

QUESTION TAKEN ON NOTICE

ADDITIONAL ESTIMATES HEARING: 13 February 2006

IMMIGRATION AND MULTICULTURAL AFFAIRS PORTFOLIO

(98) Output 2.1: Settlement Services

Senator Nettle asked:

- (1) Why have settlement services been outsourced to private companies such as ACL?
- (2) How much money does DIMA estimate it will save through the outsourcing of services?

Answer:

(1) Refugee settlement services have not been delivered by Departmental staff since the mid-1990s. On-arrival services for refugees were initially delivered by the welfare/volunteer sector under a grants system.

The decision to contract out delivery of these services and the creation of the Integrated Humanitarian Settlement Strategy (IHSS) is consistent with government policy which requires government agencies to conduct competitive tendering processes to ensure that the government receives best value for money in terms of efficiency and effectiveness.

The move to contracted services was also made to financial management accountability and better targeting of services to clients.

(2) Contracting of IHSS services was not a money-saving measure. As outlined above, the aim was to improve service delivery and financial management.

By contracting these services, the government and taxpayers are now assured of a high level of accountability governing the almost \$50 million annual expenditure on refugee settlement services through the IHSS. Of the 20 current contracts, 18 were awarded to not-for-profit organisations and the remaining two to a for-profit organisation, Australian Centre for Languages (ACL).