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Justice for Asylum Seekers (JAS) is an alliance of over twenty five national church and community organizations, founded in Melbourne in 1999 to address negative perceptions of refugees claiming asylum. JAS is concerned with achieving just treatment of people claiming asylum in Australia while acknowledging the need for border management and sound migration processes. This report builds on the JAS June 2002 proposal Alternative approaches to asylum seekers: Reception and Transitional Processing System (JAS, 2002).
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Executive Summary

Scope of the report

The Justice for Asylum Seekers network (JAS) is a group of over twenty-five community organisations. JAS is concerned with achieving just treatment of people claiming asylum in Australia while acknowledging the need for border management and sound migration processes.

As this report notes, Australia has recently experienced two waves of asylum seekers – at the beginning and end of the 1990s. In both cases, the processing system was overwhelmed, and consequently many asylum seekers spent considerable time in detention – with strongly negative human and social costs.

Aiming at improving this experience, JAS recently published *Alternative approaches to asylum seekers: Reception and Transitional Processing System* (JAS, 2002). The Reception and Transitional Processing (RTP) System (outlined in more detail in Appendix 1) has two central components:

- The extension of case management by an independent body for asylum seekers both in detention and in the community; and
- The introduction of a structured program of detention and community management, with risk and needs assessment providing a basis for placing individuals within a range of accommodation and compliance options.

The RTP paper demonstrated the possibility of major improvements in the treatment of asylum seekers. As the next step in developing the proposal, JAS commissioned this report, with a brief:

- To provide detailed cost information on both the current mandatory detention arrangements and the RTP proposal; and
- In documenting and costing the alternatives, to ensure that the Government’s security goals are addressed, and to consider any issues (such as the prospect of absconding) that are involved.

On the basis of the cost evidence in this report (summarised in section 4), such a new system can be introduced at lower total cost for the taxpayer than mandatory detention, while maintaining security.

The model has been costed on a holistic basis, for the evaluation and treatment of asylum seekers throughout the assessment process. While the report’s primary focus is on the overall process, some proposals could also assist in improvements for current detainees, most of whom are towards the end of the appeal process.
Inclusions and exclusions

The report considers cost evidence for alternative accommodation and security options for asylum seekers, including community management, hostel accommodation and full detention. In doing so, it discusses the costs of providing accommodation, food, support services, security, and case management. The report notes a number of sources of information. Similarities and differences in cost estimates are outlined in arriving at overall figures, which are presented in terms of cost per asylum seeker per day.

The debate on the treatment of asylum seekers in Australia, and elsewhere, often makes reference to broader issues, which also have cost impacts. While there are undoubtedly costs involved, there is little precise documentation of such costs, and it is particularly difficult to assess them on a cost per person per day basis.

Comparing the proposed Reception and Transitional Processing (RTP) system with the current mandatory detention arrangements, there are two issues which might increase the aggregate costs of the RTP system:

- Mandatory detention may have some deterrence effect, dissuading asylum seekers from coming to Australia. The RTP system could lessen this deterrence effect, leading to the costs of supporting additional asylum seekers. However, the extent of the deterrence effect is controversial, with refugee numbers also affected by factors such as civil strife / disorder in the home country, refugee reception in other countries, and Australian border protection measures.
- A community-based system could lead to more absconding than detention, with costs in finding and detaining abscondees. Security issues are discussed in detail in Section 5 – based on Australian and international evidence, a case management system with risk evaluation can minimise the extent of absconding. In addition, as indicated in section 4, the report allows $15 per person per day for security costs in the community – giving a margin above the current cost levels in State parole systems of $6-$11 per person per day.

Working in the opposite direction, there are two issues which might decrease the aggregate costs of the RTP system, compared with mandatory detention:

- A community-based system can reduce the trauma sometimes suffered by long term detainees. For those eventually successful in their asylum cases, the Australian community faces increased costs from such trauma, both in direct medical costs and in difficulties adapting to community living.
- International evidence (noted in section 6) shows a case management system can increase asylum seekers’ acceptance of adverse migration decisions. This could mean unsuccessful applicants leave Australia earlier than under the current system – with reduced accommodation costs for the Government.

None of these costs can be readily calculated. However, some comfort can perhaps be taken from the fact that the issues work both ways – some potentially increasing the comparative costs of the RTP system, others reducing those comparative costs.
Report summary

In a major statement on Immigration Policy, the Minister said on 3 December 2002:

“The government must have the capacity to manage the movement of people across Australia's borders in an orderly and efficient manner.” (Ruddock, 2002)

It is clearly necessary to check the identity, health and security status of new arrivals – especially those without appropriate documentation. However, beyond this initial checking, a number of concerns have been raised about the human, social and financial costs of continued detention. These concerns are especially heightened for:

- Children and their primary carers;
- Vulnerable groups such as families, single and pregnant women, the disabled and the traumatised; and
- Long term detainees without prospect of release or repatriation.

Alternatives do exist. In Australia, the Government is already pursuing three alternatives to the detention centres:

- Asylum seekers with appropriate documentation live in the community, with a number receiving case management and financial assistance through the ASAS scheme (discussed in section 3.1.1);
- Some women and children have recently participated in the Woomera alternative detention model, of which the Minister has recently said “the trial, although very costly, has been a success” (discussed in section 2.4); and
- A small number of people are living in the community under arrangements with the Hotham Mission Asylum Seeker Project (discussed in section 3.1.2).

Building on this and overseas experience, this report details and costs an alternative model for the treatment of asylum seekers while their applications for asylum are assessed. This model aims to achieve six major goals:

- Australian border security and integrity
- Orderly processing of claims for asylum
- Assisting successful asylum seekers to establish a new life in Australia
- Assisting unsuccessful applicants to accept the decision and identify options for their future, while maintaining necessary security
- Reducing incidents such as self-harm
- Minimising the cost to taxpayers of achieving the above.

The new model has three key elements to help achieve the above goals:

- The introduction of case management, with case workers allocated to asylum seekers to assist them to firstly understand and subsequently move through the asylum determination and review process.
- The introduction of several accommodation options for asylum seekers, ranging from detention to hostel accommodation to community management.
- The introduction of risk evaluation early in the assessment process, to identify appropriate accommodation options for particular people, and to minimise the extent of absconding.
In schematic form, the proposed process is:

- On arrival, the current policy of detention of unauthorised arrivals would continue;
- All asylum seekers would receive case workers to explain and assist to manage their cases;
- Following an initial risk evaluation, asylum seekers would be referred to one of three main accommodation options:
  - Community management for those considered low risk
  - Moderate security in hostel accommodation for those considered medium risk or requiring intensive services
  - Continued detention for those considered high risk;
- The assessment/determination process would then proceed.
- Towards the later stages of the assessment process, especially towards final appeal, there may be situations where the risk evaluation changes, and may become detention for some asylum seekers appropriate.

---

1 There are in fact several other options available, with two examples being periodic detention and release into group community houses. The costs of such options fall within the broad parameters discussed in this report, and such options can be considered as fine tuning.
The costs of this model are based on the following per day per person costs:

<table>
<thead>
<tr>
<th></th>
<th>Detention centre</th>
<th>Hostel</th>
<th>Community management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case management</td>
<td>$10</td>
<td>$10</td>
<td>$10</td>
</tr>
<tr>
<td>Accom + food</td>
<td></td>
<td>$20</td>
<td></td>
</tr>
<tr>
<td>Assistance services</td>
<td>$160</td>
<td>$100</td>
<td>$15</td>
</tr>
<tr>
<td>Security</td>
<td>$15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$170</td>
<td>$110</td>
<td>$60</td>
</tr>
</tbody>
</table>

Source: See detailed discussion of sources in table on the next page

These costs are based on current experience in detention centres (Immigration Reception and Processing Centres – IRPC), in the ASAS program and other services for asylum seekers in the community, and on experience across Australia in providing residential and community-based corrections and aged care services.

As section 2.3.1 below notes in a detailed discussion of the cost estimates, there can be considerable variability in these costs (for one example, DIMIA figures show the recurrent costs at the Woomera IRPC at $128 per person per day in 1999-2000, and $161 in 2000-01). The discussion notes a number of reasons for such variations.

Because such variations exist, the report uses statistical techniques to model cost outcomes. These show impressively strong results. Based on the above process, and including the additional costs of case management, the proposed system is 18% cheaper than the current mandatory detention system.

These cost savings mirror recent findings on differences between residential-based services and providing services in people’s own homes. The NSW Parliamentary Select Committee on the Increase in Prisoner population argued:

“The gains to the community from greater use of effective alternatives to sentences of full time custody are considerable, and every effort should be made to realise these gains” (NSW Parliamentary Select Committee 2001, p135).

And the Allen Consulting Group, in a review of Australian aged care costs, found:

“A shift towards community care would therefore achieve better outcomes for many old people while also reducing costs to Government” (ACG 2002, p1).

---

2 In a recent letter to JAS, DIMIA noted that because it contracts for an overall package of services in the detention centres, it could not break down the components of these costs.

3 This result is based on 1,000 sampling runs of a Monte Carlo simulation model. The 75% confidence level lies between cost savings of 13% and 23%. 

### Sources of Key Cost Figures

<table>
<thead>
<tr>
<th>Element</th>
<th>$ Person/Day</th>
<th>Calculation</th>
<th>Reference</th>
<th>Discussion in this report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case management</td>
<td>$10 ongoing, $15 initially</td>
<td>Caseworker salary $40,000, plus 20% on costs, 30% supervision costs and 50% admin and overhead costs Client ratio 1:15 cases, 1:25 people</td>
<td>ASAS scheme $12, Anglicare $25 for high needs family ($40 for initial period), Red Cross IHSS $12</td>
<td>Sections 6.2, 3.1.1, 3.1.3, 3.1.4</td>
</tr>
<tr>
<td>Detention centre (incl accommodation, food, assistance &amp; security)</td>
<td>$160</td>
<td>$130 ave cost of detention centres, excluding capital costs $30 average capital costs</td>
<td>DIMIA 2001-02 estimates to Parliament ACG aged care capital $27 RGS prison capital $30-$50</td>
<td>Section 2.3.1 Section 2.3.2</td>
</tr>
<tr>
<td>Hostel (including accommodation, food, assistance &amp; security)</td>
<td>$100</td>
<td>$100 ave cost of residential aged care with low 24 hour medical services $95 NSW remand hostel</td>
<td>ACG aged care costings NSW Parliamentary committee</td>
<td>Section 3.2.2 Section 3.2.1</td>
</tr>
<tr>
<td>Community accommodation + food</td>
<td>$20</td>
<td>$21 per person for 89% of Centrelink Special Benefit for couples, no dependents – less per head with dependents</td>
<td>ASAS scheme</td>
<td>Section 3.1.1</td>
</tr>
<tr>
<td>Community assistance (eg medical, travel, education expenses)</td>
<td>$15</td>
<td>Standard ASAS $6; High needs: Hotham $18, Anglicare $13</td>
<td></td>
<td>Sections 3.1.1, 3.1.2, 3.1.3</td>
</tr>
<tr>
<td>Community security</td>
<td>$15</td>
<td>Community corrections cost range $6 - $11</td>
<td>RGS</td>
<td>Section 3.2.1</td>
</tr>
</tbody>
</table>

Sources (see full reference details in Appendix 2):
ACG: Allen Consulting Group Financial Implications of Caring for the Aged to 2020 (October 2002)
ASAS: Current assistance scheme for asylum seekers, run by Red Cross
NSW: NSW 2000-01 Select Parliamentary committee inquiry into prison populations
However, the report notes that such results do not occur in all cases. In aged care, it is more expensive to provide high levels of medical care in people’s homes than in hospitals. In corrections, there are both cost and community security advantages from keeping prisoners at high risk of absconding in maximum security.

Such considerations indicate the following cost profile for appropriate accommodation for asylum seekers.

**Accommodation costs at Differing Security Levels**

This diagram illustrates the interaction between accommodation types, required security levels, and related costs. The graph uses the above costs for each accommodation type for the appropriate level of security (ie community management $50 per day for low security), with the other costs being indicative only. The graph shows:

- As levels of required security increase, costs rise for any type of accommodation;
- However, the rate of increase in cost varies between accommodation types:
  - Community management has low fixed costs, but it is expensive to provide additional levels of security;
  - Hostels have higher initial costs, but with lower incremental costs;
  - Full detention, with high fixed costs, is expensive at any level of security – but has small incremental costs.

- Because of these patterns:
  - Community-based accommodation is the cheapest option if low levels of security are required;
  - At medium security, hostel accommodation is the lowest cost; while
  - If high levels of security are required, full detention is the least cost option.
Achieving the cost savings envisaged in the JAS proposal therefore requires good security/risk evaluation, which in the case of asylum seekers particularly centres on the likelihood of absconding.

The report discusses evidence on absconding rates, both for corrections in Australia and for asylum seekers granted community management in the United States and the United Kingdom. This discussion concludes:

- Absconding rates are generally low;
- Rates are almost zero where participants have incentives to continue to participate in the assessment process; and
- Case management, by assisting participants understand their situation, helps to keep absconding rates low while also enhancing participants’ morale and well-being.

The DIMIA review of the Woomera trial concluded that “ACM in particular, but also DIMIA has been able to make reliable risk assessments of the likelihood of detainees observing the rules of the alternative detention arrangements.” (DIMIA 2002, p36). More generally, risk evaluation techniques are widely used in the Australian parole and corrections systems.

This report presents its evidence in five sections:

- Section 2 provides an overview of reports on the mandatory detention system since 1994, and the evidence on costs these provided;
- Section 3 presents and analyses evidence on the costs of various alternatives, and on comparable costs in corrections and aged care;
- Section 4 brings the cost evidence together to give comparative costings of the various options;
- Section 5 discusses absconding rates and the effectiveness of risk assessment processes in maintaining security outcomes;
- Section 6 outlines briefly the proposed case management arrangements. The discussion also addresses the benefits for asylum seekers from this approach.
1. Introduction

A January 2002 overview for the Institute of Public Affairs lamented that the refugee debate in Australia “has descended into an exercise in name-calling and posturing” (Rod and Brunton 2002, p ix).

JAS seeks to avoid this impasse, and to move this vitally important debate forward. Since its inception in 1999, JAS has been concerned about the human and social costs of detention on asylum seekers in Australia. In June 2002, JAS published Alternative approaches to asylum seekers: Reception and Transitional Processing System (JAS, 2002). The present report provides detailed costing of those approaches.

We note Minister Ruddock’s recent statement of immigration policy: “Detention of all unlawful non-citizens, including unauthorised arrivals, remains a key element of effective immigration control. “It is essential for safeguarding the Australian community while identity, security and health checks are undertaken and while a person’s claims to remain in Australia are assessed. This has been recognised by successive governments since its introduction in 1992. An important part of effective border control is the ability to remove persons with no right to remain in Australia—immigration detention ensures those persons are available for removal.” (Ruddock 2002)

“The large influx of unauthorised boat arrivals presented challenges in the provision of a safe and secure detention environment. Further challenges were presented by a very demanding detainee population who had false expectations, often arising from misinformation provided by people smugglers, which sometimes led to rioting and attempts to enter the Australian community.” (Ruddock 2002)

We do not dispute the need to check the identity, health and security status of new arrivals – especially those without appropriate documentation. However, beyond these initial checks, alternatives to mandatory detention exist. In Australia, the Government is already pursuing the alternatives of:

- Asylum seekers with appropriate documentation live in the community while being assessed, with a number receiving case management and financial assistance through the ASAS scheme (discussed in section 3.4.2)
- Some women and children have recently participated in the Woomera alternative detention model, of which the Minister has recently said “the trial, although very costly, has been a success” (discussed in section 3.4.1)
- A small number of people are living in the community under arrangements with the Hotham Mission Asylum Seeker Project (discussed in section 3.1.2).

Building on this experience, this report presents an alternative model for the treatment of asylum seekers while their applications for asylum are assessed. This model aims to achieve six major goals:

- Australian border security and integrity
- Orderly processing of claims for asylum
- Assisting successful asylum seekers to establish a new life in Australia
- Assisting unsuccessful applicants to accept the decision and identify options for their future, while maintaining necessary security
- Reducing incidents such as self-harm
- Minimising the cost to taxpayers of achieving the above.
The model is envisaged as a longer term proposal for evaluation and treatment of asylum seekers, throughout the assessment process. We note that most of the people currently in detention are towards the end of the appeal process. While our primary focus is on the overall process, we believe that its implementation will also involve some significant improvements for these detainees.

We propose three new elements to help achieve the above goals:

- The introduction of case management, with case workers allocated to asylum seekers to assist them to firstly understand and subsequently move through the process.
- The introduction of accommodation options for asylum seekers, ranging from detention to hostel accommodation to community management.
- The introduction of risk evaluation early in the assessment process, to identify appropriate accommodation options for particular people, and to minimise the extent of absconding.

This report presents its evidence in five sections:

- Section 2 provides an overview of reports on the mandatory detention system since 1994, and the evidence on costs these provided;
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- Section 5 discusses absconding rates and the effectiveness of risk assessment processes in maintaining security outcomes;
- Section 6 outlines briefly the proposed case management arrangements. The discussion also addresses the benefits for asylum seekers from this approach.
2. Current Arrangements and Costs of Immigration Detention

The current mandatory detention arrangements for unauthorised arrivals in Australia have been in place since the early 1990s. They have long been the subject of public debate – and, in consequence, were the subject of a major Parliamentary Committee review in 1994, and many subsequent queries and reports in Parliament. This section discusses these reports, the development of the system, and the available evidence on costs.

2.1 The 1994 review


The Committee noted the different treatments of illegal entrants (entrants who seek to stay beyond the terms of valid visas) and unauthorised border arrivals (entrants who arrive without valid visas, or in some cases passports). It recommended (with one dissenting opinion) the continuance of mandatory detention for unauthorised arrivals.

The Committee considered three key areas in making its recommendations:

- Australia’s legal ability to pursue a policy of mandatory detention, in the light of international experience and Agreements (the Committee found that the policy was consistent with the relevant international agreements);
- The potential for significant rates of absconding if community management were adopted for unauthorised arrivals (this is discussed further in section 4.2 below); and
- The costs of the alternatives.

The Committee noted:

“The costs of maintaining persons in detention as compared with the costs associated with releasing persons into the community also was relevant to the Committee’s deliberations. In a number of submissions, the cost of detention was raised as a factor favouring community management.” (JSCM, 1994, p39)

One of these submissions came from the Refugee Council of WA, who argued:

“The cost to the taxpayers – the amount of dollars consumed to maintain people in that environment [Port Hedland] – is very great. We would be firmly making the case that the cost to the community, if released into care, would be only a fraction of what it currently costs the government to keep people in formal detention, such as in Port Hedland.” (JSCM 1994, p128)

In fact, the Committee encountered some difficulties in collecting cost information – both for the mandatory detention system and for a community management alternative.
2.1.1 Costs of detention

The Report noted different estimates of the costs. A Department of Immigration and Ethnic Affairs (DIEA) submission to the Senate Estimates Committee in May 1993 gave the cost of maintaining a person at Port Hedland at $38.50 per day, including $6.30 for medical and other personal needs, $2.40 for education, $8.00 for custodial services and $21.80 for administration, utilities, maintenance, catering, linen and cleaning (JSCM 1994, p40). However, in a formal submission to the Committee, the Department revised these figures. The cost at Port Hedland was now $55.65 per person per day, comprising $3.04 for medical, $0.96 for welfare, $1.38 for interpreters, $1.64 for education, $25.93 for security and $22.67 for administration, maintenance, catering and cleaning (p41). Neither of these estimates included any allowance for capital costs.

The Department’s submission gave a figure of $58.49 per person per day to detain asylum seekers at Westbridge, associated with Villawood detention centre in Sydney. However, this latter figure did not include security costs, with the Department arguing:

“as Villawood/Westbridge also holds a number of illegal entrants, the basic custodial costs for the complex are not included, as these would need to be paid whether or not unauthorized boat arrivals are held there." (p41)

For other centres, DIEA noted “that the cost in other immigration detention centres was approximately $200 per person per day", but it did not provide a breakdown of those costs.” (JSCM, 1994, p40).

Explaining the difference in costs between centres, DIEA stated

“The overheads of maintaining Port Hedland are much lower – it is a low security facility . . . Its perimeter security and custodial services are very low. . . costs are much reduced as compared to traditional detention centres where guarding ratios are much higher” (p41)

However, while these costs were much lower, the Committee noted significantly higher costs in providing some services to Port Hedland. For example, legal costs at Port Hedland were almost 100% higher than in a major capital city, thanks to travel and accommodation costs (p187).
2.1.2 Alternative costs

The Society of St Vincent de Paul provided the Committee with the following costs (per person, per week)

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Boarding in private homes</th>
<th>Hostel</th>
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<tbody>
<tr>
<td>Food and groceries / Catering</td>
<td>$40</td>
<td>$25</td>
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<tr>
<td>Cleaning</td>
<td>-</td>
<td>$2</td>
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<tr>
<td>Communications</td>
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<td>Energy</td>
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<td>Transport</td>
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<td>Personal items</td>
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<td>Repairs and maintenance</td>
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<td>Salaries</td>
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<tr>
<td>Total</td>
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<td>$84</td>
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</table>

Source: JSCM 1994, p44.
Notes: The hostel costs have been rounded to the nearest $
Reviewing this data, the Society of St Vincent de Paul pointed out that “hostel” now has a precise meaning – and the above figures are more accurately described as being for a boarding house. In 2003 values, the “hostel” costs would be about $120.

In addition to these costs, the Society of St Vincent de Paul estimated an initial $200 would be required for set up expenses. The Society acknowledged the costs are for the short term (up to three months)

Even in comparison with the low Port Hedland costs of $56 per day, or $400 per week, these figures look attractive. However, the Committee was dismissive of these cost estimates, arguing:

“no estimation was made of the capital costs of accommodation, on-going maintenance of that accommodation, and the costs which would be associated with medical requirements, counselling, education and recreation, all of which are catered for in the detention centres. The Society of St Vincent de Paul acknowledged that significant costs can be associated with medical and dental requirements.” (JSCM 1994, p45)

The Committee returned to this argument later in its Report, putting the case even more strongly:

“In the Committee’s view, sufficient consideration has not been given by community groups to the varied and significant costs which would be associated with supporting persons in the community, particularly if that support was required over a longer term. Such costs not only would comprise the basic costs of food, clothing and accommodation, but also would include capital and maintenance costs in relation to any accommodation which is provided, medical costs, the costs of counseling services, education costs, the costs of recreational activities and various other living expenses... in the detention environment, such costs are covered in their entirety by DIEA. It is impractical and unrealistic to expect that a similar level of support could

---

4 In fact, as the Committee pointed out elsewhere, the DIEA costs did not include capital costs
be achieved and maintained at a lesser cost if a large number of asylum seekers were released to live individually or even as small groups in the community, and if the support was required over a longer term." (JSCM 1994, p152)

The lone dissenting voice on the Committee, Senator Chamarette, referred briefly to costs in her dissent:

“While any long term involvement of community groups in a release scheme would involve expenses that would increase the $14 per person per day amount [cited by welfare groups], clearly there is a considerable margin with the government costs. Thus it is more than likely that there would be financial benefits from implementing a release scheme that involved community groups." (JSCM, 1994, p209)

### 2.2 Subsequent reports

The 1994 Parliamentary Committee report was prepared in a situation with similarities to the present. Over the previous four years, considerable numbers of boat people had arrived in Australia (in that earlier case, predominantly Cambodians and Vietnamese, whilst arrivals in the late 1990s-2000 period were predominantly Iraqi and Afghan). In both cases, the immigration processing system was swamped by the new arrivals – with the result that processing took considerable time, and some asylum seekers spent lengthy periods of time in detention (JSCM 1994, p2).

In both cases, the numbers of detainees eventually stabilised and then fell, as DIMIA told a Parliamentary Committee in 2002:

“As at 30 June 2001 there were some 3,200 people detained in immigration detention facilities, of whom 1,500 were awaiting a primary decision on their protection visa applications. As at 9 August 2002 there were 1,276 people detained, of whom only 19 are awaiting a primary decision. Some 700 detainees are awaiting removal. This decline has seen a shift in the relative populations of individual centres. In June last year the Woomera IRPC housed 1,132—more than any other detention facility. On 12 August 2002 it housed only 179 detainees. (Mr McMahon, Acting Deputy Secretary, DIMIA; JSCFADT, 2002, p18)

As the numbers of asylum seekers stabilized and then fell, both experiences saw a marked improvement in processing time. In September 2000, the Joint Standing Committee on Migration noted:

“For the 2000 calendar year, only about 42 per cent of successful applicants were released into the community within 14 weeks. In the second quarter of 1999/2000, it took 228 days, or about seven and a half months, for 80 per cent of those who arrived by boat and lodged applications to receive a decision. By the last quarter of 1999/2000, that period had fallen to 145 days. In the first quarter of 2000/2001, it had fallen further to 101 days and DIMA stated that the time taken was still falling. It stated that its performance target is for 80 per cent of cases to be decided within 42 days, or six weeks.” (JSCM, 2000, p76)

Both in the early 1990s and in recent years, there has been considerable public interest in, and concern about, the treatment of asylum seekers. This was reflected in the 1994
Committee Report, and again in a number of Parliamentary reports, inquiries and hearings over the last few years. These include:

Two reports by the Joint Standing Committee on Migration on visits to detention centres (JSCM, 1998, 2000)
A further report by the Joint Standing Committee on Foreign Affairs, Defence and Trade, also following visits to detention centres (JSCFADT, 2001)
Hearings in August and September 2002 by the Human Rights subcommittee of the JSCFADT following a report by the Human Rights and Equal Opportunity Commissioner (JSCFADT, 2002)
Detailed questioning of DIMIA activities and costs as part of the Senate Estimates process in 2001 and 2002 (these Senate Estimates are the basis of the costings of mandatory detention outlined in section 3.3 below).

These reports and inquiries have expressed a number of principles on the issues:

“"The Government has a responsibility to meet international obligations to asylum seekers and refugees and to ensure taxpayers’ money is properly expended." (JSCM 2000, p83)

“Although the numbers of suspected unlawful non-citizens arriving may decline in future, there remains considerable global movement of undocumented people seeking new homes. This provides a potential for future increases in arrivals, and it would be prudent to retain at least some of the recently created detention capacity.” (JSCM 2000, p89)

“The Committee notes that the numbers of illegal arrivals may not decline. While it does not believe that people smugglers should be tolerated, neither does the Committee believe that genuine refugees should be discouraged in their wish to settle here. There is a delicate balance to be achieved, and the Committee hopes that it has been able to assist in the process of changing the emphasis in the treatment of asylum seekers in the centres. (JSCM 2000, p109)

“The Committee has made a number of recommendations in areas where it thinks that the conditions of detainees could be improved, particularly in the short-term. These recommendations will involve considerable effort on DIMA’s part to alter the contractual arrangements with ACM. The Committee believes that these changes are both necessary and worthwhile to satisfy community concerns, and to ensure that Australia’s international reputation is not damaged by reports of its treatment of asylum seekers." (JSCM 2000, p109-110)

The Minister has been quoted as saying that ‘80 per cent of detainees had their applications dealt with within 15 weeks’. DIMA estimated that 80 per cent of visa applicants are able to remain in Australia but that, for boat arrivals, the percentage depended on nationality. About 80 to 90 per cent of Afghanis and Iraqis will be identified as raising issues that prima facie may engage protection obligations. Across all unauthorised arrivals, DIMA estimated that the percentage drops to between 50 and 60 per cent. (JSCFADT, 2001, p 79)

“People in detention accrue a debt to the Commonwealth for every day that they are detained. From arrival to departure, an unauthorised arrival costs taxpayers an
average of $50,000, and a day in detention costs an average of $104.” (JSCFADT, 2001, p 82)

“The Committee was very concerned at the impact of detention on families, particularly women and children. The improvement in the condition and treatment of families is a priority for the Committee.” (JSCFADT, 2001, p 84)

And on 22 August 2002, the Committee discussed the security screening of new arrivals with the Director-General, Australian Security Intelligence Organisation (ASIO):

Mr BRERETON How many total assessments were there during that period that you have referred to? You gave us year-by-year—

Mr Richardson (ASIO) There were 3,658 in 2000-01, 2,281 in 2001-02, and 47 since 1 July.

Mr PRICE Not one was found to be a risk.

Mr Richardson No.

Senator BOLKUS It is interesting when you put that together with the advice we had recently from the commissioner of police at another inquiry that, subject to checking, he thought that there was no-one who had criminality problems. (JSCFADT 2002 transcripts, p37,38)

ASIO did not answer a subsequent question from Senator Bolkus:

“On alternative approaches to detention, have you made any evaluation of whether any such alternative arrangements would present security problems?” (JSCFADT 2002 transcripts, p38)

These Committee discussions raise a number of themes discussed in more detail later in this report.
2.3 Current costs of mandatory detention

2.3.1 Recurrent costs

In early December 2002, the Department of Immigration, Multicultural and Indigenous Affairs (DIMIA) provided information to the Parliamentary Human Rights Committee that “the total cost to taxpayers of keeping the 1,326 asylum seekers in Australian detention centres is $2 million a week”\(^5\). This equates to $215 per person per day.

In February 2003, in response to a request as part of this project, DIMIA explained:

“In the 2000-01 financial year, the average cost per detainee day was $120, with costs at individual detention facilities ranging from $67 to $273 per day. In the 2001-02 financial year, the average cost per detainee day was $160, with costs at individual facilities ranging from $95 to $533 per day.

“The daily cost at each facility is affected by a number of factors, including the location of the facility and the total capacity of the facility compared to the actual number of persons detained there.”\(^6\)

DIMIA also noted that because it contracts for an overall package of services, it could not break down the components of these costs.

Such ranges in detention costs do not appear unusual. A recent UK study cited UK Government figures of weekly detention costs “of between £364 (Haslar centre) and £1,620 (Oakington centre)” (Breugel and Natamba 2002, p18)

Similar ranges in costs were given to the 1994 Joint Parliamentary Standing Committee on Migration Inquiry. Detailed component costs were given for Port Hedland (aggregate $38.50 per day), and the then Department of Immigration and Ethnic Affairs (DIEA)

“noted that the cost in other immigration detention centres was approximately $200 per person per day, but it did not give a break down of those costs.” (JSCM 1994, p41)

In recent years, the Senate Legal and Constitutional Committee, through the Budget Estimates process, has pursued more details on the costs of the main detention centres. The table on the next page summarises DIMIA’s information provided to the Committee in response to questions on notice. Important notes on the data are included below the table and on the following page.

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\(^5\) “Detention costs $2m a week” Age Website Tuesday 17 December 2002, 08:30AM, citing the Daily Telegraph
\(^6\) DIMIA letter of 19 February 2003 to Marc Purcell, convenor of JAS
### Recurrent Costs of Mandatory Detention

<table>
<thead>
<tr>
<th></th>
<th>Costs for 2000-01</th>
<th></th>
<th>Comparison: cost/day</th>
<th></th>
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<tbody>
<tr>
<td></td>
<td>Total Cost, $m</td>
<td>Detainee days</td>
<td>Cost / day</td>
<td>1999-2000</td>
<td>July 01 - Dec 01</td>
<td></td>
</tr>
<tr>
<td><strong>Immigration Detention Centres</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Villawood</td>
<td>9.5</td>
<td>140,991</td>
<td>$67</td>
<td>$81</td>
<td>$65</td>
<td></td>
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<tr>
<td>Maribyrnong</td>
<td>4.7</td>
<td>30,282</td>
<td>$154</td>
<td>$169</td>
<td>$162</td>
<td></td>
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<tr>
<td>Perth</td>
<td>2.8</td>
<td>10,209</td>
<td>$273</td>
<td>$253</td>
<td>$162</td>
<td></td>
</tr>
<tr>
<td><strong>Immigration Reception and Processing Centres</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Port Hedland</td>
<td>17.4</td>
<td>199,511</td>
<td>$87</td>
<td>$69</td>
<td>$87</td>
<td></td>
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<tr>
<td>Curtin</td>
<td>31.1</td>
<td>256,725</td>
<td>$121</td>
<td>$108</td>
<td>$119</td>
<td></td>
</tr>
<tr>
<td>Woomera</td>
<td>37.1</td>
<td>230,298</td>
<td>$161</td>
<td>$128</td>
<td>$102</td>
<td></td>
</tr>
<tr>
<td>Central office costs</td>
<td>1.7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>104.2</td>
<td>868,016</td>
<td>$120</td>
<td>$104</td>
<td>$117</td>
<td></td>
</tr>
<tr>
<td><strong>Total, excluding Villawood</strong></td>
<td>94.7</td>
<td>727,025</td>
<td>$130</td>
<td>$107</td>
<td>$122</td>
<td></td>
</tr>
<tr>
<td><strong>Excl Villawood, Port Hedland</strong></td>
<td>77.3</td>
<td>527,514</td>
<td>$147</td>
<td>$126</td>
<td>$130</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** DIMIA responses to Questions on Notice, Senate Legal and Constitutional Committee, Estimates Hearings (details at http://www.aph.gov.au/Senate/committee/legcon_ctte/quest_answers)

- 2000-2001: Q52 asked 29-30 May 2001, answered in Nov 2001. (The Perth total cost figure for this year was recorded in the Senate document as $27.8 m. This appears to be a misprint – the $2.8 m figure included above is consistent with both the cost/day and the total figures in the same table)
- July-Dec 2001: Q88 asked 19-22 Feb, 2002, answered in May 2002. The response cautioned: “It should be noted, however, that these figures are taken for the part year and are not necessarily reflective of what the final figures will be for the full financial year.”
- Also, the totals (and hence overall averages) for July-Dec 2001 included figures for Christmas Island and Cocos Island. While these centres had small numbers of detainee days, they are high cost centres: $293 and $236 per day respectively.

**Notes**

**Coverage:**

“The attached table provides the direct costs for detention, for each centre and on a cost per day basis. The costs include payments made under the contract for managing the detention centres as well as departmental expenses such as those for employees, travel, motor vehicles, telephones, interpreting costs, depreciation and other administrative costs. The costs shown do not include capital costs or those for detainees located in state correctional centres.” (DIMIA explanation with the 1999-2000 data)
In Estimates hearings on 29 and 30 May 2001, Committee member Senator Cooney asked, “What percentage of the estimated $140 per day for an asylum seeker in detention is spent on security?” (Q25) DIMIA responded: “The Department pays Australian Correctional Management on a per day basis for the totality of the services they provide. It is not possible to identify the ‘security’ component separately from other services such as catering or medical services. In addition, some of the Departmental costs are security related, for example the cost of infrastructure such as fencing. These costs are not calculated on a per detainee basis.”

Anomalies:

Both the Villawood and Port Hedland figures are comparatively low compared with the other centres. A similar difference appeared in cost figures provided to the 1994 Joint Parliamentary Committee inquiry Asylum, Border Control and Detention. As noted above, the then Department noted: “The overheads of maintaining Port Hedland are much lower” (p41), and for Villawood, the Department reported that “the basic custodial costs . . . are not included.” (p41)

On the assumption that this approach still explains the very low Villawood and Port Hedland figure in the current Estimates, the Table shows overall totals and totals excluding Villawood, and the Port Hedland, data.

Economies of Scale:

The average cost per day figures for individual centres vary significantly between these years. One contributing factor appears to be economies of scale, associated with the fixed costs of keeping a facility open, no matter how many detainees it has. Between 1999-2000 and 2000-01, the number of detainee days at Port Hedland dropped by 26%, but the total cost dropped only 6% - and the cost per detainee day rose by 26%. Conversely, the usage of Woomera increased from 230,000 detainee days for all of 2000-01 to 220,000 in the first six months of 2001-02 (ie 440,000 on a full year basis) – and the cost per detainee day fell by 37%, from $161 to $102.

2.3.2 Capital costs

As noted above, the DIMIA costs do not include capital costs. Comparative indications of capital costs are however available for residential facilities in both corrections and aged care (more detailed discussion of these areas is included at section 3.5).

Discussing capital costs, the annual Report on Government Services has noted

“Costs associated with non-current physical assets (such as depreciation and the user cost of capital) are potentially important components of the total costs of many services delivered by Government agencies.” (RGS 2002, p539)

The report noted that this area can be a difficult one, especially because of valuation differences: “In corrective services . . . different methods of asset measurement could lead to quite large variations in reported capital costs” (RGS 2002, p539).
Nonetheless, from the 2003 report, the publication is providing capital costs, including both depreciation (the asset value amortised over its productive life) and user cost of capital (interest foregone on the investment). In corrections, the 2003 Report on Government Services (RGS, 2003) provides the following data for the capital costs of prisons in Australia, per prisoner per day in 2001-02:

<table>
<thead>
<tr>
<th></th>
<th>NSW</th>
<th>Vic</th>
<th>Qld</th>
<th>WA</th>
<th>SA</th>
<th>Tas</th>
<th>Aust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs</td>
<td>$50</td>
<td>$29</td>
<td>$45</td>
<td>$38</td>
<td>$33</td>
<td>$58</td>
<td>$42</td>
</tr>
</tbody>
</table>

Source: RGS 2003, Table 7A.11

As the report notes, there are a number of methodological issues in compiling these figures – and the approaches taken by the States vary somewhat.

In aged care, the Allen Consulting Group (ACG 2002, p60) has recently given a useful breakdown of the cost per day of residential aged care in 2001-02.

<table>
<thead>
<tr>
<th>Costs</th>
<th>High Care</th>
<th>Low Care</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ per day</td>
<td>%</td>
</tr>
<tr>
<td>Employment</td>
<td>109</td>
<td>67</td>
</tr>
<tr>
<td>Consumables</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>Non-capital overheads</td>
<td>18</td>
<td>11</td>
</tr>
<tr>
<td>Depreciation</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>User cost of capital</td>
<td>17</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>163</td>
<td>100</td>
</tr>
</tbody>
</table>

The report noted that its methodology differed from another expert in the area, the annual Bentley’s survey of residential aged care costs. The ACG totals for overheads and capital costs, at $45 per day, are some $20-25 per day higher than the Bentley’s figures. This reinforces the point made by the Report on Government Services about differences in methodology in assessing capital costs.

While there are methodological issues and differences, the capital costs for both aged care facilities and prisons appear to lie in a range of $30 to $50 per day per person. The $30 figure is used in section 4 below in estimating costs for detention centres.

### 2.4 Woomera alternative detention pilot

“Within the mandatory detention framework and consistent with the Migration Act, the government is continuing to take innovative approaches to alternative places of detention that meet the objectives of having people available for processing and, if required, removal.

“It was to this end that I commissioned the residential housing trial at Woomera last year. The trial, although very costly, has been a success, and I have agreed to expand the eligibility criteria for children and women who wish to participate in the residential housing trial. (Minister Ruddock, 3 December 2002)
The Woomera Alternative Detention Project commenced in August 2001. Six months into the project, DIMIA commissioned a review (DIMIA, 2002), and the following discussion is summarised from that report.

The project enables up to 25 women and children7, previously held in the Woomera Immigration Reception and Processing Centre (IRPC), to live in family style accommodation some two kilometres from the IRPC. One participant described “we have our own rooms, we can cook, we don’t have to queue up for meals, we can do our own washing and watch our own TVs."

The project was managed by Australasian Correctional Management Pty Ltd (ACM), which also managed the IRPC. The women and children lived in three houses, with a fourth house the base for ACM staff and also used for communal activities such as English classes, life skill classes, sewing groups, and private consultations. Husbands, and male children over the age of 12, were not allowed in the project, but families could visit husbands and fathers in the IRPC. This separation of families was participants’ major concern about the project.

Special nursing and educational facilities, linked to those at the IRPC, were provided.

### 2.4.1 Results

Both husbands and wives stressed how much their children benefited from living in the alternative arrangements, with one husband (in the IRPC) commenting “the family is happy, eating well and much better off than here.”8

Staff who worked in the Project, for DIMIA and ACM, and other welfare staff (eg a Sister from the local parish)

> “all point to rapid improvement in the women’s morale soon after settling in. Likewise for children, their spirits are seen to lift and they indeed become quite spirited!”

(3.8.8)

Staff noted how the women’s self esteem grows as they take control of managing their homes, their times and the priorities and activities of their children in a more normal domestic environment than is possible in the IRPC. One manager said the more the mothers become accountable for their own space and time and for their children’s day to day activities, the happier they are.

The DIMIA review concluded:

> “Within the parameters of the detention environment and the need for families to share housing, the project has been very successful in achieving and maintaining a harmonious living environment.”
> “The vast majority of the Project’s participants have been granted TPVs, and living in the Project has been an excellent preparation for moving into the Australian community.”

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7 While the capacity of the houses was 25, matching the house layout with specific families meant that only rarely were there more than 15 residents. See DIMIA evidence to Senate Legal and Constitutional Legislation Committee, 11 February 2003, p146.

8 Anecdotal information, separate from the DIMIA review, is that some husbands, while seeing strong benefits for their children, nonetheless became depressed themselves from the family separation.
The review also noted “a small number of staff have become quasi case workers within the project”, and suggested “This concept . . . is one which should be explored in the development of this or other alternative detention arrangements.” (p36-7)

### 2.4.2 Security issues

Security arrangements are significantly different to those in the IRPC, but there have been no escapes or attempted escapes, and nobody has been returned to the IRPC.

The houses have limited physical barriers, with no high fences, razor wire or the like, with the primary security provided by detention officers who supervise the residents. On entering the houses, residents sign a set of rules, which include the prospect of returning to the IRPC if the rules are broken. The DIMIA review commented:

“Security was largely maintained by the presence of staff, not physical barriers, and because residents did not see it in their interests to try to escape.”(p34)

> “Within the small group of residents, families have become very supportive of each other. Women made it clear that they were conscious of the benefits of living in the Project, and they would not want to act in a way which might deprive future families, currently living in the IRPC, of the opportunity to participate.” (p37)

Two families and two adult women without children did not have male family members in the IRPC – but did have family members living in the Australian community. “These residents posed no added security risks, and observed the rules of the Project in a similar fashion to others.” (p36)

A critical issue is to be able to undertake a reliable assessment of risk for those women and children who might be detained outside of IRPCs. In this case, “ACM in particular, but also DIMIA has been able to make reliable risk assessments of the likelihood of detainees observing the rules of the alternative detention arrangements.” (p36)

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9 Indeed, as noted in a US study discussed in section 4.4 below, asylum seekers with external family or community contacts were less likely to abscond than others.
2.4.3 Costs

While the DIMIA review did not give detailed total costs, it found that the overall cost of the trial was consistent with the Minister's initial expectation of "in order of $1.5m". Between 7 August 2001 and 31 January 2002, 47 residents lived in the houses for between 14 and 160 days each, giving an overall house occupation of 3046 resident days.

$1.5 million costs spread over 3046 resident days gives a cost per resident day of $492 \textsuperscript{10}, indicating the Minister's statement "The trial, although very costly, has been a success".

The DIMIA review qualified this cost picture in several important ways:

- The $1.5 million included set up and capital costs. "Capital costs may be seen as relatively high for a six-month period but if the Project continues these will be amortised over a longer period". While ACM costs such as installation of security equipment were not detailed, the costs of repairs and re-electrification work for the houses was noted at $56,000.
- As is the nature of such trials, some services were provided but not fully used – a full time interpreter and nurse.
- Major cost however was ACM “direct labour and related on costs”, especially security staff, including at least 3 staff at all times for 24 hours per day.

The review argued:

"the level of staffing provided would enable resident numbers to be increased by between 66% and 100% with very little increase in staff costs if people of similar risk and service needs could be located in houses immediately adjacent to the current ones. If this could be done the ACM Projects costs on a per resident basis would be substantially reduced."

\textsuperscript{10} The DIMIA review report gave the $1.5 m and resident-day totals, but not the cost per day calculation.
3. Community Based Alternatives and Other Cost Evidence

3.1 Alternative options

This section discusses four alternatives to mandatory detention in the IRPCs. The presentation is primarily descriptive, providing background to the cost estimates discussed in section 4 below.

3.1.1 Asylum Seeker Assistance Scheme (ASAS)

The Australian immigration system makes a distinction between two categories of asylum seeker:

- Illegal entrants, who arrive in Australia on a valid short-term visa, and apply for asylum subsequently, and
- Unauthorised arrivals, who arrive without a visa – and in many cases without a passport.

Unauthorised arrivals are subject to mandatory detention. Illegal entrants are able to live in the community, and may be eligible for ASAS\(^{11}\), which “assists eligible asylum seekers living in the community to meet basic income support and health needs while they wait for their application for refugee status to be assessed. People in financial hardship are usually eligible to receive ASAS support once they have waited six months.”\(^{12}\)

ASAS has two components:

- Income support, which is available through Centrelink at 89% of the Special Benefit rate; and
- A casework service, provided by the Red Cross under contract to DIMIA. This includes some limited additional emergency financial assistance.

The Red Cross\(^{13}\) ASAS casework services offer:

i. crisis intervention and needs assessment
ii. counselling
iii. administration of limited financial assistance, health care and pharmaceutical program
iv. referral to other agencies (legal, medical, specialist counseling, social, education, material-aid, housing)
v. advocacy
vi. group work

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\(^{11}\) The following discussion drawn from DIMIA Fact Sheet 62 “Assistance for Asylum Seekers in Australia” (9 November 2001) and Red Cross published information.

\(^{12}\) Red Cross Annual Report 2001-02, p13

\(^{13}\) The Australian Red Cross provided information on its operations to assist the research for this section and section 3.1.4 below. Consistent with the Red Cross’s Principle of Neutrality, the provision of such information does not indicate any organisational policy position.
vii. administration of limited emergency relief funds. The Red Cross explains:

“Asylum seekers have regular fortnightly contact with case workers, who also provide information and referral support. In many instances we are the main support agency for asylum seekers living in the community. Our case workers have continued to contribute to improved health and welfare outcomes for this vulnerable group of people.”

In general, asylum seekers cease to be eligible for ASAS payments when DIMIA has decided their Protection Visa application. For special cases, asylum seekers who meet specified exemption criteria may be eligible for ASAS:

- Prior to the usual six month qualifying period; and/or
- When seeking a review of their case through the Refugee Review Tribunal (no ASAS support is available for anyone seeking a review of the RRT decision).

**Costs**

As noted above, ASAS has two components:

- Income support; and
- The casework service provided by the Red Cross.

*The income support is calculated at 89% of the Centrelink Special Benefit rate. In January 2003, this rate was $375 per fortnight for single persons and $676 per fortnight for couples without dependants, so the rates for asylum seekers were respectively $333 ($24 per day) and $601 ($21.50 per person per day). Many of the couples receiving ASAS had dependent children, and received small additional payments. In these cases, the support per person per day was markedly less than $20.*

*The costs of the ASAS service, and the number of clients assisted, are given in the DIMIA fact sheet and the Red Cross Annual report:*

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<thead>
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<td>Total ASAS cost</td>
<td>$9.59 m</td>
<td>$11.19 m</td>
<td>$12.08 m</td>
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<tr>
<td>Clients assisted</td>
<td>2,140</td>
<td>2,691</td>
<td>2,817</td>
</tr>
<tr>
<td>Cost per person day</td>
<td>$21</td>
<td>$20</td>
<td>$20</td>
</tr>
</tbody>
</table>

*Sources: 1999-2000 and 2000-01, DIMIA Fact Sheet 62, Assistance for Asylum Seekers in Australia (9 November 2001) 2001-02 Australian Red Cross Annual Report, p13 and p66*

Note: To calculate the cost per person per day, an estimate is required of the average number of days within each year each client is assisted. While detailed information is not available, the Red Cross indicates that in 2000-01 and 2001-02 a majority of clients were assisted for the full twelve months. The above per day costs are estimated on an average of

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15 Red Cross Annual Report 2001-02, p13
8 months assistance per client. If the average differed from this, the per day cost would vary.

3.1.2 Hotham Mission Asylum Seeker Project

Hotham Mission, based in North Melbourne, started the Asylum Seeker Project in early 1997. The project uses vacant houses owned by churches to house asylum seekers with no accommodation, and no income, work rights, Medicare, entitlements or other means of support. Starting with two properties and 15 asylum seekers, the project now works with over 200 asylum seekers in 30 properties. In 2002, the project won a National Human Rights Award for Community Work.

The project has three full-time staff, and total running costs of $400,000 per annum. The three staff – a Coordinator, Project/Community Liaison, and a Social Worker – are supported by a team of volunteers, in three areas:

- Office support
- Outreach services from a professional/experienced group of social/welfare and community workers or students
- LinkUp volunteers who have received some training and offer social support, friendship and practical assistance to isolated asylum seekers.

The project has just received funding for a Community Housing worker.

The Project currently provides housing to almost 100 asylum seekers in a number of houses and housing arrangements. Volunteer housing workers provide support and an Outreach worker team who visit each asylum seeker over the course of a month for support and referral needs.

From late 2000, the project has been providing housing and assistance to some fifty asylum seekers released early from detention on bridging visas without any entitlements. These were in three main categories:

- Those released for psychological or medical reasons
- Those detained for breaching their bridging visa requirements
- Those released by a Federal Court order.

Furthermore, the project is currently involved in two home detention arrangements with asylum seekers assessed at high psychological risk. These cases include a family and a single male and were arranged following prolonged hospitalization of the people concerned and the inability to issue a Bridging Visa. In both cases an overall marked improvement in the mental health of the asylum seekers has been noticed.

These two arrangements, negotiated between Hotham Mission, DIMIA and the Immigration Minister’s Office, have included having LinkUp volunteers available and also include the Commonwealth covering some but not all of the costs involved. The cost estimates below refer to these cases.

From mid 2000, the project started a basic living assistance program. Initially, this provided monthly emergency relief, such as grocery vouchers, cash assistance, Met and phone cards and paying utilities, medical and other emergency costs.

From June 2002, together with St Mark’s Community Centre, the program moved to a cash assistance basis, providing an average assistance of $31 per week per person. Utilities and
housing costs are treated separately, with emergency medical, education and family related expenses paid if waived fees are not possible. The project’s total expenses are $100,000 per year for administration, and $300,000 per year for emergency relief. This is funded primarily through donations, and commitments to individual families.

The project was able to provide total expense figures for the two home detention arrangements noted above:

- A single man, who was provided with $7,200 assistance over twelve months, comprising rent assistance of $4,200, medical expenses of $600, and general living expenses of $2,400;
- A “high needs” family of two adults and two children, provided with assistance of $20,500 over a six month period. This family required extensive medical care, costing $7,000 over these months. Rent and utilities cost a further $8,500, and general assistance $5,200.

On a per day, per person basis, these costs work out to:

<table>
<thead>
<tr>
<th></th>
<th>Single man</th>
<th>High needs family</th>
</tr>
</thead>
<tbody>
<tr>
<td>General expenses</td>
<td>$6.6</td>
<td>$15.5</td>
</tr>
<tr>
<td>Rent*</td>
<td>$11.5</td>
<td>$9.5</td>
</tr>
<tr>
<td>Medical</td>
<td>$1.6</td>
<td>$12.8</td>
</tr>
<tr>
<td>Total</td>
<td>$19.7</td>
<td>$37.7</td>
</tr>
</tbody>
</table>

Source: Hotham Mission Asylum Seeker project
Notes: As families can generally be supported at a lower rate per person than single people, the totals for the family have been divided by 3 rather than by 4 to give the above rates.

* Generally, the Hotham project uses vacant houses provided by churches and other groups, so the capital costs are effectively subsidized. However, in these two cases rent is specifically allowed for, and rental payments include a capital component.

A key point about the Hotham Mission project is that it is very heavily reliant on volunteers, especially for the case worker/social worker assistance, and on donations. The project itself notes that the average monthly donations it receives are declining slightly. Consequently, in assessing community management costs below, this report uses higher costs than Hotham currently operates on.

3.1.3 Anglicare

Anglicare NSW provided this review with a proposal it submitted in 2002, to assist a particular family of asylum seekers, with special needs. Anglicare’s proposal was:

“formulated in response to a request for the potential supply of a case management service for a family with a one year old child, then in detention. Because of the mental health problems of one of the parents, and the strong risk of self harm and risk of harm to the child, there was consideration being given to moving this family out of detention into the community. The family would only be able to move around the community under supervision or escort.

“Our budget, for one year, was formulated around supplying moderate to intensive case management in the initial period, with this lessening as time went by.”
The proposal did not include specialist psychiatric expenses, and relied on community support for the family from volunteers from a congregation of same-language and ethnic background. Caseworker costs were calculated on a one-off casual rate.

Anglicare proposed costs on the following calculations:

<table>
<thead>
<tr>
<th>Element</th>
<th>Basis</th>
<th>Cost per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caseworker</td>
<td>340 hours over 12 months @ $40/hour casual (starting with 8 hours/week, reducing to 5)</td>
<td>$24,280</td>
</tr>
<tr>
<td>- supervision</td>
<td>1 hour per week @ $90</td>
<td>$4,680</td>
</tr>
<tr>
<td>- travel + volunteer expenses</td>
<td></td>
<td>$6,000</td>
</tr>
<tr>
<td>Living Expenses</td>
<td></td>
<td>$36,980</td>
</tr>
<tr>
<td>- accommodation</td>
<td>$220 per week rent, $3,000 furniture etc</td>
<td>$15,320</td>
</tr>
<tr>
<td>- living expenses</td>
<td>$280 per week</td>
<td>$14,560</td>
</tr>
<tr>
<td>- medical costs</td>
<td></td>
<td>$1,000</td>
</tr>
<tr>
<td>- other services</td>
<td>Occasional child care, interpreters</td>
<td>$6,100</td>
</tr>
</tbody>
</table>

The total costs of $61,260 for a year equate to $168 per day for this family of three, or $67 per day per person (dividing by 2.5). The components are $27 per day per person for caseworker expenses, and $41 per day per person for living expenses.

3.1.4 Red Cross IHSS Proposal

Background

Towards the end of 1999, the Department of Immigration and Multicultural Affairs (DIMA) called tenders for a number of Humanitarian Settlement Services (DIMA tender 99/025).

In March 2000, the Australian Red Cross submitted a proposal for national “Initial information and orientation assistance”, including some coordination of other service providers.

After considering all proposals submitted, DIMA decided not to proceed with the comprehensive service delivery envisaged in the tender, but rather to manage directly components of the required services.

The Red Cross provided details of its national tender proposal to this review. The proposal involved case workers providing initial information and orientation assistance. This role is similar to the first stages of the case management model in the JAS proposal, and is therefore valuable evidence on scope and costing.

Details

The Red Cross tender proposed to deliver initial information and orientation services to 4,005 of the expected 6,000 entrants eligible for the program, with scope to respond to variations in the numbers. The tender envisaged an integrated model of service delivery across the humanitarian and refugee services sector, including coordination of both existing and new IHSS service providers. (Red Cross 2000, p4)
Each entrant would be met upon arrival, consistent with a checklist which:

“provides a comprehensive record of entrant’s personal details and requirements, and ensures transport and accommodation are delivered in a culturally sensitive, welcoming and courteous manner. The Checklist covers preparation prior to the entrant’ arrival and lists the relevant appointments that will be required during the entrant’s first four weeks in Australia.” (Red Cross 2000, p44)

Under the proposal, each entrant would have a six week timetable of appointments with various service providers, with accommodation, health assessment and intervention services especially important. The Red Cross national IHSS coordinator would supervise Red Cross Managers/Coordinators in each State – and the latter would work with the range of service providers. (Red Cross 2000, p21)

An evaluation would occur towards the end of the six week initial period, leading to either:

- An Exit plan, under which the case would be closed; or
- The identification of on-going support needs, with assessment and case management services being provided for up to six months.

**Costs**

The Red Cross estimated that the total cost of assisting 4,000 entrants over a twelve month period would be $3.57 million\(^\text{16}\), with additional start-up costs of $0.40 million. The components of these costs were:

<table>
<thead>
<tr>
<th>Contact staff</th>
<th>Budget, $000</th>
<th>% of contact staff costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case workers, Bicultural assistance, Information workers</td>
<td>1,584</td>
<td>13%</td>
</tr>
<tr>
<td>On costs</td>
<td>208</td>
<td></td>
</tr>
<tr>
<td>Supervision staff (including on costs)</td>
<td>421</td>
<td>27%</td>
</tr>
<tr>
<td>Office and operating overheads</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative staff</td>
<td>278</td>
<td></td>
</tr>
<tr>
<td>Admin (rent, finance, HR etc)</td>
<td>336</td>
<td></td>
</tr>
<tr>
<td>Operating (travel, communications)</td>
<td>746</td>
<td>1,360 86%</td>
</tr>
<tr>
<td>Total budget</td>
<td>3,573</td>
<td></td>
</tr>
</tbody>
</table>

The Red Cross allocations for overheads, in relation to contact staff costs, are higher than for other examples provided to this review. A key factor here appears to be that the Red Cross was tendering not only to supervise its own staff, but also to coordinate the activities of other agencies.

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\(^\text{16}\) The initial Red Cross figure was $3.95 million. However, this included $375,000 for interpreter costs. Consistent with the treatment of other estimates in this review, these costs are included in the “other expenses” section in this costing exercise, rather than with the case worker costs.
The above costs worked out to slightly less than $1,000 per entrant. The per day cost would depend on the length of time each entrant is assisted. On the basis that:

- Half of the entrants have only the six week assistance, and
- Half have on-going assistance up to the maximum of six months (taking an average of an additional 10 weeks)

The per day cost per entrant works out to $11.60.

### 3.2 Other cost evidence

The cost evidence presented thus far has been limited, as noted, by commercial confidentiality issues. However, it is possible to gain considerable support for costing alternatives for asylum seekers by looking at cost evidence in two other areas: corrections and aged care. In both cases, detailed cost information is available on the costs of security/services in residential complexes and in community situations.

#### 3.2.1 Corrections

In comparing the use of custodial and community-based corrections orders, the 2001 NSW Parliamentary Select Committee on the Increase in Prisoner Population argued:

“The gains to the community from greater use of effective alternatives to sentences of full time custody are considerable, and every effort should be made to realise these gains” (NSW 2001, p135).

The cost assessments considered by the Committee for NSW are apparent across Australia. The 2003 Report on Government Services gives the following per prisoner/offender per day average recurrent costs, for 2001-02:

<table>
<thead>
<tr>
<th></th>
<th>NSW</th>
<th>Vic</th>
<th>Qld</th>
<th>WA</th>
<th>SA</th>
<th>Tas</th>
<th>Aust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open custody</td>
<td>$148</td>
<td>$127</td>
<td>$155</td>
<td>$99</td>
<td>$141</td>
<td>$127</td>
<td>$139</td>
</tr>
<tr>
<td>Secure custody</td>
<td>$174</td>
<td>$151</td>
<td>$138</td>
<td>$186</td>
<td>$157</td>
<td>$173</td>
<td>$161</td>
</tr>
<tr>
<td>Community corrections</td>
<td>$8</td>
<td>$11</td>
<td>$6</td>
<td>$10</td>
<td>$8</td>
<td>$9</td>
<td>$8</td>
</tr>
</tbody>
</table>

Source: RGS 2003, Table 7A.7

Notes:
- Open custody includes periodic detention
- Community corrections refers to parole systems, both for non-custodial sentences and for post-prison supervised release.

This data gives a number of useful pointers for this study:

- The Australian figure for Secure Custody ($161) is comparable with the figure cited above for the Immigration Detention Centres (excluding the special cases of Villawood and Port Hedland) of $147.
- There is again a considerable range between the States’ figures;
- Most States, and the national figure, have a difference of some $20 per day between open and secure custody;
- Community corrections is very much cheaper, at between $6 and $11 per offender per day.
A substantial proportion of overall costs in the above figures comes from staffing costs. The above data on costs of community corrections can be mapped against the number of staff employed per 100 offenders (RGS 2003, Table 7A.21):

The pattern of costs in corrections in Australia is also apparent internationally. The Department of Corrections in the US State of North Carolina gives the following data on costs (in $US) per prisoner/offender per day for 2001-02:

<table>
<thead>
<tr>
<th>Cost per offender per day</th>
<th>$/ day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate community supervision</td>
<td>$2</td>
</tr>
<tr>
<td>Electronic house arrest</td>
<td>$8</td>
</tr>
<tr>
<td>Intensive community supervision</td>
<td>$11</td>
</tr>
<tr>
<td>Minimum security custody</td>
<td>$50</td>
</tr>
<tr>
<td>Medium security custody</td>
<td>$65</td>
</tr>
<tr>
<td>Close custody</td>
<td>$80</td>
</tr>
</tbody>
</table>

Source: North Carolina Dept of Corrections, 2001-02

The Department notes that costs in medium security facilities differ between $57 and $75 per day, depending primarily on the size and age of the facility, with modern large facilities cheaper to run than small older county jails (which are being gradually closed down).
### 3.2.2 Aged care

The Myer Foundation recently published a major report *2020: A Vision for Aged Care in Australia* (November 2002). As part of the project, the Myer Foundation commissioned the Allen Consulting Group (ACG) to undertake a detailed financial analysis. This analysis is contained in the ACG report *The Financial Implications of Caring for the Aged to 2020* (October 2002).

The key finding of this report was:

“A shift towards community care would therefore achieve better outcomes for many old people while also reducing costs to Government” (ACG 2002, p1).

The Allen Consulting Group quantified the possible savings from changing the mix of residential care and support in the community – and increasing the importance of the latter. The report estimates that by 2020 aged care in Australia on current patterns could cost 1.84% of GDP. A change in the patterns towards more community care could reduce this to 1.71% of GDP, saving $850 million per annum, or 7% (ACG 2002, p1).

The report’s analysis was based on ACG calculations of overall costs, per person per day, of supporting people in both their own homes and in residential care.

<table>
<thead>
<tr>
<th></th>
<th>Residential</th>
<th>Community</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Care</td>
<td>$163</td>
<td>$90</td>
</tr>
<tr>
<td>Low Care</td>
<td>$100</td>
<td>$35</td>
</tr>
</tbody>
</table>

**Source:** ACG 2002, p67

The report made a number of other findings of interest to this review:

- Labour costs are the major single component of costs:
  - In residential care, 70% of costs in high care, 50% in low care (ACG p59)
  - For community support, “figures of between 75 and 90 % of total costs were quoted.” (ACG p65)

- The most expensive services to provide (especially for community care) are after hours personal care (ACG p65)

- Economies of scale occur in residential care: “estimates of the optimum size are now around 100 beds, and some regard homes of fewer than 60 beds as unsustainable.” (ACG, p61)

- There is no clear pattern of costs between metropolitan and regional areas – land and building costs are generally higher in large cities, while accessing specialist services is more expensive in remote areas (ACG, p60-1).
The report also noted some overseas evidence, with some particularly useful data from the United Kingdom presenting comparative costs, in £’000 per year, of caring for people with differing levels of need in their own homes and in residential care.

<table>
<thead>
<tr>
<th></th>
<th>At home</th>
<th>Residential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Man living alone, prone to falls, not used to domestic tasks</td>
<td>11</td>
<td>21</td>
</tr>
<tr>
<td>Widow, limited mobility, slight confusion, neighbour support</td>
<td>14</td>
<td>21</td>
</tr>
<tr>
<td>Man with severe dementia, supported by wife</td>
<td>17</td>
<td>21</td>
</tr>
<tr>
<td>Woman living alone, anxious and depressed – needs encouragement</td>
<td>17</td>
<td>21</td>
</tr>
<tr>
<td>Woman with diabetes and terminal cancer, living with married daughter</td>
<td>26</td>
<td>21</td>
</tr>
<tr>
<td>Highly dependant wheel chair-bound woman living alone</td>
<td>42</td>
<td>21</td>
</tr>
</tbody>
</table>

Source: ACG 2002, p69

From this material, an indicative map of costs in the aged care industry can be drawn:\(^{17}\):

\(^{17}\) This analysis is the basis for a similar cost contour diagram for security used above.
In this schematic:

- For each type of accommodation, costs rise as the level of services needed increases. However,
  - The greatest gradient of the cost increases occurs in the aged person’s own home, while
  - Hospitals are expensive whichever level of services is required – but have the lowest gradient of increases in costs as service levels climb;

- For each level of service need, one of the accommodation options has the cheapest solution. Thus for a “medium” level of need, hostels offer a “medium low” level of costs, while both supported accommodation and nursing homes offer “medium” levels of cost and both people’s own homes and hospitals offer “medium high” levels of cost.
- People’s own homes are clearly the lowest cost option for low levels of need.
- For high levels of need, as in the UK data noted above, hospitals are the cheapest option – with own homes much more expensive.
4. Comparing Costs of Detention and Alternatives

4.1 Scope of costs

This section summarises, from the above discussions, costs for three alternative options\(^{18}\): mandatory detention; hostel accommodation, and community management.

A key point from the above discussion is that considerable variability occurs in the cost data. For example, for the two largest detention centres, the costs per day per detainee in 2000-01 were at Curtin $121 and at Woomera $161. After discussing the basic cost estimates, and the basis for those, this section then looks at key factors causing variability – especially security – and uses sensitivity analysis to test the impacts of the variability.

4.2 Cost estimates

The report has discussed detailed cost estimates for current detention arrangements (section 2), alternative options (section 3.1) and comparable costs in corrections and aged care (section 3.2). Section 6.2 below discusses the costs of case management. From these discussions, broad average cost estimates can be assessed:

<table>
<thead>
<tr>
<th></th>
<th>Detention centre</th>
<th>Hostel</th>
<th>Community management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case management</td>
<td>$10(^{19})</td>
<td>$10</td>
<td>$10</td>
</tr>
<tr>
<td>Accom + food</td>
<td>}</td>
<td>$20</td>
<td></td>
</tr>
<tr>
<td>Assistance services</td>
<td>} $160</td>
<td>$100</td>
<td>$15</td>
</tr>
<tr>
<td>Security</td>
<td>}</td>
<td>$15</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$170</td>
<td>$110</td>
<td>$60</td>
</tr>
</tbody>
</table>

Details of the basis for these costs are given on the table on the next page.

---

\(^{18}\) There are in fact several other options available, as noted in the graph, with two examples being periodic detention and release into community group houses. The costs of such options fall within the broad parameters discussed in this report, and such options can be considered as fine tuning.

\(^{19}\) Welfare agencies commenting on this report indicate that the costs of case management are most intensive in the initial period. For the first period in the below analysis, the daily costs for case management have been increased by 50% (consistent with the Anglicare data in section 3.1.3), to $15 per person per day.)
## Sources of Key Cost Figures

<table>
<thead>
<tr>
<th>Element</th>
<th>$ Person/ Day</th>
<th>Calculation</th>
<th>Reference</th>
<th>Discussion in this report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case management</td>
<td>$10 ongoing, $15 initially</td>
<td>Caseworker salary $40,000, plus 20% on costs, 30% supervision costs, and 50% admin and overhead costs Client ratio 1:15 cases, 1:25 people</td>
<td>ASAS scheme $12, Anglicare $25 for high needs family ($40 for initial period), Red Cross IHSS $12</td>
<td>Sections 6.2, 3.1.1, 3.1.3, 3.1.4</td>
</tr>
<tr>
<td>Detention centre (incl accommodation, food, assistance &amp; security)</td>
<td>$160</td>
<td>$130 ave cost of detention centres, excluding capital costs $30 average capital costs</td>
<td>DIMIA 2001-02 ests to Parliament ACG Aged care capital $27 RGS prison capital $30-$50</td>
<td>Section 2.3.1, Section 2.3.2</td>
</tr>
<tr>
<td>Hostel (including accommodation, food, assistance &amp; security)</td>
<td>$100</td>
<td>$100 ave cost of residential aged care with low 24 hour medical services $95 NSW remand hostel</td>
<td>ACG aged care costings NSW Parliamentary committee</td>
<td>Section 3.2.2, Section 3.2.1</td>
</tr>
<tr>
<td>Community accommodation + food</td>
<td>$20</td>
<td>$21 per person for 89% of Centrelink Special Benefit for couples, no depend-ents – less per head with dependents</td>
<td>ASAS scheme</td>
<td>Section 3.1.1</td>
</tr>
<tr>
<td>Community assistance (eg medical, travel, education expenses)</td>
<td>$15</td>
<td>Standard ASAS $6; High needs: Hotham $18, Anglicare $13</td>
<td></td>
<td>Sections 3.1.1, 3.1.2, 3.1.3</td>
</tr>
<tr>
<td>Community security</td>
<td>$15</td>
<td>Community corrections cost range $6 - $11</td>
<td>RGS</td>
<td>Section 3.2.1</td>
</tr>
</tbody>
</table>

Sources (see full reference details in Appendix 2):
ACG: Allen Consulting Group Financial Implications of Caring for the Aged to 2020 (October 2002)
ASAS: Current assistance scheme for asylum seekers, run by Red Cross
NSW: NSW 2000-01 Select Parliamentary committee inquiry into prison populations
### 4.3 Comparing the costs

To compare the costs of the proposed model with current costs, the average costs were applied to a profile which envisages asylum seekers moving through accommodation options during the determination process. In schematic form, the proposed process is:

In the above diagram:

- On arrival, the current policy of detention of unauthorised arrivals continues;
- All asylum seekers receive case workers to explain and assist to age their cases;
- Following an initial risk evaluation, asylum seekers would be referred to one of three main accommodation options:\(^{20}\)
  - Community management for those considered low risk
  - Moderate security in hostel accommodation for those considered medium risk or requiring intensive services
  - Continued detention for those considered high risk;
- The determination process would start on arrival, and proceed with whichever accommodation option is chosen.
- Towards the later stages of the assessment process, especially towards final appeal, there may be situations where the risk evaluation changes, and renewed levels of detention for some asylum seekers are appropriate.

\(^{20}\) There are in fact several other options available, with two examples being periodic detention and release into community houses. The costs of such options fall within the broad parameters discussed in this report, and such options can be considered as fine tuning.
To compare the costs of mandatory detention with the RTP alternative, it is necessary to estimate the average length of time asylum seekers spend at each stage of the process. The following time periods were allowed\(^\text{21}\) in developing an overall costing model:

- 30 days for initial processing and risk evaluation
- 40 days for the asylum status determination process (the time taken for this element has a significant effect on the overall comparative costs. As it has varied over recent years, alternative time periods are included in the sensitivity analysis below)
- 60 days for the first appeal for those not successful in the determination process
- 60 days for final appeal for those not previously successful.

These lengths of time were applied to changing populations of asylum seekers in each stage, consistent with the above graph [see page 30]. Thus:

- In the initial processing and risk evaluation, all asylum seekers are in detention;
- In the assessment stage, 50% of the asylum seekers are in community management, 30% in hostel accommodation, and 20% in detention; and
- By the final appeal stage, 60% have already been granted asylum, or returned home, while 30% are in detention and the remaining 10% in community management or hostels.

Taking a notional group of 100 asylum seekers moving through the determination process, the proportions and time periods can be multiplied by the costs per day given in the above table [see page 30]. For the notional group of 100 asylum seekers:

- The current costs of mandatory detention come to a total of $2.05 million over this 190 day period;
- The costs of the alternative system (including the additional costs of case management) come to $1.68 million, showing a cost saving of 18%.

### 4.4 Cost variability

The discussions in sections 2 and 3 noted considerable variability in the cost figures. Cost estimates can vary depending on a number of factors, including:

- Differing levels of services provided;
- Differing levels of security;
- Differing staffing structures to deliver similar levels of security;
- Economies of scale within facilities.

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\(^{21}\) These time estimates are primarily based on DIMIA evidence to Parliamentary committees. One example:  
“It is expected that all detention cases, given priority in processing, should be finalised within 70 days of being given (‘constituted’) to a Member of RRT, and that all cases will be constituted within a week of receipt in the Tribunal. The tribunal has met the 70-day deadline in 75 per cent of the cases finalised this year and, for the group of applicants arriving by boat, the average time to complete a case is just over 58 days. More than 50 per cent of those who receive a negative decision from the RRT go on to appeal that decision.” (JSCFADT, 2001, p 79, 80)
The key issue for this review is that of security. The following graph shows indicative costs for the three accommodation options with differing levels of security required.

Accommodation costs at Differing Security Levels

This diagram illustrates the interaction between accommodation types, required security levels, and related costs:

- As levels of required security increase, costs rise for any type of accommodation;
- However, the rate of increase in cost varies between accommodation types:
  - Community management has low fixed costs, but it is expensive to provide additional levels of security;
  - Hostels have higher initial costs, but with lower incremental costs;
  - Full detention, with high fixed costs, is expensive at any level of security – but has small incremental costs.

- Because of these patterns:
  - Community-based accommodation is the cheapest option if low levels of security are required;
  - At medium security, hostel accommodation is the lowest cost; while
  - If high levels of security are required, full detention is the least cost option.

These points can also be illustrated with a more dynamic graph.
Indicative costs of Accommodation at Varying Security Levels

The graph illustrates the interaction of accommodation options with levels of security:

- At low security, the cheapest option is community management, with asylum seekers living in the community, and reporting at regular intervals to authorities;
- As the desired level of security increases, the level of costs increases within any accommodation option. In addition, different accommodation options become least cost, due to significant economies of scale and place in security monitoring;
- At the highest level of security, a detention centre, while expensive, is the least cost option. As was found at the Woomera Alternative Detention pilot project (see section 2.4), running 24 hour security for a facility with a small number of people is very costly per head.

This diagram has a major implication for the findings of this paper. As well as calculating cost levels, the level of security required is important.
### 4.5 Sensitivity analysis

As is readily apparent from the detailed discussions above, these cost figures are estimates and averages. There are a number of major reasons for variations in costs:

- The level of services provided can differ considerably. In corrections facilities across Australia, secure custody costs an average $161 per prisoner per day, while low security costs $139 per day.
- Staffing costs are a major component of any service, and the staffing levels to deliver a particular service can vary. In community corrections, the number of staff per 100 offenders varies between 3 and 6, and the cost per day per offender varies between $6 and $12.
- Economies of scale exist in many institutions. DIMIA figures for the costs of mandatory detention in particular centres vary from year to year, and the extent of usage of each centre appears to be a major contributing factor.
- Current community-based alternatives for asylum seekers rely heavily on volunteer labour and donations – and the costs clearly reflect the extent of this.

The existence of such variations in the cost estimates immediately raises questions about what level of confidence can be given for the average costs outlined above.

In fact, despite the variations in individual costs, a very high level of confidence exists for the overall results. This is demonstrated by the use of two standard statistical techniques.

The first technique was a sensitivity test on the overall cost saving result to movements in the two key variables: the cost of mandatory detention and the cost of the community management alternative (excluding the costs of case management in both). In the above figures, the cost of mandatory detention was estimated at $160 per person per day, and the cost of the community management alternative was estimated at $50 per person per day (these are both bolded in the below table). Using these two figures, the analysis indicated an overall cost change of –18% (also shown in bold in the table). The cost changes associated with different cost estimates for the two variables are:

<table>
<thead>
<tr>
<th>Current detention cost per day</th>
<th>Cost of community management per day</th>
</tr>
</thead>
<tbody>
<tr>
<td>$150</td>
<td>$40 $50 $60</td>
</tr>
<tr>
<td>$160</td>
<td>-21% -16% -11%</td>
</tr>
<tr>
<td>$170</td>
<td>-22% -18% -14%</td>
</tr>
<tr>
<td>$180</td>
<td>-24% -20% -16%</td>
</tr>
</tbody>
</table>

Thus, as would be expected, if the cost of community management is higher, at $60 rather than $50 per person per day, the level of cost savings drops. Alternatively, if the cost of detention is higher, the cost saving increases. However, in all the alternatives shown in the table, there are still significant cost savings in the proposed system compared with the current.
However, the cost of community management and the cost of current detention are not the only variables that can change. Testing this requires a more sophisticated approach. A mathematical model was developed to assess the implications of variations in key variables within ranges consistent with the above discussions:

- Detention costs (excluding case management) varying between $150 and $180
- Hostel costs (excluding case management) varying between $80 and $120
- Community management (excluding case management) varying between $40 and $60
- Case management varying between $5 and $15
- The time period for the initial determination varying between 15 and 60 days.

Monte Carlo analysis\(^\text{22}\) was employed to test the impacts of these variables. Numbers within each of the above ranges were randomly generated and applied to the overall cost model. While each cost outcome has to be treated with some caution, a greater degree of confidence can be gained by looking at the results of running a number of simulations.

1,000 simulations were sampled on the model. The following graph shows the distribution of the results, showing for example that just under 100 of the runs produced a cost saving result between 17% and 18%.

![Cost Savings of Proposed System](image)

The 1,000 runs on the Monte Carlo simulation produced an average cost saving of the new system of 18.2%, close to that in the simple model. Of equal importance, the runs showed a tight distribution about this mean. The standard deviation was 4.1%, and as shown on the above graph, 75% of the results fell between savings of 13% and 23%.

While there is some variation in the individual cost figures, these sensitivity results indicate that a very high level of confidence can be taken in the overall results. The proposed system has major cost savings over the current detention policy.

\(^{22}\) The technique is outlined in the Glossary.
5. Evidence About Security Issues

5.1 Overview

The above discussion has demonstrated clearly that the costs of community management are significantly less than the costs of detention. However, it has also indicated that this is only the case when different levels of security are acceptable. If high levels of security are required, detention is likely to be less expensive than community management.

This section therefore investigates the question of what levels of security are necessary to meet the Government’s goals. In his December 2002 Migration Statement, the Minister spelt out these goals:

“Detention of all unlawful non-citizens, including unauthorised arrivals, remains a key element of effective immigration control. An important part of effective border control is the ability to remove persons with no right to remain in Australia—immigration detention ensures those persons are available for removal.” (Ruddock, 2002)

The 1994 Parliamentary Committee on Migration considered the goal of “ensuring those persons are available for removal” important. The Committee’s report noted:

“DIEA expressed significant doubt that an alternative to detention could be relied upon to satisfy this requirement. DIEA stated:

The Department’s experience in the past in locating and removing failed asylum seekers does not lead us to a sanguine view of the level of compliance we can expect with the requirement to depart once decision making processes have been exhausted.” (JSCM, 1994, p110)

DIEA’s successor, DIMA, argued a similar point to the 2001 Joint Standing Committee inquiry;

“One alternative to the current system is to allow those who claim refugee status to go directly into the community. It was suggested to the Committee several times that detainees had friends and relations in the Australian community who would be prepared to act as guarantors to DIMA. In response to this, DIMA explained that it was difficult and expensive to locate applicants who had been released into the community to assess their claims.” (JSCFADT, 2001, p 83)

However, in her dissent to the 1994 report, Senator Chamarette argued:

“The main issue canvassed in the majority report with respect to any release scheme is the possibility that those released may abscond. It is obviously very difficult to obtain an accurate estimate of what the rate of absconding might be, but evidence given to the Committee concerning the release scheme that currently operates for illegal entrants eligible for release provides broad estimates:

“In terms of the success rate of the conditions imposed, 28 out of 648 persons (4.3 per cent) have breached the reporting conditions and 11 out of 697 sureties (1.6 per cent) have been forfeited.” (JSCM, 1994, p209, p30)
Senator Chamarette suggested any asylum seeker eligible for release should be required to agree to:

- "report regularly, at least once a fortnight, to a nominated office of DIEA;
- reside at a nominated address notified in advance to DIEA;
- notify DIEA at least a week in advance of any change of address; and
- depart Australia or present for removal if refused refugee status." (JSCM, 1994, p210)

The central question for this section is whether such arrangements would be sufficient to achieve the security goal. In essence, would people under this regime be “available for removal” in the Minister’s words, or would they abscond?

As the UK-based Bail for Immigration Detainees (BID) group noted recently, there has not been much research on this issue. BID (2002, p43) refers to two papers as the only “research on absconding of which BID is aware” — the Breugel and Natamba (UK, 2002) and Vera (USA, 2000) papers discussed in sections 5.3 and 2.4 below.

The discussion looks at some Australian evidence and then at the UK and USA papers.

### 5.2 Australian evidence

Three pieces of evidence for asylum seekers in Australia suggest that fears of absconding are exaggerated:

DIMIA reported in 1998 that no unauthorised asylum seeker released on a bridging visa in Australia during 1996-1998 failed to meet their reporting obligations to DIMIA.23

Evidence to the JSCFADT in August 2002 indicated that no security or criminality issues were identified for any asylum seekers screened over the previous two years (JSCFADT 2002 transcripts, p37,38)

As noted in 2.4 above, no security issues arose in the Woomera trial: “There have been no escapes or attempted escapes, and nobody has been returned to the IRPC.” The DIMIA report noted:

“Security was largely maintained by the presence of staff, not physical barriers, and because residents did not see it in their interests to try to escape.” (p34); and

“Women made it clear that they were conscious of the benefits of living in the Project, and they would not want to act in a way which might deprive future families, currently living in the IRPC, of the opportunity to participate.” (p37).

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23 Information provided by the Office of the Minister for Immigration and Multicultural Affairs in response to a question on notice by Natasha Stott-Despoja on September 1, 1997 – Question 803. (Submission to the Senate Legal and Constitutional References Committee – HREOC 1998)
These experiences mirror experiences in the Australian corrections system. The 2003 Report on Government Services reported generally low absconding rates across Australia:

<table>
<thead>
<tr>
<th>Prisons</th>
<th>NSW</th>
<th>Vic</th>
<th>Qld</th>
<th>WA</th>
<th>SA</th>
<th>Tas</th>
<th>Aust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open perimeter</td>
<td>1.43</td>
<td>2.65</td>
<td>1.74</td>
<td>4.90</td>
<td>1.73</td>
<td>0</td>
<td>2.08</td>
</tr>
<tr>
<td>Secure perimeter</td>
<td>0.12</td>
<td>0.10</td>
<td>0</td>
<td>0</td>
<td>0.08</td>
<td>0</td>
<td>0.06</td>
</tr>
<tr>
<td>Periodic detainees</td>
<td></td>
<td>0.40</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: RGS 2003, Table 7A.16

In all States, the level of escape from open perimeter prisons was higher than from secure perimeter facilities – perhaps not surprising in view of the lower security in the former. However, it is worth noting that New South Wales has a markedly lower absconding rate from periodic detention than it has from open perimeter facilities.

In the NSW periodic detention system, prisoners are not detained seven days a week, but allowed out to work and even seek accommodation in the community. A key incentive is the prospect of returning to full-time detention if the periodic detention rules are broken. This system, with minimal levels of security, shares many similarities with JAS’s RTP proposal.

Another initiative used in the NSW penal system is the Parramatta Transitional Centre, which “provides a bridge between the institutional routines of a correctional centre and the living skills needed for the community”. To date this has been markedly more successful than case-management: since 1996 only one woman of the eighty-four who used the centre has returned to custody. (NSW 2001, p103)

In evidence to the 2000 NSW Parliamentary inquiry, Dr Leo Keliher, Commissioner, outlined the Department of Corrective Services’ classification and case management system. While he acknowledged some problems, he argued:

“People will strive to get a minimum security classification so that they can have longer hours out of cells, they can have the opportunity to go outside the walls of the gaol to work, they can have the opportunity to engage in work release programs, education leave programs and so on, and we believe that that is the encouragement that needs to be put in place…”

(NSW 2001, p77)
5.3 UK evidence

In 2001, UK Home Secretary David Blunkett MP argued:

“People who apply for asylum want permanent status in this country. That is why they do not come here and disappear illegally.” (HoC Debates 29 Oct 2001, cited in Breugel and Natamba 2002, p4)

This assertion was supported by statistics published by the Home Office in 1998, showing only 3.6% of all ‘outstanding asylum applications’ could be identified as absconders.

To update this picture, researchers at South Bank University in London were commissioned to investigate the extent of bail absconding by asylum seekers. The study looked at ninety-eight asylum seekers, using records from the Bail for Immigration Detainees (BID) network. The asylum seeker group had spent an average sixteen weeks in detainment – two weeks longer than the average for all asylum seekers across the UK. Viewing this group as potentially ‘high risk’, the researchers tracked them to establish an upper bound estimate of the proportion of asylum seekers in Britain who abscond.

The outcomes at the date of tracing for this group were:

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absconded/Deemed to have absconded</td>
<td>8</td>
</tr>
<tr>
<td>Complied and deported</td>
<td>8</td>
</tr>
<tr>
<td>Complied and granted ELR/refugee status</td>
<td>6</td>
</tr>
<tr>
<td>Complied and awaiting determination</td>
<td>50</td>
</tr>
<tr>
<td>Complied and other (died/married/ left UK)</td>
<td>9</td>
</tr>
<tr>
<td>Not known</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>98</td>
</tr>
</tbody>
</table>

This shows a high degree of compliance, and small proportion of absconding, from a ‘high risk’ group. The ‘not known’ group are problematic. For example, the report mentions at least two cases where the surety and the port of entry confirmed the asylum seeker had complied with bail conditions. In most other cases, information proved impossible to gather.

The report concluded:

“Depending on how unknowns are treated, our conclusion is that between 8.1 and 9.8 per cent of this high risk group of asylum seekers are likely to have attempted to evade immigration control by ceasing to comply with requirements to live at a registered address, check in with a local police station or attend appeal hearings.” (Breugel and Natamba, 2002, p17)

One of the main goals of the research was to establish trends amongst absconders and hence develop a method of identifying likely non-compliers early in the asylum process, so these people could be detained, allowing others to be released into the community.

The authors observed that the level of absconding was too low “to provide the basis for any ‘risk/probability’ analysis.” However, they noted:

“…asylum seekers have an incentive to keep in touch with the immigration authorities. So long as they still have some hope of being granted refugee status or
leave to remain, they have little to gain in the long run by going underground.” (Breugel and Natamba, 2002, p15)

Consistent with this, the most frequent occasion for absconding was after a removal order was issued. Even then, a large majority (approximately 80%) of those expecting early removal still complied with the conditions of their bail. (Breugel and Natamba, 2002, p16).

Whilst the enforced detainment of all asylum seekers would have led to a non-compliance rate of 0%, the report argued against the contention that ‘detention works’:

1. It assumes that the asylum seekers’ subsequent behaviour is not affected by their period in detention. For example, lengthy imprisonment may lead to a loss of confidence in their case and the system and may even increase the likelihood of the asylum seekers absconding when bailed.
2. The detrimental effects asylum has on mental and physical and mental health.
3. The increased costs of detention. (Breugel and Navamba, 2002, p17, 18)

5.4 **US evidence**

In the late 1990s, the US Immigration and Naturalization Service (INS) commissioned a study of the pilot Appearance Assistance Program (AAP) by the Vera Institute of Justice in New York (Vera, 2000). The AAP had similarities to the case management system proposed by JAS, so the study has particular interest.

The AAP was trialed in New York, commencing in February 1997 and ending in March 2000. 153 non-citizens, comprising asylum seekers, criminal aliens and undocumented workers, entered the AAP, which supervised them either at an intensive or regular level. Participants were required to maintain contact with AAP officers by phone, and received information concerning immigration proceedings, consequences of non-compliance, reminders of court hearings and referrals to legal representatives. The AAP group were compared with 401 other non-citizens unsupervised by the AAP, either released on parole or with other Immigration and Naturalization Service (INS) security measures.

The study (Vera, 2000, p ii, iii) made four key findings of relevance for this paper:

1. 90% of the AAP group made their required appearance in court, compared to 71% for the non-AAP group (and only 59% for non-AAP undocumented workers (p4)).
2. For asylum seekers within the AAP group, the appearance rate was 84%, compared to 62% of non-AAP asylum seekers.
3. The AAP program almost doubled compliance rates with final orders, with a 69% rate amongst intensively supervised participants compared to 38% in the non-AAP group.
4. The cost of supervising asylum seekers is 55% less than detaining them.

The study noted (p7) two factors having strong effects on compliance rates:

- Having community and family ties in the United States, and
- Being represented by legal counsel.

In addition, AAP participation had an independent positive effect on compliance rates for criminal aliens and undocumented workers. As noted above, AAP asylum seekers had stronger compliance rates than non-AAP groups, but this was not clearly independent of the family ties and representation factors (p7).
The study argued that the program helped participants

“make more informed decisions, by explaining the court process, the ways to search for a lawyer, the legal options available to them, and the consequences of failing to appear in court. Participants also expressed an unwillingness to disappoint the program staff, who had treated them with respect and consideration.” (Vera 2000, p7)

This highlights how the relationship with the AAP workers, and an understanding of the court process, can act as disincentives against absconding.

A US Bureau of Justice Statistics 2002 study (BJS, 2002) found similar results for a managed program. Overall, among State parole discharges in 1999 (maintaining stable trends since 1990):

- 42% successfully completed their term of supervision
- 43% were returned to prison or jail
- 10% absconded

There were significant differences between discretionary parolees (those who had their cases considered, and had ‘won’ the parole benefit) and mandatory parolees (those at the end of a sentence and had parole as a ‘right’). In 1999, 54% of discretionary parolees were successful compared to 33% of those who had received mandatory parole. It appears this substantial difference in success rates reflects both:

Effective risk assessment in choosing candidates for discretionary parole

Responses from parolees to the benefit of discretionary parole.
5.5 Implications

This review of the available evidence on absconding rates indicates:

- Absconding rates are generally low;
- Within the generally low figures, the likelihood of absconding differs between participants;
- Rates are almost zero where participants have incentives to continue to participate in the assessment process;
- Rates are lowered where participants have family and community ties; and
- Case management, by assisting participants understand their situation, helps to keep absconding rates low while also enhancing participants’ morale and well-being.

The JAS proposal is consistent with these findings in supporting an approach akin to that in Sweden:

“The Swedish Aliens Act allows detention on three grounds. The first is for the purpose of identification, particularly if a person cannot show valid travel documents. The second reason asylum seekers may be detained is if there is a risk that they might drop out of the refugee determination process and ‘disappear’ into the community. The third reason for detention is when there is probable cause to believe that the decision that will be taken on a particular application will be a negative one, or if a negative decision has already been taken and there is risk that the person might abscond, or when coercive measures may be necessary to enforce the decision to remove a person from Sweden” (Mares 2002, p 250).

Supplementing this with risk assessment and case management will build on key experiences:

- Both in the Woomera trial, where participants did “not want to act in a way which might deprive future families”, and in the Vera study, where “Participants expressed an unwillingness to disappoint the program staff”
- The DIMIA report on the Woomera trial also noted “ACM in particular, but also DIMIA has been able to make reliable risk assessments of the likelihood of detainees observing the rules of the alternative detention arrangements.”

In evidence to the 1994 Inquiry, Justice Einfeld, commenting on other security methods used in community management programs for non-citizens, like bonds, recognisances, sureties and reporting arrangements, said “There seems to be no reason why a selection or combination of these systems or similar safeguards would not adequately protect us and our integrity as a nation.” (JSCM 1994, p126)
6. Benefits of Case Management

6.1 Scope

In June 2002, JAS published *Alternative approaches to asylum seekers: Reception and Transitional Processing System* (JAS, 2000). Case management plays a central role in the proposal:

“The case manager is a contracted service provider responsible for the detainee’s wellbeing in regard to management of relations with DIMIA, security providers, compliance and various support services. The case manager assigns case workers to work with all asylum seekers. The case worker’s role is to:

- Inform asylum seekers of rights, compliance requirements and processes,
- Make individual needs assessments,
- Provide referrals to specialists; and
- Prepare and inform people for all immigration outcomes.” (JAS 2002, p21)

The use of case management has been recommended in a number of other studies, and indeed is part of the Australian Red Cross ASAS program (see section 3.1.1 above). In 1998, the Human Rights and Equal Opportunity Commission, in a review of migration policies, recommended

“A case manager should be appointed to each detainee with responsibility for overall management of the detainee’s dealing with the Department, including seeking prompt resolution of requests, inquiries and complaints.” (HREOC, 1998, rec 15.4)

In January 2002, an Institute of Public Affairs report noted

“One of the cornerstones of the Swedish asylum system is the assignment of a case-worker to each asylum seeker to help them with lodging their claim and keeping them informed about the progress of their case. The Swedish authorities credit the relatively conflict-free operation of their tough asylum system to the presence of these case-workers in the detention centres and their availability to their clients whenever needed. The introduction of such a scheme into the Australian system should be considered to help overcome the impersonal nature of the process, improve morale, and reduce disturbances in the detention centres. The cost of employing case-workers would probably be offset by a reduction in expenses flowing from trauma, violence and destruction of property. (Rod and Brunton 2002, p 79)

The IPA report cites Peter Mares’ recent discussion of the Swedish model. Mares gave further details from an interview with Grant Mitchell (who now works with Hotham Mission, a member of JAS). Mitchell outlined the role of case managers within Swedish detention centres:

“My main job was to ensure that they were aware of all their rights while in detention. ...to ensure that their time in detention was as humane as possible, and that their needs were met.”

“Each assigned personal responsibility for certain individual detainees and were rostered on shifts . . . the relationship between clients and staff in the detention centre was usually very open and respectful. The case workers (and all staff working
with refugees for the Swedish Migration Board) were trained in the prevention of conflict and violence to help them minimise any disturbances that might be created by any detainees who were depressed, agitated or suicidal." (Mares, 2002, p248-9)

In March 2002, the DIMIA review of the Woomera Alternative Detention project noted (DIMIA p36-7, and see section 2.4 above):

“A small number of staff have become quasi case workers within the project. They have become people with whom residents develop a significant degree of trust and are those who can provide them with accurate information and reassurance. They are people to whom problems and concerns can be brought – issues which residents will not raise with other ACM or DIMIA officers whom they may see less frequently or they identify as the ‘authorities’ who hold the power over their lives.

“This concept of an independent caseworker is of course central to the operations of community agencies working with asylum seekers in the community and is one which should be explored in the development of this or other alternative detention arrangements.”

The JAS June 2002 proposal summed up the benefits of case management:

“Case management has an excellent track record in other countries in reducing incidents of self-harm, rioting, hunger strikes and other incidents. In the RTP system the role of a caseworker is to oversee the asylum seeker from arrival to decision: settlement or return. The caseworker plays a pivotal role in bridging the gap in individual case management between security and DIMIA, and between detention and community-based asylum seekers.” (JAS 2002, p21)

“From the outset, the provision of information by the case manager to the asylum seeker about the claim process, and an individual's progress and likely outcomes, will allow individuals a degree of control in making decisions about their future and over their lives. This has been shown [in Sweden] to achieve more effective and humane returns and also to reduce anxiety while in detention and to assist with the transition to the community. The prompt referral to services such as mental health assessment will also lessen the likelihood of psychological damage being caused by detention.” (JAS, 2002, p22)

### 6.2 Case management costs

The costs of case management vary depending on two key factors:

- The salary and other costs of the case worker; and
- The number of people each case worker is responsible for.

Welfare agencies now have considerable experience in providing case management for clients as part of both Commonwealth and State Government social welfare programs. The costs of case workers vary, depending on the level of skill required for particular assignments and clients, and on the levels of support needed. Taking broad averages from data from the Hotham Mission, Anglicare and Australian Red Cross, the following costs seem reasonable:
• Direct salary of the case worker $40,000\textsuperscript{24}
• Plus additional costs totaling 100% of salary:
  o 20% of salary for on-costs (superannuation, workcare, long service leave)
  o 30% of salary for supervision, including debriefing
  o 50% of salary for overheads, including travel and office accommodation.

Adding the 100% for additional costs to the direct salary, the total comes to $80,000 per case worker.

The second element is the number of people each case worker is responsible for. Again, this varies, depending especially on the needs of the clients. For Victorian State Government youth protection programs for high risk children the ratio can be as low as one case-worker per six clients. For the current Red Cross ASAS program (discussed in section 3.1.1), the ratio is one case worker per thirty cases. Importantly for calculating unit costs, a “case” here can have a varying number of people. One case can comprise: a single adult; an adult with dependents; a couple; or a couple with dependents.

With this variation, it is not simple to provide an overall “average” cost. For the purposes of this report, a conservative approach is taken:

• $80,000 all-up costs for the case worker
• A ratio of one case worker to 15 cases at a time, representing 25 people
• Giving an annual cost of $3,200 per person per year ($80,000 / 25)
• Giving a daily cost of $8.75 per day per person ($3,200 / 365)
• Allowing a conservative costing margin of 15%, this is rounded to $10 per day per person.
• Recognising the additional effort required when asylum seekers arrive, a further 50% loading has been added for the initial evaluation period of one month, making the daily rate $15 for this month.

\textsuperscript{24} Each case worker is available for 46 weeks per year, after allowing for annual leave and public holidays


7. Conclusion

In evidence to the Parliamentary Human Rights subcommittee in August 2002, Dr Ozdowski, the Human Rights and Equal Opportunity Commissioner, argued

“...My view is that the longer people are in detention the more mentally damaged they are. In circumstances where you have families especially, but not only families, who went through the process and were unsuccessful and who cannot be returned, I think they should be afforded a bridging visa and they should be able to wait in the community until conditions change. There is a whole range of systems we could use to ensure that they do not abscond, but I think keeping them in detention centres, especially young people, is inhuman and creates enormous damage to them in the long term.” (JSCFADT 2002 transcripts, p12)

It was in response to such concerns that JAS developed the Reception and Transitional Processing (RTP) system (JAS 2002). The RTP paper demonstrated the possibility of major improvements in the treatment of asylum seekers. As the next step in developing the proposal, JAS commissioned this report, with a brief:

- To provide detailed cost information on both the current mandatory detention arrangements and the RTP proposal; and
- In documenting and costing the alternatives, to ensure that the Government’s security goals are addressed, and to consider any issues (such as the prospect of absconding) that are involved.

This review concludes that the RTP system:

- Can give significantly better and more humane outcomes for asylum seekers;
- Can meet the Government’s security requirements;
- Can significantly reduce the overall cost for the taxpayer – after allowing for additional costs of the proposed case management system.

However, as the report noted, there are significant variations within the current costs of detention. Similar variations are also likely to apply in the implementation of an alternative, depending on factors such as the specific security and needs assessments of the particular asylum seekers.

A key feature of the arrangements is therefore the security assessment process for asylum seekers. Risk assessment techniques are available, and indeed have been used in assessing candidates for the Woomera alternative.

On the evidence of this review, families with children will have the lowest level of security concerns. The rationale is:

- The overall likelihood of absconding in any case is low
- The likelihood of absconding differs between people in different circumstances, depending on factors such as:
  - The relative costs or difficulties and benefits of absconding – the difficulties of absconding are lowest for single adult men, and highest for families with children
  - The extent of family and community ties people have
• Understanding of the determination process, and
  • Appreciation of the benefits of community accommodation options.

In addition, Parliamentary committees and other groups have argued that the psychological costs of detention are highest for children. Because of this, families with children are likely to appreciate community management the most (with such appreciation likely in itself to reduce absconding chances further).

From these findings, it seems likely that the most fruitful initial implementation of community accommodation with case management alternative – with the lowest security concerns – would be for families with children.
Appendix 1: JAS Reception and Transitional Processing System

Key features\textsuperscript{25} of the proposed Reception and Transitional Processing (RTP) system:

1. Detention should only be used for a limited time, in most cases for Identity, Health and Security (IHS) checks upon arrival; prior to a person being returned to their country of origin or another country, or if a claim is unsuccessful and if supervision in the community is inadequate to the high risk of the person absconding.
2. Introduction of a monitored release regime based on a revised risk assessment – made into community hostels/cluster accommodation.
3. Those deemed high security risk to remain in detention, but with set periods of judicial or administrative review.
4. Ensuring children and their primary carers are released from detention as soon as possible.
5. Reception of all unaccompanied minors, families, single women, vulnerable people into community care with Government support and compliance requirements.
6. Reception of all people assessed to be psychologically vulnerable into community care by specialized services with Government support and compliance requirements.
7. Creation of a case worker system whereby an independent service provider (e.g. Australian Red Cross) provides information, referral and welfare support services to people claiming asylum, from the time of their arrival to the point of repatriation or settlement in the community.
8. Creation of a Representative Assessment Panel to oversee conditions of detention and community management. The Panel would make decisions on risk assessments, security compliance and periodically review length of detention. The Panel would act as an independent body ensuring transparency and accountability of service providers entrusted with the humane manner of treating people.
9. The introduction of a specialist service provider such as International Organisation of Migration to manage return of persons whose claim has been unsuccessful.
10. The creation of a special visa class for long term detainees who can’t be returned to their country of origin, which would allow them to live in the community until such time as they can be returned.

The RTP System ensures a more humane and functioning return system, which includes:

1. Ensuring from the outset that the asylum seeker is aware of the immigration process, has access to legal counsel and is thus more likely to feel like they have had a fair and expeditious hearing.
2. The caseworker role in exploring and preparing clients for all possible immigration outcomes.
3. By providing ‘motivational counselling’, including coping with a negative decision, preparation to return and empowering clients to make decisions.
4. On a final decision and following a risk assessment, the panel decides as to whether the asylum seeker needs to be detained.
5. Providing incentives for those who choose to voluntarily repatriate, including allowing time to find a third country of resettlement, paying for return flights, including domestic travel and allowing for some funds for resettlement.

\textsuperscript{25} Summarised from JAS 2002.
6. Allowing for Red Cross, IOM or family members to meet them on arrival and if appropriate follow-up postreturn to ensure the safety of those returned and to safeguard future determination decisions.

The RTP System will contribute to a number of positive outcomes:

- More effective and humane returns
- Improving a person’s ability for settlement upon release
- Reducing costs to the taxpayer of prolonged detention
- Reducing incidents and problems and improving worker safety within the detention environment
- Reducing the risk of long-term mental health problems due to prolonged detention
- Releasing children and those at risk from the detention environment
- Reassuring decision-makers and the wider community by means of an accountable and effective processing system
- Allowing for a humane and balanced approach to asylum seekers during the determination process
- Increasing community understanding and involvement with support for asylum seekers.

Some of the main problems in the current immigration detention system that the RTP addresses are:

- High Rates of Self-harm in detention centres
- Hunger strikes, riots and other incidents
- Psychological damage to children
- Vulnerable groups such as families, single and pregnant women, the disabled and the traumatised being harmed by detention
- People being held in detention for periods longer than a year
- How to increase voluntary repatriation when one’s claim is unsuccessful.
Appendix 2: References


Institute of Public Affairs (2002) see Rod and Brunton, below


# Appendix 3: Glossary

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tr>
<td>ACG</td>
<td>Allen Consulting Group (author of 2002 report on costs of Aged Care for the Myer Foundation)</td>
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<tr>
<td>ACM</td>
<td>Australian Correctional Management Ltd (the contracted manager by DIMIA for Woomera and other detention centres)</td>
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<tr>
<td>ASAS</td>
<td>Asylum Seeker Assistance Scheme (run by the Australian Red Cross, contracted to DIMIA)</td>
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**Case management**

A system of allocating case workers to each asylum seeker to assist them in understanding the immigration process, and to manage their interaction with the authorities.

**DIMIA**

Department of Immigration, Multicultural and Indigenous Affairs (from 2001 – the immigration functions were previously performed by DIMA and before that DIEA)

**DIMA**

Department of Immigration and Multicultural Affairs (from 1996 to 2001)

**DIEA**

Department of Immigration and Ethnic Affairs (prior to 1996)

**IDAG**

Immigration Detention Advisory Group – a group set up by the Minister for Immigration to provide advice on detention matters

**Illegal entrant**

Migrant who enters Australia with a valid visa and documentation, but then overstays or fails to comply with conditions or the visa.

**IRPC**

Immigration Reception and Processing Centre – detention centres for unauthorised arrivals

**JAS**

Justice for Asylum Seekers network

**JSCM**

Federal Parliament Joint Standing Committee on Migration

**JSCFADT**

Federal Parliament Joint Standing Committee on Foreign Affairs, Defence and Trade

**Monte Carlo analysis**

A statistical technique which “describes how uncertainty is passed from input variables to the output answer” by defining uncertainty ranges for key variables and using a number of simulations to produce a likelihood frequency for the output. For one recent exposition, see James F Wright
Monte Carlo Risk Analysis and Due Diligence of New Business Ventures (October 2002).

RGS Report on Government Services (annual report publishing costs of Government services across Australia, for a Steering Committee with support from the Productivity Commission)

RTP Reception and Transitional Processing System (alternative model for asylum seekers proposed by JAS in its June 2002 paper)

Unauthorised arrival

Migrant who lands in Australia without valid visa or other travel documentation
The Justice for Asylum Seekers (JAS) network was established in 1999 and comprises:

- Afghan Support Group
- Amnesty International (Victoria)
- Anglican Church
- Anglicare Victoria
- Asylum Seeker Project of Hotham Mission
- Austcare
- Australian Iraqi Association
- Baptist Union
- Brotherhood of St Laurence, Ecumenical Migration Centre
- Catholic Commission for Justice Development and Peace (Melbourne)
- Caritas Australia
- Centre for Multicultural Youth Issues
- Churches of Christ
- Council of Vietnamese Supporting Organisations in Australia
- Ethnic Communities Council of Victoria
- Good Shepherd Sisters
- Indo Chinese Refugee Association
- Jesuit Refugee Service
- Liberty Victoria
- Melbourne Catholic Migrant and Refugee Office
- National Council of Churches in Australia (Victoria)
- National League for Democracy (Burma Liberated Area)
- Oxfam Community Aid Abroad
- Refugee Council of Australia
- Refugee and Immigration Legal Centre
- Salvation Army
- Springvale Community Aid And Advice Bureau
- St Vincent De Paul Society (Victoria)
- Tear Fund Australia
- Uniting Church of Australia, Victorian Synod
- Vietnamese Community in Australia

For further information contact:

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