QUESTION TAKEN ON NOTICE

BUDGET ESTIMATES HEARING: 27-28 May 2013

IMMIGRATION AND CITIZENSHIP PORTFOLIO

(BE13/0010) PROGRAM – 4.3: Offshore Asylum Seeker Management

Senator Cash (L&CA 32) asked:

Senator CASH: So what I would like to know is—and it is not hypothetical—in relation to the rolling averages, which you have said are used to predict trends in other parts of the department, what is the rolling average that is used? Is it a five-year rolling average? Is it a 10-year rolling average?
Mr Bowles: Again, unless we go to specific things, it might be one input into a range of other inputs like that.
Senator CASH: I appreciate that, but what I would like to know—
Mr Bowles: It could be the 12-month average. It could be a five-year average. I could not give you a definitive answer on that.
Senator CASH: Is somebody able to, given that we have until 11 pm tomorrow night?
Mr Bowles: I doubt it very much, but I will see if anyone uses averages in any other part of our business to see if we can come up with that answer. Again, how you predict trends and how you deal with budgets and how we deal with the complexity of what we are dealing with is not as simple as that anymore, and that is what I am trying to explain. It is a complex issue- I understand that. It is a difficult issue, and it is a difficult issue to manage on a day-to-day basis within the system.

Answer:

The department utilises numerous methodologies in order to predict and forecast possible trends across its programs and revenue estimates. The methodology selected by the department for each estimate is based on the specific requirements of that program or revenue item and may include a combination of rolling averages, smoothing, regression modelling or other factors.