

# Overview

*Enriching Australia through the well-managed entry and settlement of people*

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# The year at a glance

Table 1: Snapshot of activity in 2008–09<sup>1</sup>

<b>Migration and temporary entry</b>	
Total permanent and temporary visas granted	4 338 427
Total visitor visas granted offshore <sup>2</sup>	3 328 112
Electronic Travel Authority grants	2 325 836
Working Holiday and Work and Holiday visas granted	194 103
Student visas granted	320 368
Temporary residents (other) visas granted	37 892
Temporary skilled migration visas granted (subclass 457)	101 280
Family Stream outcome	56 366
Skill Stream outcome	114 777
State/Territory or Employer Sponsored visas granted	59 214
Total Migration Program outcome	171 318
Revenue generated by visa applications	\$751.8 million
<b>Refugee and humanitarian entry</b>	
Humanitarian Program visas granted	13 507
<b>Border security</b>	
Passenger and crew arrivals and departures	26.1 million
Immigration clearances refused at airports	1 284
Immigration clearances refused at seaports	229
Irregular maritime arrivals (excluding crew)	992
<b>Compliance</b>	
Percentage of temporary entrants and permanent visa holders who complied with their visa conditions	Greater than 99%
Unlawful non-citizens located	11 428
Notices issued to employers of illegal workers	597
Removals and assisted departures	6 818
<b>Detention</b>	
Foreign fishers taken into immigration detention	176
Foreign fishers in immigration detention on 30 June 2009	1
Visa overstayers or people who breached visa conditions taken into immigration detention	1 372

Table 1: Snapshot of activity in 2008–09<sup>1</sup> *continued*

<b>Detention <i>continued</i></b>	
Visa overstayers or people who breached visa conditions in immigration detention on 30 June 2009	156
Irregular maritime arrivals taken into immigration detention (including crew)	1 043
Irregular maritime arrivals in immigration detention on 30 June 2009	782
Total number of people taken into immigration detention	3 977
Total number of people released or removed from immigration detention	3 342
Total number of people in immigration detention on 30 June 2009	1 036
<b>Settlement</b>	
Refugees who arrived and received help through the Integrated Humanitarian Settlement Strategy	12 035
Migrant community service grants managed through the Settlement Grants Program	345
<b>Citizenship</b>	
Number of people conferred Australian citizenship at ceremonies	86 981
People approved as Australian citizens by conferral, descent and resumption	118 196
Calls to Citizenship Information Line	649 413
<b>Multicultural affairs</b>	
Event registrations for Harmony Day	4 401
Diverse Australia website—number of page views	234 961
<b>Client contact</b>	
Calls to contact centres	1 840 795
Telephone interpreting calls	735 185
<b>Litigation</b>	
Administrative law matters resolved in courts and the Administrative Appeals Tribunal	2 763
Percentage in favour of minister (that proceeded to defended hearings in court)	94%
<b>Staff</b>	
Australia-based staff	7 027
Overseas staff (locally engaged employees)	1 016
Total staff as at 30 June 2009	8 043

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

2. This is inclusive of Electronic Travel Authority grants.

## The secretary's review

This year marks the 60th anniversary of the creation of the status of Australian citizenship. Since 1949, citizenship has been conferred on more than four million migrants.

During the reporting year, my staff met Mr Angelo Muguira who became a citizen at the first ceremony held in 1949. Now with 22 direct descendants, Mr Muguira typifies the nation-building benefits we can reap over many decades from issuing a single migrant visa.



Since the Department of Immigration was established on 13 July 1945, about seven million people have been granted a visa for permanent migration. As a result, Australia is among the world's most culturally diverse nations with almost half of us having direct or familial links to another country.

Approximately 45 per cent of all Australians were born overseas or have at least one parent who was born overseas

*2006 Census, Australian Bureau of Statistics*

Australia has also derived substantial economic benefits from the government's skilled migration and temporary entry policies and programs during the past six and a half decades. Skilled migrants are filling positions that remain in chronic shortage despite the impacts of the global economic crisis. International students and visitors to Australia make a substantial contribution to our foreign exchange revenue. Australia has also reaped social benefits through the high levels of community harmony and cohesion which draw our diverse society together, so we are regarded internationally as a friendly, respectful and welcoming people. Australia's changing demographic profile means these policies and services will be valuable in the decades ahead.

During the year, the department's nation-building activities contributed significantly to the Australian Government's policy priorities. Our administration of migration and citizenship programs supported the priority of 'Building a stronger Australia' through the lasting economic contributions of skilled migrants and temporary entrants and the civic contributions of citizens.

We supported the priority of 'Building a fairer Australia' through our administration of our humanitarian programs and our settlement programs which aim to give new arrivals a strong start in Australia. Our cultural diversity programs provide further support and encourage respect in the community for the cultural associations of all Australians.

We are addressing the priority of 'Preparing for the challenges of the future' through our readiness to assist the economic recovery with targeted skilled migration programs and by anticipating the effects of demographic change and climate change in our planning for the next decade and beyond.

In preparing the *DIAC Strategic Plan 2009–12* (launched on 21 May 2009), I consulted all staff and key stakeholders on changing our purpose statement, which now reads: **Building Australia's future through the well-managed entry and settlement of people.**

As the year closed, our 8043 staff (including about 1000 staff overseas) were engaged in delivering improved and responsive client service across a global network. We were also implementing a demanding program of policy reforms for the minister and government, engaging with a diverse range of stakeholders and managing reductions in migration program targets and resources flowing from the global economic crisis.

In the rest of this review, I will highlight some key developments and challenges across our work in permanent migration and temporary entry, refugee and humanitarian entry, border security, immigration compliance and detention, citizenship, multicultural affairs and settlement.

## Evaluation of the Palmer and Comrie reform agenda— including related Ombudsman reports

Since mid-2005, the department has undertaken an extensive cultural and business transformation dating back to the release of the Palmer, Comrie and subsequent Ombudsman's reports. In July 2008, I commissioned Ms Elizabeth Proust to undertake an independent review of the department's achievements. She concluded the department has made very substantial reform progress since 2005 and the implementation of the reforms was essentially complete, with appropriate plans in place in the few remaining areas she identified as requiring further consideration.

As a result of her recommendations for minor improvement or review, engagement with external stakeholders has increased, including informing them about progress with the reform agenda. Ms Proust also emphasised the need for continuing strong management focus on the roll-out of the *Systems for People* business transformation program and our leadership and engagement with staff.

'I believe that the time has come to move on from the current focus on Palmer and Comrie to a focus on building and maintaining a high performance culture...'

*Ms Elizabeth Proust, November 2008*

Following the success of these reforms, we are entering a new phase of activity in which we are building on our reforms and the lessons learned, including by strengthening our ability to innovate using a stronger evidence base.

## Support for the minister and parliamentary secretary

The department continued to give strong and responsive support to the Minister for Immigration and Citizenship, Senator Chris Evans, and the Parliamentary Secretary for Multicultural Affairs and Settlement Services, Mr Laurie Ferguson MP.

The minister is pursuing a substantial reform agenda across the portfolio in areas such as migration, temporary skilled entry, immigration detention, compliance, border security and onshore protection.

## Migration Program

The outcome for the 2008–09 permanent Migration Program was 171 318. This included a Skill Stream of 114 777 places, a Family Stream of 56 366 places and 175 Special Eligibility places. Overall, the permanent migration program met the government's objective of ensuring that Australia's critical skill shortages were met, while also helping to maintain growth in Australia's working age population.

In March 2009, in response to the deteriorating economic climate, the permanent migration program planning levels for 2008–09 were revised down to just under 172 000 places from the original planning level of some 190 000 places. Of this, the skilled migration component was reduced by 14 per cent, or 18 500 places. At the same time there was an increase in the proportion of employer and state sponsored components, which support Australian industry by ensuring that critical in-demand skill shortages are addressed.

These demand driven elements of the skilled migration program contributed to nearly 45 per cent of the total skilled migration program. The reduction and restructuring of the skilled migration program, in the wake of the global economic crisis, was a demonstration of the responsiveness of the migration program to achieve the maximum economic and social benefit for Australia during these uncertain times.

In 2008–09, 101 280 subclass 457 visas were granted to temporary skilled workers and their dependants. This was a decrease of 8.4 per cent compared with the previous year. The program responded quickly to changes in the labour market flowing from the global economic crisis with the number of applications lodged in June 2009 being 40 per cent lower than those lodged in September 2008.

Reforms are underway following extensive reviews and consultations to ensure the subclass 457 visa program is responsive to the needs of the labour market and also protects the employment and training opportunities of Australians as well as the rights of overseas workers.

Following the *2007–08 Review of Statutory Self-Regulation of the Migration Advice Profession*, the government established the Office of the Migration Agents Registration Authority. This office reports directly to me and although part of the department, it has its own independent management structure. This change is intended to increase confidence in the integrity of the regulation of registered migration agents.

## Humanitarian Program and settlement

The department granted 13 507 visas under the program, including 788 visas in the Woman at Risk category. The intake was drawn from the three priority regions of Africa, Asia, and Middle East/South West Asia.

On 9 August 2008, the Temporary Protection visa arrangements were abolished. From 1 July 2009 the '45 day rule' which denied work rights and Medicare access to some protection visa applicants was abolished.

Following a successful pilot, the department rolled out the national Complex Case Support program to deliver specialised and intensive case management services to humanitarian entrants with exceptional needs.

The government also announced a longer term planning framework for the Humanitarian Program which will further support the resettlement of refugees in protracted situations and provide certainty to allow longer term commitments to be made to particular groups of refugees.

*'Australia has one of the best refugee resettlement programs in the world.'*

*United Nations High Commissioner for Refugees, Mr António Guterres, March 2009*

## Citizenship and multicultural affairs

To mark the 60th anniversary of the creation of the status of Australian citizenship the Governor-General opened Citizenship Place by the shores of Lake Burley Griffin in Canberra. The Prime Minister launched the 60th anniversary celebrations at the National Capital Australia Day ceremony, and a coin commemorating the anniversary was released by the Royal Australian Mint. An article about the celebrations follows my review.

The Australian Multicultural Advisory Council was established by the minister to advise the government on practical approaches to promoting social cohesion, engaging migrants in Australian society and overcoming racism and intolerance.

The Diverse Australia Program was launched by the parliamentary secretary following an internal review of the Living In Harmony Program. Harmony Day has been retained and continues to increase in popularity with 4401 Harmony Day events registered on the department's website this year.

## New directions in detention and compliance

While compliance with Australia's visa programs continues at a very high level, some people overstay visas or otherwise have issues that require resolution of their immigration status.

The minister announced the government's key immigration detention values in July 2008. These provided a new framework to guide our approach to immigration detention by maintaining a commitment to effective border management while treating unlawful non-citizens with compassion.

The values underpin a risk-based approach to immigration detention which focuses on the prompt resolution of immigration status, using a range of interventions.

Significant progress has been made to ensure immigration detention is only used where clients may represent an unacceptable risk to the community.

Throughout the year, the department promoted early engagement with clients on bridging visas as a way of ensuring better immigration status resolution, with the Community Status Resolution Service formally established in December 2008.

The government provided \$77.4 million over four years in the 2009–10 Budget to fund an expansion of this service nationally, as well as funds for a national assisted voluntary return scheme. The Budget decision also created an ongoing program of support and assistance for the most vulnerable, to support the resolution of their immigration status.

As a result, more people are able to have their immigration status resolved while they remain in the community on bridging visas. Rates of compliance with bridging visa requirements remain high. In addition, where immigration detention has been required to resolve a case, the department has been able to significantly reduce the time spent in detention.

## Border management

Despite the global economic crisis, we facilitated the entry and departure from Australia of an increasing number of people. A total of 26.1 million passenger and crew arrivals and departures were processed during 2008–09 compared to 25.7 million in 2007–08. There were 1513 people refused immigration clearance at Australia's airports and seaports for a range of reasons including suspect bona fides.

The Maritime Crew visa has been a highly successful border security initiative, with the department sharing a special award and commendation in the Prime Minister's awards for excellence in public sector management.

Noting the UN High Commissioner for Refugees has estimated the number of forcibly displaced people worldwide at 42 million, there were 992 irregular maritime arrivals (excluding crew) during the year with 722 of these people in immigration detention on Christmas Island at 30 June 2009.

The department has developed a strong cooperative relationship in recent years with Indonesia's Directorate-General of Immigration and other immigration services in our region. These relationships have served to strengthen regional efforts to combat people smuggling, human trafficking and transnational crime.

The irregular nature of the arrivals and the need to respond immediately and with due concern for their welfare drew significantly on the department's resources.

At the end of the year, a significant effort was underway so the people remaining on Christmas Island would have their claims promptly and carefully assessed under the government's refugee status determination procedures.

## Systems for People

*Systems for People* is the department's technology-enabled transformation of how we conduct our business. This program reached a high tempo of activity with four major product releases during the year. Highlights include the successful completion of the Security Referral Service project—a fundamental component of the border security initiative. In addition we have made further progress in delivering compliance, case management and detention services in line with the New Directions in Detention policy.

The online Visa and Citizenship Wizards won the prestigious 2009 eAward for Excellence in eGovernment for the department. The department was also highly commended for its eVisitor service, an online facility that allows European Union nationals to lodge visa applications electronically.

*'The Visa and Citizenship Wizards highlight how ICT can be resourcefully applied to the delivery of government services, not only for the benefit of our citizens, but also for prospective Australians and visitors to our country.'*

*The Hon. Lindsay Tanner, Minister for Finance and Deregulation, 14 May 2009*

At the close of the reporting year, the department was preparing substantial enhancements to the generic visa portal which will fundamentally transform and improve the way we process visas.

## International engagement

The reinvigoration of the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime led to significant departmental activity. Representatives from 40 countries and key international organisations attended the Bali Process Regional Ministerial Conference. Outcomes included a renewed regional commitment to address people smuggling and an agreement that an Ad Hoc Group be re-formed to cooperatively address issues of displacement in the region.

I attended the Five Country Conference in Canada in June. This is an annual gathering of immigration, citizenship and border control agency heads from Australia, Canada, New Zealand, the United Kingdom and the United States of America. Discussions ranged across the impact of the global economic downturn, fraud and risk assessment, biometrics and technology, trusted traveller programs, intelligence sharing, and cooperation on issues around health checking.

## World Youth Day

World Youth Day was one of the largest events the department has been involved in, comparable to the requirements for the Sydney Olympic Games. The department granted approximately 71 000 fee-free World Youth Day visas as well as more than 30 000 other tourist visas. Staff worked hard to facilitate the entry of these people and leave a lasting positive image of Australia with them.

## Clarke Inquiry into the case of Dr Mohamed Haneef

The Clarke Inquiry into the case of Dr Mohamed Haneef was tabled in parliament on 23 December 2008. The department recognised the importance of this investigation in improving public administration and cooperated fully with the inquiry. All recommendations have been accepted by the government and are being implemented by the department in conjunction with other agencies.

## Commonwealth and Immigration Ombudsman's reports on the 247 referred cases

As part of its continuing process of reform and resolving past issues, the department continued to actively pursue the resolution of status and compensation (where appropriate) for people within the 247 cases which were referred to the Ombudsman in 2005.

The department strives to reach out of court settlements fairly and reasonably so as to avoid undue costs and further distress to affected persons. During 2008–09 the department reached out of court settlements with 32 people for events which occurred between December 1998 and March 2006.

## Coronial Inquest into the loss of the *Malu Sara*

In February, the Queensland State Coroner handed down his findings and recommendations concerning the tragic loss in the Torres Strait of the *Malu Sara*, an immigration response vessel, in October 2005. Five people died as a result of this avoidable tragedy, two of whom were departmental employees.

The department cooperated fully with the inquest, providing extensive information to help the coroner. Upon receipt of the coroner's findings, I immediately instituted a code of conduct inquiry into the department's former regional manager for the Torres Strait. The officer chose to resign before the investigation could be completed and, as there is no provision under the *Public Service Act 1999* to investigate a former APS officer, the investigation was closed. The department has also cooperated closely with Comcare and awaits the release of its report and findings.

I want to again acknowledge the department's deep sadness on the loss of life and record the department's condolences to the families, friends and colleagues of those who were lost, and also to the wider Torres Strait communities. The department is deeply sorry that the tragic sequence of events as described by the coroner occurred, and for the losses suffered by all those affected by this avoidable tragedy.

The department has since made changes and improvements to its procedures to ensure that such a tragedy could never occur again, and that the welfare and wellbeing of staff will always be a paramount objective in our operations. The department has advised the coroner of the actions taken in relation to his recommendations.

We are continuing to explore ways to honour and remember those who died. We are also seeking to provide the best possible support we can to those staff most affected. In February, our Movement Monitoring Officers held a healing session and a plaque in memory of our staff lost as a result of the tragedy is making its way around each of our offices in the Torres Strait.

## Litigation

As at 30 June 2009, there were 828 matters before the courts and the Administrative Appeals Tribunal challenging migration decisions. A further 34 civil compensation claims were before the courts. The continuing trend of a reduction in the caseload before the courts is due, in large part, to the significant efforts of the department, the Attorney-General's Department and the courts to clear the backlog of migration matters. This is a pleasing result that will assist in further reducing the time taken to resolve cases for our clients. The minister's 'success' rate of defended matters in the courts remains very high.

## Commonwealth and Immigration Ombudsman

The Ombudsman's office has noted significant improvements in the department's complaint handling capability throughout 2008–09. This has led to the decision that most complaints to the Ombudsman can be referred to our Global Feedback Unit for resolution in the first instance.

As a result of improved communications, the Ombudsman's office has also decided to reduce the quarterly reporting arrangements on the department's activities to once every six months.

## Freedom of Information

More than 10 500 Freedom of Information (FOI) requests were received. At 30 June 2009, 966 requests were on hand, with 211 cases more than 30 days overdue. This was a significant improvement on previous years.

A pro-disclosure culture has been adopted and promoted throughout the department in preparation for the implementation of substantial amendments to the *Freedom of Information Act 1982* in 2010.

## Corporate enabling services

Our corporate areas continued to perform strongly to 'enable' the business of the department. For example:

- more than 2000 staff have been trained since the College of Immigration commenced, including field compliance staff, detention services staff and investigators
- approximately 3000 employees received face-to-face refresher training on the APS Values and Code of Conduct during the year
- the introduction of an on-line Performance and Development Agreement and 360 degree feedback tool facilitated performance management
- the results of the 2008 staff survey were a key input into the development and refinement of strategic and divisional business plans for the current financial year
- five Bills were introduced to parliament, 63 regulation amendments were made and 3757 legal advisings matters were provided in-house with an additional 530 legal advisings being provided by the department's external legal services panel and the Attorney-General's Department
- a total of 2763 matters were resolved in the courts and the Administrative Appeals Tribunal with 94 per cent of defended court matters resolved in the minister's favour
- the commissioning of an online newsroom and a dedicated YouTube immigration channel supported journalists and others seeking quick access to internally produced broadcast and multimedia materials, as well as more than 300 portfolio media releases
- more than 3050 media enquiries were responded to, resulting in the preparation of 1200 sets of talking points for the media
- ongoing cooperation with the Seven Network in the filming of one of Australia's most popular TV series, 'Border Security', continued to promote the department's operations and activities to an Australia-wide audience of between 1.5–2 million people each week.

## Formulation of long-term policy directions

I established a Policy Innovation and Research Unit, reporting directly to me, in July 2008. The unit identifies and analyses long-term policy issues and provides strategic policy advice to the minister and my Executive Committee.

The research program was approved in October 2008 with commissioned research projects covering the settlement outcomes of new arrivals, the contribution of humanitarian entrants and the long-term impact of the migration program.

I also appointed a chief economist to strengthen our capability in this critical area of government policy and decision-making and support an improved understanding among staff and externally of the economic impacts and benefits of migration.

## Client service

The department continued to identify and drive strategies to improve client service in approximately 100 offices across our Australian and overseas network.

The 2008 Client Service Intercept Poll results indicate that 91 per cent of clients surveyed were 'very satisfied' or 'satisfied' with the in-person service they received at a number of state and territory office locations. About 98 per cent of surveyed clients visiting an office reported being treated with courtesy along with 99 per cent who telephoned the department.

In the 2008 Centres of Excellence Client Satisfaction Survey, overall satisfaction levels were high across all client groups surveyed, with 80 per cent responding they were 'satisfied' to 'very satisfied' with the service they received.

Among other improvements, the Business Liaison and Systems Taskforce has ensured our stronger client focus is reflected in our information technology systems, such as the *Systems for People* generic visa portal.

## Stakeholder engagement

Feedback from stakeholders continues to acknowledge increased levels of engagement and the value of the business and cultural improvements recognised in the review by Ms Elizabeth Proust.

Amongst the range of community engagement activities pursued by the department, five practitioner information forums were held across Australia during July and August with positive feedback from participants.

## Staff welfare

The department's Comcare premium has reduced substantially, by almost \$3 million in 2008–09. This reflects the vigorous implementation of our *Injury Prevention and Management Plan 2006–2009* and the Comcare Partnership Agreement. Staff are benefiting through the successful focus on injury prevention and improved strategies to manage their claims and return to the workplace.

## Staff survey

Each of the three staff surveys since 2005 has shown overall improvement and we substantially exceeded our overall performance improvement target in the 2008 survey.

We now also compare well with Australian benchmarks—we are above or equal to the public sector benchmark in six of the seven drivers of motivation, and our commitment levels remain considerably above the public sector mean.

While these overall results are pleasing, I am keen to improve these scores, including by addressing issues around leadership and leadership communication. We conducted employee focus groups to gain an understanding about leadership concerns, implemented a new performance management strategy and rolled out local leadership discussion and action strategies. The 2009 staff survey will include additional questioning on leadership issues to clarify staff views.

## Charitable and community activities

This year, the department's social clubs around Australia were again active in hosting events to raise money for charity, with more than \$60 000 raised through events such as a Masquerade Ball for the Australian Red Cross, Movember, Shave for a Cure and Pink Ribbon Day.

In addition, staff also responded generously to the devastating loss of life in the Victorian bushfires, with \$50 000 raised through the social clubs and other informal fund raising efforts, \$215 000 raised through joint fundraising efforts with other government agencies at our overseas posts and more than \$20 000 donated to the Red Cross through our workplace giving program.

I am a White Ribbon ambassador and seek to eliminate violence against women by engaging other men to challenge existing attitudes and behaviour, and create respectful relationships with women.

## Conclusion

The 2008–09 reporting year was another busy and productive period for the department.

We have responded vigorously to the requirements of the minister and parliamentary secretary, and in implementing the government's broader reform agenda. This work has occurred despite significant budget pressures, which we are continuing to address through savings reviews, structural reform and reduction in staffing numbers.

I offer my thanks to our senior leaders and our staff for their many and valuable contributions during the year. There is strong recognition among staff of the value of our nation-building activities and many people have provided extraordinary levels of service this year.

## Outlook

At the close of the year, preparations were underway to chart a new direction for the department.

A new structure will group responsibility for all policy and program management functions, thereby increasing our policy and evaluation focus in response to the government's forward agenda.

Corporate and business support services will also be grouped to provide strategic advice, streamlined and efficient services, and an enhanced focus on risk, program integrity and fraud.

A new client services transformation strategy will clearly put our clients at the centre of our work, while seeking to deliver significant efficiencies. Our vision is that all client interactions will be managed in a globally integrated way, through greater use of electronic and self help services, risk tiering of work, smart centres and service delivery partners.

This transformation strategy underscores our challenge to work as a globally integrated organisation, dedicated to continuously improving our performance and productivity, so that we deliver better migration and citizenship outcomes for our clients and Australia, now and into the future.

Andrew Metcalfe

Secretary



## Celebrating 60 years of citizenship

The 60th anniversary of Australian citizenship is being celebrated during 2009. It involves a year long program of events and ceremonies celebrating the meaning and importance of Australian citizenship while reflecting on the changes that shaped the nation over the past 60 years.

On 26 January 1949 the *Nationality and Citizenship Act 1948* came into effect, creating the new status of Australian citizen. Prior to this, most people living in Australia were considered British subjects. The introduction of this piece of legislation meant people could truly call themselves Australian. Since the first citizenship ceremony 60 years ago, more than four million people have chosen to become Australian citizens.

Celebrations for the 60th anniversary were launched at Canberra's Australia Day citizenship ceremony in Commonwealth Park. The event included the opening of Citizenship Place by Her Excellency the Hon. Ms Quentin Bryce AC, Governor-General of the Commonwealth of Australia. The site, on the shores of Lake Burley Griffin, features a timeline wall and engraving of the Australian citizenship affirmation and will be a focus for future citizenship celebrations.



Other celebrations included a mass citizenship ceremony on Australia Day in Perth where the Minister for Immigration and Citizenship Senator Chris Evans addressed 1863 citizenship conferees. The Australian Football League co-sponsored ceremonies in Melbourne and special citizenship ceremonies were also held as part of Refugee Week activities in Adelaide and Melbourne.

Senator Evans said the 60th anniversary is an opportunity to reflect on the changes that have shaped the nation and for all Australians to understand the role that citizenship plays in building a strong and unified nation.

Photos

Opposite page: Ms Rachel Low became an Australian citizen during ACT Seniors Week.

This page (clockwise from top): Athletes at a naturalisation ceremony before the Olympic Games in Rome in 1960, Citizenship Place was opened by Her Excellency the Hon. Ms Quentin Bryce AC Governor-General of the Commonwealth of Australia and a commemorative coin was minted to mark the 60th Anniversary of Australian Citizenship (image supplied by the Royal Australian Mint).

## Executive

### Andrew Metcalfe, Secretary



Andrew Metcalfe is Secretary of the Department of Immigration and Citizenship, responsible for its administration and strategic direction. He provides senior counsel on major and sensitive policy issues to the minister.

He was appointed as secretary in July 2005 after serving for three years as a deputy secretary in the Department of the Prime Minister and Cabinet.

'This year saw significant implementation of the government's policy agenda and independent confirmation of the success of the department's four year cultural and business transition.

Our objective is to work as a global organisation, dedicated to continuously improving our performance and productivity, so that we deliver better migration and citizenship services for our clients and outcomes for Australia, now and into the future.'

### Bob Correll PSM, Deputy Secretary



Bob Correll is Deputy Secretary responsible for the Borders, Detention and Technology Group. He transferred to the department from the position of Deputy Secretary of Workforce Participation at the Department of Employment and Workplace Relations in July 2005.

'This year we have made significant progress in rolling out the *Systems for People* program to transform the department's business through technology innovation, and in implementing the government's New Directions in Detention initiative.

We also made major advances in cooperating with other countries on preventing people-smuggling and in establishing the nature of claims for protection of irregular maritime arrivals and subsequently determining their immigration status.'

## Felicity Hand, Deputy Secretary



Felicity Hand is Deputy Secretary responsible for the Client and Corporate Services Group.

Prior to joining the department in May 2009, she held senior corporate and operational leadership roles in Broken Hill Proprietary Corporation Limited, Sensis Pty Ltd and the Department of Foreign Affairs and Trade.

‘My priority was to structure my group so that we could improve client service across all channels in Australia and overseas. We also faced a significant task in managing reductions in our budget flowing from the global economic crisis.

We are working towards further improvements in client service and using our corporate service functions to strongly enable the major business programs of the department.’

## Peter Hughes PSM, Deputy Secretary



Peter Hughes is Deputy Secretary responsible for the Migration, Refugee, Citizenship and Compliance Group.

Prior to August 2006, he was head of the department’s Refugee, Humanitarian and International Division, which included responsibility for Australia’s offshore refugee resettlement program.

‘The 60th anniversary of the creation of the status of Australian citizenship was a valuable opportunity to publicise the importance of citizenship and the work of the department.

We also delivered substantial Migration and Humanitarian Programs and the migrants granted visas will contribute to the economic strength and wellbeing of the nation for decades to come.

I was especially pleased we could deliver on the government’s expectation that we could manage case resolution in the community and avoid immigration detention, except for clients presenting a clearly unacceptable risk.’

# Portfolio and departmental overview

Figure 1: Portfolio and departmental structure



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

During the year, the government established the Office of the Migration Agents Registration Authority. This office reports directly to the secretary of the department and although part of the department, has its own independent management structure. The office commenced operations on 1 July 2009.

## Purpose

In 2008–09 the department's purpose statement was 'enriching Australia through the well-managed entry and settlement of people'. In May 2009 the purpose statement changed to become 'building Australia's future through the well-managed entry and settlement of people'.

This change reflected an increased focus on the department's contribution to nation-building and the ongoing economic

and social benefits that will develop over many decades from the department's activities.

## Role and functions

The Department of Immigration and Citizenship is a policy, program and service delivery agency. Its services are delivered through offices in every state and territory and more than 60 countries.

The services provided in Australia and overseas include:

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

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

## Corporate planning

In 2008–09, the department was responsible for the following two outcomes to government and the Australian community.

1. Contributing to Australia's society and its economic advancement through the lawful and orderly entry and stay of people.
2. A society which values Australian citizenship and social cohesion, and enables migrants and refugees to participate equitably.

For 2009–10, the outcome structure has changed to reflect the intent of Operation Sunlight. This is the government's reform initiative to improve the openness and transparency of public sector budgetary and financial management and to promote good governance practices. The six outcomes to be reported against are more detailed, informative and descriptive of the department's activities:

Outcome 1: Managed migration through visas granted for permanent settlement, work, study, tourism, working holidays or other specialised activities in Australia, regulation, research and migration policy advice and program design.

Outcome 2: Protection, resettlement and temporary safe haven for refugees and people in humanitarian need through partnering with international agencies; assessing humanitarian visa applications; and refugee and humanitarian policy advice and program design.

Outcome 3: Lawful entry of people to Australia through border management services involving bona fide traveller facilitation; identity management; document verification; intelligence analysis; partnerships with international and domestic agencies; and border policy advice and program design.

Outcome 4: Lawful stay of visa holders and access to citizenship rights for eligible people through promotion of visa compliance responsibilities, status resolution, citizenship acquisition integrity, case management, removal and detention, and policy advice and program design.

Outcome 5: Equitable economic and social participation of migrants and refugees, supported through settlement services, including English language training; refugee settlement; case coordination; translation services; and settlement policy advice and program design.

Outcome 6: A cohesive, multicultural Australian society through promotion of cultural diversity and a unifying citizenship, decisions on citizenship status, and multicultural and citizenship policy advice and program design.

## Strategic priorities

The *DIAC Strategic Plan 2008–11* outlined the department's strategic priorities for 2008–09 and beyond as being to:

1. Position migration, both permanent and temporary, as a key enabler of Australia's prosperity and social cohesion.
2. Create a simpler and more responsive client focused migration and humanitarian system.
3. Maintain public confidence in border management.
4. Enhance the delivery of humanitarian, settlement, Australian citizenship and cultural diversity programs.
5. Continue to develop a highly productive, performance focused workforce.
6. Manage the department's resources strategically and with integrity.

The *DIAC Strategic Plan 2009–12* was launched during 2008–09 and reflects the 2009–10 outcome structure. It provides a high-level framework to guide the department's future management of policies, programs and service delivery. It is a key document in outlining how the department will work with stakeholders and the community.

As set out in the plan, the department will:

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

## Legislation

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

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

These Acts and associated regulations are available on the ComLaw website, administered by the Attorney-General's Department at [www.comlaw.gov.au](http://www.comlaw.gov.au)

Five Bills were introduced to the parliament during the 2008–09 financial year. In the same period, a total of 63 regulations were made.

## Advisory bodies

Several non-statutory bodies advised the portfolio during 2008–09, including the:

- Australian Multicultural Advisory Council
- Refugee Resettlement Advisory Council
- Immigration Detention Advisory Group
- Detention Health Advisory Group.

# Organisational structure

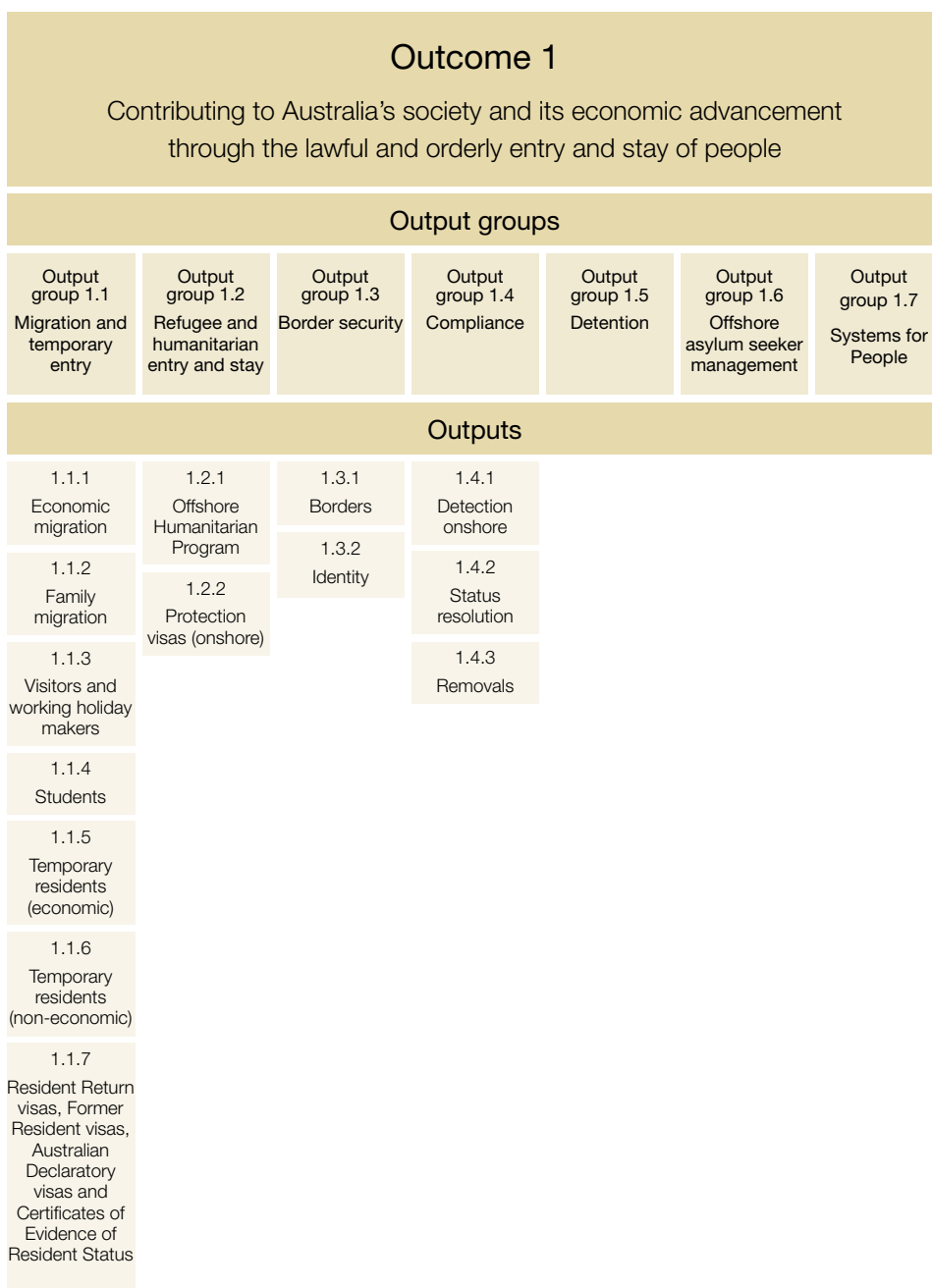
Figure 2: Organisational structure as at 30 June 2009





# Outcome and output structure

Figure 3: Outcome and output structure



## Outcome 2

A society which values Australian citizenship and social cohesion,  
and enables migrants and refugees to participate equitably

### Output groups

Output 2.1 Settlement services	Output 2.2 Translating and interpreting services	Output 2.3 Australian citizenship	Output 2.4 Promoting the benefits of a united and diverse society	Output 2.5 Systems for People
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### Outputs

2.1.1 Settlement planning and information delivery	2.2.1 Document translating	2.3.1 Decisions on citizenship status
2.1.2 Humanitarian settlement services	2.2.2 Telephone interpreting	2.3.2 Promotion of the value of Australian citizenship
2.1.3 Support for community services	2.2.3 On-site interpreting	
2.1.4 Adult Migrant English Program administration		
2.1.5 Free translating and interpreting services		

## Summary of financial performance

The department's budget remained steady during 2008–09 despite the impacts of the global economic crisis. Falls in activity levels for border security (airport arrivals) and some visa processes were offset by increased numbers of irregular maritime arrivals.

A new funding model was approved by government and took effect from 1 July 2008. The new funding model is price based. The new model has a fixed and variable component, with variable funding adjusted to reflect actual movements in workload in line with movements in the department's key workload drivers (that is, visa finalisations, citizenship decisions and border movements).

The variable component comprises fixed unit prices and estimated activity levels that are adjusted, within the financial year, through the Additional Estimates process and reconciled with the Department of Finance and Deregulation at the end of the financial year. The fixed funding element and unit prices are adjusted each year by the Wage Cost Index less the Efficiency Dividend.

The funding model also includes funding for some prescribed activities under a no-win no-loss arrangement (such as status resolution and irregular people movements). The cost of these items are fully reconciled as part of the end of year reconciliation process.

The increase in irregular maritime arrivals late in the year had a significant impact on expenditure as did the government's New Directions in Detention policy which caused a large increase in the amount of reviews conducted in relation to the status resolution of persons without immigration status.

Other business factors that impacted on the department's financial outcome are as follows:

- The increased expenditure in Output group 1.1 Migration and temporary entry was caused by preparations for expected activity levels which did not eventuate due to the global economic crisis. The reduced activity level consequentially lowered the revenue received by the department.
- Activity levels for Output group 2.3 Australian citizenship were above expectation resulting in increased revenue. Notwithstanding this increase in activity, efficiencies in processing were made causing a decrease in expenditure.

The financial statements show an operating loss of \$47.6 million for the 2008–09 financial year, compared to a real operating loss of \$5.2 million (\$34.4 million less handback of \$39.6 million) in 2007–08.

The main factors contributing to the 2008–09 operating loss were:

- foreign exchange losses due to the weakening Australian dollar
- increase in the provision of employee entitlements as a result of the fall in interest rates
- provision for voluntary redundancies and surplus lease space as a result of the department's planned downsizing exercise
- the write down of some assets.

From 1 July 2008, the following programs were transferred from departmental to administered items: Integrated Humanitarian Settlement Strategy contracts (Output 2.1.2), Detention (Output group 1.5), and Offshore asylum seeker payments (Output group 1.6). Costs and appropriation for these programs that relate to staffing and day-to-day administration have continued as departmental items.

The department's balance sheet as at 30 June 2009 shows current assets of \$296 million (\$355 million in 2007–08) against current liabilities of \$267 million (\$279 million in 2007–08). The current assets figure includes \$282 million in cash, appropriation and other receivables, while the current liabilities include \$136 million accounts payable and the balance relates to leave provisions.

Table 2: Summary of financial performance 2008–09

	Budget (\$'000s)	Actual (\$'000s)
Outcome 1: Contributing to Australia's society and its economic advancement through the lawful and orderly entry and stay of people		
Total administered expenses (including third party outputs)	\$177 283	\$190 581
Price of departmental outputs		
Output group 1.1 Migration and temporary entry	\$492 404	\$534 830
Output group 1.2 Refugee and humanitarian entry and stay	\$75 337	\$87 806
Output group 1.3 Border security	\$200 866	\$186 573
Output group 1.4 Compliance	\$122 283	\$123 267
Output group 1.5 Detention	\$37 826	\$46 228
Output group 1.6 Offshore asylum seeker management	\$59 644	\$58 856
Output group 1.7 <i>Systems for People</i>	\$80 687	\$82 956
Total Outcome 1	\$1 069 047	\$1 120 516
Revenue from government (appropriation) for departmental outputs	\$1 036 537	\$1 036 537
Revenue from other sources	\$32 510	\$27 890
Total price from outputs	\$1 069 047	\$1 064 427
Total for Outcome 1 (total price from outputs and administered expenses)	\$1 246 330	\$1 255 008
Outcome 1 2008–09 average staffing levels (including overseas locally engaged staff)		6 702
<p>The differences between the budget and actual columns above are largely due to a different method used in attributing overhead costs to the different outputs. The actual column better reflects actual expenses where they have been incurred. In particular, Output group 1.1 overheads are higher than budget, and Output group 1.3 overheads are lower. The department will seek to align overhead budget attributions with expenses at Additional Estimates 2009–10.</p>		

Table 2: Summary of financial performance 2008–09 *continued*

	Budget (\$'000s)	Actual (\$'000s)
Outcome 2: A society which values Australian citizenship and social cohesion, and enables migrants and refugees to participate equitably		
Total administered expenses (including third party outputs)	\$309 737	\$275 925
Price of departmental outputs		
Output group 2.1 Settlement services	\$65 237	\$65 808
Output group 2.2 Translating and interpreting services	\$19 655	\$19 861
Output group 2.3 Australian citizenship	\$77 782	\$70 216
Output group 2.4 Promoting the benefits of a united and diverse society	\$16 217	\$16 682
Output group 2.5 <i>Systems for People</i>	\$14 498	\$13 608
Total Outcome 2	\$193 389	\$186 175
Revenue from government (appropriation) for departmental outputs	\$172 083	\$172 083
Revenue from other sources	\$21 306	\$22 593
Total price from outputs	\$193 389	\$194 676
Total for Outcome 2 (total price from outputs and administered expenses)	\$503 126	\$470 601
Outcome 2 2008–09 average staffing levels (including overseas locally engaged staff)		1 078