

The Auditor-General  
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Performance Audit

# **Management Framework for Preventing Unlawful Entry into Australian Territory**

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

Australian National Audit Office

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of Australia 2002

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Canberra ACT  
14 June 2002

Dear Madam President  
Dear Mr Speaker

The Australian National Audit Office has undertaken a performance audit in the Department of Immigration and Multicultural and Indigenous Affairs in accordance with the authority contained in the *Auditor-General Act 1997*. I present this report of this audit, and the accompanying brochure, to the Parliament. The report is titled *Management Framework for Preventing Unlawful Entry into Australian Territory*.

Following its tabling in Parliament, the report will be placed on the Australian National Audit Office's Homepage—<http://www.anao.gov.au>.

Yours sincerely



P. J. Barrett  
Auditor-General

The Honourable the President of the Senate  
The Honourable the Speaker of the House of Representatives  
Parliament House  
Canberra ACT

## AUDITING FOR AUSTRALIA

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# Abbreviations/Glossary

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ACS	Australian Customs Service
AFP	Australian Federal Police
A-GD	Attorney-General's Department
ALO	Airline Liaison Officer
ANAO	Australian National Audit Office
Defence	Department of Defence
DFAT	Department of Foreign Affairs and Trade
DIMIA	Department of Immigration and Multicultural and Indigenous Affairs
IOC	Illegal Immigration Information Oversight committee
IOM	International Organisation for Migration
MOU	Memorandum of Understanding
OCC	Operational Coordination Committee
ONA	Office of National Assessments
Overstayers	Persons who enter the country legally and later become unlawful by overstaying their visas
PM&C	Department of Prime Minister and Cabinet
PMO(C)s	Principal Migration Officers (Compliance)
PST	Joint AFP-DIMIA People Smuggling Strike team
Unauthorised arrivals	Persons who arrive without the correct documentation
UNHCR	United Nations High Commission for Refugees

# **Summary and Recommendations**





# Summary

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## The global migration context

1. International migration<sup>1</sup> is a global phenomenon involving a wide range of source, destination and transit countries, and a diverse group of migrants, whose movement may be permanent or temporary, authorised or unauthorised, voluntary or forced. The largest groups of international migrants are located in Asia; Europe and North America have about equal numbers; Africa, Latin America and Oceania follow with progressively fewer numbers. Developing countries make up more than half of the pool of international migrants. Most migration movements occur within the same continent.<sup>2</sup>
2. The reasons for migration are complex. There are a number of factors that influence a person's choice to enter migrant recipient countries, either legally or illegally. These factors include the threat of political or religious persecution and the lure of a safer and/or more financially rewarding environment. They are often augmented by a range of facilitation factors. These latter factors include the communication and technological revolution, the breakdown of national borders, and access to people smuggling services.

## The Australian migration context

3. Australia has a long tradition as an immigration country. Since 1945, six million people have come to Australia as new settlers. Like other developed countries in Europe and North America, Australia has put in place a selective migration program to regulate the flow of people seeking to enter and stay in Australia permanently.
4. The Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) administers separate Migration and Humanitarian programs, which are designed to ensure a balanced intake of migrants that will contribute to the overall economy and society and meet Australia's international humanitarian obligations. For the financial year 2001–02, the official migration program anticipates the admission of up to 97 000 persons. In addition to permanent migration, Australia gives temporary residence to people with special employment skills, and working holidaymakers.

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<sup>1</sup> International migration involves the movement of people between two or more countries.

<sup>2</sup> International Organisation for Migration, 2000, *World Migration Report 2000*.

5. Current government policy is to facilitate the lawful international movement of people while regulating the entry and presence of non-citizens in Australia. Under Australia's *Migration Act 1958* (the Act), people who are not Australian citizens are required to hold a current visa to enter and stay in Australia.<sup>3</sup>

6. A non-citizen who is in Australia without a valid visa is defined as an unlawful non-citizen. For administrative reasons, DIMIA classifies unlawful non-citizens into the following categories:

- *unauthorised arrivals*—persons who arrive without the correct documentation;
- *overstayers*—persons who enter the country legally and later become unlawful by overstaying their visas; and
- *persons who are breaching visa conditions*—persons whose visas have been cancelled for reasons such as working without permission.

7. Available detection and interception data provides an indication of the volume, nature and trends in unauthorised migration to Australia over time. In 1999–2000, the department spent about \$247 million locating, removing and detecting people who arrived illegally in Australia, and also those who have been found to be in breach of their visa conditions. The budgeted amount<sup>4</sup> increased to around \$420 million in 2000–01, with actual spending of \$266 million.<sup>5</sup>

8. In response to a significant increase in the number of unauthorised arrivals and illegal immigration activity in early 1999, the Government developed a whole of government strategy, which involved a number of measures to prevent unlawful entry to Australia.<sup>6</sup> Agencies other than DIMIA involved in the strategy include, the Australian Customs Service (ACS), the Australian Federal Police (AFP), the Australian Quarantine and Inspection Service, the Department of Foreign Affairs and Trade (DFAT), the Department of Defence (Defence), Coastwatch, the Department of the Prime Minister and Cabinet (PM&C), and

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<sup>3</sup> The only exception is New Zealand citizens.

<sup>4</sup> *Portfolio Budget Statements 2000-01: Immigration and Multicultural Affairs Portfolio*. This does not encompass departmental costs such as offshore prevention measures, or the costs of other agencies such as Coastwatch, Australian Customs Service, and the Department of Defence who are involved in the detection, interception, and transportation of unauthorised boat arrivals to the Australian mainland or the cost costs involved in investigating and prosecuting people smugglers.

<sup>5</sup> The budget allocation included funds for the following functions: regulate entry and departure; prevent unlawful entry; detection onshore; removals; detention and litigation. Budget estimates for 2000–01 included a provision for anticipated increases in the number of unauthorised arrivals, a trend that did not eventuate (see Figure 1.1).

<sup>6</sup> More detail on the Government's response is discussed in Appendix 2.

the Attorney General's Department (A-GD). All agencies involved have been required to operate in the context of a rapidly changing and, at times, high-pressure environment.

9. The Australian National Audit Office (ANAO) categorised these measures as offshore, border and onshore measures. The basis of the ANAO classification relates to where the primary activity for individual measures takes place.

10. Offshore measures can be viewed as the first line of defence in protecting the integrity of the Australian border. These measures mainly seek to detect, disrupt and deter potential unauthorised arrivals from travelling to and entering Australia. These measures include:

- the placement of additional *Principal Migration Officers (Compliance) (PMO(C)s)* in source and transit countries to detect people attempting to travel to Australia illegally, strengthen information gathering, and combat document and identity fraud and people smuggling;
- the placement of additional *Airline Liaison Officers (ALOs)* to work with airlines in key transit countries to intercept potential unauthorised arrivals en-route to Australia;
- the establishment of a joint *AFP-DIMIA People Smuggling Strike Team* to investigate, detect and disrupt organised people smuggling;
- the imposition of *penalties* on commercial carriers who bring unauthorised or inadequately documented passengers to Australia;
- the implementation of an *overseas information campaign* to deter people smugglers and potential unauthorised arrivals from travelling to Australia;
- the provision of offshore humanitarian processing, technical training and support, economic assistance, and negotiation of bilateral return and readmission agreements with key source and transit countries; and
- the international engagement with other countries, United Nations High Commission for Refugees (UNHCR), International Organisation for Migration (IOM) and in multicultural fora which enables Australia to participate in the development of a global approach and to influence international policy.

11. These measures are designed to have a positive impact on the level of unlawful entry and, as a result, the downstream border processing, detention costs, and onshore compliance costs incurred by the Commonwealth.

12. Border measures are mainly focussed on the detection of potential unauthorised arrivals at, or near, the border. They include the aerial surveillance service performed by Coastwatch on behalf of DIMIA (and other client agencies),

and the immigration passenger clearance service performed by the ACS on behalf of DIMIA. They also include protection visa reception and processing arrangements, which seek to prevent or reduce the flow of unauthorised arrivals to Australia.

13. Onshore measures are mainly focussed on detecting and deterring overstayers and/or people who are breaching visa conditions. They include onshore compliance officers, investigations, employer education campaigns, sanctions for recruiting people who are breaching visa conditions, data matching and data exchange between agencies such as DIMIA, ATO, Centrelink and the AFP.

## **Audit objective, scope and focus**

14. The objective of the audit was to assess DIMIA's management of offshore measures to prevent and detect unlawful entry, and to identify opportunities for any improvement.

15. The audit did not cover the processing arrangements, referred to as the Pacific Strategy, introduced as part of legislative changes in September 2001. Nor did it cover the range of measures used for prevention and detection at the border and onshore.

16. As DIMIA is the lead agency responsible for the development of immigration policy, the audit focussed on the administrative effectiveness of the governance framework used by the department to implement and support the achievement of Government strategies to prevent unlawful entry.

## **Overall conclusion**

17. Dealing with unauthorised arrivals is an essential and growing part of DIMIA's core business. The Government's treatment of unauthorised arrivals involves many other agencies in the provision of a whole of government solution to the issue. The environment in which the department, and other agencies, operate is dynamic, with the number, nationality and entry routes of those seeking to enter Australia constantly changing in response to world events. DIMIA's ability to respond quickly to different scenarios relies on a well-coordinated approach with other agencies to constantly changing circumstances that are heavily influenced by external factors including world events. The department advised that the implementation of the Government's 1999–2000 Unauthorised Arrivals Strategy, with a number of inter-departmental committees operating across a suite of issues, provides an example of cross-agency cooperation.

18. Appropriate corporate governance arrangements, which include: defining and monitoring the strategic direction; defining policy and procedures; establishing control and accountability systems; reviewing and monitoring management and the organisation's performance; and a risk management strategy, form the basis of a robust, credible and responsive management framework.

19. The ANAO concluded that the department's management of offshore measures to prevent unlawful entry would be enhanced by a more systematic and documented governance structure. Without such a structure, the department placed too much emphasis on the ability of individuals to respond effectively to particular situations based on their skills and experience, rather than relying on accepted governance arrangements to mitigate risks, communicate strategies and expected outcomes, and assess performance.

20. The ANAO considers improvements in the department's governance structure could be addressed through a more effective and integrated risk management, planning and reporting framework which includes developing:

- a departmental risk management strategy that includes the risks associated with the prevention of unlawful entry;
- operational level plans which are clearly aligned with higher level plans and provide a reliable basis on which to facilitate internal monitoring, assessment or reporting of performance against higher level strategies and individual measures;
- a strategic intelligence capability to support policy development, organisational planning, resource allocation and the identification of key risks and priority areas for examination; and
- effective performance monitoring and reporting mechanisms.

### **DIMIA comment**

21. The department welcomes the audit and its recommendations. It is clear that the issue of unauthorised arrivals, which is part of the broader global movement of people for both humanitarian and economic reasons, is a particularly complex area of public policy. It is an issue that is presenting challenges for governments around the world. Of its very nature, unauthorised travel is highly unpredictable, volatile and increasingly sophisticated given the growing involvement of international criminals in arranging this travel.

22. The department notes that, following the upswing in unauthorised arrivals over the past decade, there has been a more recent dramatic reduction in unauthorised arrivals, with Australian government initiatives clearly being a major contributing reason for this. However, ongoing efforts and initiatives will

be essential in continuing to successfully manage these issues. The ANAO report provides some useful indicators for further development of more sophisticated planning tools.

# Key Findings

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## Planning and administration

23. The ANAO found that the department did not have a formal risk identification, monitoring and management process in place at the corporate or operational levels. In addition, there has been no systematic or pro-active approach to identify, manage and monitor the various risks associated with administering measures to prevent, detect and disrupt unlawful entry. The department is in the process of developing a risk management strategy, which will be fully operational in 2003.

24. The ANAO found that, although the department has reflected details of government policy over time in a variety of public documents, which provide broad guidance on the department's approach to preventing unlawful entry, there would be benefit in the department articulating clearly to staff how individual measures fit within the department's approach to prevent unlawful entry. There were no formal guidance documents available at the operational level.

25. The ANAO found that the two branches of the department, with primary responsibility for managing and monitoring the majority of measures to prevent unlawful entry, had made progress in implementing the key strategies/measures for which they are responsible. However, although the two branches had developed, or were in the process of developing, their own work plans, it was not evident that there had been any attempt at integrating the planning approaches of the branches.

26. Where plans did exist, they were not clearly aligned with any higher-level plans. Nor did they identify the performance indicators/measures that could be used to assess the efficiency and effectiveness of the individual measures the branches were responsible for implementing. In general, the ANAO found that:

- objectives and expected outcomes were not always clear, impacting on the department's ability to account for its performance;
- the implementation of measures had not been supported by a structured assessment of risks and controls;
- roles and relationships within the department and with external agencies had not been defined; and
- in some areas processes and procedures had still to be developed.

## Intelligence to support measures to prevent unlawful entry

27. The department's intelligence function has been effective in providing tactical and/or operational intelligence on potential overt boat arrivals and associated people smugglers. The ANAO was advised that the current focus on short-term warning of overt unauthorised boat arrivals had impacted on the management of other risks relating to unlawful entry, such as identity and document fraud. In addition, the level of intelligence support given to airline liaison officers and immigration officers at domestic airports had been limited due to resource constraints.

28. The collection of information is primarily limited to offshore resources (for example Principal Migration Officers (Compliance) PMO(C)s). However, there is potential for other sources of information within the department to be maximised. Such sources of information include relevant branches within the Humanitarian and Refugee Division; data relating to the outcomes from onshore investigations and compliance activity; the range of relevant departmental quantitative data sources; and information from unauthorised boat arrivals. The ANAO considers the range of information collection sources should be broadened and the department's information requirements should be disseminated more widely.

29. The ANAO found that, as the Intelligence Analysis Section does not currently have a database to store, manage and analyse information, the department faces a number of risks. These include having to rely on the corporate memory of staff and not being able to access or retrieve information easily. A new database, which will store information up to in-confidence classification, is being developed and will be operational by July 2002. Information of higher security classification will be stored on a yet to be acquired intelligence database.

## Managing for performance

30. The ANAO found that the department has established a number of formal internal monitoring and reporting mechanisms to support the management of measures to prevent unlawful entry. For example, output and individual product managers provide biannual performance updates through the Management Board with the support of the Finance Committee.

31. Notwithstanding these arrangements, the ANAO found that the department has still to develop a comprehensive performance information framework to support its internal monitoring and external reporting requirements.



32. The performance indicators in the Immigration and Multicultural Affairs 2000–2001 Portfolio Budget Statement (PBS) provided limited capacity for the assessment of the effectiveness of the department in relation to the published outcomes and outputs considered in detail during the audit. Reporting at the operational level, and for the annual report, has tended to be activity based, focused on quantity and not addressing qualitative elements of outputs and outcomes. In addition, the current performance measures do not address the full range of departmental achievements. No critical assessment of performance or effectiveness against pre-defined outcomes (including interim outcomes) and outputs has been undertaken. Recognising the difficulties of assessing outcomes that are achievable only over time, the ANAO suggests that the department gives consideration to the notion of intermediate outcomes.
33. The ANAO also found that the department had not developed coordinated administrative practices and systems to support its internal management of performance and external annual reporting requirements.
34. An improved performance information framework would allow the department to more clearly demonstrate its achievements against planned outcomes and outputs.

# Recommendations

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**Recommendation  
No. 1  
Para 2.29**

The ANAO recommends that DIMIA develops an integrated approach to the implementation and management of measures to prevent unlawful entry into Australia. Strategic plans can facilitate this by including objectives that identify:

- expected outcomes;
- strategies to achieve outcomes; and
- measures of success.

Operational level plans can support strategic plans by:

- outlining the processes and procedures to support the implementation and operation of individual measures; and
- identifying appropriate performance indicators.

*Response:* Agreed.

**Recommendation  
No. 2  
Para 3.28**

The ANAO recommends that the department develops a strategic intelligence capability so that emerging trends and risks can be identified to enable the department to better inform policy development, prioritisation and resource allocation, and view policy in a global context.

*Response:* Agreed.

**Recommendation  
No. 3  
Para 3.36**

The ANAO recommends that the department develops a more structured approach to identify information collection priorities, and their dissemination, to:

- ensure current and emerging trends and risks are addressed; and
- potential information collection resources are maximised.

*Response:* Agreed.

**Recommendation  
No. 4  
Para 4.26**

The ANAO recommends that, in order to ensure the effective use of performance information for internal decision making and external reporting, DIMIA establishes appropriate data collection and reporting procedures that:

- specify performance measures and indicators of success;
- are supported by a data dictionary that defines the data item, the measurement method and data collection methodology, and data presentation requirements;
- designate the area responsible for providing this information, including reporting frequency; and
- are underpinned by the internal review and audit of data quality assurance processes.

*Response:* Agreed.



# **Audit Findings and Conclusions**



# 1. Background

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*This chapter provides an overview of the global migration context, and in particular, unauthorised migration. It also details the Government approach to managing unauthorised migration, including key initiatives to prevent unlawful entry. The audit objectives and approach are also discussed.*

## The global migration context<sup>7</sup>

**1.1** International migrants (migrants) are persons who take up residence in a foreign country. International migration is a global phenomenon involving a wide range of source, destination and transit countries, and a diverse group of migrants, whose movement may be permanent or temporary, lawful or unlawful, voluntary or forced. The skilled worker from Australia in Singapore, the refugee from Afghanistan in Iran; and the agricultural worker from Mexico working illegally in the United States are all examples of international migrants.

### Scale and characteristics

**1.2** Since 1965, the number of long-term world-wide international migrants has grown steadily, with an estimated 150 million migrants as of the year 2000. This represents less than three per cent of the world's population.

**1.3** Migrants come from all parts of the world and they go to all parts of the world. The largest groups of migrants are located in Asia; Europe and North America have about equal numbers; Africa Latin America and Oceania follow with progressively fewer numbers. Developing countries make up more than half of the pool of international migrants. Most migration movements occur within the same continent.

**1.4** The United States is by far the largest recipient of migrants, with about 25 million foreign-born residents at the end of the 1990s. Other significant receiving countries include India, Pakistan, France, Germany, Canada, Saudi Arabia, Australia, the United Kingdom, and the Islamic Republic of Iran.

### Types of movements

**1.5** Migrants can be categorised into two broad groups: voluntary migrants and forced migrants. Voluntary migrants move abroad for the purposes such employment, study and family reunification. Forced migrants leave their countries to escape persecution, conflict, repression, natural and man-made disasters, ecological degradation, or other situations that endanger their lives,

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<sup>7</sup> International Organisation for Migration, 2000, *World Migration Report 2000*.

freedom, or livelihood, and seek refuge in other countries. In relation to forced migration, the UNHCR estimated there were some 12 million refugees worldwide at the start of 2001. In addition, according to the Special United Nations Representative for Internally Displaced Persons, there are between 20–25 million internally displaced persons globally.<sup>8</sup>

**1.6** While it is not always easy to distinguish between voluntary and forced migrants, the distinction is important because countries have different responsibilities for different types of migrants. For example, more than 140 countries,<sup>9</sup> including Australia, have signed the Refugees Convention relating to the Status of Refugees of 28 July 1951 and the Protocol relating to the Status of Refugees of 31 January 1967.<sup>10</sup> These require that signatory countries do not return a refugee<sup>11</sup> to their country of origin or other place of persecution, although they are not required to provide permanent residence to meet that obligation. The primary aim is to protect against return—referred to as non-refoulement.

## Unauthorised movements

**1.7** While the movement of most migrants is legal or authorised, a sizeable minority is considered to be illegal or unauthorised.<sup>12</sup> The International Organisation for Migration (IOM) has estimated that around four million people move illegally around the world each year, with the worldwide proceeds from people smuggling<sup>13</sup> and trafficking<sup>14</sup> estimated in 1996 to be US\$7 billion per annum.<sup>15</sup> Given the number of international crises resulting from war, and

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<sup>8</sup> <<http://www.unhcr.ch>>.

<sup>9</sup> DIMIA Fact Sheet No. 61, 02 December 2001, *Seeking Asylum within Australia*.

<sup>10</sup> Australia acceded to the Convention on 22 January 1954, and to the Protocol on 13 December 1973.

<sup>11</sup> The Convention defines refugees as people who are outside their country of nationality or their usual country of residence; and are (a) unable or unwilling to return to seek the protection of that country due to a well founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group, or political opinion, and (b) among other things, are not war criminals or people who have committed serious non-political crimes. Under 1 October 2001 amendments to Australian migration legislation, the Refugees Convention does not apply in relation to persecution unless a Convention reason is the essential and significant reason for the persecution and the persecution involves serious harm to the person, DIMIA Fact Sheet No. 61, 02 December 2001, *Seeking Asylum within Australia*.

<sup>12</sup> The terms unauthorised migration, unlawful migration, illegal migration and irregular migration are used interchangeably throughout this report, and refer to migrant movements that contravene a country's relevant migration laws and regulations.

<sup>13</sup> People smuggling involves the illegal movement of people across international borders, usually for payment. This implies a voluntary agreement between the organiser and the person being smuggled.

<sup>14</sup> People trafficking involves the illegal movement of people often against their will, across international borders. There is often ongoing exploitation to pay off a debt owed to the organiser. Traditionally, this has applied to people involved in the sex industry, but neither the definition nor the realities are limited to this form of employment.

<sup>15</sup> *Protecting the Border: Immigration Compliance*, Department of Immigration and Multicultural Affairs; 2000; p. 15.



natural and economic disasters since 1996, it is reasonable to assume that this amount will have increased substantially since then.

**1.8** South Asia, the Middle East, the Peoples Republic of China (PRC) and Africa are major source countries of unauthorised migrants, while the major destination countries are in North America, particularly the United States, and in Europe,<sup>16</sup> and to a lesser extent, Australia.

**1.9** While the reasons for migration are complex, a variety of push and pull factors can be identified that influence a person's choice to enter migrant recipient countries either legally or illegally. Push factors that may influence potential migrants to leave their home country include:

- war;
- political or religious persecution;
- natural disasters; and
- unemployment.

**1.10** Pull factors that may draw a potential migrant to a certain country include:

- perception of greater economic opportunities;
- perceived improved lifestyle; and
- community and family links.

**1.11** Migrants may be influenced by one, or more push and pull factors. These factors are augmented by network or facilitating factors such as improved communication, and access to criminal organisations providing people smuggling services.

## The Australian migration context

### Authorised migration

**1.12** Australia has a long tradition as an immigration country. Since 1945, six million people have come to Australia as new settlers. New Zealand and the United Kingdom are the largest source countries for migrants to Australia, but other regions, notably Asia, have become more significant.<sup>17</sup>

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<sup>16</sup> Australian Federal Police, *Platypus-September 2000*.

<sup>17</sup> DIMIA Fact Sheet No. 4, December 2001, *Over Fifty Years of Post-war Migration*.

**1.13** For the financial year 2001–2002, Australia’s official migration program anticipates the admission of up to 97 000 persons comprising:

- 85 000 immigrants under the Migration (non-humanitarian) Program (37 900 family members, 45 000 skilled migrants, and 1600 in the special eligibility category); and
- 12 000 resettlement places for refugees or persons in humanitarian need under the Humanitarian Program (4000 refugees from overseas, 1700 under the special humanitarian program,<sup>18</sup> and 6300 for onshore refugees).<sup>19</sup> Priority will be placed on the settlement of persons from the regions of the Middle East and South West Asia, Africa, and the former Yugoslavia.

**1.14** As noted earlier, many persons do not, or cannot, satisfy legal migratory requirements. Indeed they may not want to endure what they perceive to be a protracted process to relocate legally. Others may be unable to participate in legitimate migration processes, due to political, economic or social factors in their home country. For these and other complex reasons, some people resort to illegal methods to enter and stay in Australia.

## Australia’s entry and stay requirements

**1.15** Current government policy in relation to entry and stay in Australia is to facilitate the lawful international movement of people while regulating the entry and presence of non-citizens in Australia. Under Australia’s *Migration Act 1958* (the Act), which is administered by DIMIA, all people who are not Australian citizens are required to hold a valid visa to enter and stay in Australia. Since 1975, this authority has taken the form of visa or more recently an Electronic Travel Authority,<sup>20</sup> which travellers, except for New Zealand citizens, must obtain before travelling to Australia.

**1.16** A non-citizen who is in Australia without a valid visa is defined as an *unlawful non-citizen*.

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<sup>18</sup> The number of places available to offshore refugees and those in need of humanitarian need is reduced according to the number of protection claims made onshore.

<sup>19</sup> DIMIA Fact Sheet No. 20, *Migration Program Planning Levels*; 02 December 2001; and Ministerial Press Release 046/2001.

<sup>20</sup> An Electronic Travel Authority (ETA) enables visitors from passport approved countries to obtain authority to enter Australia at the same time they book their travel arrangements. The ETA is issued via computer links between DIMIA, over 300 000 travel agents, more than 75 airlines and specialist service providers around the world. The ANAO conducted an audit of the ETA in 1999–2000 (ANAO Audit Report No.3 1999–2000: *Electronic Travel Authority*).

**1.17** For administrative reasons, DIMIA classifies unlawful non-citizens into the following categories:

- *unauthorised arrivals*—persons who arrive without the correct documentation;
- *overstayers*—persons who enter the country legally and later become unlawful by overstaying their visas; and
- *persons who are breaching visa conditions*—persons whose visas are cancelled for reasons such as working without permission.

**1.18** In terms of volume, the largest group of unlawful non-citizens is overstayers and/or people who are breaching visa conditions. DIMIA estimated that there were 60 103 overstayers and/or people who are breaching visa conditions in Australia as at 30 June 2001.

## **Nature and extent of unauthorised migration**

**1.19** Under the Act, persons who arrive in Australia without authority, or have their visa cancelled because they have breached their visa conditions or overstayed their visa, are required to be placed in a designated place of detention until their situation is resolved. Unless they are granted permission to remain in Australia, they must be removed as soon as possible.

**1.20** There is a range of covert and overt methods open to persons who seek to enter and stay in Australia illegally. These include, but are not limited to:

- persons who arrive in Australia, by air or sea, with no documentation, or fraudulent documentation; and apply to remain in Australia, usually on refugee grounds (overt/covert);
- persons who attempt to enter Australia using fraudulent documentation (covert);
- persons who attempt to avoid detection by Australian authorities altogether, by attempting to enter secretly by air or sea (covert); and
- persons who apply for a temporary or visitor visa and travel in accordance with usual practices, with the unspecified intention of looking for work and/or overstaying their visa (covert).

**1.21** Available detection and interception data provides an indication of the volume, nature and trends in unauthorised migration to Australia over time. In 1999–2000, the department spent about \$247 million locating, removing and detecting people who arrived illegally in Australia, and also those who have been found to be in breach of their visa conditions. The budgeted

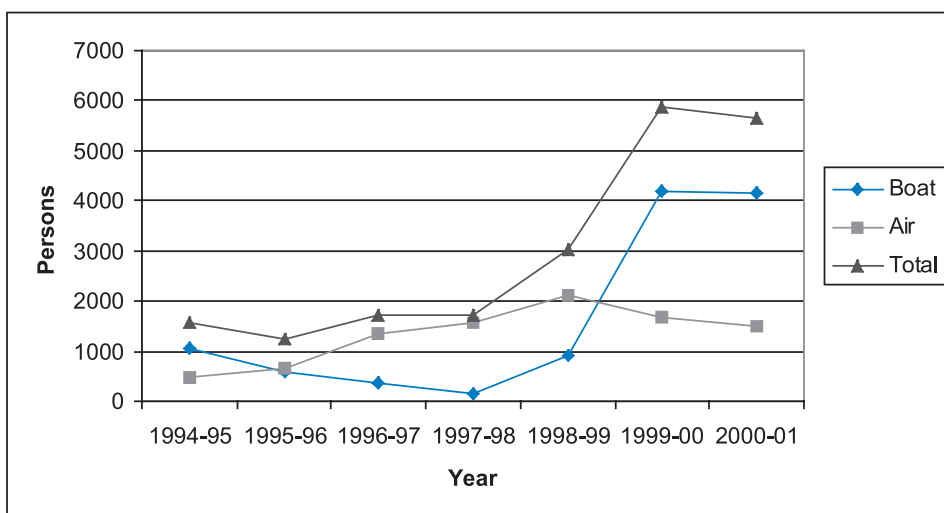
amount<sup>21</sup> increased to around \$420 million in 2000–01, with actual spending of \$266 million.<sup>22</sup>

## Unlawful arrivals by boat and air

1.22 Since 1996, an increasing number of people have arrived illegally in Australia, as Figure 1.1 illustrates.

**Figure 1.1**

**Unauthorised arrivals by boat and air, 1994–2001**



Source: ANAO analysis of DIMIA statistics

1.23 During 1999–2000, there were some notable changes in the patterns of arrivals including the following:

- There was a shift in the nationality profile of unauthorised arrivals. Australia’s previous experience has been unauthorised arrivals from various parts of Asia, primarily China, Vietnam and Cambodia. During 1999–2000 the bulk of arrivals (both air and sea) were from Iraq and Afghanistan. In 2000–01, Iraqis and Afghans increasingly chose to travel to Australia by boat, with the result that Iraqi and Afghan unauthorised air arrivals declined to just four per cent of the total.

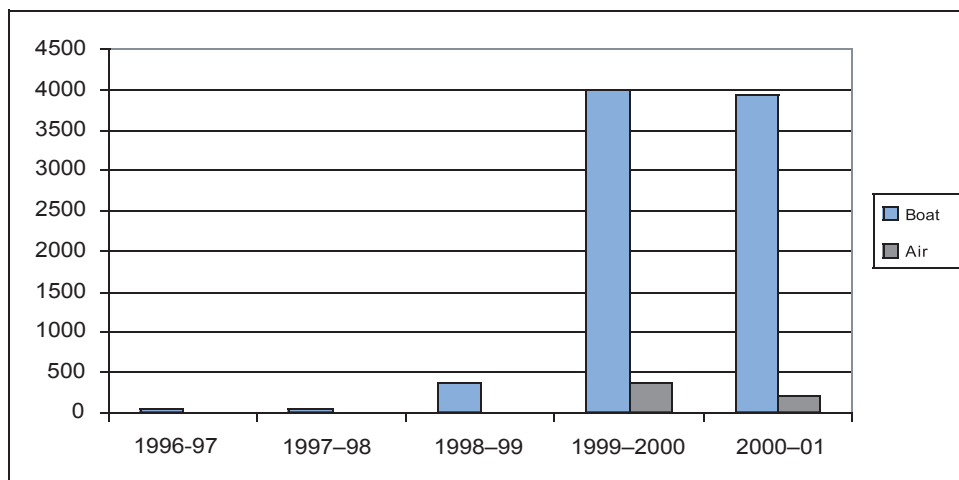
<sup>21</sup> *Portfolio Budget Statements 2000–01: Immigration and Multicultural Affairs Portfolio*. This does not encompass departmental costs such as offshore prevention measures, or the costs of other agencies such as Coastwatch, Australian Customs Service, and the Department of Defence who are involved in the detection, interception, and transportation of unauthorised boat arrivals to the Australian mainland or the cost costs involved in investigating and prosecuting people smugglers.

<sup>22</sup> The budget allocation included funds for the following functions: regulate entry and departure; prevent unlawful entry; detection onshore; removals; detention and litigation. The budget estimates for 2000–01 included a provision for anticipated increases in the number of unauthorised arrivals, a trend that did not eventuate (see Figure 1.1).

- Malaysian (9.4 per cent) and South Korean (nine per cent) nationals resumed their former prominence among unauthorised air arrivals in this period.
- During 1999–2000 and 2000–01, the majority of unauthorised boat arrivals presented protection claims, as illustrated in Figure 1.2. As a consequence, there has been greater strain placed on detention facilities and related processing costs.<sup>23</sup>
- The department advised that the incidence of fraudulent or destroyed documentation, together with advice from those apprehended, indicated the involvement of people smuggling organisations, particularly for arrivals by boat. This trend continued in 2000–01.

**Figure 1.2**

**Applications for protection visas by means of arrival**



Source: ANAO analysis of DIMIA statistics<sup>24</sup>

*Unlawful entry by commercial vessels and other means*

**1.24** The numbers of unauthorised arrivals by commercial vessels and via covert means are comparatively small to other methods of entry. In 2000–01, 18 people were detected arriving by ship as stowaways, compared with 26 in the previous financial year.

<sup>23</sup> The ANAO estimated in Report No.32, *The Management of Boat People, 1997–98* that the average processing cost of an unauthorised boat arrival who enters Australia's refugee determination system, allowing for reception and possible removal, was \$50 000.

<sup>24</sup> The Department was unable to provide data on applications for protection visas for those travelling by air for the period 1996–97 to 1998–99.

1.25 Although the department has acknowledged the potential exists for potential breaches of the border by illegal flights, it has not identified any unauthorised arrivals that have entered Australia secretly by air.<sup>25</sup>

## Action taken to reduce unauthorised migration to Australia

1.26 In response to a significant increase in the number of unauthorised arrivals and illegal immigration activity in early 1999, the Government developed a whole of government strategy.<sup>26</sup> Agencies other than DIMIA involved in the strategy include, the Australian Customs Service (ACS), the Australian Federal Police (AFP), the Australian Quarantine and Inspection Service, the Department of Foreign Affairs and Trade (DFAT), Coastwatch, the Department of Defence (Defence), the Department of the Prime Minister and Cabinet (PM&C), and the Attorney General's Department (A-GD).

1.27 The strategy reflected a four pronged approach comprising the following elements:

- **prevention** of the problem by minimising outflows from countries of origin and secondary outflows from countries of origin;
- working with other countries to **disrupt** people smugglers and **intercept** their clients en-route to Australia;
- **minimising incentives** to travel illegally to Australia; and
- **international cooperation** aimed at strengthening the international system of protection and disrupting people smuggling and refugee forum shopping.

## DIMIA's role

1.28 DIMIA is responsible for managing the permanent and temporary entry of people to Australia, enforcing immigration law, successfully settling migrants and refugees and promoting the benefits of citizenship and cultural diversity,<sup>27</sup> and ensuring sound and well coordinated policies, programs and decision-making processes in relation to Indigenous affairs and reconciliation.<sup>28</sup>

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<sup>25</sup> DIMIA submissions to the Joint Committee of Public Accounts and Audit—*Inquiry into Coastwatch*, June 2000.

<sup>26</sup> More detail on issues on the recent measures to combat the flow of unauthorised arrival is shown at Appendix 2.

<sup>27</sup> Portfolio Budget Statements 2001–02: Immigration and Multicultural Affairs Portfolio.

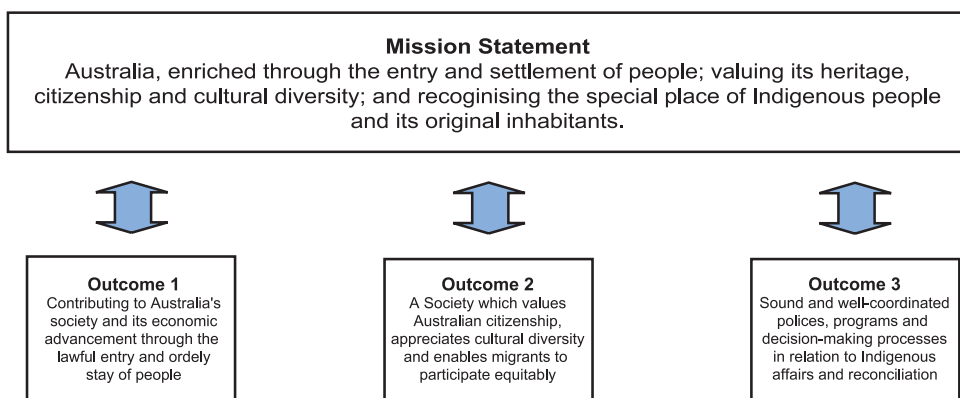
<sup>28</sup> Revised Outcomes and Outputs framework developed in response to November 2001 changes in Administrative Arrangement Orders, provided by DIMIA, 19 February 2002.

1.29 The tasks assigned to the department in the Administrative Arrangements Orders<sup>29</sup> are:

- entry, stay and departure arrangements for non-citizens;
- border immigration ;
- arrangements for the settlement of migrants and humanitarian entrants, other than migrant child education;
- ethnic affairs;
- multicultural affairs; and
- indigenous affairs and reconciliation.

1.30 The department's focus is on the delivery of outputs relating to three outcomes, as illustrated in Figure 1.3.<sup>30</sup>

**Figure 1.3**  
**Departmental outcomes**



Source: DIMIA, February 2002

1.31 Outcome One 'contributing to Australia's society and its economic advancement through the lawful entry and orderly stay of people', provided the foundation for the audit's coverage.<sup>31</sup>

<sup>29</sup> <<http://www.dpmc.gov.au/pdfs/aaao.pdf>> [22 February 2002].

<sup>30</sup> At the time of the audit fieldwork the department had only two outcomes. Changes to Administrative Arrangement Orders in November 2001 introduced the department's responsibility for indigenous affairs. This new responsibility is reflected in Figure 1.1. The audit scope was limited to Outcome One and therefore was not impacted on by this change in Administrative Arrangement Orders.

<sup>31</sup> This Outcome Statement changed as a result of the Administrative Arrangement Orders of 26 November 2001, which made Indigenous Affairs part of the Immigration and Multicultural Affairs portfolio.

1.32 Outcome One requires achieving a balance between the need to attract skilled and business migrants to meet Australia's economic needs; family reunion; offering resettlement assistance to those refugees and others in greatest need; and supporting key industries such as tourism and international education by streamlining visa and passenger processing; while, at the same time, minimising the entry and stay of people who seek to circumvent Australia's migration laws and regulations, or who pose a health, law and order or security risk.

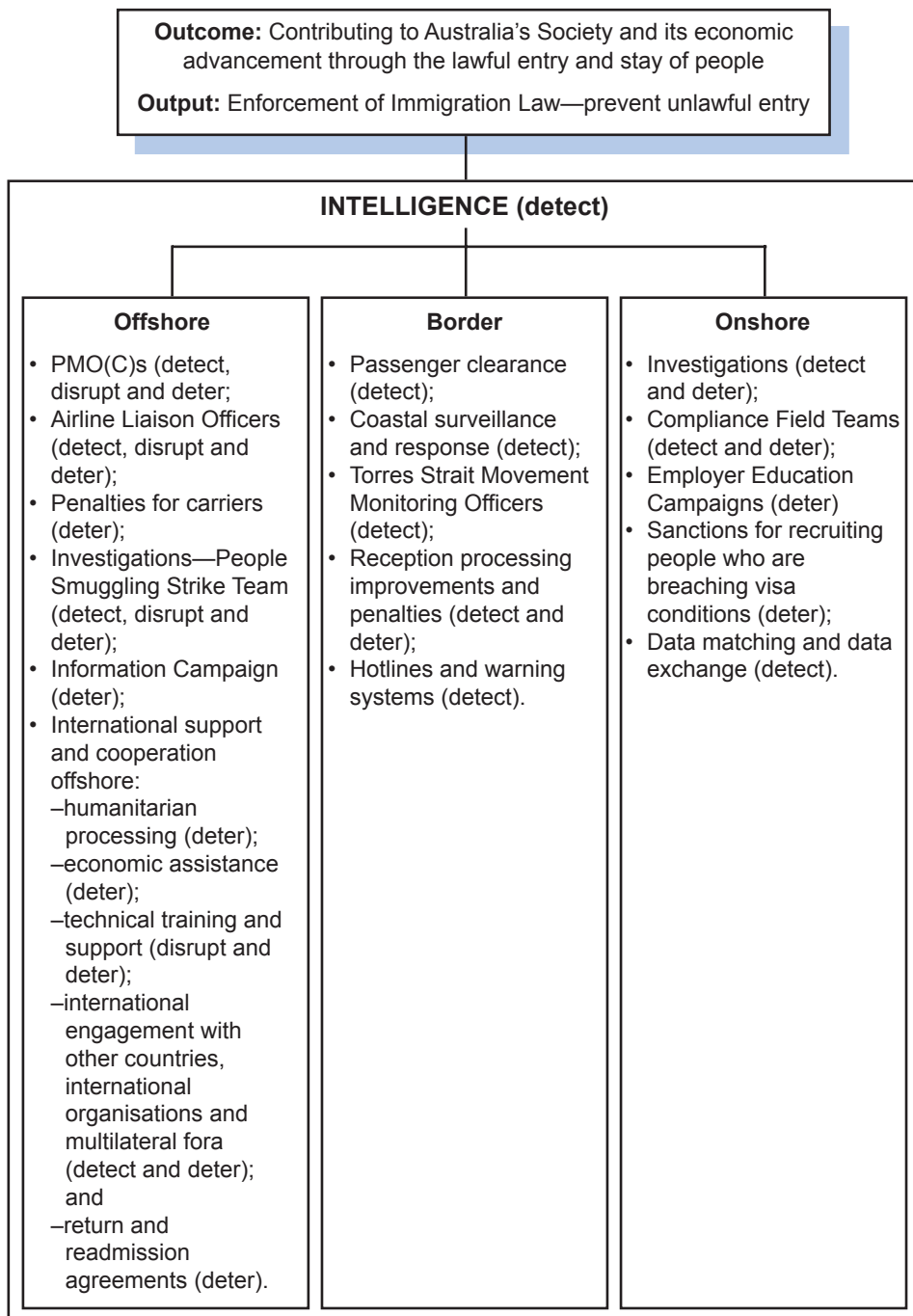
## Conceptual framework of key detection and prevention measures

1.33 The ANAO developed a conceptual map of the key detection, disruption and deterrent measures that collectively aim to prevent unlawful entry to Australia (see Figure 1.4). The ANAO categorised these measures as **offshore**, **border** and **onshore** measures. The basis of the ANAO classification relates to where the primary activity for individual measures takes place. The ANAO notes that activity in all areas needs to be supported and underpinned by an effective intelligence framework and legislation, as well as by strong domestic, bilateral and multilateral cooperation.



Figure 1.4

## Conceptual map of prevention and detection measures



Source: ANAO analysis based on DIMIA data

## Offshore Measures

1.34 Offshore measures can be viewed as the first line of defence in protecting the integrity of the Australian border. These measures mainly seek to detect, disrupt and deter potential unauthorised arrivals from travelling to and entering Australia. These measures include:

- the placement of additional *Principal Migration Compliance Officers (PMO(C)s)* in source and transit countries to detect people attempting to travel to Australia illegally, strengthen information gathering, and combat document and identity fraud and people smuggling;
- the placement of additional *Airline Liaison Officers (ALOs)* to work with airlines in key transit countries to intercept potential unauthorised arrivals en-route to Australia;
- the establishment of a joint *AFP-DIMIA People Smuggling Strike Team* to investigate, detect and disrupt organised people smuggling;
- the imposition of *penalties* on commercial carriers who bring unauthorised or inadequately documented passengers to Australia;
- the implementation of an *overseas information campaign* to deter people smugglers and potential unauthorised arrivals from travelling to Australia;
- the provision of offshore humanitarian processing, technical training and support, economic assistance, negotiation of bilateral return and readmission agreements with key source and transit countries; and
- international engagement with other countries, UNHCR, IOM and in multilateral fora which enables Australia to participate in the development of a global approach and to influence international policy.

1.35 These measures are designed to have a positive impact on the level of unlawful entry and, as a result, also on the downstream border processing, detention costs, and onshore compliance costs incurred by the Commonwealth.

1.36 Table 1.1 details DIMIA expenditure in relation to measures designed to prevent unlawful entry in recent years.

**Table 1.1****DIMIA expenditure on prevention of unlawful entry**

	<b>1999–2000</b>	<b>2000–01</b>	<b>2001–02</b>
Output 1.3 <sup>1</sup> – budget <sup>32</sup>	178 760 000	419 980 000	341 682 000
Output 1.3 – actual	<sup>33</sup> 247 369 000	<sup>34</sup> 298 913 000	
<b>Strategy Expenditure</b>			
Intelligence Analysis Section	*2 327 213	1 635 546	
Airline Liaison Officers	*939 155	1 918 276	
Principal Migration Officers (Compliance)	2 798 488	6 147 000	#6 935 000
Overseas Information Campaign	213 522	491 990	
Joint Strike Team		2 091 000	
<b>Total</b>	<b>6 278 378</b>	<b>12 283 812</b>	<b>#6 935 000</b>
<p><sup>1</sup>Output 1.3 includes the following functions:</p> <ul style="list-style-type: none"> <li>• regulate entry and departure;</li> <li>• prevent unlawful entry;</li> <li>• detection on shore;</li> <li>• removals;</li> <li>• detention; and</li> <li>• litigation.</li> </ul> <p>The focus of the audit is on functions related to the prevention of unlawful entry, as detailed by expenditure on individual strategies.</p> <p><sup>†</sup>Prior to mid 1999-2000, ALO expenditure was included in IAS expenditure.</p> <p><sup>#</sup> Budget figures.</p>			

Source: DIMIA

## Border Measures

**1.37** Border measures are mainly focussed on the detection of potential unauthorised arrivals at, or near, the border. They include the aerial surveillance service performed by Coastwatch on behalf of DIMIA (and other client agencies), and the immigration passenger clearance service performed by the ACS on behalf of DIMIA. They also include protection visa reception and processing arrangements, which seek to identify any persons who are refugees.

## Onshore Measures

**1.38** Onshore measures are mainly focussed on detecting and deterring overstayers and/or people who are breaching visa conditions. They include onshore compliance staff, investigations, employer education campaigns, sanctions for recruiting people who are breaching visa conditions, data matching and data exchange between agencies, such as DIMIA, ATO, Centrelink and the AFP.

<sup>32</sup> The budget allocation included funds for the following functions: regulate entry and departure; prevent unlawful entry; detection onshore; removals; detention and litigation.

<sup>33</sup> Additional funds were provided at Additional Estimates to cater for the increase in unauthorised arrivals.

<sup>34</sup> The budget estimate for 2000–01 included a provision for anticipated increases in the number of unauthorised arrivals, a trend that did not eventuate (see Figure 1.1).

## Audit objectives and scope

**1.39** The objective of the audit was to assess DIMIA's management of offshore measures to prevent and detect unlawful entry to Australia, and to identify any opportunities for improvement.

**1.40** The audit did not cover the processing arrangements, referred to as the Pacific Strategy, introduced as part of legislative changes in September 2001. Nor did it cover the range of measures used to prevent unlawful entry at the border and to detect unlawful non-citizens onshore.

**1.41** The audit focussed on the department's management of the range of **offshore** measures to prevent unlawful entry for which it has had responsibility for many years, and sought to identify the extent to which a sample of these measures were achieving desired outcomes. The sample of offshore measures examined by the audit were:

- Airline Liaison Officers;
- Principal Migration Officers (Compliance);
- Joint AFP-DIMIA People Smuggling Strike Team;
- Information Campaign; and
- Penalties for Carriers.

**1.42** As DIMIA is the lead agency responsible for the development of immigration policy, the audit focused on the administrative effectiveness of the governance framework used by the department to implement measures to support the achievement of Government strategies to prevent and detect unlawful entry. Key aspects of governance examined included planning and implementation (Chapter Two); performance information, monitoring and reporting (Chapter Four); and trend/risk identification, assessment and management processes (Chapter Three).

**1.43** The methodology for the audit involved:

- interviews with relevant DIMIA staff (domestic and overseas);
- interviews with relevant Commonwealth departments and agencies;
- file review and document examination (including cabinet submissions, Portfolio Budget Statements and available DIMIA strategic/operational planning/guidance documents); and
- identification and review of available cost and performance data.

**1.44** Detailed papers on the sample of offshore measures examined were provided to DIMIA and the AFP in November and December 2001. These papers

identified opportunities for improvement, and where appropriate made recommendations to enhance administration of the individual measures.

**1.45** The audit was conducted in accordance with ANAO auditing standards at a cost of approximately \$390 000. The ANAO engaged a consulting firm, Courage Partners, to assist with the audit. Its contribution covered all aspects of the audit.

## 2. Planning and Administration

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*This chapter examines DIMIA planning arrangements to support the implementation and management of the range of measures to prevent unlawful entry.*

### Introduction

2.1 Planning is an essential element of an effective corporate governance framework and efficient and effective administration. Characteristics of a sound planning framework include:

- providing a strategic direction and focus on outputs and outcomes;
- adopting a structured approach to manage risks associated with the administration of programs;
- identifying and articulating responsibilities and relationships;
- supporting accountability for the achievement of performance; and
- providing for alignment between the work and performance at each level of administration to ensure activities are focussed on meeting defined objectives.

2.2 The ANAO considers that sound planning arrangements in DIMIA are particularly important given the dynamic environment in which the department operates and the number of external agencies involved.

### Whole of government planning and administrative framework

2.3 While the management of the migration of people to Australia is DIMIA's core business, prevention of unlawful entry now engages the interests of a number of other agencies. For example:

- Australia's international liaison on unauthorised migration involves DIMIA, DFAT, AFP, A-GD, and AusAID.
- Intelligence and warning on boat movements involves at least eight agencies including DIMIA, DFAT, AFP, Defence, ACS, Coastwatch, the Office of National Assessments (ONA) and other intelligence agencies.
- Investigations into people smuggling primarily involve DIMIA and the AFP in close cooperation with overseas law enforcement and immigration authorities.

2.4 The effectiveness of the overall effort will be determined by the quality of coordination both within departments and agencies and between them.

2.5 The Cabinet endorsed April 2000 Unauthorised Arrivals Strategy articulated the key objectives and the range of strategies to be delivered by departments and agencies. The Strategy encompassed the enhancement of existing DIMIA strategies as well as the introduction of new strategies to prevent unlawful entry to Australia.<sup>35</sup> No performance measures or indicators were articulated to monitor and assess the performance of the Strategy.

2.6 As part of this approach, a range of whole of government coordination mechanisms were established to support the implementation and management of strategies, including:

- the Inter-Departmental Committee chaired by the PM&C, which brings together key portfolios as required, for planning / coordination purposes;
- agency reporting to Cabinet on the implementation and performance of the Unauthorised Arrivals Strategy, coordinated by PM&C;<sup>36</sup> and
- intelligence coordination arrangements, for example, the Illegal Immigration Information Oversight Committee, chaired by ONA, and the Operational Coordination Committee, chaired by DIMIA.

2.7 In situations where there is joint responsibility for overseeing and implementing programs across a number of agencies, a clear governance framework, which clearly defines accountability and reporting arrangements, roles and responsibilities of the various participants, is necessary.<sup>37</sup> Increasingly, relevant governance arrangements need to cross organisational boundaries to better align activities and reduce barriers to effective cooperation and coordination.<sup>38</sup> This is the case in relation to the prevention of unauthorised arrivals, given the various agencies involved, all of which have been required to operate in the context of a rapidly changing and, at times, high-pressure environment.

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<sup>35</sup> Detail of the Cabinet Endorsed Unauthorised Arrivals Strategy is contained in Appendix 2.

<sup>36</sup> The first report was provided to Cabinet in November 2000. The next report was due for completion in November 2001. The department advised that since September 2001, reporting has been provided as a whole of government approach to the High Level Working Group established by the Department of the Prime Minister and Cabinet.

<sup>37</sup> *Joined-up Government*, is a term being used in the United Kingdom and focuses on the need for different parts of Government to work more closely together and across departmental and institutional boundaries than they have in the past.

<sup>38</sup> *Governing Corporately—Working Cooperatively, Creating a more Efficient and Effective Public Service in the 21<sup>st</sup> Century*, Pat Barrett, 16 May 2000.

2.8 Within this framework, DIMIA,<sup>39</sup> in consultation with relevant agencies where there is a shared responsibility, is responsible for undertaking the planning, implementation and on-going management of the range of detection, disruption and prevention strategies endorsed by the Government.

2.9 To ensure it met its legislative and policy responsibilities,<sup>40</sup> as part of the whole of government approach, the department established the International Cooperation Branch and the Border Protection Branch in December 1999. These branches are the principal areas tasked with implementing, managing and monitoring the performance of the range of offshore measures to prevent unlawful entry to Australia. The roles of each of these branches are detailed below:

- The **International Cooperation Branch, Refugee and Humanitarian Division** has a number of areas of responsibility. It was established principally to put in place and manage (typically in conjunction with the relevant departmental line areas), a range of agreements and arrangements with countries of origin, first asylum, transit and resettlement and donor countries designed to deter irregular migration and the activities of people smugglers. The branch also assists in the management of the Government's relationship's with both the (UNHCR) and the IOM and its participation in several other regional organisations and fora including the ASIA-Pacific Consultations on Refugees and Intergovernmental Consultations on Asylum, Refugee and Migration Policies in Europe, North America and Australia. It also oversees other aspects of the Department's pattern of international engagement and coordinates the briefing for the Minister's overseas visits.
- The **Border Protection Branch, Border Control and Compliance Division** is responsible for coordinating the functions associated with border protection issues, such as investigations, intelligence, administration and policy guidance of DIMIA's PMO(C) and ALO networks.

2.10 The ANAO sought to identify whether the department had implemented an administratively effective planning framework, including an approach to risk management, to support the Government strategy to prevent unlawful entry. In particular, the ANAO sought to identify how the department had translated and integrated government policy across the various parts of its administration, starting with the risk management framework. This included the review of relevant Cabinet documents, migration legislation and regulations, arrangements for managing risk, and available planning and reporting documentation, at both the strategic and operational levels.

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<sup>39</sup> DIMIA being the agency responsible for the administration of the *Migration Act 1958*.

<sup>40</sup> *Migration Act 1958*, amendments to the legislation and Cabinet endorsed April 2000 Unauthorised Arrivals Strategy.



## DIMIA's risk management framework

**2.11** Risk management provides a disciplined approach for dealing with future uncertainty. It is an important element of implementing a sound corporate governance framework incorporating the establishment of a process for identifying, analysing and mitigating risk<sup>41</sup> that could impact on the achievement of organisational objectives.

**2.12** The requirement to manage risk systematically applies to all organisations and to all functions and activities within an organisation and should be recognised as being of fundamental importance to all managers and staff within the APS.<sup>42</sup> It is generally accepted that the systematic identification, analysis and treatment and monitoring of risk will assist managers and staff in ensuring risks are identified early, the best options for managing them are selected, and that significant risk exposures are minimised.

**2.13** The department does not yet have a formal risk identification, monitoring and management process in place at the corporate or operational levels. The department advised that risk is assessed regularly in terms of reviewing approaches to various countries in the context of defining objectives for engagement by senior officials and the Minister. The department also advised that it is able to draw on a range of existing risk assessments including reporting to Cabinet and material provided by the Office of Strategic Crime Assessments. In addition, managers advised that risks to the administration of their programs were assessed intuitively and incorporated into their planning. However, the ANAO found that there has been no systematic or pro-active approach to identifying, managing and monitoring the various risks associated with administering measures to prevent, detect and disrupt unlawful entry.

**2.14** In February 2001, the department engaged an external consulting company to assist it in developing and implementing a centralised risk management framework. This framework, along with regular assessments, is intended to keep the department informed, and provide early warning of the possibility of an unacceptable outcome.

**2.15** Although it is not envisaged that the strategy will be fully operational until 2003, the department has advised that the initial focus of the strategy is on the key risks facing the department. The major output of this stage will be a basic risk management infrastructure, which identifies major risks and develops

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<sup>41</sup> The Australian/NZ 4360:1999 Risk Management Standard defines risks as events that have the power to impact on the achievement of organisational objectives. The Standard contemplates not only events that lead to loss or harm, but also that may lead to gain or advantage.

<sup>42</sup> MAB/MIAC, October 1996, Report No.22, *Guidelines for Management Risk in the Australian Public Service*.

clear measures and responsibilities for managing these risks. Recent departmental developments include the establishment of a Risk Management Working Group, which is responsible for the implementation of the new risk management framework, and developing the necessary policies, training and guidelines to assist staff in risk assessment.

**2.16** Further, the department envisages that the evolution of the strategy will be an integrated risk management framework throughout all levels of the department. This later stage will aim to make risk management a departmental priority. Operational units will be responsible for the management of their risks. This stage of the strategy will require the establishment of a suitable risk organisational structure, clear delegation of responsibility and embedding risk management into management and planning processes. The department advised that this stage of the strategy, which represents the need for a strong cultural shift and will require intensive training and support, is underway.

## **DIMIA's planning and implementation arrangements**

### **Strategic planning**

**2.17** In order to identify how the department had translated Government policy at the strategic level, and to determine whether staff had been provided with strategic guidance on the range of objectives and key measures endorsed by the Government to prevent unlawful entry, the ANAO examined the following documents:

- the department's Annual Reports;
- the department's Portfolio Budget and Additional Estimates Statements;
- public documents such as *Protecting the Border* and departmental fact sheets; and
- the department's past and current Corporate Plan, *Business Directions 2001–2003*, promulgated in July 2001.

**2.18** The department advised that it has not developed a single document or plan that articulates, for staff, the objectives and range measures to be delivered. It considered that the overall strategy for preventing unlawful entry had been clearly identified in the publications identified above and that a coordinated response to managing its performance in this area is facilitated via daily Executive meetings. The messages and priorities from these meetings then flow through to staff via branch meetings, performance and learning agreements and also 'all staff' fora, e-mails and newsletters.<sup>43</sup> However, based on consultation with

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<sup>43</sup> DIMIA advice, October 2001.

departmental staff, ANAO considers that although staff are aware of the requirements in relation to their individual jobs, they are often unable to translate how this fits into the broader departmental output *prevent unlawful entry*.

**2.19** The ANAO found that the department has reflected elements of government policy in a variety of public documents over time, for example, via its Portfolio Budget Statements (PBS), annual reports, *Protecting the Border* publications and more recent *Business Directions Statement*.<sup>44</sup> Together these documents, when considered in aggregate, provide broad guidance on the department's approach to preventing unlawful entry.<sup>45</sup> There were no guidance documents at the operational level.

**2.20** The ANAO considers that due the evolving nature of the required policy response to prevent unlawful entry, and the fact that two divisions are responsible for implementing measures relevant to the output, there would be benefit in the department developing a planning framework at the departmental level that provides a strategic focus by setting out:

- the objectives, including expected outcomes, and the range of measures to prevent unlawful entry endorsed by the Government;
- the key areas within the department, and external to the department, responsible for managing and accounting for the achievement of individual measures;
- high level performance measures, indicators or other methods of assessment to indicate the success or otherwise of measures implemented; and
- processes for identifying and assessing risk, and their subsequent management, which might impact on the achievement objectives.

**2.21** The development of such a framework is important in a fluid environment, such as the one in which the department operates. The importance of such a framework is further heightened by the need to ensure clarity of understanding and consistency of approach across different branches and divisions of the department.

**2.22** Such a framework would inform staff of the totality of the approach, and facilitate assurance, and accountability for monitoring and reporting the efficiency and effectiveness of outcomes and outputs. It would also provide a

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<sup>44</sup> The department's *Business Directions Statement* was promulgated in July 2001. The previous Statement had expired at the end of December 2000.

<sup>45</sup> The ANAO notes that while these documents are all publicly available, it is not practical to assume that all departmental staff have access to nor make themselves familiar with the detail of this suite of documents.

context for identifying and assessing risks to the achievement of objectives and reduce the possibility of loss of corporate knowledge, unnecessary duplication between areas; critical activities not being addressed appropriately; and different areas of the administration not working in harmony towards common objectives.

**2.23** In this regard, the ANAO notes the Outcome Two Business Plan prepared by the Multicultural Affairs and Citizenship Division as an example of better practice. This plan sets out how different parts of the department contribute to the achievement of Outcome Two and provides guidance for staff on outputs that need to achieve. Key features of the plan are summarised in Figure 2.1.

### **Figure 2.1**

#### **Better practice features of Outcome Two Business Plan 2000–01**

The Outcome Two Business Plan 2000–01 sets out a framework for external and internal outcome reporting. It is linked to commitments made in the department's PBS and the Business Directions Statement. Features of the plan, which could be utilised as a guide to better practice include:

- An internal and external reporting framework for Outcome Two that identifies:
  - outcome effectiveness measures;
  - performance measures for administered items departmental outputs;
  - internal management reporting requirements (including identification of the responsible area, reporting frequency, and whether the reporting will be used externally); and
  - details of the measurement method and data source for effectiveness and output measures.
- A statement of how organisational units within Outcome Two contribute to departmental outputs by listing planned outputs at the organisational unit level, including standards and performance indicators for both State and Central offices.
- The provision of a reference point for the development of business unit work plans and performance assessment and learning agreements.
- An outcome specific risk management strategy.

Source: Derived from *DIMIA Outcome Two 2000–2001 Business Plan*, Multicultural Affairs and Citizenship Division

## **Operational planning and administration**

**2.24** Operational plans should support strategic plans by: outlining the processes and procedures to support the implementation and operation of individual measures; and identifying performance indicators. Within DIMIA, operational areas are responsible for preparing their own annual operational

plans to support the delivery of the strategic priorities outlined in the department's PBS and its *Business Direction Statement*.<sup>46</sup>

**2.25** The ANAO found that the two branches with primary responsibility for managing and monitoring the majority of measures to prevent unlawful entry had either developed their own draft work plans (International Cooperation Branch) or were in the process of developing work plans (Border Protection Branch). Where plans did exist, they were not clearly aligned with higher-level plans, the department's planned achievements outlined in the PBS or the past or present *Business Direction Statements*. Nor did they identify the performance indicators/measures that could be used to assess the efficiency and effectiveness of the individual measures they were responsible for implementing.

**2.26** In addition, it was not evident, to the ANAO, that there had been any attempt to integrate the planning approaches of the two branches responsible for coordinating, implementing and managing the range of measures to prevent unlawful entry. Given these branches are in different divisions, the ANAO considers it is important that the planning, including the roles, relationships and coordination arrangements with other areas of the department and externally, is integrated. This in turn, would facilitate a more uniform and integrated approach to monitoring and reporting operational performance.

## **Planning for selected offshore measures**

**2.27** Individual branches have made progress in implementing the key strategies/measures for which they are responsible. In general the ANAO found that:

- objectives and expected outcomes were not always clear, impacting on the department's ability to account for its performance;
- limited attention had been paid to the identification of suitable performance measures to support internal decision making and external reporting accountability requirements;
- the implementation of measures had not been supported by structured assessments of risks and controls;
- roles and relationships within the department and with external agencies had not been defined; and
- processes and procedures had not been developed, or where they had they could be improved.

**2.28** These issues were particularly evident for the joint AFP-DIMIA People Smuggling Strike Team (PST), intelligence function, overseas compliance

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<sup>46</sup> DIMA Annual Report; DIMA Web Site; DIMA *Business Direction Statement*.

network, penalties for carriers; and to a lesser extent the Airline Liaison Officer network. Specific examples are highlighted below:

- *Joint AFP-DIMIA People Smuggling Strike Team*
  - While the PST has had some successes, at the time of the audit the AFP and DIMIA had not developed a strategy or framework for investigating organised people smuggling. This contributed to a number of downstream impacts and issues including: a lack of clarity across both organisation concerning the objective, scope and focus of the PST; limited ability to provide assurance of PST performance; insufficient development of processes and procedures to support investigations and whole of government interactions; and limited intelligence to drive and support investigations.
  - The AFP advised that recently it had initiated and drafted a PST Memorandum of Understanding (MOU) between the AFP and DIMIA, which outlines procedures on such things as: prioritisation of investigations (including by a joint AFP / DIMIA Board of Management that meets monthly); liaison intelligence management; and financial issues. It also provides measurement for outputs, and onshore and offshore performance measures. The MOU is underpinned by a wider service level agreement, which has recently been signed, between the AFP and DIMIA. In addition, internal and external reviews of the activities of the PST have been undertaken and a strategic planning day was held to discuss the issues arising from the reviews.
- *Intelligence function*—There were limited planning documents or standard operating procedures to guide staff and support the operation of the department's intelligence function and its interaction with other areas and agencies, and to enable an assessment of its performance to be made over time. The ANAO found that this has contributed to: differing views amongst staff of the roles, scope and focus of the intelligence function; and a lack of understanding on how to use intelligence products.
- *Principal Migration Officers (Compliance) and Airline Liaison Officer Networks*—While the roles of offshore resources had been defined, there was a lack of clarity surrounding their overall objectives and intended impact, within the context of the output *prevent unlawful entry*. The ANAO considers this has contributed, in part, to difficulties in articulating performance measures and indicators to assess the performance. As a result, the department is unable to provide assurance of the efficiency and effectiveness of the PMO(C) network and to a lesser extent the ALO network. The ANAO found there was also scope to enhance priorities / tasking for individual PMO(C)s. In relation to training provided to ALOs,

the ANAO considers that the technical and operational content of the one-week training course should be regularly reviewed to ensure its continued relevance to future ALOs.

- *Penalties for Carriers*—The department does not have a consistent approach to issuing penalties for carriers who bring unauthorised or inadequately documented passengers to Australia, meaning that carriers who use different ports of entry are likely to be subject to different processes. Nor does it have a set policy in place for the recovery of unpaid infringement notices, including when recovery action should begin and what method of recovery should be used. As a consequence, the ANAO found that the department has out-standing infringement notices dating back to 1998–99. The follow-up of infringement notices is exacerbated by the lack of an adequate management system to monitor infringement notices and their status. The ANAO considers that there is a risk that the lack of follow up on non-payment of infringement notices may lessen the deterrent effect that the introduction of penalties for carriers was meant to have. In addition, the lack of management data means that it is not possible to determine whether the value of penalties and their issue is an effective deterrent. The department advised that it is currently reviewing the Migration Series Instruction 284 on Carrier Obligations and Offences to include more specific advice on procedures for the serving of infringement notices and follow up of overdue infringement notices—ensuring a more consistent approach Australia wide. The reviewed Instruction will be circulated to all airport managers and available to all DIMIA officers in the near future.

## Recommendation No. 1

**2.29** The ANAO recommends that DIMIA develops an integrated approach to the implementation and management of measures to prevent unlawful entry into Australia. Strategic plans can facilitate this by including objectives that identify:

- expected outcomes;
- strategies to achieve outcomes; and
- measures of success.

Operational level plans can support strategic plans by:

- outlining the processes and procedures to support the implementation and operation of individual measures; and
- identifying appropriate performance indicators.

## *DIMIA response*

### 2.30 Agreed.

2.31 DIMIA regards the effectiveness of its operational strategies as fundamentally important. We note that in relation to the prevention of unlawful entry, the strategies implemented by DIMIA and other responsible agencies have been effective, with no unauthorised boat arrivals in the past five months and a reduction in the numbers of unauthorised air arrivals. This is in stark contrast with the experience of other developed Western countries number of areas within DIMIA and in other agencies. DIMIA agrees that the development and promulgation of formal strategic and operational plans is central to maintaining effectiveness and notes that significant progress is currently being made in relation to improved business planning.

2.32 DIMIA already has a strong focus on strategic business planning, with the *Business Directions 2001–03* and *Investing for 2005 and Beyond* documents stating DIMIA's commitment to strategic business planning. The current Corporate Governance Division project to bring together Business Planning and Budgeting will ensure that this is applied across the organizations.

2.33 The department agrees that, as a matter of principle, planning arrangements can always be improved. However as a matter of practice the key planning elements currently exist in a number of documents.

## Conclusion

2.34 The ANAO found that the department did not have a formal risk identification, monitoring and management process in place at the corporate or operational levels. In addition, there has been no systematic or pro-active approach to identify, manage and monitor the various risks associated with administering measures to prevent, detect and disrupt unlawful entry. The department is in the process of developing a risk management strategy, which will be fully operational in 2003.

2.35 The ANAO found that, although the department has reflected details of government policy over time in a variety of public documents, which provide broad guidance on the department's approach to preventing unlawful entry, there would be benefit in the department articulating in detail to staff how individual measures fit into the department's approach to prevent unlawful entry. There were no formal guidance documents available at the operational level.

2.36 The ANAO found that the two branches of the department, with primary responsibility for managing and monitoring the majority of measures to prevent



unlawful entry, had made progress in implementing the key strategies / measures for which they are responsible. However, although the two branches had developed, or were in the process of developing, their own work plans, it was not evident, to the ANAO, that there had been any attempt at integrating the planning approaches of the branches.

**2.37** Where plans did exist, they were not clearly aligned with any higher-level plans. Nor did they identify the performance indicators / measures that could be used to assess the efficiency and effectiveness of the individual measures the branches were responsible for implementing. In general, the ANAO found that:

- objectives and expected outcomes were not always clear, impacting on the department's ability to account for its performance;
- the implementation of measures had not been supported by a structured assessment of risks and controls;
- roles and relationships within the department and with external agencies had not been defined; and
- in some areas processes and procedures had still to be developed.

# 3. Intelligence to Support Measures to Prevent Unlawful Entry

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*This chapter examines the department's approach to identifying current and emerging trends and risks and their subsequent management.*

## Introduction

3.1 The ANAO sought to identify what systems or processes the department has put in place to identify current and emerging trends and risks (relating to the prevention of unlawful entry) and their management. As noted in Chapter Two, the department is currently developing a corporate approach to identifying and managing risk across the department.

3.2 The intelligence function is the key departmental mechanism for identifying current and emerging trends and risks, and supporting the department's executive and operational areas in the development of risk management strategies and measures. For the purposes of this audit, the ANAO has used the National Crime Authority's definition of intelligence, which is 'insight or understanding on the nature, and/or extent of a current or future threat, developed through the careful analysis of available information that provides direction for effective action'.<sup>47</sup>

3.3 The department's intelligence function forms part of a wider whole of government intelligence collection and coordination effort to detect and deter unauthorised arrivals, particularly by boat. During the course of the audit, views were provided by a number of agencies on the effectiveness of the whole of government intelligence coordination arrangements, including the identification of opportunities for improvement.<sup>48</sup> In forming these views, the ANAO had to rely heavily on interviews with relevant managers due to a lack of documentation available.

## Whole of government intelligence arrangements

3.4 One of the key findings from the Prime Minister's Coastal Surveillance Taskforce was the need for better intelligence and coordination between agencies to detect and deter unauthorised arrivals, particularly by boat.

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<sup>47</sup> National Crime Authority, March 1994, *Strategic Crime Intelligence Explained*, National Strategic Intelligence Course, Compilation of Course Notes.

<sup>48</sup> The audit did not review whole of government intelligence products, but limited its consideration of the whole of government issues to coordination mechanisms.

3.5 A key recommendation was the establishment of an Illegal Immigration Information Oversight Committee (IOC), chaired by ONA, for relevant agencies 'to coordinate the gathering and analysis of information and intelligence on people smuggling; assist in detecting vessels in transit; and oversee arrangements to facilitate exchanges with other countries confronted by people smuggling'.<sup>49</sup>

3.6 The focus of the IOC is to coordinate strategic intelligence, and to a lesser extent operational intelligence, and to ensure that information is effectively distributed to Australian agencies and offshore missions.<sup>50</sup> The IOC is supplemented by working level inter-agency analyst exchange meetings, which focus on operational and tactical intelligence relating to people smuggling and irregular migration.

3.7 An Operational Coordination Committee (OCC) was established by the department to coordinate the dissemination and exploitation of operational intelligence between relevant agencies. The Committee is chaired by the department.

3.8 To reflect the increased national priority placed on unauthorised boat arrivals, *maritime illegal migration* was given a high priority as part of the national intelligence collection effort. In October 2001, the government directed that increased priority be placed on the assessment of people smuggling issues. This has resulted in increased national intelligence collection effort.

3.9 The gathering, analysis and distribution of intelligence relating to people smuggling and irregular migration is a whole of government effort that involves a number of agencies. These include DIMIA as the lead agency for people smuggling; AFP, Coastwatch; ACS; Defence; DFAT; ONA; the Australian Security and Intelligence Organisation (ASIO) and the Office of Strategic Crime Assessments.

## **Views on intelligence coordination arrangements**

3.10 The ANAO conducted a review of whole of government intelligence coordination mechanisms that was limited to the operations of the IOC and the OCC.

3.11 Managers and staff from agencies interviewed considered the IOC has been instrumental in educating the range of agencies on respective agency roles and capabilities. In addition, managers reported that the Committee has helped to facilitate greater onshore exchange of information between agencies although

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<sup>49</sup> Report of the Prime Minister's Coastal Surveillance Taskforce, June 1999.

<sup>50</sup> *ibid.*

the managers advised that the focus of the Committee has had more of an operational rather than a strategic focus. Those interviewed considered that opportunities for improvement included the need for more structured meetings and the outcomes of meetings (particularly agency responsibilities) to be recorded. They also suggested that given that agencies were now independently and collectively coordinating and disseminating information, the on-going value of the IOC should be reviewed.

**3.12** The ANAO suggested to the ONA that, in consultation with relevant agencies, it reviews the operations of the IOC, and in particular, its on-going role. The ONA advised that members of the Committee agreed with the ANAO's considerations and suggestions regarding the Committee. The ONA also advised that:

- the IOC has moved closer to the strategic-level forum envisaged by the Coastal Surveillance Task Force as the initiatives it has helped facilitate have matured;
- by bringing together the agencies involved in countering people smuggling, the IOC has fostered greater understanding between agencies, not least by building relationships between individuals; and
- a review of the IOC is under way, with a view to the draft report being tabled at the IOC meeting in May 2002.

**3.13** In relation to the OCC, managers and staff from agencies interviewed advised that the OCC has been effective in developing a disruption plan in relation to one potential boat arrival and articulating the roles, responsibilities and inter-relationships of offshore resources involved in investigations of people smuggling organisations and related activities. Managers considered there was scope to improve the OCC by clearly articulating its role, including its relationship to other intelligence mechanisms, for example the IOC, and documenting the outcomes/required actions from meetings held. Managers also noted that the OCC might benefit from more consistent agency representation at a senior level to ensure agencies act on decisions made.

**3.14** Managers also reported the need to develop an over-arching disruption strategy to support the on-going coordination and focus of offshore investigations and action, including processes and procedures for transmitting and reporting information and intelligence to relevant agencies onshore. The ANAO found that overseas missions have different processes in place for the sharing and coordination of intelligence and investigations, and reporting back information on their activities. While the ANAO acknowledges that agency representation at posts differs, there may be benefit in identifying better practice offshore coordination processes and reporting arrangements and adopting this across all missions. The ANAO also considers that there would be benefit in the OCC

developing appropriate performance measures or indicators to gauge the impact of offshore 'disruption' investigations over time.

**3.15** During the course of the audit, the ANAO suggested that the department, as Chair of the OCC, in consultation with its members, reviews the operations of the Committee in exploiting operational intelligence. The department advised that it agreed that it was now an appropriate time to review the management of the Committee and its focus. A planning day was conducted in early April 2002 to review the membership structure, format and outcomes/objectives of the OCC.

## The department's intelligence function

**3.16** As mentioned earlier, managers and staff identified the department's intelligence function as the key departmental mechanism for identifying and assessing risks (relating to the prevention of unlawful entry) and supporting the development of appropriate risk management responses.

**3.17** The Intelligence Analysis Section, located within the Border Protection Branch, Border, Control and Compliance Division, is the area responsible for coordinating the gathering, analysis and distribution of intelligence. The department's current intelligence and gathering analysis capability includes:

- the offshore network of PMO(C)s specifically for immigration liaison and compliance activity; and
- the offshore network of ALOs located at key overseas airports.

**3.18** While recognising that, operationally, the intelligence function requires a degree of flexibility to enable it to operate in a dynamic environment, the ANAO considers that there is a need for the existing planning documents to be enhanced and for standard operating procedures to be developed. This would facilitate a clearer understanding of the role of the intelligence function and how it interacts with others areas of the department.

**3.19** The most up-to-date documents that set out the department's intelligence role and function were in the form of Intelligence Analysis Section internal training documentation. The mission of the Intelligence Analysis Section is to *warn* and *support* within departmental and government priorities. *Warn* is defined as 'warning the Executive and stakeholders of events and incidents that could impact on immigration and support is defined as providing tactical/operational intelligence support for operational arms of the department and other internal and external stakeholders through the provision of accurate and timely intelligence products'.<sup>51</sup>

<sup>51</sup> Intelligence Analysis Section training documentation.

3.20 The Intelligence Analysis Section produces three primary forms of intelligence products:

- *DIMIA Intelligence Bulletins*, which mainly support operational areas internal and external to the department;
- *DIMIA Intelligence Notes*, which provide short term warning to the departmental executive and more recently external agencies; and, to a much lesser extent; and
- *DIMIA Intelligence Assessments*, which provide a longer-term focus that is more strategic in nature.

3.21 Management advised that the intelligence priorities of the Intelligence Analysis Section were aligned with departmental operational priorities (which were passed down from the Secretary) and the government's national intelligence collection priorities. The department's intelligence priorities include: people smuggling, particularly by boat; identity fraud; and document fraud / caseload fraud. The ANAO saw no documented evidence of departmental operational priorities, or how they were derived.

## **Effectiveness of the department's intelligence function in identifying current and emerging trends and risks and their management**

### *Identification and assessment of current and emerging trends and risks*

3.22 Since its formation in January 2000, the Intelligence Analysis Section has produced numerous intelligence products in line with its mission. The ANAO reviewed a sample of these products to ascertain the nature and extent of advice provided to internal and external stakeholders.

3.23 The ANAO found that the department's intelligence function has provided the executive and operational areas within the department, and more recently some external stakeholders,<sup>52</sup> with short-term warnings of impending (overt) boat arrivals. It has also provided warnings over time of associated people smugglers and instances of identity fraud in the temporary protection visa caseload. The Intelligence Analysis Section also produces a daily summary of interceptions of prospective unauthorised arrivals made at overseas airports and persons refused immigration clearance upon arrival at domestic airports.

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<sup>52</sup> Intelligence products are now distributed, as appropriate, more broadly, including to officers of the Department of Foreign Affairs and Trade, the Department of Defence and the Australian Federal Police.

**3.24** The recent primary focus of the department's intelligence function has been on providing tactical and/or operational intelligence on potential overt boat arrivals and on associated people smugglers. In addition, the level of intelligence support given to airline liaison officers and immigration officers at domestic airports had been limited due to resource constraints. While this focus, in light of arrival patterns and whole of government interests, is understandable, the ANAO was also advised that this focus had impacted on the management of other risks relating to unlawful entry such as identity and document fraud.

**3.25** Although the Intelligence Analysis Section provides tactical and operational intelligence support for the department, the ANAO considers there would be benefit in the department also developing a strategic intelligence<sup>53</sup> capability to provide insight and understanding, including advice on current and emerging trends relating to unlawful entry. This would also enable the department to better target its operations, for example, in relation to current departmental and governmental priorities. This could encompass strategic assessments that address: the nature and extent of people smuggling organisations, their capabilities and intentions; and the impact of cooperative law enforcement efforts on their operations or potential opportunities for action. Other potential areas for examination include trends in document fraud and an assessment of the extent and nature of identity fraud and fraud in the caseload, including the department's capacity to address these issues.

**3.26** The ANAO noted that much of the information required to facilitate an understanding the nature and extent of the wider unauthorised migration problem, including the identification of current and emerging trends and threats, already exists. However, the information has not been utilised to inform management of emerging strategic issues.

**3.27** A strategic intelligence function can, amongst other things, provide information to assist the executive to:

- determine priorities for the allocation of limited resources, and select operational measures and appropriate areas of operation (plan);
- evaluate the overall effectiveness and appropriateness of current operations in achieving organisational objectives (review);
- coordinate with other agencies, through the sharing of information and expertise, leading to the development of consensus on the nature of the threat and the most appropriate response (coordinate);

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<sup>53</sup> Strategic intelligence is insight or understanding, including advice on current and emerging trends and areas of operations that provides direction for broader strategies and policies to achieve organisational or governmental objectives.

- provide informed advice to the Government, other agencies and, where appropriate, the public (disseminate); and
- put Australia's policies in a global context.

## Recommendation No. 2

**3.28** The ANAO recommends that the department develops a strategic intelligence capability so that emerging trends and risks can be identified to enable the department to better inform policy development, prioritisation and resource allocation, and view policy in a global context.

### *DIMIA response*

**3.29** Agreed.

**3.30** DIMIA notes that the Office of National Assessments provides strategic intelligence assessments on people smuggling issues but agrees with ANAO on the benefits of building a stronger strategic intelligence capacity within DIMIA. A number of steps are currently underway to implement this recommendation including establishment of a strategic analysis unit within the Intelligence Analysis Section.

### *Determination and maximisation of the intelligence collection effort*

**3.31** An effective intelligence function should include a structured process for identifying priority areas. It should also be supported by an information collection plan that sets out and provides direction to resources tasked to gather this information.

**3.32** The Intelligence Analysis Section has translated its intelligence collection priorities into a broad Information Collection Plan that details the high-level issues/key questions to be addressed under each priority. Managers advised that this Plan had only been distributed to the overseas compliance network. The Plan is supported by informal tasking of offshore resources and the development of specific information collection priorities in response to emerging issues, for example, the Commonwealth Heads of Government Meeting. The ANAO notes that the majority of information collection is informal, targeted at PMO(C)s, and generated by individual analysts.

**3.33** The ANAO considers there would be benefit in the department regularly conducting a formal assessment of risks and controls, in relation to the prevention of unlawful entry/enforcement of immigration law, or an environmental scan to act as the driver for the intelligence collection effort. Such an approach would not only provide assurance to stakeholders that resources are appropriately



focussed on *key* risks facing the department, but also reduce the potential for scarce resources to be focussed on non-priority areas. The risks and controls should be regularly monitored and updated at least annually. At the time of the audit, the department's information collection plan was not subject to regular revision. In particular, its generic nature limits its usefulness.

**3.34** The collection and dissemination of information collection requirements are primarily limited to offshore resources (for example PMO(C)s). The potential for using other sources of information within the department is not being maximised. Such sources of information include relevant branches within the Humanitarian and Refugee Division; data relating to the outcomes from onshore investigations and compliance activity; the range of relevant departmental quantitative data sources; and information from unauthorised boat arrivals. The ANAO considers the range of information collection sources should be broadened and the department's information requirements should be disseminated more widely.

**3.35** In addition, the information collection effort of the offshore compliance network, as the key collector of information/intelligence for the department should be enhanced. The department's intention for the network was for 'appropriately targeted/prioritised work programs (including information/intelligence collection priorities) to be agreed with the Regional Director and cleared with the Director Intelligence Analysis Section, every six months'.<sup>54</sup> The Information Collection Plan could be modified to reflect the intelligence priorities of individual posts or regions.

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<sup>54</sup> PMO(C) training material, November 2000.

## Recommendation No. 3

3.36 The ANAO recommends that the department develops a more structured approach to identify information collection priorities, and their dissemination, to:

- ensure current and emerging trends and risks are addressed; and
- potential information collection resources are maximised.

### *DIMIA response*

3.37 Agreed.

3.38 DIMIA believes that the current approach to identifying collection priorities, while well structured, will be enhanced by wider consultations within the organisation and this is already underway. DIMIA notes that Intelligence Analysis Section established a written collection plan in February 2000 when it developed key intelligence priorities to mirror the department's operational priorities. This collection plan has successfully driven much of the intelligence collection effort for the past 24 months.

### *Reporting, storage and management of intelligence*

3.39 In relation to reporting, storage and management of information and intelligence collected, an effective intelligence program should include:

- policies and procedures for reporting intelligence/information that are clear to collectors, and a mechanism for providing feedback on the usefulness of the reports to encourage relevant and timely reporting; and
- organisation of all relevant data in a way that allows for rapid retrieval and analysis and enables the establishment of relationships between apparently disconnected data to be established.

3.40 The ANAO found that the Intelligence Analysis Section does not have a database to store, manage and analyse the information it has received. Since its inception, the Intelligence Analysis Section has operated on a manual basis, with various systems used for reporting, storing and retrieving information and intelligence, for example, e-mail, telephone and monthly round up reports; paper files; individually built databases; or peoples' memories. Border Control and Compliance Division has reported to the Board of Management that this makes the department's effectiveness less than optimal in combating people smuggling and irregular migration, and supporting onshore and offshore compliance activities and investigations. Key risks and exposures include:

- reliance by the department on the corporate memory of individuals and the continuity of staff, to detect links between events or individuals over time;

- the inability to easily access or retrieve information, limiting the ability to pro-actively identify or capture all information that could support or refute an emerging trends/ risk; and
- limited ability to assess, monitor, and respond to the large quantity of internal and external information it receives.

3.41 The ANAO noted that the department's Board of Management approved the purchase of an intelligence system in July 2001. The department has advised that a database, which will capture information up to in-confidence classification, is being developed and will be rolled out in July 2002.

3.42 Information of higher security classification will be captured on an *off-the-shelf* intelligence database, which is yet to be acquired. Managers from external agencies involved in offshore investigations identified a need for a universal intelligence database to better support their activities, and also reduce the risk of duplication between agencies. This would allow the overseas compliance network to identify current and emerging trends and risks, and to support offshore investigations more effectively. While there would be cost and security issues in allowing external access to the higher security database, the ANAO suggests that DIMIA consults with relevant agencies to identify opportunities to maximise the usefulness of this database. To be effective, such consultation should occur during the design phase of the procurement process.

### *Use of the intelligence product*

3.43 Managers and staff advised that there was a lack of understanding across the department regarding the purpose of the intelligence product and how it should be used.

3.44 The Border Protection Branch is addressing this issue by providing training to key decision-makers within the department on what intelligence is, and how to use the intelligence product to enhance decision-making. It has also provided onshore officers with profiling guidance to assist them in interviewing unauthorised boat arrivals.

3.45 In addition, DIMIA advised that the Intelligence Analysis Section has been conducting training and awareness sessions in Central Office and in State Offices on the intelligence function for the past 19 months. The Section has also produced and distributed a written information sheet on its intelligence products to educate users, and has developed and run an Intelligence Users Course for Central Office and State operational units. Additional training and awareness sessions are planned. In addition, current steps to implement an onshore intelligence officer network will enhance the effectiveness of the Department's information collection capacity and intelligence dissemination.

**3.46** The ANAO considers that developing and promulgating a departmental document on the role of intelligence within the organisation, and incorporating intelligence assessments within its soon to be developed centralised risk management framework, could further enhance departmental understanding of the intelligence function. With regards to the promulgating of a departmental document, the ANAO notes that the ACS has developed a good example of an *Intelligence Doctrine*. This document defines what intelligence is and who needs it (including the various levels of decision-making it is designed to support). It also describes: where intelligence comes from; how it is produced; who is responsible for its production; what products are produced; how information is managed; and the client/intelligence provider tasking relationship.

**3.47** The ANAO considers that articulating a risk level or priority rating on its intelligence products could also enhance their usage by departmental staff and executive as well as other agencies with a role in preventing unlawful entry. For example, intelligence products could include a priority rating such as: Priority A: requires urgent management attention; Priority B: routine management attention; Priority C: for information/monitoring.

## Conclusion

**3.48** The department's intelligence function has been effective in providing tactical and/or operational intelligence on potential overt boat arrivals and associated people smugglers. The ANAO was advised that the current focus is on short-term warning of overt unauthorised boat arrivals had impacted on the management of other risks relating to unlawful entry, such as identity and document fraud. In addition, the level of intelligence support given to airline liaison officers and immigration officers at domestic airports had been limited due to resource constraints.

**3.49** The collection of information is primarily limited to offshore resources (for example PMO(C)s). However, there is potential for other sources of information within the department to be maximised. Such sources of information include relevant branches within the Humanitarian and Refugee Division; data relating to the outcomes from onshore investigations and compliance activity; the range of relevant departmental quantitative data sources; and information from unauthorised boat arrivals. The ANAO considers the range of information collection sources should be broadened and the department's information requirements should be disseminated more widely.

**3.50** The ANAO found that, as the Intelligence Analysis Section does not currently have a database to store, manage and analyse information, the department faces a number of risks. These include having to rely on the corporate memory of staff and not being able to access or retrieve information easily. A new database, which will store information up to in-confidence classification, is being developed and will be operational by July 2002. Information of higher security classification will be stored on a yet to be acquired intelligence database.

## 4. Performance Information, Monitoring and Reporting

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*This chapter examines the department's internal and external performance information, monitoring and reporting arrangements.*

### Introduction

**4.1** Performance information is a critical tool for performance management and improvement. It encompasses the identification, systematic collection, assessment and reporting of information for both internal management decision making and control purposes, and external performance reporting accountability requirements.

**4.2** An effective performance information framework enables informed judgements to be made on the extent to which planned outcomes and outputs are being achieved through the use of performance indicators and measures that reflect relevant, reliable and accurate data. As such, it is a key contributor to effective corporate governance and provides a valuable link for staff between their activities and the overall achievement of agency or departmental objectives.

**4.3** Performance information for external reporting should be derived from performance information used for operational and program management. This should also mean that the key performance indicators used for external reporting and accountability purposes would assist management to better drive its business towards achieving appropriate outcomes. Monitoring performance information at any level to determine that appropriate progress is being made to delivering outputs and achieving outcomes should be integrated with routine business operations.<sup>55</sup>

**4.4** The ANAO sought to identify whether DIMIA had developed an effective performance information framework in support of internal decision-making and whole of government interests, as well as external annual reporting and accountability requirements. The ANAO also reviewed the appropriateness of internal and external performance information and monitoring and reporting arrangements for the range of measures designed to prevent unlawful entry to Australia.

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<sup>55</sup> ANAO Audit Report No.18 2001–2002, *Performance Information in Portfolio Budget Statements*; p.25.

## Internal performance information, monitoring, and reporting

4.5 The ANAO found that the department has established a number of formal internal monitoring and reporting mechanisms to support the management of measures to prevent unlawful entry. For example, output and individual product managers provide biannual performance updates through the Management Board with the support of the Finance Committee.

4.6 At the operational level, the two primary branches, responsible for managing the range of measures to prevent unlawful entry, provide monthly and quarterly performance reports, respectively, to the department's executive and to the Minister, on the range of measures they are responsible for managing.<sup>56</sup> This is augmented by daily executive meetings, quantitative data reports (for example, Refused Immigration Clearance Monthly reports), and informal communication between branches, which together provide the basis for setting operational priorities.

4.7 Notwithstanding these arrangements, the ANAO found that the department has not developed a comprehensive performance information framework to support its internal monitoring and external reporting requirements. The ANAO considers this is attributable, in part, to limitations in its planning framework, described in Chapter Two. As noted in that Chapter, the ANAO considered that there was an absence of an integrated planning approach at the strategic and operational levels. Where plans did exist, there were no internal performance measures/indicators and no evaluation methods had been established. As a result, limited base information has been identified or collected to enable a critical assessment of the impact, efficiency and effectiveness of individual measures over time, as well as of departmental outcomes and their contribution to whole of government objectives.

4.8 As a result, reporting at the operational level, and for the annual report, has tended to be activity based, focused on quantity and not addressing qualitative elements of outputs and outcomes. In addition, the current performance measures do not address the full range of departmental achievements. No critical assessment of performance or effectiveness against pre-defined outcomes and outputs has been undertaken. Recognising the difficulties of assessing outcomes that are achievable only over time, the ANAO suggests that the department gives consideration to the notion of intermediate outcomes.

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<sup>56</sup> In addition, as part of whole of government reporting arrangements, the department has provided one report to PM&C on its implementation of the range of strategies it is responsible for administering as part of the Unauthorised Arrivals Strategy.

4.9 A more effective planning framework, which included the development of, and measurement against, appropriate outcome and output performance measures/indicators, would facilitate internal monitoring and external reporting. It would also provide a strategic focus on whether activities were being efficiently and effectively undertaken in accordance with departmental priorities and outcomes, and whole of government interests.

4.10 The ANAO considers that potential types of performance information, which could be used to provide greater insight into the department's performance in preventing unlawful entry, include:

- performance against targets or benchmarks which will be used to measure success;
- trend information where appropriate, for example general demographic information about unauthorised arrivals, the routes taken and methods used and the costs and connections used to make the journey;
- any significant change in the agency's principle functions, for example a clear statement of departmental priorities which supports the focus of departmental activity; and
- factors and events that have influenced the agency's performance over the year, as well as the agency plans to deal with these issues. For example, a description of how international civil, economic or environmental concerns have impacted on the department's achievements would assist the annual report user to understand the department's operational environment more clearly.

## External performance information, monitoring and reporting

4.11 Implementing an effective performance information framework is also an imperative under the accruals-based outcomes and output framework. Agencies are required to demonstrate to the Parliament what their planned achievements are, and how they are being met. Agencies therefore need to measure and report on their performance against the resources they have been provided. This is done by agencies specifying their performance measures and indicators in their PBS and Portfolio Additional Estimates Statements (PAES) and reporting against those measures in their annual report.<sup>57</sup>

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<sup>57</sup> The current arrangements for a performance framework are based on a government decision in April 1997 to move from a program-based framework to an accrual-based outcome and output framework. The arrangements were introduced for the 1999–2000 budget. For further information see Department of Finance and Administration, 1998, *Specifying Outcomes and Outputs*. Finance has recently updated these requirements with the revised arrangements being available on its web site <[www.finance.gov.au](http://www.finance.gov.au)>.

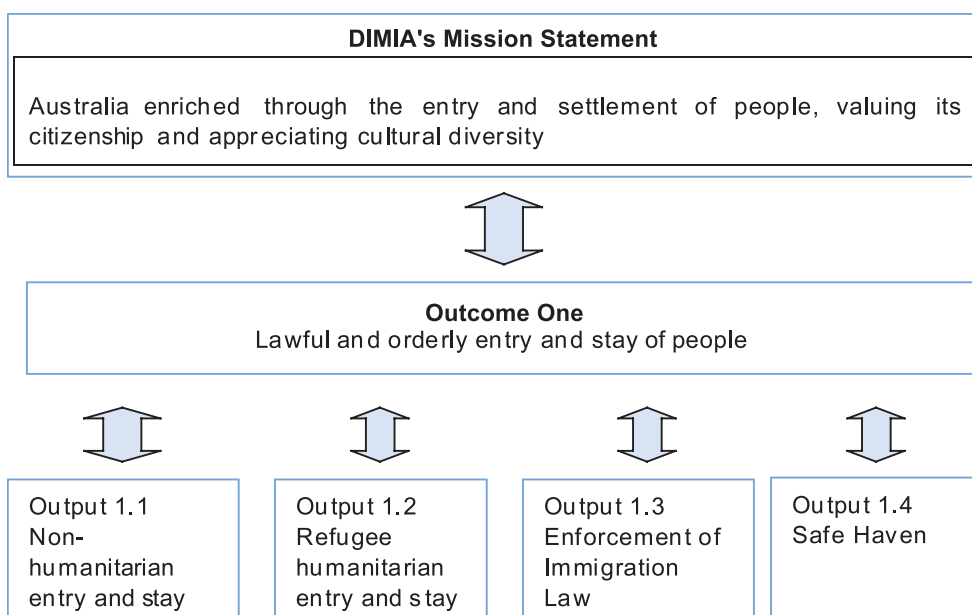


4.12 Guidelines for the development of the PBS and the requirements for the preparation of annual reports and promulgated by the Department of Finance and Administration and PM&C respectively.

## Outcome and output structure

4.13 The department's planned outcomes, outputs and performance measures and indicators relevant for unauthorised arrivals, and in particular, the prevention of unlawful entry, are set out in its PBS. As discussed in Chapter One, Outcome One provides the context for this audit. Figure 4.1 illustrates the department's output structure for Outcome One at the time of the audit and is different to its present structure, which resulted from the change in the Administrative Arrangement Orders on 26 November 2001 (see Figure 1.1 in Chapter One).

**Figure 4.1**  
**Output structure for Outcome One**



Source: Portfolio Budget Statements 2000–01: Immigration and Multicultural Affairs Portfolio<sup>58</sup>

<sup>58</sup> The ANAO notes that the Department has revised its outputs as a result of the new administrative arrangements of 26 November 2001, and a new output has been developed relevant to Outcome One—Output 1.5 *Offshore asylum seeker management*. This does not impact on the issues addressed during the course of the audit or the review of published performance information, which, for audit purposes, has concentrated on 2000–01 Portfolio Budget Statements and 2000–01 Annual Report.

4.14 In conducting the examination of the outcome and output structure relevant to the audit, the ANAO noted there was no specific output for the prevention of unlawful entry. Given the increased importance that has been given to combating people smuggling and deterring unauthorised migration by the department and the government as whole, there may be benefit in the department developing a separate output with the prevention of unlawful entry being its sole focus.

4.15 The effectiveness measures and indicators for the achievement of Outcome One are set out in Table 4.1.

**Table 4.1**  
**Effectiveness Measure and Indicators for Outcome One—Lawful and Orderly Entry and Stay of People: 2000–01**

Effectiveness Indicator—Overall Achievement of the Outcome	
Measure	Indicator
The extent to which there is adherence to Australian entry and stay requirements.	<ul style="list-style-type: none"> <li>• Rate of increase in lawful entry and departure.</li> <li>• Rate of increase in fraud detection and resolution relative to overall extent of immigration malpractice.</li> <li>• Extent to which activities contribute to deterring unauthorised boat arrivals.</li> <li>• Extent of compliance with service standards.</li> </ul>

Source: Derived from Portfolio Budget Statements 2000–01: Immigration and Multicultural Affairs Portfolio

4.16 The audit covered the activity of the department under the Outputs 1.2 *Refugee Humanitarian and Entry Stay* and 1.3 *Enforcement of Immigration Law*. In relation to Output 1.2 the ANAO considered that although the Output covers *refugee humanitarian entry and stay* the Output measures are concentrated on processing of protection applications, as opposed to the measures which were the focus of audit review.

4.17 The ANAO, therefore, focused on performance information relating to Output 1.3, and in particular output component 1.3.2 —*prevent of unlawful entry* as set out in Table 4.2.

**Table 4.2****Performance Information and Planned Level of Achievement for Output 1.3—Enforcement of Immigration Law: 2000–01**

Output 1.3 Enforcement of Immigration Law	
Output Component 1.3.2: Prevent Unlawful Entry	
Quality	<ul style="list-style-type: none"> <li>• Number of prospective unauthorised arrivals interdicted at overseas airports relative to the number of unauthorised arrivals detected at the point of entry.</li> <li>• Number of unauthorised arrivals detected as a proportion of total arrivals referred at point of entry.</li> </ul>
Quantity	<ul style="list-style-type: none"> <li>• 11 750 unauthorised arrivals and interdictions.</li> </ul>

Source: Derived from Portfolio Budget Statements 2000–01: Immigration and Multicultural Affairs Portfolio

**Effectiveness of external performance information, monitoring and reporting**

**4.18** To meet expectations in relation to external reporting, it is necessary for the departments to have a suitable framework, which supports the collection and reporting of appropriate performance information.

**4.19** The ANAO found that the performance indicators in the Immigration and Multicultural Affairs 2000–2001 PBS provided limited capacity for the assessment of the effectiveness of the department in relation to the published outcomes and outputs considered in detail during the audit. The ANAO examined the department’s performance measures and indicators, as set out above, and compared these with related information reported in the 2000–01 annual report. The ANAO noted that department had reported against all of the indicators published in PBS in the annual report. However, in relation to its review of its published performance measures and indicators (Tables 4.1 and 4.2), the ANAO observed that:

- **Performance measures/indicators, and subsequent reporting, did not reflect the full range of departmental activity.**
  - There are no published measures or indicators on how the measures to *prevent unlawful entry* have disrupted and deterred unauthorised entrants. The quality measures used by the department report on interdictions, the number of people refused entry to Australian airports,

and referred arrivals at the point of entry. The quantity measures refer to the number of unauthorised air and boat arrivals.

- **Performance indicators were not always relevant to the output.**
  - The indicator *rate of increase in lawful entry and departure* is reported as a count of passenger flows. For the indicator *extent to which activities deter unauthorised boat arrivals*, the department reports the number of unlawful arrivals by boat, as well as air. There is no clear link between the information provided against these indicators which relates to the overall effectiveness measure *the extent to which there is adherence to Australian entry and stay requirements*.
  - The indicator *rate of increase in fraud detection and resolution relative to the overall extent of immigration malpractice* implies knowledge of the overall extent of immigration malpractice. Results against this indicator are reported as an 11 per cent increase in allegations resolved over the previous year. This measure would be more meaningful if it were related to the level of allegations for the current and then compared to the performance of previous years.
- **Performance indicators were not able to be readily measured.**
  - The extent to which activities contribute to deterring unauthorised boat arrivals* is difficult to measure. The department's approach to reporting against this indicator in its 2000–01 annual report is *1877 people were refused entry to Australia's airports... 4141 people arrived by boat without authority*.<sup>59</sup> The indicator is reported in comparison with the number of arrivals in the previous year. The problem with the stated indicator is that it is difficult to assess and report on the impact of the department's activities on the number of unauthorised boat arrivals. That is, the link is not necessarily apparent.
- **Performance reporting was generally activity based rather than outcome focused.**
  - The department's 2000–01 annual report contained information on how the department had promoted international cooperation, and statements regarding the expansion of the overseas compliance network and the establishment of a joint AFP-DIMIA People Smuggling Strike Team. The report contained no information on the extent to which these activities and measures were contributing to the overall achievement of Outcome One and related outputs. External factors influencing performance were not identified and little trend data was reported. This has the effect of under-reporting departmental achievements.

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<sup>59</sup> The department reports both air and boat arrivals against this indicator.

- **Performance reporting did not always provide a complete explanation of the achievement.**

—In reporting results for the output component *prevent unlawful entry*, the department's annual report states *that there were 1473 persons identified as being inadmissible to their country of destination. This represents a small increase from 1999–2000 in which the number was 1400.*<sup>60</sup> There is no indication that, of the 1473 identified, only 230 persons were intending to travel to Australia. This may mean that the majority of the benefit of the interdiction activity is not flowing to Australia.

4.20 The department agreed that it had had difficulties in ascertaining meaningful performance indicators and their measurement, and advised that it was addressing the issues.

### *Administrative practices and systems*

4.21 The ANAO found that PBS performance measures and indicators were not fully understood by line managers and senior managers within DIMIA, and were subject to mixed interpretations and a degree of uncertainty about what they were covering or intended to address. In addition, there were differing understandings as to who was responsible for providing data, including ensuring its relevance, reliability and accuracy. There were no explanations of these measures detailed in draft operational plans. This limits the extent to which data can be used to reliably support internal decision-making and raises the risk of poor quality information being reported to Parliament.

4.22 In relation to these weaknesses, the ANAO found that the department had not developed coordinated administrative practices and systems to support its internal management of performance and external annual reporting requirements for the 2000–01 PBS that incorporates:

- defining the terms used in performance measures and indicators;
- articulating the measurement method and data source, including guidance on the data collection methodology;
- identifying the area responsible for collecting this data;
- reporting frequency;<sup>61</sup> and
- specifying quality assurance arrangements for ensuring and identifying any concerns relating to data integrity.

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<sup>60</sup> Department of Immigration and Multicultural Affairs Annual Report 2000–01: p. 38.

<sup>61</sup> Currently, PBS performance information is collected and collated on an annual basis as part of the annual reporting cycle. There is no regular departmental review of PBS performance information.

**4.23** The ANAO considers that the absence of adequate organisational arrangements has contributed, in part, to some of the quality issues identified in the department's reporting against PBS performance indicators/measures in the annual report. For example, the department reported in its annual report that there were 1877 persons refused immigration clearance at Australian airports. The ANAO was unable to reconcile this information with data provided to it by the department and data reported on its website. Furthermore, the department reports that there was a continuing decline in the number of unauthorised arrivals by air. However, using the figure of 1877, the number of unauthorised air arrivals actually increased over the previous year (from 1695 in 1999–2000).<sup>62</sup> The department has advised that the figure in the annual report is incorrect, and that the actual figure is 1508; this supports its claim of declining unauthorised air arrivals.

**4.24** To enhance the effective use of performance data and the quality of information provided to Parliament, the ANAO considers there would be benefit in the department adopting a more coordinated approach to assuring the quality of its performance information. Such an approach should ensure that the collection and reporting of data against performance measures/indicators is supported by a data dictionary that identifies, the measurement method, collection methodology, responsibility, frequency, and data quality assurance mechanisms. The latter may need to be supported by internal agency assurance of data collected through the conduct of audits of data quality or independent verification to ensure that the data used for external reporting are of appropriate quality and can be relied on by all stakeholders.

**4.25** The department advised that it is working towards addressing data integrity issues and methodologies relating to data collection relating to statistical reporting.

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<sup>62</sup> ANAO analysis of departmental reporting indicates that counts of unauthorised air arrivals has been based on the number of persons refused immigration clearance. The largest category of persons refused immigration are those suspected to be non-genuine travellers. Yet, the reported definition of an unauthorised arrival is someone who arrives by air or sea with no documentation or fraudulent documentation.

## Recommendation No. 4

4.26 The ANAO recommends that, in order to ensure the effective use of performance information for internal decision making and external reporting, DIMIA establishes appropriate data collection and reporting procedures that:

- specify performance measures and indicators of success;
- are supported by a data dictionary that defines the data item, the measurement method and data collection methodology, and data presentation requirements;
- designate the area responsible for providing this information, including reporting frequency; and
- are underpinned by the internal review and audit of data quality assurance processes.

### *DIMIA response*

4.27 Agreed.

4.28 There is already extensive work being done on performance information and reporting. In addition to regular performance reporting externally, through such means as Portfolio Budget Statements and the annual report, there is extensive internal reporting generated for output managers, and Divisions and states are required to report on their business on a six monthly rolling basis to the Management Board. This contributes strongly to strategic internal decision-making.

4.29 Regarding data quality, the Corporate Governance Division and Business Solutions Group are progressing a major reporting project, which encompasses better procedures to ensure data integrity and quality, and the development of improved reporting to the Management Board for further enhance their decision making capacity.

## Conclusion

4.30 The ANAO found that the department has established a number of formal internal monitoring and reporting mechanisms to support the management of measures to prevent unlawful entry. For example, output and individual product managers provide biannual performance updates through the Management Board with the support of the Finance Committee.

4.31 Notwithstanding these arrangements, the ANAO found that the department has still to develop a comprehensive performance information framework to support its internal monitoring and external reporting requirements.

4.32 The performance indicators in the Immigration and Multicultural Affairs 2000–2001 PBS provided limited capacity for the assessment of the effectiveness of the department in relation to the published outcomes and outputs considered in detail during the audit. Reporting at the operational level, and for the annual report, has tended to be activity based, focused on quantity and not addressing qualitative elements of outputs and outcomes. In addition, the current performance measures do not address the full range of departmental achievements. No critical assessment of performance or effectiveness against pre-defined outcomes (including interim outcomes) and outputs has been undertaken. Recognising the difficulties of assessing outcomes that are achievable only over time, the ANAO suggests that the department gives consideration to the notion of intermediate outcomes.

4.33 The ANAO also found that the department had not developed coordinated administrative practices and systems to support its internal management of performance and external annual reporting requirements.

4.34 An improved performance information framework would allow the department to more clearly demonstrate its achievements against planned outcomes and outputs.

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Canberra ACT  
14 June 2002



P. J. Barrett  
Auditor-General



# Appendices



Appendix 1

Australia's Migration Program

Figure A1.1  
Australia's migration program

PROGRAM	EXPLANATION	1999–2000 Outcome (visas granted)	2000–2001 Outcome (visas granted)	2000–2002 (planned)
Migration Program Family Stream	The family stream focuses on the migration of immediate family members of Australian citizens, permanent residents or eligible New Zealand citizens. This includes spouses, fiancées and dependent children (including adopted children). Other family members such as parents, aged dependent relatives, carers and remaining relatives are also eligible subject to capping arrangements, which restrict the number of places available each year.	32 000	33 470	37 900
Skill Stream	The economic or skilled stream focuses on the migration of people who can help to address skill shortages in Australian and enhance the size, skill level and productivity of the Australian labour force.	35 330	44 730	45 500
Special Eligibility	The special eligibility stream includes the 1997 Resolution of Status (ROS) initiative and a small number of other categories such as former residents, former citizens and family of New Zealand citizens. In addition it provides for certain groups of people who inadvertently become unlawful non-citizens who have maintained close ties to Australia. Apart from the ROS, visa numbers in the special eligibility classes are small.	2 850	2 420	1 600
Total Program		70 200	80 610	85 000

<b>Humanitarian Program</b>				
Offshore Protection (Refugee)	The Refugee category is for people who are outside their home country of nationality or usual place of residence who have suffered, or hold a well-founded fear of persecution, and who are in humanitarian need of resettlement.	3 802	3 997	4 000
Offshore Protection (Special Humanitarian)	Special Humanitarian and Special Assistance categories provides assistance to those people who are outside their country of nationality or usual residence, who have experienced substantial discrimination amounting to a gross violation of human rights, and for whom resettlement is the appropriate solution. Links with Australia are a requirement for applicants to be considered. The Special Assistance Category was closed during the 2000–01 program year.	3 051	3 116	1 700
Offshore Protection (Special Assistance)	See above explanation.	649	879	-
Onshore Protection (Refugees)	Australia provides protection for asylum seekers who meet the United Nations definition of a refugee as defined in the United Nations 1951 Convention and the 1967 Protocol relating to the Status of Refugees. It provides a protection visa for those people already in Australia who make applications for protection (refugee status). These include persons who arrived lawfully and have been staying in the Australian community, and people who have arrived unlawfully in Australia by air or sea. Asylum seekers found to be refugees and who entered on genuine documents and meet health and character requirements, are granted a Protection Visa (PV) which given them permanent residence. Those who are found to be refugees but who arrived in an unauthorised manner or on fraudulent documents, or who have undertaken secondary movements, are entitled only to temporary visas of three to five years in the first instance. After this they may be eligible for grant of a permanent visa if there is still a protection requirement – or in certain circumstances only successive temporary visas.	2 458	5 577 (1125 PV and 4452 TPV)	6 300
<i>Total Program</i>		9 960	13 733	12 000
<b>TOTAL</b>		<b>80 160</b>	<b>94 343</b>	<b>97 000</b>

Source: DIMIA Statistics; 10 December 2001, *Australian Immigration Statistics*; DIMIA, December 2001, Fact Sheet No. 60: *Australia's Refugee and Humanitarian Program*; DIMIA, *Population Flows: Immigration Aspects—2000 edition*; DIMIA, December 2001, Fact Sheet No. 61: *Seeking Asylum within Australia*; and DIMIA, 1999–2000 and 2000–2001 Annual Reports.

## Appendix 2

### Recent measures to combat the flow of unauthorised arrivals

#### Coastal Surveillance Taskforce: April—June 1999

In response to an undetected landing of a vessel carrying illegal immigrants in April 1999, the Prime Minister established a Coastal Surveillance Task Force to make recommendations on the strengthening of coastal surveillance procedures and systems. In June 1999, the Government agreed to all of the Task Force's recommendations, which included a \$124 million package of measures to strengthen Australia's capacity to detect and deter unauthorised arrivals.<sup>63</sup> The key measures included:

- Improving Coastwatch, Customs and Navy capabilities to detect, pursue, intercept and search boats carrying unauthorised arrivals through additional funding and new powers.
- Prosecuting smugglers under an increased penalties regime and seizing and selling or destroying their boats.
- Extra resources (approx. \$14 million over four years commencing 1999–2000) provided overseas to work with airlines and source and transit countries to detect and deter unauthorised travellers heading for Australia and strengthen information gathering. This encompassed additional ALOs being placed in Kuala Lumpur, Bangkok and Singapore, and new positions in Denpasar, and Dubai to increase the interception effort against illegal immigrants travelling by air; and additional Compliance Officers being posted in Guangzhou, Shanghai, New Dehli, Ankara, Nairobi, Colombo and Pretoria to increase the effort in detecting people attempting to travel to Australia illegally by sea.
- Negotiating bilateral agreements with source and transit countries for cooperation on people smuggling issues and to provide for the return of unauthorised arrivals.
- Provision of material and technical assistance to law enforcement and other appropriate authorities in Indonesia and Papua New Guinea to assist those countries with activities focussed on the detection, detention and removal of immigrants attempting to enter Australia illegally (approximately \$2 million over four years).

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<sup>63</sup> See *Protecting the Border: Immigration Compliance*, Chapter 1, *New Measures to Deal with Illegal Immigration*; also Prime Minister's Coastal Surveillance Task Force Report, Executive Summary.

- The establishment of an Intelligence Oversight Committee to coordinate the gathering and analysis of information and intelligence on people smuggling; to assist in detecting vessels in transit; and to oversee arrangements to facilitate intelligence exchanges with other countries confronted by people smuggling.
- Strengthened Coastwatch operational effectiveness through enhanced information management and intelligence systems, upgraded communication technology and increased resources for aerial surveillance technology.

### **Additional Measures: October-December 1999**

In October-December 1999, the Minister for Immigration and Multicultural Affairs announced additional measures aimed at preventing and detecting unauthorised arrivals. These included:

- excluding unauthorised arrivals found to be refugees from accessing permanent residence in the first instance by granting them a three-year temporary visa.;
- stopping people who have effective protection overseas from gaining onshore protection in Australia;
- conducting an international information strategy directed at both the smugglers and those they seek to exploit to stop illegal air and boat arrivals to Australia;
- using fingerprinting and other biometric tests (e.g. DNA testing, face, palm and retinal recognition and voice testing) to help ascertain the true identity of asylum seekers and ensure they do not have protection elsewhere or have been refused refugee status overseas;
- multi-function taskforces both in Australia and overseas which coordinate investigations and collect intelligence; and
- creation of a high profile External Reference Group to advise on Australia's effectiveness in combating people smuggling, and to examine the reasons behind the sharp increase in unauthorised arrivals to Australia in 1999 and the methods used by smugglers.<sup>64</sup>

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<sup>64</sup> DIMIA Fact Sheet 83, *People Smuggling*; DIMIA, *Protecting the Border: Immigration Compliance*, Chapter 1 & 2, *New Measures to Deal with Illegal Immigration*, 1999.

## Unauthorised Arrivals in Australia Package: May 2000 Commonwealth Budget

Following Government deliberations in April 2000, the Government, as part of the May 2000 Budget, allocated \$64.7million to DIMIA to be spent over the next four years, as part of its campaign to tackle illegal arrivals head on. The campaign was designed to build on measures already adopted to highlight the problem of people smugglers and illegal arrivals. The 2000–2001 Budget initiatives included:<sup>65</sup>

- An additional \$12.4 million over four years to place additional immigration compliance officers, initially in Islamabad, Belgrade, Moscow, Amman, Teheran, Suva and Cairo to combat document and identity fraud and people smuggling.
- \$3.1 million over four years to expand DIMIA’s capacity to place airline liaison officers at strategic transit points on routes to Australia.
- DIMIA, in conjunction with AusAID, the AFP and the ACS, to develop, in cooperation with transit countries, a package of technical and physical assistance for border control agencies, including:
  - establishing a new border management cooperation program worth \$4 million over four years to strengthen capacities of government agencies to combat people smuggling;
  - implementing specialised training programs; and
  - expanding the material and technical assistance provided to law enforcement agencies.
- An additional \$5.3 million over four years to speed up humanitarian processing.
- The provision of over \$5 million a year for targeted aid contributions and resettlement support to build a coordinated international approach to a long-term solution for Afghan and Iraqi refugees.
- \$2 million in 2000–01 to develop a pilot program for the use of targeted reintegration assistance for unauthorised arrivals returned to their home country. The pilot will provide assistance to countries that accept the return of unauthorised arrivals.

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<sup>65</sup> Approximately \$18 million over four years was included for the establishment a new detention facility at Darwin, and closure of the Curtin facility. The AFP, AusAID, and FaCS were also provided with additional funding.

## September 2001 Legislative changes

In September 2001, a series of amendments to migration and migration related legislation was passed. The major features of these changes included:

- measures to strengthen deterrence of unauthorised arrivals, including a new tiered visa regime for refugees engaged in secondary movement (i.e. people who have or can access protection in one country, but who choose to abandon or bypass that protection in order to travel to Australia for reasons which are not Refugees Convention related) and minimum prison terms for people smugglers—five years for a first conviction and eight years for a second conviction;
- the exclusion of certain territories from Australia’s migration zone including Christmas Island, Ashmore and Cartier Islands, and the Cocos (Keeling) Islands;
- unauthorised arrivals to the above territories cannot apply for a visa;
- the possible detention and removal from those territories of unauthorised arrivals to ‘declared countries’ where they have access to refugee assessment processes modelled on the UNHCR’s, can be kept safe from persecution while these processes are undertaken, and that they receive continued protection if found to be refugees;
- a clarification of the circumstances in which Australia owes a person protection under the Refugees Convention, including addressing key concepts in the definition of a refugee;
- a limit to the grounds for judicial reviews;
- prohibition of class actions in migration litigation; and
- the possibility that adverse inferences may be drawn when visa applicants fail to provide supporting information including documentation, without reasonable explanation.



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