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**Opening Statement
Legal and Constitutional Affairs Legislation Committee
Budget Estimates Hearing
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THE ADMINISTRATION OF THE IMMIGRATION PROGRAM

On 22 March 2019, I informed the Committee that the Department had published a paper on *The Administration of the Immigration Program*. The Department has since published a second edition with additional information, which I should like to table.

Over the last three financial years, visa application lodgements have increased by more than 1 million. This financial year alone, we expect 9.7 million applications. The Department's processing productivity has increased—whereby the Department is consistently finalising record numbers of applications, year after year, while meeting Government directed efficiency and savings measures. Through significant investment in intelligence, biometrics and new technology, and closer relationships with partner agencies, our ability to identify threats, manage risk and process applications has increased significantly over the past five years, after we started to introduce more advanced intelligence capabilities in 2014-15.

Assessing applications against more complex and targeted risk profiles has led to more visa refusals. As a result, there is a growing pool of applicants who seek to challenge visa refusal decisions, with appeal numbers growing. According to the Administrative Appeals Tribunal's website, the number of cases awaiting review in the Migration and Refugee Division increased from 21,404 in February 2017 to more than 55,500 in February 2019. We have seen a resultant increase to the number of people on bridging visas. Of course, others on

bridging visas are existing visa holders who are availing themselves of opportunities to apply for subsequent visas, such as working holiday makers or students.

Where review applications have been finalised, the majority of the Department's decisions have been upheld, which speaks to the quality of our decision making processes and to the skill of the officers within the Department who undertake this work, many of whom are proud and honoured veterans of the former Department—but who are now armed with more advanced tools, higher security clearances, better connected systems, and the deep linkages to national security and law enforcement partners. I have prioritised capability development in these areas since taking up the role of Secretary in October 2014.

BUDGET

Over the last decade, the Department has contended with increasing fiscal constraints due to cost of doing business, efficiency dividends and required offsets. Concurrently, since 2008-09, traveller numbers have increased by 95 per cent, temporary visa grants by 52 per cent, and air cargo volumes by 518 per cent—all continuing to grow annually. Since December 2017, migration and citizenship litigation costs have increased by 44 per cent. With greater integrity in our migration system, higher-risk detainees now account for 74 per cent of our onshore detention population, putting greater cost pressure on the detention network. During this financial year we have also absorbed costs associated with the growing number of medical transfers from Nauru, which have increased from 35 in 2017-18 to 461 as at 26 March 2019.

The Department has implemented measures to further contain costs. The Australian Border Force Commissioner and I continue to reprioritise resources for frontline operations within our budgetary constraints. While the Secretary of the Department is the budget holder of the ABF's budget as the Accountable Authority, it is my practice to jointly develop and agree with the Commissioner the internal budget for the Department and the ABF. The Commissioner will discuss the ABF budgetary position in more detail, but I should like to make two points:

First, the ABF's 2018-19 budget was increased by \$86 million—or 10.4 per cent—as compared with FY2017-18, inclusive of the additional funding provided in the 2018-19 Portfolio Additional Estimates process.

Second, funding allocated for the ABF's Air and Maritime function was increased by \$55.2 million—or 19.6 per cent—as compared with FY 2017-18; and by \$109.4 million—or 48.2 per cent—over four financial years since the establishment of the ABF on 1st July 2015.

REGIONAL PROCESSING

Since the reintroduction of regional processing on 13 August 2012, 4,177 Illegal Maritime Arrivals have been transferred to a regional processing country. The combined regional processing population in Papua New Guinea and Nauru has been in steady decline since June 2014. As at 26 March 2019, 915 people are in PNG and Nauru, while 953 temporary transferees are in Australia. Further, as at 26 March 2019, 508 people have been resettled in the United States, with further departures anticipated in coming months. Those found not to be in need of protection are expected by the Governments of Papua New Guinea and Nauru to return home. As at 26 March this year, 822 people have voluntarily returned to their country of origin.

Regional processing is expensive, which is a function of location, distance and operating complexities. But costs from August 2012 have remained relatively stable, at around \$1 billion per annum, with a clear downward trend as population numbers have declined. With regards to oversight, delivery of services are regularly reviewed by the Commonwealth Ombudsman, and scrutinized by a range of external organisations such as the International Committee of the Red Cross and UN High Commissioner for Refugees. Additionally, the Auditor-General conducts audits in relation to contract arrangements. On 28 March, the Auditor-General advised me that the ANAO would undertake an audit into the procurement of garrison support and welfare services in Nauru and PNG. I welcome the ANAO's audit and note we are undertaking an internal audit into the procurement of garrison services in PNG, which will assist us to support the ANAO's work.

AFTER CHRISTCHURCH: SOCIAL COHESION AND COUNTERING EXTREMISM

The Christchurch terrorist attack reinforced how social media is being exploited by extremists to disseminate their ideology. Following the Prime Minister's Social Media Summit in Brisbane on 26 March, the Department will—along with colleagues in the Departments of the Prime Minister and Cabinet, the Attorney-General, and Communication and the Arts—continue to engage with digital industry representatives to address the misuse of the online environment, and to counter violent extremism online.

In addition to our online efforts, we also support intervention programs run by our State and Territory partners which refer, assess and support people at risk of violent extremism, whatever the manifestation of radicalisation.

Complementing our work to counter violent extremism, the Department will administer a number of commitments made in the Budget to fund initiatives to bolster social cohesion. This includes the Fostering Integration Grants Program—which supports community organisations to help migrants integrate into Australian life—and financial support for community language schools.

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