	4,984
Total indirect benefits	90,548	287,612
State payments		
Refugee minors	7,081	11,584
Total state payments	7,081	11,584
Total personal benefits	333,146	303,112

a. 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 assistance and payments to refugee minors.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2015	2014
	\$'000	\$'000
Note 18C: Write-down and impairment of assets		
Write-down of receivables	10,160	8,214
Write-down of property, plant and equipment	77,561	92,066
Total write-down and impairment of assets	87,721	100,280
Note 18D: Other expenses		
<i>Act of grace</i> payments	-	28
Debt waivers	13	-
Giftling of public property	641	-
Total other expenses	654	28

Note 19: Administered — income

	2015	2014
	\$'000	\$'000
Revenue		
Non-taxation revenue		
Note 19A: Fees and fines		
Visa application fees	1,818,674	1,594,387
Visa evidence charges	5,470	6,664
Citizenship fees	34,843	34,017
Immigration fines	2,088	2,046
Other fees	8,815	7,981
Total fees and fines	1,869,890	1,645,095
Note 19B: Reversals of previous asset write-downs and impairments		
Write back of financial instruments	73	66
Reversal of impairment losses	305	57
Total reversals of previous asset write-downs and impairments	378	123

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 20: Administered — fair value measurements

The following tables provide an analysis of assets and liabilities that are measured at fair value.

The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Department can access at measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Note 20A: Fair value measurements, valuation techniques and inputs used

	Fair value measurements at the end of the reporting period		For levels 2 and 3 fair value measurements	
	2015 \$'000	2014 \$'000	Category (level 1, 2 or level 3 ^a)	Valuation technique(s) ^b Inputs used
Non-financial assets:				
Recurring				
Land and buildings	5,988	44,785	Level 2	Market approach Adjusted market transactions
Land and buildings	43,053	-	Level 3	Market approach Adjusted market transactions
Land and buildings	690,933	658,838	Level 3	Depreciated replacement cost (DRC) Replacement cost new (price per square metre)
Leasehold improvements	158,466	137,198	Level 3	Depreciated replacement cost (DRC) Replacement cost new (price per square metre)
Property, plant and equipment	3,918	3,860	Level 2	Market approach Adjusted market transactions
Property, plant and equipment	112	-	Level 3	Market approach Adjusted market transactions
Property, plant and equipment	157,738	153,096	Level 3	Depreciated replacement cost (DRC) Replacement cost new
Total non-financial assets	1,060,208	997,777		
Assets not measured at fair value in the statement of financial position^a				
Land and buildings	27,885	41,481	Level 3	Market approach Adjusted market transactions
Leasehold improvements	-	316	Level 3	Market approach Adjusted market transactions
Property, plant and equipment	-	1	Level 3	Market approach Adjusted market transactions
Total assets not measured at fair value in the statement of financial position	27,885	41,798		

- a. The Department measured selected land and building assets on a non-recurring basis as at 30 June 2015 due to the closure of detention centres. These assets have been classified as held for sale and valued at the lower of their carrying amount and fair value less costs to sell.
- b. There have been changes to the valuation techniques for assets controlled by the Department. A number of assets which were valued using the DRC approach in 2013–14 have been valued using the market approach where there were sufficient observable inputs, such as market transactions of similar assets, in 2014–15. In instances where sufficient observable inputs were identified in 2013–14 but not in 2014–15, the valuation technique was changed from a market approach to a DRC approach.
- c. **Fair value measurements—highest and best use differs from current use for non-financial assets (NFAs):** The Department's assets are held for operational purposes and not held for the purposes of deriving a profit. The current use of all NFAs is considered their highest and best use.
- d. **Recurring and non-recurring level 3 fair value measurements—valuation processes:** The Department tests the procedures of the valuation model at least once every 12 months (with a formal revaluation undertaken once every three years). If a particular asset class experiences significant and volatile changes in fair value, that is where indicators suggest that the value of the class has changed materially since the previous reporting period, that class is subject to specific valuation in the reporting period, where practicable, regardless of the timing of the last specific valuation. The entity engaged Australian Valuation Solutions (AVS) to undertake a full revaluation and confirm that the models developed comply with *AASB 13 Fair Value Measurement*.

Significant level 3 inputs utilised by the entity are derived and evaluated as follows:

Land and buildings—adjusted market transactions

The Department controls assets situated in remote locations where property markets experience few transactions. Reference was made to available sales evidence together with other relevant information related to local economic, property zoning and property market conditions. The Valuer has used significant professional judgement in determining the fair value measurements of these assets.

Property, plant and equipment—market approach

The Department controls vehicle assets located on remote offshore locations that are not considered to provide reliable market based transactions. Consideration has therefore been given to the most advantageous market located in surrounding locations including Fiji, Australia and New Zealand.

Leasehold improvements, property, plant and equipment—consumed economic benefit/asset obsolescence

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured utilising the cost (depreciated replacement cost (DRC)) approach. Under the DRC approach the estimated cost to replace the asset is calculated and then adjusted to take into account its consumed economic benefit/asset obsolescence (accumulated depreciation). Consumed economic benefit/asset obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration.

The weighted average is determined by assessing the fair value measurement as a proportion of the total fair value for the class against the total useful life of each asset.

The above note does not include AUC amounts. The 2013–14 amounts have been adjusted to exclude AUC.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

[Note 20B: Reconciliation for recurring level 3 fair value measurements](#)

Recurring level 3 fair value measurements — reconciliation for assets

	Non-financial assets						Total
	Buildings		Leasehold Improvements		Property, plant and equipment		
	2015	2014	2015	2014	2015	2014	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July	658,838	456,736	137,198	147,153	153,096	136,143	740,032
Total gains/(losses) recognised in net cost of services ^a	(73,611)	(122,557)	(34,783)	(26,286)	(52,339)	(8,094)	(156,937)
Total gains/(losses) recognised in other comprehensive income ^b	(10,504)	(77)	(12,973)	6,877	(311)	4,504	11,304
Purchases	178,452	112,717	69,024	43	4,316	981	113,741
Reclassifications ^c	(54,251)	227,030	-	9,727	54,251	19,563	256,320
Sales	(4,178)	-	-	-	-	-	(4,178)
Transfers into level 3 ^d	39,560	-	-	-	516	-	40,076
Transfers out of level 3 ^e	(321)	(15,011)	-	(316)	(1,681)	(1)	(2,002)
Total as at 30 June	733,985	658,838	158,466	137,198	157,848	153,096	949,132

a. These gains/(losses) are presented in the Statement of Comprehensive Income under depreciation and amortisation expense, write-down and impairment of assets and gains from asset sales.

b. These gains/(losses) are presented in the Administered Reconciliation Schedule under administered revaluations taken to reserves.

c. Reclassifications are shown in the reconciliation of the opening and closing balances of property, plant and equipment 2014–15 under 'reclassifications' — reflecting assets reclassified between asset categories during 2013–14.

d. There have been transfers of assets into level 3 during the year due to lack of reliable market evidence, requiring a change in valuation technique from a market approach to DRC, and reliance upon the valuer's professional judgement.

e. There have been transfers of assets out of level 3 during the year due to changes in the valuation technique from DRC to a market approach.

The Department's policy for determining when transfers between levels are deemed to have occurred can be found in Note 1.11. The above note does not include AUC amounts. The 2013–14 amounts have been adjusted to exclude AUC.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 21: Administered — financial assets

	2015	2014
	\$'000	\$'000
Note 21A: Trade and other receivables		
Goods and Services receivables in connection with		
External parties	4,498	667
Total goods and services receivables	4,498	667
Other receivables		
Fees	352	415
Immigration detention detainees debts	1,907	7,636
GST receivable from the Australian Taxation Office	15,448	24,638
Total other receivables	17,707	32,689
Total trade and other receivables (gross)	22,205	33,356
Less impairment allowance		
Goods and services	(3,502)	-
Other receivables	(1,747)	(7,425)
Total impairment allowance	(5,249)	(7,425)
Total trade and other receivables (net)	16,956	25,931
All trade and other receivables are expected to be recovered in no more than 12 months.		
Trade and other receivables (gross) aged as follows		
Not overdue	19,033	25,715
Overdue by		
0 to 30 days	889	1,911
31 to 60 days	500	655
61 to 90 days	142	100
More than 90 days	1,641	4,975
Total trade and other receivables (gross)	22,205	33,356
Impairment allowance aged as follows		
Not overdue	2,820	793
Overdue by		
0 to 30 days	661	1,706
31 to 60 days	374	280
61 to 90 days	80	77
More than 90 days	1,314	4,569
Total impairment allowance	5,249	7,425

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 21: Administered – financial assets (continued)

Reconciliation of the impairment allowance

Movements in relation to 2015

	Other receivables \$'000	Total \$'000
As at 1 July 2014	7,426	7,426
Amounts written-off	(89)	(89)
Amounts recovered and reversed	(5,160)	(5,160)
Increase recognised in net surplus	3,072	3,072
Total as at 30 June 2015	5,249	5,249

Movements in relation to 2014

	Other receivables \$'000	Total \$'000
As at 1 July 2013	1,355	1,355
Amounts written off	(1,628)	(1,628)
Amounts recovered and reversed	(8)	(8)
Increase recognised in net surplus	7,707	7,707
Total as at 30 June 2014	7,426	7,426

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 22: Administered — non-financial assets

Note 22A: Reconciliation of the opening and closing balances of property, plant and equipment

Reconciliation of the opening and closing balances of property, plant and equipment for 2015

	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Total Land and buildings ^a \$'000	Property, plant and equipment \$'000	Total \$'000
As at 1 July 2014						
Gross book value	71,255	1,004,917	140,832	1,217,004	158,073	1,375,077
Accumulated depreciation and impairment	-	(2,331)	(671)	(3,002)	(469)	(3,471)
Total as at 1 July 2014	71,255	1,002,586	140,161	1,214,002	157,604	1,371,606
Additions						
By purchase	-	344,014	336	344,350	3,848	348,198
Revaluations and impairments recognised in other comprehensive income	(6,024)	(15,987)	(13,289)	(35,300)	(607)	(35,907)
Reclassifications	-	(125,824)	68,704	(57,120)	57,120	-
Depreciation	-	(56,128)	(22,663)	(78,791)	(15,282)	(94,073)
Other movements						
Write-offs	(1,139)	(26,049)	(12,120)	(39,302)	(38,259)	(77,561)
Disposals						
Other	-	(4,390)	-	(4,390)	(120)	(4,510)
Total as at 30 June 2015	64,098	1,118,222	161,129	1,343,449	164,304	1,507,753
Total as at 30 June 2015 represented by						
Gross book value						
Fair value	64,098	705,689	158,467	928,254	162,111	1,090,365
Work in progress	-	414,462	2,662	417,124	2,536	419,660
Accumulated depreciation and impairment ^b	-	(1,929)	-	(1,929)	(343)	(2,272)
Total as at 30 June 2015	64,098	1,118,222	161,129	1,343,449	164,304	1,507,753

a. The amount includes assets held for sale. These are assets that are surplus to the current requirements and are expected to be sold to external parties in the next financial year. Total value is \$27.885 million (2013–14: \$41.798 million).

b. The accumulated depreciation balance as at 30 June 2015 reflects the impact of the revaluation process.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Reconciliation of the opening and closing balances of property, plant and equipment for 2014

	Land	Buildings	Leasehold improvements	Total Land and buildings ^a	Property, plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2013						
Gross book value	71,255	647,720	160,452	879,427	140,243	1,019,670
Accumulated depreciation and impairment	-	(5,688)	(7,595)	(13,283)	(1,572)	(14,855)
Total as at 1 July 2013	71,255	642,032	152,857	866,144	138,671	1,004,815
Additions						
By purchase	-	510,946	2,018	512,964	979	513,943
Revaluations and impairments recognised in other comprehensive income	-	(77)	6,877	6,801	4,129	10,930
Reclassifications	-	(27,758)	4,694	(23,064)	23,064	-
Depreciation	-	(36,217)	(16,948)	(53,165)	(8,772)	(61,937)
Other movements						
Write-offs	-	(82,456)	(9,337)	(91,794)	(272)	(92,066)
Disposals						
Other	-	(3,884)	-	(3,884)	(195)	(4,079)
Total as at 30 June 2014	71,255	1,002,586	140,161	1,214,002	157,604	1,371,606
Total as at 30 June 2014 represented by						
Gross book value						
Fair value	71,255	676,180	138,187	885,622	157,424	1,043,046
Work in progress	-	328,737	2,645	331,382	649	332,031
Accumulated depreciation and impairment ^b	-	(2,331)	(671)	(3,002)	(469)	(3,471)
Total as at 30 June 2014	71,255	1,002,586	140,161	1,214,002	157,604	1,371,606

a. The amount includes assets held for sale. These are assets that are surplus to the current requirements and are expected to be sold to external parties in the next financial year. Total value is \$41.798 million.

b. The accumulated depreciation balance as at 30 June 2014 reflects the impact of the revaluation process.

Revaluations of non-financial assets

All revaluations undertaken in 2014–15 were conducted in accordance with the revaluation policy stated in Note 1. In 2014–15 Australian Valuation Solutions conducted the revaluations. The valuer provided the fair value of land and buildings as at 30 June 2015 in accordance with AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*.

Land and buildings

The revaluation decrement for land is \$6.024 million compared to a revaluation increment of \$0 in 2013–14. The revaluation decrements for buildings and fitout assets are \$29.276 million (2013–14: increments \$6.801 million)

No indicators of impairment were found for land and buildings.

Property, plant and equipment

The revaluation decrements for property, plant and equipment are \$0.607 million (2013–14: \$4.129 million).

No indicators of impairment were found for property, plant and equipment.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 23: Administered — payables

	2015	2014
	\$'000	\$'000
Note 23A: Suppliers		
Trade creditors and accruals	275,766	405,860
Operating lease rentals	-	568
Total supplier payables	275,766	406,428

All suppliers payable are expected to be settled within 12 months.

Suppliers in connection with

Related parties	926	5,982
External parties	274,840	400,446
Total suppliers	275,766	406,428

Settlement is usually within 30 days.

Note 24: Administered — provisions

[Note 24A: Other provisions](#)

Reconciliation of movements in other provisions

	Provision for bonds ^a	Total
	\$'000	\$'000
As at 1 July 2014	17,551	17,551
Additional provisions made	52,529	52,529
Amounts used	(1,233)	(1,233)
Amounts reversed	(48,815)	(48,815)
Total as at 30 June 2015	20,032	20,032

	2015	2014
Other provisions expected to be settled		
No more than 12 months	19,001	16,476
More than 12 months	1,031	1,075
Total other provisions	20,032	17,551

a. The Department collects and repays security bonds for the purpose of compliance with provisions of the Migration Act and regulations. Currently the Department collects three types of securities: compliance, visitor visa, and professional development visa bonds.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 25: Administered — cash flow reconciliation

	2015	2014
	\$'000	\$'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	21,259	32,747
Schedule of administered assets and liabilities	<u>21,259</u>	<u>32,747</u>
Discrepancy	<u>-</u>	<u>-</u>
Reconciliation of net cost of services to net cash from/(used by) operating activities		
Net cost of services	(652,149)	(1,383,700)
Adjustments for non-cash items		
Depreciation/amortisation	94,073	61,937
Net write-down of non-financial assets	77,561	92,066
Sale of assets	3,946	4,047
Reversal of previous asset write-down	(378)	(123)
Bond forfeiture	(1,234)	(2,692)
Restructure transfer of liabilities	-	9,182
Movements in assets and liabilities		
Assets		
(Increase)/decrease in net receivables	8,975	4,448
(Increase)/decrease in accrued revenues	5,405	(5,235)
(Increase)/decrease in prepayments	103,238	1,000
Liabilities		
Increase/(decrease) in supplier payables	(129,050)	25,665
Increase/(decrease) in personal benefits payable	6,015	(12,203)
Increase/(decrease) in grants payable	(125)	(17,017)
Increase/(decrease) in other payables	100	11
Increase/(decrease) in other provisions	<u>2,481</u>	<u>(1,755)</u>
Net cash used by operating activities	<u>(481,142)</u>	<u>(1,224,369)</u>

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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Financial statements

Note 26: Administered – contingent assets and liabilities

	Guarantees		Claims for damages or costs		Total	
	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Contingent assets						
Balance from previous period	-	-	19,809	-	19,809	-
New contingent assets recognised	-	-	-	19,809	-	19,809
Re-measurement	-	-	31	-	31	-
Assets recognised	-	-	(9,593)	-	(9,593)	-
Expired	-	-	(10,247)	-	(10,247)	-
Total contingent assets	-	-	-	19,809	-	19,809
Contingent liabilities						
Balance from previous period	2,044	-	1,860	2,670	3,904	2,670
New contingent liabilities recognised	-	2,044	-	-	-	2,044
Re-measurement	-	-	-	(560)	-	(560)
Liabilities recognised	-	-	-	(227)	-	(227)
Obligations expired	(2,044)	-	-	(23)	(2,044)	(23)
Total contingent liabilities	-	2,044	1,860	1,860	1,860	3,904
Net contingent assets/(liabilities)	-	(2,044)	(1,860)	17,949	(1,860)	15,905

Quantifiable contingencies

The above table reports total contingent assets in respect of guarantees and claims for damages or costs of nil (2013–14: \$19.809 million).

The above table reports total contingent liabilities in respect of guarantees and claims for damages or costs of \$1.860 million (2013–14: \$3.904 million). These amounts represent estimates of the Department's potential liability. The Department is defending these claims.

The Department's insurer (Comcover) is notified of all claims for compensation as required by the terms of our insurance coverage.

Unquantifiable contingencies

As at 30 June 2015 the Department had a number of legal claims against it. The Department has responded to these claims in accordance with its obligations as model litigant under the Attorney-General's Legal Services Directions. It is not possible to estimate the amounts of any eventual payments that may be required in relation to these claims.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Immigration detention services by state and territory governments – liability limit

The Department has negotiated arrangements with a number of state and territory governments for the provision of various services (including health, education, corrections and policing services) to immigration detention facilities and people in immigration detention. Some jurisdictions sought indemnification by the Australian Government for the provision of those services. These agreements contain unquantifiable indemnities relating to any damage or loss incurred by state and territory governments arising out of, or incidental to, the provision of services under the proposed agreements.

Immigration detention services contract – liability limit

The Department entered into a contract with Serco Australia Pty Ltd (Serco), which commenced on 11 December 2014, to deliver immigration detention services in Australia on behalf of the Australian Government at immigration detention facilities. The contract terms limits Serco's liability to the Department to a maximum of any insurance proceeds recovered by Serco up to a value of \$330 million. Serco's liability is unlimited for specific events defined under the contract.

Note 27: Administered – financial instruments

	2015	2014
	\$'000	\$'000
Note 27A: Categories of financial instruments		
Financial assets		
Loans and receivables		
Cash on hand or deposit	21,259	32,747
Goods and services receivable	996	667
Total loans and receivables	22,255	33,414
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and operating lease rentals	275,766	406,428
Personal benefits payable	9,663	3,648
Grants payable	-	125
Total financial liabilities measured at amortised cost	285,429	410,201

The net fair values of the financial assets and liabilities are at their carrying amounts. The Department derived no interest income from financial assets in either the current or prior year.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

[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 \$4.498 million in 2014–15 (2013–14: \$0.667 million). The Department has assessed the risk of the default on payment and has allocated \$3.502 million in 2014–15 (2013–14: nil) towards an allowance for the impairments of these receivables.

The Department holds no collateral to mitigate credit risk.

Note 21A provides ageing of gross receivables past due and an analysis of impaired receivables.

[Note 27C: Liquidity risk](#)

The Department's financial liabilities are trade creditors, operating lease rentals and personal benefits 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 (for example 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.

The maturities for non-derivative financial liabilities are within one year in both the current and prior year.

[Note 27D: Market risk](#)

The Department held basic financial instruments that did not expose the entity to certain market risks, such as 'currency risk' and 'interest rate risk'.

Note 28: Administered – financial assets reconciliation

		2015	2014
	Notes	\$'000	\$'000
Total financial assets per schedule of administered assets and liabilities		49,835	75,703
Less: non-financial instrument components			
Other receivables and accrued revenue	21A	27,580	42,289
Total non-financial instrument components		27,580	42,289
Total financial assets as per financial instruments note		22,255	33,414

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 29: Appropriations

Note 29A: Annual appropriations (recoverable GST exclusive)

Annual appropriations for 2015

	Appropriation Act		PGPA Act		Total appropriation	Appropriation applied in 2015 (current and prior years)	Variance ^b	Section 51 determinations ^c
	Annual appropriation ^a	AFM	Section 74	Section 75				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental								
Ordinary annual services	1,523,110	-	127,507	-	1,650,617	(1,637,856)	12,761	(29,615) ^d
Other services								
Equity	10,970	-	-	-	10,970	(11,035)	(65)	(1,772) ^d
Total departmental	1,534,080	-	127,507	-	1,661,587	(1,648,891)	12,696	(31,387)
Administered								
Ordinary annual services								
Administered items	2,735,005	-	-	-	2,735,005	(2,368,219)	366,786	(102,250) ^e
Other services								
Administered assets and liabilities	291,359	-	-	-	291,359	(340,043)	(48,684)	(137,500) ^e
Total administered	3,026,364	-	-	-	3,026,364	(2,708,262)	318,102	(239,750)

a. Appropriations as per Appropriation Acts (1 through 6) 2014–15. Departmental appropriations do not lapse as financial year end. However, the responsible Minister may decide that part or all of a departmental or administered appropriation is not required and request that the Finance Minister reduce that appropriation. The reduction in the appropriation is reflected by the Finance Minister's Determination. Such determinations for the 2014–15 year are disclosed in the relevant column.

b. The Departmental 'Other services' equity variance relates to drawdowns from prior year appropriations. The Administered 'Other services' 'Administered assets and liabilities' variance relates to drawdowns from prior year appropriations. The Administered 'Ordinary annual services' variance relates to not yet paid liabilities under Outcomes.

c. A number of Section 51 determinations have been made in the 2014–15 financial year. Section 51 Determinations are disclosed as the Department no longer has access to or control of the appropriation. Further details of particular determinations are included below.

d. As per the Section 51 Determination dated 30 June 2015, the Department no longer has control of this appropriation. The figures relate to a measure announced at Additional Estimates relating to illegal maritime arrivals – managing the legacy case load in Australia (Programmes 3.4–3.6).

e. As per the Section 51 Determination dated 6 June 2015 and 30 June 2015, the Department no longer has control of this appropriation. The figure relates to a number of measures including a reduction in capital funding originally provided for capital works on Manus (Lower Paradise facility).

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Annual appropriations for 2014

	Appropriation Act		FMA Act			Total appropriation	Appropriation applied in 2014 (current and prior years)	Variance ^b
	Annual appropriation ^a	AFM	Section 30	Section 31	Section 32			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental								
Ordinary annual services	1,577,215	-	-	100,519	(25,987)	1,651,747	(1,621,858)	29,889
Other services	26,056	-	-	-	-	26,056	(15,569)	10,487
Equity	1,603,271	-	-	100,519	(25,987)	1,677,803	(1,637,427)	40,376
Total departmental								
Administered								
Ordinary annual services	3,385,406	-	1,427	-	(186,258)	3,200,575	(2,894,581)	305,994
Administered items								
Other services	505,200	-	-	-	-	505,200	(376,419)	128,781
Administered assets and liabilities ^c	3,890,606	-	1,427	-	(186,258)	3,705,775	(3,271,000)	434,775
Total administered								

a. Appropriations reduced under Appropriation Acts (Nos 1 and 3) 2013-14; ss. 10, ss. 11, ss. 12 and ss. 15 and under Appropriation Acts (Nos 2 and 4) 2013-14; ss. 12, ss. 13, ss. 14 and ss. 17. Departmental appropriations do not lapse at financial year-end. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request that the Finance Minister reduce that appropriation. The reduction in the appropriation is effected by the Finance Ministers' determination and is disallowable by Parliament. In 2013-14 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 ss. 11 of Appropriation Acts (Nos 1 and 3) 2013-14 and ss. 12 of Appropriation Acts (Nos 2 and 4) 2013-14, the appropriation is taken to be reduced to the required amount of \$334,714 million which has been included in the administered ordinary annual services opening balance. All administered appropriations may be adjusted by a Finance minister's determination, which is disallowable by Parliament.

Administered ordinary annual services opening balance is adjusted to include appropriation reduced amount of \$334,715 million.

b. Departmental appropriations of \$25,987 million and administered appropriations of \$186,258 million were transferred to the Department of Social Services (DSS) and Department of Industry (Industry) as a result of Machinery of Government changes in September 2013.

c. The administered other services assets and liabilities variance of \$128,781 million relates predominantly to a \$115,000 million movement of funds from 2013-14 to 2014-15, as per page 49 in the *Portfolio Budget Statements 2014-15*.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 29B: Departmental and administered capital budgets (recoverable GST exclusive)

	2014–15 capital budget appropriations		Capital budget appropriations applied in 2014–15 (current and prior years)				
	Appropriation Act Annual capital budget \$'000	PGPA Act Section 75 \$'000	Total capital budget appropriations \$'000	Payments for non-financial assets ^b \$'000	Payments for other purposes \$'000	Total payments \$'000	Variance ^c \$'000
Departmental							
Ordinary annual services — departmental capital budget ^a	85,959	-	85,959	(91,497)	-	(91,497)	(5,538)
Administered							
Ordinary annual services — administered capital budget ^a	18,711	-	18,711	(8,916)	-	(8,916)	9,795

a. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (Nos 1 and 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.

b. Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised.

c. Departmental Capital Budget variance relates to drawdowns from prior year appropriations. Administered Capital Budget variance relates to not yet paid liabilities under Outcomes.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2013–14 capital budget appropriations				Capital budget appropriations applied in 2013–14 (current and prior years)		
	Appropriation Act	FMA Act	Total capital budget appropriations	Payments for non-financial assets ^b	Payments for other purposes	Total payments	Variance
	Annual capital budget \$'000	Section 32 \$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental							
Ordinary annual services — departmental capital budget ^a	81,821	(56)	81,765	(76,967)	-	(76,967)	4,798
Administered							
Ordinary annual services — administered capital budget ^a	18,630	-	18,630	(22,045)	-	(22,045)	(3,415)

a. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No 1, 3 and 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, see Table A: Annual appropriations.

b. Payments made on non-financial assets include purchases of assets and expenditure on assets which has been capitalised.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 29C: Unspent annual appropriations (recoverable GST exclusive)

	2015	2014
	\$'000	\$'000
Departmental		
2010–11 Appropriation Act 1 ^a	-	1,779
2012–13 Appropriation Act 1	522	522
2012–13 Approp (Expert Panel Report on Asylum Seekers) Act (No. 2)	600	600
2012–13 Appropriation Act 2	4,678	15,713
2013–14 Appropriation Act 1	68	199,936
2013–14 Appropriation Act 2	10,485	10,485
2013–14 Appropriation Act 3	-	95,449
2013–14 Appropriation Act 4	15,212	15,212
2014–15 Appropriation Act 1	287,301	-
2014–15 Appropriation Act 2	3,128	-
2014–15 Appropriation Act 3	19,587	-
2014–15 Appropriation Act 4	7,843	-
Total departmental	349,424	339,696
Administered		
2010–11 Appropriation Act 1 ^a	-	1
2012–13 Appropriation Act 1	-	3,823
2013–14 Appropriation Act 1	10,036	214,642
2013–14 Appropriation Act 2	-	1,766
2013–14 Appropriation Act 3	87	558,427
2013–14 Appropriation Act 4	143,311	332,294
2014–15 Appropriation Act 1	587,842	-
2014–15 Appropriation Act 2	142,065	-
2014–15 Appropriation Act 3	24,226	-
2014–15 Appropriation Act 5	172,582	-
Total Administered	1,080,149	1,110,953

a. Act will be repealed by the Omnibus Repeal Day (Autumn 2015) Bill 2015 once it is passed.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 29D: Special Appropriations (recoverable GST exclusive)

Authority	Type	Purpose	Appropriation applied	
			2015 \$'000	2014 \$'000
<i>Migration Act 1958</i> —section 332B (Administered)	Limited Amount	To deal with registration applications and monitor the conduct of registered agents and lawyers in the provision of migration assistance.	-	-
<i>Public Governance, Performance and Accountability Act 2013</i> —section 77(2) (Administered) ^a	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	61,138	66,127
Total			61,138	66,127

a. Prior year authority was *Financial Management and Accountability Act 1997*—section 28(2) (Administered).

Note 29E: Disclosure by agent in relation to annual and special appropriations (recoverable GST exclusive)

Department of Social Services	
2015	\$'000
Total receipts	1,955
Total payments	(1,955)

Department of Social Services	
2014	\$'000
Total receipts	3,110
Total payments	(3,110)

The Department made wage supplementation payments to the Social and Community Services Pay Equity Special Account administered by the DSS to eligible social and community services workers.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 30: Special accounts

Note 30A: Special accounts (recoverable GST exclusive)

Australian Population Multicultural and Immigration Research Program (APMIRP) special account (administered) ^a		
	2015	2014
	\$'000	\$'000
Balance brought forward from previous period	54	187
Increases		
Appropriation credited to special account	-	-
Costs recovered	-	-
Realised investments	-	-
Other receipts	-	-
Total increases	-	-
Available for payments	54	187
Decreases		
Departmental		
PGPA Act section 58 investments	-	-
Payments made to suppliers	-	-
Payments made to employees	-	-
Payments made to competitive neutrality	-	-
Total departmental decreases	-	-
Administered		
Payments made	-	133
PGPA Act section 58 investments	-	-
Payments made to suppliers	-	-
Total administered decreases	-	133
Total decrease	-	133
Total balance carried to the next period	54	54

a. Appropriation: Public Governance, Performance and Accountability Act 2013, section 78.

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.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 31: Average staffing levels

	2015	2014
The average staffing levels for the Department during the year were	8,825	9,322

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 32: Reporting of outcomes

The Department uses a program allocation model to determine the attribution of its shared items.

Note 32A: Net cost of outcome delivery

	Outcome 1 2015 \$'000	Outcome 2 2015 \$'000	Outcome 3 2015 \$'000	Total 2015 \$'000
Departmental				
Expenses	(877,403)	(91,976)	(619,452)	(1,588,831)
Own source income	98,097	4,888	26,720	129,705
Administered				
Expenses	(1,201)	(118,684)	(2,412,997)	(2,532,882)
Own source income	1,871,386	-	9,347	1,880,733
Net cost of outcome delivery	1,090,879	(205,772)	(2,996,382)	(2,111,275)

	Outcome 1 2014 \$'000	Outcome 2 2014 \$'000	Outcome 3 2014 \$'000	Outcome 4 2014 \$'000	Outcome 5 2014 \$'000	Outcome 6 2014 \$'000	Total 2014 \$'000
Departmental							
Expenses	(586,812)	(76,193)	(154,910)	(686,464)	(69,899)	(76,846)	(1,651,124)
Own source income	9,109	743	12,603	4,231	35,454	974	63,114
Administered							
Expenses	(209)	(38,685)	(518)	(2,885,489)	(120,210)	(2,151)	(3,047,263)
Own source income	1,612,492	29	2,046	14,847	113	34,038	1,663,564
Net cost of outcome delivery	1,034,580	(114,106)	(140,779)	(3,552,876)	(154,542)	(43,986)	(2,971,709)

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 32B: Major classes of departmental expense, income, assets and liabilities by outcome

	Outcome 1 2015 \$'000	Outcome 2 2015 \$'000	Outcome 3 2015 \$'000	Total 2015 \$'000			
Expenses							
Employees	474,652	56,591	311,371	842,614			
Suppliers	318,206	30,105	273,521	621,832			
Depreciation and amortisation	74,046	4,327	31,479	109,852			
Other expense	10,499	953	3,081	14,533			
Total expenses	877,403	91,976	619,452	1,588,831			
Own-source income							
Sales of goods and services	55,032	1,784	842	57,658			
Recovery of costs	18,936	1,624	6,605	27,165			
Other revenue	24,129	1,480	19,273	44,882			
Total own-source income	98,097	4,888	26,720	129,705			
	Outcome 1 2014 \$'000	Outcome 2 2014 \$'000	Outcome 3 2014 \$'000	Outcome 4 2014 \$'000	Outcome 5 2014 \$'000	Outcome 6 2014 \$'000	Total 2014 \$'000
Expenses							
Employees	325,345	39,205	79,510	352,203	34,203	45,220	875,686
Suppliers	193,166	32,494	58,256	294,630	30,316	25,687	634,551
Depreciation and amortisation	58,032	3,564	14,754	34,762	4,245	4,696	120,053
Other expense	10,269	929	2,389	4,870	1,135	1,242	20,834
Total expenses	586,812	76,192	154,910	686,466	69,899	76,845	1,651,124
Own-source income							
Sales of goods and services	(1,041)	(166)	1,152	448	34,561	(251)	34,703
Recovery of costs	6,730	641	1,525	2,116	712	806	12,530
Other revenue	3,420	268	9,926	1,665	183	419	15,881
Total own-source income	9,109	743	12,603	4,229	35,456	974	63,114

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 32B: Major classes of departmental expense, income, assets and liabilities by outcome (continued)

	Outcome 1 2015 \$'000	Outcome 2 2015 \$'000	Outcome 3 2015 \$'000	Total 2015 \$'000
Assets				
Cash and cash equivalents	948	99	669	1,716
Appropriation receivable	186,652	20,858	141,965	349,475
Trade and other receivables	55,865	2,140	5,566	63,571
Other financial assets	667	63	608	1,338
Land and buildings	50,575	8,898	21,893	81,366
Property, plant and equipment	35,418	4,488	18,650	58,556
Intangibles	239,746	21,352	33,389	294,487
Other	15,087	1,410	10,928	27,425
Total assets	584,958	59,308	233,668	877,934
Liabilities				
Suppliers	68,051	6,357	49,287	123,695
Other payables	28,430	3,211	18,080	49,721
Unearned income	946	79	455	1,480
Lease incentives	2,423	210	2	2,635
Finance lease liability	251	22	116	389
Employee provisions	129,062	15,388	84,664	229,114
Other provisions	13,411	1,235	7,637	22,283
Total liabilities	242,574	26,502	160,241	429,317

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 32B: Major classes of departmental expense, income, assets and liabilities by outcome (continued)

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Outcome 5		Outcome 6		Total	
	2014	\$'000	2014	\$'000	2014	\$'000	2014	\$'000	2014	\$'000	2014	\$'000	2014	\$'000
Assets														
Cash and cash equivalents	1,211		210		538		(212)		1,526		(367)		2,906	
Appropriation receivable	143,835		19,897		35,305		179,211		8,358		19,700		406,306	
Trade and other receivables	941		197		1,093		2,577		17,882		71		22,761	
Other financial assets	399		77		138		640		72		54		1,380	
Land and buildings	32,769		2,243		5,430		8,343		1,720		2,218		52,723	
Property, plant and equipment	37,029		1,524		2,718		6,772		1,061		1,279		50,383	
Intangibles	246,532		6,305		14,993		27,731		3,685		4,466		303,712	
Other	9,146		1,220		2,186		13,011		1,125		1,185		27,873	
Total assets	471,862		31,673		62,401		238,073		35,429		28,606		868,044	
Liabilities														
Suppliers	44,590		5,949		10,659		63,430		5,937		5,776		136,341	
Other payables	16,228		1,801		3,557		19,191		1,584		2,188		44,549	
Unearned income	13,490		1,401				14		6,582		1,580		23,067	
Lease incentives	1,380		120		215		1,773		107		172		3,767	
Finance lease liability	577		40		57		358		40		80		1,152	
Employee provisions	83,067		10,010		20,301		89,924		8,733		11,546		223,581	
Other provisions	16,132		1,409		2,521		20,753		1,257		2,016		44,088	
Total liabilities	175,464		20,730		37,310		196,443		24,240		23,358		476,545	

**DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 32C: Major classes of administered expenses, income, assets, and liabilities by outcome

	Outcome 1 2015 \$'000	Outcome 2 2015 \$'000	Outcome 3 2015 \$'000	Total 2015 \$'000
Expenses				
Suppliers expenses	1,166	87,216	1,917,902	2,006,284
Depreciation and amortisation	-	-	94,073	94,073
Personal benefits	-	28,527	304,619	333,146
Grants and subsidies	-	2,086	3,945	6,031
Write-down and impairment of assets	-	60	87,661	87,721
Asset sales	-	-	3,990	3,990
Foreign exchange losses	35	141	807	983
Other expenses	-	654	-	654
Total expenses	1,201	118,684	2,412,997	2,532,882
Income				
Fees and fines	1,869,890	-	-	1,869,890
Recovery of detention costs	-	-	6,502	6,502
Other revenue	1,496	-	2,222	3,718
Gains	-	-	623	623
Total income	1,871,386	-	9,347	1,880,733

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 32C: Major classes of administered expenses, income, assets, and liabilities by outcome (continued)

	Outcome 1 2014 \$'000	Outcome 2 2014 \$'000	Outcome 3 2014 \$'000	Outcome 4 2014 \$'000	Outcome 5 2014 \$'000	Outcome 6 2014 \$'000	Total 2014 \$'000
Expenses							
Suppliers expenses	-	26,213	498	2,433,389	91,610	31	2,551,742
Depreciation and amortisation	-	-	-	61,937	-	-	61,937
Personal benefits	-	10,687	-	280,561	11,864	-	303,112
Grants and subsidies	-	1,636	-	5,068	16,737	2,121	25,562
Write-down and impairment of assets	-	64	-	100,216	-	-	100,280
Asset sales	-	-	-	3,969	-	-	3,969
Foreign exchange losses	209	85	20	320	-	-	634
Other expenses	-	-	-	28	-	-	28
Total expenses	209	38,685	518	2,885,489	120,210	2,152	3,047,264
Income							
Fees and fines	1,609,032	-	2,046	-	-	34,017	1,645,095
Recovery of detention costs	-	-	-	6,768	-	-	6,768
Other revenue	3,312	-	-	7,769	113	21	11,215
Gains	148	29	-	310	-	-	487
Total income	1,612,492	29	2,046	14,847	113	34,038	1,663,565

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 32C: Major classes of administered expenses, income, assets, and liabilities by outcome (continued)

	Outcome 1 2015 \$'000	Outcome 2 2015 \$'000	Outcome 3 2015 \$'000	Total 2015 \$'000
Assets				
Cash and cash equivalents	199	7,163	13,897	21,259
Receivables	1,517	671	14,768	16,956
Other financial assets	11,620	-	-	11,620
Land and buildings	-	-	1,343,449	1,343,449
Property, plant and equipment	-	-	164,304	164,304
Other non-financial assets	-	-	661	661
Total assets	13,336	7,834	1,537,079	1,558,249
Liabilities				
Suppliers	1,387	18,539	255,840	275,766
Personal benefits	-	1,880	7,783	9,663
Other payables	360	-	-	360
Bonds	20,032	-	-	20,032
Total liabilities	21,779	20,419	263,623	305,821

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 32C: Major classes of administered expenses, income, assets, and liabilities by outcome (continued)

	Outcome 1 2014 \$'000	Outcome 2 2014 \$'000	Outcome 3 2014 \$'000	Outcome 4 2014 \$'000	Outcome 5 2014 \$'000	Outcome 6 2014 \$'000	Total 2014 \$'000
Assets							
Cash and cash equivalents	2	796	57	25,201	6,606	85	32,747
Receivables	1,067	253	6	23,707	884	14	25,931
Other financial assets	14,880	-	-	2,145	-	-	17,025
Land and buildings	-	-	-	1,214,001	-	-	1,214,001
Property, plant and equipment	-	-	-	157,605	-	-	157,605
Other non-financial assets	-	648	-	103,251	-	-	103,899
Total assets	15,949	1,697	63	1,525,910	7,490	99	1,551,208
Liabilities							
Suppliers	8	3,436	138	402,383	463	-	406,428
Personal benefits	-	-	-	2,716	932	-	3,648
Grants and subsidies	-	-	-	125	-	-	125
Other payables	260	-	-	-	-	-	260
Bonds	17,551	-	-	-	-	-	17,551
Total liabilities	17,819	3,436	138	405,224	1,395	-	428,012

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 33: Budgetary reporting and explanations of major variances

The following tables provide a comparison of the original Budget as presented in the *Immigration and Border Protection Portfolio Budget Statements 2014–15* (PBS) to the 2014–15 final outcome as presented in accordance with Australian Accounting Standards for the Department. The Budget is not audited. Major material variances are considered where financial statement line items are greater than +/- 2% of the relevant sub-total. Judgement has been applied in providing explanations on other variances.

Note 33A: Departmental budgetary reports

Statement of Comprehensive Income

For the period ended 30 June 2015

	Actual	Budget estimate	
		Original ^a	Variance ^b
	2015 \$'000	2015 \$'000	2015 \$'000
Net cost of services			
Expenses			
Employee benefits	842,614	863,661	(21,047)
Suppliers	621,832	612,682	9,150
Depreciation and amortisation	109,852	99,083	10,769
Finance costs	542	3,399	(2,857)
Write-down and impairment of assets	9,988	5,483	4,505
Foreign exchange losses	60	-	60
Losses from asset sales	31	-	31
Assistance to foreign governments	35	-	35
Other expenses	3,877	-	3,877
Total expenses	1,588,831	1,584,308	4,523
Own-source income			
Own-source revenue			
Sale of goods and rendering of services	57,658	46,502	11,156
Recovery of costs	27,165	-	27,165
Electronic travel authority fees	6,677	-	6,677
Operating leases—property rental income	1,420	1,684	(264)
Software royalties	1,403	-	1,403
Comcover insurance recoveries	10,325	-	10,325
Other revenue	7,394	17,377	(9,983)
Total own-source revenue	112,042	65,563	46,479
Gains			
Gains from sale of assets	37	40	(3)
Foreign exchange gains	9	-	9
Reversals of previous asset write-downs and impairments	1,401	-	1,401
Other gains	16,216	2,058	14,158
Total gains	17,663	2,098	15,565
Total own-source income	129,705	67,661	62,044
Net (cost of)/contribution by services	1,459,126	1,516,647	(57,521)
Revenue from Government	1,373,836	1,417,564	(43,728)
Surplus/(deficit) attributable to Government	(85,290)	(99,083)	13,793

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	Actual	Budget estimate	
		Original ^a	Variance ^b
	2015 \$'000	2015 \$'000	2015 \$'000
Other comprehensive income			
Items not subject to subsequent reclassification to net cost of services			
Changes in asset revaluation reserves	31,647	-	31,647
Total other comprehensive income	31,647	-	31,647
Total comprehensive income	(53,643)	(99,083)	45,440

- a. The Department's original budgeted financial statements that were first presented to Parliament in respect of the reporting period, for example from the Department's PBS 2014–15.
- b. Between the actual and original budgeted amounts for 2014–15. Explanations of major variances are provided further below.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Financial Position

As at 30 June 2015

	Actual	Budget estimate	
		Original ^a	Variance ^b
	2015 \$'000	2015 \$'000	2015 \$'000
Assets			
Financial assets			
Cash and cash equivalents	1,716	55,709	(53,993)
Trade and other receivables	413,046	323,493	89,553
Other financial assets	1,338	5,137	(3,799)
Total financial assets	416,100	384,339	31,761
Non-financial assets			
Land	400	-	400
Buildings	260	-	260
Leasehold improvements	80,706	58,240	22,466
Property, plant and equipment	58,556	110,424	(51,868)
Computer software—internally developed	280,006	216,749	63,257
Computer software—purchased	14,481	-	14,481
Other non-financial assets	27,425	15,191	12,234
Total non-financial assets	461,834	400,604	61,230
Total assets	877,934	784,943	92,991
Liabilities			
Payables			
Suppliers	123,695	20,935	102,760
Other payables	53,836	103,940	(50,104)
Total payables	177,531	124,875	52,656
Interest bearing liabilities			
Leases	389	1,893	(1,504)
Total interest bearing liabilities	389	1,893	(1,504)
Provisions			
Employee provisions	229,114	242,963	(13,849)
Other provisions	22,283	32,706	(10,423)
Total provisions	251,397	275,669	(24,272)
Total liabilities	429,317	402,437	26,880
Net assets	448,617	382,506	66,111
Equity			
Contributed equity	768,267	774,569	(6,302)
Reserves	154,546	116,325	38,221
(Accumulated deficit)	(474,196)	(508,388)	34,192
Total equity	448,617	382,506	9

a. The Department's original budgeted financial statements that were first presented to Parliament in respect of the reporting period, for example from the Department's PBS 2014–15.

b. Between the actual and original budgeted amounts for 2014–15. Explanations of major variances are provided further below.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Changes in Equity

For the period ended 30 June 2015

	Retained earnings		Asset revaluation surplus				Contributed equity/capital				Total equity	
	Actual	Budget estimate	Actual	Budget estimate		Actual	Budget estimate		Actual	Budget estimate		
		Original ^a		Variance ^b	Original ^a		Variance ^b	Original ^a		Variance ^b		
	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance												
Balance carried forward from previous period	(406,281)	(416,463)	10,182	122,899	116,322	6,577	674,881	-	674,881	391,499	(300,141)	691,640
Adjustment for prior year's surplus/(deficit)	17,383	-	17,383	-	-	-	-	-	-	17,383	-	17,383
Adjusted opening balance	(388,898)	(416,463)	27,565	122,899	116,322	6,577	674,881	-	674,881	408,882	(300,141)	709,023
Comprehensive income												
Other comprehensive income	-	-	-	31,647	-	31,647	-	-	-	31,647	-	31,647
(Deficit) for the period	(85,290)	(99,083)	13,793	-	-	-	-	-	-	(85,290)	(99,083)	13,793
Other	-	7,158	(7,158)	-	3	(3)	-	(4)	4	-	7,157	(7,157)
Total comprehensive income	(85,290)	(91,925)	6,635	31,647	3	31,644	-	(4)	4	(53,643)	(91,926)	38,283
Transactions with owners												
Distributions to owners												
Returns on capital												
Return of contributed equity	(8)	-	(8)	-	-	-	(3,543)	-	(3,543)	(3,551)	-	(3,551)
Contributions by owners												
Equity injection – appropriations	-	-	-	-	-	-	10,970	3,127	7,843	10,970	3,127	7,843
Departmental capital budget	-	-	-	-	-	-	85,959	85,903	56	85,959	85,903	56
Restructuring	-	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	(8)	-	(8)	-	-	-	93,386	89,030	4,356	93,378	89,030	4,348
Closing balance	(474,196)	(508,388)	34,192	154,546	116,325	38,221	768,267	89,026	679,241	448,617	(303,037)	751,654

a. The Department's original budgeted financial statements that were first presented to Parliament in respect of the reporting period, for example from the Department's PBS 2014–15.

b. Between the actual and original budgeted amounts for 2014–15. Explanations of major variances are provided further below.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Cash Flow Statement

For the period ended 30 June 2015

	Actual	Budget estimate	
		Original ^a	Variance ^b
	2015	2015	2015
	\$'000	\$'000	\$'000
Operating activities			
Cash received			
Goods and services	34,737	33,907	830
Appropriations	1,430,667	1,438,065	(7,398)
Net GST received	44,759	59,814	(15,055)
Other cash received	38,910	14,284	24,626
Total cash received	1,549,073	1,546,070	3,003
Cash used			
Employees	852,415	890,642	(38,227)
Suppliers	693,516	637,623	55,893
Borrowing costs	542	3,408	(2,866)
Cash transferred to the Official Public			
Account	-	-	-
Other	5,008	-	5,008
Total cash used	1,551,481	1,531,673	19,808
Net cash from/(used by) operating activities	(2,408)	14,397	(16,805)
Investing activities			
Cash received			
Proceeds from sales of property, plant and equipment	113	30	83
Total cash received	113	30	83
Cash used			
Purchase of property, plant and equipment	24,604	-	24,604
Purchase of intangibles	84,289	89,030	(4,741)
Total cash used	108,893	89,030	19,863
Net cash from/(used by) investing activities	(108,780)	(89,000)	(19,780)
Financing activities			
Cash received			
Contributed equity	110,761	89,030	21,731
Total cash received	110,761	89,030	21,731
Cash used			
Repayment of borrowings (finance leases)	763	-	763
Total cash used	763	-	763
Net cash from/(used by) financing activities	109,998	89,030	20,968
Net increase/(decrease) in cash held	(1,190)	14,427	(15,617)
Cash and cash equivalents at the beginning of the reporting period	2,906	41,282	(38,376)
Cash and cash equivalents at the end of the reporting period	1,716	55,709	(53,993)

a. The Department's original budgeted financial statements that were first presented to Parliament in respect of the reporting period, for example from the Department's PBS 2014-15.

b. Between the actual and original budgeted amounts for 2014-15. Explanations of major variances are provided further below.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 33B: Departmental major budget variances for 2015

Affected line items (and statement)	Explanation of major variances
Statement of Comprehensive Income and related lines in the Statements of Cashflows and Changes in Equity	
Revenue from Government	Since the original Budget was developed there were a number of reductions in appropriations made as part of the Additional Estimates and Supplementary Additional Estimates Statements processes. The majority of the changes related to the Department's demand driven funding arrangements for IMA management.
Changes in asset revaluation reserve (Comprehensive Income), reserves (Financial Position) and asset revaluation surplus (Equity)	At the preparation of the 2014–15 Budget, a full external revaluation of assets was not planned. Asset revaluations are mostly driven by market value movements, which cannot be reliably predicted.
Foreign exchange losses, losses from asset sales, assistance to foreign governments, other expenses, gain from sale of assets, foreign exchange gains, reversal of previous asset write-downs and impairments	These lines are generally immaterial and have unpredictable annual movements, so are not budgeted.
Statement of Financial Position and related items in the Statement of Cashflows and Changes in Equity	
Cash	The budgeted cash was overstated and should have been reflected against Appropriation Receivables. Taking the Cash and Receivables figures together results in a smaller combined variance, which would have been offset by the budgeted reduction in payables.
Trade and other receivables, other non-financial assets (prepayments).	See Cash comments above. Appropriation Receivable balance was higher than budget due to differences in operational requirements for payments.
Leasehold improvements	Decisions regarding readiness of significant leasehold improvements did not occur until after budget preparation. Major capitalisations in 2014–15 occurred in Adelaide, Brisbane, Sydney, Melbourne and Shanghai.
Property, plant and equipment, computer software—internally developed and computer software purchased	These two lines together approximate budgeted increases at Additional Estimates.
Payables (Financial Position) and goods and services, net GST received and suppliers (Cash Flows)	Amounts paid to or owed to suppliers were estimated based on expected drawdown and payment activity, which was updated in Additional Estimates. The expected pattern did not occur due to differences in operational requirements.
Employee provisions and cash used for employees	Employee provisions and leave expenditure were budgeted higher in line with a higher FTE staffing profile. This staff profile did not eventuate due to restrictions in public service recruitment and the actual balance was more closely aligned to the amended budget published at Additional Estimates.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 33B: Departmental major budget variances for 2015 (continued)

Affected line items (and statement)	Explanation of major variances
Statement of Financial Position and related items in the Statement of Cashflows and Changes in Equity	
Other provisions	In 2014–15, the accounting estimate for the onerous contracts provision was reduced and created a gain not anticipated in budget estimates. See Note 5D.
Retained earnings and contributed equity	The 2014-15 actual deficit attributable to Government, additional capital funding received during the year, and reductions in appropriation funding were not anticipated during the preparation of the 2014–15 Budget.
Reserves	At the preparation of the 2014–15 Budget, a full external revaluation of assets was not planned. Asset revaluations are mostly driven by market value movements, which cannot be reliably predicted.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5

Financial statements

Note 33C: Administered budgetary reports

Administered Schedule of Comprehensive Income

For the period ended 30 June 2015

	Actual	Budget estimate	
		Original ^a	Variance ^b
	2015	2015	2015
	\$'000	\$'000	\$'000
Net cost of services			
Expenses			
Suppliers	2,006,284	2,379,166	(372,882)
Personal benefits	333,146	57,584	275,562
Grants and subsidies	6,031	7,603	(1,572)
Depreciation and amortisation	94,073	32,404	61,669
Write-down and impairment of assets	87,721	4,042	83,679
Losses from asset sales	3,990	-	3,990
Foreign exchange losses—non-speculative	983	-	983
Other expenses	654	-	654
Total expenses	2,532,882	2,480,799	52,083
Income			
Revenue			
Non-taxation revenue			
Fees and fines	1,869,890	1,672,307	197,583
Recovery of detention costs	6,502	-	6,502
Other revenue	3,718	11,879	(8,161)
Total non-taxation revenue	1,880,110	1,684,186	195,924
Total revenue	1,880,110	1,684,186	195,924
Gains			
Gains from sale of assets	44	-	44
Reversals of previous asset write-downs and impairments	378	-	378
Foreign exchange gains—non-speculative	201	-	201
Total gains	623	-	623
Total income	1,880,733	1,684,186	196,547
Net cost of services	(652,149)	(796,613)	144,464
Total other comprehensive income/(loss) attributable to the Australian Government	(652,149)	(796,613)	144,464

a. The Department's original budgeted financial statements that were first presented to Parliament in respect of the reporting period, for example from the Department's PBS 2014–15.

b. Between the actual and original budgeted amounts for 2014–15. Explanations of major variances are provided further below.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 33C: Administered budgetary reports (continued)

Administered Schedule of Assets and Liabilities

As at 30 June 2015

	Actual	Budget estimate	
		Original ^a	Variance ^b
	2015 \$'000	2015 \$'000	2015 \$'000
Assets			
Financial assets			
Cash and cash equivalents	21,259	183,034	(161,775)
Trade and other receivables	16,956	30,848	(13,892)
Accrued revenue	11,620	11,790	(170)
Total financial assets	49,835	225,672	(175,837)
Non-financial assets			
Land and buildings	1,315,564	1,651,522	(335,958)
Property, plant and equipment	164,304	240,432	(76,128)
Prepayments	661	104,899	(104,238)
Total non-financial assets	1,480,529	1,996,853	(516,324)
Assets held for sale	27,885	-	27,885
Total assets administered on behalf of Government	1,558,249	2,222,525	(664,276)
Liabilities			
Payables			
Suppliers	275,766	36,855	238,911
Personal benefits—indirect	9,663	15,851	(6,188)
Grants—non-profit organisations	-	17,142	(17,142)
Unearned income	360	378,817	(378,457)
Total payables	285,789	448,665	(162,876)
Provisions			
Bonds	20,032	19,306	726
Total provisions	20,032	19,306	726
Total liabilities administered on behalf of Government	305,821	467,971	(162,150)
Net assets/(liabilities)	1,252,428	1,754,554	(502,126)

a. The Department's original budgeted financial statements that were first presented to Parliament in respect of the reporting period, for example from the Department's PBS 2014–15.

b. Between the actual and original budgeted amounts for 2014–15. Explanations of major variances are provided further below.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 33D: Administered major budget variances for 2015

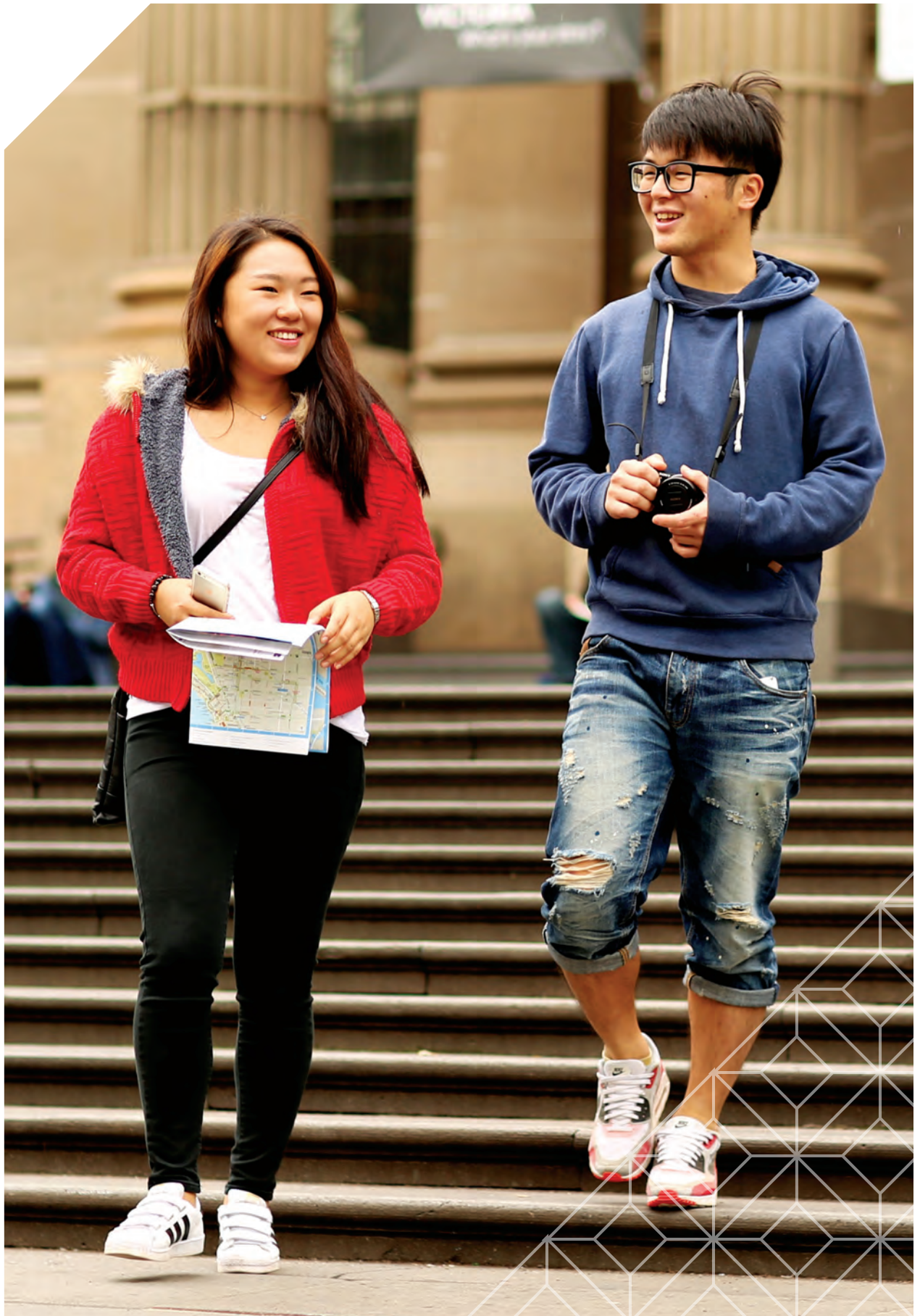
Affected line items (and statement)	Explanation of major variances
Administered Schedules of Comprehensive Income	
Suppliers (Comprehensive Income)	Since the original budget was developed there were a number of reductions in appropriations made as part of the Additional Estimates and Supplementary Additional Estimates Statements processes. The majority of the changes related to the Department's Demand Driven Funding arrangements for Illegal Maritime Arrival (IMA) Management. The actual Supplier expense is significantly closer to the revised Additional Estimates figure noting there was an overall underspend.
Personal benefits expense (Comprehensive Income)	Personal benefits expense estimates were updated as part of the Additional Estimates process which increased the estimate by \$230 million. This is a relatively new expense category for the Department and estimation methodologies are still being refined.
Depreciation and amortisation	Budgeted depreciation and amortisation was estimated prior to the recent capitalisation of Villawood and Nauru constructions. These projects were not expected to be finalised when the budget was prepared.
Administered Schedules of Assets and Liabilities	
Cash and cash equivalents	The administered cash Budget figures were overstated and corrected at Additional Estimates.
Trade and other receivable	The Budget figure is based on the average of prior year actuals. The actual in any period is impacted by the timing of receipts, the debtor population and GST recoveries. This item was updated at Additional Estimates.
Land and buildings, property, plant and equipment. (Financial Position)	Discontinuation of some capital works for offshore processing on Manus and Papua New Guinea, resulted in a lower actual capitalisation of building and property, plant and equipment than was estimated at Budget. There were some delays in other projects that resulted in these items not being capitalised in 2014–15 as expected.
Intangibles	Intangible asset class balance incorrectly attributed in original Budget, which was excluded at Additional Estimates.
Prepayments	Prepayments have decreased due to a change in service provider arrangements. New contracts require a smaller proportion of fees to be pre-paid and services now provided by DHS are not subject to pre-payment.

DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 33D: Administered major budget variances for 2015 (continued)

Affected line items (and statement)	Explanation of major variances
Administered Schedules of Assets and Liabilities	
Suppliers payables and Unearned income	Incorrect budget split between cash and payables has led to overstatement of budgeted cash and unearned income. Amounts paid to or owed to suppliers were estimated based on expected drawdown and payment activity, the expected pattern did not occur due to differences in operational requirements.
Grants payable	Grant programmes previously administered by the Department were transferred under the AAOs to DSS in 2013–14. This category should not have been included in the balance.

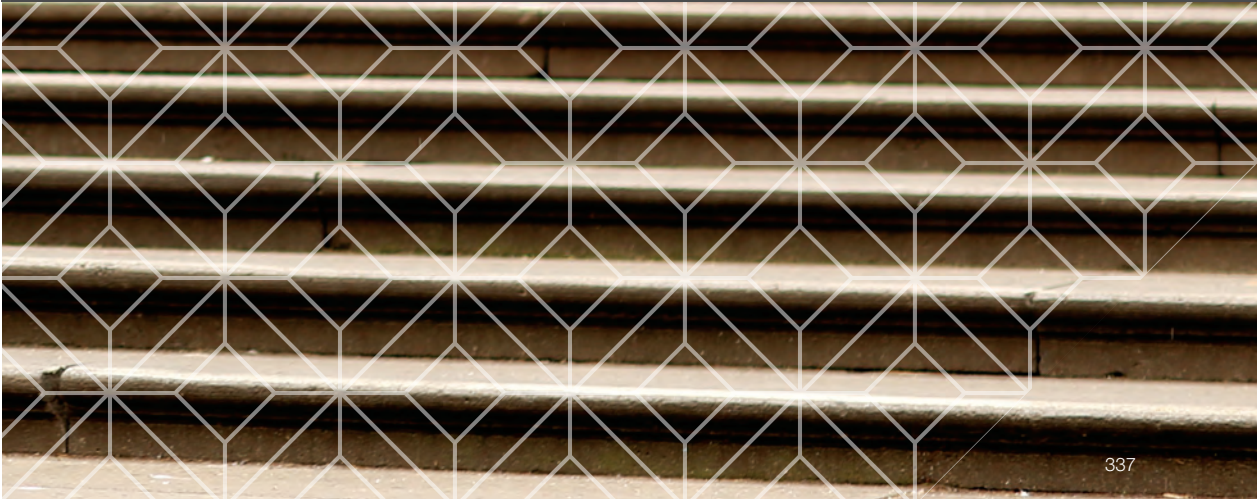




PART 6

APPENDICES

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APPENDIX 1: CLASSIFICATIONS AND SALARY RATES

Table 68: Classification and salary rates—Indigenous Cadets and Graduates

APS classification	Salary point	Salary effective 30 June 2015
Indigenous Cadet pay rates during full-time study are 60 per cent of full-time APS1		\$25,451
APS1 and Indigenous Cadet during practical training	APS 1.1	\$42,419
	APS 1.2	\$43,825
	APS 1.3	\$47,004
Graduate (APS Level 3)	APS 3.1	\$53,937
	APS 3.2	\$55,553
	APS 3.3	\$59,933

Table 69: Classification and salary rates—APS Level staff

APS classification	Salary point	Salary effective 30 June 2015
APS Level 1	APS 1.1	\$42,419
	APS 1.2	\$43,825
	APS 1.3	\$47,004
APS Level 2	APS 2.1	\$47,424
	APS 2.2	\$48,667
	APS 2.3	\$49,935
	APS 2.4	\$53,353
APS Level 3	APS 3.1	\$53,937
	APS 3.2	\$55,553
	APS 3.3	\$59,933
APS Level 4	APS 4.1	\$60,452
	APS 4.2	\$62,027
	APS 4.3	\$66,904
APS Level 5	APS 5.1	\$67,638
	APS 5.2	\$68,948
	APS 5.3	\$72,856
APS Level 6	APS 6.1	\$74,321
	APS 6.2	\$78,054
	APS 6.3	\$85,301

Table 70: Classification and salary rates—Executive Level staff

APS classification	Salary point	Salary effective 30 June 2015
Executive Level 1	EL 1.1	\$92,801
	EL 1.2	\$95,083
	EL 1.3	\$103,393
Executive Level 2	EL 2.1	\$109,959
	EL 2.2	\$114,070
	EL 2.3	\$118,179
	EL 2.4	\$128,120

Table 71: Classification and salary rates—Legal Officers

APS classification	Local title	Salary point	Salary effective 30 June 2015
APS Level 4	Legal Officer	LO APS 4.1	\$66,283
APS Level 5		LO APS 5.1	\$72,022
APS Level 6		LO APS 6.1	\$74,321
	LO APS 6.2	\$78,054	
	LO APS 6.3	\$86,894	
Executive Level 1	Senior Legal Officer	SLO EL 1.1	\$98,564
		SLO EL 1.2	\$106,945
		SLO EL 1.3	\$118,000
Executive Level 2	Principal Legal Officer	PLO EL 2.1	\$127,452
		PLO EL 2.2	\$134,059

Table 72: Classification and salary rates—Public Affairs Officers

APS classification	Local title	Salary point	Salary effective 30 June 2015
APS Level 4	Public Affairs Officer 1	PAO 1 APS 4.1	\$60,452
		PAO 1 APS 4.2	\$66,736
APS Level 5		PAO 1 APS 5.1	\$67,399
		PAO 1 APS 5.2	\$72,856
APS Level 6	Public Affairs Officer 2	PAO 2 APS 6.1	\$76,188
		PAO 2 APS 6.2	\$78,054
		PAO 2 APS 6.3	\$80,442
		PAO 2 APS 6.4	\$87,806
Executive Level 1	Public Affairs Officer 3	PAO 3 EL 1.1	\$104,800
		PAO 3 EL 1.2	\$106,945
		PAO 3 EL 1.3	\$115,836
Executive Level 2	Senior Public Affairs Officer B	SPAO B EL 2.1	\$114,697
		SPAO B EL 2.2	\$124,463
	Senior Public Affairs Officer A	SPAO A EL 2.3	\$121,022
		SPAO A EL 2.4	\$131,103

Table 73: Classification and salary rates—Medical Officers

APS classification	Salary point	Salary effective 30 June 2015
Medical Officer Class 2	MO 2.1	\$116,580
	MO 2.2	\$127,121
Medical Officer Class 3	MO 3.1	\$130,311
	MO 3.2	\$141,226
Medical Officer Class 4	MO 4.1	\$147,664
	MO 4.2	\$150,449
	MO 4.3	\$161,970

APPENDIX 2: LEGAL SERVICES EXPENDITURE

This is a statement of legal services expenditure by the Department for 2014–15, published in compliance with paragraph 11.1(ba) of the *Legal Services Directions 2005*.

Table 74: Legal services expenditure

Description	2014–15 cost (excluding GST)
Total legal services expenditure	\$59,166,866
Total external legal services expenditure	\$34,592,924
External expenditure on solicitors ^a	\$29,055,329
External expenditure on counsel ^b	\$4,098,404
Number of matters in which male counsel briefed—687	
Estimated value of briefs to male counsel	\$3,390,835
Number of matters in which female counsel briefed—170	
Estimated value of briefs to female counsel	\$707,569
Disbursements on external legal services	\$1,439,191
Total internal legal services expenditure	\$24,573,942
Employees	\$22,217,203
Overheads (for example, office stores and stationery, training and travel, property and information technology related costs) ^c	\$2,356,739

- a As the Department has entered into a fixed fee arrangement for the payment of some litigation matters, this figure will also include some expenditure on counsel and disbursements that cannot be separately identified.
- b External expenditure on counsel figures relate to finalised litigation matters only.
- c Overheads—indirect property and IT costs are included. This amount is reported in accordance with *Office of Legal Services Coordination Guidance Note 8*.

APPENDIX 3: FREEDOM OF INFORMATION

Information about the Department, including its structure, appears earlier in this report as well as online at www.border.gov.au.

Decision-making powers are vested in the Minister and/or Secretary under various Acts. The Minister and 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 that are not otherwise available online in the form of copies. These are available in 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 enquiries 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, Western Australia and South Australia should be sent to:

Freedom of Information Melbourne
Department of Immigration and Border Protection
GPO Box 241
MELBOURNE VIC 3001 or
FOI.vic@border.gov.au

FOI requests with contact addresses in New South Wales, Queensland, Tasmania, the Australian Capital Territory and the Northern Territory should be sent to:

NSW Freedom of Information
Department of Immigration and Border Protection
GPO Box 9984
SYDNEY NSW 2001 or
FOI.nsw@border.gov.au

FOI requests with overseas contact addresses should be sent to:

Freedom of Information Section
Department of Immigration and Border Protection
PO Box 25
BELCONNEN ACT 2617 AUSTRALIA or
FOI@border.gov.au

APPENDIX 4: MEMBERSHIP OF ADVISORY BODIES

This information complies with section 8 of the *Freedom of Information Act 1982* (FOI Act).

OFFICE OF THE MARA ADVISORY BOARD

Ms Helen Williams AO (Chair)^a

Ms Jenni Mack (Deputy Chair)

Ms Sonia Caton

Mr Glenn Ferguson

Mr Ray Brown

Mr Andrew Holloway^b

Mr Jim McKiernan

Mr Steve Ingram

Dr Richard Johnson

MINISTERIAL ADVISORY COUNCIL ON SKILLED MIGRATION

Mr Innes Willox (Chair)

Ms Gerardine Kearney

Mr John Azarias

Ms Su McCluskey

Mr Steve Knott

Mr Brett Moller

Ms Carol Giuseppe

Ms Sylvia Burbery

State – territory representative to be finalised.

INDEPENDENT HEALTH ADVISOR

Dr Paul Alexander AO (former Chair of the former Immigration Health Advisory Group, was formally appointed as the Independent Health Advisor).^c

THE MINISTER'S COUNCIL ON ASYLUM SEEKERS AND DETENTION

Mr Paris Aristotle AM (Chair)

Air Marshal (Rtd) Ray Funnell (Deputy Chair)

Ms Kerrin Benson

Professor Nicholas Procter

Dr Maryanne Loughry AM

Associate Professor Mary Anne Kenny

Bishop Daniel Eugene Hurley

Dr Georgie Paxton

Ms Catherine Scarth

Dr Paul Alexander AO (observer)

a All appointments expired on 30 June 2015.

b Resigned from Board on 27 November 2014.

c In December 2013, the Immigration Health Advisory Group (IHAG) was disbanded and replaced by the Independent Health Advisor (IHA). The IHA provides expert independent advice directly to the Secretary and the Department in relation to immigration health issues in community detention, immigration detention facilities and Regional Processing Centres. This may include advice on systemic issues, individual cases or specific incidents. In providing expert advice on health issues, the IHA may draw on the professional and clinical advice of the Department's Chief Medical Officer and the contracted health services provider, as well as external health experts. The IHA Panel of experts was established in consultation with Dr Alexander. He can draw on its advice as needed.

APPENDIX 5: CITIZENSHIP STATISTICS

The following tables show the number of people who were conferred as Australian citizens, details of their former nationality or citizenship, and the country in which they were ordinarily resident before entering Australia.

Table 75: Previous country of nationality or citizenship of people who were conferred as Australian citizens in 2014–15

Previous country of nationality or citizenship	Number of people	Previous country of nationality or citizenship	Number of people
Afghanistan	2,103	Cambodia	653
Africa ^a	1	Cameroon	27
Albania	96	Canada	1,123
Algeria	26	Cayman Islands	1
American Samoa	1	Chad	3
Angola	2	Chile	236
Antigua and Barbuda	1	China, People's Republic of	7,549
Argentina	194	Colombia	906
Armenia	13	Congo, Democratic Republic of the	367
Austria	73	Congo, Republic of the	96
Azerbaijan	16	Costa Rica	11
Bahamas	7	Cote d'Ivoire	4
Bahrain	14	Croatia	72
Bangladesh	2,473	Cuba	17
Barbados	3	Cyprus	25
Belarus	58	Czech Republic	338
Belgium	163	Czechoslovakia	5
Belize	3	Denmark	33
Benin	2	Djibouti	4
Bermuda	3	Dominica	1
Bhutan	732	Dominican Republic	5
Bolivia	13	Ecuador	36
Bosnia and Herzegovina	92	Egypt	1,040
Botswana	33	El Salvador	51
Brazil	1,079	Eritrea	183
Brunei Darussalam	24	Estonia	36
Bulgaria	49	Ethiopia	574
Burundi	216		

Previous country of nationality or citizenship	Number of people
Fiji	1,021
Finland	112
France	1,005
French Polynesia	3
Gabon	1
Gambia	1
Gaza Strip	1
Georgia	7
Germany, Federal Republic of	1,064
Ghana	179
Greece	127
Grenada	1
Guatemala	8
Guinea	18
Guyana	7
Haiti	2
Honduras	4
Hong Kong (SAR of PRC) ^b	1,041
Hungary	257
Iceland	8
India	24,236
Indonesia	993
Iran	2,198
Iraq	2,054
Ireland, Republic of	3,092
Israel	346
Italy	824
Jamaica	22
Japan	179
Jordan	240
Kazakhstan	49
Kenya	412
Kiribati	9
Korea, North ^c	5
Korea, South ^d	2,307
Kosovo	12
Kuwait	7
Kyrgyzstan	24
Laos ^e	68

Previous country of nationality or citizenship	Number of people
Latvia	53
Lebanon	951
Lesotho	2
Liberia	277
Libya	196
Liechtenstein	1
Lithuania	33
Macau (SAR PRC) ^f	20
Macedonia ^g	219
Madagascar	5
Malawi	19
Malaysia	2,213
Maldives	48
Malta	138
Mauritius	895
Mexico	221
Moldova	25
Mongolia	38
Montenegro	8
Morocco	40
Mozambique	16
Myanmar	1,997
Namibia	32
Nauru	2
Nepal	2,401
Netherlands	484
Netherlands Antilles	1
New Caledonia	3
New Zealand	4,091
Nicaragua	2
Niger	2
Nigeria	368
Norway	12
Not Stated/Other	976
Oman	3
Pakistan	2,341
Palestinian Authority	86
Panama	4
Papua New Guinea	157

Previous country of nationality or citizenship	Number of people
Paraguay	7
Peru	271
Philippines	8,996
Poland	498
Portugal	166
Qatar	1
Reunion	6
Romania	225
Russian Federation	907
Rwanda	119
Saint Helena ^h	1
Saint Lucia	2
Samoa	43
Saudi Arabia	15
Senegal	7
Serbia	145
Serbia and Montenegro	12
Seychelles	29
Sierra Leone	226
Singapore	673
Slovakia	80
Slovenia	44
Solomon Islands	21
Somalia	380
South Africa	6,211
Spain	222
Sri Lanka	3,179
St Kitts and Nevis	1
Sudan	692
South Sudan, Republic of	24
Suriname	3

Previous country of nationality or citizenship	Number of people
Sweden	291
Switzerland	171
Syrian Arab Republic	196
Taiwan	644
Tajikistan	2
Tanzania	55
Thailand	1,712
Timor-Leste	17
Togo	45
Tonga	73
Trinidad and Tobago	22
Tunisia	11
Turkey	507
Turkmenistan	2
USSR	3
Uganda	64
Ukraine	304
United Arab Emirates	6
United Kingdom	20,583
United States of America	1,833
Uruguay	25
Uzbekistan	47
Vanuatu	28
Vatican City State Holy See	1
Venezuela	327
Vietnam	3,835
Yemen, Republic of	7
Yugoslavia, Federal Republic of	27
Zambia	132
Zimbabwe	1,186
Total	136,572

a Not further defined.

b Hong Kong (SAR PRC) means Hong Kong Special Administrative Region of the People's Republic of China.

c Democratic People's Republic of Korea.

d Republic of Korea.

e Lao People's Democratic Republic.

f SAR PRC means Special Administrative Region of the People's Republic of China.

g Former Yugoslav Republic of Macedonia.

h Saint Helena, Ascension and Tristan Da Cunha.

Table 76: Previous country of residence of people who were conferred in 2014–15

Previous country of residence	Number of people	Previous country of residence	Number of people
Afghanistan	969	Congo, Democratic Republic of the	133
Africa ^a	2	Congo, Republic of the	37
Albania	60	Cook islands	8
Algeria	17	Costa Rica	11
American Samoa	2	Cote d'Ivoire	12
Andorra	3	Croatia	52
Angola	6	Cuba	13
Argentina	159	Curacao	1
Armenia	11	Cyprus	47
Austria	61	Czech Republic	300
Azerbaijan	15	Czechoslovakia	8
Bahamas	9	Denmark	35
Bahrain	73	Djibouti	8
Bangladesh	2,162	Dominican Republic	7
Barbados	1	Ecuador	28
Belarus	45	Egypt	961
Belgium	131	El Salvador	48
Belize	2	Eritrea	96
Benin	27	Estonia	36
Bermuda	10	Ethiopia	309
Bhutan	119	Falkland Islands	1
Bolivia	9	Fiji	864
Bosnia and Herzegovina	84	Finland	82
Botswana	105	France	746
Brazil	925	French Polynesia	8
British West Indies	1	Gambia	1
Brunei Darussalam	61	Gaza Strip	1
Bulgaria	36	Georgia	6
Burundi	35	Germany, Federal Republic of	890
Cambodia	574	Ghana	194
Cameroon	39	Greece	131
Canada	1,041	Guam	2
Cayman Islands	7	Guatemala	5
Central African Republic	2	Guinea	185
Chad	5	Guyana	3
Chile	196	Honduras	3
China, People's Republic of	6,525	Hong Kong (SAR of PRC) ^b	1,045
Colombia	741		

Previous country of residence	Number of people
Hungary	209
Iceland	5
India	20,309
Indonesia	900
Iran	2,037
Iraq	792
Ireland, Republic of	2,917
Isle of Man	26
Israel	300
Italy	642
Jamaica	21
Japan	240
Jersey	20
Jordan	359
Kazakhstan	43
Kenya	735
Kiribati	2
Korea, North ^c	1
Korea, South ^d	1,975
Kosovo	13
Kuwait	106
Kyrgyzstan	17
Laos ^e	48
Latvia	46
Lebanon	801
Lesotho	3
Liberia	83
Libya	96
Liechtenstein	1
Lithuania	21
Luxembourg	2
Macau (SAR PRC) ^f	22
Macedonia ^g	177
Madagascar	6
Malawi	45
Malaysia	2,249
Maldives	48
Malta	117
Mauritania	1

Previous country of residence	Number of people
Mauritius	792
Mayotte	1
Mexico	188
Micronesia	4
Moldova	20
Monaco	4
Mongolia	27
Montenegro	7
Morocco	28
Mozambique	21
Myanmar	563
Namibia	32
Nauru	2
Nepal	2,474
Netherlands	406
Netherlands Antilles	1
New Caledonia	37
New Zealand	4,027
Nicaragua	2
Niger	2
Nigeria	235
Niue	1
North Africa (so stated)	1
Northern Mariana Island	1
Norway	25
Not Stated/Other	18,447
Oman	71
Pakistan	2,374
Palau	6
Palestinian Authority	20
Panama	2
Papua New Guinea	155
Paraguay	2
Peru	238
Philippines	7,432
Poland	342
Portugal	90
Puerto Rico	4
Qatar	77

Previous country of residence	Number of people	Previous country of residence	Number of people
Reunion	4	Tanzania	195
Romania	160	Thailand	2,148
Russian Federation	748	Timor-Leste	16
Rwanda	39	Togo	4
Saint Lucia	2	Tonga	53
Samoa	42	Trinidad and Tobago	20
Saudi Arabia	155	Tunisia	7
Senegal	5	Turkey	567
Serbia	130	Turkmenistan	1
Serbia and Montenegro	3	Turks And Caicos Islands	6
Seychelles	27	USSR	14
Sierra Leone	88	Uganda	251
Singapore	1,177	Ukraine	238
Slovakia	62	United Arab Emirates	811
Slovenia	37	United Kingdom	18,427
Solomon Islands	11	United States of America	1,798
Somalia	123	Uruguay	21
South Africa	5,553	Uzbekistan	37
Spain	212	Vanuatu	21
Sri Lanka	2,592	Venezuela	285
Sudan	344	Vietnam	3,281
South Sudan, Republic of	36	Virgin Islands (British)	4
Suriname	1	Wallis and Futuna Islands	1
Swaziland	8	West Bank	1
Sweden	241	Yemen, Republic of	4
Switzerland	173	Yugoslavia, Federal Republic of	20
Syrian Arab Republic	479	Zambia	176
Taiwan	556	Zimbabwe	973
Tajikistan	1	Total	136,572

a Not further defined.

b Hong Kong (SAR PRC) means Hong Kong Special Administrative Region of the People's Republic of China.

c Democratic People's Republic of Korea.

d Republic of Korea.

e Lao People's Democratic Republic.

f SAR PRC means Special Administrative Region of the People's Republic of China.

g Former Yugoslav Republic of Macedonia.

APPENDIX 6: 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. The IPS replaces the former annual report publication requirements in s. 8 of the FOI Act.

Information on the Department's IPS is available on the integrated Department's website at www.border.gov.au/about/access-accountability/freedom-of-information-foi/information-publication-scheme.

APPENDIX 7: CORRECTION OF MATERIAL ERRORS

The following errors were detected after the publication of the Department's Annual Report 2013–14:

Page 60

The total number of 2012–13 cases referred to an independent expert (published in Table 11 of the 2013–14 annual report) was incorrect. The total number is 38 (not 58). This total was corrected in this report in Table 11 on page 68.

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The number of former resident visas and Australian declaratory certificates was incorrect. The number of former resident visas was 336 (not 635) and the number of Australian declaratory certificates was 635 (not 844). Amending this data would result in the total being 108,654 (not 109,162).

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The total number of number of injury claims in Table 69 was incorrect. The total number of injury for accepted claims was 71 (not 55). This headcount was corrected in this report in Table 64 on page 228.





PART 7

REFERENCE MATERIAL

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ABBREVIATIONS AND ACRONYMS

A/g	Acting	ANZSOG	Australian and New Zealand School of Government
AAO	Administrative Arrangements Order	ANZCTC	Australia and New Zealand Counter-Terrorism Committee
AAT	Administrative Appeals Tribunal	APEC	Asia-Pacific Economic Cooperation
AASB	Australian Accounting Standards Board	APOD	Alternative place of detention
ABF	Australian Border Force	APP	Advance passenger processing
ABTC	APEC Business Travel Card	APS	Australian Public Service
ACBPS	Australian Customs and Border Protection Service	APSC	Australian Public Service Commission
ADS	Approved destination status	ASAS	Asylum seeker assistance scheme
AFC	Asian Football Confederation	ASEAN	Association of Southeast Asian Nations
AFP	Australian Federal Police	ATIS	Automated voice-prompted telephone interpreting service
AHG SOM	Ad-Hoc Group Senior Officials Meeting	ATT	Australian Trusted Trader programme
AHRC	Australian Human Rights Commission	AUC	assets under construction
AIPM	Australia Institute of Project Management	AUSTRAC	Australian Transaction Reports and Analysis Centre
AL 1	Assessment level 1	Austrade	Australian Trade Commission
ALO	Airline liaison officer	AVAC	Australian visa application centre
AMP	Agency Multicultural Plan		
ANAO	Australian National Audit Office		

AVS	Australian Valuation Solutions	COMMSAT	Coordination and Outreach Migration Management Support through IOM Satellite Sites
AVR	Assisted voluntary return		
AVRR	Assisted voluntary return and reintegration	COPP	Community Orientation and Preparation Programme
AWA	Australian Workplace Agreement	CPRs	Commonwealth Procurement Rules
B5	Border Five Group	CSP	Client search portal
Bali Process	Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime	CSS	Commonwealth Superannuation Scheme
BIIP	Business innovation and investment programme	CSRO	Community status resolution officers
BIO	Border intelligence officer	CSRS	Community status resolution service
BMG	Business Mobility Group	DAL	Document alert list
BRIS	Border risk identification system	DAMA	Designated area migration agreement
BSP	Border security portal	DAT	Detention assurance team
BVE	Bridging E visa	DCB	Department capital budgets
CAC Act	<i>Commonwealth Authorities and Companies Act 1997</i>	DFAT	Department of Foreign Affairs and Trade
CAS	Community assistance support programme	DGICM	Directors-General of Immigration Departments and Heads of Consular Affairs Divisions of the Ministries of Foreign Affairs (ASEAN)
CCMDS portal	Compliance, case management, detention and settlement portal	DHS	Department of Human Services
CD	Community detention	DIBP	Department of Immigration and Border Protection
CEO	Chief Executive Officer	DOF	Department of Finance
CLO	Client liaison officer		
CMAL	Central movement alert list	DRC	depreciated replacement cost

DSS	Department of Social Services	GFU	Global Feedback Unit
EA	Enterprise Agreement	GIVIT	Give it (goods for good causes)
EAP	Employee Assistance Programme	GLS	Green lease schedule
EC	European Commission	GST	Goods and Services Tax
EEGO	Energy Efficiency in Government Operations policy	HSR	Health and safety representative
ELICOS	English-language intensive courses for overseas students	HRC	United Nations Human Rights Council
ELO	Ethnic liaison officers	IAAAS	Immigration advice and application assistance scheme
ELRTC	East Lorengau Refugee Transit Centre	ICAO	International Civil Aviation Organization
eMedical	The Department's electronic health processing system	I-CARE	IOM Circle of Care for Displaced Persons in Indonesia Project
EPBC Act	<i>Environment Protection and Biodiversity Conservation Act 1999</i>	ICC	International Cricket Council
ERM	Enterprise risk map	ICT	Information communications technology
ETA	Electronic Travel Authority	IDC	Immigration detention centre
FBT	Fringe Benefits Tax	IDF	Immigration detention facility
FCC	Five Country Conference	IGC	Intergovernmental Consultations on migration, asylum and refugees
FMA Act	<i>Financial Management and Accountability Act 1997</i>	IGOC Act	<i>Immigration (Guardianship of Children) Act 1946</i>
FOI Act	<i>Freedom of Information Act 1982</i>	IHMS	International Health and Medical Services
FRR	Financial Reporting Rule	IMA	Illegal maritime arrival
FTA	Free trade agreement	IMMLO	Immigration liaison officer
FTE	Full-time employee		
GFMD	Global Forum on Migration and Development		

IMtel	Departmental integrity/ intelligence knowledge base system	MILA	Meat Industry Labour Agreement
IOM	International Organization for Migration	MOG	Machinery of Government
INZ	Immigration New Zealand	MOU	Memorandum of Understanding (singular) Memoranda of Understanding (plural)
IRH	Immigration residential housing	MPA	<i>Maritime Powers Act 2013</i>
ITA	Immigration transit accommodation	MRTD	Machine readable travel document
JATF	Joint Agency Task Force	MRT–RRT	Migration Review Tribunal – Refugee Review Tribunal
JSCM	Joint Standing Committee on Migration	NAATI	National Accreditation Authority for Translators and Interpreters
KPI	Key performance indicator	NABERS	National Australian Built Environment Rating System
LCA	Law Council of Australia	NAFIS	National automated fingerprint identification system
LEE	Locally engaged employees	NADC	National Australia Day Council
LDEs	Leadership development experiences	NFA	Non-financial asset
LGBTI	Lesbian, gay, bisexual, transgender and intersex	NGO	Non-government organisation
MACSM	Ministerial Advisory Council on Skilled Migration	NSC	National Security College
MAIL	Migration advice industry liaison	NSEP	National security exercises programme
MCASD	Minister’s Council on Asylum Seekers and Detention	OAIC	Office of the Australian Information Commissioner
MG	Medal of Gallantry	OECD	Organisation for Economic Co-operation and Development
Migration Act	<i>Migration Act 1958</i>	OHPC	Offshore Humanitarian Processing Centre
MIA	Migration Institute of Australia		

OMARA	Office of the Migration Agents Registration Authority	PSAES	Portfolio Supplementary Additional Estimates Statements
OPA	Official Public Account	PSF	Professional Support Framework
OSB	Operation Sovereign Borders	PSM	Public Service Medal
PACE	Positive Action towards Career Engagement	PSS	Public Sector Superannuation Scheme
PAES	Portfolio Additional Estimates Statements	PUE	Power usage effectiveness
PAIS	Primary Application Information Service	PSSap	PSS accumulation plan
PAL	Person alert list	RA	Reintegration assistance
PCBU	Person Conducting a Business or Undertaking	RALC Act	<i>Migration and Maritime Powers Legislation Amendment (Resolving the Asylum Legacy Caseload) Act 2014</i>
PBS	Portfolio Budget Statements	RBDES	Regional biometric data exchange solution
PDR	People's Democratic Republic	RCA	Regional cooperation arrangements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>	RMAS	Regional movement alert system
PIC	Public interest criterion	RMF	Risk management framework
PID Act	<i>Public Interest Disclosure Act 2013</i>	RMPF	Risk Management Policy Framework
PIDC	Pacific Immigration Directors' Conference	RPC	Regional Processing Centre
PMC	Department of the Prime Minister and Cabinet	RSO	Regional support office
PNG	Papua New Guinea	RTF	Refugee transit facility
POM Act	<i>Migration Amendment (Protection and Other Measures) Act 2015</i>	SAR PRC	Special Administrative Region of the People's Republic of China
PS Act	<i>Public Service Act 1999</i>	SCC	DIBP Sydney Service Centre

SCV	Special category visa (subclass 444)	UAM	Unaccompanied minor
SCWA	State or territory child welfare agency	UHM	Unaccompanied humanitarian minor
SES	Senior Executive Service	UK	United Kingdom
SDC	Services delivery category	UNC	Unlawful non-citizen
SDP	Service delivery partner	UNHCR	Office of the United Nations High Commissioner for Refugees
SGP	Strongim Gavman Programme	USA	United States of America
SHP	Special humanitarian programme	VDA	Voluntary departure assistance
SHEV	Safe Haven Enterprise visa	VET	Vocational education and training
SLA	Service-level agreement	VEVO	Visa entitlement verification online
SMOG	Skilled migration officials group	VHT	Virtual hold technology
SOL	Skilled occupations list	VC	Victoria Cross
SP	Service provider	WAR	Woman at Risk
SPF	Strategic Partnership Framework	WCAG	Web content accessibility guidelines
SRSS	Status resolution support services	WDS	Workplace Diversity Strategy
SSVP	Simplified international student visa framework	WHM	Working holiday maker
SVP	Streamlined visa processing	WHO	World Health Organisation
TAFE	Technical and Further Education	WHS	Work health and safety
TB	Tuberculosis	<i>WHS Act</i>	<i>Work Health and Safety Act 2011</i>
TIS	Translating and Interpreting Service		
TPV	Temporary Protection visa		
TVAG	Tourist Visa Advisory Group		

GLOSSARY

Term	Definition
Administrative Arrangements Order	Issued by the Governor-General, provides the arrangements of government administration, including the matters that are dealt with by each department and the legislation administered by each minister.
Appropriation	An authorisation by the Australian Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
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 that has been approved by the Department of Employment and the Department of Immigration and Border Protection (DIBP) 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 that 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.
Asylum seeker	Person claiming protection. As a party to the 1951 Convention Relating to the Status of Refugees and its 1967 Protocol, Australia is committed to providing protection to refugees consistent with the obligations set out in the convention and other relevant international treaties to which Australia is a party.
Bali Process	The Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime is the preeminent multilateral forum in the Asia-Pacific to raise regional awareness of the consequences of people smuggling, trafficking in persons and related transnational crime.
Border Five Group	The Border Five Group (B5) is a consortium of government customs agencies from Australia, Canada, New Zealand, United Kingdom and the United States of America.

Term	Definition
Business innovation and investment programme	The business innovation and investment programme encompasses business innovation investment visas and the Business Talent visa (subclass 132). Innovation and investment visas are designed to channel business knowledge and expertise, as well as liquid capital, into Australia. They seek to attract high-quality investors and entrepreneurs to invest and settle in Australia. The purpose of the Business Talent visa is to attract high-calibre business people to permanently migrate to Australia and to facilitate the entry of entrepreneurs.
<i>Bona fides</i>	<i>Bona fides</i> is a Latin phrase meaning 'good faith'.
Citizenship Wizard	The Citizenship Wizard provides information about how to apply for Australian citizenship.
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 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.
Community link	A person in the Australian community who is a family member or close friend of the unaccompanied minor (UAM), who is willing to offer support such as accommodation to that UAM.
Complementary protection	The term used to describe a category of protection for people who are not refugees as defined in the Refugee Convention but who also cannot be returned to their home country because there is a chance that they would suffer a certain type of harm that would engage Australia's international <i>non-refoulement</i> (non-return) obligations.

Term	Definition
Disability	<p>Disability means ‘a person has a disability if they report that they have a limitation, restriction or impairment, which has lasted, or is likely to last, for at least six months and restricts everyday activities (Australian Bureau of Statistics). This includes a person who has:</p> <ul style="list-style-type: none"> • loss of sight (not corrected by glasses or contact lenses) • loss of hearing where communication is restricted, or an aid to assist with, or substitute for, hearing is used • incomplete use of feet or legs • nervous or emotional condition causing restriction • restriction in physical activities or in doing physical work • speech difficulties • shortness of breath or breathing difficulties causing restriction • disfigurement or deformity • mental illness or condition requiring help or supervision • chronic or recurrent pain or discomfort causing restriction • blackouts, fits, or loss of consciousness • long-term effects of head injury, stroke or other brain damage causing restriction • difficulty learning or understanding • incomplete use of arms or fingers • difficulty gripping or holding things • receiving treatment or medication for any other long-term conditions or ailments and still restricted • any other long-term conditions resulting in a restriction.
Domestic worker (Diplomatic or Consular) stream of the Temporary Work (International Relations) visa (subclass 403)	<p>This stream allows the visa holder temporarily to perform full-time domestic work in the household of a Diplomatic (subclass 995) visa holder in Australia. This visa supports diplomatic work activities in Australia on a temporary basis.</p>
Economic migration	<p>The migration of overseas workers 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 a person can migrate, including independent, employer sponsored, state/territory government sponsored or family sponsored options.</p>
Education Visa Consultative Committee	<p>A stakeholder forum which discusses immigration issues relevant to the education industry.</p>
eLearning	<p>Learning conducted via electronic media, typically online.</p>
Electronic Travel Authority (ETA)	<p>An electronic visa that allows eligible passport holders to travel to Australia for tourism or business purposes.</p>
eMedical	<p>The Department’s electronic health processing system.</p>

Term	Definition
Employer nomination scheme	A programme that 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 line of business.
English language intensive courses for overseas students (ELICOS)	Studying ELICOS in an Australian English school means participating in a sector of Australian education that has been developed to allow speakers of English as a Second Language (ESL) either to develop their English or to continue on to academic studies.
Exchange and Domestic Worker (Executive) streams of the Temporary Work (Long Stay Activity) visa (subclass 401)	This stream allows a range of skilled or specialised entrants to work or undertake activities in Australia temporarily.
Family stream	A subset of the Migration Programme which provides for family reunion.
Five Country Conference	The Five Country Conference (FCC) is a consortium of government immigration agencies from Australia, Canada, New Zealand, the United Kingdom and the United States of America.
G20	<p>The Group of Twenty (G20) is the international forum for the governments and central bank governors from 20 major economies— 19 nations and the European Union. The G20 was formed in 1999 as a forum for member nations to discuss key issues related to the global economy.</p> <p>The G20 accounts for 85 per cent of the world economy, 76 per cent of global trade, and two-thirds of the world's population, including more than half of the world's poor. The G20 represents all geographic regions of the world.</p>
Grant rate	The number of visas granted as a percentage of the number of visa applications in a given period of time.
Hague Convention of 29 May 1993 on Protection of Children and Co-operation in Respect of Intercountry Adoption	In May 1993, the Hague Conference on Private International Law completed and adopted the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption. The Convention is designed to ensure that intercountry adoption is conducted in the best interests of the child.
Highly Specialised Work stream of the Temporary Work (Short Stay Activity) visa (subclass 400).	This stream of the subclass 400 visa is designed to meet short-term business requirements for specialised skills or knowledge. The visa does not require sponsorship or nomination and may be granted for up to six months with a single or multiple entry facility.
Human capital	Human capital is the stock of knowledge, habits, social and personality attributes, including creativity, embodied in the ability to perform labour so as to produce economic value.

Term	Definition
Illegal maritime arrival (IMA)	<p>The word 'illegal' refers to the mode of entry of persons who enter Australia by boat without a valid visa.</p> <p>Asylum seekers and migrants who are smuggled to Australia may breach border controls and domestic laws in entering and seeking protection in Australia. Unauthorised arrivals are referred to in the <i>Migration Act 1958</i> but in this report the term used is 'illegal maritime arrivals'.</p>
ImmiAccount	<p>Single entry point for individuals, registered migration agents, service delivery partners, business and stakeholders to access the Department's online services.</p> <p>ImmiAccount is the gateway to online services that support clients to create, submit, pay for and manage their online visa applications in one place. It also connects clients to other online services, including My Health Declarations, Visa Finder, Visa Entitlement Verification Online (VEVO), LEGENDcom and the Pricing Estimator.</p>
ImmiCards	<p>ImmiCards are official, secure immigration credentials that contain a photograph and personal details. ImmiCards contain a unique number which is linked to biometric and visa details in our system. Under the National Identity Proofing Guidelines, the ImmiCard is listed as an official Commencement of Identity credential.</p>
<i>Immigration (Guardianship of Children) Act 1946</i>	<p>This legislation provides that the Minister 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.</p>
Labour agreements	<p>Labour agreements enable 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.</p>
Labour agreement programme	<p>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.</p>
Migration Act	<p>The <i>Migration Act 1958</i> is the principal piece of legislation which regulates travel to Australia and the stay of non-citizens.</p>
Migration Programme	<p>The annual planned permanent intake determined by the Australian Government in a budgetary context which governs the number of visas granted for permanent entry from offshore and for permanent resident status onshore. It does not include New Zealand citizens intending to settle permanently in Australia.</p>
Office of the Migration Agents Registration Authority	<p>An office within DIBP that regulates the migration-advice industry to provide appropriate protection and assurance to people using migration advice services.</p>
Online lodgement	<p>A lodgement method where an application can be completed and submitted over the internet.</p>

Term	Definition
Onshore and offshore	Unless otherwise indicated, 'onshore' and 'offshore' refer to the location of the person at the time of applying for a visa or visa grant.
Operation Sovereign Borders Joint Agency Task Force	Operation Sovereign Borders Joint Agency Task Force (OSB JATF) is as a military-led, border security operation established to ensure a whole-of-government effort to combat maritime people smuggling. OSB JATF is supported by 16 Federal Government agencies.
Pass mark	The minimum number of points required for a prospective migrant to be eligible for a visa grant under the points-tested skilled migration visa categories.
Permanent employer sponsored visa programme	The permanent employer sponsored visa programme encompasses the employer nominated scheme and the regional sponsored migration scheme. These visas aim to fill skills shortages in the Australian labour market. They allow visa holders to work in Australia under one of three streams. These are the Temporary Residence Transition stream, the Direct Entry stream and the Agreement stream. The regional sponsored migration scheme features settings to encourage migration to regional Australia.
Permanent residents	Non-citizens who hold a permanent visa which allows them to live, work and study without restriction in Australia.
Planning level	The Australian Government sets annual planning levels by visa category under the permanent Migration Programme for skilled, family and special eligibility stream migrants, and under the Humanitarian Programme for refugees and others in humanitarian need. Planning levels are ceilings, not targets.
Points-tested skilled migration	The points-tested programme is known as the human capital component of the skilled migration programme. It is designed to attract migrants who are highly skilled in key occupations of medium- to long-term need in Australia. The points test is the mechanism used to select skilled migrants who offer the best economic benefit to Australia. It does so by awarding points for various human capital attributes. The points-tested programme includes visa categories for workers nominated by independent sponsors, state or territory government agencies or eligible family members. Skilled workers must be invited to apply for a visa.
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.
<i>Public Governance, Performance and Accountability Act 2013 (PGPA Act)</i>	An Act about the governance, performance and accountability of, and the use and management of public resources by the Commonwealth, Commonwealth entities and Commonwealth companies, and for related purposes.

Term	Definition
Refugee	Person recognised as needing protection. According to the Refugee Convention, a refugee is someone who is outside their country and is unable or unwilling to go back because they have a well-founded fear of being persecuted because of their race, religion, nationality, political opinion or membership of a particular social group.
Regional processing country	A country designated by the minister under subsection 198AB(1) of the <i>Migration Act 1958</i> as a regional processing country.
Regional support office	<p>The regional support office (RSO) of the Bali Process in Bangkok, Thailand, supports practical cooperation on refugee protection and international migration, including human trafficking and smuggling, and other components of migration management in the Asia-Pacific region.</p> <p>It operates under the oversight and direction of the Bali Process co-chairs (Australia and Indonesia), and in consultation with the International Organization for Migration (IOM) and the Office of the United Nations High Commissioner for Refugees (UNHCR).</p>
Regional sponsored migration scheme (RSMS)	A scheme which allows employers in regional or low population growth areas of Australia to sponsor employees who are foreign nationals to receive a permanent visa to work in Australia.
Safe Haven Enterprise visa (SHEV)	A five-year temporary protection visa granted to those who arrive unlawfully in Australia and are found to engage Australia's protection obligations that in some instances can lead to a permanent visa pathway (not a permanent Protection visa).
Service standards	The expected time required by the Department to process applications under various visa categories.
Skill stream	The Skill stream consists of those categories of the Migration Programme 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 occupations 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.
SkillSelect	A method of selecting skilled migrants to fill skill shortages in Australia's labour market, requiring prospective applicants to register an expression of interest (EOI) before being invited to lodge a visa application.
Source country	This is the country where the person has come from, generally evidenced by their country of citizenship as recorded on their passport.

Term	Definition
Special humanitarian programme (SHP)	A stream within the offshore Humanitarian Programme. Applicants must be proposed by an Australian citizen or permanent resident who agrees to pay for their airfares and help them settle in Australia if they are granted a visa.
Special Programme visa (subclass 416), seasonal worker programme stream	This programme is designed to support specific labour market needs in Australia, such as seasonal workers in horticulture, accommodation, aquaculture, and the cane and cotton industries. Participating countries include Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu. The Department of Employment is the lead agency for this programme, with DIBP providing support by managing the visa application process, monitoring visa compliance and providing assistance with training in participating countries.
Special Eligibility stream	A subset of the Migration Programme that provides for the migration of former residents of Australia.
Statutory	Of, relating to, or of the nature of a statute (an enactment made by a legislature and expressed in a formal document). Prescribed or authorised by statute. For example, a statutory process would be a process that is prescribed or authorised by statute.
Streamlined Visa Processing Arrangements	Under Streamlined Visa Processing Arrangements, students who have a Confirmation of Enrolment from a participating education provider will be assessed as though they are lower risk regardless of their country of origin.
Student	A term referring to a holder of a Student visa (subclasses 570–576).
Telehealth	The use of telecommunication techniques for the purpose of providing remote medical consultation, including specialist care and assessment, medical education, and health education over a distance.
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 such as tourism, study, work or other activities. From 2014–15 this definition was expanded to include Special Category visas (subclass 444) provided to New Zealanders when they enter Australia.
Temporary resident (economic) visas	Several temporary resident (economic) visas allow a range of skilled or specialised entrants to work or undertake activities in Australia on a temporary basis. These visas include: <ul style="list-style-type: none"> • highly specialised work stream of the Temporary Work (Short Stay Activity) visa (subclass 400) • exchange and domestic worker (executive) streams of the Temporary Work (Long Stay Activity) visa (subclass 401) • Domestic Worker (Diplomatic or Consular) stream of the Temporary Work (International Relations) visa (subclass 403) • the seasonal worker programme stream of the Special Program visa (subclass 416) • Temporary Work (Entertainment) visa (subclass 420).

Term	Definition
Temporary Work (Entertainment) visa (subclass 420)	This visa is designed to facilitate the temporary entry of people to work in Australia's entertainment industry and to perform at events in Australia.
TIS National	TIS National provides interpreting services in more than 160 languages and dialects for people who do not speak English and for agencies and businesses that need to communicate with their non-English-speaking clients.
TIS Online	TIS Online is an innovative online self-help service that delivers on Australian Government policies to provide better access and equity for non-English speakers, reduces the cost of providing key government services, and adopts digital-first strategies to service real-time community needs. It has transformed TIS National's service capability and channel offering, providing faster and better services for clients at a lower cost per service.
Transferee	An IMA transferred to an offshore processing centre in an offshore regional processing country.
Trans-Tasman Mutual Recognition Act	The <i>Trans-Tasman Mutual Recognition Act 1997</i> provides for the recognition within Australia of regulatory standards adopted in New Zealand regarding goods and occupations.
Unaccompanied humanitarian minor	An unaccompanied humanitarian minor is an unaccompanied minor who has been granted a visa under Australia's offshore Humanitarian Programme or granted a Protection visa in Australia.
Unaccompanied minor	<p>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.</p> <p>Certain unaccompanied minors fall under the guardianship of the Minister by operation of the <i>Immigration (Guardianship of Children) Act 1946</i> (IGOC Act).</p> <p>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 the child.</p>
Web Content Accessibility Guidelines (WCAG) version 2.0 AA standards	<p>The Australian Government has endorsed the Web Content Accessibility Guidelines (WCAG) version 2.0 for all government websites. WCAG 2.0 covers a wide range of recommendations for making Web content more accessible. This requirement supersedes the previous mandate for compliance with WCAG 1.0.</p> <p>Accessible web content benefits our Department, our employees and our clients. Compliance with these guidelines ensures that every member of the community is able to effectively use or access departmental web content, regardless of race, gender, locality, disability or age.</p> <p>For more information, see www.webguide.gov.au/accessibility-usability/accessibility/</p>

Term	Definition
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 visa (subclass 417) holders and Work and Holiday visa (subclass 462) holders.
457 Integrity Review	The Independent Review into Integrity in the 457 Programme was commissioned by the Australian Government in February 2014 to evaluate the programme settings and to ensure that any future changes to the programme are based on evidence and analysis. The report entitled <i>Robust New Foundations: A Streamlined, Transparent and Responsive System for the 457 Programme</i> was released by Government on 10 September 2014. The Government announced its response to the report on 18 March 2014.
457 programme	<p>The Temporary Work (Skilled) visa (subclass 457) is designed to address labour shortages by allowing genuinely skilled overseas workers to enter Australia temporarily when employers are unable to find an appropriately qualified Australian to fill a position. The programme is uncapped and demand-driven, and is designed to be responsive to immediate skills needs.</p> <p>It also enables overseas businesses temporary access to fulfil contracts to perform work, or to provide services to an Australian business, to establish a branch of their business in Australia.</p>
24/7	Twenty-four hours a day, seven days a week.

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 77: Compliance index

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Letter of transmittal	Mandatory	iii
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Index	Mandatory	374–384
Glossary	Mandatory	360–368
Contact officer	Mandatory	ii
Internet home page address and Internet address for report	Mandatory	ii
Review by Secretary		
Review by Departmental Secretary	Mandatory	4–9
Summary of significant issues and developments	Suggested	4–8
Overview of Department's performance and financial results	Suggested	8
Outlook for following year	Suggested	9
Significant issues and developments—Portfolio	Portfolio departments—suggested	4–8
Departmental overview		
Role and functions	Mandatory	14–15
Organisational structure	Mandatory	18–21
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Where outcome and programme structures differ from PBS/PAES or other portfolio statements accompanying any other additional appropriation bills (other portfolio statements), details of variation and reasons for change	Mandatory	15
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Table 77: Compliance index

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Report on performance		
Review of performance during the year in relation to programmes and contribution to outcomes	Mandatory	39–46, 104, 116–121, 150–152, 153–157
Actual performance in relation to deliverables and KPIs set out in PB Statements/PAES or other portfolio statements	Mandatory	47–115, 122–149, 158–201
Where performance targets differ from the PBS/PAES, details of both former and new targets, and reasons for the change	Mandatory	105, 107, 122, 141, 158, 169, 184–186, 191–197
Narrative discussion and analysis of performance	Mandatory	47–115, 122–149, 158–201
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Discussion and analysis of the Department's financial performance	Mandatory	32–38
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Agency resource statement and summary resource tables by outcomes	Mandatory	35–38, 46, 121, 157

Table 77: Compliance index

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Corporate governance		
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Internal audit arrangements including approach adopted to identifying areas of significant financial or operational risk and arrangements to manage those risks	Suggested	206–207
Policy and practices on the establishment and maintenance of appropriate ethical standards	Suggested	207
How nature and amount of remuneration for SES officers is determined	Suggested	207
External scrutiny		
Significant developments in external scrutiny	Mandatory	208–209
Judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner	Mandatory	209–210
Reports by the Auditor-General, a Parliamentary Committee or the Commonwealth Ombudsman, or an agency capability review (once released)	Mandatory	210
Management of human resources		
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Work health and safety performance	Suggested	226–231
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Statistics on staffing	Mandatory	218–221
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Enterprise or collective agreements, IFAs, determinations, common law contracts and AWAs	Mandatory	224–225
Performance pay	Mandatory	225
Asset management		
Assessment of effectiveness of assets management	If applicable, mandatory	236

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Purchasing		
Assessment of purchasing against core policies and principles	Mandatory	234
Consultants		
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	234
Australian National Audit Office access clauses		
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