

QUESTION TAKEN ON NOTICE

ADDITIONAL ESTIMATES HEARING: 13 FEBRUARY 2012

IMMIGRATION AND CITIZENSHIP PORTFOLIO

(AE12/0011) Program 4.2: Onshore Detention Network

Senator Cash (L&CA 106) asked:

Provide a comparison of the operational costs detailed in the Nauru report with the operational costs of Christmas Island.

Answer:

The following table summarises estimated Christmas Island operational expenditure for the 2011-12 financial year which consists of the actual expenditure for the six months ended 31 December 2011 and an expenditure estimate for the six months ending 30 June 2012. In addition, the table outlines operational cost estimates for the first year of a Nauru processing centre.

The Nauru costing estimate assumes the facilities would be operated by a detention services provider in conjunction with DIAC staff and the processing of clients will be similar to that undertaken in Australia. The estimate is based on an average occupancy through the year of 750 clients. The estimate for Christmas Island has assumed an average occupancy of approximately 1 960 clients throughout the year.

Cost category	Christmas Island 2011-12 Estimate \$M	Nauru 1st year Estimate \$M
Travel for staff and clients (including charter flights, escorts and freight)	35	13
Client Care and Service Provider Costs (includes payments for the care and feeding of clients, the day to day running of the facility, and the healthcare of clients)	210	255
Staff salaries, on-costs and accommodation	34	25
Property (including utilities, repairs and maintenance) and other assets (including vehicles)	12	7
National Office Support	44	9
Operational risk and contingency amounts	-	53
TOTAL (\$M)	335	362

Due to the uncertainty of operating a facility at Nauru, contingencies are costed to capture unforeseen expenses and risks and the estimate is based on conservative assumptions. It should be noted that any savings that may be achieved in subsequent contract negotiations are likely to be consumed by other Commonwealth agency costs or contracts negotiated with the Government of Nauru which have been excluded from these initial costings.

There is no capacity to produce or provide sufficient food and other supplies to care for clients. These would need to be sourced from outside Nauru and the estimates above have factored in these related costs for client care.