



Australian Government
Department of Home Affairs

2022–23 Annual Report

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Contact officer

Requests for information about this report should be directed to:

Evaluation, Planning and Reporting – Performance, Governance and Inquiries Branch
Department of Home Affairs
PO Box 25, BELCONNEN, ACT 2616

(02) 6264 1111
annual_report@homeaffairs.gov.au
www.homeaffairs.gov.au

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THE HOME AFFAIRS PORTFOLIO

The Portfolio structure

As at 30 June 2023

- **Department of Home Affairs**
Secretary: Michael Pezzullo AO
- **Australian Border Force**
Commissioner: Michael Outram APM
- **Australian Security Intelligence Organisation**
Director-General of Security: Mike Burgess
- **National Emergency Management Agency**
Director-General: Brendan Moon AM

THE DEPARTMENT OF HOME AFFAIRS AND THE AUSTRALIAN BORDER FORCE

As at 30 June 2023

Our Purposes

National Security: Protect Australia from national security and criminal threats through effective national coordination, policy and strategy development, emergency management, and regional cooperation.

Prosperous and United: Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs.

Border and Customs Operations: Advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective customs, immigration, maritime and enforcement activities across the border continuum.

Vision

A secure Australia that is prosperous, open and united.

Mission

Work together with the trust of our partners and community to keep Australia safe and secure, and support a cohesive and united Australia open for global engagement.

Authority

The Secretary of the Department of Home Affairs (the Department), Michael Pezzullo AO, is the Accountable Authority for both the Department and the Australian Border Force (ABF) under the *Public Governance, Performance and Accountability Act 2013*.

The Commissioner of the ABF, Michael Outram APM, is a statutory appointee who leads the operational functions of the ABF. The approach, which is supported by legislative and administrative arrangements, encompasses the individual and joint responsibilities and accountabilities of the Secretary and the Commissioner.

Operating environment

The Department's current operating environment remains characterised by a complex geopolitical landscape and accelerated shifts in the advancement of technologies. Throughout 2022–23, the Department continued to assess changes to our operating environment to ensure we remain vigilant and responsive to ongoing threats, and to best position us for future success. This included a range of organisational re-alignments to ensure our workforce is well positioned to deliver on Government priorities and respond to current and emerging risks including across domains related to cyber security, critical infrastructure, threats to democracy, natural hazards and climate-induced disasters.

Strategy

Throughout 2022–23, the Department and ABF continued to align activities to the *Department of Home Affairs 2022–23 Corporate Plan* and the *People and Workforce Plan 2025*. These key strategy documents enabled us to adopt forward leaning policies and programs, informed by the data and intelligence available to us.

READER'S GUIDE

This is the Annual Report from the Secretary of the Department of Home Affairs and the Commissioner of the Australian Border Force (ABF) to the Minister for Home Affairs and the Minister for Cyber Security for the financial year ending 30 June 2023. The Annual Report also includes the Secretary's fraud certification as the Department's Accountable Authority. The report has been prepared in accordance with the Department of Finance's *Annual Report for non-corporate Commonwealth entities: Resource Management Guide No. 135*, issued on 3 May 2023.

Report structure

Part 1: Overview

Part 1 contains reviews of the financial year by the Secretary and the Commissioner. It demonstrates outcomes delivered throughout 2022–23 and highlights key developments, achievements, and environmental and operational pressures.

Part 2: Annual Performance Statement

Part 2 summarises the Department's performance as set out in the *Department of Home Affairs 2022–23 Corporate Plan* and *2022–23 Portfolio Budget Statements*. It also acquires performance against the 2022–23 Portfolio Additional Estimates Statements. This part includes trend data from previous financial years.

Parts 3 and 4: Report on financial performance and financial statements

Parts 3 and 4 contain discussion and analysis of the Department's financial performance over 2022–23, including the audited financial statements and a report by the Auditor-General.

Part 5: Management and accountability

Part 5 encompasses the governance framework, fraud and risk management arrangements, human resources, procurement initiatives and purchasing practices of the Department and the ABF. Part 5 also includes other relevant information as required by the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule) and *Annual Reports for non-corporate Commonwealth entities: Resource Management Guide 135*.

Part 6: Appendices

Part 6 provides supplementary information, including material errors from the *Department of Home Affairs 2021–22 Annual Report*, tables relating to the report on financial performance, reporting required under other legislation and information on legal services expenditure.

Part 7: Reference material

Part 7 contains the list of abbreviations, glossary of key terms, alphabetical index and the compliance index, which includes the list of requirements under the PGPA Rule.

LETTER OF TRANSMITTAL



Australian Government
Department of Home Affairs

The Hon Clare O'Neil MP
Minister for Home Affairs
Minister for Cyber Security
Parliament House
Canberra ACT 2600

The Hon Andrew Giles MP
Minister for Immigration, Citizenship and Multicultural Affairs
Parliament House
Canberra ACT 2600

Senator the Hon Murray Watt
Minister for Emergency Management
Parliament House
Canberra ACT 2600

Dear Ministers,

I am pleased to present the *Department of Home Affairs Annual Report 2022–23* for the reporting period ending 30 June 2023, as required by subsection 46(1) of the *Public Governance, Performance and Accountability Act 2013*.

The report has been prepared pursuant to the requirements for annual reports approved by the Joint Committee of Public Accounts and Audit, and as prescribed in the *Public Governance, Performance and Accountability Rule 2014* (the Rule).

I, the Secretary, as the accountable authority, certify that the Department of Home Affairs has prepared fraud and corruption risk assessments and a fraud and corruption control plan that comply with the requirements of Section 10 of the Rule. The Department of Home Affairs and the Australian Border Force have fraud prevention, detection, investigation, reporting and data collection procedures and processes in place that align with the requirements of the *Commonwealth Fraud Control Framework 2017*.

I have taken all reasonable measures to minimise the incidence of fraud within the Department of Home Affairs and the Australian Border Force, and to investigate and recover the proceeds of fraud against the Department of Home Affairs.

Your sincerely

Michael Pezzullo AO
Secretary, Department of Home Affairs
15 September 2023

LETTER OF ENDORSEMENT



The Hon Clare O'Neil MP
Minister for Home Affairs
Minister for Cyber Security
Parliament House
Canberra ACT 2600

The Hon Andrew Giles MP
Minister for Immigration, Citizenship and Multicultural Affairs
Parliament House
Canberra ACT 2600

Senator the Hon Murray Watt
Minister for Emergency Management
Parliament House
Canberra ACT 2600

Dear Ministers,

I am pleased to endorse the *Department of Home Affairs Annual Report 2022–23* as an appropriate and accurate representation of the Australian Border Force's contribution to the performance of the Department of Home Affairs for the reporting period ending 30 June 2023.

As an independent statutory office holder with operational control of the Australian Border Force, I have supported the Secretary of the Department of Home Affairs in complying with the requirement of section 10 of the *Public Governance, Performance and Accountability Rule 2014* relating to fraud and corruption.

Within the Australian Border Force, we continue to implement fraud prevention, detection, investigation, reporting and data collection procedures and processes that align with the requirements of the *Commonwealth Fraud Control Framework 2017*.

I commend to you the *Department of Home Affairs Annual Report 2022–23*.

Yours sincerely

A handwritten signature in black ink.

Michael Outram APM
Commissioner, Australian Border Force
19 September 2023

CONTENTS

The Home Affairs Portfolio	iii
The Department of Home Affairs and the Australian Border Force	iv
Reader's Guide	vi
Letter of Transmittal	viii
Letter of Endorsement	ix
Part 1: Overview	1
About the Portfolio	2
Roles and Functions of the Department	3
Secretary's Review	9
Roles and Functions of the Australian Border Force	15
Commissioner's Review	20
Office and Post Locations	24
Legislation	25
Part 2: Annual Performance Statement	27
Statement by the Accountable Authority	28
Purpose 1: National Security	31
Purpose 2: Prosperous and United Society	48
Purpose 3: Border and Customs Operations	71
Part 3: Report on Financial Performance	93

Part 4: Financial Statements	97
Independent Auditor's Report	98
Statement by the Secretary and Chief Finance Officer	101
Financial Statements	102
Notes to and Forming Part of the Financial Statements	113
Part 5: Management and Accountability	169
Enterprise Governance	170
External Scrutiny	180
Client Service	192
Human Resource Management	199
Work Health and Safety	210
Procurement, Assets and Grants	214
Ecologically Sustainable Development and Environmental Performance	221
Part 6: Appendices	225
Appendix A: Correction of Material Errors	226
Appendix B: Report on Financial Performance	227
Appendix C: Workforce Profile	238
Appendix D: Salary and Classification Rates	249
Appendix E: Legal Services Expenditure	255
Appendix F: Administration of the Office of the Migration Agents Registration Authority	256
Appendix G: Information Publication Scheme	259
Appendix H: AusCheck Reporting	260
Appendix I: <i>Security of Critical Infrastructure Act 2018 – 2020–21 Annual Report</i>	261
Appendix J: Telecommunications Sector Security Reforms – 2020–21 Annual Report	269
Appendix K: Reporting on the Bali Process under Section 198ai of the <i>Migration Act 1958</i>	279
Part 7: Reference Material	291
Abbreviations and Acronyms	292
Glossary	296
PGPA Rule List of Requirements	299
Index	307

Figures

Figure 1:	The Department at a glance	4
Figure 2:	The ABF at a glance	16
Figure 3:	Office and post locations	24
Figure 4:	Detections	84
Figure 5:	Department of Home Affairs' Enterprise Governance Arrangements, as at 30 June 2023	171
Figure 6:	ABF Governance Arrangements, as at 30 June 2023	173

Tables

Table 1:	2022–23 performance against measures by category and purpose	29
Table 2:	Outcome, program and purpose structure	30
Table 3:	Purpose 1 – Performance framework	31
Table 4:	Purpose 2 – Performance framework	48
Table 5:	Purpose 3 – Performance framework	71
Table 6:	Summary expense and capital expenditure 2022–23	96
Table 7:	Audit and Risk Committee details	175
Table 8:	Reports from joint committees	187
Table 9:	Reports from Senate committees	187
Table 10:	FOI requests received	189
Table 11:	FOI requests finalised	189
Table 12:	FOI finalisations made in time	190
Table 13:	FOI finalisations by type	190
Table 14:	TIS national key performance standards	197
Table 15:	TIS national key performance standards	198
Table 16:	Staff under Workplace Determination	205
Table 17:	Minimum and maximum salary ranges as at 9 February 2023	206
Table 18:	Departmental staff on individual section 24(1) determinations or individual flexibility arrangements	208
Table 19:	Three-year summary of mechanism of injury for accepted claims	211
Table 20:	Incidents notified to Comcare	212
Table 21:	Expenditure on reportable consultancy contracts	216
Table 22:	Organisations receiving a share of reportable consultancy contract expenditure	216
Table 23:	Expenditure on reportable non-consultancy contracts	217
Table 24:	Organisations receiving a share of reportable non-consultancy contract expenditure	217
Table 25:	Campaign advertising, strategic communications, media advertising and market research in 2022–23	218
Table 26:	Energy performance against EEGO Tenant Light and Power target	222
Table 27:	Greenhouse Gas Emission Inventory	224
Table 28:	All ongoing employees (current report period 2022–23)	238
Table 29:	All ongoing employees (previous report period 2021–22)	239

Table 30: All non–ongoing employees (current report period 2022–23)	240
Table 31: All non-ongoing employees (previous report period 2021–22)	241
Table 32: Australian Public Sector Classification and Gender —ongoing employees (current report period 2022–23)	242
Table 33: Australian Public Sector Classification and Gender —ongoing employees (previous report period 2021–22)	243
Table 34: Australian Public Sector Classification and Gender —non-ongoing employees (current report period 2022–23)	244
Table 35: Australian Public Sector Classification and Gender —non-ongoing employees (previous report period 2021–22)	245
Table 36: Australian Public Service Act employees by full time and part time (current report period 2022–23)	246
Table 37: Australian Public Service Act employees by full time and part time (previous report period 2021–22)	247
Table 38: Australian Public Service Act employment type by location (current report period 2022–23)	247
Table 39: Australian Public Service Act employment type by location (previous report period 2021–22)	248
Table 40: Australian Public Service Act Indigenous employment (current report period 2022–23)	248
Table 41: Australian Public Service Act Indigenous employment (previous report period 2021–22)	248
Table 42: Australian Public Service Act Employment salary ranges by classification level (Minimum/Maximum) (current report period 2022–23)	249
Table 43: Training classifications and salary ranges for staff, at 30 June 2023	250
Table 44: Salary and classification rates, Legal Officers	250
Table 45: Salary and classification rates, Public Affairs Officers	251
Table 46: Salary and classification rates, Medical Officers	251
Table 47: Remuneration Paid to Key Management Personnel in 2022–23	252
Table 48: Remuneration Paid to Senior Executives in 2022–23	253
Table 49: Remuneration Paid to Other Highly Paid Staff in 2022–23	254
Table 50: Legal services expenditure	255
Table 51: Experience of registered migration agents, at 30 June 2023	257

Table 52:	Total number of notifications made to the Department in the 2022–23 financial year	266
Table 53:	Breakdown of new notifications made to the Department in the 2022–23 financial year	266
Table 54:	Breakdown of the notifications of change made to the Department in the 2022–23 financial year.	267
Table 55:	Cyber security incidents notified in the 2022–23 financial year	267
Table 56:	Breakdown of notices given by the CAC under subsections 314B(3) and (5)	270
Table 57:	Activities conducted under the Bali Process in 2022–23	280
Table 58:	Activities that fall under the RCF	283

PART 1: OVERVIEW

ABOUT THE PORTFOLIO	2
ROLES AND FUNCTIONS OF THE DEPARTMENT	3
SECRETARY'S REVIEW	9
ROLES AND FUNCTIONS OF THE ABF	15
COMMISSIONER'S REVIEW	20
OFFICE AND POST LOCATIONS	24
LEGISLATION	25

ABOUT THE PORTFOLIO

As at 30 June 2023, the Home Affairs Portfolio (the Portfolio) consisted of the Department of Home Affairs (the Department), the Australian Border Force (ABF), the Australian Security Intelligence Organisation (ASIO) and the National Emergency Management Agency (NEMA).

The Portfolio supports a prosperous, secure and united Australia through the management of a range of functions including responsibility for Australia's migration program, cyber security policy, the protection of critical infrastructure, countering terrorism, and countering foreign interference and espionage. In addition, the Portfolio is responsible for emergency management disaster preparedness and response and recovery, strengthening multiculturalism and democratic resilience, and facilitating legitimate trade and travel while maintaining the integrity of the Australian border.

Portfolio ministry

As at 30 June 2023:

- The Hon Clare O'Neil MP was Minister for Home Affairs and the Minister for Cyber Security
- The Hon Andrew Giles MP was Minister for Immigration, Citizenship, and Multicultural Affairs
- Senator the Hon Murray Watt was Minister for Emergency Management.

Changes in ministerial responsibilities during the reporting period

With the exception of acting ministerial arrangements as published on the Department of the Prime Minister and Cabinet's website,¹ there were no changes in ministerial responsibilities during the reporting period.

1. www.pmc.gov.au/government/administration/acting-ministerial-arrangements

ROLES AND FUNCTIONS OF THE DEPARTMENT

During 2022–23, the Department was responsible for the leadership and coordination of strategy, policy and legislative reform in relation to cyber and critical infrastructure resilience and security, counter-terrorism and the protection of our sovereignty.

The Department enabled a coordinated approach to the security and resilience of all Australians and continued delivering rapid responses to the threats of terrorism and foreign interference through a National Coordinator.

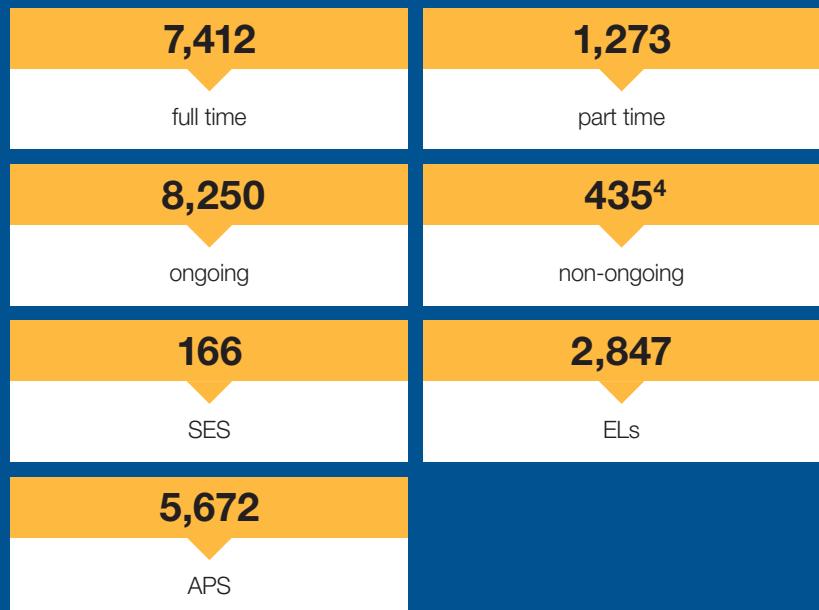
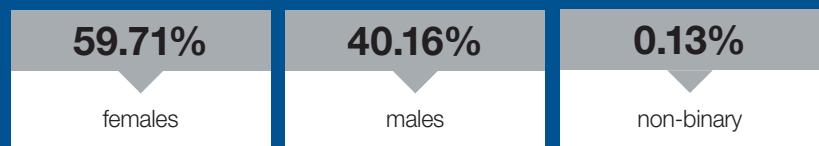
The Department contributed to Australia's prosperity and unity through the management and delivery of the migration, humanitarian and refugee programs. Additionally, the Department managed immigration, citizenship and multicultural affairs programs, and provided settlement services.

The Department at a glance

Figure 1: The Department at a glance



People



2. This figure excludes the Secretary and Australian Border Force Commissioner. See Figure 2 for ABF staff at a glance statistics.

3. The number of locations is larger than the number of cities reported in this Annual Report, as in some cities there are multiple office locations.

4. This figure includes one casual employee.

Organisational structure and key executive

The Department's organisational structure ensured we were well placed to deliver on our purposes in supporting a prosperous, secure and united Australia, and to meet the expectations of the Australian Government and the Australian community.

As at 30 June 2023



Department of Home Affairs

Led by Secretary Michael Pezzullo AO

Michael Pezzullo AO was appointed Secretary of the Department on 20 December 2017.

Throughout 2022–23, the Secretary was responsible for providing leadership and coordination of strategy, planning and policy development for the Department, and remained the principal official policy advisor to the Portfolio's Ministers on issues related to cyber and critical infrastructure security and resilience, countering espionage and foreign interference, immigration and citizenship, multicultural affairs, counter-terrorism and countering violent extremism, national resilience and aviation security. With the support of the ABF Commissioner and the Associate Secretary Immigration, the Secretary also held responsibility for immigration and citizenship, multicultural affairs, customs and border protection, national resilience, emergency management, civil maritime and aviation security, and transport, trade and travel facilitation.



Immigration Group

Led by Associate Secretary **Stephanie Foster PSM**

Immigration Group was responsible for administering Australia's permanent and temporary migration programs, people smuggling policy and implementation, the Refugee and Humanitarian Program and Settlement Programs, and the Citizenship Program. The group delivered status resolution in detention and the community, and manages the Department's client facing services and information services. The group also provided policy advice on national impacts of migration, citizenship, people mobility, and delivered citizenship and multicultural programs. Additionally, the group led on implementation of Government's proposed policy shifts to reform the migration system.

The Associate Secretary also had responsibility for oversight of the Department's Legal Group. The Legal Group is a trusted and independent legal advisor that provides confidential legal advice in a professional capacity to clients across a range of functions, including litigation, legislation and advice work. The Legal Group also includes a privacy, freedom of information and records management function.



Chief Operating Officer Group

Led by Deputy Secretary **Justine Saunders APM**

The Chief Operating Officer (COO) Group delivered a full suite of corporate and assurance services to the Department and the ABF to support the achievement of government outcomes.

The COO Group was accountable for financial performance, budgets, people and culture, recruitment, payroll, enterprise agreement bargaining, integrity, security, assurance, health services and clinical assurance, property, procurement and contracts, information communication technology and major capability services.



Executive Group

Led by Deputy Secretary **Sophie Sharpe**

Executive Group was responsible for providing direct support to the Secretary and Portfolio Ministers, parliamentary and cabinet support, international engagement and coordination, intelligence services to border and migration programs and data and economic analysis.

The group also led enterprise governance, executive support services, enterprise performance reporting and evaluation, capability planning and development, and strategic planning and coordination.



Cyber and Infrastructure Security Group

Led by Deputy Secretary Hamish Hansford

The Cyber and Infrastructure Security (CIS) Group was responsible for cyber security and critical infrastructure policy, response and coordination functions, the Department's regulatory functions for critical infrastructure (including aviation, maritime and telecommunications security), identity security and protection and background checking under the AusCheck scheme.



National Security and Resilience Group

Led by A/g Deputy Secretary Kendra Morony

The National Security and Resilience (NSR) Group provided policy development on domestic national security and resilience, with an emphasis on counter terrorism and countering violent extremism, counter foreign interference, national resilience and strengthening democracy. Through a national coordinator, the group also coordinated responses to terrorism and foreign interference.

Changes to the Executive Team

The following changes in the Department's leadership occurred during 2022–23:

- Stephanie Foster PSM commenced the role of Associate Secretary Immigration on 10 October 2022.
- Sophie Sharpe transferred from the role of Group Manager Executive and International to the role of Deputy Secretary Executive on 1 November 2022.
- Cheryl-anne Moy left the role of Deputy Secretary Immigration and Settlement Services on 23 November 2022.
- Andrew Kefford PSM left the role of Deputy Secretary Social Cohesion and Citizenship on 17 April 2023.
- Hamish Hansford transferred from the role of Group Manager Cyber and Infrastructure Security Centre to the role of Deputy Secretary Cyber and Infrastructure Security on 1 May 2023.
- On 21 March 2023, Marc Ablong PSM accepted a Visiting Senior Fellowship with the Australian Strategic Policy Institute (ASPI) from a initial period of two years, from 1 May 2023 to 30 April 2025.

SECRETARY'S REVIEW

During 2022–23, the Department of Home Affairs (the Department) demonstrated a sustained commitment to contributing to Australia’s prosperity, reinforcing and hardening our national security, and supporting unity within the community.

The Annual Performance Statement, included in Part 2 of this Annual Report, emphasises the Department and Australian Border Force’s (ABF) key successes and ability to deliver in an environment characterised by operational complexities and fiscal challenges. As shown in Part 2, the Department and ABF performed to a high standard throughout 2022–23, having met or substantially met eight of the 10 measures outlined in the *Department of Home Affairs 2022–23 Corporate Plan*.

Following the swearing in of a new government and the machinery-of-government changes in July 2022, the Department embarked on a program of realigning its functions and structures to ensure it was well placed to deliver on both new and revised policy and deliver priorities of the Australian Government. Following a series of considered realignments, the Department is now structured to address threats as and when they arise, seize opportunities, and deliver on the Government’s extensive reform agenda; this includes our efforts to uplift Australia’s cyber security, build national resilience and develop significant reforms for the future of the Migration Program.

The successes outlined in this report reflects the resilience, dedication and capabilities of every officer within the Department and the ABF. Our staff have continued to respond to the challenges in our operating environment and their work will continue to underpin Australia’s prosperity, security and unity.

Cyber security and critical infrastructure

The Australian Government and community benefit from the rapid development of technology. However, as a result of the increasingly interconnected nature of these advancements, evolving cyber threats and vulnerabilities – known and unknown – require an enhanced identification, disruption and response capability across the Commonwealth. Throughout 2022–23, Australia faced an intensified frequency in malicious cyber activity, notably in incidents involving Optus and Medibank Private, demonstrating the need to prioritise cyber security and the security of critical infrastructure.

Not only did the Department support national coordination and response activities in relation to these incidents, but a concerted effort was made to adapt lessons learned through enhanced cyber-incident management arrangements. These arrangements ensure clear lines of responsibility and accountability in inter-jurisdictional coordination arrangements. Over the years to come, they will ensure a coordinated, rapid response to national cyber incidents in a manner that seeks to reduce the harm to business, industry and individuals, while deterring those who seek to exploit Australia's digital security and way of life.

The Department commenced development of the forthcoming 2023–2030 Australian Cyber Security Strategy (the Strategy). The Strategy will capture domestic and international best-practice actions to build our resilience – making our interactions online safer, boosting cyber literacy and capability, arming small and medium businesses with tools to combat cyber-attacks, and defending our critical infrastructure and government systems from cyber threats and malicious state and state-sponsored actors. Our extensive consultation across government and with industry and community in 2022–23 will ensure the Strategy is fit for purpose, meaningful and able to make an immediate impact.

In 2022–23, the Department also hosted the inaugural Cyber and Infrastructure Security Conference, with over 500 industry attendees and more than 1,000 live-stream participants. This event created a unique opportunity for the Department and industry to share lessons, discuss threat vectors with leading experts, and foster relationships that will underpin a best-practice approach for critical infrastructure security.

To further support that goal, the Department consulted with industry owners and operators of critical infrastructure assets that were identified as part of the proposed second tranche of Systems of National Significance. Through regular and targeted consultation, the Department developed a series of clear declarations and statements related to each critical infrastructure asset, which will underpin compliance with obligations under the *Security of Critical Infrastructure Act 2018*.

National security and resilience

Throughout 2022–23, the Department focused on efforts to strengthen Australia's national resilience and address known and emerging vulnerabilities. These efforts seek to combat the increasingly concurrent nature of threats and hazards that place pressure on governments, institutions, the economy, volunteer and state and territory emergency services and the community.

To better position Australia to deal with our exposure and vulnerability to nationally significant crises, including those that result from climate change, the Department established the National Resilience Taskforce in November 2022.

The taskforce has engaged in a range of Commonwealth reviews to ensure the necessary legislation, policy and capability settings are in place and remain fit for purpose to manage increasingly complex national crises. It has worked with governments, industry and civil society to generate a common understanding of these threats and sought to develop a cohesive and nationally integrated approach to allow us to absorb and adapt to the shocks of crises.

The Department worked closely with industry and partner agencies to strengthen national security collaboration efforts across government. We enhanced counter-terrorism capability, both domestically and abroad, and focused on developing nationally consistent approaches.

Efforts abroad included delivery of eight workshops to Indonesian counterparts to develop a new training curriculum for prosecutors from the Indonesian Attorney-General's Office. Efforts domestically included over 50 capability-training activities and three national counter-terrorism exercises – these explored the operational response across government, law enforcement and industry to prevent the viral spread of harmful online material, tested the interoperability of online investigation and operation capabilities and protocols across jurisdictions, and validated existing whole-of-government and inter-jurisdictional public information coordination arrangements.

Recognising that nation states will seek to exploit inequities in self dependency, reliance on single-source supply chains and environmental stressors to secure greater sovereign power, it is fundamental to our resilience that we maintain the capacity of our institutions, industries and economy. Our democracy is a national asset. Therefore, in January 2023, with the support of the Government, I established the Strengthening Democracy Taskforce within the Department. The taskforce is exploring possibilities for safeguarding and sustaining Australia's democratic resilience, now and over the longer term. Its ongoing work is informed by research, data and evidence, and by consultation and engagement.

The steady increase of foreign interference and espionage threat activity continued in 2022–23, with foreign state actors continuing to seek influence Australia's behaviour and create and exploit weaknesses – targeting diaspora communities, politicians, and the education and academic sectors. The Department supported capability uplift of industries at higher risk, with a continued focus on Australian universities. Through these activities, 42 Australian universities self-reported an increased level of capability to counter foreign interference within their institutions.

The Department also continued coordination across the National Intelligence Community to provide intelligence support to electoral integrity efforts and supported both federal by-elections and state and territory electoral commissions. This included the provision of advice into technology-assisted voting and engaging with various commissions on issues relating to countering foreign interference.

Prosperity and unity

Migrant participation in all aspects of Australian society supports the cultural enrichment of our nation and is a key driver of economic wellbeing. In 2022–23, the Department continued to align our migration system to national interests and ensured the Migration Program was delivered in full, with a total of 195,004 outcomes against a planning level of 195,000.

In addition, the Department retained a heightened focus on improving service delivery, with processing times for eight of 10 visa categories being maintained or improved compared to 2021–22; this was delivered against a backdrop of a 152.4 per cent increase in the number of visa applications lodged. Moreover, in keeping with our focus on service delivery, the proportion of applications finalised by conferral under Australia’s Citizenship Program improved by 53 per cent. The Department also saw an increase in visa refusal rates to 7.7 per cent, arising from strengthened risk, integrity and intelligence systems, better enabling visa decision-makers to identify fraudulent applications. These improvements stemmed from a streamlined approach to client interactions, increased staffing levels and an ongoing focus on the national processing priorities.

In September 2022, the Minister for Home Affairs announced a comprehensive review of Australia’s migration system to ensure it better meets existing challenges and has a clear direction for the coming decades. The report for ‘The Review of the Migration System’ was provided to Government for consideration in March 2023. In response, the Department commenced work on the design of an enhanced migration system and consulted on critical policy shifts that will be enlivened through a new Migration Strategy that will underpin productivity growth, supporting pathways for Australia’s migrants and building a secure future for our communities and families.

The 2022–23 period marked the first time in the past four years that Australia’s Humanitarian Program was delivered in full. The program also saw the highest number of Community Support Program visa grants (1,291) since the latter’s inception in 2018. With Australia being one of the most successful multicultural societies in the world, the Department retained its focus on settlement support to ensure migrants and humanitarian entrants have access to the support and services they need to participate fully in our society. Vital to this is the role of the English language as a unifying element for social cohesion; in 2022–23, the Adult Migrant English Program celebrated 75 years since its establishment, during which time it has assisted over 2 million migrants with free English lessons.

Ongoing outreach initiatives throughout 2022–23 worked to establish and maintain meaningful ties between the Department and communities across Australia. The Department delivered community liaison engagements with community stakeholders and service providers in response to events such as the earthquake in Türkiye and Syria, the Khalistan Movement unofficial polls in India, human rights protests in Iran, the conflict in Sudan, and citizenship pathway changes for New Zealand citizens.

Border security

The ABF continues to deliver effective border security and maritime surveillance activities for the Australian community. In 2022–23, the ABF identified, intercepted and detained four maritime people smuggling vessels – ensuring they did not reach Australia without intervention – assisted in 13 search and rescue events and disposed of 18 unseaworthy vessels at sea.

The Department and the ABF have shown resilience and capability during times of economic disruption. Trade and travel volumes in Australia continue to return to, or even exceed, pre-COVID-19 pandemic levels. During 2022–23, combined traveller numbers – air and sea, inbound and outbound – rose markedly, to 33.74 million. Despite this significant increase, the Department and the ABF were able to effectively maintain, and in some cases improve, traveller clearance times.

With Australia remaining an attractive market for the importation of prohibited and illicit goods, the ABF retained their intelligence-informed approach to cargo intervention.

This included identifying a bulk cargo carrier of interest and an alleged shipment of solar panel accessories of interest that led to interventions resulting in seizures that prevented, respectively, around \$230 million worth of cocaine and 960 packages of heroin from entering the Australian community.

Our people

As demand for our services continues to rise, amid challenges from evolving geopolitical, climate and operational pressures, this report attests to our staff remaining focused and committed to delivering strong outcomes for the Australian people.

Coupled with an ongoing focus on integrity, accountability, judgement, professionalism and, perhaps most importantly, our sense of service, we have focused on ensuring our people have access to the tools and resources they need to build and maintain a high performance culture. We have continued to implement initiatives within the *People and Workforce Plan 2025*, such as workshops on core policy and writing skills, monthly livestreamed Leadership in Action speakers, and an active focus on effective flexible work arrangements.

The Department also continued throughout 2022–23 to embed and promote a culture of diversity and inclusivity, progressed through initiatives such as the publication of the *Reconciliation Action Plan 2023–2026* (RAP), which highlighted our commitment to the *National Agreement on Closing the Gap*, particularly Priority Reform 3 – Transforming Government Organisations. Since our last RAP was launched, we have strengthened and implemented mechanisms to embed reconciliation activities into aspects of our business.

The 2023 APS Employee Census Results achieved a participation rate of 72 per cent, the highest achieved in the department since the establishment of the Home Affairs Portfolio in 2017. The results highlighted areas of importance for staff, including supporting and promoting an inclusive workplace culture, effective internal communication, and caring for the health and wellbeing of employees. Overall, the responses indicated our staff are highly motivated, inspired and have a strong commitment to our purpose.

Looking forward

The increasing frequency in malicious cyber activity has shown the need to prioritise cyber security and the security of critical infrastructure – it is the Department's responsibility to ensure our information, assets and the people of Australia are well protected against cyber security threats. During 2023–24, and following the appointment Air Marshal Darren Goldie AM CSC as the National Cyber Security Coordinator, we will focus on delivering an effective centrally coordinated approach to the Government's cyber security responsibilities and responses to major cyber incidents. We will finalise the 2023–2030 Cyber Security Strategy and enhance capabilities across government, industry and the community to build greater cyber resilience.

In 2023, the Department will also support the finalisation and implementation of the Government's Migration Strategy and its associated reform initiatives. The Strategy will be underpinned by integrity, fairness and inclusion and drive a simplification agenda for those that engage with the Migration Program.

In keeping with the Government's APS Reform Agenda, the Department will continue to focus on service delivery and enhancements that can be made to reduce backlogs, processing times and facilitation rates across the migration, citizenship and border domains, commensurate to its resourcing. The Department will also continue to deliver on its purpose to safeguard Australia's national security interests, while also enabling economic growth and maintaining our cohesive multicultural society. We will strengthen our democracy and national resilience by working with our partners, domestically and overseas.

As a department that operates in an environment characterised by heightened risk, constant change and complexity, it is imperative we focus on stability while continuing to improve the way that we work, for the benefit of Australia and our community.

ROLES AND FUNCTIONS OF THE AUSTRALIAN BORDER FORCE

The Australian Border Force (ABF) is Australia's frontline border law enforcement and international customs agency. The ABF remains committed to implementing the Government's border protection policy in order to enhance Australia's national security, while ensuring border measures support a prosperous Australia.

The ABF delivers Australia's border enforcement policies, from the facilitation of legitimate trade and travel to immigration and customs enforcement in support of border security. The Department and the ABF work collaboratively to achieve sustainable joint outcomes across the border continuum. The ABF is positioned within the Department of Home Affairs (the Department) for budgetary, employment and administrative purposes, but retains operational independence. This responsibility includes giving effect to departmental policies across frontline border law enforcement, civil maritime security, detention and customs activities.

The ABF works domestically and internationally to secure Australia's air, maritime and land domains, and to identify, mitigate and respond to threats. The ABF focuses its capability on operational and tactical responsibilities to position Australia as a global leader in border enforcement, to protect our borders and ensure customs and border processes can meet today's challenges and ongoing shifts in client and industry demands. Frontline ABF officers play a crucial role in facilitating legitimate trade while protecting Australia from illicit goods such as drugs, weapons and counterfeit products.

As Australia's customs service, the ABF works to enhance economic growth through streamlined trade and traveller processes, while targeting trade enforcement activities to protect Government revenue and ensuring compliance with Australia's customs laws.

The ABF at a glance

Figure 2: The ABF at a glance



People



Workforce



5. This figure includes 466 ABF casual staff.

Organisational structure and key executive

The ABF's organisational structure continues to evolve in order to provide greater agility to adapt to emerging risks to the border and provide greater opportunity to contribute significantly to Australia's economic progression.

As at 30 June 2023



Australian Border Force

Led by **Commissioner Michael Outram APM**

Michael Outram APM was the Commissioner of the ABF (the Commissioner) and the Comptroller-General of Customs, with both statutory appointments reporting to the Minister for Home Affairs on the operational performance of the ABF. Supported by the Department, the Commissioner led the ABF in protecting Australia's border and enabling legitimate travel and trade. The Commissioner also oversaw Australia's customs service and immigration enforcement functions.



Strategy and Capability

Led by **Deputy Commissioner Kaylene Zakhарoff**

Strategy and Capability Group led the organisation's strategy and corporate planning, governance, operational coordination and targeting, capability development and investment planning, and our engagement with industry. The Strategy and Capability Group is leading ABF's reform agenda, with input into whole-of-government trade modernisation, future traveller initiatives and the civil maritime capability and strategy.

The group was also responsible for international operations and overseeing the ABF's workforce to ensure its strategies and policies continue to deliver an agile, confident and capable workforce to serve the Australian community.



Regional Operations

Led by Deputy Commissioner Vanessa Holben PSM

Regional Operations Group comprises four regional commands: North, South, East and West. Together, they were responsible for the operational delivery of all ABF functions in each state and territory.

The group's operational remit encompassed traveller and cargo facilitation and intervention, and enforcement activities including investigations, field operations and immigration compliance.

The Regional Operations Group also oversaw capability development for air and sea cargo and international mail, air and sea traveller facilitation and intervention and the littoral and district office functions to ensure a nationally consistent approach to these activities.



National Operations

Led by Deputy Commissioner Tim Fitzgerald

The National Operations Group was responsible for customs, detention and national removals, and Maritime Border Command and Operation Sovereign Borders.

Through Australia's customs and border policy settings, the group supported the efficient movement of legitimate goods across the border, the end-to-end management of the onshore Immigration Detention Network, including the national removals function, and ensures civil maritime security threats are mitigated while upholding the integrity of Australia's maritime border security.

Changes to the Executive Team

The following changes in the ABF's leadership occurred during 2022–23:

- Dwayne Freeman left the position of Deputy Commissioner North, West and Detention Group on 5 July 2022.
- Cheryl Pearce AM CSC retired from the position of Deputy Commissioner South, East and Workforce Group on 6 January 2023.
- Kaylene Zakharoff was appointed Deputy Commissioner Strategy and Capability Group on 1 February 2023.
- Vanessa Holben PSM was promoted to the position of Deputy Commissioner South, East and Workforce on 17 December 2022, and transferred to the position of Deputy Commissioner Regional Operations Group on 1 February 2023.
- Tim Fitzgerald was promoted to the position of Deputy Commissioner North, West and Detention on 18 November 2022, and transferred to the position of Deputy Commissioner National Operations on 1 February 2023.

COMMISSIONER'S REVIEW

Throughout 2022–23, the ABF has continued to deliver significant outcomes across Australia's border continuum including offshore, at our air and sea ports and domestically. The 'border' is one of Australia's most important national assets and the ABF has a unique role as its steward. Challenges in 2022–23 tested the flexibility, agility and resolve of our officers, as international trade and travel volumes have returned rapidly to pre-COVID-19 levels.

In 2022–23, the ABF implemented key organisational changes that brought operational decision-making closer to the front line to better support the needs of Australians and industry. This included the appointment of three new Deputy Commissioners across National Operations, Regional Operations, and Strategy and Capability. These changes will help the ABF meet future challenges as one ABF and create positive outcomes for the Australian community and our economy and national security.

I commend the outstanding effort, dedication and professionalism of my officers over the past 12 months, in varied frontline and supporting roles across Australia and abroad. Their willingness to continually address challenges head-on and their commitment to the ABF mission continues to underpin Australia's safety and prosperity through a secure and seamless border.

Our role at the border supports a prosperous Australia

As Australia continues to recover from the impact of the COVID-19 pandemic, the ABF's facilitation of legitimate travel and trade has played a key role in reconnecting Australia to the world. In 2022–23, the ABF facilitated more than 17 million air and sea travellers arriving into Australia, along with over 86 million air cargo and over six million sea cargo consignments. While volumes have recovered, the nature and methods of trade continue to be impacted by disruption across supply chains, which has flow-on impacts to clearance and intervention activities.

In support of recovering travel volumes, we have continued to streamline passenger processing. The rollout of Generation 3 (GEN3) kiosks and SmartGates commenced in November 2022 in Queensland and the Northern Territory. The GEN3 capability will ultimately enhance traveller facilitation by improving self-clearance timeframes and the overall user experience for international travellers.

Throughout 2022–23, the ABF worked closely with partner agencies under the Government’s Simplified Trade Systems (STS) Agenda to modernise our trade systems and create simpler and more efficient processes for business. The ABF has progressed digital and data reform initiatives that provided traders with real-time messaging on the operational status of the international cargo system (ICS). This also included simplifying customs processes which are important components of our trade modernisation journey.

As Australia’s customs service, and the second highest Commonwealth revenue raiser in 2022–23, the ABF collected \$18.36 billion. We continue to crack down on revenue evasion with a focus on trade enforcement activities. Our compliance and enforcement activity is critical and underpins a level playing field for legitimate Australian businesses trying to do the right thing. During 2022–23, the ABF served 238 infringement notices with an approximate total value of \$2 million – nearly double both the number and value served in 2021–22.

Border protection for a safe and resilient Australia

Throughout 2022–23, the ABF worked with domestic and international partners to detect, deter and disrupt those who attempted to harm Australia and the Australian way of life. Early intervention and enhanced efforts to share knowledge and intelligence supported our operational activities and enabled coordinated and targeted responses to threats across the border continuum.

Australia’s civil maritime security

The ABF contribution to Joint Agency Task Force Operation Sovereign Borders remained a key priority in 2022–23, resulting in the interception of four maritime people smuggling ventures attempting to reach Australia. All persons on board these ventures were safely returned to their country of origin or departure, in accordance with domestic and international laws.

ABF maritime and aviation assets and crew provided constant vigilance across Australia’s maritime domain, including the Torres Strait, to deter, detect and respond to civil maritime security threats. In 2022–23, the combined efforts of our patrol vessels conducted more than 2,182 patrol days, while contracted surveillance assets achieved 12,691 flying hours.

Immigration compliance and enforcement

Migrant worker exploitation remained a key focus and priority for the ABF. In November 2022, we launched Operation INGLENOOK – a multi-agency operation to actively identify, deter and disrupt high-risk facilitators and their associates involved in trafficking and/or modern slavery practices within the sex industry.

In 2022–23, this operation had assessed more than 175 persons of interest, with more than 50 border alerts being raised. The alerts resulted in actions against known facilitators, subsequently ensuring 22 persons being refused immigration clearance, as well as 13 offshore visa cancellations, preventing return travel to Australia. In addition, 86 persons were referred for cancellation consideration and more than 320 visas referred for refusal with associated targeted disruption activities against individuals and businesses.

Outside of the sex industry, our Sponsor Monitoring Unit and Field Operations continued their focus on all forms of migrant worker exploitation with more than 140 unscrupulous employers – across a wide range of industries – sanctioned by the ABF for exploiting migrant workers in Australian workplaces.

Ensuring the integrity of Australia's migration system is a first order priority for the ABF. We take a layered approach to immigration compliance and enforcement, working pre, at and post border. For example, in 2022–23 our Border Operations Centre and the Airline Liaison Officer program, working in partnership with airlines and international counterparts, successfully prevented the movement of 1,083 irregular travellers who were either non-bona fide travellers or attempting to travel on fraudulent documents.

A surge in global trafficking of illicit goods

Australia remains a lucrative market for organised criminals who continue attempts to infiltrate our border and import prohibited and illicit goods. In doing so, they threaten the safety of our community and compromise legitimate businesses and their supply chains. Throughout 2022–23, we saw significant increases, compared to the previous year, in both the detection and weight of major illicit drugs and precursors seized by ABF officers at our sea ports, airports and international mail facilities.

Cocaine shipments are being seized at the border at unprecedented levels as Australia confronts a global surge in trafficking. In 2022–23, the ABF seized 4.78 tonnes of cocaine, a 167 per cent increase compared to 2021–22; this is also a significant increase when compared to the average amount detected at our borders over the past decade, which is 0.99 tonnes a year. We continue to see significant increases in detections of other illicit drugs, such as heroin with both the number and weight of detections nearly double that of 2021–22.

International cooperation and coordination with our key partners remains a powerful tool in tackling criminal syndicates and the surge in global drug trafficking. In November and December 2022, the ABF-led Operation TIN CAN which involved 58 World Customs Organization (WCO) member countries, supported by major shipping lines, seized nearly 100 tonnes of cocaine across the globe, resulting in 43 arrests. The ABF's own Operation JARDENA continues to enhance supply chain integrity and coordinate efforts to counter criminal infiltration of the international supply chain network.

With JARDENA, strike teams located across all major Australian ports, and selected overseas locations, the ABF continued to target and combat criminal networks seeking to advance their illicit drug trafficking ventures. In 2022–23, Operation JARDENA issued 118 infringement notices totalling over \$1.2 million in financial penalties for customs related offences.

We remain committed to supporting the Government's efforts to crack down on illicit tobacco which is viewed by organised crime as a low-risk, high-reward venture. During 2022–23, the ABF led Illicit Tobacco Taskforce detected 168 instances of revenue evasion (detections/seizures) worth around \$522 million. We continue to build on success achieved through our international engagement to develop joint operational lines of effort that disrupt the transnational supply of illicit tobacco in source and transhipment countries.

Looking ahead

We will continue to calibrate our border activities to achieve national goals, driving economic prosperity, building national resilience and minimising harm to the Australian community. We will focus on ensuring our structure, governance and processes position the ABF to be 'future ready'.

We are committed to supporting the Government's reform of Australia's migration system and will maintain our hardline stance on border protection, countering attempts to import illicit goods, drugs, firearms and tobacco. We also look forward to growing our footprint across the region and helping develop the capabilities of our regional partners, promoting stability and security across the Pacific.

We will continue modernisation reforms to our trade systems and supply chains through the STS and new technology trials and work with industry and international organisations such as the WCO, and B5 partners to modernise our international border. We have an exciting opportunity to test and trial next generation airport concepts for new passenger terminal and cargo examination facilities, which will ensure that Western Sydney International Airport is world leading and all of our international airports are supported to modernise cross border travel and trade. We will ensure that industry and business are at the centre of our modernisation and co-design activities.

Ongoing work with Operation JARDENA will continue helping the ABF understand and tackle the systematic infiltration of our border and international supply chain by criminal actors at home and abroad.

With our unique expertise and capability, the ABF will continue to deliver strong outcomes for the Australian community. Our outlook for 2023–24 is positive and I am confident that our officers' resilience and agility positions us well to meet the opportunities and challenges ahead.

OFFICE AND POST LOCATIONS



Reflecting our global focus, the Department and ABF bring together 15,222 staff based in Australia and across 42 cities around the world.⁶ As at 30 June 2023, the Department's primary office and overseas post locations were:

Figure 3: Office and post locations

Regional Directorates	Embassies	Consulates	High Commissions
ACT and Regions	Amman	Hanoi	Dubai
Adelaide	Ankara	Jakarta	Colombo
Brisbane	Bangkok	Manila	Islamabad
Cairns	Beijing	Phnom Penh	Kuala Lumpur
Darwin	Beirut	Santiago	London
Hobart	Belgrade	Seoul	Nairobi
Mascot (Sydney)	Berlin	Tehran	New Delhi
Melbourne	Brasilia	Tel Aviv	Ottawa
Parramatta (Sydney)	Brussels	Tokyo	Port Moresby
Perth	Cairo	Washington	Pretoria
Thursday Island	Dili	Yangon	Singapore
			Suva
			Wellington
			Taipei, (Australian Office)
			Geneva
			National Office, Canberra

6. The number of locations is larger than the number of cities reported in this Annual Report, as there are multiple office locations in some cities.

LEGISLATION

2022–23 legislative and regulatory reform

In accordance with the Administrative Arrangements Orders, the Department and the ABF administered the following Acts, which form the legislative framework for our functions and services:

- *AusCheck Act 2007*
- *Australian Border Force Act 2015*
- *Australian Citizenship Act 2007*
- *Australian Citizenship (Transitional and Consequential) Act 2007*
- *Australian Security Intelligence Organisation Act 1979* – except to the extent administered by the Attorney-General
- *Aviation Transport Security Act 2004*
- *Commerce (Trade Descriptions) Act 1905*
- *Counter-Terrorism (Temporary Exclusion Orders) Act 2019*
- *Customs Act 1901* – other than Part XVB and Part XVC
- *Customs Licensing Charges Act 1997*
- *Customs Securities (Penalties) Act 1981*
- *Customs Tariff Act 1995*
- *Customs Undertakings (Penalties) Act 1981*
- *Immigration (Education) Act 1971*
- *Immigration (Guardianship of Children) Act 1946*
- *Import Processing Charges Act 2001*
- *Intelligence Services Act 2001* – insofar as it relates to the Australian Security Intelligence Organisation
- *Maritime Powers Act 2013*
- *Maritime Transport and Offshore Facilities Security Act 2003*
- *Migration Act 1958*

- *Migration Agents Registration Application Charge Act 1997*
- *Migration (Health Services) Charge Act 1991*
- *Migration (Skilling Australians Fund) Charges Act 2018*
- *Migration (Sponsorship Fees) Act 2007*
- *Migration (Visa Application) Charge Act 1997*
- *National Emergency Declaration Act 2020*
- *National Emergency Declaration (Consequential Amendments) Act 2020*
- *Passenger Movement Charge Act 1978*
- *Passenger Movement Charge Collection Act 1978*
- *Psychotropic Substances Act 1976*
- *Security of Critical Infrastructure Act 2018*
- *Social Security Act 1991* – insofar as it relates to the Australian Victim of Terrorism Overseas Payment, the Australian Government Disaster Recovery Payment and the Disaster Recovery Allowance
- *Social Security (Administration) Act 1999* – insofar as it relates to the Australian Victim of Terrorism Overseas Payment, the Australian Government Disaster Recovery Payment and the Disaster Recovery Allowance
- *Telecommunications (Interception and Access) Act 1979* – insofar as it relates to the Australian Security Intelligence Organisation

2022–23 legislative and regulatory reform

During 2022–23, 13 Portfolio Bills were introduced to the Australian Parliament. Nine were passed and became Acts upon receiving Royal Assent.

A total of 30 Portfolio Regulations were made and registered in 2022–23, along with 59 other legislative instruments.

Copies of Amendment Acts, Regulations and other legislative instruments are available on the Federal Register of Legislation,⁷ administered by the Office of Parliamentary Counsel.

.....
7. www.legislation.gov.au

PART 2: ANNUAL PERFORMANCE STATEMENT

STATEMENT BY THE ACCOUNTABLE AUTHORITY	28
PURPOSE 1: NATIONAL SECURITY	31
PURPOSE 2: PROSPEROUS AND UNITED SOCIETY	48
PURPOSE 3: BORDER AND CUSTOMS OPERATIONS	71

STATEMENT BY THE ACCOUNTABLE AUTHORITY

I, Michael Pezzullo AO, as the Accountable Authority of the Department of Home Affairs (the Department), present the Annual Performance Statements of the Department for 1 July 2022 to 30 June 2023 as required under Paragraph 39(1)(a) and (b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In my opinion, these Annual Performance Statements are based on properly maintained records, accurately reflect the performance of the Department and the Australian Border Force, and comply with subsection 39(2) of the PGPA Act.



Michael Pezzullo AO
Accountable Authority

15 September 2023

Performance reporting

The relationship between the outcome structure of the *Department of Home Affairs 2022–23 Portfolio Budget Statements* and the purposes in the *Department of Home Affairs 2022–23 Corporate Plan* is outlined in Table 1.

The 2022–23 Annual Performance Statement acquires the performance information published in the *Department of Home Affairs 2022–23 Corporate Plan*.

Comparative data from previous financial years has been included throughout the Annual Performance Statement where available and applicable.

Performance Ratings

The Department has assessed performance against three categories: ‘met’, ‘substantially met’ and ‘not met’. Measures and targets have been assessed as ‘met’ where reported performance is 97.5 per cent or higher, as ‘substantially met’ if performance fell within 92.5 per cent and 97.5 per cent of the published target, and ‘not met’ if performance reported a result lower than 92.5 per cent of the published target. Performance against each measure was determined by calculating the average of the performance variances against each target.⁸

Performance Results

Table 1: 2022–23 performance against measures by category and purpose

	Purpose 1	Purpose 2	Purpose 3	Total
Met	3	1	2	6
Substantially Met	1	1	0	2
Not Met	0	1	1	2

8. Further information is available on page 36 of the *Department of Home Affairs 2022–23 Corporate Plan*.

Table 2: Outcome, program and purpose structure

Our Purposes				
Purpose 1—National Security: Protect Australia from national security and criminal threats, and support national resilience, through effective national coordination, policy and strategy development, and regional cooperation.	Purpose 2—Prosperous and United Society: Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs.	Purpose 3—Border and Customs Operations: Advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective customs, immigration, maritime and enforcement activities across the border continuum.		
Our Activities				
Activity 1.1: National Security and Resilience	Activity 2.1: Immigration and Humanitarian Programs	Activity 2.2: Social Cohesion and Citizenship	Activity 3.1: Border Management and Revenue Systems	Activity 3.2: Border Security, Maritime Surveillance and Immigration Detention
Our Performance Measures				
Measure 1.1.1: Effective transport security compliance and capacity building activities. <i>(Department of Home Affairs PBS Program 1.1)</i>	Measure 2.1.1: Effective design, delivery and assurance of immigration programs. <i>(Department of Home Affairs PBS Program 2.1, Department of Home Affairs PBS Program 2.2)</i>	Measure 2.2.1: Effective citizenship processing and assurance, counter violent extremism capability building and community engagement collectively supports social cohesion outcomes. <i>(Department of Home Affairs PBS Program 2.5)</i>	Measure 3.1.1: Effective trade and travel policy and regulation settings. <i>(Department of Home Affairs PBS Program 3.1, Department of Home Affairs PBS Program 3.2)</i>	Measure 3.2.1: Effective border security, maritime surveillance activities, and management of the Immigration Detention Network. <i>(Department of Home Affairs PBS Program 3.4, Department of Home Affairs PBS Program 3.5)</i>
Measure 1.1.2: Enhanced stakeholder capability and resilience to counter foreign interference. <i>(Department of Home Affairs PBS Program 1.2)</i>	Measure 2.1.2: Effective design and delivery of humanitarian and settlement programs, and resettlement. <i>(Department of Home Affairs PBS Program 2.3, Department of Home Affairs PBS Program 2.4)</i>	Measure 3.1.2: Effective administration of border revenue processes. <i>(Department of Home Affairs PBS Program 3.3)</i>		
Measure 1.1.3: Effective industry regulation, security advice and strategy implementation safeguards and strengthens Australia's critical infrastructure and cyber security. <i>(Department of Home Affairs PBS Program 1.2, Department of Home Affairs PBS Program 1.3)</i>				
Measure 1.1.4: Enhanced capability to address potential terror threats, delivered through exercise, training activities and stakeholder engagement. <i>(Department of Home Affairs PBS Program 1.4)</i>				
Regional Cooperation (Department of Home Affairs PBS Program 1.5)				
Protect Australia's sovereignty, security and safety by strengthening relationships with partner governments to improve migration and border management capabilities; working collaboratively with international organisations, including the International Organisation for Migration (IOM), provide services for irregular migrants including promoting dialogue through the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime.				

PURPOSE 1: NATIONAL SECURITY

Table 3: Purpose 1 – Performance framework

Activity	Performance Measures
Activity 1.1: National Security and Resilience	Measure 1.1.1: Effective transport security compliance and capacity building activities. (<i>Department of Home Affairs PBS Program 1.1</i>)
	Measure 1.1.2: Enhanced stakeholder capability and resilience to counter foreign interference. (<i>Department of Home Affairs PBS Program 1.2</i>)
	Measure 1.1.3: Effective industry regulation, security advice and strategy implementation safeguards and strengthens Australia's critical infrastructure and cyber security. (<i>Department of Home Affairs PBS Program 1.2, Department of Home Affairs PBS Program 1.3</i>)
	Measure 1.1.4: Enhanced capability to address potential terror threats, delivered through exercise, training activities and stakeholder engagement. (<i>Department of Home Affairs PBS Program 1.4</i>)

Activity 1.1

Summary of performance

Throughout 2022–23, the Department continued to support national resilience and security through optimisation of regulatory tools, policy coordination, and monitoring and disruption strategies. The Department has worked to ensure that the Australian Government and people have the necessary capabilities to manage increasingly complex national crises and security risks.

This included:

- Supported agreement to and implementation of a Risk Management Program for specific regulated critical infrastructure entities requiring cyber and information security, personnel, physical and supply chain security obligations.

- Delivery of a Trusted Information Sharing Network including reforms to an information sharing portal. Hosting the inaugural Cyber and Infrastructure Security Conference, bringing together over 500 industry participants and more than 1,000 participants from every state and territory alongside international partners to build a community of best practice for critical infrastructure protection in Australia and learn from leading experts.
- Consulting with over 700 cyber security stakeholders, review of over 330 submissions to a public discussion paper in support of policy development and advising on the prospective 2023–2030 Australian Cyber Security Strategy.
- Working with industry to maintain high levels of transport security outcomes including co-design of approaches with industry, policy reform and a detailed compliance program of work at Australian airports.
- Progressing multiple international cooperation and information sharing agreements to drive telecommunications security and resilience policy efforts. International partnerships are a critical enabler of the security of current and emerging connectivity. In 2022–23, bilateral agreements were established with Japan, the United States and the United Kingdom.
- Leading cooperation with Palau to establish a deployment of the first Open Radio Access Network in the Pacific – this will enable greater vendor choice for countries to expand and modernise their telecommunications networks.
- Coordinating the whole-of-nation response to counter foreign interference across government and the community to raise awareness and strengthen the resilience of sectors of our society that are most at-risk. This included conducting 403 engagements with stakeholders and representatives of at-risk sectors in 2022–23.
- Supporting the introduction of the *Counter-Terrorism Legislation Amendment (Prohibited Hate Symbols and Other Measures) Bill 2023* in June 2023, which seeks to amend the *Crimes Act 1914* and *Criminal Code Act 1995* with a view to deter individuals from public displays and advocacy of terrorist acts by establishing and expanding related criminal offences.
- Repatriating four women and 13 children from an internally displaced persons camp in Syria in October 2022. The Department led coordination of the multi-agency repatriation effort. Following their arrival in Australia, the families have received support services from state government agencies and assistance with reintegrating into community life.

International Counter Ransomware Taskforce

As one of the most destructive forms of cybercrime faced by governments, businesses, and individuals today, ransomware remains a pervasive threat with disruptive impacts, financial and otherwise, for victims and the wider community.

The Department leads Australia's efforts under the United States-led Counter Ransomware Initiative (CRI), which seeks to strengthen international collaboration between like-minded governments to defend against ransomware.

Following CRI agreement, the International Counter Ransomware Task Force (ICRTF) was established to focus global efforts on strengthening capability to detect, investigate and prosecute malicious cyber actors that engage in ransomware attacks.

The ICRTF formally commenced its activities in January 2023, with Australia as its inaugural chair and coordinator of the lines of effort among the task force members. Under Australian leadership the ICRTF has increased its membership to 25 countries and pursued practical outcomes to uplift cyber security capabilities and skillsets by successfully standing up six capacity-building projects under the key themes of disruption, information sharing and resilience.

ICRTF has affirmed members are committed to delivering these projects and working together to further align operational and policy work, develop a culture of information-sharing and enhance engagement with industry.

Collaboration sits at the heart of the ICRTF, and this work led by the Department on behalf of Australia has been a crucial opportunity for its members to come together in pursuit of common priorities.

Identifying Australia's most critical assets

During 2022–23, the Department consulted with industry owners and operators of critical infrastructure assets identified in a second tranche of proposed Systems of National Significance (SoNS).

SoNS are Australia's most important critical infrastructure, so designated because of their interdependencies across large parts of the Australian economy and the increased risk of catastrophic consequences if disrupted by a cyber attack. Proposed SoNS identified for Tranche 2 declaration included critical infrastructure assets relating to data storage or processing, domain name systems, energy, communications, and transport.

The Department hosted three town hall meetings and a deep dive on the Enhanced Cyber Security Obligations that may apply in future, to ensure responsible entities understood the implications of owning or operating a SoNS. Following these engagements, 18 entities requested individual meetings, all of which were facilitated. These meetings assisted the Department to develop clear declarations and statements of reasons for each relevant asset. On conclusion of this consultation, the Department received written submissions from 26 entities.

Consultation has further strengthened the Government's engagement with industry to uplift the security of Australia's critical infrastructure.

Performance information

PURPOSE 1: National Security

Protect Australia from national security and criminal threats, and support national resilience, through effective national coordination, policy and strategy development, and regional cooperation.

ACTIVITY 1.1: National Security and Resilience

MEASURE 1.1.1: Effective transport security compliance and capacity building activities (Department of Home Affairs PBS Program 1.1)

MET
100 per cent

TARGET 1

Aligned to 2022-23 PBS Target

100 per cent of instances of non-compliance identified through the National Compliance Plan are subject to further compliance activities or enforcement action.

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, the Department has conducted 1,497 compliance activities against 202 entities, resulting in 376 instances of non-compliance being identified.</p> <p>All 376 instances of non-compliance were subject to further compliance activity in the form of a Corrective Action Plan, further inspection and/or enforcement action.</p>	This target was met, as 100 per cent of detected instances of non-compliance were subject to further compliance activity or enforcement action.

Supporting Performance Information

Regulatory assurance activities undertaken through the National Compliance Plan (NCP) assess the compliance of security regulated entities with transport security legislation.

Given that aviation and maritime passenger traffic for Australia is largely returning to pre-pandemic levels, the Department continued to target resources towards major airports and cruise ship operations. Other focus areas for regulatory assurance included commercial issuing bodies and the air cargo sector.

The primary reasons identified for non-compliances and/or breaches of legislation throughout 2022–23 were:

- failure to meet the requirements of an entity's approved security program
- failure to adhere to an aviation screening notice
- failure to control access to security restricted areas/zones and assessing operational need requirements
- failure to prevent a test weapon from entering an airport sterile area during a covert system test activity
- procedural failures with documentation verification requirements confirming the eligibility to hold an identity card when present in a secure zone at an airport or a maritime port.

In response to the 376 non-compliance notices, the Department issued:

- 59 infringement notices
- two revocation notices
- one compliance control direction
- two show cause notices.

Of the 59 infringement notices issued:

- 20 were issued to individuals for failing to properly display a valid Aviation Security Identification Card (ASIC) or Maritime Security Identification Card (MSIC) in a secure area/zone
- one was issued to an individual for failure to return an expired ASIC within the prescribed time period
- seven were issued to security regulated entities for failure to comply with a Regulated Air Cargo Agent Security Program or the applicable Examination Notice
- 31 were issued to security regulated entities for failure to comply with an Aviation Screening Notice or their approved Transport Security Program.

Trend Data	2022–23	2021–22	2020–21
Percentage of scheduled NCP compliance activities completed	100%	100%	100%
Compliance activities completed	1,497	1,467	1,738
Data Sources: sure			
<ul style="list-style-type: none"> • Department's Regulatory Management System datasets • Cyber and Infrastructure Security Centre's Quarterly Transport Security Tactical Plan • Departmental Compliance Database • Departmental Transport Security Infringement Notice Register 			

TARGET 2

Aligned to 2022–23 PBS Target

80 per cent of participants (comprising of regional partners and key stakeholders) identified that they had an improved level of transport security capacity on completion of scheduled activities under the Capacity Building Plan.

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, the Department delivered 32 capacity building activities across Vietnam, Sri Lanka, Thailand, Indonesia, Philippines and Timor-Leste.</p> <p>A total of 2,165 participants attended the 32 activities, with 1,526 submitting post-activity participant surveys (70.48 per cent).</p> <p>Of the 1,526 survey responders, 96.79 per cent indicated that the training activity had improved their skills and/or knowledge.</p>	<p>This target was met, as 96.79 per cent of participants who were surveyed and provided a response identified an improved level of transport security capability, exceeding the target by 16.79 per cent.</p>

Supporting Performance Information

Capacity building activities undertaken through the 2022–23 Capacity Building Plan strengthened transport security outcomes across the Southeast Asia, South Asia and Mekong regions. The activities delivered support to the regions in improving standard operating procedures and quality control, providing stakeholders with an understanding of threat and risk, and cultivating security awareness and a positive security culture at air and seaports.

Examples of capacity building activities undertaken by the Department in 2022–23 include:

- implemented the Australia–Indonesia Transport Security Seminar Series, creating a platform for maintaining ongoing bilateral engagement and continued capacity building consultation with the Indonesian Government
- delivered capacity building within Indonesia, enhancing security awareness among Indonesia's aviation personnel through the delivery of training sessions on the global aviation security environment, current and emerging threats, and our roles as security professionals
- delivered capacity building activities in the Philippines, which strengthened internal quality control at Manila International Airport Authority, Clark International Airport and Caticlan Airport
- delivered workshops providing the required knowledge and skills to develop structured courses in both aviation and maritime security
- delivered training for the Civil Aviation Authority of Sri Lanka and Airport and Aviation Services of Sri Lanka, strengthening aviation security outcomes by enhancing the entities' awareness of cyber attacks. This capacity building activity is enhancing Sri Lanka's capabilities in implementing risk mitigation strategies to protect critical infrastructure, systems and data from cyber attacks.

Trend Data	2022–23	2021–22	2020–21
Capacity Building Plan projects delivered	32	38	25
Data Sources:			
• Survey data			

PURPOSE 1: National Security

Protect Australia from national security and criminal threats, and support national resilience, through effective national coordination, policy and strategy development, and regional cooperation.

ACTIVITY 1.1: National Security and Resilience

MEASURE 1.1.2: Enhanced stakeholder capability and resilience to counter foreign interference (Department of Home Affairs PBS Program 1.2)	MET 100 per cent
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TARGET 3

Reporting to the Department from all Australian Universities under the *Guidelines to Counter Foreign Interference in the Australian University Sector* demonstrates an increased level of capability to counter foreign interference.

Rating	Performance against target	Justification for result
Met	<p>In 2022–23, the Department received reporting from 42 Australian universities under the <i>Guidelines to Counter Foreign Interference in the Australian University Sector</i>.⁹</p> <p>All vice-chancellors confirmed their university understood the threat posed by foreign interference and were progressing the implementation of advice in the guidelines to identify, manage and mitigate the risk of foreign interference in university activities.</p>	<p>This target was met, as reporting under the <i>Guidelines to Counter Foreign Interference in the Australian University Sector</i> demonstrated an increased level of capability to counter foreign interference.</p>

Supporting Performance Information

The University Foreign Interference Taskforce (UFIT) developed and released updated *Guidelines to Counter Foreign Interference in the Australian University Sector* in late 2021. The six-monthly progress report analysis provides an overview of aspects of the Guidelines that universities have completed, are implementing, or are developing further.

Key capability progress across the refreshed Guidelines included:

- all universities have nominated an accountable authority and have updated existing or implemented new governance, risk frameworks and policies
- all universities are aware of foreign interference risks, and universities are prioritising the development of communication and education plans for staff and students
- universities have established or are establishing due diligence review teams and risk assessment frameworks and are integrating foreign interference concerns into compliance processes
- the majority of universities identified areas of activity to implement the Guidelines and all universities are engaged in cybersecurity information sharing.

To support implementation and capability building within the university sector, the Department engages quarterly with several vice-chancellors through the UFIT Steering Group. Additionally, in 2022–23, the Department delivered workshops on Campus Culture and Due Diligence to further support capacity building in the sector.

The Guidelines are voluntary and there are no associated compliance activities.

9. The 12-month review is conducted externally by the Department of Education.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Six-monthly progress reports on implementation of the refreshed *Guidelines to Counter Foreign Interference in the Australian University Sector*.

TARGET 4

Achieve an 85 per cent satisfaction rate from the Australian Electoral Commission (AEC) in relation to the Department's advice and leadership to support efforts to safeguard electoral processes against the threat of foreign interference.

Rating	Performance against target	Justification for result
Met	In 2022–23, the Department achieved a 100 per cent satisfaction rate from surveyed participants within the AEC in relation to advice and leadership to support efforts in safeguarding electoral processes against the threat of foreign interference.	This target was met, as the Department achieved a 100 per cent satisfaction rate from the AEC, exceeding the target by 15.00 per cent.

Supporting Performance Information

The AEC was surveyed to determine the satisfaction level of the Department's leadership and advice throughout 2022–23.

Within the AEC, the Department surveyed the AEC Deputy Commissioner / Electoral Integrity Assurance Taskforce (EIAT) Board Co-Chair, the AEC EIAT Chair and AEC EIAT working-level representative, with all survey participants responding.

The Department determined a 100 per cent satisfaction rate from the AEC through two scale based questions with one being the lowest and ten the highest, with responses that receive a score above seven considered satisfied.

The Department continues to protect, strengthen and build resilience in Australia's democratic institutions against the threat of foreign interference by providing support to the integrity of electoral processes. The Department supports the AEC through the EIAT by providing advice and leadership on:

- risks associated with foreign interference in elections, and ensuring that they are understood, identified, and where possible, treated
- the coordination of election related intelligence reporting and referrals, as appropriate.

Examples of activities undertaken in 2022–23 include:

- coordinated efforts across the National Intelligence Community to provide intelligence support to electoral integrity efforts
- supported the federal by-election in the Aston electorate through the provision of departmental staff at AEC headquarters during the close of rolls and voting day
- supported state and territory electoral commissions through the EIAT, providing advice into technology-assisted voting and engaging with various commissions on issues relating to countering foreign interference.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Annual survey data

PURPOSE 1: National Security

Protect Australia from national security and criminal threats, and support national resilience, through effective national coordination, policy and strategy development, and regional cooperation.

ACTIVITY 1.1: National Security and Resilience

MEASURE 1.1.3: Effective industry regulation, security advice and strategy implementation safeguards and strengthens Australia's critical infrastructure and cyber security (Department of Home Affairs PBS Program 1.2, Department of Home Affairs PBS Program-1.3)	SUBSTANTIALLY MET ¹⁰ 96.04 per cent
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TARGET 5

100 per cent of instances of identified non-compliance with obligations in the *Security of Critical Infrastructure Act 2018*, are subject to a compliance action consistent with the *Cyber and Infrastructure Security Centre's Compliance Strategy*.

Rating	Performance against target	Justification for result ¹¹
Not applicable	<p>As at 30 June 2023, there were no instances of material non-compliance identified and therefore no compliance action was required.</p> <p>Obligations under the <i>Security of Critical Infrastructure Act 2018</i> (SOCI Act) were implemented in 2022–23, with the grace period for reporting ending on 8 October 2022. The Department has taken an educational posture with stakeholders to ensure they comply with the new obligations.</p>	Not applicable

Supporting Performance Information

To support the implementation of obligations under the SOCI Act, the Department developed guidance documents for Asset Register Mandatory Cyber Incident Reporting as well as Risk Management Program (RMP) obligations for industry. Guidance documents for critical infrastructure assets were published in February 2023 and the Department has responded to 54 stakeholder queries regarding the obligations. Additionally, awareness raising sessions have occurred throughout 2022–23 via the Trusted Information Sharing Network.

The Department has offered to accept returns on a voluntary basis from those responsible entities who have already put in place their critical infrastructure RMP and wish to test internal processes before the mandatory reporting deadline. No RMP reports had been received as at 30 June 2023.

The Department has developed a Regulatory Capabilities Implementation Plan, outlining the minimum regulatory capabilities and activities required to support effective compliance monitoring in 2023–24.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Critical Infrastructure Register and Case System (CIRCS) datasets

10. Target 5 was not included in the calculation for overall measure performance, as there was no performance result reported.

11. The determination of a performance rating was not applicable to this target in 2022–23, as there were no instances of non-compliance.

TARGET 6

Aligned to 2022–23 PBS Target

Measures Regulator Performance

100 per cent of notifications and notification exemption requests received under the Telecommunications Sector Security (TSS) reforms to the *Telecommunications Act 1997*, are responded to within 30 calendar days for notifications and 60 calendar days for notification exemption requests.

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, there were 52 notifications received, of which:</p> <ul style="list-style-type: none">• six were withdrawn• 40 responses were provided within the 30 day timeframe• five notifications remain active• one notification was not responded to within the 30-day timeframe. <p>As at 30 June 2023, no notification exemption requests had been received.</p>	This target was met, as 97.50 per cent of notifications were responded to within the required timeframe throughout 2022–23, falling 2.50 per cent below the target.

Supporting Performance Information

The average number of days it took the Department to issue a notice where no further information was required was 28 days.

The average number of days taken to issue a ‘further information’ notice was 29 days, and the average time for further assessment, once further information was received, was 27 days.

As at 30 June 2023, 74 notices were issued¹² in response to notifications, including:

- 31 Section 314B(1), or ‘further information’ notices
- 30 Section 314B(3), or ‘some risk’ notices
- 13 Section 314B (5), or ‘no risk’ notices.

There has been a 73.33 per cent increase in the number of notifications received under the TSS reforms from 2021–22 to 2022–23. Potential factors behind this increase are:

- the increased focus on security issues following the Optus cyber security incident in September 2022
- increased industry outreach and education activities following the COVID-19 pandemic
- the application of other cyber security-related conditions on carriers and carriage service providers.

Trend Data	2022–23	2021–22	2020–21
Percentage of notifications received under the Telecommunications Sector Security (TSS) reforms that were assessed within statutory timeframes	97.50%	100%	100%
Notifications received under the TSS reforms	52	30	30
Data Sources:			
• Departmental databases			

12. The Department implemented an interim arrangement with the Attorney-General’s Department as a result of machinery-of-government changes in 2022–2023 that allows an AGD officer authorised by the Communications Access Coordinator to sign off on final TSSR notices.

TARGET 7

Measures Regulator Performance

Stakeholders' expectations of advice provided by the Department on matters related to the *Foreign Acquisitions and Takeovers Act 1975* are met in 90 per cent of requests.

Rating	Performance against target	Justification for result
Met	<p>Throughout 2022–23, Treasury has provided quarterly written confirmation indicating that risk advice provided by the Department met stakeholder expectations, with additional feedback received through bimonthly 'Foreign Investment Priorities' meetings.</p> <p>Results of the annual survey, provided by Treasury in one consolidated response, indicated their expectations of advice provided by the Department were met.</p>	This target was met, as 100 per cent of feedback provided by stakeholders indicated expectations were met.

Supporting Performance Information

As at 30 June 2023, the Department had received 754 referrals, of which 99.02 per cent were responded to within agreed timeframes.

As at 30 June 2023, of the 754 referrals:

- nine were withdrawn
- 34 remained under assessment
- 704 were responded to within the agreed timeframe
- seven were responded to outside the agreed timeframe.

Trend Data	2022–23	2021–22	2020–21
Percentage of Foreign Investment Review Board (FIRB) cases referred that were responded to within agreed timeframes	99.02%	99.35%	94.98%
FIRB cases referred	754	1,003	943
Data Sources:			
<ul style="list-style-type: none">• Annual survey data• Internal case data• Feedback from Treasury			

TARGET 8

The Trusted Information Sharing Network (TISN) is expanded to all nationally agreed arrangements set by the Critical Infrastructure Advisory Council (CIAC) in 2022–23.

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, of the 11 sector groups as set by the Critical Infrastructure Advisory Council (CIAC), nine are fully operational. The operational groups are Banking and Finance, Communications, Data, Liquid Fuels, Gas, Electricity, Water, Health, and Space. A further two sector groups are nearing the desired level of maturity: Transport and Education; and Innovation and Research. Onboarding of members has commenced and both groups have inaugural meetings scheduled in early 2023–24.</p>	<p>This target was not met, as 81.82 per cent of sector groups were fully operational, with two sector groups still in progress as at the end of 2022–23.</p>

Supporting Performance Information

The CIAC requested the future TISN operating model comprise 11 sector groups, subject to further analysis and design conjunction with the Australian critical infrastructure community.

The Department undertook sector mapping and stakeholder engagement, and identified additional sector groups that are being considered.

Groups are assessed as operating at a sufficient level of maturity when they have an active membership, meet regularly or as required, have industry co-chairs appointed and have governance arrangements in place.

Key activities throughout 2022–23:

- the Data sector group has been fully established and is operating effectively. Following its inaugural meeting on 31 August 2022 it has held three meetings, with the Department running the Secretariat
- the Transport (air cargo) group is operating effectively and updating its channel on the TISN platform. Following this update, the regulated Air Cargo Agents will be onboarded to the platform
- the Gas sector group has been established and a co-chair elected in December 2022. The Department is providing secretariat support and continuing its engagement with the Department of Climate Change, Energy, the Environment and Water to provide ongoing leadership and Secretariat support
- the Health sector group ran a nomination and election process in 2022–23 with two additional co-chairs being elected. The group operates effectively with the Department providing Secretariat support
- the remaining groups (Banking and Finance; Communications; Liquid Fuels; Water; Electricity; and Space) remain operational and meet regularly.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Departmental databases

TARGET 9

AusCheck's components in the background checking process are completed in 5 business days or less for 98 per cent of checks.

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, AusCheck's components in the background checking process were completed in five business days or less for 99 per cent of checks undertaken.</p> <p>Trend data demonstrates the significant increase in the number of checks completed in less than one day from 2021–22 to 2022–23.</p>	This target was met, as the 98 per cent target was exceeded by one per cent.

Supporting Performance Information

The Department's AusCheck function provides background checks for Australia's aviation and maritime security identification card (ASIC and MSIC) schemes, the Security Sensitive Biological Agents (SSBA) scheme, the Security of Critical Infrastructure scheme and the Major National Event (MNE) scheme.

Support to these schemes helped to ensure people who are granted access to our airports, seaports and offshore facilities or handle SSBAAs do not pose an unacceptable national security or serious criminality risk.

Key activities throughout 2022–23 include:

- the Department assisted in protecting Australia's future nuclear-powered submarine building site at the Osborne Naval Shipyard in South Australia by undertaking background checks of all employees accessing the shipyard, protecting the defence industry sector of critical infrastructure
- the Department engaged with Registered Entities in Australia's energy, water, health, data, and road transport sectors to undertake background checks on critical workers in those sectors, helping registered entities manage national security and serious criminality risks in their workforces
- the Department supported three MNEs – the International Cricket Council Men's T20 World Cup Australia 2022, the Indo-Pacific Quadrilateral Dialogue 2023, and the FIFA Women's World Cup Australia and New Zealand 2023 – through the processing of background checks on venue employees to support the relevant organising body to manage the national security and serious criminality risks in their workforces.

Trend Data	2022–23	2021–22
Proportion of checks completed (cumulative) in less than 1 day	19.00% (33,741 checks)	4.00%
Proportion of checks completed (cumulative) in 1 day	97.00% (139,388 checks)	96.00%
Proportion of checks completed (cumulative) in 2 days	99.00% (3,044 checks)	98.00%
Proportion of checks completed (cumulative) in 3 days	99.00% (980 checks)	99.00%
Proportion of checks completed (cumulative) in 4 days	99.00% (325 checks)	99.00%
Proportion of checks completed (cumulative) in 5 days	99.00% (95 checks)	99.00%

Data Sources:

- AusCheck Background Checking Customer Relationship Management (CRM) system datasets

TARGET 10

The time taken to finalise received applications for aviation security identification cards (ASICs) and maritime security identification cards (MSICs), including identity assurance, lodgement processing and card issuance, remains stable or is reduced.

Rating	Performance against target	Justification for result
Met	As at 30 June 2023, applications for ASICs and MSICs took an average of 9.52 days to finalise.	This target was met, as the time taken to finalise ASIC and MSIC applications decreased by 0.51 per cent from Quarter 2 to Quarter 4 2022–23. The new AusCheck Portal went live in October 2022 and as such, the 2022–23 full-year results will be set as the benchmark for future reporting periods.

Supporting Performance Information

In 2022–23, the average time taken to finalise received applications was 10.03 calendar days in Quarter 2 2022–23, 9.68 calendar days in Quarter 3 2022–23 and 9.52 calendar days in Quarter 4 2022–23.

As directed by the Government in March 2023, the Department is progressing towards the implementation of the single issuing body for ASICs and MSICs by June 2025. Housed within the Department's AusCheck function, it will address a number of security vulnerabilities within the aviation and maritime sectors by establishing a cyber-secure, effective, efficient, economical and ethical single issuing body for the ASIC and MSIC schemes.

The Department's work to implement a single issuing body is expected to streamline processes and user authentication, enhance industry confidence through nationally-consistent improvements and reduce regulatory burden.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- AusCheck Background Checking Customer Relationship Management (CRM) system datasets
- ASIC/MSIC Issuing Body (AMIB) CRM system datasets

TARGET 11

80 per cent of Department-led program elements of *Australia's Cyber Security Strategy 2020* initiatives demonstrated a positive outcome per intended program objective.

Rating	Performance against target	Justification for result
Substantially met	As at 30 June 2023, 10 of the 13 (76.92 per cent) Department-led initiatives of <i>Australia's Cyber Security Strategy 2020</i> demonstrated a positive outcome per intended program objective. ¹³ Of the 13 Department led initiatives, seven are closed (53.85 per cent).	This target was substantially met, as three Department-led initiatives of <i>Australia's Cyber Security Strategy 2020</i> did not demonstrate a positive outcome per intended program objective, falling 3.08 per cent below target.

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13. A 'positive outcome' means the initiative has achieved one or more intended objectives, based on self-reporting by program leads.

Supporting Performance Information

Key activities undertaken in 2022–23 include:

- exercises were conducted with industry partners, including state and territory governments, Sydney Airport Cooperation, and the major banks, alongside the Australian Securities Exchange
- the National Cyber Security Committee (NCSC) convened in December 2022 and agreed that the Cyber Incident Management Arrangements (CIMA) should undergo a review process in light of the incidents involving Optus and Medibank Private. On 27 June 2023, a revised CIMA was endorsed by the NCSC and progressed for endorsement by the First Secretaries Group
- throughout 2022–23, the outreach network delivered 468 cyber security uplift activities, reaching 7,967 organisations and 19,379 participants across small and medium enterprises and the critical infrastructure community. The program continues to strengthen cyber security partnerships by collaborating across government and industry.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- *Australia's Cyber Security Strategy 2020* evaluation reports

PURPOSE 1: National Security

Protect Australia from national security and criminal threats, and support national resilience, through effective national coordination, policy and strategy development, and regional cooperation.

ACTIVITY 1.1: National Security and Resilience

MEASURE 1.1.4: Enhanced capability to address potential terror threats, delivered through exercise, training activities and stakeholder engagement (Department of Home Affairs PBS Program 1.4)	MET 100 per cent
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TARGET 12

Aligned to 2022–23 PBS Target

85 per cent of international stakeholders who participated in a CT capability exercise or training activity indicated that they experienced capability uplift as a result of the program.

Rating	Performance against target	Justification for result
Met	In 2022–23, one train-the-trainer session was delivered over a five day period, with 100 per cent of the 27 participants indicating they experienced capability uplift as a result. It is anticipated that the project will undertake a pilot phase, with a select number of experienced officials, in early 2023–24, before being rolled-out to all relevant stakeholders.	This target was met, as 100 per cent of surveyed participants indicated that they experienced capability uplift.

Supporting Performance Information

As at 30 June 2023, the Department had delivered eight workshops to Indonesian counterparts to develop the new training curriculum for CT prosecutors from the Indonesian Attorney-General's Office (AGO). This activity was successfully delivered with the development of a competency-based and fully-accredited training course, including basic and intermediate streams for graduate and experienced CT prosecutors. The training program was endorsed by the AGO and the 'basic stream' training package has been incorporated into ongoing AGO training programs for new graduates that are held every six months and reach over 800 prosecutors each year.

These activities form part of an ongoing program of work to uplift the capacity and capability of key law enforcement and criminal justice agencies and officials in the Indonesian Government to effectively and appropriately investigate, prosecute and sentence terrorist and violent extremist offenders. This work is integral to the Department's aim to make the Southeast Asia region a less accessible and more resilient by strengthening the capacity of governments to prevent and respond to terrorism.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Annual survey data

TARGET 13

Aligned to 2022–23 PBS Target

85 per cent of stakeholders who participated in scheduled Australia-New Zealand Counter-Terrorism Committee (ANZCTC) training exercises indicated the training delivered was aligned to, and supported the capability uplift outlined within the agreed lesson plan.

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, 95.00 per cent of stakeholders who provided feedback on scheduled Australia-New Zealand Counter Terrorism Committee (ANZCTC) training exercises indicated the training delivered was aligned to, and supported, the capability uplift outlined within the agreed lesson plan.</p> <p>Participant feedback forms were provided to all participants at the conclusion of ANZCTC training sessions in 2022–23.¹⁴</p> <p>Overall, 368 of 637 participants responded, reflecting 57.77 per cent of the surveyed cohort.</p>	<p>This target was met, as 95.00 per cent of responders indicated the training supported capability uplift, exceeding the target by 10 per cent.</p>

14. Performance information for the first six months of 2022–23 has not been included, as the participants were not asked the survey questions and the number of participants was not recorded. Work continues with jurisdictional partners and other key stakeholders to increase the response rate required following activities.

Supporting Performance Information

The Department supported delivery of the 2022–23 ANZCTC Program of Activities, in partnership with a wide range of stakeholders, including policy, law enforcement and intelligence agencies, to build on developing nationally consistent approaches to countering terrorism.

All ANZCTC training activities seek to uplift capabilities, and evaluations are sought to confirm that the course met objectives and enhanced skillsets.

Activities undertaken by the Department in 2022–23 included:

- delivered over 50 capability training activities, for example skills enhancement courses and maintenance courses and three National Counter-Terrorism Exercises, including:
 - Exercise Trojan, to explore the operational response across government, law enforcement and industry to prevent the viral spread of harmful online content resulting from a terrorist incident
 - Exercise Adarna, to validate whole-of-government and inter-jurisdictional public information coordination arrangements in response to a domestic terrorism incident, including the callout of the Australia Defence Force under Part IIIAAA of the *Defence Act 1903*
 - Exercise Hopper, to test interoperability for online investigation and operation capabilities and protocols across jurisdictions.
- supported the delivery of work plans for capability areas including Exercise Management, Police Command, Police Tactical Group, Negotiation, Dignitary Protection, Bomb Response, Investigations, Intelligence, Surveillance, Crowded Places and chemical, biological, radiological or nuclear substances.
- delivered a range of workshops, including a national Exercise Facilitator Workshop in each jurisdiction, to support the rebuilding of exercise management capabilities and cadres.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Survey data collected following the completion of each ANZCTC training exercise or training activity

PURPOSE 2: PROSPEROUS AND UNITED SOCIETY

Table 4: Purpose 2 – Performance framework

Activity	Performance Measures
Activity 2.1: Immigration and Humanitarian Programs	Measure 2.1.1: Effective design, delivery and assurance of immigration programs. (<i>Department of Home Affairs PBS Program 2.1, Department of Home Affairs PBS Program 2.2</i>)
	Measure 2.1.2: Effective design and delivery of humanitarian and settlement programs, and resettlement. (<i>Department of Home Affairs PBS Program 2.3, Department of Home Affairs PBS Program 2.4</i>)
Activity 2.2: Social Cohesion and Citizenship	Measure 2.2.1: Effective citizenship processing and assurance, counter violent extremism capability building and community engagement collectively supports social cohesion outcomes. (<i>Department of Home Affairs PBS Program 2.5</i>)

Activity 2.1

Summary of performance

In 2022–23, the Department worked to effectively deliver Australia’s immigration and humanitarian programs, ensuring migration policy and programs support economic growth and serve Australia’s interest by enhancing productivity, providing businesses with skilled workers and better supporting migrants in the community.

This included:

- Enhancing efficiencies in visa processing to reduce backlogs. Throughout 2022–23 the Temporary Skilled Shortage (TSS) program met a 50 per cent reduction in on-hand sponsorship and primary visa applications, the target of under 35,000 offshore student visa applications was achieved which is a reduction of over 50 per cent and the median processing time was reduced to 18 days.

- The Translating and Interpreting Services (TIS) continued to foster key partnerships in 2022–23 and deliver positive outcomes, including establishing a pathway for participants to obtain Recognised Practising Interpreter credentials in new and emerging languages. The program also enables temporary residents who are suitably qualified Ukrainian interpreters to join the TIS national panel, usually restricted to Australian permanent residents or citizens. This increased the available supply of interpreters to meet demand for Ukrainian arrivals.
- The Adult Migrant English Program (AMEP) operates under Part 5 Section 12 of the *Immigration (Education) Act (1971)*. In 2022–23, the AMEP delivered English language tuition to around 64,000 humanitarian entrants and migrants, representing a 13 per cent increase when compared to 2021–22.
- Developing a new settlement services model, following consultations with a range of stakeholders in the settlement sector along with former refugees and humanitarian entrants. A key element of the reforms was establishment of a Settlement and Integration Outcomes Framework to ensure successful settlement outcomes.
- The Office of the Migration Agents Registration Authority (OMARA) maintained its involvement in Operation INGLENOOK, an ABF-led multi-agency operation to identify high-risk facilitators, including registered migration agents, involved in the exploitation of vulnerabilities in Australia’s migration program. The Department and the ABF worked to deter and disrupt known facilitators who seek to harm visa holders.

Amendments to the Migration Regulations 1994

On 14 February 2023, amendments to the *Migration Regulations 1994* came into force enabling over 19,000 Temporary Protection visa (TPV) and Safe Haven Enterprise visa (SHEV) holders to apply for permanent Resolution of Status (RoS) visas. The pathway was made available for those who held or applied for a TPV or SHEV before 14 February 2023, and who have been found to be owed protection – most of whom have been living in Australia temporarily for almost a decade.

The development of these regulation amendments involved close consultation and collaboration across the Government to ensure the solution balanced client experience, departmental system constraints and policy intentions. Legislative amendments were made so that existing TPV/SHEV applications would be automatically converted to a RoS visa application, saving time for both clients and the Department.

Upon commencement, the Department immediately engaged with affected stakeholder groups to explain the changes and the impact to clients, including the funding available to a number of not-for-profit refugee legal organisations to support the transition of eligible clients.

The Department continues to work collaboratively with the specialist refugee legal sector to support the transition.

These policy and legislative changes will empower TPV and SHEV holders to move forward with their lives and more fully contribute to the Australian community.

Recognising 75 years of service for the Adult Migrant English Program

Since 1984, the Adult Migrant English Program (AMEP) has provided free English language lessons to over two million migrants in Australia, helping them participate more fully in the community and settle into Australian life. In 2023, a comprehensive longitudinal study of 403,000 people from 1 July 2003 to 30 June 2019 was published, finding that AMEP participation is associated with reduced reliance on income support, improved labour force participation and higher income for both male and female participants.

In recognition of the evolving needs of migrants and the Australian community, a suite of new AMEP resources was designed and released in 2022–23. This included a digital literacies framework and guide, the ‘English Ready’ series of paper-based learning products, and the launch of AMEPOnline, offering a range of free, engaging, interactive audio and video activities across five English levels. Through these kinds of reform activities, AMEP kept pace with the needs of migrants and saw enrolment numbers break records in 2022–23, with over 64,000 students enrolled.

To acknowledge the 75th anniversary, the Department held an awards night, celebrating the people who have made the AMEP the success it is today: the teachers, volunteers and students.

Performance Information

PURPOSE 2: Prosperous and United Society

Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs.

ACTIVITY 2.1: Immigration and Humanitarian Programs

MEASURE 2.1.1: Effective design, delivery and assurance of immigration programs. (Department of Home Affairs PBS Program 2.1, Department of Home Affairs PBS Program 2.2)

MET
97.62 per cent

TARGET 14

Aligned to 2022–23 PBS Target

70 per cent of surveyed public and state government stakeholders are satisfied with the consultation process used to develop policy advice for Government on the Annual¹⁵ Migration Program (size and composition).

Rating	Performance against target	Justification for result
Not met	<p>As at 30 June 2023, consultation on planning the 2023–24 Permanent Migration Program was complete with two opt-in surveys undertaken on the consultation processes, catering for public submission writers and roundtable participants. A total of 63 written submissions were received.</p> <p>98 surveys were sent to submission writers (not including Commonwealth agencies) and roundtable participants. 30 stakeholders provided a response (30.61 per cent).¹⁶</p> <p>Of the responses received, 16 (53.33 per cent) responses indicated that stakeholders were 'satisfied' or 'very satisfied' with the consultation process.</p>	This target was not met, with survey results falling 16.67 per cent below the target.

Supporting Performance Information

2022–23 was the first year that a survey was undertaken on the consultation processes used to develop policy advice on the Permanent Migration Program. The survey was undertaken in the context of public consultations to inform the size and composition of the then upcoming 2023–24 Permanent Migration Program. In 2022–23, 52 written submissions were received from the public, and an additional 11 from Government agencies, which contributed to planning the 2023–24 Permanent Migration Program.

Many respondents indicated they were neither satisfied nor dissatisfied, with few responses indicating any level of dissatisfaction and with 11.1 per cent of submission writers and no roundtable participants reported being 'dissatisfied' or 'very dissatisfied'. Further, 89.5 per cent of submission writers and 100 per cent of roundtable participants reported experiencing no difficulty in contributing to the consultation process.

Key themes identified through feedback include a call for extended timeframes to provide submissions, smaller group consultations, and a more structured, individualised approach for gathering feedback from stakeholders in the roundtable format. The supporting resources provided, such as the 'Planning Australia's 2023–24 Migration Program' discussion paper and slide presentations at roundtable consultations were well received, with 100 per cent of respondents reporting that these materials were useful in informing their contributions. Feedback indicated that the Department could further strengthen supporting material by providing ongoing updates about reviews and inquiries that occur throughout the consultation process.

Feedback provided by survey respondents will be used to gather insights and support performance improvement to develop consultation planning for the 2024–25 Permanent Migration Program and beyond.

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15. The Annual Migration Program is referred to in the Department of Home Affairs 2022–23 Corporate Plan – noting that this is the same as the Permanent Migration Program.
 16. Survey responses fell below the acceptable response rate of 79.59 per cent. The performance result may not be reflective of the broader target population.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Survey data collected during the official consultation process for the 2023–24 Permanent Migration Program

TARGET 15

The Migration Program is delivered within the planning ceiling and is consistent with priorities set by the Government.

Rating	Performance against target	Justification for result
Met	As at 30 June 2023, the Department delivered 195,004 Migration Program outcomes against a planning level of 195,000.	This target was met, as the Migration Program was delivered in full, including both Skill and Family streams across all visa categories, and was consistent with the priorities set by Government through the planning levels for each visa category.

Supporting Performance Information

The Special Eligibility category slightly exceeded its original published planning level due to the Minister for Immigration, Citizenship and Multicultural Affairs choosing to make greater use than originally anticipated of the Former Resident (subclass 151) visa in Ministerial Intervention decisions. The additional places needed in this program were drawn from the Regional Skilled category, leading to a commensurate under-delivery against that category's original planning level.

The Skilled stream¹⁷ of the program was delivered in full, at four places above the revised target of 142,340 places, which was reduced to account for additional Special Eligibility Program places. The Skill stream represents 73.00 per cent of the total 2022–23 program outcome.

The demand-driven components of the Family stream and the Partner and Child programs were delivered to their exact respective planning levels. As the Department neared the planning levels in these categories, processing efforts shifted to resolving refusals and other complex cases, and to other Partner visa applications that do not contribute to Migration Program outcomes.

Trend Data	2022–23 Planning Level	2022–23	2021–22	2020–21
Employer Sponsored	35,000	35,000	26,103	23,503
Skilled Independent	32,100	32,100	5,864	7,213
State/territory Nominated	31,000	31,000	19,376	14,268
Regional	34,000	33,944	18,223	13,585
Business Innovation and Investment (Provisional)	5,000	5,000	10,496	11,198
Global Talent	5,000	5,000	8,776	9,584
Distinguished Talent	300	300	225	269
Partner	40,500 ¹⁸	40,500	46,288	72,376

17. Skilled stream includes the following visas: Employer sponsored, Skilled Independent, Regional, Business Innovation and Investment (Provisional), Global Talent, Distinguished Talent.

18. This is a demand driven category. The planning level is indicative only.

Parents	8,500	8,500	4,500	4,500
Other Family	500	500	500	496
Special Eligibility	100	160	199	54
Child	3,000 ¹⁹	3,000	3,006	3,006
Total	195,000	195,004	143,556	160,052

Data Sources:

- Departmental databases

TARGET 16

Aligned to 2022–23 PBS Target

Visa processing times (from application to point of finalisation) for new applications are reduced.

Rating	Performance against target ²⁰	Justification for result
Met	<p>As at 30 June 2023, the median processing time across visa categories was less than one day, compared to three days as at 30 June 2022. Throughout 2022–23, reductions in individual visa categories included an 18-day reduction for Students, a 24-day reduction for Temporary Resident (Skilled Employment) and a 54-day reduction for Temporary Resident (Other Employment) when compared to 2021–22. Family and skilled categories both saw an increase (65 and 51 days, respectively) compared to 2021–22, due to finalisations of older cases in the backlog in 2022–23. The median processing time for Working Holiday Maker was less than one day in both 2022–23 and 2021–22.</p>	<p>This target was met, as the median processing time²¹ decreased when compared to 2021–22. Overall, eight out of 10 visa categories maintained or improved processing times when compared to 2021–22, despite a marked increase in application volumes across this period, with almost 7.9 million applications received in 2022–23. This is 152.40 per cent more than the 3.13 million applications lodged in 2021–22.</p>

Supporting Performance Information

The Department has been applying new efficiency measures alongside additional resourcing, including extra staff supporting visa processing. Additional resources were directed towards delivery of the increased migration program, while balancing efforts to further reduce on-hand temporary visa applications.

Key activities undertaken in 2022–23 include:

- implemented social media and engagement plans to increase numbers of ‘decision ready’ visa applications being submitted. These plans were delivered for student, visitor, skilled and partner visas, with the page receiving over 646,730 views by 30 June 2023
- implemented a multi-disciplinary project team to enact policy flexibility on health and character requirements for onshore Temporary visa applicants with over 230,000 finalised as at 30 June 2023. This activity cleared the backlog of temporary visa applications in Australia and meant new applications could be processed in a more timely way
- almost 600 new staff recruited between 1 July 2022 and 30 June 2023 are supporting faster temporary and migration visa processing.

19. This is a demand driven category. The planning level is indicative only.

20. Data reported against Target 16 is reflective of all applications finalised in 2022–23.

21. Target 16 reflects the time taken to process a complete application. A smaller number of complex and/or incomplete visa applications may take additional time compared with the processing of a majority of visas. The ‘median’ processing time is measured by the Department as a more effective calculation of processing times for typical visa applications instead of an ‘average’, as this is not distorted by complex and/or incomplete visa applications.

Trend Data			
Median processing times ²² by visa category for applications finalised in 2022–23	2022–23	2021–22	Variation in calendar days
Crew and Transit	Less than 1 day	Less than 1 day	0
Family	11 months	9 months	65
Resident Return / Australian Declaratory Visa (ADV)	Less than 1 day	Less than 1 day	0
Skilled	7 months	6 months	51
Special Category	Less than 1 day	Less than 1 day	0
Student	22 days	40 days	-18
Temporary Resident (Other Employment)	25 days	79 days	-54
Temporary Resident (Skilled Employment)	32 days	56 days	-24
Visitor	Less than 1 day	3 days	-3
Working Holiday Maker	Less than 1 day	6 days	-6

Data Sources:

- Enterprise Reporting Processing Times tool (BOBJ)

22. Visa application processing times are represented as percentiles across visa grant and refusal decisions for primary applicants. Visa programs with low-volume decisions in the reporting period are excluded from reporting against this target, as the results may be statistically misleading.

TARGET 17

Aligned to 2022–23 PBS Target

The proportion of visa and status resolution decisions subject to quality assurance activities, and the proportion of errors identified through these activities, is consistent with the pre-determined sample size and error rate set by programs across all locations.

Rating	Performance against target	Justification for result
Substantially met	<p>As at 30 June 2023, all nine programs met the pre-determined sample size targets, while error rate benchmarks were met by eight of nine programs.</p>	<p>This target was substantially met, as the error rate benchmark for one of the programs was not achieved, resulting in the overall performance falling 5.56 per cent below the target.</p> <p>In the first two quarters of 2022–23, the error rate of two per cent for General visa cancellations was exceeded by 0.26 per cent and 0.81 per cent respectively.</p>

Supporting Performance Information²³

The Department is concerned with identifying, assessing, controlling and mitigating risks in visa program delivery, which provides an evidence base for developing and implementing corrective actions. Assurance activities are undertaken by managers or experienced staff within visa program delivery teams. The focus is on internal process controls and management controls, aligned with strategic priorities and risks specific to each caseload. Quarterly assurance reporting facilitates senior executive strategic oversight of sample rates achieved and cross-program insight into errors, ensuring effective controls are maintained and program objectives are met.

Quality assurance of visa and status resolution decisions

The pre-determined sample rates for all immigration programs, and refugee and humanitarian programs, is two per cent. For status resolution and visa cancellation decisions, the sample rates are three per cent for Bridging Visa E, 10.00 per cent for Criminal Justice Visas and 100 per cent for Human Trafficking visas.²⁴ Additionally, a minimum of 120 General visa cancellations decisions must be quality assured each quarter.

Immigration Programs Sample Rates				
	Q1 2022–23	Q2 2022–23	Q3 2022–23	Q4 2022–23
Family visas	3.57%	3.79%	3.99%	4.08%
Skilled visas	3.28%	2.14%	3.03%	3.15%
Temporary visas	2.76%	2.26%	2.54%	2.75%

Status Resolution and Visa Cancellation Sample Rates				
	Q1 2022–23	Q2 2022–23	Q3 2022–23	Q4 2022–23
Bridging Visa E	3.60%	3.96%	3.26%	3.81%
Criminal Justice visas²⁵	12.50%	25.00%	25.00%	30.00%
Human Trafficking visas	100%	50.00%	100%	100%
General visa cancellations²⁶	120	180	143	121

23. In 2022–23, data was collected by the Department on a quarterly basis and as such, cumulative data for the full financial year is not available. Cumulative reporting will commence in 2023–24.

24. The sample rate for Humanitarian Trafficking visas increased from 50 per cent to 100 per cent in Q4 2022–23.

25. The high percentage of Criminal Justice Visas assured is reflective of the low number of decisions in this category.

26. The figures in this row relate to the number of General visa cancellation decisions quality assured.

Refugee and Humanitarian Sample Rates				
	Q1 2022–23	Q2 2022–23	Q3 2022–23	Q4 2022–23
Onshore	3.16%	4.00%	3.79%	3.90%
Offshore	8.09%	12.66%	6.94%	3.73%

Errors identified through quality assurance activities

For all programs (except for General visa cancellations), greater than or equal to 95 per cent accuracy (or an error rate of 0-5 per cent) means that controls are effective. For General visa cancellations, greater than or equal to 98 per cent accuracy (or an error rate of 0-2 per cent) means that controls are effective, and accuracy greater than or equal to 95 per cent but less than 98 per cent (or an error rate between 2-5 per cent) means controls are partially effective.

Immigration Programs Error Rate					
		Q1 2022–23	Q2 2022–23	Q3 2022–23	Q4 2022–23
Family visas	QA ²⁷	0.56%	0.49%	0.28%	0.35%
	QC ²⁸	2.70%	1.06%	1.22%	1.35%
Skilled visas	QA	0.40%	0.42%	0.47%	0.51%
	QC	1.37%	0.84%	1.29%	1.00%
Temporary visas	QA	0.47%	0.48%	0.60%	0.36%
	QC	0.48%	0.39%	0.66%	0.50%

Status Resolution and Visa Cancellation Error Rate					
		Q1 2022–23	Q2 2022–23	Q3 2022–23	Q4 2022–23
Bridging Visa E	QA/ QC	2.30%	1.83%	1.70%	2.32%
Criminal Justice visas	QA/ QC	0%	0%	0%	0%
Human Trafficking visas	QA/ QC	0%	0%	0%	0%
General visa cancellations	QA/ QC	2.26%	2.81%	0.84%	1.01%

Refugee and Humanitarian Error Rate					
		Q1 2022–23	Q2 2022–23	Q3 2022–23	Q4 2022–23
Bridging Visa E	QA/ QC	4.28%	1.78%	2.99%	2.37%
Criminal Justice visas	QA	0.14%	0.95%	2.02%	1.92%
	QC	0.68%	0.35%	1.14%	1.96%

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Departmental databases

27. Quality Assurance (QA) is the post-decision examination and analysis (measurement, monitoring and comparison) of standards, policies, processes and outcomes to provide confidence that quality goals have been met.
28. Quality Control (QC) is the pre-finalisation examination of specific deliverables to ensure they are compliant with the relevant standards and specifications, with corrective action initiated where necessary.

TARGET 18

Measures Regulator Performance

100 per cent of proven instances of a non-compliance results in disciplinary action taken by the Office of the Migration Agents Registration Authority (OMARA).

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, there were four proven instances of non-compliance.</p> <p>Appropriate disciplinary action was taken in all instances, with the registration of three migration agents being cancelled, and one former agent barred from re-registering.</p>	This target was met, as 100 per cent of non-compliance resulted in disciplinary action.

Supporting Performance Information

Throughout 2022–23, the Department continued to implement an enhanced framework for triaging, assessing and investigating complaints to distinguish the severity and impact of the conduct of specific Registered Migration Agents (RMAs) and identify appropriate risk treatments.

As at 30 June 2023:

- 389 complaints were finalised, and of these:
 - 14 complaints resulted in disciplinary decisions against four agents
 - 38 less serious complaints were resolved through the early resolution framework by issuing suspected breach notices to 35 agents reminding them of their obligations under the RMA Code of Conduct
 - the remainder were either dismissed (due to lack of jurisdiction, insufficient evidence to support the complaint or no consent from the complainant to publish the complaint) or dealt with through other means
- 254 complaints were on-hand at various stages of assessment and investigation.

Exploitation of the visa program by RMAs

In 2022–23, the Department worked to identify and combat RMAs undertaking fraudulent activities associated with organised crime or who were otherwise complicit in exploiting the visa program.

Such conduct included failing to declare immigration assistance, submitting false and misleading visa documentation and lodging unmeritorious visa applications to prolong the stay of clients in Australia. While the Department has the ability to investigate and discipline RMAs engaged in such activities where there is sufficient evidence to prove such conduct, there remains a significant risk of continued inappropriate or criminal conduct being engaged in by others where the Department is unable to take action. For example, the conduct of an unlawful provider of immigration assistance over whom the OMARA does not have jurisdiction. This may also be due to the lack of jurisdiction of the *Migration Act 1958* over individuals providing immigration assistance offshore.

The Government established the Rapid Review into the Exploitation of Australia's Visa System to complement work that is currently being progressed to address migrant worker exploitation. The Rapid Review also sought to identify proposals for both systemic reform and discrete measures to prevent, deter and sanction individuals who seek to abuse Australia's visa system to exploit vulnerable migrants.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Migration Agents Regulatory System (MARS) datasets

TARGET 19

100 per cent of decisions to detain subject to review had an initial review commence within two business days.

Rating	Performance against target	Justification for result
Met	As at 30 June 2023, 100 per cent of the 930 decisions to detain ²⁹ that were subject to review had an initial review commenced by the Department within two business days of the decision to detain.	This target was met, as 100 per cent of decisions to detain subject to review had an initial review commenced within two business days.

Supporting Performance Information

The Department maintains a proactive and dynamic approach to safeguarding lawful and appropriate detention-related decision-making through assurance activity. Decisions to detain that are subject to detention review undergo a comprehensive quality assurance review, which is initiated within two business days of the decision to detain, to ensure the decision was lawful and appropriate.

The review process seeks to assess the circumstances of the individual detained including their immigration history, citizenship, identity, defective notifications, jurisdictional errors and any other pertinent information that may affect their immigration status and subsequent appropriateness of their detention. In rare circumstances, errors are identified through the review process that necessitate the release of an individual from immigration detention. When a detention decision is found to not be accurate or appropriate through the review process, the individual is released immediately.

Trend Data	2022–23	2021–22	2020–21
Percentage of decisions to detain that had an initial review commenced within two business days	100%	100%	100%
Data Sources:			
• Detention Review Manager datasets			

TARGET 20

100 per cent of individuals who are found to have been inappropriately detained as a result of the initial review are released from detention within four hours of identification.

Rating	Performance against target	Justification for result
Met	As at 30 June 2023, three individuals were found to have been inappropriately detained as a result of the initial review. These individuals were released from detention within four hours of identification.	This target was met, as 100 per cent of individuals who were found to have been inappropriately detained were released within four hours from the error being identified.

Supporting Performance Information

Throughout 2022–23, there were three cases identified through assurance activities in which there was an error and the individuals were released from immigration detention.

In these cases, reasonable suspicion could no longer be maintained as the individuals continued to hold a visa and all individuals were released from immigration detention within four hours of the error being identified.

The Department considers the lessons from these errors and any corrective action to mitigate the risk of similar errors occurring.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Compliance, Case Management and Detention (CCMD) Portal datasets

29. In scope cases include all detention cases excluding prison-to-plane removals and airport turnarounds where stay is less than 72 hours.

TARGET 21

Of the average sample size of five per cent of Immigration Medical Examination (IME) cases reviewed and panel clinics subject to a Panel Performance Review or an onsite assurance activity, 95 per cent met the Department's assurance assessment requirements or are subject to a remediation activity.

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, there were:</p> <ul style="list-style-type: none"> • 1,217,518 total Immigration Medical Examinations (IMEs), of which 402,426 were subject to a form of assurance activity (33.05 per cent) • 392,570 had no identified errors (97.55 per cent of the audit sample) • 9,856³⁰ had identified errors that indicated requirements were not met (2.45 per cent of the audit sample). <p>There were 565 total clinics, of which 545 were subject to some form of assurance activity (96.46 per cent of global clinics).</p> <p>Of all of the panel clinics subject to an assurance activity, all were assessed as effective and though some had recommendations for improvement these were not significant.</p>	<p>This target was met, as 97.55 per cent of IME cases reviewed and 100 per cent of panel clinics subject to a form of assurance activity met the Department's requirements, exceeding the target by 2.55 per cent and 5.00 per cent respectively.</p>

Supporting Performance Information

The audit sample percentage reported throughout 2022–23 demonstrates a high level of assurance confidence. Additionally, the high percentage of IMEs and panel clinics that met the Department's requirements provides confidence that panels are able to support the risk-based approach to migration health screening that targets the highest risks. The strong performance of clinics assured, supports positive experiences for clients required to undertake immigration medical examinations as part of their visa application.

In instances where an error is identified through the assurance of offshore health cases, the Department undertakes an investigation and seeks clinical advice, where required. In this instance, feedback was provided directly to the panel clinic and responses are monitored and tracked.

Common errors identified from the offshore panel network through assurance processes include inappropriate grading of identified health conditions. The most common clinical error identified from the onshore panel network is where further investigation could have been undertaken such as additional screening to rule out active or latent tuberculosis; however, there is a very low volume of such cases.

Other common issues identified through the Onsite Assurance Visits include mainly administrative matters such as poor biometric image capture processes, a lack of promotion of administrative process documents and limited instances where clinic staff have not correctly applied the Department's Panel Member Instructions.

Any recommendations as a result of assurance activities identified through onshore and offshore panel audit visits are provided to the onshore and offshore provider and specific clinics, which are monitored and reported against. Any critical errors identified with offshore panels can lead to suspension or removal from the network.

Trend Data	2022–23	2021–22	2020–21
Immigration Medical Examinations (IME) finalisations	1,217,518	2,100,740	1,002,641
Number of panel clinics	565	474	472

30. Some audit findings from June 2023 were not finalised at time of reporting.

Data Sources:

- Monthly Bupa internal audit reports
- Monthly internal assurance of Bupa's performance under the relating contract
- Bupa Medical Officer of the Commonwealth reviewed cases
- Onsite Assurance Visit reports
- Auto cleared offshore cases audited by Bupa
- Non-auto-cleared and B-Cleared offshore cases audited by Bupa
- Monthly Offshore Health Cases Submitted reports
- Panel Performance Reviews
- Monthly Offshore Health Cases Submitted reports
- Panel Performance Reviews

TARGET 22

At least 80 per cent of Adult Migrant English Program (AMEP) clients demonstrate progression in one or more indicators in the Australia Core Skills Framework (ACSF) per quarter on average.

Rating	Performance against target	Justification for result
Met	From 1 July 2022 to 31 March 2023, 89 per cent of participants progressed in one or more ACSF.	This target was met, as the target was exceeded by nine per cent.

Supporting Performance Information

Feedback from 7,656 Adult Migrant English Program (AMEP) clients, equalling around 20 per cent of enrolled students, reported very high levels of satisfaction with AMEP teachers and classes. In total, 90 per cent of survey respondents indicated the AMEP helps them to improve their English language skills in reading and listening, with 88 per cent reporting improvements in speaking and 84 per cent in writing.

A total of 86 per cent of AMEP clients said they learnt the English required for their work and 86 per cent said they learnt the English required for further study.

AMEP clients reported that the AMEP helped them to feel more confident (93 per cent), complete everyday tasks (90 per cent) and communicate outside of class (90 per cent). This data illustrates the continued importance of AMEP to help migrants achieve settlement and personal goals. Additionally, clients who had spent longer in the AMEP reported greater improvements in English language skills.

Throughout 2022–23, the Department completed a longitudinal research study that analysed AMEP's effectiveness. Led by the Telethon Kids Institute and the University of Western Australia, the study found that participation in the AMEP was associated with better labour market outcomes and reduced reliance on income support for its clients. The results from this study are available on the Department's website.

Trend Data	2022–23	2021–22	2020–21
Percentage of Adult Migrant English Program (AMEP) participants that demonstrated an increase of one or more levels on the Australian Core Skills Framework	89.0% (as at 31 March 2023)	78.5% (as at 31 December 2021)	84.0% (as at 31 December 2021)

Data Sources:

- Reporting from external Quality Assurance provider

PURPOSE 2: Prosperous and United Society

Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs.

ACTIVITY 2.1: Immigration and Humanitarian Programs

MEASURE 2.1.2: Effective design and delivery of humanitarian and settlement programs, and resettlement. (Department of Home Affairs PBS Program 2.3, Department of Home Affairs PBS Program 2.4)

NOT MET
86.78 per cent

TARGET 23

Aligned to 2022-23 PBS Target

The humanitarian program is delivered within the planning ceiling and consistent with priorities set by the Government.

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, the Humanitarian Program has been delivered in full with all 17,875 visas granted.</p> <p>This comprised 15,875 visas delivered under the offshore component and 2,000 visas under the Program's onshore component.</p> <p>Also within the Program, 6,935 visas were granted to Afghan nationals – a further 1,027 visas were granted to Afghan nationals under the Community Support Program (CSP).</p>	<p>This target was met, as the Humanitarian Program was delivered within the planning ceiling and consistent with the composition set by the Government.³¹</p>

Supporting Performance Information

Delivery of the 2022–23 Program marks the first time Australia's Humanitarian Program was delivered in full in the past four years. The result reflects a 34.33 per cent increase from 2021–22 (13,307 grants) and a 200.57 per cent increase from 2020–21 (5,947 grants) – noting that the prior reporting periods were heavily impacted by the ongoing COVID-19 pandemic response.

In addition, the 2022–23 Program saw the highest number of CSP visa grants since the program's inception in 2018, with a total of 1,291 CSP grants.

Regular monitoring of the Program was conducted by the Department in consultation with relevant Overseas Posts. Monitoring ensured any issues in Program delivery were addressed appropriately and in a timely manner, and ensured the Program was on track throughout the year.

In response to the crisis in Afghanistan, the Government announced an additional 26,500 Afghan places to be granted over five years to 2026. An average of 5,300 visas granted to Afghans per year is required to meet this additional allocation. In the 2022–23 Program, over 6,935 humanitarian visas were granted to Afghans with a focus on women and girls, ethnic minorities, LGBTIQ+ and other identified minority groups and certified former locally engaged employees (LEE). The Afghan LEE program offers resettlement in Australia to eligible locally engaged Afghan employees at risk of harm due to their employment in support of Australia's mission in Afghanistan.

The 2022–23 target for Afghan places was 6,125. The Department exceeded this target by 810 places (totalling 6,935); taken from the overall Humanitarian Program these places did not affect the ceiling of 17,875 places.

Trend Data	2022–23	2021–22	2020–21
Humanitarian Program visas granted	17,875	13,307	5,947
Data Sources:			
<ul style="list-style-type: none">Immigration Records Information System datasetsBusiness Intelligence Reporting System datasetsIntegrated Client Services Environment datasets			

31. The 'priorities' set by Government have been defined as the 'composition' of the offshore and onshore components.

TARGET 24

Aligned to 2022-23 PBS Target

Measures Regulator Performance

75 per cent of humanitarian entrants exiting the Humanitarian Settlement Program (HSP) have the skills and knowledge to use services independently in Australia.

Rating	Performance against target	Justification for result
Met	As at 30 June 2023, a total of 6,877 out of 7,815 clients exiting the HSP (88.00 per cent) have the skills and knowledge to use services independently in Australia.	This target was met, as the target of 75.00 per cent was exceeded by 13.00 per cent.

Supporting Performance Information

As at 30 June 2023, 257 desktop reviews were undertaken – these involve a random sample of HSP clients, which are adjusted to ensure the client cases reviewed are reflective of the proportion of clients for each HSP provider who have entered Australia during the relevant period, as well as ensuring all possible contract regions of Australia are covered.

Desktop reviews continue to identify issues with the evidencing of some client outcomes and provision of services, and departmental staff continued to work with individual providers to improve outcomes.

As at 30 June 2023, a total of 1,101 client interviews were undertaken. Responses showed improvements in client capacity and ability to independently navigate services and support for clients interviewed after three months in the program and again after six to nine months in the program. These relate to using public transport and using banking services, making an appointment, getting help in an emergency, and finding a job, school or childcare and somewhere to live.

Overall findings from both desktop reviews and client interviews confirm that clients in HSP are receiving appropriate services and support that builds on their skills and knowledge, assisting them to become self-reliant and active members of the Australian community.

Trend Data	2022–23	2021–22	2020–21
Percentage of HSP who exited the program that were assessed to have the skills to manage their lives and use services independently in Australia.	88.0%	81.8-86.2% (1 July 2021 to 28 February 2022)	87.6-93.7% across the ten HSP outcomes

Data Sources:

- Qualtrics Exit Review Survey data
- Humanitarian Settlement Program System datasets

TARGET 25

Aligned to 2022-23 PBS Target

Measures Regulator Performance

80 per cent of a sample of Settlement Engagement and Transition Support (SETS) clients rated 3 or above (5 point rating scale) when assessed against the skills and knowledge required to support their independence, participation and wellbeing.

Rating	Performance against target	Justification for result
Met	As at 30 June 2023, 30,289 out of 34,275 clients rated 3 or above, equalling 88.37 per cent of the total clients assessed (scale 1 to 5) for changes to skills and knowledge required to support their independence, participation and wellbeing for the SETS client services. ³²	This target was met, as performance exceeded the 80 per cent target by 8.37 per cent.

Supporting Performance Information

SETS helps build skills and knowledge of individuals by providing settlement-related information, advice, advocacy, and assistance to enable them to access mainstream and other relevant services. It also helps new and emerging community groups and organisations support their specific communities to increase their economic and social participation so positive settlement outcomes are sustained in the long term. Activities include providing training in organisational governance, project management, leadership skills and mentoring for community stakeholders.

In 2022–23, SETS Community Capacity Building Activities, 4,007 of 4,244 clients provided a rating of 3 or above, equalling 94.42 per cent of the total clients assessed (scale 1 to 5) for changes to the skills and knowledge required to support their independence, participation and wellbeing.

Service delivery quality is assessed in collaboration with Funding Arrangement Managers in the Community Grants Hub in the Department of Social Services via the analysis of Data Exchange reports, Activity Work Plan reports and meetings with providers.

Trend Data	2022–23	2021–22	2020–21
Percentage of clients receiving SETS support that demonstrated positive progress in achieving individual goals	88.37%	84.6%	82.5%
Data Sources:			
• Data Exchange datasets, managed by the Department of Social Services			

TARGET 26

Aligned to 2022-23 PBS Target

Measures Regulator Performance

Attendance rate of clients invited to Australian Cultural Orientation (AUSCO) course sessions is 90 per cent or higher.

Rating	Performance against target	Justification for result
Met	As at 30 June 2023, of the 11,162 clients invited, 10,922 (97.85 per cent) attended the 554 sessions that were delivered. This included 426 clients who attended 49 refresher courses.	This target was met, as the attendance rate was exceeded by 7.85 per cent.

32. In relation to a 'sample' of SETS clients, providers collect outcomes data for 50.00 to 60.00 per cent of participants, as required under the Data Exchange (DEX) program guidance.

Supporting Performance Information

Attendance at course sessions indicates the value of AUSCO course sessions to clients in providing practical advice and information about what to expect after their arrival in Australia, to support a successful start to their settlement journey.

The Department's AUSCO service provider is the International Organization for Migration. Although expanded delivery modes continue to be used to address COVID-19 related restrictions where required, there have been increases to in-person class delivery as more clients prepare to travel to Australia as a result of the border re-opening.

Trend Data	2022–23	2021–22	2020–21
Percentage of Australian Cultural Orientation course sessions attended by invited clients	97.85%	97.28%	99.40%
Data Sources:			
• AUSCO Service Provider Reporting			

TARGET 27

Two per cent reduction in the proportion of the unresolved Unauthorised Maritime Arrival (UMA) legacy caseload.

Rating	Performance against target	Justification for result
Not met	<p>As at 30 June 2023, the total number of unresolved caseload was 2,276, an increase from 2,015 as at 30 June 2022.</p> <p>The legacy caseload is dynamic, with the increase attributed to babies born onshore and bar lifts and remittals.</p> <p>Cases remaining in the UMA legacy caseload are generally more complex cases such as character or Administrative Appeals Tribunal remittals. The legacy UMA caseload continues to be actively progressed.</p>	<p>This target was not met, as the UMA caseload increased by 12.95 per cent when compared to the caseload as at 30 June 2022.</p>

Supporting Performance Information

As at 30 June 2023, 30,108 UMA legacy cases were resolved. In 2022–23, over 340 UMAs were granted an initial Temporary Protection Visa or Safe Haven Enterprise Visa (TPV/SHEV).

On 14 February 2023, amendments to the *Migration Regulations 1994* came into force enabling over 19,000 temporary protection visa holders to apply for permanent Resolution of Status (RoS) visas. Work continues to resolve the remaining UMA legacy caseload. Individuals will be granted a RoS where they have been found to meet all criteria for the grant of a TPV/SHEV.

Trend Data	2022–23	2021–22	2020–21
Unauthorised Maritime Arrival Legacy Caseload	2,276	2,015	3,918
Data Sources:			
• Business Intelligence Reporting System datasets • Integrated Client Services Environment datasets			

TARGET 28

Aligned to 2022–23 PBS Target

Resettle 95 per cent of the targeted 150 refugees in New Zealand each year.

Rating	Performance against target	Justification for result
Not met	As at 30 June 2023, 46 refugees had resettled in New Zealand.	This target was not met, as the number of refugees resettled fell 64.33 per cent below the target.

Supporting Performance Information

All referrals for consideration under the resettlement arrangement must flow from the United Nations High Commissioner for Refugees (UNHCR) following triaging against protection criteria and New Zealand's Refugee Quota Programme.

As at 30 June 2023, New Zealand reported that the UNHCR has received around 450 expressions of interest and had made around 250 referrals to New Zealand for resettlement assessment, of which around 180 were under active consideration.

New Zealand handed down its first decisions in November 2022 and arranged first resettlement departures on 22 November 2022 from Nauru. The first decisions in Australia were handed down in April 2023 and the first resettlement departures from Australia took place on 29 May 2023.

The Department worked closely with Immigration New Zealand to implement a suite of supplementary support measures provided in Australia to connect individuals to third-country migration opportunities, and assist them to become 'settlement ready' and depart, these included:

- providing information products and online webinars about New Zealand resettlement
- case management and caseworker support through Status Resolution Support Services to address health and mental health needs
- supporting individuals to explore education and employment opportunities in New Zealand
- providing relocation and transitional assistance.

A Joint Resettlement Taskforce with New Zealand, including a Technical Working Group, has been established to inform engagement and progress on New Zealand resettlement. The Department is developing a program of supplementary mental health and settlement support for delivery in New Zealand, which is due to commence in early 2023–24. New Zealand and Australia continue to work collaboratively to bolster engagement numbers and maximise resettlement outcomes.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Compliance, Case Management and Detention (CCMD) Portal datasets

Activity 2.2

Summary of performance

In 2022–23, the Department worked to support the unity and diversity of our society through delivery of citizenship and multicultural policies. Through these policies, the Department continued to promote an inclusive national identity based upon shared values that supported Australian safety and prosperity.

This included:

- Pursuing and implementing process and systems enhancements that contributed to improved citizenship application processing times, with the application backlog reduced by 21 per cent when compared to 30 June 2022. The number of on-hand citizenship by conferral applications reduced by 35 per cent over 2022–23.
- Engaging closely with community stakeholders to discuss wide-ranging impacts across communities in Australia, including the earthquake in Türkiye and Syria, Khalistan Movement unofficial polls in India, human rights protest in Iran, the conflict in Sudan, and citizenship pathways for New Zealand citizens.
- Implementing changes to the legislative determination under the *Australian Citizenship Act 2007* to determine that New Zealand citizens who have held a Special Category (subclass 444) visa are permanent residents under the Citizenship Act.
- Establishing a grant agreement to fund implementation of \$6.3 million in local multicultural community projects to contribute to an integrated and cohesive Australia. This includes grants to develop places of worship, upgrade existing multicultural community facilities, and celebrate key multicultural events and festivities.

Performance Information

PURPOSE 2: Prosperous and United Society

Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs.

ACTIVITY 2.2: Social Cohesion and Citizenship

MEASURE 2.2.1: Effective citizenship processing and assurance, counter violent extremism capability building and community engagement collectively supports social cohesion outcomes. (Department of Home Affairs PBS Program 2.5)

SUBSTANTIALLY MET
92.62 per cent

TARGET 29

Aligned to 2022-23 PBS Target

90 per cent of citizenship by conferral applications are finalised within agreed target timeframes from lodgement to decision.

Rating	Performance against target	Justification for result
Not met	<p>As at 30 June 2023, the proportion of conferral applications finalised within eight months of lodgement was 64.00 per cent.</p> <p>The proportion of applications for Australian citizenship by conferral which were finalised within eight months of lodgement increased significantly over the course of 2022–23, with 85.20 per cent reported in June 2023 (17,941 of 21,058). This is compared to 32.43 per cent (4,853 of 14,964 finalisations) reported as at July 2022.</p>	This target was not met, as citizenship by conferral applications finalised within eight months fell 26.00 per cent below the target.

Supporting Performance Information

Throughout 2022–23, the Department continued to work toward clearing the backlog of applications that had accumulated during the COVID-19 pandemic, reducing the on hand caseload and processing times.

The Department used a range of measures to work towards finalising 90 per cent of citizenship by conferral applications within eight months of lodgement. The introduction of targeted and bulk pre-assessment of applications – including automating many preliminary application completeness checks – assisted in streamlining processing and reducing the level of required processing staff intervention prior to an applicant attending a citizenship test appointment.

The Department achieved month-on-month improvements throughout the year in reducing on-hand caseload numbers with finalisations exceeding lodgements. This reflects increased staffing levels throughout the latter months of the year and ongoing revision of the national processing priorities, to ensure the work effort was managed to maximise finalisations and process applications in a timely manner.

Furthermore, a more streamlined approach to face-to-face client interactions at citizenship test appointment was implemented across all Services Australia sites. This approach was trialled in some departmental sites in order to increase citizenship test offerings and transition administrative processes, including moving more of the application assessment steps to be completed after an applicant has passed the citizenship test. This is expected to create a more flexible and adaptable allocation of work across the available workforce that allows a more agile response to fluctuations in application lodgements over time. The revised test-only appointment model is expected to be in operation at all departmental testing sites early in 2023–24.

Trend Data	2022–23	2021–22	2020–21
Clients acquiring citizenship by conferral	192,947	167,232	140,748
Lodged citizenship by conferral applications	156,831	144,763	186,297
Percentage of citizenship by conferral applications lodged online	86.60%	86.40%	84.50%
Finalised citizenship by conferral applications	198,808	161,347	183,215
Citizenship applications on-hand at the end of the financial year	79,548	122,309	139,839
On-hand citizenship cases over two years old at the end of the financial year	6,989	9,854	14,670

Data Sources:

- Monthly Conferral Finalised dataset

TARGET 30

The proportion of citizenship decisions subject to quality assurance activities is consistent with the pre-determined sample size of 2 per cent across citizenship caseloads.

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, the total number of citizenship application decisions subject to quality assurance and quality control measures was 222,573.³³</p> <ul style="list-style-type: none"> 161,999 decisions for citizenship by conferral, with 4,951 checks completed (3.06 per cent) 16,750 decisions for citizenship by descent, with 712 checks completed (4.25 per cent) 43,824 decisions for evidence of Australian citizenship, with 1,279 checks completed (2.92 per cent). 	<p>This target was met, as the number of citizenship decisions sampled for quality assurance and quality control activities was 3.12 per cent across all citizenship applications, exceeding the target by 1.12 per cent.</p>

Supporting Performance Information

Quality assurance activities for 2022–23 remained above the pre-determined two per cent sample rate for the Citizenship Program overall. Check-the-Checker (CTC) checks were performed on 37.10 per cent of quality control checks completed by the Department's delivery network to verify with confidence that an appropriate level of scrutiny was applied.

These assurance activities assisted in monitoring the effectiveness of guidance material, training and processes within the Citizenship Program. Any critical errors and risk factors found in quality assurance were addressed with processing teams as soon as they were identified and, if deemed necessary, inconsistencies were raised via an issues referral to the responsible Program support area for resolution.

Individual critical errors that may affect decision outcomes identified during quality assurance were escalated via referral to a relevant officer in the Citizenship Program delivery network for resolution. All critical errors and inconsistencies identified through Quality Assurance, Quality Checking and CTC were also addressed in a quarterly report and Directors' Quality Assurance Review teleconference.

33. Data for target 30 refers to main applicants only, excluding withdrawn, invalid and otherwise finalised applications.

Trend Data	2022–23	2021–22
Percentage of all citizenship applications available for checking that were subject to quality assurance activities	3.12%	3.66%
Percentage of quality control checks that were subject to a CTC check	37.10%	33.77%
Data Sources:		
<ul style="list-style-type: none"> Evidence of Quality in Performance (EQuIP) tool datasets 		

TARGET 31

85 per cent of surveyed state and territory participants are satisfied that the Department's counter violent extremism (CVE) training improved their CVE intervention capability and awareness.

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, ten VERA-2R training sessions and four TRAP-18 session were delivered across Victoria, New South Wales and the Australian Capital Territory to 219 participants.</p> <p>All trainees were provided with the opportunity to provide feedback, with the exception of one training session in which responses to the target question were not captured.</p> <p>Overall, 96 of 219 surveyed stakeholders provided a response (43.84 per cent).³⁴</p> <p>Of the participants that provided feedback, 91 were satisfied that the training improved their CVE intervention capability and awareness.</p>	<p>This target was met, as 94.79 per cent of surveyed state and territory participants who provided a response were satisfied that the Department's CVE training improved their CVE intervention capability and awareness, exceeding the target by 9.79 per cent.</p>

Supporting Performance Information

Risk assessment for violent extremism plays a critical role in understanding the threat posed by radicalised offenders and determining how these individuals are managed, both in correctional settings and in the community.

Risk assessment tools are key to supporting practitioners and intervention providers in making structured and evidence-based decisions around risk mitigations, supervision and treatment decisions for at-risk individuals, in the interests of both the safety of the individual and the community. In the context of countering violent extremism, this is done through the use of structured professional judgement (SPJ) tools.

The Department delivers training in the Violent Extremism Risk Assessment 2 Revised (VERA-2R), an SPJ tool that supports an expert user to make an assessment about the violent extremism risk posed by an individual and the Terrorist Radical Assessment Protocol-18 (TRAP-18), which is more specific to lone-actor perpetrators. In the near future, training will be delivered on the RADAR violent extremist case management tool.

Research and development is continuing on training packages for CVE practitioners to monitor the requirements in order to support the appropriate risk assessment tool for their needs.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- CVE training course participant survey data issued upon completion of each course.

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34. Survey responses fell below the acceptable response rate of 63.93 per cent. The performance result may not be reflective of the broader target population.

TARGET 32

90 per cent of surveyed Community Leaders are satisfied with the level of community engagement from the Community Liaison Officer (CLO) Network.

Rating	Performance against target	Justification for result
Substantially met	<p>As at 30 June 2023, 77 of 89 (86.52 per cent) of surveyed participants had rated the target question 5 or higher, and were satisfied with the level of community engagement from the CLO Network.³⁵</p> <p>In 2022–23, 531 community stakeholders were surveyed, with 89 responses received (16.76 per cent).³⁶ Survey results received indicated very high levels of satisfaction from stakeholders who engage with the CLO Network.</p>	This target was substantially met, as survey results fell 3.48 per cent below the target of 90 per cent.

Supporting Performance Information

The CLO network drives community engagement, so as to understand community sentiment, provide information about government programs and policies, and facilitate a feedback loop to the Government on issues of importance to communities.

During 2022–23, the CLO network supported the organisation of state and national level ministerial forums and roundtables with communities. CLOs have facilitated and participated in forums to address specific issues raised by communities, and attended events hosted by communities as Departmental representatives. CLOs have prioritised engagements with particular communities and state and Commonwealth agencies.

The CLO network engaged closely with community stakeholders and service providers in response to major events that have had wide-ranging impacts across communities in Australia, including the earthquake in Türkiye and Syria, Khalistan Movement unofficial polls in India, human rights protests in Iran, the conflict in Sudan, and citizenship pathway changes for New Zealand citizens. Information and concerns raised by communities during engagement with the CLO network on these topics were distributed through weekly engagement reporting and community sentiment reporting to inform relevant areas of the Department, external agencies and the Government.

The CLO network has engaged with communities to discuss other topics that affect social inclusion, such as domestic and family violence, COVID-19, aged care, visas and Australia's migration program, settlement challenges that migrants in Australia face, employment, education, citizenship, racism, discrimination and natural disasters. Stakeholders submitted comments when completing the Qualtrics survey, which indicated satisfaction and appreciation for the CLO network's efforts to hear their concerns and provide useful information to them.

Stakeholder feedback is being considered by the Department for implementation in 2023–24 and relates to increased in-person engagements, including attendance at events and hosting information sessions.

Trend Data

n/a – this target was introduced in 2022–23.

Data Sources:

- Annual feedback received from community leader stakeholders.

35. Community stakeholders engaged by the CLO Network were provided with the survey. The Department is unable to determine the number of those stakeholders that are 'Community Leaders' in an accurate way, as the term 'community leader' is subjective.

36. Survey responses fell below the acceptable response rate of 42.00 per cent. The performance result may not be reflective of the broader target population.

PURPOSE 3: BORDER AND CUSTOMS OPERATIONS

Table 5: Purpose 3 – Performance framework

Activity	Performance Measures
Activity 3.1: Border Management and Revenue Systems	Measure 3.1.1: Effective trade and travel policy and regulation settings. (<i>Department of Home Affairs PBS Program 3.1, Department of Home Affairs PBS Program 3.2</i>)
	Measure 3.1.2: Effective administration of border revenue processes. (<i>Department of Home Affairs PBS Program 3.3</i>)
Activity 3.2: Border Security, Maritime Surveillance and Immigration Detention	Measure 3.2.1: Effective border security, maritime surveillance activities, and management of the Immigration Detention Network. (<i>Department of Home Affairs PBS Program 3.4, Department of Home Affairs PBS Program 3.5</i>)

Activity 3.1

Summary of performance

In 2022–23, the ABF supported national prosperity and security through effective border management activities, facilitating significant volumes of trade, travel and revenue collection. The ABF also broadened its capability in the border clearance environment, targeting the establishment of nationally consistent expertise and professionalism across our workforce.

This included:

- maintaining onshore disruption efforts and activities, including the detection of 168 instances of revenue evasion by the Illicit Tobacco Taskforce (ITTF), resulting in the prevention of approximately \$522 million in potential revenue evasion. The ABF continued to implement effective onshore disruption to combat illicit importation and harden the environment that organised crime groups operate in
- responding to a 65 per cent increase in the importation of objectionable material at Sydney International Airport. ABF investigations resulted in NSW Police arresting 10

persons of interest in relation to the alleged movement of child abuse material, of which five remain subject to current prosecution

- ongoing engagement with international law enforcement partners, resulting in the arrest of two alleged facilitators in the Philippines, accused of engaging in the production of child abuse material, and the rescue of 12 children at the risk of harm in the creation of this content
- amending the *Customs Tariff Act 1995* to expand the scope of the concession on certain medical and hygiene products, making this concession permanent to support continued access to essential goods – such as face masks – and reduce the rate of customs duty on certain electric and low-emission passenger motor vehicles, to support their increased affordability
- creating new trade opportunities and reducing input costs for businesses, through the implementation of the *Customs Amendment (Australia United Kingdom Free Trade Agreement Implementation) Act 2022* and related regulations
- implementing aspects of the Australia-India Economic Cooperation and Trade Agreement (ECTA) through the *Customs Amendment (India Australia Economic Cooperation and Trade Agreement Implementation) Act 2022* and related regulations. The ECTA improves access to India's dynamic and growing market of over 1.4 billion people and supports Australian businesses in diversifying trade
- successfully deploying a proof-of-concept artificial intelligence capability at the Melbourne International Mail Gateway facility in collaboration with the Department's Data and Economic Analysis Centre. The capability is able to capture the process images of mail items, and extract and validate their destination in real time. Multiple opportunities for reuse of the capabilities were also identified, including the automation of manual data-entry tasks.

Illicit Tobacco Taskforce

The Illicit Tobacco Taskforce (ITTF) Operation JUNGLEVINE2, a joint agency operation combining the resources of the ABF, Australian Taxation Office (ATO), New South Wales Police and Australian Federal Police (AFP), targeted a significant organised crime group involved in illicit tobacco. State and federal agency resources collectively targeted illicit tobacco plant cultivation, unexplained wealth, unlawful labour hire and human trafficking in New South Wales, Victoria and Queensland.

The operation culminated in 2022–23 with a series of high profile warrant activities across NSW, resulting in the seizure and destruction of 26.5 tonnes of illicit tobacco, amounting to an estimated potential excise of more than \$44.8 million. As a result of these enforcement activities, the organised crime group has been required to move their operations, destabilising their onshore cultivation and production capability.

The ITTF and key partners have continued intelligence collection on the networks leadership and the use of lawful non-citizens suspected to be involved in labour hire and human trafficking. The ITTF, in close collaboration with the ATO, will continue to identify key enablers in the domestic cultivation landscape and supply-chain convergences in cultivation, manufacture, distribution and retail spaces, and associated money laundering to direct future lines of effort against organised crime.

Australian Border Force intercepts protected cultural objects

ABF officers are trained to detect a wide range of prohibited goods, including protected cultural heritage objects that are significant to a nation's identity. In two separate activities, ABF officers in New South Wales seized a pre-Hispanic copper bowl and ABF officers in Western Australia intercepted a 100-year-old votive painting from Mexico, identified as a protected cultural object lacking export documentation.

The Australian residents involved had purchased both objects online from a US-based company, with the ABF detecting the items upon arrival in Australia. Concerned about the lack of export documentation for the objects, ABF officers referred them to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts for investigation under the *Protection of Movable Cultural Heritage Act 1986*.

The Department also consulted with the Embassy of Mexico, resulting in the Government of Mexico submitting a formal repatriation request and the protected cultural objects being returned to the people of Mexico.

Performance Information

PURPOSE 3: Border and Customs Operations

Advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective customs, immigration, maritime and enforcement activities across the border continuum.

ACTIVITY 3.1: Border Management and Revenue Systems

MEASURE 3.1.1: Effective trade and travel policy and regulation settings.
 (Department of Home Affairs PBS Program 3.1, Department of Home Affairs PBS Program 3.2)

MET
 98.93 per cent

TARGET 33

Aligned to 2022-23 PBS Target

Average clearance time for travellers, and clearance rate for air cargo and sea cargo is maintained or improved.

Rating	Performance against target ³⁷			Justification for result																										
Met	Travellers – average passenger clearance times <table border="1"> <thead> <tr> <th></th> <th>Inwards</th> <th>Outwards</th> </tr> </thead> <tbody> <tr> <td>Rolling average over past 5 financial years (seconds)</td> <td>70.00</td> <td>52.03</td> </tr> <tr> <td>2022-23 Clearance time (seconds)</td> <td>73.14</td> <td>42.66</td> </tr> <tr> <td>Variance in clearance time (seconds)</td> <td>-3.14</td> <td>9.37</td> </tr> </tbody> </table> Air cargo – average air cargo clearance rates within 48 hours <table border="1"> <thead> <tr> <th></th> <th>Cleared within 48 hours of arrival</th> </tr> </thead> <tbody> <tr> <td>Rolling average over past 5 financial years (seconds)</td> <td>96.85%</td> </tr> <tr> <td>2022-23 Clearance time (seconds)</td> <td>98.13%</td> </tr> <tr> <td>Variance in clearance time (seconds)</td> <td>1.28%</td> </tr> </tbody> </table> Sea cargo - average clearance rates within five days <table border="1"> <thead> <tr> <th></th> <th>Cleared within 5 days of arrival</th> </tr> </thead> <tbody> <tr> <td>Rolling average over past 5 financial years (seconds)</td> <td>91.45%</td> </tr> <tr> <td>2022-23 Clearance time (seconds)</td> <td>93.06%</td> </tr> <tr> <td>Variance in clearance time (seconds)</td> <td>1.61%</td> </tr> </tbody> </table>		Inwards	Outwards	Rolling average over past 5 financial years (seconds)	70.00	52.03	2022-23 Clearance time (seconds)	73.14	42.66	Variance in clearance time (seconds)	-3.14	9.37		Cleared within 48 hours of arrival	Rolling average over past 5 financial years (seconds)	96.85%	2022-23 Clearance time (seconds)	98.13%	Variance in clearance time (seconds)	1.28%		Cleared within 5 days of arrival	Rolling average over past 5 financial years (seconds)	91.45%	2022-23 Clearance time (seconds)	93.06%	Variance in clearance time (seconds)	1.61%	<p>This target was met, as the average clearance times for travellers, and clearance rates for air cargo and sea cargo in the current reporting period have improved compared to the average times and rates over the past five financial years. While the inbound traveller clearance times increased by 3.14 seconds (4.49 per cent longer than the rolling average), the outbound traveller clearance time decreased by 9.37 seconds (18.01 per cent shorter than the rolling average). The air cargo cleared within 48 hours improved by 1.28 per cent and sea cargo cleared within five days improved by 1.61 per cent when compared to the rolling averages.</p>
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37. The average for traveller clearance time and cargo clearance rates has been calculated using a moving average and trends from past five financial years to determine the relevant trend data.

Supporting Performance Information

Travellers

Throughout 2022–23, combined traveller numbers – air and sea, inbound and outbound – increased by approximately 309.67 per cent from the previous year (8.24 million to 33.74 million). The increased inbound average clearance times reflect the significant influx of travellers that has placed pressure on technology and human resources at the border and across the aviation industry.

The travel and supporting industries are re-skilling and replenishing resources, mechanical and human, which is narrowing the availability of flights. As the airline industry reactivates their service fleet from storage and increases staffing, flight availability is expected to increase further in 2023–24.

SmartGates

The commencement of Generation 3 (Gen 3) kiosks and the SmartGate regional roll out in November 2022 demonstrates the ABF's intention to enhance passenger processing through the use of more advanced technology and processes.

With implementation now complete in Queensland and the Northern Territory, the Gen 3 capability will enhance the facilitation of inbound traveller processing by enabling increased traveller self-processing, improving user experience for both travellers and ABF support officers and enhancing the facilitation of inbound travellers processing which will have a positive impact on traveller clearance times.

While new Gen 3 SmartGates faced initial roll out technical issues, it is expected that this new technology will allow the ABF to progress increased performance, better biometric matching, stability, better user experience and increased eligibility.

The overall performance of the SmartGates in 2022–23 has been impacted by the age of the Series 1 equipment and the legacy solution design and components.

Air cargo

Throughout 2022–23, national air cargo consignment volumes increased by 1.45 per cent compared to 2021–22. Consignment volumes varied from region to region. New South Wales, which saw sustained volume increases throughout the COVID-19 pandemic, experienced a 9.02 per cent decrease in annual volume compared to the previous year. Queensland, Victoria, South Australia and Western Australia all experienced significant volume increases – of 15 to 42 per cent compared to the previous year.

New South Wales' share of air cargo volumes in 2022–23 reduced by 7.36 per cent compared to the previous year, while Queensland, Victoria and Western Australia saw their shares rise by 2.99 per cent, 2.47 per cent and 1.72 per cent respectively – driven by increased air cargo capacity in those ports due to increased passenger aircraft volumes – while South Australia and Northern Territory remained static.

Sea cargo

2022–23 saw regular variation in national monthly sea cargo consignments, though, consignments decreased over the full year by 0.11 per cent compared to 2021–22. Less than container load (LCL) shipment volumes continued to experience modest growth, with LCL consignment volumes growing 2.4 per cent and LCL container volumes growing by 3.5 per cent.

Sea cargo volume trends varied between regions, with New South Wales experiencing a 25.34 per cent reduction in sea cargo consignments and a further reduction in LCL consignment volumes of 29.6 per cent against a 3.8 per cent reduction in container volumes. Victoria saw significant growth in consignment volumes with total consignments increasing 76.94 per cent and LCL consignment volumes growing 159 per cent while at the same time container volume reduced by 3.8 per cent. These statistics suggested a change in profile of sea cargo entering the largest ports of Sydney and Melbourne this year.

In order to assist in managing cargo intervention activity amid growing LCL volumes, the Threat Rating Referral Model (TRRM) was extended from air cargo to include LCL sea cargo consignments following successful trials in both Melbourne and Sydney. This has empowered front-line officers to determine and apply the most appropriate intervention method to address potential threats posed to the border, as well as supporting the cancellation of lower-threat examinations without intervention when workload exceeds maximum workforce capacity.

Trend Data	2022–23	2021–22	2020–21
International air and sea travellers processed (including crew)	33.7 million	8.2 million	2.4 million
Average clearance time for inbound travellers	73.14 seconds	74.01 seconds	65.70 seconds
Average clearance time for outbound travellers	42.66 seconds	47.4 seconds	52.8 seconds
Passengers who used SmartGates	19.5 million	3.5 million	0.4 million
Percentage of air cargo cleared within 24 hours	96.15%	94.83%	93.42%
Percentage of air cargo cleared within 48 hours	98.13%	96.95%	96.71%
Air cargo consignments	86,085,638	84,855,855	72,647,869
Percentage of sea cargo cleared within 3 days	90.23%	88.84%	92.44%
Percentage of sea cargo cleared within 5 days	93.06%	92.09%	94.60%
Sea cargo consignments	6,255,435	6,248,466	8,936,309
Data Sources:			
• Travel and Immigration Processing System (TRIPS) datasets			
• Integrated Cargo System (ICS) datasets			
• Passenger Analysis, Clearance and Evaluation (PACE) system			
• Departmental databases			

TARGET 34

Aligned to 2022-23 PBS Target

100 per cent of Australian Trusted Traders (ATTs) subject to assurance processes either pass or are subject to a compliance activity.

Rating	Performance against target	Justification for result
Met	<p>As at 30 June 2023, 1,184 assurance activities were undertaken, of which 1,037 (87.58 per cent) ATTs were assessed as compliant and 147 (12.42 per cent) were subject to further compliance activities or compliance monitoring.</p> <p>Due to the volume of trade or nature of business, some entities are subject to multiple compliance activities or compliance monitoring.</p>	<p>This target was met, as 100 per cent of ATTs subject to assurance processes either passed or were subject to a compliance activity that remediated the identified non-compliance.</p>

Supporting Performance Information

The ATT program actively manages and monitors the activities of accredited Trusted Traders. Businesses registered in the program must be able to demonstrate strong international supply chain security and trade compliance practices. While Trusted Traders are offered a range of trade facilitation benefits, they are subject to assurance processes and monitoring and controls beyond those normally imposed by the ABF, including additional cargo profiling and adherence to ATT legal agreement obligations.

ATT assurance activities completed throughout 2022–23 included:

- ABF compliance monitoring and activity (147)
- annual declaration evaluations (910)
- scheduled revalidations (127)
- targeted revalidations (nil).

Since the ATT program's commencement, 65 Trusted Traders have had accreditation terminated and 32 entities have been refused accreditation as they posed an unacceptable risk to the border or could not meet the required standards. The measures in place are effective in mitigating the risk of non-compliance by accredited Trusted Traders. Where non-compliant practices are identified or there is a risk to the trader's international supply chain, ATT is able to take remedial action in partnership with the Trusted Trader. If the Trusted Trader is not cooperative, a range of formal remediation measures can be used. The number of refusals and the volume of assurance activities managed by ATT demonstrates effective identification and action taken to address non-compliance amongst Trusted Traders to the ATT Rule and the ATT legal agreement.

Outcomes of the ATT Program

ATT has fostered trade facilitation within a framework of trust without compromising border security. Feedback from Trusted Traders indicates an increased awareness of supply chain security and how risks can be mitigated. ATT launched its Supply Chain Security training modules to industry in January 2023; this training communicates lessons learnt from ATT's engagement with applicants to the wider trader community to improve supply chain security and trade compliance. The training contributes to the ATT's engagement with the World Customs Organization Customs to Business pillar as part of the SAFE Framework of Standards. As at 30 June 2023, there were 588 active learners and 1,922 modules completed.

Trend Data	2022–23	2021–22	2020–21
Total number of ATTs	923	903	828
New entities accredited	57	75	76
Percentage of volume of Australia's two-way trade	11.74%	11.09%	10.48%
Percentage of value of Australia's two-way trade	17.60%	17.95%	19.26%

Data Sources:

- Case Referral Management databases
- Customer Relationship Management datasets
- Departmental databases

TARGET 35

Advice to industry regarding tariff classification, valuation and rules of origin is provided within service standard timeframes of 30 days from provision of all documentation in 85 per cent of cases.

Rating	Performance against target	Justification for result
Substantially met	<p>Tariff classification advice³⁸</p> <p>As at 30 June 2023, 1,253 tariff advices were finalised, with 947 (75.58 per cent) completed within 30 days from provision of all documentation.</p> <p>Requests for valuation advice</p> <p>As at 30 June 2023, 123 valuation advice applications were received, of which 101 provided full documentation during the financial year. All 101 (100 per cent) were completed within 30 days from provision of all documentation.</p> <p>During 2022–23, 109 applications were finalised, eight of which were from the previous financial year.</p> <p>Requests for rules of origin advice</p> <p>As at 30 June 2023, 44 origin advices were finalised with 43 (97.73 per cent) completed within 30 days from provision of all documentation or within 60 days from the provision of all documentation for advices relating to the China–Australia Free Trade Agreement (ChAFTA).</p>	This target was substantially met, as tariff classification advice to industry was not provided within 30 days from provision of all documentation in 85.00 per cent of cases, resulting in the overall performance falling 3.14 per cent below the target.

Supporting Performance Information

The ABF continued to promote trade by contributing to a positive, seamless trade experience for legitimate traders. These activities reduce unnecessary burden for our stakeholders and increase efficiency to support Australia's economic prosperity. The provision of binding advice regarding tariff clarification, valuation and rules of origin provides traders with certainty for importations and supports them to make business decisions.

Tariff classification

Throughout 2022–23, 1,259 applications for tariff advice were received, a 19.86 per cent decrease from 1,571 received in 2021–22. In 2022–23, 75.58 per cent of tariff advices met the service standard, a decrease from 94.1 per cent in 2021–22.

The main issue affecting delivery of this target was a high staff turnover with around 50 per cent of staff being new, entailing extensive training to reach subject matter competency.

Valuation

As at 30 June 2023, there were eight open applications from the previous financial year which were also completed within this year. The 109 completions in this year reflect a 10.10 per cent increase in completed applications compared to 2021–22, which was 99 completed applications.

Rules of origin

Of the 33 formal applications for advice received, 24 were related to ChAFTA, two to the Australia–United States Free Trade Agreement, six to the ASEAN–Australia–New Zealand Free Trade Area and one to the Australia–United Kingdom Free Trade Agreement.

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38. For tariff classification, valuation and origin advices, the numbers of requests received and the number of requests finalised differ as requests received in one reporting period may be completed in a subsequent period.

Outcomes

The 2022–23 results demonstrate ongoing interest in tariff classification, valuation and origin advice. These activities enable Australian importers to make financially accurate business decisions, allowing for the full costs of importation and empowering early intervention measures to pursue industry support, such as that offered by the tariff concession system. These activities contribute to Australian producers' business by playing a part in tariff and trade protections for local manufacturers, providing certainty in the importation process, thus contributing to Australia's economic prosperity.

Trend Data	2022–23	2021–22	2020–21
Percentage of requests for tariff classification advice provided within service standard	75.6%	94.1%	86.3%
Requests for tariff classification advice received	1,259	1,571	1,925
Percentage of requests for valuation advice provided within service standard	100%	92.9%	91.0% ³⁹
Requests for valuation advice received	123	94	98
Percentage of requests for rules of origin advice provided within service standard	97.7%	100%	91.0% ⁴⁰
Requests for rules of origin advice received	33	48	113
Data Sources:			
• Departmental databases			

TARGET 36

100 per cent of Department-led Simplified Trade System policy proposals and delivery initiatives scheduled for 2022–23 are completed.

Rating	Performance against target	Justification for result
Met	As at 30 June 2023, ABF completed the four initiatives that were scheduled for completion in 2022–23, in line with project milestones.	This target was met, as 100 per cent of the Simplified Trade System (STS) initiatives led or supported by the ABF were progressed in line with project milestones.

Supporting Performance Information

The ABF works in partnership with key border agencies and the whole-of-government STS Implementation Taskforce (the Taskforce). The ABF supported the whole-of-government trade reform agenda through various working groups including the Architectural Working Group for the requirements and design of the proposed Trade Single Window (TSW), policy working group for the design of the Regulatory Roadmap and whole-of-government interagency monthly forum.

In 2022–23, four initiatives were completed by the ABF. These relate to providing traders with real-time messaging on the operational status of the Integrated Cargo System, amending regulatory time periods for the disposal of un-entered and certain abandoned goods, developing nationally consistent policy on the storage of illicit goods and establishing a Regulatory Sandbox.

Overall, the ABF made a significant contribution to support the work of the Taskforce and Trade Portfolio, with ongoing engagement through regular governance forums and participation in workshops, journey mapping, and policy development.

39. This calculation captures both valuation and rules of origin advice.

40. This calculation captures both valuation and rules of origin advice.

Trend Data	2022–23	2021–22	2020–21
Percentage of Simplified Trade System initiatives led or supported by the ABF that were progressed in line with project milestones	100%	100%	N/A
Data Sources:	<ul style="list-style-type: none"> Internal monthly status reports 		

PURPOSE 3: Border and Customs Operations

Advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective customs, immigration, maritime and enforcement activities across the border continuum.

ACTIVITY 3.1: Border Management and Revenue Systems

MEASURE 3.1.2: Effective administration of border revenue processes (Department of Home Affairs PBS Program 3.3)

MET
99.75 per cent

TARGET 37

Aligned to 2022–23 PBS Target

The revenue collected from customs duty, the Import Processing Charge (IPC) and the Passenger Movement Charge (PMC), against a target of achieving Portfolio Additional Estimates Statements (PAES) estimates.

Rating	Performance against target	Justification for result
Met	As at 30 June 2023, the Department collected revenue totalling \$18.36 billion.	This target was met, as the total comparison shows actual revenue being 0.5 per cent below the 2023–24 Budget estimates which results in 99.5 per cent of the estimated revenue being collected. ⁴¹

Supporting Performance Information

Of the revenue collected in 2022–23:

- Customs duty: \$17.1 billion
- IPC: \$450.4 million
- PMC: \$829.0 million.

Trend Data	2022–23	2021–22	2020–21
Customs duties, Import Processing Charge and Passenger Movement Charge	\$18.36 billion	\$17.58 billion	\$18.60 billion
(PAES) estimate	\$18.45 billion ⁴²	\$17.78 billion	\$19.25 billion

Data Sources:

- Departmental databases
- Departmental financial management system datasets

41. The target has been based on an assessment against the 2023–24 Budget estimates.

42. The figure reflects the 2023–24 Budget estimates.

TARGET 38

Refunds and drawbacks are delivered within service standards of 90 per cent of claims finalised within 30 days of receipt of all necessary information.

Rating	Performance against target	Justification for result
Met	<p>Drawbacks As at 30 June 2023, 91.35 per cent of drawback claims met client service standards and were finalised within 30 days of receipt of all necessary information. Overall, there were 1,341 claims, of which 1,225 (91.35 per cent) were finalised within 30 days.</p> <p>Refunds As at 30 June 2023, 98.50 per cent of total refunds processed were finalised within 30 days of receipt of all necessary information. Of the 96,164 refunds processed, 94,722 were finalised within the service standard.</p>	This target was met, as drawbacks and refund service standards were exceeded by 1.35 per cent and 8.5 per cent, respectively.

Supporting Performance Information**Drawbacks**

In 2022–23, there was an 8.93 per cent decrease in drawbacks lodged compared to 2021–22. Subsequently, the value of paid drawbacks decreased by 19.37 per cent. The number and value of drawbacks regularly fluctuate due to the lodgement cycle of large-value tobacco claims.

Refunds

As at 30 June 2023, the ABF processed 7.04 per cent fewer refunds than processed during 2021–22, though the value of paid refunds increased by 7.30 per cent compared to 2021–22; the number and value of refunds regularly fluctuate and there have been no unusual trends or concerns identified between the two periods. Service standards were exceeded, demonstrating the ABF's ongoing commitment to facilitating trade in support of industry.

Trend Data	2022–23	2021–22	2020–21
Percentage of drawback claims lodged processed within service standard	91.35%	96.00%	92.00%
Value of drawbacks delivered	\$467.6 million	\$579.9 million	\$533.2 million
Number of drawback claims lodged	1,755	1,927	2,191
Percentage of refunds that within service standard	98.50%	98.53%	98.40%
Value of paid refunds delivered	\$255.8 million	\$238.4 million	\$231.3 million
Number of refunds processed	96,164	103,442	103,348

Data Sources:

- Departmental databases
- Departmental financial management system datasets

Activity 3.2

Summary of performance

During 2022–23, the ABF sustained focus on national preservation and protection, engaging the full range of government and industry stakeholders to best identify and prevent border-related criminal activities, including the illegitimate movements of people and goods. We are committed to the detection of unauthorised maritime ventures to Australia, ensuring that any attempts are intercepted.

This included:

- supporting the activities of the Joint Agency Task Force Operation Sovereign Borders (JATF OSB) in a period of sustained heightened operational tempo. In 2022–23, JATF OSB identified, intercepted and detained four maritime people smuggling vessels under the *Maritime Powers Act 2013*. All 113 persons on-board these ventures were safely returned to their country of departure, consistent with domestic and international law
- working closely with federal and state partner agencies through Operation ATHENA to disrupt criminal seeking to obtain illegal firearms and firearm parts, effective intelligence and coordinated actions resulted in 103 search warrants executed, 477 safe-storage inspections, the seizure of 523 firearms and 224 firearm parts, and 86 arrests
- protecting the community from the importation of illicit drugs, including the identification of bulk cargo carrier, ST Pinot, as a vessel of interest in relation to an attempted narcotics importation and resultant search of this vessel that located more than 800kg of cocaine, with an estimated street value of \$320 million
- commencing Operation RADIOFORM to support the whole-of-government response to the evacuation of Australian citizens, permanent residents and approved foreign nationals from Sudan following an armed conflict between rival factions of the military government. The operation supported two evacuation flights and the facilitation of 153 evacuees from Port Sudan, of which 57 were Australians and Australian visa holders and 96 third-country nationals

- representing Australia's counter proliferation efforts at the Proliferation Security Initiative Exercise Eastern Endeavour 2023, hosted by the Republic of Korea. This involved a contribution to a port exercise around the maritime interdiction of a vessel suspected of containing a weapon of mass destruction and providing academic as well as technical sessions on global best practices to counter proliferation and a table top exercise on approaches to maritime interdiction and vessel search
- identifying and responding to risk offshore through the Airline Liaison Officer (ALO) Program and Border Operations Centre (BOC) pre-border programs. ALOs are located at key offshore international airports to identify anyone that may cause harm to the Australian community, while the BOC contributes to managing the risk of criminal exploitation through a 24/7 capability, assisting airlines and cruise check-in agents to establish authority to enter Australia. Through both programs, the ABF achieved 1,083 interdictions⁴³ in 2022–23 and a further 331 onshore referrals, 148 operations tasks, and 473 significant offloads.

43. An interdiction refers to offshore international travellers being refused boarding an aircraft bound for Australia on the recommendation of an ALO, when there is suspected intentional misrepresentation, malpractice or fraud involving a travel document or visa.

Detections

Figure 4: Detections

		2022–23	2021–22
Major illicit drugs	Total detections	28,033	27,394
	By weight	16,408.99kg	11,255.9kg⁴⁴
			
Undeclared firearms, parts and accessories	Total detections	840	979⁴⁵
			
Undeclared tobacco	Total detections	120,419	150,782
	By weight	2,111.49t	1,678.51t
			
Objectionable material	Total detections	131	202
	Child-like sex dolls	29	88
	Related to child exploitation and abuse	16	13
	Other	86	101
			

44. Due to retrospective data entries and systems corrections, figures may differ from those previously reported.

45. Due to retrospective data entries and systems corrections, figures may differ from those previously reported.

Heroin interception

In March 2023, Australian authorities seized the second largest heroin shipment ever detected in Australia, intercepting 336kg of heroin, worth \$268.8 million, inside a shipment sent from Malaysia at a Brisbane container examination facility.

ABF officers detected the illicit drugs inside two large concrete blocks inside a sea freight container; the shipment was addressed to an industrial lot in Brendale and marked as solar panel accessories. AFP investigators and ABF officers drilled into the blocks and removed 960 packages, each containing about 350g of heroin. After the heroin removal, authorities performed a controlled delivery to the intended recipient; a Sydney-based man was arrested after he collected the consignment and attempted to access its contents with industrial tools in Mount Druitt.

Operations such as this are a testament to the ongoing efforts of the ABF and AFP to protect the Australian community from illicit substances and the criminals who profit from them.

International cooperation to support offshore disruption efforts

Building longstanding operational cooperation between the ABF and Thai Customs to collaboratively disrupt the movement of illicit goods across borders, Operation RED TAG commenced in 2015 to identify prescribed medications and illicit tobacco being exported by mail from Thailand to Australia.

The operation's success was enhanced more recently with Project JUNONET, a Home Affairs-led intelligence project to discover and target high-threat international mail parcels prior to arrival in Australia; using electronic advanced data from Australia Post to, Project JUNONET is the Department's first advance-arrival targeting of high-threat international mail parcels using data.

Using intelligence analysis to identify high threat mail parcels, ABF officers posted to Bangkok support Thai Customs officers at Survanabhumi Air Mail Gateway to identify and interdict border-controlled substances, with significant offshore disruption outcomes for Australia and Thailand. In 2022–23, Project JUNONET referrals led to Thai Customs officers interdicting 34.5kg of border-controlled substances, with a total value of \$32.1 million, preventing harm to the Australian community. Intelligence gathered from such interdictions is fed back through the ABF, the Department and Thai Customs intelligence analysis areas to strengthen the targeting of high risk mail parcels.

Operation TIN CAN

Operation TIN CAN, a global initiative led by the World Customs Organization (WCO), focused on posturing the international customs community towards a more cohesive response to the growing threat of criminal infiltration of international cargo supply chains.

Carried out in multi-WCO member-country regions, with a focus on contraband coming out of South America, Operation TIN CAN enhanced cooperation with shipping lines, and for the first time combined the efforts of customs services and the commercial shipping industry to tackle the threat of contamination of legitimate containerised cargo and the involvement of ‘trusted insiders’ in cocaine smuggling.

In direct support of the operation and reflecting ABF’s commitment to supporting the WCO’s efforts, officers were deployed offshore to work with counterparts to disrupt criminal enterprises at their source. This four-week operational phase of Operation TIN CAN focused on maritime cargo routes, resulted in over 90 tonnes of cocaine being successfully detected and seized globally, plus the arrest of 45 people, a significant portion of whom were confirmed as ‘trusted insiders’ within international supply chains.

Such international and industry cooperation, including through the use of cutting-edge technology to prevent, deter, detect and disrupt efforts to circumvent border controls, is critical to eradicating the threat of criminal exploitation of global supply chains.

Operation TIN CAN’s success will be built on by a recently agreed WCO-led and ABF supported global Supply Chain Integrity Project. This will deliver a global supply chain integrity capacity building project in partnership with existing WCO tools and instruments to embed an integrated approach among WCO’s 185 member countries to harden cargo supply chains to criminal infiltration and exploitation.

Performance Information

PURPOSE 3: Border and Customs Operations Advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective customs, immigration, maritime and enforcement activities across the border continuum.	
ACTIVITY 3.2: Border Security, Maritime Surveillance and Immigration Detention	
MEASURE 3.2.1: Effective border security, maritime surveillance activities, and management of the Immigration Detention Network. (Department of Home PBS Program 3.4, Department of Home Affairs PBS Program 3.5)	NOT MET ⁴⁶ 66.13 per cent

TARGET 39		
Aligned to 2022–23 PBS Target 100 per cent of identified disruptive or non-compliant activities occurring in the Australian Maritime Domain (AMD) that required a law enforcement response are subject to enforcement activities to combat and deter the civil maritime security threat.		
Rating	Performance against target	Justification for result⁴⁷
Unable to be determined	Activities undertaken throughout 2022–23 included: <ul style="list-style-type: none">• ABF, in support of Operation Sovereign Borders, identified, intercepted and detained four maritime people smuggling vessels under the <i>Maritime Powers Act 2013</i>. No maritime people smuggling vessels reached Australia without intervention• zero border controlled drug related vessel interdictions• retrieval of 17 fish aggregating devices and one ghost net – when unregulated, these may become navigational hazards and cause damage to Australia's maritime ecosystems• 119 legislative forfeitures conducted by ABF assets involving illegal foreign fishing vessels (FFV), resulting in equipment and catch being confiscated or disposed of at sea• 18 unseaworthy vessels disposed of at sea• apprehension of 36 illegal foreign fishing fishers in six separate events• ABF aircraft assisted in 13 search and rescue events in 2022–23.	This target was unable to be determined, as the total number of identified vessels was not available. The ABF actively managed asset disposition to ensure high-risk corridors were covered, with ABF and the Australian Defence Force's (ADF) assets remaining postured to counter predicted risks and respond to civil maritime security (CMS) threats. However, not all identified disruptive or non-compliant activities were subject to enforcement activities in 2022–23.

46. Target 39 was not included in the calculation for overall measure performance, as a result was 'unable to be determined'.

47. Given the expanse of the AMD, asset availability and asset diversions in support of the heightened people smuggling threat, the total number of identified vessels was not available during 2022–23.

Supporting Performance Information

During 2022–23, the ABF conducted CMS operations, though these operations were limited by air and maritime fleet asset availability. Surface asset defects across the ABF and ADF and extended maintenance periods of assets have challenged work in priority areas. As a result, additional assets from the ADF were used from March to June 2023.

Air surveillance coverage risk is presently being mitigated through the employment of ADF assets and the targeted employment of ABF Dash-8 aircraft in high-risk threat corridors. Operational impacts included Dash-8 fleet platform upgrades, crew shortfalls and contractual issues with flying in the Indian Ocean Territories. ABF has also maintained a presence in the Torres Strait throughout 2022–23 via rotary and fixed wing surveillance flights. In using both ABF and ADF assets, the ABF actively managed asset disposition to ensure high-risk corridors were covered.

Increased illegal FFV activity saw ABF assets involved in search and rescue incidents in Australia's northern waters. Assets assisted in the safe rescue of 24 Indonesian fishermen, three Papua New Guinean nationals and six foreign yachtsmen. ABF continues to work with domestic partners in preventing and responding to illegal fishers targeting Australia.

Additionally, during 2022–23, ABF conducted multiple engagements with partner agencies, ranging from high-level meetings to operational activities. Operation GANNET is an annual co-ordinated international maritime security operation in collaboration with three agencies – ABF, the Directorate General of Surveillance for Marine and Fisheries Resources, and the Australian Fisheries Management Authority was conducted in May 2023, with the aim of enhancing cooperation and collaboration between agencies in the maritime domain. During the operation, the ABF conducted nine aerial surveillance missions using Leidos Dash-8 aircraft and two ABF maritime assets in support.

In 2022–23, the Regional Force Surveillance Group completed three deployments (two off the north-west Western Australia coast and another in the Queensland's Western Cape York Region) for a period of 48 days; this concluded the year with a total of eight deployments at 128 days. These deployments provided littoral surveillance and reconnaissance activity in remote regions of northern Australia and supported national sovereignty and border security.

Trend Data	2022–23	2021–22	2020–21
Border Controlled Drug (BCD) related vessel interdictions	0	0	2
Fish Aggregating Devices (FADs) retrieved	17	32	20
Ghost nets retrieved	1	9	9
'Educate and disembark' activities	39	74	104
Legislative forfeitures conducted by ABF assigned assets involving illegal Foreign Fishing Vessels (FFV)	119	319	170
Unseaworthy vessels disposed of at sea	18	44	12
Illegal foreign fishing fishers apprehended	3	0	0

Data Sources:

- Departmental databases and systems
- Australian Fisheries Management Authority reporting
- Parks Australia reporting

TARGET 40

Maritime patrol days and aerial surveillance hours are maintained or increased.

Rating	Performance against target	Justification for result
Not met	<p>As at 30 June 2023, the ABF achieved 2,182 patrol days, representing a 6.63 per cent decrease from 2,337 in 2021–22.</p> <p>As at 30 June 2023, 12,691 flying hours were completed, representing a 14.24 per cent (2,107) decrease in flying hours compared to 14,798 in 2021–22.</p>	This target was not met, as both maritime patrol days and aerial surveillance hours completed were not maintained or increased compared to the previous financial year.

Supporting Performance Information

Maritime patrol days and aerial surveillance hours directly contribute to national and maritime security outcomes delivered by the ABF. The ABF distributes available surveillance and response assets to conduct intelligence-led and risk-based operations to deter, identify and respond to CMS threats in its area of responsibility.

The ABF has been limited in its ability to address all CMS threats due to vessel serviceability and crewing issues, with asset maintenance and availability across both air and maritime fleets remaining an issue influencing full operational capability through 2022–23. During 2022–23, the Department of Defence provided additional response assets, which mitigated the reduced ABF asset availability.

Maritime patrol days

The reduction in patrol days was attributed to workforce impacts and vessel maintenance. Vessel issues relating to roll fins, corrosion and stern tube led to delays in the completion of maintenance periods.

The target for 2022–23 was 2,400 patrol days, and the ABF worked closely with service providers to ensure the impacts on patrol days was minimised. As at 30 June 2023, the days completed for each class of vessel were:

- Bay Class: 242
- Cape Class (8): 1,373
- Thayak: 278
- Ocean Shield: 289.

Surveillance flying hours

Aerial surveillance hours dropped by 14.24 per cent over the previous year. This was influenced by under-resourced air crews and difficulties operating in remote offshore areas, resulting in increased aircraft maintenance requirements that, in turn, affected aircrew availability. ABF has engaged the service providers to formulate remediation plans to improve air crew recruitment and retention and address the current decline in aerial surveillance hours.

Trend Data	2022–23	2021–22	2020–21
Marine unit patrol days	2,182	2,337	2,485
Marine unit patrol days ⁴⁸ excluding ABF's Ocean Shield and Thayak	1,615	1,908	1,908
Aerial surveillance flying hours completed	12,691	14,798	16,010
Data Sources:			
<ul style="list-style-type: none"> • Contractor reporting • Departmental databases 			

48. Includes all vessels.

TARGET 41

Aligned to 2022–23 PBS Target

The number of critical incidents in immigration detention facilities is comparable or decreases.

Rating	Performance against target	Justification for result
Not met	<p>As at 30 June 2023, there were 73.6 critical incidents per 1,000 detainees,⁴⁹ compared to 46.8 per 1,000 detainees during 2021–22.</p> <p>The actual number of critical incidents during 2022–23 was 88 compared to 69 in 2021–22.</p>	<p>This target was not met, as the actual number of critical incidents per 1,000 detainees during 2022–23 rose by 57.26 per cent compared to 2021–22.</p> <p>This target increased due to a rise in critical incident reports associated with serious public health incidents (COVID-19 related).</p>

Supporting Performance Information

Incidents

The below table highlights the total number of critical incidents reports associated with held detention, and the number per 1,000 detainees based on the average number of people in held detention.

Category	2022–23	
	Total	Per 1,000 detainees
Sexual assault	40	33.4
Escape	2	1.7
Deaths	2	1.7
Serious public health	44	36.80
Child exploitation	0	0
Child neglect	0	0
Child – physical abuse	0	0
Child – sexual abuse	0	0
Detainee <18 taken without consent	0	0
Hostage	0	0
Industrial action – no labour	0	0
Riot	0	0
Total number of all critical incidents	88	73.60

Deaths

In 2022–23, two deaths had occurred and relevant Australian Government and state and territory authorities were promptly notified. This included jurisdictional emergency services, police, coroner, Comcare, and Office of the Commonwealth Ombudsman. The Department, ABF and service providers fully cooperated with Comcare, coronial investigations and inquiries, and will carefully consider any recommendations that arise.

Serious public health: increase of 17 incident reports

While 44 public health-risk incident reports were recorded in this reporting period, reports can relate to a risk affecting an individual detainee or an outbreak affecting multiple detainees. Reporting methodologies associated with COVID-19 outbreaks (specifically, the thresholds for an outbreak) have also changed over time, therefore statistics are not indicative of total cases or an underlying trend. The ABF continues to work closely with key stakeholders, including Medical Officers of the Commonwealth, jurisdictional public health units and detention service providers to mitigate and limit the risk of COVID-19 transmission and outbreaks within Immigration Detention Facilities. The ABF continues to monitor COVID-19 cases in the Immigration Detention Network (IDN) via the detention health service provider.

49. Critical incidents are defined in the ABF Incident Reporting Guideline, which also acts as the contractual categories to which service providers adhere. The 2021–22 Annual Report, included incident categories which did not meet the definition of a critical incident, resulting in a different data set being reported. To maintain consistency and enable comparison in future years, this data only includes incidents that meet the ABF Incident Reporting Guideline definition.

Sexual assaults: increase of five incidents

Sexual assaults within the IDN are categorised as Category 3 – Critical incidents can include physical assaults, harassment, unwanted sexual advances, obscene remarks, indecent exposure, and/or sexual gestures.

Of the 40 incidents, 29 were reported as allegations of sexual assault, two as allegations of sexual harm threats, seven as allegations of unwanted sexual remarks and two as allegations of indecent exposure. The ABF is aware of police being contacted or a Referral to Police form being completed for 18 incidents.

Police referrals may be initiated through a number of avenues, through ABF/departmental staff, service providers, and self-referral or through advocates and oversight bodies. Not all referrals meet police criteria for investigation and not all alleged victims consent to police referral. The ABF and service providers encourage detainees to report allegations of assault, including sexual assault, and cooperate with law-enforcement investigations.

Escapes: increase of one incident

The two escape incidents in this period relate to separate incidents – one involved an escape from a detention facility and one involved temporary loss of custody by a facilities service provider during an offsite visit. On each occasion, the detainee was retrieved within a short time period. The ABF continues to mitigate escapes through continual review of operational practice and enhancements to infrastructure.

Current cohort in the IDN

The high-risk nature of the detainee cohort – 90.22 per cent have a criminal background – remained largely unchanged during this period. Managing such a high-risk cohort within current infrastructure, which limits the ability to segregate diverse and vulnerable cohorts, puts pressure on operating capacity and can contribute to incidents. The Department, ABF and detention service providers continue to work with external stakeholders, including law-enforcement authorities, on strategies to address specific risks, particularly in relation to contraband infiltration. The ABF works closely with departmental colleagues to enhance legislative settings.

2022–23 (as at 30 June 2023) ⁵⁰	Air arrivals –non Immigr cleared	Unauthorized maritime arrivals	Over-stayers	s501 visa cancellation	Visa cancellation – other	Illegal foreign fishers	Seaport arrival	Total
Adelaide ITA	0	3	0	15	2	0	0	20
Brisbane ITA	1	12	6	100	7	0	0	126
Melbourne ITA	11	29	21	110	28	0	0	199
NWP IDC Immigration Facility	0	3	4	34	1	0	0	42
Northern APOD	2	0	0	1	0	0	0	3
Perth IDC	0	2	3	14	3	0	0	22
Villawood IDC	14	53	67	289	34	0	0	457
Yongah Hill IDC	0	47	20	153	25	0	0	245
Total	28	149	121	716	100	0	0	1,114

50. The Northern APOD is not reflected in the above table as no detainees were in the facility as at 30 June 2023.

Trend Data	2022–23	2021–22	2020–21
Total number of significant incidents in detention ⁵¹	88 (73.60 per 1,000 detainees) ⁵²	559 (378.90)	259 (171.10)
Major disturbances	n/a ⁵³	46 (31.18)	22 (14.50)
Sexual assault	40 (33.40)	35 (23.70)	34 (22.50)
Escapes	2 (1.70)	1 (0.68)	4 (2.60)
Deaths	2 (1.70)	5 (3.39)	4 (2.60)
Actual self-harm	n/a ⁵⁴	173 (117.26)	195 (128.80)
Serious public health risk	44 (36.80)	301 ⁵⁵ (204.03)	0 (0)
Persons held in immigration detention	1,114	1,398	1,492
With a criminal history	1,005	1,268	1,250
Data Sources:			
• Contractor reporting			
• Departmental databases			

-
51. All figures in this table are expressed as [number of incidents] ([number per 1000 detainees])
 52. Critical incidents are defined in the ABF Incident Reporting Guideline, which also acts as the contractual categories to which service providers adhere. The 2021–22 Annual Report, included incident categories which did not meet the definition of a critical incident, resulting in a different data set being reported. To maintain consistency and enable comparison in future years, 2022–23 data only includes incidents that meet the ABF Incident Reporting Guideline definition.
 53. A 'Major Disturbances' is not defined as a 'critical incident' and will not be reported from 2022–23 onwards.
 54. 'Actual self-harm' is not defined as a 'critical incident' and will not be reported from 2022–23 onwards.
 55. This reflects the total number of confirmed detainee communicable disease cases (301) which were all COVID-19 related, not the total number of outbreaks. There were 27 reported serious public health risk outbreaks / incidents within the network affecting detainees for the reporting period.

PART 3: REPORT ON FINANCIAL PERFORMANCE

REPORT ON FINANCIAL PERFORMANCE

The Department of Home Affairs' complete financial results for 2022–23 are available in the financial statements that form Part 4 of this Annual Report.

Departmental operating result

The 2022–23 financial statements report a \$480.6 million operating deficit compared with the \$329.0 million operating deficit in 2021–22. The Australian Government has not funded depreciation and amortisation expenses since 2010–11, and introduced new net cash reporting arrangements in 2019–20 to reflect lease accounting arrangements under AASB 16 Leases. In 2022–23, the Department incurred \$578.6 million in depreciation and amortisation expenses (including for right-of-use leased assets) and \$207.2 million in principal repayments for leased assets. After adjusting for these items, the 2022–23 operating result is a deficit of \$109.2 million. This deficit was within the approved operating loss of \$120 million for 2022–23 reflected in the 2023–24 Portfolio Budget Statements.

Administered program performance

The Department's 2022–23 administered expenses were \$1.9 billion, compared to \$2.4 billion in 2021–22. The reduction is due to a combination of lower detention costs, transfer of grant programs to the Attorney-General's Department and National Emergency Management Agency through machinery-of-government changes and lower impairment allowances for receivables.

Net assets

Overall, the Department's 2022–23 net asset position of \$0.9 billion (assets minus liabilities) is \$0.3 billion lower than the net asset position of \$1.2 billion in 2021–22.

The reduction in the net asset position is mainly due to:

- a reduction in appropriations receivable as a result of the transfer of funding through machinery-of-government changes, capital expenditure and the operating loss reported for the financial year; and
- a net reduction in vessel, plant and equipment and software assets as a result of the movement in accumulated depreciation and amortisation for the year.

All outcomes—summary expense and capital expenditure 2022–23

Table 6: Summary expense and capital expenditure 2022–23

	Budget 2022–23 ⁵⁶ \$'000	Actual expenses 2022–23 \$'000
Administered		
Expenses funded through revenue appropriations⁵⁶		
Outcome 1: Protect Australia from national security and criminal threats through effective national coordination, policy and strategy development, emergency management, and regional cooperation.	122,606	99,943
Outcome 2: Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs.	1,162,823	1,033,324
Outcome 3: Advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective customs, immigration, maritime and enforcement activities across the border continuum.	886,891	699,245
Total administered expenses funded through revenue appropriations	2,172,320	1,832,512
Total administered capital expenditure	61,379	34,093
Departmental		
Expenses funded through revenue appropriations⁵⁷		
Outcome 1: Protect Australia from national security and criminal threats through effective national coordination, policy and strategy development, emergency management, and regional cooperation.	295,728	296,232
Outcome 2: Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs.	1,063,868	1,064,033
Outcome 3: Advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective customs, immigration, maritime and enforcement activities across the border continuum.	1,903,719	1,918,873
Total departmental expenses funded through revenue appropriations	3,263,315	3,279,138
Total departmental capital expenditure	291,267	274,540

⁵⁶ Budget relates to the estimated actuals reported in the *Portfolio Budget Statements (PBS) 2023–24* which incorporates the measures provided in the *Portfolio Additional Estimates Statements (PAES) 2022–23*.

⁵⁷ Departmental and administered appropriations combines ordinary annual services (*Appropriation Acts No.1 and No. 3*), special appropriations, special accounts and retained revenue receipts under s74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Expenses funded through revenue appropriations exclude depreciation and amortisation, write-down and impairment of assets, gifting of public property to Nauru, concessional loan discount, unwinding of discount on other provisions and resources free of charge.

PART 4: FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT	98
STATEMENT BY THE SECRETARY AND CHIEF FINANCE OFFICER	101
FINANCIAL STATEMENTS	102
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	113

INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

To the Minister for Home Affairs

Opinion

In my opinion, the financial statements of the Department of Home Affairs (the Entity) for the year ended 30 June 2023:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2023 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2023 and for the year then ended:

- Statement by the Secretary and the Chief Finance Officer;
- Statement of comprehensive income;
- Statement of financial position;
- Statement of changes in equity;
- Cash flow statement;
- Administered schedule of comprehensive income;
- Administered schedule of assets and liabilities;
- Administered reconciliation schedule;
- Administered cash flow statement; and
- Notes to and forming part of the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, Forrest ACT 2603
Phone (02) 6203 7300

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How the audit addressed the matter
Accuracy of customs duty <i>Refer to Note 2.1A 'Taxation revenue'</i> The Entity recognises revenue for customs duty arising on imported goods. The calculation of duty payable is dependent upon information provided by importers. Due to the self-assessment nature of customs duty collections the Entity has developed risk-based profiles to conduct targeted compliance activities. I focused on this area given: <ul style="list-style-type: none">• the significant value of customs duty revenue and the geographically dispersed revenue collection points;• the importance that targeted compliance activities play in the accuracy of customs duty declarations; and• the complexity of the information technology (IT) environment and processes, and inputs used to manage and calculate customs duty. For the year ended 30 June 2023, \$17.077 billion of customs duty revenue was recognised.	To audit the accuracy of customs duty, I performed the following procedures: <ul style="list-style-type: none">• evaluated key customs duty revenue IT systems and tested the design, implementation and operating effectiveness of relevant application and manual controls including controls used to identify risk, system calculations and reconciliations;• evaluated the appropriateness of tariff rates to relevant legislation and exchange rates being applied by testing a sample of transactions to supporting documentation;• performed a recalculation of customs duty revenue and evaluated a sample of individual import declarations against tariff rates, supporting calculations, exchange rates and supporting documentation;• tested a sample of refunds of customs duty and imports subject to manual intervention; and• evaluated key compliance activities and tested the design, implementation and operating effectiveness of selected compliance-based controls.
Key audit matter Accuracy of visa application charges <i>Refer to Note 2.1A 'Taxation revenue'</i> The Entity recognises revenue for visa applications. I focused on this area given: <ul style="list-style-type: none">• the significant value of visa application charges; and• the complexity of the IT environment used to collect and process visa application charges. For the year ended 30 June 2023, \$3.155 billion visa application charges revenue was recognised.	To audit the accuracy of visa application charges performed the following procedures: <ul style="list-style-type: none">• evaluated the design, implementation and operating effectiveness of the IT application controls relevant to the accuracy of visa revenue;• reperformed the reconciliation process between revenue systems and financial reporting systems;• assessed the accuracy of visa pricing applied within business systems to published schedules; and• tested visa applications and receipts. This testing included recalculation of total visa application charge revenue using legislated pricing schedules and verified application volume data.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Secretary is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Secretary is also responsible for such internal control as the Secretary determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Secretary is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Accountable Authority, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Australian National Audit Office



Rona Mellor PSM
Deputy Auditor-General
Delegate of the Auditor-General

Canberra
12 September 2023

STATEMENT BY THE SECRETARY AND CHIEF FINANCE OFFICER

Department of Home Affairs Statement by the Secretary and the Chief Finance Officer

In our opinion, the attached financial statements for the year ended 30 June 2023 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Department of Home Affairs will be able to pay its debts as and when they fall due.

Signed.....

Michael Pezzullo AO
Secretary

12 September 2023

Signed.....

Stephanie Cargill
Chief Finance Officer

12 September 2023

FINANCIAL STATEMENTS

Department of Home Affairs
Statement of comprehensive income
For the period ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
<u>Net cost of services</u>				
Expenses				
Employee benefits	6.1A	1,656,710	1,458,974	1,574,620
Suppliers	1.1A	1,376,704	1,232,354	1,169,859
Depreciation and amortisation ^a	3.2A	578,565	595,121	591,449
Impairment loss on trade and other receivables		5,169	6,348	-
Write-down and impairment of non-financial assets	1.1B	5,707	8,843	-
Finance costs	1.1C	40,748	32,931	37,033
Other expenses	1.1D	2,103	2,799	17,068
Total expenses		3,665,706	3,337,370	3,390,029
Own-source income and gains				
Own-source revenue				
Revenue from contracts with customers	1.2A	285,165	208,013	198,457
Rental income	1.2B	3,126	4,671	3,978
Other revenue	1.2D	3,275	3,114	7,662
Total own-source revenue		291,566	215,798	210,097
Gains	1.2E	9,364	21,385	-
Total gains		9,364	21,385	-
Total own-source income		300,930	237,183	210,097
Net cost of services				
Revenue from Government		(3,364,776)	(3,100,187)	(3,179,932)
Deficit attributable to the Australian Government		2,884,197	2,771,190	2,794,182
		(480,579)	(328,997)	(385,750)
Other comprehensive income				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		51,905	29,864	-
Total other comprehensive income		51,905	29,864	-
Total comprehensive loss		(428,674)	(299,133)	(385,750)

The above statement should be read in conjunction with the accompanying notes.

Refer to Note 8.3 for explanations of major budget variances.

a. Right-of-use assets are included in depreciation and amortisation.

Department of Home Affairs
Statement of financial position
As at 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
Assets				
Financial assets				
Cash and cash equivalents	3.1A	6,364	5,127	6,412
Trade and other receivables	3.1B	486,330	721,108	614,311
Other financial assets		1,038	971	971
Total financial assets		493,732	727,206	621,694
Non-financial assets ^a				
Land	3.2A	25,099	20,152	19,958
Buildings	3.2A	1,987,372	2,109,213	1,966,731
Leasehold improvements	3.2A	370,981	349,724	326,099
Vessels	3.2A	256,197	276,934	264,429
Plant and equipment	3.2A	555,963	597,157	570,191
Computer software	3.2A	419,923	456,347	463,763
Inventories held for distribution		19,499	20,199	20,199
Prepayments		59,712	73,257	73,257
Total non-financial assets		3,694,746	3,902,983	3,704,627
Total assets		4,188,478	4,630,189	4,326,321
Liabilities				
Payables				
Suppliers	3.3A	223,558	234,715	234,715
Other payables	3.3B	68,443	69,644	69,644
Total payables		292,001	304,359	304,359
Interest bearing liabilities				
Leases	3.4A	2,483,491	2,611,694	2,493,671
Total interest bearing liabilities		2,483,491	2,611,694	2,493,671
Provisions				
Employee provisions	6.1B	478,180	472,469	472,469
Other provisions	3.5A	54,104	62,007	62,007
Total provisions		532,284	534,476	534,476
Total liabilities		3,307,776	3,450,529	3,332,506
Net assets		880,702	1,179,660	993,815
Equity				
Contributed equity		4,026,935	3,897,219	4,097,125
Asset revaluation reserve		449,668	397,763	397,763
Accumulated deficit		(3,595,901)	(3,115,322)	(3,501,073)
Total equity		880,702	1,179,660	993,815

The above statement should be read in conjunction with the accompanying notes.

Refer to Note 8.3 for explanations of major budget variances.

a. Right-of-use assets are included in land, buildings and plant and equipment.

Department of Home Affairs
Statement of changes in equity
For the period ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
Contributed equity				
Opening balance				
Balance carried forward from previous period		3,897,219	3,595,651	3,897,219
Transactions with owners				
Contributions by owners				
Equity injection – appropriations		41,092	151,596	55,243
Departmental capital budget		144,663	150,420	144,663
Restructuring	8.2A	(56,039)	(448)	-
Total transactions with owners		129,716	301,568	199,906
Closing balance as at 30 June		4,026,935	3,897,219	4,097,125
Asset revaluation reserve				
Opening balance				
Balance carried forward from previous period		397,763	367,899	397,763
Comprehensive income				
Other comprehensive income				
Changes in asset revaluation surplus				
Non-financial assets		51,896	30,042	-
Provision for restoration		9	(178)	-
Total comprehensive income		51,905	29,864	-
Closing balance as at 30 June		449,668	397,763	397,763

Department of Home Affairs
Statement of changes in equity
For the period ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
<u>Accumulated deficit</u>				
Opening balance				
Balance carried forward from previous period		(3,115,322)	(2,786,325)	(3,115,323)
Comprehensive income				
Deficit for the period		(480,579)	(328,997)	(385,750)
Total comprehensive income		<u>(480,579)</u>	<u>(328,997)</u>	<u>(385,750)</u>
Closing balance as at 30 June		<u>(3,595,901)</u>	<u>(3,115,322)</u>	<u>(3,501,073)</u>
Total equity		<u>880,702</u>	<u>1,179,660</u>	<u>993,815</u>

The above statement should be read in conjunction with the accompanying notes.

Refer to Note 8.3 for explanations of major budget variances.

Department of Home Affairs
Cash flow statement
For the period ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
<u>Operating activities</u>				
Cash received				
Appropriations		3,402,470	3,157,134	3,109,804
Goods and services		179,213	196,500	134,914
Net GST ^a received		151,737	131,163	156,830
Other		75,604	59,604	73,911
Total cash received		3,809,024	3,544,401	3,475,459
Cash used				
Employees		1,632,471	1,503,521	1,590,797
Suppliers		1,494,543	1,375,865	1,309,240
Section 74 receipts transferred to OPA ^b		432,782	407,345	208,825
Interest payments on lease liabilities		39,598	30,646	37,033
Other		1,128	1,810	17,068
Total cash used		3,600,522	3,319,187	3,162,963
Net cash from operating activities		208,502	225,214	312,496
<u>Investing activities</u>				
Cash received				
Proceeds from sale of property, plant and equipment		172	1,913	-
Total cash received		172	1,913	-
Cash used				
Purchase of property, plant and equipment		289,656	239,647	305,418
Total cash used		289,656	239,647	305,418
Net cash used by investing activities		(289,484)	(237,734)	(305,418)

- a. Goods and Services Tax (GST)
- b. Official Public Account (OPA)

Department of Home Affairs
Cash flow statement
For the period ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
<u>Financing activities</u>				
Cash received				
Contributed equity		289,394	257,582	199,906
Total cash received		289,394	257,582	199,906
Cash used				
Principal payments of lease liabilities		207,175	244,901	205,699
Total cash used		207,175	244,901	205,699
Net cash from financing activities		82,219	12,681	(5,793)
Net increase in cash held				
Cash and cash equivalents at the beginning of the reporting period		1,237	161	1,285
Cash and cash equivalents at the end of the reporting period	3.1A	5,127	4,966	5,127
		6,364	5,127	6,412

The above statement should be read in conjunction with the accompanying notes.

Refer to Note 8.3 for explanations of major budget variances.

Department of Home Affairs
Administered schedule of comprehensive income
For the period ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
Net cost of services				
Income				
Revenue				
Taxation revenue				
Customs duty	2.1A	17,077,540	16,943,645	16,819,450
Visa Application Charges	2.1A	3,155,729	1,981,971	2,564,878
Import Processing Charges	2.1A	450,433	453,770	460,000
Passenger Movement Charges	2.1A	829,020	180,542	878,941
Total taxation revenue		21,512,722	19,559,928	20,723,269
Non-taxation revenue				
Revenue from contracts with customers	2.1B	98,650	90,690	97,467
Other revenue	2.1C	12,328	38,528	45,825
Total non-taxation revenue		110,978	129,218	143,292
Total revenue		21,623,700	19,689,146	20,866,561
Gains	2.1D	10,791	10,919	-
Total gains		10,791	10,919	-
Total income		21,634,491	19,700,065	20,866,561
Expenses				
Suppliers	2.2A	1,608,097	1,730,371	1,935,688
Personal benefits	2.2B	81,598	90,677	101,196
Gifting, grants and contributions	2.2C	136,935	225,636	121,434
Depreciation and amortisation	4.2A	98,216	94,326	109,984
Written down and impairment of financial assets		10,762	227,825	8,188
Written down and impairment of non-financial assets	2.2D	79	1,962	-
Interest on lease liabilities		117	57	-
Other expenses	2.2E	1,321	296	2,627
Total expenses		1,937,125	2,371,150	2,279,117
Net contribution by services		19,697,366	17,328,915	18,587,444
Surplus		19,697,366	17,328,915	18,587,444
Other comprehensive income				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		29,306	55,984	-
Total other comprehensive income		29,306	55,984	-
Total comprehensive income		19,726,672	17,384,899	18,587,444

The above schedule should be read in conjunction with the accompanying notes.
Refer to Note 8.3 for explanations of major budget variances.

Department of Home Affairs
Administered schedule of assets and liabilities
As at 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
Assets				
Financial assets				
Cash and cash equivalents	4.1A	149,656	108,993	107,465
Taxation receivables	4.1B	425,354	344,240	394,240
Trade and other receivables	4.1C	26,849	37,053	37,055
Total financial assets		601,859	490,286	538,760
Non-financial assets ^a				
Land	4.2A	99,390	90,970	90,970
Buildings	4.2A	470,636	501,034	469,491
Leasehold improvements	4.2A	77,483	80,018	74,980
Plant and equipment	4.2A	181,837	186,491	173,849
Computer software	4.2A	37	272	88
Prepayments		3,486	20,999	20,998
Total non-financial assets		832,869	879,784	830,376
Assets held for sale	4.2A	-	4,695	4,695
Total assets administered on behalf of Government		1,434,728	1,374,765	1,373,831
Liabilities				
Payables				
Suppliers		257,948	335,526	335,526
Personal benefits	4.3A	12,838	14,305	14,304
Grants and contributions		1,902	11,758	11,758
Unearned income		28,725	24,696	-
Other payables	4.3B	31,817	17,040	41,736
Total payables		333,230	403,325	403,324
Interest bearing liabilities				
Leases	4.4A	3,249	4,498	4,498
Total interest bearing liabilities		3,249	4,498	4,498
Provisions				
Bonds and security deposits	4.5A	9,991	11,068	11,068
Total liabilities administered on behalf of Government		346,470	418,891	418,890
Net assets		1,088,258	955,874	954,941

The above schedule should be read in conjunction with the accompanying notes.
Refer to Note 8.3 for explanations of major budget variances.

a. Right-of-use assets are included in buildings and plant and equipment.

Department of Home Affairs
Administered reconciliation schedule
For the period ended 30 June 2023

	2023	2022
Notes	\$'000	\$'000
Opening assets less liabilities as at 1 July	955,874	827,195
Net contribution by services		
Income	21,634,491	19,700,065
Expenses	(1,937,125)	(2,371,150)
Other comprehensive income		
Administered revaluations taken to reserves	29,306	55,984
Transfers (to)/from the Australian Government		
Appropriation transfers from the OPA		
Annual appropriation for administered expenses	1,995,756	2,160,672
Administered assets and liabilities appropriations	29,202	21,354
Special appropriations (unlimited)		
Payments to entities other than corporate Commonwealth entities	790,237	866,539
Appropriation transfers to the OPA		
Transfers to the OPA	(22,409,476)	(20,247,590)
Restructuring	8.2B	(4)
Closing assets less liabilities as at 30 June	1,088,258	955,874

The above schedule should be read in conjunction with the accompanying notes.

Accounting policy

Administered cash transfers to and from the OPA

Revenue collected by the Department for use by Government, rather than the Department, is classified as administered revenue. Collections are transferred to the OPA maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the Department on behalf of Government and reported as such in the administered reconciliation schedule and the administered cash flow statement.

Department of Home Affairs
Administered cash flow statement
For the period ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
<u>Operating activities</u>			
Cash received			
Customs duty		17,015,415	16,636,978
Visa Application Charges		3,147,525	1,978,671
Passenger Movement Charge		831,388	129,019
Import Processing Charges		450,396	453,717
GST received		105,496	112,056
Contracts with customers ^a		98,385	93,296
Special account		38,528	32,195
Bonds received		2,749	3,664
Security deposits		1,246	1,758
Other		6,814	6,512
Total cash received		21,697,942	19,447,866
Cash used			
Suppliers		1,766,787	1,891,533
Personal benefits		82,035	94,037
Grants and contributions paid		146,740	201,914
Tourist Refund Scheme		188,829	47,229
Refunds of GST (on imports), WET ^b and LCT ^c		26,602	22,769
Bonds paid		3,487	1,990
Security deposits		1,585	1,866
Interest payments on lease liabilities		117	57
Other		396	307
Total cash used		2,216,578	2,261,702
Net cash from operating activities		19,481,364	17,186,164
<u>Investing activities</u>			
Cash received			
Proceeds from sale of non-financial assets		2,200	-
Total cash received		2,200	-
Cash used			
Purchase of non-financial assets		23,232	24,777
Total cash used		23,232	24,777
Net cash from/(used by) investing activities		(21,032)	(24,777)
The above statement should be read in conjunction with the accompanying notes.			
a. Revenue from contracts with customers are disclosed in Note 2.1B			
b. Wine Equalisation Tax (WET)			
c. Luxury Car Tax (LCT)			

Department of Home Affairs
Administered cash flow statement
For the period ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
Financing activities			
Cash received			
Contributed equity		29,202	21,354
Total cash received		29,202	21,354
Cash used			
Principal payments on lease liabilities		5,792	2,787
Cash transferred due to restructuring		35,063	-
Total cash used		40,855	2,787
Net cash from/(used by) financing activities		(11,653)	18,567
Net increase in cash held		19,448,679	17,179,954
Cash and cash equivalents at the beginning of the reporting period		108,993	79,360
Cash from the Official Public Account			
Appropriations		2,785,993	3,027,211
Refunds of GST (on imports), WET ^a and LCT ^b		26,602	22,769
Tourist Refund Scheme		189,830	47,684
Total cash from the Official Public Account		3,002,425	3,097,664
Cash to the Official Public Account			
Administered receipts		22,409,440	20,247,530
Return of Tourist Refund Scheme drawings		1,001	455
Total cash to the Official Public Account		22,410,441	20,247,985
Cash on hand or on deposit at the end of the reporting period		148,183	106,034
Cash in special accounts at the end of the reporting period		1,473	2,959
Cash and cash equivalents at the end of the reporting period	4.1A	149,656	108,993
The above statement should be read in conjunction with the accompanying notes.			
a. Wine Equalisation Tax (WET)			
b. Luxury Car Tax (LCT)			

Department of Home Affairs

Notes to and forming part of the financial statements

Overview

Objectives of the Department

The Department's vision is to achieve a prosperous, secure and united Australia. The Department is responsible for centrally coordinated strategy and policy leadership in relation to domestic and national security arrangements, counter-terrorism, cyber security, social cohesion, the protection of our sovereignty and the integrity of our border, and the resilience of our national infrastructure. The Department also delivers services including strengthening the cohesiveness of Australian society through our migration program and advancing Australia's interest through the facilitation of passengers and trade of goods to and from Australia and the collection of border revenue. The Department manages and assists temporary and permanent migrants and those people participating in humanitarian and refugee programs, and confers citizenship.

Details of planned activities for the year can be found in the Department's October 2022-23 Portfolio Budget Statements which have been tabled in Parliament.

The continued existence of the Department in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for the Department's administration and programs.

The Department is structured to meet three outcomes.

Outcome	Activity
Outcome 1: Protect Australia from national security and criminal threats, and support national resilience, through effective national coordination, policy and strategy development, and regional cooperation.	Program 1.1: Transport Security (departmental and administered) Program 1.2: National Security and Resilience (departmental and administered) Program 1.3: Cyber Security (departmental and administered) Program 1.4: Counter Terrorism (departmental and administered) Program 1.5: Regional Cooperation (departmental and administered) Program 1.6: Emergency Management ^a (departmental and administered)
Outcome 2: Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs.	Program 2.1: Migration (departmental) Program 2.2: Visas (departmental and administered) Program 2.3: Refugee Humanitarian, Settlement and Migrant Services (departmental and administered) Program 2.4: UMA Offshore Management (departmental and administered) Program 2.5: Multicultural Affairs and Citizenship (departmental and administered)
Outcome 3: Advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective customs, immigration, maritime and enforcement activities across the border continuum.	Program 3.1: Trade Facilitation and Industry Engagement (departmental) Program 3.2: Border Management (departmental and administered) Program 3.3: Border Revenue Collection (departmental and administered) Program 3.4: Border Enforcement (departmental) Program 3.5: Onshore Compliance and Detention (departmental and administered)

a. Functions included in Program 1.6: Emergency Management transferred to the National Emergency Management Agency effective from 1 September 2022.

Department of Home Affairs

Notes to and forming part of the financial statements

Basis of preparation of the financial statements

These financial statements are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and have been prepared in accordance with:

- the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and
- Australian Accounting Standards and Interpretations – simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board that apply for the reporting period except leases which are reported under Tier 1 requirements.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities which have been reported at fair value. Except where stated, no allowance has been made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

The accounting policies described throughout the notes to the financial statements are applied consistently across all activities, whether departmental or administered. Disclosures about administered accounting policies include only items or treatments which are specific to administered activities.

New Accounting Standards

Adoption of New Australian Accounting Standard Requirements

Two amending standards (AASB 2021-2 and AASB 2021-6) were adopted earlier than the application date as stated in the standard. These amending standards have been adopted for the 2022-23 reporting period.

Standard/ Interpretation	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
AASB 2021-2 <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates (AASB 2021-2)</i> and	AASB 2021-2 amends AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2. The amending standard requires the disclosure of material, rather than significant, accounting policies, and clarifies what is considered a change in accounting policy compared to a change in accounting estimate. AASB 2021-6 amends the Tier 2 reporting requirements set out in AASB 1049, AASB 1054 and AASB 1060 to reflect the changes made by AASB 2021-2.
AASB 2021-6 <i>Amendments to Australian Accounting Standards - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards (AASB 2021-6)</i>	The Department conducted an assessment of its accounting policy disclosures. No material changes were made to the amounts reported, or accounting policies disclosed as a result of these amendments.

Reporting of Departmental activities

Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the Department in its own right whereas administered activities are controlled or incurred by Government.

Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Department of Home Affairs

Notes to and forming part of the financial statements

Taxation

The Department is exempt from all forms of taxation except Fringe Benefits Tax and GST. Receivables and payables are recognised inclusive of GST. All other revenues, expenses, assets and liabilities are recognised net of GST except where the amount of GST incurred is not recoverable from the ATO. Appropriations and special accounts are disclosed on a recoverable GST exclusive basis.

Key accounting judgements and estimates

In applying the Department's accounting policies, management has made a number of accounting judgements and applied estimates and assumptions to future events. Judgements and estimates that are material to the financial statements are found within the following notes:

- 2.1 Administered - Income
- 3.1 Departmental – Financial assets
- 3.2 Departmental – Non-financial assets
- 3.5 Departmental – Leases
- 4.1 Administered – Financial assets
- 4.2 Administered – Non-financial assets
- 4.4 Administered – Leases
- 6.1 Departmental – Employee expenses and provisions

Impact of COVID-19

The Department has continued to support the Australian Government's efforts to drive a successful social and economic recovery from the COVID-19 pandemic.

Revenue associated with variable funding mechanisms was frozen by Government between 2019-20 and 2022-23 to mitigate the impact of COVID-19 on funding. As a result of the Australian international border being reopened to travel in 2021-22, increased migration over the course of 2022-23 has resulted in the Department processing higher levels of visa applications and working to reduce existing visa backlogs. This is evidenced through higher visa and passenger movement charge revenue received over the course of 2022-23.

Management has assessed the impact on the financial statements, including obtaining independent expert advice on the measurement of assets held at fair value and employee provisions. COVID-19 is not expected to have a material impact on other transactions and balances recorded in the financial statements.

Events after the reporting period

As a result of changes made to the Administrative Arrangement Orders, the following functions were transferred between the Department and the Attorney-General's Department (AGD) effective on 3 August 2023:

- Identity and biometrics functions transferred from the Department to AGD; and
- Protective security policy and the Government and major events security functions transferred from AGD to the Department.

Assets and liabilities associated with these functions were transferred between the respective departments effective from 1 September 2023.

Details of these transfers will be included in the restructuring note to the 2023-24 financial statements.

Department of Home Affairs

Notes to and forming part of the financial statements

1. Departmental financial performance	117
1.1 Expenses	117
1.2 Own-source revenue and gains	119
2. Income and expenses administered on behalf of Government	122
2.1 Administered—income	122
2.2 Administered—expenses	125
3. Departmental financial position	128
3.1 Financial assets	128
3.2 Non-financial assets	130
3.3 Payables	135
3.4 Interest bearing liabilities	136
3.5 Provisions	137
4. Assets and liabilities administered on behalf of Government	138
4.1 Administered—financial assets	138
4.2 Administered—non-financial assets	140
4.3 Administered—payables	142
4.4 Administered—interest bearing liabilities	143
4.5 Administered—provisions	144
5. Funding	145
5.1 Appropriations	145
5.2 Statutory conditions for payments from the Consolidated Revenue Fund	152
5.3 Special accounts	153
5.4 Regulatory charging summary	155
6. People	156
6.1 Employee expenses and provisions	156
6.2 Key management personnel remuneration	158
6.3 Related party relationships	158
7. Managing uncertainties	159
7.1 Contingent assets and liabilities	156
7.2 Administered—contingent assets and liabilities	160
7.3 Financial instruments	161
8. Other information	162
8.1 Current/non-current distinction for assets and liabilities	162
8.2 Restructuring	164
8.3 Budgetary reporting	167

Department of Home Affairs

Notes to and forming part of the financial statements

1. Departmental financial performance		
1.1 Expenses	2023	2022
	\$'000	\$'000
Note 1.1A: Suppliers		
Goods and services supplied or rendered		
Contractors	325,905	307,492
Information technology and communications	281,451	300,985
General operational expenses	110,045	115,599
Vessel expenses	108,278	77,134
Coastal surveillance	105,783	49,139
Property operating	94,720	79,240
Insurance, legal and litigation	80,113	81,513
Staff related expenses	77,777	69,364
Client operations	62,088	57,960
Travel	59,162	36,432
Bank and merchant fees	36,648	23,334
Consultants	8,460	7,083
Audit fees ^a	3,644	4,231
Total goods and services supplied or rendered	1,354,074	1,209,506
Other suppliers		
Workers compensation expenses	18,212	19,713
Variable lease payments	3,048	2,380
Short-term leases	1,370	755
Total other suppliers	22,630	22,848
Total suppliers	1,376,704	1,232,354

a. Audit fees includes \$1.0 million relating to financial statement audit fees (2022: \$1.1 million) provided by the Australian National Audit Office (refer Note 1.2D).

The Department has short-term lease commitments of \$0.518 million as at 30 June 2023 (2022: \$0.256 million).

Accounting Policy

Short-term leases and leases of low-value assets

The Department has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000 per asset). The Department recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Department of Home Affairs

Notes to and forming part of the financial statements

	2023 \$'000	2022 \$'000
<u>Note 1.1B: Write-down and impairment of non-financial assets</u>		
Land and buildings	21	-
Leasehold improvements	290	39
Plant and equipment	1,842	4,963
Computer software	3,280	3,612
Vessels	-	229
Inventories held for distribution	274	-
Total write-down and impairment of non-financial assets	5,707	8,843
<u>Note 1.1C: Finance costs</u>		
Interest on lease liabilities	39,598	30,646
Other interest	1,150	2,285
Total finance costs	40,748	32,931
<u>Note 1.1D: Other expenses</u>		
Foreign exchange losses	846	1,553
Grants and contributions	862	591
Revaluation of make-good provision	207	405
Other expenses	188	250
Total other expenses	2,103	2,799

Accounting Policy

All borrowing costs are expensed as incurred.

Department of Home Affairs

Notes to and forming part of the financial statements

1.2 Own-source revenue and gains

	2023	2022
	\$'000	\$'000
<u>Note 1.2A: Revenue from contracts with customers</u>		
Rendering of services	284,637	207,581
Sale of goods	528	432
Total revenue from contracts with customers	285,165	208,013
 Disaggregation of revenue from contracts with customers		
Cost recovery	77,499	38,916
ATO service agreement	56,458	55,966
Translating and Interpreting Service	45,578	47,970
Recovery of credit card merchant fees	37,323	24,041
Document Verification Service	25,524	16,960
Electronic Travel Approvals	17,485	1,746
Other	25,298	22,414
Total revenue from contracts with customers	285,165	208,013

Note 1.2B: Rental income

Sub-leasing right-of-use assets	3,126	4,671
Total rental income	3,126	4,671

The Department has sub-leases for commercial properties with other government agencies. Due to the nature of these arrangements, the risks associated with any rights the Department retains in the underlying assets is low.

The following table sets out a maturity analysis of lease payments from sub-leasing arrangements to be received in the future. The amounts are undiscounted.

Note 1.2C: Rental income - Maturity analysis

Within 1 year	3,340	2,432
One to two years	2,562	2,074
Two to three years	1,918	2,073
Three to four years	1,866	2,152
Four to five years	1,895	2,127
More than 5 years	6,971	11,213
Total undiscounted lease payments receivable	18,552	22,071

Department of Home Affairs

Notes to and forming part of the financial statements

	2023 \$'000	2022 \$'000
Note 1.2D: Other revenue		
Resources received free of charge		
Property related	1,147	1,036
Remuneration of auditors	1,000	1,100
Other resources received free of charge	161	172
Other revenue	<u>967</u>	<u>806</u>
Total other revenue	<u>3,275</u>	<u>3,114</u>

Note 1.2E: Gains		
Gain on sale of non-financial assets	136	100
Foreign exchange gains	-	27
Gain on early termination of leases	139	18,690
Reversal of make-good provision	7,826	2,568
Other	<u>1,263</u>	<u>-</u>
Total gains	<u>9,364</u>	<u>21,385</u>

Accounting policy

Revenue from contracts with customers

Revenue from contracts with customers is recognised when all associated performance obligations have been met, either at a point in time where the ownership or control of the goods or services is passed to the customer or over time where the services are provided and consumed simultaneously. Contracts are considered to be enforceable through equivalent means where there are specific rights specified in agreement, the parties can reasonably be expected to act on their obligations, there are consequences for non-performance and/or unspent funds must be refunded. A contract liability for unearned revenue is recorded for obligations under contracts for which payment has been received in advance. Contract liabilities unwind as revenue from contracts with customers upon satisfaction of the performance obligations under the terms of the contract. The department reports contract liabilities as unearned income in Note 3.3B.

The Department requires customers to pay in accordance with payment terms. Trade receivables are due for settlement within 30 days.

Cost recovery

Significant contributors to this category include merchant fees, recovery of legal costs, electronic travel fees and the undertaking of functions or incurring costs on behalf of other Australian Government entities in accordance with a Memorandum of Understanding (MoU). Revenue is recognised over time as costs are incurred where there is an expectation that they will be recovered.

ATO service agreement

The Department has entered into a MoU with the Australian Taxation Office to support the administration of GST relating to taxable importations. The agreed annual service fee under the MoU is recognised proportionally over the course of the year.

Translating and Interpreting Service

The Translating and Interpreting Service (TIS) provides an interpreting service for non-English speakers, and for agencies and businesses that need to communicate with their non-English speaking clients. TIS operates on a user-pays basis and sets its fees to recover its costs depending on the type of services provided. Revenue is recognised over time as costs are incurred and where there is an expectation costs will be recovered.

Department of Home Affairs

Notes to and forming part of the financial statements

Document Verification Service

The Document Verification Service (DVS) confirms that the details on an Evidence of Identity document matches the records held by the government authority that issued said document. DVS operates on a user-pays basis and sets its fees to recover its costs. Revenue is recognised over time as costs are incurred where there is an expectation they will be recovered.

Resources received free of charge

Resources received free of charge are recognised as revenue when the fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government entity as a consequence of a restructuring of administrative arrangements.

Department of Home Affairs

Notes to and forming part of the financial statements

2. Income and expenses administered on behalf of Government		
2.1 Administered – income		
	2023	2022
	\$'000	\$'000
<u>Note 2.1A: Taxation revenue</u>		
Indirect tax		
Customs duty	17,077,540	16,943,645
Visa Application Charges	3,155,729	1,981,971
Import Processing Charges	450,433	453,770
Passenger Movement Charges	<u>829,020</u>	180,542
Total taxation revenue	21,512,722	19,559,928
<u>Note 2.1B: Revenue from contracts with customers</u>		
Rendering of services	98,650	90,690
Total revenue from contracts with customers	98,650	90,690
Disaggregation of revenue from contracts with customers		
Immigration fees	72,799	66,271
AusCheck	13,627	11,798
Licence fees	11,868	11,198
Other	<u>356</u>	1,423
Total revenue from contracts with customers	98,650	90,690
<u>Note 2.1C: Other revenue</u>		
Special Account	4,315	33,724
Fines, penalties and prosecution	7,797	4,614
Recovery of detention costs	<u>216</u>	190
Total non-taxation revenue	12,328	38,528
<u>Note 2.1D: Gains</u>		
Recovery of prior year expenditure	10,791	10,919
Total gains	10,791	10,919

Department of Home Affairs

Notes to and forming part of the financial statements

Accounting policy

Administered revenues relate to ordinary activities performed by the Department on behalf of Government.

Taxation revenue

Administered taxation revenue is recognised when the Government gains control of, and can reliably measure or estimate, the future economic benefit that will flow to the Government from the revenue items administered by the Department. Revenues are measured at the fair value of consideration received or receivable. In line with the relevant applicable legislative provisions, the revenue recognition policy adopted for the major classes of administered revenues is described as follows.

Customs duty

Customs duty comprises Commonwealth charges levied on imported goods as a condition of their importation. These charges are determined by the classification of goods within the *Customs Tariff Act 1995*. Customs duty rates vary and depend on a number of factors, such as the type of goods and country of origin. Customs duty is reported by the Department in the financial statements as a net value. Net duty collections reflect gross duty collected less refunds paid on duty and drawbacks. Customs duty is levied on the following items:

- excise equivalent goods which includes petroleum products, tobacco products and alcohol;
- passenger motor vehicles;
- textiles, clothing and footwear; and
- other (including machinery, base metals, plastics and rubber, furniture, live animals, foodstuffs, chemical products, pulp and paper).

Visa application charges

Fees are charged for visa applications and migration applications under the *Migration Act 1958* (Migration Act) and in accordance with the *Migration (Visa Application) Charge Act 1997*. As these fee amounts are only refundable in specific, prescribed circumstances, administered revenues are recognised when collected by the Department. In some instances, payments are made in Australia in advance of visa applications being lodged overseas. These payments are not recognised as revenue until matched with a lodged application.

Passenger movement charge (PMC)

PMC is levied under the *Passenger Movement Charge Act 1978*. It is recognised when passengers depart Australia and collected by carriers under formal arrangements with the Government. PMC is recognised within the reporting period when a passenger departs Australia, subject to certain legislative exemptions.

Import processing charges (IPC)

The IPC recovers the costs associated with the Department's trade activities for goods imported by air, sea, mail, or other means. These charges are set by the *Import Processing Charges Act 2001*. IPC is levied on Full Import Declarations relating to goods greater than \$1,000 in value.

Revenue from contracts with customers

Revenue from contracts with customers is recognised when all associated performance obligations have been met, either at a point in time where the ownership or control of the goods or services is passed to the customer or over time where the services are provided and consumed simultaneously. Contracts are considered to be enforceable through equivalent means where there are specific rights specified in an agreement, the parties can reasonably be expected to act on their obligations, there are consequences for non-performance and/or unspent funds must be refunded.

Immigration fees

A citizenship fee is the fee imposed on Australian citizenship applications. Fees vary depending on the type of application being submitted. Fees are imposed in accordance with the *Australian Citizenship Act 2007*. Revenue is recognised at the point in time when both an application has been submitted and the associated fee paid.

Department of Home Affairs

Notes to and forming part of the financial statements

Licence fees

Licences are considered to be non-contractual licences arising from statutory requirements. They consist of depot, warehouse, and broker licences issued under the *Customs Act 1901*, and migration agent licenses issued under the *Migration Act 1958* (*Migration Act*). Revenue is recognised at the time when a licence is issued or on a straight-line basis over the licence term, dependent on the nature of the licence.

AusCheck

The AusCheck Background Checking Service coordinates national security background checks and related functions for the aviation, maritime and national health security sectors. AusCheck operates on a cost recovery basis. Revenue is recognised over time as costs are incurred where there is an expectation costs will be recovered.

Other

Other Revenue relates to various miscellaneous revenue collected by the Department, including visitor and working holiday makers. Revenue is recognised at the point in time when both an application has been submitted and the associated fee paid.

Other revenue

Fines, penalties and prosecutions

Other border related collections are fines which are charged for non-compliance with the *Migration Acts* and *Customs Acts*. Administered fines are recognised in the period in which the breach occurs.

Recovery of removal costs

The recovery of removal costs relates to removed or deported non-citizens, who are liable for removal or deportation costs (*Migration Act*). Revenue is recognised at the point in time when it becomes probable that it will be received.

Key accounting judgements and estimates

Customs duty

An estimate for Customs duty is recognised for those goods that have entered into home consumption during the reporting period, but for which duty has not yet been paid. Under legislative arrangements, goods can be moved into home consumption with certain importers entering into arrangements that extend the period to make the requisite payment. The value of revenue recognised for this period is estimated based on historical information and receipts subsequent to the reporting date.

Department of Home Affairs

Notes to and forming part of the financial statements

2.2 Administered – expenses	2023	2022
	\$'000	\$'000
<u>Note 2.2A: Suppliers</u>		
Services rendered		
Support and settlement services	770,417	808,197
Garrison and accommodation	396,868	437,996
Security	150,430	205,363
Health services	110,859	114,933
Travel and transport	70,927	72,378
Property	50,437	26,209
Insurance, legal and litigation	19,696	22,166
Information technology and communications	15,743	16,588
Contractors	13,937	17,390
Consultants	-	526
Other	8,783	8,625
Total suppliers	1,608,097	1,730,371
 <u>Note 2.2B: Personal benefits</u>		
Status resolution, refugee and humanitarian services		
Direct	15,324	15,823
Indirect	37,425	54,065
State payments – refugee minors – indirect	28,849	20,564
Total status resolution, refugee and humanitarian services	81,598	90,452
Other services – direct	-	225
Total personal benefits	81,598	90,677
 Accounting policy		
Direct personal benefits comprise current transfers provided directly to individuals or households. Indirect personal benefits comprise benefits provided to households as social transfers and delivered by a third party (for example, medical and pharmaceutical benefits). Personal benefits are recognised when payments are made, or the Department has a present obligation either to a service provider or directly to recipients. Personal benefits do not require any economic benefit to flow back to Government.		

Department of Home Affairs

Notes to and forming part of the financial statements

	2023	2022
	\$'000	\$'000
<u>Note 2.2C: Gifting, grants and contributions</u>		
Gifting of public property ^a	1,282	17,303
Current grants and contributions ^b		
Non-profit organisations	116,053	192,752
Private sector organisations	462	1,080
Overseas organisations	19,138	14,501
Total current grants and contributions	135,653	208,333
Total gifting, grants and contributions	136,935	225,636

- a. Gifting of public property includes the carrying amount of items of property, plant, and equipment totalling \$0.848 million that was gifted to the Government of the Republic of Nauru (2021-22: \$17.213 million).
 b. These amounts will change significantly from year to year within each program.

Accounting policy

Gifting of public property

Gifting of public property comprise transfers of assets that are surplus to Government requirements and expressly authorised by law. Public property is gifted in circumstances where the assets are of low value and otherwise uneconomical to dispose. Gifting may also occur in circumstances that support the achievement of Government policy objectives or where there is special significance to the proposed recipient and compelling reasons justifying gifting to that recipient. An expense equal to the carrying amount of the gifted assets is recognised when control of the underlying property is transferred.

Current grants and contributions

The Department administers a number of grant and subsidy schemes on behalf of the Government. Grant and subsidy liabilities are recognised to the extent (i) the service required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. When the Government enters into an agreement to make these grants and services but services have not been performed or criteria satisfied, this is considered a commitment.

Department of Home Affairs
Notes to and forming part of the financial statements

	2023 \$'000	2022 \$'000
<u>Note 2.2D: Writedown and impairment of non-financial assets</u>		
Assets held for sale	-	1,955
Land and buildings	41	5
Plant and equipment	<u>38</u>	<u>2</u>
Total writedown and impairment of non-financial assets	<u>79</u>	<u>1,962</u>
 <u>Note 2.2E: Other expenses</u>		
Foreign exchange losses – non-speculative	500	293
Act of grace payments	126	-
Losses from asset sales	695	-
Other	-	3
Total other expenses	<u>1,321</u>	<u>296</u>

Department of Home Affairs

Notes to and forming part of the financial statements

3. Departmental financial position		
3.1 Financial assets		
	2023	2022
	\$'000	\$'000
<u>Note 3.1A: Cash and cash equivalents</u>		
Cash at bank	6,246	5,008
Cash on hand or on deposit	118	119
Total cash and cash equivalents	6,364	5,127
<u>Note 3.1B: Trade and other receivables</u>		
Goods and services receivables (gross)	42,344	36,806
Appropriation receivables		
Existing programs	388,126	633,805
Accrued for additional outputs	3,701	1,879
Total appropriation receivables	391,827	635,684
Other receivables		
Statutory receivables	29,143	36,195
Other	22,167	13,947
Legal recoveries	63,250	58,349
Total other receivables (gross)	114,560	108,491
Total trade and other receivables (gross)	548,731	780,981
Less expected credit loss allowance	(62,401)	(59,873)
Total trade and other receivables (net)	486,330	721,108

Department of Home Affairs

Notes to and forming part of the financial statements

Accounting policy

Financial assets are measured at amortised cost using the effective interest method less allowances for impairment losses. Contractual receivables arising from the sale of goods, rendering of services and recovery of costs have 30 day trading terms and are initially recognised at the nominal amounts due. Allowances for impairment losses on contractual receivables are recognised using a simplified approach for calculating expected credit losses (ECLs). Receivables that are statutory in nature are amounts determined under legislation or by court order. Allowances for impairment losses on statutory receivables are recognised when:

- indicators that an impairment loss event occurring exist; and
- the expected recoverable amount is less than the statutory value.

Key accounting judgements and estimates

Impairment of financial assets

Impairment losses are recognised for contractual and statutory receivables. The allowance for contractual receivables is determined based on historical credit loss experience which is used to estimate future ECLs. The allowance based on historical credit loss experience is adjusted for forward-looking factors specific to individual debtors. The recoverable amount for statutory receivables is assessed either for individual debtors when a particular loss event is identified or based on historical loss experience when debtors are assessed collectively. Impairment losses are recognised in the statement of comprehensive income.

Department of Home Affairs
Notes to and forming part of the financial statements

3.2 Non-financial assets

Note 3.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Land \$'000	Buildings improvements \$'000	Leasehold improvements \$'000	Vessels \$'000	Plant and equipment \$'000	Computer software \$'000	Total \$'000
As at 1 July 2022							
Gross book value	25,182	2,554,554	403,735	279,458	1,059,003	1,577,439	5,899,371
Accumulated depreciation, amortisation and impairment	(5,030)	(445,341)	(54,011)	(2,524)	(461,846)	(1,121,092)	(2,089,844)
Total as at 1 July 2022	20,152	2,109,213	349,724	276,934	597,157	456,347	3,809,527
Additions							
Purchased or internally developed	-	4,225	62,557	3,819	94,633	109,306	274,540
Right-of-use assets	113	43,128	-	-	12,570	-	55,811
Remeasurement of right-of-use assets	16	18,364	-	-	14,635	-	33,015
Restructuring	-	-	(11,223)	-	(3,780)	(465)	(15,438)
Right-of-use assets restructuring	-	(9,781)	-	-	-	-	(9,781)
Revaluations and impairments recognised in other comprehensive income	5,240	4,007	25,209	13,490	3,950	-	51,896
Reclassifications	-	(674)	2,769	-	9,627	(11,722)	-
Depreciation and amortisation	-	(2,616)	(57,765)	(38,046)	(108,236)	(130,263)	(336,926)
Depreciation on right-of-use assets	(422)	(178,472)	(22)	-	(62,745)	-	(241,639)
Disposals of right-of-use assets	-	-	-	-	(36)	-	(22)
Disposals	-	-	(290)	-	(1,842)	(3,280)	(36)
Write-downs and impairments	-	-	-	-	-	-	(5,412)
Total as at 30 June 2023	25,099	1,987,372	370,981	256,197	555,963	419,923	3,615,535

Department of Home Affairs
Notes to and forming part of the financial statements

Note 3.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Vessels \$'000	Plant and equipment \$'000	Computer software \$'000	Total \$'000
Total as at 30 June 2023 represented by							
Gross book value – fair value (recurring)							
Assets under construction	-	4,075	12,739	3,818	73,748	-	94,380
Other assets in use	23,210	38,727	386,263	266,412	290,763	-	1,005,375
Gross book value – at cost							
Internally developed – assets under construction	-	-	-	-	-	136,126	136,126
Internally developed – assets in use	-	-	-	-	-	1,390,146	1,390,146
Purchased	-	-	-	-	-	133,256	133,256
Right-of-use assets	2,401	2,500,363	-	-	656,890	-	3,159,654
Accumulated depreciation, amortisation and impairment	(512)	(553,452)	-	(14,033)	(388,788)	-	(942,752)
Right-of-use assets	-	(2,341)	(28,021)	-	(76,650)	(1,239,605)	(1,360,650)
Other assets in use							
Total as at 30 June 2023	25,099	1,987,372	370,981	256,197	555,963	419,923	3,615,535
Carrying amount of right-of-use assets	1,889	1,946,911	-	-	268,102	-	2,216,902

Department of Home Affairs

Notes to and forming part of the financial statements

There are no material property, plant and equipment or intangibles expected to be sold or disposed of within the next twelve months. No indicators of impairment, other than those adjusted for, were found for property, plant and equipment or intangibles as at 30 June 2023.

Revaluation of non-financial assets

All revaluations were conducted in accordance with the revaluation policy stated below. The Department engaged the services of Jones Lang LaSalle, IP, Inc. to conduct a desktop review of assets as at 31 March 2023.

Contractual commitments for the acquisition of property, plant and equipment and intangible assets

As at 30 June 2023, contractual commitments for the acquisition of property, plant and equipment and intangible assets amounted to \$21.926 million (2021-22: \$69.341 million).

Accounting policy

Non-financial assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to restructuring.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. Where an obligation exists under a lease arrangement to restore a property to its original condition, an initial estimate of these costs is included in the value of the Department's leasehold improvements and a corresponding provision for the restoration obligations is recognised.

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are \$30,000 or greater in total).

The Department's intangible assets primarily comprise purchased and internally developed computer software for internal use. The recognition thresholds for internally developed software (IDS) are \$250,000 for new IDS assets, \$100,000 for enhancements to existing IDS assets, and \$100,000 for purchased software. Purchases below these thresholds are expensed in the year of acquisition.

Leased right-of-use (ROU) assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned. The Department has elected not to recognise ROU assets that are low value (less than worth \$10,000 per asset) or where the lease term is twelve months or less.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value less subsequent accumulated depreciation and impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The Department has adopted a strategic three year revaluation cycle based on an assessment as to the volatility of movements in market conditions and other inputs affecting the relevant assets.

Department of Home Affairs

Notes to and forming part of the financial statements

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement recognised for the same asset class. Revaluation decrements for a class of assets are recognised directly in the deficit attributable to the Australian Government except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is then restated to the revalued amount.

Depreciation and amortisation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives using the straight-line method of depreciation. In all but limited cases, new assets are assigned useful lives as identified below. In some limited cases, specific management advice may result in a useful life for a particular asset being assigned outside these ranges.

- Buildings on freehold land – up to forty years
- Leased land – the lease term
- Leasehold improvements – up to fifteen years and usually aligned with the initial lease term
- Vessels – five to twenty years
- Plant and equipment – three to thirty years

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Computer software is amortised on a straight-line basis over its anticipated useful life. The useful life of the Department's software is three to ten years. Useful lives of intangible assets are determined by the business unit responsible for the asset upon capitalisation based on its expected usage. Cloud computing and software as a service arrangements are generally expensed.

The remaining useful lives and residual values for non-financial assets are reviewed at each reporting date and necessary adjustments are recognised in the current and future reporting periods.

Componentisation of non-financial assets

Major assets, such as vessels and internally developed software, are componentised if it is likely that the components will have useful lives that differ significantly from the other parts of the asset. The useful lives of components are determined with reference to the individual component or the primary asset, whichever is shorter.

Impairment

All non-financial assets including ROU assets are assessed for impairment at the end of the reporting period where indicators of impairment exist. An impairment adjustment is made if the asset's estimated recoverable amount is less than its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Department were deprived of the asset, its value in use is taken to be its current replacement cost.

Department of Home Affairs

Notes to and forming part of the financial statements

Assets under construction

Assets under construction (AUC) are initially recorded at acquisition cost. They include expenditure to date on various capital projects carried as AUC. AUC projects are reviewed annually for indicators of impairment and all AUC older than twelve months at reporting date are externally revalued to fair value. Prior to rollout into service, the accumulated AUC balance is reviewed to ensure accurate capitalisation of built and purchased assets.

De-recognition

Non-financial assets are derecognised upon disposal or when no further future economic benefit is expected from its use or disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised as a gain or loss in the period of de-recognition.

Key accounting judgements and estimates

Fair value measurement

The Department engages the services of an independent valuer to conduct asset materiality reviews of all non-financial assets held at fair value as at reporting date and relies upon those outcomes to establish carrying amounts. An annual assessment is undertaken to determine whether the carrying amount of assets differs materially from the fair value. Comprehensive valuations are undertaken at least once every three years. The fair value of property, plant and equipment is determined using either the Market Approach or the Cost Approach.

Market Approach

The Market Approach seeks to estimate the current value of an asset in its highest and best use with reference to recent market evidence including transactions of comparable assets. Certain items of land, buildings, leasehold improvements, vessels, plant and equipment are valued using the Market Approach. Inputs utilised under the Market Approach comprise market transactions of comparable assets adjusted to reflect differences in price sensitive characteristics including:

- recent market sales of comparable land and buildings adjusted for size and location;
- sales of comparable commercial offshore supply vessels; and
- current prices for comparable or substitute items of leasehold improvements, plant and equipment available within local second-hand markets or adjusted for location.

Cost Approach

The Cost Approach seeks to estimate the amount required to replace the service capacity of an asset in its highest and best use. In cases where sufficient observable market evidence is unavailable, the Cost Approach is applied and determined as either the Replacement Cost of New Assets (RCN) or the Current Replacement Cost (CRC).

AUC is valued at RCN determined as the amount a market participant would pay to acquire or construct a new substitute asset of comparable utility and relevant to the asset's location. Inputs including current local market prices for asset components such as materials and labour costs are utilised in determining RCN.

Certain items of land, buildings, leasehold improvements, vessels, plant and equipment are valued using CRC. Under CRC, the replacement costs of new assets are adjusted for physical depreciation and obsolescence such as physical deterioration, functional or technical obsolescence and conditions of the economic environment specific to the asset. This is determined based on the estimated physical, economic and external obsolescence factors relevant to the asset under consideration. For all leasehold improvements, the consumed economic benefit/asset obsolescence deduction is determined based on the term of the associated lease. Physical depreciation and obsolescence for buildings, vessels, plant and equipment is determined based on the asset's estimated useful life.

Department of Home Affairs

Notes to and forming part of the financial statements

3.3 Payables

	2023	2022
	\$'000	\$'000
Note 3.3A: Suppliers		
Trade creditors and accruals	<u>223,558</u>	234,715
Total suppliers	<u>223,558</u>	234,715

Settlement is usually made within 20 days (2022: 30 days)

Note 3.3B: Other payables

Wages and salaries	36,443	28,249
Superannuation	6,160	4,942
Unearned income	19,401	31,002
Separations and redundancies	6,293	5,418
Other	<u>146</u>	33
Total other payables	<u>68,443</u>	69,644

Accounting policy

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received irrespective of whether an invoice has been received.

Department of Home Affairs

Notes to and forming part of the financial statements

3.4 Interest bearing liabilities

	2023	2022
	\$'000	\$'000
Note 3.4A: Leases		
Lease liabilities	<u>2,483,491</u>	2,611,694
	<u>2,483,491</u>	<u>2,611,694</u>
Maturity analysis - contractual undiscounted cash flows		
Within 1 year	227,454	229,130
Between 1 to 5 years	825,425	822,955
More than 5 years	<u>1,763,845</u>	1,906,663
Total leases	<u>2,816,724</u>	2,958,748

The total cash outflow for leases in 2022-23 was \$251.2 million (2021-22: \$278.6 million).

The Department has a large, diverse and geographically dispersed lease portfolio which includes land, property, aircraft, motor vehicles, and equipment. The majority of the lease liability balance relates to onshore property leases which are typically long term and contain both extension options and escalation clauses.

The Department in its capacity as lessee has leasing arrangements with below market terms. These are mainly located at International Airports and Sea Ports around Australia and are used for operational purposes.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1A, 1.1C, 1.2B and 3.2A.

Accounting policy

For all new contracts entered into, the Department considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use a specifically identifiable asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the Department's incremental borrowing rate.

Subsequent to initial measurement, the liability is reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

Department of Home Affairs

Notes to and forming part of the financial statements

3.5 Provisions

Note 3.5A: Other provisions

	Restoration obligations ^a	\$'000
As at 1 July 2022		62,007
Additional provisions made		3,108
Amounts reversed		(7,826)
Amounts used		(4,502)
Revaluation recognised in net cost of services		207
Revaluation recognised in other comprehensive income		(9)
Unwinding of discount		1,119
Total as at 30 June 2023		54,104

a. The Department has 133 (2021-22: 146) agreements for leased premises both in Australia and overseas with obligations that require the premises to be restored to their original condition at the conclusion of the lease. The Department has made a provision to reflect the present value of these obligations.

Accounting policy

Provisions are recognised when the Department has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the unwinding of the discount or change in the discount rates is recognised in the statement of comprehensive income.

Provision for restoration obligations

Provisions for restoration obligations are recognised where the Department is required to restore premises upon termination of a lease. The original estimates for future costs associated with restoration obligations are determined by independent valuation and discounted to their present value. The original provisions are adjusted for changes in expected future costs and the discount rate.

Department of Home Affairs

Notes to and forming part of the financial statements

4. Assets and liabilities administered on behalf of Government

4.1 Administered – financial assets

	2023	2022
	\$'000	\$'000
<u>Note 4.1A: Cash and cash equivalents</u>		
Cash on hand or on deposit	148,183	106,034
Cash in special accounts	<u>1,473</u>	<u>2,959</u>
Total cash and cash equivalents	149,656	108,993
<u>Note 4.1B: Taxation receivables</u>		
Indirect tax		
Customs duty	532,624	447,176
Visa Application Charges	5,727	6,059
Passenger Movement Charge	<u>148,276</u>	<u>150,644</u>
Import Processing Charges	<u>943</u>	<u>906</u>
Total taxation receivables (gross)	687,570	604,785
Less impairment loss allowance	(262,216)	(260,545)
Total taxation receivables (net)	425,354	344,240
<u>Note 4.1C: Trade and other receivables</u>		
Personal benefits	15,281	15,580
Penalties, fines and prosecutions	7,109	8,008
Statutory receivables	<u>21,492</u>	<u>30,271</u>
Licence fees	941	689
Other	<u>1,290</u>	<u>301</u>
Total trade and other receivables (gross)	46,113	54,849
Less impairment allowance	(19,264)	(17,796)
Total trade and other receivables (net)	26,849	37,053

Department of Home Affairs

Notes to and forming part of the financial statements

Accounting policy

Taxation receivables

Taxation revenue related receivables are statutory in nature with amounts determined under legislation or by court order. Administered taxation receivables are held at statutory value less allowances for impairment losses.

Non-taxation receivables

Non-taxation receivables that are statutory in nature are held at statutory value less amounts for impairment loss allowances. Contractual non-taxation receivables with fixed or determinable payments and receipts are initially recognised at cost unless the transaction price differs from fair value in which case, initial recognition is at fair value. Any difference between cost and fair value is recognised as a loss in the statement of comprehensive income. Non-taxation receivables are subsequently measured at amortised cost using the effective interest method less allowances for impairment losses.

Department of Home Affairs Notes to and forming part of the financial statements

4.2 Administered – non-financial assets

Note 4.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Land ^a \$'000	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Computer software \$'000	Total \$'000
As at 1 July 2022						
Gross book value	95,665	505,967 (4,933)	80,881 (863)	197,568 (11,077)	1,693 (1,421)	881,774 (18,294)
Accumulated depreciation, amortisation and impairment	-	501,034	80,018	186,491	272	863,480
Total as at 1 July 2022	95,665					
Additions						
Purchased or internally developed	-	13,079	1,011	20,003 4,311	-	34,093 4,311
Right-of-use assets	-	-	-	3,624	-	29,306
Revaluations and impairments recognised in other comprehensive income	6,620	15,411	3,651	231	-	231
Remeasurement of right-of-use assets	-	-	-	611	-	-
Reclassifications	-	(2,795) (55,937)	2,184 (9,381)	(26,731) (5,817)	(235)	(92,284) (5,932)
Depreciation and amortisation	-	(115)	-	-	-	-
Depreciation on right-of-use assets	-	(2,895)	(41)	-	(38)	(2,895)
Disposals	-	-	-	-	(848)	(79)
Impairments recognised in net cost of services	-	-	-	-	-	-
Gifting of public property	-	-	-	-	-	(848)
Total as at 30 June 2023	99,390	470,636	77,483	181,837	37	829,383
Total as at 30 June 2023 represented by						
Gross book value – fair value (recurring)	99,390	472,237 12,040	80,009	169,687 16,945	-	821,323 28,985
Assets in use	-	-	-	-	-	-
Assets under construction	-	-	-	-	-	-
Gross book value – at cost	-	-	-	-	-	-
Internally developed – assets in use	-	-	-	-	-	-
Purchased or internally developed	-	-	-	-	-	-
Right-of-use assets	-	791	-	16,471	-	-
Accumulated depreciation, amortisation and impairment ^b	-	(14,043) (389)	(2,526)	(7,432) (13,834)	(1,656)	(25,657) (14,223)
Other assets in use	-	-	-	-	-	-
Right-of-use assets	-	-	-	-	-	-
Total as at 30 June 2023	99,390	470,636	77,483	181,837	37	829,383
Carrying amount of right-of-use assets	-	402	-	2,637	-	3,039

a. Land includes assets held for sale.

b. The accumulated depreciation, amortisation and impairment balance includes the impact of the revaluation process. There are no other material property, plant and equipment assets expected to be sold within the next twelve months.

Department of Home Affairs

Notes to and forming part of the financial statements

No indicators of impairment, other than those adjusted, were found for property, plant and equipment or intangibles as at 30 June 2023.

Revaluation of non-financial assets

All revaluations were conducted in accordance with the revaluation policy. The Department engaged the services of Jones Lang LaSalle, IP, Inc. to conduct a desktop valuation of all administered asset classes as at 31 March 2023.

Contractual commitments for the acquisition of administered property, plant and equipment and intangible assets

As at 30 June 2023, contractual commitments for the acquisition of administered property, plant and equipment and intangible assets amounted to \$15.534 million (2021-22: \$12.012 million).

Department of Home Affairs
Notes to and forming part of the financial statements

4.3 Administered – payables	2023	2022
	\$'000	\$'000
<u>Note 4.3A: Personal benefits</u>		
Direct	365	503
Indirect	7,805	9,376
State payments – refugee minors – indirect	4,668	4,426
Total personal benefits	12,838	14,305
<u>Note 4.3B: Other payables</u>		
Visa refunds	6,599	6,592
Customs refunds	22,862	7,367
Other payables	2,356	3,081
Total other payables	31,817	17,040

Department of Home Affairs

Notes to and forming part of the financial statements

4.4 Administered – interest bearing liabilities

	2023	2022
	\$'000	\$'000
Note 4.4A: Leases		
Lease liabilities	<u>3,249</u>	4,498
Total leases	<u>3,249</u>	4,498
Maturity analysis - contractual undiscounted cash flows		
Within 1 year	<u>2,961</u>	2,846
Between 1 to 5 years	<u>306</u>	1,691
Total leases	<u>3,267</u>	4,537

The total cash outflow for leases in 2022-23 was \$5.909 million (2021-22: \$2.844 million).

The Department's administered function contains one aircraft lease (containing two aircraft) and one property lease.

The Department in its capacity as lessee does not have any administered leasing arrangements with below market terms.

The above lease disclosures should be read in conjunction with the accompanying note 4.2A.

Department of Home Affairs

Notes to and forming part of the financial statements

4.5 Administered – provisions

Note 4.5A: Bonds and security deposits

	Bonds \$'000	Security deposits \$'000	Total \$'000
As at 1 July 2022	5,663	5,405	11,068
Additional provisions made	3,458	1,442	4,900
Amounts refunded	(3,617)	(1,781)	(5,398)
Amounts forfeited	(579)	-	(579)
Total as at 30 June 2023	4,925	5,066	9,991

Accounting policy

Provision for bonds and security deposits

The Department collects and repays bonds on behalf of Government for the purposes of compliance with the *Migration Act 1958* and associated regulations. The Department collects three types of bonds, namely compliance bonds, visitor visa bonds and professional development visa securities.

The Department also collects and repays security deposits on behalf of Government for the purposes of compliance with the *Customs Act 1901*. Securities are held in relation to:

- dumping and countervailing;
- intellectual property rights for both copyright and trademarks;
- temporary imports (including inter-governmental);
- warehouse and general; and
- other by-law (including those with an end-use provision).

Receipts from these bonds and security deposits are treated as liabilities and provided for until such time as they are either forfeited or refunded to customers. Revenue is only recognised at the point of forfeiture.

Department of Home Affairs
Notes to and forming part of the financial statements

5. Funding
5.1 Appropriations

Note 5.1A: Annual appropriations (recoverable GST exclusive)

Annual appropriations for 2023

	<i>Appropriation Act</i> Annual appropriation ^a \$'000	<i>PGPA Act</i> Section 74 receipts \$'000	<i>Section 75</i> transfers \$'000	Total appropriation \$'000	Appropriation applied in 2023 (current and prior years) ^c \$'000	Variance ^d \$'000
Departmental						
Ordinary annual services	2,960,579	272,388	(20,454)	3,212,513	(3,281,910)	(69,397)
Capital budget ^b	145,256	-	(593)	144,663	(151,354)	(6,691)
Other services						
Equity injections	61,914	-	(4,921)	56,993	(96,969)	(39,976)
Total Departmental	3,167,749	272,388	(25,968)	3,414,169	(3,530,233)	(116,064)
Administered						
Ordinary annual services	2,054,784	-	(34,518)	2,020,266	(1,890,481)	129,785
Administered items	22,188	-	-	22,188	(18,713)	3,475
Capital budget ^b						
Other services	14,718	-	-	14,718	(10,489)	4,229
Administered assets and liabilities						
Total Administered	2,091,690	-	(34,518)	2,057,172	(1,919,683)	137,489

Department of Home Affairs Notes to and forming part of the financial statements

Annual appropriations for 2022		Appropriation Act		PGPA Act		Appropriation applied in 2022 (current and prior years) ^c \$000		Variance ^d \$000
		Annual appropriation ^a \$000	Section 74 receipts \$000	Section 75 transfers \$000	Total appropriation \$000			
Departmental								
Ordinary annual services	2,947,755	266,600	-	3,214,355		(3,016,229)	198,126	
Capital budget ^b	156,620	-	156,620			(190,578)	(33,958)	
Other services	166,847	-	166,847			(67,004)	99,843	
Equity injections								
Total Departmental	3,271,222	266,600	-	3,537,822		(3,273,811)	264,011	
Administered								
Ordinary annual services	2,448,978	-	2,448,978			(2,039,580)	409,398	
Administered items	21,554	-	21,554			(21,354)	200	
Capital budget ^b								
Other services	7,554	-	7,554			-	7,554	
Administered assets and liabilities								
Total Administered	2,478,086	-	-	2,478,086		(2,060,934)	417,152	

a. Appropriations as per Supply Acts and Appropriation Acts (No. 1 through No.4). Departmental appropriations do not lapse at financial year end, however the responsible Minister may decide that part or all of a departmental or administered appropriation is not required and request that the Finance Minister reduce that appropriation. The reduction in the appropriation is reflected by the Finance Minister's determination. Such determinations for the 2022–23 year are reflected in the relevant line.

b. Capital budgets are appropriated through Supply Acts and Appropriation Acts (No. 1, No.3 and No.5 where applicable). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

c. Department of Industry, Science, Energy and Resources made payments of \$0.198 million (2022: \$30.716 million) on behalf of the Department.

d. The Departmental 'Ordinary annual services' variance mainly reflects the operating deficit of \$109 million disclosed in Note 5:1E partially offset by amounts quarantined under section 51 of the PGPA Act. The Departmental 'Capital budget' and "Other services" variance relates to drawdowns from prior year appropriations. The Administered Ordinary annual services' variance mainly relates to unpaid liabilities.

Department of Home Affairs

Notes to and forming part of the financial statements

Note 5.1B: Unspent annual appropriations (recoverable GST exclusive)

	2023	2022
	\$'000	\$'000
Departmental		
Appropriation Act (No. 1) 2020-2021 ^{b,g}	4,900	4,900
Appropriation Act (No. 2) 2020-2021 ^b	-	27,356
Appropriation Act (No. 4) 2020-2021 ^b	-	38,765
Appropriation Act (No. 1) 2021-2022 - Cash at Bank	-	5,127
Appropriation Act (No. 1) 2021-2022 ^h	86,700	351,507
Appropriation Act (No. 2) 2021-2022	61,650	92,498
Appropriation Act (No. 3) 2021-2022 ⁱ	88,976	240,258
Appropriation Act (No. 4) 2021-2022 ⁱ	33,278	74,349
Supply Act (No. 2) 2022-2023 ^k	12,689	-
Supply Act (No. 3) 2022-2023 ^l	22,392	-
Supply Act (No. 4) 2022-2023 ^m	20,283	-
Appropriation Act (No. 1) 2022-2023 - Cash at Bank	6,364	-
Appropriation Act (No. 1) 2022-2023 ⁿ	155,837	-
Appropriation Act (No. 2) 2022-2023 ^o	22,271	-
Appropriation Act (No. 3) 2022-2023	146,877	-
Appropriation Act (No. 4) 2022-2023	1,750	-
Total Departmental	<u>663,967</u>	<u>834,760</u>

Department of Home Affairs
Notes to and forming part of the financial statements

	2023 \$'000	2022 \$'000
Administered		
<i>Supply Act (No. 1) 2019-2020^{a,c}</i>	-	159
<i>Appropriation Act (No. 1) 2019-2020^{a,d}</i>	-	66,382
<i>Appropriation Act (No. 3) 2019-2020^{a,e}</i>	-	421,274
<i>Supply Act (No. 1) 2020-2021^{b,f}</i>	96,536	96,895
<i>Appropriation Act (No. 1) 2020-2021^{b,g}</i>	463,783	491,710
<i>Appropriation Act (No. 2) 2020-2021^b</i>	-	5,130
<i>Appropriation Act (No. 1) 2021-2022 - Cash at Bank</i>	-	11,037
<i>Appropriation Act (No. 1) 2021-2022^h</i>	110,123	566,469
<i>Appropriation Act (No. 2) 2021-2022</i>	2,249	7,554
<i>Appropriation Act (No. 3) 2021-2022ⁱ</i>	168,577	180,516
<i>Supply Act (No. 1) 2022-2023</i>	24,029	-
<i>Supply Act (No. 2) 2022-2023</i>	3,426	-
<i>Supply Act (No. 3) 2022-2023^j</i>	431,677	-
<i>Supply Act (No. 4) 2022-2023</i>	4,796	-
<i>Appropriation Act (No. 1) 2022-2023 - Cash at Bank</i>	14,048	-
<i>Appropriation Act (No. 1) 2022-2023ⁿ</i>	123,789	-
<i>Appropriation Act (No. 2) 2022-2023</i>	6,442	-
<i>Appropriation Act (No. 3) 2022-2023</i>	45,669	-
Total Administered	1,495,144	1,847,126

Department of Home Affairs

Notes to and forming part of the financial statements

- a. Appropriation Acts repealed or lapsed during 2022-23.
- b. Appropriation Acts will lapse on 1 July 2023.
Administered: \$560.319 million.
Departmental \$4.9 million.

The balances within Note 5.1B include amounts that have been quarantined by the Department of Finance and as such the Department is unable to utilise the amounts detailed below in footnotes c through to o.

- c. Administered: Nil (2021-22: \$0.159 million).
- d. Administered: Nil (2021-22: \$66.382 million);
- e. Administered: Nil (2021-22: \$420.016 million).
- f. Administered: \$0.005 million (2021-22: \$96.257 million).
- g. Departmental: \$4.9 million (2021-22: \$4.9 million);
Administered: \$415.322 million (2021-22: \$491.685 million).
- h. Departmental: \$86.7 million (2021-22: \$86.7 million).
Administered: \$6.157 million (2021-22: Nil).
- i. Departmental: \$88.976 million (2021-22: \$88.976 million).
Administered: \$8.4 million (2021-22: Nil).
- j. Departmental: \$15.251 million (2021-22: \$15.251 million).
- k. Departmental: \$6.355 million (2021-22: Nil).
- l. Departmental: \$22.388 million (2021-22: Nil).
Administered: \$6.6 million (2021-22: Nil).
- m. Departmental: \$7.263 million (2021-22: Nil).
- n. Departmental: \$35.362 million (2021-22: Nil).
Administered: \$21.102 million (2021-22: Nil).
- o. Departmental: \$2.283 million (2021-22: Nil).

Accounting policy

Revenue from Government

Departmental amounts appropriated for the financial year (adjusted to reflect the Department's funding model agreements, formal additions and reductions) are recognised as revenue from Government when the Department gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. The Department has two funding models which inform appropriations from Government. As part of the annual funding model reconciliation process, any movements in funding earned are recognised as adjustments to revenue from Government in the current financial year. The funding models are:

- the Visa Variable Funding Model, with variable funding adjusted to reflect actual movements in workload drivers including, for example, visa finalisations and citizenship decisions; and
- the Passenger Workload Growth Agreement model which provides a mechanism for the Department to adjust its funding to cater for appropriate impacts in the passenger processing environment.

Between 2019-20 and 2022-23 departmental appropriations related to the two funding models were frozen at previously agreed levels to take into account the impacts of COVID-19 on the Department's workload.

Equity injections

Amounts appropriated which are designated as 'equity injections' for a financial year (less any formal reductions) and departmental capital budgets, are recognised directly in contributed equity in that year.

Department of Home Affairs

Notes to and forming part of the financial statements

			2023 \$'000	2022 \$'000
<u>Note 5.1C: Special Appropriations applied (Recoverable GST exclusive)</u>				
Authority	Type	Purpose		
<i>Public Governance, Performance and Accountability Act 2013, section 77</i>	Unlimited account	Repayments required or permitted by law	789,967	866,232
<i>Social Security (Administration) Act 1999, section 242</i>	Unlimited account	To provide for income support payments	-	225
<i>Customs Act 1901, section 278</i>	Unlimited account	Refunds / repayments of Customs Duty	270	82
Total special appropriations applied			790,237	866,539

Department of Home Affairs

Notes to and forming part of the financial statements

Note 5.1D: Disclosure by agent in relation to Annual and Special Appropriations (Recoverable GST exclusive)

	2023	2022
	ATO ^a	ATO
	\$'000	\$'000
Total payments	<u>188,829</u>	<u>47,230</u>

- a. The Department administers the Tourist Refund Scheme (TRS) on behalf of the Australian Taxation Office (ATO). The TRS allows for departing Australian international passengers and overseas tourists to claim back the Wine Equalisation Tax and/or Goods and Services Tax on goods purchased in Australia and taken with them.

	2023 \$'000	2022 \$'000
<u>Note 5.1E: Net cash appropriation arrangements</u>		
Total comprehensive loss as per the statement of comprehensive income	(428,674)	(299,133)
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	336,926	322,606
Plus: depreciation right-of-use assets	241,639	272,515
Less: principal repayments - leased assets	(207,175)	(244,901)
Total comprehensive income less expenses previously funded through revenue appropriations	(57,284)	51,087
Changes in asset revaluation reserve	(51,905)	(29,864)
Surplus/(deficit) attributable to the Australian Government less expenses previously funded through revenue appropriation	(109,189)	21,223

Department of Home Affairs

Notes to and forming part of the financial statements

5.2 Statutory conditions for payments from the Consolidated Revenue Fund

Section 83 of the Constitution of Australia provides that no money shall be drawn from the Consolidated Revenue Fund except under appropriation made by law. The Department has assessed that no categories of payments pose a high risk of non-compliance with the requirements of section 83.

Collection and refund of Customs Duty

The Department operates under a self-assessment regime for its Customs Duty collection and refunds, which facilitates trade and ensures collection of border related revenue in a cost effective manner. This process involves importers and brokers undertaking self-assessments to determine duty payable and refunds of that duty. This self-assessment regime is supported by a compliance function that targets high risk transactions with a view to identifying intentional misstatement and fraud.

The enactment of the amendment to the *Customs Act 1901* effected by the *Home Affairs Legislation Amendment (Miscellaneous Measure) Act 2019* on 1 March 2019 provided that overpayments made in good faith no longer give rise to a breach of section 83. The Department, however, continues to follow up potential overpayments and seek recovery where applicable.

The Department's compliance governance and management oversight arrangements for the collection of Customs Duty are in place to provide oversight of high risk transactions and subsequently provide stakeholders with assurance of compliance with the requirements of Section 83. The analysis for 2022-23 identified 8 (2021-22: 18) breaches, totalling approximately \$68,433 (2021-22: \$15,615) in relation to payments made under Section 77 of the PGPA Act. As at 30 June 2023, all of these amounts had been recovered or offset (2021-22: all amounts recovered or offset).

Department of Home Affairs

Notes to and forming part of the financial statements

5.3 Special accounts				
Recoverable GST Exclusive	POCA^a	SOETM	POCA	SOETM
	2023	2023	2022	2022
	\$'000	\$'000	\$'000	\$'000
Balance brought forward from previous period	1,525	1,434	3,201	1,378
Increases				
Other receipts	37,853	434	31,101	1,094
Total increases	37,853	434	31,101	1,094
Total available for payments	39,378	1,868	34,302	2,472
Decreases				
Administered				
Payments made to grant recipients	(4,315)	-	(30,277)	(732)
Payments made to suppliers	-	-	(2,500)	1
Funds returned to Confiscated Assets Account	-	(145)	-	(183)
Funds returned to Consolidated Revenue				
Account	-	(5)	-	-
Funds returned to owner ^b	-	(245)	-	(124)
Restructuring	(35,063)	-		
Total administered decreases	(39,378)	(395)	(32,777)	(1,038)
Total decreases	(39,378)	(395)	(32,777)	(1,038)
Total balance carried to the next period	-	1,473	1,525	1,434
Balance represented by:				
Cash held in entity bank accounts	-	837	-	798
Cash held in the Official Public Account	-	636	1,525	636
Total balance carried to the next period	-	1,473	1,525	1,434

a. Department of Industry, Science and Resources made payments of \$4.315 million (2022: \$30.277 million) from POCA on behalf of the Department through the Business Grants Hub.

b. Represents the return of funds that were previously seized or unidentified, where the funds were required to be returned to the owners, including owners of unidentified funds where they were subsequently located.

Proceeds of Crime Act 2002 programs special account

The *Proceeds of Crime Act 2002 programs (POCA) special account* was operative from 1 July 2018 under *PGPA Act Determination (POCA Programs Special Account 2018)* for the purpose of receiving amounts from the confiscated assets account (managed by the Australian Financial Security Authority) and other special accounts in order to make payments for POCA programs. Administrative responsibility for the POCA special account was transferred to the Attorney General's Department on 18 August 2022.

Services for other entities and trust moneys special account

The services for other entities and trust moneys (SOETM) special account was operative from 1 July 2018 under *PGPA Act Determination (Home Affairs SOETM Special Account 2018)* for the purposes of crediting and disbursing amounts that are seized, found or forfeited to the Department, amounts received from other entities in order to carry out joint activities, and other activities.

Department of Home Affairs

Notes to and forming part of the financial statements

Disaster Ready Payments special account

The Home Affairs Emergency Response Fund (HAERF) special account was renamed to the Disaster Ready Payments special account and responsibility for the special account transferred to the National Emergency Management Agency in accordance with legislative amendments enacted through the Emergency Response Fund Amendment (Disaster Ready Fund) Act 2022 effective on 29 November 2022. The special account has been operative from 12 December 2019 under the former *Emergency Response Fund Act 2019* for the purpose of paying amounts payable by the Commonwealth under arrangements relating to natural disasters and making grants relating to natural disasters. No receipts or payments were made by the Department through this account in 2022-23 (2021-22: Nil).

Department of Home Affairs

Notes to and forming part of the financial statements

5.4 Regulatory charging summary

Regulatory charging activities are those activities where Government has agreed that a regulatory function is to be charged for on a full or partial cost recovery basis. This note provides industry, the Parliament and the public with assurance that these activities are being managed in a way that aligns expenses and revenues over time.

	2023 \$'000	2022 \$'000
Amounts applied		
Departmental		
Annual appropriations ^{a,c}	<u>434,958</u>	409,550
Total amounts applied	<u>434,958</u>	409,550
Expenses		
Departmental ^c	<u>513,961</u>	491,153
Total expenses	<u>513,961</u>	491,153
External Revenue		
Departmental	346	339
Administered ^c	<u>468,124</u>	469,030
Total external revenue	<u>468,470</u>	469,369

- a. Annual appropriations include the cash component of expenses and any capital amounts for the given year. This will exclude the non-cash expenses of depreciation and amortisation and movement in provisions.
- b. Charges collected for Import Processing Charges (IPC) and AusCheck background checking service as revenue under s74 of the PGPA Act.
- c. Australian Citizenship Applications are no longer classified as a regulatory charging activity. Comparatives for 2021-22 have been restated accordingly. In 2021-22, the charges recovered in relation to citizenship applications totalled \$66.272 million and expenses totalled \$98.188 million.

Cost recovered activities*

*The sum of Expenses and Revenue may not equal the financials in the Summary table above due to rounding.

Import Processing Charges and licensing charges

Import Processing Charges (IPC) and licensing charges recover the costs of the Department's cargo and trade related activities. This includes fees for warehouse, depot and broker licences, warehouse declarations fees, location, time and travel fees along with the processing charges associated with administering the importation of goods into Australia. The majority of charges collected are administered in nature, however Government agreed that some charges be collected as departmental revenue. Charges recovered in relation to IPC and licensing totalled \$454.844 million (2021-22: \$457.572 million). Expenses totalled \$487.334 million (2021-22: \$476.383. million).

The Cost Recovery Impact Statement for IPC and licensing charges is currently under review and will be published once completed.

AusCheck Background Checking Service

The AusCheck Background Checking Service coordinates national security background checks and related functions for the aviation, maritime and national health security schemes. The enabling legislation is the *AusCheck Act 2007* and the *AusCheck Regulations 2007*. Charges recovered by the Department in relation to AusCheck Background Checking Service totalled \$13.627 million (2021-22: \$11.798 million) and expenses totalled \$26.627 million (2021-22: \$14.770 million).

The Cost Recovery Impact Statement for the AusCheck Background Checking Service is currently under review and will be published once completed.

Department of Home Affairs

Notes to and forming part of the financial statements

6. People		
6.1 Employee expenses and provisions		
	2023	2022
	\$'000	\$'000
Note 6.1A: Employee benefits		
Wages and salaries	1,067,381	974,024
Superannuation		
Defined contribution plans	142,525	124,928
Defined benefit plans	90,063	94,659
Leave and other entitlements	280,862	201,474
Separation and redundancies	3,123	2,306
Other employee expenses	72,756	61,583
Total employee benefits	1,656,710	1,458,974
Note 6.1B: Employee provisions		
Leave	473,710	468,903
Other	4,470	3,566
Total employee provisions	478,180	472,469

The 2022-23 average staffing level for the Department was 14,258 (2021-22: 13,199).

Accounting policy

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within twelve months of the end of the reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the amounts expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the net total of the present value of the obligation at the end of the reporting period less the fair value at the end of the reporting period of plan assets (if any) from which the obligations will be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will apply at the time the leave is expected to be taken, including the Department's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

Department of Home Affairs

Notes to and forming part of the financial statements

Locally engaged employees

Locally engaged employees (LEE) are covered by individual employment contracts which are negotiated between the employee and the Department of Foreign Affairs and Trade on behalf of the Department to ensure compliance with local labour laws and regulations. The individual contracts are supported and expanded upon by the Department's LEE Conditions of Service Handbook which is specific to each post. Where there is conflict between the two documents the individual contract takes precedence.

Provisions for employee entitlements including unfunded liabilities are recognised in accordance with the conditions of service at each post. LEE conditions at some posts include separation payments, for any cessation of employment, based on years of service. The provisions recognised for these entitlements do not represent termination payments.

Separation and redundancy

The Department recognises a provision for termination payments when it has developed a detailed formal plan for the terminations and has informed employees affected that it will carry out the terminations.

Superannuation

The Department's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap), or non-government superannuation funds where employees have exercised choice. The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap and all non-government funds are defined contribution schemes.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's financial statements administered schedules and notes. The Department makes employer contributions to the employee's defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to Government. The Department accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at the reporting date represents outstanding contributions.

Key accounting judgements and estimates

The liability for long service leave has been determined by reference to the work of an actuarial review performed at 30 June 2021. The Department conducts actuarial reviews every three years. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation. The estimate of future costs requires management and independent actuarial assessment of assumed salary growth rates, future on-cost rates and the experience of employee departures. The future costs are then discounted to present value using market yields on government bonds in accordance with AASB 119 *Employee Benefits*.

The Department conducted an assessment of future cost assumptions during the 2022-23 financial year. The assessment determined that factors recommended through the actuarial review in 2020-21 remain appropriate as at 30 June 2023. Short term and long term salary growth rate assumptions for annual and long service leave, which the actuary advised are a matter for the Department to determine, were revised based on economic forecasts by the Reserve Bank of Australia and the APS bargaining position released in May 2023.

Department of Home Affairs

Notes to and forming part of the financial statements

6.2 Key management personnel remuneration	2023	2022
	\$	\$
Note 6.2A: Key management personnel remuneration expenses		
Short-term employee benefits	6,351,229	6,890,667
Post-employment benefits	960,905	1,042,014
Other long-term employee benefits	166,148	161,370
Termination benefits	50,373	-
Total key management personnel remuneration expenses	7,528,655	8,094,051

The number of key management personnel included in the above table is 21 (2021-22: 19). This includes managers who occupied key management personnel positions for part of the year. The full time equivalent number of key management personnel directly remunerated during 2022-23 was 14.67 (2021-22: 16.83).

Key management personnel remuneration

Key management personnel are identified as those people having the authority and responsibility for planning, directing and controlling the activities of the Department, either directly or indirectly. Key management personnel includes officers serving as: Portfolio Ministers; Cabinet Ministers; the Secretary; Australian Border Force Commissioner; Deputy Secretaries; Deputy Commissioners; Group Managers; and other officers serving in positions in line with this level of authority and responsibility. This includes officers who have acted in any of the aforementioned roles for a continuous period of three months or more.

The remuneration of key management personnel within the table above excludes the remuneration and other benefits of Portfolio and Cabinet Ministers. Portfolio and Cabinet Ministers' remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the Department.

6.3 Related party relationships

The Department is an Australian Government controlled entity. The Department's related parties are key management personnel (including Portfolio and Cabinet Ministers) and other Australian Government entities.

Transactions with related parties

Given the breadth of Government activities, related parties may transact within the Government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of duties, taxes or other fees. Additionally, related parties may transact within the government sector as part of ordinary operations that are subject to standard processes for procurement and employment. These transactions have not been separately disclosed in this note.

The Department was responsible for the provision of common administrative services to the Office of the Special Investigator (OSI) until 31 October 2022. The Department commenced the provision of corporate services including payroll and financial management support to the National Emergency Management Agency (NEMA) from 8 December 2022.

Giving consideration to relationships with related parties, and transactions entered into during the reporting period, it has been determined that there are no other related party transactions to be separately disclosed.

Department of Home Affairs

Notes to and forming part of the financial statements

7. Managing uncertainties

7.1 Contingent assets and liabilities

As at 30 June 2023, the Department had nil quantifiable contingent liabilities (2021-22: Nil).

Unquantifiable contingencies

The Department has a number of legal claims lodged against it for damages and costs. The Department is responding to these claims in accordance with its obligations under the *Legal Services Directions 2017*. It is not possible to estimate the amount and timing of any eventual payments that may be required in relation to these claims.

Accounting policy

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in this note. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable, but not virtually certain and contingent liabilities are disclosed when the probability of settlement is greater than remote. Other contingent assets comprise potential future benefits under contractual arrangements which are contingent on future events that cannot be reliably predicted.

Department of Home Affairs

Notes to and forming part of the financial statements

7.2 Administered – contingent assets and liabilities

As at 30 June 2023 the Department had nil quantifiable contingent assets (2021-22: Nil) or liabilities (2021-22: Nil).

Unquantifiable administered contingencies

Claims and legal actions

The Department has a number of claims and legal actions lodged against it for damages and costs. The Department is responding to these claims in accordance with its obligations under the *Legal Services Directions 2017*. It is not possible to estimate the amount and timing of any eventual payments that may be required in relation to these claims.

Revenue collection securities

The Department holds a number of contingent assets in the form of securities held as part of revenue collection processes. Securities that may be surrendered to the Commonwealth due to failure to meet legislative requirements cannot be estimated and the amount is not quantifiable. From time to time the Department needs to enforce these securities and recognises an associated gain.

Indemnities provided to state and territory governments

The Department has arrangements with state and territory governments for the provision of various services (including health, education, corrections and policing services) to immigration detention facilities and people in immigration detention. Certain jurisdictions are indemnified by the Australian Government for the provision of these services under these arrangements. These indemnities are contingent on potential losses or damages arising out of, or incidental to, the provisions of services under these arrangements and cannot be quantified.

Financial assistance for Australian victims of terrorism overseas

The *Social Security Act 1991* provides for support to Australian victims of terrorism overseas whereby eligible recipients may receive payments of financial assistance. Future payments are contingent on the eligibility of potential claims and cannot be quantified.

Limited liabilities

The Department contracts service providers to deliver various services for the Australian Government. In certain circumstances, the Department may agree to limit service providers' maximum liability in connection with contracted services, which may give rise to a material contingent liability for the Department. The Department's potential losses or damages under these arrangements are contingent on amounts exceeding specified limits and other circumstances, and are not quantifiable.

Department of Home Affairs

Notes to and forming part of the financial statements

7.3 Financial instruments

	2023 \$'000	2022 \$'000
Note 7.3A: Categories of financial instruments		
Financial assets at amortised cost		
Cash and cash equivalents	6,364	5,127
Trade and other receivables	71,238	44,000
Other financial assets	1,038	971
Total financial assets at amortised cost	78,640	50,098
Total financial assets	78,640	50,098

Financial liabilities

Financial liabilities measured at amortised cost		
Suppliers	223,558	234,715
Total financial liabilities measured at amortised cost	223,558	234,715
Total financial liabilities	223,558	234,715

Note 7.3B: Categories of administered financial instruments

Financial assets at amortised cost		
Cash and cash equivalents	149,656	108,993
Non-taxation receivables	246	157
Total financial assets at amortised cost	149,902	109,150
Total financial assets	149,902	109,150
Financial liabilities measured at amortised cost		
Suppliers	257,948	335,526
Grants and contributions payable	1,902	11,758
Total financial liabilities at amortised cost	259,850	347,284
Total financial liabilities	259,850	347,284

Department of Home Affairs

Notes to and forming part of the financial statements

8. Other information

8.1 Current/non-current distinction for assets and liabilities

	2023	2022
	\$'000	\$'000

Note 8.1A: Current/non-current distinction for assets and liabilities

Assets expected to be recovered in:

No more than 12 months

Cash and cash equivalents	6,364	5,127
Trade and other receivables	486,330	721,108
Inventories held for distribution	19,499	20,199
Prepayments	55,139	66,502
Total no more than 12 months	567,332	812,936

More than 12 months

Land	25,099	20,152
Buildings	1,987,372	2,109,213
Leasehold improvements	370,981	349,724
Vessels	256,197	276,934
Plant and equipment	555,963	597,157
Computer software	419,923	456,347
Prepayments	4,573	6,755
Other financial assets	1,038	971
Total more than 12 months	3,621,146	3,817,253
Total assets	4,188,478	4,630,189

Liabilities expected to be settled in:

No more than 12 months

Suppliers	223,558	234,715
Other payables	68,443	69,644
Leases	227,454	229,130
Employee provisions	121,991	120,569
Other provisions	10,739	14,649
Total no more than 12 months	652,185	668,707

More than 12 months

Leases	2,256,037	2,382,564
Employee provisions	356,189	351,900
Other provisions	43,365	47,358
Total more than 12 months	2,655,591	2,781,822
Total liabilities	3,307,776	3,450,529

Department of Home Affairs
Notes to and forming part of the financial statements

	2023 \$'000	2022 \$'000
Note 8.1B: Administered - Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	149,656	108,993
Taxation receivables	425,354	344,240
Trade and other receivables	26,849	37,053
Prepayments	3,428	20,999
Assets held for sale	-	4,695
Total no more than 12 months	605,287	515,980
More than 12 months		
Land	99,390	90,970
Buildings	470,636	501,034
Leasehold improvements	77,483	80,018
Plant and equipment	181,837	186,491
Computer software	37	272
Prepayments	58	-
Total more than 12 months	829,441	858,785
Total assets	1,434,728	1,374,765
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	257,948	335,526
Personal benefits	12,838	14,305
Grants and contributions	1,902	11,758
Unearned income	19,675	17,366
Other payables	31,817	17,040
Leases	2,961	2,846
Bonds and security deposits	7,419	8,312
Total no more than 12 months	334,560	407,153
More than 12 months		
Unearned income	9,050	7,330
Leases	288	1,652
Bonds and security deposits	2,572	2,756
Total more than 12 months	11,910	11,738
Total liabilities	346,470	418,891

Department of Home Affairs

Notes to and forming part of the financial statements

8.2 Restructuring

Responsibility for criminal justice, cyber security, law enforcement policy and operations, and protective services functions was transferred from the Department of Home Affairs to the Attorney-General's Department (AGD) with effect from 1 July 2022, as a result of the Administrative Arrangement Orders dated 23 June 2022. Additional cybercrime functions were transferred to AGD as a result of amendments to the AAOs made on 13 October 2022.

Assets and liabilities for the majority of these functions were transferred to AGD effective on 18 August 2022. Assets and liabilities for cybercrime functions were transferred effective on 16 February 2023. Revenues and expenses reported by the Department for these functions represent the period 1 July 2022 to 17 August 2022 for the majority of functions and 1 July 2022 to 15 February 2023 for cybercrime functions.

In July 2022, the Minister for Emergency Management announced responsibility for the emergency management functions would be transferred out of the Department of Home Affairs to a new agency for the purpose of further strengthening Australia's ability to prepare for, respond to, and recover from disasters. The new agency, National Emergency Management Agency (NEMA), was established as an Executive Agency within the Home Affairs Portfolio on 1 September 2022.

Revenues and expenses reported by the Department for the emergency management functions represent the period 1 July 2022 to 31 August 2022. Employees associated with these functions were initially seconded to NEMA and the costs recovered under a Memorandum of Understanding for the period 1 September 2022 to 7 December 2022. Employees, assets and liabilities transferred to NEMA effective from 8 December 2022.

Restructuring adjustments in 2021-22 represent the transfer of disaster recovery and resilience functions from the Department of Home Affairs to the former National Recovery and Resilience Agency (NRRA) effective on 1 July 2021.

Function relinquished	Year of transfer	Gaining entity
Criminal justice, law enforcement policy and operations, and protective services	2022-23	AGD
Cybercrime functions	2022-23	AGD
Emergency management	2022-23	NEMA
Disaster recovery and resilience	2021-22	NRRA

Department of Home Affairs

Notes to and forming part of the financial statements

Note 8.2A: Departmental restructuring - functions relinquished

	Criminal justice, law enforcement policy and operations, and protective services	Cybercrime functions	Emergency management	Disaster recovery and resilience
	AGD 2023 \$'000	AGD 2023 \$'000	NEMA 2023 \$'000	NRRA 2022 \$'000
Assets relinquished				
Trade and other receivables	49,031	-	5,696	-
Plant and equipment	3,744	-	6	71
Intangibles	465	-	-	-
Leasehold improvements	-	-	11,223	-
Right of use assets	-	163	9,618	-
Other non-financial assets - prepayments	745	-	187	2,916
Total assets relinquished	53,985	163	26,730	2,987
Liabilities relinquished				
Suppliers	187	-	187	419
Employee provisions	5,045	-	3,196	2,120
Other payables	3,454	-	2,500	-
Lease liabilities	-	153	10,118	-
Total liabilities relinquished	8,686	153	16,001	2,539
Net assets relinquished	45,299	10	10,729	448

Department of Home Affairs

Notes to and forming part of the financial statements

Note 8.2B: Administered restructuring – functions relinquished

Criminal justice, law enforcement policy and operations, and protective services	Emergency management	Disaster recovery and resilience
AGD 2023	NEMA 2023	NRRA 2022
\$'000	\$'000	\$'000
Assets relinquished		
Cash in special accounts	35,062	-
Trade and other receivables ^a	-	57,946
Total assets relinquished	35,062	57,946
Liabilities relinquished		
Suppliers	-	751
Grants payable	235	-
Unearned income	34,823	-
Total liabilities relinquished	35,058	751
Net assets relinquished	4	57,195

a. Trade and other receivables relinquished in 2022 relates to concessional loans with state governments, Disaster Recovery Payments and Pandemic Leave Disaster Payments.

Department of Home Affairs

Notes to and forming part of the financial statements

8.3 Budgetary reporting

The following provides an explanation of the variance between the original budget figures as presented in the 2022-23 October Portfolio Budget Statements (PBS) and the 2022-23 final actual result. The budget is not audited. The budget figures as published in the PBS have been restated to align with the presentation and classification adopted in the financial statements.

Explanations are provided for major budget variances only. Variances are treated as major when it is considered important for the reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of the Department.

The nature and timing of the Commonwealth's Budget Process can contribute to the variances of the Department. For the Department's variance analysis, the major impacts include:

- the original budget as presented in the 2022-23 October Portfolio Budget Statements (PBS) is amended by the Government throughout the year. The Department's budget for 2022-23 was updated as part of the 2022-23 Portfolio Additional Estimates Statements (PAES) and the 2023-24 PBS; and
- the Department is usually subject to a number of variable funding mechanisms which will automatically increase or decrease the Departmental revenue from government in the event that specified immigration and citizenship related activity levels deviate from those which were anticipated when the budget was prepared. Departmental revenue associated with these mechanisms was frozen for the 2022-23 financial year to mitigate the impact of COVID-19 on funding.

The variance commentary below will make mention of these factors where applicable.

8.3A: Explanations for major budget variances

Departmental Income

Departmental income, including Revenue from Government, is \$180.8 million (or 6%) higher than the original budget. This is mainly due to:

- a net increase of \$90.0 million (or 3%) in Revenue from Government as a result of measures and estimate variations outlined in the 2022-23 PAES and 2023-24 PBS; and
- higher than anticipated revenue from contracts from customers totalling \$86.7 million primary driven by cost recovery activities.

Departmental Expenses

Departmental expenses are \$275.7 million (or 8%) higher than the original budget mainly due to higher employee and supplier costs.

- Employee expenses are \$82.1 million (or 5%) higher than budget due to a higher Average Staffing Level (ASL) of 14,258 against the budgeted ASL of 14,120 (an increase of 138 or 1%), an additional 1% pay rise applied in February 2023 and changes in staff demographics.
- Supplier expenses are \$206.8 million (or 18%) higher than the budget predominately as a result of higher operational costs for vessels and aerial surveillance, increased inflationary pressures and additional expenses as a result of decisions and supplementation provided through the 2022-23 PAES and 2023-24 Budget process to meet organisation priorities.

Other Comprehensive Income

Changes in the asset revaluation reserve recognised through Other Comprehensive Income are not specifically budgeted.

Departmental Assets

Total departmental assets are \$137.8 million (or 3%) lower than the original budget position mainly due to a reduction in the appropriation receivable balance at 30 June 2023 broadly consistent with the approved operating loss reflected in the 2023-24 PBS.

Departmental Liabilities

Total departmental liabilities are within 1% (\$24.7 million) of the original budget due to minor differences across supplier payables, leases and provisions.

Department of Home Affairs

Notes to and forming part of the financial statements

Departmental Cash Flow

The amounts reported in the departmental Cash Flow Statement are interrelated with figures disclosed in the Statement of Comprehensive Income and Statement of Financial Position. Consequently, variances in the Statement will be attributable to the relevant variance explanations provided above under departmental expenses, departmental revenue, departmental assets and departmental liabilities.

8.3B: Explanations for major administered budget variances

Administered Income

Administered income is higher than the original budget by \$768 million (or 3.7%) mainly due to:

- faster than anticipated recovery in Visa Application Charges revenue of \$591 million; and
- higher Customs Duty revenue of \$258 million mainly as a result of higher than anticipated imports of tobacco products brought into Australia.

Administered Expenses

Administered expenses are \$342 million (or 15.0%) lower than the original budget. This is mainly due to:

- lower supplier expenses of \$328 million (or 16.9%) mainly driven by:
 - \$121 million lower than budgeted additional service request costs in the Unauthorised Maritime Arrival Offshore Management Program due to lower transferee numbers at Nauru and lower supplier contract costs as a result of transition to a new service provider;
 - \$181 million lower than budgeted supplier contract costs in the Onshore Detention Program due to a reduction in detainee population numbers.
- lower personal benefits expenses of \$20 million (or 19.4%) largely due to fewer people receiving income support and associated payments as part of the Status Resolution Support Services (SRSS) program than anticipated.

Other Comprehensive Income

The variance in Other Comprehensive Income of \$29 million reflects a revaluation increment for non-financial assets taken to the Asset Revaluation Reserve which was not specifically budgeted.

Administered Assets

Total administered assets are \$61 million (or 4.4%) higher than the original budget mainly due to a higher cash balance than budgeted at 30 June 2023 and increases in Customs Duty receivables, partially offset by the settlement of debts deferred for taxpayers to support their recovery from COVID-19.

Administered Liabilities

Total administered liabilities are \$72 million (or 17.2%) lower than the original budget. This is predominantly due to less than budgeted expenses accrued at 30 June 2023 relating to the UMA Offshore Management Program and Onshore Detention Program which is consistent with the reduction in supplier expenses.

PART 5: MANAGEMENT AND ACCOUNTABILITY

ENTERPRISE GOVERNANCE	170
EXTERNAL SCRUTINY	180
CLIENT SERVICE	192
HUMAN RESOURCE MANAGEMENT	199
WORK HEALTH AND SAFETY	210
PROCUREMENT, ASSETS AND GRANTS	214
ECOLOGICALLY SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PERFORMANCE	221

ENTERPRISE GOVERNANCE

Statement of enterprise governance practices

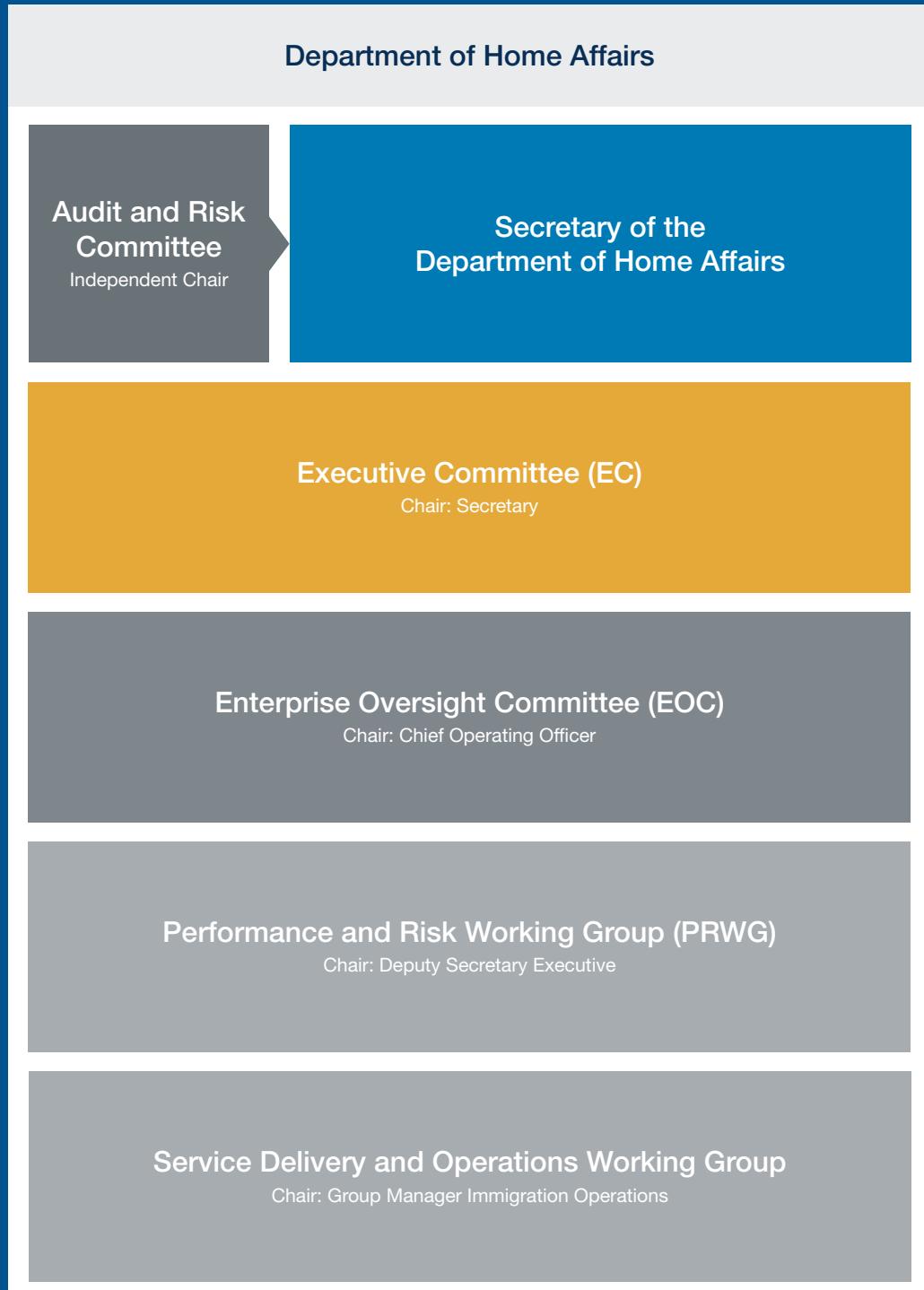
The Department of Home Affairs' strategic direction is supported by enterprise governance arrangements that are agile, provide appropriate oversight of our performance, and support informed decision-making on enterprise-wide issues and direction.

These arrangements ensure transparent and accountable decision-making to meet compliance obligations under relevant legislative and regulatory frameworks, and support the Department in achieving its objectives. The governance arrangements outlined in this chapter apply to the Department and are consistent with the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The Department's enterprise governance arrangements are reflected in Figure 5.

The Australian Border Force governance arrangements are reflected in Figure 6.

Figure 5: Department of Home Affairs' Enterprise Governance Arrangements, as at 30 June 2023



Home Affairs Enterprise Governance Arrangements

As at 30 June 2023, the Department maintained the following enterprise governance committee structure:

Executive Committee

The Executive Committee (EC), chaired by the Secretary, is the Department's premier strategic forum for future-facing enterprise-wide issues, priorities and direction. The EC focuses on performance against strategy, outcomes and objectives, ministerial priorities, policy challenges, extreme risks and emerging issues.

Enterprise Oversight Committee

The Enterprise Oversight Committee (EOC), chaired by the Chief Operating Officer, supports the EC by monitoring the Department's corporate and business operations and providing advice on financial priorities, resource allocation and enterprise performance, risk management, security and assurance.

Performance and Risk Working Group

The Performance and Risk Working Group (PRWG), chaired by Deputy Secretary Executive, supports the Department's EOC by monitoring and managing enterprise performance and risk.

Service Delivery and Operations Working Group⁵⁸

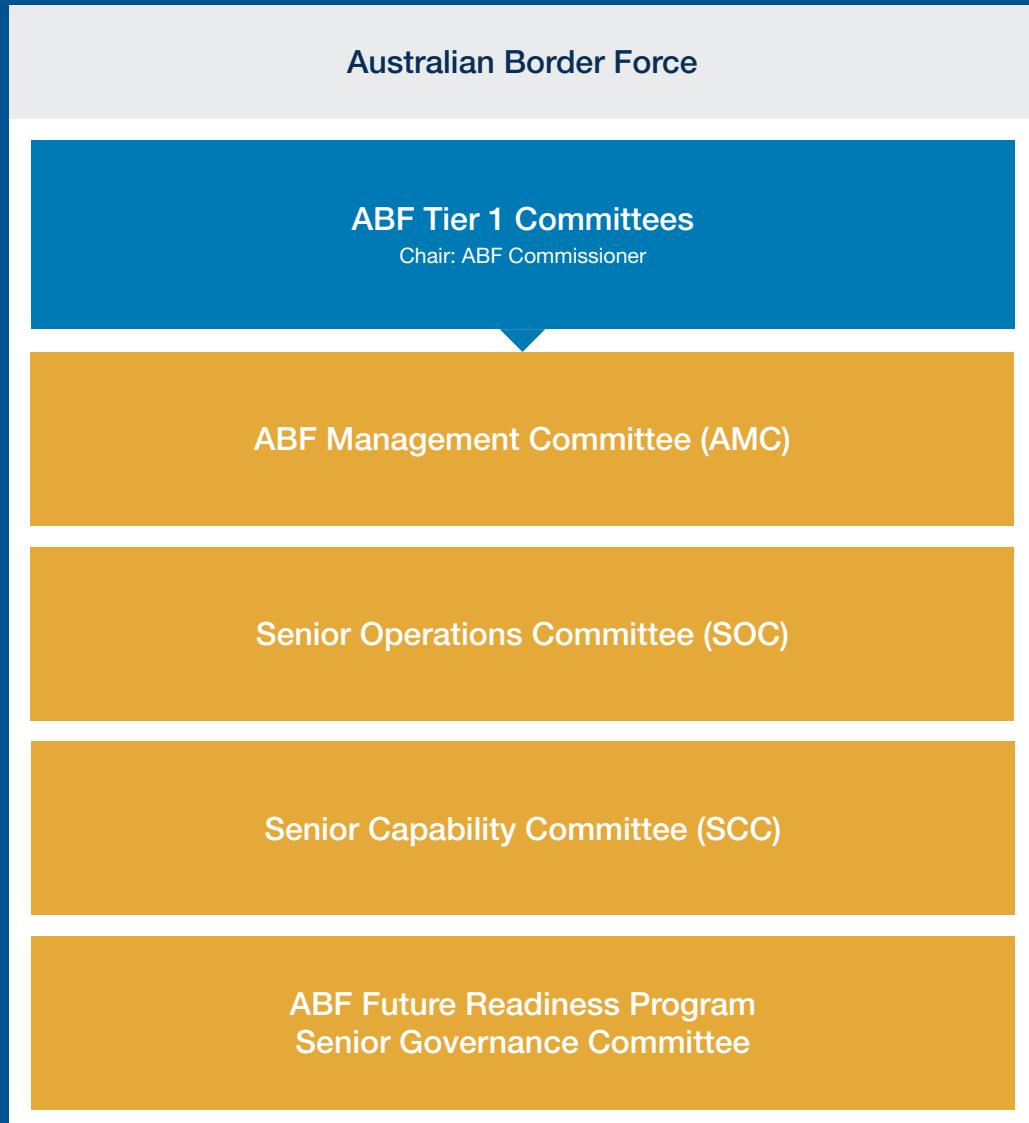
The Service Delivery and Operations Working Group, chaired by Group Manager Immigration Operations, supports the Department's EOC by monitoring and managing current and emerging operational and service delivery issues, including regulatory reform and service delivery enhancements relating to operational performance.

58. The Service Delivery and Operations Working Group did not meet in 2022–23.

Australian Border Force Enterprise Governance Arrangements

The Australian Border Force's governance arrangements align to its operational functions and complement those of the Department more broadly. The ABF's governance model ensures senior executives of the ABF are able to make informed and evidence-based decisions and effectively support delivery of outcomes.

Figure 6: ABF Governance Arrangements, as at 30 June 2023



ABF Tier 1

ABF Tier 1 Committees, chaired by the ABF Commissioner, support key ABF decision-making forums for matters related to ABF-wide issues. Tier 2 governance bodies support the implementation and delivery of ABF's Tier 1 Committee outcomes, and triage matters and manage those that do not require Tier 1 consideration.

ABF Management Committee (AMC)

The AMC sets the ABF's long-term strategy (1–3 years) along with the strategic priorities and performance targets for a 12-month period. It monitors performance, proactively manages the ABF budget and resource allocation and monitors operational risks. If required, the AMC supports the direction and implementation of appropriate mitigations or corrective actions.

Senior Operations Committee (SOC)

The SOC provides governance and oversight and sets operational priorities, drawing on intelligence to ensure the delivery of operational outcomes in a timely manner. It provides operational direction and drives consistency across all operational functions through close collaboration and advice with the ABF's Operations Sub-Committee.

Senior Capability Committee (SCC)

The SCC sets the planning and prioritisation of capability development and investment opportunities for the ABF, through driving and monitoring the capability development program – inclusive of capital expenditure, workforce capability, and major capability projects. Additionally, the SCC sets the strategic direction of the Capability Framework through the subordinate Capability Sub-Committee (CSC) and progresses capability development reflective of the strategic direction and performance targets set by the AMC.

ABF Future Readiness Program Senior Governance Committee

The ABF Future Readiness Program Senior Governance Committee is a decision-making and enabling forum responsible for setting the strategic direction of the ABF Future Readiness Program. It considers the ABF's future operating environment and how the ABF can be optimally positioned to meet future demands.

Audit and Risk Committee

Section 45 of the PGPA Act requires the Secretary to ensure the Department has an Audit and Risk Committee (ARC).

The Secretary has established the ARC in compliance with Section 45 of the PGPA Act to provide independent advice on the Department's financial and performance reporting, system of risk oversight and management, and system of internal control.

All members of the ARC are external, as required by the *Public Governance, Performance and Accountability Rule* (PGPA Rule) and have appropriate qualifications, skills or experience to assist the ARC to perform its functions. The ARC is directly accountable to the Secretary for the performance of its functions.

The Department's Audit and Risk Committee charter is available at www.homeaffairs.gov.au/commitments/files/audit-committee-charter.pdf

Table 7: Audit and Risk Committee details

Member name and tenure during 2021–22	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended during 2022–23 / total number of meetings held during period of membership in 2022–23	Total annual remuneration ⁵⁹ (GST inclusive)
Carol Lilley Current Chair 1 July 2022– 30 June 2023	Ms Lilley is an independent board director, Audit Committee chair and member of a number of Australian Government audit committees. Ms Lilley was a partner at PricewaterhouseCoopers (PwC) and has over 20 years' experience in financial statement audit, internal audit and project and risk management, with a particular focus on government. Ms Lilley also holds a number of qualifications and professional memberships in commerce, accounting and auditing and is a Fellow of the Institute of Chartered Accountants.	6/6	\$74,407.74

59. Remuneration includes preparation for and attendance at meetings of the Audit and Risk Committee, as well as meeting preparation and attendance at sub-committees (where relevant) and other meetings as required by the member's role.

Member name and tenure during 2021–22	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended during 2022–23 / total number of meetings held during period of membership in 2022–23	Total annual remuneration ⁵⁹ (GST inclusive)
Jennifer Clark Current External Member 1 July 2022–30 June 2023	Ms Clark has an extensive background in business and governance through a career as an investment banker and as a non-executive director since 1991. Ms Clark has been the chair, deputy chair or member of over 20 audit committees and boards in the Commonwealth and private sectors over the past 30 years. Ms Clark is a Fellow of the Australian Institute of Company Directors and has substantial experience in financial and performance reporting, audit and risk management.	6/6	\$47,025.01
Don Cross Current External Member 1 July 2022–30 June 2023	Mr Cross is the chair or member of several audit committees and sub-committees, and was a senior partner at KPMG and a lead partner for KPMG's key strategic government accounts. Mr Cross has experience in government program delivery and reform, financial statement audit, and internal audit for policy, regulatory and service delivery agencies. Mr Cross holds numerous qualifications and professional memberships in accounting, fraud control, business, and auditing and is a Fellow of the Institute of Chartered Accountants and a Certified Practising Accountant.	6/6	\$66,989.99

The ARC is supported by a number of departmental senior executives:

- Deputy Commissioner Strategy and Capability
- Chief Operating Officer
- Chief Finance Officer
- Chief Audit Executive.

Corporate and business planning

The *Department of Home Affairs 2022–23 Corporate Plan* (the Plan) as the primary planning document, sets out the Department and the ABF's operating environment, purposes, strategic priorities and key activities and outlines how performance will be measured and assessed.

The Plan supported our business planning cycle and is aligned to individual performance and development agreements, enabling a clear line of sight between work and contributions to the Department's strategic direction. The corporate and business planning cycle was further supported by thorough assurance processes, including quarterly reporting.

This approach provided appropriate executive and ARC oversight of performance through status reports and tracked progress against relevant targets, including data validation, to support compliance and course correction throughout the financial year.

Risk management

The Department continued to operate in an inherently multifaceted and fluid environment, with decisions made by its workers often attracting a higher level of risk. Risk management is therefore an integral part of our business and underpins our activities throughout the financial year.

The Department's *Risk Management Policy* defines our approach to risk and our risk appetite, and outlines the responsibilities and obligations of all staff to manage and report on risk. This reflects our ongoing position that risk management is a shared responsibility, with everyone in the Department having a role to play in identifying, considering and proactively managing risks.

Our *Risk Management Policy* is embedded into risk management practices and daily decision-making, consistent with relevant legislation and regulation, including:

- section 16 of the PGPA Act
- the *Commonwealth Risk Management Policy* (CRMP)
- the Australia and New Zealand accepted international standard ISO31000:2018 Risk management – Guidelines.

Senior governance committees, supported by the Department's ARC and the Chief Risk Officer, oversee our approach to risk management. The integration of risk within our governance arrangements has continued to ensure consistent and effective risk identification and management at an enterprise level. The Department undertakes periodic reviews of our risks, critical controls and supporting frameworks to ensure they remain fit-for-purpose.

Internal audit arrangements

The Internal Audit Program (IAP) is an independent audit program designed to help the Department and ABF improve operations, policy advice and service delivery. The IAP provides independent assurance that key programs, contracts, systems and governance structures are effective, efficient and operating lawfully.

It adopts a strategic and flexible approach to identify areas for improvement and support the mitigation of risks before they eventuate.

All recommendations from internal audits are tracked and monitored by the ARC, supported by the Chief Audit Executive.

In 2022–23, the IAP comprised 11 internal audits and two assurance programs. During the reporting period, 51 recommendations were identified and 115 were closed.⁶⁰

Fraud control and anti-corruption measures

The *Home Affairs Fraud and Corruption Control Plan* (June 2021) and the *ABF Fraud and Corruption Control Plan* (March 2022)⁶¹ outline our commitment to effectively manage and mitigate fraud and corruption in the Department and ABF. The Department, including the ABF, has zero tolerance for fraud and corruption; we are continually reviewing policies to ensure we have the appropriate strategies in place to manage fraud and corruption, taking all reasonable steps to prevent, detect and deal with fraud appropriately.

The plans meet our accountabilities for compliance against the *Commonwealth Fraud Control Framework 2017*, including section 10 of the PGPA Rule, the *Commonwealth Fraud Control Policy*, and *Resource Management Guide No. 201 – Preventing, Detecting and Dealing with Fraud*.

.....
60. A number of recommendations closed were identified in previous financial years.

61. The Department is developing updated control plans.

Accountability, integrity and ethical standards

Establishing and maintaining ethical standards

All employees must act within the set standards for professional conduct, requiring a high level of integrity and consistently ethical behaviour. Adhering to these ensures the Department can maintain the confidence of the Australian Government and the Australian community.

The *Integrity Strategy 2025* continues to guide our approach and positions the Department to dynamically respond to integrity risks. The Department seeks to embed high-integrity practices into our work and respond proactively and proportionately to adverse workplace behaviours, should they occur.

Throughout 2022–23, the Department focused on:

- preparing for the launch of the National Anti-Corruption Commission (NACC) on 1 July 2023 and supporting the associated transition of the Australian Commission for Law Enforcement Integrity to the NACC
- promoting a strong integrity culture of openness and transparency regarding integrity issues by raising awareness about the consequences of inappropriate conduct, as per the Department's *Professional Standards Framework*
- undertaking proactive, targeted and tailored training, education and awareness-raising activities
- adopting early interventions as a guiding principle of our work, demonstrated by proactively addressing workers engaging in high-risk behaviours with a view to disrupt and deter inappropriate conduct.

Non-compliance with finance law

There were no instances of significant non-compliance with finance law in 2022–23, compared to one instance reported in 2021–22.

Capability reviews

The Department did not initiate any capability reviews in 2022–23, consistent with 2021–22.

EXTERNAL SCRUTINY

Judicial and administrative tribunal decisions

Notable decisions

Pearson v Minister for Home Affairs [2022] – FCAFC – 203

In *Pearson v Minister for Home Affairs [2022] FCAFC 203*, the Full Court of the Federal Court of Australia decided that an ‘aggregate sentence’ (a single sentence imposed in relation to two or more criminal offences of which a person has been convicted) did not fall within the definition of a ‘substantial criminal record’ under s501(7)(c) of the *Migration Act 1958* (the Act). This judgment impacted many similar decisions to cancel or refuse visas on character grounds and resulted in the release of a number of non-citizens from immigration detention.

On 17 February 2023, the *Migration Amendment (Aggregate Sentences) Act 2023* (Cth) (Amending Act) commenced. This prospectively amended the Act to clarify that the Act applies no differently in relation to a single sentence imposed in respect of two or more offences as it would to a sentence impose in respect of a single offence. The Amending Act also retrospectively validated decisions that were only invalid as a result of reliance on an aggregate sentence.

On 21 February 2023, the Minister for Home Affairs filed an application for special leave to appeal the Full Federal Court’s judgment to the High Court. On 11 August 2023, the High Court (Kiefel CJ and Gleeson J) dismissed the application, as the passage of the Amending Act and the absence of a constitutional challenge to that Act in the proceeding meant the only live issue on appeal would be costs.

Davis v Minister for Immigration, Citizenship and Multicultural Affairs – HCA –M32/2022; DCM20 v Secretary of Department of Home Affairs and Anor – HCA –S81/2022

Mr Davis is a citizen of the United Kingdom, who applied for a Partner visa in 2016. DCM20 is a citizen of Fiji, who applied for a Resolution of Status visa in 1998. Those applications were refused by Departmental decision makers. Those decisions were affirmed on review by the Administrative Appeals Tribunal (AAT).

Mr Davis and DCM20 made separate requests for ministerial intervention under s351 of the *Migration Act 1958* (the Act), which allows the relevant Minister to substitute a decision of the AAT for a more favourable decision if they think it is in the public interest to do so. Departmental officers assessed Mr Davis's and DCM20's requests against the instructions issued by the then Minister for Immigration and Border Protection with respect to s351 of the Act and decided not to refer the requests to the Minister for Immigration, Citizenship and Multicultural Affairs or the Minister for Home Affairs.

Mr Davis and DCM20 challenged the departmental officers' decisions.

On 12 April 2023, the High Court of Australia found that s351 of the Act prevents anyone but the relevant Minister, acting personally, from considering the public interest when assessing requests for ministerial intervention. The Court found that certain aspects of the Ministerial Instructions instructed departmental officers to undertake a subjective assessment of what was an approximation of the public interest to determine if requests for ministerial intervention should be referred to the relevant Minister. As a result those aspects of the Ministerial Instructions and the departmental officers' 'decisions' in purported compliance with those instructions (including those with respect to Mr Davis' and DCM20's requests) exceeded the executive power of the Commonwealth.

Civil litigation

Under the *Legal Services Directions 2017* (Cth), monetary claims can only be settled in accordance with legal principle and practice. Such a settlement requires the existence of at least a meaningful prospect of liability being established.

At 30 June 2023, departmental records indicate that 363 claims for compensation were foreshadowed and/or filed in the courts or the Fair Work Commission. This includes, but is not limited to, claims for unlawful detention or personal injury arising from detention, personal injury relating to or sustained in a regional processing country, employee-related matters, privacy complaints and other claims arising from activities of the Department.

Reports by external bodies

Reports from the Office of the Australian Information Commissioner

Privacy

During 2022–23, the Department continued to work closely with the Office of the Australian Information Commissioner (OAIC) to provide assurance to the Australian public that personal information held by the Department and privacy breaches are handled in accordance with the *Privacy Act 1988* (Privacy Act). The OAIC assessment reports, and the Department's responses, are published on the OAIC website.⁶²

Privacy Assessments

Through a memorandum of understanding, the OAIC receives funding from the Department to undertake annual assessments of the handling of passenger name record (PNR) data. PNR data is information provided by passengers to air carriers to enable processing of travel reservations. The collection and use of PNR data continues to support law enforcement agencies in preventing, detecting and investigating serious crimes, including terrorism, drug trafficking, human trafficking and child exploitation.

The 2022–23 assessment was finalised and published on the OAIC website on 6 April 2023. During 2022–23, the Department continued to implement recommendations arising from this and previous assessments.

.....
62. www.oaic.gov.au

Reports from the Office of the Commonwealth Ombudsman

The Office of the Commonwealth Ombudsman (the Commonwealth Ombudsman) released six reports concerning the Department's activities in 2022–23:

- *Commonwealth Ombudsman's Annual Report – Monitoring agency access to stored communications data under Chapters 3 and 4 of the Telecommunications (Interception and Access) Act 1979 for the period of 1 July 2019 to 30 June 2020.* Published on 7 September 2022.
- *Report to the Attorney-General on agencies' compliance with Part 15 of the Telecommunications Act 1997 for the period 9 December 2018 to 30 June 2020.* Published on 17 November 2022.
- *Monitoring of Commonwealth Places of Detention: Annual Report of the Commonwealth National Preventive Mechanism under the Optional Protocol to the Convention Against Torture (OPCAT) 1 July 2021 to 30 June 2022.* Published on 20 January 2023.
- *2021–22 Report to the Attorney-General on agencies' compliance with the Crimes Act 1914, which reports on controlled operations, delayed notification search warrants and account takeover warrants.* Published on 6 February 2023.
- *Commonwealth Ombudsman's Annual Report – Monitoring agency access to stored communications data under Chapters 3 and 4 of the Telecommunications (Interception and Access) Act 1979 for inspections conducted in the period 1 July 2021 to 30 June 2022.* Published on 7 March 2023.
- *Report on People Detained and later Released as Not Unlawful 1 July 2021 to 30 June 2022.* Published on 31 May 2023.

These reports, including the Department's responses, are publicly available on the Commonwealth Ombudsman's website.⁶³ Under the *Migration Act 1958*, the Commonwealth Ombudsman is required to report on the appropriateness of immigration detention arrangements for each person detained for more than two years. Each report is provided to the Minister for Immigration, Citizenship and Multicultural Affairs along with a de-identified version that the Minister must table in the Australian Parliament. The Detention Review Assessments, including the Department's responses, are publicly available on the Commonwealth Ombudsman's website.

63. www.ombudsman.gov.au

Reports from the Australian National Audit Office

The Auditor-General released five performance audit reports that examined the Department and the ABF in 2022–23:

Department of Home Affairs' Management of its Public Communications and Media Activities

The objective of this audit was to examine the effectiveness of the Department's management of its public communications and media activities. The report was published on 23 February 2023.

Management of Migration to Australia – Family Migration Program

The objective of this audit was to assess the effectiveness of the management of family-related visas. The report was published on 27 March 2023.

Procurement of the Permissions Capability

This audit was conducted to provide assurance that the Department's procurement process for the Permissions Capability employed open and effective competition, achieved value for money, and is consistent with the Commonwealth Procurement Rules. The report was published on 7 June 2023.

Procurement of Office Furniture

The objective of this audit was to examine whether procurements of office furniture have been consistent with the Commonwealth Procurement Rule and achieved value for money. The report was published on 14 June 2023.

Implementation of the Government Response to the Black Economy Taskforce Report

The objective of this audit was to assess the effectiveness of the implementation of the government response to the Black Economy Taskforce report. The report was published on 19 June 2023.

These reports are publicly available on the Australian National Audit Office website.

Australian Human Rights Commission

Under the *Australian Human Rights Commission Act 1986*, the Australian Human Rights Commission (AHRC) can inquire into complaints of breaches of human rights and workplace discrimination.

The AHRC released four reports concerning the Department's activities in 2022–23:

- *AusHRC 144 – Ms RC v Commonwealth (Department of Home Affairs)(2022) – Report into arbitrary detention* (Tabled in Parliament on 28 September 2022)
- *AusHRC 146 – Mr Vakhabov v Commonwealth of Australia (Department of Home Affairs) – Report into a safe place of detention* (Tabled in Parliament on 17 November 2022)
- *AusHRC 147– Mr Andriwas v The Commonwealth of Australia (Department of Home Affairs) – Report into a safe place of detention* (Published on 10 March 2023)
- *The Use of Hotels as Alternative Places of Detention* (Published on 21 June 2023).

These reports including the Department's responses are publicly available on the AHRC's website.⁶⁴

Royal Commission into Institutional Responses to Child Sexual Abuse

The Final Report of the Royal Commission into Institutional Responses to Child Sexual Abuse was delivered on 5 December 2017; it made 409 recommendations, with the Department of Home Affairs leading 69 of them. The Department and the ABF coordinated the Home Affairs Portfolio response to the Australian Government's Annual Progress Report 2022.

The final report is publicly available on the Royal Commission's website⁶⁵ and the Australian Government's Annual Progress Report 2022 is available on the Australian Government Response page.⁶⁶

64. www.humanrights.gov.au

65. www.childabuseroyalcommission.gov.au/final-report

66. Annual Progress Report 2021 | Australian Government Response to the Royal Commission into Institutional Responses to Child Sexual Abuse (childabuseroyalcommissionresponse.gov.au)

As at 30 June 2023, all recommendations on which the Department led have been implemented and closed. The Department's achievements in relation to child safety in 2022–23 include:

- establishing an Independent Visitor Arrangement for children in immigration detention to formally commence in 2023–24. Under the arrangement, the Office of the Commonwealth Ombudsman, in their National Preventive Mechanism role, will perform the role of an Independent Visitor; this will ensure children and families in immigration detention facilities have early access to a dedicated, child-specific avenue through which they can raise concerns and have any issues more easily identified and resolved
- raising awareness of child safe obligations through strategies that promote, encourage and increase staff understanding of their child-safeguarding responsibilities. This includes a range of internal communications and messaging and our annual interactive 'Child Safe Art Challenge'
- ongoing engagement through the Child Safeguarding Assurance Program, ensuring that all divisions and commands are effectively implementing the Commonwealth Child Safe framework, including through appropriate risk prevention and mitigation strategies and support mechanisms for staff
- conducting a department-wide survey to inform the development of ongoing child-related risk strategies and controls relevant to the Department's operating context.

The Department continues to promote training opportunities and policy documents that build officer capability in line with the Commonwealth Child Safe Framework and the National Principles for Child Safe Organisations and the Department's own Child Safeguarding Framework.

Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability

Established in April 2019, the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (Disability Royal Commission) was a response to community concern about widespread reports of violence against, and the neglect, abuse and exploitation of, people with disability. Details relating to the Royal Commission can be found on their website.⁶⁷

67. www.disability.royalcommission.gov.au/about-royal-commission

The Department assists the Royal Commission through the Attorney-General's Department by providing information on areas of relevance to the Home Affairs Portfolio, including:

- emergency planning and response
- the use of restrictive practices
- the experiences of culturally and linguistically diverse people with disability.

The Commission is expected to deliver a final report to the Australian Government by 29 September 2023.

Reports from parliamentary committees

The Parliament of Australia may refer bills, policies or issues affecting the wider community to a parliamentary committee of inquiry. Table 8 and Table 9 outline parliamentary committee reports released during 2022–23 in which the Department was the lead agency for the Government Response.

Table 8: Reports from joint committees

Report	Date tabled
Parliamentary Joint Committee on Intelligence and Security	
<i>Review of the listing and re-listing of eight organisations as terrorist organisations under the Criminal Code</i>	26 September 2022
<i>Review of the Counter-Terrorism (Temporary Exclusion Orders) Act 2019</i>	10 May 2023
<i>Advisory Report on the Australian Security Intelligence Organisation Amendment Bill 2023</i>	13 June 2023
Joint Committee on Public Accounts and Audit	
<i>Report 497 Inquiry into Commonwealth Financial Statements 2021–22</i>	29 June 2023

Table 9: Reports from Senate committees

Report	Date tabled
Senate Standing Committee on Legal and Constitutional Affairs	
<i>National Emergency (2022 New South Wales Floods) Declaration 2022</i>	8 February 2023
<i>Migration Amendment (Evacuation to Safety) Bill 2013</i>	7 March 2023
<i>Migration Amendment (Australia's Engagement in the Pacific and Other Measures) Bill 2023, and the Migration (Visa Pre-application Process) Charge Bill 2023</i>	13 June 2023

Complaints

Commonwealth Ombudsman

The Department received 65 complaints in 2022–23, consistent with the 65 complaints received in 2021–22.

A total of 74 complaints were finalised during 2022–23, compared to 69 in 2021–22.

Australian Human Rights Commission

The Department received 65 complaints in 2022–23, a decrease compared to the 146 in 2021–22.

A total of 72 complaints were finalised in 2022–23, compared to 169 in 2021–22.

Office of the Australian Information Commissioner

Privacy complaints

During 2022–23, the Department received five privacy complaints through the OAIC, a small decrease from the six received in 2021–22. Four were closed in 2022–23, and four privacy complaints remained open as at 30 June 2023.

Of the four complaints closed in 2022–23:

- two matters were closed as not an interference with privacy
- one matter was closed as the Commissioner declined to investigate further after the complainant failed to respond to them
- one matter was considered adequately dealt with.

No matters went to determination in 2022–23.

Freedom of Information

Information requests

In accordance with the *Freedom of Information Act 1982* (FOI Act), agencies may refuse access to documents, in whole or in part, where release of the information might cause harm to:

- national security, defence or international relations
- the operations of the Cabinet
- the enforcement of laws or legal proceedings
- the operations of the agency
- the privacy of individuals.

Table 10: FOI requests received

	2021–22	2022–23
Requests received	15,893	16,828
Personal FOI access requests	12,799	11,317
Non-personal FOI access requests	1,853	1,763
Privacy Act (registered)	48	2,619
Amendments	1,193	1,129

Table 11: FOI requests finalised

	2021–22	2022–23
Requests finalised	13,905	20,945
Personal FOI access requests	10,679	15,326 ⁶⁸
Non-personal FOI access requests	1,975	1,898
Privacy Act (registered)	85	2,578
Amendments	1,166	1,143

68. This figure includes 9,388 withdrawals where information was provided under the Privacy Act in consultation with the applicant.

Table 12: FOI finalisations made in time

	2021–22	2022–23
Finalisations made in time	50%	48%
Personal FOI access requests	42%	34%
Non-personal FOI access requests	71%	78%
Privacy Act (registered)	n/a	89%
Amendments	91%	87%

Table 13: FOI finalisations by type

	2021–22	2022–23
Finalisations by type (access requests)	12,555	19,802
Full access granted under FOI Act	6,064	1,956 ⁶⁹
Full access granted under Privacy Act	n/a	11,932 ⁷⁰
Part access granted under FOI Act	4,176	3,129
Access refused under FOI Act	960	1,202
Case transferred to another agency or client withdrawal prior to decision	1,351	1,583

FOI business improvements

The Department's FOI program comprises over 40 per cent of all requests received by the Australian Public Service with the majority of requests made by individuals seeking personal documents.

In 2022–23, the Department has reduced the number of overdue FOI requests by approximately 73 per cent and released almost 3 million pages of documents.

As at 30 June 2023, the Department has improved its compliance with statutory timeframes for its non-personal FOI request caseload. In 2022–23, the Department finalised 78 per cent of requests for non-personal information within the statutory timeframes compared with 71 per cent in 2021–22.

69. This figure reflects the changes made by the Department in 2022–23 to make use of the Privacy Act provisions for personal access requests.

70. This figure reflects the changes made by the Department in 2022–23 to make use of the Privacy Act provisions for personal access requests.

The Department continues to implement business improvements to reduce FOI decision timeframes, including by automating the registration of FOI requests and proactively releasing de-identified statistics on core program outcomes.

Specifically, business improvements implemented in 2022–23 include:

- the introduction of enhanced reporting mechanisms to better analyse the caseload and implementation of upgrades to the FOI caseload management system
- the introduction of processes to release personal information administratively under the provisions of the Privacy Act
- the implementation of automation tools to assist in registering FOI applications lodged online
- the redesign of the online application form and website information to better support FOI applicants.

CLIENT SERVICE

Following disruption to long established patterns of client service delivery and demand – both onshore and offshore – caused by the COVID-19 pandemic and humanitarian crises in Afghanistan and Ukraine, 2022–23 was a year of consolidation and enhancement for client service delivery.

This consolidation was driven by continuous improvement and personalisation of service delivery, with a focus on adapting to an evolving client services landscape to ensure that digital and in-person services effectively respond to client needs.

As the Department reduced the number of on-hand visa applications through a concerted focus on decision-making and visa grant activities, the number of clients accessing the Department's escalation channels seeking an update on their application or urgent consideration for compelling and compassionate reasons reduced significantly. This has allowed the Department to focus on service delivery enhancements.

A return in demand for both temporary and permanent travel to Australia, which in some cases exceeded pre-pandemic levels, drove increased client demand for online information and enquiry and application services, including through the Department's website, Virtual Assistant (VA) and online visa application portals.

Improvements to these systems ensured the Department was well placed to facilitate enquiry demand while enabling those seeking to access services to do so quickly and effectively at a time and place of their choosing.

Digital services

Web and online services form the Department's primary channel for client enquiries and the delivery of efficient and effective services. Significant progress was made during the year to improve and enhance online information, with more than 300 updates made to the Department's websites specifically to improve the accessibility of information available to clients.

Additionally, noting many clients are from culturally and linguistically diverse (CALD) communities, the Department continued to progress opportunities to make a greater range of online content and services available in languages other than English. Both activities are critical as the Department's websites continue to be an authoritative source of information for clients on visas, citizenship, customs and trade matters. There were 118 million sessions across Home Affairs, Immigration and Citizenship, and Australian Border Force websites in 2022–23, representing a 42 per cent increase in web traffic overall from 2021–22.

Use of the Department's online VA continued to grow in 2022–23, handling 1.16 million enquiries, an increase from 1.01 million in 2021–22. The Department made a number of enhancements to the VA technology platform to assist clients to find the information they need without having to contact the Department by telephone.

ImmiAccount remains the Department's 'digital front door' for client access to a range of online services, including visa applications. It simplifies access to the departmental services, enabling high-volume digital self-service and further reducing the need for clients to phone the Department or visit in person. Clients are able to access services and complete transactions online within their personalised account, with functionality to upload information requested by the Department to support their visa or citizenship application.

Clients can also access all communication from the Department in relation to their application via ImmiAccount (where the application has been lodged online). ImmiAccount experienced a marked increase in traffic in 2022–23 with a 96 per cent increase in applications lodged online compared to 2021–22 as demand for temporary and permanent migration to Australia surpassed pre-pandemic levels.

Telephone services

The Department's Global Service Centre (GSC) continued to deliver critical services as a 'one-stop shop' for enquiries. The GSC delivers rapid, consistent and accurate information to individuals, business and industry across Australia and clients globally, regarding visa, citizenship, trade and customs related matters. Following a reduction in telephone enquiries during the COVID-19 period, calls to the GSC grew in 2022–23, with 1.26 million calls handled, an increase from the 972,307 calls handled in 2021–22.

The GSC is a key enabler of the successful delivery of Australia's migration and visa programs, providing an efficient and effective alternative – or at times complementary – service delivery channel to online information and services. It also serves as an important contact point for vulnerable clients and those with compelling or compassionate circumstances.

During 2022–23, the Department progressed a number of initiatives to enhance its telephone service offering and develop a more modern and client-focused service delivery approach aligning with client expectations. Enhancements included: changes to call management practices to better assist clients to understand their visa options; improved client service representative training to uplift engagement, capability and the overall client service experience; and helping more clients to resolve issues encountered with online services.

In person services

Overseas, the Department has engaged Service Delivery Partners (SDPs) since the early 2000s to extend its geographic reach to support visa lodgement and biometric collection services. During 2022–23, the Department had SDP arrangements with two commercial providers, delivering a network of Australian Biometric Collection Centres (ABCCs) in 50 countries. Through biometric collection, SDPs support the Department to strengthen border security by allowing it to detect persons of concern while facilitating legitimate travel. SDPs operate on a user-pays basis, with visa applicants paying for the cost. In 2022–23, SDPs completed just under 1 million biometric collections on behalf of the Department.

To support improved visa services in Papua New Guinea, the Department along with the SDP opened a new ABCC in Port Moresby in June 2023; this was the first relocation or establishment of an ABCC since the pandemic and visa applicants responded positively to the more central location of the new centre.

The Department also worked closely with its commercial partner in high-demand locations across Asia to increase biometric collection appointment availability through increased opening hours and temporary additional collection centres in response to seasonal and local spikes in demand for travel to Australia.

Client feedback

The Department collected feedback throughout 2022–23 to identify opportunities to enhance service delivery, and inform continuous improvement of program and policy development. As part of this process the Department analysed feedback provided by clients through avenues including the in-page feedback function across departmental websites, its online VA, and through more formal complaints, compliments and suggestions mechanisms.

The majority of feedback was handled by the Department's Global Feedback Unit (GFU), a central point for receiving, tracking and facilitating responses. In 2022–23, the GFU managed more than 25,000 client feedback cases, inclusive of 24,165 complaints, 370 compliments, and 633 suggestions.

It also eliminated a backlog of on-hand cases that had been driven by international humanitarian crises and the reopening of the border in late 2021. As at the end of 2022–23, the GFU was consistently meeting a target of responding to 85 per cent of feedback submissions within 15 working days of acknowledgement.

During 2022–23, the Department also made improvements to the operation of the Parliamentary Liaison Network (PLN), a dedicated contact point for members of parliament, senators and their electorate staff. The PLN provides specialist case-specific visa and citizenship advice in response to enquiries made of parliamentarians. It also offers assistance and information in resolving other enquiries related to the Department's functions, including cargo and trade matters.

Improvements included enhanced outreach to Federal Parliamentarians and their electorate offices, and a streamlined enquiry handling and response process. In 2022–23, the PLN received and resolved more than 14,600 enquiries with 95 per cent of these finalised within 10 business days.

Outreach and engagement

Communication, outreach and engagement activities were critical to supporting the delivery of an increased migration program in 2022–23. To drive this work, an immigration outreach and engagement capability was established in July 2022 and focused on improving immigration client experience, reducing visa backlogs and supporting the Australian Government's efforts to address workforce and critical skill shortages.

A network of business, industry and regional outreach officers located in states and territories continued to assist industry and business stakeholders and state and territory counterparts by providing information on Australia's skilled migration program. Global Skills Attraction officers based in key overseas locations also played an important role in promoting the Migration Program and delivering more skilled migrants for Australia. Outreach offices attended 3,444 engagements in 2022–23.

The Department also delivered an ongoing international marketing campaign in 26 countries to attract skilled workers to fill critical shortages. In 2022–23, the Smart Move Australia reached more than 205 million people, with the website receiving nearly 16 million unique views. The campaign was amplified domestically through six face-to-face and virtual meetings with multicultural communities and translated communication products in 19 languages.

The Department's network of Community Liaison Officers (CLOs) has an essential role in supporting our vibrant multicultural society by building and maintaining relationships with a wide range of cultural, religious and ethnic communities. The CLO network supports the communication of official information to multicultural communities, and provides a mechanism for community members to share information about their priorities and concerns. Between 1 July 2022 and 30 June 2023, the network undertook more than 9,100 engagements with community stakeholders.

Translating and interpreting services

The Translating and Interpreting Service (TIS National) delivers high quality, cost effective and secure interpreting services for people with limited or no English proficiency. TIS National connects Government, businesses, emergency services and non-government agencies that need to communicate with non-English speaking clients.

The service supports multicultural access and equity by ensuring community members can access programs and services, regardless of cultural or linguistic backgrounds. This includes delivering the Free Interpreting Service on behalf of the Australian Government. In October 2022, eligible allied health professionals gained access to the service. This led to 625 new allied health professionals registering to use free interpreting support to deliver essential health services to their patients.

The completion of the TIS Online system enhancements enabled faster interpreter booking allocations, and video remote interpreting became available to all TIS National clients, including those in remote areas.

In 2022–23, the program delivered a range of positive outcomes including:

- In partnership with the National Accreditation Authority for Translators and Interpreters (NAATI), a pathway was established for participants to obtain Recognised Practicing Interpreter credentials in new and emerging languages. Since 1 July 2022, 117 interpreters were appointed to the TIS National panel, including 6 through the pathway created
- a group of 17 highly skilled interpreters were supported to complete relevant modules from the Monash University Masters program in specialist health and specialist legal interpreting. Certified specialist testing offered by NAATI will ensure interpreters will be available to deliver these specialised services
- TIS National enabled temporary residents who are suitably qualified Ukrainian interpreters to join the TIS National panel, usually restricted to Australian permanent residents or citizens. Two temporary residents and an additional seven permanent resident/citizen interpreters joined the TIS National panel in response to the crisis, increasing the available supply of interpreters.

Service standards

In 2022–23, through 2,808 independent contracted interpreters, TIS National facilitated:

- 1,112,675 telephone interpreting services compared to 1,259,147 in 2021–22
- 131,631 on-site services, compared to 107,647 in 2021–22

Of the total services provided in 2022–23, 216,818 of these were free interpreting services.

TIS National continued to support demand for priority immediate phone interpreting, including for emergency services. The immediate call demand for Triple Zero and hospitals increasing by 18.2 per cent and 20 per cent respectively compared to 2021–22.

Table 14: TIS national key performance standards

	2021–22	2022–23
Percentage of calls answered within 30 seconds	76.1%	85.7%
Percentage of on-site bookings assigned within 3 days of receipt	99.1%	99.0%
Percentage of all TIS calls assigned to an interpreter within 3 minutes	98.9%	98.6%
Percentage of all calls performed by a National Accreditation Authority for Translators and Interpreters credentialled interpreter	94.3%	95.4%

Table 15: TIS national key performance standards

	2021–22	2022–23
Calls offered		
Emergency calls (000)	29,210	34,513
Total calls (including emergency calls)	1,371,335	1,187,524
Calls accepted		
Emergency calls (000)	28,901	34,154
Total calls (including emergency calls)	1,292,193	1,160,751
Calls per open hour (%)		
Emergency calls (000)	n/a	n/a
Total calls (including emergency calls)	6.6%	5.4%
Average handle time (mm:ss)		
Emergency calls (000)	01:47	01:55
Total calls (including emergency calls)	03:44	03:41
Average speed to answer (mm:ss)		
Emergency calls (000)	00:09	00:08
Total calls (including emergency calls)	01:03	00:23
Grade of service (%)		
Emergency calls (000)	96.2%	97.3%
Total calls (including emergency calls)	76.1%	85.7%

HUMAN RESOURCE MANAGEMENT

Workforce profile

Throughout 2022–23, the Department continued to ensure that our people, who are our most important asset, had access to a professional and safe working environment and were able to develop their capabilities. We recognise that these core people priorities are the foundation to building and maintaining a high performance culture, achieving our purpose and delivering for the Australian community.

The Department continues to build on a workforce that is reflective of the community we serve. As at 30 June 2023, our workforce comprised of:

- 14,195⁷¹ ongoing and 1,027⁷² non-ongoing staff, an overall increase from 13,105 ongoing and 741 non-ongoing staff in 2021–22
- 15,037⁷³ staff located in every state and territory, and 185 staff across 42 cities around the world⁷⁴
- 299 staff who identify as Aboriginal and/or Torres Strait Islander, an overall increase from 272 in 2021–22
- 375 staff who identify as having a disability, an overall increase from 282 in 2021–22
- 85.51 per cent of staff working full-time, 11.42 per cent part time and 3.07 per cent casual, in comparison to 2021–22 figures of 85.01 per cent of staff working full-time, 12.37 per cent part time and 2.61 per cent casual
- 52.88 per cent female staff, 47.00 per cent male staff and 0.12 per cent staff who identify as non-binary in comparison to 52.77, 47.17 and 0.06 per cent respectively in 2020–21
- an average staff age of 43 years, which is a slight decrease in comparison to the average age of 44 years in 2021–22.

71. This figure excludes the Secretary and ABF Commissioner.

72. This figure includes 467 casual employees.

73. This figure includes 185 staff located overseas.

74. The number of locations is larger than the number of cities reported in this Annual Report, as there are multiple office locations in some cities.

In 2022–23, the voluntary separation rate of ongoing staff was 10.07 per cent, while the external recruitment rate was 23.45 per cent, in comparison to 12.47 and 14.68 per cent respectively in 2021–22.

Workforce planning

The Department's workforce planning ensures that we have the required workforce capability to meet current and future operational demands. Embedding workforce planning enables departmental business areas to mitigate workforce risks and prepare for future workforce needs based on corporate and business planning priorities.

This line-of-sight between the Department's outcomes and human resources positions us to ensure our workforce capabilities meet the ongoing evolution of our work and operating context.

People management, learning and development

To support staff with developing the required skills, experience and attitude to be successful within their role, the Department provides learning and development opportunities that blend experiential, collaborative and formal elements of learning. This includes both mandatory and career-specific training, supported by a range of resources to guide managers and staff seeking to identify and develop vocational pathways.

Key initiatives in 2022–23 included:

- the launch of the Department's refreshed mentoring program in January 2023 based on a reciprocal learning relationship between mentor and mentee
- the Future Ready Level Up pilot, a new in-house management skills training program, targeting APS Level 6 officers with aspirations to be Executive Level officers
- providing staff with access to a range of APS Academy and APS-wide learning opportunities
- the expansion of *Learning Bites*, a monthly, themed micro-learning skills series that has attracted an average of over 1,000 staff views per month.

In addition, the Department continues to provide access to training and development in the form of:

- study assistance including financial support for initial and subsequent units of study and access to up to 7.5 hours per week of paid study leave
- online learning with 75 non-vocational training courses
- internal and external coaching programs
- the *Future Ready Leadership and Management Development Program*.

As at 30 June 2023, staff compliance was 95.97 per cent, which is largely consistent with the 95.91 per cent compliance rate in 2021–22.

People strategies

The *People and Workforce Plan 2025* outlines the Department's approach to achieving our strategic priorities through Capability, Performance and Culture activities.

Outcomes in 2022–23 include:

- a 30 per cent reduction in the time it takes to fill a vacancy
- improved resources for turning Census results into action
- increased training opportunities for managers and staff, through virtual, face-to-face and live streamed courses
- defining how flexible work can be embraced to improve productivity and to demonstrate a commitment to being an employer of choice
- establishing a framework to engage staff on the APS-wide (Part A) and Agency-level bargaining (Part B) Enterprise Agreement negotiations.

Realising our full potential

The ABF has a separate, but aligned people strategy, *Realising Our Full Potential 2020–2025* (ROFP) setting out its approach to building a workforce that embodies signature values and behaviours through leadership, officer capability and operational excellence to ensure the ABF remains a world-leading border agency and looks to longer-term objectives up to 2025.

ROFP builds on the ABF's considerable achievements and capabilities, and articulates key people priorities out to 2025.

Talent management

The Department and ABF recognise the inherent talents and strengths of every staff member. Performance, leadership and culture play an important role in our organisational and individual success. During 2022–23, the Department maintained a suite of staff resources to drive effective talent management and succession planning.

These resources, specifically the *Future Ready Leadership Capability Framework*, are aligned to the Australian Public Service's *Integrated Leadership System* and provide opportunities to support career growth and increase staff engagement. The Framework supports the Department to continue developing a high performing, well-equipped leadership team, connected at all levels to collaborate across traditional boundaries and innovate towards service excellence.

SES development

The Department supports our senior leaders to strengthen capability, within both their teams and themselves, and has embedded accountability statements within SES Performance and Development Agreements.

In 2022–23, we continued to support SES development, notably through the SES Talent Management Advisory Committee, implementation of the *Future Ready Leadership Capability Framework* and the *SES 1–3 Leadership and Career Development Plan*.

Further capability initiatives are also included in the *People and Workforce Plan 2025* to develop a strong leadership cohort and ensure that leaders understand what is required of them to succeed in their roles. This range of programs, opportunities and resources contributes to the building of a strong and diverse leadership and managerial pipeline and positions us to keep pace with the evolving environments of the Department and broader APS.

Workforce diversity and culture

The Department's *Cultural Intent Statement* emphasises what we value and what it means in practice, building on our strong integrity and performance frameworks to strengthen the connections that we foster as colleagues. The Department's *Statement of Commitment: Workplace Culture, Diversity and Inclusion* reinforces our commitment to respecting the valuable contributions of each person to our organisation and providing a safe, open and accepting work environment, with opportunities for leadership, career development, flexible work and equal participation. Our action plans relating to culture, diversity and inclusion continue to support this overarching statement.

The Department's *Reconciliation Action Plan* (RAP) was launched in March 2023, aligning our commitment to the *National Agreement on Closing the Gap*. Through the RAP, the Department aims to build a workplace that recognises Australia's Aboriginal and Torres Strait Islander histories, creating a culturally safe environment that is responsive to their needs.

Throughout 2022–23, the Department continued its affiliations with organisations that support and promote diversity and inclusive workplace practices such as:

- Australian Network on Disability
- JobAccess
- Pride in Diversity
- Australian Human Resource Institute.

Diversity networks

The Department has internal staff and ally networks to ensure connectedness with those who identify with and support diversity. These include:

- Indigenous Staff Support Network and online forum
- Focus on Ability Network and online forum
- LGBTIQ+ Staff and Allies Network
- Staff Advancing Gender Equality Network
- Intergenerational Network
- Culturally and Linguistically Diverse Network
- Culture Hub.

Disability reporting mechanisms

Australia's *Disability Strategy 2021–2031* provides an overarching framework for disability reform. It outlines a vision for a more inclusive and accessible Australian society where all people with disability can fulfil their potential as equal members of the community.

Disability reporting is included in the Australian Public Service Commission's (APSC) State of the Service reports and the *APS Statistical Bulletin*. These reports are available on the APSC's website.⁷⁵

75. www.apsc.gov.au

Targeted diversity recruitment

The Department continues to support a diverse workforce through the implementation of Affirmative Measures and the RecruitAbility Scheme throughout its recruitment processes. These aim to attract Aboriginal and Torres Strait Islander applicants and those with disability. This is supported by ongoing recruitment and panel training to ensure recruitment processes are accessible, flexible and supportive of diversity and inclusion.

Days of significance

The Department continues to recognise days of significance through hosting and providing access to activities and events nationally. To ensure maximum impact, staff are also able to access major events through virtual mechanisms. Examples of events celebrated in 2022–23 include:

- International Women’s Day
- Harmony Day
- National Reconciliation Week
- Pride Month
- NAIDOC Week
- International Day of People with Disability.

Employee entitlements

Workplace Determination

On 9 February 2023, under the *Department of Home Affairs Determination 2022/01*, a 3.0 per cent salary increase and increases to relevant allowances came into effect.

The *Department of Home Affairs Workplace Determination 2019* (WD) provides a single set of employment terms and conditions for all non-SES employees of the Department and the ABF.

In line with the release of the *Australian Government Public Sector Workplace Relations Policy 2023*, the Department is engaging in Australian Public Service wide processes to improve commonality in pay and conditions, in addition to undertaking agency specific negotiations.

Table 16: Staff under Workplace Determination

	SES	Non-SES	Total
Department of Home Affairs Determination 2020/01	0	15,063	15,063
Sec 24(1) Adjustment	159	37 ⁷⁶	196 ⁷⁷
Total	159	15,100	15,259

Salary ranges

Appendix D in this report provides a breakdown of salary ranges within each level as prescribed by the WD. **Appendix D** lists the Department's salary ranges by classification level. Classifications such as Medical Officers, Public Affairs Officers and Legal Officers have been reported under the relevant APS classification in accordance with the Public Service Classification Rules 2000.

While most employees receive a salary within the ranges set by the WD, there are exceptions where higher salaries have been paid as a result of machinery-of-government changes, whereby employees from other agencies were on higher salaries before moving to the Department. In addition, there are a number of employees who receive Individual Flexibility Agreements that provide appropriate remuneration for critical skill sets and/or technical capabilities.

Consistent with direction from the APSC, an increase in non-SES salary ranges took effect on 9 February 2023.

76. The employees receiving a Sec 24(1) Adjustment are still covered by the Workplace Determination and are therefore not additional to the overall total count.

77. The employees receiving a Sec 24(1) Adjustment are still covered by the Workplace Determination and are therefore not additional to the overall total count.

Table 17: Minimum and maximum salary ranges as at 9 February 2023

	Minimum Salary	Maximum Salary
SES 3	\$352,333	\$401,000
SES 2	\$268,234	\$327,320
SES 1	\$201,357	\$262,132
EL 2	\$126,223	\$164,257
EL 1	\$106,527	\$124,931
APS 6	\$84,335	\$99,779
APS 5	\$77,642	\$83,632
APS 4	\$71,201	\$76,799
APS 3	\$61,915	\$71,136
APS 2	\$54,439	\$61,245
APS 1	\$48,862	\$53,957
Other	—	—
Trainee APS (Technical)	\$51,239	\$53,957
Graduate APS	\$61,915	\$71,136
Minimum/Maximum range	\$48,862	\$401,000

Key management personnel

Remuneration paid to Key Management Personnel (KMP) is set out in **Appendix D**. The remuneration arrangements of the Secretary and the ABF Commissioner are determined by the Remuneration Tribunal and are available on the Tribunal's website.⁷⁸

Senior executive service

All SES employees have terms and conditions of employment that are set out in a comprehensive determination made by the Secretary under subsection 24(1) of the *Public Service Act 1999*. SES salary ranges are reviewed annually by the Secretary having regard to:

- the *APS Executive Remuneration Management Policy* which sets out arrangements for the management of executive remuneration, including an approval process for remuneration proposals above a notional amount

78. www.remtribunal.gov.au

- the Australian Government Workplace Bargaining Policy 2020 which provides a framework for agencies to implement terms and conditions of employment that are affordable and support modern and agile public sector workplaces
- an assessment of relativities with other APS agencies as indicated in the annual APS Remuneration Report produced by the APSC and released in June each year.

Other highly paid staff

Remuneration of other highly paid staff who are neither KMP nor senior executives is set out in **Appendix D**.

Approximately 80.35 per cent of staff within this cohort are posted to overseas locations. In these cases, staff are afforded additional conditions of service in the form of allowances and payments to maintain a standard of living similar to that in Australia, and for working in an environment that can be challenging due to a range of factors.

These provisions are set out in the Department's *Overseas Conditions of Service Policy*. Employees posted overseas may reside in Commonwealth leased or owned residences at the expense of the Department and the benefit value is not received by the individual as direct remuneration. Fringe Benefits Tax (FBT) amounts associated with overseas allowances and payments are borne by the Department and are recorded against the individual as 'Other Benefits and Allowances'.

Sea-going marine staff represent approximately 13.87 per cent of this cohort. Terms and conditions of employment for sea-going marine staff are set out in the Department's WD.

The remaining staff in this cohort (5.78 per cent) are represented by non-SES executive level staff employed in senior director roles whereby additional remuneration is provided through individual flexibility arrangements.

Individual flexibility arrangements and workplace agreements

Table 18: Departmental staff on individual section 24(1) determinations or individual flexibility arrangements

Classification	Employees on s.24(1)	Employees on individual flexibility arrangements
APS 3	–	38
APS 4	–	23
APS 5	8	118
APS 6	16	207
EL 1	9	178
EL 2	4	212
SES	0	8
Total	37	784

Performance pay

Performance pay is not available to staff under the *Department of Home Affairs' Workplace Determination 2019* and the *Department of Home Affairs' Workplace Determination 2022/01*. Performance pay is also not available to SES staff or non-SES seagoing marine unit staff.

Non-salary benefits

The Department and the ABF offer staff a number of additional benefits that are not included under the provisions of the WD, including:

- mentoring and coaching programs
- access to the *Fit&Well Program*, to improve general health and wellbeing across the workforce and ensure safe staff access to departmental fitness facilities, as well as to prepare and support ABF staff in completing fitness requirements
- professional and confidential counselling and support services, the provision of a three tier mental health support framework for staff and their family members on work and personal matters. This includes:
 - the *Employee Assistance Program*, including critical incident response support and on-line support apps/telehealth

- *NewAccess workplaces*, a free and confidential evidence-based mental health coaching service developed by Beyond Blue focused on supporting staff to manage a range of work and life pressures
 - the *Early Intervention Program* for more severe or longer term support, which enables staff members to obtain a Mental Health Plan from their private clinicians with the Department paying for out-of-pocket costs, as well as limited reimbursement for medical treatment for work-related injuries.
- access to *CancerAid* (now Osara Health), a dedicated program to support individuals, carers and managers to navigate some of the challenges of living and working with a cancer diagnosis
- staff enabled support services, through which a network of trained staff across the Department is available to provide the first line of help for staff and onward referral as appropriate
- access to the *Family Support Program*, to assist staff and their family members with all aspects of life, including the specific challenges of working in the Department and the ABF
- access to the *Wellbeing Check Programme*, a health-monitoring program for officers involved in detecting, viewing, reading, evaluating and examining objectionable material or involved in potentially distressing situations. Officers have a one-on-one session with a mental health provider who facilitates a clinical interview and provides a self-care plan, with recommendations for improving health and wellbeing, as required
- enhanced health literacy initiatives, which include a Mental Health podcast series, mini wellbeing information webinars and days of significance webinars
- annual influenza immunisation reimbursement
- in-house capability development programs
- access to flexible working arrangements
- study assistance including financial support
- career coaches, through staff from within the Department who are trained to help other staff in the development of their career plan; a career management toolkit is also available
- disability programs and initiatives
- a Staff Welfare Fund that is open to all departmental and ABF staff, providing confidential assistance to officers and retirees during times of emotional, financial or medical crises, or when staff may have been affected by a disaster.

WORK HEALTH AND SAFETY

Initiatives and outcomes

The Department is committed to achieving a mature safety culture, ensuring that work health and safety (WHS), both physical and psychological, is an integral part of our regular business, and that a focus on work health and safety is embedded in our culture.

In 2022–23, the Department continued to build on and implement the *Work Health and Safety Strategy 2025* initiatives by empowering all staff to feel confident in identifying, mitigating and controlling hazards and risks in the workplace before they arise, and to know what to do should they eventuate.

Implementation of the *Department’s Work Health and Safety Strategy 2025* provides overarching guidance for robust and effective WHS activities to ensure:

- a focus on prevention and effective risk control
- all staff responsibility for embedding work health and safety to support our commitment to healthy, safe and productive lives for our people.

Key WHS initiatives during 2022–23 included:

- completion of 175 training sessions from 1 December 2022 to 30 June 2023 to assist EL2s in understanding their WHS responsibilities and increase compliance with the WHS Management System requirements
- updated guidance on the management of psychosocial risks, to align with *Safe Work Australia’s Model Code of Practice: Managing psychosocial hazards at work*; enabling the Department to meet its obligations in the WHS Regulations that were amended in April 2023
- implementation of the *Healthy Us Strategy*, which outlines our commitment to fostering a healthy work environment and culture, delivering a holistic evidence-based staff health offering, focused on the prevention of illness and injury, the promotion of health and wellbeing, and the early and safe return to work for staff with illness or injury.

Throughout 2022–23, the Department and the ABF continued to foster a healthy work environment and culture, through delivering a holistic evidence based staff health offering, focusing on the prevention of illness and injury, the promotion of health and wellbeing, and the early and safe return to work for staff with illness or injury.

Mechanisms of injury

The Department identifies actions, events and situations that can or do cause injury and disease. The mechanism-of-injury descriptors are based on the national classification system. Table 18 shows injuries by mechanism for accepted worker compensation claims.

Table 19: Three-year summary of mechanism of injury for accepted claims

Accepted claims	2020–21	2021–22	2022–23
Falls, trips and slips	15	14	16
Hitting objects	3	3	4
Being hit by moving objects	1	5	4
Sound and pressure	0	1	1
Body stressing	20	25	22
Heat, electricity and other environmental	0	0	0
Chemicals and other substances	0	1	2
Biological factors	1	0	1
Mental stress	10	10	13
Hazard	0	0	0
Vehicle accidents and other	1	0	1
Other or unspecified	0	7	3
Total	51	66⁷⁹	67

79. The 2021–22 figure is based on the date of acceptance; the 2020–21 data was based on the date of receipt of the claim application.

Notifiable incidents

Table 20 shows the incidents notified to Comcare under sections 35, 36 and 37 of the *Work Health and Safety Act 2011*.

Table 20: Incidents notified to Comcare

Notifiable incident classification	2020–21	2021–22	2022–23
Death	6	5	3
Serious injury/illness	89	106	62
Dangerous incident	24	52	36
Total	119	163	101

Incidents are notified to Comcare with the information available at the time of reporting. After further investigation, some incidents are subsequently reclassified by Comcare as being not notifiable under the legislation – this may be due to the nature of the incident, or the incident not being related to the business or undertaking of the Department.

Investigations

The Department liaises with Comcare on all regulatory and cooperative compliance matters. Between 1 July 2022 and 30 June 2023, Comcare issued 21 notices under section 155 of the *Work Health and Safety Act 2011* on matters related to the Department's responsibilities. During the same period, Comcare commenced an additional 22 monitoring compliance inspections and investigations (other than s155 notices), with the scope of each broad and varied. These 22 matters included general requests, verification inspections and corrective action plans. This is in comparison to 58 notices issued and 24 new monitoring compliance inspection and investigations initiated in 2021–22.

Between 1 July 2022 and 30 June 2023, Comcare did not issue the Department with any Improvement Notices under section 191 of the *Work Health and Safety Act 2011*. In comparison, two notices were issued in 2021–22.

Unscheduled absence management

Analysis of unscheduled absence shows that 27.48 per cent of employees took five days or less personal leave in 2022–23 and 51.29 per cent of employees took 10 days or less. This is in comparison to 25.96 per cent and 47.83 per cent respectively in 2021–22.

The Department continues to work with staff and managers to address unscheduled absences, and to reduce avoidable absences and undesirable presenteeism.

Throughout 2022–23, the Department continued to support managers in developing positive attendance strategies that focused on the health and wellbeing of employees as part of the *Positive Participation Strategy*. This strategy and supporting resources assist managers to incorporate workplace absence management into normal business activities and learning. They also assist managers and staff alike to identify factors that contribute to negative participation in the workforce.

PROCUREMENT, ASSETS AND GRANTS

Purchasing and procurement

The Department and ABF's current and future capability is directly underpinned by a robust enterprise procurement framework. Throughout 2022–23, the Department continued to adopt an account management model to provide specialist procurement and contract management advice. This model ensures purchases and procurements are consistent with internal policies, aligned to requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and the Commonwealth Procurement Rules and the *General Procurement (Judicial Review) Act 2018*.

In 2022–23, the Department also released the *Contract Management Framework* and *Contract Management Manual* to provide a standardised approach to managing and administering the Department's commercial contracts for good and services.

The Department's ongoing implementation of the *Procurement and Contract Management Strategy 2020–2023* continues to drive procurement and contract management practices and supports effective, efficient and value-add procurement planning, sourcing and contract management. The Department also implemented the Indigenous Procurement Strategy which outlines activities the Department will undertake to enhance the Indigenous business participation in our procurement opportunities in order to increase the number of contracts awarded to Indigenous businesses. The strategy will contribute to and support achieving procurement related deliverables under the RAP.

The Commonwealth's Indigenous Procurement Policy has set portfolio targets, with the targets for 2022–23 a minimum of 48 contracts with a value of \$10.49 million. The Home Affairs Portfolio result in 2022–23 was 2,372 contracts with a value of \$15.32 million. This report has been submitted to the National Indigenous Australians Agency for validation. The Department continues to publish contract information on AusTender, the Australian Government's tendering system, in accordance with the *Commonwealth Procurement Rules*.

Australian National Audit Office (ANAO) access clauses

The Department's standard contract templates and the Commonwealth Contracting Suite include provisions allowing the Auditor-General to have access to the contractor's premises, known as ANAO access clauses.

Exempt contracts

The Department did not have any contracts valued at \$10,000 or more (inclusive of GST) or any standing offers in 2022–23 that were exempted by the Secretary from being published on AusTender on the basis that they would disclose exempt matters under the *Freedom of Information Act 1982*.

Small and medium enterprises

The Department supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website.

In 2022–23, we ensured our procurement practices were aligned to Paragraph 5.5 of the Commonwealth Procurement Rules (CPR) and demonstrated our commitment through the following initiatives and practices:

- bi-monthly awareness sessions conducted through the Home Affairs Community of Practice sessions
- updating templates and policies to include reference to the SME procurement connected policy
- including SME requirements as a mandatory step in the new procurement digitisation project.

Reportable consultancy contracts

During 2022–23, 27 new consultancy contracts were entered into involving total actual expenditure of \$4,054,669 (GST inclusive). In addition, 29 ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$4,475,876 (GST inclusive) overall, this reflects a six per cent decrease in expenditure compared to 2021–22.

The Department's policy for selecting and engaging consultants is aligned to the requirements of the PGPA Act and the CPRs. We continue to embed the core principle of value for money and to ensure that decisions to procure consultancy services are driven by strategic and operational needs, and provide independent expertise to the Department. This expertise supports the Department in delivery of its key priorities. Annual Reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.⁸⁰

Table 21: Expenditure on reportable consultancy contracts

	2021–22		2022–23	
	Number	Expenditure	Number	Expenditure
New reportable consultancy contracts entered into	18	\$5,444,467	27	\$4,054,669
Ongoing reportable consultancy contracts that were entered into during a previous reporting period	25	\$3,634,191	29	\$4,475,876
All reportable consultancy contracts active	43	\$9,078,658	56	\$8,530,545

Table 22: Organisations receiving a share of reportable consultancy contract expenditure

Organisation	Expenditure 2022–23
Commonwealth Scientific and Industrial Research Organisation	\$2,500,000
The Trustee for JWS Research Unit	\$2,262,442
McKinsey Pacific Rim Inc.	\$726,000
KPMG	\$594,288
Internet 2.0 Pty Ltd	\$338,580

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80. www.tenders.gov.au

Reportable non-consultancy contracts

During 2022–23, 1,351 new reportable non-consultancy contracts were entered into involving total actual expenditure of \$421,813,624 (GST inclusive). In addition, 3,161 ongoing reportable non-consultancy contracts were active during the period, involving total actual expenditure of \$2,735,668,038 (GST inclusive).

Annual Reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is also available on the AusTender website.

Table 23: Expenditure on reportable non-consultancy contracts

	2021–22		2022–23	
	Number	Expenditure	Number	Expenditure
New reportable non-consultancy contracts entered into	1,582	\$332,584,608	1,351	\$421,813,624
Ongoing reportable non-consultancy contracts that were entered into during a previous reporting period	2,510	\$2,824,099,427	3,161	\$2,735,668,038
All reportable non-consultancy contracts active	4,092	\$3,156,684,035	4,512	\$3,157,481,662

Table 24: Organisations receiving a share of reportable non-consultancy contract expenditure

Organisation	Expenditure 2022–23
Serco Australia Pty Ltd	\$570,142,350
Jones Lang LaSalle	\$256,814,744
Surveillance Australia Pty Ltd	\$155,443,414
Canstruct International Pty Ltd	\$128,836,464
International Health and Medical Services Pty Ltd	\$118,357,397

Advertising and market research expenditure

During 2022–23, the Department did not conduct any onshore advertising campaigns certified by the Secretary in line with the *Australian Government Guidelines on Information and Advertising Campaigns* by non-corporate Commonwealth entities.

Further information on advertising campaigns is available on the Department's website,⁸¹ and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website.⁸²

The Department's advertising and market research expenditure is outlined in Table 25.⁸³

Table 25: Campaign advertising, strategic communications, media advertising and market research in 2022–23

Organisation	Total amount paid against contract (GST exclusive)	Total amount paid against contract (GST inclusive)
Market research		
Australian National University	\$127,321	\$140,053
Deakin University	\$127,747	\$140,522
Ernst & Young	\$73,854	\$81,239
Hall & Partners Pty Ltd	\$249,240	\$274,164
The Trustee For JWS Research Unit	\$2,306,765	\$2,537,442
The University of Queensland	\$161,213	\$177,334
The University of Wollongong	\$60,000	\$66,000
Victoria University	\$257,468	\$283,214
Whereto Research	\$30,500	\$33,550
Media advertising		
Mediabrands Australia Pty Ltd	\$228,754	\$251,630
Advertising agencies		
IOM	\$450,087	\$450,087
CTurtle	\$25,000	\$25,000
DDB Sydney Pty Ltd	\$3,921,065	\$4,313,172
Iconinc Holdings Pty Ltd	\$31,427	\$34,570

81. www.homeaffairs.gov.au

82. www.finance.gov.au

83. Advertising expenditure related to general recruitment spend through recruitment firms are not included in the Department of Home Affairs 2022–23 Annual Report as advertising costs cannot be separately identified.

Organisation	Total amount paid against contract (GST exclusive)	Total amount paid against contract (GST inclusive)
Lexigo Global Pty Inc	\$187,993	\$206,792
M&C Saatchi World Services	\$7,365,041	\$7,365,041
OfERR	\$741,862	\$741,862
Pt Lion Digital Indonesia	\$311,221	\$311,221
Statt Consulting Limited	\$2,488,140	\$2,488,140
Tal Group Thompson Associates	\$1,825,255	\$1,825,255
Wildbear Entertainment	\$120,830	\$132,913
Grand Total	\$21,090,783	\$21,879,201

Asset management

The Department managed \$4.528 billion in departmental and administered non-financial assets in 2022–23, a decrease from \$4.783 billion in 2021–22. This decrease is mainly due to depreciation and amortisation of assets during the year.

Buildings, leasehold improvements, vessels, plant and equipment, intangible assets (software), and ROU assets (leased assets per *AASB16 Leases*), make up the Department's main asset classes. They include the following:

- \$829.4 million in administered non-financial assets (excluding pre-payments) primarily held to support the care and management of detainees, compared to \$858.8 million in 2021–22.
- \$3.616 billion in departmental non-financial assets, including \$2.383 billion in land, buildings and leasehold improvements, \$556.0 million in plant and equipment, \$419.9 million in computer software supporting the Department's operations and \$256.2 million in vessels that support the ABF, but excluding prepayments and inventories held. This is lower than the 2021–22 reported figure of \$3.810 billion.

The Department's governance framework for managing assets to enable the accurate reporting of asset balances in the financial statements encompasses:

- asset investment, through setting an annual capital plan that reflects both Government priorities and ongoing business requirements. The plan is regularly monitored to ensure planned expenditure reflects the Department's business requirements
- monitoring existing assets

- undertaking an annual stocktake and impairment review of non-current assets that is used to:
 - update and verify the accuracy of asset records
 - review the condition and utility of assets
 - assess expected useful lives of assets
- conducting fair value measurement through rolling three yearly revaluations of all tangible assets, completed by qualified external valuers
 - a valuation review in 2022–23 resulted in a \$51.9 million increase to departmental assets and \$29.3 million increase to administered assets
- conducting assessments and quality assurance reviews for ROU assets
- maintaining property, plant and equipment assets, including those leased under contract from various service providers through specific maintenance programs.

Additional information on the value, acquisition, disposal and revaluation of assets is available in the 2022–23 financial statements in Part 4 of this report.

Grants program

Information on grants awarded by the Department during 2022–23 is available at the GrantConnect website.⁸⁴

All grants awarded were consistent with the *Commonwealth Grant Rules and Guidelines*, available on the Department of Finance's website.

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84. www.grants.gov.au

ECOLOGICALLY SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PERFORMANCE

Improvement and sustainability initiatives

Commonwealth organisations have a statutory requirement under section 516A of the *Environment Protection and Biodiversity Conservation (EPBC) Act 1999*, to report on their environmental performance. The following information reports on our environmental performance in accordance with these requirements for 2022–23.

Green Lease Schedule management

Government leases of more than 2,000m² are mandated to include a Green Lease Schedule, as part of the Energy Efficiency in Government Operations (EEGO).

The schedule is a commitment to energy monitoring and improvement by the tenant and the landlord. The Department has 16 leases that contain a Green Lease Schedule and compliance with the key elements of the schedule include:

- attending Building Management Committee meetings
- developing energy management plans
- undertaking the required National Australian Built Environment Rating System ratings annually
- seeking to implement cost-effective energy efficiency programs, particularly at poor performing sites.

Heritage strategy

Obligations under the EPBC Act were managed by the Department. These included preserving and promoting Australian Government heritage sites. Our only property included on the Commonwealth Heritage List is the Villawood Immigration Detention Centre. The Department has a plan in place to preserve the values of the heritage precinct within the Villawood Immigration Detention Centre. This plan will be updated to account for an expansion of boundaries to the heritage listing.

Energy efficiency and sustainability initiatives

The Department's Tenant Light and Power usage in 2022–23 was 5,240 MJ/FTE, a decrease from 7,225 MJ/FTE in 2021–22. This remains lower than the prescribed Commonwealth target of 7,500 MJ/FTE.

While this is lower than the prescribed target, there remains room for improvement through the following factors:

- inefficient lighting at some premises
- inability at some sites to separately account between air conditioning services and tenant light and power
- inefficient office air conditioning at some tenancies
- operational requirements to operate sites continuously or for extended out-of-hours periods
- operational requirements resulting in speciality areas that have low occupant density
- energy inefficient server/comms room air conditioning.

Table 26 details our performance year-on-year against the Energy Efficiency in Government Operations (EEGO) Tenant Light and Power target of 7,500 megajoules (MJ) per person, per annum.

Table 26: Energy performance against EEGO Tenant Light and Power target

Department of Home Affairs	2020–21	2021–22	2022–23
Tenant light and power (EEGO policy target—7,500 MJ)	7,740 MJ	7,225 MJ	5,240 MJ

The EEGO policy target is derived from a generic office performing at 4.5 star National Australian Built Environment Rating System energy level and no unusual operating characteristics. It does not take into account that the Department has an often shift-based nature, nor its considerable number of networks and supporting infrastructure. Nonetheless, the Department recognises the important role it has to play within the Commonwealth given the scale of its property portfolio and the unique opportunities for energy reduction, efficiency and offset that its operations afford.

Throughout 2022–23, the Department identified a range of initiatives for implementation in 2023–24, including energy efficient lighting in new fit-outs and solar photovoltaics projects. The Department has undertaken a solar project for ABF remote posted staff residences in Western Australia, which will continue through to 2024 across the northern parts of Australia. In addition, the Department through our property service provider are working collaboratively with landlords to identify and implement sustainability measures. These could include monitoring building usage to adjust core business hours in relation to air conditioning and lighting and its subsequent draw on electricity. Further measures could include waste management and water saving initiatives.

Australian Public Service Net Zero 2030

As part of the reporting requirements under section 516A of the EPBC Act, and in line with the *Government’s APS Net Zero 2030 policy*, the Department will publicly report on the emissions from our operations.

Greenhouse gas emissions reporting has been developed consistent with the whole-of-Government approach outlined in the *APS Net Zero 2030 policy*.

Table 27: Greenhouse Gas Emission Inventory

Emission source	Scope 1 kg	Scope 2 kg	Scope 3 kg	Total kg
	CO2-e ⁸⁵	CO2-e	CO2-e	CO2-e
Electricity	n/a	12,486,157	1,652,580	14,138,736
Natural Gas	164,298	n/a	13,846	178,144
Fleet vehicles	1,127,706	n/a	279,447	1,407,153
Domestic flights	n/a	n/a	7,594,214	7,594,214
Other energy	-	n/a	-	-
Total kg CO2-e	1,292,005	12,486,157	9,540,086	23,318,247

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85. CO2-e means 'carbon dioxide equivalent'.

PART 6: APPENDICES

APPENDIX A: CORRECTION OF MATERIAL ERRORS	226
APPENDIX B: REPORT ON FINANCIAL PERFORMANCE	227
APPENDIX C: WORKFORCE PROFILE	238
APPENDIX D: SALARY AND CLASSIFICATION RATES	249
APPENDIX E: LEGAL SERVICES EXPENDITURE	255
APPENDIX F: ADMINISTRATION OF THE OFFICE OF THE MIGRATION AGENTS REGISTRATION AUTHORITY	256
APPENDIX G: INFORMATION PUBLICATION SCHEME	259
APPENDIX H: AUSCHECK REPORTING	260
APPENDIX I: SECURITY OF CRITICAL INFRASTRUCTURE ACT 2018 – 2020–21 ANNUAL REPORT	261
APPENDIX J: TELECOMMUNICATIONS SECTOR SECURITY REFORMS – 2020–21 ANNUAL REPORT	269
APPENDIX K: REPORTING ON THE BALI PROCESS UNDER SECTION 198AI OF THE MIGRATION ACT 1958	279

APPENDIX A: CORRECTION OF MATERIAL ERRORS

Page in 2021–22 Annual Report	Error
2	Changes to the Portfolio Ministry during the reporting period omitted the inclusion of the Hon. Ben Morton as a sworn Minister of the Department of Home Affairs for the period of 30 March 2021 to 23 May 2022.
118	The number of terrorist or violent extremist content that was referred to digital industry for removal was reported as 3,828, of which 2,888 were removed. The correct figures are 3,810 and 2,872 respectively. This performance result was reported as 75.25 per cent. The correct figure is 75.38 per cent.
118	The percentage of violent or extremist content referred to digital industry for removal that related to religiously motivated violent extremism was reported as 96.13 per cent. The correct figure is 96.12 per cent.
131	Air cargo consignments was reported as 85,006,207 in 2021–22. The correct figure is 84,855,855.
131	Sea cargo consignments was reported as 6,256,023 in 2021–22. The correct figure is 6,248,466.
132	The percentage volume of Australia's two-way trade was reported as 11 per cent in 2021–22. The correct figure is 11.09 per cent.
138	The number of refunds processed in 2021–22 was reported as 104,249. The correct figure is 103,442.
138	The value of drawbacks reported was \$573.4 million. The correct figure is \$579.9 million.
138	The value of refunds reported was \$252.9 million. The correct figure is \$238.9 million.
153	The number of serious public health incidents was reported as 301. This figure reflected the total number of confirmed detainee communicable disease cases which were all COVID-19 related. The correct figure is 27.
153	The number of sexual assault incidents was reported as 33. The correct figure is 35.
281, Table 27	The number of employees on individual section 24(1) determinations was reported as 173. The correct figure is zero.
293, Table 32	The number of all reportable non-consultancy contracts active was reported as 4,135. The correct figure is 4,092.
293, Table 32	The expenditure for ongoing reportable non-consultancy contracts that were entered into during a previous reporting period was reported as \$2,870,339,851. The correct amount is \$2,824,099,427.
293, Table 32	The expenditure for all reportable non-consultancy contracts active was reported as \$3,202,924,459. The correct amount is \$3,156,684,035.
293, Table 32	The number of all reportable non-consultancy contracts reported was 4,135. The correct figure is 4,092.
298	The trend data for tenant light and power (EEGO policy target – 7,500MJ) in 2020–21 was reported as 8,288MJ. The correct figure is 7,740.

APPENDIX B: REPORT ON FINANCIAL PERFORMANCE

Financial resource statement 2022–23

	Actual available appropriation current year (a)	Payments made (b)	Balance remaining (a)-(b)
	\$'000	\$'000	\$'000
Departmental			
Annual appropriations—ordinary annual services ^a	3,706,986	3,433,264	273,722
Annual appropriations—other services—non-operating ^b	217,738	96,969	120,769
Total departmental annual appropriations	3,924,724	3,530,233	394,491
Total departmental resourcing (A)	3,924,724	3,530,233	394,491
Administered			
Annual appropriations—ordinary annual services ^c	2,042,454	1,909,194	
Annual appropriations—other services—non-operating	14,718	10,489	
Total administered annual appropriations	2,057,172	1,919,683	
Administered special appropriations		790,237	
Total administered special appropriations		790,237	
Special accounts ^d	6,183	4,710	
Total special account receipts	6,183	4,710	
Total administered resourcing (B)	2,063,355	2,714,630	
Total resourcing and payments (A + B)	5,988,079	6,244,863	

- a. Actual available appropriation for 2022–23 includes \$421.216 million attributed to prior years. Excluded from actual available appropriation for 2022–23 are prior year appropriations that were transferred to other Commonwealth entities during 2022–23 (\$13.656 million) or withheld in accordance with section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) (\$57.750 million). Includes an amount of \$144.663 million for departmental capital budget. For accounting purposes, this amount has been designated as ‘contributions by owners’.
- b. Actual available appropriation for 2022–23 includes \$217.717 million attributed to prior years. Excluded from actual available appropriation for 2022–23 are prior year appropriations that were transferred to other Commonwealth entities during 2022–23 (\$41.071 million) or withheld in accordance with section 51 of the PGPA Act (\$15.901 million).
- c. Administered payments include all cash payments in 2022–23 for administered expenses. Includes an amount of \$22.188 million for the administered capital budget. For accounting purposes, this amount has been designated as ‘transfer from the Australian Government for administered assets and liabilities’.
- d. Includes payments made through the Proceeds of Crime (POCA) Special Account from the period 1 July 2022 to 17 August 2022. Excludes the balance of the POCA special account transferred to the Attorney-General’s Department effective on 18 August 2022.

Expenses for Outcome 1 2022–23

Outcome 1: Protect Australia from national security and criminal threats, and support national resilience, through effective national coordination, policy and strategy development, and regional cooperation.	Budget 2022–23 ^a \$'000	Actual Expenses 2022–23 \$'000	Variations 2022–23 \$'000
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Program 1.1: Transport Security

Administered expenses:

Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	1,569	384	(1,185)
Administered total	1,569	384	(1,185)
Departmental expenses:			
Departmental appropriation ^c	33,862	34,121	259
Expenses not requiring appropriation in the Budget year ^b	1,798	1,923	125
Departmental total	35,660	36,044	384
Total expenses for Program 1.1	37,229	36,428	(801)

Program 1.2: National Security and Resilience

Administered expenses:

Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	19,697	8,096	(11,601)
Special Account - Proceeds of Crime Act 2002	4,321	4,315	(6)
Expenses not requiring appropriation in the Budget year ^b	805	569	(236)
Administered total	24,823	12,980	(11,843)
Departmental expenses:			
Departmental appropriation ^c	152,467	152,135	(332)
Expenses not requiring appropriation in the Budget year ^b	12,466	13,255	789
Departmental total	164,933	165,390	457
Total expenses for Program 1.2	189,756	178,370	(11,386)

- a. Budget relates to the estimated actuals reported in the *Portfolio Budget Statements (PBS) 2023–24* which incorporates the measures provided in the *Portfolio Additional Estimates Statements (PAES) 2022–23*.
- b. Expenses funded through revenue appropriations exclude depreciation and amortisation, write-down and impairment of assets.
- c. Departmental and administered appropriations combine ordinary annual services (*Appropriation and Supply Acts No. 1 and Act No. 3*) and retained revenue receipts under section 74 of the PGPA Act.

	Budget 2022–23 ^a \$'000	Actual Expenses 2022–23 \$'000	Variations 2022–23 \$'000
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Program 1.3: Cyber Security

Administered expenses:

Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	10,383	8,728	(1,655)
Administered total	10,383	8,728	(1,655)
Departmental expenses:			
Departmental appropriation ^c	37,668	37,867	199
Expenses not requiring appropriation in the Budget year ^b	484	557	73
Departmental total	38,152	38,424	272
Total expenses for Program 1.3	48,535	47,152	(1,383)

Program 1.4: Counter Terrorism

Administered expenses:

Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	16,625	12,331	(4,294)
Expenses not requiring appropriation in the Budget year ^b	-	121	121
Administered total	16,625	12,452	(4,173)
Departmental expenses:			
Departmental appropriation ^c	31,002	31,186	184
Expenses not requiring appropriation in the Budget year ^b	75	150	75
Departmental total	31,077	31,336	259
Total expenses for Program 1.4	47,702	43,788	(3,914)

- a. Budget relates to the estimated actuals reported in the *Portfolio Budget Statements (PBS) 2023–24* which incorporates the measures provided in the *Portfolio Additional Estimates Statements (PAES) 2022–23*.
- b. Expenses funded through revenue appropriations exclude depreciation and amortisation, write-down and impairment of assets.
- c. Departmental and administered appropriations combine ordinary annual services (*Appropriation and Supply Acts No. 1 and Act No. 3*) and retained revenue receipts under section 74 of the PGPA Act.

	Budget 2022–23 ^a \$'000	Actual Expenses 2022–23 \$'000	Variations 2022–23 \$'000
Program 1.5: Regional Cooperation			
Administered expenses:			
Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	69,533	65,612	(3,921)
Expenses not requiring appropriation in the Budget year ^b	-	471	471
Administered total	69,533	66,083	(3,450)
Departmental expenses:			
Departmental appropriation ^c	37,413	37,645	232
Expenses not requiring appropriation in the Budget year ^b	1,288	1,384	96
Departmental total	38,701	39,029	328
Total expenses for Program 1.5	108,234	105,112	(3,122)

Program 1.6: Emergency Management

Administered expenses:			
Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	478	477	(1)
Administered total	478	477	(1)
Departmental expenses:			
Departmental appropriation ^c	3,316	3,278	(38)
Expenses not requiring appropriation in the Budget year ^b	-	77	77
Departmental total	3,316	3,355	39
Total expenses for Program 1.6	3,794	3,832	38

- a. Budget relates to the estimated actuals reported in the *Portfolio Budget Statements (PBS) 2023–24* which incorporates the measures provided in the *Portfolio Additional Estimates Statements (PAES) 2022–23*.
- b. Expenses funded through revenue appropriations exclude depreciation and amortisation, write-down and impairment of assets.
- c. Departmental and administered appropriations combine ordinary annual services (*Appropriation and Supply Acts No. 1 and Act No. 3*) and retained revenue receipts under section 74 of the PGPA Act.

Outcome 1 Totals by appropriation type	Budget 2022–23 ^a \$'000	Actual Expenses 2022–23 \$'000	Variations 2022–23 \$'000
Outcome 1 Totals by appropriation type			
Administered expenses:			
Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	118,285	95,628	(22,657)
Special Account - Proceeds of Crime Act 2002	4,321	4,315	(6)
Expenses not requiring appropriation in the Budget year ^b	805	1,161	356
Administered total	123,411	101,104	(22,307)
Departmental expenses:			
Departmental appropriation ^c	295,728	296,232	504
Expenses not requiring appropriation in the Budget year ^b	16,111	17,346	1,235
Departmental total	311,839	313,578	1,739
Total expenses for Outcome 1	435,250	414,682	(20,568)
Average staffing level (number)	770	716	(54)

- a. Budget relates to the estimated actuals reported in the *Portfolio Budget Statements (PBS) 2023–24* which incorporates the measures provided in the *Portfolio Additional Estimates Statements (PAES) 2022–23*.
- b. Expenses funded through revenue appropriations exclude depreciation and amortisation, write-down and impairment of assets.
- c. Departmental and administered appropriations combine ordinary annual services (*Appropriation and Supply Acts No. 1 and Act No. 3*) and retained revenue receipts under section 74 of the PGPA Act.

Expenses for Outcome 2 2022–23

Outcome 2: Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs	Budget 2022–23 ^a \$'000	Actual Expenses 2022–23 \$'000	Variations 2022–23 \$'000
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Program 2.1: Migration

Departmental expenses:

Departmental appropriation ^c	355,915	351,275	(4,640)
Expenses not requiring appropriation in the Budget year ^b	36,861	39,604	2,743
Departmental total	392,776	390,879	(1,897)
Total expenses for Program 2.1	392,776	390,879	(1,897)

Program 2.2: Visas

Administered expenses:

Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	-	6	6
Expenses not requiring appropriation in the Budget year ^b	-	53	53
Administered total	-	59	59
Departmental expenses:			
Departmental appropriation ^c	393,577	395,852	2,275
Expenses not requiring appropriation in the Budget year ^b	38,831	40,930	2,099
Departmental total	432,408	436,782	4,374
Total expenses for Program 2.2	432,408	436,841	4,433

- a. Budget relates to the estimated actuals reported in the *Portfolio Budget Statements (PBS) 2023–24* which incorporates the measures provided in the *Portfolio Additional Estimates Statements (PAES) 2022–23*.
- b. Expenses funded through revenue appropriations exclude depreciation and amortisation, write-down and impairment of assets.
- c. Departmental and administered appropriations combine ordinary annual services (*Appropriation and Supply Acts No. 1 and Act No. 3*) and retained revenue receipts under section 74 of the PGPA Act.

	Budget 2022–23 ^a \$'000	Actual Expenses 2022–23 \$'000	Variations 2022–23 \$'000
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Program 2.3: Refugee, Humanitarian Settlement and Migrant Services

Administered expenses:

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	619,024	612,509	(6,515)
Expenses not requiring appropriation in the Budget year ^b	-	4	4
Administered total	619,024	612,513	(6,511)
Departmental expenses:			
Departmental appropriation ^c	174,211	175,641	1,430
Expenses not requiring appropriation in the Budget year ^b	6,827	7,191	364
Departmental total	181,038	182,832	1,794
Total expenses for Program 2.3	800,062	795,345	(4,717)

Program 2.4: UMA Offshore Management

Administered expenses:

Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	527,270	411,617	(115,653)
Expenses not requiring appropriation in the Budget year ^b	41,813	39,458	(2,355)
Administered total	569,083	451,075	(118,008)
Departmental expenses:			
Departmental appropriation ^c	36,875	37,138	263
Expenses not requiring appropriation in the Budget year ^b	5,123	5,327	204
Departmental total	41,998	42,465	467
Total expenses for Program 2.4	611,081	493,540	(117,541)

- a. Budget relates to the estimated actuals reported in the *Portfolio Budget Statements (PBS) 2023–24* which incorporates the measures provided in the *Portfolio Additional Estimates Statements (PAES) 2022–23*.
- b. Expenses funded through revenue appropriations exclude depreciation and amortisation, write-down and impairment of assets.
- c. Departmental and administered appropriations combine ordinary annual services (*Appropriation and Supply Acts No. 1 and Act No. 3*) and retained revenue receipts under section 74 of the PGPA Act.

	Budget 2022–23 ^a \$'000	Actual Expenses 2022–23 \$'000	Variations 2022–23 \$'000
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Program 2.5: Multicultural Affairs and Citizenship

Administered expenses:

Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	16,529	9,192	(7,337)
Administered total	16,529	9,192	(7,337)
Departmental expenses:			
Departmental appropriation ^c	103,290	104,127	837
Expenses not requiring appropriation in the Budget year ^b	10,573	10,972	399
Departmental total	113,863	115,099	1,236
Total expenses for Program 2.5	130,392	124,291	(6,101)

Outcome 2 Totals by appropriation type

Administered expenses:

Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	1,162,823	1,033,324	(129,499)
Expenses not requiring appropriation in the Budget year ^b	41,813	39,515	(2,298)
Administered total	1,204,636	1,072,839	(131,797)
Departmental expenses:			
Departmental appropriation ^c	1,063,868	1,064,033	165
Expenses not requiring appropriation in the Budget year ^b	98,215	104,024	5,809
Departmental total	1,162,083	1,168,057	5,974
Total expenses for Outcome 2	2,366,719	2,240,896	(125,823)
Average staffing level (number)	5,088	5,037	(51)

- a. Budget relates to the estimated actuals reported in the *Portfolio Budget Statements (PBS) 2023–24* which incorporates the measures provided in the *Portfolio Additional Estimates Statements (PAES) 2022–23*.
- b. Expenses funded through revenue appropriations exclude depreciation and amortisation, write-down and impairment of assets.
- c. Departmental and administered appropriations combine ordinary annual services (*Appropriation and Supply Acts No. 1 and Act No. 3*) and retained revenue receipts under section 74 of the PGPA Act.

Expenses for Outcome 3 2022–23

Outcome 3: Advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective customs, immigration, maritime and enforcement activities across the border continuum.	Budget 2022–23 ^a \$'000	Actual Expenses 2022–23 \$'000	Variations 2022–23 \$'000
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Program 3.1: Trade Facilitation and Industry Engagement

Departmental expenses:

Departmental appropriation ^c	44,684	45,045	361
Expenses not requiring appropriation in the Budget year ^b	3,071	3,228	157
Departmental total	47,755	48,273	518
Total expenses for Program 3.1	47,755	48,273	518

Program 3.2: Border Management

Administered expenses:

Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	12,772	7,314	(5,458)
Expenses not requiring appropriation in the Budget year ^b	-	10	10
Administered total	12,772	7,324	(5,448)
Departmental expenses:			
Departmental appropriation ^c	382,611	384,631	2,020
Expenses not requiring appropriation in the Budget year ^b	53,207	55,012	1,805
Departmental total	435,818	439,643	3,825
Total expenses for Program 3.2	448,590	446,967	(1,623)

- a. Budget relates to the estimated actuals reported in the *Portfolio Budget Statements (PBS) 2023–24* which incorporates the measures provided in the *Portfolio Additional Estimates Statements (PAES) 2022–23*.
- b. Expenses funded through revenue appropriations exclude depreciation and amortisation, write-down and impairment of assets.
- c. Departmental and administered appropriations combine ordinary annual services (*Appropriation and Supply Acts No. 1 and Act No. 3*) and retained revenue receipts under section 74 of the PGPA Act.

	Budget 2022–23 ^a \$'000	Actual Expenses 2022–23 \$'000	Variations 2022–23 \$'000
Program 3.3: Border Revenue Collection			
Administered expenses:			
Ordinary annual services (Appropriation Act No. 1 and Act No. 3)	-	-	-
Expenses not requiring appropriation in the Budget year ^b	4,286	10,016	5,730
Administered total	4,286	10,016	5,730
Departmental expenses:			
Departmental appropriation ^c	70,096	71,668	1,572
Expenses not requiring appropriation in the Budget year ^b	29,659	30,258	599
Departmental total	99,755	101,926	2,171
Total expenses for Program 3.3	104,041	111,942	7,901

Program 3.4: Border Enforcement

Departmental expenses:			
Departmental appropriation ^c	1,096,376	1,105,176	8,800
Expenses not requiring appropriation in the Budget year ^b	128,897	133,054	4,157
Departmental total	1,225,273	1,238,230	12,957
Total expenses for Program 3.4	1,225,273	1,238,230	12,957

- a. Budget relates to the estimated actuals reported in the *Portfolio Budget Statements (PBS) 2023–24* which incorporates the measures provided in the *Portfolio Additional Estimates Statements (PAES) 2022–23*.
- b. Expenses funded through revenue appropriations exclude depreciation and amortisation, write-down and impairment of assets.
- c. Departmental and administered appropriations combine ordinary annual services (*Appropriation and Supply Acts No. 1 and Act No. 3*) and retained revenue receipts under section 74 of the PGPA Act.

	Budget 2022–23 ^a \$'000	Actual Expenses 2022–23 \$'000	Variations 2022–23 \$'000
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Program 3.5: Onshore Compliance and Detention

Administered expenses:

Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	874,119	691,931	(182,188)
Expenses not requiring appropriation in the Budget year ^b	64,666	53,911	(10,755)
Administered total	938,785	745,842	(192,943)
Departmental expenses:			
Departmental appropriation ^c	309,952	312,353	2,401
Expenses not requiring appropriation in the Budget year ^b	42,342	43,646	1,304
Departmental total	352,294	355,999	3,705
Total expenses for Program 3.5	1,291,079	1,101,841	(189,238)

Outcome 3 Totals by appropriation type

Administered expenses:

Ordinary annual services (Appropriation and Supply Acts No. 1 and No. 3)	886,891	699,245	(187,646)
Expenses not requiring appropriation in the Budget year ^b	68,952	63,937	(5,015)
Administered total	955,843	763,182	(192,661)
Departmental expenses:			
Departmental appropriation ^c	1,903,719	1,918,873	15,154
Expenses not requiring appropriation in the Budget year ^b	257,176	265,198	8,022
Departmental total	2,160,895	2,184,071	23,176
Total expenses for Outcome 3	3,116,738	2,947,253	(169,485)
Average staffing level (number)	8,321	8,505	184

- a. Budget relates to the estimated actuals reported in the *Portfolio Budget Statements (PBS) 2023–24* which incorporates the measures provided in the *Portfolio Additional Estimates Statements (PAES) 2022–23*.
- b. Expenses funded through revenue appropriations exclude depreciation and amortisation, write-down and impairment of assets.
- c. Departmental and administered appropriations combine ordinary annual services (*Appropriation and Supply Acts No. 1 and Act No. 3*) and retained revenue receipts under section 74 of the PGPA Act.

APPENDIX C: WORKFORCE PROFILE

Table 28: All ongoing employees⁸⁶ (current report period 2022–23)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
NSW	959	37	996	1,020	258	1,278	1	1	2	2,276
QLD	700	28	728	610	118	728	-	-	-	1,456
SA	339	11	350	373	108	481	1	-	1	832
TAS	64	12	76	59	41	100	-	-	-	176
VIC	1,087	37	1,124	1,016	274	1,290	6	-	6	2,420
WA	572	12	584	495	114	609	1	-	1	1,194
ACT	2,602	89	2,691	2,296	475	2,771	2	-	2	5,464
NT	89	-	89	80	7	87	-	-	-	176
External Territories	10	-	10	6	-	6	-	-	-	16
Overseas	98	-	98	87	-	87	-	-	-	185
Total	6,520	226	6,746	6,042	1,395	7,437	11	1	12	14,195

86. Figures do not include the Secretary and the ABF Commissioner.

Table 29: All ongoing employees⁸⁷ (previous report period 2021–22)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
NSW	922	36	958	913	270	1,183	-	-	-	2,141
QLD	612	28	640	504	123	627	-	-	-	1,267
SA	242	12	254	257	122	379	-	-	-	633
TAS	48	11	59	41	43	84	-	-	-	143
VIC	911	39	950	837	270	1,107	4	-	4	2,061
WA	488	18	506	406	104	510	1	-	1	1,017
ACT	2,588	84	2,672	2,316	492	2,808	3	-	3	5,483
NT	83	1	84	75	8	83	-	-	-	167
External Territories	10	-	10	9	-	9	-	-	-	19
Overseas	90	-	90	84	-	84	-	-	-	174
Total	5,994	229	6,223	5,442	1,432	6,874	8	-	8	13,105

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87. Figures do not include the Secretary and the ABF Commissioner.

Table 30: All non-ongoing employees⁸⁸ (current report period 2022–23)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
NSW	18	94	112	46	143	189	-	2	2	303
QLD	9	59	68	22	52	74	-	2	2	144
SA	6	6	12	10	9	19	-	-	-	31
TAS	-	4	4	2	-	2	-	-	-	6
VIC	33	52	85	40	59	99	-	-	-	184
WA	9	13	22	21	36	57	-	-	-	79
ACT	81	16	97	137	30	167	2	-	2	266
NT	3	-	3	3	1	4	-	-	-	7
External Territories	1	4	5	-	2	2	-	-	-	7
Overseas	-	-	-	-	-	-	-	-	-	-
Total	160	248	408	281	332	613	2	4	6	1,027⁸⁹

88. Casuals are included in non-ongoing part-time figures.

89. This figure does not include the Secretary and ABF Commissioner.

Table 31: All non-ongoing employees⁹⁰ (previous report period 2021–22)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
NSW	22	68	90	31	103	134	-	-	-	224
QLD	9	31	40	12	40	52	-	-	-	92
SA	5	8	13	4	12	16	-	-	-	29
TAS	-	-	-	-	-	-	-	-	-	-
VIC	30	43	73	41	33	74	-	-	-	147
WA	14	10	24	16	21	37	-	-	-	61
ACT	51	9	60	90	27	117	-	-	-	177
NT	1	-	1	-	1	1	-	-	-	2
External Territories	1	6	7	-	2	2	-	-	-	9
Overseas	-	-	-	-	-	-	-	-	-	-
Total	133	175	308	194	239	433	-	-	-	741

90. Casuals are included in non-ongoing part-time figures.

Table 32: Australian Public Sector Classification and Gender—ongoing employees⁹¹
 (current report period 2022–23)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
SES 3	4	-	4	6	-	6	-	-	-	10
SES 2	29	-	29	27	1	28	-	-	-	57
SES 1	75	-	75	75	1	76	-	-	-	151
EL 2	534	9	543	502	47	549	-	-	-	1,092
EL 1	1,183	47	1,230	1,127	260	1,387	-	-	-	2,617
APS 6	1,340	43	1,383	1,376	407	1,783	2	-	2	3,168
APS 5	1,218	34	1,252	1,162	296	1,458	2	-	2	2,712
APS 4	828	40	868	945	232	1,177	3	-	3	2,048
APS 3	965	35	1,000	598	150	748	3	1	4	1,752
APS 2	328	18	346	219	1	220	1	-	1	567
APS 1	16	-	16	5	-	5	-	-	-	21
Other	-	-	-	-	-	-	-	-	-	-
Total	6,520	226	6,746	6,042	1,395	7,437	11	1	12	14,195

91. Figures do not include the Secretary and the ABF Commissioner.

Table 33: Australian Public Sector Classification and Gender—ongoing employees⁹²
(previous report period 2021–22)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
SES 3	4	-	4	3	-	3	-	-	-	7
SES 2	31	-	31	21	1	22	-	-	-	53
SES 1	85	-	85	75	-	75	-	-	-	160
EL 2	520	8	528	465	51	516	-	-	-	1,044
EL 1	1,113	55	1,168	1,067	270	1,337	-	-	-	2,505
APS 6	1,256	47	1,303	1,271	374	1,645	2	-	2	2,950
APS 5	1,105	34	1,139	1,041	321	1,362	-	-	-	2,501
APS 4	689	34	723	719	238	957	3	-	3	1,683
APS 3	902	43	945	545	172	717	2	-	2	1,664
APS 2	283	7	290	230	5	235	1	-	1	526
APS 1	6	1	7	5	-	5	-	-	-	12
Other	-	-	-	-	-	-	-	-	-	-
Total	5,994	229	6,223	5,442	1,432	6,874	8	-	8	13,105

92. Figures do not include the Secretary and the ABF Commissioner.

Table 34: Australian Public Sector Classification and Gender—non-ongoing employees⁹³
 (current report period 2022–23)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
SES 3	-	-	-	-	-	-	-	-	-	-
SES 2	-	-	-	1	-	1	-	-	-	1
SES 1	-	-	-	1	-	1	-	-	-	1
EL 2	13	1	14	3	-	3	-	-	-	17
EL 1	14	6	20	17	7	24	-	-	-	44
APS 6	17	4	21	17	4	21	1	-	1	43
APS 5	22	5	27	39	7	46	-	1	1	74
APS 4	44	10	54	92	24	116	1	-	1	171
APS 3	33	14	47	75	20	95	-	-	-	142
APS 2	17	207	224	36	269	305	-	3	3	532
APS 1	-	1	1	-	1	1	-	-	-	2
Other	-	-	-	-	-	-	-	-	-	-
Total	160	248	408	281	332	613	2	4	6	1,027⁹⁴

93. Casuals are included in non-ongoing part-time figures.

94. This figure does not include the Secretary and ABF Commissioner.

Table 35: Australian Public Sector Classification and Gender—non-ongoing employees⁹⁵
 (previous report period 2021–22)

	Male			Female			Non-binary			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Non-binary	
SES 3	1	-	1	1	-	1	-	-	-	2
SES 2	-	-	-	1	-	1	-	-	-	1
SES 1	1	-	1	-	-	-	-	-	-	1
EL 2	2	1	3	-	-	-	-	-	-	3
EL 1	6	1	7	6	4	10	-	-	-	17
APS 6	9	1	10	8	6	14	-	-	-	24
APS 5	7	3	10	20	3	23	-	-	-	33
APS 4	40	7	47	65	17	82	-	-	-	129
APS 3	29	8	37	49	4	53	-	-	-	90
APS 2	38	154	192	44	205	249	-	-	-	441
APS 1	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total	133	175	308	194	239	433	-	-	-	741

95. Casuals are included in non-ongoing part-time figures.

Table 36: Australian Public Service Act employees by full time and part time
 (current report period 2022–23)

	Ongoing			Non-Ongoing			Total
	Full time	Part time	Total Ongoing	Full time	Part time	Total Non-Ongoing	
SES 3	10	-	10	-	-	-	10
SES 2	56	1	57	1	-	1	58
SES 1	150	1	151	1	-	1	152
EL 2	1,036	56	1,092	16	1	17	1,109
EL 1	2,310	307	2,617	31	13	44	2,661
APS 6	2,718	450	3,168	35	8	43	3,211
APS 5	2,382	330	2,712	61	13	74	2,786
APS 4	1,776	272	2,048	137	34	171	2,219
APS 3	1,566	186	1,752	108	34	142	1,894
APS 2	548	19	567	53	479	532	1,099
APS 1	21	-	21	-	2	2	23
Other	-	-	-	-	-	-	-
Total	12,573	1,622	14,195	443	584	1,027⁹⁶	15,222⁹⁷

96. Casuals are included in non-ongoing part-time figures.

97. This figure does not include the Secretary and ABF Commissioner.

Table 37: Australian Public Service Act employees by full time and part time
(previous report period 2021–22)

	Ongoing			Non-Ongoing			Total
	Full time	Part time	Total Ongoing	Full time	Part time	Total Non-Ongoing	
SES 3	7	-	7	2	-	2	9
SES 2	52	1	53	1	-	1	54
SES 1	160	-	160	1	-	1	161
EL 2	985	59	1,044	2	1	3	1,047
EL 1	2,180	325	2,505	12	5	17	2,522
APS 6	2,529	421	2,950	17	7	24	2,974
APS 5	2,146	355	2,501	27	6	33	2,534
APS 4	1,411	272	1,683	105	24	129	1,812
APS 3	1,449	215	1,664	78	12	90	1,754
APS 2	514	12	526	82	359	441	967
APS 1	11	1	12	-	-	-	12
Other	-	-	-	-	-	-	-
Total	11,444	1,661	13,105	327	414	741⁹⁸	13,846⁹⁹

Table 38: Australian Public Service Act employment type by location (current report period 2022–23)

	Ongoing	Non-Ongoing	Total
NSW	2,276	303	2,579
QLD	1,456	144	1,600
SA	832	31	863
TAS	176	6	182
VIC	2,420	184	2,604
WA	1,194	79	1,273
ACT	5,464	266	5,730
NT	176	7	183
External Territories	16	7	23
Overseas	185		185
Total	14,195	1,027¹⁰⁰	15,222¹⁰¹

98. Casuals are included in non-ongoing part-time figures.

99. This figure does not include the Secretary and ABF Commissioner.

100. Casuals are included in non-ongoing part-time figures.

101. This figure does not include the Secretary and ABF Commissioner.

Table 39: Australian Public Service Act employment type by location (previous report period 2021–22)

	Ongoing	Non-Ongoing	Total
NSW	2,141	224	2,365
QLD	1,267	92	1,359
SA	633	29	662
TAS	143	-	143
VIC	2,061	147	2,208
WA	1,017	61	1,078
ACT	5,483	177	5,660
NT	167	2	169
External Territories	19	9	28
Overseas	174	-	174
Total	13,105	741¹⁰²	13,846¹⁰³

Table 40: Australian Public Service Act Indigenous employment (current report period 2022–23)

	Total
Ongoing	287
Non-Ongoing	12 ¹⁰⁴
Total	299

Table 41: Australian Public Service Act Indigenous employment (previous report period 2021–22)

	Total
Ongoing	268
Non-Ongoing	4 ¹⁰⁵
Total	272

102. Casuals are included in non-ongoing part-time figures.

103. This figure does not include the Secretary and ABF Commissioner.

104. Casuals are included in non-ongoing part-time figures.

105. This figure does not include the Secretary and ABF Commissioner.

APPENDIX D: SALARY AND CLASSIFICATION RATES

Table 42: Australian Public Service Act Employment salary ranges by classification level
(Minimum/Maximum) (current report period 2022–23)

	Minimum Salary	Maximum Salary
SES 3	\$352,333	\$401,000
SES 2	\$268,234	\$327,320
SES 1	\$201,357	\$262,132
EL 2	\$126,223	\$164,257
EL 1	\$106,527	\$124,931
APS 6	\$84,335	\$99,779
APS 5	\$77,642	\$83,632
APS 4	\$71,201	\$76,799
APS 3	\$61,915	\$71,136
APS 2	\$54,439	\$61,245
APS 1	\$48,862	\$53,957
Other	-	-
Total	\$48,862	\$401,000

Table 43: Training classifications and salary ranges for staff, at 30 June 2023

APS classification level	Minimum Salary	Maximum Salary
Trainee APS (Technical)	\$51,239	\$53,957
Graduate APS (APS Level 4) ¹⁰⁶	\$61,915	\$71,136
Border Force Officer Recruit Trainee Programme (APS Level 2)	\$54,439	\$61,245
ICT Apprenticeship Programme (APS Level 1)	\$51,239	\$53,957
ICT Cadet Programme (APS Level 2)	\$54,439	\$61,245
Indigenous Apprenticeship Programme (APS Level 3)	\$61,915	\$71,136
Indigenous Australian Government Development Programme (APS Level 3)	\$61,915	\$71,136
Marine Unit Engineer Cadet (APS Level 3)	\$57,777	\$66,382

Table 44: Salary and classification rates, Legal Officers

APS classification	Local title	Salary point	Salary increments for staff at 30 June 2023
APS Level 4	Legal Officer	LO APS 4.1	\$76,086
APS Level 5		LO APS 5.1	\$82,675
		LO APS 6.1	\$85,314
APS Level 6		LO APS 6.2	\$89,599
		LO APS 6.3	\$99,779
Executive Level 1	Senior Legal Officer	SLO EL 1.1	\$113,143
		SLO EL 1.2	\$122,764
		SLO EL 1.3	\$135,454
Executive Level 2	Principal Legal Officer	PLO EL 2.1	\$146,304
		PLO EL 2.2	\$155,280
		PLO EL 2.3	\$164,257

106. Graduate APS in Home Affairs are engaged as APS 4 level and are not held against trainee positions.

Table 45: Salary and classification rates, Public Affairs Officers

APS classification	Local title	Salary point	Salary increments for staff at 30 June 2023
APS Level 4	Public Affairs Officer 1	PAO 1 APS 4.1	\$71,201
		PAO 1 APS 4.2	\$76,606
		PAO 1 APS 5.1	\$77,642
		PAO 1 APS 5.2	\$83,632
APS Level 5	Public Affairs Officer 2	PAO 2 APS 6.1	\$87,457
		PAO 2 APS 6.2	\$89,599
		PAO 2 APS 6.3	\$92,341
		PAO 2 APS 6.4	\$100,794
Executive Level 1	Public Affairs Officer 3	PAO 3 EL 1.1	\$120,301
		PAO 3 EL 1.2	\$123,835
		PAO 3 EL 1.3	\$132,969
Executive Level 2	Senior Public Affairs Officer B	SPAO B EL 2.1	\$131,662
		SPAO B EL 2.2	\$142,872
	Senior Public Affairs Officer A	SPAO A EL 2.3	\$138,923
		SPAO A EL 2.4	\$151,589
		SPAO A EL 2.5	\$164,257

Table 46: Salary and classification rates, Medical Officers

APS classification	Salary point	Salary increments for staff at 30 June 2023
Medical Officer Class 2	MO 2.1	\$133,824
	MO 2.2	\$145,923
Medical Officer Class 3	MO 3.1	\$149,586
	MO 3.2	\$162,115
Medical Officer Class 4	MO 4.1	\$169,506
	MO 4.2	\$172,702
	MO 4.3	\$185,926

Table 47: Remuneration Paid to Key Management Personnel in 2022–23

Remuneration Paid to Key Management Personnel (KMP) in 2022–23 (a)		Short-term benefits			Post-employment benefits		Termination Benefits	
Name	Position title	Base salary (b)	Bonuses \$	Other benefits and allowances (c)	Superannuation contributions (d)	Long service leave (e)	Termination Benefits \$	Total Remuneration f)
Michael Pezzullo AO	Secretary	804,062	-	3,137	104,901	19,793	-	931,893
Michael Outram APM	ABF Commissioner	588,844	-	3,137	85,441	15,428	-	692,850
Stephanie Foster (g)	Associate Secretary	413,939	-	2,288	57,637	10,389	-	484,233
Philippe de Véau	Group Manager	404,958	-	3,137	70,868	10,380	-	489,353
Michael Milford AM	Group Manager	401,885	-	3,137	60,315	8,883	-	474,220
Hamish Hansford	Deputy Secretary	368,529	-	3,137	56,888	9,336	-	437,890
Vanessa Holben PSM	ABF Deputy Commissioner	361,584	-	3,137	54,260	9,323	-	428,304
Sophie Sharpe	Deputy Secretary	359,493	-	3,137	52,325	9,282	-	424,237
Andrew Kefford PSM (h)	Deputy Secretary	308,405	-	2,478	55,782	7,872	-	374,537
Timothy Fitzgerald (i)	ABF Deputy Commissioner	309,050	-	9,492	47,411	7,518	-	373,471
Justine Saunders APM (j)	Deputy Secretary	300,499	-	2,263	56,079	7,773	-	366,614
Cheryl Pearce AM, CSC (k)	ABF Deputy Commissioner	217,295	-	1,631	27,497	5,561	50,373	302,357
Alison Larkins PSM (l)	Deputy Secretary	253,856	-	2,039	37,345	4,164	-	297,404
Marc Abelong PSM (m)	Deputy Secretary	238,113	-	2,164	47,282	6,970	-	294,534
Malcolm Steene (k)	Group Manager	212,212	-	2,227	31,493	5,389	-	251,321
Cheryl Anne Moy (n)	Deputy Secretary	191,623	-	1,223	27,320	14,391	-	234,557
Kaylene Zakhartoff (o)	ABF Deputy Commissioner	177,269	-	1,754	28,316	4,339	-	211,678
Stephanie Cargill (p)	Deputy Secretary	112,167	-	1,161	16,789	2,887	-	133,004
Michael Willard (q)	Group Manager	105,308	-	1,035	17,627	2,663	-	126,633
Kendra Morony (q)	Deputy Secretary	101,140	-	1,129	17,696	2,682	-	122,647
Joe Buffone PSM (r)	Group Manager	64,557	-	3,623	7,633	1,105	-	76,918

- (a) KMP for the Department have been assessed to be the Secretary, substantive Deputy Commissioners, substantive Deputy Secretaries, substantive Group Managers, any officer occupying a substantive role at the SES Band 3 level or above, and potentially any individual who reports directly to the Secretary or ABF Commissioner. KMP also includes those who have acted in, or occupied, any of the aforementioned roles for a continuous period of three months or more during the 2022–23 financial year.
- (b) Base salary includes salary paid and accrued, salary paid while on annual leave plus the net movement in the annual leave balance, salary paid while on personal leave, and higher duties allowances.
- (c) Other benefits and allowances include non-monetary benefits such as the provision of a car park.
- (d) For individuals in a defined contribution scheme (for example PSSAP and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined benefit scheme (for example IPSS and CSS), superannuation includes the relevant Notional Employer Contribution Rate and the Employer Productivity Superannuation Contribution.
- (e) Long service leave is calculated on an accrual basis and comprises the amount of leave taken for the period plus the net movement in the long service leave balance.
- (f) Total remuneration is calculated on an accrual basis in accordance with AASB 119 Employee Benefits with the exception of superannuation and non-monetary benefits. This means that there are differences between remuneration determined by the Remuneration Tribunal and the remuneration disclosed in the table.
- (g) Commenced in KMP role on 10 October 2022.
- (h) Ceased KMP role in April 2023.
- (i) Commenced KMP role in September 2022.
- (j) Acted as the Co-ordinator General of NRRA/NEMA from 1 July 2022 to 19 October 2022.
- (k) Ceased KMP role in January 2023. Termination benefit reflects payment of salary to the end of the contract term on early completion of employment contract.
- (l) Commenced KMP role in November 2022.
- (m) Commenced KMP role in February 2023.
- (n) Ceased KMP role in November 2022.
- (o) Commenced in KMP role in February 2023.
- (p) Acted in KMP role for 3 months.
- (q) Acted in KMP role for a period greater than three months.
- (r) Ceased KMP role in August 2022.

Table 48: Remuneration Paid to Senior Executives in 2022–23

Remuneration paid to senior executives in 2022–23		Short-term benefits			Post-employment benefits			Other long-term benefits		Termination Benefits		Total Remuneration	
Total remuneration Band	Number of senior executives (a)	Average base salary (b)	Average bonuses (c)	Average Other benefits and allowances (c)	Average overseas housing allowances (d)	Average superannuation contributions (e)	Average service leave (f)	Average Long service leave (f)	Average Termination Benefits (g)	Average overseas housing allowances (h)	Excluding overseas housing allowances (h)	Including overseas housing allowances (h)	Average Total reportable remuneration (h)
\$0 to \$20,000	60	92,765	-	1,916	18,378	2,978	337	337	116,375	116,375	116,375	116,375	
\$220,001 to \$245,000	12	193,413	-	5,030	32,104	5,204	-	-	235,751	235,751	235,751	235,751	
\$245,001 to \$270,000	39	209,575	-	5,112	37,187	5,644	-	-	237,518	237,518	237,518	237,518	
\$270,001 to \$295,000	36	232,812	-	3,363	39,134	6,184	-	-	281,492	281,492	281,492	281,492	
\$295,001 to \$320,000	15	237,415	-	6,233	38,659	6,119	17,167	17,167	305,593	305,593	305,593	305,593	
\$320,001 to \$345,000	11	273,330	-	3,228	46,991	7,213	-	-	330,762	330,762	330,762	330,762	
\$345,001 to \$370,000	11	291,265	-	10,419	48,984	7,418	-	-	358,066	358,066	358,066	358,066	
\$370,001 to \$395,000	2	313,836	-	3,137	59,122	8,442	-	-	384,537	384,537	384,537	384,537	
\$395,001 to \$420,000	1	332,606	-	3,137	61,669	8,750	-	-	406,162	406,162	406,162	406,162	
\$420,001 to \$445,000	2	308,501	-	30,622	37,541	48,925	13,455	13,455	-	408,523	408,523	408,523	408,523
\$445,001 to \$470,000	-	-	-	-	-	-	-	-	-	-	-	-	-
\$470,001 to \$495,000	1	337,148	-	74,506	57,585	8,296	-	-	477,534	477,534	477,534	477,534	
\$495,001 to \$520,000	3	232,329	-	88,245	134,908	40,297	6,053	6,053	-	414,086	414,086	414,086	414,086
\$520,001 to \$545,000	2	218,405	-	102,119	162,223	40,396	5,056	5,056	-	426,130	426,130	426,130	426,130
\$545,001 to \$570,000	1	229,359	-	108,656	171,976	41,672	5,918	5,918	-	448,966	448,966	448,966	448,966
\$570,001 to \$595,000	1	219,867	-	123,08	189,788	39,067	5,596	5,596	-	454,298	454,298	454,298	454,298
\$595,001 to \$620,000	1	238,319	-	205,663	125,711	37,151	6,384	6,384	-	407,566	407,566	407,566	407,566

(a) Senior executives comprise any individual who is an official with a classification in Group 9 to 11 of the table in Schedule 1 to the Public Service Classification Rules 2000 and is not a KMP. It also includes individuals who have acted in a senior executive role for a continuous period of greater than six months. It includes senior executives employed for only part of the reporting period. Therefore more than one individual may have filled a position during the course of the reporting period.

(b) Base salary includes salary paid and accrued, salary paid while on annual leave, salary paid while on personal leave, and higher duties allowances.

(c) Other benefits and allowances includes overseas living allowances, non-monetary benefits included in the Finge Benefits Tax (FBT) Return for the year ended 31 March 2023 such as the provision of a car park, accommodation and utilities whilst posted overseas, and associated FBT. FBT is only included in calculating total remuneration where FBT is required to be reported on an employee's payment summary.

(d) Overseas housing benefits and allowances are disclosed as a separate component of 'Other benefits and allowances' and as a separate component of 'Total remuneration' to illustrate the impact that the quantum and/or nature of these particular benefits and allowances have on total remuneration while still reporting the total remuneration for each relevant staff member as required by the disclosure requirements of the PGPA Rule.

(e) For individuals in a defined contribution scheme (for example PSSAP and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined benefit scheme (for example PSS and CSS), superannuation includes the relevant National Employer Contribution Rate and the Employer Productivity Superannuation Contribution.

(f) Long service leave is calculated on an accrual basis and comprises the amount of leave taken for the period plus the net movement in the long service leave balance.

(g) Termination benefits are payments that may be made in relation to the termination of a senior executive position.

(h) Total remuneration is calculated on an accrual basis in accordance with AASB 119 Employee Benefits with the exception of superannuation and non-monetary benefits

Table 49: Remuneration Paid to Other Highly Paid Staff in 2022–23

Remuneration Band	Number of highly paid staff (a)	Short-term benefits			Post-employment benefits	Other long-term benefits	Termination Benefits	Average ^c Total reportable remuneration (h)	
		Average Other benefits and allowances (c)							
		Average base salary (b)	Average bonuses \$	Overseas housing allowances (d)	Average superannuation contributions (e)	Average Long service leave (\$)	Average Termination Benefits (g)		
\$240,000 to \$245,000	28	165,904	-	13,772	30,899	27,382	4,060	-	
\$245,001 to \$270,000	36	151,173	-	25,821	45,929	25,705	3,704	2,806	
\$270,001 to \$295,000	27	138,066	-	49,824	64,404	25,045	3,437	-	
\$295,001 to \$320,000	26	120,149	-	52,760	107,622	23,328	3,122	-	
\$320,001 to \$345,000	14	131,398	-	61,305	112,370	22,753	3,317	-	
\$345,001 to \$370,000	13	120,651	-	80,165	131,459	22,839	3,118	-	
\$370,001 to \$395,000	10	125,336	-	101,525	129,235	22,148	3,086	-	
\$395,001 to \$420,000	4	156,963	-	83,242	125,614	31,547	3,790	-	
\$420,001 to \$445,000	3	148,166	-	91,831	159,516	25,778	3,840	-	
\$445,001 to \$470,000	4	124,314	-	122,125	177,892	27,320	3,119	-	
\$470,001 to \$495,000	4	141,051	-	131,921	172,377	27,094	3,579	-	
\$495,001 to \$520,000	1	111,069	-	144,399	222,987	15,105	2,862	-	
\$520,001 to \$545,000	2	133,166	-	150,425	218,126	24,334	3,332	-	
\$545,001 to \$570,000	1	161,876	-	229,116	137,409	29,455	4,242	-	

- (a) Other highly paid staff include staff who are neither KMP nor senior executives and whose total remuneration for the reporting period exceeds \$240,000.
- (b) Base salary includes salary paid and accrued, salary paid while on annual leave plus the net movement in the annual leave balance, salary paid while on personal leave, and higher duties allowances.
- (c) Other benefits and allowances includes overseas living allowances, non-monetary benefits included in the Fringe Benefits Tax (FBT) Return for the year ended 31 March 2023 such as the provision of a car park, accommodation and utilities whilst posted overseas, and associated FBT. FBT is only included in calculating total remuneration where FBT is required to be reported on an employee's payment summary.
- (d) Overseas housing benefits and allowances are disclosed as a separate component of 'Other benefits and allowances' and as a separate component of 'Total remuneration' to illustrate the impact that the quantum and/or nature of these particular benefits and allowances have on total remuneration while still reporting the total remuneration of each relevant staff member as required by the disclosure requirements of the PCPA Rule.
- (e) Superannuation includes the relevant National Employer Contribution Rate and the Employer Productivity Superannuation Contribution.
- (f) Long service leave is calculated on an accrual basis and comprises the amount of leave taken for the period plus the net movement in the long service leave balance.
- (g) Termination benefits are payments that may be made in relation to the termination of a position.
- (h) Total remuneration is calculated on an accrual basis in accordance with AASB 119 Employee Benefits with the exception of superannuation and non-monetary benefits

APPENDIX E: LEGAL SERVICES EXPENDITURE

Table 50 outlines the Department's legal services expenditure for 2022–23, in compliance with Paragraph 11.1(ba) of the *Legal Services Directions 2017*.

Table 50: Legal services expenditure

Description	2021–2022 cost (excluding GST)	2022–2023 cost (excluding GST)
Total legal services expenditure	\$103,456,003	\$101,671,563
Total external legal services expenditure	\$63,965,940	\$57,438,978
External expenditure on solicitors	\$55,037,986	\$50,774,675
External expenditure on counsel	\$7,211,038	\$5,699,216
Number of matters in which male counsel briefed	923	854
Estimated value of briefs to male counsel	\$5,159,790	\$4,133,075
Number of matters in which female counsel briefed	304	327
Estimated value of briefs to female counsel	\$2,051,248	\$1,566,141
Disbursements on external legal services	\$1,716,916	\$965,087
Total internal legal services expenditure	\$39,490,063	\$44,232,585
Employees	\$32,661,709	\$36,373,099
Overheads (for example, office stores and stationery, training and travel, property, and information technology related costs)	\$6,828,354	\$7,859,486

APPENDIX F: ADMINISTRATION OF THE OFFICE OF THE MIGRATION AGENTS REGISTRATION AUTHORITY

Overview of the Office of the Migration Agents Registration Authority

The Office of the Migration Agents Registration Authority (OMARA) regulates the activities of Australian registered migration agents providing immigration assistance. This provides protection and assurance to consumers who receive immigration assistance from Registered Migration Agents (RMAs).

Functions of the OMARA

The OMARA protects consumers of migration advice services through the regulation of RMAs. Key functions are set out in section 316 of the *Migration Act 1958* and include:

- considering and deciding applications for registration as a migration agent
- monitoring the conduct of RMAs
- investigating and assessing complaints relating to the provision of immigration assistance by RMAs and where appropriate, taking disciplinary action against RMAs or former RMAs.

Information about registered migration agents

Overview of the profession

At 30 June 2023, 4,883 people were registered in Australia as migration agents. This represents a very small increase of 0.3 per cent from 4,868 on 30 June 2022.

Profile of registered migration agents:

As at 30 June 2023, the profile of RMAs consisted of:

- average age, 47 years
- 47 per cent female and 53 per cent male
- 66 per cent have never had a complaint made against them
- 39 per cent report operating in a business as a sole trader.

Table 51: Experience of registered migration agents, at 30 June 2023

Experience (years)	Agents	Per cent (of total agents)
<1	277	5.7%
1–3	419	8.6%
4–6	1,211	24.8%
7–9	884	18.1%
>10	2,092	42.8%
Total	4,883	100%

Registration refusals and withdrawals

During 2022–23, five registration applications were refused and 18 were withdrawn in comparison to three and 21 respectively in 2021–22.

In 2022–23, the leading reason for withdrawals was the applicant not meeting character requirements.

Complaint processing

Throughout 2022–23, the OMARA received 299 complaints relating to RMAs and finalised 389 complaints; this is an increase from 252 and 329 respectively in 2021–22. Merit and jurisdiction were established for 130 complaints, and of these 14 were finalised with a finding that the agent had breached the Migration Agents Code of Conduct.

Sanction outcomes

In 2022–23, the OMARA sanctioned four RMAs.

Of those:

- three had their registration cancelled, in comparison to four in 2021–22
- none had their registration suspended, in comparison to three in 2021–22
- the OMARA barred one former registered migration agent from being registered for two years, down from two former agents being barred for five years in 2021–22.

The reduction in sanction decisions in 2022–23 is attributable to the OMARA's focus on the design and implementation of enhanced framework for triaging, assessing and investigating complaints to distinguish the severity and impact of specific conduct and identify appropriate risk treatments. Under the revised model, less serious misconduct matters are dealt with through an early resolution framework aimed at disrupting misconduct and educating the registered migration agent as to their requirements under the Migration Agents Code of Conduct at the earliest opportunity. This allows the OMARA to investigate allegations of serious misconduct in a timely manner. The OMARA expects an increase in sanction decisions in 2023–24 program year.

APPENDIX G: INFORMATION PUBLICATION SCHEME

Entities subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report.

Each agency must display on its website a plan showing what information it publishes in accordance with the IPS requirements.

Information about the Department's Information Publication Scheme plan is available on our website.

APPENDIX H: AUSCHECK REPORTING

Auscheck continued to respond to ad-hoc requests for information under paragraphs 14(2)(b)(iii) and 14(2)(b)(iiia) of the *AusCheck Act 2007*. During 2022–23, Auscheck received 31 requests for access to information stored in the AusCheck database for national security and law enforcement purposes.

APPENDIX I: SECURITY OF CRITICAL INFRASTRUCTURE ACT 2018 – 2020–21 ANNUAL REPORT

Background

The *Security of Critical Infrastructure Act 2018* (the Act) requires regulated owners and operators of Australia's critical infrastructure to take steps to better protect infrastructure. Australia's regulatory settings must keep ahead of the evolving all-hazards environment to support national security and resilience. The Department of Home Affairs (the Department) is working collaboratively to instil a new level of awareness and preparedness within Australia's critical infrastructure sectors.

Since the Act came into force, the Department has taken efforts to balance the need for effective compliance management with the need to work collaboratively with critical infrastructure asset entities to protect Australia's interests through an all-hazards supply chain risk management agenda. This year, given new obligations the Department has prioritised education and awareness raising as a priority effort.

The need for threat mitigation has only increased in complexity, frequency and impact through geopolitical, climate, cybersecurity and supply chain factors that are now being felt locally and across the world. Preparation on a single issue basis is no longer enough with multiple threats within an all-hazards agenda becoming the norm.

We are living the all-hazards reality, soon after bushfire recovery efforts, flooding events have caused havoc with our supply chain production systems, in particular our food supply systems. The war in Ukraine continues to impact commodity prices. Cost of living pressures on multiple fronts are driven from climatic to geopolitical forces.

Equally, cybersecurity issues continue to rise as a significant complex threat. Data from the Office of the Australian Information Commissioner¹⁰⁷ tells us that data breaches are on the increase, with 70 per cent from malicious or criminal attacks, 25 per cent from human error and five per cent from system faults. A further breakdown of the data shows cyber incidents manifesting as ransomware at 29 per cent, compromised credentials at 27 per cent, phishing at 23 per cent, forced attack at nine per cent, hacking at eight per cent, and malware equalling four per cent.

In 2022–23 there has been a focus on education and awareness in the regulatory space driven through five key principles:

- focus on risk
- promote voluntary compliance
- be accountable, fair, and transparent
- act consistently
- act proportionately.

The Act was extended in 2021–22 from Critical Infrastructure assets in the electricity, water, gas and ports sectors to identified assets within the following sectors:

- the communications sector
- the data storage or processing sector
- the financial services and markets sector
- the water and sewerage sector
- the energy sector
- the health care and medical sector
- the higher education and research sector
- the food and grocery sector
- the transport sector
- the space technology sector
- the defence industry sector.

107. OIAC Notifiable data breaches report July to December 2022

The obligations in the Act now include provisions for:

- Part 2 - Register of Critical Infrastructure Assets, which was mandatory from October 2022
- Part 2A – Critical Infrastructure Risk Management Program, which was mandatory from 17 February 2023 with a 6 month grace period till 17 August 2023 and annual report submissions due by 28 September 2024
- Part 2B – Notification of cyber security incidents, which was mandatory from 8 July 2022
- Part 2C – Enhanced cyber security obligations for Systems of National Significance entities, with the incident response plan in effect for a number of entities from 1 March 2023
- Subsection 12F (3) – Obligation to notify data service providers, which was mandatory from December 2021.

A breakdown of which obligations apply for each regulated sector can be found at www.cisc.gov.au – in particular the ‘Overview of SOCI Obligations’ fact sheet.

Key Measures

The Act has measures to manage risks related to critical infrastructure, including obligations on industry and scalable powers for the Government.

The Positive Security Obligations

The positive security obligations imposed on entities responsible for certain critical infrastructure assets involve four aspects:

- entities are required to provide ownership and operational information to the Register of Critical Infrastructure Assets (Part 2 of the Act) which provides the Government visibility of who owns and controls the assets, enabling better targeting of our risk assessments. These obligations have been in place since 2018 and information about their operation is outlined below
- entities are required to adopt and maintain an all-hazards critical infrastructure risk management program (CIRMP) (Part 2A of the Act). This obligation was applied through the making of rules by the Minister for Home Affairs (the Minister). Similarly, Part 2AA of the Act requires certain entities to provide an annual report in specified circumstances
 - as of 30 June 2023, there were no voluntary CIRMP notifications. The mandatory reporting period commences 17 August 2023 with reports due no later than 28 September 2024.

- entities are required to report cyber security incidents (Part 2B of the Act) to the Australian Signals Directorate's Australian Cyber Security Centre (ACSC) which provides the Government with visibility of cyber security incidents involving critical infrastructure assets. The information enhances the Government's ability to develop strategies to identify and respond to national security risks for assets which, if disrupted, would significantly impact Australia. These obligations were applied in relation to certain critical infrastructure asset classes through the making of rules by the Minister on 8 April 2022
 - in 2022–23, there were 188 mandatory cyber incident reports assessed with a relevant impact report submitted from critical infrastructure entities
- entities must take reasonable steps to notify third party providers if they are providing data storage or processing services relating to the business critical data of a critical infrastructure asset on a commercial basis (Section 12F of the Act).
 - critical infrastructure entities are not required to report these notifications to the Cyber and Infrastructure Security Centre.

Enhanced Cyber Security Obligations

Part 6A of the Act, enables the Minister to privately declare a critical infrastructure asset to be a System of National Significance (SoNS). SoNS are a significantly smaller subset of critical infrastructure assets that are most crucial to the nation, by virtue of their interdependencies across sectors and potential for cascading consequences to other critical infrastructure assets and sectors if disrupted.

The Secretary of the Department of Home Affairs (the Secretary) may apply the following Enhanced Cyber Security Obligations to a SoNS:

- a requirement to have a cyber security incident response plan to prepare for a cyber security incident
- a requirement to undertake cyber security exercises to build cyber preparedness
- a requirement to undertake vulnerability assessments to identify vulnerabilities for remediation
- a requirement to provide system information to the Australian Signals Director (ASD) to develop and maintain a near-real time threat picture
- the Incident Response Plan Enhanced Cyber Security Obligation was applied to the responsible entities for 32 SoNS in the 2022–23 financial year.

Powers

Section 32 of the Act allows the Minister to issue a direction to an owner or operator of critical infrastructure assets to mitigate national security risks, where the risks cannot be managed through existing collaboration with owners and operators or via existing regulatory frameworks. This power can only be used in very specific circumstances.

- No ministerial directions were given under Section 32 in the 2022–23 financial year.

Section 37 of the Act provides the Secretary with the power to request ownership and operational information from direct interest holders, responsible entities and operators of critical infrastructure assets.

- No requests for information were made under Section 37 in the 2022–23 financial year.

Part 3A of the Act provides the Government with the ability to provide government assistance to critical infrastructure entities in response to serious cyber-attacks on Australian systems. The objective of this framework is to assist in the defence of critical infrastructure assets from cyber security threats, in light of their criticality to the social or economic stability of Australia or its people, the defence of Australia, or national security. This framework is one of last resort and will only be used when no other regulatory system could be used and there is a material risk to Australia's national interests.

- The powers under Part 3A were not used in the 2022–23 financial year.

Part 5 of the Act provides a range of enforcement powers in relation to the obligations in the Act, through the triggering of provisions in the *Regulatory Powers (Standard Provisions) Act 2014*.

- No action was taken against an entity in the 2022–23 financial year.

Section 51 of the Act provides that the Minister may privately declare an asset to be a critical infrastructure asset if the asset is not otherwise a critical infrastructure asset, relates to a critical infrastructure sector, the Minister considers the asset to be critical and it is appropriate for the declaration to be done privately.

- No declarations were made by the Minister under Section 51 of the Act in the 2022–23 financial year.

Operation of the Act

Register of Critical Infrastructure Assets

The notification requirements in Sections 23 and 24 of the Act articulate the initial and ongoing obligations of a reporting entity to report specific information on a Critical Infrastructure (CI) asset to the Department.

A total of 1,636 notifications were made to the Department for the Register of Critical Infrastructure Assets in 2022–23.

Table 52: Total number of notifications made to the Department in the 2022–23 financial year

Notifications	Total
Number of notifications made to the Department	1,636

New Notifications (Initial Obligations)

The initial obligation to give information under Section 23 of the Act requires a reporting entity to report the ownership and operational information in the approved form to the Secretary. During this financial year, the Department received 1,243 new notifications (initial obligations) in relation to critical infrastructure assets across Australia.

Table 53: Breakdown of new notifications made to the Department in the 2022–23 financial year

Type of notification	Number of notifications
New Notification – Direct Interest Holder	445
New Notification – Responsible Entity	798
Total	1,243

Notification of Change (Notifiable Events)

The ongoing obligation to give information under Section 24 of the Act requires a reporting entity to report a notifiable event in relation to the asset which is captured on the Register. A notifiable event occurs when any information in relation to the original notification is either invalid, incorrect or outdated. During this financial year, the Department has received 393 notifications of change (notifiable events) in relation to critical infrastructure assets on the Register.

Table 54: Breakdown of the notifications of change made to the Department in the 2022–23 financial year.

Type of notification	Number of notifications
New Notification – Direct Interest Holder	195
New Notification – Responsible Entity	198
Total	393

Notification of cyber security incidents

Part 2B of the Act provides for mandatory cyber incident reporting for critical infrastructure assets. If the responsible entity for a critical infrastructure asset becomes aware that a cyber security incident has occurred, or is occurring, and that the incident has had, or is having, a significant impact on the availability of the asset, they must notify the Australian Cyber Security Centre within 12 hours of becoming aware of the incident (Section 30BC).

- A significant impact is one where the critical infrastructure asset is used in connection with the provision of essential goods and services, and the incident has materially disrupted the availability of the essential goods or services delivered by the critical infrastructure asset – or where any of the circumstances specified in the rules exist in relation to the incident.

If the responsible entity for a critical infrastructure asset becomes aware that a cyber security incident has occurred, or is occurring, and the incident has had, is having, or is likely to have, a ‘relevant impact’ on the asset, they must notify the ACSC within 72 hours of becoming aware of the incident (Section 30BD). A relevant impact is an impact on the availability, integrity, reliability or confidentiality of the asset. The number of incident notifications received by the Department from the ACSC are below.

Table 55: Cyber security incidents notified in the 2022–23 financial year

Type of incident	Number of incidents
Number of cyber security incidents reported under Section 30BC	0
Number of cyber security incidents reported under Section 30BD	188
Total	188

Declaration of Systems of National Significance

Part 6A of the Act, enables the Minister to privately declare a critical infrastructure asset to be a SoNS. The Minister may only declare an asset as a SoNS if the asset is a critical infrastructure asset and the Minister is satisfied that the asset is of national significance. In determining this, the Minister must have regard to a number of factors, including:

- the nature and extent of the asset's interdependencies with other critical infrastructure assets
- the consequences that would arise for Australia's social or economic stability, defence, or national security if a hazard were to occur that had a significant relevant impact on the asset.

The Minister declared 81 critical infrastructure assets as SoNS in the energy, transport, communications and financial services and markets sectors. These declarations were made on 30 June 2022. No declarations were made in the 2022–23 financial year.

APPENDIX J: TELECOMMUNICATIONS SECTOR SECURITY REFORMS – 2020–21 ANNUAL REPORT

Introduction

This is a report under subsection 315J(1) of the *Telecommunications Act 1997* (the Act) for the financial year ending 30 June 2023 on the operation of Part 14 of the Act, to the extent that Part was amended by the *Telecommunications and Other Legislation Amendment Act 2017* (commonly referred to as the Telecommunications Sector Security Reforms (TSSR)). The report summarises reportable actions taken by the Minister, the Department of Home Affairs (the Department), the Communications Access Coordinator (CAC) and telecommunications carriers and/or nominated carriage service providers over the last financial year.

Information required under subsection 315J(1A) of the Act

Directions powers

The Minister for Home Affairs gave no directions under subsection 315A(1) in the financial year ending 30 June 2023.

The Minister for Home Affairs gave no directions under subsection 315B(2) in the financial year ending 30 June 2023.

Notification requirement

The CAC received 52 notifications under subsection 314A(3) in the financial year ending 30 June 2023. Six notifications were withdrawn.

In instances where the CAC did not require further information about a notified change, the average number of days taken to give a notice under subsection 314B(3) or (5) was 28 calendar days.

In instances where the CAC required further information about a notified change, the average number of days taken to give a notice under subsection 314B(1) requesting further information was 29 calendar days. The average number of days taken to give a notice under subsection 314B(3) or (5) once further information was provided to the CAC was 27 calendar days.

The average number of days taken by the CAC after a notification was submitted under subsection 314A(3) to give a notice under subsection 314B(3) or (5), including days taken to request, receive and consider further information where applicable, was 91 calendar days.

Seventy per cent of notices under subsection 314B(3) or (5) were given within the period under subsection 314B(6); that is, either within 30 calendar days of receiving the notification under subsection 314A(3) or if the CAC requested further information from the carrier or provider, as soon as practicable and within 30 calendar days of receiving that further information.

Further detail

Table 56: Breakdown of notices given by the CAC under subsections 314B(3) and (5)

Type of notice	Number of notices issued
Subsection 314B(3) 'some risk'	31
Subsection 314B(5) 'no risk'	13

The CAC required further information about 34 notified changes, which was 66 percent of all notifications received during the reporting period.

Applications for exemption from the notification requirement

The CAC did not receive any applications under subsection 314A(5A) in the financial year ending 30 June 2023.

Security Capability Plans

The CAC did not receive any security capability plans in the financial year ending 30 June 2023.

Information-gathering powers

The Secretary of the Department of Home Affairs gave two notices under subsection 315C(2) in the financial year ending 30 June 2023.

Since the commencement of Part 14 of the Act in 2018, a total of 10 notices have been issued.

Information sharing arrangements

The TSSR framework is intended to formalise and strengthen pre-existing informal engagement and information sharing practices between the telecommunications industry and Government. The aim is to encourage early engagement on proposed changes to systems and services that could give rise to a national security risk, and collaboration on the management of those risks.

In 2022–23, the Department participated in 101 engagements to ensure industry understanding of security and notification obligations and to provide advice on proposed changes to telecommunications systems or services. This activity included engaging with carriers who are yet to submit a notification.

The Department continues to use a secure online portal to communicate sensitive information to industry, such as the risks and security advice associated with particular changes. A number of carriers have set up accounts on the portal, and other carriers will continue to be encouraged to do so.

Technical workshops and assistance

The Department continues to provide in-depth technical guidance and assistance to carriers outside the formal notification process.

During the reporting period, the Department held technical workshops with specific carriers to explore particular changes, discuss potential risks and provide guidance on designing and implementing targeted mitigations. This included workshops for the specific purpose of providing assistance with the implementation of mitigations suggested in notices under subsection 314B(3) or where further information is requested under subsection 314B(1).

The Department also considered a number of proposed changes during the reporting period outside the formal notification regime. While carriers determined that these changes did not meet the threshold for formal notification and chose to provide informal briefings to the Department, these briefings often required an equivalent or even greater depth of technical analysis by the Department and security agencies than changes notified under section 314A. Although the number of engagements this financial year was lower than the previous year, the Department is encouraged by an increase in the quality of these engagements during the reporting period, as the majority of industry stakeholders have displayed a greater understanding of the Department's aim to uplift national security. The Department's regulatory objective is to achieve national security outcomes on a cooperative basis rather than through the formal exercise of regulatory powers.

Guidance Material

The Department has a dedicated TSSR webpage to facilitate information sharing with industry that contains TSSR guidance material including:

- administrative guidelines on TSSR
- fact sheets explaining the security and notification obligations
- frequently asked questions (FAQs)
- examples of the types of changes that may trigger notifications
- sample notification and notification exemption forms.

The Department periodically updates these materials, and works closely with industry to ensure that the materials are responsive to industry trends and requirements.

Summary of any feedback or complaints

Engagement and feedback from industry has remained generally positive, as industry increasingly recognises the benefits of being able to access security related information from the Government, and guidance on implementing mitigations to protect critical business operations.

The Department has continued to work with carriers to explain the intent of the legislation, including that submitting notifications demonstrates that a carrier is doing its best to comply with its security obligation and ensures it is appropriately informed. Given that even the most informed carrier is unlikely to have access to the most up to date threat information available to the Department, submitting notifications ensures carriers can benefit from that information and can make appropriately informed decisions, no matter their size or sophistication.

The Department has published guidance material addressing when changes will meet the threshold for notification and has provided advice to carriers about whether a notification was required in specific instances.

Industry has also raised concerns regarding the potential for regulatory duplication between the TSSR and the obligations that have been introduced (but not yet activated) for the telecommunications sector through amendments to the *Security of Critical Infrastructure Act 2018* that were passed in late 2021 and early 2022. The Department is working with the Department of Infrastructure, Transport, Regional Development, Communications and the Arts on regulatory reforms to align these two frameworks and to respond to the Parliamentary Joint Committee on Intelligence and Security report into TSSR, which was issued on 7 February 2022.

Trends or issues

Supply chain risk assessment

As part of the TSSR notification obligations, the Department continued to encourage carriers to undertake a risk assessment of their vendors' equipment and services.

The Department has noticed an improvement from several carriers over this period in the quality of materials provided, although others require further uplift. It is recommended that carriers not assess vendors based simply on the location they are headquartered in, but rather to also consider the supply chains associated with individual network equipment components – recognising that rebadged equipment (manufactured by one entity, but badged as another for on selling purposes), can potentially introduce significant risks.

Continued growth of dark fibre networks

The Department notes a significant expansion of dark fibre networks around the country, between data centres in Melbourne, Sydney and Brisbane, including from several smaller carriers. This has further raised their position as major regional data processing centres, and lifted their importance.

5G cloud compute

The Department notes that 5G cloud orchestration featured in a number of technical discussions with carriers over the last financial year. Throughout, the Department has attempted to balance the ideal availability construct provided through virtualised compute technologies against the threat to both the carriers' core and emerging edge use cases. Notifications received from a number of carriers have highlighted the significance of cloud environments in enabling carriers to effectively scale their storage capacity according to demand. Yet it is crucial to acknowledge that the adoption of cloud environments introduces potential vulnerabilities within their supply chains. Therefore, meticulous assessment and diligent monitoring of these environments are imperative to mitigate associated risks.

Managed service providers

The Department has seen an increase in the number of notifications involving managed service providers (MSPs), as well as an increase in the range and scope of functions that MSPs are proposing to undertake on behalf of customer carriers.

The Department received multiple notifications during the reporting period in which the CAC considered that a carrier's proposed use of an MSP could interfere with the carrier's ability to maintain competent supervision of, and effective control over, telecommunications networks and facilities owned or operated by the carrier, as required under section 313(1B). The CAC's concerns were most often associated with:

- inadequate proposed supervision by the carrier of the MSP's activities on the carrier's networks and facilities (including through over-reliance on self-supervision and self-reporting by the MSP)
- inadequate consideration by the carrier of the location(s) from which the MSP would be providing the services
- limited assurance that the carrier could demonstrate effective control over networks or facilities being serviced by the MSP.

In each of these instances during the reporting period the CAC informed the relevant carriers of the concerns and suggested measures that they could implement to ensure they could continue to comply with their security obligation while proceeding with the changes.

Migration of applications to cloud

A number of carriers notified the Department during 2023 regarding mass migration of applications into either public or private cloud platforms. This reflects the growing computer and storage requirements for carriers as they expand the size and complexity of their operations and seek to integrate a variety of software-as-a-service offerings with their core application set. This approach inherently increases the attack surface for carriers, but is necessary as carriers continue to adopt the latest technologies in order to meet customers' needs. The Department carefully reviewed the process undertaken by carriers to ensure that critical applications or applications where large volumes of sensitive data was stored were either not migrated to the cloud or were afforded the highest possible standard of security. The Department consistently advised carriers to ensure that they were alert to the security settings and configurations of the hosting cloud environment and retained control over their own encryption keys to ensure effective supervision and control.

Private networks

A number of carriers are exploring the use of public carrier network equipment to support private network solutions for commercial clients. The Department has provided advice in relation to appropriately hardening the connection between the private and public networks to protect against compromise, or malicious use, of private networks to attack the public carrier networks on which it is relying.

Approach to the notification obligation

Many carriers approach their TSSR obligations positively, engaging with the Department through:

- discussions to understand when the notification obligation applies
- active participation in the notification process, including providing detailed information about changes to telecommunications systems and services and follow-up meetings to discuss changes in more detail
- workshops to ensure best practice implementation of mitigations recommended in notices.

There is some variation among carriers in their approach to the TSSR notification obligation. As the notification obligation is currently defined, each carrier is required to establish their own internal threshold for what constitutes a 'notifiable change'.

Most carriers the Department has interacted with under TSSR are engaging positively with their obligations, however there continue to be a number of carriers that view the notification process as little more than a regulatory burden.

The Department has also been made aware of a number of notifiable changes to networks through media monitoring rather than through notifications, primarily by carriers who prefer not to engage through the notification process. Carriers that do not notify the CAC about their proposed changes risk missing out on relevant threat information and targeted security advice, as the Department can only provide official technical advice through a response to a notification. Furthermore, should a carrier not provide a notification where the Department has advised the threshold has been met, that carrier may risk non-compliance with its security obligation.

Background

The *Telecommunications and Other Legislation Amendment Act 2017*, known as the TSSR, amended the *Telecommunications Act 1997* (the Act) to establish a regulatory framework to better manage national security risks of espionage and foreign interference to Australia's telecommunications infrastructure.

Directions powers

Sections 315A and 315B of the Act allows the Minister for Home Affairs, subject to safeguards, to direct a carrier or carriage service provider to:

- cease using or supplying carriage services where use or supply is considered to be prejudicial to security (section 315A), or
- do, or not do, a specified act or thing where there is a risk of unauthorised interference with or unauthorised access to, networks or facilities that would be prejudicial to security (section 315B).¹⁰⁸

The Minister can only exercise the direction powers where the Australian Security Intelligence Organisation (ASIO) has provided an adverse security assessment. An adverse security assessment is subject to the accountability requirements contained in Part IV of the *Australian Security Intelligence Organisation Act 1979*, including the provision of notice of the adverse security assessment to the subject of the assessment, and the availability of review in the Administrative Appeals Tribunal (AAT).

As a last resort power, section 315A is intended to be used in the most extreme circumstances where the continued operation of the service would give rise to such serious consequences that the entire service needs to cease operating.

108. 'Security' has the same meaning as in the *Australian Security Intelligence Organisation Act 1979* and among other things, covers the protection of the Commonwealth and the States and Territories (and their population) from espionage, sabotage, attacks on Australia's defence system and acts of foreign interference.

The Minister must consult the Prime Minister and the Minister for Communications prior to giving written direction to cease operation of the service.

An additional safeguard under section 315B of the Act is that the Minister may only issue a direction if satisfied that all reasonable steps have been taken to negotiate, in good faith, with the carrier or carriage service provider to achieve an outcome of eliminating or reducing the security risk.

Notifications

Section 314A of the Act requires carriers and nominated carriage service providers to notify the CAC under subsection 314A(3) of their intention to implement a proposed change to a telecommunications service or telecommunications system if they become aware that implementing that change is likely to have a material adverse effect on the capacity of the carrier or provider to comply with its security obligations under section 313(1A).

Once a notification has been received, a security assessment is completed in consultation with security agency partners. Within 30 calendar days of receipt of a notification, the CAC must provide the carrier with one of the following notices:

- **Further information** request under subsection 314B(1) detailing the required information for the CAC to assess whether there is a risk of unauthorised access to, or interference with, telecommunications networks or facilities that would be prejudicial to security
- **Some risk** associated notice under subsection 314B(3) advising the carrier of a risk associated with the proposed change of unauthorised access to, or interference with, telecommunications networks or facilities that would be prejudicial to security and recommending controls to mitigate the identified risk
- **No risk** notice under subsection 314B(5) advising that the CAC is satisfied there is not a risk from the proposed change of unauthorised access to, or interference with, telecommunications networks or facilities that would be prejudicial to security.

Applications for exemption from the notification requirement

Carriers and nominated carriage service providers may seek a full or partial exemption from their obligation to notify the CAC of proposed changes to a telecommunications system or service. The CAC may grant an exemption under subsections 314A(4) or (5) of the Act. If a carrier submits a written application, the CAC must respond within 60 calendar days by either granting the exemption or refusing the exemption and providing written reasons for the refusal.

A carrier may apply to the AAT for review of a decision by the CAC not to grant an exemption.

Security capability plans

Carriers and nominated carriage service providers may submit a security capability plan (SCP) each year to notify one or more proposed changes that are likely to have a material adverse effect on their capacity to meet their security obligation, as an alternative to notifying the CAC of each change individually.

Transfer of Communications Access Coordinator function

In 2022–23, machinery-of-government changes resulted in the responsibility for the *Telecommunications (Interception and Access) Act 1979*, which defines the role of the CAC, being transferred to the Attorney General's Department. Home Affairs retained responsibility for engaging with carriers in relation to Part 14 of the Telecommunications Act. During this transfer of responsibility a number of notifications were not responded to by the CAC within the statutorily defined period. This issue has since been addressed, and all notifications have since been responded to in the required time period.

APPENDIX K: REPORTING ON THE BALI PROCESS UNDER SECTION 198AI OF THE MIGRATION ACT 1958

Background

The Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime (Bali Process) was formed in 2002, as a non-binding, multilateral forum to facilitate policy dialogue, cooperation and information sharing in the Asia Pacific Region. Co-chaired by Australia and Indonesia, the Bali Process membership includes 45 member states and four international organisations, as well as 26 Observer countries and international organisations.

The Department of Foreign Affairs and Trade is the whole-of-Government-lead for the Bali Process, supported by the Department of Home Affairs (the Department) and Bali Process Regional Support Office (RSO), located in Bangkok, Thailand.

The RSO was established in 2012 to operationalise the Bali Process Regional Cooperation Framework and strengthen practical cooperation among Member States. The RSO is responsible for facilitating information sharing, capacity building, exchange of best practices, encouraging pooling of common technical resources and offering logistical, administrative, operational and coordination support for Bali Process projects. It is the only cooperation mechanism of its kind in the Asia Pacific region and draws on policy knowledge, technical expertise and operational experience from Bali Process members and other key stakeholders to develop practical initiatives. Australia, through the Department, and Indonesia co-manage the Bali Process, with a departmental officer posted to the RSO.

In 2022–23, the Department contracted the International Organization for Migration Thailand to provide corporate, program and project management services to the RSO.

Activities conducted under the Bali Process between 1 July 2022 - 30 June 2023

Table 57: Activities conducted under the Bali Process in 2022–23

Event Date	Meeting / Event Name
1 Jul 2022	The RSO held a roundtable discussion on strengthening responses to smuggling of migrants
14 Jul 2022	The RSO and UNHCR hosted a webinar on Implementing the Recommendations of the Bali Process Projects on Civil Registration
18 and 20 Jul 2022	The RSO delivered a workshop Addressing People Smuggling and Trafficking in Persons to the Malaysian Immigration Department
26 Jul 2022	RSO presented at the Taskforce on Planning and Preparedness Policy Experts Gathering on the Impact of the COVID-19 Pandemic
30 Jul 2022	The RSO and the NEXUS Institute launched the publication Directory of Services for Trafficking Victims
2–11 Aug 2022	The RSO delivered an Intensive Course on Measures to Address Human Trafficking: the 3P Paradigm, together with UNITAR CIFAL Jeju
29–30 Aug 2022	RSO presented at the 8th Bali Process Annual Working Group Meeting on Trafficking in Persons' and Regional Webinar on the Role of Technology in Facilitating and Combating Trafficking in Persons
7–8 Sep 2022	The RSO hosted the Bali Process 20th Anniversary event – the Constructive Dialogue on Irregular Migration, People Smuggling and Trafficking in Persons
9–10 Sep 2022	The RSO delivered a hybrid Introductory Course on Combating Trafficking in Persons in partnership with the PPA
12–16 Sep 2022	The RSO delivered an in-person capacity building Frontline Border Officer Training Workshop on Trafficking in Persons at JCLEC
20 Sep 2022	The RSO delivered a pre-conference Workshop on Anti-People Smuggling and Trafficking in Persons across Borders, as part of the IBMATA Border Management and Technologies Asia Summit
21–23 Sep 2022	The RSO participated in a regional dialogue hosted by the IOM- Regional Dialogue on the Management of Safe, Orderly and Regular Migration and Protection of Migrants
27–28 Sep 2022	The RSO participated in the inaugural Tech Against Trafficking Summit
10–11 Oct 2022	The RSO facilitated a Tabletop Exercise for the Bali Process Taskforce on Planning and Preparedness and Working Group on Disruptions
26–27 Oct 2022	The RSO hosted the Border Cooperation in Practice and Technology Forum: Countering People Smuggling, Trafficking in Persons and Related Transnational Crime event
31 Oct–4 Nov 2022	The RSO delivered an in-person Regional Training Workshop on Smuggling of Migrants

Event Date	Meeting / Event Name
7 Nov 2022	The RSO published the guide <i>Protecting Migrants at Sea: a practical guide to fulfilling international obligations</i> in four new languages
10–11 Nov 2022	The RSO delivered an Advanced Course on Combatting Trafficking in Persons in partnership with the PPA
15 and 17 Nov 2022	The RSO presented at the 5th meeting of the Bali Process Technical Experts Group on Returns and Reintegration
28 Nov–2 Dec 2022	The RSO delivered an in-person counter smuggling Regional Training Workshop
1 Dec 2022	The RSO, in partnership with UNODC, held a roundtable on corruption as a facilitator of the smuggling of migrants and trafficking in persons with the Judicial Committee of the Vietnamese National Assembly
6–7 Dec 2022	The RSO presented at the Bali Process 16th Ad-Hoc Group Senior Officials' Meeting
12–16 Dec 2022	The RSO delivered a Workshop on Border Management by Air with JCLEC
15 Dec 2022	The RSO, in partnership with the NEXUS Institute and PROSPECT, hosted a Thematic Dialogue on Enhancing trafficking victim access to protection, immediate support and reintegration services
18–19 Jan 2023	The RSO contributed to the 8th Bali Process Ministerial Conference preparatory meetings with the Governments of Australia and Indonesia
24 Jan 2023	IOM, RSO and Australian Government launched a new guide: Protecting Migrant Workers in Indo-Pacific Supply Chains: A Good Practice Guide for Business and Bali Process Member States
26 Jan 2023	The RSO hosted a thematic dialogue on preventing and responding to human trafficking and the online scam industry
8–9 Feb 2023	The RSO presented at the 8th Bali Process Steering Committee Meeting and the 8th Bali Process Senior Officials Meeting
10 Feb 2023	The RSO participated in the 8th Bali Process Ministerial Conference
21–24 Feb 2023	The RSO presented a training session on regional trends around people smuggling and trafficking in persons at the Pacific Immigration Development Community (PIDC) National Contact Points and Regional Profiling Network Workshop
1–2 Mar 2023	The RSO presented at the Pan Asia Modern Slavery and Human Trafficking Summit
16 Mar 2023	The RSO delivered a virtual workshop on addressing people smuggling and trafficking in persons for Indonesian National Police and Immigration Officers
24 Mar 2023	The RSO presented at the 3rd Australia-Thailand Immigration Forum
4 Apr 2023	The RSO launched the refreshed Bali Process website
7 Apr 2023	The RSO launched a policy brief: Trapped in Deceit: Responding to the Trafficking in Persons Fueling the Expansion of Southeast Asia's Online Scam Centres
10 Apr 2023	The RSO published its 2022 Annual Report
14 Apr 2023	The RSO and UNHCR launched version 2 of the Screening and Referral Toolkit mobile application
17 Apr 2023	The RSO participated in the Bali Process Consultation Mechanism

Event Date	Meeting / Event Name
25–26 Apr 2023	The RSO presented at the Conference on Technology Facilitated Labour Exploitation for Forced Criminality
10 May 2023	The RSO hosted a panel discussion on regional strategies for addressing human trafficking into online scam centres
10–12 May 2023	The RSO led a tabletop discussion on Civil Registration and Vital Statistics with UNESCAP
30 May 2023	The RSO and the UNODC led a roundtable discussion on the links between corruption as a facilitator of trafficking in persons and smuggling of migrants with the Government of the Philippines
31 May 2023	The RSO presented at the Budapest Process Thematic Working Group Meeting on Return and Reintegration
1 Jun 2023	The RSO presented at the 14th Malaysia-Australia Immigration Cooperation Working Group
12 Jun 2023	The RSO briefed on its activities at the 2023 Australia-Cambodia Immigration Forum
12–14 Jun 2023	The RSO presented at the Pacific Regional Conference on Human Trafficking

Steps taken in relation to people smuggling, trafficking in persons and related transnational crime to support the Regional Cooperation Framework between 1 July 2022–30 June 2023

Bali Process meetings throughout 2022–23 provided opportunities for the key priorities of the Regional Cooperation Framework (RCF) to be discussed and furthered by Bali Process members.

Senior Official Co-Chairs convened the Steering Group and Ad Hoc Group Senior Officials' Meetings in Bali, Indonesia in December 2022, and the Senior Officials' Meeting of the Bali Process convened ahead of the Eighth Bali Process Ministerial Conference took place on 10 February 2023.

At the Eighth Bali Process Ministerial Conference, Ministers acknowledged regional and global developments that heighten risks for regional stability and irregular migration, including ongoing impacts of COVID-19, conflict, misuse of technology, trafficking in persons into online scams, and natural and humanitarian disasters, including climate-related disasters.

Ministers endorsed an updated *2023 Adelaide Strategy for Cooperation*, designed to reinvigorate an agile, relevant, and responsive Bali Process beyond 20 years since its establishment. They reaffirmed the need for a future-focused approach to changing patterns of people smuggling, human trafficking and related transnational crime in the Bali Process region.

Ministers further agreed to remain seized of recent irregular maritime movements in the Andaman Sea. In this regard, Co-Chair Ministers tasked the Senior Officials Co-Chairs to reactivate the Consultation Mechanism in response to this matter, to explore options for Bali Process engagement and support.

On 9 and 10 February 2023, the Business Co-Chairs of the Bali Process Government and Business Forum together with the Australian and Indonesian Bali Process Ministerial Co-Chairs convened leaders from across the Asia Pacific region to discuss a joint response to ending modern slavery. Under the pillars of supply chain transparency, ethical recruitment and worker redress, the leaders committed to act jointly to strengthen policy and legal frameworks, address the urgent need to understand the scale of modern slavery in the region, and advance efforts over the long-term to eradicate this transnational crime.

Table 58 highlights a number RSO activities conducted in the past year that supported the RCF.

Table 58: Activities that fall under the RCF

Event Date	Meeting / Event Name
1 Jul 2022	<p>Roundtable discussion on strengthening response to smuggling of migrants</p> <ul style="list-style-type: none">• Seek to address root causes of irregular movements• Promotes human life and dignity• Build capacity and utilise resources to process mixed flows• Promote orderly, legal migration and provide appropriate opportunities for regular migration
14 Jul 2022	<p>RSO and UNHCR hosted a webinar on Implementing the Recommendations of the Bali Process Projects on Civil Registration</p> <ul style="list-style-type: none">• Promotes human life and dignity• Seek to address root causes of irregular movement and promote population stabilization wherever possible
26 Jul 2022	<p>RSO presented at the Taskforce on Planning and Preparedness Policy Experts Gathering on the Impact of the COVID-19 Pandemic</p> <ul style="list-style-type: none">• Promotes human life and dignity• Seek to address root causes of irregular movement

Event Date	Meeting / Event Name
30 Jul 2022	<p>RSO and the NEXUS Institute launched the publication Directory of Services for Trafficking Victims</p> <ul style="list-style-type: none"> • Supports and promotes information exchange • Promotes human life and dignity • Build capacity and utilise resources to process mixed flows
2–11 Aug 2022	<p>RSO delivered an Intensive Course on Measures to Address Human Trafficking: the 3P Paradigm, together with UNITAR CIFAL Jeju</p> <ul style="list-style-type: none"> • Build capacity and utilise resources to process mixed flows
29–30 Aug 2022	<p>RSO presented at the 8th Bali Process Annual Working Group Meeting on Trafficking in Persons' and Regional Webinar on the Role of Technology in Facilitating and Combating Trafficking in Persons</p> <ul style="list-style-type: none"> • Support and promote increased information exchange while respecting confidentiality and upholding the privacy of affected persons
7–8 Sep 2022	<p>RSO hosted the Bali Process 20th Anniversary event – the Constructive Dialogue on Irregular Migration, People Smuggling and Trafficking in Persons</p> <ul style="list-style-type: none"> • Seek to address root causes of irregular movements • Build capacity and utilise resources to process mixed flows • Support and promote increased information exchange
9–10 Sep 2022	<p>RSO delivered a hybrid Introductory Course on Combatting Trafficking in Persons in partnership with the PPA Viet Nam</p> <ul style="list-style-type: none"> • Promotes human life and dignity • Build capacity and utilise resources to process mixed flows • Promote orderly, legal migration and provide appropriate opportunities for regular migration
12–16 Sep 2022	<p>RSO delivered an in-person capacity building Frontline Border Officer Training Workshop on Trafficking in Persons at JCLEC</p> <ul style="list-style-type: none"> • Build capacity and utilise resources to process mixed flows • Promote orderly, legal migration and provide appropriate opportunities for regular migration
20 Sep 2022	<p>RSO delivered a pre-conference Workshop on Anti-People Smuggling and Trafficking in Persons across Borders, as part of the IIBMATA Border Management and Technologies Asia Summit</p> <ul style="list-style-type: none"> • Build capacity and utilise resources to process mixed flows
10–11 Oct 2022	<p>RSO facilitates Tabletop Exercise for Bali Process Taskforce on Planning and Preparedness and Working Group on Disruptions</p> <ul style="list-style-type: none"> • Supports and promotes information exchange while respecting confidentiality and privacy • Undermine the people smuggling model and create disincentives for irregular movement
26–27 Oct 2022	<p>The RSO hosted the Border Cooperation in Practice and Technology Forum: Countering People Smuggling, Trafficking in Persons and Related Transnational Crime event</p> <ul style="list-style-type: none"> • Promotes human life and dignity • Build capacity and utilise resources to process mixed flows • Undermine the people smuggling model and create disincentives for irregular movement

Event Date	Meeting / Event Name
31 Oct–4 Nov 2022	<p>RSO delivered in-person Regional Training Workshop on Smuggling of Migrants</p> <ul style="list-style-type: none"> • Build capacity and utilise resources to process mixed flows
7 Nov 2022	<p>The RSO published the guide <i>Protecting Migrants at Sea: a practical guide to fulfilling international obligations</i> in 4 new languages</p> <ul style="list-style-type: none"> • Seek to address root causes of irregular movements • Build capacity and utilise resources to process mixed flows
10–11 Nov 2022	<p>RSO delivered an Advanced Course on Combatting Trafficking in Persons in partnership with PPA Viet Nam</p> <ul style="list-style-type: none"> • Promotes human life and dignity • Build capacity and utilise resources to process mixed flows
28 Nov – 2 Dec 2022	<p>RSO delivered an in-person counter smuggling Regional Training Workshop</p> <ul style="list-style-type: none"> • Promotes human life and dignity • Build capacity and utilise resources to process mixed flows • Undermine the people smuggling model and create disincentives for irregular movement
15 Dec 2022	<p>The RSO published the guide <i>Protecting Migrants at Sea: a practical guide to fulfilling international obligations</i> in 4 new languages</p> <ul style="list-style-type: none"> • Supports and promotes information exchange • Promotes human life and dignity
24 Jan 2023	<p>The RSO, in partnership with the NEXUS Institute and PROSPECT, hosted a Thematic Dialogue on Enhancing trafficking victim access to protection, immediate support and reintegration services</p> <ul style="list-style-type: none"> • Promotes human life and dignity
8–10 Feb 2023	<p>IOM, RSO and Australian Government launched a new guide: Protecting Migrant Workers in Indo-Pacific Supply Chains: A Good Practice Guide for Business and Bali Process Member States</p> <ul style="list-style-type: none"> • Supports and promotes information exchange • Promotes human life and dignity
21–24 Feb 2023	<p>The RSO participated in the 8th Bali Process Ministerial Conference</p> <ul style="list-style-type: none"> • Build capacity and utilise resources to process mixed flows
16 Mar 2023	<p>The RSO presented a training session on trends around people smuggling and trafficking in persons at the Pacific Immigration Development Community (PIDC) National Contact Points and Regional Profiling Network Workshop</p> <ul style="list-style-type: none"> • Build capacity and utilise resources to process mixed flows • Promotes human life and dignity
24 Mar 2023	<p>The RSO delivered a workshop on addressing people smuggling and trafficking in persons for Indonesian National Police and Immigration Officers</p> <ul style="list-style-type: none"> • Supports and promotes information exchange
4 Apr 2023	<p>RSO presented at the 3rd Australia-Thailand Immigration Forum</p> <ul style="list-style-type: none"> • Supports and promotes information exchange

Event Date	Meeting / Event Name
14 Apr 2023	<p>RSO launched refreshed Bali Process website</p> <ul style="list-style-type: none"> • Promotes human life and dignity • Build capacity and utilise resources to process mixed flows • Supports and promotes information exchange
10 May 2023	<p>RSO launched refreshed Bali Process website</p> <ul style="list-style-type: none"> • Promotes human life and dignity • Build capacity and utilise resources to process mixed flows • Supports and promotes information exchange
10–12 May 2023	<p>RSO hosted a panel discussion to advance discussions on regional responses to online scam centres</p> <ul style="list-style-type: none"> • Promotes human life and dignity
30 May 2023	<p>RSO lead tabletop discussion on Civil Registration and Vital Statistics with UNESCAP</p> <ul style="list-style-type: none"> • Promotes human life and dignity • Seek to address root causes of irregular movement and promote population stabilization wherever possible
31 May 2023	<p>RSO lead tabletop discussion on Civil Registration and Vital Statistics with UNESCAP</p> <ul style="list-style-type: none"> • Promotes human life and dignity • Seek to address root causes of irregular movement and promote population stabilization wherever possible
1 Jun 2023	<p>RSO presented at the Budapest Process Thematic Working Group Meeting on Return and Reintegration</p> <ul style="list-style-type: none"> • Supports and promotes information exchange • Avoid creating pull factors to or within the region

Progress made in relation to people smuggling, trafficking in persons and related transnational crime under the Regional Cooperation Framework between 1 July 2022 – 30 June 2023

In 2022–23, the RSO provided significant contributions to national and regional efforts to combat people smuggling, trafficking in persons and related transnational crime. Through regional dialogue, strengthening cross-border communication and relationships, and capacity-building, the RSO has remained a central resource for Members, Observers, civil society, academia and others working in partnership to address these regional challenges.

The benefits of open dialogue as a means to facilitate productive relationships and strengthen collaboration across Bali Process Member States were also observed throughout 2022–23. Through the RSO, Bali Process Member States convened throughout the reporting period and discussed and workshopped how best to meet the substantial challenges by developing a shared understanding of those challenges and actively working to strengthen collaboration and information sharing.

Bali Process Member States agreed a unified approach to addressing these challenges in February 2023 through the Bali Process 2023 Adelaide Strategy for Cooperation which identified eight priority areas for cooperation, specifically:

1. Law enforcement
2. Stakeholder engagement
3. Information sharing and public information campaigns
4. Irregular Migration and Related Transnational Crime
5. Border Management
6. Victim Protection and Migration Management
7. Returns and Reintegration
8. Coordination and support.

The role of the Bali Process and the RSO in supporting the operationalisation of the Strategy for Cooperation as part of global efforts to combat transnational crime, people smuggling and trafficking in persons remains critically important.

Some specific examples of the RSO's contribution to addressing smuggling and trafficking in the region are listed below.

The RSO guide Protecting Migrants at Sea: a practical guide to fulfilling international obligations

Published in partnership with the International Organization for Migration, this Guide was originally released (in English) in 2020 as a practical tool to support States to apply international legal principles to protect migrants at sea. The Guide is comprised of two interrelated sections i.e., a Guidance Note to assist with implementation of relevant international legal obligations to protect migrants at sea, and, a section outlining practical scenarios to assist with real life application of existing laws and principles. This includes scenarios to facilitate roundtable discussions, practical tabletop exercises, or other capacity building activities. In December 2022, the Guide was published in Arabic, Bengali, Malay and Thai.

The release of the Guide in four other languages was aligned with the increase in irregular maritime movements across the Bay of Bengal and the Andaman Sea. In 2022, UNHCR figures show that 3,545 Rohingya attempted the sea journey on 39 boats. 348 individuals are believed to have died or gone missing at sea in 2022. By making the Guide available in the languages of the main disembarkation locations for irregular maritime boat movements, the RSO aimed to ensure that Bali Process Member States had the information and tools necessary in their native language to facilitate smoother and more robust support for boat arrivals. Such an approach aligns with the Regional Cooperation Framework objectives of promoting human life and dignity and supporting and promoting information exchange.

Furthermore, the release of these Guides in relevant languages will assist Member States to reach their commitments of the 2016 *Bali Declaration* as well as ASEAN pledges to protect the most vulnerable and to leave no one behind. Furthermore, the Guides support the objectives of the Global Compact for Migration and Global Compact for Refugees to promote a sustainable and comprehensive response to the movement of refugees and migrants. This includes establishing effective, predictable and equitable disembarkation arrangements. The RSO and IOM will continue to promote the use of the Guide to strengthen operational capacity of States to protect migrants at sea.

Launch of refreshed Bali Process website

As a regional forum that supports collaboration, dialogue and policy development on irregular migration in the Asia-Pacific and beyond, the Bali Process plays a central role as a conduit and repository of communication and information. The need for further coordination and support was reiterated in the 2023 *Bali Process Adelaide Strategy for Cooperation* i.e., “23. Enhance internal and external communication, including launch of refreshed websites, RSO social media strategy, and online resources.”

The RSO launched a refreshed website for the Bali Process in early April – introducing an updated, modern design and new navigation to support access to information and resources, and to enable more effective engagement and collaboration between Member States, the Bali Process Working Groups and the RSO. The website was developed with input and feedback from Member States, and with leadership from Bali Process Co-Chairs and their teams in Australia and Indonesia, to ensure the updated platform meets user needs and that it effectively facilitates how Member States navigate and access information, and to support opportunities for peer-to-peer engagement.

The next stage of work will be the development of the RSO website – which will enable law enforcement officers, border and immigration officials, policy makers, judicial personnel and counter-trafficking and counter-smuggling officials and migration practitioners across Bali Process Member States and wider regional actors to access fit-for-purpose information and resources.

Through more effective communication and coordination across Member States via a new website, the RSO is able to better deliver upon the commitments under the Regional Cooperation Framework to promote human life and dignity and to build capacity and utilise resources to process mixed flows.

RSO hosted panel discussion on regional responses to online scam centres

In response to the growing prevalence of trafficking in persons (TIP) to facilitate online scams across Southeast Asia, the RSO organised a panel discussion with relevant experts and stakeholders to share information and discuss emerging trends. Trafficking as it relates to online scam centres represents a divergence from traditional TIP patterns and during the discussion attendees shared their critical analysis of what implications this has for the region and ideas for addressing these new challenges.

In addition, the dialogue provided a space for law enforcement, civil society and international organisations to share ideas and mutually supportive ways of working. Discussions were held on a national level, as well as from a sub-regional perspective – the first such regional discussion to be had on the issue.

Following this dialogue, the RSO also developed and released a policy brief entitled “*Trapped in Deceit: Responding to the Trafficking in Persons Fuelling the Expansion of Southeast Asia’s Online Scam Centres*”. The Brief provided a comprehensive overview of the conditions that led to the emergence of scam centres, their development into a lucrative business for criminal organisations, and the appalling conditions faced by trafficking victims who are forced to work in these centres.

The panel discussion and policy brief highlighted the crucial role of the RSO in coordinating a multi-stakeholder response to countering the prevalence of online scam centres.

Moreover, the RSO was able to engage at the operational, policy, and capacity-building levels, providing a holistic response to the issue. Both the policy brief and panel discussion were reflective of commitments under the RCF to promote human life and dignity, and, supporting and promoting increased information exchange.

Moving forward, the RSO will continue to host policy dialogues, meetings and events on the issue of online scams. The RSO appreciates the scale and complexity of this issue and the need for collection national, sub-regional and regional efforts to address the challenge.

PART 7: REFERENCE MATERIAL

ABBREVIATIONS AND ACRONYMS	292
GLOSSARY	296
PGPA RULE LIST OF REQUIREMENTS	299
INDEX	307

ABBREVIATIONS AND ACRONYMS

A	
ABF	Australian Border Force
ACSF	Australian Core Skills Framework
ADF	Australian Defence Force
AEC	Australian Electoral Commission
AFP	Australian Federal Police
AGD	Attorney-General's Department
AHRC	Australian Human Rights Commission
AIC	Australian Institute of Criminology
ALO	Airline Liaison Officer
AMEP	Adult Migrant English Program
ANAO	Australian National Audit Office
ANZCTC	Australia-New Zealand Counter-Terrorism Committee
AO	Officer of the Order of Australia
APM	Australian Police Medal
APS	Australian Public Service
APSC	Australian Public Service Commission
ASIC	Aviation Security Identification Card
ASIO	Australian Security Intelligence Organisation
ATO	Australian Taxation Office
ATT	Australian Trusted Trader
AUSCO	Australian Cultural Orientation Program
B	
BCD	Border Controlled Drug
BOC	Border Operations Centre

C	
CALD	Culturally and Linguistically Diverse
CIFAL	International Training Centre for Authorities and Leaders
CFI	Counter Foreign Interference
CLO	Community Liaison Officer
COVID-19	Coronavirus disease 2019
CSIRO	Commonwealth Scientific and Industrial Research Organisation
CVE	Counter Violent Extremism
E	
EEGO	Energy Efficiency in Government Operations policy
EIAT	Electoral Integrity Assurance Taskforce
F	
FFV	Foreign Fishing Vessel
FIRB	Foreign Investment Review Board
FOI	Freedom of Information
H	
HSP	Humanitarian Settlement Program
I	
IBMATA	International Border Management and Technologies Association
ICT	Information and communications technology
IDC	Immigration Detention Centre
IDF	Immigration Detention Facilities
IDN	Immigration Detention Network
IOM	International Organization for Migration
J	
JCLEC	Jakarta Centre for Law Enforcement Cooperation
K	
KMP	Key Management Personnel
L	
LGBTIQ+	Lesbian, Gay, Bisexual, Transgender or Intersex, and Queer
M	
MSIC	Maritime Security Identification Cards

N	
NAIDOC	National Aborigines and Islanders Day Observance Committee
NCP	National Compliance Plan
O	
OAIC	Office of the Australian Information Commissioner
OMARA	Office of the Migration Agents Registration Authority
OSB	Operation Sovereign Borders
P	
PAES	Portfolio Additional Estimates Statements
PBS	Portfolio Budget Statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PIDC	Pacific Immigration Development Community
PPA	People's Police Academy of Viet Nam
PSM	Public Service Medal
R	
RCF	Regional Cooperation Framework
RMA	Registered Migration Agent
RSO	Regional Support Office of the Bali Process
S	
SDP	Service Delivery Partner
SME	Small and Medium Enterprise
SES	Senior Executive Service
SETS	Settlement Engagement and Transition Support
SOCI Act	<i>Security of Critical Infrastructure Act 2019</i>
STS	Simplified Trade System
T	
TIS	Translating and Interpreting Service
TISN	Trusted Information Sharing Network
TSS	Telecommunications Sector Security
TSSR	Telecommunications Sector Security Reforms

U	
UFIT	University Foreign Interference Taskforce
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNHCR	United Nations High Commissioner for Refugees
UNITAR	United Nations Institute for Training and Research
UNODC	United Nations Office on Drugs and Crime
UMA	Unauthorised Maritime Arrival
V	
VA	Virtual Assistant
W	
WCO	World Customs Organization
WD	Workplace Determination
WHS	Work health and safety

GLOSSARY

Term	Definition
A	
Airline Liaison Officer (ALO)	ABF staff located at key international airports to operate ahead of the border to identify and manage threats and risks before they reach the Australian border.
AusTender	The Australian Government's tendering system.
Australian Trusted Trader	A voluntary trade facilitation initiative open to all eligible Australian businesses active in the international trade supply chain.
B	
Border continuum	The Department's approach which views the Australian border as a continuum that includes its overseas, maritime, physical and domestic dimensions.
C	
Child safeguarding framework	Outlines the principles, policies and procedures for the Department's staff and contracted service providers to safeguard the children who receive its services. The development of this framework was a focus of the independent Child Protection Panel.
Comcare	The statutory authority that administers the Australian Government's workers compensation scheme.
<i>Commonwealth Fraud Control Policy</i>	Supports accountable authorities of non-corporate Commonwealth entities to effectively discharge their responsibilities under the <i>Public Governance, Performance and Accountability Act 2013</i> and section 10 of the <i>Public Governance, Performance and Accountability Rule 2014</i> .
<i>Commonwealth Grant Rules and Guidelines</i>	The Australian Government grants policy framework applies to all non-corporate Commonwealth entities subject to the <i>Public Governance, Performance and Accountability Act 2013</i> .
Community Support Program	From 1 July 2017, the establishment of 1,000 places by which communities and businesses can sponsor humanitarian visa applicants and support new arrivals.
Corporate plan	The Corporate Plan is the Department's primary planning document. It sets out our purposes, priorities and performance measures over a four-year period, and supports the Department's annual business planning cycle, and informs individual performance agreements.
COVID-19	A disease caused by a new strain of coronavirus, formerly referred to as '2019 novel coronavirus'.

Term	Definition
F	
Fraud and Corruption Control Plan	The Department's plan for managing fraud and corruption.
G	
GrantConnect	Provides centralised publication of forecast and current Australian Government grant opportunities and grants awarded.
Green lease schedule	A formal commitment to energy efficiency developed by the Department of Environment and Energy to reduce energy consumption by Australian Government operations.
H	
Harmony Day	A celebration of Australia's cultural diversity, held yearly on 21 March. It coincides with the United Nations International Day for the Elimination of Racial Discrimination.
I	
ImmiAccount	Single entry point for individuals, registered migration agents, service delivery partners, business and stakeholders to access the Department's online services.
Inspection	May include use of non-intrusive examination through x-ray technology (static or mobile), trace particle detection, detector dogs or physical examination of cargo.
Intervention	Actions undertaken by ABF officers to prevent and detect the import or export of prohibited items and to control the movement of restricted items, including examinations and inspections.
L	
Legacy caseload	Persons who arrived by unauthorised maritime methods between 2008 and 2014 to seek protection and were not taken to a Regional Processing Country, including children born to UMA parents.
M	
Migration Program	The annual planned permanent intake determined by the Australian Government in a budgetary context which governs the number of visas granted for permanent entry from offshore and for permanent resident status onshore. It does not include New Zealand citizens intending to settle permanently in Australia.
N	
NAIDOC Week	NAIDOC (National Aboriginal and Islander Day Observance Committee) Week is a celebration of the history, culture and achievements of Aboriginal and Torres Strait Islander peoples.

Term	Definition
O	
Office of the Migration Agents Registration Authority	An office within the Department of Home Affairs that regulates the migration advice industry to provide appropriate protection and assurance to people using migration advice services.
Onshore and offshore	Unless otherwise indicated, 'onshore' and 'offshore' refer to the location of a person at the time they apply for a visa or visa grant.
Operation Sovereign Borders	Operation Sovereign Borders is a military-led, whole-of-government border security operation to combat maritime people smuggling.
P	
Portfolio Budget Statements	Documents that inform parliamentarians and the public of the proposed allocation of resources to achieve government outcomes.
<i>Public Governance, Performance and Accountability Act 2013 (PGPA Act)</i>	An Act about the governance, performance and accountability of, and the use and management of public resources by the Commonwealth, Commonwealth entities and Commonwealth companies, and for related purposes.
<i>Public Service Act 1999</i>	The principal Act governing the operation of the Australian Public Service.
R	
Refugee	A person recognised as needing protection under the <i>1951 United Nations Convention Relating to the Status of Refugees</i> .
S	
SmartGate	The Department's automated border processing system.
T	
Tariff classification	Goods imported into Australia require classification under the <i>Customs Tariff Act 1995</i> .
Temporary visas or temporary entry visas	Visas that provide for the temporary entry of people from overseas for purposes that benefit Australia, such as tourism, study, work or other activities. From 2014–15 this definition was expanded to include Special Category (subclass 444) visas provided to New Zealanders when they enter Australia.
TIS National	Provides interpreting services in more than 160 languages and dialects for people who do not speak English and for organisations that need to communicate with non-English-speaking clients.
U	
Unauthorised Maritime Arrival	Under section 5AA(1) of the <i>Migration Act 1958</i> , an unauthorised maritime arrival is a person, (other than an 'excluded maritime arrival') who entered Australia by sea at either an excised offshore place or any other place at any time after 1 June 2013, and the person became an unlawful non-citizen because of that entry into Australia.

PGPA RULE LIST OF REQUIREMENTS

PGPA Rule Reference	Part of Report	Description	Requirement
17AD(g)	Letter of transmittal		
17AI	Letter of Transmittal	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	Aids to access		
17AJ(a)	Contents	Table of contents (print only).	Mandatory
17AJ(b)	Part 7: Reference Material	Alphabetical index (print only).	Mandatory
17AJ(c)	Part 7: Reference Material	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	Part 7: Reference Material	List of requirements.	Mandatory
17AJ(e)	Page ii	Details of contact officer.	Mandatory
17AJ(f)	Page ii	Entity's website address.	Mandatory
17AJ(g)	Page ii	Electronic address of report.	Mandatory
17AD(a)	Review by accountable authority		
17AD(a)	Secretary's Review	A review by the accountable authority of the entity.	Mandatory
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	Roles and Functions of the Department Roles and Functions of the ABF	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	Organisational Structure and Key Executive	A description of the organisational structure of the entity.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AE(1)(a)(iii)	Performance Reporting	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	Performance Reporting	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	Organisational Structure and Key Executive	Name of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(ii)	Organisational Structure and Key Executive	Position title of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(iii)	Organisational Structure and Key Executive	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory
17AE(1)(b)	About the Portfolio	An outline of the structure of the portfolio of the entity.	Portfolio departments mandatory
17AE(2)	n/a	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
17AD(c)	Report on the Performance of the entity		
	<i>Annual performance Statements</i>		
17AD(c)(i); 16F	Part 2: Annual Performance Statement	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii)	Report on Financial Performance		
17AF(1)(a)	Part 3: Report on financial performance	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	Appendix B: Report on financial performance	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	Part 3: Report on financial performance	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.

PGPA Rule Reference	Part of Report	Description	Requirement
17AD(d)	Management and Accountability		
	<i>Corporate Governance</i>		
17AG(2)(a)	Letter of Transmittal	Information on compliance with section 10 (fraud systems).	Mandatory
17AG(2)(b)(i)	Letter of Transmittal	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	Letter of Transmittal	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	Letter of Transmittal	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	Enterprise Governance	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	Non-compliance with Finance Law	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non compliance with Finance law and action taken to remedy non compliance.	If applicable, Mandatory
	<i>Audit Committee</i>		
17AG(2A)(a)	Audit and Risk Committee	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	Audit and Risk Committee	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	Audit and Risk Committee	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	Audit and Risk Committee	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	Audit and Risk Committee	The remuneration of each member of the entity's audit committee.	Mandatory
	<i>External Scrutiny</i>		
17AG(3)	Reports by External Bodies	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(3)(a)	Judicial and Administrative Tribunal Decisions	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	Complaints	Information on any reports on operations of the entity by the Auditor General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	Capability Reviews	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
<i>Management of Human Resources</i>			
17AG(4)(a)	People Management, Learning and Development	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	Workforce Profile	<p>Statistics on the entity's employees on an ongoing and non ongoing basis, including the following:</p> <ul style="list-style-type: none"> (a) statistics on full time employees; (b) statistics on part time employees; (c) statistics on gender (d) statistics on staff location. 	Mandatory
17AG(4)(b)	Workforce Profile	<p>Statistics on the entity's APS employees on an ongoing and non ongoing basis; including the following:</p> <ul style="list-style-type: none"> • Statistics on staffing classification level; • Statistics on full time employees; • Statistics on part time employees; • Statistics on gender; • Statistics on staff location; • Statistics on employees who identify as Indigenous. 	Mandatory
17AG(4)(c)	Individual Flexibility Agreements and Workplace Agreements	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the Public Service Act 1999.	Mandatory
17AG(4)(c)(i)	Individual Flexibility Agreements and Workplace Agreements	Information on the number of SES and non SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	Appendix D: Salary and Classification Rates	The salary ranges available for APS employees by classification level.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(4)(c)(iii)	Non-Salary Benefits	A description of non salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	Performance Pay	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	Performance Pay	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	Performance Pay	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	Performance Pay	Information on aggregate amount of performance payments.	If applicable, Mandatory
<i>Assets Management</i>			
17AG(5)	Asset Management	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, mandatory
<i>Purchasing</i>			
17AG(6)	Purchasing and Procurement	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory
<i>Reportable consultancy contracts</i>			
17AG(7)(a)	Reportable Consultancy Contracts	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	Reportable Consultancy Contracts	A statement that " <i>During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]</i> ".	Mandatory
17AG(7)(c)	Reportable Consultancy Contracts	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(7)(d)	Reportable Consultancy Contracts	A statement that “ <i>Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.</i> ”	Mandatory
<i>Reportable non-consultancy contracts</i>			
17AG(7A)(a)	Reportable Non-consultancy Contracts	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	Reportable Non-consultancy Contracts	A statement that “ <i>Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.</i> ”	Mandatory
17AD(daa)	<i>Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts</i>		
17AGA	Reportable Consultancy Contracts Reportable Non-consultancy Contracts	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
<i>Australian National Audit Office Access Clauses</i>			
17AG(8)	Australian National Audit Office (ANAO) Access Clauses	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor General with access to the contractor’s premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
	<i>Exempt contracts</i>		
17AG(9)	Exempt Contracts	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
	<i>Small business</i>		
17AG(10)(a)	Small and medium enterprises	A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”	Mandatory
17AG(10)(b)	Small and medium enterprises	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	n/a	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory
	<i>Financial Statements</i>		
17AD(e)	Part 4: Financial Statements	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
	<i>Executive Remuneration</i>		
17AD(da)	Appendix D: Salary and Classification Rates	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2–3 of the Rule.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AD(f)	Other Mandatory Information		
17AH(1)(a)(i)	Advertising and Market Research Expenditure	If the entity conducted advertising campaigns, a statement that <i>“During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”</i>	If applicable, Mandatory
17AH(1)(a)(ii)	N/A	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	Grants Program	A statement that <i>“Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”</i>	If applicable, Mandatory
17AH(1)(c)	Disability Reporting Mechanisms	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	Appendix G: Information Publication Scheme	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	Appendix A: Correction of Material Errors	Correction of material errors in previous annual report.	If applicable, mandatory
17AH(2)	Work Health and Safety Ecologically sustainable development and environmental performance Australian Public Service Net Zero 2030 Appendix E Appendix F Appendix H Appendix I Appendix J Appendix K	Information required by other legislation.	Mandatory

INDEX

A

abbreviations and acronyms, 292-295
ABF, see Australian Border Force
absences, unscheduled management, 213
accountable authority, vii, viii, x, 27-28, 37, 99-100, 299-301
administrative tribunal, 180, 302
advertising and market research expenditure, xv, 218, 306
air and sea, 13, 18, 20, 36, 74-76, 123
Airline Liaison Officer, 22, 83, 292, 296
annual performance statement, viii, xii, 9, 27-92
annual report 2022–23 correction of material errors, xi, 225, 226
anti-corruption measures, 178
asset management, 303, 219
Audit and Risk Committee, xv, 175, 301
Audits, see also Australian National Audit Office
 Independent Auditor's Report, xi, 97-98
 internal audit arrangements, 178
 performance audit, 184
 panel clinic, 59
AusCheck, xi, 7, 25, 43-44, 122, 124, 155, 225, 260,
AusTender, 214-217, 296, 304-305
Australian Border Force,
 About the Portfolio, 2
 Activity 3.1, 72-81
 Activity 3.2, 82-92
 Commissioner, v, vii, viii, xi, 5, 17-19, 38, 65, 158, 173-174, 176, 182, 188, 206, 252, 294-295, 302
 Commissioner's review, 20-23

Executive team, 19
Letter of Endorsement, xi
Organisational structure and key executive, 17-18
The Portfolio structure, v
The Department of Home Affairs and Australian Border Force, vi
Roles and Functions of the Australian Border Force, 15
Australian Cultural Orientation, 63-64, 292
Australian Cyber Security Strategy (2023–2030), 10, 14, 32
Australian Federal Police, 73, 85, 292
Australian Human Rights Commission, 185, 188
Australian Information Commissioner, 182, 188, 254, 262
Australian National Audit Office, 100, 117, 184, 215, 292
 Access clauses, 291, 379
Australian Security Intelligence Organisation, iii, 2, 25, 187, 276, 292
Australian Trusted Trader, 76-77, 292, 296
Australian University, 37-38
Australia's 2020 Cyber Security Strategy, 44-45
automated systems, see SmartGates

B

border fees, charges and taxes, see revenue collection
border management, 30, 71-72, 74, 80, 113, 235, 280-281, 284, 287, 293, 296
Border Operations Centre, 22, 83, 292
border protection, 5, 15, 21, 23, 181
bushfire, 261

C

- calls, 194, 197-198
capability,
 ABF, 13, 15, 17-19, 20, 23, 72-73,
 75, 83, 89, 173-174, 176
 emergency management, 79
Enterprise governance, 171
intervention, 68
non-salary benefits, 209
organisational structure, 6
outreach and engagement, 48, 67,
 196
people strategies, 201
performance information, 67
procurement, assets, grants, 214
realising our full potential, 201
reports, 184, 186
reviews, 179, 302, 20
Security, 9-11, 30-31, 33, 36-37, 45-
 47 271, 278
SES, 202
Summary of performance, 72-73, 75,
 83, 89
Talent management, 202
 telephone services, 194
terrorism, 69
 workforce planning, 200
cargo, 13, 18, 20-21, 23, 35, 42, 74-77,
 79, 82, 86, 155, 195, 297
child exploitation, 84, 90, 182
Child Safeguarding Framework, 186, 296
cigarettes, see illicit tobacco trade
citizenship,
 application, 66-69, 123, 155, 193,
 enquiries, 194-195
 decisions, 58, 68, 149, 181
 legislation, 25, 66
 Minister for Immigration, Citizenship
 and Multicultural Affairs, x, xi, 2,
 52
Social Cohesion and Citizenship, 8,
 30, 48, 67
program, 3, 5-6, 12, 14, 68, 70, 113,
 167, 171, 234
 reports, 183
civil litigation, 181
client service, xiii, 61, 63-64, 81, 169,
 171, 192, 194
Comcare, 90, 296
 notifiable incidents, xv, 212
 investigations, 212
Commonwealth Ombudsman, 90, 183,
 186, 188, 302
Community Liaison Officer, 70, 196, 293
Community Support Program, 12, 61,
 296
complaints
Australian Human Rights Commission,
 185, 188
 Civil litigation, 181
client feedback, 195, 273
 medical examinations,
 OMARA, 256, 258
 Ombudsman, 188, 302
Privacy, 188
 Registered Migration Agents, 57
compliance activities, 35-37, 76, 99
consultancy services, 216
corporate and business planning, 177,
 200, 296
corporate governance, see enterprise
governance
counter/ing foreign interference, 2, 5, 7,
 11, 30-32, 37-38, 293
counter/ing violent extremism, 5, 7, 30,
 48, 67, 69, 293
counter-terrorism, 2-3, 5, 7, 11, 25, 33,
 46-47, 113, 187, 229, 292
see also terrorism

COVID-19, 13, 20, 40, 61, 64, 67, 70, 75, 90, 92, 115, 149, 167-168, 192, 194, 226, 280, 282-283, 293, 296
critical infrastructure, v, xi, 3, 5, 7, 9-10, 14, 30-32, 34, 36, 39, 42-43, 45, 262-268
Act, 10, 26, 225, 261-262, 273, 294
customs duty, see revenue collection
customs service, 15, 17, 21
cybercrime, 33, 164-165
cyber security, v-vi, viii, ix, xv, 2, 7, 9, 14, 30-34, 39-40, 113, 164, 229, 263-265, 267,
strategy, 10, 14, 32, 44-45

D

days of significance, 204, 209
Department of Foreign Affairs and Trade, 157, 279,
Department of Home Affairs
At a glance, xii, 4
Executive team, 8
Financial statements, 102-168
Governance, see enterprise governance
Independent auditor's report, 98
organisational structure, 5, 299-300
report of financial performance, 94
role and functions, xii, 1, 3, 299
Department of Home Affairs Workplace Determination 204, 208
detector dogs, 297
detention, see immigration detention
digital services, 193
disability reporting, 203, 306
Disasters, see natural disasters
diversity and inclusion in the workplace, 13, 202-204
drugs, see illicit substance detections

E

ecologically sustainable development, xi, iii, viii, ix, 169, 221, 306
efficiencies, 49
emergency management, v, vii, x, xi, 2, 5, 94, 96, 113, 154, 158, 164-166, 230
employee entitlements, 157, 204
employees, see human resource management
energy efficiency, 221-222, 293, 297
enterprise governance, xi-xii, 6, 169-173, 301
enterprise risks see risk management
Environment Protection and Biodiversity Conservation Act 1999, 223
ethical standards, 98, 179
Executive team
ABF, 17-19,
Department, 5-8
exempt contracts, 215, 305
export/s, 73, 85, 297
see also cargo
external scrutiny, xi, 169, 180, 301

F

financial performance, vi, vii, x, xi, 6, 94-98, 116, 117, 225, 227, 300,
financial resource statement, 305
financial statements, vii, xi, 94, 97-168, 187, 219-220, 305
firearms, 23, 82, 84
foreign interference, see counter foreign interference
fraud control, vi, 176, 178, 296, 301
freedom of information, 6, 189, 215, 259, 293
functions, see roles and functions
Future Ready, 23, 200-202
Leadership Capability Framework, 202

G

- Global Feedback Unit, 195
- Global Service Centre, 194
- glossary, vii, xii, 291, 296, 299
- governance, see enterprise governance
- grants program, 220, 306
- Green Lease Schedule, 221, 297

H

- Home Affairs Portfolio, iii, 2, 14, 164, 187
 - Budget Statements, vi, 29, 94, 96, 113, 167, 228 – 237, 294, 298
- human resource management, xi, 169, 199
 - non-salary benefits, 208, 303
 - People Strategy, 201
 - recruitment, 6, 89, 200, 204, 218, 283
 - talent management, 202
 - training and development, 201
 - unscheduled absences, 213
 - work health and safety, xi, 169, 210, 212, 295, 306
- workforce diversity, 202
- workforce planning, 200
- humanitarian and refugee programs, 3, 113

I

- illegal foreign fishers, 91
- illegal foreign fishing, 87, 88, 113
 - legacy caseload, 64, 297
 - see also people smuggling; unlawful non-citizens
- Illicit Tobacco, 23, 72, 73, 85
- ImmiAccount, 193, 297
- immigration detention, 18, 30, 58, 71, 87, 90, 92, 160, 180, 183, 186, 222, 293
- immigration programs, 30, 48, 51, 55, 56

import processing charges, 25, 108, 111, 122, 123, 138, 155

information and communications technology, 293

Information Publication Scheme, xi, 225, 259, 306

infrastructure, see appendix I

integrity, 2, 6, 11 – 14, 18, 22, 38, 86, 113, 179, 202, 293, 267

Integrity Strategy, 179

internal audit arrangements, 178

international engagement, 6, 23

intervention, 13, 18, 20, 21, 52, 67, 69, 75, 79, 87, 99, 179, 181, 209, 297

- early, 21, 79, 179, 209

K

Key Management Personnel, xiv, 116, 152, 158, 206, 252, 293

L

Legal Services Directions 2017, 159, 160, 181, 255

legal services expenditure, vii, xi, iv, 225, 255

legislation, vii, x, 1, 6, 11, 25, 26, 33, 35, 99, 129, 139, 152, 155, 177, 212, 269, 273, 276, 299, 306,

legislative reforms, 3

letter of endorsement, ix, x

letter of transmittal, vii, x, 299, 301

looking forward, 14

M

marine staff, 207-208

Marine Unit, 89, 250,

market research, xiii, 218, 306,

migration agents, xi, xiv, 26, 49, 57, 225, 256-258, 294, 297-298

migration program, 2, 6, 9, 12, 14, 49, 51-53, 70, 113, 184, 196, 297
performance statement, vii, 9, 27-92, 93-96, 98-100, 102, 104-105, 155-156
Minister for Home Affairs, vi, ix, 2, 12, 17, 98, 180-181, 263, 269, 276
money laundering, 73

N

National Compliance Plan, 35, 294
natural disasters, (climate-induced disasters) 70, 154, 261 (bushfire), 164 (NEMA, disasters), 282 (climate-related disasters),
see also bushfires; COVID-19, disasters
Nauru, 65, 96, 126, 168
see also regional settlement
non-citizens, unlawful, 180, 298

O

Office of the Migration Agents
Registration Authority (OMARA), xiii, xvi (migration agents), 26 (*Migration Agents Registration*), 49, 57, 125 (migration agent) 225, 256-258, 294, 297 (migration agents) 298
office and post locations, xii, xiv, 1, 24
online visa application, see visa applications 192
operating environment, vii, v, 9, 174, 177
Operation Sovereign Borders, 18, 21, 82, 87, 294, 298
other highly paid staff, xiv, xvi, 207, 254

P

Papua New Guinea (PNG), 88, 194
see also regional settlement
parliamentary committee reports, 187
partnerships, 23 (international engagement), 32, 45, 49

see also international engagement
passenger movement charges, see revenue collection 26, 71-72 (revenue collection), 80, 99 (revenue collection), 108, 111, 113 (revenue collection), 115, 123, 138, 160 (revenue collection), 236 (revenue collection).
passenger name record data, 182
people smuggling, see illegal maritime arrivals 6, 13, 21, 30, 82, 87, 279, 280-285, 287, 298
performance pay, 208, 303
performance reporting, see annual performance statement
see also environmental performance; financial performance

plans and planning
corporate plan, v, 9, 29, 51, 177, 296, 300
diversity and inclusion, 202, 204
fraud control, vi-ix, 176, 178, 296, 301
internal audit, 60, 175-176, 178
Portfolio Budget Statements, vi, viii, 29, 94, 96, 113, 167, 228-237, 294, 298
Portfolio structure, iii
posts see offices and posts, xii, 1, 24, 61, 157
procurement, vii, xi, 6, 158, 169, 184, 214-215, 303, 305
prohibited and restricted goods
detection, viii, ix, xii, 22-23, 71-72, 82, 297
see also illicit substance detections

Public Governance, Performance, and Accountability Act 2013, v, vii, ix, x-xi, 28, 96, 98-99, 101, 114, 150, 170, 175, 214, 227, 294, 296, 298

Public Governance, Performance, and Accountability Rule, vii, viii, xi, 98, 114, 175, 178, 184, 214-215, 253-254, 291, 296, 299-306

- Public Service Act 1999*, xiv, 206, 246-249, 298, 302
- Purpose at a glance (statistics), 4, 16
- Purpose 1: National Security
- analysis of performance against activities, x, 27, 31, 35-47
 - performance measures, 31-32
 - performance information, 35-47
- Purpose 2: Prosperous and United Society
- analysis of performance against activities, 51-65, 67-70
 - performance measures, 48-49
 - performance information, 51-70
- Purpose 3: Border and Customs Operations
- analysis of performance against activities, 74, 76, 78-81, 87, 89-90
 - performance measures, 71-72
 - performance information, 74-81, 87-92

R

- Reconciliation Action Plan*, 13, 203
- recruitment, 6, 89, 200, 204, 218, 283
- regional cooperation, iv, 30, 35, 37, 39, 45, 96, 113, 228, 230, 279, 282, 287-289, 294
- see also international engagement
- regional processing, 181, 297
- remuneration, xvi, 116, 120, 156, 158, 175, 205-207, 252-254, 301, 305
- Remuneration Tribunal, 158, 206, 252
- resettlement, see humanitarian and refugee programs
- restricted goods detection, see prohibited and restricted goods detection

- revenue collection, 71-72, 99, 113, 160, 236
- customs duty, 72, 80, 99, 108, 111, 122-124, 138, 150, 152, 168
- import processing charges, 25, 80, 108, 111, 122-123, 138-139, 155
- passenger movement charges, 26, 80, 108, 111, 115, 122-123, 138
- Risk Committee, xii, xv, 171, 175, 301
- risk management, vii, 31-32, 39, 172, 175-177, 261, 263
- roles and functions, x, 299
- ABF, 15-26
 - Department, 3-14

S

- salaries, see remuneration
- sea travellers, 18, 20, 76
- Secretary
- remuneration, 252
 - review, 9-14
- serious and organised crime, 23, 43, 57, 73, 182
- service delivery, 12, 14, 63, 171, 172, 176, 178, 192, 194-195
- Service Delivery Partner, 194
- SmartGates, 20, 75, 77, 298
- sovereignty, protection of, see counter foreign interference
- statutory appointee/appointment, v, 17, 296

T

- talent management, 202
- Talent Management Advisory Committee, 202
- tariff classification, 78-79, 298
- tariff concessions 79

telecommunications sector security, 40, 225, 269, 294
Temporary Exclusion Order, 25, 187
temporary visas granted, 55, 64, 298
terminology defined (glossary), 296-298
terrorism, 2-3, 5, 7, 11, 25-26, 33, 46-47, 113, 160, 182, 187, 229, 292
see also counter-terrorism; foreign terrorist fighters
TIS National services, xii, 49, 196-198, 298
tobacco, 23, 72-73, 81, 84-85, 123, 168
trade and customs, 194
trafficking *see* people smuggling; illicit substance detections 21-23, 30, 55, 56, 73, 182, 279, 280-285, 287, 289
training and development, 201
translating and interpreting services, *see* TIS National services
transnational crime, 30, 279-280, 282-284, 287
service delivery, 12, 14, 63, 171-172, 176, 178, 192, 194-195, 294, 297
transport security, 25, 30-32, 35-36, 113, 228
compliance activities, 35-37, 76, 99

U

unscheduled absence, 213

V

violent extremism, 5, 7, 30, 48, 67, 69, 226, 293
visa applications *see* migration program
integrity, 12, 14, 22
revenue collected, 80, 110, 124

visas
cancelled, 22, 55-56, 91
granted, 61, 64
refused, 12, 22, 52, 54, 180-181
processing, 49, 53-54, 115
programs, *see* migration program

W

website/s, 2, 60, 182-186, 192-193, 195-196, 203, 206, 215-218, 220, 259, 281, 286, 288-289, 299, 304-306
work health and safety, 210, 212, 306
see also human resource management
workers compensation claims, 117, 181, 211
workforce, *see* human resource management
Workplace Determination, *see* Department of Home Affairs Workplace Determination
workforce diversity and inclusion, 202-204