



**Australian Government**  
**Department of Immigration and Citizenship**

Tabled Document 3

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Date: **21 May 2012**

## **Opening statement to Legal and Constitutional Committee**

**Budget Estimates hearing**  
**Parliament House, Canberra**

**21 May 2012**

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Madam Chair, Senators. Thank you for the opportunity to deliver my first opening statement on behalf of the department.

Chair, I would like to briefly update you on significant developments in the portfolio since Mr Metcalfe last updated the Committee on 13 February 2012.

The 2012 – 13 Budget contained an increase in the size of the permanent Migration Program, to 190 000 places. This represents a small increase on the 2011 – 12 program of 5000 places, or 2.7 per cent.

The 2012 – 13 Migration Program will help ensure that Australia's future economic growth is not constrained by skill shortages. Some regions and sectors of the economy are experiencing very low levels of unemployment and finding that skilled local labour is increasingly difficult to source.

This year's Budget maintained the size of the Humanitarian Program at 13 750 places. This will provide a new life in Australia for refugees and other people in humanitarian need seeking resettlement, as well as those to whom we have offered protection in line with our international obligations.

Minister Bowen recently announced that the government will also be seeking the views of the Australian community on the feasibility of a pilot program for private or community sponsorship of refugees in 2012–13.

This is something which community groups and refugee organisations have advocated for some time.

The other major implication for the 2012-13 Budget is dealing with the outcomes from the inability to fully implement the Malaysia Arrangement. We started to adjust this at the Mid-Year Economic and Fiscal Outlook (MYEFO) and Additional Estimates and continue to refine our estimates at each opportunity to reflect changes in policy and client flows. This has obviously had a significant effect on our forecasts.

Now let me talk about some of the major changes the department is implementing. We are undertaking a significant reform of Australia's skilled migration program. SkillSelect, which will be introduced on 1 July, marks the beginning of a generational shift in the management of Australia's skilled migration program, and is the cornerstone of the most significant period of reform to the skilled program in decades.

SkillsSelect is expected to deliver benefits to Australian employers, state and territory governments, intending migrants and Australia as-a-whole, by selecting the best and brightest to help resolve skill shortages.

The department has also made significant progress in implementing the government response to the Hon Michael Knight AO's strategic review of the student visa program. The reforms have been aimed at all parts of the international education sector with a particular focus on the higher education sector. They will help to enhance the quality, integrity and competitiveness of Australia's international education sector.

Of the 41 Knight Review recommendations as agreed by the Government and announced on 22 September last year, 20 have already been implemented and a further eight will be implemented by early 2013. Work on the remaining 13 will involve further research or ongoing liaison between agencies.

The department has also made significant progress on the implementation of the visa pricing transformation initiative, which was announced in the Mid-Year Fiscal and Economic Outlook on 29 November 2011.

These visa pricing reforms place Australia's visa system on a more sustainable footing by establishing a fairer price for the benefits of economic and social access, while at the same time maintaining Australia's international competitiveness in key areas, such as education and tourism.

The changes to the visa pricing structure encourage the use of lower cost and more efficient online service channels, which will provide high levels of process and client integrity. The changes will deliver consistency in timeliness and outcomes for visa applicants. They will also discourage the use of discretionary services, such

as visa labels, which are not required by Australia and are costly to administer. The changes proposed for 2012 – 13 include a fee for a visa label.

As we have discussed previously, there have been a number of High Court decisions in the past two years which have required the department to adopt new legal policy directions and develop new procedures for the processing of irregular maritime arrivals.

From 24 March this year, the department implemented new complementary protection legislation. This means that asylum seekers facing certain types of harm – not covered by the Refugees Convention but still warranting protection – are addressed sooner in one efficient, transparent and reviewable process at the primary decision stage, rather than through the ministerial intervention process. This is a much more efficient process and mirrors the practice in a number of other countries.

In light of the High Court decisions in 2010 and 2011, and in line with new arrangements for managing clients in detention, the government had earlier announced that there was very little reason to maintain two separate processes for assessing asylum claims, based on how people arrived in Australia. On 24 March this year, a single protection visa process began for all asylum seekers, with merits review through the Refugee Review Tribunal.

The effect of this change is that any irregular maritime arrival (IMA) interviewed by my department from 24 March and then refused protection can now seek merits review by the Refugee Review Tribunal, instead of the Independent Protection Assessment Office. This is a much more efficient process.

There have also been many developments in recent months in relation to Australia's immigration detention network, including new initiatives and infrastructure developments.

The department continues to implement the Community Detention program, moving unaccompanied minors, accompanied children and families and vulnerable adults into community. Since the expansion of the program in October 2010, when around 750 children were being held in alternative places of detention and 10 children were in community detention, the Minister has now approved just over 4000 clients for placement in the community, a significant milestone. This includes over 1600 adults in family groups, 500 vulnerable adults, and 1800 children (both accompanied and unaccompanied).

As at 18 May 2012, there were more than 1600 people in community detention comprising children, families and vulnerable adults. At the same time, almost 2000 clients have transitioned out of the community detention following a protection visa grant. Over 300 new clients are in the process of transferring into their community-based accommodation. The percentage of children in community detention is 71%,

including those moving in currently, which is a strong performance, given the level of ongoing arrivals.

The department continues to work in partnership with the Australian Red Cross and other service providers to successfully deliver these outcomes, and we again thank them all for their support.

In October 2011, the Government announced its intention to grant bridging visas to enable eligible clients to reside in the community while their protection claims are being assessed. More than 1780 bridging visas have been granted to IMA clients since the program commenced in November 2011. 182 clients have since exited the case management service with 67 clients believed to have secured employment. Over 190 bridging visa clients have now been granted permanent protection visas and are settling into the community with support from the department's Humanitarian Settlement Services program. Recent consultations with community sector stakeholders have indicated a high level of support for the bridging visa program. We are seeing a steady increase in the number of clients moving onto bridging visas and I would expect this to increase further over the next 12 months.

A new initiative has recently commenced to support clients released from detention on bridging visas. The Australian Homestay Network (AHN) approached the department with a proposal for a short term transitional homestay style accommodation model with the aim of providing a client exiting detention with support for six weeks to help them establish themselves in the community.

The program, known as the Community Placement Network (CPN) commenced on 26 March 2012. Over 1400 host applications have been received so far from people registering to host an asylum seeker in their homes. A further 1110 people have expressed interest in registering in response to promotion of the program by GetUp. The first eight clients were placed in the CPN with hosts on 8 May 2012, a further 12 clients are due to be placed on 22 May 2012 and another 20 in early June. To date clients have been placed in Melbourne, Sydney, Perth and Adelaide.

The impact of introducing bridging visas and community detention into our program settings has had two significant positive impacts. Firstly, the potential costs of held detention have been significantly reduced by moving people into the community quicker; and secondly, self-harm rates for the population in detention over the last 5 months since the introduction of Bridging Visas have significantly reduced by 46 per cent over the previous 5 months.

We have also made significant progress in relation to immigration detention infrastructure. This includes the completion of Wickham Point IDC; the commencement of Stage 1 construction work for the dedicated heritage precinct at Villawood IDC; and construction of the Yongah Hill IDC.

We recently released two commissioned research studies on the social and economic impacts of the Inverbrackie Alternative Place of Detention on the local Adelaide Hills region.

The studies confirm that there have been no negative impacts on potential areas of concern to local residents including health services, education, security, community relationships and local services and facilities.

The economic impacts study confirmed that there has been a positive impact on the local economy with gross value added to the community estimated to be \$38 million. More than 460 full-time equivalent jobs have been created, which includes 297 jobs for residents of the Adelaide Hills and a small number to residents of Woodside itself.

A local school principal recently reported that the local primary school benefited from the attendance of children from the Inverbrackie centre, who were appropriately supported by the government to attend the school, and that it was a privilege to have the students at his school.

On a high note for our great country, on 16 May, the Minister for Immigration and Citizenship announced that we have reached the notable milestone of the 4.5millionth person to be conferred with Australian citizenship. We've come a long way from the conferral of just seven citizens during 1949 – the year that Australian citizenship came into existence. In 2010 – 11, we conferred Australian citizenship on almost 100 000 people. Australian citizenship is an important common bond that lies at the heart of a unified, cohesive and inclusive Australia where people from more than 200 countries have come to call Australia home.

Chair, as you are aware, the Joint Select Committee on Australia's Immigration Detention Network tabled its final report on 30 March 2012.

This was a very extensive inquiry into what is a complex and challenging area of public policy and administration. Throughout the Inquiry, the department worked with the Committee in an open and transparent manner. To this end, the department answered over 1300 questions, provided over 4000 pages of written material, responded to 306 questions on notice and 16 supplementary responses, facilitated site visits across the immigration detention network and appeared before the Committee on 10 occasions.

The Committee report included a large number of recommendations which we are in the process of considering carefully. We have also commenced engagement with other agencies in developing a whole of government response.

The department continues to respond productively, openly and transparently to various reviews, oversight bodies and a number of other Parliamentary

## Committees.

Many questions to the department seek detailed information on a range of complex and sensitive issues. All responses are carefully checked to ensure that all the information provided is accurate, current and addresses the matters raised – this takes time.

This carries with it a significant workload. For instance, at the Budget Estimates hearings in May 2011, 794 questions were taken on notice. This compares with only 136 questions on notice being asked at the 2010 Budget Estimates hearing. At the Additional Estimates hearing in February this year, the department received 519 questions on notice. It is also a challenge for us to deal with this many questions between estimates hearings, however, I want to stress that we try our best given the level of complexity we are working with.

As you can see this has been a very busy and challenging time for the department but we have also seen some great results for the many clients from the many different work streams we have.

Chair, Senators, I would like to take this opportunity to sincerely thank the department's leadership and staff for their ongoing commitment to the valuable work that we do, and the programs we deliver in a very sensitive area of public policy administration and in particular the support they have given me as I transitioned into the Organisation.

Thank you.