

PART C

AGENCY BUDGET STATEMENTS

DEPARTMENT OF IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS

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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.*

Outcome 1

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.

Outcome 2

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 promotion of the benefits of Australia's cultural diversity through implementation of the government's policy, *Multicultural Australia – United in Diversity*, (updating the 1999 *New Agenda for Multicultural Australia*).

Outcome 3

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 with 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.

Outcome 4

The department's fourth outcome is to *promote economic, social and cultural empowerment of Aboriginal and Torres Strait Islander peoples in order that they may freely exercise their rights equitably with other Australians*. This outcome was previously associated with ATSIC. It has been transferred to DIMIA pending final Administrative Arrangement Orders.

Outcome 5

The department's fifth outcome is to *provide effective delivery of policy advocacy support and program services to Aboriginal and Torres Strait Islander peoples*. This outcome was previously associated with ATSI. It has been transferred to DIMIA pending final Administrative Arrangement Orders.

Review of business processes and costs

In 2003-04, a review of DIMIA's business processes and costs was undertaken jointly by DIMIA and the Department of Finance and Administration, assisted by an independent efficiency expert. This review determined an appropriate funding model and level for DIMIA. This will be implemented in 2004-05.

External partnerships

The department acts in partnership with other Commonwealth agencies, other levels of government and the broader Australian community in order to deliver its outcomes.

In addition, 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.

Major purchaser/provider arrangements with Commonwealth Agencies are discussed in Section 4.

APPROPRIATIONS AND RESOURCING

The department will receive total appropriation of \$2.4 billion in 2004-05. In addition, the department will receive revenue from other sources of \$0.7 billion, of which \$0.3 billion assists with the delivery of outputs and administered programs. The remainder of revenue received from other sources is returned to the Official Public Account (OPA).

The department's appropriations and other resourcing are categorised by:

- departmental;
 - revenue from government (appropriations), and
 - revenue from other sources (including resources received free of charge from related entities and revenue received under section 31 of the *Financial Management and Accountability Act 1997* (FMA Act)); and
- administered;
 - annual appropriations,
 - special appropriations, and
 - revenue from other sources.

The following table shows the total appropriation and resourcing for the department. Total price of outputs and administered appropriations are provided by outcome and related output group components in the resourcing tables in Section 2 (nos 2.1.1, 2.1.2, 2.1.3, 2.1.4 and 2.1.5).

Table 1.1: Appropriations and other revenue

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 (\$'000)	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 1 - Contributing to Australia's society and its economic advancement through the lawful and orderly entry and stay of people	701,244	-	701,244 97.0% ⁽⁶⁾	21,863	723,107	102,930	-	5,000	107,930	809,174
Outcome 2 - A society which values Australian citizenship, appreciates cultural diversity and enables migrants to participate equitably	120,943	-	120,943 89.9% ⁽⁶⁾	13,573	134,516	168,639	2,140	-	170,779	291,722

Table 1.1: Appropriations and other revenue (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 (\$'000)	Special appropriations ⁽⁵⁾	Total administered appropriations	Total appropriations		
	Bill No. 1	Special approps ⁽⁵⁾	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs) ⁽²⁾			
	(A)	(B)	(C = A+B)	(D)	(E = C+D)	(F)	(G)	(H)	(I = F+G+H)	(J=C+I)
Outcome 3 - Sound and well-coordinated policies, programs and decision-making processes in relation to Indigenous affairs and reconciliation	5,807	-	5,807 98.3% ⁽⁶⁾	101	5,908	4,500	-	-	4,500	10,307
Outcome 4 - The economic, social and cultural empowerment of Aboriginal and Torres Strait Islander peoples in order that they may freely exercise their rights equitably with other Australians	9,696	-	9,696 25.9% ⁽⁶⁾	27,680	37,376	-	-	45,200	45,200	54,896

Table 1.1: Appropriations and other revenue (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 (\$'000)	Special appropriations ⁽⁵⁾	Total administered appropriations	Total appropriations			
	Bill No. 1	Special approps ⁽⁵⁾	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs) ⁽²⁾				
	(A)	(B)	(C = A+B)	(D)	(E = C+D)	(F)	(G)	(H)	(I = F+G+H)	(J=C+I)	
Outcome 5 - Effective delivery of policy advocacy support and program services to Aboriginal and Torres Strait Islander Peoples	173,035	-	173,035	2,946	175,981	1,016,496	-	-	1,016,496	1,189,531	
			98.3% ⁽⁶⁾								
Total	1,010,725	-	1,010,725	66,163	1,076,888	1,292,565	2,140	50,200	1,344,905	2,355,630	
			(K1) ⁽¹⁾						(K2) ⁽¹⁾		
									Departmental capital (equity injections and loans)	(K3) ⁽¹⁾	55,198
									Administered capital	(K4) ⁽¹⁾	13,700
									Total appropriations		2,424,528

Notes:

1. **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 (SPPs), new agency Outcomes (NAOs), 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 recognised under section 31 agreements. Administered revenue from other sources is excluded from Table 1.1. Non-appropriated departmental and administered revenues are detailed at Table 1.7.
5. Estimated expenses from individual Special Appropriations are shown in Table 1.5.
6. 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 2004-05 Budget

Measure	Outcome & Output	Revenue budget 2004-05 (\$ million)			Revenue forward estimate 2005-06 (\$ million)			Revenue forward estimate 2006-07 (\$ million)			Revenue forward estimate 2007-08 (\$ million)		
		Admin revenue	Dept revenue	Total	Admin revenue	Dept revenue	Total	Admin revenue	Dept revenue	Total	Admin revenue	Dept revenue	Total
Indigenous Home Ownership Programme — expansion	4	-	0.500	0.500	-	1.000	1.000	-	1.000	1.000	-	1.000	1.000
Melbourne 2006 Commonwealth Games — contribution	1	-	-	-	(1.403)	-	(1.403)	-	-	-	-	-	-
Migration (non-humanitarian) program	1.1, 2.1	5.821	-	5.821	6.062	-	6.062	6.313	-	6.313	6.969	-	6.969
Regional Migration Initiatives	1.2, 2.1	6.696	-	6.696	14.848	-	14.848	17.486	-	17.486	18.748	-	18.748

Note: A positive number for revenue indicates an increase in fiscal balance.

Table 1.2.2: Summary of expense measures disclosed in the 2004-05 Budget

Measure	Outcome & Output	Expenses budget 2004-05 (\$ million)			Expenses forward estimate 2005-06 (\$ million)			Expenses forward estimate 2006-07 (\$ million)			Expenses forward estimate 2007-08 (\$ million)		
		Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total
Department of Immigration and Multicultural and Indigenous Affairs — information technology costs	1, 2, 3	-	19.000	19.000	-	17.360	17.360	-	17.545	17.545	-	15.731	15.731
Fisheries — combating illegal activities in northern Australian waters	1.3	-	0.649	0.649	-	-	-	-	-	-	-	-	-
Humanitarian migration — continuation of displaced refugee initiatives	1.2	-	-	-	-	-	-	-	-	-	-	-	-
Humanitarian migration — continuation of funding for international cooperation	1.2	-	-	-	-	-	-	-	-	-	-	-	-
Humanitarian Program	1.2, 2.1	7.906	9.435	17.341	8.104	9.751	17.855	8.306	9.386	17.692	8.514	9.536	18.050
Indigenous Australians — better service delivery	4, 5	-	(18.300)	(18.300)	-	(32.500)	(32.500)	-	(32.000)	(32.000)	-	(26.600)	(26.600)
Indigenous Family Violence Partnership Programme	5	5.000	0.300	5.300	10.000	0.500	10.500	10.200	0.500	10.700	10.300	0.500	10.800

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

Table 1.2.2: Summary of expense measures disclosed in the 2004-05 Budget (continued)

Measure	Outcome Output	Expenses 2004-05 (\$ million)			Expenses 2005-06 (\$ million)			Expenses 2006-07 (\$ million)			Expenses 2007-08 (\$ million)		
		Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total
		Note: The expense figures reported above represent the financial impact of the measure on the Fiscal Balance. It does not include the effect of any depreciation expense (where relevant), which is a non-cash expense.											
Indigenous Family Violence Prevention Legal Services — expansion	5	3.000	0.200	3.200	6.000	0.500	6.500	6.000	0.500	6.500	6.000	0.500	6.500
Indigenous Home Ownership Programme — expansion	4	-	1.000	1.000	-	0.800	0.800	-	-	-	-	-	-
Indigenous Women's Development	4	1.100	1.300	2.400	-	4.700	4.700	-	4.700	4.700	-	4.700	4.700
Investing in Australia's Security — biometrics for border control	1.3	-	0.224	0.224	-	-	-	-	-	-	-	-	-
Investing in Australia's Security — border management and control	1.2	-	1.439	1.439	-	-	-	-	-	-	-	-	-
Investing in Australia's Security — document examination	1.3	-	4.894	4.894	-	4.914	4.914	-	4.856	4.856	-	4.914	4.914
Investing in Australia's Security — global processing systems to improve border security	1	-	11.869	11.869	-	15.321	15.321	-	14.931	14.931	-	12.766	12.766

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

Table 1.2.2: Summary of expense measures disclosed in the 2004-05 Budget (continued)

Measure	Outcome & Output	Expenses budget 2004-05 (\$ million)			Expenses forward estimate 2005-06 (\$ million)			Expenses forward estimate 2006-07 (\$ million)			Expenses forward estimate 2007-08 (\$ million)		
		Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total
Investing in Australia's Security — information technology systems disaster recovery	1, 2, 3	-	10.164	10.164	-	6.802	6.802	-	6.729	6.729	-	6.810	6.810
Investing in Australia's Security — strengthening border control measures	1.1, 1.3	-	0.914	0.914	-	1.119	1.119	-	0.942	0.942	-	0.621	0.621
Investing in Australia's Security — tri-partite border strengthening project	1	-	-	-	-	-	-	-	-	-	-	-	-
Long-Term Detention Strategy	1.3	-	(36.332)	(36.332)	-	(46.480)	(46.480)	-	(50.961)	(50.961)	-	(50.062)	(50.062)
Melbourne 2006 Commonwealth Games — contribution	1.3	-	-	-	-	3.500	3.500	-	-	-	-	-	-
Migration — continuation of capacity building to combat people smuggling and irregular migration	1.2, 1.3	-	-	-	-	-	-	-	-	-	-	-	-

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

Table 1.2.2: Summary of expense measures disclosed in the 2004-05 Budget (continued)

Measure	Outcome & Output	Expenses budget 2004-05 (\$ million)			Expenses forward estimate 2005-06 (\$ million)			Expenses forward estimate 2006-07 (\$ million)			Expenses forward estimate 2007-08 (\$ million)		
		Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total
Migration (non-humanitarian) program	1.1, 2.1	1.495	0.465	1.960	1.533	0.473	2.006	1.571	0.484	2.055	1.786	0.489	2.275
Migration entry processes - extension of offshore resources	1.3	-	-	-	-	-	-	-	-	-	-	-	-
Reconciliation Australia — continued support	3	-	-	-	-	-	-	-	-	-	-	-	-
Regional Migration Initiatives	1.2, 2.1	0.660	6.381	7.041	1.015	4.990	6.005	1.439	5.460	6.899	1.777	6.307	8.084
Residential Housing Projects and Alternative Detention Arrangements	1.3	-	1.950	1.950	-	5.762	5.762	-	6.853	6.853	-	6.936	6.936
Review of the Department of Immigration and Multicultural and Indigenous Affairs' Business Processes and Costs	1, 2, 3	-	110.481	110.481	-	117.000	117.000	-	124.613	124.613	-	125.220	125.220
Review of the Department of Immigration and Multicultural and Indigenous Affairs' Business Processes and Costs — additional funding for capacity building	1.2, 1.3	-	4.600	4.600	-	4.669	4.669	-	4.739	4.739	-	4.810	4.810

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

Table 1.2.2: Summary of expense measures disclosed in the 2004-05 Budget (continued)

Measure	Outcome & Output	Expenses budget 2004-05 (\$ million)			Expenses forward estimate 2005-06 (\$ million)			Expenses forward estimate 2006-07 (\$ million)			Expenses forward estimate 2007-08 (\$ million)		
		Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total	Admin expenses	Dept expenses	Total
Settlement Services for Migrants and Humanitarian Entrants — additional funding for community services	2.1	0.567	0.200	0.767	1.000	0.300	1.300	1.000	0.400	1.400	1.000	0.400	1.400
Settlement Services for Migrants and Humanitarian Entrants — increased assistance to humanitarian entrants	2.1	-	12.220	12.220	-	9.826	9.826	-	9.855	9.855	-	9.985	9.985
Settlement Services for Migrants and Humanitarian Entrants — increased tuition	2.1	10.644	0.050	10.694	8.471	-	8.471	8.653	-	8.653	8.901	-	8.901
Settlement Services for Migrants and Humanitarian Entrants — maintain funding for the Integrated Humanitarian Settlement Strategy	2.1	-	-	-	-	-	-	-	-	-	-	-	-

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

Table 1.2.3: Summary of capital measures disclosed in the 2004-05 Budget

Measure	Outcome & Output	Appropriations budget 2004-05 (\$ million)			Appropriations forward estimate 2005-06 (\$ million)			Appropriations forward estimate 2006-07 (\$ million)			Appropriations forward estimate 2007-08 (\$ million)		
		Admin capital	Dept capital	Total	Admin capital	Dept capital	Total	Admin capital	Dept capital	Total	Admin capital	Dept capital	Total
Indigenous Home Ownership Programme — expansion	4	-	-	-	-	-	-	-	-	-	-	-	-
Long-Term Detention Strategy	1.3	-	17.535	17.535	-	2.648	2.648	-	12.743	12.743	-	4.138	4.138
Investing in Australia's Security — biometrics for border control	1.3	-	4.172	4.172	-	-	-	-	-	-	-	-	-
Investing in Australia's Security — global processing systems to improve border security	1	-	1.700	1.700	-	2.180	2.180	-	2.040	2.040	-	7.000	7.000
Investing in Australia's Security — strengthening border control measures	1	-	1.553	1.553	-	1.079	1.079	-	-	-	-	-	-
Regional Migration Initiatives	1.1, 2.1	-	1.760	1.760	-	-	-	-	-	-	-	-	-
Residential Housing Projects and Alternative Detention Arrangements	1.3	-	4.800	4.800	-	1.005	1.005	-	-	-	-	-	-

RECEIPTS FROM INDEPENDENT SOURCES

Receipts from independent sources equals the estimated level of cash receipts which under section 31 agreements agencies are permitted to spend, such as those resulting from the sale of goods and services and receipts into special accounts. The calculation excludes GST receipts and administered receipts not covered by arrangements established under section 31 of the FMA Act which otherwise must be paid to the Official Public Account (OPA) and are not available for agencies to spend.

Table 1.3: Receipts from independent sources

	Estimated receipts 2003-04 \$'000	Estimated receipts 2004-05 \$'000
ADMINISTERED ITEMS		
Outcome 4¹		
The economic, social and cultural empowerment of Aboriginal and Torres Strait Islander peoples in order that they may freely exercise their rights equitably with other Australians	152,630	189,350
Outcome 5¹		
Effective delivery of policy advocacy support and program services to Aboriginal and Torres Strait Islander peoples	19,406	6,185
Total administered receipts from other sources	172,036	195,535
DEPARTMENTAL		
Outcome 1		
Contributing to Australia's society and its economic advancement through the lawful and orderly entry and stay of people	27,469	13,334
Outcome 2		
A society which values Australian citizenship, appreciates cultural diversity and enables migrants to participate equitably	11,563	13,434
Outcome 3		
Sound and well-coordinated policies, programs and decision-making processes in relation to Indigenous affairs and reconciliation	104	92
Outcome 4¹		
The economic, social and cultural empowerment of Aboriginal and Torres Strait Islander peoples in order that they may freely exercise their rights equitably with other Australians	25,084	16,811
Outcome 5¹		
Effective delivery of policy advocacy support and program services to Aboriginal and Torres Strait Islander peoples	2,430	2,946
Total departmental receipts from other sources	66,650	46,617

Note 1: 2003-04 estimated receipts for Outcomes 4 and 5 are included for comparative purposes only and will be received under ATSIC and ATSSIS entities respectively for 2003-04.

Administered

Outcome 4

Administered receipts from independent sources for this outcome relate to interest and investment realisation through the operations of the special accounts “Aboriginal Benefits Account” and “Aboriginal and Torres Strait Islander Land Fund”. Further information on the operation of special accounts is provided in table 1.6 and by outcome within the resourcing tables (tables 2.1.1 – 2.1.5) in Section 2.

Outcome 5

Administered receipts from independent sources for this outcome relate to co-contributions received from other agencies for the Community Housing Infrastructure Projects (CHIP).

Departmental

Outcomes 1–3

Departmental receipts from independent sources for these outcomes relate to cash received from cost recovery activities undertaken by the department. Receipts from independent sources are based on associated estimated non-appropriation revenue (see table 1.7) less increases in associated receivables and bad debts. Please refer to Section 4 - Cost Recovery Arrangements for further explanation of cost recovery activities undertaken. Associated revenue by outcome is available within the resourcing tables (tables 2.1.1 – 2.1.5) in Section 2.

Outcome 4

Departmental receipts from independent sources for this outcome primarily relate to:

- interest from business and home loans;
- recognition of subsidiary receipts for sale of goods and services and rent; and
- interest received by the Regional Land Fund.

Outcome 5

Departmental receipts from independent sources for this outcome relate to co-contributions received for rent and Community Participation Agreements.

MOVEMENT OF ADMINISTERED FUNDS FROM 2003-04 TO 2004-05

Movement of funds between financial years (also known as rephasing) occurs when agencies request the movement of unexpended annual administered appropriation amounts from the current year into later years. Rephased funding is therefore unavailable in the year from which it is moved.

Table 1.4 provides a summary of approved movements of administered appropriations by outcome for the department from 2003-04 to 2004-05.

Table 1.4: Movement of administered funds from 2003-04 to 2004-05

Outcome 2

Movements of funding between years	\$0.20 million
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Outcome 5

Movements of funding between years	\$10.8 million
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Outcome 2

Rephasing of the unexpended annual administered appropriation for Living in Harmony of \$0.2 million is required to pay contractual interim and final payments to grant recipients for grants from both this and earlier rounds that have been subject to service delivery delays. Living in Harmony grants are awarded for one-off projects for periods of approximately 12 months; however, the actual length of projects can increase due to a range of internal and external factors.

Outcome 5

Rephasing of the unexpended annual administered appropriation for the Community Development and Employment Program (CDEP) is required to meet increased demand for the program funds in 2004-05 when a number of specific initiatives will gather momentum.

SPECIAL APPROPRIATIONS

Table 1.5 lists the department's special appropriations. Special appropriations provide funds for specified purposes, for example, to fund a particular project or program.

Table 1.5: Estimates of expenses from special appropriations

	Outcome affected	Estimated expenses 2003-04 \$'000	Estimated expenses 2004-05 \$'000
Estimated expenses			
<i>Statutory self-regulation of migration agents</i>	1	3,700	5,000
<i>Aboriginal Benefits Account</i>	4 ⁽¹⁾		
ABA Administration Costs		25	25
ABA Advisory Committee Costs		25	50
Consultants		350	175
Grants		3,600	5,000
Payments subsection 64(1) Land Rights Act			
- admin cost (non-discretionary) Land Councils		18,000	18,000
Payments subsection 64(7) Land Rights Act			
- admin cost (discretionary) Land Councils		2,650	2,650
Payments subsection 64(3) Land Rights Act			
- Land Councils for distribution to Aboriginal people affected by mining operations		13,500	13,500
<i>Ranger Agreement</i>	4 ⁽¹⁾	200	200
<i>Aboriginal and Torres Strait Islander Land Fund</i>	4 ⁽¹⁾		
Administration Costs		250	140
Payment to Indigenous Land Corporation		54,463	65,124
Total estimated expense		96,763	109,864

Note 1: 2003-04 expenses from special appropriations for Outcomes 4 is included for comparative purposes only and will be spent under ATSIC for 2003-04.

The department has four special appropriations, the "Statutory self-regulation of migration agents", the "Aboriginal Benefits Account", the "Aboriginal and Torres Strait Islander Land Fund" and the "Ranger Agreement".

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 the 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.

Funding is received by MARA equivalent to the amount of revenue received from registration fees. The increase in estimated expenses from 2003-04 is primarily due to an increase in registration fees commencing from 1 July 2003 and a general increase in initial registrations and re-registration applications processed by MARA.

Aboriginal Benefits Account

Under the *Aboriginal Land Rights (Northern Territory) Act 1976*, the ABA is required to distribute statutory payments totalling 70 per cent of royalty equivalent income (i.e. special appropriation monies). The remaining 30 per cent of royalty equivalent income is available for discretionary payments. Monies surplus to immediate needs are invested. Royalty equivalent monies available for investment in 2004-05 are estimated at \$10.8 million.

Aboriginal and Torres Strait Islander Land Fund

The Land Fund is to be built up to become a self-sustaining capital fund by 30 June 2004. It is to provide a secure and ongoing source of funds to the Indigenous Land Council to provide economic, environmental, social and cultural benefits for Aboriginal and Torres Strait Islanders by assisting in the acquisition and management of an Indigenous land base.

Ranger Agreement

The Ranger Agreement, completed under section 44 of the *Aboriginal Land Rights (Northern Territory) Act 1976*, was made between the Commonwealth and the Northern Land Council in November 1978 to provide for various payments in respect of mining on the Ranger Project Area, which is on Aboriginal land. Under this agreement, the Commonwealth agreed to pay \$200,000 annually to the Northern Land Council as a form of rental.

SPECIAL ACCOUNTS

Special accounts are used as methods of delivering programs, particularly those funded by contributions by other governments, or contributions by members of the community. Amounts standing to the credit of Special Accounts are appropriated for the purposes of the account.

Table 1.6 shows estimates of special account transactions and balances. Estimates of payments from special accounts that are wholly attributable to an outcome are also shown against the relevant outcomes in tables 2.1.1 and 2.1.4.

Table 1.6: Estimated special account flows and balances ⁽¹⁾

	Opening Balance 2004-05⁽²⁾ <i>2003-04</i> \$'000	Receipts 2004-05 <i>2003-04</i> \$'000	Payments 2004-05 <i>2003-04</i> \$'000	Closing Balance 2004-05 <i>2003-04</i> \$'000
Outcome 1				
Australian Population Multicultural and Immigration Research Program Account - s20 FMA Act (A)	277 <i>277</i>	100 <i>100</i>	270 <i>100</i>	107 <i>277</i>
Other Trust Monies - s20 FMA Act (A)	6 <i>0</i>	54 <i>75</i>	44 <i>69</i>	16 <i>6</i>
Outcome 4⁽³⁾				
Aboriginal and Torres Strait Islander Land Fund - s192W (1) ATSIC Act (A)	1,274,669 <i>1,213,189</i>	184,150 <i>202,193</i>	151,264 <i>140,713</i>	1,307,555 <i>1,274,669</i>
Aboriginal Benefits Account - s62 (1) <i>Aboriginal Land Rights (Northern Territory) Act 1976</i> (A)	101,206 <i>89,456</i>	50,200 <i>49,900</i>	39,400 <i>38,150</i>	112,006 <i>101,206</i>
Cross Outcome Special Accounts				
Services for other governments and non- departmental bodies - s20 FMA Act (A)	0 <i>0</i>	1,050 <i>1,050</i>	1,050 <i>1,050</i>	0 <i>0</i>
Total Special Accounts	1,376,158 <i>1,302,922</i>	235,554 <i>253,318</i>	192,028 <i>180,082</i>	1,419,684 <i>1,376,158</i>

Notes:

1 2004-05 estimate: **bold figures**; 2003-04 estimate: *italic figures*

2 The revised opening balance for 2004-05 is the same as the final actual closing balance for 2003-04.

3 2003-04 special accounts flows and balances for Outcomes 4 are included for comparative purposes only and will be administered under ATSIC for 2003-04.

A = administered D = departmental

Outcome 1

Australian Population, Multicultural and Immigration Research Program account

The purpose of this account is:

- 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 and territory ministers; and
- the disbursement to the Commonwealth and participating state and territory governments of monies, if any, standing to the credit of the trust account after the research program has been wound up.

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.

Outcome 4

Aboriginal and Torres Strait Islander Land Fund

The account was established by the *Land Fund and Indigenous Land Corporation (ATSIC Amendment) ACT 1995*, and inserted into the *Aboriginal and Torres Strait Islander Commission Act 1989* (ATSIC Act) to recognise the fact that most Indigenous people will not benefit from the High Court's Mabo (No. 2) decision and the *Native Title Act 1993* because they were dispossessed of their land and cannot, therefore, demonstrate the continuous association necessary to prove native title.

The Land Fund provide a secure and ongoing source of funds to the Indigenous Land Council to provide economic, environmental, social and cultural benefits for Aboriginal and Torres Strait Islanders by assisting in the acquisition and management of an Indigenous land base.

Aboriginal Benefits Account

The *Aboriginal Land Rights (Northern Territory) Act 1976* established the Aboriginal Benefit Account (ABA). The major functions of the ABA are to:

- receive the equivalent of royalty monies derived from mining operations on Aboriginal land in the Northern Territory;
- to make payments to Aboriginal land councils in the Northern Territory in proportions determined by the Minister for Immigration and Multicultural and Indigenous Affairs, to meet their administrative expenditure; and

- to make payments to the above mentioned land councils for distribution to incorporated Aboriginal associations, communities or groups in order to benefit those Aboriginal people who are affected by mining operations.

Cross-outcome special accounts

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 FMA Act agencies. This is primarily for monies to be held in trust for Comcare and advanced to DIMIA for the purpose of distributing compensation payments made in accordance with the *Safety Rehabilitation and Compensation Act 1998*.

REVENUE FROM INDEPENDENT SOURCES

Table 1.7, below, summarises revenue, other than that appropriated, recognised in the financial performance statement. Table 1.7 below differs from table 1.3 Receipts from independent sources as it includes:

- revenue items where cash will be received and that DIMIA is permitted to spend (receipts from independent sources);
- non-cash revenue items (an accrual adjustment, existence of a related bad debt or recognition of a non-cash transaction); and
- amounts that must be remitted to the OPA.

Table 1.7: Revenue from independent sources

	Estimated revenue 2003-04 \$'000	Estimated revenue 2004-05 \$'000
ADMINISTERED REVENUE¹		
Outcome 1		
Application for migration to Australia	71,082	75,284
Application for permanent visa onshore	52,894	63,668
Application for resident return visa	8,324	8,104
Application for student visa	82,480	82,151
Application for temporary resident visa	31,162	30,299
Application for visitor visa	48,542	53,597
Application for migration agent registration	3,700	5,000
Forfeited bonds - compliance	1,900	1,900
Forfeited bonds - family visitors	893	893
Miscellaneous revenue	1,743	1,648
Professional Development visa	358	778
Penalty payments by passenger carriers for breaches of section 229 of the <i>Migration Act 1958</i>	5,500	2,000
Recovery of detention and removal costs	52,652	41,043
Second instalment visa application charge (Migrant Health Services charge)	73,626	83,713
Sponsorship fees for applications under the employer nomination scheme	1,138	1,173
Sponsorship fees for temporary residents	7,338	8,013
Total Outcome 1	443,332	459,264
Outcome 2		
Adult Migrant English Program fees and charges	8,163	7,970
Application for decisions on status of Australian citizenship	10,843	10,843
Total Outcome 2	19,006	18,813
Outcome 3		
Recovery of litigation costs - Indigenous affairs	180	150
Total Outcome 3	180	150

Note 1: A reclassification of administered revenue categories has occurred since the 2003-04 Budget

Table 1.7: Revenue from independent sources (continued)

	Estimated revenue 2003-04 \$'000	Estimated revenue 2004-05 \$'000
Outcome 4²		
Aboriginal Benefits Account	4,900	5,200
Interest on Land Fund investments	61,730	78,650
Land Fund sale of investments	86,000	105,500
Total Outcome 4	152,630	189,350
Outcome 5²		
Business Development Program	2,800	-
Community Development and Employment Program	9,000	-
Australian Greenhouse Office — Community Housing Infrastructure Projects	2,000	2,000
Army Aboriginal community assistance projects — Community Housing Infrastructure Projects	4,394	4,185
Office of Aboriginal and Torres Strait Islander Health	920	-
Department of Aboriginal and Torres Strait Islander Policy	92	-
Palm Island	200	-
Total Outcome 5	19,406	6,185
Total non-appropriation administered revenue	634,554	673,762
DEPARTMENTAL REVENUE		
Outcome 1		
Section 31 (FMA Act) revenue	21,877	20,955
Assets transferred from related entities	23,807	-
Resources received free of charge	908	908
Total Outcome 1	46,592	21,863
Outcome 2		
Section 31 (FMA Act) revenue	13,571	13,446
Resources received free of charge	127	127
Total Outcome 2	13,698	13,573
Outcome 3		
Section 31 (FMA Act) revenue	105	93
Resources received free of charge	8	8
Total Outcome 3	113	101
Outcome 4²		
Interest from business loans	2,500	2,500
Interest from home loans	16,868	17,368
Other subsidiaries rent and other infrastructure	4,906	7,052
Other subsidiaries sale of goods and services	360	360
Regional Land Fund	450	400
Total Outcome 4	25,084	27,680
Outcome 5²		
Rent and other operational	930	930
Community Participation Agreement	1,500	2,016
Total Outcome 5	2,430	2,946
Total non-appropriation departmental revenue	87,917	66,163

Note 2: 2003-04 estimated revenue for Outcomes 4 and 5 are included for comparative purposes only and will be received under ATSIC and ATSIS entities respectively for 2003-04.

It is estimated that the department will recognise revenue of \$739.9 million for 2004-05. This comprises:

- revenue administered on behalf of the government consisting of:
 - immigration fees, fines and other revenue of \$478.2 million, which is remitted to the Official Public Account (OPA), and
 - retained revenue of \$195.5 million;
- departmental cost recovery undertaken by authority of section 31 of the FMA Act of \$65.1 million of which \$10.7 million will be returned to the OPA; and
- resources received free of charge from other government entities of \$1.0 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 (\$41.0 million); and
- bad debts of \$3.7 million in 2003-04 for Outcome 1 revenue from other sources, primarily related to the bad debt provision for awarded court costs against unsuccessful litigants.

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The department will receive a total of approximately \$55.2 million in departmental equity injections and \$13.7 million in administered for 2004-05. These injections will provide funding for projects associated with the following 2004-05 Budget measures:

- Long-term detention strategy – \$19.5 million
Major components of the funding include:
 - a new visitors centre for Villawood, the upgrade of Villawood Stage 2 and 3,
 - the upgrade of Maribyrnong IDC, and
 - the purchase of land for the new Melbourne IDC.

A capital injection of \$2 million that was appropriated in the 2001-02 Budget process for the purpose of building a fence at Villawood is no longer required and is being returned to the Budget.

- Investing in Australia’s Security – biometrics for border control – \$4.2 million
Funding has been provided to develop an identity services repository and introduce the use of digital images in selected visa processes.
- Investing in Australia’s Security – global processing systems to improve border security – \$1.7 million
Funding has been provided to invest in DIMIA's border entry and visa processing systems to reduce the risk of fraud, support counter-terrorism efforts and increase the integrity of the system.
- Residential Housing Projects and Alternative Detention Arrangements – \$4.8 million
Funding has been provided for the establishment of Residential Housing Projects in Villawood and Perth for women and children and other alternative detention arrangements for detainees at risk. The Residential Housing Project in Villawood will be a purpose built facility, including site rehabilitation.
- Investing in Australia’s Security – strengthening border control measures – \$1.6 million
Funding has been provided to further strengthen existing border control measures.
- Regional Migration Initiatives – \$1.8 million
Funding has been provided to invest in new measures to attract people with much needed skills and resources to regional Australia and low population growth metropolitan areas. Measures include resourcing for increased humanitarian settlement in targeted regional locations where employment opportunities exist.
- Indigenous Home Ownership Program – expansion – \$20.0 million
DIMIA will receive a departmental equity injection for the Home Ownership Program (HOP) in 2004-05. The equity injection will be provided for additional home loans (previously administered by ATSIC).

Projects funded through 2003-04 Budget measures to be used in 2004-05 include:

- A Safer Australia - enhanced border protection systems – \$1.7 million
Funding has been provided to further enhance the development of visa processing systems to more accurately verify the identity of applicants and persons of concern, such as terrorists and other international criminals, thereby reducing the risk of unlawful entry to Australia.
- Business Development Loans – \$13.7 million
DIMIA will receive an administered capital appropriation in 2004-05. The appropriation will be provided for Business Development Loans (previously administered by ATSI).

EVALUATIONS

The department is undertaking a number of reviews and evaluations which are expected to be completed in 2004-05. In addition to the evaluation activities discussed below, significant independent external and internal audit activity and management initiated reviews are undertaken to enhance the flexibility, accountability and cost effectiveness of output delivery.

Outcome 1

Output 1.1

Current activities in relation to Output 1.1 include:

- a survey of former overseas students who have successfully applied for skilled migration without leaving Australia. The review will assess the labour market and settlement outcomes of this group, and help assess the policy changes that brought it into being and which have subsequently modified the eligibility criteria for this form of permanent entry;
- a survey of Regional Sponsored Migration Scheme (RSMS) visa holders to ascertain the extent to which they have successfully settled in regional Australia. Employers will also be included in the survey;
- a survey of Skilled-Designated Area Sponsored visa holders to ascertain the extent to which they have successfully settled in regional Australia; and
- in collaboration with the Australian National University (ANU), a survey of long term temporary business entrants and their employers to ascertain the effectiveness and benefits of this form of temporary entry.

Output 1.2

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
- an evaluation of the Immigration Advice and Application Assistance Scheme (IAAAS).

Output 1.3

Current activities in relation to Output 1.3 include:

- an evaluation of the appropriate software platform for a reference library facility for genuine and fraudulent/counterfeit non-travel documents; and
- A review of the Movement Alert List (MAL).

Outcome 4

The Office of Evaluation and Audit (OEA) was established under section 75 of the ATSI Act. During 2003-04, the OEA commenced an evaluation into the operations of Indigenous Business Australia. It is expected that the evaluation report will be available in 2004-05.

Outcome 5

During 2003-04, OEA commenced the planning for a major evaluation of the Community Development and Employment Program. The report on the evaluation will be available in 2004-05.

COMPETITIVE TENDERING AND CONTRACTING

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 Competitive Tendering and Contracting (CTC) activity being undertaken during the 2004-05 financial year.

Outcome 1

Immigration Advice

A competitive tender process is proceeding to establish a panel of Immigration Advice and Application Assistance Scheme (IAAAS) service providers to take effect from 1 July 2004. The IAAAS provides assistance to people in the community and provides application assistance to persons in immigration detention.

Litigation and legal advice services

A request for tender (RFT) to consolidate and renew the current panels providing litigation and legal advice services to the department was advertised on 29 November 2003 and closed on 21 January 2004. Tenders are currently being assessed. It is anticipated that once preferred tenderers have been selected and contract negotiations are complete, contracts will be signed with the new legal panel members in June 2004 with the panel to commence operations at the beginning of July 2004 upon the expiry of the contracts with the members of the old panels.

Travel services for refugees

Specifications have been documented to allow the department to approach the market for the provision of travel and associated services, including organisation of medical screening and pre-departure briefings, for refugees. Some medical screening services and the distribution of pre-embarkation information will be included in the process once the process is finalised. The release date for formal tender documentation has not yet been determined, but is expected to be in mid 2004.

Outcome 2

Integrated Humanitarian Settlement Strategy

An RFT for the delivery of services under the Integrated Humanitarian Settlement Strategy (IHSS) is expected to be released in the first quarter of 2004-05.

Cross outcome

Chartering of air services

An RFT will be released in 2004-05 to establish a panel of air charter professionals covering helicopter services, small executive flights and wide bodied aircraft to destinations within Australia and overseas.

Cluster 3 IT infrastructure

An evaluation process has been established by Cluster 3 Agencies, in conjunction with the Department of Finance and Administration, to consider whether to extend the existing Optus Cluster 3 Telecommunications contract. A decision was made by Cluster 3 to enter into negotiations with Optus on a possible 2005-07 extension.

Internal audit and risk

Work has commenced on an RFT for the provision of internal audit and risk services. The tender is expected to be released in May 2004 with contracts to be entered into with the service provider by the end of October 2004.

Office services

A decision will be made by DIMIA in 2004 on whether to extend the contract with Outsource Australia for delivery of office services.

Printing, distribution and storage management of forms

DIMIA is currently undertaking an RFT for the provision of forms printing and distribution and forms storage management services for the department. The tender closed in February 2004 and it is anticipated that a new deed of agreement will be signed by June 2004.

Security vetting

An RFT was released in April 2004 to establish a panel of service providers for security vetting services to DIMIA. Finalisation of contracts is planned for June 2004.

Travel management

Following the completion of a review earlier this year of the portfolio's travel management arrangements, the department is proceeding with a tender for the provision of travel management services. It is expected that the new service delivery arrangements will be in place early in 2004-05.

Transactional banking

The Transactional Banking Services Contract with the Commonwealth Bank of Australia was signed on 28 October 2003. This contract has enabled the department to consolidate its banking arrangements with a single provider. The new arrangements will provide economies of scale across services, pricing benefits and overall value for money. The implementation of this contract has been phased over 3 stages. Stages 1 and 2 have been implemented and are fully operational. Stage 3 is scheduled for implementation by June 2004.