

## **QUESTION TAKEN ON NOTICE**

### **ADDITIONAL ESTIMATES HEARING: 9 FEBRUARY 2010**

#### **IMMIGRATION AND CITIZENSHIP PORTFOLIO**

#### **(52) Program 4.3: Offshore Asylum Seeker Management**

Senator Humphries (L&C 102) asked:

You were not able to give me a figure for what the marginal cost of each additional person going onto the island might be. Are you able to give me the average cost per day of each person? I do not mean what you project but back-casting, as it were, what the average cost per day per additional person actually is.

You have obviously got to have a calculation of some sort in order to go to Finance and say, 'We expect this number of people that will need this number of dollars.' That is the figure that I am after.

*Answer:*

The concept of an average or marginal cost per person per day is not helpful for cost estimating purposes because each of the categories of expense listed in question 42 have different cost drivers. Some are demand driven – directly related to changing client levels, some are relatively fixed and others move in steps based on relevant contract provisions.

Total cost estimates draw on the factors driving costs for each of the expense categories.

Under this funding arrangement, funding can be increased or decreased in consultation with the Department of Finance and Deregulation (DoFD) where additional / decreased expenditure compared to budget is incurred.