



Australian Government  
Department of Home Affairs

# 2019–20 Annual Report



# 2019–20

## Annual Report

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ISSN 2209-2625 (print)  
ISSN 2209-2633 (online)

P - 20-02321

# THE HOME AFFAIRS PORTFOLIO

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## The Portfolio structure 30 June 2020

- **The Department of Home Affairs**  
Secretary: Michael Pezzullo AO
- **The Australian Border Force**  
Commissioner: Michael Outram APM
- **The Australian Transaction Reports and Analysis Centre**  
Chief Executive Officer: Nicole Rose PSM
- **The Australian Security Intelligence Organisation**  
Director General of Security: Mike Burgess
- **The Australian Federal Police**  
Commissioner: Reece P. Kershaw APM
- **The Australian Criminal Intelligence Commission**  
*Includes the Australian Institute of Criminology*  
Chief Executive Officer: Michael Phelan APM

# THE DEPARTMENT OF HOME AFFAIRS AND AUSTRALIAN BORDER FORCE

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## Purpose statement

**Prosperous:** Through our unique capabilities, powers and activities we contribute to Australia's prosperity by enabling a globally connected and open economy.

**Secure:** Together we will protect Australia and Australians from key national security and criminal threats.

**United:** We celebrate Australia's multicultural society and safeguard Australia's democracy by building community resilience and engendering respect for Australia's shared values and institutions.

## Vision

A secure Australia that is prosperous, open and united.

## Mission

Work together with the trust of our partners and community to keep Australia safe and secure, and support a cohesive and united Australia open for global engagement.

# Role and functions

The Department of Home Affairs (the Department) is responsible for centrally coordinated strategy and policy leadership in relation to immigration, citizenship and multicultural affairs, domestic and national security arrangements, law enforcement, emergency management, counter-terrorism, social cohesion, the protection of Australia's sovereignty, the integrity of the border, and the resilience of national infrastructure.

The Australia Border Force (ABF) as an operationally independent body is responsible for implementing Australia's border enforcement policies, managing frontline border law enforcement and customs activities to protect the integrity of Australia's borders. The ABF facilitates movements of legitimate trade and travel across Australia's borders.

The ABF leads the child safeguarding framework for all programs and functions administered by the Department and the ABF that involve non-citizen children. The ABF also continues to strengthen our world leading efforts to eradicate modern slavery from international supply chains.

# Authority

The Secretary of the Department, Michael Pezzullo AO, is the Accountable Authority for both the Department and the ABF under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The Commissioner of the ABF, Michael Outram APM, is a statutory appointee and leads the operational functions of the ABF. The approach, which is supported by legislative and administrative arrangements, encompasses the individual and joint responsibilities and accountabilities of the Secretary of the Department and the Commissioner of the ABF.

# Operating environment

As a global organisation, the Department and the ABF bring together 14,008 staff based in Australia and across 98 locations around the world.

The Department's operating environment is typically characterised by increasing complexity and volume, notwithstanding the significance of the temporary impacts on international travel and migration caused by the COVID-19 pandemic. The Department continues to assess our operating environment to ensure we remain vigilant and responsive to emerging and ongoing threats.

# Strategy

Throughout 2019–20, the Department and the ABF continued to align its activities to the *Department of Home Affairs 2019–20 Corporate Plan*, and the *People Strategy 2025*. These key strategy documents alongside the ABF's *Realising our Full Potential*, have guided our work, our resourcing and our operational posture.



# READER'S GUIDE

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This is the annual report from the Secretary of the Department and the Commissioner of the ABF to the Minister for Home Affairs for the financial year ending 30 June 2020. The annual report also includes the Secretary's fraud certification as the Department's Accountable Authority.

The report presents the Department's and ABF's performance for 2019–20, and has been prepared in accordance with the Department of Finance's *Resource Management Guide No. 135—Annual report for non-corporate Commonwealth entities*, issued in May 2020.

## Report structure

### Part 1: Overview

Part 1 contains a review of the financial year by the Secretary of the Department and the Commissioner of the ABF. It demonstrates outcomes delivered throughout 2019–20 and highlights key developments, achievements and environmental pressures.

### Part 2: Annual Performance Statement

Part 2 supports the *Enhanced Commonwealth Performance Framework* by summarising the Department's performance as set out in the *Department of Home Affairs 2019–20 Corporate Plan* and *2019–20 Portfolio Budget Statements*. It also acquits performance against the *2019–20 Portfolio Additional Estimates Statements*.

### Parts 3 and 4: Report on financial performance and financial statements

Parts 3 and 4 contain discussion and analysis of the Department's financial performance, including the audited financial statements and a report by the Auditor-General.

## Part 5: Management and accountability

Part 5 encompasses the governance framework, fraud and risk management arrangements, human resources, procurement initiatives and purchasing practices. Part 5 also includes relevant information on external scrutiny, workforce planning, workplace health and safety, client services, advertising and market research, ecologically sustainable development and environmental performance, and grants programs.

## Part 6: Appendices

Part 6 provides supplementary information, including the years at a glance statistical table, material errors from the *2018–19 Annual Report*, tables relating to the report on financial performance, and information on legal services expenditure.

## Part 7: Reference material

Part 7 contains the abbreviations, glossary of key terms, alphabetical index and the compliance index, which includes the list of requirements under the *Public Governance, Performance and Accountability Rule 2014*.

# LETTER OF TRANSMITTAL

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**Australian Government**  
**Department of Home Affairs**

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The Hon Peter Dutton MP  
Minister for Home Affairs  
Parliament House  
Canberra ACT 2600

The Hon David Littleproud MP  
Minister for Agriculture, Drought and Emergency Management  
Parliament House  
Canberra ACT 2600

The Hon Alan Tudge MP  
Acting Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs  
Parliament House  
Canberra ACT 2600

The Hon Jason Wood MP  
Assistant Minister for Customs, Community Safety and Multicultural Affairs  
Parliament House  
Canberra ACT 2600

Dear Ministers,

I am pleased to present the *Department of Home Affairs 2019–20 Annual Report* for the reporting period ending 30 June 2020, as is required by subsection 46(1) of the *Public Governance, Performance and Accountability Act 2013*.

The report has been prepared pursuant to the requirements for annual reports approved by the Joint Committee of Public Accounts and Audit and as prescribed in the *Public Governance, Performance and Accountability Rule 2014* (the Rule).

I, the Secretary, as the Accountable Authority, certify that the Department has prepared fraud and corruption risk assessments and a fraud and corruption control plan that comply with the requirements of Section 10 of the Rule. The Department and the ABF have fraud prevention, detection, investigation, reporting and data collection procedures and processes in place that align with the requirements of the *Commonwealth Fraud Control Framework 2017*.

I have taken all reasonable measures to minimise the incidence of fraud within the Department and the ABF, and to investigate and recover the proceeds of fraud against the Department.

Your sincerely

A handwritten signature in black ink, appearing to read 'M. Pezzullo'.

**Michael Pezzullo AO**  
Secretary, Department of Home Affairs  
7 September 2020

# LETTER OF ENDORSEMENT

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**Australian  
BORDER FORCE**

The Hon Peter Dutton MP  
Minister for Home Affairs  
Parliament House  
Canberra ACT 2600

The Hon David Littleproud MP  
Minister for Agriculture, Drought and Emergency Management  
Parliament House  
Canberra ACT 2600

The Hon Alan Tudge MP  
Acting Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs  
Parliament House  
Canberra ACT 2600

The Hon Jason Wood MP  
Assistant Minister for Customs, Community Safety and Multicultural Affairs  
Parliament House  
Canberra ACT 2600

Dear Ministers,

I am pleased to endorse the *Department of Home Affairs 2019–20 Annual Report* as an appropriate and accurate representation of the Australian Border Force's contribution to the performance of the Department of Home Affairs for the reporting period ending 30 June 2020.

As an independent statutory officer holder with operational control of the Australian Border Force, I have supported the Secretary of the Department of Home Affairs in complying with the requirement of section 10 of the *Public Governance, Performance and Accountability Rule 2014* relating to fraud and corruption.

Within the Australian Border Force, we continue to implement fraud prevention, detection, investigation, reporting and data collection procedures and processes in place that align with the requirements of the *Commonwealth Fraud Control Framework 2017*.

I commend to you the *Department of Home Affairs 2019–20 Annual Report*.

Your sincerely

A handwritten signature in black ink, appearing to read 'M. Outram'.

**Michael Outram, APM**  
Commissioner, Australian Border Force  
9 September 2020

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# PART 1

## OVERVIEW

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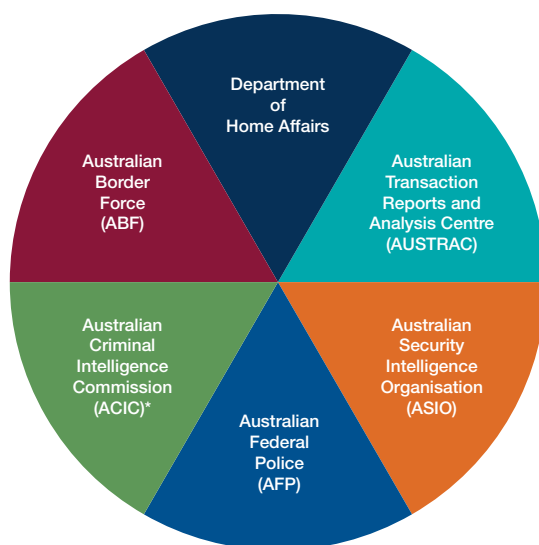
# ABOUT THE PORTFOLIO

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The Home Affairs Portfolio integrates Australia's federal law enforcement, national and transport security, criminal justice, emergency management, multicultural affairs, immigration and border-related functions. The Portfolio brings together the capabilities of individual agencies to create a safe, Prosperous, Secure and United Australia through coordinated strategic policy, planning and sustained joint effort.

The integrated structure of the Portfolio enables coordinated and effective responses to increasingly complex national security challenges, and supports an all-hazards preparedness capability. It enhances our ability to mobilise our workforce, provide surge capacity across agencies, share platforms and break down the common silos that can hinder our ability to rapidly respond. This allows us to combat threats to national security, modernise trade and travel, and build resilience to ensure continued delivery of critical services that everyday Australians rely on.

The Portfolio's structure also ensures that departmental and agency powers are exercised consistently and lawfully with appropriate external accountability and oversight arrangements, while maintaining the statutory independence of Portfolio agencies. Independent entities under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) produce individual annual reports. This includes the Australian Criminal Intelligence Commission, the Australian Security and Intelligence Organisation, the Australian Federal Police and the Australian Transaction Reports and Analysis Centre. The Australian Border Force's (ABF) performance for 2019–20 is acquitted within the *Department of Home Affairs 2019–20 Annual Report*.



\*ACIC includes the Australian Institute of Criminology.

Figure 1: The Home Affairs Portfolio

## Ministerial responsibilities from 1 July 2019–30 June 2020

As at 1 July 2019:

- The Hon Peter Dutton MP was Minister for Home Affairs
- The Hon David Littleproud MP was Minister for Water Resources, Drought, Rural Finance, Natural Disaster and Emergency Management
- The Hon David Coleman MP was Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs
- The Hon Jason Wood MP was Assistant Minister for Customs, Community Safety and Multicultural Affairs.

## Changes in ministerial responsibilities during the reporting period

On 13 December 2019, the Hon Alan Tudge MP was appointed as acting Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs. Minister Tudge also remains the Minister for Population, Cities and Urban Infrastructure.

On 6 February 2020, the Hon David Littleproud MP was sworn in as the Minister for Agriculture, Drought and Emergency Management.

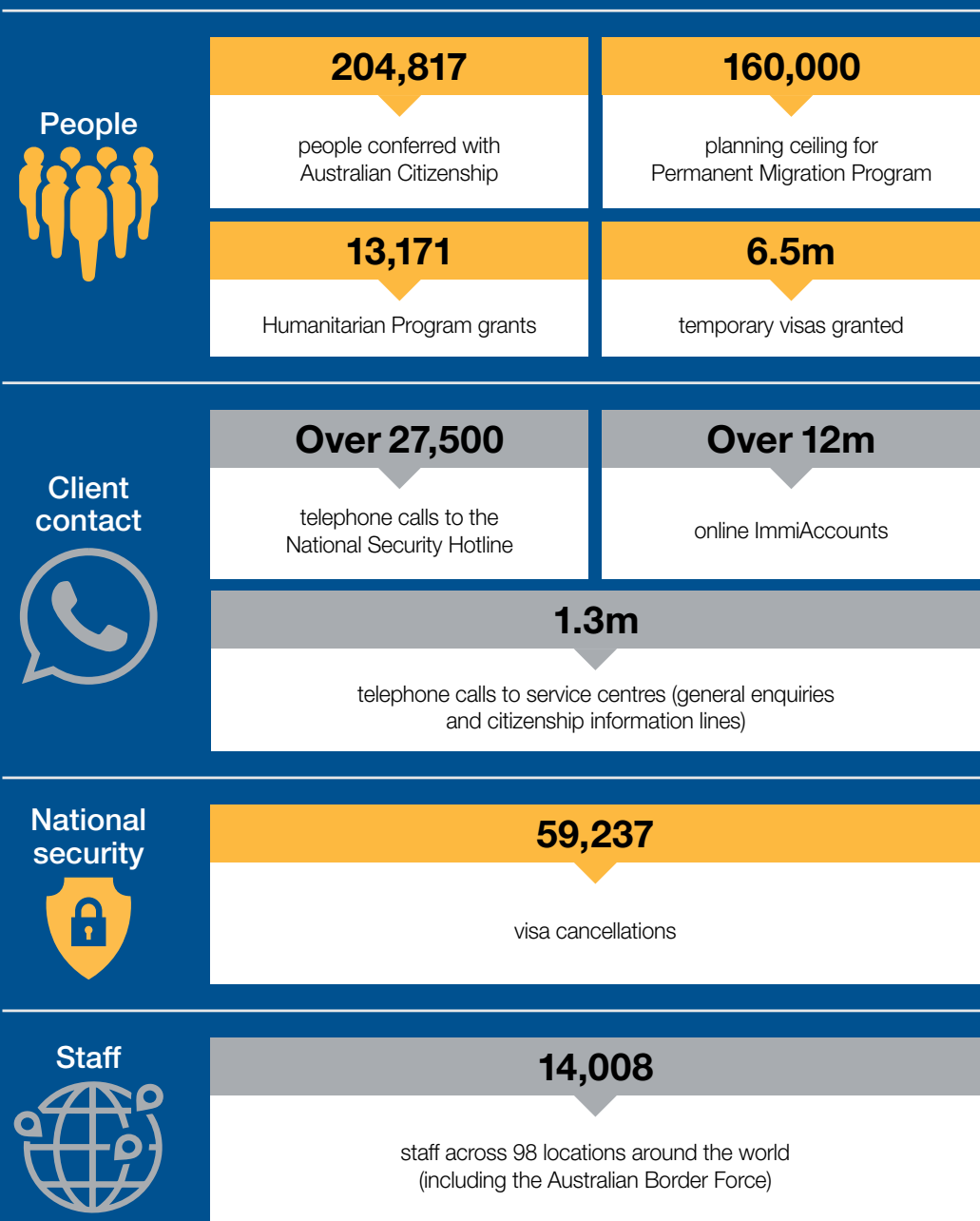
# ABOUT THE DEPARTMENT

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The Department is responsible for centrally coordinated strategy and policy leadership in relation to emergency management including disaster recovery and resilience, the protection of Australia's sovereignty, citizenship and social cohesion, cyber systems and critical infrastructure, immigration, border security and management, law enforcement, and counter-terrorism. Through our Commonwealth Coordinators and the Director-General of Emergency Management Australia, the Department enables rapid responses to threats of foreign interference, terrorism, organised crime and natural disasters. The Department promotes social cohesion through multicultural programs, and manages and confers citizenship through the Australian Citizenship Program. The Department also contributes to Australia's unity and prosperity through the management and delivery of the migration, refugee and humanitarian programs, and through modernising our trade and travel systems.

# The Department at a glance

Figure 2: The Department at a glance





# ORGANISATIONAL STRUCTURE

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The Department’s organisational structure at 30 June 2020 is shown in Table 1 below:

Table 1: Department organisational structure

Groups				
Corporate and Enabling	Policy	Citizenship and Social Cohesion	Immigration and Settlement Services	Security and Resilience
Provide integrated support services that allow the Department and the ABF to function effectively, including specialised corporate, people and financial advice and assistance.	Provide comprehensive policy and planning development at strategic and operational levels.	Deliver citizenship and social cohesion policies and programs, including coordination of Australia’s counter terrorism arrangements.	Deliver migration and visa policy and programs, and humanitarian and settlement programs to maximise the benefits of immigration through Australia’s migrant and humanitarian intake.	Deliver key security and emergency management policies and programs in consultation with industry, and state and territory partners.

## Groups

Technology and Major Capability	Legal	Citizenship, Social Cohesion and Multicultural Programs	National Coordination Mechanism Taskforce	National Coordination Mechanism Operations
Provide the Department's information and communications technology, and build and integrate capability services.	Provide specialist in-house legal services to the Minister, the executive and staff to support lawful implementation of the Department's objectives.	Deliver end-to-end citizenship and multicultural policy and programs to support a multicultural society and enhance social cohesion.	Coordinate the cross-jurisdictional response to non-health aspects of the COVID-19 pandemic, including supporting the Government in meeting challenges of COVID-19 and its impact on the Australian community.	Provide national coordination of essential services, especially to those vulnerable Australians in quarantine or isolation as part of the national response to COVID-19.

## Commonwealth Coordinators

National Counter Foreign Interference Coordinator	Counter-Terrorism Coordinator	Director General, Emergency Management Australia	Coordinator General Migrant Services
Lead the national response to counter foreign interference to protect Australia's sovereignty, values and national interests by increasing the cost and reducing the benefit of foreign interference to foreign actors.	Lead counter-terrorism policy and coordination across the Australian Government, including coordinating national capability through the Australian-New Zealand Counter-Terrorism Committee.	Lead the Government's efforts in national disaster management across the emergency preparedness, response and recovery spectrum.	Oversee the implementation of the Government's migrant services, policies and programs to support positive integration, employment and settlement outcomes for migrants and refugee and humanitarian entrants.

# THE EXECUTIVE TEAM

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As at 30 June 2020



## **Michael Pezzullo AO**

### **Secretary of the Department of Home Affairs**

Michael Pezzullo AO was appointed Secretary of the Department of Home Affairs on 20 December 2017.

Throughout 2019–20, Michael was responsible for providing leadership and coordination of strategy, planning and policy for the Department, and was the principal official policy adviser to the Portfolio's Ministers on issues related to emergency management, countering espionage and foreign interference, immigration and citizenship, multicultural affairs, cyber security, critical infrastructure protection, customs and border protection, trade and travel facilitation, law enforcement, counter-terrorism, countering violent extremism and transport, civil maritime and aviation security.

Michael also had overall accountability to manage both risk and performance as the Accountable Authority for the Department of Home Affairs and the Australian Border Force. As Secretary of the Home Affairs Portfolio, in collaboration with the heads of Portfolio agencies, Michael ensured that the Portfolio delivered effective outcomes for the Australian Government, the community and our partners.



## **Marc Ablong PSM**

### **Deputy Secretary Policy Group**

Marc was responsible for the Department's strategy and capability, and its comprehensive policy capability, including law enforcement, international policy, cyber security, and intelligence policy. Marc was also responsible for the Operation Sovereign Borders Joint Agency Task Force, which ensured whole-of-government effort to counter people smuggling.



### **Paul Grigson**

#### **Deputy Secretary National Coordination Mechanism Taskforce**

In Paul's role as Head of the National Coordination Mechanism Taskforce he was responsible for supporting the Government to meet the challenges of COVID-19 and its impact on the community. Paul was responsible for supporting operations of Government, including the Australian Cabinet, National Cabinet, National Security Committee, Secretaries' Committee on National Security, National Coordination Mechanism, Emergency Management Australia, and liaison with the Australian Health Protection Principal Committee.



### **Andrew Kefford PSM,**

#### **Deputy Secretary Immigration and Settlement Services Group**

Andrew was responsible for the administration of Australia's permanent and temporary migration programs, the Refugee and Humanitarian Program and settlement programs. Andrew also delivered status resolution in detention and the community, and managed the Department's client facing services and information services.



### **Luke Mansfield,**

#### **Deputy Secretary Citizenship and Social Cohesion**

Luke was responsible for supporting social cohesion through citizenship and multicultural programs, including citizenship application processing, conferral and revocation of citizenship, multicultural community engagement, and counter violent extremism capability building programs. Luke was also responsible for coordinating Australia's counter-terrorism arrangements for the Prime Minister and the Minister for Home Affairs, working closely with state and territory agencies.



### **Cheryl-anne Moy**

#### **Deputy Secretary Corporate and Enabling and Chief Operating Officer**

Cheryl-anne was responsible for delivering strategic and tactical corporate capabilities to the Department and the ABF. The integrated range of services and products, including specialised people, finance and data services, supported the Department and the ABF to function effectively.



### **David Nockels**

#### **Deputy Secretary Security and Resilience**

David was responsible for security in the aviation and maritime sectors and to Australia's critical infrastructure, and for leading the Australian Government's efforts in emergency preparedness. David was also responsible for building national identity and biometrics capabilities to support policy, operational and decision-making capabilities of the Department and our partners.



### **Alison Larkins**

#### **Coordinator-General for Migrant Services**

Alison joined the Department as the inaugural Coordinator-General for Migrant Services on 19 December 2019 as part of the Department's response to the independent review into Australia's integration, employment and settlement outcomes for refugees and humanitarian entrants. Alison was responsible for overseeing the implementation of the Government's migrant services, policies and programs.



### **Chris Teal**

#### **National Counter Foreign Interference Coordinator**

Chris was responsible for delivering an effective, efficient and consistent national response to foreign interference by providing a focal point for coordinating policy and program development and leading on engagement across government, business and academia.



## **Pip de Veau**

### **Group Manager Legal**

Pip was responsible for providing in-house specialist legal services and advice to the Minister, the executive and to departmental and ABF staff, and supporting lawful implementation of the Department's objectives.



## **Richard Johnson**

### **Group Manager Citizenship, Social Cohesion and Multicultural Programs, and Deputy National Coordination Mechanism Communication and Information Operations**

Richard was responsible for end-to-end delivery of the Citizenship Program, including pre-lodgement, application and conferral and revocation of citizenship, as well as social cohesion and multicultural policy and programs.

Richard was also responsible for supporting the National Coordination Mechanism Taskforce by driving communications to inform the Australian public about actions the Government is taking to slow the spread of COVID-19, save lives and maintain public safety.



## **Michael Milford AM**

### **Group Manager Technology and Major Capability**

Mike was responsible for managing the end-to-end information and technology environment for the Department. This included the day-to-day delivery and improvement of the technologies that support the 24/7 operations of the Department and the ABF. Mike was responsible for developing, enhancing and maintaining the systems that underpin the Department's operations and position it to meet operational priorities and evolving strategic direction.

## Changes to the Executive Team

The following changes in the Department's leadership occurred during 2019–20:

- Rachel Noble PSM left the position of Deputy Secretary Executive in July 2019 to fill the position of Head of the Australian Cyber Security Centre.
- Linda Geddes was appointed Deputy Secretary Citizenship and Social Cohesion in July 2019. Linda left the position of Deputy Secretary Citizenship and Social Cohesion, and Commonwealth Counter-Terrorism Coordinator in March 2020 to fill the role of Deputy Director General SIGINT and Network Operations in the Australian Signals Directorate.
- Karl Kent OAM left the position of Transnational Serious and Organised Crime Coordinator in October 2019 to fill the position of Deputy Commissioner Capability at the Australian Federal Police.
- Alison Larkins joined the Department as the inaugural Coordinator-General for Migrant Services on 19 December 2019. Before this, Alison was a Principal at the Nous Group.

## COVID-19 leadership changes

From March 2020, a number of structural changes and short-term leadership appointments were made for an initial period of six months to support the Department's response to the COVID-19 pandemic.

- Michael Pezzullo AO assumed the role of Commonwealth Counter-Terrorism Coordinator in addition to his duties as Secretary.
- Luke Mansfield was appointed Deputy Secretary Citizenship and Social Cohesion. Luke was previously First Assistant Secretary Refugee, Humanitarian and Settlement Division.
- Andrew Kefford was appointed Deputy Secretary Immigration and Settlement Services. Andrew was previously First Assistant Secretary Visa Delivery Transformation Division.
- David Nockels was appointed Deputy Secretary Security and Resilience Group. David was previously First Assistant Secretary Identity and Biometrics Division.
- Pip De Veau was appointed Group Manager Legal, in addition to her role as General Counsel.
- Richard Johnson was appointed Group Manager Citizenship, Social Cohesion and Multicultural Affairs, and Deputy National Coordination Mechanism Communications and Information Operations. Richard was previously First Assistant Secretary Citizenship and Social Cohesion Policy Division.
- Paul Grigson was appointed Head of the National Coordination Mechanism Taskforce. Paul was previously Deputy Secretary Security and Resilience.

# SECRETARY'S REVIEW

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## Our performance

In 2019–20, the Department of Home Affairs contributed to Australia's Prosperity, Security and Unity by delivering critical services that the Australian public, industry and international stakeholders rely on. The Home Affairs Portfolio has played a vital role in responding to the 2019–20 bushfires and the COVID-19 pandemic. The integration of previously disparate national security functions has contributed to achieving success in 2019–20 through greater multidisciplinary cohesion and the collective use of resources.

The Department and the ABF have continued to work domestically, at our borders and internationally to protect Australia and its interests. Throughout 2019–20, we have demonstrated an ability to rapidly pivot our resources, our focus and our strategies to respond to Government priorities. Our experiences and the lessons learnt from recent crises allow the Department and our partners to enhance preparedness, build community resilience and position us to manage future challenges.

The Department swiftly responded to the escalating 2019–20 bushfires, including through quickly providing assessments enabling more than \$100 million in disaster recovery payments for individuals impacted by the 2019–20 bushfires.

With the COVID-19 pandemic closely following the 2019–20 bushfires, we adopted an all-hazards approach to emergency management and crisis coordination and response.

The deep, versatile capabilities within Department and Portfolio enabled us to surge resources into emergency management and disaster recovery.

On 5 March 2020, drawing on and complementing existing capabilities within the Department and across the Portfolio, the Australian Government established the National Coordination Mechanism (NCM), with the primary focus being to coordinate and facilitate nationally consistent approaches to non-health-related planning and responses to COVID-19. This included resolving complex issues such as the movement of resources, sector personnel and goods across domestic borders, supporting vulnerable people, including through engagement with the not-for-profit sector on home delivery and service options, and managing the repatriation of Australian citizens, permanent residents and their immediate relatives to Australia.

The NCM demonstrated effective collaboration and sharing of information across the



Commonwealth, states and territories and the private sector which enabled timely and comprehensive advice to be provided to national leaders on both practical solutions and emerging risks.

On 18 March 2020, the Australian Government established the Supermarket Taskforce. The Taskforce brought together major supermarket executives, relevant peak bodies, states, territories and local authorities to discuss and resolve the issues supermarkets were facing due to COVID-19 and to ensure all Australians could continue to access essential items. This included working with the Australian Local Government Association and local councils to adjust trucking curfew arrangements to ensure that curfews did not impede the restocking of shelves in Australian supermarkets. The Taskforce is a testament to the Department's ability to work flexibly in support of domestic security and prosperity priorities.

We rapidly implemented enhanced border control measures in response to the COVID-19 pandemic in cooperation with whole-of-Government partners. The ABF has been at the forefront of the Australian Government's response to the COVID-19 pandemic, through the implementation and enforcement of these enhanced biosecurity and border measures for trade and travel. In airports, the ABF rapidly responded to the COVID-19 pandemic through updating procedures for incoming passengers and implementing new programs and capabilities to reduce the likelihood of transmission.

Despite the unprecedented disruption caused by the COVID-19 pandemic, the Department continued to deliver our migration and citizenship programs under adjusted policy settings, monitor and evaluate potential terrorist threats at home and abroad, mitigate threats to Australia's democracy through espionage, foreign interference and disinformation, and combat the rise in online child exploitation and abuse.

The Department continued to protect Australia from national security and criminal threats throughout 2019–20. Through effective national coordination and engagement with our Government and industry partners, the Department launched the *Home Affairs Portfolio Illicit Drug Action Plan* on 20 November 2019 and supported the Australia-New Zealand Counter-Terrorism Committee to bring forward projects to enhance Australia's ongoing capability in identifying, mitigating and responding to terrorism.

The Department also coordinated the 'No Money for Terror' Ministerial Conference on Counter-Terrorism Financing, which was held in Melbourne in November 2019. More than 65 delegations came together as part of a collective commitment to combat the financing of terrorism. The conference actively contributes to the delivery of our Portfolio priorities of regional and international capacity building and participating in cooperative solutions for global problems. The success of the conference built on the reputation of the Department and Australia for making significant contributions to challenging policy debates and hosting major international events.

Cyber threats are growing in sophistication and scale and continue to be a constant threat. In 2019–20, the Department completed the delivery of all initiatives under the *2016 Cyber Security Strategy*, and worked towards finalising *Australia's Cyber Security Strategy 2020*. In finalising *Australia's Cyber Security Strategy 2020*, the Department extensively consulted with industry and government. This included receiving 215 submissions on the discussion paper '*Australia's Cyber Security Strategy 2020: A Call for Views*', 1400 face-to-face stakeholder consultations across every state and territory and the establishment of an Industry Advisory Panel. The Industry Advisory Panel met 13 times throughout 2019–20 to guide the development of the strategy. Implementation of the *Australia's Cyber Security Strategy 2020* will be achieved through continued strong partnerships that drive cyber resilience across industry, government and the community and the relationships built in the 2019–20 period will be fundamental to the Strategy's success.

The Department remained committed to effectively managing the Citizenship Program by quickly adapting our approach to citizenship ceremonies and appointments to provide COVID-19-safe service delivery for the Australian community. From 31 March 2020 to 30 June 2020, 45,000 individuals acquired citizenship through online ceremonies, with more than 750 people per day becoming citizens through online ceremonies from 30 April onwards.

Throughout 2019–20, we have demonstrated our ability to operate in a complex, intensified and highly demanding context, mitigating and responding to immediate threats, while at the same time maintaining 'business as usual' services and activities. The Annual Performance Statement at Part 2 shows that despite 40 metrics being impacted by COVID-19, 27 of these metrics were met and nine were partially met.

## Our business and systems improvements

The Department and the ABF worked continuously to improve our programs and systems to ensure services were delivered seamlessly and efficiently, in line with the Australian Government's service delivery reform agenda. Throughout 2019–20, the Department continued to transform how services are delivered and connected, utilising technology and data to provide better, more accessible services.

For example, the Department trialled a Virtual Assistant (VA) to assess the viability and client appetite for such a service, the primary goal of which was to support clients to quickly find relevant information online. During the trial, the VA responded to more than 210,000 immigration and citizenship enquiries.

Following a successful trial, the VA was expanded to assist clients with enquiries relating to COVID-19 border restrictions and was instrumental in assisting the Department to respond quickly and effectively to a significant increase in client enquiries.

The Department's websites continued to play a major role in providing information to clients and the Australian community. During the 2019–20 summer bushfires and the COVID-19 pandemic, the Department's online presence was redeveloped to provide a consistent and comprehensive source of information on visas, citizenship, travel restrictions and support services. The Department launched new websites, including *COVID-19 and the border* to provide clear information about the impact of the pandemic on visa and border arrangements, and *COVID-19 in your language* in April 2020 to provide non-English speakers with a single source of accurate, official information and updates from across Government.

The Department also continued to refine and adjust call handling processes to ensure the Global Service Centre (GSC) provided a responsive and timely service during periods of heightened demand. A new Ticket Management System was introduced in April 2020, delivering improved tracking and, where required, follow-up of all client enquiries received by the GSC. This end-to-end visibility of client enquiries will identify further opportunities to respond to client needs, especially in resolving complex case enquiries.

## Our people

Throughout 2019–20, our staff demonstrated flexibility and commitment to Australian Government priorities by redeploying to support critical government functions during the peak of the COVID-19 response. We have continued to mature our responsiveness and flexibility and have embedded this approach into our current operating model and our *Future Ready* strategy, launched on 1 July 2020.

The Department continued to foster a high performance culture through enhanced people management and development. In 2019–20, the Department conducted individual capability assessments for our Senior Executive Service, executive level employees, and a selection of APS6 employees.

The Department has demonstrated its ability to quickly develop and deploy innovative solutions in the normal course of business, sustain high levels of activity for extended periods through surge arrangements, and continue to deliver critical services while navigating the challenges of social distancing and other necessary operational restrictions. This included supporting our staff throughout the transition to working from home arrangements. For example, the Department launched two internal online sites to support staff transitioning to working from home. These sites provided staff with a range of curated online learning and training resources. The Department also expanded our network capacity to enable more staff to work remotely.

The Department continued to implement action plans to celebrate the diversity of the Department and the Australian community.

The Department launched the *LGBTIQ+ Action Plan 2019–2022* which has had significant impacts on the way in which we record information in regard to sex and gender, as well as how we recognise and support our colleagues, individuals and families.

Through the *Disability Action Plan 2016–20*, the Department committed to a three year contract which established participation in the Dandelion Program. There has been a positive uptake of the program with the Department continuing to provide support and resources to enable participants to achieve positive outcomes.

As part of the ongoing implementation of the Department's *Reconciliation Action Plan 2019–22* four staff participated in the Jawun Secondment Program. Staff were placed into Indigenous communities providing an immersive learning experience focused on developing cultural competence and an understanding of Indigenous culture.

The Department continued to implement initiatives within the *Gender Equality Action Plan 2017–20*. This ongoing commitment saw 53.3 per cent of board positions in the Home Affairs Portfolio filled by women.

In March 2020, the Department finalised its *Integrity Strategy 2025*, which was released in August 2020. The *Integrity Strategy 2025* focuses on providing our staff with proactive, targeted and tailored training to support the Department to dynamically respond to integrity risk across the organisation.

The Department welcomed 52 graduates in February 2020 through the Graduate Development Program, which aims to develop a professional and agile workforce to address the Department's critical skill gaps and build workforce capability. Nine Indigenous and Torres Strait Islander apprentices were engaged under the Department of Human Services' Indigenous Apprenticeship Program and graduated with a nationally recognised Certificate IV in Government.

## Looking forward

Throughout 2019–20, the Department and the ABF demonstrated our ability to protect Australia from security threats in a complex and evolving environment, against the backdrop of the 2019–20 bushfires and the unprecedented impacts of the COVID-19 pandemic. Our performance in supporting whole-of-government response and recovery efforts, and the continuous delivery of our core functions has demonstrated the Department's ability to pivot its resources and remain agile in times of adversity.

We have remained vigilant and will continue to prepare for, and where possible

mitigate against, emerging national security threats. The Department will continue to lead efforts in ensuring Australia's national civil contingency arrangements have the capability to respond to more concurrent, interdependent and intensifying natural and man-made disasters.

The work of Emergency Management Australia and the National Coordination Mechanism (NCM) in response to COVID-19 and the 2019–20 bushfires has highlighted the importance and efficacy of central coordinating systems. The economic impacts of the COVID-19 pandemic are in flux, with the pace of economic recovery aligned with state and regional ability to reduce the spread and health-related impacts of COVID-19.

The Royal Commission into National Natural Disaster Arrangements is examining the role of the Commonwealth in responding to national emergencies. These findings will be implemented moving into 2020–21. We will continue to enhance our civil defence capabilities and embed the NCM and the Department's surge personnel arrangements to ensure we are able to respond to future crises.

From 1 July 2020, the NCM has been embedded as a permanent function of the Department, with work currently being scoped on scaling the NCM to respond to other crisis situations in the future. By engaging early and regularly with stakeholders (particularly our state and territory colleagues), the NCM is building a diverse network of connections that we can draw on in a crisis or where an event or policy decision requires cross-jurisdictional consultation. This ensures a nationally consistent approach to issues relevant to the Home Affairs Portfolio. The NCM continues to coordinate the national non-health response to COVID-19.

Global interconnectedness and technological advancement is fundamental to our future wellbeing, however will also continue to be a source of new, complex and pervasive challenges and threats that will need to be actively managed by the Department. Since the establishment of the Portfolio in December 2017, with the Australian Security Intelligence Organisation (ASIO) joining in May 2018, we have continued to harness our collective strengths to achieve our enduring purposes. As we approach the third anniversary of the Portfolio, we have demonstrated our effectiveness in proactively managing an increasingly complex security environment while simultaneously responding to and reducing the impacts of hazards, including extreme weather events and the COVID-19 pandemic. The Portfolio will build on and celebrate our achievements, while continuing to enhance national resilience to protect Australia's Prosperity, Security and Unity. The insights gained throughout 2019–20 will be embedded into our operating model and will position the Department to capitalise on future opportunities.

# ABOUT THE AUSTRALIAN BORDER FORCE

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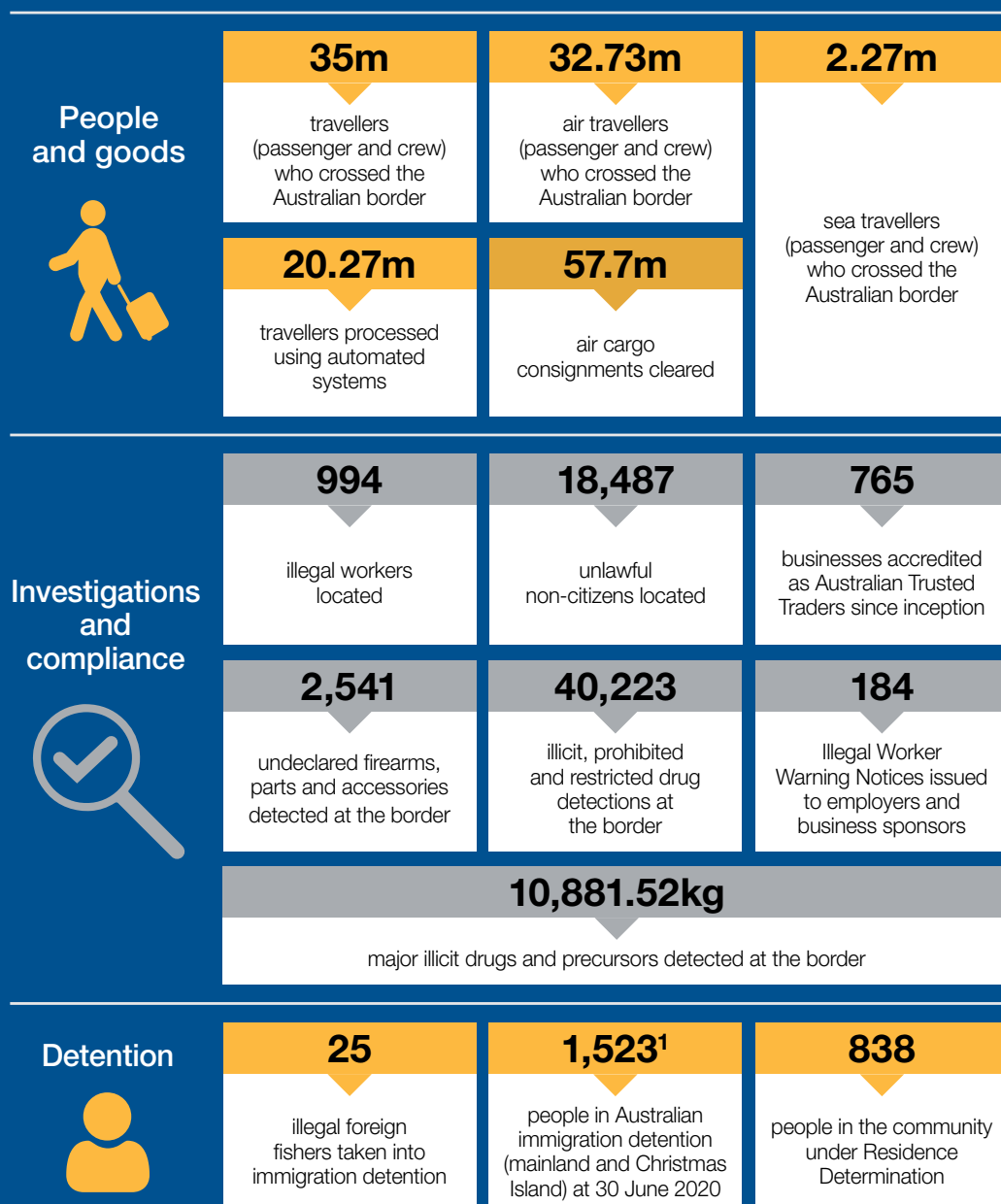
The Australian Border Force (ABF) delivers outcomes across the border continuum, from the facilitation of legitimate trade and travel through to immigration and customs enforcement to support national and border security. The Secretary is the Accountable Authority for the ABF. The ABF is positioned within the Department for budgetary, employment (with the exception of the statutorily appointed Commissioner) and administrative purposes, but retains operational independence. The ABF gives effect to departmental policies across frontline border law enforcement, civil maritime security, immigration compliance, enforcement and detention, and customs activities to protect Australia's borders and advance national prosperity.

The ABF works domestically and internationally to secure Australia's air, maritime and land domains, and to identify, mitigate and respond to threats before they reach the physical Australian border. The ABF's frontline officers play a crucial role in managing the movement of goods and people across Australia's borders, balancing the needs of facilitating legitimate trade and travel while protecting Australia's border security.

Through a strategy and intelligence-led approach, the ABF focuses its capability into operational and tactical responsibilities. This positions the ABF as a global leader in border enforcement to protect Australia's borders and ensure our customs and border processes can meet today's challenges and future requirements.

# The ABF at a glance

Figure 3: The ABF at a glance



1. Immigration detention includes people in immigration detention facilities and alternative places of detention.

# ORGANISATIONAL STRUCTURE

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The ABF’s organisational structure at 30 June 2020 is shown in Table 2 below:

Table 2: Australian Border Force organisational structure

Groups			
Support	Operations	Immigration Detention	Customs
Support the ABF’s operational outcomes through planning, support and specialist services.	Lead all operational activity relating to the management of goods, people and cargo across the border continuum.	End-to-end management of Australia’s immigration detention operations.	Support the movement of travellers and goods across our borders through policy and regulatory frameworks.



# THE EXECUTIVE TEAM

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As at 30 June 2020



## **Michael Outram APM**

### **Commissioner of the Australian Border Force**

Michael was the Commissioner of the Australian Border Force and the Comptroller-General of Customs, both statutory appointments reporting to the Minister for Home Affairs on the operational performance of the Australian Border Force. Supported by the Department of Home Affairs, he led the Australian Border Force in protecting Australia's border and enabling legitimate travel and trade. He also oversaw Australia's customs service and immigration enforcement functions.



## **Justine Saunders APM**

### **Deputy Commissioner of the Operations Group, Australian Border Force**

Justine was responsible for providing high-level strategic direction across all operational activities around the border, including the management of travellers, goods and cargo, as well as enforcement of maritime operations. Justine led civil maritime security and responses to border-related threats, and provided specialist investigation and enforcement capabilities.



## **Kaylene Zakharoff**

### **Deputy Commissioner of the Support Group, Australian Border Force**

Kaylene was responsible for delivering operational continuity through strategic planning and support to achieve the ABF's operational outcomes. This included leadership of the ABF's workforce and maritime capabilities and specialist support to operations, including the Detector Dog Program and technical teams.



### **Claire Rees**

**Group Manager Immigration Detention Group,  
Australian Border Force**

Claire was responsible for end-to-end management of Australia's immigration detention network and detention operations. This included contract management for onshore detention, individual detainee health case management and child wellbeing.



### **Dr Bradley Armstrong PSM**

**Group Manager Customs Group, Australian Border Force**

Bradley was responsible for customs policy. This included customs-related legislation, regulatory frameworks, compliance settings, industry engagement and border modernisation. Bradley was also responsible for addressing anti-slavery through a supply-chain regulatory function.

## **Changes to the Executive Team**

The following changes in the ABF leadership occurred during 2019–20.

- Mandy Newton finished in the position of Deputy Commissioner Operations in June 2020.
  - To fill this position, Justine Saunders moved into the role of Deputy Commissioner Operations from the position of Deputy Commissioner Support. Kaylene Zakharoff moved into the position of Deputy Commissioner Support from Group Manager Immigration Detention. Claire Rees was appointed acting Group Manager Immigration Detention.

# COMMISSIONER'S REVIEW

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The Australian Border Force continues to mature as a modern, professional and disciplined border law enforcement agency, and is a critical partner within the Home Affairs Portfolio. Since 1 July 2015, the ABF has continued to shape and modernise Australia's trade and travel systems to protect our borders while facilitating legitimate trade and travel.

I want to acknowledge and celebrate our success over the past twelve months. Our officers have worked very hard to protect our borders and I continue to be impressed by the tremendous innovation and resilience that they display each day in a dynamic and challenging environment.

2019–20 was unlike anything previously experienced. With bushfires and COVID-19, our functions, priorities and responsibilities changed rapidly to perform roles never previously undertaken. As Australia's operational frontline border law enforcement agency and customs service, we continue to evolve and adapt to assist in Australia's pandemic response and the recovery of our economy and our communities.

For the first half of the financial year, we experienced strong growth in trade volumes and travel numbers underpinned by a vibrant tourism and travel sector. This is in stark contrast to the second half of the year where unprecedented travel restrictions saw traveller numbers reduce and our borders become a frontline of defence against a global pandemic.

The challenges that we have faced have shown our adaptability in times of crisis. What we have delivered this year sets up a strong platform to manage the challenges and uncertainties ahead of us.

## Our response to COVID-19

The ABF's response to the COVID-19 pandemic, primarily through the rapid implementation of Australia's border controls, has been a critical factor in slowing the introduction and spread of the virus throughout Australia. Given Australia's geographical proximity to the outbreak, it was those early decisive actions that have put us in a much stronger position than other nations around the world.

Following Australia's first confirmed COVID-19 case on 25 January 2020, the ABF

worked quickly with partner agencies, airlines and industry partners to implement the Government's decisions and strengthen our border measures. Many of these changes were unprecedented and were implemented within hours of each new measure being announced.

As the situation overseas started to deteriorate, the ABF played a key role in bringing Australians home on Government-assisted repatriation flights from China and Japan. More than 700 people were evacuated from Wuhan, China and after disembarking the *Diamond Princess* in Tokyo. The ABF worked with the Department of Foreign Affairs and Trade and Department of Health to facilitate these passengers to board flights, clear customs and immigration processes mid-flight, and then transfer to North West Point on Christmas Island or Howard Springs in Darwin to undergo quarantine before returning home.

The quick establishment of quarantine facilities at North West Point and Howard Springs demonstrated our capability, agility and close working relationships with partner agencies in what were unique and challenging environments.

Working ahead of the border, ABF officers engaged with airlines to ensure travellers who had been in high risk countries or were unwell did not board flights to Australia. Officers helped screen passengers arriving in Australia, handing out fact sheets and isolation declaration cards to incoming travellers, and referring unwell people to biosecurity officers.

Alongside the Department, the ABF implemented a new regime to manage an exemptions process which permitted international travel in a limited set of circumstances. This process was consistent with relevant health advice and the public messaging for Australians abroad to return home. Since the introduction of travel restrictions thousands of applications have been processed often within very tight timeframes. This has required a significant and sustained surge of officers from across the organisation.

On 15 March 2020, a ban on international cruise ship arrivals was announced by the Government, with exceptions for approximately 32 vessels that were already en-route to, or in, Australian waters at the time of the announcement. In the weeks following, a sustained and targeted ABF effort saw the departure of all 32 international flagged cruise ship vessels and their approximately 20,000 crew from Australian waters. The last vessel to leave an Australian port was on 28 April 2020.

While this year has seen unprecedented travel restrictions, Australia's borders have not closed. Air and sea cargo continues to arrive into Australia with goods that the country relies on. The ABF has kept the economy moving as much as possible, while maintaining our commitment to ensuring our borders remain strong.

Through the implementation of strengthened export controls, the ABF played an important role in stopping the export of critical medical supplies and personal protective equipment, including 700,000 face masks, 45,000 gloves and 9000 sanitiser products including disinfectant wipes and bottles of hand sanitiser. Through the efforts of ABF officers, we continue to ensure critical supplies stay in the country for the benefit of all Australians.

## Sustaining border protection outcomes

The work carried out by the ABF has not stopped as a result of COVID-19. Our borders remain strong. It is business as usual when it comes to detecting illicit substances, stopping illegal imports and preventing worker exploitation.

We continue to target the black economy and criminal syndicates taking advantage of COVID-19 to circumvent border controls and import prohibited and illicit goods. We have surged officers at air and sea ports, to examine sea containers, items sent through the mail centre and air cargo consignments. We are still detecting and stopping illicit goods coming into Australia.

The ABF continues to reinforce the integrity of Australia's migration system by identifying, disrupting and deterring facilitators responsible for systemic and deliberate exploitation of foreign workers. In 2019–20, Operation BATTENRUN has targeted unscrupulous labour hire intermediaries and those exploiting foreign workers through issuing warnings and infringement notices, and at the more serious end visa cancellations, detention and removal from Australia.

COVID-19 has impacted our ability to remove unlawful non-citizens from Australia. The number of removals undertaken has contracted this year due to offshore travel restrictions and limited availability of commercial flights. This places additional pressure on the immigration detention network and has a significant impact on detention populations.

We have put in place comprehensive measures to protect those accommodated at immigration detention facilities during the COVID-19 pandemic. This includes a range of protective and preventative measures in accordance with the Communicable Diseases Network Australia (CDNA) National Guidelines for the Prevention, Control and Public Health Management of COVID-19 Outbreaks in Correctional and Detention Facilities in Australia. The ABF will continue to monitor and adjust its COVID-19 response arrangements to the advice provided by health officials and through any updated CDNA guidelines.

# Looking forward

The modernisation of our trade systems and regulations remains a priority. Over the next 12 months, the ABF will continue to focus on a transformative modernisation agenda, which will support Australia's economic recovery and contribute to the restoration of productivity and growth.

Existing trade processes and systems are inefficient and are not meeting the needs of the community and industry. Businesses must navigate numerous regulatory agencies with multiple platforms and systems. Efficiency is further hampered by a reliance on manual processes that are not supported by digital solutions.

Simplifying trade systems and regulations at the border will support the Australian economy and its crisis response through trade—while helping prevent movement of goods that undermine community safety, lead to exploitation or enable trade-related fraud.

Whether on the front line or in a support role, all ABF officers and staff have performed their role with professionalism, commitment, diligence and compassion throughout 2019–20. While the future of international travel is uncertain, we are ready to respond to the challenges ahead of us. The work and planning undertaken to date, will see the ABF continue to play a vital role in Australia's COVID-19 response and economic recovery.

# Office and Post Locations



As a global organisation, the Department brings together 14,008 staff based in Australia and in 98 locations around the world. As at 30 June 2020, the Department’s primary office and overseas locations were:

Figure 4: Office and post locations

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

# LEGISLATION

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On behalf of the Minister, the Department and the ABF administers the following Acts, which form a legislative framework for its functions and services:

- *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*
- *AusCheck Act 2007*
- *Australian Border Force Act 2015*
- *Australian Citizenship Act 2007*
- *Australian Citizenship (Transitionals and Consequentials) Act 2007*
- *Australian Crime Commission Act 2002*, except to the extent administered by the Attorney-General
- *Australian Crime Commission Establishment Act 2002*
- *Australian Crime Commission (National Policing Information Charges) Act 2016*
- *Australian Federal Police Act 1979*
- *Australian Security Intelligence Organisation Act 1979*, except to the extent administered by the Attorney-General
- *Australian Transaction Reports and Analysis Centre Industry Contribution Act 2011*
- *Australian Transaction Reports and Analysis Centre Industry Contribution (Collection) Act 2011*
- *Aviation Transport Security Act 2004*
- *Commerce (Trade Descriptions) Act 1905*
- *Counter-Terrorism (Temporary Exclusion Orders) Act 2019*
- *Counter-Terrorism (Temporary Exclusion Orders) (Consequential Amendments) Act 2019*
- *Crimes Act 1914*, parts IAA, IAAA, IAAB, IAB, IAC, IC, ID, and IE
- *Crimes (Aviation) Act 1991*
- *Criminology Research Act 1971*
- *Customs Act 1901*, other than parts XVB and XVC
- *Customs Licensing Charges Act 1997*
- *Customs Securities (Penalties) Act 1981*
- *Customs Tariff Act 1995*
- *Customs Undertakings (Penalties) Act 1981*



- *Financial Transaction Reports Act 1988*
- *Immigration (Education) Act 1971*
- *Immigration (Guardianship of Children) Act 1946*
- *Import Processing Charges Act 2001*
- *Inspector of Transport Security Act 2006*
- *Intelligence Services Act 2001*, insofar as it relates to the Australian Security Intelligence Organisation
- *Law Enforcement (AFP Professional Standards and Related Measures) Act 2006*
- *Maritime Powers Act 2013*
- *Maritime Transport and Offshore Facilities Security Act 2003*
- *Migration Act 1958*
- *Migration Agents Registration Application Charge Act 1997*
- *Migration (Health Services) Charge Act 1991*
- *Migration (Sponsorship Fees) Act 2007*
- *Migration (Skilling Australians Fund) Charges Act 2018*
- *Migration (Visa Application) Charge Act 1997*
- *Modern Slavery Act 2018*
- *National Crime Authority (Status and Rights of Former Chairman) Act 1984*
- *Passenger Movement Charge Act 1978*
- *Passenger Movement Charge Collection Act 1978*
- *Proceeds of Crime Act 1987*, except to the extent administered by the Attorney-General
- *Proceeds of Crime Act 2002*
- *Proceeds of Crime (Consequential Amendments and Transitional Provisions) Act 2002*
- *Psychotropic Substances Act 1976*
- *Public Order (Protection of Persons and Property) Act 1971*
- *Security of Critical Infrastructure Act 2018*
- *Social Security Act 1991*, insofar as it relates to Australian Government Disaster Recovery Payment, Disaster Recovery Allowance and the Australian Victim of Terrorism Overseas Payment
- *Social Security (Administration) Act 1999*, insofar as it relates to Australian Government Disaster Recovery Payment, Disaster Recovery Allowance and the Australian Victim of Terrorism Overseas Payment
- *Surveillance Devices Act 2004*
- *Telecommunications (Interception and Access) Act 1979*
- *Witness Protection Act 1994*.

# 2019–20 legislative and regulatory reform

During 2019–20, 27 Portfolio Bills were introduced to the Australian Parliament. During the same period, 13 Bills passed both Houses of Parliament and became Acts upon receiving Royal Assent. A further 34 Regulations were registered and 103 additional legislative instruments were made.

Amendment Acts, Regulations and other legislative instruments are available on the Federal Register of Legislation, administered by the Office of Parliamentary Counsel.<sup>2</sup>

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2. [www.legislation.gov.au](http://www.legislation.gov.au)



# PART 2

## ANNUAL PERFORMANCE STATEMENTS

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# STATEMENT BY THE ACCOUNTABLE AUTHORITY

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I, Michael Pezzullo AO, as the Accountable Authority of the Department of Home Affairs (the Department), present the annual performance statements of the Department for 1 July 2019 to 30 June 2020 as required under Paragraph 39(1)(a) and (b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In my opinion, these annual performance statements are based on properly maintained records, accurately reflect the performance of the Department and the Australian Border Force (ABF) and comply with Subsection 39(2) of the PGPA Act.



**Michael Pezzullo**  
Accountable Authority

7 September 2019

# Performance reporting

The relationship between the outcome structure of the *Department of Home Affairs 2019–20 Portfolio Budget Statements* and the purposes in the *Department of Home Affairs 2019–20 Corporate Plan* is in Table 3, below.

The Department's purposes and performance measures for 2019–20 are updated from those reported in 2018–19 to better reflect the broad remit of the Department and the ABF, including consolidating the ABF's functions under Purpose 3. The Department continues to refine our performance measures to reflect our commitment to strengthening the quality of the performance information we collect and provide to the Parliament and the broader community.

Comparative data from previous financial years has been included where available and applicable.

**Table 3: Outcome and program structure**

Home Affairs 2019–20 Corporate Plan Purposes	<b>PURPOSE 1</b> National Security	<b>PURPOSE 2</b> Prosperous and United Society	<b>PURPOSE 3</b> Border and Customs Operations
Home Affairs 2019–20 Portfolio Budget Statements Outcomes	<b>Outcome 1:</b> Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.		
Home Affairs 2019–20 Portfolio Budget Statements Programs	<b>Program 1.5</b> Regional Cooperation <b>Program 1.6</b> Transport Security <b>Program 1.7</b> National Security and Criminal Justice <b>Program 1.8</b> Cyber Security <b>Program 1.9</b> Counter Terrorism <b>Program 1.10</b> Australian Government Disaster Financial Support Payments	<b>Outcome 2:</b> Support a prosperous and inclusive society, and advance Australia's economic interests through the effective management of the visa, multicultural and citizenship programs and the provision of refugee and humanitarian assistance and settlement and migrant services. <sup>3</sup> <b>Program 1.3</b> Onshore Compliance and Detention <b>Program 1.4</b> Illegal Maritime Arrival Offshore Management <b>Program 1.5</b> Regional Cooperation <b>Program 2.1</b> Multicultural Affairs and Citizenship <b>Program 2.2</b> Migration <b>Program 2.3</b> Visas <b>Program 2.4</b> Refugee, Humanitarian, Settlement and Migrant Services <sup>4</sup>	<b>Outcome 3:</b> Advance Australia's economic interests through the facilitation of the trade of goods to and from Australia and the collection of border revenue. <b>Program 1.1</b> Border Enforcement <b>Program 1.2</b> Border Management <b>Program 1.3</b> Onshore Compliance and Detention <b>Program 1.5</b> Regional Cooperation <b>Program 3.1</b> Border Revenue Collection <b>Program 3.2</b> Trade Facilitation and Industry Engagement

3. Reflects the amended program name published in the *2019–20 Portfolio Additional Estimates Statements* to reflect the functions transferred to the Department of Home Affairs following the Administrative Arrangements Order of 29 May 2019.

4. Reflects the amended outcome statement published in the *2019–20 Portfolio Additional Estimates Statements* to reflect the functions transferred to the Department of Home Affairs following the Administrative Arrangements Order of 29 May 2019.

# PURPOSE 1: NATIONAL SECURITY

Table 4: Purpose 1 — Performance framework

Activity	Performance Measures
<b>Purpose 1 — National Security: Protect Australia and Australians from national security and criminal threats through effective national coordination, emergency management and policy development.</b>	
<b>Activity 1.1: Effective national coordination and development of national security and transnational, serious and organised crime policies, legislation and programs.</b>	<b>Measure 1.1.1:</b> Effective transport security regulation, policy coordination and advice will prevent and protect Australia from security incidents affecting the movement of people and goods. <i>PBS Program 1.6 Transport security</i>
	<b>Measure 1.1.2:</b> Effective policy implementation and coordination deters foreign actors who wish to harm Australia's sovereignty, values and national interests. <i>PBS Program 1.7 National Security and Criminal Justice</i>
	<b>Measure 1.1.3:</b> Effective policy development, coordination and industry regulation safeguards Australia's critical infrastructure against sabotage, espionage and coercion. <i>PBS Program 1.7 National Security and Criminal Justice</i>
	<b>Measure 1.1.4:</b> Effectively monitor and disrupt transnational, serious and organised crime to protect and preserve Australia's community and our partners. <i>PBS Program 1.7 National Security and Criminal Justice</i>
	<b>Measure 1.1.5:</b> Effective cyber security strategies, policies, and advice protects and advances Australia's interests. <i>PBS Program 1.8 Cyber Security</i>
	<b>Measure 1.1.6:</b> Counter-terrorism strategies, legislation and programs enhance our capacity to detect, prevent and respond to potential terror threats. <i>PBS Program 1.9 Counter Terrorism</i>
<b>Activity 1.2: Support national resilience and effective coordination of national emergencies.</b>	<b>Measure 1.2.1:</b> Effective emergency management capability and programs enhances Australia's ability to reduce the impact of threats on Australian Communities. <i>PBS Program 1.10 Australian Government Disaster Financial Support Payments</i>

# Purpose 1: At a glance 2019–20

Figure 5: Purpose 1—At a glance 2019–20





# Purpose 1: Analysis of performance

## COVID-19 and emergency management response

Throughout 2019–20, the Department actively responded to the impacts of the COVID-19 pandemic on the Australian economy, borders and everyday life. This has required the Department to deploy a new operating model in response to a changing threat landscape. The COVID-19 pandemic and the 2019–20 bushfires demonstrated that threats can have unexpected impacts across multiple sectors of society, with cascading consequences for our security and sovereignty.

To respond to the multifaceted challenges of the COVID-19 pandemic, the Australian Government commissioned the National Coordination Mechanism (NCM) on 5 March 2020. Led by the Department, the NCM effectively coordinated cross-jurisdictional response efforts for supply chain vulnerabilities, to ensure critical infrastructure and essential services in the national interest could be maintained. The NCM established a new call centre capability designed specifically to connect vulnerable Australians, required to stay home as per relevant health advice, to essential goods and services. The call centre was developed to be a scalable referral point for existing Commonwealth, state and territory support networks to assist with resolving queries from the public outside of the normal remit of those services. This capability remains an enduring component of the NCM's pandemic planning and demonstrates the Department's ability to work cooperatively with industry and across all levels of government to respond to emerging risks and threats.

The NCM engaged and facilitated discussions with relevant Commonwealth agencies, state and territory governments, the private sector, and peak industry bodies, to resolve complex issues. This included operationalising police powers with the activation of the *Biosecurity Act 2015* to ensure safety and security at mass gatherings and police support at some supermarkets across Australia as a result of panic buying and customer behaviour. The NCM also undertook preparedness planning across a number of sectors, and facilitated discussions with stakeholders regarding supply chains and access to essential goods and services.

To support the Australian Government's response to the 2019–20 bushfires and the COVID-19 pandemic, the Department also established a community of interest with critical infrastructure owners to enable a coordinated approach for requests for information and to enable effective cross sector engagement. The Department facilitated industry participation in weekly Crisis Coordination Centre briefings, allowing for communication with industry stakeholders on emergency management responses. On average there were 90 participants per briefing, which supported a

collective understanding of the complexities facing industry supply and community demand. Where required, meetings were held virtually to ensure social distancing could be maintained.

On 23 March 2020, the Government's *Coronavirus Economic Response Package Omnibus Act 2020* passed Parliament to provide affected persons with early access to their superannuation. To support this, the Department worked alongside the Australian Transaction Reports Analysis Centre (AUSTRAC) to exempt superannuation funds from upfront customer verification. This approach demonstrated our ability to rapidly respond and our commitment in identifying and minimising fraud, whilst supporting financial relief to vulnerable members of the community. The Department and its partners continue to improve defences to protect against ongoing fraud risks in this sector.

Throughout 2019–20, the rate of cyber enabled crime increased as more social contact and economic activity was driven online. The Department actively targeted dark web activity related to child sexual abuse and, alongside Home Affairs Portfolio (the Portfolio) agencies and our state and territory partners, supported intelligence and investigations into online crimes to detect, disrupt and prosecute those who targeted vulnerable Australians.

Notwithstanding the challenges experienced throughout 2019–20, we continued to build the nation's capacity to counter terrorism and violent extremism, strengthen law enforcement practices in relation to financial and drug-based crimes, and contribute to whole-of-Government efforts to dismantle transnational, serious and organised criminal groups.

The Department demonstrated its ongoing commitment in addressing security vulnerabilities at, and ahead of, our border. The delivery of 29 capacity building activities across Indonesia, the Philippines and Thailand, and the Department's ongoing compliance activities continued to enhance the security of Australia's aviation and maritime domains.

The Department completed 1546 compliance activities under the 2019–20 National Compliance Plan. 282 (18 per cent) of these activities resulted in the issuing of findings notices and a further 466 additional targeted compliance activities were undertaken to address specific intelligence led concerns, investigate vulnerabilities or to address emerging threats.

The increasingly interconnected and interdependent nature of our critical infrastructure enhances efficiency and economic benefit, but also introduces potential for systematic impacts of disasters both man-made and natural on our systems of national significance. In 2019–20, the Department continued to work with partners across government and with industry to build national resilience and protect critical infrastructure and our Systems of National Significance.

The Department continued to contribute to the Foreign Investment Review Board (FIRB) decision-making process by undertaking national security risk assessments on foreign investment. In 2019–20, demand for the Department's services continued to increase with the number of FIRB application from the Treasury increasing 58.8 per cent from 2018–19 to 640. The continued increase in FIRB applications regarding critical infrastructure highlights the critical nature of the Department's role in the FIRB process.

## Coordination and engagement

Throughout 2019–20, the Department continued to protect Australia from national security and criminal threats through effective national coordination and engagement with our domestic and international stakeholders. Examples of the Department's recent activities include:

- working with Five Country counterparts and digital industry to finalise the *Voluntary Principles to Counter Online Child Sexual Exploitation and Abuse* and leading national efforts to finalise and endorse the National Standards for Working With Children Checks
- coordinating Portfolio wide strategic responses to illicit drugs, including the launch of the Portfolio's *Illicit Drug Action Plan* in November 2019 and the launch of the Commonwealth Illicit Drugs Joint Agency Taskforce website with social media posts reaching more than 177,000 people
- hosting the Identity Security Forum in February 2020 in Jakarta, which was designed to strengthen identity security and transport sector background checking arrangements in Indonesia
- executing eight complex equipment procurement contracts and two funding agreements to support the Australia-New Zealand Counter-Terrorism Committee to bring forward projects and to contribute to Australia's ongoing capability in identifying, mitigating and responding to counter-terrorism
- delivering 17 counter foreign interference (CFI) awareness raising engagements with relevant sector groups, and developing and disseminating reference case studies that continued to shift perceptions on CFI across industry and university sectors
- providing assistance to Papua New Guinea to prepare for an evaluation of its Anti-Money Laundering (AML) / Counter-Terrorism Financing (CTF) systems and supporting the Solomon Islands to plan and respond to the findings of its AML/CTF evaluation report.

## Legislative and regulatory change

During 2019–20, the Department's policy and legislative initiatives continued to protect Australia from national security and criminal threats through:

- implementing the *Proceeds of Crime Regulations 2019* in August 2019, supporting the targeting and disruption of profit-motivated offences that underpin most criminal business models
- making the first Temporary Exclusion Order in October 2019 under the *Counter-Terrorism (Temporary Exclusion Orders) Act 2019*, this contributes to the management of high risk terrorist offenders and reduces the likelihood of re-offence and the radicalisation of others
- progressing legislative reforms to strengthen the training and education requirements for screening and examination officers at airports, seaports and air cargo facilities, to enhance Australia's ability to detect and disrupt the flow of dangerous and illicit goods across our borders.

Detailed performance information related to Purpose 1 and results for each metric is at Table 5.

# CASE STUDY

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## **Open Source Intelligence supports COVID-19 and bushfire response**

The Department's open source intelligence and geospatial capabilities supported the Government's response to the 2019–20 bushfires. This included the production of regular maps and the monitoring of multiple open source information feeds to inform emergency management responses. This also ensured Cabinet had real time situational awareness and were appropriately briefed on the unfolding bushfire situation.

The Department redirected our open source intelligence capability to meet demands for information on the growing threat of the pandemic. The Department produced daily intelligence reports based on public online narratives regarding the spread of the pandemic, the responses by governments across the globe and the reactions of their populations to both the spread of the virus and government responses. It also covered public reactions to panic buying and views on the source and cause of the pandemic. At the height of the response, the team was producing two daily reports—one on the global reactions and one on the domestic responses. Between January 2020 and the end of June 2020, the team produced a total of 108 COVID-19 intelligence products. The Department's geospatial intelligence capability also turned to the pandemic response, supporting the NCM by plotting demographic data to help inform the planning of the Supermarket Taskforce.

# CASE STUDY

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## **Supermarket Taskforce**

The food and grocery sector is one of eight critical infrastructure sectors that Australians rely on every day. As the COVID-19 pandemic started to spread into Australia, supermarkets experienced a surge in demand as people stockpiled supplies. Supermarkets were unable to manage the unprecedented increase in demand, and there was a concerning threat to the Australian food supply chain, compromising the availability of food to all Australians.

On 18 March 2020, the Australian Government announced a Supermarket Taskforce (the Taskforce) that brought together major supermarket CEOs, relevant peak bodies, states and territories, to discuss and resolve the issues supermarkets were facing due to COVID-19 and to ensure all Australians could continue to access food. The Department established a secretariat to support the Taskforce, which included secondees from the Australian Border Force and the Department of Industry, Science, Energy and Resources (DISER).

Working under the authorisation of the Australian Consumer and Competition Commission, the Taskforce established an industry-wide nationally consistent approach to managing the issues facing supermarkets. This included limiting the number of customers allowed in stores, introducing Community Hour to ensure vulnerable people could access essential goods safely, consistent product restrictions on goods in high demand, and working with the charity sector to ensure sufficient supply to feed the most vulnerable Australians. The Taskforce also worked with states and territories to address concerns in relation to freight permits and border closures, and reformed trucking curfews to allow the delivery of stock to supermarkets during certain times that would ordinarily be restricted.

The Taskforce is testament to the Department's ability to work flexibly and support industry in ensuring Australians continued to have access to essential goods in times of adversity.

# Purpose 1: Performance information

Table 5: Purpose 1 — Performance information

Note: Items **bolded** are measures and targets within the Department of Home Affairs 2019–20 PBS.

\* indicates a new metric for 2019–20

^ indicates a refined metric for 2019–20

# indicates an existing metric

## ACTIVITY 1.1

Effective national coordination and development of national security and transnational, serious and organised crime policies, legislation and programs

### MEASURE 1.1.1

Effective Transport security regulation, policy coordination and advice will prevent and protect Australia from security incidents effecting the movement of people and goods

PERFORMANCE METRIC	RESULTS
1.1.1.1: Deliver transport security reforms within agreed timeframes to strengthen key regulatory settings *	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department strengthened a number of key regulatory settings in both aviation and maritime sectors within agreed timeframes.</p> <p><b>Examples of the Department's key activities in 2019–20:</b></p> <ul style="list-style-type: none"> <li>The Department engaged extensively with the air cargo industry to ensure new requirements for domestic air cargo examination were implemented on schedule despite the COVID-19 pandemic.</li> <li>Legislative reforms to strengthen the training and education requirements for screening and examination officers at airports, seaports and air cargo facilities were introduced into the Senate in December 2019. The Transport Security (Testing and Training) Bill 2019 was subsequently reviewed by the Senate Scrutiny of Bills Committee and the Legal and Constitutional Affairs Committee. Both Committees recommended the Bill be passed with minor amendments. The Minister for Home Affairs approved the minor amendments to the Bill in February 2020. It is anticipated that the amended Bill will be debated during the spring 2020 sittings.</li> <li>The Department is currently implementing a range of measures to strengthen the aviation and maritime security identification card (ASIC and MSIC) schemes through the Transport Security Amendment (Serious Crime) Bill 2019. The Bill was introduced into Parliament in October 2019 and reviewed by the Senate Legal and Constitutional Affairs Legislation Committee who recommended that the Bill be passed. The Bill is due to be debated during the spring 2020 sittings.</li> <li>The <i>Aviation Transport Security (Landside Security) Amendment Regulations 2019</i> and the <i>Aviation Transport Security (Security Controlled Airports) Amendment Regulations 2019</i> were made in November and December 2019 respectively. The Landside Security amendments came into effect in December 2019. The Security Controlled Airports amendments have passed in the Senate and will commence by instrument in December 2020. The amendments aim to reduce regulatory burden on air operators commensurate with risk and will improve aviation transport security, including through mitigating threats in crowded spaces.</li> </ul>

## MEASURE 1.1.1

Effective Transport security regulation, policy coordination and advice will prevent and protect Australia from security incidents effecting the movement of people and goods

	<p>The Department continues to work closely with Government and industry to ensure that reforms are delivered within agreed timeframes. The Department is also committed to ensuring that its regulation of the aviation and maritime security sector remains fit-for-purpose and does not impose unnecessary burden on stakeholders, through its extensive consultation on relevant regulatory reforms.</p>
<p>1.1.1.2: 100 per cent of scheduled entities subject to a risk-based compliance assessment meet their statutory obligations or prioritised compliance activity is commenced *</p>	<p><b>This metric was met.</b></p> <p>In 2019–20, 100 per cent of scheduled entities subject to a risk-based compliance assessment were found to have met their statutory obligations, or a prioritised compliance activity was commenced.</p> <p>The Department completed 1546 compliance activities under the 2019–20 <i>National Compliance Plan</i> (NCP). 282 compliance activities resulted in the issuing of findings notices, equating to 18 per cent of activities conducted. This is consistent with the 1547 compliance activities completed in 2018–19 which resulted in 273 finding notices.</p> <p>In 2019–20, the Department conducted 466 additional targeted activities to address specific intelligence, investigate a vulnerability or address emerging threats. These targeted activities included:</p> <ul style="list-style-type: none"> <li>• 47 activities for the management of complex non-compliances and corrective action plans</li> <li>• 70 compliance follow-up activities in response to security incidents</li> <li>• 39 additional inspections and system tests on individual industry participants as a result of compliance history results.</li> </ul> <p>The Department's annual program of compliance activities, including additional targeted activities to address non-compliance, continues to strengthen Australia's transport security and reduces the likelihood and potential impacts of future security incidents on the Australian community.</p> <p>NCP activities assess Australia's domestic and international aviation and maritime transport industries' compliance with transport security legislation designed to prevent unlawful interference with transport systems. They provide Government with an understanding of the state of aviation and maritime transport security, inform further compliance and/or enforcement action, and support policy development.</p>
<p>1.1.1.3: Transport security in key regional partners is improved through delivery of the Capacity Building Plan #</p>	<p><b>This metric was partially met.</b></p> <p>In 2019–20, the Department delivered 69 per cent (29 of the scheduled 42) capacity building activities across Indonesia, the Philippines and Thailand. Six alternate procurement activities were delivered in place of the 13 activities that were cancelled due to the COVID-19 pandemic, compared to 34 activities delivered in 2018–19.</p> <p><b>Examples of the Department's key activities in 2019–20:</b></p> <p>The Identity Security Forum, held in Jakarta, was designed to strengthen identity security and transport sector background checking arrangements in Indonesia. Senior Indonesian and Australian Government officials discussed identity security and the risk of trusted insiders with respect to aviation/ maritime security identity cards. It was delivered by the Department, in collaboration with the Australian Criminal Intelligence Commission and the Australian Security Intelligence Organisation (ASIO).</p>



## MEASURE 1.1.1

Effective Transport security regulation, policy coordination and advice will prevent and protect Australia from security incidents effecting the movement of people and goods

	<p>A pilot Airport Risk Assessment Course was developed by personnel from the Philippine Office for Transportation Security with mentoring from Departmental representatives in Manila. The course consolidated learning from earlier risk management, risk assessment, course development and instructor training provided by the Australian Government. The workshop will eventually be rolled out to other airports to enable them to develop and implement risk-based aviation security measures tailored to fit their airport's context and security environment.</p> <p>The Suspicious Activity Program (SAP) – Train the Trainer Program developed a training module, communications materials and a risk-based implementation plan to be included in the existing Airports of Thailand (AOT) security awareness training program. The implementation plan is being considered by the AOT as a potential model to be implemented across all AOT owned airports.</p>
<p><b>1.1.1.4: Deliver 100 per cent of compliance activities within the National Compliance Plan (NCP) #</b></p>	<p><b>This metric was met.</b></p> <p>During 2019–20, the Department delivered 1546 core NCP compliance activities across all industry segments, which equates to 100 per cent of the total allocated NCP activities for the financial year, in comparison to the 1547 compliance activities that were conducted in 2018–19.</p> <p>In addition to the scheduled NCP activities, aviation and maritime security inspectors conducted 466 targeted activities against regulated industry participants. Where required, NCP and targeted activities were delivered remotely to ensure social distancing requirements were maintained.</p>
<p><u>1.1.1.5: Australia receives a compliance score of at least 95 per cent at each five-year International Civil Aviation Organization aviation (ICAO) security audit #</u></p>	<p><b>This metric was met.</b></p> <p>There was no International Civil Aviation Organization (ICAO) aviation security audit scheduled for Australia in 2019–20. However, the Department continued to progress work to ensure a score of at least 95 per cent is achieved at the next audit.</p> <p>During 2019–20, the Department actively engaged in the development and amendment of ICAO Annex 17 Standards and Recommended Practices and its supporting guidance material. This included participating in a number of ICAO working groups during 2019–20.</p>

## MEASURE 1.1.2

Effective policy implementation and coordination deters foreign actors who wish to harm Australia's sovereignty, values and national interests

PERFORMANCE METRIC	RESULTS
1.1.2.1: Develop baseline for number of referrals for information on Counter Foreign Interference (CFI) related matters received from stakeholders *	<p><b>This metric was met.</b></p> <p>In 2019, the Department established, and is maintaining, a record of referrals or requests for information from internal and external stakeholders. Since the establishment of the CFI referral program in March 2019, the National Security Hotline (NSH) has recorded 2170 references to foreign interference-related terms in National Security Hotline reporting.<sup>5</sup> During 2019–20, the Department established a baseline of 1937 references, with the number of references throughout 2019–20 increasing each quarter. The increase in foreign interference-related references can be attributed to awareness raising activities undertaken by the Department. Call rates are likely to increase further throughout 2020–21 as awareness of the program continues to expand.</p> <p>The Department received requests for information from a range of internal and external stakeholders relating to foreign interference, including state and territory governments and the university sector. Requests were particularly focused on the National Counter Foreign Interference Strategy (CFI Strategy), and included requests for information on due diligence tools to support universities embed the <i>Guidelines to Counter Foreign Interference in the Australian university sector</i>.</p>
1.1.2.2: Enhanced domestic coordination and international cooperation of CFI efforts *	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department conducted over 20 CFI-related engagements with both our domestic and international stakeholders. These CFI awareness raising and partnership building activities are a key component in Australia's CFI Strategy. They support efforts in protecting the integrity of Australia's sovereignty, values and national interests, and in developing stronger international partnerships to counter foreign interference.</p> <p>Internationally, the Department has adapted its engagement format with stakeholders during the COVID-19 pandemic and continued to undertake international engagements. This has included through teleconferences and videoconferences. The Department will continue to adjust its approach as required during 2020–21.</p>
1.1.2.3: Demonstrated progress against key initiatives within the CFI Strategy *	<p><b>This metric was met.</b></p> <p>Since the December 2019 announcement of the CFI Taskforce Government have invested additional funding totalling to \$126.6 million to support CFI initiatives. In 2019–20, the Department continued to support ongoing progress on key initiatives within the CFI Strategy, despite the challenges of COVID-19.</p> <p>During 2019–20, the Department placed Australia at the forefront of global efforts to deal with foreign interference. The Department's efforts to date have been successful in hardening the Australian environment to acts of foreign interference.</p> <p><b>Examples of the Department's key activities in 2019–20:</b></p> <ul style="list-style-type: none"><li>• The Department engaged extensively across multiple sectors to implement the CFI Strategy. This included continuing to support increased resilience in the university sector and supporting the further development of electoral integrity-related matters.</li></ul>

5. **Note:** references to foreign interferences are based on search terms contained within each record.

## MEASURE 1.1.2

Effective policy implementation and coordination deters foreign actors who wish to harm Australia's sovereignty, values and national interests

	<ul style="list-style-type: none"> <li>• The Department raised awareness among partner agencies of foreign interference and the threat it poses, both domestically and internationally.</li> <li>• Key findings from the evaluation of the CFI Strategy continued to be built on to address all known at-risk sectors and provide a practical basis for undertaking engagement and raising awareness.</li> <li>• Early outcomes were achieved through changed behaviours in those sectors where the Department has concentrated its engagement efforts. For example, some diaspora communities are becoming more willing to engage with CFI efforts.</li> </ul>
<b>1.1.2.4: Deliver 10 CFI education programs to key stakeholders *</b>	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department undertook 17 CFI awareness-raising engagements with relevant sector groups against a target of 10.</p> <p>In December 2019, the Australian Institute of Criminology (AIC) evaluated the effectiveness of the CFI Strategy, including the Department's engagement with stakeholders, awareness-raising and the delivery of education and capacity building programs.</p> <p>The AIC noted the Department had effectively engaged industry, and the overall sentiment identified a positive consensus amongst stakeholders that the Department's engagement and awareness-raising was effective and pragmatic.</p> <p>The evaluation noted the benefit of the Department's role in being a coordination point and conduit between government, intelligence agencies and industry sectors such as universities. In particular, the AIC noted the Department's ability to reduce the classification of materials for wider consumption and reference case studies played a vital and effective role in shifting perceptions and understanding of CFI across industry sectors. The Department's awareness-raising efforts with universities, through the University Foreign Interference Taskforce, was highlighted as particularly extensive and effective. Generally, the stakeholders consulted for the evaluation believed awareness-raising efforts was contributing to increased awareness and capacity-building in relation to CFI.</p>

## MEASURE 1.1.3

Effective policy development, coordination and industry regulation safeguards Australia's critical infrastructure against sabotage, espionage and coercion

<b>1.1.3.1: Engage with 100 per cent of entities on the <i>Security of Critical Infrastructure Act 2018</i> register in relation to security and resilience ^</b>	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department engaged with 100 per cent of the 167 entities on the Register of Critical Infrastructure Assets (the Register). These engagements included:</p> <ul style="list-style-type: none"> <li>• bilateral general advisory meetings with 40 entities</li> <li>• meetings with 15 entities regarding relevant Foreign Investment Review Board conditions</li> <li>• engagement with 38 entities to support their compliance with the <i>Security of Critical Infrastructure Act 2018</i></li> <li>• participation in the November 2019 Resilience Expert Advisory Group workshop with 20 entities</li> </ul>
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## MEASURE 1.1.3

Effective policy development, coordination and industry regulation safeguards Australia's critical infrastructure against sabotage, espionage and coercion

	<ul style="list-style-type: none"> <li>• call centre engagements with 53 entities</li> <li>• an advisory email to all entities in June 2020 regarding the Prime Minister's announcement of sustained targeting of Australian governments and companies, including critical infrastructure, by a sophisticated state-based actor.</li> </ul> <p>The Department engages with entities to clarify details in submissions, or request for further information to the submitted to the Register to meet obligations. Departmental engagement supports information sharing and a shared approach to managing national security risks and increasing resilience.</p> <p><b>Engagement in response to 2019–20 bushfires and the COVID-19 pandemic:</b></p> <p>To support the Australian Government's response to the 2019–20 bushfires and COVID-19, the Department established a community of interest with critical infrastructure owners and operators through the Trusted Information Sharing Network (TISN) and held regular teleconferences to coordinate information requests, share information and provide effective cross sector engagement.</p> <p>The Department also facilitated industry participation in the weekly Crisis Coordination Centre telephone briefings. This allows for two-way emergency management communication with industry stakeholders in the event of a crisis. These meetings proved to be valuable, with an average 90 participants per call.</p>
1.1.3.2: 100 per cent of notifications received under the Telecommunications Sector Security (TSS) reforms to the <i>Telecommunications Act 1997</i> are responded to within statutory timeframes *	<p><b>This metric was met.</b></p> <p>In 2019–20, 100 per cent of notifications received under the Telecommunications Sector Security (TSS) reforms were assessed within statutory timeframes (30 calendar days for notifications and 60 calendar days for notification exemption requests).</p> <p>During 2019–20, the Department:</p> <ul style="list-style-type: none"> <li>• answered 31 enquiries about the TSS reforms, in comparison to the 37 answered in 2018–19</li> <li>• received 32 notifications under subsection 314A (in comparison to the 34 received in 2018–19)</li> <li>• received zero exemption applications under subsection 314A(5A) for an exemption from the notification obligation, in comparison to one in 2018–19.</li> </ul> <p>In instances where the Department did not require further information about a notified change, the average number of days taken to respond was 27 calendar days.</p> <p>In instances where the Department required further information (14 of 32 notifications) about a notified change, the average number of days taken to request further information was 24 calendar days. The average number of days taken to respond once further information was provided to the Department was 25 calendar days.</p>

## MEASURE 1.1.3

Effective policy development, coordination and industry regulation safeguards Australia's critical infrastructure against sabotage, espionage and coercion

### 1.1.3.3: 100 per cent of Foreign Investment Review Board cases referred are responded to within agreed timeframes ^

#### This metric was not met.

The outcome of the Department's national security risk assessments, including any conditions recommended to mitigate identified risks, are provided to the Treasury and contribute to the Foreign Investment Review Board (FIRB) decision-making process. Time required to complete national security risk assessments varies depending on the complexity of risk involved in an application. The standard response timeframe is 10 business days, unless otherwise agreed with the Treasury.

In 2019–20, the Department received 640 FIRB applications from the Treasury, an increase from 403 received in 2018–19. The significant increase in the volume of applications concerning Australian critical infrastructure illustrates the importance of the Department's role in considering national security risks within the FIRB process.

Of the 640 FIRB applications received during 2019–20:

- 16 were withdrawn
- 49 were still undergoing assessment at the end of the reporting period.

Of the remaining 575 applications:

- 506 (88 per cent) were finalised and responded to Treasury within the agreed timeframe
- 52 were responded to within one week after the agreed timeframe
- 17 were responded to more than one week after the agreed timeframe.

Additionally 39 applications from 2018–19 were also considered during 2019–20. 37 of these were responded to (27 within required timeframes), one was withdrawn and one was still open as at 30 June 2020 (the application was withdrawn post 30 June 2020).

Including the 2018–19 cases, overall performance against the metric during 2019–20 was 87 per cent, with 533 of the 614 responded to within agreed timeframes.

Cases may exceed the benchmark timeframe (10 days) for a range of reasons, including complexity and resourcing limitations. Current procedures require case officers to seek a new agreed timeframe where the timeframe is not able to be met.

## MEASURE 1.1.4

Effectively monitor and disrupt transnational, serious and organised crime to protect and preserve Australia's community and our partners

### PERFORMANCE METRIC

### RESULTS

#### 1.1.4.1: 100 per cent of capability plans outlining compliance with telecommunication interception obligations are reviewed within statutory timeframes ^

#### This metric was partially met.

In 2019–20, the Department processed 256 Interception Capability Plans (ICP). Of these, all but one ICP were responded to within the statutory 60 day timeframe, which equates to 99.6 per cent.

In addition, there were 52 applications for Interception Capability Exemptions processed in 2019–20.

The Department ensured that, as far as possible, applications were processed and responded to within legislated timeframes, despite impacts to business arrangements arising from COVID-19.

## MEASURE 1.1.4

Effectively monitor and disrupt transnational, serious and organised crime to protect and preserve Australia's community and our partners

1.1.4.2: The Department implements policy and legislative reforms in line with Government priorities to enhance responses to national security and law enforcement issues ^

### **This metric was met.**

In 2019–20, the Department continued to implement policy and legislative reforms to enhance responses to national security and law enforcement issues.

### **Examples of the Department's key activities in 2019–20:**

#### Assistance and Access Act

The Department continued with the implementation of the *Telecommunications and Other Legislation Amendment (Assistance and Access) Act 2018* (Assistance and Access Act) in line with Government priorities. This included providing submissions to and attending hearings for the reviews of the legislation by the Independent National Security Legislation Monitor and the Parliamentary Joint Committee on Intelligence and Security.

During 2019–20, Australian law enforcement and security agencies have continued to use the powers introduced by the Assistance and Access Act, including technical industry assistance powers and computer access warrants. This includes seeking assistance for the investigation of organised crime, cybercrime and serious crimes against the person, and for purposes relating to national security.

#### ASIO's powers

In 2019–20, the Department has continued to progress legislative reforms to ensure ASIO's questioning, and questioning and detention, warrant powers in response to the Parliamentary Joint Committee on Intelligence and Security's 2018 inquiry. The reforms will also provide ASIO with the ability to internally authorise the use of tracking devices in defined circumstances. These reforms were introduced into Parliament in May 2020.

#### Combatting child abuse

In 2019–20, the Department:

- leveraged the WePROTECT Global Summit to Tackle Online Child Sexual Exploitation to call on digital industry to strengthen efforts to combat online child sexual abuse and maintain lawful access to data
- worked with Five Country counterparts and the digital industry to finalise the *Voluntary Principles to Counter Online Child Sexual Exploitation and Abuse*, which were launched by Ministers in March 2020. The Five Countries have partnered with the WePROTECT Global Alliance to promote the Principles globally and drive collective industry action. The Department continued to regularly engage with its Five Country counterparts to maintain pressure on digital industry (including the Technology Coalition) to proactively endorse and implement the Principles. Locally, several Australian tech companies and NGOs have publicly endorsed the Principles
- led national efforts to finalise and endorse the National Standards for Working With Children Checks, culminating in a ministerial announcement in December 2019
- continued to lead a National Working Group comprising states and territories to explore the evidence for a National Public Register of Child Sex Offenders, developing options for ministerial consideration
- released *Guidance on the Commonwealth offences for failing to protect a child from sexual abuse and failing to report a child sexual abuse offence* to support the new Commonwealth child protection offences under the *Combatting Child Sexual Exploitation Legislation Amendment Act 2019* that came into effect in March 2020.

## MEASURE 1.1.4

Effectively monitor and disrupt transnational, serious and organised crime to protect and preserve Australia's community and our partners

1.1.4.3: The Department implements policy and legislative reforms in line with Government priorities to respond to current and emerging money laundering and terrorism financing threats \*

### This metric was met.

In 2019–20, the Department continued to implement policies and legislative reforms to respond to money laundering and terrorism financing threats.

#### Examples of the Department's key activities in 2019–20:

- In August 2019, the *Proceeds of Crime Regulations 2019* commenced. These Regulations replaced, and improved upon, the *Proceeds of Crime Regulations 2002*. The Regulations grant law enforcement enhanced confiscation powers in cases of firearm trafficking, identity crime and non-compliance with Australian Criminal Intelligence Commission orders. This ensures that the proceeds of crime regime is appropriately targeted at the profit-motivated offending that underpins the criminal business model. These powers can already be exercised for people smuggling, human trafficking, child sexual abuse, organised crime, drug, terrorism and money laundering offences.
- In October 2019, the Anti-Money Laundering and Counter-Terrorism Financing and Other Legislation Amendment Bill 2019 (the Bill) was introduced into Parliament. The Bill introduces the next phase of the Government's reforms bolstering Australia's anti-money laundering and counter-terrorism financing framework, and implements policies to respond to current and emerging money laundering and terrorism financing threats. This includes expanding the circumstances in which global financial institutions will be able to share financial intelligence. This recognises the globalised threat that financial institutions face, where criminal organisations will move their funds across borders in search of weak links in the international financial system.

1.1.4.4: Enhance partner governments' capability through providing capacity building resources \*

### This metric was met.

In 2019–20, the Department delivered aid-funded technical assistance in the Asia-Pacific region supporting compliance with the international standards on anti-money laundering (AML) and counter-terrorism financing (CTF) set by the Financial Action Task Force (FATF). This contributed to improved regional governance, stability and resilience to transnational organised crime and illicit financial flows.

#### Examples of the Department's key activities in 2019–20:

- The Department provided assistance to Papua New Guinea to prepare for the upcoming evaluation of its AML/CTF systems. This included support to identify and rectify deficiencies in its legislation and the effective implementation of these laws, and to identify and progress priority areas for legal and policy reform, including to its AML/CTF preventative measures, asset management, investigative powers and international cooperation frameworks.
- Assistance to Vanuatu was continued to strengthen its international cooperation framework. This included the development of manuals on the effective application of its mutual legal assistance (MLA) and extradition laws, including hosting a multi-agency workshop to address complex money laundering. The workshop focused on the predicate crime of foreign tax evasion and supporting building a more effective AML/CTF system.
- The Department assisted Cambodia to establish its legal framework for MLA and agreement to develop proliferation financing legislation, and provided ongoing support to implement its new laws.

## MEASURE 1.1.4

Effectively monitor and disrupt transnational, serious and organised crime to protect and preserve Australia's community and our partners

	<ul style="list-style-type: none"><li>• A typologies report and guidebook on complex money laundering for investigators and prosecutors was completed in conjunction with Indonesia's Corruption Eradication Commission.</li></ul> <p><b>Examples of the Department's multilateral activities in 2019–20:</b></p> <p>The Department co-delivered (with Mongolia) a workshop on concealing the beneficial ownership of proceeds of crime, for delegates to the Asset Recovery Interagency Network—Asia Pacific.</p> <p>A networking breakfast was co-hosted with the Asia/Pacific Group on Money Laundering (APG) for female delegates to the APG Annual Meeting. This expanded the Women Against Money Laundering (WAML) network to approximately 50 women representing over 20 jurisdictions.</p> <p>The Department participated in the 2019 Joint Training Program for Prosecutors hosted by Indonesia and provided expertise on Australia's experience with regulating cryptocurrency, proceeds of crime and non-conviction-based asset recovery.</p> <p>Development of a training package commenced in partnership with APG, as part of the APG Human Trafficking and People Smuggling Project (Phase 2). The training package will support greater cooperation between financial intelligence units, law enforcement, and private/public partnerships.</p>
1.1.4.5: Improve domestic law enforcement coordination through convening cross-jurisdictional fora *	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department continued to engage with cross-jurisdictional fora to progress improvements to domestic law enforcement coordination in monitoring and disrupting transnational, serious and organised crime (TSOC). The Australian TSOC Committee (ATSOCC) contributes to the protection of Australia, its people and its interests from the harms of TSOC through facilitating the implementation of the <i>National Strategy to Fight TSOC</i> (the National Strategy). New Zealand has also joined the ATSOCC.</p> <p>The ATSOCC met on several occasions throughout 2019–20 to agree on a range of priorities, including the National Counter-TSOC Capability Project which is aimed at strengthening the way that Australia's counter-TSOC agencies work together to prevent, disrupt and respond to TSOC. The Committee also met to discuss the National Strategic Priorities (NSPs) for countering TSOC and a national TSOC narrative.</p> <p>The Commonwealth TSOC Centre partnered with the Australian Cyber Security Centre to progress the Capability Project looking at national cyber capabilities to counter-TSOC and cybercrime.</p> <p>In June 2020, the ATSOCC held a video conference to consider the Cyber Wave Interim Report, which outlines preliminary findings from the first wave of the National Counter-TSOC Capability Project. Members noted the Report provides valuable insights for capability uplift and efficiencies to fight TSOC and cybercrime both within jurisdictions and collectively at a national level and committed to work with the Project team in finalising the Report by November 2020.</p> <p>The Committee's TSOC narrative and National Strategic Priorities projects have been paused due to COVID-19 and will recommence when capacity allows.</p>



## MEASURE 1.1.4

Effectively monitor and disrupt transnational, serious and organised crime to protect and preserve Australia's community and our partners

1.1.4.6: Progress in implementing the *National Strategy to Fight Transnational, Serious and Organised Crime* \*

### **This metric was met.**

In 2019–20, the ATSOCC continued to contribute to the protection of Australia, its people and its interests from the harms of TSOC through facilitating the implementation of the *National Strategy to Fight TSOC*.

In particular, the Department led phase one of the Counter-TSOC Capability Project, the Cyber Wave, on behalf of the ATSOCC. The Cyber Wave involves mapping national cyber capabilities. The Cyber Wave project was paused in March 2020 due to COVID-19. An interim report identifying preliminary insights and opportunities for strengthening national cyber capabilities was delivered to the ATSOCC for consideration in May 2020 and discussed at the June 2020 ATSOCC meeting.

The Department continued to focus on leading responses to illicit drugs, which are a primary source of income and power for TSOC.

### **Examples of the Department's key activities in 2019–20:**

- The Department coordinated whole of Portfolio strategic responses to illicit drugs, including through the Portfolio's *Illicit Drug Action Plan*, launched in November 2019 by the Minister for Home Affairs.
- The Commonwealth Illicit Drugs Joint Agency Taskforce's Board of Management was convened twice during 2019 to strengthen coordination between law enforcement and health responses to illicit drugs to achieve maximum impact for Australians. The meeting scheduled for early 2020 was cancelled due to COVID-19.
- The Department led whole of Commonwealth strategic communications on illicit drugs. The Taskforce's website received 2369 page views between launch (November 2019) and 30 June 2020. During 2019–20 the Taskforce published eight social media posts in total reaching more than 177,000 people.
- The Department is working collaboratively with domestic and international partners to counter illicit drugs and other transnational crimes. For example, in March 2020, officers from the Department and the ABF attended the 63<sup>rd</sup> Session of the United Nations Commission on Narcotic Drugs, underscoring Australia's commitment to the international drug control framework and working with global partners to achieve a balanced health and law enforcement approach to drug challenges.

## MEASURE 1.1.5

Effective cyber security strategies, policies, and advice protect and advance Australia's interests

### **PERFORMANCE METRIC**

### **RESULTS**

1.1.5.1: Enhance domestic coordination and international cooperation in responding to cyber security threats ^

### **This metric was met.**

In 2019–20, the Department continued to regularly engage with a wide range of domestic and international stakeholders regarding cyber security threats to enhance Australia's national security.

## MEASURE 1.1.5

Effective cyber security strategies, policies, and advice protect and advance Australia's interests

	<p><b>Examples of the Department's key activities in 2019–20:</b></p> <ul style="list-style-type: none"> <li>• The Department continued to lead international engagement with Five Eyes partners through the Ottawa 5 Cyber Security Policy Forum. For example, Australia hosted the meeting of the Ottawa 5 in November 2019. Outcomes included the security of critical technologies and responding to malicious cyber activity. In 2019–2020, the Ottawa 5 continued to provide a valuable opportunity for international partners to share information on the effects of COVID-19 on the cyber security landscape.</li> <li>• The Department co-chaired the Cyber Policy Working Group under the annual Australia-France Strategic Dialogue on National Security meeting in France. The Working Group agreed to further engagement between the Department and the French Cybersecurity Agency on mutually beneficial cyber security policy priorities such as the protection of critical infrastructure.</li> <li>• In partnership with the Australian Cyber Security Centre and the Department of Foreign Affairs and Trade, the Department worked to coordinate responses to cyber security incidents. For example, the Prime Minister's statement in June 2020 on malicious cyber activity against Australian networks, and the Australian Cyber Security Centre alert on Copy-paste compromises.</li> <li>• The Department coordinated domestic national responses to cyber security, including through the National Cyber Security Committee which includes the Commonwealth, states and territories.</li> <li>• The Department led capability development on cyber security responses, including through a specific 'cyber wave' which benchmarked national responses to cyber security for national law enforcement and justice-related agencies.</li> </ul>
1.1.5.2: The Department coordinates and provides, timely and forward leaning cyber security policy advice to support responses to national cyber security crises *	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department continued to provide timely and forward leaning cyber security policy advice to support responses to national cyber security significant incidents. This included the coordination of timely cross agency advice to support national responses to significant national cyber security incidents in cooperation with the Australian Cyber Security Centre and the Department of Foreign Affairs and Trade. The Department continued to progress work to support responses to national cyber security crises and reduce the threat and likelihood of Australia and Australians being targeted in acts of cyber-crime.</p>
1.1.5.3: Demonstrated progress against key initiatives within the Cyber Security Strategy *	<p><b>This metric was met.</b></p> <p>The Department completed the delivery of all initiatives under the <i>2016 Cyber Security Strategy</i> in 2019–20. As of 30 June 2020, the Department was on track to publish and commence implementing the <i>Cyber Security Strategy 2020</i>, which will succeed the 2016 Strategy.</p>

## MEASURE 1.1.5

Effective cyber security strategies, policies, and advice protect and advance Australia's interests

	<p>A key milestone of 2019–20 was the release of the discussion paper <i>Australia's 2020 Cyber Security Strategy: A call for views</i> in September 2019 to inform development of Australia's Cyber Security Strategy, with 215 submissions received. Following the release of the discussion paper, the Department conducted public consultation sessions in every capital city to engage with industry and the public in the first phase of the Strategy Engagement Roadshow. A second round of consultation was held in January 2020. In 2019–20, the Department met face to face with 1400 stakeholders and over 2.5 million stakeholders were reached by digital media. The Department also assisted (in a Secretariat capacity) the Industry Advisory Panel to draft its final Report. The Panel met 13 times during 2019–20, supported by advice from the Department.</p>
1.1.5.4: A new National Plan to Combat Cyber Crime is developed with support from states and territories *	<p><b>This metric was partially met.</b></p> <p>In 2019–20, the Department continued to engage with all states and territories through mechanisms such as attendance at the ANZ Cybercrime Joint Management Group and the National Cyber Strategy Committee to facilitate the development of a new National Plan to Combat Cybercrime.</p> <p>The Department also gained insights on international approaches through the Ottawa 5 Conference hosted by Australia and separate engagement with the United Kingdom's Government Communications Headquarters and the European Cybercrime Centre.</p> <p>The Department is working to develop and undertake a national cyber capability stocktake which will provide an important evidence base for the National Plan by identifying both gaps and centres of excellence. The building blocks for the National Plan will be established through the <i>2020 Cyber Security Strategy</i> and the strong consultation process, including feedback provided by industry, academia and the community.</p>

## MEASURE 1.1.6

Counter-terrorism strategies, legislation and programs enhance our capacity to detect, prevent and respond to potential terror threats

PERFORMANCE METRIC	RESULTS
1.1.6.1: The Department implements Australia's Counter-Terrorism Strategy through policy, legislative reforms and programs that respond to evolving risks and the needs of law enforcement *	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department progressed a number of policy and legislative initiatives to respond to evolving counter-terrorism risks and the needs of law enforcement. This included leading implementation of <i>Australia's Counter-Terrorism Strategy</i> and ensuring continuous evaluation of its strategic priorities.</p> <p><b>Examples of the Department's policy and legislative initiatives in 2019–20:</b></p> <ul style="list-style-type: none"> <li>The Department continues to work with the Attorney-General's Department and partner agencies to develop legislation to introduce an Extended Supervision Orders scheme as a less restrictive alternative to Continuing Detention Orders that may be applied for in respect of high risk terrorist offenders at the end of their sentence. The proposed scheme will amend Div 105A of the <i>Commonwealth Criminal Code</i>. Work is being undertaken in parallel to develop a framework to guide implementation across state and territory jurisdictions.</li> </ul>

## MEASURE 1.1.6

Counter-terrorism strategies, legislation and programs enhance our capacity to detect, prevent and respond to potential terror threats

	<ul style="list-style-type: none"> <li>• The <i>Counter-Terrorism (Temporary Exclusion Orders) Act 2019</i> (TEO Act) received Royal Assent in July 2019. The Temporary Exclusion Order (TEO) scheme is now operational and the first TEO was made in October 2019.</li> <li>• The Australian Citizenship Amendment (Citizenship Cessation) Bill 2019 was introduced to the Parliament in September 2019. The Bill replaces the current operation of law provisions with a Ministerial decision-making model. The Parliamentary Joint Committee on Intelligence and Security (PJCIS) was due to report on the Bill in December 2019, but did not release its report and the Bill remains before the PJCIS.</li> </ul> <p>The Department's operational implementation of counter-terrorism programs during the year resulted in consideration being given to Continuing Detention Orders in relation to eligible terrorist offenders and enhanced information sharing amongst Commonwealth agencies on Foreign Terrorist Fighters and their family members. During 2019–20, the Minister for Home Affairs notified, or attempted to notify, 15 individuals of their citizenship loss and made five Temporary Exclusion Orders to enable agencies to understand the terrorism risk posed by Australian citizens offshore.</p>
<p><u>1.1.6.2</u>: Improve domestic and international coordination and interoperability through regular collaboration with states and territories and through convening of cross-jurisdictional and international fora ^</p>	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department led counter-terrorism governance structures, including the Australia-New Zealand Counter-Terrorism Committee (ANZCTC). Throughout 2019–20, the ANZCTC held all four scheduled meetings. The Committee has agreed to updates to <i>Australia's Counter-Terrorism Strategy</i> which are on schedule to be considered by National Federation Reform Council in late 2020.</p> <p>The Committee also agreed to a Counter-Remotely Piloted Aircraft Systems (C-RPAS) solution, commencement of the ANZCTC triennial review, and the development of a training policy that allows for more flexible delivery and identifies baseline standards. In March 2020, face-to-face ANZCTC activities were postponed or cancelled in response to COVID-19. However, to ensure continuity of business, critical forums continued via video conferencing.</p> <p>During 2019–20, the Department continued to work closely with our partners to improve international coordination and interoperability in relation to counter-terrorism.</p> <p><b>Examples of the Department's key activities in 2019–20:</b></p> <ul style="list-style-type: none"> <li>• The Department co-hosted with the Department of Foreign Affairs and Trade (DFAT) a large delegation of Indonesian officials from the Counter-Terrorism Coordinating Agency and other officials from counter-terrorism agencies. The delegation studied Australia's approaches to coordinating counter-terrorism policy, program and operational activities.</li> <li>• The Department identified an opportunity to support prosecutors and courts in Indonesia to purchase and operationalise audio-visual equipment to conduct online terrorism trials during COVID-19 (and future major disruptions). The Department also worked with other Australian agencies to advise the Indonesian corrections authority on management of parolees released during COVID-19.</li> <li>• The Department delivered capacity building efforts in the Philippines, including providing technical assistance to support Philippine interlocutors to draft new anti-terrorism legislation. The improved anti-terrorism legislation was passed by the Philippine Congress in June 2020.</li> </ul>

## MEASURE 1.1.6

Counter-terrorism strategies, legislation and programs enhance our capacity to detect, prevent and respond to potential terror threats

	<ul style="list-style-type: none"> <li>The Department worked with the United Kingdom (UK) Foreign Office and Metropolitan Police, and Australian posts in Southeast Asia, to map future collaboration between Australia and the UK to improve the capability of regional partner governments to detect and manage foreign terrorist fighter flows. The Department and DFAT agreed that DFAT would lead this project, noting alignment with other similar donor coordination efforts being led by DFAT.</li> </ul>
<p><b>1.1.6.3:</b> Terrorism response and recovery arrangements are coordinated across portfolios and jurisdictions and timely advice informs Government and Ministers of events and response options *</p>	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department continued to coordinate Australia's strategic, policy and operational approach to counter-terrorism activities. Ministers continued to be provided timely reporting on terrorism incidents, including through Hot Issues Briefs and situation reports.</p> <p>The Department coordinated and chaired cross-portfolio and cross-jurisdictional forums to govern the national counter-terrorism effort and ensure whole-of-government capability and perspective was brought into effect.</p> <p>Advice from these forums informed the Government and Minister in relation to policy, capability, operational approaches to countering terrorism, and on pathways for managing complex individual terrorism cases. For example:</p> <ul style="list-style-type: none"> <li>The Joint Operations Group enabled cross-portfolio arrangements to be put in place to best manage the risk of Australians of terrorism interest offshore.</li> <li>The Terrorist Offender Review Committee enabled the Commonwealth and states and territories to coordinate on strategic aspects of post-sentence management of offenders under the Commonwealth's High Risk Terrorist Offenders scheme.</li> </ul>
<p><b>1.1.6.4:</b> An annual program of exercises, procurement and training is delivered, and builds counter-terrorism capability across Australia *</p>	<p><b>This metric was partially met.</b></p> <p>In 2019–20, the Department delivered two of four scheduled ANZCTC Tiered Exercises, namely Exercise Southern Magpie (VIC) and Exercise Kraken Phase 1 (QLD).</p> <p>The Department also supported the delivery of 28 of 44 scheduled ANZCTC skills enhancement training courses which focused on capability development and skills enhancement of ANZCTC's Counter-Terrorism Capabilities. Courses included: intelligence, investigations, bomb scene examination, bomb response, police tactical group, surveillance, police technical unit, forensic support, dignitary protection, command, covert online, exercise management and crowded places.</p> <p>COVID-19 limited the delivery of planned counter-terrorism exercises and training during Quarter 3 and Quarter 4 of 2019–20. The inability of stakeholders to travel resulted in the postponement of two ANZCTC Tiered Exercises, one in both New South Wales and Queensland, and the cancellation of all scheduled ANZCTC training. Video and teleconferences have enabled business continuity with the completion of several capability governance meetings.</p> <p>Eight complex equipment procurement contracts and two funding agreements have been executed to address ANZCTC bring-forward projects. These projects remain partially completed, pending delivery and training to be finalised in 2020–21 financial year.</p>

## MEASURE 1.1.6

Counter-terrorism strategies, legislation and programs enhance our capacity to detect, prevent and respond to potential terror threats

In a process coordinated by the Department, all but one jurisdiction has successfully applied to the Civil Aviation Safety Authority (CASA) and the Australian Communications and Media Authority (ACMA) for permission to use novel drone detection technology. The Department, in conjunction with ACMA, CASA, and states and territories, has developed the inaugural ANZCTC C-RPAS Procedures Manual which provides operational guidance on the deployment and use of C-RPAS equipment in accordance with the *Radiocommunications Act 1992* and *Civil Aviation Safety Regulations 1998*. Under both pieces of legislation, possession and activation of C-RPAS equipment, including by law enforcement agencies, is prohibited, unless authorised under an Instrument of Delegation or Exemption. The Department has developed an approach through which law enforcement agencies may seek an Instrument of Exemption or an Instrument of Delegation to enable lawful C-RPAS operations. Instruments are granted on the provision agencies agree to comply with the requirements and conditions set out in the ANZCTC C-RPAS Procedures Manual.

## ACTIVITY 1.2

Support national resilience and effective coordination of national emergencies

## MEASURE 1.2.1

Effective emergency management capability and programs enhances Australia's ability to reduce the impact of threats on Australian Communities

### PERFORMANCE METRIC

### RESULTS

1.2.1.1: 100 per cent of designated special events have a security risk plan in place \*

**This metric was met.**

In 2019–20, 100 per cent of security risk plans were in place for designated special events.

The T20 Women's World Cup Tournament was the only declared Special Event delivered in Australia in the 2019–20 financial year. Comprehensive security arrangements were implemented at the event by the event owner, the host city police and Australian Government agencies. The event was delivered without a significant security incident.

The 2020 Anzac Day services in France and Turkey were cancelled due to the impact of COVID-19. Security planning for these events was not required.

This is a decrease in declared Special Events when compared to 2018–19, in which the Department delivered this role for the Invictus Games 2018, in Sydney, and provided security support to the Department of Veterans Affairs for the 2019 Anzac Day Commemorations in France and Turkey.

The Department's ongoing commitment in assessing national security risks and coordinating national security support to declared Special Events contributes to the mitigation of security risks at these events, to as low as reasonably possible, in the unique circumstances of each event.

## MEASURE 1.2.1

Effective emergency management capability and programs enhances Australia's ability to reduce the impact of threats on Australian Communities

**1.2.1.2:** 100 per cent of high office holders have appropriate physical risk mitigations in place \*

**This metric was met.**

In 2019–20, 100 per cent of designated high office holders<sup>6</sup> and locations had physical security risk mitigation plans in place. There was a total number of 50 high office holders and 20 locations with appropriate physical security risk mitigations in place.

All eligible high office holders and locations had security risk mitigations in place during 2018–19. There were no significant changes to the total number of high office holders during this time. However, the formation of the First Morrison Ministry in August 2018 and the Second Morrison Ministry in May 2019 following the Federal Election, generated significant workloads for the Department. All newly eligible high office holders were assessed and subsequent mitigation implemented in the months following the Federal Election.

The Department's ongoing commitment in assessing security risks associated with high office holders contributes to their ongoing safety and that of their staff at residences and workplaces.

**1.2.1.3:** Eligible disaster assistance requests are approved within six hours of an agreed request received #

**This metric was met.**

In 2019–20, the Department received 75 requests for domestic disaster assistance under the Australian Government Disaster Response Plan, an increase in requests of 500 per cent in comparison to the 15 requests received during 2018–19. 100 per cent of requests in 2019–20 were approved within six hours of receipt, in comparison to 93 per cent during 2018–19. The increase in requests experienced during 2019–20 was due to the severity of the 2019–20 bushfires and demonstrates the ongoing commitment of the Department to provide timely advice in the advent of a crisis.

**1.2.1.4:** The Government receives advice within 48 hours of completing an assessment of Commonwealth only Disaster Recovery Payments #

**This metric was met.**

In 2019–20, the Australian Government Disaster Recovery Payment (AGDRP) and Disaster Recovery Allowance (DRA) was activated in response to eight bushfire events across the ACT, NSW, Victoria, Tasmania, SA and Queensland.

The Department advised the Australian Government within 48 hours of completing an assessment and verifying impact data in 100 per cent of cases.

This is an increase of five compared to 2018–19, where only three activations of AGDRP and DRA were recorded.

Over \$248 million in AGDRP and DRA has been made available to impacted individuals and families, compared to \$121.80 million for the same period in 2018–19.

The increase in financial assistance was due to the severity of the 2019–20 bushfires and demonstrates the effectiveness of the Department in providing timely advice to Government during a crises to support vulnerable members of the community. The immediate relief for individuals provided by the AGDRP and the support to employees, small business persons and farmers provided by the DRA contributed to enhanced community resilience and recovery.

6. High office holders are defined as current Australian Government Ministers, former Prime Ministers, former Governors-General, 'At Risk' Parliamentarians, Leader of the Opposition, Deputy Leader of the Opposition and others as referred.

## MEASURE 1.2.1

Effective emergency management capability and programs enhances Australia's ability to reduce the impact of threats on Australian Communities

1.2.1.5: Advice on activation of Category C and Category D measures is provided to the Government within 72 hours of receipt of an accepted application from a state or territory government #

### **This metric was not met.**

In 2019–20, the Department assessed a total of seven Category C<sup>7</sup> and Category D<sup>8</sup> requests for 6 events. This is a decrease from the 12 Category C and D requests received for three events in 2018–19.<sup>9</sup>

The Department has continued to meet the required standard in providing advice to Government for unfolding events with three out of seven assessments being provided within 72 hours of receipt of an accepted application. The remaining four were related to legacy events and required protracted and complex engagement with the affected states. Assessment of these requests took longer than the 72 hours.

1.2.1.6: Demonstrated progress against key initiatives within the *National Disaster Risk Reduction Framework* \*

### **This metric was met.**

In 2019–20, the Department progressed foundational outcomes to support the implementation of the *National Disaster Risk Reduction Framework* (the Framework). A central premise of the Framework and the associated *National Action Plan* is the coordinated action across sectors to understand and address systemic disaster risk. The Department's efforts are directed toward coordination and collective action.

In May 2020, Emergency Management Ministers endorsed the first National Action Plan to implement the Framework. The Department will continue to liaise with relevant Ministers and stakeholders to finalise the National Action Plan.

In June 2020, a pilot project in the supply chain and freight sector was finalised. The pilot project explored the feasibility and benefits of a national disaster risk information and services capability. This pilot is a key Government contribution to implement the Framework, delivering on its first priority 'understand disaster risk' and enabling progress on the Framework's three other priorities.

In June 2020, state and territory implementation plans for the National Partnership Agreement (NPA) on Disaster Risk Reduction were approved by the Hon David Littleproud MP. Payment of 2019–20 NPA funds have been, or will shortly be made, enabling states and territories to commence their disaster risk reduction programs and activities.

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7. Category C requests relate to 'a community recovery package designed to support a holistic approach to the recovery of regions, communities or sectors severely affected by an eligible disaster'.
8. Category D requests relate to 'an act of relief or recovery carried out to alleviate distress or damage in circumstances which are, in the opinion of the Commonwealth, exceptional'.
9. This measure does not apply to the 2019–20 bushfire crisis, as different processes were adopted for Category C and Category D requests (given the creation of the National Bushfire Recovery Agency).



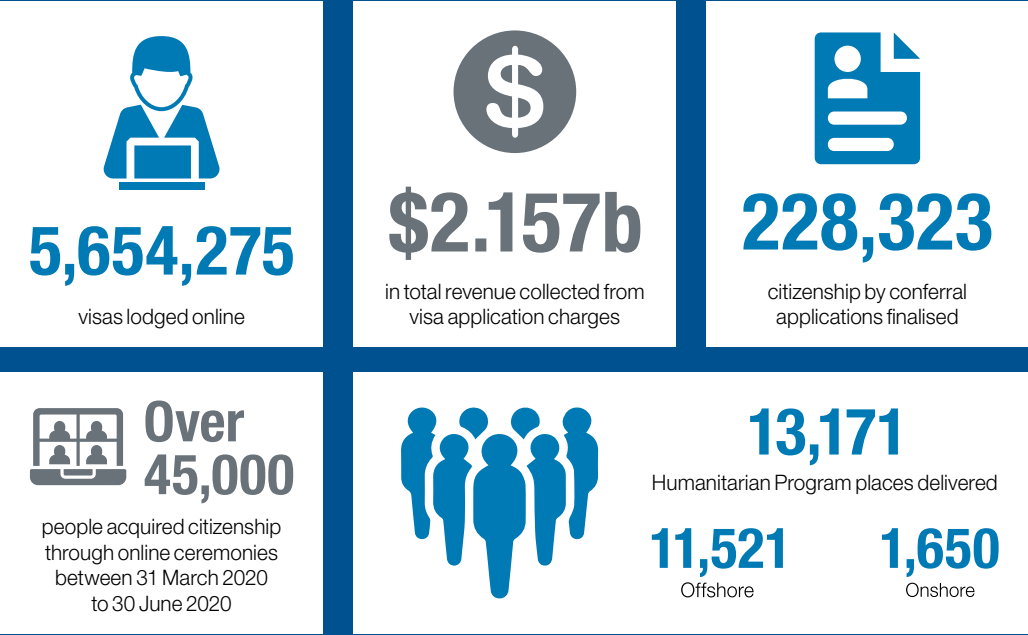
# PURPOSE 2: PROSPEROUS AND UNITED SOCIETY

Table 6: Purpose 2—Performance framework

Activity	Performance Measures
<b>Purpose 2—Prosperous and United Society: Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs.</b>	
<b>Activity 2.1: Effective delivery of orderly and planned immigration and humanitarian programs.</b>	<b>Measure 2.1.1:</b> Migration and visa programs support an open, prosperous and united Australia. <i>PBS Program 1.3</i> Onshore Compliance and Detention <i>PBS Program 2.2</i> Migration <i>PBS Program 2.3</i> Visas
	<b>Measure 2.1.2:</b> Refugee and humanitarian programs reflect government priorities and international protection obligations through providing settlement support whilst contributing to global resettlement. <i>PBS Program 2.4</i> Refugee, Humanitarian, Settlement and Migrant Services
	<b>Measure 2.1.3:</b> Effective regional processing and resettlement deters irregular migration. <i>PBS Program 1.4</i> IMA Offshore Management <i>PBS Program 1.5</i> Regional Cooperation
<b>Activity 2.2: Support social cohesion and drive the effective delivery of citizenship and multicultural programs.</b>	<b>Measure 2.2.1:</b> Community engagement and effective Citizenship and Multicultural programs support and enhance social cohesion. <i>PBS Program 2.1</i> Multicultural Affairs and Citizenship

# Purpose 2: At a glance 2019–20

Figure 6: Purpose 2—At a glance 2019–20



# Purpose 2: Analysis of performance

## COVID-19 and emergency management response

Throughout 2019–20, the Department continued to focus on the effective coordination of the immigration and humanitarian programs and policies and contributed to enhanced social cohesion through promoting Australia's shared values and effectively managing the Citizenship Program.

The Department's response to the COVID-19 pandemic has been characterised by our agility and collaboration to build Australia's international competitiveness by attracting the required talent and skills to fill critical labour shortages, facilitate investment and innovation and support key export industries. The Department supported both economic recovery and industry by enabling student visa holders to temporarily work more hours in critical industries to assist with staffing shortages and to ensure the supply of essential goods and services that Australians rely upon were maintained. Flexibility was also provided to working holiday makers working in critical industries of health, aged and disability care, agriculture and food processing, and childcare.

The Department analysed the Australian community's sentiment surrounding COVID-19 and proposed appropriate mitigations to reduce the presence of racism, which emerged in times of adversity. We have effectively demonstrated that the integration of the Portfolio has enabled border, visa, quarantine and social cohesion issues to be considered in a single motion to support a socially cohesive community.

## Citizenship

The Department adapted its approach to service delivery under the Citizenship Program to ensure COVID-19-safe service delivery for the Australian community. All face-to-face citizenship test appointments were placed on hold, as the Department moved to confer Australia citizenship through online ceremonies. The ceremonies focused on the legal requirements necessary for clients to acquire citizenship, ensuring strong integrity measures were maintained. This included verifying the client's identity against Departmental systems and the presiding officer sighting current photo identification for conferees at the commencement of the ceremony. The first online citizenship ceremony was piloted on 31 March 2020. Following its success, the Department progressively rolled out online ceremonies across all Australian jurisdictions. Over 300 Departmental officers were trained and some redeployed to arrange and preside over online ceremonies.

From 31 March to 30 June 2020, over 45,000 individuals had acquired citizenship through online ceremonies.

Overall, the Department finalised 228,323 citizenship by conferral applications, a 43 per cent increase on the previous year. The Department continued to progress service delivery improvements through the Citizenship Program National Processing Model Project, pursuing a nationally consistent approach to processing citizenship by conferral applications. The project has improved client experience, contributed to processing efficiencies and ensured that clients receive the same service outcomes regardless of where they are geographically located.

## Migration Program

In 2019–20, there was a 24.3 per cent decrease in overall visa lodgements, resulting from the implementation of COVID-19-related travel restrictions and biosecurity measures. Notwithstanding this, the percentage of applications lodged online increased from 93.7 per cent in 2018–19 to 95.8 per cent in 2019–20. A record 204,817 people were conferred citizenship, a 60 per cent increase on 2018–19. The Department continued to implement service delivery enhancements in visa program delivery by progressing digitisation of its services. This was supported by the ongoing implementation of the *Channel Management Strategy* through the deployment of online lodgement forms for the Distinguished Talent visa in February 2020, and an external communications plan to influence client behaviour and encourage the uptake of online visa lodgements.

The administration of Australia's Migration Program was significantly impacted by COVID-19 and associated travel restrictions. The Department delivered 140,366 permanent placements, down from 160,323 in 2018–19. Although the number of temporary and permanent visa applications reduced by 2.3 million in comparison to 2018–19, the Department continued to contribute to Australia's economic prosperity through granting 6.5 million temporary visas, compared to 8.8 million granted in 2018–19. The Department maintained its focus on the integrity of the migration program with 325,637 temporary and permanent (non-humanitarian) visas refused, a decrease of 13.7 per cent on 2018–19.

Despite the significant reduction in people movement in 2019–20, the potential for increases in flows of displaced people and irregular migration continues to present challenges for Australia as an economically and socially attractive nation to reside. Consistent with regional processing arrangements, the Department remained committed to working with partners to resolve the regional processing caseload. While COVID-19 affected United States (US) resettlement processing and outflow in early March 2020, strong planning efforts during Quarter 4 of 2019–20 saw the departure of 83 refugees to resettle in the US. This contributed to the total of 239 refugees resettled in the US in 2019–20 in comparison to 254 in 2018–19.

This brings the total number resettled to 785 at 30 June 2020. As at 30 June 2020, the regional processing population in Nauru and Papua New Guinea (PNG) was 373, a 54 per cent reduction from 814 in 2018–19.

The Department progressed the Zero Chance messaging campaign, as deterring irregular migration continued to be a priority. The campaign generated deterrence messaging across a range of digital forums. During 2019–20, the campaign had a total reach of 36,825,333 persons in source and transit countries. This continues to contribute to the range of deterrence activities undertaken by the Department to suppress maritime people smuggling activities.

Although the COVID-19 State of Emergency's in PNG and Nauru, combined with travel restrictions, has challenged service providers the continuity of service delivery has been effectively maintained.

## Humanitarian Program

In 2019–20, the Department continued to focus on ensuring that Australia's humanitarian pathways were orderly and robust to safeguard the integrity of the Humanitarian Program. These planned pathways ensured the Department supports those most in need, and are consistent with international commitments to promote peace and stability. In 2019–20, the Department delivered 13,171 Humanitarian Program places out of the total 18,750 for the 2019–20 reporting year. The Humanitarian Program was not fully delivered in 2019–20 due to the temporary suspension of granting of all offshore Humanitarian visas in March 2020 as a result of COVID-19 travel restrictions. This followed the announcement by the United Nations High Commissioner for Refugees and the International Organization for Migration of a suspension of resettlement travel on 16 March 2020 due to COVID-19. However, the Department continued to ensure the program was delivered in line with Government priorities. This included working with regional communities and across all levels of government to increase the number of humanitarian entrants settled in regional Australia, and ensuring the vulnerable women and children category makes up 20 per cent of offshore visa grants.

Detailed performance information related to Purpose 2 and results for each measure is in Table 7.

# CASE STUDY

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## **Over 25,000 new Australian citizens on Australia Day 2020**

On 26 January 2020, the Department collaborated with local government councils and community organisations to deliver 365 citizenship ceremonies across the country. A record number of over 25,000 individuals making up over 146 Nationalities became Australian citizens on this day.

Australian citizenship ceremonies hosted on Australia Day are an important part of our national day. They hold strong significance for new citizens and the broader Australian community and contribute to promoting Australia's shared values that unite us and underpin our national character—respect, equality, freedom and democracy.

Australian citizenship is a symbol of loyalty to Australia and a commitment to being an active member of our society.

# CASE STUDY

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## **Intelligence response to counter COVID-19 misinformation, disinformation and scams**

To respond to the threat of COVID-19 misinformation, disinformation and scams targeting Australians at a time of global crisis, the Department established an All Source Fusion Cell (ASFC) to identify, analyse, assess and make recommendations for action to counter COVID-19 manipulated information activity and monitor key themes and trends in manipulated narratives.

The ASFC draws on information provided by departments and agencies across government and from open source platforms to produce fused summary reports and works closely with domestic and international partners to monitor and assess emerging threats. Over the course of the COVID-19 pandemic, there has been an overall surge in reporting to provide increased situational awareness and increased source material for ASFC's analysis. Since March 2020, the ASFC has produced over 60 reports, and made over 180 referrals to digital industry and law enforcement for further prevention, disruption and strategic communications action to minimise and counter the spread of misinformation and disinformation and to protect Australians from scams.

# Purpose 2: Performance information

Table 7: Purpose 2—Performance information

Note: Items **bolded** are measures and targets within the Department of Home Affairs 2019–20 PBS.

\* indicates a new metric for 2019–20

^ indicates a refined metric for 2019–20

# indicates an existing metric

## ACTIVITY 2.1

Effective delivery of orderly and planned immigration and humanitarian programs

### MEASURE 2.1.1

Migration and visa programs support an open, prosperous and united Australia

PERFORMANCE METRIC	RESULTS
<b>2.1.1.1: Labour market outcomes of surveyed skilled migrants 18 months after arrival/visa grant as reported in the Continuous Survey of Australia's Migrants: employed &gt;70 per cent / unemployed &lt;10 per cent / not in the labour force &lt;20 per cent #</b>	<p><b>This metric was met.</b></p> <p>Results from the November 2019 Continuous Survey of Australia's Migrants show that at 18 months after settlement:</p> <ul style="list-style-type: none"> <li>• 77.4 per cent of surveyed migrants were employed, consistent with results from 2018–19</li> <li>• 6.9 per cent of surveyed migrants were unemployed, in comparison to 6.0 per cent in 2018–19</li> <li>• 15.7 per cent of surveyed migrants were not in the labour market, which is an improvement by 0.7 percentage points on 2018–19.</li> </ul> <p>Continued positive results from the Continuous Survey of Australia's Migrants demonstrates the effectiveness of the Department's policy settings and programs in ensuring that skilled migrants are integrated into the Australian labour market.</p> <p>Given the results of the Continuous Survey of Australia's Migrants are from November 2019, the impacts of COVID-19 on labour market outcomes are not represented within the survey results.</p>
<b>2.1.1.2: Visa policy settings addresses the skill shortages and reflect the latest information from Department of Employment, Skills, Small and Family Business #</b>	<p><b>This metric was met.</b></p> <p>In 2019–20, 100 per cent of skilled visas were granted in accordance with occupation lists or labour agreement processes. In response to the COVID-19 pandemic, the Department ensured that visa policy settings supported critical industries and economic recovery through:</p> <ul style="list-style-type: none"> <li>• temporarily allowing student visa holders to work more hours in critical industries to assist with staffing shortages and maintain supply of essential goods and services</li> <li>• providing flexibility to Working Holiday Makers working in critical industries of health, aged and disability care, agriculture and food processing, and childcare, with an exemption to the six month work limitation with one employer and eligibility for a further visa to keep working in these critical sectors if their current visa is due to expire in the next six months</li> <li>• ensuring temporary skilled visa holders who were stood down but not laid off, or had their hours reduced, maintained their visa validity without being in breach of their visa conditions.</li> </ul>

## MEASURE 2.1.1

Migration and visa programs support an open, prosperous and united Australia

	<p>The occupation list update scheduled for March 2020 was delayed and is currently under consideration in the context of economic recovery from COVID-19.</p>
<p>2.1.1.3: The Department implements migration policy and legislative reforms in line with Government priorities*</p>	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department continued to deliver policy and legislative reforms enabling effective delivery of migration and visa programs to support an open, prosperous and united Australia.</p> <p><b>Examples of the Department's policy and legislative reforms in 2019–20:</b></p> <ul style="list-style-type: none"> <li>• In November 2019, two new regional provisional skilled visas commenced and were available for skilled migrants and their family members who want to live, work and study in regional Australia. The New Skilled Regional Visas (Consequential Amendments Bill) 2019 provided holders of these provisional skilled regional visas with the same access to welfare payments and government services as permanent visa holders where eligible. The final text of the Bill has been agreed to by both houses of Parliament.</li> <li>• In January 2020, businesses in Australia's horticulture industry were able to apply for the new Horticulture Industry Labour Agreement which increases access to skilled and semi-skilled migrant workers for the horticulture industry, where appropriately qualified Australians are unavailable.</li> <li>• In February 2020, the Government announced Working Holiday Maker visa holders could extend the time working with one employer from six to 12 months for those assisting with bushfire recovery efforts. The specified work definition for subclass 462 visa holders was changed to include construction work and paid and volunteer disaster recovery work in declared areas impacted as counting towards the specified work requirement for an additional visa.</li> <li>• In June 2020, the Acts Package, comprising the <i>Migration Amendment (Regulation of Migration Agents) Act 2020</i> (the Migration Agents Act) and the <i>Migration Agents Registration Application Charge Amendment (Rates of Charge) Act 2020</i> (the Charge Act) received Royal Assent. Once implemented, the key change resulting from the Acts Package will be the removal of legal practitioners with unrestricted practising certificates from the regulatory scheme governing migration agents.</li> </ul>
<p><b>2.1.1.4: Increase in the take-up rate for online visa lodgements compared with previous year ^</b></p>	<p><b>This metric was met.</b></p> <p>In 2019–20, total visa lodgement figures were 5,899,372, representing a decrease of 23.8 per cent compared to the 7,743,038 lodged in 2018–19. This can be attributed to the direct impacts of COVID-19 and the implementation of travel restrictions.</p> <p>In 2019–20, there were 5,654,275 visa lodgements completed online, a 22.1 per cent decrease compared to the 7,259,084 online lodgements in 2018–19. However, the percentage of applications lodged online increased to 95.8 per cent in 2019–20 from 93.7 per cent in 2018–19.</p> <p>The Department continues to enhance online lodgement services to increase accessibility and usability.</p>



## MEASURE 2.1.1

Migration and visa programs support an open, prosperous and united Australia

	<p><b>Examples of the Department's key activities in 2019–20:</b></p> <ul style="list-style-type: none"> <li>• The Department deployed an online lodgement form for the Distinguished Talent visa, supported improvements to online lodgement for Sponsored Parent (Temporary) visas and Citizenship, and introduced mandatory online lodgement of applications (except for Chinese applicants) for Work and Holiday (subclass 462) visas.</li> <li>• Enhancements to online lodgements were delivered, including improvements to automated correspondence and promotion of assisted online lodgement services through third party providers to support clients using online channels.</li> <li>• The processing of visitor visa applications lodged online were prioritised in order to direct applicants to online channels, achieve faster outcomes and reduce levels of paper processing.</li> <li>• The Department actively targeted India, in partnership with Tourism Australia, by engaging with potential applicants and stakeholders to encourage online visitor visa lodgements.</li> <li>• The Department developed an external communications action plan designed to influence client behaviour and encourage the uptake of the online visa application channel globally, consistent with the Channel Management Strategy.</li> </ul>
<p><b>2.1.1.5: 100 per cent of decisions to detain have an initial review initiated within two business days ^</b></p>	<p><b>This metric was met.</b></p> <p>As at 30 June 2020, 100 per cent of the 1458 decisions to detain that were subject to review had an initial review commenced by the Department within two business days from referral.</p> <p>This metric differs from the 2018–19 performance measure (<i>100 per cent of decisions to detain are reviewed within 48 hours</i>) in that a review must be initiated, as opposed to being completed in the required time period. In 2018–19, 85 per cent of decisions to detain were reviewed within 48 hours.</p> <p>The results show that the Department continues to have robust processes in place to ensure the appropriateness of an individual's immigration detention.</p>
<p><b>2.1.1.6: Total revenue collected achieves Portfolio Additional Estimates Statements (PAES) estimates for visa application charges ^</b></p>	<p><b>This metric was not met.</b></p> <p>In 2019–20, the Department actively collected revenue totalling \$2.157 billion from visa application charges (VAC), \$433.7 million less than the PAES target of \$2.591 billion. VAC revenue collection was down by \$173.3 million against the 2018–19 result. This largely reflects the reduction of visa application volumes in 2019–20 primarily due to the impacts of the COVID-19 pandemic and associated border restrictions.</p>
<p><b>2.1.1.7: 80 per cent of participants of the Adult Migrant English Program demonstrate an increase of one or more levels on the Australian Core Skills Framework (ACSF) *</b></p>	<p><b>This metric was partially met.</b></p> <p>Adult Migrant English Program (AMEP) providers are required to conduct progressive assessments every 200 hours per client. In response to the COVID-19 pandemic, the Department suspended these assessments in Quarter 4 to enable providers to focus on transitioning to alternative delivery modes in response to the pandemic. This included online, paper-based (via mail) and virtual tuition. Data has therefore not been collected to report against this measure in Quarter 4 of 2019–20.</p> <p>At the most recent round of assessments in Quarter 3 of 2019–20, of the 45,831 enrolments between 1 July 2019 and 31 March 2020, 16,231 had had at least one progressive assessment. Of these, 96.2 per cent achieved one or more levels of improvement under the ACSF. This represents a 1.0 per cent increase on the figures for the same period in 2018–19.</p>

## MEASURE 2.1.1

Migration and visa programs support an open, prosperous and united Australia

Providers continued to deliver English language tuition to eligible migrants during Quarter 4. The English language tuition provided to eligible migrants is essential to their economic and social integration in Australia.

A recent evaluation of the AMEP identified the Australian Core Skills Framework (ACSF) as a key challenge for providers, as it has resulted in a duplication of assessments and increased administration. The Department will be implementing an interim method for measuring English language progression in 2020–21. This will involve using curriculum assessments as interim progressive assessments. This will help to alleviate the administrative burden on providers. Results will be reported by AMEP service providers at least quarterly, through a mapping process to the ACSF.

## MEASURE 2.1.2

Refugee and humanitarian programs reflect Government priorities and international protection obligations through providing settlement support whilst contributing to global resettlement

### PERFORMANCE METRIC

### RESULTS

**2.1.2.1: The Humanitarian Program is delivered within the planning ceiling and consistent with priorities set by the Government #**

**This metric was not met.**

Consistent with other Government decisions relating to the COVID-19 pandemic, the granting of all Class XB (offshore) Humanitarian visas was suspended on 19 March 2020. This has meant that the 2019–20 Humanitarian Program of 18,750 places was not fully delivered.

In 2019–20, the Department delivered 13,171 humanitarian program places out of the total 18,750 for the 2019–20 reporting year. This represents a 29.8 per cent decrease on 18,762 places delivered for 2018–19.

This comprised 11,521 visas delivered under the offshore component and 1,650 visas under the onshore component. The onshore component was fully delivered.

The Minister distributed the 2019–20 offshore humanitarian program into three broad elements:

- Regional allocations—73 per cent, for Africa, Asia, the Americas and the Middle East
- The Community Support Programme (CSP)—6 per cent
- Cohorts defined by their vulnerabilities—Vulnerable Women and Children (VWC), LGBTI (Pilot) and Unaccompanied Humanitarian Minors (UHMs with no ties to Australia) (Pilot)—21 per cent

At 30 June 2020, the offshore component comprised:

- 8678 visas granted against the regionally allocated places
- 417 visas granted under the CSP
- 2345 visas granted against the Vulnerable Women and Children category
- 70 visas granted against the two pilots
- 11 visas granted by Canberra staff due to COVID-19 restrictions
- 44.7 per cent of humanitarian entrants granted visas have been referred to regional locations (outside of Sydney, Melbourne and Brisbane (includes Logan<sup>10</sup>) for settlement.

10. Includes Gold Coast for reporting purposes (Gold Coast is classified as regional, however due to HSP System reporting limitations separate referrals data for Gold Coast is not currently available).

## MEASURE 2.1.2

Refugee and humanitarian programs reflect Government priorities and international protection obligations through providing settlement support whilst contributing to global resettlement

2.1.2.2: Improved Illegal Maritime Arrival legacy caseload application processing ^

### **This metric was met.**

During 2019–20, of the Illegal Maritime Arrival (IMA) Legacy caseload of 32,514 persons, 3308 cases were finalised, in comparison to the 4420 finalised during 2018–19. At 30 June 2020, a total of 28,299 cases have been decided or otherwise resolved, representing 87 per cent of the caseload now resolved.

Following the Minister's decision requiring all persons within the IMA Legacy Caseload to have made their initial application for a Temporary Protection or a Safe Haven Enterprise visa prior to 1 October 2017, the Department has been progressing the finalisation of the caseload. During 2019–20, approximately 10 per cent of the caseload or 3308 cases were finalised.

The Department is on track to have resolved the majority of the remaining IMA Legacy Caseload by June 2021, subject to current and future processing impacts resulting from COVID-19 which is currently affecting the scheduling of applicant interviews.

It is expected that a number of the remaining applications are likely to be IMAs with complex national security, character or identity concerns, or other case complexities.

2.1.2.3: A qualitative assessment demonstrates continuous improvement in settlement support services to assist recently-arrived humanitarian entrants and other vulnerable migrants to fully participate in the Australian community \*

### **This metric was partially met.**

#### Humanitarian Settlement Program

At the completion of the 2019–20 program year, the majority of Humanitarian Settlement Program (HSP) clients, 15 years and over who exited the program during 2019–20, were assessed to have the skills to manage their lives and use services independently in Australia. This ranged from 81 per cent to 90 per cent across the nine HSP outcomes, in comparison to 69 per cent and 78 per cent across the same outcomes during 2018–19.

254 HSP Desktop Reviews were completed in 2019–20, a 30 per cent reduction on the 362 undertaken throughout 2018–19. The reduction can be attributed to the Machinery of Government changes, a new Assurance and Compliance Strategy, and changing work priorities to support the Department's response to COVID-19.

Following the Machinery of Government changes, the Department consolidated contract management activities from state and territory offices to the national office with the transition complete in November 2019. Throughout the transition phase, priority focused on developing the HSP Assurance and Compliance Strategy to establish a systematic system to support effective program risk management and continuous improvement from 2020. In the second and third quarters, the focus was on upskilling staff, and preparing for and conducting desktop reviews. From Quarter 4, contract compliance activities were put on hold while the Department prioritised activities related to the COVID-19 pandemic. This also allowed providers to focus on their service delivery response for clients.

Analysis shows that case files are generally satisfactory and provide evidence of service delivery to clients. However, there are a range of areas requiring improvement. For example, many clients' Case Management Plans are not suitably tailored to the individual and evidence for client attainment of 'application-level' outcomes is also lacking. Due to a change in business as usual functions during the response to the COVID-19 pandemic, the latest feedback and follow-up in relation to these issues with Service Providers occurred in January and February 2020. Improvements are not expected to become visible until Quarter 1 2020–2021.

## MEASURE 2.1.2

Refugee and humanitarian programs reflect Government priorities and international protection obligations through providing settlement support whilst contributing to global resettlement

### Australian Cultural Orientation Program

The Australian Cultural Orientation (AUSCO) Program provides participants with practical advice about the journey to Australia and assists in ensuring a successful start to the clients' settlement post arrival.

87.75 per cent of invited clients participated in all AUSCO course sessions for the period 2019–20 against a target of 90 per cent, a small reduction in comparison to the 89.48 per cent of invited clients who attended all AUSCO course sessions throughout 2018–19. The reduction was due to the interruption of delivery of AUSCO classes from mid-March 2020 due to the COVID-19 pandemic.

Some clients cannot attend AUSCO classes due to short departure timeframes, employment obligations in their originating country or health issues. However, the high level of engagement and positive feedback from participants indicates that the program is a valued source of pre-departure information for humanitarian entrants.

### Settlement Engagement and Transition Support

During 2019–20, 78.9 per cent of clients receiving Settlement Engagement and Transition Support (SETS) demonstrated positive progress in achieving individual goals, against a target of 90 per cent. This was a small 3 per cent decrease from the previous reporting period of January to June 2019.

The target of 90 per cent was based on the former Settlement Grants Program. It is likely that the changes between the programs and the heightened focus on English, employment and education under SETS means that positive outcomes are more difficult to achieve.

## MEASURE 2.1.3

Effective regional processing and settlement support, contributes to international migration

### PERFORMANCE METRIC

**2.1.3.1: Qualitative assessment demonstrates a positive impact in supporting regional processing countries to identify durable migration pathways for transferees ^**

### RESULTS

**This metric was met.**

As at 30 June 2020, the regional processing population in Nauru and PNG was 373, down from 814 in 2018–19 which is a 54 per cent reduction in population.

The COVID-19 State of Emergency's in PNG and Nauru, combined with travel restrictions, has challenged service providers, however continuity of service delivery has been effectively maintained.

In 2019–20, 239 refugees were resettled in the US, in comparison to 254 in 2018–19. This brings the total number resettled to 785 at 30 June 2020.

Ongoing engagement with US officials continues to identify opportunities to effect further departures from Nauru, PNG and Australia, with further departures scheduled during Quarter 1 2020–21.

Regional processing service delivery contracts in both Nauru and PNG have been extended by deed of variation to 31 December 2020. Securing these extensions has enabled the Department to continue with transition efforts in PNG to support our exit from regional processing arrangements by 31 December 2020, and to continue ongoing planning for the implementation of an enduring regional processing capability in Nauru by 30 June 2021.

## MEASURE 2.1.3

Effective regional processing and settlement support, contributes to international migration

**2.1.3.2: A sample of qualitative assessments demonstrates a positive impact of engagement with partner governments in improving migration #**

**This metric was partially met.**

A number of projects and engagements were delayed or cancelled in 2019–20 due to the impacts of COVID-19, however the Department continues to strengthen relationships with partner governments to improve migration, border management and national security outcomes.

In 2019–20, the Department funded COVID-19 prevention and response programs administered by international health care organisations and government agencies, which helped to ensure program goals could be achieved where possible.

**Examples of the Department's key activities in 2019–20 include:**

### Papua New Guinea

The Department signed a new funding arrangement with the International Organization for Migration (IOM) in PNG. This funding support will allow the IOM to assist PNG Immigration and Citizenship Authority to provide Assisted Voluntary Return (AVR) activities and migrant care services in PNG. It also allows IOM to work on a range of other activities in PNG, including the regional processing arrangements and refugee resettlement to the United States.

### Sri Lanka

The Department entered into a funding agreement for the second phase of the Sri Lanka Reintegration to Sustain Unemployed Maritime Emigrants Project (RESUME II) project in Sri Lanka. RESUME II aims to develop social and economic capital in communities vulnerable to irregular migration, with a view to strengthen factors encouraging the community to remain in Sri Lanka. The Department, under the International Capacity Building Program, also supported and funded delivery of the third Bali Process Technical Experts Group on Returns and Reintegration (TEGRR) meeting in Colombo, Sri Lanka. The February 2020 TEGRR engaged a broad cross section of Bali Process Member States to develop a shared understanding of global and regional trends on returns and reintegration. There was useful dialogue from member states on their interests and priorities, as well as sharing of current returns and reintegration practices.

### COVID-19 Response (Indonesia, Mekong and Middle East)

The Department provided funding to the IOM in Indonesia to provide ventilators, medical equipment and temporary hospital infrastructure to help cope with an influx of COVID-19 patients as well as a preventative health support and an education campaign for refugee and asylum seekers in Indonesia.

The Department also allocated funds to assist in the application of the UN Global Humanitarian response plan for COVID-19 in the Mekong region, including equipment and training to Myanmar border agencies and through the joint response plan for the Rohingya humanitarian crisis.

In the Middle East, funding was provided to Care Jordan and Care Iraq to address COVID-19 responses in refugee and asylum camps in the region. This funding included training, public health messaging and personal protective equipment.

## ACTIVITY 2.2

Support social cohesion and drive the effective delivery of citizenship and multicultural programs

### MEASURE 2.2.1

Community engagement and effective multicultural and citizenship programs support and enhance social cohesion

PERFORMANCE METRIC	RESULTS
<b>2.2.1.1: High social cohesion is reported from the results of national surveys by the Scanlon Foundation 'Mapping Social Cohesion' and the annual Lowy Institute Poll #</b>	<p><b>This metric was met.</b></p> <p>High social cohesion is reported from the results of national surveys undertaken in 2019 by the Scanlon Foundation 'Mapping Social Cohesion' and the annual Lowy Institute Poll.</p> <p>The Scanlon-Monash Index is an annual measure of social cohesion in Australia. The index score for 2019 was 89.6, consistent with the 2018 score of 89.7. The proportion of those surveyed who indicated that the number of immigrants accepted into Australia was too high fell to 41 per cent, a decrease of two per cent from 2018.</p> <p>The 2020 Lowy Institute Poll published in June 2020, did not include any survey questions directly related to social cohesion or immigration trends, but found that 93 per cent of Australians thought Australia has handled the COVID-19 outbreak very or fairly well so far, and that Australia has tended to avoid trends of protectionist and anti-globalisation sentiment.</p>
<b>2.2.1.2: The Department implements policy and legislative reforms in line with Government priorities *</b>	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department continued to deliver policy and legislative reforms enabling effective delivery of multicultural and citizenship programs that support and enhance social cohesion nationally.</p> <p><b>Examples of the Department's key activities in 2019–20:</b></p> <ul style="list-style-type: none"><li>• Citizenship ceremonies were delivered online from 31 March 2020, in response to COVID-19-related restrictions precluding traditional in-person ceremonies, so approved applicants could continue to acquire Australian citizenship during the pandemic. From 31 March to 30 June 2020, more than 45,000 people acquired Australian citizenship through online ceremonies.</li><li>• The Department implemented the \$71 million package of social cohesion initiatives. This included implementation of the new youth Hubs Pilot to support the integration of young humanitarian entrants and migrants aged 12 to 21, administration of the Fostering Integration Grants Program to help local community organisations assist migrants to integrate into life in Australia, and administration of the Community Languages Schools Multicultural Grants Program to help young Australians learn another language and connect young Australians to the languages and cultures of their community.</li><li>• Through the <i>COVID-19 In your language</i> website, the Department provided Government information on COVID-19 in 63 languages to protect the health of all members of the community and strengthen social cohesion in multicultural communities during the COVID-19 pandemic.</li><li>• The Department provided the Senate Legal and Constitutional Affairs References Committee with a submission as part of the Committee's inquiry into nationhood, national identity and democracy. The submission outlines the role of the Department in fostering and securing Australia's diverse and socially cohesive society.</li></ul>

## MEASURE 2.2.1

Community engagement and effective multicultural and citizenship programs support and enhance social cohesion

2.2.1.3: Social cohesion is promoted through the targeted delivery of an annual program of training to counter violent extremism, building awareness and capability in key stakeholders \*

### **This metric was partially met.**

In 2019–20, the Department's Counter Violent Extremism (CVE) program allocated annual funding to support state and territories' CVE capabilities, including CVE interventions.

In 2019–20, five out of seven training activities were delivered, compared to the four out of four delivered in 2018–19.

### **Examples of the Department's key activities in 2019–20:**

- Work related to the VERA-2R violent extremist risk assessments was progressed, including establishing expert users' community of practice and delivering training to jurisdictional law enforcement and correctional professionals. 100 per cent of the VERA-2R training exercises scheduled in Quarter 1 to Quarter 3 were delivered. The two training activities scheduled for Quarter 4 were postponed due to COVID-19 restrictions.
- The Department developed and delivered analytical reports to share information and inform a cross-section of policy, law enforcement, and counter-terrorism practitioners about emerging issues and trends in the Australian online extremism environment.
- The Department delivered a series of webinars on mental health awareness, terrorism and grievance-fuelled violence, to share information, raise awareness and provide guidance to mental health and medical practitioners.
- Two modules of CommUNITY were launched and delivered. CommUNITY is a network building and social media training program for ethnic and religious communities to address hate and online extremism.
- The online event DIGI Engage 2020 was delivered in partnership with digital industry to raise awareness of the dangers of online extremism and empower young people to speak up against it. Due to the impacts of COVID-19 and social distancing requirements, the two day event was redesigned to be delivered entirely online through a series of webinars, live streaming sessions and through the use of other digital systems.

2.2.1.4: Number of pieces of illicit content identified and referred to digital industry platforms for removal \*

### **This metric was met.**

In 2019–20, the Department referred 593 pieces of terrorist or violent extremist content to digital industry platforms for removal.

In addition, the Department referred 144 instances of COVID-19 malign information to digital platforms where the Department assessed it may breach a platform's own Terms of Service, constituting misinformation, disinformation or a scam. 96 of the 144 instances were removed or otherwise acted upon.<sup>11</sup>

Material referred to digital platforms by the Department varies depending upon the hosting platform content referral processes, the volume and frequency of uploads to platforms observed by the Department, and departmental resourcing. Volume will also depend on the capability of digital platforms to block the initial upload of new material or the re-upload of previously identified material using internal systems.

11. Actions could include but are not limited to: removal of content, suspension of accounts, prevention of further engagement and spread.

## MEASURE 2.2.1

Community engagement and effective multicultural and citizenship programs support and enhance social cohesion

2.2.1.5: Improved multicultural community engagement and integration ^

### This metric was met.

During 2019–20, the Department completed 6637 engagements with community organisations and leaders, compared with 1546 engagements during 2018–19. This represents an increase of 329 per cent.

### Examples of the Department's key activities in 2019–20:

- The Department took steps to ensure that the Australian Government's response to the COVID-19 pandemic was communicated to, and understood by, culturally and linguistically diverse (CALD) communities. Through its Community Liaison Officers (CLO), the Department disseminated critical public health messages, anti-racism messaging and information related to social distancing, financial assistance, and travel restrictions, including in a number of community languages other than English.
- Through their networks, the members of the Australian Multicultural Council promoted key messaging detailing the Australian Government's COVID-19 measures, including anti-racism messaging from Government. The AMC also provided valuable feedback from the community to inform responses to the impact of COVID-19.
- In response to the 2019–20 bushfires numerous CALD community organisations across Australia rallied together to support bushfire-affected communities, including through the delivery of free meals to emergency services personnel, donations of essential goods to bushfire-affected communities, and donating proceeds of fundraising events to state and territory fire services and the Australian Red Cross. The CLO Network informed Emergency Management Australia of offers from CALD communities willing to assist in the distribution of relief and recovery messages.

2.2.1.6: Improved citizenship applications processing \*

### This metric was met.

In 2019–20, the Department continued to deliver improved citizenship application processing. The Department finalised 228,323 citizenship by conferral applications, a 43 per cent increase compared to 2018–19 (160,117 finalisations).

### Number of Australian citizenship by conferral applications lodged, by lodgement channel and financial year:<sup>12</sup>

Application Type	Lodgement Channel			
	Electronic	Paper	Total	Electronic as %
Conferral 2018–19	106,304	32,083	138,387	77%
Conferral 2019–20	122,275	24,726	147,001	83%

In 2019–20, 83 per cent of applications for citizenship conferral were lodged online, compared to 77 per cent for the 2018–19 program year. This is a 6 per cent point increase in online lodgements for citizenship by conferral applications.

12. This includes counts of children under 16 years of age who were included on a responsible parent's application form.



## MEASURE 2.2.1

Community engagement and effective multicultural and citizenship programs support and enhance social cohesion

	<p><b>Complaints received in 2019–20:</b></p> <p>In 2019–20, the Department received 1466 complaints from a total of 304,937 conferral applications on hand. This equated to a rate of 0.005 complaints per application.</p> <p>Of the complaints received by the Department in 2019–20, the most frequently raised topic related to application processing times (73 per cent), followed by time awaiting conferral (15 per cent) and client service (3 per cent).</p> <p>While the total number of complaints decreased quarter on quarter during 2019–20, the reduction in the on-hand caseload has resulted in a consistent ratio of complaints per application.</p> <p>The Department continues to work on client service delivery to address some of these complaints, where appropriate.</p>
<p><b>2.2.1.7: Maintaining or increasing the pass rate of the Australian citizenship test demonstrates collective understanding of the value of Australian citizenship *</b></p>	<p><b>This metric was partially met.</b></p> <p>In 2019–20, 98 per cent of applicants who sat the citizenship test passed. This is consistent with the pass rate in 2018–19.</p> <p>In 2019–20, the average number of test attempts per applicant was 1.2. This is a slight increase from 1.1 in 2018–19.</p> <p>The Department provides applicants with the citizenship test resource booklet (<i>Australian Citizenship: Our Common Bond</i>) which is translated into a range of languages. This resource booklet contains all of the information an applicant requires to be able to pass the test.</p> <p>Failure of an applicant to pass the test after successive attempts may be due to a combination of factors. Reasons for failure may include:</p> <ul style="list-style-type: none"><li>• the applicant being illiterate in their first language</li><li>• the applicant not studying the resource booklet</li><li>• the applicant not having a basic knowledge of English</li><li>• the applicant not being competent with the test software</li><li>• the resource booklet not being fit-for-purpose.</li></ul> <p>On average, less than 1 per cent of applications for citizenship by conferral are refused on the basis of failing the citizenship test, with very few applicants appealing the outcome through the Administrative Appeals Tribunal.</p> <p>The Citizenship Program continues to monitor the test pass/fail rates to determine whether there is a need to review the content of the test material to ensure it remains appropriate and fit-for-purpose, and demonstrates the collective understanding of the value of Australian citizenship.</p>

# PURPOSE 3: BORDER AND CUSTOMS OPERATIONS

Table 8: Purpose 3—Performance framework

Activity	Performance Measures
<b>Purpose 3—Border and Customs Operations: Advance a prosperous and secure Australia through trade and travel modernisation, effective customs, immigration, maritime and enforcement activities across the border continuum.</b>	
<b>Activity 3.1: Effective border management and revenue systems.</b>	<b>Measure 3.1.1:</b> Effective trade and travel policy and regulation settings contributes to Australia's economic prosperity. <i>PBS Program 1.2 Border Management</i> <i>PBS Program 3.2 Trade Facilitation and Industry Engagement</i>
	<b>Measure 3.1.2:</b> Border revenue laws and processes increase revenue collection and reduce revenue evasion. <i>PBS Program 3.1 Border Revenue Collection</i>
<b>Activity 3.2: Effective security and maritime surveillance.</b>	<b>Measure 3.2.1:</b> Border security and contemporary maritime surveillance activities reduce the number of people and goods crossing Australian borders that pose a risk. <i>PBS Program 1.1 Border Enforcement</i> <i>PBS Program 1.3 Onshore Compliance and Detention</i>

# Purpose 3: At a glance 2019–20

Figure 7: Purpose 3—At a glance 2019–20



# Purpose 3: Analysis of performance

## COVID-19 and emergency management response

The ABF was at the forefront of the Australian Government's response to the COVID-19 pandemic, and have focused on the implementation and enforcement of enhanced border measures for trade and travel throughout this period.

As an island nation, our borders are our first line of defence in protecting the Australian community from the introduction and spread of COVID-19, particularly from high-risk countries and locations. The ABF was able to implement each tranche of border restrictions within hours of the Government's decisions. Initial restrictions on travellers from China were implemented swiftly on 2 February 2020 with broader travel bans coming into force on 20 March 2020 prohibiting entry to Australia of all non-exempt foreign nationals. On 25 March 2020, further restrictions came into force prohibiting Australian Citizens and permanent residents from departing Australia (with limited exemptions).

The implementation of border measures has significantly reduced volumes of travel across Australia in both air and sea domains. In 2019–20, the ABF facilitated 32.73 million international air travellers and 2.27 million sea travellers at the border. This is a 26.83 per cent reduction in the number of international air travellers and a 14.33 per cent reduction in sea travellers compared to 2018–19. The ABF adapted border clearance processes to support whole-of-government efforts to target biosecurity threats from those travellers who did arrive at the border throughout the COVID-19 pandemic.

While traveller numbers steadily increased throughout Quarter 1 and Quarter 2, the clear decrease in Quarter 3, then the sharp decrease in traveller numbers in Quarter 4 has contributed significantly to the overall decline for 2019–20. In Quarter 3 of 2019–20, the number of international air travellers declined by 17.77 per cent and the number of sea travellers declined by 8.27 per cent while in Quarter 4 the number of international air travellers declined by 97.55 per cent and sea travellers declined by 49.94 per cent compared to the same periods in 2018–19.

During unprecedented travel restrictions, the ABF Commissioner was authorised by the Australian Government to grant individual travel exemptions to non-citizens providing critical services, including medical specialists and military personnel, as well as those travelling for compassionate reasons, immediate family members of Australian citizens and permanent residents, and New Zealand citizens who usually reside in Australia.

The management and coordination of exemption requests required a sustained surge effort from ABF and departmental officers redeployed from frontline activities, such as passenger facilitation and immigration services, to develop and implement a robust system for travel exemption requests.

In March 2020, the ABF responded swiftly to a ban on international cruise ships which prohibited foreign-flagged vessels from entering Australia's ports, and facilitated departures of cruise ships from Australian waters. Through an agile re-deployment of ABF officers, the ABF implemented border measures under the *Biosecurity Act 2015* and worked closely with key stakeholders, such as industry, state and territory partners and Australian Government agencies.

Operation PINCER was put into effect to repatriate Australian families, individuals and residents from Wuhan, China. Alongside the Department of Defence, Australian Medical Assistance Teams, the Department of Health, and state and territory police and health bodies, the ABF coordinated the quarantine arrangements of 270 people on Christmas Island and 266 people at the Howard Springs facility in the Northern Territory. These operations were managed through a whole-of-government effort led by the ABF. The quick establishment of a quarantine capability on Christmas Island and in Howard Springs demonstrated the ABF's agility in challenging situations and the importance of cooperation with partner agencies.

In March 2020, the *Biosecurity (Human Biosecurity Emergency) (Human Coronavirus with Pandemic Potential) (Essential Goods) Determination 2020* came into effect to prohibit the re-selling of certain essential goods purchased at retail on or after 30 January 2020 for more than 120 per cent of the original purchase price. The ABF re-directed resources to target revenue evasion and identify imports and exports of critical medical and surgical supplies to ensure the security of goods and facilitation of legitimate trade.

The *Customs (Prohibited Exports) Amendment (COVID-19 Human Biosecurity Emergency) Regulations 2020* was also implemented in response to concerns about shortages of Personal Protective Equipment (PPE) and other sanitation products. The amendment applies to goods such as face masks, sanitizer, gowns and goggles, and targeted exploitative practices and profiteering while safeguarding legitimate trade and supply chains. With partner agencies, the ABF has since detained thousands of consignments of PPE destined for offshore users. Detained goods were provided to the National Medical Stockpile, ensuring essential supplies stayed within Australia for the benefit of the Australian community.

## Border security and management

Despite the impact of COVID-19, the ABF has continued to deliver strong outcomes for the protection, security and management of our borders. In 2019–20, in support of Operation Sovereign Borders, the ABF intercepted three vessels under the *Maritime Powers Act 2013* (Maritime Powers Act) for maritime people smuggling. All potential illegal immigrants on board these vessels were safely returned to their country of origin. No vessels reached Australia without intervention.

During 2019–20, the ABF also continued to enhance border management and revenue capability to contribute to greater economic prosperity, particularly through the development of the trade modernisation agenda. The development of a Single Trade Window will allow parties to lodge standardised information and documents with a single entry point to fulfil all import and export requirements.

To support seamless trade, the ABF continued to expand the Australian Trusted Trader (ATT) program and promote legitimate two-way trade. By the close of 2019–20, 340 new entities were accredited as Trusted Traders, which is an increase of 107 entities to the 233 accredited in 2018–19.

In 2019–20, the ABF detected 40,223 major illicit, prohibited and restricted drugs in trade and travel streams, which is an increase of 4349 from 2018–19. The weight of detected major illicit drugs and precursors was 10,881.52 kilograms, reflecting a 45.5 per cent decrease from 2018–19. Despite the unprecedented disruption to international travel, the ABF has focused on targeting high risk consignments across all Operational Priorities.

In 2019–20, there were 18,487 unlawful non-citizens detained in Australia compared to 6992 unlawful non-citizens detained in 2018–19, an increase of 164.4 per cent. Of these, 14,113 were detained in Australia on board vessels under section 249 of the *Migration Act 1958* in order to enforce COVID-19 compulsory quarantine measures on board where crew members were less than 14 days from last port of departure. Therefore, 4374 unlawful non-citizens were detained in Australia under section 189 of the *Migration Act 1958*, a decrease of 37.44 per cent when compared to 2018–19.

Detailed performance information related to Purpose 3 and results for each measure is in Table 9.

# CASE STUDY

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## **Border Watch program supports export restrictions on goods that stop the spread of COVID-19**

The Department's Border Watch program is the single collection point for the Department and the ABF for community and industry information about activities which pose threats to Australia's immigration and citizenship programs, or attempts to circumvent Australia's customs, trade and border protection controls. Throughout the COVID-19 pandemic, the Border Watch Program engaged, educated and encouraged industry to report suspicious and adverse behaviour and activities in relation to the temporary export restrictions prohibiting the non-commercial export of goods that help stop the spread of COVID-19, including disposable face masks, gloves, gowns, protective eyewear and hand sanitizer.

During 2019–20, the Border Watch program received over 80 allegations from industry and community which assisted efforts to prevent harmful activities during the COVID-19 pandemic.

# CASE STUDY

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## **Supporting trade and travel throughout the COVID-19 pandemic**

Following the announcement of COVID-19 border restrictions, the National Coordination Mechanism (NCM) facilitated engagement across the Commonwealth, states and territories to resolve a number of issues. This included the management of international returns to Australia and providing input into the development of an air freight import prioritisation list, led by Department of Industry, Science, Energy and Resources (DISER), comprising key medical supplies and PPE for frontline workers.

The NCM worked with the ABF to raise issues around access to essential goods. This resulted in amendments to the *Customs (Prohibited Imports) Regulations 1958* to temporarily prohibit exports of certain essential goods, including PPE, to prevent exploitative exports and profiteering on these goods during the pandemic. The NCM also worked closely with the DISER and the Department of Infrastructure, Transport, Regional Development and Communications to advise leaders on risks associated with the movement of airfreight in the national interest, including options to remedy.

# Purpose 3: Performance information

Table 9: Purpose 3—Performance information

Note: Items **bolded** are measures and targets within the Department of Home Affairs 2019–20 PBS.

\* indicates a new metric for 2019–20

^ indicates a refined metric for 2019–20

# indicates an existing metric

## ACTIVITY 3.1

Effective border management and revenue systems.

### MEASURE 3.1.1

Effective trade and travel policy and regulation settings contributes to Australia's economic prosperity

PERFORMANCE METRIC	RESULTS
3.1.1.1: The Department develops and implements border and customs modernisation reforms in line with Government priorities *	<p><b>This metric was met.</b></p> <p>In 2019–20, the ABF continued to develop a customs and border modernisation agenda. Short to medium-term initiatives, which form an evidence base for Government, were progressed.</p> <p><b>Examples of the Department's key activities in 2019–20:</b></p> <ul style="list-style-type: none"> <li>The Department led a policy dialogue on the 'Future of Trade and Border Management' at the Asia-Pacific Economic Development (APEC) Sub-Committee on Customs Procedures (SCCP). APEC economies considered key policy issues relating to the future of border management, including policy, regulation, technology, ICT, industry partnerships and supply chain integrity and transparency. The outcomes of the policy dialogue will continue to inform the forward agenda for APEC SCCP throughout 2020–21.</li> <li>The Department delivered the Border Permits Review. The Review included prohibited goods imported or exported under the <i>Customs (Prohibited Imports) Regulations 1956</i>, <i>Customs (Prohibited Exports) Regulations 1958</i>, goods subject to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), pharmaceuticals and wine. The Review was subject to a public consultation process. A total of 39 submissions were received. Teleconferences and roundtables were held in Brisbane, Sydney, Melbourne and Canberra. These involved 53 industry stakeholders and 26 permit issuing agencies. The report is currently under Government consideration and priority recommendations will be progressed in the context of the Single Window Taskforce.</li> <li>The Single Trade Window (STW) Taskforce was established to develop a STW. A STW allows parties involved in trade and transport to lodge standardised information and documents with a single entry point to fulfil all import and export requirements, which will strengthen the competitiveness of Australian businesses and improve the efficiency of border agencies.</li> </ul>



## MEASURE 3.1.1

Effective trade and travel policy and regulation settings contributes to Australia's economic prosperity

	<ul style="list-style-type: none"> <li>The Department supported the Department of Foreign Affairs and Trade in the finalisation of the Digital Economy Agreement between Australia and Singapore. This included a Memorandum of Understanding (MOU) on Trade Facilitation between Singapore Customs and Singapore's InfoComm Media Development Authority. Two activities being progressed under the MOU include a trial of secure exchange of trade documentation between Australia and Singapore via an Inter-Government Ledger and working together exploring interconnectivity of our respective single trade windows. The MOU provides scope for development of additional future trials and collaboration opportunities.</li> </ul>
<b>3.1.1.2: Increase in the number (in proportion to the volume) of travellers who use automated systems ^</b>	<p><b>This metric was met.</b></p> <p>In 2019–20, 61.9 per cent of travellers used SmartGates, which is an increase of 0.5 per cent compared to results in 2018–19.<sup>13</sup></p> <p>In 2019–20, the ABF processed 32.7 million international air travellers, compared to more than 44.7 million 2018–19. The decrease in the number of travellers arriving in Australia was due to the impact of world-wide COVID-19 restrictions on travel. Current border restrictions and adjustments to clearance processes will continue to impact the use of SmartGates as passengers may be required to use non-automated systems to ensure health-related requirements are met.</p>
<b>3.1.1.3: Number of businesses accredited as Australian Trusted Traders (ATT) increases compared with the previous year #</b>	<p><b>This metric was met.</b></p> <p>The Department and the ABF continued to promote legitimate two-way trade through the ongoing implementation of the ATT program.</p> <p>In 2019–20, 340 new entities were accredited as Trusted Traders, which is an increase of 107 entities compared to the 233 accredited in 2018–19.</p> <p>As at 30 June 2020, there were 765 ATTs accredited, representing 10.71 per cent by volume and 18.42 per cent by value of Australia's two-way trade. The growth in accreditations is expected to continue into 2020–21, remaining consistent at around 50 new accreditations per quarter, however this may be impeded by COVID-19.</p> <p>The ABF continues to target a mix of high volume and high value entities, small and medium entities, and service providers to the program.</p> <p>In November 2019, the ABF's ATT program 'Origin Waiver benefit' was expanded to least developed and developing countries. The Origin Waiver benefit reduces non-tariff barriers to trade for importations from over 90 per cent of economies globally. This encourages trade volumes and reduces the cost of doing business for ATT.</p>
<b>3.1.1.4: 100 per cent of accredited ATTs, subject to quality assurance processes, pass or are subject to compliance activity *</b>	<p><b>This metric was met.</b></p> <p>All accredited ATTs subject to quality assurance processes by the ABF in 2019–20 passed. Of the 426 quality assurance processes undertaken, no accredited Trusted Traders failed or were identified for further compliance activity. As a result, no accredited Trusted Traders had further compliance activities completed during 2019–20.</p> <p>Prior to accreditation as Trusted Traders, entities are subject to detailed quality assurance processes.</p>

13. Statistics provided are subject to change as data may be updated within systems to reflect actual travel undertaken by passengers.

## MEASURE 3.1.1

Effective trade and travel policy and regulation settings contributes to Australia's economic prosperity

	<p>Periodic risk-based compliance activity is scheduled for all Trusted Traders post-accreditation. Applicants that 'fail' pre-accreditation or accreditation checks are not admitted in to the ATT program until they comprehensively address any identified issues and reapply.</p> <p>To ensure ongoing compliance within the Trusted Trader cohort, the Department undertakes secondary follow-ups where necessary. Re-validation activities of accredited entities will become a key focus area in 2020–21.</p>
<p><u>3.1.1.5</u>: Number of Mutual Recognition Arrangements (MRA) in place are maintained or increased compared to the previous year *</p>	<p><b>This metric was met.</b></p> <p>As at 30 June 2020, Australia had eight Mutual Recognition Arrangements (MRAs) consistent with the number in place during 2018–19. The ABF signed Australia's most recent MRA with Japan on 27 June 2019.</p> <p>The ABF actively maintains MRAs through activities including detailed monthly data exchanges, periodic engagement with partner customs administrations to discuss any issues regarding our respective Authorised Economic Operator schemes, and annual surveys between customs administrations.</p> <p>The ABF continues to pursue MRAs with key partner economies based on the size of the trade relationship and industry interest. The ABF concluded negotiations on a new MRA during 2019–20, however, it has not yet been possible to sign this MRA due to travel restrictions imposed since March 2020.</p> <p>MRAs are complex agreements and signing is based on an array of variables.</p>
<p><u>3.1.1.6</u>: Advice provided to industry regarding tariff classification, valuation and rules of origin is provided within service standards #</p>	<p><b>This metric was partially met.</b></p> <p>The Department and the ABF continued to promote Australia as a preferred trade option by contributing to a positive, seamless trade experience for legitimate traders.</p> <p>In 2019–20, the Department received 2244 requests for tariff classification advice. This represents an increase from 2100 received in 2018–19.</p> <p>Of the requests received, 81.0 per cent of tariff classification advices were completed within services standards (advice provided within 30 days of receiving all required information in 85 per cent of cases). This represents an increase from 67.0 per cent in 2018–19.</p> <p>Additionally, the Department received 267 requests for valuation and rules of origin advice in 2019–20. This represents a decrease from 411 requests received in 2018–19.</p> <p>Of the 267 requests received, 92.5 per cent of valuation and rules of origin advices were completed within service standards (advice provided within 30 days of receiving all required information). This represents a slight increase from 92.0 per cent in 2018–19. Service standards for valuation and rules of origin advices vary for each individual Free Trade Agreement. The Department measures success against a baseline of advice being provided within 30 days of receiving all required information as this is the minimum service standard set within an active Free Trade Agreement. This includes in instances where the individual service standard may be greater than 30 days.</p>

## MEASURE 3.1.1

Effective trade and travel policy and regulation settings contributes to Australia's economic prosperity

**3.1.1.7:** The proportion of licence holders under the *Customs Act 1901* who have their licence suspended or revoked \*

### This metric was met.

The Department and the ABF continued to promote lawful trade by ensuring compliance with the framework of controls that seek to maintain and facilitate the integrity of goods moving through the border.

#### Depot and Warehouse Licensing

As at 30 June 2020, there were 625 registered depot and warehouse licence holders in comparison to the 623 registered at 30 June 2019. 0.8 per cent of registered depot and warehouse licence holders had their licence suspended or revoked in 2019–20.

The ABF received five referrals to suspend a depot or warehouse licence, of which all were suspended or revoked. This represents an increase compared to 2018–19 where only one referral was received and one depot or warehouse licence holder had their licence suspended or revoked.

#### Broker Licensing

As at 30 June 2020, there were 2121 registered broker licence holders in comparison to 2141 as at 30 June 2019. During 2019–20, the ABF referred 32 customs brokers (and an additional three which remained from the previous year) to the National Customs Broker Licensing Advisory Committee (NCBLAC) of which:

- one licence was suspended
- 13 licences were revoked
- 17 licensed brokers were issued with a reprimand and are required to complete Continuing Professional Development (CPD) to retain their customs broker licence
- four matters remain with NCBLAC pending investigation and report.

A total of 0.66 per cent of registered broker licence holders that had their licence suspended or revoked in 2019–20 in comparison to 0.28 per cent in 2018–19.

## MEASURE 3.1.2

Border revenue laws and processes increase revenue collection and reduce revenue evasion

### PERFORMANCE METRIC

**3.1.2.1:** Total revenue collected from customs duty, Import Processing Charge and Passenger Movement Charge achieves Portfolio Additional Estimates Statements (PAES) estimates ^

### RESULTS

#### This metric was not met.

In 2019–20, the Department and the ABF actively collected revenue totalling \$20.778 billion from Customs Duties, Import Processing Charge and Passenger Movement Charges in accordance with Government settings.

This revenue was down by \$1.667 billion against the PAES estimates, but increased by \$3.217 billion (or 18.3 per cent) over the \$17.561 billion collected in 2018–19. The increase is largely due to the 2018–19 Budget measure *Black Economy Package—combatting illicit tobacco* where revenue was recognised for all tobacco stocks held in Excise Equivalent Goods (EEG) licensed warehouse as at 1 July 2019.

Additionally, collections were also impacted by the COVID-19 pandemic and the associated border restrictions and social distancing measures imposed by the Government in 2019–20.

## MEASURE 3.1.2

Border revenue laws and processes increase revenue collection and reduce revenue evasion

	<p><b>In 2019–20, the Department and the ABF collected the following revenue:</b></p> <ul style="list-style-type: none"> <li>• <i>Customs Duty</i>: \$19.507 billion was collected (against a target of \$20.799 billion), an increase of \$3.564 billion from the 2018–19 results (\$15.943 billion).</li> <li>• <i>Import Processing Charge</i>: \$408.7 million was collected (against a target of \$428.0 million), a decrease of \$17.5 million from the 2018–19 results (\$426.2 million).</li> <li>• <i>Passenger Movement Charge</i>: \$862.9 million was collected (against a target of \$1.218 billion), a decrease of \$329 million from the 2018–19 results (\$1.192 billion).</li> </ul>
<p><u>3.1.2.2</u>: 100 per cent of refunds and drawbacks under the Refund Scheme are delivered in accordance with published service standards #</p>	<p><b>This metric was partially met.</b></p> <p>In 2019–20, the Department and the ABF maintained or delivered improvements against service standards for refunds and drawbacks.</p> <p>The ABF approved \$419.4 million in drawbacks in 2019–20, an increase of 54 per cent from \$273.0 million for 2018–19. During 2019–20, 2481 drawbacks claims were processed. This is a decrease of 2.3 per cent from 2540 in the same period in 2018–19. Of these, 95.2 per cent met client service standards (processed within 30 days of receiving all required information). This was an increase from 93.7 per cent in 2018–19.</p> <p>Drawbacks processing was impacted by the ABF operation CABESTRO, which was launched following a review of the Duty Drawback Scheme to investigate allegations of large scale fraud.</p> <p>The ABF approved \$263.4 million in refunds in 2019–20 as compared to \$249.6 in 2018–19, an increase of 6 per cent. 98.7 per cent of refunds were paid within the client service standards (assessed within 30 days of receiving all documents). This is consistent to 98.8 per cent for 2018–19. Actual performance against the service standard is likely to be higher due to cases where documents were requested but never received to support refunds which were then subsequently rejected.</p> <p>The total value of refunds and drawbacks in 2019–20 was higher (\$682.7 million) than the 2019–20 MYEFO estimate of \$500 million. The increase is partially due to drawback claims related to Excise Equivalent Goods (EEG) including alcohol and tobacco.</p> <p>Drawbacks payments were also higher following the publication on 15 November 2018 of <i>Australian Customs Notice (ACN) 2018/35 - Amendments to the Customs Act 1901 Collecting tobacco duties at the border</i>. This meant from 1 July 2019, importers were required to pay import duty on tobacco products upon importation into Australia. This resulted in an upswing of the number of duty drawback claims for tobacco products that were subsequently exported. Prior to publication of the ACN, tobacco products were routinely imported directly into under-bond warehouses without the need to pay duties and taxes at the time of import, therefore nullifying usage of the duty drawback scheme.</p>
<p><u>3.1.2.3</u>: Amount (\$) of detected revenue evasion—duty/taxes *</p>	<p><b>This metric was met.</b></p> <p>In 2019–20, revenue evasion identified by the Department and the ABF resulting from Investigation and Compliance activities was \$136.70 million, compared to \$134.53 million in 2018–19 (1.61 per cent increase). Activities included post transaction verifications, pre-clearance interventions, voluntary disclosures, refused refund and the general monitoring program.</p>

## MEASURE 3.1.2

Border revenue laws and processes increase revenue collection and reduce revenue evasion

Factors contributing to these results include:

- a significant detection by National Refunds Intervention (NRI) of \$25.2 million in GST which was a user (broker) generated error which has since been rectified
- \$8.9 million in Voluntary Disclosures (VD) in July 2019 and \$8.0 million in VD in February 2020
- \$30 million in Refused Refunds in December 2019
- \$18 million in Post Transaction Verifications (PTV) in February 2020 and \$5.7 million in PTV in June 2020.

During 2019–20, the ABF increased compliance activities targeting dumping duties and GST exemption misuse, resulting in substantial revenue detections during the reporting year.

However, the ABF remained operationally agile in providing significant support to COVID-19-related activities. From March 2020, resources were diverted from traditional activities targeting revenue evasion to support the COVID-19 response, particularly in relation to the identification of import and export of critical medical and surgical supplies and securing and facilitating legitimate trade of these supplies.

## ACTIVITY 3.2

Effective security and maritime surveillance

### MEASURE 3.2.1

Border security and contemporary maritime surveillance activities reduce the number of people and goods crossing Australian borders that pose a risk

#### PERFORMANCE METRIC

#### RESULTS

3.2.1.1: Maintain 2018–19 clearance volumes of cargo within air, sea and international mail \*

**This metric was partially met.**

Despite disruption in trade due to the COVID-19 pandemic in the second half of the 2019–20 financial year, there has been an overall increase in the number of air and sea cargo consignments cleared in comparison to 2018–19. However there has been an overall decrease in actual volume of air cargo and value of sea cargo.

**In 2019–20 the ABF cleared the following:**

#### Air cargo

57,736,091 air cargo consignments, compared to 53,048,477 in 2018–19 (8.84 per cent increase).

The number of air cargo consignments increased by 8.84 per cent, however, the actual volume of air cargo reduced by 9 per cent overall as a result of an increase in smaller e-commerce goods and a reduction in large volume consignments being imported by business.

#### Sea cargo

4,487,627 sea cargo consignments, compared to 3,380,878 in 2018–19 (32.74 per cent increase).

The cancellation of flights from China in February 2020 contributed to a number of cargo consignments being diverted to the sea cargo stream resulting in an overall increase in sea cargo consignment numbers. However, the sector saw a decrease in the overall value of cargo arriving by sea.

## MEASURE 3.2.1

Border security and contemporary maritime surveillance activities reduce the number of people and goods crossing Australian borders that pose a risk

	<p><u>International mail</u></p> <p>The ABF has continued to facilitate legitimate trade across Australia's borders, including through the clearance of cargo arriving through international mail. Throughout 2019–20, as a result of the COVID-19 pandemic impacts, the volume of international mail decreased in comparison to 2018–19.<sup>14</sup></p>
3.2.1.2: Number and weight of detections by category in trade and traveller streams ^	<p><b>This metric was met.</b></p> <p>Disruptions to travel and trade during 2020 as a result of COVID-19 border restrictions have impacted detection volumes in 2019–20.</p> <p>The impact of the COVID-19 pandemic has seen significant reductions in passenger and mail volume along with fluctuations in cargo volume across air and sea. This has impacted the ABF's detections in both the trade and traveller streams.</p> <p>The ABF has focused on targeting high risk consignments across all Operational Priorities, despite this unprecedented disruption to international trade and travel. This has seen an overall increase in detections of illicit drugs, and firearms in 2019–20. However, there has been an overall reduction in the weight of detected major illicit drugs and precursors, and the number of and weight of detected illicit tobacco.</p> <p><b>In 2019–20, the ABF detected the following:</b></p> <p><u>Drug detections (trade and travel streams)</u></p> <p>40,223 major illicit, prohibited and restricted drugs, compared to 35,874 in 2018–19 (12.12 per cent increase).</p> <p>The weight of detected major illicit drugs and precursors was approximately 10,881.52 kilograms compared to approximately 19,962.84 kilograms in 2018–19 (45.49 per cent decrease).</p> <p><u>Firearms detections (trade and travel streams)</u></p> <p>2541 undeclared conventional firearms, parts and accessories, compared to 2269 detections in 2018–19 (11.99 per cent increase).</p> <p>The increase in firearm detections in 2019–20 compared to 2018–19 could be partially attributed to an increase in the detection of magazines.</p> <p><u>Tobacco detections (trade and travel streams)</u></p> <p>157,549 undeclared tobacco detections, compared to 286,657 detections in 2018–19 (45.04 per cent decrease).</p> <p>The tobacco detections have an equivalent weight of 494.28 tonnes, compared to 631.32 equivalent tonnes in 2018–19 (21.71 per cent decrease).</p> <p><u>Overall detections in international mail</u></p> <p>Detections in international mail increased to 179,151 in 2019–20, compared to 79,685 in 2018–19 (124.8 per cent increase).</p> <p>The increase in international mail detections for 2019–20 can be attributed to the Black Economy Taskforce initiative to legislate a prohibition on tobacco importations through the international mail stream as of July 2019. Tobacco detections represent 64 per cent of the total international mail stream detections (115,435 out of a total 179,151).</p>

14. The number of international mail items is commercial-in-confidence and is unable to be reported in the Annual Report.

## MEASURE 3.2.1

Border security and contemporary maritime surveillance activities reduce the number of people and goods crossing Australian borders that pose a risk

3.2.1.3: Maintain 2018–19 clearance volumes of international air and sea travellers \*

### **This metric was not met.**

In 2019–20, the ABF processed 32.73 million international air travellers and 2.27 million sea travellers at the border, compared to 44.74 million international air travellers and 2.66 million sea travellers in 2018–19. This represents a 26.83 per cent reduction in the number of international air travellers and a 14.33 per cent reduction in sea travellers in 2019–20 compared to 2018–19.

As a result of the COVID-19 pandemic, the ABF introduced restrictions for travellers from certain countries in February 2020. On 20 March 2020, the travel ban was expanded to prohibit entry to Australia of all non-exempt foreign nationals. On 25 March 2020, a travel ban was implemented disallowing all Australian citizens and permanent residents from departing Australia unless exempted.

In Quarter 3 of 2019–20, the number of international air travellers declined by 17.77 per cent and the number of sea travellers declined by 8.27 per cent while in Quarter 4 the number of international air travellers declined by 97.55 per cent and sea travellers declined by 49.94 per cent compared to the same periods in 2018–19.

While international traveller movement steadily increased throughout Quarters 1 and 2 in 2019–20, the significant decrease in Quarters 3 and 4 resulted in an overall decline for 2019–20.

3.2.1.4: Assessment of interdictions/immigration refusals pre-border and at the border compared to previous years ^

### **This metric was met.**

In 2019–20, 2274 people were refused immigration clearance at the border, a reduction of 45.74 per cent compared to 4191 immigration refusals in 2018–19. This reduction is largely attributed to the significant decrease in people movement due to COVID-19 border restrictions.

The ABF has focused its effort on pre-border interdiction using the Airline Liaison Officer (ALO) network and the ABF Border Operations Centre (BOC) capability. A total of 704 (361 ALO and 343 BOC) travellers were identified attempting to travel to Australia with fraudulent or improperly obtained travel documents, which is a 26 per cent increase compared to 2018–19.

#### Airline Liaison Officers

In 2019–20, ALOs interdicted 361 improperly documented persons attempting travel to Australia, compared to 387 in 2018–19, a 6.72 per cent decrease.

Due to the COVID-19 pandemic, ALOs have been withdrawn from all overseas ports with the exception of an ALO in Doha, Johannesburg, as well as a First Secretary in Kuala Lumpur and Dubai respectively. These officers continue to work closely and engage with host government authorities and stakeholders to assist airlines with facilitation and complex issues involving Australian nationals and permanent residence travellers seeking to return to Australia.

There has been an upwards trend in ALO interdictions over the past two years as a result of improved risk profiling, engagement and training activities offshore. The reduction in 2019–20 compared to 2018–19 can be directly attributed to the reduction in people movement as a result of COVID-19 travel restrictions.

#### Border Operations Centre

In 2019–20, the BOC interdicted 343 improperly documented passengers, a significant increase of 99.4 per cent compared to 172 in 2018–19. The majority of BOC interdictions are for passengers that attempt travel on fraudulently obtained visas by misrepresenting nationality on visa application.

### MEASURE 3.2.1

Border security and contemporary maritime surveillance activities reduce the number of people and goods crossing Australian borders that pose a risk

	<p>In 2019–20, the BOC denied uplift to 11,229 passengers on inbound and outbound travel. Denied uplift passengers included 563 passengers who were the subject of an alert, 205 travellers with cancelled visas and 102 travellers attempting travel on travel documents reported on the Interpol Stolen and Lost Travel Documents Database. This represents a reduction of 11.8 per cent compared to 2018–19 when 12,730 passengers were denied uplift by the BOC.</p> <p>Due to the COVID-19 travel restrictions, the BOC authorised 84,753 Government overrides to authorise inbound and outbound travel for passengers in 2019–20, reflecting an increase of 94.8 per cent compared to 2018–19 when 43,501 passengers were provided Government overrides to facilitate travel.</p>
3.2.1.5: Number of high risk traveller alerts actioned on behalf of partners *	<p><b>This metric was met.</b></p> <p>In 2019–20, 100 per cent of intelligence-informed national security alerts were actioned at the border, including alerts on behalf of partners.<sup>15</sup></p> <p>A total of 9954 high-risk traveller alerts were received and actioned on behalf of partner agencies in 2019–20, compared to 14,378 received and actioned in 2018–19.</p> <p>The decrease in alerts received and actioned compared to 2018–19 can be attributed to a decrease in travel by those subject to alert due to COVID-19 travel restrictions.</p>
3.2.1.6: 100 per cent of unlawful non-citizens in immigration detention, are detained and/or returned/removed in accordance with Australian legislation ^	<p><b>This metric was met.</b></p> <p>In 2019–20, 100 per cent of unlawful non-citizens in immigration detention were detained and/or returned or removed in accordance with Australian legislation, consistent with 2018–19.</p> <p>In 2019–20, there were 18,487 unlawful non-citizens detained in Australia compared to 6992 unlawful non-citizens detained in 2018–19, an increase of 164.4 per cent. Of these, 14,113 were detained in Australia on board vessels under section 249 of the <i>Migration Act 1958</i> in order to enforce COVID-19 compulsory quarantine measures on board where crew members were less than 14 days from last port of departure. Therefore, 4374 unlawful non-citizens were detained in Australia under section 189 of the <i>Migration Act 1958</i> (37.44 per cent decrease when compared to 2018–19).</p> <p>In 2019–20, 10,505 unlawful non-citizens were returned from the Australian community or removed from onshore detention, compared to 12,985 in 2018–19, a decrease of 19.1 per cent. All officers acted in accordance with Australian law based on the information available to them at the point of detention.</p> <p>The ABF continues to prioritise its work against the ABF Operational Priorities, maintaining critical field compliance activities and affording the highest priority to targeting high-risk unlawful non-citizens who pose a significant risk to the Australian community.</p> <p>The ABF is currently limited in its ability to facilitate the removal of unlawful non-citizens due to flight restrictions and travel bans as a result of COVID-19. The ABF is continuing to work to facilitate the timely and safe removal of unlawful non-citizens as soon as practicable in line with COVID-19 requirements.</p>

15. 'Actioned at the border' means that an alert was triggered at the border and was recorded in the Alerts Management System as being a 'confirmed match' during that period.



## MEASURE 3.2.1

Border security and contemporary maritime surveillance activities reduce the number of people and goods crossing Australian borders that pose a risk

3.2.1.7: Average number of people in detention ^

### **This metric was met.**

In 2019–20, the average number of persons in held detention was 1414. This is an increase compared to 2018–19 where the average number was 1308.

The transfer of people under the *Miscellaneous Measures Act 2019* (repealed on 5 December 2019) contributed to the increased average number of people in detention. As at 30 June 2020, 167 medical transferees under the now repealed Medevac legislation were in immigration detention (including alternative places of detention).

### **Average number of people in detention in 2019–20:**

- Air-arrivals non-immigration cleared—38
- Illegal maritime arrivals (IMAs)—485
- Over stayers—146
- S501(Character grounds) visa cancellation—621
- Visa cancellation—120
- Illegal foreign fishers (IFF)—1
- Seaport arrivals—3

The ability of the ABF to facilitate removals of those held in immigration detention was impacted by flight restrictions and travel bans that resulted from the Government's response to COVID-19. This was and will continue to be a stressor on the immigration detention population and will continue to impact the ABF's field operations, including efforts to re-balance the Immigration Detention Network population between detention centre locations.

3.2.1.8: 95 per cent of funded sea going days are completed \*

### **This metric was not met.**

In 2019–20, the ABF achieved 69.2 per cent (2298 days) of its 3320 funded sea going days.

While the results are below the target range of 95 per cent, the figure represents an improvement of 4.7 per cent compared to 2018–19 patrol days (2195 days). This is despite the significant pressures on vessel availability during 2019–20.

The total days achieved in 2019–20 was impacted by an unprecedented maintenance program for 2019–20, which includes five-yearly Depot Level Maintenance for five of the Cape Class vessels, in addition to Annual Surveys, Intermediate Level Maintenance and unavoidable work across the fleet to address emergent safety issues.

## MEASURE 3.2.1

Border security and contemporary maritime surveillance activities reduce the number of people and goods crossing Australian borders that pose a risk

3.2.1.9: 95 per cent of funded air surveillance days are completed \*

### **This metric was partially met.**

In 2019–20, the combined flying hours completed across both service providers resulted in achievement of 93.62 per cent (15,212.91 hours) of the maximum funded aerial surveillance hours of 16,250. This is comparable to the 2018–19 financial year figure of 92.56 per cent (15,921.41 hours) out of maximum funded aerial surveillance hours of 17,200.

In 2019–20, both service providers experienced impacts to the delivery of flying hours due to planned heavy maintenance and unscheduled maintenance. Some maintenance rectification activity was delayed due to COVID-19 travel restrictions and the reduction in international/domestic flights that assist in the global aviation industries spare parts distribution network.

The ABF continues to engage with both aviation surveillance service providers on options to improve performance and availability. The ABF expects to see an increase in flying hours in 2020–21.

3.2.1.10: 100 per cent of identified non-compliant vessels operating in the Australian Maritime Domain, were subject to a prioritised, risk-based law enforcement response ^

### **This metric was met.**

During 2019–20, 100 per cent of identified non-compliant vessels operating in the Australian Maritime Domain (AMD) were subject to a prioritised, risk-based law enforcement response, consistent with results in 2018–19.

#### **During 2019–20, there have been:**

- over 50 boarding, educate and disembarks, including a significant operation in the Indian Ocean in relation to potential illegal, unreported and unregulated fishing, and State Flag verification
- a number of apprehensions which led to over 20 personnel processed
- seizures of 32 fish aggregating devices, three ghost nets and 10 marine hazards, which, when unregulated, may become navigational hazards and result in damage to Australia's maritime ecosystems.

The ABF's COVID-19 response impacted a number of essential activities undertaken by operational units. The ABF has changed its approach to boarding activities to meet additional safety requirements. To address this, the ABF developed a set of procedures and physical measures to ensure that maritime interdiction and deterrence capabilities continued. These have proven successful and law enforcement efforts in the civil maritime space have not been hampered.

3.2.1.11: ABF undertake law enforcement responses to illegal maritime arrivals consistent with Government policies \*

### **This metric was met.**

In 2019–20, a total of three vessels were intercepted and detained under the *Maritime Powers Act 2013* for maritime people smuggling, of which zero vessels reached Australia.

For each of the three ventures intercepted in 2019–20, all potential illegal immigrants on board the ventures were safely returned to their country of origin, consistent with Australian Government border protection policies and Australia's international protection obligations.

The ABF's partner agencies continued to exchange intelligence and cooperate with regional partners throughout 2019–20 to further deter and disrupt maritime people smugglers. Numerous undertakings were disrupted, most very early in their journey, with only two with Australia as the confirmed destination. This takes the total number of foreign law enforcement disruptions of ventures targeting Australia to 83 since the commencement of Operation Sovereign Borders (OSB).

## MEASURE 3.2.1

Border security and contemporary maritime surveillance activities reduce the number of people and goods crossing Australian borders that pose a risk

	<p>In April 2020, following an investigation by the Australian Federal Police (AFP), one person was sentenced to an aggregate term of 12 years imprisonment for his role in facilitating multiple people smuggling ventures from Indonesia to Australia between November 2011 and May 2013.</p> <p>In June 2020, the AFP also arrested two people in Cairns and Newcastle for alleged involvement in an attempted maritime people smuggling venture in January 2020, which was intercepted by OSB. Both men have been charged with people smuggling offences and have been remanded in custody. COVID-19 global border controls and international movement restrictions further suppressed maritime people smuggling activity, reducing the number of disruptions in Quarter 3 and Quarter 4.</p> <p>The ABF continued to deliver the Zero Chance messaging campaign, which is a critical component of the multi-layered OSB approach. The Zero Chance branded online advertising generates thousands of views of deterrence messaging each month through YouTube, Facebook, Google, online gaming, mobile apps and popular websites.</p> <p>During 2019–20, the Zero Chance campaign (online elements) had a total audience reach of 36,825,333 persons in source and transit countries. This campaign further suppresses maritime people smuggling activities and has contributed to a reduction in the willingness of potential illegal immigrants to consider an illegal maritime journey to Australia.</p> <p>In support of OSB's mission to combat maritime people smuggling and to reinforce relationships with key law enforcement, migration and intelligence partners the OSB Commander continued to meet with international partners, including New Zealand, Sri Lanka, India, Malaysia and Indonesia. Due to the impacts of the COVID-19 pandemic, further international engagements were cancelled, deferred or occurred virtually.</p>
<p><u>3.2.1.12</u>: Qualitative assessment demonstrates the impact of strengthening relationships with partner governments to improve border security #</p>	<p><b>This metric was partially met.</b></p> <p>Through international cooperation, the Department seeks to strengthen relationships with partner governments to improve migrations, border management and national security outcomes.</p> <p>International travel bans, border closures and quarantine efforts have had an adverse impact on engagement and strengthening relations with partner governments in improving border security. Of the 187 International Capability Building Program (ICBP) projects and activities, 82 were cancelled or delayed, which represents 44 per cent of the total planned programs, compared with only 1 per cent of cancelled or delayed programs in the previous financial year.</p> <p>The majority of practical activities between February and June 2020 have been cancelled or deferred to the 2020–21 financial year.</p> <p>Despite these challenges, the Department and the ABF undertook a range of activities in 2019–20 to strengthen our relationships with partner governments and to improve border security.</p>

## MEASURE 3.2.1

Border security and contemporary maritime surveillance activities reduce the number of people and goods crossing Australian borders that pose a risk

	<p><b>Examples of the Department's key activities in 2019–20:</b></p> <ul style="list-style-type: none"><li>• The Department provided additional funds to Myanmar border agencies including personal protective equipment and training to reduce the spread of COVID-19 in vulnerable border regions.</li><li>• The Department participated in the 7th Australia-PNG Joint Technical Working Group on Travel Facilitation held in March 2020. The discussions centred on streamlined travel for PNG citizens. PNG Immigration and Citizenship Authority noted that ePassports remain a priority for PNG and is taking note of the findings from the recent International Civil Aviation Organization Report.</li><li>• In February 2020, the Department co-chaired the second Australia-France Strategic Dialogue on National Security. Discussions focused on enhanced cooperation on maritime security and law enforcement in the Pacific, future collaboration on natural disasters, and national security priorities.</li><li>• The biennial World Customs Organization (WCO) Global Canine Forum was hosted by the ABF in Melbourne in October 2019. The planning, logistics, briefings and delivery of the forum put Australia on the world stage as a leader in detector dog breeding, training and operational deployment.</li></ul>
<p>3.2.1.13: Number of infringement notices issued for trade and travel non-compliance ^</p>	<p><b>This metric was met.</b></p> <p>In 2019–20, the Department and the ABF actively targeted non-compliance through the issuing of infringements to deter illegal activities and encourage increased compliance with border revenue laws and processes.</p> <p>In 2019–20, the Department issued:</p> <ul style="list-style-type: none"><li>• 162 trade infringement notices, a decrease of 32.5 per cent from the 240 trade infringement notices issued in 2018–19</li><li>• 84 travel infringement notices, a decrease of 51.7 per cent from the 174 travel infringement notices issued in 2018–19.</li></ul> <p>The decrease in trade-related infringement notices reflects a pivot to real-time interventions on COVID-19-related goods restrictions at the border and officers being redeployed to other COVID-19-related priorities.</p> <p>The significant reduction in the issuing of infringement notices by the ABF in the passenger stream is attributed to the reduction of travellers crossing the border due to COVID-19 border restrictions.</p>



# PART 3

## REPORT ON FINANCIAL PERFORMANCE

# REPORT ON FINANCIAL PERFORMANCE

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The Department's complete financial results for 2019–20 are available in the financial statements that form Part 4 of this Annual Report.

## Departmental operating result

The 2019–20 financial statements report a \$424.48 million operating deficit compared with the \$344.69 million operating deficit in 2018–19. The Australian Government has not funded depreciation and amortisation expenses since 2010–11. AASB 16 Leases became effective on 1 July 2019 and replaced AASB 117 Leases. The Australian Government's Funding Framework was not changed to support implementation of this accounting standard. In 2019–20, the Department incurred \$650.55 million in depreciation and amortisation expenses (including for right-of-use leased assets) and \$260.93 million in principal repayments for leased assets. After adjusting for these items, the 2019–20 result is an operating deficit of \$34.9 million.

## Administered program performance

The Department's 2019–20 administered expenses were \$2.58 billion, compared to \$2.04 billion in 2018–19. The variance is largely accounted for by two factors: an increase in payments in relation to the Australian Government Disaster Recovery Payment program to individuals adversely impacted by natural disasters; and the Department assuming responsibility for settlement services for refugees and humanitarian migrants and adult migrant education from 1 July 2019 under the Administrative Arrangements Order of 29 May 2019.

## Net assets

Overall, the Department's 2019–20 net asset position of \$1.17 billion (assets minus liabilities) decreased by \$62.25 million in comparison with 2018–19.

# All outcomes—summary expense and capital expenditure 2019–20

	Budget 2019–20 <sup>a</sup> \$'000	Actual expenses 2019–20 \$'000
<b>Administered</b>		
<b>Expenses funded through revenue appropriations<sup>b</sup></b>		
<b>Outcome 1:</b> Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.	2,679,035	1,942,745
<b>Outcome 2:</b> Support a prosperous and inclusive society, and advance Australia's economic interests through the effective management of the visa, multicultural and citizenship programs and the provision of refugee and humanitarian assistance and settlement and migrant services.	504,134	442,917
<b>Outcome 3:</b> Advance Australia's economic interests through the facilitation of the trade of goods to and from Australia and the collection of border revenue.	-	-
<b>Total administered expenses funded through revenue appropriations</b>	<b>3,183,169</b>	<b>2,385,662</b>
<b>Total administered capital expenditure</b>	<b>27,893</b>	<b>19,133</b>
<b>Departmental</b>		
<b>Expenses funded through revenue appropriations<sup>b</sup></b>		
<b>Outcome 1:</b> Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.	1,949,441	1,916,618
<b>Outcome 2:</b> Support a prosperous and inclusive society, and advance Australia's economic interests through the effective management of the visa, multicultural and citizenship programs and the provision of refugee and humanitarian assistance and settlement and migrant services.	882,105	907,490
<b>Outcome 3:</b> Advance Australia's economic interests through the facilitation of the trade of goods to and from Australia and the collection of border revenue.	125,557	124,335
<b>Total departmental expenses funded through revenue appropriations</b>	<b>2,957,103</b>	<b>2,948,443</b>
<b>Total departmental capital expenditure</b>	<b>293,968</b>	<b>232,630</b>

- a. Budget relates to the estimated actuals for 2019-20 which incorporates the measures provided in the Portfolio Additional Estimates Statements (PAES) 2019-20.
- b. Departmental and administered appropriations combines ordinary annual services (Appropriation Acts No.1 and No. 3), special appropriations, special accounts, emergency appropriation (Coronavirus Economic Response Package) Act (No. 1) and retained revenue receipts under s74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Expenses funded through revenue appropriations exclude depreciation and amortisation, writedown and impairment of assets, non-cash gifting of capital assets, concessional loan discount and resources received free of charge, offset by the lease payments.





# PART 4

## FINANCIAL STATEMENTS

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# INDEPENDENT AUDITOR'S REPORT



## INDEPENDENT AUDITOR'S REPORT

To the Minister for Home Affairs

### Opinion

In my opinion, the financial statements of the Department of Home Affairs (the Entity) for the year ended 30 June 2020:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2020 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2020 and for the year then ended:

- Statement by the Secretary and Chief Finance Officer;
- Statement of comprehensive income;
- Statement of financial position;
- Statement of changes in equity;
- Cash flow statement;
- Administered schedule of comprehensive income;
- Administered schedule of assets and liabilities;
- Administered reconciliation schedule;
- Administered cash flow statement; and
- Notes to and forming part of the financial statements, comprising a summary of significant accounting policies and other explanatory information.

### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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**Key audit matter****Completeness and accuracy of customs duty**

*Refer to Note 2.1A 'Taxation revenue' and Note 4.1B 'Taxation receivables'*

The Entity recognises revenue for customs duty arising on imported goods. The calculation of duty payable is dependent upon information provided by importers. Due to the self-assessment nature of customs duty collections, the Entity has implemented a framework for monitoring importers' compliance with disclosure requirements. The compliance framework is risk based and driven by intelligence collected by the Entity.

I focused on this area given:

- the significant value of customs duty revenue;
- the importance that compliance risk management plays in the completeness and accuracy of customs duty revenue; and
- the complexity of the information technology (IT) environment used to manage customs duty.

For the year ended 30 June 2020, \$19.507 billion customs duty revenue and \$122 million customs duty receivables were recognised.

**How the audit addressed the matter**

To audit the completeness and accuracy of customs duty, I performed the following procedures:

- evaluated the design and operating effectiveness of the Entity's compliance risk management processes by benchmarking the Entity's compliance framework against the Organisation for Economic Cooperation and Development's principles of what constitutes an effective taxation compliance program;
- assessed the design and operating effectiveness of the Entity's risk identification, risk assessment, and risk prioritisation process; and the risk treatment strategies and associated reporting relevant to evasion of customs duty and the integrity of the Entity's supply chain;
- evaluated key IT systems and tested relevant controls, system calculations and reconciliations to confirm the accuracy of customs duty collected; and
- assessed the accuracy of customs duty collected by evaluating the appropriateness of tariff rates to relevant legislation and exchange rates being applied and by testing a sample of transactions to supporting documentation.

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**Key audit matter****Completeness and accuracy of visa application charges**

*Refer to Note 2.1A 'Taxation revenue' and Note 4.1B 'Taxation receivables'*

The Entity recognises revenue for visa applications. I focused on this area given:

- the significant value of visa application charges;
- the decentralised approach to the collection of visa revenue which occurs in a number of locations domestically and internationally, using a number of payment mechanisms; and
- the complexity of the IT environment used to collect and process visa application charges.

For the year ended 30 June 2020, \$2.157 billion visa application charges revenue and \$0.9 million visa application charges receivables were recognised.

**How the audit addressed the matter**

To audit the completeness and accuracy of visa application charges and receivables, I performed the following procedures:

- assessed the design and operating effectiveness of controls over the revenue collection and reporting process, including the effectiveness of cash receipting and related reconciliation processes;
  - evaluated the design, implementation and operating effectiveness of key IT systems and controls relevant to the completeness and accuracy of visa revenue. This includes assessing whether visa revenue is accurately reflected in the financial management information system;
  - assessed the accuracy of visa pricing applied within business systems to published schedules; and
  - tested, on a sample basis, visa applications and receipts. This testing included agreeing receipts to valid application forms and testing that the receipt processed agreed to the approved schedule of pricing from the associated regulations.
-

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**Key audit matter****Accuracy of detention and regional processing centres' expenses**

Refer to Note 2.2A 'Suppliers'

I focused on this area given:

- the significance of expenses and complexity of contracts associated with managing the detention and regional processing centres; and
- the variability of the costs associated with administering the detention and regional processing network, as the level of expenses is dependent on the rate of arrival and the time these persons are held in detention.

For the year ended 30 June 2020, \$1.715 billion was recognised for suppliers services rendered. Detention and regional processing centres expenditure represents a significant proportion of this balance.

**How the audit addressed the matter**

To audit the accuracy of detention and regional processing centres expenses, I performed the following procedures:

- assessed the design and operating effectiveness of key controls supporting contract payments to service providers including compliance with contract requirements and the accuracy of expenditure recorded;
- tested, on a sample basis, the accuracy of detention and regional processing centres expenses including: evaluating underlying cost drivers and invoices; and
- performed detailed analysis of regional processing centre expenditure against contract requirements.

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**Accountable Authority's responsibility for the financial statements**

As the Accountable Authority of the Entity, the Secretary is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Secretary is also responsible for such internal control as the Secretary determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Secretary is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

**Auditor's responsibilities for the audit of the financial statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit 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;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;

- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Accountable Authority, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Australian National Audit Office



Jodi George  
Executive Director  
Delegate of the Auditor-General

Canberra  
8 September 2020

# STATEMENT BY THE SECRETARY AND CHIEF FINANCE OFFICER

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**Department of Home Affairs**  
**Statement by the Secretary and the Chief Finance Officer**

In our opinion, the attached financial statements for the year ended 30 June 2020 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 Home Affairs will be able to pay its debts as and when they fall due.

Signed  .....

Michael Pezzullo  
Secretary

7 September 2020

Signed  .....

Stephanie Cargill  
Chief Finance Officer

7 September 2020

# FINANCIAL STATEMENTS

## Department of Home Affairs Statement of comprehensive income For the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b>Net cost of services</b>				
<b>Expenses</b>				
Employee benefits	6.1A	1,550,827	1,518,379	1,515,184
Suppliers	1.1A	1,114,524	1,372,058	1,316,488
Depreciation and amortisation	3.2A	650,546	344,925	306,255
Impairment loss on trade and other receivables		16,627	16,658	-
Write-down and impairment of non-financial assets	1.1B	27,772	1,442	-
Finance costs	1.1C	23,350	2,572	-
Other expenses		1,912	10,755	383
<b>Total expenses</b>		<b>3,385,558</b>	<b>3,266,789</b>	<b>3,138,310</b>
<b>Own-source income</b>				
<b>Own-source revenue</b>				
Revenue from contracts with customers	1.2A	220,179	237,169	246,233
Rental income	1.2B	3,930	4,541	3,732
Other revenue	1.2C	3,640	10,275	11,828
<b>Total own-source revenue</b>		<b>227,749</b>	<b>251,985</b>	<b>261,793</b>
Gains	1.2D	9,457	6,227	-
<b>Total own-source income</b>		<b>237,206</b>	<b>258,212</b>	<b>261,793</b>
<b>Net cost of services</b>		<b>(3,148,352)</b>	<b>(3,008,577)</b>	<b>(2,876,517)</b>
Revenue from Government		2,723,874	2,663,887	2,592,254
<b>Deficit attributable to the Australian Government</b>		<b>(424,478)</b>	<b>(344,690)</b>	<b>(284,263)</b>
<b>Other comprehensive income</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation reserve		32,882	3,231	-
<b>Total other comprehensive income</b>		<b>32,882</b>	<b>3,231</b>	<b>-</b>
<b>Total comprehensive loss</b>		<b>(391,596)</b>	<b>(341,459)</b>	<b>(284,263)</b>

The above statement should be read in conjunction with the accompanying notes.

Refer to Note 8.3 for explanations of major budget variances.



Department of Home Affairs  
Statement of financial position  
As at 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b>Assets</b>				
Financial assets				
Cash and cash equivalents	3.1A	5,577	5,882	3,522
Trade and other receivables	3.1B	542,950	519,513	542,701
Other financial assets		848	909	6,389
<b>Total financial assets</b>		<b>549,375</b>	<b>526,304</b>	<b>552,612</b>
Non-financial assets <sup>a</sup>				
Land	3.2A	23,396	20,220	20,220
Buildings	3.2A	1,424,946	35,014	22,444
Leasehold improvements	3.2A	212,772	236,378	151,520
Vessels	3.2A	295,440	320,255	333,325
Plant and equipment	3.2A	533,261	291,402	303,294
Computer software	3.2A	521,267	585,664	608,472
Inventories held for distribution		21,166	21,054	19,783
Prepayments		87,678	97,738	99,492
Other non-financial assets		-	11,789	10,105
<b>Total non-financial assets</b>		<b>3,119,926</b>	<b>1,619,514</b>	<b>1,568,655</b>
<b>Total assets</b>		<b>3,669,301</b>	<b>2,145,818</b>	<b>2,121,267</b>
<b>Liabilities</b>				
Payables				
Suppliers	3.3A	211,819	246,026	288,862
Other payables	3.3B	45,768	136,199	29,577
<b>Total payables</b>		<b>257,587</b>	<b>382,225</b>	<b>318,439</b>
Interest bearing liabilities				
Leases		1,676,931	-	-
<b>Total interest bearing liabilities</b>		<b>1,676,931</b>	<b>-</b>	<b>-</b>
Provisions				
Employee provisions	6.1B	516,391	474,115	444,099
Other provisions	3.4A	49,763	58,601	48,291
<b>Total provisions</b>		<b>566,154</b>	<b>532,716</b>	<b>492,390</b>
<b>Total liabilities</b>		<b>2,500,672</b>	<b>914,941</b>	<b>810,829</b>
<b>Net assets</b>		<b>1,168,629</b>	<b>1,230,877</b>	<b>1,310,438</b>
<b>Equity</b>				
Contributed equity		3,321,056	3,103,347	3,424,296
Asset revaluation reserve		310,990	278,109	274,879
Accumulated deficit		(2,463,417)	(2,150,579)	(2,388,737)
<b>Total equity</b>		<b>1,168,629</b>	<b>1,230,877</b>	<b>1,310,438</b>

a. Right-of-use assets are included in land, buildings and plant and equipment.

The Department has applied AASB 16 *Leases* using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117 *Leases*.

The above statement should be read in conjunction with the accompanying notes.

Refer to Note 8.3 for explanations of major budget variances.

Department of Home Affairs  
Statement of changes in equity  
For the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b><u>Contributed equity</u></b>				
<b>Opening balance</b>				
Balance carried forward from previous period		3,103,347	2,852,932	3,178,050
Opening balance adjustments		-	(773)	-
<b>Adjusted opening balance</b>		<b>3,103,347</b>	<b>2,852,159</b>	<b>3,178,050</b>
<b>Transactions with owners</b>				
<b>Contributions by owners</b>				
Equity injection – appropriations		96,638	113,481	125,070
Departmental capital budget		121,168	136,548	121,176
Restructuring	8.2A	(97)	1,159	-
<b>Total transactions with owners</b>		<b>217,709</b>	<b>251,188</b>	<b>246,246</b>
<b>Closing balance as at 30 June 2020</b>		<b>3,321,056</b>	<b>3,103,347</b>	<b>3,424,296</b>
<b><u>Asset revaluation reserve</u></b>				
<b>Opening balance</b>				
Balance carried forward from previous period		278,109	274,879	274,879
<b>Adjusted opening balance</b>		<b>278,109</b>	<b>274,879</b>	<b>274,879</b>
<b>Comprehensive income</b>				
Other comprehensive income		32,882	3,231	-
<b>Total comprehensive income</b>		<b>32,882</b>	<b>3,231</b>	<b>-</b>
Other movements		(1)	(1)	-
<b>Closing balance as at 30 June 2020</b>		<b>310,990</b>	<b>278,109</b>	<b>274,879</b>

**Department of Home Affairs**  
**Statement of changes in equity**  
For the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b><u>Accumulated deficit</u></b>				
<b>Opening balance</b>				
Balance carried forward from previous period		(2,150,579)	(1,805,892)	(2,104,429)
Adjustment on initial application of AASB 16		111,640	-	-
<b>Adjusted opening balance</b>		<b>(2,038,939)</b>	<b>(1,805,892)</b>	<b>(2,104,429)</b>
<b>Comprehensive income</b>				
Deficit for the period		(424,478)	(344,690)	(284,263)
<b>Total comprehensive income</b>		<b>(424,478)</b>	<b>(344,690)</b>	<b>(284,263)</b>
Other movements		-	3	-
<b>Transactions with owners</b>				
<i>Distributions to owners</i>				
Restructuring		-	-	(45)
<b>Total transactions with owners</b>		<b>-</b>	<b>-</b>	<b>(45)</b>
<b>Closing balance as at 30 June 2020</b>		<b>(2,463,417)</b>	<b>(2,150,579)</b>	<b>(2,388,737)</b>
<b>Total equity</b>		<b>1,168,629</b>	<b>1,230,877</b>	<b>1,310,438</b>

The above statement should be read in conjunction with the accompanying notes.

Refer to Note 8.3 for explanations of major budget variances.

Department of Home Affairs  
Cash flow statement  
For the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b><u>Operating activities</u></b>				
<b>Cash received</b>				
Appropriations		3,038,173	3,023,668	2,845,034
Sale of goods and rendering of services		129,105	216,251	204,821
GST <sup>a</sup> received		122,045	148,033	99,210
Other		76,019	66,181	73,502
<b>Total cash received</b>		<b>3,365,342</b>	<b>3,454,133</b>	<b>3,222,567</b>
<b>Cash used</b>				
Employees		1,496,262	1,489,319	1,540,478
Suppliers		1,281,020	1,492,018	1,406,934
Section 74 receipts transferred to OPA <sup>b</sup>		322,805	426,141	252,046
Interest payments on lease liabilities		22,804	-	-
Other		801	8,109	383
<b>Total cash used</b>		<b>3,123,692</b>	<b>3,415,587</b>	<b>3,199,841</b>
<b>Net cash from operating activities</b>		<b>241,650</b>	<b>38,546</b>	<b>22,726</b>
<b><u>Investing activities</u></b>				
<b>Cash received</b>				
Proceeds from sales of property, plant and equipment		105	-	-
<b>Total cash received</b>		<b>105</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>				
Purchase of property, plant and equipment		194,786	323,276	268,238
<b>Total cash used</b>		<b>194,786</b>	<b>323,276</b>	<b>268,238</b>
<b>Net cash used by investing activities</b>		<b>(194,681)</b>	<b>(323,276)</b>	<b>(268,238)</b>

a. Goods and Services Tax (GST)

b. Official Public Account (OPA)

Department of Home Affairs  
Cash flow statement  
For the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b><u>Financing activities</u></b>				
<b>Cash received</b>				
Contributed equity		<u>213,655</u>	<u>287,093</u>	<u>246,246</u>
<b>Total cash received</b>		<u>213,655</u>	<u>287,093</u>	<u>246,246</u>
<b>Cash used</b>				
Principal payments of lease liabilities		<u>260,929</u>	<u>-</u>	<u>-</u>
<b>Total cash used</b>		<u>260,929</u>	<u>-</u>	<u>-</u>
<b>Net cash from/(used by) financing activities</b>		<u>(47,274)</u>	<u>287,093</u>	<u>246,246</u>
<b>Net increase/(decrease) in cash held</b>		<u>(305)</u>	<u>2,363</u>	<u>734</u>
Cash and cash equivalents at the beginning of the reporting period		<u>5,882</u>	<u>3,519</u>	<u>2,788</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	3.1A	<u>5,577</u>	<u>5,882</u>	<u>3,522</u>

The total cash outflow for leases in 2019-20 was \$286.760 million.

The above statement should be read in conjunction with the accompanying notes.

Refer to Note 8.3 for explanations of major budget variances.

**Department of Home Affairs**  
**Administered schedule of comprehensive income**  
For the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b>Net cost of services</b>				
<b>Income</b>				
<b>Revenue</b>				
Taxation revenue				
Customs duty	2.1A	19,506,682	15,943,177	21,119,450
Visa Application Charges	2.1A	2,157,168	2,330,427	2,633,128
Passenger Movement Charges	2.1A	862,895	1,191,607	1,264,447
Import Processing Charges	2.1A	408,707	426,211	458,898
<b>Total taxation revenue</b>		<b>22,935,452</b>	<b>19,891,422</b>	<b>25,475,923</b>
Non-taxation revenue				
Revenue from contracts with customers	2.1B	59,942	58,864	50,000
Interest on concessional loans		2,407	3,353	2,460
Other revenue	2.1C	28,205	31,124	38,668
<b>Total non-taxation revenue</b>		<b>90,554</b>	<b>93,341</b>	<b>91,128</b>
<b>Total revenue</b>		<b>23,026,006</b>	<b>19,984,763</b>	<b>25,567,051</b>
Gains	2.1D	4,270	22,580	8,598
<b>Total income</b>		<b>23,030,276</b>	<b>20,007,343</b>	<b>25,575,649</b>
<b>Expenses</b>				
Suppliers	2.2A	1,714,567	1,520,850	1,070,882
Personal benefits	2.2B	428,324	279,449	192,062
Gifts, grants and contributions	2.2C	260,427	97,275	113,409
Depreciation and amortisation	4.2A	108,368	114,362	92,290
Write-down and impairment of financial assets		20,512	27,513	-
Write-down and impairment of non-financial assets	2.2D	48,241	345	11,000
Interest on lease liabilities		109	-	-
Other expenses	2.2E	2,400	4,975	2,905
<b>Total expenses</b>		<b>2,582,948</b>	<b>2,044,769</b>	<b>1,482,548</b>
<b>Net contribution by services</b>		<b>20,447,328</b>	<b>17,962,574</b>	<b>24,093,101</b>
<b>Surplus</b>		<b>20,447,328</b>	<b>17,962,574</b>	<b>24,093,101</b>
<b>Other comprehensive income</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation reserve		(42,604)	6,808	-
<b>Total other comprehensive income</b>		<b>(42,604)</b>	<b>6,808</b>	<b>-</b>
<b>Total comprehensive income</b>		<b>20,404,724</b>	<b>17,969,382</b>	<b>24,093,101</b>

The above schedule should be read in conjunction with the accompanying notes.  
Refer to Note 8.3 for explanations of major budget variances.

**Department of Home Affairs**  
**Administered schedule of assets and liabilities**  
As at 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b><u>Assets</u></b>				
Financial assets				
Cash and cash equivalents	4.1A	146,790	68,402	54,099
Taxation receivables	4.1B	189,249	520,900	500,698
Trade and other receivables	4.1C	94,066	106,452	92,170
<b>Total financial assets</b>		<b>430,105</b>	<b>695,754</b>	<b>646,967</b>
Non-financial assets <sup>a</sup>				
Land	4.2A	62,275	55,285	18,852
Buildings	4.2A	516,803	620,309	615,466
Leasehold improvements	4.2A	52,398	110,043	109,184
Plant and equipment	4.2A	216,429	250,432	220,881
Computer software	4.2A	784	1,156	437
Prepayments		256	4,222	150
<b>Total non-financial assets</b>		<b>848,945</b>	<b>1,041,447</b>	<b>964,970</b>
Assets held for sale	4.2A	7,075	7,780	37,750
<b>Total assets administered on behalf of Government</b>		<b>1,286,125</b>	<b>1,744,981</b>	<b>1,649,687</b>
<b><u>Liabilities</u></b>				
Payables				
Suppliers		333,706	353,922	311,647
Personal benefits	4.3A	20,720	20,815	20,526
Grants and contributions		5,192	12,497	9,129
Unearned income		17,378	23,957	22,645
Other payables		39,383	12,424	18,327
<b>Total payables</b>		<b>416,379</b>	<b>423,615</b>	<b>382,274</b>
Interest bearing liabilities				
Leases		9,822	-	-
<b>Total interest bearing liabilities</b>		<b>9,822</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>				
Bonds and security deposits	4.4A	12,185	17,487	9,411
<b>Total liabilities administered on behalf of Government</b>		<b>438,386</b>	<b>441,102</b>	<b>391,685</b>
<b>Net assets</b>		<b>847,739</b>	<b>1,303,879</b>	<b>1,258,002</b>

a. Right-of-use assets are included in buildings and plant and equipment.  
The above schedule should be read in conjunction with the accompanying notes.  
Refer to Note 8.3 for explanations of major budget variances.

**Department of Home Affairs**  
**Administered reconciliation schedule**  
For the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000
<b>Opening assets less liabilities as at 1 July</b>		<b>1,303,879</b>	<b>1,428,278</b>
Net (cost of)/contribution by services			
Income		<b>23,030,276</b>	20,007,343
Expenses		<b>(2,582,948)</b>	(2,044,769)
<b>Transfers (to)/from the Australian Government</b>			
Appropriation transfers from the OPA			
Annual appropriation for administered expenses		<b>2,268,511</b>	1,775,790
Administered assets and liabilities appropriations		<b>15,867</b>	58,906
Special appropriations (unlimited)			
Payments to entities other than corporate Commonwealth entities		<b>949,748</b>	711,402
Appropriation transfers to the OPA			
Transfers to the OPA		<b>(24,089,875)</b>	(20,646,991)
Restructuring	8.2B	<b>(5,115)</b>	7,112
Drawings from the OPA on behalf of the ATO <sup>a</sup>		<b>223,045</b>	283,324
Payments on behalf of the ATO <sup>a</sup> out of special appropriations		<b>(223,045)</b>	(283,324)
Administered revaluations taken to reserves		<b>(42,604)</b>	6,808
<b>Closing assets less liabilities as at 30 June 2020</b>		<b>847,739</b>	<b>1,303,879</b>

a. Australian Taxation Office (ATO)

The above schedule should be read in conjunction with the accompanying notes.

**Accounting policy**

Administered cash transfers to and from the OPA

Revenue collected by the Department for use by Government, rather than the Department, is classified as administered revenue. Collections are transferred to the 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 Government and reported as such in the administered reconciliation schedule and the administered cash flow statement.



Department of Home Affairs  
Administered cash flow statement  
For the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000
<b><u>Operating activities</u></b>			
<b>Cash received</b>			
Customs duty		19,800,206	15,919,066
Immigration fees and charges		2,196,917	2,374,394
Passenger Movement Charge		904,397	1,199,579
Import Processing Charges and licenses		423,864	439,924
GST received		109,509	88,353
Special Account		23,166	18,251
Bonds received		9,924	17,022
Security deposits		924	8,501
Other		10,807	16,579
<b>Total cash received</b>		<b>23,479,714</b>	<b>20,081,669</b>
<b>Cash used</b>			
Suppliers		1,856,725	1,558,434
Personal benefits		426,918	275,969
Tourist Refund Scheme		197,643	255,572
Grants		246,117	93,947
Refunds of GST (on imports), WET <sup>a</sup> and LCT <sup>b</sup>		22,884	25,383
Bonds paid		10,380	15,769
Security deposits		3,643	735
Interest payments on lease liabilities		109	-
<b>Total cash used</b>		<b>2,764,419</b>	<b>2,225,809</b>
<b>Net cash from operating activities</b>		<b>20,715,295</b>	<b>17,855,860</b>
<b><u>Investing activities</u></b>			
<b>Cash received</b>			
Proceeds from sale of property, plant and equipment		-	53
Repayment of loans by state and territory governments		17,486	18,094
<b>Total cash received</b>		<b>17,486</b>	<b>18,147</b>
<b>Cash used</b>			
Purchase of property, plant and equipment		13,782	46,514
Loans made to state and territory governments		3,057	1,578
<b>Total cash used</b>		<b>16,839</b>	<b>48,092</b>
<b>Net cash from/(used by) investing activities</b>		<b>647</b>	<b>(29,945)</b>

**Department of Home Affairs**  
**Administered cash flow statement**  
For the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000
<b><u>Financing activities</u></b>			
<b>Cash received</b>			
Contributed equity		15,867	58,906
Restructuring		-	7,112
<b>Total cash received</b>		<b>15,867</b>	<b>66,018</b>
<b>Cash used</b>			
Principal payments on lease liabilities		2,703	-
<b>Total cash used</b>		<b>2,703</b>	<b>-</b>
<b>Net cash from financing activities</b>		<b>13,164</b>	<b>66,018</b>
<b>Net increase in cash held</b>		<b>20,729,106</b>	<b>17,891,933</b>
Cash and cash equivalents at the beginning of the reporting period		68,402	54,100
<b>Cash from Official Public Account</b>			
Appropriations		3,218,259	2,544,276
Special Accounts		17,886	24,160
Refunds of GST (on imports), WET <sup>a</sup> and LCT <sup>b</sup>		22,884	25,383
Tourist Refund Scheme		200,161	257,941
<b>Total cash from Official Public Account</b>		<b>3,459,190</b>	<b>2,851,760</b>
<b>Cash to Official Public Account</b>			
Administered receipts		24,089,504	20,702,862
Special Accounts		22,258	25,245
Return of Tourist Refund Scheme drawings		2,518	2,369
<b>Total cash to Official Public Account</b>		<b>24,114,280</b>	<b>20,730,476</b>
Cash on hand or on deposit at the end of the reporting period		140,307	67,199
Cash in special accounts at the end of the reporting period		6,483	1,203
<b>Cash and cash equivalents at the end of the reporting period</b>	4.1A	<b>146,790</b>	<b>68,402</b>

a. Wine Equalisation Tax (WET)

b. Luxury Car Tax (LCT)

The total cash outflow for leases in 2019-20 was \$2.812 million.

The above statement should be read in conjunction with the accompanying notes.

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### Overview

##### Objectives of the Department

The Department of Home Affairs (the Department) is an Australian Government controlled not-for-profit entity. The Department's vision is to achieve a prosperous, secure and united Australia. The Department is responsible for centrally coordinated strategy and policy leadership in relation to domestic and national security arrangements, law enforcement, counter-terrorism, social cohesion, the protection of our sovereignty and the integrity of our border, and the resilience of our national infrastructure. The Department also delivers services including strengthening the cohesiveness of Australian society through our migration program. The Department manages and assists temporary and permanent migrants and those people participating in humanitarian and refugee programs, and confers citizenship.

The Department is structured to meet three outcomes.

Outcome	Activity
<b>Outcome 1:</b> Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.	<b>Program 1.1:</b> Border Enforcement (departmental) <b>Program 1.2:</b> Border Management (departmental and administered) <b>Program 1.3:</b> Onshore Compliance and Detention (departmental and administered) <b>Program 1.4:</b> Illegal Maritime Arrivals Offshore Management (departmental and administered) <b>Program 1.5:</b> Regional Cooperation (departmental and administered) <b>Program 1.6:</b> Transport Security (departmental and administered) <b>Program 1.7:</b> National Security and Criminal Justice (departmental and administered) <b>Program 1.8:</b> Cyber Security (departmental) <b>Program 1.9:</b> Counter-Terrorism (departmental and administered) <b>Program 1.10:</b> Australian Government Disaster Financial Support Payments (administered)
<b>Outcome 2:</b> Support a prosperous and inclusive society, and advance Australia's economic interests through the effective management of the visa, multicultural and citizenship programs and provision of refugee and humanitarian assistance and settlement and migrant services.	<b>Program 2.1:</b> Multicultural Affairs and Citizenship (departmental and administered) <b>Program 2.2:</b> Migration (departmental) <b>Program 2.3:</b> Visas (departmental and administered) <b>Program 2.4:</b> Refugee Humanitarian, Settlement and Migrant Services. (departmental and administered)
<b>Outcome 3:</b> Advance Australia's economic interests through the facilitation of the trade of goods to and from Australia and the collection of border revenue.	<b>Program 3.1:</b> Border Revenue Collection (departmental and administered) <b>Program 3.2:</b> Trade Facilitation and Industry Engagement (departmental)

## Department of Home Affairs

### Notes to and forming part of the financial statements

Details of planned activities for the year can be found in the Department's Portfolio Budget Statements and Portfolio Additional Estimates Statements which have been tabled in Parliament. The continued existence of the Department in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for the Department's administration and programs.

#### Basis of preparation of the financial statements

These financial statements are general purpose financial statements as required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and have been prepared in accordance with:

- the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and
- Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities 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.

The accounting policies described throughout the notes to the financial statements are applied consistently across all activities, whether departmental or administered. Disclosures about administered accounting policies include only items or treatments which are specific to administered activities.

#### New Accounting Standards

The following new standards have been applied to the current reporting period.

Standard/Interpretation	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
AASB 15 <i>Revenue from Contracts with Customers</i> (AASB 15) and AASB 1058 <i>Income of Not-for-Profit Entities</i> (AASB 1058)	<p>AASB 15 and AASB 1058 became effective 1 July 2019 and replaced the requirements of AASB 118 <i>Revenue</i> (AASB 118) and AASB 1004 <i>Contributions</i>.</p> <p>AASB 15 establishes a comprehensive framework for determining whether, how much, and when, revenue is recognised. AASB 15 replaces AASB 118 and moves from recognising revenue based on 'risk and reward' to meeting 'performance obligations'. The core principle of AASB 15 is to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Department expects to be entitled in exchange for those goods or services.</p> <p>The Department applies AASB 1058 in circumstances where AASB 15 or no other Australian Accounting Standards are applicable or where consideration paid for an asset is substantially below its fair value.</p> <p>The application of AASB 15 and AASB 1058 did not result in material changes to the recognition or measurement of revenue for the Department.</p>
AASB 16 <i>Leases</i> (AASB 16)	<p>AASB 16 became effective on 1 July 2019 and replaced AASB 117 <i>Leases</i> (AASB 117).</p> <p>AASB 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, with options to exclude leases where the lease term is twelve months or less, or where the underlying asset is of low value. AASB 16 substantially carries forward the lessor accounting in AASB 117, with the distinction between operating leases and finance leases being retained. From the lessee perspective, AASB 16 has a significant impact on the Department's financial statements due to the recognition of right-of-use assets and lease liabilities, which has replaced operating lease expenses. The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>

## Department of Home Affairs

### Notes to and forming part of the financial statements

The Department adopted AASB 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings as at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated and is presented as previously reported under AASB 117 and related interpretations.

On 1 July 2019, the adoption of AASB 16 resulted in the recognition of right-of-use assets of \$1,951.6 million and lease liabilities of \$1,947.9 million in the departmental accounts and the recognition of right-of-use assets of \$12.5 million and lease liabilities of \$12.5 million in the administered accounts. The calculation of the right-of-use assets and lease liabilities has included extension options that the Department is reasonably certain to exercise. The table below details the value of these extension options.

Previous assets and liabilities for lease incentives, operating lease payables and surplus lease space, in the capacity of the Department as lessor, were derecognised on transition. The transition to AASB 16 resulted in an adjustment of \$111.6 million to opening retained earnings in the departmental accounts and no impact in administered.

The existing accounting treatment for leases in the Department's capacity as a lessor will remain unchanged under AASB 16.

The following table reconciles the departmental minimum lease commitments disclosed in the Department's 30 June 2019 annual financial statements to the amount of lease liabilities recognised on 1 July 2019 for departmental and administered:

	Departmental \$'000	Administered \$'000
Minimum operating lease commitment at 30 June 2019	1,349,787	7,059
<i>less</i> short term leases not recognised under AASB 16	(2,624)	-
<i>plus</i> additional leases identified on transition	37,650	-
<i>plus</i> effect of extension options reasonably certain to be exercised	729,377	5,746
<b>Undiscounted lease payments</b>	<b>2,114,189</b>	<b>12,805</b>
<i>less</i> effect of discounting using the incremental borrowing rate as at the date of initial application	(166,282)	(279)
<b>Lease liabilities recognised at 1 July 2019</b>	<b>1,947,907</b>	<b>12,525</b>

The lease liabilities were measured at the present value of the remaining lease payments, discounted using the Department's incremental borrowing rate as at 1 July 2019. The weighted average rate applied was 1.2 per cent.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### Reporting of administered activities

Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the Department in its own right whereas administered activities are controlled or incurred by Government. Administered revenues, expenses, assets, liabilities and cash flows that are managed or overseen by the Department on behalf of Government (including accounting policies applicable only to administered activities) are distinguished from departmental items using shading.

#### Taxation

The Department is exempt from all forms of taxation except Fringe Benefits Tax and GST. Receivables and payables are recognised inclusive of GST. All other revenues, expenses, assets and liabilities are recognised net of GST except where the amount of GST incurred is not recoverable from the ATO. Appropriations and special accounts are disclosed on a recoverable GST exclusive basis.

#### Key accounting judgements and estimates

In applying the Department's accounting policies, management has made a number of accounting judgements and applied estimates and assumptions to future events. Judgements and estimates that are material to the financial statements are found within:

- Leases
- 2.1 Administered – income
- 3.1 Financial assets
- 3.2 Non-financial assets
- 4.1 Administered – financial assets
- 6.1 Employee expenses and provisions

#### Impact of COVID-19

The Department has been impacted by the COVID-19 pandemic across both its Administered and Departmental functions. Departmental expenses have increased as additional services were provided by the Department in response to the pandemic while Administered revenue has been impacted by lower passenger movements across Australian borders and reduced imports. Additional funding was provided to the Department in support of COVID-19 response activities and revenue associated with variable funding mechanisms has been frozen by Government during 2019-20 to mitigate the impact of COVID-19 on funding. Management has assessed the impact on the financial statements, including the potential for movements in the fair value of non-financial assets. This review did not identify any material impacts on fair values. COVID-19 is not expected to have a material impact on other transactions and balances recorded in the financial statements.

#### Events after the reporting period

##### Departmental

There have been no events after the reporting period which have the potential to significantly affect the ongoing structure and financial activities of the Department.

##### Administered

There have been no events after the reporting period which have the potential to significantly affect the ongoing structure and financial activities that the Department administers on behalf of Government.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 1. Departmental financial performance

##### 1.1 Expenses

	2020	2019
	\$'000	\$'000
<b>Note 1.1A: Suppliers</b>		
Goods and services supplied or rendered		
Contractors	256,009	237,714
Information technology and communications	233,797	223,219
General operational expenses	100,335	111,712
Vessel expenses	104,642	79,414
Insurance, legal and litigation	80,539	74,015
Property operating	80,552	68,759
Staff related expenses	77,972	66,196
Travel	50,386	51,125
Client operations	50,917	40,421
Consultants	18,446	29,702
Bank and merchant fees	26,251	27,815
Coastal surveillance	10,504	6,606
<b>Total goods and services supplied or rendered</b>	<b>1,090,350</b>	<b>1,016,698</b>
Other suppliers		
Operating lease rentals <sup>a</sup>	-	319,667
Short-term leases	2,080	-
Variable lease payments	947	-
Workers compensation expenses	21,147	35,693
<b>Total other suppliers</b>	<b>24,174</b>	<b>355,360</b>
<b>Total suppliers</b>	<b>1,114,524</b>	<b>1,372,058</b>

a. The Department has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117. The Department has short term lease commitments of \$1.6 million as at 30 June 2020.

##### **Note 1.1B: Write-down and impairment of non-financial assets**

Land and buildings	-	8
Leasehold improvements	85	539
Plant and equipment	271	635
Computer software	27,416	260
<b>Total write-down and impairment of non-financial assets</b>	<b>27,772</b>	<b>1,442</b>



## Department of Home Affairs

### Notes to and forming part of the financial statements

	2020	2019
	\$'000	\$'000
<b>Note 1.1C: Finance costs</b>		
Interest on lease liabilities <sup>a</sup>	22,804	-
Other interest payments	546	2,572
<b>Total finance costs</b>	<b>23,350</b>	<b>2,572</b>

a. The Department has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 1.2 Own-source revenue and gains

	2020	2019
	\$'000	\$'000
<b>Note 1.2A: Revenue from contracts with customers</b>		
Rendering of services	219,663	236,787
Sale of goods	516	382
<b>Total revenue from contracts with customers</b>	<b>220,179</b>	<b>237,169</b>
<b>Disaggregation of revenue from contracts with customers</b>		
Cost recovery	83,909	77,329
ATO service agreement	50,465	50,734
Translating and Interpreting Service	35,706	50,631
Document Verification Service	12,948	12,056
AusCheck	11,715	12,513
Other	25,436	33,906
<b>Total revenue from contracts with customers</b>	<b>220,179</b>	<b>237,169</b>
<b>Note 1.2B: Rental income</b>		
Operating lease property rental <sup>a</sup>	-	4,541
Subleasing right-of-use assets	3,930	-
<b>Total rental income</b>	<b>3,930</b>	<b>4,541</b>

The Department has sub-leases for commercial properties with other government agencies. Due to the nature of these arrangements the risk associated with any rights it retains in the underlying assets is low.

The following table sets out a maturity analysis of lease payments from sub-leasing arrangements to be received in the future. The amounts are undiscounted.

	2020
	\$'000
Within 1 year	3,561
One to two years	1,858
Two to three years	1,877
Three to four years	1,912
Four to five years	1,953
More than 5 years	16,110
<b>Total</b>	<b>27,271</b>

a. The Department has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

## Department of Home Affairs

### Notes to and forming part of the financial statements

	2020	2019
	\$'000	\$'000
<b><u>Note 1.2C: Other revenue</u></b>		
Resources received free of charge		
Property related	1,227	7,598
Remuneration of auditors	1,100	1,175
Other resources received free of charge	747	1,027
Other revenue	566	475
<b>Total other revenue</b>	<b>3,640</b>	<b>10,275</b>
 <b><u>Note 1.2D: Gains</u></b>		
Gain on sale of non-financial assets	81	2
Foreign exchange gains	739	28
Reversal of impairment for financial instruments	2,546	2,006
Reduction in provision for restoration obligations	5,196	3,660
Resources received free of charge	-	98
Other	895	433
<b>Total gains</b>	<b>9,457</b>	<b>6,227</b>

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### **Accounting policy**

##### Revenue from contracts with customers

Revenue from contracts with customers is recognised when all associated performance obligations have been met, either at a point in time where the ownership or control of the goods or services is passed to the customer or over time where the services are provided and consumed simultaneously. Contracts are considered to be enforceable through equivalent means where there are specific rights specified in agreement, the parties can reasonably be expected to act on their obligations, there are consequences for non-performance and/or unspent funds must be refunded.

The Department requires customers to pay in accordance with payment terms. Trade receivables are due for settlement within 30 days.

##### *Cost recovery*

Significant contributors to this category include merchant fees, recovery of legal costs, electronic travel fees and the undertaking of functions or incurring costs on behalf of other Australian Government entities in accordance with a Memorandum of Understanding (MoU). Revenue is recognised over time as costs are incurred where there is an expectation that they will be recovered.

##### *ATO service agreement*

The Department has entered into a MoU with the Australian Taxation Office to support the GST administration relating to taxable importations. The agreed annual service fee under the MoU is recognised proportionally over the course of the year.

##### *Translating and Interpreting Service*

The Translating and Interpreting Service (TIS) provides an interpreting service for non-English speakers, and for agencies and businesses that need to communicate with their non-English speaking clients. TIS operates on a user-pays basis and sets its fees to recover its costs depending on the type of services provided. Revenue is recognised over time as costs are incurred and where there is an expectation costs will be recovered.

##### *Document Verification Service*

The Document Verification Service (DVS) confirms that the details on an Evidence of Identity document match the records held by the government authority that issued said document. DVS operates on a user-pays basis and sets its fees to recover its costs. Revenue is recognised over time as costs are incurred where there is an expectation they will be recovered.

##### *AusCheck*

The AusCheck Background Checking Service coordinates national security background checks and related functions for the aviation, maritime and national health security. AusCheck operates on a cost recovery basis. Revenue is recognised over time as costs are incurred where there is an expectation costs will be recovered.

##### Resources received free of charge

Resources received free of charge are recognised as revenue when the 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. 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.

## Department of Home Affairs

### Notes to and forming part of the financial statements

<b>2. Income and expenses administered on behalf of Government</b>		
<b>2.1 Administered – income</b>		
	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Note 2.1A: Indirect tax</u></b>		
Customs duty	<b>19,506,682</b>	15,943,177
Visa Application Charges	<b>2,157,168</b>	2,330,427
Passenger Movement Charges	<b>862,895</b>	1,191,607
Import Processing Charges	<b>408,707</b>	426,211
<b>Total taxation revenue</b>	<b>22,935,452</b>	19,891,422
<b><u>Note 2.1B: Revenue from contracts with customers</u></b>		
Immigration fees	<b>42,226</b>	40,919
Licence fees	<b>14,612</b>	15,324
Other	<b>3,104</b>	2,621
<b>Total revenue from contracts with customers</b>	<b>59,942</b>	58,864
<b><u>Note 2.1C: Other revenue</u></b>		
Recovery of detention costs	<b>207</b>	6,682
Special Account	<b>21,852</b>	17,637
Fines, penalties and prosecution	<b>6,146</b>	6,805
<b>Total other revenue</b>	<b>28,205</b>	31,124
<b><u>Note 2.1D: Gains</u></b>		
Recovery of prior year expenditure	<b>4,229</b>	21,798
Other gains	<b>41</b>	782
<b>Total gains</b>	<b>4,270</b>	22,580

#### **Accounting policy**

Administered revenues relate to ordinary activities performed by the Department on behalf of Government.

#### **Taxation revenue**

Administered taxation revenue is recognised when Government gains control of, and can reliably measure or estimate, the future economic benefit that will flow to Government from the revenue items administered by the Department. Revenues are measured at the fair value of consideration received or receivable. In line with the relevant applicable legislative provisions, the revenue recognition policy adopted for the major classes of administered revenues is described as follows.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### Customs duty

Customs duty comprises Commonwealth charges levied on imported goods as a condition of their importation. These charges are determined by the classification of goods within the *Customs Tariff Act 1995*. Customs duty rates vary and depend on a number of factors, such as the type of goods and country of origin. Customs duty is reported by the Department in the financial statements as a net value. Net duty collections reflect gross duty less refunds paid on duty and drawbacks. Customs duty is levied on the following items:

- excise equivalent goods which includes petroleum products, tobacco products and alcohol;
- passenger motor vehicles;
- textiles, clothing and footwear; and
- other (including machinery, base metals, plastics and rubber, furniture, live animals, foodstuffs, chemical products, pulp and paper).

An estimate for Customs duty is recognised for those goods that have entered into home consumption during the reporting period, but for which duty has not yet been paid. Under legislative arrangements, goods can be moved into home consumption with certain importers having seven days from the date of release to make the requisite payment. The value of revenue recognised for this seven day period is estimated based on historical information and receipts subsequent to the reporting date.

From 1 July 2019, the *Customs Amendment (Collecting Tobacco Duties at the Border) Act 2018* came into force and required all relevant tobacco duty and taxes to be paid at the border. Previously, tobacco could be stored at a licenced warehouse with duty payable when the goods entered home consumption. A prohibited import control for tobacco has been introduced and permits are now required for all tobacco imports (except for tobacco imported by travellers within duty free limits). It is now illegal to import tobacco without a permit.

#### Visa application charges

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*. As these fee amounts are only refundable in specific, prescribed circumstances, administered revenues are recognised when collected by the Department. In some instances, payments are made in Australia in advance of visa applications being lodged overseas. These payments are not recognised as revenue until matched with a lodged application.

#### Passenger movement charge (PMC)

PMC is levied under the *Passenger Movement Charge Act 1978*. It is recognised when passengers depart Australia and collected by carriers under formal arrangements with Government. PMC is recognised within the reporting period when a passenger departs Australia, subject to certain legislative exemptions.

#### Import processing charges (IPC)

The IPC recovers the costs associated with the Department's trade activities for goods imported by air, sea, mail, or other means. These charges are set by the *Import Processing Charges Act 2001*. IPC is levied on Full Import Declarations relating to goods greater than \$1,000 in value.

#### **Revenue from contracts with customers**

Revenue from contracts with customers is recognised when all associated performance obligations have been met, either at a point in time where the ownership or control of the goods or services is passed to the customer or over time where the services are provided and consumed simultaneously. Contracts are considered to be enforceable through equivalent means where there are specific rights specified in agreement, the parties can reasonably be expected to act on their obligations, there are consequences for non-performance and/or unspent funds must be refunded.

#### Immigration fees

A citizenship fee is the fee imposed on Australian citizenship applications. Fees vary depending on the type of application being submitted. Fees are imposed on Australian citizenship applications in accordance with the *Australian Citizenship Act 2007*. Revenue is recognised at the point in time when both an application has been submitted and the associated fee paid.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### Licence fees

The licences are considered to be non-contractual licences arising from statutory requirements. They consist of depot, warehouse, and broker licences issued under the *Customs Act 1901*, and migration agent licenses issued under the *Migration Act 1958* (Migration Act). Revenue is recognised at the time when a licence is issued or on a straight-line basis over the licence term, dependent on the nature of the licence.

#### Recovery of removal costs

The recovery of removal costs relates to removed or deported non-citizens, who are liable for removal for deportation costs (Migration Act). Revenue is recognised at the point in time when it becomes probable that it will be received.

#### Other

Relates to various miscellaneous revenue obtained by the Department, including processing visitor and working holiday makers. Revenue is recognised at the point in time when both an application has been submitted and the associated fee paid.

#### **Other revenue**

#### Penalties, fines and prosecutions

Other border related collections are fines which are charged for non-compliance with the Migration Act. Administered fines are recognised in the period in which the breach occurs.

### **Key accounting judgements and estimates**

#### Customs duty

An estimate for Customs duty is recognised for those goods that have entered into home consumption during the reporting period, but for which duty has not yet been paid. Under legislative arrangements, goods can be moved into home consumption with certain importers having seven days from the date of release to make the requisite payment. The value of revenue recognised for this seven day period is estimated based on historical information and receipts subsequent to the reporting date.

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 2.2 Administered – expenses

	2020 \$'000	2019 \$'000
<b>Note 2.2A: Suppliers</b>		
Services rendered		
Support and settlement services	743,462	448,329
Garrison and accommodation	422,514	500,778
Security	257,700	256,479
Health services	119,013	120,770
Travel and transport	73,898	81,376
Property	43,722	45,848
Insurance legal and litigation	26,518	31,191
Information technology and communications	10,546	11,697
Contractors	12,166	17,579
Consultants	3,941	3,663
Other	1,087	310
<b>Total services rendered</b>	<b>1,714,567</b>	<b>1,518,020</b>
Other suppliers		
Operating lease rentals <sup>a</sup>	-	2,830
<b>Total other suppliers</b>	<b>-</b>	<b>2,830</b>
<b>Total suppliers</b>	<b>1,714,567</b>	<b>1,520,850</b>

a. The Department has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

#### **Note 2.2B: Personal benefits**

Status resolution, refugee and humanitarian services		
Direct	41,621	68,355
Indirect	91,404	80,741
State payments - refugee minors - indirect	9,969	9,090
<b>Total status resolution, refugee and humanitarian services</b>	<b>142,994</b>	<b>158,186</b>
Payment to victims of natural disasters - direct	284,104	120,473
Other services - direct	1,226	790
<b>Total personal benefits</b>	<b>428,324</b>	<b>279,449</b>

#### **Accounting policy**

Direct personal benefits comprise current transfers provided directly to individuals or households. Indirect personal benefits comprise benefits provided to households as social transfers and delivered by a third party (for example, medical and pharmaceutical benefits). Personal benefits are recognised when payments are made, or the Department has a present obligation either to a service provider or directly to recipients. Personal benefits do not require any economic benefit to flow back to Government.



## Department of Home Affairs

### Notes to and forming part of the financial statements

	2020	2019
	\$'000	\$'000
<b><u>Note 2.2C: Gifting, grants and contributions</u></b>		
Gifting of public property <sup>a</sup>	21,807	2,598
Current grants and contributions <sup>b</sup>		
Non-profit organisations	198,504	80,583
Private sector organisations	31,397	-
Overseas organisations	8,719	14,094
<b>Total current grants and contributions</b>	<b>238,620</b>	<b>94,677</b>
<b>Total gifting, grants and contributions</b>	<b>260,427</b>	<b>97,275</b>

a. Gifting of public property includes the carrying amount of items of property, plant, and equipment totalling \$21.689 million (2018-19: nil) that were gifted to the Government of Papua New Guinea.

b. These amounts will change significantly from year to year within each program.

#### **Accounting policy**

Gifting, grants and contributions comprise non-reciprocal transfers where a direct benefit of approximate equal value is not transferred to Government in return.

##### Gifting of public property

Gifting of public property comprise transfers of assets that are surplus to Government requirements and expressly authorised by law. Public property is gifted in circumstances where the assets are of low value and otherwise uneconomical to dispose. Gifting may also occur in circumstances that support the achievement of Government policy objectives or where there is special significance to the proposed recipient and compelling reasons justifying gifting to that recipient. An expense equal to the carrying amount of the gifted assets is recognised when control of the underlying property is transferred.

##### Current grants and contributions

Current grants and contributions comprise direct non-reciprocal transfers to eligible recipients. Grants and contributions are recognised when payment is made or when a liability is recognised to the extent that the recipient has met grant eligibility criteria or provided the services that make it eligible to receive payment, but payment has not yet been made.

#### **Note 2.2D: Write-down and impairment of non-financial assets**

Land and buildings	14,792	345
Leasehold improvements	19,979	-
Plant and equipment	13,470	-
<b>Total write-down and impairment of non-financial assets</b>	<b>48,241</b>	<b>345</b>

#### **Note 2.2E: Other expenses**

Foreign exchange losses – Non-speculative	751	567
Act of grace payments	279	452
Debt waivers	3	401
Other	1,367	3,555
<b>Total other expenses</b>	<b>2,400</b>	<b>4,975</b>

Department of Home Affairs  
Notes to and forming part of the financial statements

**3. Departmental financial position**

**3.1 Financial assets**

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b><u>Note 3.1A: Cash and cash equivalents</u></b>		
Cash at bank	<b>5,463</b>	5,782
Cash on hand or on deposit	<b>114</b>	100
<b>Total cash and cash equivalents</b>	<b>5,577</b>	5,882
<b><u>Note 3.1B: Trade and other receivables</u></b>		
Goods and services receivable (gross)	<b>26,160</b>	22,516
Appropriations receivable		
Existing programs	<b>461,944</b>	404,768
Accrued for additional outputs	<b>5,938</b>	51,032
<b>Total appropriations receivable</b>	<b>467,882</b>	455,800
Other receivables		
Statutory receivables	<b>31,470</b>	23,991
Legal recoveries	<b>53,189</b>	45,947
Other	<b>12,248</b>	10,477
<b>Total other receivables (gross)</b>	<b>96,907</b>	80,415
Less impairment loss allowance	<b>(47,999)</b>	(39,218)
<b>Total trade and other receivables (net)</b>	<b>542,950</b>	519,513

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### **Accounting policy**

Financial assets are measured at amortised cost using the effective interest method less allowances for impairment losses. Contractual receivables arising from the sale of goods, rendering of services and recovery of costs have 30 day trading terms and are initially recognised at the nominal amounts due. Allowances for impairment losses on contractual receivables are recognised using a simplified approach for calculating expected credit losses (ECLs). Receivables that are statutory in nature are amounts determined under legislation or by court order. Allowances for impairment losses on statutory receivables are recognised when:

- indicators that an impairment loss event occurring exist; and
- the expected recoverable amount is less than the statutory value.

#### **Key accounting judgements and estimates**

##### Impairment of financial assets

Impairment losses are recognised for contractual and statutory receivables. The allowance for contractual receivables is determined based on historical credit loss experience which is used to estimate future ECLs. The allowance based on historical credit loss experience is adjusted for forward-looking factors specific to individual debtors. The recoverable amount for statutory receivables is assessed either for individual debtors when a particular loss event is identified or based on historical loss experience when debtors are assessed collectively. Impairment losses are recognised in the statement of comprehensive income.

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 3.2 Non-financial assets

##### Note 3.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Vessels \$'000	Plant and equipment \$'000	Computer software \$'000	Total \$'000
As at 1 July 2019							
Gross book value	20,220	39,250	291,056	354,784	437,820	1,407,433	2,550,563
Accumulated depreciation, amortisation and impairment	-	(4,236)	(54,678)	(34,529)	(146,418)	(821,769)	(1,061,630)
<b>Total as at 1 July 2019</b>	<b>20,220</b>	<b>35,014</b>	<b>236,378</b>	<b>320,255</b>	<b>291,402</b>	<b>585,664</b>	<b>1,488,933</b>
Recognition of right-of-use asset on initial application of AASB 16	4,454	1,593,408	-	-	353,771	-	1,951,633
<b>Adjusted total as at 1 July 2019</b>	<b>24,674</b>	<b>1,628,422</b>	<b>236,378</b>	<b>320,255</b>	<b>645,173</b>	<b>585,664</b>	<b>3,440,566</b>
Additions							
Purchased	-	-	16,464	109	77,558	9,225	103,356
Internally developed	-	-	-	-	-	129,274	129,274
Right-of-use assets	-	7,730	-	-	3,534	-	11,264
Remeasurement - right-of-use asset	-	(29,728)	-	-	1,836	-	(27,892)
Revaluations and impairments recognised in other comprehensive income	366	5,718	1,062	3,002	22,734	-	32,882
Reclassifications	(95)	179	277	298	14,281	(14,940)	-
Depreciation and amortisation	-	(2,963)	(41,322)	(28,201)	(114,955)	(160,540)	(347,981)
Depreciation on right-of-use assets	(1,549)	(184,389)	-	-	(116,627)	-	(302,565)
Disposals of right-of-use assets	-	(23)	-	-	(1)	-	(24)
Disposals	-	-	(2)	(22)	-	-	(24)
Write-downs	-	-	(85)	-	(271)	(27,416)	(27,772)
Other movements	-	-	-	(1)	(1)	-	(2)
<b>Total as at 30 June 2020</b>	<b>23,396</b>	<b>1,424,946</b>	<b>212,772</b>	<b>295,440</b>	<b>533,261</b>	<b>521,267</b>	<b>3,011,082</b>

# Department of Home Affairs Notes to and forming part of the financial statements

## Note 3.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Vessels \$'000	Plant and equipment \$'000	Computer software \$'000	Total \$'000
<b>Total as at 30 June 2020 represented by</b>							
Gross book value – fair value (recurring)							
Other assets in use	20,491	38,798	213,415	302,842	274,313	-	849,859
Assets under construction	-	-	12,613	-	55,208	-	67,821
Gross book value – at cost							
Right-of-use assets	4,454	1,571,387	-	-	359,014	-	1,934,855
Internally developed – assets under construction	-	-	-	-	-	165,787	165,787
Internally developed – assets in use	-	-	-	-	-	1,165,770	1,165,770
Purchased	-	-	-	-	-	101,502	101,502
Accumulated depreciation, amortisation and impairment							
Right-of-use assets	(1,549)	(184,389)	-	-	(116,501)	-	(302,439)
Other assets in use	-	(850)	(13,256)	(7,402)	(38,773)	(911,792)	(972,073)
<b>Total as at 30 June 2020</b>	<b>23,396</b>	<b>1,424,946</b>	<b>212,772</b>	<b>295,440</b>	<b>533,261</b>	<b>521,267</b>	<b>3,011,082</b>

## Department of Home Affairs

### Notes to and forming part of the financial statements

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No material property, plant and equipment or intangibles are expected to be sold or disposed of within the next twelve months. No indicators of impairment, other than those adjusted for, were found for property, plant and equipment or intangibles as at 30 June 2020.

#### Revaluation of non-financial assets

All revaluations were conducted in accordance with the revaluation policy stated below. The Department engaged the services of Jones Lang LaSalle, IP, Inc. to conduct the revaluations as at 30 June 2020.

#### Contractual commitments for the acquisition of property, plant and equipment and intangible assets

As at 30 June 2020, contractual commitments for the acquisition of property, plant and equipment and intangible assets amounted to \$12.740 million (2018-19: \$12.068 million).

#### Accounting policy

Non-financial 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. Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to restructuring.

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. Where an obligation exists under a lease arrangement to restore a property to its original condition, an initial estimate of these costs is included in the value of the Department's leasehold improvements and a corresponding provision for the restoration obligations is recognised.

##### 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 \$5,000, 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 Department's intangible assets primarily comprise purchased and internally developed computer software for internal use. The recognition thresholds for internally developed software (IDS) are \$250,000 for new IDS assets, \$100,000 for enhancements to existing IDS assets, and \$100,000 for purchased software. Purchases below these thresholds are expensed in the year of acquisition.

##### Leased right-of-use (ROU) assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16 the Department has adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any ROU assets that shows indicators of impairment and an impairment loss is recognised against any ROU assets that are impaired.

##### Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) 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 Department has adopted a strategic three year revaluation cycle based on an assessment as to the volatility of movements in market conditions and other inputs affecting the relevant assets.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised. Revaluation decrements for a class of assets are recognised directly in the deficit attributable to the Australian Government except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is then restated to the revalued amount.

#### Depreciation and amortisation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives using the straight-line method of depreciation. All new assets are generally assigned useful lives as identified below. In some limited cases, specific management advice may result in a useful life for a particular asset being assigned outside these ranges.

- Buildings on freehold land – up to forty years
- Leased land – the lease term
- Leasehold improvements – lesser of the useful life of the asset or the lease term
- Vessels – lesser of the useful life of the asset (up to twenty years) or the lease term
- Plant and equipment – lesser of the useful life of the asset (up to ten years) or the lease term

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Computer software is amortised on a straight-line basis over its anticipated useful life. The useful life of the Department's software is three to seven years. Useful lives of intangible assets are determined by the business unit responsible for the asset upon capitalisation based on its expected usage.

The policies applied for the selection of non-financial asset useful lives are consistent with prior reporting periods. The remaining useful lives and residual values for non-financial assets are reviewed at each reporting date and necessary adjustments are recognised in the current and future reporting periods.

#### Componentisation of non-financial assets

Major assets, such as vessels and 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 are determined with reference to the individual component or the primary asset, whichever is shorter.

#### Impairment

All non-financial assets are assessed for impairment at the end of the reporting period where indicators of impairment exist. An impairment adjustment is made if the asset's estimated 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 Department were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### Assets under construction

Assets under construction (AUC) are initially recorded at acquisition cost. They include expenditure to date on various capital projects carried as AUC. AUC projects are reviewed annually for indicators of impairment and all AUC older than twelve months at reporting date is externally revalued to fair value. Prior to rollout into service, the accumulated AUC balance is reviewed to ensure accurate capitalisation of built and purchased assets.

#### De-recognition

Non-financial assets are derecognised upon disposal or when no further future economic benefit is expected from its use or disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised as a gain or loss in the period of de-recognition.

### **Key accounting judgements and estimates**

#### Fair value measurement

The Department engages the services of an independent appraiser to conduct asset materiality reviews of all non-financial assets held at fair value as at reporting date and relies upon those outcomes to establish carrying amounts. An annual assessment is undertaken to determine whether the carrying amount of assets differs materially from the fair value. Comprehensive valuations are undertaken at least once every three years. The fair value of property, plant and equipment is determined using either the Market Approach or the Cost Approach.

#### Market approach

The Market Approach seeks to estimate the current value of an asset in its highest and best use with reference to recent market evidence including transactions of comparable assets. Certain items of land, buildings, leasehold improvements, vessels, plant and equipment are valued using the Market Approach. Inputs utilised under the Market Approach comprise market transactions of comparable assets adjusted to reflect differences in price sensitive characteristics including:

- Recent market sales of comparable land and buildings adjusted for size and location;
- Sales of comparable commercial offshore supply vessels; and
- Current prices for comparable or substitute items of leasehold improvements, plant and equipment available within local second-hand markets or adjusted for location.

#### Cost approach

The Cost Approach seeks to estimate the amount required to replace the service capacity of an asset in its highest and best use. In cases where sufficient observable market evidence is unavailable, the Cost Approach is applied and determined as either the Replacement Cost of New Assets (RCN) or the Current Replacement Cost (CRC).

AUC is valued at RCN determined as the amount a market participant would pay to acquire or construct a new substitute asset of comparable utility and relevant to the asset's location. Inputs including current local market prices for asset components such as materials and labour costs are utilised in determining RCN.

Certain items of land, buildings, leasehold improvements, vessels, plant and equipment are valued using CRC. Under CRC, the replacement costs of new assets are adjusted for physical depreciation and obsolescence such as physical deterioration, functional or technical obsolescence and conditions of the economic environment specific to the asset. This is determined based on the estimated physical, economic and external obsolescence factors relevant to the asset under consideration. For all leasehold improvements, the consumed economic benefit/asset obsolescence deduction is determined based on the term of the associated lease. Physical depreciation and obsolescence for buildings, vessels, plant and equipment is determined based on the asset's estimated useful life.



## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 3.3 Payables

	2020	2019
	\$'000	\$'000
<b>Note 3.3A: Suppliers</b>		
Trade creditors and accruals	211,819	221,864
Operating lease rentals <sup>a</sup>	-	24,162
<b>Total suppliers</b>	<b>211,819</b>	<b>246,026</b>

a. The Department has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

#### **Note 3.3B: Other payables**

Wages and salaries	18,503	9,303
Superannuation	3,296	1,689
Unearned income	15,348	16,164
Separations and redundancies	8,576	7,603
Lease incentives <sup>a</sup>	-	101,405
Other	45	35
<b>Total other payables</b>	<b>45,768</b>	<b>136,199</b>

a. The Department has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

#### **Accounting policy**

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 whether an invoice has been received.

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 3.4 Provisions

##### Note 3.4A: Other provisions

	Restoration obligations <sup>a</sup>	Onerous contracts <sup>b</sup>	Claims for damages or legal costs <sup>c</sup>	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2019	49,368	1,806	7,427	58,601
Additional provisions made	1,738	-	931	2,669
Amounts reversed	(2,808)	(1,806)	-	(4,614)
Amounts used	(2,257)	-	(2,610)	(4,867)
Unwinding of discount or change in discount rate	(2,026)	-	-	(2,026)
<b>Total as at 30 June 2020</b>	<b>44,015</b>	<b>-</b>	<b>5,748</b>	<b>49,763</b>

a. The Department has 270 (2018-19: 277) agreements for leased premises both in Australia and overseas with obligations that require the premises to be restored 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. All onerous contract provisions carried forward from 30 June 2019 were written back on adoption of AASB 16 at 1 July 2019.

c. The Department has taken up a provision for legal costs relating to current claims not yet settled.

#### Accounting policy

Provisions are recognised when the Department has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the unwinding of the discount or change in the discount rates is recognised in the statement of comprehensive income.

#### Provision for restoration obligations

Provisions for restoration obligations are recognised where the Department is required to restore premises upon termination of a lease. The original estimates for future costs associated with restoration obligations are determined by independent valuation and discounted to their present value. The original provisions are adjusted for changes in expected future costs and the discount rate.

#### Provision for claims for damages or legal costs

Provisions for legal matters are recognised when a present obligation exists and is probable that an outflow will be required to settle that obligation. The original estimates for future costs associated with claims for damages or costs are discounted to their present value.

Department of Home Affairs  
Notes to and forming part of the financial statements

**4. Assets and liabilities administered on behalf of Government**

**4.1 Administered – financial assets**

	2020	2019
	\$'000	\$'000
<b><u>Note 4.1A: Cash and cash equivalents</u></b>		
Cash on hand or on deposit	140,307	67,199
Cash in special accounts	6,483	1,203
<b>Total cash and cash equivalents</b>	<b>146,790</b>	<b>68,402</b>
<b><u>Note 4.1B: Taxation receivables</u></b>		
Customs duty	122,010	392,699
Visa application charges	857	6,717
Passenger movement charge	111,133	152,635
Import processing charges and licences	924	2,518
<b>Total taxation receivables (gross)</b>	<b>234,924</b>	<b>554,569</b>
Less impairment loss allowance	(45,675)	(33,669)
<b>Total taxation receivables (net)</b>	<b>189,249</b>	<b>520,900</b>
<b><u>Note 4.1C: Trade and other receivables</u></b>		
Personal benefits	19,022	20,504
Penalties, fines and prosecutions	6,282	7,228
Statutory receivables	27,485	22,713
Loans receivable – state and territory governments	60,562	74,406
Licence fees	671	-
Other	524	7,382
<b>Total trade and other receivables (gross)</b>	<b>114,546</b>	<b>132,233</b>
Less impairment loss allowance	(20,480)	(25,781)
<b>Total trade and other receivables (net)</b>	<b>94,066</b>	<b>106,452</b>

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### **Accounting policy**

##### Taxation receivables

Taxation revenue related receivables are statutory in nature with amounts determined under legislation or by court order. Administered taxation receivables are held at statutory value less allowances for impairment losses.

##### Non-taxation receivables

Non-taxation receivables that are statutory in nature are held at statutory value less amounts for impairment loss allowances. Contractual non-taxation receivables with fixed or determinable payments and receipts are initially recognised at cost unless the transaction price differs from fair value in which case, initial recognition is at fair value. Any difference between cost and fair value is recognised as a loss in the statement of comprehensive income. Non-taxation receivables are subsequently measured at amortised cost using the effective interest method less allowances for impairment losses.

#### **Key accounting judgements and estimates**

##### Valuation of loans receivable

A difference between cost and fair value is identified for loans provided with conditions that are more favourable than would otherwise be available to the borrower. Fair value is assessed as the discounted present value of future payments and receipts using the prevailing market rate.

##### Impairment of loans receivable

Impairment loss allowances are recognised for loans and receivables determined based on a twelve month ECL approach. Lifetime ECLs are estimated based on the portion of ECLs that result from possible default events on the loan within the twelve months after reporting date. Estimates are used to determine possible default events and the likelihood of these occurring. If there is a significant increase in credit risk since initial recognition, the impairment loss allowance is measured at an amount equal to lifetime ECLs.

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 4.2 Administered – non-financial assets

##### Note 4.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Computer software \$'000	Total \$'000
As at 1 July 2019						
Gross book value	63,065	693,676	123,399	287,762	1,657	1,169,559
Accumulated depreciation, amortisation and impairment	-	(73,367)	(13,356)	(37,330)	(501)	(124,554)
<b>Total as at 1 July 2019</b>	<b>63,065</b>	<b>620,309</b>	<b>110,043</b>	<b>250,432</b>	<b>1,156</b>	<b>1,045,005</b>
Recognition of right-of-use assets on initial application of AASB 16	-	597	-	11,928	-	12,525
<b>Adjusted total as at 1 July 2019</b>	<b>63,065</b>	<b>620,906</b>	<b>110,043</b>	<b>262,360</b>	<b>1,156</b>	<b>1,057,530</b>
Additions						
Purchased	-	7,619	1,653	9,861	-	19,133
Revaluations and impairments recognised in other comprehensive income	6,990	(18,733)	(27,159)	(3,702)	-	(42,604)
Reclassifications	-	(2,471)	1,174	1,297	-	-
Depreciation and amortisation	-	(61,445)	(13,334)	(30,465)	(372)	(105,616)
Depreciation on right-of-use assets	-	(80)	-	(2,672)	-	(2,752)
Write-downs	(705)	(14,087)	(19,979)	(13,470)	-	(48,241)
Gifting of public property	-	(14,907)	-	(6,782)	-	(21,689)
Other movements	-	1	-	2	-	3
<b>Total as at 30 June 2020</b>	<b>69,350</b>	<b>516,803</b>	<b>52,398</b>	<b>216,429</b>	<b>784</b>	<b>855,764</b>
<b>Total as at 30 June 2020 represented by</b>						
Gross book value – fair value (recurring)						
Assets in use	62,275	510,139	56,370	208,336	-	837,120
Assets held for sale	7,075	-	-	-	-	7,075
Assets under construction	-	20,245	-	6,915	-	27,160
Gross book value – at cost						
Right-of-use assets	-	597	-	11,928	-	12,525
Internally developed – assets in use	-	-	-	-	1,198	1,198
Purchased	-	-	-	-	459	459
Accumulated depreciation, amortisation and impairment <sup>a</sup>						
Other assets in use	-	(14,098)	(3,972)	(8,078)	(873)	(27,021)
Right-of-use assets	-	(80)	-	(2,672)	-	(2,752)
<b>Total as at 30 June 2020</b>	<b>69,350</b>	<b>516,803</b>	<b>52,398</b>	<b>216,429</b>	<b>784</b>	<b>855,764</b>

a. The accumulated depreciation, amortisation and impairment balance includes the impact of the revaluation process.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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No indicators of impairment, other than those adjusted for, were found for property, plant and equipment or intangibles as at 30 June 2020.

#### **Contractual commitments for the acquisition of administered property, plant and equipment and intangible assets**

As at 30 June 2020, contractual commitments for the acquisition of administered property, plant and equipment and intangible assets amounted to \$4.628 million (2018-19: \$5.497 million).

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 4.3 Administered – payables

	2020	2019
	\$'000	\$'000
<b>Note 4.3A: Personal benefits</b>		
Direct	1,155	1,446
Indirect	17,928	17,419
State payments - refugee minors - indirect	1,637	1,950
<b>Total personal benefits</b>	<b>20,720</b>	<b>20,815</b>

#### 4.4 Administered – provisions

##### Note 4.4A: Bonds and security deposits

	Bonds	Security deposits	Total
	\$'000	\$'000	\$'000
As at 1 July 2019	8,349	9,138	17,487
Additional provisions made	10,571	911	11,482
Amounts refunded	(10,738)	(3,630)	(14,368)
Amounts forfeited	(2,416)	-	(2,416)
<b>Total as at 30 June 2020</b>	<b>5,766</b>	<b>6,419</b>	<b>12,185</b>

#### Accounting policy

##### Provision for bonds and security deposits

The Department collects and repays bonds on behalf of Government for the purposes of compliance with the *Migration Act 1958* and associated regulations. The Department collects three types of bonds, namely compliance bonds, visitor visa bonds and professional development visa securities.

The Department also collects and repays security deposits on behalf of Government for the purposes of compliance with the *Customs Act 1901*. Securities are held in relation to:

- dumping and countervailing;
- intellectual property rights for both copyright and trademarks;
- temporary imports (including inter-governmental);
- warehouse and general; and
- other by-law (including those with an end-use provision).

Receipts from these bonds and security deposits are treated as liabilities and provided for until such time as they are either forfeited or refunded to customers. Revenue is only recognised at the point of forfeiture.

Department of Home Affairs  
Notes to and forming part of the financial statements

5. Funding

5.1 Appropriations

Note 5.1A: Annual appropriations (recoverable GST exclusive)

Annual appropriations for 2020

	Appropriation Act		PGPA Act		Total appropriation \$'000	Appropriation applied in 2020 (current and prior years) \$'000	Variance <sup>e</sup> \$'000
	Annual appropriation <sup>a</sup> \$'000	Emergency appropriation <sup>b</sup> \$'000	AFM <sup>c</sup> \$'000	Section 74 receipts \$'000	Section 75 transfers \$'000		
<b>Departmental</b>							
Ordinary annual services	2,740,562	17,952	-	200,185	14,703	(2,920,682)	52,720
Capital Budget <sup>d</sup>	120,899	-	-	-	269	(114,918)	6,250
Other services							
Equity injections	115,236	-	-	-	-	(98,737)	16,499
<b>Total Departmental</b>	<b>2,976,697</b>	<b>17,952</b>	<b>-</b>	<b>200,185</b>	<b>14,972</b>	<b>(3,134,337)</b>	<b>75,469</b>
<b>Administered</b>							
Ordinary annual services							
Administered items	2,453,597	751	-	-	299,145	(2,178,576)	574,917
Capital Budget <sup>d</sup>	21,008	-	-	-	-	(10,579)	10,429
Other services							
Administered assets and liabilities	719	-	-	-	-	(5,289)	(4,570)
<b>Total Administered</b>	<b>2,475,324</b>	<b>751</b>	<b>-</b>	<b>-</b>	<b>299,145</b>	<b>(2,194,444)</b>	<b>580,776</b>



## Department of Home Affairs

### Notes to and forming part of the financial statements

#### Annual appropriations for 2019

	Appropriation Act		PGPA Act		Total appropriation \$'000	Appropriation applied in 2019 (current and prior years) \$'000	Variance <sup>e</sup> \$'000
	Annual appropriation <sup>a</sup> \$'000	Emergency appropriation <sup>b</sup> \$'000	AFM <sup>c</sup> \$'000	Section 74 \$'000	Section 75 \$'000		
Departmental							
Ordinary annual services	2,624,062	-	52,560	278,107	4,638	(2,872,829)	86,538
Capital Budget <sup>d</sup>	137,575	-	-	-	-	(113,710)	23,865
Other services	120,842	-	-	-	-	(172,223)	(51,381)
Equity	2,882,479	-	52,560	278,107	4,638	(3,158,762)	59,022
Total Departmental							
Administered							
Ordinary annual services	2,031,739	-	-	-	-	(1,676,834)	354,905
Administered items	20,567	-	-	-	-	(6,721)	13,846
Capital Budget <sup>d</sup>							
Other services	491	-	-	-	-	(52,185)	(51,694)
Administered assets and liabilities						(525)	(525)
States, ACT, NT and local government						(1,736,265)	316,532
Total Administered	2,052,797	-	-	-	-	2,052,797	

a. Appropriations as per Appropriation Acts (1 through 4). Departmental appropriations do not lapse at 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.

b. Emergency Appropriation (Coronavirus Economic Response Package) Act (No. 1) 2019-2020.

c. Advance to the Finance Minister.

d. Capital Budgets are appropriated through Appropriation Act (No.1, No.3 and No.5 where applicable). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

e. 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.

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### **Note 5.1B: Unspent annual appropriations (recoverable GST exclusive)**

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b>Departmental</b>		
<i>Appropriation Act (No. 1) 2016-2017<sup>a,d</sup></i>	-	2,700
<i>Appropriation Act (No. 2) 2016-2017<sup>a,e</sup></i>	-	13,319
<i>Appropriation Act (No. 1) 2017-2018<sup>b,g</sup></i>	<b>48</b>	48
<i>Appropriation Act (No. 2) 2017-2018<sup>b,h</sup></i>	<b>319</b>	3,137
<i>Appropriation Act (No. 1) 2018-2019 - Cash at Bank</i>	-	5,882
<i>Appropriation Act (No. 1) 2018-2019<sup>j</sup></i>	<b>43,086</b>	164,687
<i>Appropriation Act (No. 2) 2018-2019<sup>k</sup></i>	<b>18,279</b>	75,960
<i>Appropriation Act (No. 3) 2018-2019<sup>l</sup></i>	<b>17,779</b>	194,207
<i>Appropriation Act (No. 4) 2018-2019<sup>m</sup></i>	<b>166</b>	27,761
<i>Appropriation Act (No. 1) 2019-2020 - Cash at Bank</i>	<b>5,577</b>	-
<i>Appropriation Act (No. 1) 2019-2020</i>	<b>253,002</b>	-
<i>Supply Act (No. 2) 2019-2020</i>	<b>32,803</b>	-
<i>Appropriation Act (No. 2) 2019-2020</i>	<b>63,636</b>	-
<i>Appropriation Act (No. 3) 2019-2020</i>	<b>104,301</b>	-
<i>Appropriation Act (No. 4) 2019-2020</i>	<b>8,154</b>	-
<b>Total Departmental</b>	<b>547,150</b>	487,701

**Department of Home Affairs**  
**Notes to and forming part of the financial statements**

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b>Administered</b>		
<i>Supply Act (No. 1) 2016-2017<sup>a,c</sup></i>	-	408
<i>Appropriation Act (No. 1) 2016-2017<sup>a,d</sup></i>	-	230,366
<i>Supply Act (No. 2) 2016-2017<sup>a</sup></i>	-	23,297
<i>Appropriation Act (No. 2) 2016-2017<sup>a</sup></i>	-	26,981
<i>Appropriation Act (No. 3) 2016-2017<sup>a,f</sup></i>	-	53,789
<i>Appropriation Act (No. 4) 2016-2017<sup>a</sup></i>	-	18,212
<i>Appropriation Act (No. 1) 2017-2018<sup>b,g</sup></i>	<b>62,911</b>	33,890
<i>Appropriation Act (No. 2) 2017-2018<sup>b,h</sup></i>	<b>1,249</b>	6,105
<i>Appropriation Act (No. 3) 2017-2018<sup>b,i</sup></i>	<b>159,895</b>	148,068
<i>Appropriation Act (No. 4) 2017-2018<sup>b</sup></i>	-	294
<i>Appropriation Act (No. 6) 2017-2018<sup>b</sup></i>	<b>97</b>	235
<i>Appropriation Act (No. 1) 2018-2019 - Cash at Bank</i>	-	21,866
<i>Appropriation Act (No. 1) 2018-2019</i>	<b>146,895</b>	274,506
<i>Appropriation Act (No. 2) 2018-2019</i>	<b>206</b>	206
<i>Appropriation Act (No. 3) 2018-2019</i>	<b>199,180</b>	386,506
<i>Appropriation Act (No. 4) 2018-2019</i>	<b>285</b>	285
<i>Appropriation Act (No. 1) 2019-2020 - Cash at Bank</i>	<b>574</b>	-
<i>Supply Act (No. 1) 2019-2020</i>	<b>10,859</b>	-
<i>Appropriation Act (No. 1) 2019-2020<sup>n,o</sup></i>	<b>293,185</b>	-
<i>Appropriation Act (No. 3) 2019-2020</i>	<b>576,680</b>	-
<i>Appropriation Act (No. 4) 2019-2020</i>	<b>719</b>	-
<b>Total Administered</b>	<b>1,452,735</b>	1,225,014

## Department of Home Affairs

### Notes to and forming part of the financial statements

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- a. Appropriation Acts repealed or lapsed during 2019-20.
- b. Appropriation Acts will lapse on 1 July 2020.  
The balances within Note 5.1B include amounts that have been quarantined by the Department of Finance and as such the Department is unable to utilise the amounts detailed below for departmental purposes.
- c. Administered: Nil (2018-19: \$0.003 million);
- d. Departmental: Nil (2018-19: \$2.700 million);  
Administered: Nil (2018-19: \$119.66 million).
- e. Departmental: Nil (2018-19: \$13.319 million);
- f. Administered: Nil (2018-19: \$37.569 million).
- g. Departmental: \$0.048 million (2018-19: \$0.048 million);  
Administered: \$33.890 million (2018-19: \$33.890 million).
- h. Departmental: \$0.319 million (2018-19: \$3.137 million);  
Administered: \$0.200 million (2018-19: \$0.200 million).
- i. Administered: \$148.068 million (2018-19: \$148.068 million).
- j. Departmental: \$43.086 million (2018-19: \$43.086 million). This amount includes \$42.059 million appropriated through the Advance to the Finance Minister Determination (No.2 of 2018-2019);  
Administered: \$146.895 million (2018-19 nil).
- k. Departmental: \$18.279 million (2018-19: nil);
- l. Departmental: \$17.779 million (2018-19: \$17.779 million);  
Administered: \$199.18 million (2018-19: nil).
- m. Departmental: \$0.166 million (2018-19: \$0.166 million).
- n. Administered: \$21.504 million (2018-19: nil).
- o. Includes \$0.751 million appropriated through the Emergency Appropriation (Coronavirus Economic Response Package) Act (No. 1) 2019-2020.

#### Accounting policy

##### Revenue from Government

Departmental amounts appropriated 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. The Department has two funding models which inform appropriations from Government. As part of the annual funding model reconciliation process, any movements in funding earned are recognised as adjustments to revenue from Government in the current financial year. The funding models are:

- the Visa Variable Funding Model, with variable funding adjusted to reflect actual movements in workload drivers including, for example, visa finalisations and citizenship decisions; and
- the Passenger Workload Growth Agreement model which provides a mechanism for the Department to adjust its funding to cater for appropriate impacts in the passenger processing environment.

In 2019-20, departmental appropriations related to the two funding models were frozen at previously agreed levels to take into account the impacts of COVID19 on the Department's workload.

##### Equity injections

Amounts appropriated which are designated as 'equity injections' for a financial year (less any formal reductions) and departmental capital budgets, are recognised directly in contributed equity in that year.

Department of Home Affairs  
Notes to and forming part of the financial statements

			2020 \$'000	2019 \$'000
<b>Note 5.1C: Special appropriations applied (Recoverable GST exclusive)</b>				
Authority	Type	Purpose		
<i>Public Governance, Performance and Accountability Act 2013, section 77</i>	Unlimited account	Repayments required or permitted by law	<b>699,356</b>	648,107
<i>Social Security (Administration) Act 1999, section 242</i>	Unlimited account	To provide for income support payments	<b>250,384</b>	120,379
<i>Customs Act 1901, section 278</i>	Unlimited account	Refunds / repayments of Customs Duty	<b>8</b>	-
<i>Taxation Administration Act 1953, section 16</i>	Refund	Refund of receipts to individuals under the tourist refund scheme	<b>197,643</b>	255,573
<b>Total special appropriations applied</b>			<b><u>1,147,391</u></b>	<b><u>1,024,059</u></b>

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### **Note 5.1D: Disclosure by agent in relation to annual and special appropriations**

	<b>DSS<sup>a</sup></b>	<b>ATO<sup>b</sup></b>	<b>DSS<sup>a</sup></b>	<b>ATO<sup>b</sup></b>
	<b>2020</b>	<b>2020</b>	2019	2019
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Total receipts	<b>1,725</b>	<b>197,643</b>	1,793	255,573
Total payments	<b>(1,725)</b>	<b>(197,643)</b>	(1,793)	(255,573)

a. The Department made wage supplementation payments from the social and community services pay equity special account administered by the Department of Social Services (DSS) to eligible social and community services workers.

b. The Department administers the Tourist Refund Scheme (TRS) on behalf of the Australian Taxation Office (ATO). The TRS allows for departing Australian international passengers and overseas tourists to claim back the Wine Equalisation Tax and/or Goods and Services Tax on goods purchased in Australia and taken overseas with them.

	<b>2020</b>	2019
	<b>\$'000</b>	<b>\$'000</b>
<b>Total comprehensive loss as per the statement of comprehensive income</b>	<b>(391,596)</b>	(341,459)
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	<b>347,981</b>	344,925
Plus: depreciation right-of-use assets	<b>302,565</b>	-
Less: principal repayments - leased assets	<b>(260,929)</b>	-
<b>Total comprehensive income less expenses previously funded through revenue appropriations</b>	<b>(1,979)</b>	3,466
Changes in asset revaluation reserve	<b>(32,882)</b>	(3,231)
<b>Surplus/(deficit) attributable to the Australian Government less expenses previously funded through revenue appropriation</b>	<b>(34,861)</b>	235

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### 5.2 Statutory conditions for payments from the Consolidated Revenue Fund

Section 83 of the Constitution of Australia provides that no money shall be drawn from the Consolidated Revenue Fund except under appropriation made by law. The Department has assessed one category of payments as high risk of non-compliance with the requirements of section 83.

##### **Collection and refund of Customs Duty**

The Department operates under a self-assessment regime for its Customs Duty collection and refunds, which facilitates trade and ensures collection of border related revenue in a cost effective manner. This process involves importers and brokers undertaking self-assessments to determine duty payable and refunds of that duty. This self-assessment regime is supported by a compliance function that targets high risk transactions with a view to identifying intentional misstatement and fraud.

The enactment of the amendment to the *Customs Act 1901* effected by the *Home Affairs Legislation Amendment (Miscellaneous Measure) Act 2019* on 1 March 2019 provided that overpayments made in good faith no longer give rise to a breach of section 83. The Department, however, continues to follow up potential overpayments and seek recovery where applicable.

The Department's compliance governance and management oversight arrangements for the collection of Customs Duty are in place to provide oversight of high risk transactions and subsequently provide stakeholders with assurance of compliance with the requirements of section 83. The analysis for 2019-20 identified 52 (2018-19: 165) breaches, totalling approximately \$72,374 (2018-19: \$900,565) in relation to payments made under section 77 of the PGPA Act. As at 30 June 2020, all of these amounts had been recovered or offset (2018-19: \$507,733).

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 5.3 Special accounts

##### **Note 5.3A: Special accounts (recoverable GST exclusive)**

Special account (administered)	POCA	SOETM	POCA	SOETM
	2020	2020	2019	2019
	\$'000	\$'000	\$'000	\$'000
<b>Balance brought forward from previous period</b>	<b>546</b>	<b>657</b>	-	-
<b>Increases</b>				
Restructuring	-	-	6,593	519
Other receipts	<b>22,258</b>	<b>908</b>	16,548	1,703
<b>Total increases</b>	<b>22,258</b>	<b>908</b>	23,141	2,222
<b>Total available for payments</b>	<b>22,804</b>	<b>1,565</b>	23,141	2,222
<b>Decreases</b>				
<b>Administered</b>				
Payments made to grant recipients	<b>(17,654)</b>	<b>(98)</b>	(18,755)	(1,135)
Payments made - property, plant and equipment	-	<b>(128)</b>	-	(273)
Payments made - intangibles	-	-	-	(157)
Payments made - other expenses	<b>(6)</b>	-	-	-
Funds returned to confiscated assets account	-	-	(3,840)	-
<b>Total administered decreases</b>	<b>(17,660)</b>	<b>(226)</b>	(22,595)	(1,565)
<b>Total decreases</b>	<b>(17,660)</b>	<b>(226)</b>	(22,595)	(1,565)
<b>Total balance carried to the next period</b>	<b>5,144</b>	<b>1,339</b>	546	657

#### **Emergency Response Fund Act 2019 special account**

The *Home Affairs Emergency Response Fund* (HAERF) special account was operative from 12 December 2019 under the *Emergency Response Fund Act 2019* for the purpose of paying amounts payable by the Commonwealth under arrangements relating to natural disasters and making grants relating to natural disasters. No receipts or payments were made through this account in 2019-20.

#### **Proceeds of Crime Act 2002 programs special account**

The *Proceeds of Crime Act 2002* programs (POCA) special account was operative from 1 July 2018 under *PGPA Act Determination (POCA Programs Special Account 2018)* for the purpose of receiving amounts from the confiscated assets account (managed by the Australian Financial Security Authority) and other special accounts in order to make payments for POCA programs.

#### **Services for other entities and trust moneys special account**

The services for other entities and trust moneys (SOETM) special account was operative from 1 July 2018 under *PGPA Act Determination (Home Affairs SOETM Special Account 2018)* for the purposes of crediting and disbursing amounts that are seized, found or forfeited to the Department, amounts received from other entities in order to carry out joint activities, and other activities.



## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 5.4 Regulatory charging summary

Regulatory charging activities are those activities where Government has agreed that a regulatory function is to be charged for on a full or partial cost recovery basis. This note provides industry, the Parliament and the public with assurance that these activities are being managed in a way that aligns expenses and revenues over time.

	2020	2019
	\$'000	\$'000
<b>Amounts applied</b>		
Departmental		
Annual appropriations <sup>a</sup>	<b>416,378</b>	451,921
<b>Total amounts applied</b>	<b>416,378</b>	451,921
<b>Expenses</b>		
Departmental	<b>492,978</b>	501,582
<b>Total expenses</b>	<b>492,978</b>	501,582
<b>External revenue</b>		
Departmental <sup>b</sup>	<b>12,206</b>	13,249
Administered	<b>454,658</b>	471,389
<b>Total external revenue</b>	<b>466,864</b>	484,638

a. Annual appropriations include the cash component of expenses and any capital amounts for the given year. This will exclude the non-cash expenses of depreciation and amortisation and movement in provisions.

b. Charges collected for Import Processing Charges (IPC) and AusCheck background checking service as revenue under S74 of the PGPA Act.

#### Cost recovered activities

##### Australian citizenship applications

The Department implements cost recovery arrangements for processing applications to acquire, renounce or resume Australian citizenship. Activities that are cost recovered include the assessment of applications and management of citizenship test resources, the provision of call centre and online support to applicants, the production and distribution of certificates, and the facilitation of some citizenship ceremonies. Costs are recovered through fees charged on applications, which are administered in nature. Fees differ by the type of application and eligibility of the applicant, and are set to recover the cost of processing each application. Charges recovered in relation to citizenship totalled \$42.226 million (2018-19: \$40.918 million). Expenses totalled \$85.212 million (2018-19: \$70.657 million).

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### Import Processing Charges and licensing charges

Import Processing Charges (IPC) and licensing charges recover the costs of the Department's cargo and trade related activities. This includes fees for warehouse, depot and broker licences, warehouse declarations fees, location, time and travel fees along with the processing charges associated with administering the importation of goods into Australia. The majority of charges collected are administered in nature, however Government agreed that some charges be collected as departmental revenue. Charges recovered in relation to IPC and licensing totalled \$412.923 million (2018-19: \$431.208 million). Expenses totalled \$392.289 million (2018-19: \$417.194 million).

#### AusCheck Background Checking Service

The AusCheck Background Checking Service coordinates national security background checks and related functions for the aviation, maritime and national health security schemes. The enabling legislation is the *AusCheck Act 2007* and the *AusCheck Regulations 2007*. Charges recovered by the Department in relation to AusCheck Background Checking Service totalled \$11.715 million (2018-19: \$12.513 million) and expenses totalled \$15.477 million (2018-19: \$13.731 million).

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 6. People

##### 6.1 Employee expenses and provisions

	2020	2019
	\$'000	\$'000
<b><u>Note 6.1A: Employee benefits</u></b>		
Wages and salaries	970,530	936,186
Superannuation		
Defined contribution plans	118,705	110,149
Defined benefit plans	103,082	106,268
Leave and other entitlements	282,709	288,655
Separation and redundancies	5,512	5,705
Other employee expenses	70,289	71,416
<b>Total employee benefits</b>	<b>1,550,827</b>	<b>1,518,379</b>
<b><u>Note 6.1B: Employee provisions</u></b>		
Leave	511,870	470,463
Other	4,521	3,652
<b>Total employee provisions</b>	<b>516,391</b>	<b>474,115</b>

The 2019-20 average staffing level for the Department was 13,751 (2018-19: 13,959).

#### **Accounting policy**

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within twelve 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.

#### **Leave**

The liability for employee benefits includes provision for annual leave and long service leave. The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will apply at the time the leave is expected to be 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.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### Locally engaged employees

Locally engaged employees (LEE) are covered by individual employment contracts which are negotiated between the employee and the Department of Foreign Affairs and Trade on behalf of the Department 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

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 and all non-government funds are defined contribution schemes.

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 financial statements administered schedules and notes. The Department makes employer contributions to the employee's defined benefit 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.

The liability for superannuation recognised as at reporting date represents outstanding contributions.

#### **Key accounting judgements and estimates**

The liability for long service leave has been determined by reference to the work of an actuarial review undertaken triennially. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation. The estimate of future costs requires management and independent actuarial assessment of assumed salary growth rates, future on-cost rates and the experience of employee departures. The future costs are then discounted to present value using market yields on government bonds in accordance with AASB 119 *Employee Benefits*.

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 6.2 Key management personnel remuneration

	2020	2019
	\$	\$
<b><u>Key management personnel remuneration expenses</u></b>		
Short-term employee benefits	6,176,366	5,486,666
Post-employment benefits	981,122	871,943
Other long-term employee benefits	178,379	156,644
<b>Total key management personnel remuneration expenses</b>	<b>7,335,867</b>	<b>6,515,253</b>

The number of key management personnel included in the above table is 19 (2018-19: 16). 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 key management personnel directly remunerated during 2019-20 was 15.45 (2018-19: 12.97).

Total remuneration for key management personnel includes resources received free of charge amounting to \$570,265 (2018-19: \$855,427).

#### Key management personnel remuneration

Key management personnel are identified as those people having the authority and responsibility for planning, directing and controlling the activities of the Department, either directly or indirectly. Key management personnel includes officers serving as: Portfolio Ministers; Cabinet Ministers; the Secretary; Australian Border Force Commissioner; Deputy Secretaries; Deputy Commissioners; Group Managers; and other officers serving positions in line with this level of authority and responsibility. This includes officers who have acted in any of the aforementioned roles for a continuous period of three months or more or departed prior to reporting date.

The remuneration of key management personnel within the table above excludes the remuneration and other benefits of Portfolio and Cabinet Ministers. Portfolio and Cabinet Ministers' remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the Department.

#### 6.3 Related party relationships

The Department is an Australian Government controlled entity. The Department's related parties are key management personnel (including Portfolio and Cabinet Ministers) and other Australian Government entities.

#### Transactions with related parties

Given the breadth of Government activities, related parties may transact within the Government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of duties, taxes or other fees. Additionally, related parties may transact within the government sector as part of ordinary operations that are subject to standard processes for procurement and employment. These transactions have not been separately disclosed in this note.

Giving consideration to relationships with related parties, and transactions entered into during the reporting period, it has been determined that there are no other related party transactions to be separately disclosed.

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 7. Managing uncertainties

##### 7.1 Contingent assets and liabilities

	Other contingent assets	Other contingent assets
	2020	2019
	\$'000	\$'000
Contingent assets		
Balance from previous period	-	1,150
New contingent assets recognised	-	-
Re-measurement	-	(1,150)
Assets realised	-	-
<b>Total contingent assets</b>	<b>-</b>	<b>-</b>

As at 30 June 2020, the Department had no quantifiable contingent liabilities (2018-19: nil).

#### Unquantifiable contingencies

The Department has a number of legal claims lodged against it for damages and costs. The Department is responding to these claims in accordance with its obligations under the *Legal Services Directions 2017*. It is not possible to estimate the amount and timing of any eventual payments that may be required in relation to these claims.

The Department has unquantifiable contingencies in relation to potential underpayments of employee on costs.

#### Accounting policy

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in this note. 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. Other contingent assets comprise potential future benefits under contractual arrangements which are contingent on future events that cannot be reliably predicted.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### 7.2 Administered – contingent assets and liabilities

As at 30 June 2020 the Department had no quantifiable contingent assets (2018-19: nil) or liabilities (2018-19: nil).

##### Unquantifiable administered contingencies

###### Claims and legal actions

The Department has a number of claims and legal actions lodged against it for damages and costs. The Department is responding to these claims in accordance with its obligations under the *Legal Services Directions 2017*. It is not possible to estimate the amount and timing of any eventual payments that may be required in relation to these claims.

###### Revenue collection securities

The Department holds a number of contingent assets in the form of securities held as part of revenue collection processes. Securities that may be surrendered to the Commonwealth due to failure to meet legislative requirements cannot be estimated and the amount is not quantifiable. From time to time the Department needs to enforce these securities and recognise an associated gain.

###### Indemnities provided to state and territory governments

The Department has arrangements with 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. Certain jurisdictions are indemnified by the Australian Government for the provision of these services under these arrangements. These indemnities are contingent on potential losses or damages arising out of, or incidental to, the provisions of services under these arrangements and cannot be quantified.

###### Financial assistance for Australian victims of terrorism overseas

The *Social Security Act 1991* provides for support to Australian victims of terrorism overseas whereby eligible recipients may receive payments of financial assistance. Future payments are contingent on the eligibility of potential claims and cannot be quantified.

###### Natural disaster relief and recovery arrangements

The Australian Government provides funding to state and territory governments to assist with natural disaster relief and recovery costs as set out in the *Natural Disaster Relief and Recovery Arrangements Determination*. For major disasters, Government may approve payments to individuals under the *Social Security Act 1991*. These include the Disaster Recovery Payment and Disaster Recovery Allowance. Future funding and payments are contingent on the eligibility of potential claims that meet the relevant requirements and cannot be quantified.

###### Limited liabilities

The Department contracts service providers to deliver various services for the Australian Government. In certain circumstances, the Department may agree to limit service providers' maximum liability in connection with contracted services, which may give rise to a material contingent liability for the Department. The Department's potential losses or damages under these arrangements are contingent on amounts exceeding specified limits and other circumstances, and are not quantifiable.

## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 7.3 Financial instruments

	2020	2019
	\$'000	\$'000
<b>Note 7.3A: Categories of financial instruments</b>		
Financial assets at amortised cost		
Cash and cash equivalents	5,577	5,882
Trade and other receivables	36,572	31,183
Other financial assets	848	909
<b>Total financial assets at amortised cost</b>	<b>42,997</b>	<b>37,974</b>
<b>Total financial assets</b>	<b>42,997</b>	<b>37,974</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost		
Suppliers	211,819	221,864
<b>Total financial liabilities measured at amortised cost</b>	<b>211,819</b>	<b>221,864</b>
<b>Total financial liabilities</b>	<b>211,819</b>	<b>221,864</b>

#### **Note 7.3B: Categories of administered financial instruments**

Financial assets at amortised cost		
Cash and cash equivalents	146,790	68,402
Non-taxation receivables	60,997	75,200
<b>Total financial assets at amortised cost</b>	<b>207,787</b>	<b>143,602</b>
<b>Total financial assets</b>	<b>207,787</b>	<b>143,602</b>
Financial liabilities measured at amortised cost		
Suppliers	333,706	353,922
Grants and contributions payable	5,192	12,497
<b>Total financial liabilities</b>	<b>338,898</b>	<b>366,419</b>



## Department of Home Affairs

### Notes to and forming part of the financial statements

#### 8. Other information

##### 8.1 Aggregate assets and liabilities

	2020	2019
	\$'000	\$'000
<b><u>Note 8.1A: Aggregate assets and liabilities</u></b>		
<b>Assets expected to be recovered in:</b>		
No more than 12 months	627,585	610,585
More than 12 months	3,041,716	1,535,233
<b>Total assets</b>	<b>3,669,301</b>	<b>2,145,818</b>
<b>Liabilities expected to be settled in:</b>		
No more than 12 months	703,695	433,384
More than 12 months	1,796,977	481,557
<b>Total liabilities</b>	<b>2,500,672</b>	<b>914,941</b>

##### **Note 8.1B: Administered - aggregate assets and liabilities**

<b>Assets expected to be recovered in:</b>		
No more than 12 months	394,359	651,438
More than 12 months	891,766	1,093,543
<b>Total assets</b>	<b>1,286,125</b>	<b>1,744,981</b>
<b>Liabilities expected to be settled in:</b>		
No more than 12 months	422,648	417,548
More than 12 months	15,738	23,554
<b>Total liabilities</b>	<b>438,386</b>	<b>441,102</b>

Department of Home Affairs  
Notes to and forming part of the financial statements

8.2 Restructuring

In May 2019, the Government announced Administrative Arrangement Orders that the Department would assume responsibility for settlement services for refugees and humanitarian migrants and adult migrant education. These arrangements took effect from 1 July 2019.

In July 2017, Government announced significant reforms to Australia's national security arrangements. The transfer of certain activities associated with national security policy and operations were deferred until 2018-19 to allow for the establishment of the POCA and SOETM special accounts and additional appropriation funding associated with the National Security Branch.

Function assumed	Year/s of transfer	Losing entity
Settlement services for refugees and humanitarian migrants	2019-20	DSS <sup>a</sup>
Adult migrant education	2019-20	Education <sup>b</sup>
National security policy and operations	2017-18 & 2018-19	AGD <sup>c</sup>

- a. Department of Social Services
- b. Department of Education
- c. Attorney-General's Department

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### **Note 8.2A: Departmental restructuring - functions assumed**

	<b>DSS</b>	<b>Education</b>	<b>Total</b>	<b>AGD</b>
	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Assets acquired</b>				
Trade and other receivables	<u>3,578</u>	<u>674</u>	<u>4,252</u>	<u>1,159</u>
<b>Total assets acquired</b>	<u>3,578</u>	<u>674</u>	<u>4,252</u>	<u>1,159</u>
<b>Liabilities assumed</b>				
Suppliers	468	-	468	-
Employee provisions	<u>3,204</u>	<u>677</u>	<u>3,881</u>	<u>-</u>
<b>Total liabilities assumed</b>	<u>3,672</u>	<u>677</u>	<u>4,349</u>	<u>-</u>
<b>Net assets acquired</b>	<u>(94)</u>	<u>(3)</u>	<u>(97)</u>	<u>1,159</u>
<b>Expenses for functions assumed</b>				
Recognised by the Department	<u>12,914</u>	<u>2,715</u>	<u>15,629</u>	<u>-</u>
<b>Total expenses for functions assumed</b>	<u>12,914</u>	<u>2,715</u>	<u>15,629</u>	<u>-</u>

Department of Home Affairs  
Notes to and forming part of the financial statements

**Note 8.2B: Administered restructuring – functions assumed**

	DSS	Education	Total	AGD
	2020	2020	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Assets acquired</b>				
Trade and other receivables	1	-	1	-
Non-taxation receivables	-	-	-	7,112
<b>Total assets acquired</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>7,112</b>
<b>Liabilities assumed</b>				
Suppliers	2,079	-	2,079	-
Grants and contributions	74	-	74	-
Other payables	2,963	-	2,963	-
<b>Total liabilities assumed</b>	<b>5,116</b>	<b>-</b>	<b>5,116</b>	<b>-</b>
<b>Net assets acquired</b>	<b>(5,115)</b>	<b>-</b>	<b>(5,115)</b>	<b>7,112</b>
<b>Income for functions assumed</b>				
Recognised by the Department	294	-	294	16,502
Recognised by the losing entity	-	-	-	35
<b>Total income for functions assumed</b>	<b>294</b>	<b>-</b>	<b>294</b>	<b>16,537</b>
<b>Expenses for functions assumed</b>				
Recognised by the Department	186,980	217,745	404,725	22,747
<b>Total expenses for functions assumed</b>	<b>186,980</b>	<b>217,745</b>	<b>404,725</b>	<b>22,747</b>

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### 8.3 Budgetary reporting

The following provides an explanation of the variance between the original budget figures as presented in the 2019-20 Portfolio Budget Statements (PBS) and the 2019-20 final actual result. The budget is not audited. The budget figures as published in the PBS have been restated to align with the presentation and classification adopted in the financial statements.

Explanations are provided for major budget variances only. Variances are treated as major when it is considered important for the reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of the Department.

For the Department's variance analysis, the major impacts include:

- Implementation of AASB 16 *Leases* accounting standard (AASB 16) on 1 July 2019. This was not factored into the original budget. AASB 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases. From the lessee perspective, AASB 16 had a significant impact on the Department's financial statements due to the recognition of right-of-use assets and lease liabilities, which has replaced operating lease expenses. The details of the changes in accounting policies, transitional provisions and adjustments are disclosed in the relevant notes to the financial statements; and
- In May 2019, the Government announced a change to Administrative Arrangement Orders that would result in the Department assuming responsibility for settlement services for refugees and humanitarian migrants and adult migrant education. This was not anticipated or factored into the original budget. These arrangements took effect from 1 July 2019. Refer to Note 8.2 for further information in connection with the Department's restructuring as a result of updates to administrative arrangements during 2019-20.

The nature and timing of the Commonwealth's Budget Process can also contribute to the variances of the Department. For the Department's variance analysis, the major impacts include:

- Estimated actual outcomes were published in the 2018-19 PBS before the closing 2018-19 and opening 2019-20 Statement of Financial Position was known. This has a flow-on impact to closing balances of items in the 2019-20 PBS Statement of Financial Position;
- The original budget as presented in the 2019-20 PBS is amended by the Government throughout the year. The Department's budget for 2019-20 was updated as part of the 2019-20 Portfolio Additional Estimates Statements (PAES); and
- The Department is usually subject to a number of variable funding mechanisms which will automatically increase or decrease the Departmental revenue from government in the event that specified immigration and citizenship related activity levels deviate from those which were anticipated when the budget was prepared. Departmental revenue associated with these mechanisms has been frozen on 1 July 2020 to mitigate the impact of COVID-19 on funding.

The variance commentary below will make mention of these factors where applicable.

#### **8.3A: Explanations for major budget variances**

##### **Departmental Income**

The total variance between departmental income and the original budget is an increase of \$107 million (or 4%). This increase can predominantly be attributed to:

- Additional appropriation funding of \$132 million recognised over the course of the year from a combination of variable funding model adjustments, estimates variations relating to translation services and civil maritime capabilities, the deferral of savings related to the measure *Immigration Reform*, and emergency appropriations related to COVID-19 response activities; and
- Lower than expected collections in own source revenue of \$35 million offsets the higher appropriation revenue above. This is largely attributable to the Department assuming the Free Interpreting Service function as part of the machinery of government change and no longer collecting own source revenue for the associated services, and the delays associated with the establishment of international border clearance capabilities for emerging international ports.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### Departmental Expenses

The total variance between departmental expenses and the original budget is an increase of \$247 million (or 8%). Increases in expenses can be predominantly attributed to:

- Depreciation expenses and finance costs were \$344 million and \$24 million higher than the original budget respectively. This was largely due to the implementation of AASB 16. This resulted in a corresponding decrease in supplier expenses;
- \$44 million in impairment and write-down costs. Impairment and write down costs are not specifically budgeted for. The most predominant reason is a write down of \$27 million following a review of AUC balances;
- Employee benefit expenses were \$35 million higher than the original budget predominantly due to:
  - The impact of employee salary uplifts from February 2020; and
  - The decline in the 10 year government bond rate that required an upward revaluation of employee leave provisions.
- Supplier expenses were \$202 million lower than the original budget, which partially offsets the increased expenses outlined above. This was predominantly due to:
  - Lower than originally budgeted lease expense predominantly associated with the implementation of AASB 16; and
  - A partial offset from increased supplier expenses as a result of providing an increased level of service. The additional service predominantly relates to supplier expenditure related to the COVID-19 response, including \$31 million for the Stay at Home Call Centre, \$20 million for evacuation assistance and personal protective equipment, \$12 million for property operating costs, and \$12 million for information technology and service support.

#### Departmental Assets

Total departmental assets are \$1.5 billion higher (or 72%) than the original budgeted position. This movement was almost entirely within non-financial assets and is attributable to increases in buildings of \$1.4 billion, in plant and equipment of \$230 million, and leasehold improvements of \$61 million predominantly due to the implementation of AASB 16 and right-of-use assets taken up.

#### Departmental Liabilities

Total departmental liabilities are \$1.7 billion (or 205%) higher than the original budgeted position. This can be predominantly attributed to:

- An increase in lease liabilities of \$1.7 billion due to the implementation of AASB 16;
- The employee provision balance being \$72 million higher than budgeted, largely attributable to the decline in the 10 year government bond rate that required an upward revaluation of employee leave provisions combined with the impact of staff salary uplifts from February 2020; and
- A decrease in suppliers payables of \$77 million that offsets the above which is attributable to the writeback of operating lease liabilities following implementation of AASB 16.

#### Departmental Cash Flow

The amounts reported in the departmental Cash Flow Statement are interrelated with figures disclosed in the Statement of Comprehensive Income and Statement of Financial Position. Consequently, variances in this Statement will be attributable to the relevant variance explanations provided above under departmental expenses, departmental revenue, departmental assets and departmental liabilities.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### **8.3B: Explanations for major administered budget variances**

##### **Administered Income**

The total variation between administered income and the original budget estimate is a decrease of \$2.5 billion (or 10%). This can be predominantly attributed to the following:

- Customs duty was \$1.6 billion below the original budget estimate. This variance is primarily due to lower than anticipated duty collection relating to tobacco, largely owing to changes in importer behaviour in 2019-20, which may be partly attributed to the cessation of tobacco warehouses on 1 July 2020. It also reflects lower than anticipated importation of goods including TCF (Textiles, Clothing and Footwear), PMV (Passenger Motor Vehicle) and Other General largely due to the COVID-19 pandemic;
- Collections of Visa Application Charges were \$476 million below the original budget estimate. This is primarily due to the impact of the COVID-19 pandemic including the associated travel restrictions imposed by the government; and
- Collections of Passenger Movement Charges were \$402 million below the original budget estimate. This is due to the downward trend in the number of passengers departing Australia since January 2020, predominantly due to continuing international border restrictions related to COVID-19.

##### **Administered Expenses**

The total variation between administered expenses and the original budget estimate is an increase of \$1.1 billion (or 74%). This can be predominantly attributed to the following:

- Administered supplier expenses were \$644 million higher than the original budget estimate. This largely relates to:
  - \$343 million of payments made under functions assumed by the Department as part of a machinery of government change, being \$218 million for the Adult Migrant English Program and \$126 million across settlement programs; and
  - \$298 million higher than budgeted expenditure to support the delivery of activities under Program 1.4 – IMA Offshore Management for which the Department received supplementary funding at the 2019-20 PAES.
- Personal benefits expenses were \$236 million higher than the original budget estimate. This largely relates to:
  - Payments totalling \$284 million made in relation to the Australian Government Disaster Recovery Payment program to individuals adversely impacted by the bushfires. Payments under this program are not specifically budgeted for as they are made in response to specific events not known at the beginning of the year;
  - \$34 million higher than budgeted expenditure to support the delivery of activities under Program 1.4 – IMA Offshore Management; and
  - Offset by lower than budgeted payments associated with the Status Resolution Support Services due to a reduction in the number of recipients.
- Gifting, grants and contributions expenses were \$147 million higher than the original budget estimate. This largely relates to:
  - \$61 million payments as part of settlement services for refugees and humanitarian migrants, which were transferred to the Department as part of a machinery of government change;
  - The Remote Airport Security Screening Fund is \$33 million higher than the original budget as a movement of funds totalling \$34 million was completed and reflected in the Portfolio Additional Estimates Statements 2019-20;
  - Contributions to the National Aerial Firefighting Centre increased by \$31 million as a result of the bushfires; and
  - The \$22 million gifting of the Bomana Immigration Centre to the government of Papua New Guinea (PNG), which was built by the Department as part of the 2013 bilateral Regional Resettlement Agreement.
- Write-down and impairment of assets expenses were \$58 million higher than budgeted, reflecting significant impacts of valuation changes as a result of current year external revaluation advice.

## Department of Home Affairs

### Notes to and forming part of the financial statements

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#### **Administered Assets**

Total assets were \$364 million (or 22%) less than the original budgeted position. This can be predominantly attributed to:

- Financial assets were \$217 million less than the original budgeted position. This largely relates to a \$311 million lower than budgeted taxation receivables balance primarily related to tobacco; and
- Non-financial assets were \$116 million lower than the original budgeted position. This largely reflects the significant impact of valuation changes as a result of current year external revaluation advice, as well as the gifting of the Bomana Immigration Centre to the PNG government.

#### **Administered Liabilities**

Total administered liabilities were \$46 million (or 12%) higher than the original budgeted position. This was predominantly due to the \$32 million of payables related to the Adult Migrant English Program, which was assumed by the Department as a result of machinery of government changes.





# PART 5

## MANAGEMENT AND ACCOUNTABILITY

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# ENTERPRISE GOVERNANCE

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## Statement of enterprise governance practices

The Department of Home Affairs (the Department) is responsible for administering legislation, developing policy, managing and delivering programs, ensuring compliance, and delivering Government services. Given the breadth of our responsibilities, it is essential that we have a clear framework for our governance and decision-making, and that roles and responsibilities are clearly defined to ensure we achieve our objectives. Our governance arrangements are agile to ensure that even when dealing with crises we continue to meet our obligations and support effective decision-making.

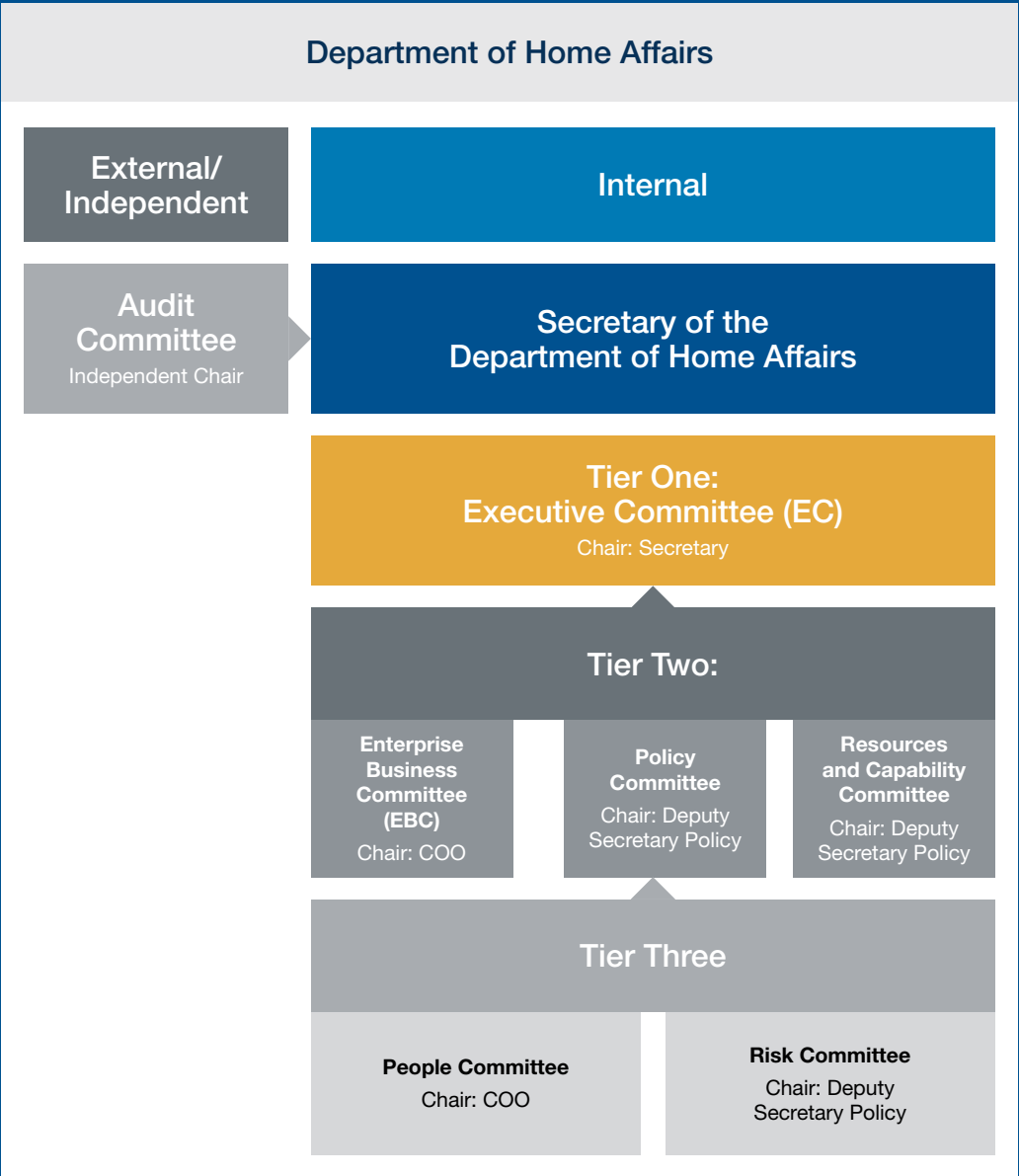
The governance arrangements outlined in this chapter apply to the Department and are consistent with the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). They also support transparent and effective decision-making both horizontally and vertically.

In recognition of its operational independence, the Australian Border Force (ABF) has its own governance arrangements. However, the governance and working committees of the Department and the ABF are linked through membership and functions to enable the Secretary to properly acquit his PGPA Act responsibilities. These arrangements also align the ABF's operational functions and the Department's policy, program, enabling and support functions.

The Department's enterprise governance arrangements are reflected in Figure 8. The ABF's governance arrangements are reflected in Figure 9.

# Home Affairs Enterprise Governance Arrangements

Figure 8: Department of Home Affairs Enterprise Governance Arrangements, as at 30 June 2020



## Executive Committee

In 2019–20, the Executive Committee was the Department's premier strategic forum, focused on future facing, enterprise-wide issues, priorities and direction. It was chaired by the Secretary, the Accountable Authority under the PGPA Act. The Secretary was the final decision maker on matters brought before the Executive Committee.

The Executive Committee was supported by the Enterprise Business Committee, the Policy Committee, and the Resources and Capability Committee.

## Enterprise Business Committee

The Enterprise Business Committee oversaw enterprise-wide issues concerning the effective management and performance of the Department. In 2019–20, the Enterprise Business Committee was chaired by the Chief Operating Officer.

## Policy Committee

The Policy Committee provided high-level direction and leadership on strategy-centred and strategy-led policy priorities, including those that impact on immigration and people mobility, settlement and social cohesion, major threats and risk, law enforcement and transnational crime, national security and international-focused policy. In 2019–20, the Policy Committee was chaired by Deputy Secretary Policy.

## Resources and Capability Committee

The Resources and Capability Committee had oversight of capability development and financial management frameworks. It also allocated resources in support of these frameworks and provided advice on investment priorities, capability development, financial strategy, and budget allocation and management. In 2019–20, the Resources and Capability Committee was chaired by Deputy Secretary Policy.

## Risk Committee

The Risk Committee oversaw the performance of the Department's *Risk Management Framework*, including the ongoing review of the Department's Strategic and Enterprise Risks and the effectiveness of risk controls, and provided advice on critical risks and improving risk management. It also focused on integrating risk management within governance and strategic business and planning processes to embed consideration of risks in decision-making. In 2019–20, the Risk Committee was chaired by Deputy Secretary Policy.

## People Committee

The People Committee made recommendations on enterprise-wide strategic workforce and integrity matters. It was responsible for overseeing the implementation of the Department's *People Strategy 2025*, and incorporating current and emerging business priorities into the development of workforce planning, inclusiveness and culture, integrity, work health and safety, and workforce capability strategies. In 2019–20, the People Committee was chaired by the Chief Operating Officer.

# Australian Border Force Governance Arrangements

Throughout 2019–20, the ABF's governance arrangements complemented those of the broader Department and positioned the ABF to effectively contribute to the Department's enterprise governance arrangements.

The ABF Commissioner was supported by the:

- Strategic Command Group (SCG)
- Senior Leadership Group (SLG)
- ABF Operations Group (OG)

Figure 9: Australian Border Force Governance Arrangements, as at 30 June 2020



## Strategic Command Group

The SCG was the most senior governance body in the ABF and was chaired by the Commissioner. The SCG set and maintained the strategic direction, organisational priorities and support requirements of the ABF.

SCG made decisions and provided guidance in relation to workforce and culture, budget, and enterprise risk and assurance. It positioned the ABF to effectively contribute to broader Home Affairs' governance arrangements.

SCG monitored trends and issues affecting the ABF that may have required action or intervention and had responsibility for ABF administrative settings and oversight.

## Senior Leadership Group

The SLG guided the development and implementation of workforce and capability strategies and investment to support operational outcomes. The SLG was chaired by the Deputy Commissioner Support. The SLG ensured financial sustainment and appropriate usage of budgetary resources, with its key focus being to drive and enable the delivery of the ABF's operational activity. The SLG also maintained the ABF's oversight of enterprise and strategic risk, business planning, and audit and assurance.

## ABF Operations Group

The ABF OG was responsible for using the ABF's Operational Priorities as the basis to provide direction to Commands to drive the operational activities required to deliver the ABF's outcomes and objectives. The OG was chaired by the Deputy Commissioner Operations. The OG:

- provided oversight and reviewed performance against the Operational Priorities, reviewed operational effectiveness to guide command decisions, and managed operational performance reporting and operational risk
- monitored and addressed changes in the strategic and operational intelligence picture, along with operational risks and issues that may have affected operational outcomes and objectives
- considered operational issues escalated from the Tactical Tasking and Coordination Group (TTCG) and tasked TTCG to coordinate ABF joint operations. The OG worked with the SLG in ensuring lessons learnt from operational activities were reported back into the capability lifecycle to improve future operational performance
- initiated improvements to systems and operations, ensuring cross-functional integration.



# COVID-19 Temporary Governance Arrangements

Maintaining strong governance oversight during the COVID-19 pandemic has been essential in ensuring that the Accountable Authority and departmental executives are provided with a holistic understanding of the Department's activities to support the Government's COVID-19 response.

During 2019–20, the Department and the ABF established temporary COVID-19 governance arrangements to give effect to the new, existing and refined accountability mechanisms, governance oversight, and record keeping processes in place to support the Government's response to COVID-19.

These governance arrangements facilitate a fluid and tiered approach, reflecting the strategic, operational and assurance activities in place to support the COVID-19 response and business continuity of critical functions:

- **Strategic activities:** the higher level, forward leaning mechanisms which guide the operations of the Department and the ABF in managing the non-health-related whole-of-Government response to COVID-19.
- **Operational activities:** the integrated operations and activities which give effect to strategic direction and priorities, including processes and procedures that govern our day-to-day response to COVID-19 as an organisation.
- **Assurance and oversight activities:** the activities that provide confidence that the Department is operating effectively, efficiently and lawfully through appropriate delegations that support our temporary governance arrangements.

The governance arrangements are systematic, deliberate and continuous, which enables effective and informed decision-making and allocation of resources to higher value activities.

## Audit Committee

Consistent with section 45 of the PGPA Act, the Secretary maintains an Audit Committee. This Committee's primary role is to review and provide independent advice to the Secretary and the ABF Commissioner on the appropriateness of their risk oversight and management, system of internal controls, financial reporting and performance reporting.

The Audit Committee comprises external members and internal members from the Department and the ABF. The Chair reports to the Secretary and the ABF Commissioner on the Audit Committee's activities and key issues arising from each meeting.

A Financial Statements Sub-Committee supports the Audit Committee by meeting regularly to review the preparation of the Department's annual financial statements.

The Department of Home Affairs Audit Committee charter is available at [www.homeaffairs.gov.au/commitments/files/audit-committee-charter.pdf](http://www.homeaffairs.gov.au/commitments/files/audit-committee-charter.pdf)

Member name and tenure during 2019–20	Qualifications, knowledge, skills or experience	Number of meetings attended during 2019–20 / total number of meetings held during period of membership in 2019–20	Total annual remuneration <sup>16</sup>
<b>Carol Lilley</b> Current Chair from 1 January 2020 –30 June 2020 External Member from 1 July 2019 –30 June 2020	Ms Lilley is an Independent board director and Audit Committee chair and member of a number of Australian Government audit committees. She was a Partner of PricewaterhouseCoopers and has over 20 years' experience in financial statement audit, internal audit and project and risk management with a particular focus on government. Ms Lilley also holds a number of qualifications and professional memberships in commerce, accounting and auditing and is a Fellow of the Institute of Chartered Accountants.	7/8	\$83,081.60 (excluding GST)
<b>Jennifer Clark</b> Current External Member from 26 May 2020 –30 June 2020	Ms Clark has an extensive background in business and governance through a career as an Investment Banker and as a Non-Executive Director since 1991. She has been the chair, deputy chair or member of over 20 audit committees and boards in the Commonwealth and private sectors over the past 30 years. She is a Fellow of the Australian Institute of Company Directors and has substantial experience in financial and performance reporting, audit and risk management.	1/1	\$11,454.60 (excluding GST)

16. Remuneration includes preparation for and attendance at meetings of the Audit Committee, as well as meeting preparation, additional briefings and attendance at sub-committees other governance committees as required. The total remuneration of internal members is reported on in Appendix D. Internal member are not remunerated for their role on the Audit Committee.

Member name and tenure during 2019–20	Qualifications, knowledge, skills or experience	Number of meetings attended during 2019–20 / total number of meetings held during period of membership in 2019–20	Total annual remuneration <sup>16</sup>
<b>Don Cross</b> Current External Member from 17 April 2020 –30 June 2020	<p>Mr Cross is the chair or member of several audit committees and sub-committees, and was a senior partner at KPMG and a lead partner for KPMG's key strategic government accounts. Mr Cross has experience in government program delivery and reform, financial statement audit and internal audit for policy, regulatory and service delivery agencies.</p> <p>Mr Cross holds numerous qualifications and professional memberships in accounting, fraud control, business, and auditing and is a Fellow of the Institute of Chartered Accountants and a Certified Practicing Accountant.</p>	2/2	\$10,309.10 (excluding GST)
<b>John Lawler</b> External Member from 1 July 2019 –18 March 2020	<p>Mr John Lawler AM APM is a 34 year career law enforcement officer. He served from 2009 to 2013 as the Chief Executive Officer of the Australian Crime Commission (ACC) having previously served for 29 years with the Australian Federal Police (AFP). Mr Lawler retired from the Australian Public Service in October 2013. He has extensive experience in a wide range of law enforcement disciplines performing roles at the local, national and international levels, including Community Policing, Investigations, Protection, Intelligence, International Operations and Executive Services.</p> <p>Mr Lawler has qualifications in business banking and management, and is a member of the Australian Institute of Company Directors.</p> <p>Mr Lawler resigned from the committee for personal reasons on 18 March 2020.</p>	6/6	\$43,312.60 (excluding GST)

Member name and tenure during 2019–20	Qualifications, knowledge, skills or experience	Number of meetings attended during 2019–20 / total number of meetings held during period of membership in 2019–20	Total annual remuneration <sup>16</sup>
<b>Mark Ridley</b> Chair from 1 July 2019–31 December 2019	<p>Mr Ridley is Chair of several audit committees. He was previously a senior partner with PricewaterhouseCoopers over a period of 20 years where he held a number of leadership roles with the firm in risk management and assurance, with a particular focus on complex ICT environments and technology driven projects in financial services, energy utilities and government organisations.</p> <p>Mr Ridley holds several qualifications and professional memberships in accounting, commerce, risk and information systems management, and is a Fellow of the Institute of Chartered Accountants in Australia.</p>	5/5	\$46,022.70 (excluding GST)
<b>Justine Saunders</b> Current Internal Member from 1 July 2020–30 June 2020	<p>Ms Saunders in her role of Deputy Commissioner ABF Operations delivers high-level strategic direction across all operational activities around the border. This includes the management of travellers, goods and cargo, as well as enforcement and maritime operations. Prior to joining the ABF, Ms Saunders was a member of the AFP for 29 years and a member of the senior executive since 2005. As the Chief Police Officer of the ACT, she ensured ACT Policing delivered on government and community expectations in terms of operational delivery, whilst also driving and implementing significant cultural and capability reforms aimed at developing a sustainable and effective policing service for the future.</p> <p>Ms Saunders holds qualifications in leadership, management and social sciences.</p>	5/8	\$0

Member name and tenure during 2019–20	Qualifications, knowledge, skills or experience	Number of meetings attended during 2019–20 / total number of meetings held during period of membership in 2019–20	Total annual remuneration <sup>16</sup>
<b>Paul Grigson</b> Internal Member from 11 October 2019 –15 April 2020	<p>As at 30 June 2020, Mr Grigson was Deputy Secretary National Coordination Mechanism Taskforce. He joined the Department's Portfolio leadership team from the Department of Foreign Affairs and Trade, where he was Australia's Ambassador to Indonesia from January 2015 to February 2018.</p> <p>Mr Grigson holds various qualifications, including a Graduate Diploma in Applied Finance from the Securities Institute of Australia.</p>	1/2	\$0
<b>Chris Teal</b> Current Internal Member from 1 July 2019 –11 October 2019 and 15 April 2020 –30 June 2020	<p>Chris Teal was appointed Australia's inaugural National Counter Foreign Interference Coordinator. The National Counter Foreign Interference Coordinator delivers an effective, efficient and consistent national response to foreign interference by providing a focal point for coordinating policy and program development, and leading engagement with private sector areas.</p> <p>As the National Counter Foreign Interference Coordinator, Chris held the position of Deputy Secretary in the Department of Home Affairs on secondment from the Australian Security Intelligence Organisation where Chris has had over 20 years of experience in national security.</p> <p>Mr Teal holds qualifications in economics and business administration.</p>	3/6	\$0

# Corporate and business planning

The *Department of Home Affairs 2019–20 Corporate Plan* was adopted as the primary planning document for the Department and the ABF. The *2019–20 Corporate Plan* set out the Department and the ABF's updated performance framework and provided a collective understanding of the purposes, key activities and the operating environment over a horizon of up to four years. In recognition of this, the Department implemented an enhanced business planning approach across the Department and the ABF, aligning operational activities to the purposes and the strategic performance measures within the *2019–20 Corporate Plan*. Each Division within the Department and Group within the ABF had a business plan in place for 2019–20, guiding the delivery of key projects and business as usual activities.

Throughout 2019–20, the Department and the ABF's corporate and business planning approach was underpinned by thorough assurance processes, including quarterly reporting on both business plans and corporate plan performance metrics to the Enterprise Business Committee and the Department's Audit Committee. This approach provided appropriate oversight of performance, tracked progress against relevant targets and provided the Department and the ABF the opportunity to course correct throughout the financial year.

Throughout 2019–20, the Department developed the Enterprise Performance Framework and a Business Planning policy statement, both of which will support the Department and the ABF in continuously maturing its approach to performance reporting and enterprise planning in subsequent financial years.

## Risk management

The Department's *Risk Management Policy* defines our approach to risk and risk appetite, and supports the Secretary and Commissioner to establish and maintain appropriate systems of risk oversight, management and internal control. It outlines our approach to managing risk and guides officials when undertaking risk management activities.

Our updated *Risk Management Policy* is now embedded into our risk management practices, and is consistent with relevant legislation and regulation, including:

- section 16 of the PGPA Act
- *Commonwealth Risk Management Policy*
- Australian and New Zealand accepted international standard *ISO31000:2018 Risk Management—Guidelines*.

Senior governance committees, supported by the Risk Committee, Audit Committee and Chief Risk Officer, oversee our approach to risk management. The Department continues to monitor changes to threats and trends that affect the Portfolio, providing a regular overview of deviations from forecasted baselines to highlight significant emerging risks early and support active management of our Strategic and Enterprise Risks.

## Internal audit arrangements

The Internal Audit Plan is the overarching internal audit work plan for the Department and the ABF. The Internal Audit Plan provides assurance around key risks across the Department's functions, including finance, IT and compliance. It is a rolling plan subject to six-monthly review. This allows for a strategic and flexible approach to pre-empt emerging risks and changing priorities.

The 2019–20 Internal Audit Program comprised 22 internal audits. All recommendations delivered through internal audits are tracked and monitored by the Audit Committee, supported by the Chief Audit Executive.

Further assurance activities such as management-initiated reviews, detention assurance reviews and compliance programs also form part of our overall program of strategic assurance.

## Fraud control and anti-corruption measures

The *Home Affairs Fraud and Corruption Control Plan* and the *ABF Fraud and Corruption Control Plan* outline our commitment to effectively manage and mitigate fraud and corruption in the Department and the ABF. The Department, including the ABF, has zero tolerance for fraud and corruption. We have appropriate strategies in place to manage fraud and corruption, taking all reasonable steps to prevent, detect and deal with fraud appropriately.

In November 2019, the Department released the latest iteration of its *Fraud and Corruption Control Plan*. The Plan continues to acknowledge that the dynamic economic and security environment within which the Department operates continues to expose it to unique fraud and corruption risks.

The plans meet our accountabilities for compliance against the *Commonwealth Fraud Control Framework 2017*, including section 10 of the *Public Governance, Performance and Accountability Rule 2014*, the *Commonwealth Fraud Control Policy*, and *Resource Management Guide No. 201 — Preventing, Detecting and Dealing with Fraud*.

# Accountability, integrity and ethical standards

## Establishing and maintaining ethical standards

All departmental employees must act with high standards of integrity and ethical behaviour. Adhering to set standards of professionalism ensures the Department maintains the confidence of the Australian Government, the Australian community and partner law enforcement agencies.

The Professional Standards Framework is an overarching framework of policies encompassing standards of integrity and ethical behaviour required by all employees of the Department. It includes the APS Code of Conduct, the APS Values, and the APS Employment Principles.

Since 2017, Operation Arête focused the Department's efforts to strengthen integrity and professional standards frameworks, by fostering a workforce that has high levels of integrity, demonstrates strong values and always displays appropriate conduct.

Key work in 2019–20 included:

- educating staff and contractors about integrity expectations:
  - 71 integrity training sessions were delivered, including four sessions delivered offshore
  - 84 per cent of staff were compliant with online integrity training modules in Quarter 1 2019–20<sup>17</sup>
    - individual online modules were replaced by 'The Essentials' training package in September 2019, which includes the following core topics: *Integrity Essentials*, *Safety Essentials*, *Records Essentials*, *Security Essentials*, and *Your Obligations*
- promoting a fraud aware culture through integrity-related reminders and messages delivered via internal communication channels
- enhancing the assurance provided by the Department's drug and alcohol testing program
- expanding our intelligence capability, using dedicated teams of analysts and technologists to support integrity investigations and joint operations

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17. Compliance with mandatory training is calculated based on due dates for completion of training. If the due date for completion of mandatory training has not yet passed, staff are compliant. If the due date has passed, training is overdue and staff are non-compliant.



- working closely with internal and external stakeholders, including the Australian Commission for Law Enforcement Integrity, to support organisational integrity through investigations, intelligence and corruption prevention activities.

In March 2020, the Department finalised its Integrity Strategy 2025, replacing Operation Arête. This will guide the Department's approach to integrity, leveraging and leading on from Operation Arête. The Integrity Strategy 2025 positions the Department to dynamically respond to integrity risk.

Looking forward, the Integrity Strategy 2025 will see a strategic focus on prevention, education and early intervention, through:

- proactive, targeted and tailored training, education and awareness-raising activities, informed by our understanding of threats, issues and emerging corruption vulnerabilities
- addressing high risk behaviours with a view to disrupting and deterring inappropriate conduct
- promoting a culture of openness and transparency regarding integrity issues and outcomes to raise awareness about the consequences of conduct not aligned with the Department's Professional Standards Framework.

The Integrity Strategy 2025 was informed by our current understanding of environmental challenges, risks and other vulnerabilities. Based on this understanding, we will strengthen organisational integrity by implementing a series of initiatives through to 2025.

## Non-compliance with Finance law

There are no matters to be reported under section 19(1) of the PGPA Act.

## Capability Reviews

The Department did not initiate any capability reviews in 2019–20.

# EXTERNAL SCRUTINY

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## Judicial and administrative tribunal decisions

### Notable decisions

*Love v Commonwealth; Thoms v Commonwealth* [2020] HCA 3

On 11 February 2020, the majority of the High Court found that Aboriginal Australians (understood according to the tripartite test in *Mabo v Queensland [No 2]* (1992) 175 CLR 1) are not within the reach of the Parliament's power to make law with respect to aliens (s 51(xix) of the Constitution). That is the case even if the person holds foreign citizenship and is not an Australian citizen.

Under the tripartite test membership of an Aboriginal society depends on (a) biological descent from an Indigenous person(s), (b) self-identification and (c) recognition by elders or other persons enjoying traditional authority. A person must meet all three limbs of the tripartite test by reference to the same Aboriginal society.

The result of the decision is that the Commonwealth may not, under the *Migration Act 1958*, detain or remove from Australia Aboriginal Australians who meet the tripartite test.

### Civil litigation

Under the *Legal Services Directions 2017*, monetary claims can only be settled in accordance with legal principle and practice. Such a settlement requires the existence of at least a meaningful prospect of liability being established.

At 30 June 2020, departmental records indicate that 229 claims for compensation were in the courts or with the Fair Work Commission. This includes but is not limited to claims for unlawful detention or personal injury arising from detention, personal injury relating to or sustained in a regional processing centre, employee-related matters, privacy complaints and other claims arising from activities of the Department.

# Reports by external bodies

## Reports from the Office of the Australian Information Commissioner

The Department continued to work closely with the Office of the Australian Information Commissioner (OAIC) to provide assurance to the Australian public that personal information held by the Department and privacy breaches are handled in accordance with the *Privacy Act 1988*. OAIC assessment reports, and the Department's responses, are published on the OAIC website.<sup>18</sup>

During 2019–20, the OAIC issued the following reports on privacy assessments regarding the Department and the ABF:

- *Department of Home Affairs' handling of passenger name record data* (assessment undertaken March 2018, report published 19 December 2019)
- *Department of Immigration and Border Protection's handling of passenger name record data* (assessment undertaken May 2017, report published 30 October 2019)
- *Department of Immigration and Border Protection's handling of personal information using SmartGate systems* (assessment undertaken December 2016, report published 24 October 2019)
- *IBM's handling of personal information using SmartGate systems* (assessment undertaken December 2017, report published 24 October 2019)<sup>19</sup>
- *SITA's handling of personal information using the advance passenger processing system* (assessment undertaken April 2017, report published 18 October 2019).<sup>20</sup>

At the Department's request, OAIC conducts annual assessments of our handling of passenger name record data. We provide funding to OAIC for this through a Memorandum of Understanding. Passenger name record data is information provided by passengers to air carriers to enable processing of travel reservations. Our collection and use of passenger name record data is important for law enforcement as it assists with preventing, detecting and investigating serious crimes, including terrorism, drug trafficking, human trafficking and child exploitation.

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18. [www.oaic.gov.au/privacy-assessments/](http://www.oaic.gov.au/privacy-assessments/)

19. A contracted service provider

20. A contracted service provider

During 2019–20, the Department, together with OAIC, began preparations for the 2018–19 passenger name record assessment. The scope and objective of the assessment was agreed and the Department provided preliminary documentation as requested by OAIC. Fieldwork was scheduled to take place in May 2020, however this work was postponed due to COVID-19 restrictions. The Department and OAIC are yet to decide on a new date for the fieldwork.

Separately, the Department responded to OAIC's follow-up activities on the implementation of recommendations from OAIC's assessments on the Department's use of powers under the *Counter-Terrorism Legislation Amendment (Foreign Fighters) Act 2014* (the Act).

Specifically, these follow-up activities relate to these schedules of the Act:

- Schedule 5—regarding handling of personal information throughout the arrivals and departures border clearance process (assessment report published October 2016)
- Schedule 6—regarding handling of personal information about departing air and maritime travellers (assessment report published October 2016).

Both reports have been finalised and are awaiting publication by OAIC.

## Australian Human Rights Commission

The Australian Human Rights Commission (AHRC) can inquire into complaints of breaches of human rights and workplace discrimination under the *Australian Human Rights Commission Act 1986*.

Three reports concerning complaints against the Department were tabled in the Australian Parliament and subsequently published on the AHRC website:<sup>21</sup>

- No. 130 Use of force in immigration detention—October 2019
- No. 132 Mr TA and Miss TB v Commonwealth (Department of Home Affairs)—July 2019
- No. 133 Mr Nauroze Anees v Commonwealth of Australia (Department of Home Affairs)—November 2019.

This is a slight increase from the two reports tabled in 2018–19. The Department's responses to these reports are available on the AHRC website.

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21. [www.humanrights.gov.au](http://www.humanrights.gov.au)

The AHRC's role also includes monitoring the conditions in immigration detention centres from a human rights compliance perspective. The Department worked with the AHRC to ensure legal obligations and community expectations are met. This includes providing access to immigration detention facilities and to departmental records, case notes and decisions.

## Reports from the Office of the Commonwealth Ombudsman

The Commonwealth Ombudsman released the following two reports concerning the Department's activities in 2019–20:

- Report to the Minister for Home Affairs on agencies' compliance with the *Surveillance Devices Act 2004* for the period 1 January to 30 June 2019
- Review of the Ombudsman's activities in overseeing immigration detention, January to June 2019.

The Commonwealth Ombudsman is required under 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 along with a de-identified version that the Minister must table in the Australian Parliament.

These reports, including the Department's responses are publicly available at the Commonwealth Ombudsman's website.<sup>22</sup>

## Reports from the Australian National Audit Office

The Auditor-General released six performance audit reports that examined the Department and the ABF in 2019–20:

- **Procurement of Garrison Support and Welfare Services**

The objective of this audit was to assess whether the Department has appropriately managed the procurement of garrison support and welfare services for offshore processing centres in Nauru and Papua New Guinea.

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22. [www.ombudsman.gov.au](http://www.ombudsman.gov.au)

- **Delivery of the Humanitarian Settlement Program**

The objective of this audit was to examine whether the Humanitarian Settlement Program is being delivered effectively through examination of design and management of contracts, and the achievement of program outcomes.

- **Management of the Tourist Refund Scheme**

The objective of this audit was to examine whether the tourist refund scheme is being effectively administered, with the appropriate management of risks.

- **Aboriginal and Torres Strait Islander Participation Targets in Major Procurements (cross-entity audit)**

The objective of this audit was to assess the effectiveness of the administration of the mandatory minimum requirements for Aboriginal and Torres Strait Islander participation in major government procurements in achieving policy objectives.

- ***Commonwealth Resource Management Framework* and the Clear Read Principle (cross-entity audit)**

The objective of the audit was to examine the effectiveness of the design and implementation of the clear read principle under the *Commonwealth Resource Management Framework*.

- **Fraud Control Arrangements in the Department of Home Affairs**

The objective of this audit was to assess the effectiveness of the Department's fraud control arrangements, including compliance with mandatory requirement of the Commonwealth Fraud Control Framework, and promotion of a fraud aware culture.

These audit reports, including the Department's responses, are publicly available on the ANAO's website.<sup>23</sup>

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23. [www.anao.gov.au](http://www.anao.gov.au)

## Royal Commission into Institutional Response to Child Sexual Abuse

The Royal Commission delivered its *Final Report* on 5 December 2017. It made 409 recommendations in total, of which the Home Affairs Portfolio is the Australian Government lead for 69.

The Department and the ABF coordinated the Portfolio's response to the Australian Government's Annual Progress report 2019. The report is publicly available on the Royal Commission's website.<sup>24</sup>

In 2019–20, there has been significant progress, with the majority of the Portfolio's recommendations now implemented.

Key activities over the last 12 months include:

- leading finalisation of the National Standards for Working with Children Checks, publicly released by the Minister for Home Affairs on 13 December 2019. The Department remains engaged with states and territories on implementing the National Standards through the Working with Children Check Working Group (for which the Department is Chair)
- strengthening the Commonwealth's framework of offences for child sexual abuse through reforms to the *Combatting Child Sexual Exploitation Legislation Amendment Act 2019* and the *Crimes Legislation (Sexual Crimes Against Children and Community Protection Measures) Act 2020*
- new provisions in the *Criminal Code Act 1995* (Cth), in response to recommendations of the Royal Commission, relating to child protection offences for certain Commonwealth officers who fail to report child sexual abuse, or fail to protect a child from sexual abuse, and offences for grooming a third party to make it easier to procure a child for sexual activity
- the publication of the revised *Home Affairs Child Safeguarding Framework* which incorporates the Child Safe Standards as recommended by the Royal Commission.<sup>25</sup> These standards are now reflected in the *National Principles for Child Safe Organisations* (National Principles).

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24. [www.childabuseroyalcommissionresponse.gov.au](http://www.childabuseroyalcommissionresponse.gov.au)

25. [www.homeaffairs.gov.au/reports-and-pubs/files/child-safeguarding-framework.pdf](http://www.homeaffairs.gov.au/reports-and-pubs/files/child-safeguarding-framework.pdf)

To further promote the National Principles, the Department:

- updated and published a number of policy statements, procedural instructions and support to reflect the recommendations of the Royal Commission including the implementation of the National Principles
- implemented a child safeguarding communications strategy to actively promote the Department's commitment to the National Principles
- developed two new e-learning modules to increase staff capability to apply the National Principles—*Child Safeguarding Essentials* and *Working in a Child-related Role*
- conducted the inaugural Child Safeguarding Assurance Program to measure the implementation of the National Principles. The findings of the assurance program will identify gaps and risks, and identify areas for continuous improvement and prioritisation of effort in becoming a child safe organisation. The annual public report on the implementation of the National Principles is expected in the second half of 2020
- implemented the remaining Child Protection Panel recommendations. Closure of the last outstanding recommendation is pending the completion of the Child Safeguarding Assurance Program. A reexamination of the effective accountability arrangements for children, with particular focus on child safeguarding inquiries, will be undertaken before December 2020
- strengthened the child wellbeing officer network through upskilling officers, establishing internal relationships with state-based operational teams, maintaining appropriate oversight of the wellbeing of minors in immigration detention and the tightening of child-related incident management processes.

A dedicated team within the ABF continues to respond to requests from the National Redress Scheme on behalf of the Portfolio. The Scheme began on 1 July 2018 to offer eligible survivors of institutional child sexual abuse access to psychological counselling, provision of a direct personal response, and/or monetary payment. The Scheme will run for 10 years and is operated by the Department of Social Services and administered by Services Australia. All requests applicable to the Department relate to people who initially arrived in Australia in the mid-twentieth century as a child migrant.



# Royal Commission into National Natural Disaster Arrangements

On 20 February 2020, the Prime Minister announced the establishment of the Royal Commission into National Natural Disaster Arrangements in response to the extreme bushfire season of 2019–20.

The Royal Commission is examining the coordination, preparedness for, response to and recovery from disasters, including improving resilience, adapting to changing climate conditions and mitigating the impact of natural disasters. The Royal Commission is considering the need to establish new powers for the Australian Government to declare a national state of emergency which would trigger direct Australian Government responses to national disasters, such as direct deployment of the Australian Defence Force.

The Department has engaged extensively with the Royal Commission to provide information and assistance on a range of areas, including:

- the roles and functions of Emergency Management Australia
- national emergency management frameworks and plans
- Disaster Recovery Funding Arrangements
- the protection of critical infrastructure.

This has included:

- providing over 400 documents covering different categories sought by the Royal Commission under four Notices to Produce
- responding to two Notices to Give addressing 58 questions posed by the Royal Commission
- providing two witness statements which responded to 62 questions posed by the Royal Commission
- providing information for Commonwealth submissions responding to the Royal Commission's issues papers on a Commonwealth emergency declaration power, local governments, health arrangements, and firefighting and emergency services.

In addition, the Department appeared before the Royal Commission on 3 June 2020.

The Royal Commission is expected to deliver a final report by 28 October 2020.

## New South Wales Special Commission of Inquiry: Ruby Princess

The New South Wales (NSW) Special Commission of Inquiry into the Ruby Princess was established on 15 April 2020. The Special Commission is inquiring into and will report on the information provided to, communications between, and divisions and actions of Commonwealth and NSW agencies. The Special Commission is also making inquiries into communications by Commonwealth and NSW agencies to passengers disembarking the Ruby Princess, and policies and protocols applied by Commonwealth and NSW agencies with respect to managing suspected or potential COVID-19 cases.

The Department, in conjunction with the Department of Health and the Department of Agriculture, Water and the Environment has provided the Inquiry with a voluntary statement with information on:

- the roles and responsibilities of the Commonwealth and state agencies, including particular arrangements between the Commonwealth and NSW
- a chronology of events around the disembarkation of passengers from the Ruby Princess.

The Special Commission must report to the Premier and the Governor of NSW by 14 August 2020.

## Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability

The Disability Royal Commission was established in April 2019 in response to community concern about widespread reports of violence against, and the neglect, abuse and exploitation of, people with disability. These incidents might have happened recently or be historical. The Disability Royal Commission will investigate:

- preventing and better protecting people with disability from experiencing violence, abuse, neglect and exploitation
- achieving best practice in reporting, investigating and responding to violence, abuse, neglect and exploitation of people with disability
- promoting a more inclusive society that supports people with disability to be independent and live free from violence, abuse, neglect and exploitation.

The Department, through the Attorney-General's Department, is assisting the Royal Commission by providing information on areas of relevance to the Home Affairs Portfolio, including:

- criminal justice
- emergency planning and response
- the use of restrictive practices.

The Commission is expected to deliver a final report to the Australian Government by 29 April 2022.

## Reports from parliamentary committees

The Parliament of Australia may refer bills, policies or issues affecting the wider community to a parliamentary committee of inquiry. Tables 10 and 11 outlines parliamentary committee reports released during 2019–20 when the Department was the lead agency.

Table 10: Joint Standing Committees, 1 July 2019–30 June 2020

Report	Date tabled
Parliamentary Joint Committee on Intelligence and Security	
Review of the listing and re-listing of six organisations as terrorist organisations under the Criminal Code <sup>26</sup>	10 September 2019
Review of the Counter-Terrorism Legislation Amendment (2019 Measures No.1) Bill 2019 <sup>27</sup>	14 October 2019
Advisory report on the Identity-matching Services Bill 2019 and the Australian Passports Amendment (Identity-matching Services) Bill 2019 <sup>28</sup>	24 October 2019
Review of the renunciation by conduct and cessation provisions in the <i>Australian Citizenship Act 2007</i> <sup>29</sup>	4 December 2019
Review of the re-listing of four organisations as terrorist organisations under the Criminal Code <sup>30</sup>	5 February 2020
Review of Administration and Expenditure No. 18 (2018–2019) <sup>31</sup>	5 February 2020
Parliamentary Joint Committee on Intelligence and Security	
Inquiry into Migration in Regional Australia <sup>32</sup>	18 June 2020

26. [www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Intelligence\\_and\\_Security/6relistings/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Intelligence_and_Security/6relistings/Report)

27. [www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Intelligence\\_and\\_Security/CTLA2019MeasuresNo1/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Intelligence_and_Security/CTLA2019MeasuresNo1/Report)

28. [www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Intelligence\\_and\\_Security/Identity-Matching2019/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Intelligence_and_Security/Identity-Matching2019/Report)

29. [www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Intelligence\\_and\\_Security/Citizenship2019/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Intelligence_and_Security/Citizenship2019/Report)

30. [www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Intelligence\\_and\\_Security/4relistings](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Intelligence_and_Security/4relistings)

31. [www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Intelligence\\_and\\_Security/AandENo17/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Intelligence_and_Security/AandENo17/Report); [www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Joint\\_Standing\\_Committee\\_on\\_Trade\\_and\\_Investment\\_Growth/Supporting\\_exports\\_and\\_attracting\\_investment/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Joint_Standing_Committee_on_Trade_and_Investment_Growth/Supporting_exports_and_attracting_investment/Report)

32. [www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Migration/RegionalMigration/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Migration/RegionalMigration/Report)

Table 11: Senate Committees, 1 July 2019–30 June 2020

Report	Date tabled
<b>Senate Standing Committee on Legal and Constitutional Affairs</b>	
Inquiry into the Customs Amendment (Immediate Destruction of Illicit Tobacco) Bill 2019 <sup>33</sup>	19 July 2019
Inquiry into the Combatting Child Sexual Exploitation Legislation Amendment Bill 2019 [Provisions] <sup>34</sup>	5 September 2019
Inquiry into the Migration Amendment (Strengthening the Character Test) Bill 2019 [Provisions] <sup>35</sup>	13 September 2019
Inquiry into the Migration Legislation Amendment (Regional Processing Cohort) Bill 2019 [Provisions] <sup>36</sup>	13 September 2019
Inquiry into the New Skilled Regional Visas (Consequential Amendments) Bill 2019 [Provisions] <sup>37</sup>	11 October 2019
Inquiry into the Migration Amendment (Repairing Medical Transfers) Bill 2019 [Provisions] <sup>38</sup>	18 October 2019
Inquiry into the Crimes Legislation Amendment (Sexual Crimes Against Children and Community Protection Measures) Bill 2019 [Provisions] <sup>39</sup>	7 November 2019
Inquiry into the Customs Amendment (Product Specific Rule Modernisation) Bill 2019 [Provisions] <sup>40</sup>	20 November 2019
Inquiry into the Transport Security Amendment (Testing and Training) Bill 2019 <sup>41</sup>	19 February 2020
Inquiry into the impact of changes to service delivery models on the administration and running of Government programs <sup>42</sup>	27 February 2020
Inquiry into the Anti-Money Laundering and Counter-Terrorism Financing and Other Legislation Amendment Bill 2019 [Provisions] <sup>43</sup>	10 March 2020
Inquiry into the Crimes Legislation Amendment (Combatting Corporate Crime) Bill 2019 <sup>44</sup>	17 March 2020
Inquiry into the Transport Security Amendment (Serious Crime) Bill 2019 [Provisions] <sup>45</sup>	25 March 2020
<b>Senate Standing Committee on Finance and Public Administration</b>	
Inquiry into the Ministers of State (Checks for Security Purposes) Bill 2019 <sup>46</sup>	11 November 2019

33. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/IllicitTobacco2019/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/IllicitTobacco2019/Report)

34. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/ChildExploitationBill/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/ChildExploitationBill/Report)

35. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/CharacterTest2019/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/CharacterTest2019/Report)

36. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/Regionalcohort2019/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/Regionalcohort2019/Report)

37. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/SkilledRegionalVisas/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/SkilledRegionalVisas/Report)

38. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/RepairMedicaltransfers/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/RepairMedicaltransfers/Report)

39. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/Sexualcrimesagainstchi/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/Sexualcrimesagainstchi/Report)

40. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/Productrules](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/Productrules)

41. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/TransportSecurityTesting](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/TransportSecurityTesting)

42. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/ServiceDelivery](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/ServiceDelivery)

43. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/Anti-moneylaunder2019](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/Anti-moneylaunder2019)

44. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/CombattingCorporateCrime](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/CombattingCorporateCrime)

45. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/Transportsecurity2019](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/Transportsecurity2019)

46. [www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Finance\\_and\\_Public\\_Administration/MinistersofState/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Finance_and_Public_Administration/MinistersofState/Report)

# Complaints

## Commonwealth Ombudsman

The Department received 112 complaints from the Commonwealth Ombudsman in 2019–20, a decrease from 129 complaints in 2018–19.

A total of 105 complaints were finalised during 2019–20.

## Australian Human Rights Commission

The Department received 54 complaints from the Australian Human Rights Commission in 2019–20, an increase from 47 received in 2018–19.

A total of 68 complaints were finalised during 2019–20, of which 54 were received in 2019–20 and 14 were received in prior years.

## Office of the Australian Information Commissioner

During 2019–20 financial year, the Department received 12 privacy complaints from OAIC. This was an increase from nine received in 2018–19. Eight privacy complaints were closed in the 2019–20 financial year, of which three complaints were received in 2018–19 and the remainder received in 2019–20.

## Freedom of Information

In 2019–20, the Department received 18,214 Freedom of Information (FOI) requests, including 653 amendment requests,<sup>47</sup> compared with 18,387 requests in 2018–19. Of the FOI requests received in 2019–20, 16,319 were for personal information and 1895 for non-personal information.

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47. All requests for amendment relate to personal information.

The Department finalised 17,234 FOI requests, including 644 amendment requests, compared with 17,050 requests in 2018–19. Of the requests finalised in 2019–20, 15,445 were requests for personal information and 1789 for non-personal information. Of the 16,590 access requests finalised:

- 8193 cases were granted full access
- 5145 cases were granted part access
- 1438 cases were refused access<sup>48</sup>
- 1814 cases were transferred to other agencies, or saw applicants withdraw their requests before a decision on access was made.

In 2019–20, the proportion of finalised requests that were finalised within statutory timeframes was 66.8 per cent, compared to 75.0 per cent in 2018–19. At 30 June 2020, the Department had 3685 requests on hand.

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48. This figure includes 'access refusal decisions' in accordance with the meaning given by section 53A of the *Freedom of Information Act 1982*.

# CLIENT SERVICE

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## Transforming the client experience

In light of increasing client expectations of digital, convenient, personalised service delivery, and in keeping with the Government's broader commitments to enhancing digital service delivery and Digital Service Standards, the Department continues to work to improve its service delivery arrangements and supporting technology. The Department's *Channel Strategy 2017–20* guided significant improvements to our client service channels (phone, in-person, paper and digital) across the life of the strategy and saw major changes to the way clients interact with the Department, including the development of new online services.

The Department and the ABF continue to focus on transforming the experience of our clients by delivering high quality, consistent, cross-channel experiences in line with Australia's whole-of-government digital transformation agenda. This aims to ensure government services are simple, clear and fast to use.

## Channel Strategy 2017–20

The Department's internal *Channel Strategy 2017–20* guides improvements to our client service channels, changing the way we do business and transforming the way clients interact with us.

The strategy sets out the Department's vision for seamless service delivery interactions across all client service channels (phone, in-person, paper and digital). It positions the Department and the ABF to leverage technology advancements to provide personal services, and outlines how we will deliver high quality, consistent, cross-channel experiences that use technology and digital media for service delivery.

We are working to improve our ability to deliver user-centred, digital services to an increasing number of clients. This is in line with Australia's whole-of-government digital transformation agenda, which ensures all government services are delivered in a simple, clear and easy-to-use manner and designed around client needs.

The Channel Strategy will be refreshed as part of our preparations for implementing our new service delivery arrangements.

# Digital services

Departmental clients continue to embrace the shift to digital and online services. In 2019–20, the number of users visiting the departmental and ABF websites increased by 6.8 per cent. The number of ImmiAccounts created increased by 15 per cent and there have now been over 12 million ImmiAccounts created since its launch in December 2013.

ImmiAccount is subject to ongoing and continual improvements to support online service delivery, with multiple enhancements made in 2019–20 to support legislative, policy and business process changes, and to enable future capability improvements.

These changes benefited visa applicants and their sponsors, those seeking to depart Australia upon the expiry of their visa, citizenship applicants, and the aviation industry by allowing more services to be accessed and completed online. This included changes to better facilitate online payments for visitor visas and citizenship services.

In 2019–20, the Department also trialled an online Virtual Assistant (VA), the primary goal of which was to support clients to quickly find relevant information online. During the trial the VA responded to over 210,000 immigration and citizenship enquiries.

The VA was subsequently expanded following a successful trial to assist clients with enquiries relating to COVID-19 border restrictions, and was instrumental in assisting the Department to respond quickly and effectively to a significant increase in client enquiries. The Department is exploring further opportunities to integrate the VA into our broader client service offer.

The Department's websites continued to play a major role in the provision of information to clients and the Australian community. During the 2019–20 summer bushfires and the COVID-19 pandemic, the Department's online presence was redeveloped to provide a consistent and comprehensive source of information on visas, citizenship, travel restrictions and support services.

As part of this redevelopment, in March 2020 the Department launched a new *COVID-19 and the border* website, [covid19.homeaffairs.gov.au](https://covid19.homeaffairs.gov.au), which attracted more than 7.8 million unique page views. This was followed by the *COVID-19 In your language* website [covid19inlanguage.homeaffairs.gov.au](https://covid19inlanguage.homeaffairs.gov.au) in April 2020 in response to concerns about information provision to communities whose first language is other than English.



This website hosts whole-of-Government COVID-19-related information in 63 languages and directly supports the Department's commitment to support and enhance social cohesion in the Australian community. As at 30 June 2020, the website had more than 1 million unique page views with the most popular languages accessed being Chinese (Simplified); German; Chinese (Traditional); Arabic; and Spanish.

## Telephone services— Global Service Centre

Telephone client enquiry services are provided by a single onshore contracted service provider (Datacom).

Government announcements relating to travel restrictions and support measures for industry and temporary visa holders during the 2019–20 summer bushfires and COVID-19 pandemic led to an overall increase in the number of enquiries handled by the Global Service Centre (GSC) during February and March 2020, with a 22 per cent increase in call demand.

The Department has continued to refine and adjust call handling processes to ensure the GSC provides a responsive and timely service during periods of heightened demand. A new Ticket Management System was introduced in April 2020 and delivers improved tracking and, where required, follow-up of all client enquiries received by the GSC. This end-to-end visibility of client enquiries will identify further opportunities to respond to client needs, especially in resolving complex case enquiries.

## In-person services

In 2019–20, the Department completed the roll out of an appointment-only operating model for visa and citizenship in-person services. A key enabler for these changes has been the redevelopment of the Department's websites, a more efficient and effective Global Service Centre, and the development of enhanced online services including the Department's new VA. All these initiatives allow more clients to self-service without the need to attend a departmental office, increasing convenience, and saving them time and cost.

When attendance is required, the appointment-only model eliminates the need for clients to queue for service and allows us to better prepare for, and comprehensively respond to, individual client needs. Special arrangements are in place to ensure vulnerable clients who may need urgent assistance from the Department are not turned away.

There were 36,923 unscheduled walk-ins recorded in 2019–20, a 67 per cent decrease on the previous year and an overall 86 per cent drop since the commencement of the strategy in 2016–17.

## Client feedback

We obtain regular feedback to ensure that the Department understands the needs of our clients and is continually improving service delivery. This includes in-page feedback across the Department's websites from the newly-introduced VA and through more formal complaints, compliments and suggestions mechanisms.

The Global Feedback Unit (GFU) is the Department's central point for receiving, tracking and facilitating responses to formal client feedback and aims to acknowledge feedback within two working days of receipt. During 2019–20, the GFU managed 21,074 feedback cases. To support the Australian Government response to COVID-19 the GFU focused on vulnerable clients and maintaining an escalation pathway for clients with urgent needs.

## Service Delivery Partners

The Department has service delivery arrangements with overseas companies to provide visa lodgement support services.

At 30 June 2020, the Department had contracts with three commercial partners to deliver services at Australian Visa Application Centres and Australian Biometric Collection Centres in 55 countries. COVID-19 has impacted the operations of the commercial partners, who are required to comply with local government restrictions on business operations in the relevant host country.

Service Delivery Partners (SDPs) provide administrative services, including:

- information services (for example, pre-lodgement enquiries)
- visa lodgement (including a quality assurance completeness check)
- visa fee payment
- biometric enrolment
- data input
- courier services.

SDP staff do not make visa decisions. Applications are provided to the Department for processing. SDPs operate on a user-pays basis, with visa applicants paying for the cost of the service.

# Translating and interpreting services

The Translating and Interpreting Service (TIS National) is an essential service provided by the Department. It delivers high quality, cost-effective and secure interpreting services for people with limited to no English skills, and for government and non-government agencies, businesses and emergency services that need to communicate with their non-English speaking clients.

TIS National supports the key objectives and purpose of the Department and the Australian Government's *Multicultural Access and Equity Policy 2018*, enabling all Australians equitable access government policies, programs and services.

In 2019–20, TIS National facilitated 1,070,187 phone interpreting services and 135,380 on-site services by 2854 independent contracted interpreters. This was an increase from 1,044,637 phone interpreting services and 130,165 on-site services provided in 2018–19.

## Service standards

In 2019–20, TIS National continued performing strongly across all its services channels. Throughout the year, there was an overall increase in demand for interpreting services. However, due to the COVID-19 pandemic and associated travel restrictions, there was a slight reduction in on-site services across Australia in the final three months of the reporting period.

During the year, TIS National continued to support increasing demand for priority interpreting services, including emergency services. Overall, there was a slight decrease in the Grade of Service across all but one category, which can be attributed to the restrictions associated with COVID-19.

During 2019–20:

- 74.69 per cent of calls were answered within 30 seconds, a decrease from 88 per cent in 2018–19
- 97.7 per cent of all on-site bookings were assigned within three days of receipt, a decrease from 99 per cent in 2018–19
- 98.51 per cent of all TIS National calls were assigned to an interpreter within three minutes, a decrease from 98.57 per cent in 2018–19
- accredited interpreters were supplied for 94 per cent of all jobs being performed by a National Accreditation Authority for Translators and Interpreters credentialed interpreter, an increase from 93.60 per cent in 2018–19.

Call centre performance metrics include average handle time, average speed to answer and calls per open hour. Table 12 shows that the TIS National call centre’s average handling of telephone services reduced slightly in 2019–20 as compared to the previous year.

Table 12: TIS National Call centre performance (telephone interpreting)

Financial Year	Call type	Calls offered	Calls accepted	Calls per open hour (%)	Average handle time (mm:ss)	Average speed to answer (mm:ss)	Grade of service <sup>49</sup>
2019–20	<i>Emergency calls (000)</i>	26,704	26,443	n/a	01:50	00:08	97.05%
	<i>Total calls (including emergency calls)</i>	1,191,805	1,128,692	7.92	02:13	00:36	74.69%
2018–19	<i>Emergency calls (000)</i>	24,609	24,397	n/a	01:52	00:08	97%
	<i>Total calls (including emergency calls)</i>	1,165,516	1,126,382	6.23	02:05	00:26	88.23%

49. Percentage of calls answered within a specific timeframe.

# HUMAN RESOURCES MANAGEMENT

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## Workforce profile

The Department is made up of a diverse, highly skilled and committed workforce that is flexible and able to respond effectively to Government priorities. As at 30 June 2020, our workforce comprised of:

- 13,281 ongoing and 727 non-ongoing staff, an overall decrease from 13,257 ongoing and 798 non-ongoing staff in 2018–19
- staff located in every state and territory, and in 98 locations around the world
- 277 staff who identify as Aboriginal and/or Torres Strait Islander
- 271 staff who identify as having a disability
- 84 per cent of staff working full-time, 13 per cent part time and 3 per cent casual
- 54 per cent female staff, and 46 per cent male staff
- an average age of 44.

For 2019–20, the voluntary separation rate of ongoing staff was 8.01 per cent, whilst the external recruitment rate was 6.87 per cent.

Further information on the make-up of our workforce is at Appendix D.

## Workforce planning

The Department continued to mature its workforce planning capabilities throughout 2019–20 by aligning internal initiatives with the recommendations from the Independent Review of the Australian Public Service and continuing to deliver on our *People Strategy 2025*.

The Department is investing in building internal workforce planning capability at both the strategic and operational levels via increased self-service access to workforce data and planning tools. This increase in autonomy will be supported by a centre of expertise to provide guidance and assistance to business areas where required.

# People management and development

The Department continues to foster a high performance culture through enhanced people management and development. To ensure all staff can contribute to our mission and respond to technological advances and new ways of working, we have continued to invest in workforce planning, learning and development, leadership skills and the professionalisation of our workforce.

Key initiatives in 2019–20 included:

- provisioning all staff with the capability to work remotely and expanding our network capacity to enable more staff to work remotely
- conducting individual capability assessments for SES and EL employees and a selection of our APS6 employees
- empowering managers with dashboard technology providing easier access to data on unscheduled absence and other workforce metrics
- managing the development of EL and SES employees through the Talent Management Advisory Committee (TMAC)
- improving staff visibility of and access to Deputy Secretaries and Deputy Commissioners, by having Deputies locate themselves in regional offices for a period of time through the year to engage directly with staff
  - This was impacted by COVID-19 travel restrictions in Quarter 3 and 4 of 2019–20
- virtual drop-in sessions hosted by the ABF Commissioner, Deputy Commissioners and Group Managers with teams across Australia as a way of keeping connected with frontline officers when travel restrictions came into place
- strengthening work health and safety systems, training, procedures and reporting.

# People strategy

The *People Strategy 2025* articulates the Department's vision for managing and developing its people. Our people remain critical to achieving our purpose. The strategy highlights how we will develop and foster our staff to be ready for the challenges ahead through a robust, performance orientated culture. The strategy articulates three key people priorities:

- **Our Capability**—focusses on investing in our people by supporting leadership, talent and collaboration, ensuring we attract and retain the right people with the right skills, and providing all staff with an opportunity to grow and develop.
- **Our Culture**—supports us in working together respectfully and collaboratively through a core set of values that foster professionalism, integrity, health and wellbeing, and inclusion.
- **Our Performance**—includes ensuring our workforce is engaged and capable, with access to the support they need to achieve and maintain the highest standards.

Recognising operational leadership and capabilities, the ABF has an equivalent people strategy *Realising our Full Potential*.

## Talent management

We continue to integrate the talent management framework, underpinned by a people capability framework and a career management toolkit, into the management and development of our staff, particularly at the executive and senior executive levels. Together these provide the guidance, tools and resources to support workforce performance, provide opportunities to enhance career growth and increase staff engagement.

Throughout 2019–20, we have invested in leadership capability by applying individual capability assessments for EL employees. We are progressively completing assessments on existing and new EL staff with a refreshed program to commence in 2020–21 that will align with the *Future Ready Leadership Capability Framework*. These assessments evaluate employees against our leadership capabilities and enable the staff involved to understand their strengths, potential and areas for development. This assists them to make better-informed career decisions.

These assessments form part of the information utilised by groups and divisions or TMACs where they are in operation, to support the identification and development of critical talent while building robust leadership pipelines.

# Training and development

The Learning and Development Operating Model underpins the way we deliver training and development, and fosters a learning environment that supports the development of our workforce. Providing learning and development opportunities that blend experiential, collaborative and formal elements of learning support the Department's goal of having the right people with the right skills, experience and attitude in the right roles. The Department provides staff with training in a range of core skills to continue to build our workforce capability required to meet strategic objectives.

Development opportunities are provided to staff in the areas of leadership, management and APS core skills through internally and externally facilitated courses.

Development opportunities are also provided to staff through:

- study assistance
- scholarships
- online learning
- mentoring
- coaching.

In September 2019, the Department introduced a new streamlined mandatory training package to improve learning outcomes and ensure compliance against its legislative training obligations. Staff compliance at 30 June 2020 was 92.4 per cent, this was a 24.5 per cent improvement from the 2018–19 financial year.

As part of the COVID-19 emergency response, face-to-face non-vocational training was paused from the week beginning 16 March 2020 onwards. Staff instead increasingly leveraged our online learning platform, LinkedIn Learning, to support their transition to working from home as well as using it to build key skills and capabilities. LinkedIn Learning is accessible to staff outside of the Department's network and can be accessed directly via secure log-in details from personal computers should this be necessary. During the year, 5813 staff completed internal non-vocational face-to-face training sessions and staff completed 4461 LinkedIn Learning courses. The majority of LinkedIn Learning courses were completed between 23 March and 19 April 2020 (89.6 per cent). Limited critical face-to-face vocational training was held during this period and was compliant with Department's COVID-19 social distancing requirements.

In April 2020, Learning and Development Services launched two online sites to support staff transitioning to working from home. These sites provided staff with a range of curated learning and training resources (including LinkedIn, YouTube and other resources).



## SES development strategy

The Department's investment in and continuous development of our senior leaders is critical to achieving our vision and mission, and is guided by our *Leadership Capability Framework*. The SES TMAC provides advice and strategic direction on developing our SES cohort. The advisory committee's decisions are informed by leadership capability assessments undertaken by each SES member.

The Department offers a range of internal professional development options such as stretch, exposure or acting opportunities, as well as targeted external opportunities for the SES aimed at developing their leadership capability. This may include, but is not limited to, secondments, provision of executive coaching services, attendance at courses or seminars, or participation in development programs provided by organisations such as the Australian Public Service Commission, the Australian and New Zealand School of Government, the Australian Institute of Police Management, and the National Security College.

## Workforce diversity

The Department supports our staff by removing employment-related disadvantage and barriers to participation. We drive innovation, performance and productivity by empowering our diverse workforce to utilise the unique skills, ideas, perspectives and qualities that they contribute every day. The Department's *Statement of Commitment: Workplace equality, diversity and inclusion* reinforces our commitment to building and valuing a diverse workforce. This is the overarching statement which all our action plans, relating to diversity and inclusion, are derived from.

The Department offers diversity and inclusion training to staff through our induction, mandatory Aboriginal and Torres Strait Islander Cultural Awareness online training, and Disability Awareness training. Diversity themes and principles are also embedded in other learning and development programs.

In 2019–20, 25 staff participated in the pilot Indigenous Leadership training delivered by National Indigenous Training Employment Solutions, a 100 per cent Aboriginal owned and operated business. Training such as this, assists in developing and retaining our Indigenous staff, whilst aligning to initiatives in the Reconciliation Action Plan.

The Department monitors and track the progress of diversity and inclusion initiatives against action plans, which align to the following Australian Government strategies:

- *Gender Equality Action Plan 2017–20*
- *Disability Action Plan 2016–2020*
- *Reconciliation Action Plan 2019–22*
- *Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI+) Action Plan 2019–22.*

Additionally, our Executive Dashboard and the Diversity and Inclusion Dashboard track associated trends, including network membership, gender and numbers of Aboriginal and Torres Strait Islander employees.

## Organisation membership

The Department is affiliated with organisations that support and promote diversity and inclusion workplace practices such as:

- Australian Network on Disability
- JobAccess
- Pride in Diversity
- National Indigenous Training Employment Solutions
- Australian Human Resource Institute.

## Diversity networks

The Department has internal staff and ally networks to ensure connectedness with those who identify with and support diversity. These include the:

- Indigenous Staff Support Network and online forum
- Focus on Ability Network and online forum
- Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) Network and online forum
- Staff Advancing Gender Equality Network and online forum
- Culturally and Linguistically Diverse Network and online forum.

## Disability reporting mechanisms

The *National Disability Strategy 2010–2020* is Australia's overarching framework for disability reform. It acts to ensure the principles underpinning the United Nations *Convention on the Rights of Persons with Disabilities* are incorporated into Australia's policies and programs that affect people with disability, their families and carers.

Disability reporting is included in the Australian Public Service Commission's State of the Service reports and the *APS Statistical Bulletin*. These reports are available on the Australian Public Service Commission's website.<sup>50</sup>

## Targeted diversity recruitment

The Department continues to support the increased recruitment of Aboriginal and Torres Strait Islander peoples, and people with disability through use of affirmative recruitment measures under the *Australian Public Service Commissioner's Directions 2016*. Additional actions include participating in the:

- Indigenous Apprenticeships Program
- Indigenous Australian Government Development Program
- APSC Indigenous Graduate Pathway.

The Department uses the RecruitAbility scheme for most advertised vacancies. RecruitAbility is an affirmative measure that allows applicants with disability to progress to the next stage in a selection process if they have been assessed as meeting the minimum requirements of a job.

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50. [www.apsc.gov.au](http://www.apsc.gov.au)

## Days of significance

The Department recognises and celebrates key diversity and inclusion events.

Key examples of events celebrated in 2019–20 included:

- NAIDOC Week
- National Reconciliation Week
- International Women's Day
- International Men's Day
- Harmony Day
- Wear It Purple Day
- National Carers Week
- Pride Month
- International Day for the Eradication of Violence against Women
- International Day of People with Disability.

We recognise Days of Significance through hosting and providing access to activities and events nationally. To ensure maximum impact and inclusiveness staff are able to access major events through our livestreaming capability.

# Employee entitlements

## Workplace Determination

On 8 February 2019, the Fair Work Commission made the *Department of Home Affairs Workplace Determination 2019* (the WD). Terms and conditions of employment under the *Department of Immigration and Citizenship Enterprise Agreement 2011–2014* and determinations made under section 24 of the *Public Service Act 1999* ceased to apply.

The WD provides a single set of employment terms and conditions for all non-SES employees of the Department and the ABF.

Table 13: Employment arrangements of SES and non-SES employees 2019–20

	SES	Non-SES	Total
Department of Home Affairs Workplace Determination 2019 (the WD)		13,836	<b>13,836</b>
Sec 24(1) Adjustment	172	0	<b>172</b>
<b>Total</b>	<b>172</b>	<b>13,836</b>	<b>14,008</b>

## Salary ranges

Appendix E in this report provides a breakdown of salary ranges within each level as prescribed by the WD and the Department of Home Affairs Determination 2019/01 Entry Level Programmes (Advancement on Completion).

Appendix E lists the Department's salary range by classification level. 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*. While most employees receive a salary that is within the salary ranges set by the WD, there are exceptions where higher salaries have been paid as a result of Machinery of Government changes, whereby employees from previous departments were on higher salaries before moving to the Department of Home Affairs.

Table 14: Salary ranges by classification level 2019–20

	Minimum Salary	Maximum Salary
<b>SES 3</b>	\$357,000	\$397,484
<b>SES 2</b>	\$263,750	\$403,449
<b>SES 1</b>	\$197,991	\$261,100
<b>EL 2</b>	\$117,788	\$167,608
<b>EL 1</b>	\$99,408	\$133,121
<b>APS 6</b>	\$78,700	\$105,081
<b>APS 5</b>	\$72,454	\$86,061
<b>APS 4</b>	\$66,443	\$75,405
<b>APS 3</b>	\$57,777	\$68,534
<b>APS 2</b>	\$50,801	\$57,152
<b>APS 1</b>	\$45,439	\$50,351
<b>Other</b>	-	-
<b>Minimum/Maximum range</b>	<b>\$45,439</b>	<b>\$403,449</b>

## Key management personnel

Remuneration paid to Key Management Personnel (KMP) is set out in Appendix E. The remuneration arrangements of the Secretary and the ABF Commissioner are determined by the Remuneration Tribunal and are available on its website.<sup>51</sup>

## Senior executive service

All SES employees have terms and conditions of employment that are set out in a comprehensive determination made by the Secretary under subsection 24(1) of the *Public Service Act 1999*. SES salary ranges (minima, maxima and intermediate points) are reviewed annually by the Secretary having regard to:

- the *APS Executive Remuneration Management Policy* (issued and amended from time to time by the APS Commissioner) which sets out arrangements for the management of executive remuneration, including an approval process for remuneration proposals above a notional amount

51. [www.remtribunal.gov.au](http://www.remtribunal.gov.au)

- the *Australian Government Workplace Bargaining Policy 2018* which provides a framework for agencies to implement terms and conditions of employment that are affordable and support modern and agile public sector workplaces, including limitations on the quantum of general remuneration increases for SES and non SES employees (capped at an average of 2 per cent per annum during the 2018–19 financial year)
- an assessment of relativities with other APS Agencies as indicated in the annual *APS Remuneration Report* produced by the APSC and released in June each year.

There was a 2 per cent general remuneration increase for substantive SES officers in the Department and the ABF which commenced on 14 November 2019. This was consistent with the average annual remuneration increase permitted under the *Australian Government Workplace Bargaining Policy*.

Increases in remuneration for individual SES officers can occur in a range of circumstances, including:

- advancement within the applicable salary range as an outcome of annual performance assessment. Advancement is contingent on an assessment rating of at least ‘fully effective’ with regards to role size and remuneration relative to other SES at the same classification
- at any time, as determined by the Secretary after considering factors, including but not limited to span of control, complexity, workload demand, pace of the role, mandatory qualification or experience requirements and comparability of remuneration for other similar roles (within the Department, the APS or the community at large).

In making remuneration decisions, the Secretary has regard to advice and recommendations from the Department’s TMAC which is chaired by the Secretary and is comprised of the ABF Commissioner and group heads from across the Department and the ABF. TMAC considers and assesses relativities across the Department’s SES cohort for both performance and remuneration.

The Department does not apply ‘at risk pay’ (for example, in the form of bonuses). A summary of remuneration components applied by the Department is at Appendix E.

## Other highly paid staff

Remuneration paid to other highly paid staff who are neither KMP nor senior executives is set out in Appendix E.

The majority of staff within this cohort (approximately 81 per cent) are posted to overseas locations. In these cases, staff are afforded additional conditions of service in the form of allowances and payments to maintain a standard of living similar to that in Australia, and for working in an environment that can be challenging due to a range of factors. These provisions are set out in the Department's Overseas Conditions of Service Policy. Employees posted overseas may reside in Commonwealth leased or owned residences at the expense of the Department and the benefit value is not received by the individual as direct remuneration. Fringe Benefits Tax (FBT) amounts associated with overseas allowances and payments are borne by the Department and are recorded against the individual as 'Other Benefits and Allowances' where they are required to be reported on a payment summary.

Sea-going marine staff represent approximately 17 per cent of this cohort. Terms and conditions of employment for seagoing marine staff are set out in the WD.

The remaining staff in this cohort (2 per cent) are represented by non-SES executive level staff.



# Individual flexibility arrangements and workplace agreements

Table 15: Departmental staff on individual section 24(1) determinations or individual flexibility arrangements as at 30 June 2020.

Classification	Employees on s.24(1)	Employees on individual flexibility arrangements	Total
APS 3	0	40	40
APS 4	0	23	23
APS 5	0	36	36
APS 6	0	72	72
EL 1	0	89	89
EL 2	0	83	83
SES <sup>52</sup>	172	NA	172
<b>Total</b>	<b>172</b>	<b>343</b>	<b>515</b>

## Performance pay

Performance pay is not available to staff under *Department of Home Affairs Workplace Determination 2019*. Performance pay is also not available to SES staff or non-SES seagoing marine unit staff.

## Non-salary benefits

The Department and the ABF offer staff a number of additional benefits that are not included under the provisions of the WD, including:

- annual influenza immunisation
- Fit&Well Program, to improve the general health and wellbeing across the workforce, ensure safe staff access to departmental gym facilities, and prepare and support ABF staff in completing fitness requirements
- mentoring and coaching programs
- in-house capability development programs
- a confidential employee assistance program for employees and their immediate families
- access to flexible working arrangements.

52. Only substantive SES have a section 24(1) determination.

# WORK HEALTH AND SAFETY

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## Initiatives and outcomes

The Department is committed to promoting continuous work health and safety (WHS) improvements and a positive workplace safety culture. Significant work has been undertaken with stakeholders in support of WHS strategies and systems.

Key WHS initiatives during 2019–20 included:

- standing up an Air Quality Monitoring Advisory Group (the Group) in response to the 2019–20 bushfires. The Group provided advice and made recommendations on the management of bushfire smoke impacts on internal and external air quality, and forecast projections across impacted departmental work locations
- supporting the Department's response to the COVID-19 pandemic through provision of advice on health and safety matters, including social distancing, working from home, ergonomic equipment, manager responsibilities to ensure health and safety of their teams, hygiene in the workplace and safely returning to working from the workplace
- expanding the work health and safety webpage on our MyHR website with fact sheets, posters, checklists and other COVID-19 artefacts
- actively engaging and consulting with our Health and Safety Representatives on the Department's response to the national bushfire emergency, air quality and COVID-19 pandemic risk mitigation strategies
- finalising consultation and establishing a new Departmental Health and Safety Committee model
- commencing a Psychosocial Risk Management Working Group to deliver WHS system improvements for supporting staff who may be exposed to psychosocial hazards
- progressing work to achieve accreditation under a globally accepted standard for systems of safety—*AS/NZ ISO 4804:2001—Occupational Health and Safety Management Systems*.

# Mechanisms of injury

The Department identifies actions, events and situations that can or do cause injury and disease. Mechanism-of-injury descriptors are based on a national classification system. Table 16 shows injuries by mechanism for accepted workers compensation claims.

Table 16: Three-year summary of mechanism of injury for accepted claims

Accepted claims	2017–18	2018–19	2019–20
Falls, trips and slips	30	23	25
Hitting objects	4	4	0
Being hit by moving objects	15	17	6
Sound and pressure	2	1	2
Body stressing	37	36	38
Heat, electricity and other environmental	2	0	0
Chemicals and other substances	1	1	1
Biological factors	1	1	0
Mental stress	9	6	13
Hazard	0	0	0
Vehicle accidents and other	0	0	0
Other or unspecified	8	3	8
<b>Total</b>	<b>109</b>	<b>92</b>	<b>93</b>

# Notifiable incidents

Table 17 shows the incidents notified to Comcare under sections 35, 36 and 37 of the *Work Health and Safety Act 2011*.

Table 17: Incidents notified to Comcare

Notifiable incident classification	2017–18	2018–19	2019–20
Death	2	3	3 <sup>53</sup>
Serious injury/illness	46	33	47 <sup>54</sup>
Dangerous incident	52	24	28 <sup>55</sup>
<b>Total</b>	<b>100</b>	<b>60</b>	<b>78</b>

53. Two of these notifications were later determined not to be related to the business or undertaking of the Department.

54. Eleven of these notifications were later determined not to be related to the business or undertaking of the Department.

55. One of these notifications was later determined not to be related to the business or undertaking of the Department.

Incidents are notified to Comcare with the information available at the time of reporting. After further investigation, some incidents are subsequently reclassified by Comcare as being not notifiable under the legislation. This may be due to the nature of the incident, or the incident not being related to the business or undertaking of the Department.

## Investigations

The Department liaises with Comcare on all regulatory and cooperative compliance matters. Both organisations meet monthly to work collaboratively on work health and safety matters of mutual interest. Between 1 July 2019 and 30 June 2020, Comcare issued 64 notices under section 155 of the *Work Health and Safety Act 2011* on matters related to the Department's responsibilities. During the same period Comcare commenced a total of 53 new monitoring compliance inspections and investigations, with the scope of each broad and varied.

Between 1 July 2019 and 30 June 2020, Comcare did not issue the Department with any Improvement Notices under section 191 of the *Work Health and Safety Act 2011* and *Work Health and Safety Regulations*.

## Unscheduled absence management

Analysis of unscheduled absence shows that 34 per cent of employees took five days or less personal leave over the last 12 months and 56 per cent of employees took 10 days or less personal leave.<sup>56</sup>

The Department continues to work with staff and managers to address high levels of unscheduled absences, to balance avoidable absences and undesirable presenteeism. We support the health and wellbeing of employees, including actively managing instances where individuals struggle with attendance. Employees with serious illnesses or injury receive support from their local managers and early intervention and, where necessary, case management to help them recover and return to work sustainably.

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56. Data for 2019–20 as at 30 June 2020, extracted on 7 July 2020 from the Unscheduled Absence Dashboard

# PROCUREMENT, ASSETS AND GRANTS

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## Purchasing and procurement

The Department bases its purchasing and procurement policies on the PGPA Act, *Commonwealth Procurement Rules* and the *General Procurement (Judicial Review) Act 2018*.

The Corporate and Enabling Group provided specialist advice and support to all departmental areas engaged in procurement and contract management through:

- promoting self-service, including through streamlined information, guidance and tools supported by a procurement helpdesk function
- dedicated procurement staff to provide advice and support for approaches to market
- developing and maintaining policy documentation and guidance
- maintaining procurement complaint handling processes in line with the *General Procurement (Judicial Review) Act 2018*
- providing comprehensive advice for high risk and/or high-value procurements and management of existing contracts
- providing online and face-to-face training on procurement policy and contract management
- coordinating external procurement and contract reporting
- providing legal and probity advice
- provision of advice on contract extension and closure activities
- facilitating maintenance, review and update of the *Contract Management Framework* and associated documents, inclusive of the *Contract Management Manual*
- facilitation of Community of Practice forums.

The Department publishes contract information on AusTender, the Australian Government's tendering system, in accordance with the *Commonwealth Procurement Rules*.

# Australian National Audit Office (ANAO) access clauses

The Department's standard contract templates and the Commonwealth Contracting Suite include provisions allowing the Auditor-General to have access to the contractor's premises, known as ANAO access clauses.

## Exempt contracts

The Department did not have any contracts valued at \$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* for the 2019–20 financial year.

## Small and medium enterprises

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.<sup>57</sup>

We recognise 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 Department of Industry, Science, Energy and Resources website.<sup>58</sup>

Our procurement practices to support small to medium enterprises were consistent with Paragraph 5.5 of the *Commonwealth Procurement Rules*.

In 2019–20, we demonstrated our commitment through the following initiatives and practices:

- used the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000
- developed Australian Industry Participation plans in whole-of-government procurement where applicable
- followed Small Business Engagement Principles, as outlined in the Government's Industry Innovation and Competitiveness Agenda, including by communicating in clear, simple language and presenting information in an accessible format

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57. [www.finance.gov.au/government/procurement/statistics-australian-government-procurement-contracts-](http://www.finance.gov.au/government/procurement/statistics-australian-government-procurement-contracts-)

58. [www.industry.gov.au/strategies-for-the-future/helping-australian-small-and-family-businesses-thrive](http://www.industry.gov.au/strategies-for-the-future/helping-australian-small-and-family-businesses-thrive)

- used electronic systems or other processes to facilitate on-time payment performance, including payment cards
- used the *Commonwealth Indigenous Procurement Policy* to engage businesses in the \$80,000 to \$200,000 (GST inclusive) mandatory procurement threshold.

## Reportable consultancy contracts

During 2019–20, 34 new consultancy contracts were entered into involving total actual expenditure of \$5.1 million (GST Inclusive). In addition, 44 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$3.0 million (GST Inclusive).

The Department's policy for selecting and engaging consultants is based on the core principle of value for money, and is conducted in accordance with the PGPA Act and the *Commonwealth Procurement Rules*. Decisions to procure consultancy services are made both strategically and operationally, injecting specialist skills, knowledge and independent expertise in areas outside of the Department's core business functions.

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.<sup>59</sup>

**Table 18: Expenditure on reportable consultancy contracts 2019–20**

	Number	Expenditure 2019–20 \$
New reportable consultancy contracts entered into during 2019–20	34	5,148,776
Ongoing reportable consultancy contracts that were entered into during a previous reporting period	44	3,042,978
All reportable consultancy contracts active during 2019–20	78	8,191,754

**Table 19: Organisations receiving a share of reportable consultancy contract expenditure 2019–20**

Organisation	Expenditure 2019–20 \$
KPMG	2,924,384
Biometix Pty Ltd	1,097,895
The Trustee for JWS Research Unit	968,000
Callida Pty Ltd	269,904
Ernst & Young	268,916

59. [www.tenders.gov.au](http://www.tenders.gov.au)

# Advertising and market research expenditure

During 2019–20, the Department conducted the following advertising campaigns:

- BFORT Recruitment
- Tobacco Import Laws Campaign
- Graduate Development Program
- Promotion of Regional Migration
- Anti-People Smuggling Communication Campaign.

Further information on those advertising campaigns is available on the Department's website,<sup>60</sup> and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website.<sup>61</sup>

The advertising and market research expenditure is outlined in Table 20.

**Table 20: Advertising and market research (current report period 2019–20)**

	Total amount paid against contract (GST exclusive)	Total amount paid against contract (GST inclusive)
<b>MARKET RESEARCH</b>		
Hall & Partners Pty Ltd	\$34,788	\$38,267
The Trustee for JSW Research Unit	\$90,909	\$100,000
<b>Total</b>	<b>\$125,697</b>	<b>\$138,267</b>
<b>MEDIA ADVERTISING</b>		
Mediabrand Australia Pty Ltd	\$1,297,109	\$1,426,820
<b>Total</b>	<b>\$1,297,109</b>	<b>\$1,426,820</b>
<b>ADVERTISING AGENCIES<sup>62</sup></b>		
M&C Saachi World Services	\$2,812,435	\$2,812,435
Statt Consulting Limited	\$5,142,691	\$5,142,691
Tal Group Thompson Associates	\$872,020	\$872,020
<b>Total</b>	<b>\$8,827,145</b>	<b>\$8,827,145</b>
<b>Grand Total</b>	<b>\$10,249,951</b>	<b>\$10,392,232</b>

60. [www.homeaffairs.gov.au](http://www.homeaffairs.gov.au)

61. [www.finance.gov.au](http://www.finance.gov.au)

62. The vendors listed under Advertising Agencies are not subject to GST.



# Asset management

The Department managed \$3.969 billion of non-financial assets in 2019–20, an increase from the \$2.660 billion in 2018–19. This increase is directly related to the implementation of AASB 16 *Leases* accounting standard. The Department's main asset classes are buildings, leasehold improvements, vessels, plant and equipment, and software. These asset classes include right-of-use assets (leased assets per AASB 16 *Leases*). They include:

- \$848.69 million in administered non-financial assets (excluding prepayments) primarily held to support the care and management of detainees, compared to \$1.037 billion in 2018–19
- \$3.011 billion in departmental non-financial assets, including \$1.425 billion in buildings, \$533.26 million in plant and equipment, \$521.27 million in computer software supporting the Department's operations and \$295.44 million in vessels that support the ABF, but excluding prepayments, and inventories held. This compares to \$1.488 billion in 2018–19.

The Department's governance framework for managing assets to enable the accurate reporting of asset balances in the financial statements encompasses:

- asset investment, through setting an annual capital plan that reflects both Government priorities and ongoing business requirements. The plan is regularly monitored to ensure that planned expenditure reflects the Department's business requirements
- monitoring existing assets
- undertaking an annual stocktake and impairment review of non-current assets that is used to:
  - update and verify the accuracy of asset records
  - review the condition and utility of assets
  - assess expected useful lives of assets
- conducting fair value measurement through rolling three yearly revaluations of all tangible assets, completed by qualified external valuers. A valuation review in 2019–20 resulted in a \$32.8 million increase to Departmental assets and a \$42.6 million decrease to Administered assets
- maintaining property, plant and equipment assets, including those leased under contract from various service providers through specific maintenance programs.

Additional information on the value, acquisition, disposal and revaluation of assets is available in the 2019–20 financial statements in Part 4 of this report.

# Grants program

Information on grants awarded by the Department during 2019–20 is available at GrantConnect.<sup>63</sup>

All grants awarded were consistent with the Commonwealth Grant Rules and Guidelines, available on the Department of Finance's website.<sup>64</sup>

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63. [www.grants.gov.au](http://www.grants.gov.au)

64. [www.finance.gov.au](http://www.finance.gov.au)

# ECOLOGICALLY SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PERFORMANCE

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## Improvement and sustainability initiatives

Under section 516A of the *Environmental Protection and Biodiversity Conservation (EPBC) Act*, Commonwealth organisations have a statutory requirement to report on their environmental performance. The following information reports on our environmental performance in accordance with these requirements for 2019–20.

## Green Lease Schedule management

As part of the *Energy Efficiency in Government Operations (EEGO) Policy*, a Green Lease Schedule is a mandatory inclusion in Government leases of more than 2000 m<sup>2</sup>. This schedule is a commitment to energy monitoring and improvement by the tenant and landlord. The Department has 15 leases that contain a Green Lease Schedule. The Department's compliance with the key elements of the schedule include:

- attending Building Management Committee meetings
- developing energy management plans
- undertaking the required National Australian Built Environment Rating System ratings annually
- seeking to implement cost-effective energy efficiency programs, particularly at poor performing sites.

# Information and communication technology sustainability initiatives

In 2019–20, we progressed simplifying our information and communications technology (ICT) operating environment by transitioning all staff to a consolidated end-user computing environment and releasing improvements to applications, such as improving the user interface and functionality of our intranet. We also continued to improve the experience for our operational officers, including refreshing the ICT hardware on ABF vessels. This has supported a highly available, resilient and supported ICT environment for operational officers. Our cyber security has improved, with significant progress made to the Australian Signals Directorate Top Four cyber security mitigations.

The Department actively manage our ICT assets, which support continuous operational requirements spanning immigration and citizenship operations, customs and trade facilitation, and intelligence. We continue to focus on the sustainability of our ICT assets, including through deliberate efforts to rationalise and decommission duplicate or legacy systems.

## Heritage strategy

The Department managed obligations under the *Environmental Protection and Biodiversity Conservation Act 1999* to preserve and promote Australian Government heritage sites. The Villawood Immigration Detention Facility is our only property included on the Commonwealth Heritage List.

A heritage precinct was established on the northern boundary of the Villawood Immigration Detention Facility, facing Miowera and Gurney Roads. A heritage precinct master plan ensures the continuing protection of the site's remaining heritage values.

The precinct features these key elements:

- Villawood migrant hostel
- two Nissen accommodation huts
- former dining room (Saar hut)
- boilers from the original laundry
- interpretative signage.

# Energy efficiency and sustainability initiatives

In 2019–20, the Department undertook a range of initiatives to improve energy efficiency and reduce its impact on the environment, including:

- replacing fluorescent lights with sensor activated LED lighting
- energy audits to support the sustainable management of our tenancies
- commencement of a multi-year program to install solar panels across the Department's residential housing portfolio
- the use of digital signage within our tenancies to increase staff awareness of energy consumption
- participation in Earth Hour 2020 by switching off non-essential lighting and office equipment at sites where feasible
- soft plastic recycling trial in the ACT
- joining the CitySwitch Green Office program
- participation in National Recycling Week, including the ACTsmart Guinness World Record attempt for the largest amount of mobile phones collected for recycling in a 24 hour period
- organic waste separation and collection at two sites in the ACT.

Table 21 details our performance year-on-year against the *Energy Efficiency in Government Operations* Tenant Light and Power target of 7500 megajoules (MJ) per person, per annum.

Table 21: Energy performance against EEGO Tenant Light and Power target

Department of Home Affairs	2017–18	2018–19	2019–20
Tenant light and power (EEGO policy target—7,500 MJ)	7,238MJ	9,153MJ	8,292MJ

The department's Tenant Light and Power was 8,292 MJ/FTE. This is higher than the prescribed Commonwealth target of 7,500MJ/FTE.

This target is derived from a generic office performing at 4.5 star NABERS energy and no unusual operating characteristics. It does not take into account the department's (often) shift-based nature, nor its considerable number of networks and supporting communications infrastructure. However, this target was also defined in 2006, prior to significant improvements in computer and lighting energy efficiency.

On balance, the department should be meeting, or slightly beating the Commonwealth target. Key factors preventing this were:

- operating multiple sites at 24/7 levels since January 2020 in response to external events including bushfire smoke and COVID-19
- inefficient lighting
- no ability to separately account between air conditioning services and tenant light and power
- energy inefficient server/comms room air conditioning.

Projects, such as the LED lighting improvement at 299 Adelaide Street, completed in June 2020, will go towards improving the Department's performance in this measure. Other factors including selective optimisation and replacement projects, and judicious site-selection and lease negotiation will also contribute to improved performance against the target.



# PART 6

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# APPENDIX A:

## YEARS AT A GLANCE

Table 22: Years at a glance<sup>65</sup>

	2017–18	2018–19	2019–20
<b>Permanent Migration Program and child outcome</b>	<b>162,417</b>	<b>160,323</b>	<b>140,366</b>
Skill stream places	111,099	109,713	95,843
Family stream places	47,732	47,247	41,961
Special eligibility stream places	236	115	81
Child places delivered outside the managed Migration Program	3,350	3,248	2,481
<b>Temporary visas granted</b>	<b>8.7 million</b>	<b>8.8 million</b>	<b>6.5 million</b>
Visitor visas granted	5.6 million	5.7 million <sup>66</sup>	4.1 million
Number of eVisas granted	4.9 million	5.3 million	3.9 million
Student visas granted	378,292	405,742	340,152
Working holiday maker visas granted	210,456	209,036	149,249
Special Category (subclass 444) visas granted	1.9 million	1.9 million	1.4 million
Maritime crew and transit visas granted	351,516	347,744	308,233
Temporary Work (skilled) visas granted	64,470	81,975	55,060
Temporary residents (other) visas granted	180,459	186,148	162,108
Other Temporary	13,074	11,886	9,222
<b>Refugee and humanitarian entry</b>			
Humanitarian program visas granted	16,250	18,762	13,171
Number of Illegal Maritime Arrival legacy caseload applications finally determined (grants and refusals)	7,041	4,420	3,308
<b>Citizenship</b>			
Number of people conferred with Australian citizenship	80,649	127,674	204,817
Number of people whose applications for Australian citizenship by conferral, descent, adoption and resumption were approved	100,102	164,344	231,082

65. \* indicates where figures from previous financial years have been updated in the Years at a glance Table 22.

66. Data includes E-grants and Electronic Travel Authorities.

	2017–18	2018–19	2019–20
<b>Border management</b>			
International air and sea travellers processed (including crew)	46.0 million	47.4 million	35.0 million
Ship arrivals and departures from Australian ports	37,615*	37,631*	37,079
Immigration clearances refused at air and seaports	4,584	4,191	2,274
SmartGate clearances	26.0 million	27.5 million	20.3 million
Sea cargo consignments inspected	89,253	70,238	54,416
International mail items inspected	54.6 million	36.4 million	32.6 million
Number of illicit, prohibited and restricted drugs detected at the border	43,278	35,874*	40,223
Combined weight of major illicit drugs and precursors detected at the border	14,082 kg	19,963 kg*	10,882 kg
Tonnes of illicit tobacco detected at the border	432.86 tonnes	631.32 tonnes*	494.28 tonnes
Number of undeclared conventional firearms, parts and accessories detected at the border	2,007	2,269*	2,541
Detector dog supported detections (passenger and cargo)	2,550	1,784	1,382
<b>Border protection</b>			
Marine unit patrol days total <sup>67</sup>	2,668	2,195	2,298
Marine unit patrol days excluding ABFC's Ocean Shield and Thaiyak <sup>68</sup>	2,036	1,646	1,771
<b>Compliance</b>			
Location events of unlawful non-citizens <sup>69</sup>	14,809*	14,271*	19,149
Location events of Illegal workers <sup>70</sup>	2,394*	1,617*	994
Illegal Worker Warning Notices (IWWNs) issued to employers of illegal workers <sup>71</sup>	323*	314*	184
Removals and assisted departures of non-citizens onshore and from regional processing countries <sup>72</sup>	14,065*	12,985*	10,505
Total number of visa cancellations <sup>73</sup>	57,425*	54,656*	59,237
Total number of non-humanitarian visa refusals	308,150	377,469	325,637

67. Includes all vessels.

68. Figure excludes ABFC's Ocean Shield and Thaiyak.

69. Some non-citizens may have been located more than once in any given programme year. Each location event is counted.

70. Historical figures for previous financial years were refreshed and updated on 6 July 2017. As a result, due to retrospective data entries, systems corrections and improvements to methodologies data, figures may differ from those previously reported.

71. The figures include returns and removals of non-citizens from the Australian mainland and regional processing centres, including IMAs, IMA crew, IFFs and border turnarounds.

72. This figure accounts for total onshore compliance departures and includes IMAs, IMA crew, IMA BVE, IFFs and other authorised arrivals.

73. The figures include all onshore/offshore visa cancellations. A visa may be recorded as cancelled more than once. This can occur when a visa is cancelled, and the cancellation is subsequently revoked or set aside (this may occur for a number of reasons, including further legal proceedings, and administrative or jurisdictional errors), and then the visa is cancelled again. Duplication may also occur.

	2017–18	2018–19	2019–20
<b>Detention</b>			
Illegal foreign fishers taken into immigration detention	58	41	25
People in Australian immigration detention (mainland and Christmas Island) at 30 June	1,715	2,133 <sup>74</sup>	2,361
<b>Trade, customs and revenue</b>			
Import and export entries	5.5 million	5.6 million	5.4 million
Revenue collected from visa application charges, customs duty, import processing charges and passenger movement charges	\$19.267 billion	\$19.891 billion	\$22.935 billion
<b>Client contact</b>			
Telephone calls to service centres (general enquiries and citizenship information lines)	1.0 million	1.5 million	1.3 million
Telephone interpreting services	1.0 million	1.0 million	1.1 million
Telephone calls to TIS National's contact centre	1.2 million	1.1 million	1.1 million
<b>Transport security compliance activities</b>			
Audits <sup>75</sup>	195	94	265
Inspections	704	478	505
System tests	790	1,021	815
<b>Total</b>	<b>1,689</b>	<b>1,593</b>	<b>1,585</b>
<b>Employee head count</b>			
Department employees	8,399	8,388	8,135
Australian Border Force employees	6,017	5,667	5,873
Total employees	14,416	14,055	14,008
Locally engaged employees	1,143	1,043	990
Total employees (including locally engaged) <sup>76</sup>	15,559	15,098	14,998

74. Figure includes people in immigration detention under residence determinations.

75. The figures are inclusive of both NCP and Targeted activities.

76. Figure excludes Secretary, ABF Commissioner and staff on secondment. Figures inclusive of staff on leave, employees engaged locally and staff based both in Australia and overseas.

# APPENDIX B: CORRECTION OF MATERIAL ERRORS

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Page	Error
17, 21, 33, 34, 209	The number of illicit and restricted drug detections was reported as 35,763. The correct figure is 35,874.
21,40, 209	The weight of detected major illicit drugs and precursors was reported at 19,440. The correct figure is 19,962.84.
21, 33, 40, 209	The weight of undeclared tobacco detections was reported as 633.18 tonnes. The correct figure is 631.32 tonnes.
21	The number of undeclared tobacco detections was reported as 286,663. The correct figure is 286,657.
45	KPI 1.4.4—The number of scheduled activities under the National Compliance Plan was reported as 1553. The correct figure is 1547.
52	KPI 1.8.2—The value of Australian Government Disaster Recovery Payment was reported as \$120.56 million. The correct figure is \$121.8 million.
55	KPI 1.9.3—The number of national security risk assessments completed by the Department upon referral by the Foreign Investment Review Board and the Northern Australia Infrastructure Facility was reported as 322. The correct figure is 372.
72, 77	The number of Mutual Recognition Arrangements was reported as seven. The correct figure is eight.
138	Reference was made to <i>AusCheck Regulation 2007</i> . The correct name of the regulations is <i>AusCheck Regulations 2017</i> .
174	The number of Freedom of Information (FOI) requests was reported on as 18,412 and the number of FOI finalisations was reported as 17,078. The correct figures are 18,387 and 17,050 respectively.
208-210	In <i>Table 20: Years at a glance</i> figures published represented the most up to date data available prior to publication. Where more up to date data has become available since publication, this is reflected by * against relevant figures in Table 22 at page 240 of the <i>Department of Home Affairs 2019–20 Annual Report</i> .

# APPENDIX C: REPORT ON FINANCIAL PERFORMANCE

## Financial resource statement 2019–20

	Actual available appropriation 2019–20 \$'000	Payments made 2019–20 \$'000	Balance remaining 2019–20 \$'000
<b>Departmental</b>			
Annual appropriations— ordinary annual services <sup>a</sup>	3,398,529	3,035,601	362,928
Annual appropriations— other services—non-operating <sup>b</sup>	203,330	98,737	104,593
<b>Total departmental annual appropriations</b>	<b>3,601,859</b>	<b>3,134,338</b>	<b>467,521</b>
<b>Total departmental resourcing (A)</b>	<b>3,601,859</b>	<b>3,134,338</b>	<b>467,521</b>
<b>Administered</b>			
Annual appropriations— ordinary annual services <sup>c</sup>	2,655,948	2,189,156	
Annual appropriations— other services—non-operating <sup>d</sup>	7,329	5,289	
Annual appropriations—other services— specific payments to States, ACT, NT and local government	315	-	
<b>Total administered annual appropriations<sup>c</sup></b>	<b>2,663,592</b>	<b>2,194,445</b>	
Administered special appropriations		1,147,391	
<b>Total administered special appropriations</b>		<b>1,147,391</b>	
Special accounts	24,369	17,886	
<b>Total special account</b>	<b>24,369</b>	<b>17,886</b>	
<b>Total administered resourcing (B)</b>	<b>2,687,961</b>	<b>3,359,722</b>	
<b>Total resourcing and payments (A + B)</b>	<b>6,289,820</b>	<b>6,494,060</b>	

- a. Actual available appropriation for 2019-20 includes \$367.524 million attributed to prior years. Excluded from actual available appropriation for 2019-20 are prior year appropriations that lapsed during 2019-20 (\$2.700 million) or withheld in accordance with section 51 of the PGPA Act (\$60.865 million). Also includes *Supply Act (No. 1) 2019-2020*, *Appropriation Act (No. 1) 2019-2020*, *Appropriation Act (No. 3) 2019-2020*, section 74 of the PGPA Act (\$200.185 million) and Emergency Appropriation (Coronavirus Economic Response Package) Act (No. 1) 2019-2020. Includes an amount of \$121.168 million for departmental capital budget. For accounting purposes, this amount has been designated as 'contributions by owners'. Additionally includes amounts for *Supply Act (No. 1) 2019-2020 (\$10.724 million)* and *Appropriation Act (No. 1) 2018-2019 (\$4.249 million)* transferred to the Department in 2019-20 through section 75 of the PGPA Act.
- b. Actual available appropriation for 2019-20 includes \$120.177 million attributed to prior years. Excluded from actual available appropriation for 2019-20 are prior year appropriations that lapsed during 2019-20 (\$13.319 million) or withheld in accordance with section 51 of the PGPA Act (\$18.764 million).
- c. Administered payments include all cash payments in 2019-20 for administered expenses. Includes an amount of \$21.008 million for the administered capital budget. For accounting purposes, this amount has been designated as 'transfer from the Australian Government for administered assets and liabilities'. Also includes amounts for *Supply Act (No. 1) 2019-2020 (\$202.096 million)* transferred to the Department in 2019-20 through section 75 of the PGPA Act. Excludes funding withheld under section 51 of the PGPA Act (\$21.504 million).
- d. Actual available appropriation for 2019-20 includes \$75.615 million attributed to prior years. Excluded from actual available appropriation for 2019-20 are prior year appropriations that lapsed during 2019-20 (\$68.490 million) or withheld in accordance with section 51 of the PGPA Act (\$0.200 million).

# Expenses for Outcome 1 2019–20

**Outcome 1: Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.**

Budget 2019–20 <sup>a</sup> \$'000	Actual Expenses 2019–20 \$'000	Variations 2019–20 \$'000
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## **Program 1.1: Border Enforcement**

### **Departmental expenses:**

Departmental appropriation <sup>b</sup>	989,568	932,852	(56,716)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	139,202	202,960	63,758
<b>Departmental total</b>	<b>1,128,770</b>	<b>1,135,812</b>	<b>7,042</b>
<b>Total expenses for Program 1.1</b>	<b>1,128,770</b>	<b>1,135,812</b>	<b>7,042</b>

## **Program 1.2: Border Management**

### **Administered expenses:**

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	8	-	(8)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	-	-	-
<b>Administered total</b>	<b>8</b>	<b>-</b>	<b>(8)</b>

### **Departmental expenses:**

Departmental appropriation <sup>b</sup>	341,580	356,514	14,934
Expenses not requiring appropriation in the Budget year <sup>c</sup>	57,503	56,955	(548)
<b>Departmental total</b>	<b>399,083</b>	<b>413,469</b>	<b>14,386</b>
<b>Total expenses for Program 1.2</b>	<b>399,091</b>	<b>413,469</b>	<b>14,378</b>

## **Program 1.3: Onshore Compliance and Detention**

### **Administered expenses:**

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	713,376	615,569	(97,807)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	52,974	84,807	31,833
<b>Administered total</b>	<b>766,350</b>	<b>700,376</b>	<b>(65,974)</b>

### **Departmental expenses:**

Departmental appropriation <sup>b</sup>	346,033	338,293	(7,740)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	45,675	44,302	(1,373)
<b>Departmental total</b>	<b>391,708</b>	<b>382,595</b>	<b>(9,113)</b>
<b>Total expenses for Program 1.3</b>	<b>1,158,058</b>	<b>1,082,971</b>	<b>(75,087)</b>

	Budget 2019–20 <sup>a</sup> \$'000	Actual Expenses 2019–20 \$'000	Variations 2019–20 \$'000
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**Program 1.4: Illegal Maritime Arrivals  
Offshore Management**

**Administered expenses:**

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	1,149,169	785,417	(363,752)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	51,454	89,966	38,512
<b>Administered total</b>	<b>1,200,623</b>	<b>875,383</b>	<b>(325,240)</b>
<b>Departmental expenses:</b>			
Departmental appropriation <sup>b</sup>	73,377	85,825	12,448
Expenses not requiring appropriation in the Budget year <sup>c</sup>	6,404	472	(5,932)
<b>Departmental total</b>	<b>79,781</b>	<b>86,297</b>	<b>6,516</b>
<b>Total expenses for Program 1.4</b>	<b>1,280,404</b>	<b>961,680</b>	<b>(318,724)</b>

**Program 1.5: Regional Cooperation**

**Administered expenses:**

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	67,846	70,107	2,261
Special Account—Services for other entities and trust moneys	-	98	98
Expenses not requiring appropriation in the Budget year <sup>c</sup>	-	-	-
<b>Administered total</b>	<b>67,846</b>	<b>70,205</b>	<b>2,359</b>
<b>Departmental expenses:</b>			
Departmental appropriation <sup>b</sup>	37,248	34,727	(2,521)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	1,885	(545)	(2,430)
<b>Departmental total</b>	<b>39,133</b>	<b>34,182</b>	<b>(4,951)</b>
<b>Total expenses for Program 1.5</b>	<b>106,979</b>	<b>104,387</b>	<b>(2,592)</b>

**Program 1.6: Transport Security**

**Administered expenses:**

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	50,753	48,202	(2,551)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	-	-	-
<b>Administered total</b>	<b>50,753</b>	<b>48,202</b>	<b>(2,551)</b>
<b>Departmental expenses:</b>			
Departmental appropriation <sup>b</sup>	36,555	34,482	(2,073)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	2,342	5,023	2,681
<b>Departmental total</b>	<b>38,897</b>	<b>39,505</b>	<b>608</b>
<b>Total expenses for Program 1.6</b>	<b>89,650</b>	<b>87,707</b>	<b>(1,943)</b>

	Budget 2019–20 <sup>a</sup> \$'000	Actual Expenses 2019–20 \$'000	Variations 2019–20 \$'000
<b><u>Program 1.7: National Security and Criminal Justice</u></b>			
<b>Administered expenses:</b>			
Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	116,010	107,315	(8,695)
Special Appropriation—Australian Victim of Terrorism Overseas Payment	3,695	1,226	(2,469)
Special Account— <i>Proceeds of Crime Act 2002</i>	21,874	17,660	(4,214)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	972	905	(67)
<b>Administered total</b>	<b>142,551</b>	<b>127,106</b>	<b>(15,445)</b>
<b>Departmental expenses:</b>			
Departmental appropriation <sup>b</sup>	109,274	118,429	9,155
Expenses not requiring appropriation in the Budget year <sup>c</sup>	8,251	4,804	(3,447)
<b>Departmental total</b>	<b>117,525</b>	<b>123,233</b>	<b>5,708</b>
<b>Total expenses for Program 1.7</b>	<b>260,076</b>	<b>250,339</b>	<b>(9,737)</b>
<b><u>Program 1.8: Cyber Security</u></b>			
<b>Departmental expenses:</b>			
Departmental appropriation <sup>b</sup>	5,592	5,465	(127)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	122	153	31
<b>Departmental total</b>	<b>5,714</b>	<b>5,618</b>	<b>(96)</b>
<b>Total expenses for Program 1.8</b>	<b>5,714</b>	<b>5,618</b>	<b>(96)</b>
<b><u>Program 1.9: Counter Terrorism</u></b>			
<b>Administered expenses:</b>			
Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	15,094	12,834	(2,260)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	-	111	111
<b>Administered total</b>	<b>15,094</b>	<b>12,945</b>	<b>(2,149)</b>
<b>Departmental expenses:</b>			
Departmental appropriation <sup>b</sup>	10,214	10,031	(183)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	220	1,307	1,087
<b>Departmental total</b>	<b>10,434</b>	<b>11,338</b>	<b>904</b>
<b>Total expenses for Program 1.9</b>	<b>25,528</b>	<b>24,283</b>	<b>(1,245)</b>



	Budget 2019–20 <sup>a</sup> \$'000	Actual Expenses 2019–20 \$'000	Variations 2019–20 \$'000
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**Program 1.10: Australian Government  
Disaster Financial Support Payments**

**Administered expenses:**

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	19,749	35,158	15,409
Special Appropriation— Disaster Recovery Allowance	292,546	15,620	(276,926)
Special Appropriation— Disaster Recovery Payment	228,915	233,539	4,624
Expenses not requiring appropriation in the Budget year <sup>c</sup>	955	1,395	440
<b>Administered total</b>	<b>542,165</b>	<b>285,712</b>	<b>(256,453)</b>
<b>Total expenses for Program 1.10</b>	<b>542,165</b>	<b>285,712</b>	<b>(256,453)</b>

**Outcome 1 Totals by appropriation type**

**Administered expenses:**

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	2,132,005	1,674,602	(457,403)
Special Appropriation—Australian Victim of Terrorism Overseas Payment	3,695	1,226	(2,469)
Special Appropriation— Disaster Recovery Allowance	292,546	15,620	(276,926)
Special Appropriation— Disaster Recovery Payment	228,915	233,539	4,624
Special Account—Services for other entities and trust moneys	-	98	98
Special Account—Proceeds of Crime Act 2002	21,874	17,660	(4,214)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	106,355	177,184	70,829
<b>Administered total</b>	<b>2,785,390</b>	<b>2,119,929</b>	<b>(665,461)</b>

**Departmental expenses:**

Departmental appropriation <sup>b</sup>	1,949,441	1,916,618	(32,823)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	261,604	315,431	53,827
<b>Departmental total</b>	<b>2,211,045</b>	<b>2,232,049</b>	<b>21,004</b>
<b>Total expenses for Outcome 1</b>	<b>4,996,435</b>	<b>4,351,978</b>	<b>(644,457)</b>
Average staffing level (number)	9,045	8,508	(537)

a. Budget relates to the estimated actuals for 2019-20 which incorporates the measures provided in the Portfolio Additional Estimates Statements (PAES) 2019-20.

b. Departmental and administered appropriations combine ordinary annual services (Appropriation Acts No. 1 and Act No. 3) and retained revenue receipts under section 74 of the PGPA Act.

c. Expenses funded through revenue appropriations exclude depreciation and amortisation, writedown and impairment of assets, non-cash gifting of capital assets, concessional loan discount and resources received free of charge, offset by the lease payment.

## Expenses for Outcome 2 2019–20

**Outcome 2: Support a prosperous and inclusive society, and advance Australia's economic interests through the effective management of the visa, multicultural and citizenship programs and the provision of refugee and humanitarian assistance and settlement and migrant services.**

	Budget 2019–20 <sup>a</sup> \$'000	Actual Expenses 2019–20 \$'000	Variations 2019–20 \$'000
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### Program 2.1: Multicultural Affairs and Citizenship

#### Administered expenses:

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	10,222	2,309	(7,913)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	-	-	-

<b>Administered total</b>	<b>10,222</b>	<b>2,309</b>	<b>(7,913)</b>
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#### Departmental expenses:

Departmental appropriation <sup>b</sup>	103,415	105,066	1,651
Expenses not requiring appropriation in the Budget year <sup>c</sup>	10,349	9,408	(941)

<b>Departmental total</b>	<b>113,764</b>	<b>114,474</b>	<b>710</b>
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<b>Total expenses for Program 2.1</b>	<b>123,986</b>	<b>116,783</b>	<b>(7,203)</b>
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### Program 2.2: Migration

#### Departmental expenses:

Departmental appropriation <sup>b</sup>	248,692	266,753	18,061
Expenses not requiring appropriation in the Budget year <sup>c</sup>	40,909	28,936	(11,973)

<b>Departmental total</b>	<b>289,601</b>	<b>295,689</b>	<b>6,088</b>
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<b>Total expenses for Program 2.2</b>	<b>289,601</b>	<b>295,689</b>	<b>6,088</b>
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### Program 2.3: Visas

#### Administered expenses:

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	-	297	297
Expenses not requiring appropriation in the Budget year <sup>c</sup>	-	124	124

<b>Administered total</b>	<b>-</b>	<b>421</b>	<b>421</b>
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#### Departmental expenses:

Departmental appropriation <sup>b</sup>	352,634	364,089	11,455
Expenses not requiring appropriation in the Budget year <sup>c</sup>	41,743	54,358	12,615

<b>Departmental total</b>	<b>394,377</b>	<b>418,447</b>	<b>24,070</b>
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<b>Total expenses for Program 2.3</b>	<b>394,377</b>	<b>418,868</b>	<b>24,491</b>
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	Budget 2019–20 <sup>a</sup> \$'000	Actual Expenses 2019–20 \$'000	Variations 2019–20 \$'000
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**Program 2.4: Refugee, Humanitarian,  
Settlement and Migrant Services**

**Administered expenses:**

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	493,912	440,311	(53,601)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	-	2	2
<b>Administered total</b>	<b>493,912</b>	<b>440,313</b>	<b>(53,599)</b>
<b>Departmental expenses:</b>			
Departmental appropriation <sup>b</sup>	177,364	171,582	(5,782)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	12,211	10,562	(1,649)
<b>Departmental total</b>	<b>189,575</b>	<b>182,144</b>	<b>(7,431)</b>
<b>Total expenses for Program 2.4</b>	<b>683,487</b>	<b>622,457</b>	<b>(61,030)</b>

**Outcome 2 Totals by appropriation type**

**Administered expenses:**

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	504,134	442,917	(61,217)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	-	126	126
<b>Administered total</b>	<b>504,134</b>	<b>443,043</b>	<b>(61,091)</b>
<b>Departmental expenses:</b>			
Departmental appropriation <sup>b</sup>	882,105	907,490	25,385
Expenses not requiring appropriation in the Budget year <sup>c</sup>	105,212	103,264	(1,948)
<b>Departmental total</b>	<b>987,317</b>	<b>1,010,754</b>	<b>23,437</b>
<b>Total expenses for Outcome 2</b>	<b>1,491,451</b>	<b>1,453,797</b>	<b>(37,654)</b>
Average staffing level (number)	4,559	4,593	(34)

- .....
- a. Budget relates to the estimated actuals for 2019-20 which incorporates the measures provided in the Portfolio Additional Estimates Statements (PAES) 2019-20.
- b. Departmental and administered appropriations combine ordinary annual services (Appropriation Acts No. 1 and Act No. 3) and retained revenue receipts under section 74 of the PGPA Act.
- c. Expenses funded through revenue appropriations exclude depreciation and amortisation, writedown and impairment of assets, non-cash gifting of capital assets, concessional loan discount and resources received free of charge, offset by the lease payment.

# Expenses for Outcome 3 2019–20

Outcome 3: Advance Australia's economic interests through the facilitation of the trade of goods to and from Australia and the collection of border revenue.	Budget 2019–20a \$'000	Actual Expenses 2019–20 \$'000	Variations 2019–20 \$'000
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## **Program 3.1: Border-Revenue Collection**

### **Administered expenses:**

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	-	-	-
Expenses not requiring appropriation in the Budget year <sup>c</sup>	4,286	19,976	15,690
<b>Administered total</b>	<b>4,286</b>	<b>19,976</b>	<b>15,690</b>
<b>Departmental expenses:</b>			
Departmental appropriation <sup>b</sup>	75,807	74,747	(1,060)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	9,548	13,825	4,277
<b>Departmental total</b>	<b>85,355</b>	<b>88,572</b>	<b>3,217</b>
<b>Total expenses for Program 3.1</b>	<b>89,641</b>	<b>108,548</b>	<b>18,907</b>

## **Program 3.2: Trade Facilitation and Industry Engagement**

### **Departmental expenses:**

Departmental appropriation <sup>b</sup>	49,750	49,588	(162)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	4,268	4,595	327
<b>Departmental total</b>	<b>54,018</b>	<b>54,183</b>	<b>165</b>
<b>Total expenses for Program 3.2</b>	<b>54,018</b>	<b>54,183</b>	<b>165</b>

## **Outcome 3 Totals by appropriation type**

### **Administered expenses:**

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	-	-	-
Expenses not requiring appropriation in the Budget year <sup>c</sup>	4,286	19,976	15,690
<b>Administered total</b>	<b>4,286</b>	<b>19,976</b>	<b>15,690</b>
<b>Departmental expenses:</b>			
Departmental appropriation <sup>b</sup>	125,557	124,335	(1,222)
Expenses not requiring appropriation in the Budget year <sup>c</sup>	13,816	18,420	4,604
<b>Departmental total</b>	<b>139,373</b>	<b>142,755</b>	<b>3,382</b>
<b>Total expenses for Outcome 3</b>	<b>143,659</b>	<b>162,731</b>	<b>19,072</b>
Average staffing level (number)	641	650	9

a. Budget relates to the estimated actuals for 2019-20 which incorporates the measures provided in the Portfolio Additional Estimates Statements (PAES) 2019-20.

b. Departmental and administered appropriations combine ordinary annual services (Appropriation Acts No. 1 and Act No. 3) and retained revenue receipts under section 74 of the PGPA Act.

c. Expenses funded through revenue appropriations exclude depreciation and amortisation, writedown and impairment of assets, non-cash gifting of capital assets, concessional loan discount and resources received free of charge, offset by the lease payment.

# APPENDIX D:

## WORKFORCE PROFILE

Table 23: All ongoing employees (current report period 2019–20)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
NSW	934	42	<b>976</b>	903	298	<b>1,201</b>	-	-	-	<b>2,177</b>
Qld	545	31	<b>576</b>	458	125	<b>583</b>	-	-	-	<b>1,159</b>
SA	213	16	<b>229</b>	221	130	<b>351</b>	-	-	-	<b>580</b>
Tas	47	11	<b>58</b>	60	41	<b>101</b>	-	-	-	<b>159</b>
Vic	886	42	<b>928</b>	797	256	<b>1,053</b>	-	-	-	<b>1,981</b>
WA	432	18	<b>450</b>	358	128	<b>486</b>	-	-	-	<b>936</b>
ACT	2,746	73	<b>2,819</b>	2,591	567	<b>3,158</b>	-	-	-	<b>5,977</b>
NT	63	2	<b>65</b>	76	7	<b>83</b>	-	-	-	<b>148</b>
External Territories	5	-	<b>5</b>	3	-	<b>3</b>	-	-	-	<b>8</b>
Overseas	76	-	<b>76</b>	80	-	<b>80</b>	-	-	-	<b>156</b>
<b>Total</b>	<b>5,947</b>	<b>235</b>	<b>6,182</b>	<b>5,547</b>	<b>1,552</b>	<b>7,099</b>	-	-	-	<b>13,281</b>

Due to privacy reasons, employees who self-reported gender as ‘unknown’ are not shown separately in the non-binary column.

These figures reflect our workforce at 30 June 2020.

Table 24: All non-ongoing employees (current report period 2019–20)

	Male			Female			Non-binary			Total
	Full time	Part time*	Total Male	Full time	Part time	Total Female	Full time	Part time*	Total Non-binary	
NSW	34	71	<b>105</b>	37	100	<b>137</b>	-	-	-	<b>242</b>
Qld	11	37	<b>48</b>	12	52	<b>64</b>	-	-	-	<b>112</b>
SA	3	11	<b>14</b>	5	8	<b>13</b>	-	-	-	<b>27</b>
Tas	-	-	-	-	1	<b>1</b>	-	-	-	<b>1</b>
Vic	28	46	<b>74</b>	40	44	<b>84</b>	-	-	-	<b>158</b>
WA	16	12	<b>28</b>	9	18	<b>27</b>	-	-	-	<b>55</b>
ACT	21	18	<b>39</b>	51	32	<b>83</b>	-	-	-	<b>122</b>
NT	-	3	<b>3</b>	-	1	<b>1</b>	-	-	-	<b>4</b>
External Territories	-	4	<b>4</b>	-	2	<b>2</b>	-	-	-	<b>6</b>
Overseas	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>113</b>	<b>202</b>	<b>315</b>	<b>154</b>	<b>258</b>	<b>412</b>	-	-	-	<b>727</b>

\*417 casual employees are included in this table as part time employees, broken down as 188 male and 229 female.

Due to privacy reasons, employees who self-reported gender as 'unknown' are not shown separately in the non-binary column.

These figures reflect our workforce at 30 June 2020.

Table 25: All ongoing employees (previous report period 2018–19)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
NSW	970	46	<b>1,016</b>	887	354	<b>1,241</b>	-	-	-	<b>2,257</b>
Qld	530	27	<b>557</b>	450	146	<b>596</b>	-	-	-	<b>1,153</b>
SA	206	18	<b>224</b>	205	138	<b>343</b>	-	-	-	<b>567</b>
Tas	51	5	<b>56</b>	55	39	<b>94</b>	-	-	-	<b>150</b>
Vic	882	41	<b>923</b>	718	287	<b>1,005</b>	-	-	-	<b>1,928</b>
WA	430	16	<b>446</b>	349	134	<b>483</b>	-	-	-	<b>929</b>
ACT	2,679	87	<b>2,766</b>	2,542	573	<b>3,115</b>	-	-	-	<b>5,881</b>
NT	68	-	<b>68</b>	95	15	<b>110</b>	-	-	-	<b>178</b>
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	113	-	<b>113</b>	101	-	<b>101</b>	-	-	-	<b>214</b>
<b>Total</b>	<b>5,929</b>	<b>240</b>	<b>6,169</b>	<b>5,402</b>	<b>1,686</b>	<b>7,088</b>	-	-	-	<b>13,257</b>

Table 26: All non-ongoing employees (previous report period 2018–19)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
NSW	19	101	<b>120</b>	24	128	<b>152</b>	-	-	-	<b>272</b>
Qld	11	38	<b>49</b>	12	56	<b>68</b>	-	-	-	<b>117</b>
SA	8	13	<b>32</b>	9	10	<b>19</b>	-	-	-	<b>40</b>
Tas	-	-	-	1	1	<b>2</b>	-	-	-	<b>2</b>
Vic	37	58	<b>95</b>	42	57	<b>99</b>	-	-	-	<b>194</b>
WA	6	25	<b>31</b>	4	34	<b>38</b>	-	-	-	<b>69</b>
ACT	26	13	<b>39</b>	38	22	<b>60</b>	-	-	-	<b>99</b>
NT	-	2	<b>2</b>	-	3	<b>3</b>	-	-	-	<b>5</b>
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>107</b>	<b>250</b>	<b>357</b>	<b>130</b>	<b>311</b>	<b>441</b>	-	-	-	<b>798</b>

Table 27: Australian Public Sector Classification and Gender—ongoing employees (current report period 2019–20)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
SES 3	6	-	<b>6</b>	5	-	<b>5</b>	-	-	-	<b>11</b>
SES 2	26	-	<b>26</b>	16	-	<b>16</b>	-	-	-	<b>42</b>
SES 1	82	-	<b>82</b>	75	2	<b>77</b>	-	-	-	<b>159</b>
EL 2	474	6	<b>480</b>	384	48	<b>432</b>	-	-	-	<b>912</b>
EI 1	1,052	32	<b>1,084</b>	1,039	260	<b>1,299</b>	-	-	-	<b>2,383</b>
APS 6	1,318	61	<b>1,379</b>	1,355	360	<b>1,715</b>	-	-	-	<b>3,094</b>
APS 5	1,141	33	<b>1,174</b>	1,154	360	<b>1,514</b>	-	-	-	<b>2,688</b>
APS 4	766	35	<b>801</b>	834	295	<b>1,129</b>	-	-	-	<b>1,930</b>
APS 3	959	58	<b>1,017</b>	619	225	<b>844</b>	-	-	-	<b>1,861</b>
APS 2	118	7	<b>125</b>	62	2	<b>64</b>	-	-	-	<b>189</b>
APS 1	5	3	<b>8</b>	4	-	<b>4</b>	-	-	-	<b>12</b>
Other	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,947</b>	<b>235</b>	<b>6,182</b>	<b>5,547</b>	<b>1,552</b>	<b>7,099</b>	-	-	-	<b>13,281</b>

Due to privacy reasons and risk of being identified, employees who have unknown gender are not shown separately in the non-binary column.

These figures reflect our workforce at 30 June 2020.



Table 28: Australian Public Sector Classification and Gender—non-ongoing employees (current report period 2019–20)

	Male			Female			Non-binary			Total
	Full time	Part time*	Total Male	Full time	Part time*	Total Female	Full time	Part time	Total Non-binary	
SES 3	-	-	-	1	-	1	-	-	-	1
SES 2	1	-	1	-	-	-	-	-	-	1
SES 1	1	-	1	-	-	-	-	-	-	1
EL 2	2	1	3	1	-	1	-	-	-	4
EI 1	5	3	8	11	2	13	-	-	-	21
APS 6	5	-	5	6	2	8	-	-	-	13
APS 5	2	-	2	10	3	13	-	-	-	15
APS 4	14	10	24	29	18	47	-	-	-	71
APS 3	27	4	31	30	8	38	-	-	-	69
APS 2	56	184	240	66	225	291	-	-	-	531
APS 1	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>113</b>	<b>202</b>	<b>315</b>	<b>154</b>	<b>258</b>	<b>412</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>727</b>

\*417 casual employees are included in this table as part time employees, broken down as 188 male and 229 female.

Due to privacy reasons and risk of being identified, employees who have unknown gender are not shown separately in the non-binary column.

These figures reflect our workforce at 30 June 2020.

Table 29: Australian Public Sector Classification and Gender—ongoing employees (previous report period 2018–19)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
SES 3	3	-	<b>3</b>	6	-	<b>6</b>	-	-	-	<b>9</b>
SES 2	28	1	<b>29</b>	15	-	<b>15</b>	-	-	-	<b>44</b>
SES 1	82	-	<b>82</b>	68	-	<b>68</b>	-	-	-	<b>150</b>
EL 2	445	14	<b>459</b>	363	51	<b>414</b>	-	-	-	<b>873</b>
EI 1	1,051	33	<b>1,084</b>	998	276	<b>1,274</b>	-	-	-	<b>2,358</b>
APS 6	1,271	58	<b>1,329</b>	1,274	396	<b>1,670</b>	-	-	-	<b>2,999</b>
APS 5	1,140	36	<b>1,176</b>	1,147	364	<b>1,511</b>	-	-	-	<b>2,687</b>
APS 4	655	32	<b>687</b>	784	310	<b>1,094</b>	-	-	-	<b>1,781</b>
APS 3	1,134	57	<b>1,191</b>	658	285	<b>943</b>	-	-	-	<b>2,134</b>
APS 2	55	6	<b>61</b>	40	4	<b>44</b>	-	-	-	<b>105</b>
APS 1	4	3	<b>7</b>	2	-	<b>2</b>	-	-	-	<b>9</b>
Other	61	-	<b>61</b>	47	-	<b>47</b>	-	-	-	<b>108</b>
<b>Total</b>	<b>5,929</b>	<b>240</b>	<b>6,169</b>	<b>5,402</b>	<b>1,686</b>	<b>7,088</b>	-	-	-	<b>13,257</b>

Table 30: Australian Public Sector Classification and Gender—non-ongoing employees (previous report period 2018–19)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
SES 3	-	-	-	-	-	-	-	-	-	-
SES 2	1	-	1	-	-	-	-	-	-	1
SES 1	-	-	-	-	-	-	-	-	-	-
EL 2	3	-	3	3	-	3	-	-	-	6
EI 1	3	3	6	5	3	8	-	-	-	14
APS 6	5	1	6	7	1	8	-	-	-	14
APS 5	6	-	6	2	3	5	-	-	-	11
APS 4	24	2	26	37	7	44	-	-	-	70
APS 3	45	4	49	50	8	58	-	-	-	107
APS 2	20	240	260	26	289	315	-	-	-	575
APS 1	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>107</b>	<b>250</b>	<b>357</b>	<b>130</b>	<b>311</b>	<b>441</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>798</b>

Table 31: Australian Public Service Act employees by full time and part time (current report period 2019–20)

	Ongoing			Non-Ongoing			Total
	Full time	Part time	Total Ongoing	Full time	Part time	Total Non-Ongoing	
SES 3	11	-	<b>11</b>	1	-	<b>1</b>	<b>12</b>
SES 2	42	-	<b>42</b>	1	-	<b>1</b>	<b>43</b>
SES 1	157	2	<b>159</b>	1	-	<b>1</b>	<b>160</b>
EL 2	858	54	<b>912</b>	3	1	<b>4</b>	<b>916</b>
EI 1	2,091	292	<b>2,383</b>	16	5	<b>21</b>	<b>2,404</b>
APS 6	2,673	421	<b>3,094</b>	11	2	<b>13</b>	<b>3,107</b>
APS 5	2,295	393	<b>2,688</b>	12	3	<b>15</b>	<b>2,703</b>
APS 4	1,600	330	<b>1,930</b>	43	28	<b>71</b>	<b>2,001</b>
APS 3	1,578	283	<b>1,861</b>	57	12	<b>69</b>	<b>1,930</b>
APS 2	180	9	<b>189</b>	122	409	<b>531</b>	<b>720</b>
APS 1	9	3	<b>12</b>	-	-	<b>-</b>	<b>12</b>
Other	-	-	<b>-</b>	-	-	<b>-</b>	<b>-</b>
<b>Total</b>	<b>11,494</b>	<b>1,787</b>	<b>13,281</b>	<b>267</b>	<b>460</b>	<b>727</b>	<b>14,008</b>

\*417 casual employees are included in this table as non-ongoing part time employees.

These figures reflect our workforce at 30 June 2020.

Table 32: Australian Public Service Act employees by full time and part time (previous report period 2018–19)

	Ongoing			Non-Ongoing			Total
	Full time	Part time	Total Ongoing	Full time	Part time	Total Non-Ongoing	
SES 3	9	-	9	-	-	-	9
SES 2	43	1	44	1	-	1	45
SES 1	150	-	150	-	-	-	150
EL 2	808	65	873	6	-	6	879
EI 1	2,049	309	2,358	8	6	14	2,372
APS 6	2,545	454	2,999	12	2	14	3,013
APS 5	2,287	400	2,687	8	3	11	2,698
APS 4	1,439	342	1,781	61	9	70	1,851
APS 3	1,792	342	2,134	95	12	107	2,241
APS 2	95	10	105	46	529	575	680
APS 1	6	3	9	-	-	-	9
Other	-	-	-	-	-	-	-
<b>Total</b>	<b>11,331</b>	<b>1,926</b>	<b>13,257</b>	<b>237</b>	<b>561</b>	<b>798</b>	<b>14,055</b>

Table 33: Australian Public Service Act employment type by location (current report period 2019–20)

	Ongoing	Non-Ongoing*	Total
NSW	2,177	242	2,419
Qld	1,159	112	1,271
SA	580	27	607
Tas	159	1	160
Vic	1,981	158	2,139
WA	936	55	991
ACT	5,977	122	6,099
NT	148	4	152
External Territories	8	6	14
Overseas	156	-	156
<b>Total</b>	<b>13,281</b>	<b>727</b>	<b>14,008</b>

\*417 casual employees are included in this table as non-ongoing employees.

These figures reflect our workforce at 30 June 2020.

Table 34: Australian Public Service Act employment type by location (previous report period 2018–19)

	Ongoing	Non-Ongoing	Total
NSW	2,257	272	2,529
Qld	1,153	117	1,270
SA	567	40	607
Tas	150	2	152
Vic	1,928	194	2,122
WA	929	69	998
ACT	5,881	99	5,980
NT	178	5	183
External Territories	-	-	-
Overseas	214	-	214
<b>Total</b>	<b>13,257</b>	<b>798</b>	<b>14,055</b>

Table 35: Australian Public Service Act Indigenous employment (current report period 2019–20)

	Total
Ongoing	275
Non-Ongoing	2
<b>Total</b>	<b>277</b>

These figures reflect our workforce at 30 June 2020.

Table 36: Australian Public Service Act Indigenous employment (current report period 2018–19)

	Total
Ongoing	268
Non-Ongoing	4
<b>Total</b>	<b>272</b>

# APPENDIX E: SALARY AND CLASSIFICATION RATES

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Table 37: Australian Public Service Act Employment salary ranges by classification level (Minimum/Maximum) (current report period 2019–20)

	Minimum Salary	Maximum Salary
SES 3	\$357,000	\$397,484
SES 2	\$263,750	\$403,449
SES 1	\$197,991	\$261,100
EL 2	\$117,788	\$173,502
EL 1	\$99,408	\$136,172
APS 6	\$78,700	\$94,058
APS 5	\$72,454	\$78,043
APS 4	\$66,443	\$71,667
APS 3	\$57,777	\$66,382
APS 2	\$50,801	\$57,152
APS 1	\$45,439	\$50,351
Other	-	-
<b>Total</b>	<b>\$45,349</b>	<b>\$403,449</b>

Table 38: Training classifications and salary ranges for staff, at 30 June 2020

APS classification level	Minimum Salary	Maximum Salary
Trainee APS (Technical)	\$45,439	\$50,351
Graduate APS (APS Level 4)*	\$57,777	\$66,382
Border Force Officer Recruit Trainee Programme (APS Level 2)	\$50,801	\$57,152
ICT Apprenticeship Programme (APS Level 1)	\$45,439	\$50,351
ICT Cadet Programme (APS Level 2)	\$50,801	\$57,152
Indigenous Apprenticeship Programme	\$50,801	\$57,152
Indigenous Australian Government Development Programme (APS Level 3)	\$57,777	\$66,382
Marine Unit Engineer Cadet (APS Level 3)	\$57,777	\$66,382

\*Graduate APS in Home Affairs are engaged as APS 4 level and are not held against trainee positions.

Table 39: Salary and classification rates, Legal Officers

APS classification	Local title	Salary point	Salary increments for staff at 30 June 2020
APS Level 4	Legal Officer	LO APS 4.1	\$71,002
APS Level 5		LO APS 5.1	\$77,150
APS Level 6		LO APS 6.1	\$79,613
		LO APS 6.2	\$83,611
		LO APS 6.3	\$93,112
Executive Level 1	Senior Legal Officer	SLO EL 1.1	\$105,582
		SLO EL 1.2	\$114,560
		SLO EL 1.3	\$126,402
Executive Level 2	Principal Legal Officer	PLO EL 2.1	\$136,527
		PLO EL 2.2	\$144,903
		PLO EL 2.3	\$153,280



Table 40: Salary and classification rates, Public Affairs Officers

APS classification	Local title	Salary point	Salary increments for staff at 30 June 2020
APS Level 4	Public Affairs Officer 1	PAO 1 APS 4.1	\$66,443
		PAO 1 APS 4.2	\$71,487
APS Level 5		PAO 1 APS 5.1	\$72,454
		PAO 1 APS 5.2	\$78,043
APS Level 6	Public Affairs Officer 2	PAO 2 APS 6.1	\$81,613
		PAO 2 APS 6.2	\$83,611
		PAO 2 APS 6.3	\$86,170
		PAO 2 APS 6.4	\$94,058
Executive Level 1	Public Affairs Officer 3	PAO 3 EL 1.1	\$112,262
		PAO 3 EL 1.2	\$115,560
		PAO 3 EL 1.3	\$124,083
Executive Level 2	Senior Public Affairs Officer B	SPAO B EL 2.1	\$122,864
		SPAO B EL 2.2	\$133,325
	Senior Public Affairs Officer A	SPAO A EL 2.3	\$129,639
		SPAO A EL 2.4	\$141,459
		SPAO A EL 2.5	\$153,280

Table 41: Salary and classification rates, Medical Officers

APS classification	Salary point	Salary increments for staff at 30 June 2020
Medical Officer Class 2	MO 2.1	\$124,880
	MO 2.2	\$136,172
Medical Officer Class 3	MO 3.1	\$139,589
	MO 3.2	\$151,281
Medical Officer Class 4	MO 4.1	\$158,178
	MO 4.2	\$161,161
	MO 4.3	\$173,502

Table 42: Remuneration Paid to Key Management Personnel (KMP) in 2019–20 (a)

Name	Position title	Short-term benefits			Post-employment benefits	Other long-term benefits	Termination Benefits		Total Remuneration (f)
		Base salary (b)	Bonuses	Other benefits and allowances (c)			Long service leave (e)	Termination Benefits	
		\$	\$	\$	\$	\$	\$	\$	\$
Michael Pezzullo	Secretary	794,543	-	2,731	101,236	20,476	-	-	918,986
Michael Outram	ABF Commissioner	571,430	-	2,731	83,928	16,019	-	-	674,108
Marc Ablong	Deputy Secretary	412,471	-	2,731	64,846	10,889	-	-	490,747
Bradley Armstrong	Group Manager	327,489	-	2,731	55,587	8,719	-	-	394,525
Philippa de Veau (g)	Group Manager	113,113	-	776	16,597	2,895	-	-	133,380
Linda Geddes (h)	Deputy Secretary	262,085	-	1,939	48,317	7,526	-	-	319,867
Malisa Colighity	Deputy Secretary	365,484	-	2,731	73,825	11,292	-	-	453,331
Paul Grigson	Deputy Secretary	397,565	-	2,731	69,702	10,990	-	-	480,988
Andrew Kelford (i)	Acting Deputy Secretary	123,641	-	888	19,979	3,164	-	-	147,672
Karl Kent (j)	Commonwealth Transnational Serious and Organised Crime Coordinator	94,664	-	7,423	15,328	2,291	-	-	119,706
Alison Larkins (k)	Coordinator-General, Migrant Services	206,439	-	1,447	29,023	2,113	-	-	239,022
Luke Mansfield (l)	Acting Deputy Secretary	107,951	-	783	16,202	2,793	-	-	127,729
Michael Milford	Group Manager	373,909	-	2,731	52,176	6,502	-	-	435,317
Cheryl-Anne Moy	Deputy Secretary	385,527	-	2,731	69,770	10,840	-	-	468,867
Mandy Newton	Deputy Commissioner	412,910	-	2,758	57,421	11,110	-	-	484,199
David Nockels (m)	Acting Deputy Secretary	108,942	-	790	15,581	2,509	-	-	127,822
Justine Saunders	Deputy Commissioner	379,918	-	2,758	66,866	10,500	-	-	460,042
Chris Teal	National Counter Foreign Interference Coordinator	367,500	-	2,731	67,135	28,655	-	-	456,021
Kaylene Zakharoff	Group Manager	333,919	-	2,731	57,803	9,086	-	-	403,538

(a) Please refer to the financial statements that form Part 4 of this Annual Report for further details relating to the definition of a KMP for the Department have been assessed to be the Secretary, the Commissioner, substantive Deputy Secretaries, substantive Deputy Commissioners, substantive Group Managers, any officer occupying a substantive role at the SES Band 3 level or above, and potentially any individual who reports directly to the Secretary or ABF Commissioner. KMP also include those who have acted in, or occupied, any of the aforementioned roles for a continuous period of three months or more during the 2019–20 financial year.

(b) Base salary includes salary paid and accrued, salary paid while on annual leave, salary paid while on personal leave, annual leave accrued, and higher duties allowances.

(c) Other benefits and allowances include non-monetary benefits such as the provision of a car park.

(d) For individuals in a defined contribution scheme (for example PSSAP and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined benefit scheme (for example PSS and CSS), superannuation includes the relevant Notional Employer Contribution Rate and the Employer Productivity Superannuation Contribution.

(e) Long service leave comprises the amount of leave accrued and taken for the period.

(f) Total remuneration is calculated on an accrual basis in accordance with AASB 119 *Employee Benefits* with the exception of superannuation and non-monetary benefits. This means that there are differences between remuneration determined by the Remuneration Tribunal and the remuneration disclosed in the table.

(g) Commenced KMP role in March 2020.

(h) Ceased KMP role in March 2020.

(i) Includes remuneration while acting in KMP role.

(j) Ceased KMP role in October 2019.

(k) Commenced KMP role in December 2019.

(l) Includes remuneration while acting in KMP role.

(m) Includes remuneration while acting in KMP role.

Table 43: Remuneration Paid to Senior Executives in 2019–20

Remuneration Band	Number of senior executives (a)	Short-term benefits				Post-employment benefits		Other long-term benefits		Termination Benefits		Total Remuneration	
		Average base salary (b) \$	Average bonuses \$	Average Other benefits and allowances (c)		Average superannuation contributions (e) \$		Average Long service leave (f) \$		Average Termination Benefits (g) \$		Average Total reportable remuneration (h)	
				Overseas housing allowances (d) \$	Other \$							Excluding overseas housing allowances \$	Including overseas housing allowances \$
\$0 to \$220,000	48	93,436	-	2,378	3,483	16,058	2,507	-	-	-	-	115,484	117,862
\$220,001 to \$245,000	17	192,805	-	-	3,497	32,091	5,574	-	-	-	-	233,967	233,967
\$245,001 to \$270,000	46	211,409	-	742	4,173	35,921	5,637	-	-	-	-	257,140	257,862
\$270,001 to \$295,000	32	227,668	-	-	3,163	39,034	6,037	-	-	5,061	-	280,964	280,964
\$295,001 to \$320,000	21	252,361	-	719	6,543	40,890	6,615	-	-	-	-	306,408	307,127
\$320,001 to \$345,000	10	268,764	-	1,789	10,159	44,888	6,707	-	-	-	-	330,518	332,306
\$345,001 to \$370,000	9	270,556	-	-	2,784	46,141	7,078	-	-	30,178	-	356,737	356,737
\$370,001 to \$395,000	10	295,111	-	4,907	23,943	51,116	8,053	-	-	-	-	378,223	383,130
\$395,001 to \$420,000	1	333,222	-	-	2,731	57,937	8,680	-	-	-	-	402,570	402,570
\$420,001 to \$445,000	1	217,225	-	82,221	99,668	33,534	6,279	-	-	-	-	356,705	438,926
\$445,001 to \$470,000	1	72,434	-	-	2,731	14,198	-	-	-	377,966	-	467,329	467,329
\$470,001 to \$495,000	1	272,629	-	60,411	83,126	48,179	7,205	-	-	-	-	411,138	471,549
\$495,001 to \$520,000	1	418,822	-	-	27,704	61,951	4,511	-	-	-	-	512,988	512,988
\$520,001 to \$545,000	2	232,408	-	132,541	115,647	37,610	6,052	-	-	-	-	391,716	524,257
\$545,001 to \$570,000	2	254,394	-	120,883	132,609	43,807	6,731	-	-	-	-	437,541	558,434
\$570,001 to \$595,000	-	-	-	-	-	-	-	-	-	-	-	-	-
\$595,001 to \$620,000	1	220,713	-	192,872	145,523	41,096	6,256	-	-	-	-	413,588	606,460
more than \$620,000	1	265,376	-	96,016	205,525	48,147	7,298	-	-	-	-	526,347	622,363

(a) Senior executives comprise any individual who is an official with a classification in Group 9 to 11 of the table in Schedule 1 to the *Public Service Classification Rules 2000* and is not a KMP. It also includes individuals who have acted in a senior executive role for a continuous period of greater than six months. It includes senior executives employed for only part of the reporting period.

(b) Base salary includes salary paid and accrued, salary paid whilst on annual leave, salary paid while on personal leave, annual leave accrued, and higher duties allowances.

(c) Other benefits and allowances includes overseas living allowances, non-monetary benefits included in the Fringe Benefits Tax (FBT) Return for the year ended 31 March 2020 such as the provision of car parking, accommodation and utilities whilst posted overseas, and associated FBT. FBT is only included in calculating total remuneration where FBT is required to be reported on an employee's payment summary.

(d) Overseas housing benefits and allowances are disclosed as a separate component of 'Other benefits and allowances' and have been separated from 'Total remuneration' to illustrate the impact that the quantum and/or nature of these particular benefits and allowances have on total remuneration while still reporting the total remuneration of each relevant staff member as required by the disclosure requirements of the PGPA Rule.

(e) For individuals in a defined contribution scheme (for example PSSaP and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined benefit scheme (for example PSS and CSS), superannuation includes the relevant Notional Employer Contribution Rate and the Employer Productivity Superannuation Contribution.

(f) Long service leave comprises the amount of leave accrued and taken for the period.

(g) Termination benefits are payments that may be made in relation to the termination of a senior executive position.

(h) Total remuneration is calculated on an accrual basis in accordance with AASB 119 *Employee Benefits* with the exception of superannuation and non-monetary benefits.

Table 44: Remuneration paid to other highly paid staff in 2019-20

Remuneration Band	Number of highly paid staff (a)	Short-term benefits				Post-employment benefits	Other long-term benefits	Termination Benefits	Total Remuneration	
		Average base salary (b) \$	Average bonuses \$	Average Other benefits and allowances (c)					Average	
				Overseas housing allowances (d) \$	Other allowances (e) \$				Excluding overseas housing allowances \$	Including overseas housing allowances \$
\$225,001 to \$250,000	46	159,094	-	14,771	32,047	27,110	4,023	-	222,274	237,045
\$250,001 to \$275,000	38	123,643	-	43,014	69,179	21,319	3,181	-	217,322	260,337
\$275,001 to \$300,000	28	113,121	-	55,913	90,167	21,992	3,016	4,831	233,126	289,039
\$300,001 to \$325,000	22	108,512	-	76,383	101,241	20,821	2,881	-	233,455	309,838
\$325,001 to \$350,000	19	118,368	-	78,449	114,767	22,060	2,977	-	258,172	336,621
\$350,001 to \$375,000	9	128,644	-	78,645	126,899	24,583	2,589	-	282,715	361,361
\$375,001 to \$400,000	11	124,416	-	72,431	161,679	24,639	3,527	-	314,261	386,693
\$400,001 to \$425,000	4	133,900	-	101,927	145,495	24,536	3,727	-	307,659	409,585
\$425,001 to \$450,000	2	108,000	-	180,505	126,218	19,882	3,019	-	257,119	437,624
\$450,001 to \$475,000	1	125,161	-	134,612	162,103	27,165	3,729	-	318,159	452,770
\$475,001 to \$500,000	-	-	-	-	-	-	-	-	-	-
more than \$500,000	1	141,591	-	210,403	118,545	25,745	3,890	-	289,770	500,174

(a) Other highly paid staff include staff who are neither KMP nor senior executives and whose total remuneration for the reporting period exceeds \$225,000.

(b) Base salary includes salary paid and accrued, salary paid while on annual leave, salary paid while on personal leave, annual leave accrued, and higher duties allowances.

(c) Other benefits and allowances includes overseas living allowances, non-monetary benefits included in the Fringe Benefits Tax (FBT) Return for the year ended 31 March 2020 such as the provision of car parking, accommodation and utilities whilst posted overseas, and associated FBT. FBT is only included in calculating total remuneration where FBT is required to be reported on an employee's payment summary.

(d) Overseas housing benefits and allowances are disclosed as a separate component of 'Other benefits and allowances' and have been separated from 'Total remuneration' to illustrate the impact that the quantum and/or nature of these particular benefits and allowances have on total remuneration while still reporting the total remuneration of each relevant staff member as required by the disclosure requirements of the PGPA Rule.

(e) For individuals in a defined contribution scheme (for example PSSap and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined benefit scheme (for example PSS and CSS), superannuation includes the relevant Notional Employer Contribution Rate and the Employer Productivity Superannuation Contribution.

(f) Long service leave comprises the amount of leave accrued and taken for the period.

(g) Termination benefits are payments that may be made in relation to the termination of a position.

(h) Total remuneration is calculated on an accrual basis in accordance with AASB 119 Employee Benefits with the exception of superannuation and non-monetary benefits

# APPENDIX F: LEGAL SERVICES EXPENDITURE

Table 45 outlines the Department's legal services expenditure for 2019–20, in compliance with Paragraph 11.1(ba) of the *Legal Services Directions 2017*.

Table 45: Legal services expenditure

Description	2019–2020 cost (excluding GST)
Total legal services expenditure	\$112,437,589
Total external legal services expenditure	\$72,963,963
External expenditure on solicitors <sup>77</sup>	\$64,124,325
External expenditure on counsel <sup>78</sup>	\$6,809,688
Number of matters in which male counsel briefed—997	
Estimated value of briefs to male counsel	\$5,192,893
Number of matters in which female counsel briefed—370	
Estimated value of briefs to female counsel	\$1,616,795
Disbursements on external legal services	\$2,029,950
Total internal legal services expenditure	\$39,473,626
Employees	\$34,441,377
Overheads (for example, office stores and stationery, training and travel, property, and information technology related costs) <sup>79</sup>	\$5,032,248

77. 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.

78. Statistics on counsel briefs relate to finalised litigation matters only.

79. Overheads—indirect property and information technology costs are included. This amount is reported in accordance with *Office of Legal Services Coordination Guidance Note 8*.

# APPENDIX G: ADMINISTRATION OF THE OFFICE OF THE MIGRATION AGENTS REGISTRATION AUTHORITY

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## Overview of the Office of the Migration Agents Registration Authority

The Office of the Migration Agents Registration Authority (OMARA) regulates the activities of the Australian migration advice profession. This provides consumers of immigration assistance with appropriate protection and assurance.

In accordance with section 322 of the *Migration Act 1958* (Migration Act), OMARA is required to submit a report to the Parliament on the administration of Part 3 of the Migration Act during the financial year.

## Information about registered migration agents

### Overview of the profession

As at 30 June 2020, 7132 people were registered in Australia as registered migration agents. This compares with 7252 on 30 June 2019 and represents a 2 per cent decrease.

## Profile of registered migration agents:

- The average age of agents is 45 years
- 48 per cent female and 52 per cent male
- 2289 (32 per cent) of the total number of registered migration agents hold a legal practising certificate
- 72 per cent have never had a complaint made against them
- 39 per cent report operating in a business as a sole trader.

Table 46: Experience of registered migration agents, at 30 June 2020

Experience (years)	Agents	Per cent (of total agents)
<1	468	7%
1–3	1927	27%
4–6	1429	20%
7–9	822	12%
>10	2486	35%
<b>Total</b>	<b>7132</b>	<b>100%</b>

**Note:** percentage results may not add to 100 per cent due to rounding.

## Registration refusals and withdrawals

During 2019–20, nine registration applications were refused and 23 were withdrawn. Of these:

- nine repeat registration applications were refused — four based on fitness and propriety considerations, two as a result of the formerly registered migration agent being barred from re-registration, two as a result of the agent's current registration being cancelled, and one failed to meet residency requirements
- 23 applications were withdrawn in anticipation of the application being refused, with the reasons including not meeting the requirements for non-commercial registration, fitness and propriety considerations, registration suspension or cancellation and not meeting the residency or qualification requirements.

No initial applications were refused because the applicants were unable to meet registration requirements.

Compared to 2018–19, there were less applications refused (nine compared with 13) and less applications withdrawn (23 compared with 40). In 2018–19, the leading reason for withdrawals (20 of 40) was failure to meet English language requirements however in

2019–20 there were no withdrawals or refusals for this reason. This can be attributed to the introduction of higher technical proficiency requirements to register as a migration agent.

During 2019–20 there was a marked reduction in initial applications submitted by non-legal practising certificate (PC) holders. This can be attributed to more stringent entry requirements for non-PC holders, including the Capstone exam:

- Of 446 initial applications submitted, 386 (87 per cent) were submitted by applicants holding practising certificates.
- In 2018–19, of 637 initial applications submitted, 321 (50 per cent) were submitted by applicants holding practising certificates.

## Complaint processing

The OMARA received 538 complaints during 2019–20 and finalised 506 complaints. Merit and jurisdiction were established for 182 complaints. Of these, 133 were finalised with a finding that the agent had breached the Code of Conduct.

## Sanction outcomes

The OMARA sanctioned 24 registered migration agents, the subject of 54 complaints. Of those sanctioned, 11 registered migration agents had their registration cancelled, nine had their registration suspended and one was cautioned. The OMARA also barred three former agents from being registered for five years.

## OMARA review

The OMARA continues to implement two remaining recommendations from the 2014 Independent review of the Office of the Migration Agents Registration Authority (Kendall Review):

- **Removal of lawyers from the regulatory scheme:** Legislation to remove certain Australian Legal Practitioners from the OMARA regulatory scheme received royal assent on 22 June 2020 and will commence within nine months on a date yet to be determined.
- **Review of the Code of Conduct for Registered Migration Agents (the Code):** The OMARA finalised its review into the Code, which included an extensive round of stakeholder consultation. The review of the Code has been forwarded to the Office of Parliamentary Council for legislative drafting. Implementation of a new Code is expected in the 2020–21 program year.



# APPENDIX H: INFORMATION PUBLICATION SCHEME

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Australian Government agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information on their websites as part of an Information Publication Scheme. This includes the agency's structure, functions, appointments, annual reports, consultation arrangements and details of the agency's freedom of information officer. Information routinely released through freedom of information requests and provided to Parliament must also be published online.

The Information Publication Scheme is intended to form the basis for a more open and transparent culture across government, with agencies encouraged to take a proactive approach to publishing the information they hold, and to consider publishing information over and above what they are obliged to publish.

The Department, in accordance with the requirements of the FOI Act, publishes a number of freedom-of-information decisions in accordance with Part III of the FOI Act on our FOI Disclosure Log (with some exceptions).

In accordance with requirements set out in subsection 9(1) of the FOI Act, the Department completed a review of its operation of the Information Publication Scheme. This review was completed in conjunction with the Information Commissioner.

Information on the Department's Information Publication Scheme is available on our website.<sup>80</sup>

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80. [www.homeaffairs.gov.au/access-and-accountability/freedom-of-information/information-publication-scheme](http://www.homeaffairs.gov.au/access-and-accountability/freedom-of-information/information-publication-scheme)

# APPENDIX I: AUSCHECK BRANCH REPORTING

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AusCheck responds to ad hoc requests for information under paragraphs 14(2)(b)(iii) and 14(2)(b)(iia) of the *AusCheck Act 2007*.

During 2019–20, AusCheck received 18 requests for access to information stored in the AusCheck database for national security and law enforcement purposes, in comparison to 10 requests received in 2018–19.

Requests were received from the Australian Federal Police (nine requests) and the Department of Home Affairs, including the Australian Border Force (nine requests).



# PART 7

## REFERENCE MATERIAL

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# ABBREVIATIONS AND ACRONYMS

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A	
ABF	Australian Border Force
ABFC	Australian Border Force Cutter
ACC	Australian Crime Commission
ACIC	Australian Criminal Intelligence Commission
ACMA	Australian Communications and Media Authority
AUSTRAC	Australian Transaction Reports and Analysis Centre
AUSCO	Australian Cultural Orientation Program
ACSF	Australian Core Skills Framework
AIC	Australian Institute of Criminology
AFP	Australian Federal Police
AGDRP	Australian Government Disaster Recovery Payment
AHRC	Australian Human Rights Commission
ALO	Airline Liaison Officer
AMEP	Adult Migrant English Program
AML	Anti-Money Laundering
ANAO	Australian National Audit Office
ANZCTC	Australia-New Zealand Counter-Terrorism Committee
AO	Officer of the Order of Australia
AOT	Airports of Thailand
APEC	Asia-Pacific Economic Cooperation
APM	Australian Police Medal
APG	Asia Pacific Group on Money Laundering
APS	Australian Public Service
APSC	Australian Public Service Commission
ASFC	All Source Fusion Cell
ASIC	Aviation Security Identification Card
ASIO	Australian Security Intelligence Organisation
ATSOCC	Australian Transnational, Serious and Organised Crime Committee
ATT	Australian Trusted Trader

<b>B</b>	
BOC	Border Operations Centre
<b>C</b>	
CALD	Culturally and linguistically diverse
CASA	Civil Aviation Safety Authority
CCC	Crisis Coordination Centre
CFI	Counter foreign interference
CLO	Community Liaison Officer
COVID-19	Coronavirus disease 2019
CSP	Community Support Program
CTF	Counter-Terrorism Financing
CVE	Counter Violent Extremism
<b>D</b>	
DFAT	Department of Foreign Affairs and Trade
DISER	Department of Industry, Science, Energy and Resources
DRA	Disaster Recovery Allowance
<b>E</b>	
EEGO	Energy Efficiency in Government Operations policy
EL	Executive Level
<b>F</b>	
FIRB	Foreign Investment Review Board
FOI	Freedom of Information
<b>G</b>	
GFU	Global Feedback Unit
GSC	Global Service Centre
<b>H</b>	
HSP	Humanitarian Settlement Program
<b>I</b>	
ICAO	International Civil Aviation Organization
ICBP	International Capability Building Program
ICP	International Capability Plans
ICT	Information and communications technology
IFF	Illegal foreign fisher
IMA	Illegal Maritime Arrival
IOM	International Organization for Migration
<b>K</b>	
KMP	Key Management Personnel

<b>L</b>	
LGBTI	Lesbian, gay, bisexual, transgender or intersex
<b>M</b>	
MBC	Maritime Border Command
MCSI	Maritime Security Identification Cards
MLA	Mutual legal assistance
MOU	Memorandum of understanding
MRA	Mutual Recognition Arrangements
<b>N</b>	
NAIDOC	National Aborigines and Islanders Day Observance Committee
NCM	National Coordination Mechanism
NCP	National Compliance Plan
NPA	National Partnership Agreement
NSH	National Security Hotline
<b>O</b>	
OAIC	Office of the Australian Information Commissioner
OG	ABF Operations Group
OMARA	Office of the Migration Agents Registration Authority
OSB	Operation Sovereign Borders
OSINT	Open source intelligence
<b>P</b>	
PAES	Portfolio Additional Estimates Statements
PBS	Portfolio Budget Statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	<i>Public Governance, Performance and Accountability Rule 2014</i>
PJCIS	Parliamentary Joint Committee on Intelligence and Security
PNG	Papua New Guinea
PPE	Personal protective equipment
PSM	Public Service Medal
<b>S</b>	
SCG	Strategic Command Group
SDP	Service Delivery Partner
SES	Senior Executive Service
SETS	Settlement Engagement and Transition Support
SLG	Senior Leadership Group
STW	Single Trade Window

<b>T</b>	
TEO	Temporary Exclusion Order
TIS	Translating and Interpreting Service
TISN	Trusted Information Sharing Network
TMAC	Talent Management Advisory Committee
TSOC	Transnational, serious and organised crime
TSS	Telecommunications Sector Security
<b>V</b>	
VA	Virtual Assistant
VAC	Visa Application Charges
<b>W</b>	
WCO	World Customs Organization
WD	Workplace Determination
WHS	Work health and safety



# GLOSSARY

Term	Definition
<b>A</b>	
Airline Liaison Officer (ALO)	ABF staff located at key international airports to operate ahead of the border to identify and manage threats and risks before they reach the Australian border.
APS Values	Articulate the parliament's expectations of public servants in terms of performance and standards of behaviour.
Assisted voluntary return	A service delivered in partnership with the International Organization for Migration to provide immigration advice, counselling and financial support for clients wishing to return home but who require some support to do so, thus avoiding the need to detain and enforce removal.
Asylum seeker	Person claiming protection. As a party to the <i>1951 United Nations Convention Relating to the Status of Refugees</i> and its 1967 Protocol, Australia is committed to providing protection consistent with the obligations set out in the convention and other relevant international treaties to which Australia is a party.
Australian Border Operations Centre (ABOC)	A centralised operations centre, providing a single source of situational awareness of ABF operations. The ABOC unifies functional capabilities of the ABF into planning, executing, coordinating and managing national ABF activities and operations across the entire border continuum.
AusTender	The Australian Government's tendering system.
Australian Trusted Trader	A voluntary trade facilitation initiative open to all eligible Australian businesses active in the international trade supply chain.
<b>B</b>	
<i>Biosecurity Act 2015</i>	An Act to explain how Australia manages biosecurity threats to plant, animal and human health in Australian and its external territories.
Border continuum	The Department's approach which views the Australian border as a continuum that includes its overseas, maritime, physical and domestic dimensions.
<b>C</b>	
Child safeguarding framework	Outlines the principles, policies and procedures for the Department's staff and contracted service providers to safeguard the children who receive its services. The development of this framework was a focus of the independent Child Protection Panel.
Comcare	The statutory authority that administers the Australian Government's workers compensation scheme.
<i>Commonwealth Fraud Control Policy</i>	Supports accountable authorities of non-corporate Commonwealth entities to effectively discharge their responsibilities under the <i>Public Governance, Performance and Accountability Act 2013</i> and section 10 of the <i>Public Governance, Performance and Accountability Rule 2014</i> .
Commonwealth Grant Rules and Guidelines	The Australian Government grants policy framework applies to all non-corporate Commonwealth entities subject to the <i>Public Governance, Performance and Accountability Act 2013</i> .

Term	Definition
Community Support Program	From 1 July 2017, the establishment of 1,000 places by which communities and businesses can sponsor humanitarian visa applicants and support new arrivals.
Corporate plan	The corporate plan of an entity is the primary planning document for that entity and must address: introduction; purpose; environment; performance; capability and risk oversight; management of the entity.
COVID-19	A disease caused by a new strain of coronavirus, formerly referred to as '2019 novel coronavirus'.
Crisis Coordination Centre (CCC)	The Australian Government's 24/7 crisis management information and whole-of-government coordination facility.
<b>E</b>	
Examination	Examination of cargo by an ABF officer.
<b>F</b>	
Fraud and Corruption Control Plan	The Department's plan for managing fraud and corruption.
<b>G</b>	
GrantConnect	Provides centralised publication of forecast and current Australian Government grant opportunities and grants awarded.
Green lease schedule	A formal commitment to energy efficiency developed by the Department of Environment and Energy to reduce energy consumption by Australia Government operations.
<b>H</b>	
Harmony Day	A celebration of Australia's cultural diversity, held yearly on 21 March. It coincides with the United Nations International Day for the Elimination of Racial Discrimination.
Humanitarian Program	Australia's Humanitarian Program comprises offshore resettlement and onshore protection components.
<b>I</b>	
Illegal Maritime Arrival	'Illegal' refers to the mode of entry of persons who enter Australia by boat without a valid visa. Asylum seekers and migrants who are smuggled to Australia may breach border controls and domestic laws in entering and seeking protection in Australia. The <i>Migration Act 1958</i> refers to 'unauthorised arrivals' but in this annual report the term used is 'illegal maritime arrivals'.
ImmiAccount	Single entry point for individuals, registered migration agents, service delivery partners, business and stakeholders to access the Department's online services.
Inspection	May include use of non-intrusive examination through X-ray technology (static or mobile), trace particle detection, detector dogs or physical examination of cargo.
International Capacity Building Program	A scheme to develop and strengthen the skills, abilities, processes and resources of international organisations and communities.
Intervention	Actions undertaken by ABF officers to prevent and detect the import or export of prohibited items and to control the movement of restricted items. Includes examinations and inspections.
<b>L</b>	
Legacy caseload	The Department's term to describe the cohort of Illegal Maritime Arrivals

Term	Definition
<b>M</b>	
Migration Program	The annual planned permanent intake determined by the Australian Government in a budgetary context which governs the number of visas granted for permanent entry from offshore and for permanent resident status onshore. It does not include New Zealand citizens intending to settle permanently in Australia.
<b>N</b>	
NAIDOC Week	NAIDOC (National Aboriginal and Islander Day Observance Committee) Week is a celebration of the history, culture and achievements of Aboriginal and Torres Strait Islander peoples.
National Coordination Mechanism (NCM)	Operates through the Department of Home Affairs to coordinate the whole-of-government response with states and territories to issues outside of the direct health management of COVID-19.
National Security Hotline	A portal to report suspicious activity, administered by the Attorney General's Department.
<b>O</b>	
Office of the Migration Agents Registration Authority	An office within the Department of Home Affairs that regulates the migration advice industry to provide appropriate protection and assurance to people using migration advice services.
Onshore and offshore	Unless otherwise indicated, 'onshore' and 'offshore' refer to the location of a person at the time they apply for a visa or visa grant.
Operation Arête	Operation Arête is an enduring operation that builds upon our current work to strengthen our integrity framework and embed a positive integrity culture within the Department.
Operation BANDORA	An ABF operation focused on mitigating the risk of travellers transmitting COVID-19 through coordination of border responses to the exclusion orders issued by the Prime Minister on 1 February 2020
Operation PINCER	An ABF operation to support the Department of Health in the repatriation of Australian citizens from mainland China to Australia.
Operation Sovereign Borders	Operation Sovereign Borders is a military-led, whole-of-government border security operation to combat maritime people smuggling.
<b>P</b>	
Portfolio Budget Statements	Documents that inform parliamentarians and the public of the proposed allocation of resources to achieve government outcomes.
<i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act)	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.
<i>Public Service Act 1999</i>	The principal Act governing the operation of the Australian Public Service.
<b>R</b>	
Refugee and Humanitarian Assistance Program	A program designed to ensure that Australia can respond effectively to global humanitarian needs and have support services available to meet the specific needs of people entering under the program.
Refugee	A person recognised as needing protection under the <i>1951 United Nations Convention Relating to the Status of Refugees</i> .
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.

Term	Definition
<b>S</b>	
SmartGate	The Department's Automated border processing system.
Special Eligibility stream	A subset of the Migration Program that provides for the migration of former residents of Australia.
Supermarkets Taskforce	A taskforce convened by the Department of Home Affairs comprising representatives from government department, supermarkets, the grocery supply chain and the Australian Competition and Consumer Commission. The taskforce was established to resolve issues impacting supermarkets as a result of COVID-19 and to ensure consumers continue to have reliable and fair access to groceries.
<b>T</b>	
Tariff classification	Goods imported into Australia require classification under the <i>Customs Tariff Act 1995</i> .
Temporary visas or temporary entry visas	Visas that provide for the temporary entry of people from overseas for purposes that benefit Australia, such as tourism, study, work or other activities. From 2014–15 this definition was expanded to include Special Category (subclass 444) visas provided to New Zealanders when they enter Australia.
TIS National	Provides interpreting services in more than 160 languages and dialects for people who do not speak English and for organisations that need to communicate with non-English-speaking clients.
Transferee	An IMA transferred to an offshore processing centre in an offshore regional processing country.

# PGPA RULE LIST OF REQUIREMENTS

PGPA Rule Reference	Part of Report	Description	Requirement
<b>17AD(g)</b>	<b>Letter of transmittal</b>		
17AI	Letter of transmittal	A copy of the letter of transmittal signed and dated by Accountable Authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
<b>17AD(h)</b>	<b>Aids to access</b>		
17AJ(a)	Contents	Table of contents.	Mandatory
17AJ(b)	Reference material	Alphabetical index.	Mandatory
17AJ(c)	Reference material	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	Reference material	List of requirements.	Mandatory
17AJ(e)	Page ii	Details of contact officer.	Mandatory
17AJ(f)	Page ii	Entity's website address.	Mandatory
17AJ(g)	Page ii	Electronic address of report.	Mandatory
<b>17AD(a)</b>	<b>Review by Accountable Authority</b>		
17AD(a)	Secretary's Review	A review by the Accountable Authority of the entity.	Mandatory
<b>17AD(b)</b>	<b>Overview of the entity</b>		
17AE(1)(a)(i)	About the Department About the ABF	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	Organisational Structure (Department and ABF)	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	Performance Reporting	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	Performance Reporting	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	The Executive Team	Name of the Accountable Authority or each member of the Accountable Authority	Mandatory
17AE(1)(aa)(ii)	The Executive Team	Position title of the Accountable Authority or each member of the Accountable Authority	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AE(1)(aa)(iii)	The Executive Team	Period as the Accountable Authority or member of the Accountable Authority within the reporting period	Mandatory
17AE(1)(b)	About the Portfolio	An outline of the structure of the portfolio of the entity.	Portfolio departments—mandatory
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
<b>17AD(c)</b>	<b>Report on the Performance of the entity</b>		
	<i>Annual Performance Statements</i>		
17AD(c)(i); 16F	Annual Performance Statement	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
<b>17AD(c)(ii)</b>	<b>Report on Financial Performance</b>		
17AF(1)(a)	Part 3: Report on financial performance	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	Appendix C: Report on financial performance	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	Part 3: Report on financial performance	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory
<b>17AD(d)</b>	<b>Management and Accountability</b>		
	<i>Corporate Governance</i>		
17AG(2)(a)	Letter of transmittal	Information on compliance with section 10 (fraud systems)	Mandatory
17AG(2)(b)(i)	Letter of transmittal	A certification by Accountable Authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	Letter of transmittal	A certification by Accountable Authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	Letter of transmittal	A certification by Accountable Authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(2)(c)	Enterprise governance	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d)-(e)	Non-compliance with Finance law	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, Mandatory
<b>Audit Committee</b>			
17AG(2A)(a)	Governance arrangements — Audit Committee	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	Governance arrangements — Audit Committee	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	Governance arrangements — Audit Committee	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	Governance arrangements — Audit Committee	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	Governance arrangements — Audit Committee	The remuneration of each member of the entity's audit committee.	Mandatory
<b>External Scrutiny</b>			
17AG(3)	Reports by external bodies	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	Judicial and administrative tribunal decisions	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	Complaints	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	Capability Reviews	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
<b>Management of Human Resources</b>			
17AG(4)(a)	People management and development	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	Workforce profile	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender (d) statistics on staff location	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(4)(b)	Workforce profile	<p>Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following:</p> <ul style="list-style-type: none"> <li>• Statistics on staffing classification level;</li> <li>• Statistics on full-time employees;</li> <li>• Statistics on part-time employees;</li> <li>• Statistics on gender;</li> <li>• Statistics on staff location;</li> <li>• Statistics on employees who identify as Indigenous.</li> </ul>	Mandatory
17AG(4)(c)	Employee entitlements	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory
17AG(4)(c)(i)	Employee entitlements	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	Employee entitlements	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	Non-salary benefits	A description of non-salary benefits provided to employees.	
17AG(4)(d)(i)	Performance pay	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	Performance pay	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	Performance pay	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	Performance pay	Information on aggregate amount of performance payments.	If applicable, Mandatory
<b>Assets Management</b>			
17AG(5)	Assets management	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, Mandatory
<b>Purchasing</b>			
17AG(6)	Purchasing and procurement	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
<b>Consultants</b>			
17AG(7)(a)	Consultancy services	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST).	Mandatory



PGPA Rule Reference	Part of Report	Description	Requirement
17AG(7)(b)	Consultancy services	A statement that <i>"During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]"</i> .	Mandatory
17AG(7)(c)	Consultancy services	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	Consultancy services	A statement that <i>"Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website."</i>	Mandatory
<b>Australian National Audit Office Access Clauses</b>			
17AG(8)	ANAO access clauses	If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
<b>Exempt contracts</b>			
17AG(9)	Exempt contracts	If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
<b>Small business</b>			
17AG(10)(a)	Small and medium enterprises	A statement that <i>"[Name of entity] 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."</i>	Mandatory
17AG(10)(b)	Small and medium enterprises	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(10)(c)	Small and medium enterprises	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] 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.”	If applicable, mandatory
<b>Financial Statements</b>			
17AD(e)	Part 4: Financial Statements	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
<b>Executive Remuneration</b>			
17AD(da)	Appendix D	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory
<b>17AD(f) Other Mandatory Information</b>			
17AH(1)(a)(i)	Advertising and market research	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, mandatory
17AH(1)(a)(ii)	Advertising and market research	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, mandatory
17AH(1)(b)	Grants program	A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, mandatory
17AH(1)(c)	Disability reporting mechanisms	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	Appendix G	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	Appendix B	Correction of material errors in previous annual report	If applicable, mandatory
17AH(2)	Ecologically sustainable development and environmental performance, Appendix E, F, H	Information required by other legislation	Mandatory

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