

**Department of Immigration and
Multicultural and Indigenous
Affairs**

DEPARTMENT OF IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS

Section 1: Overview, appropriations and budget measures summary

DEPARTMENT OVERVIEW

DIMIA's mission is *Australia, enriched through the entry and settlement of people; valuing its heritage, citizenship and cultural diversity; and recognising the special place of Indigenous people as its original inhabitants.*

The Department's first outcome is *contributing to Australia's society and its economic advancement through the lawful and orderly entry and stay of people.* Activities under this outcome include the delivery of the annual Migration (non-Humanitarian) and Humanitarian Programs, temporary business entry, students and visitor programs, with a high level of integrity. Crucial to the integrity of the programs is the lawfulness of individual decisions, which are underpinned by the availability, where appropriate, of independent review to be delivered by the MRT and the RRT.

The Department's second outcome is to contribute to *a society which values Australian citizenship, appreciates cultural diversity, and enables migrants to participate equitably.* Activities under this outcome include the provision of settlement services, including adult English language training, translating and interpreting services, activities to promote the value of Australian citizenship and decisions on citizenship status and implementation of the Government's policy initiatives, *Multicultural Australia - United in Diversity*, (updating the 1999 *New Agenda for Multicultural Australia*) and *Living in Harmony*.

The Department's third outcome is *sound and well-coordinated policies, programs and decision-making processes in relation to Indigenous affairs and reconciliation.* Activities under this outcome include assisting the Minister for Immigration and Multicultural and Indigenous Affairs in his parliamentary duties, developing and evaluating policy and promoting better outcomes for Indigenous people from government programs. The Department provides advice on major and emerging issues in relation to reconciliation, the social and economic position of Indigenous people in Australia, land and resource matters, litigation involving the Commonwealth and international Indigenous matters.

The Purchasing Agreements under which DIMIA operated between 1999 and 2003 were originally scheduled to be reviewed for those components affected by

Part C: DIMIA Budget Statements

Competitive Tendering and Contracting and benchmarking in 2003-04, with a more holistic review and a new agreement to be renegotiated in 2004-05. Since the current agreement was implemented, however, the environment in which DIMIA operates has changed significantly. The Purchasing Agreement was reviewed and a standard departmental appropriation funding arrangement put in place for 2003-04. A more thorough review of DIMIA processes will be undertaken during 2003-04 to determine funding arrangements for 2004-05 and forward years.

The Department also acts in partnership with other Commonwealth agencies, other levels of government and the broader Australian community in order to deliver its outcomes. Arrangements exist with agencies such as:

- Attorney-General's Department (AG's);
- AusAID;
- Australian Customs Service (ACS);
- Australian Federal Police (AFP) (and other law enforcement agencies – State and Federal);
- Australian Taxation Office (ATO);
- Australian Tourist Commission (ATC);
- Centrelink;
- Department of Agriculture, Forestry and Fisheries Australia (AFFA) (including Australian Quarantine and Inspection Service);
- Department of Defence (Defence);
- Department of Education, Science and Training (DEST);
- Department of Employment and Workplace Relations (DEWR);
- Department of Family and Community Services (FaCS);
- Department of Foreign Affairs and Trade (DFAT);
- Department of Health and Ageing;
- Department of Industry, Tourism and Resources (DITR);
- Department of Transport and Regional Services (DOTARS);
- Health Services Australia (HSA);

Section 1: Overview, appropriations and budget measures summary

- National Exchange of Police Information; and
- Social Security Appeals Tribunal (SSAT).

Additionally, the Department's work on a range of issues, including settlement services and Indigenous issues, engages a range of Commonwealth, State, Territory, Local Government and community agencies.

BUDGET MEASURES

Measures in the 2003-04 Budget include:

- A Safer Australia – enhanced border protection processing systems;
- A Safer Australia – relocation of operations in Manila;
- Assurance of Support Scheme – improved operation;
- Community Settlement Services Scheme – update on funding;
- Cross-portfolio Indigenous flexible funding arrangements;
- Department of Immigration and Multicultural and Indigenous Affairs - review of funding arrangements;
- Humanitarian Program 2003-04 – coordinating community support;
- Immigration detention onshore – review of long term strategy;
- International Education package;
- Iraq – reopening of an Australian office;
- Multicultural policy development and implementation – extension of funding; and
- Reconciliation Place – stage two.

Post 2002-03 Mid Year Economic and Fiscal Outlook (MYEFO) Measures include:

- Christmas Island Permanent Immigration Reception and Processing Centre – completion of construction.

APPROPRIATIONS AND RESOURCING

The total appropriation for the Department in the 2003-04 Budget is \$1.08 billion.

Part C: DIMIA Budget Statements

Department of Immigration and Multicultural and Indigenous Affairs — appropriations 2003-04

Table 1.1: Appropriations and other revenue (\$'000)

Outcome	Departmental (price of outputs) (\$'000)					Administered (\$'000)				
	Revenue from Government (appropriations)	Special approps ⁽⁵⁾	Revenue from other sources ⁽⁴⁾	Price of outputs ⁽³⁾	Price of outputs ⁽³⁾	Annual appropriations	Special appropriations ⁽⁵⁾	Total administered appropriations	Total appropriations	
	Bill No. 1 (A)	(B)	(C = A+B) (C1) ⁽¹⁾	(D)	(E = C+D) (E1) ⁽¹⁾	Bill No. 1 (F)	Bill No. 2 (SPPs & NAOs) ⁽²⁾ (G)	(H)	(I = F+G+H) (I1) ⁽¹⁾	(J=C+I)
Outcome 1 - Contributing to Australia's society and its economic advancement through the lawful and orderly entry and stay of people	665,059	-	665,059	14,210	679,269	129,285	-	4,000	133,285	798,344
			97.9%							
Outcome 2 - A society which values Australian citizenship, appreciates cultural diversity and enables migrants to participate equitably	113,046	-	113,046	13,209	126,255	144,862	1,823	-	146,685	259,731
			89.5%							

Section 1: Overview, appropriations and budget measures summary

Table 1.1: Appropriations and other revenue (\$'000) continued

Outcome	Departmental (price of outputs) (\$'000)					Administered (\$'000)				Total appropriations (\$'000)
	Revenue from Government (appropriations)		Revenue from other sources ⁽⁴⁾	Price of outputs ⁽³⁾	Annual appropriations	Special appropriations ⁽⁵⁾	Total administered appropriations	Total appropriations		
	Bill No. 1 (A)	Special approps ⁽⁵⁾ (B)	Total (C = A+B) (C1) ⁽¹⁾	(D)	(E = C+D) (E1) ⁽¹⁾	Bill No. 1 (F)	Bill No. 2 (SPPs & NAOs) ⁽²⁾ (G)	(H)	(I = F+G+H) (I1) ⁽¹⁾	(J=C+I)
Outcome 3 - Sound and well-coordinated policies, programs and decision-making processes in relation to Indigenous affairs and reconciliation	3,343	-	3,343	36	3,379	5,554	-	-	5,554	8,897
			98.9%							
Total	781,448	-	781,448	27,455	808,903	279,701	1,823	4,000	285,524	1,066,972
			(K1) ⁽¹⁾						(K2) ⁽¹⁾	
									Departmental capital (equity injections and loans) (K3) ⁽¹⁾	13,236
									Administered capital (K4) ⁽¹⁾	-
									Total appropriations	1,080,208

1. Cells C1, E1 and I1 refer to information provided in Total Resources for Outcome tables. Amounts K1, K2 to Budgeted Statement of Financial Performance, and amounts K3, K4 to Capital Budget Statements.

2. Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPP's), new agency Outcomes (NAO's), administered capital and departmental capital via departmental injections and loans.

3. Refer to Budgeted Statement of Financial Performance for application of agency revenue.

4. Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources (for example, sales of goods and services)

5. Estimated expenses from individual Special Appropriations are shown in Table 1.4.

Note: Percentage figures indicate the percentage contribution of revenue from government (departmental appropriations) to the Total Price of Outputs, by outcome.

MEASURES — DEPARTMENT SUMMARY

Table 1.2.1: Summary of revenue measures disclosed in the 2003-04 Budget

Measure	Outcome	Revenue budget 2003-04 (\$'000)			Revenue forward estimate 2004-05 (\$'000)			Revenue forward estimate 2005-06 (\$'000)			Revenue forward estimate 2006-07 (\$'000)		
	&	Admin revenue	Dept outputs	Total	Admin revenue	Dept outputs	Total	Admin revenue	Dept outputs	Total	Admin revenue	Dept outputs	Total
	Output												
International Education package:		16,314	-	16,314	20,167	-	20,167	23,306	-	23,306	26,409	-	26,409
Professional Development Visa	1	2,156	-	2,156	3,212	-	3,212	3,293	-	3,293	3,375	-	3,375
Student Guardian Visa	1	644	-	644	1,154	-	1,154	1,180	-	1,180	1,207	-	1,207
Student Visa Application Charge	1	13,514	-	13,514	15,801	-	15,801	18,833	-	18,833	21,827	-	21,827

Section 1: Overview, appropriations and budget measures summary

Table 1.2.2: Summary of expense measures disclosed in the 2003-04 Budget

Measure	Outcome	Appropriations budget 2003-04 (\$'000)			Appropriations forward estimate 2004-05 (\$'000)			Appropriations forward estimate 2005-06 (\$'000)			Appropriations forward estimate 2006-07 (\$'000)		
	&	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
	Output												
A Safer Australia - enhanced border protection processing systems	1.1, 1.3	-	4,890	4,890	-	1,622	1,622	-	-	-	-	-	-
Assurance of Support Scheme - improved operation	1.1	-	(75)	(75)	-	(75)	(75)	-	(75)	(75)	-	(75)	(75)
Christmas Island Permanent Immigration Reception and Processing Centre - completion of construction	1.5	-	(260)	(260)	-	(322)	(322)	-	(3,292)	(3,292)	-	2,600	2,600
Community Settlement Services Scheme - update on funding	2	932	-	932	-	-	-	-	-	-	-	-	-

Part C: DIMIA Budget Statements

Table 1.2.2: Summary of expense measures disclosed in the 2003-04 Budget (continued)

Measure	Outcome & Output	Appropriations budget 2003-04 (\$'000)			Appropriations forward estimate 2004-05 (\$'000)			Appropriations forward estimate 2005-06 (\$'000)			Appropriations forward estimate 2006-07 (\$'000)		
		Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
		Cross-portfolio Indigenous flexible funding arrangements	3	3,000	-	3,000	3,000	-	3,000	-	-	-	-
Department of Immigration and Multicultural and Indigenous Affairs - review of funding arrangements	1, 2, 3	-	97,831	97,831	-	(a)	-	-	(a)	-	-	(a)	-
Humanitarian Program 2003-04 - coordinating community support	1.2	-	-	-	-	-	-	-	-	-	-	-	-
Immigration detention onshore - review of long term strategy	1.3	-	(7,104)	(7,104)	-	(9,588)	(9,588)	-	(9,731)	(9,731)	-	(9,877)	(9,877)

(a) Provision for forward estimate funding has been made within the Contingency Reserve pending a review of DIMIA processes, to be undertaken in 2003-04.

Section 1: Overview, appropriations and budget measures summary

Table 1.2.2: Summary of expense measures disclosed in the 2003-04 Budget (continued)

Measure	Outcome & Output	Appropriations budget 2003-04 (\$'000)			Appropriations forward estimate 2004-05 (\$'000)			Appropriations forward estimate 2005-06 (\$'000)			Appropriations forward estimate 2006-07 (\$'000)		
		Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
		International Education package:		-	6,609	6,609	-	(a)	-	-	(a)	-	-
Electronic initiatives	1.1	-	489	489	-	(a)	-	-	(a)	-	-	(a)	-
Increased profile of Australia's	1.1	-	2,604	2,604	-	(a)	-	-	(a)	-	-	(a)	-
Onshore compliance enhancements	1.1	-	910	910	-	(a)	-	-	(a)	-	-	(a)	-
Professional Development Visa	1.1	-	1,895	1,895	-	(a)	-	-	(a)	-	-	(a)	-
Student Guardian Visa	1.1	-	617	617	-	(a)	-	-	(a)	-	-	(a)	-
Working holiday maker arrangements	1.1	-	94	94	-	(a)	-	-	(a)	-	-	(a)	-

(a) Provision for forward estimate funding has been made within the Contingency Reserve pending a review of DIMIA processes, to be undertaken in 2003-04.

Part C: DIMIA Budget Statements

Table 1.2.2: Summary of expense measures disclosed in the 2003-04 Budget (continued)

Measure	Outcome & Output	Appropriations budget 2003-04 (\$'000)			Appropriations forward estimate 2004-05 (\$'000)			Appropriations forward estimate 2005-06 (\$'000)			Appropriations forward estimate 2006-07 (\$'000)		
		Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
	Iraq - reopening of an Australian office	1.1, 1.2	-	512	512	-	519	519	-	526	526	-	532
Multicultural policy development and implementation - extension of funding	2.4	-	1,100	1,100	-	1,114	1,114	-	1,128	1,128	-	-	-
Reconciliation Place - stage two	3	1,054	-	1,054	-	-	-	-	-	-	-	-	-

Note: The expense figures reported above represent the financial impact of the measure on the Fiscal Balance. The resourcing does not include the effect of any depreciation expense (where relevant), which is a non-cash expense.

Section 1: Overview, appropriations and budget measures summary

Table 1.2.3: Summary of capital measures disclosed in the 2003-04 Budget

Measure	Outcome & Output	Appropriations budget 2003-04 (\$'000)			Appropriations forward estimate 2004-05 (\$'000)			Appropriations forward estimate 2005-06 (\$'000)			Appropriations forward estimate 2006-07 (\$'000)		
		Admin capital	Dept capital	Total	Admin capital	Dept capital	Total	Admin capital	Dept capital	Total	Admin capital	Dept capital	Total
		A Safer Australia - enhanced border protection processing systems	1	-	3,998	3,998	-	1,678	1,678	-	1,287	1,287	-
A Safer Australia - relocation of operations in Manila	1	-	-	-	-	-	-	-	-	-	-	-	-
Christmas Island Permanent Immigration Reception and Processing Centre - completion of construction	1.5	-	(74,698)	(74,698)	-	-	-	-	-	-	-	-	-
Immigration detention onshore - review of long term strategy	1	-	5,647	5,647	-	-	-	-	-	-	-	-	-
International Education - Professional Development Visa	1	-	1,032	1,032	-	-	-	-	-	-	-	-	-
Iraq - reopening of an Australian office	1	-	-	-	-	-	-	-	-	-	-	-	-

Note: The Capital figures reported above represent the financial impact of the measure on the Fiscal Balance. It does not include the effect of the non-cash depreciation expense on the value of capital assets.

RECEIPTS FROM INDEPENDENT SOURCES

Table 1.3: Receipts from independent sources

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000
Administered ¹		
Outcome 1	-	-
Outcome 2	-	-
Outcome 3	-	-
Total administered receipts	-	-
Departmental ²		
Outcome 1	12,708	9,610
Outcome 2	13,329	13,033
Outcome 3	49	31
Total departmental receipts	26,086	22,674
Total receipts from independent sources	26,086	22,674

Note 1: Receipts from independent sources equals the estimated level of receipts which under section 31 agreements agencies are permitted to spend, such as those resulting from the sale of goods and services. The calculation excludes GST receipts and administered receipts which must be paid to the Official Public Account and are not available for agencies to spend. DIMIA has no administered receipts from independent sources.

Note 2: Departmental receipts from independent sources relates to cash received from cost recovery activities undertaken by the Department. Receipts from independent sources represents revenue less increases in associated receivables and bad debts. Please refer to Section 4 - Cost Recovery Arrangements for a full explanation of cost recovery activities undertaken. Associated revenue by outcome is available within the Total Resources for Outcome tables in Section 2.

SPECIAL APPROPRIATIONS

Table 1.4: Estimates of expenses from special appropriations

	Outcome affected	Estimated expenses 2002-03 \$'000	Estimated expenses 2003-04 \$'000
Statutory self-regulation of migration agents	1	3,000	4,000 ¹
Total estimated expense		3,000	4,000

1. Refer to Table 1.1 Appropriation and other revenue

The Department has one special appropriation *Statutory self-regulation of migration agents*. The migration advice industry in Australia is regulated by an arrangement called 'statutory self-regulation'. Authority is derived from Part 3 – Migration Agents and Migration Assistance of the *Migration Act 1958*. The Minister for Immigration and Multicultural and Indigenous Affairs has appointed the industry body Migration Institute of Australia (MIA) as the regulatory authority known as Migration Agents Registration Authority (MARA). The MARA is responsible for the registration of migration agents, education and professional standards and complaints handling and discipline within the industry.

The significant increase in estimated expenses for 2003-04 is primarily due to an increase in registration fees commencing from 1 July 2003 and a general increase in the registrations and renewal applications processed by MARA.

SPECIAL ACCOUNTS

Table 1.5: Estimates of special account flows and balances

	Estimate - 2003-04 Heavy figures			
	Estimated actual - 2002-03 Light figures			
	Opening Balance ¹	Receipts ²	Payments	Closing Balance
	2003-04	2003-04	2003-04	2003-04
	2002-03	2002-03	2002-03	2002-03
	\$'000	\$'000	\$'000	\$'000
Outcome 1				
Australian Population Multicultural and Immigration Research Program Account - s20 FMA Act (A)	173 217	100 100	100 144	173 173
Cross - Outcome Special Accounts				
Services for other Governments and Non-departmental bodies - S20 FMA Act (A)	422 422	1,100 1,100	1,100 1,100	422 422
Other Trust Monies - S20 FMA Act (A)	30,306 20,306	54,000 54,000	41,000 44,000	43,306 30,306
Total Special Accounts	30,901 20,945	55,200 55,200	42,200 45,244	43,901 30,901

Note 1: The opening balance for 2003-04 is the same as the closing balance for 2002-03.

Note 2: Receipts from appropriations are further specified by outcome within tables 2.1.1, 2.1.2 and 2.1.3 in Section 2.

D = Departmental, A = Administered

Special accounts are reported under the Notes to and forming part of the financial statements section of the DIMIA Annual Report, under the following account groups:

- Australian Population, Multicultural and Immigration Research Program account. The purpose of this account is for:
 - expenditure relating to the Joint Research Program on population and immigration in accordance with approval from the Minister for Immigration and Multicultural and Indigenous Affairs in consultation with State/Territory Ministers, and
 - the disbursement to the Commonwealth and participating State/Territory Governments of monies, if any, standing to the credit of the trust account after the research program has been wound up;

Section 1: Overview, appropriations and budget measures summary

- Services for other Governments and non-departmental bodies account. The purpose of this account is for expenditure in connection with services performed on behalf of other Governments and bodies that are not FMAA agencies. This is primarily for monies to be held in trust for COMCARE and advanced to the Department of Immigration and Multicultural and Indigenous Affairs for the purpose of distributing compensation payments made in accordance with the Safety Rehabilitation and Compensation Act 1998; and
- The Other Trust Monies account. The purpose of this account is to hold in trust and expend monies temporarily held in trust or otherwise for the benefit of a person other than the Commonwealth. Transactions within this account are mainly comprised of Compliance and Visitor Visa bond receipts and refunds.

NON-APPROPRIATION DEPARTMENTAL AND ADMINISTERED REVENUE

It is estimated that the Department will recognise revenue of \$493.1 million for the 2003-04. This comprises:

- revenue administered on behalf of the Government consisting of immigration fees, fines and other revenue of \$465.6 million. Associated receipts are remitted to the Official Public Account;
- departmental cost recovery undertaken by authority of section 31 of the FMA Act of \$26.4 million; and
- revenues received free of charge from other government entities of \$1 million.

It is estimated that some revenue items for the Department will be non-recoverable. This includes:

- 100 percent bad debt provision for the recovery of detention and removal costs; and
- bad debts of \$3.9 million in 2002-03 and \$3.7 million in 2003-04 for Outcome 1 revenue from other sources.

Table 1.6: Non-appropriation departmental and administered revenue

	Estimated revenue 2002-03 \$'000	Estimated revenue 2003-04 \$'000
Department of Immigration and Multicultural and Indigenous Affairs		
Outcome 1		
Administered		
Application for migration to Australia	79,057	141,567
Application for permanent visa onshore	39,298	55,797
Application for resident return visa	8,225	8,009
Application for student visa	52,813	72,236
Application for temporary resident visa	25,290	29,465
Application for visitor visa	49,328	49,365
Employer Sanctions	500	2,400
Migration agents fees	3,000	4,000
Miscellaneous revenue	17,400	17,203
Penalty payments by passenger carriers for breaches of section 229 of the <i>Migration Act 1958</i>	7,920	1,120
Recovery of detention and removal costs	36,654	57,181
Sponsored Professional Development Visa fines	-	416
Sponsorship fee for temporary residents	5,944	7,086
Sponsorship under employer nomination scheme	1,008	1,040
	326,437	446,885
Departmental		
Section 31 of the <i>Financial Management and Accountability (FMA) Act 1997</i>	16,602	13,348
Resources Received Free of Charge	862	862
	17,464	14,210
Outcome 2		
Administered		
Adult Migrant English Program	7,111	8,271
Application for decisions on status of Australian citizenship	9,208	8,406
Migrant Health Services	2,052	1,680
	18,371	18,357
Departmental		
Section 31 of the FMA	13,329	13,033
Resources Received Free of Charge	176	176
	13,505	13,209
Outcome 3		
Administered		
Recovery of OATSIA legal costs	1,882	400
	1,882	400
Departmental		
Section 31 of the FMA	49	31
Resources Received Free of Charge	5	5
	54	36
Total Revenue	377,713	493,097

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The Department will receive a total of \$13.2 million in equity injections for 2003-04, excluding capital slippages. These injections will provide funding for projects associated with the following 2003-04 Budget measures:

- A Safer Australia - enhanced border protection processing systems;
 - \$4.0 million for the enhancement and development of departmental systems, including the development and implementation of a common information technology platform to integrate DIMIA operations within and outside Australia;
- A Safer Australia - relocation of operations in Manila;
 - \$2.5 million additional funding provided to cover costs associated with the relocation of Australian Government operations in Manila in December 2002;
- Immigration detention onshore – review of long term strategy;
 - \$4.1 million additional funding for more fire resistant accommodation units at Baxter Immigration Detention Facility (IDF) and to provide for more flexible management of detainees, and
 - \$1.6 million funding for an alternate detention (residential housing) facility near Baxter IDF for women and others at risk. The alternative facility will be broadly based on the residential housing project at Woomera and have the capacity to accommodate around forty people.
- International Education package;
 - \$1.0 million for systems development required supporting the implementation of a new visa class for Professional Development;
- Iraq – reopening of an Australian office;
 - \$0.1 million for the capital cost incurred for establishing the immigration office;

For further information refer to Section 2 - Measures affecting Outcomes.

CAPITAL SLIPPAGES

- Slippage of Port Hedland kitchen;
 - \$1.0 million of funding for repair work on the kitchen at Port Hedland IRPC is to be transferred into 2003-04. This has occurred due to delays encountered in finalisation of the tender process.

OTHER SIGNIFICANT VARIATIONS

- Christmas Island Immigration Reception and Processing Centre (IRPC) – completion of construction. Transfer of asset under construction to the Department of Finance and Administration:
 - The Minister for Finance and Administration and the Minister for Immigration and Multicultural and Indigenous Affairs jointly announced the re-tendering of the contract for construction of the Christmas IRPC on 19 February 2003. The re-tendered project will involve a more traditional delivery method managed by the Department of Finance and Administration. The value of the asset under construction and the balance of funding for the project as at the 19 February has been transferred to the Department of Finance and Administration. It is proposed that the Centre will transfer back to DIMIA when completed in early 2006.
- Funding for unauthorised boat arrivals:
 - Estimate of arrival numbers. No organised unauthorised boat arrivals have reached or attempted to reach Australia since December 2001. As a consequence, the Government has revised the estimate of unauthorised boat arrivals for funding purposes down from 4,500 arrivals per year to 1,000 arrivals per year. The funding provision for 2003-04 and the three forward years has been revised down from \$986 million to \$549 million, a savings of \$437 million;
 - Cost outcome for 2002-03. As at the time of preparation of the Budget there had been no unauthorised boat arrivals to date in 2002-03. As a result, there are substantial savings in 2002-03. The 2002-03 Budget provision for processing unauthorised boat arrivals (Output 1.5 – Offshore asylum seeker management) was \$240.2 million. This was revised down to \$167 million in the 2002-03 Additional Estimates (October 2002). The estimated cost has now been further revised down to \$104.5 million for 2002-03; and
 - Transfer of funding from departmental to administered appropriations. The Government has decided that large contract payments for offshore management of asylum seekers should be funded from administered appropriations in lieu of

departmental appropriations. As a consequence, \$98.9 million, which represents the estimated cost in 2003-04 for the large contract payments, is being transferred from departmental to administered appropriations.

EVALUATIONS

The Department is undertaking a number of reviews and evaluations which are expected to be completed in 2003-04.

These include a review of DIMIA's Client Service Charter against the Government's Service Charters principles, including an assessment of the effectiveness and efficiency of the DIMIA complaints handling process.

In addition, the Department has an active internal audit program which examines a broad range of functions from a performance and compliance perspective. These are complemented by performance improvement projects conducted under the Department's Competitive Tendering and Contracting (CTC) and broader Performance Improvement programs and major research projects which examine the wider impact of the Department's activities.

Outcome 1

Progressive evaluation of visa arrangements helps the Department to assess the appropriateness of its visa framework and to improve the efficiency and effectiveness of visa services. Current activities in relation to output 1.1 include:

- an internal analysis and review of medical-examination and other health-related services in connection with visa applications, to be finalised in 2003-04. The analysis and review commenced in August 2002;
- a recently completed review of the effectiveness of statutory regulation of the migration advice industry, which will assist Government decisions on the nature of regulation beyond the life of the current arrangements;
- a review of the methodology for the risk factor criterion used in the processing of visitor visas; and
- a review of the 1 July 2001 reforms to evidentiary requirements for student visas.

Current activities in relation to output 1.2 include:

- an evaluation of capacity building activities in the Asia Pacific region;
- an evaluation of a trial of onshore processing of offshore humanitarian program applications; and

Part C: DIMIA Budget Statements

- an evaluation of the Asylum Seeker Assistance Scheme (ASA).

Outcome 2

As a part of ongoing evaluation of services delivered by the Department, in 2003-04 DIMIA is also reviewing elements of Outcome 2. These include:

- an evaluation of the AMEP Research Centre to be conducted in 2003. Under the terms of DIMIA's five year contract with Macquarie and LaTrobe Universities which began in January 2000, a review is to be conducted in the fourth year of the contract. If the outcome of the evaluation is favourable, the contract will be extended for a further five years. The evaluation will assess the degree to which the AMEP Research Centre performs its duties to the required standard; and
- an evaluation of the effectiveness of the 2001 and 2002 Citizenship Promotion Campaign, to be completed by December 2003.

COMPETITIVE TENDERING AND CONTRACTING (CTC)

A substantial proportion of departmental activity is delivered under contract. A list of departmental contracts with a value of \$100,000 or more can be found on the Department's web site: <http://www.immi.gov.au>.

The following is a summary of significant CTC activity being undertaken during the 2003-04 financial year:

- Detention Services - A RFT for the provision of detention services at immigration detention facilities across Australia was issued in June 2002 with tenders closing in August 2002. Three organisations responded to the tender - Australasian Correctional Management Pty Ltd, Group 4 Falck Global Solutions Pty Ltd and Management and Training Corporation Pty Ltd. On 22 December 2002, Group 4 Falck Global Solutions was announced as the preferred tenderer. Contract negotiations between Group 4 and DIMIA commenced in January 2003 and are nearing conclusion. It is expected that Group 4 Falck Global Solutions will commence service delivery under the new contractual arrangements over the second half of 2003 with full transition across operational facilities to take a number of months.
- Travel Services - The contract for provision of travel services is currently with Carlson Wagonlit Travel and expires on 31 December 2003. It is proposed to review the current travel arrangements in June 2003 to consider options for 2004. This will include assessment of the current arrangements, consideration of new developments in the travel industry and identification of advantages for market testing;

Section 1: Overview, appropriations and budget measures summary

- Assisted Passage for Refugees - Documentation and specifications have been developed to allow the Department to approach the market for a suitably qualified supplier to provide travel services for refugees funded through the assisted passage for refugees appropriation. Medical screening services and the distribution of pre-embarkation information may also be included in the process. The release date has not been determined, but is expected to be during the first half of the 2003-04 financial year;
- Integrated Humanitarian Settlement Services (IHSS) - The next tender round for the provision of IHSS services will commence in early 2004; and
- Litigation and Legal Advice Services - a RFT to consolidate and refresh the current panel of solicitors providing litigation and legal advice services to the Department will be issued in the first half of 2003-04. The new legal panel should be in place by the end of 2003-04.