

**Response to invitation to comment  
Department of Foreign Affairs and Trade, Consular Strategy 2014-16**

Alex Oliver  
Research Fellow and Director, Polling  
Lowy Institute for International Policy

The Lowy Institute is grateful for the opportunity to comment on the Department of Foreign Affairs' Consular Strategy 2014-16.

As a research fellow at the Lowy Institute, together with colleagues and former colleagues, I have been researching issues confronting Australia's consular service since 2009. The issues we have uncovered were first canvassed in 2009 in the Institute's Blue Ribbon Panel Report, *Australia's Diplomatic Deficit*, and dealt with again in the 2011 update to that report, *Diplomatic Disrepair*.<sup>1</sup> In March 2013 the Institute released my policy brief *Consular Conundrum: the rising demands and diminishing means for assisting Australians overseas*, in which I outlined some of the challenges affecting the delivery of consular services and proposed some possible policy responses.<sup>2</sup> I have drawn substantially on these publications in preparing this submission.

**The context**

**1) Rising demand for consular services**

With significant increases every year in the number of Australians travelling overseas, the demands on Australia's consular service are growing. The latest update from the Australian Bureau of Statistics shows that in the 12 months to November 2013, Australian residents made 8.8 million overseas trips, a number which has doubled in the last decade, and is five times greater than a quarter of a century ago. Cheaper airline tickets and a strong Australian dollar have contributed to this massive increase in international travel. Almost half the Australian population hold passports, and over 1.7 million Australian passports were issued in 2013 alone.<sup>3</sup>

DFAT's own data indicates that the increasing number of travellers has coincided with a more than doubling in arrests, deaths and hospitalisations of Australian travellers over the

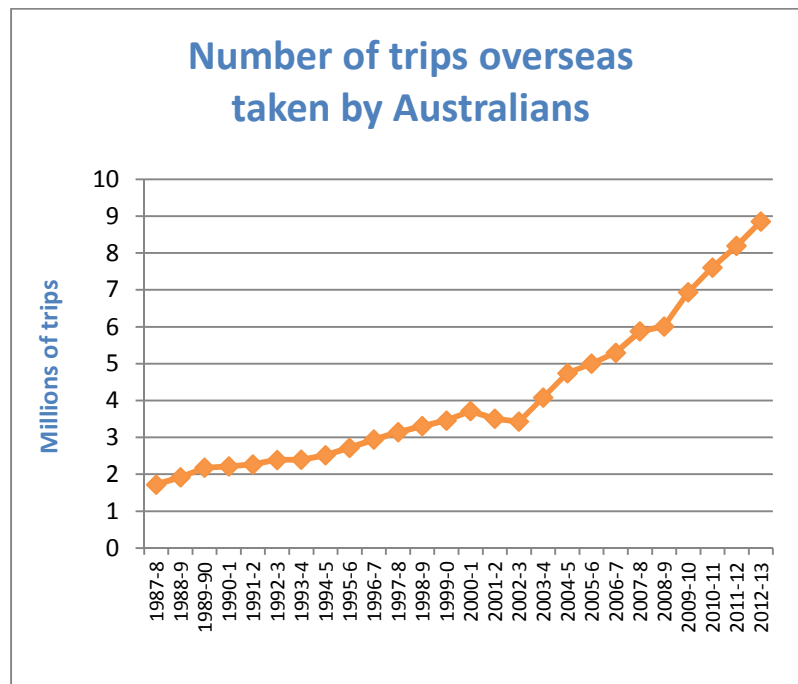
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<sup>1</sup> Lowy Institute Blue Ribbon Panel, *Diplomatic deficit: Reinvesting in our instruments of international policy*. March 2009; Alex Oliver and Andrew Shearer, *Diplomatic disrepair: Rebuilding Australia's international policy infrastructure*, August 2011.

<sup>2</sup> Alex Oliver, *Consular conundrum: The rising demand and diminishing means for assisting Australians overseas*. Lowy Institute Policy Brief, March 2013.

<sup>3</sup> Department of Foreign Affairs and Trade, *Annual Report 2012-2013*. Barton, 2013, p 137.

last decade.<sup>4</sup> ABS statistics show that the profile of the typical Australian traveller has also changed, as have their destinations and the activities they pursue abroad – all of which has significantly expanded the consular workload.<sup>5</sup> The number of Australian travellers aged under 25 has more than doubled in the last decade, and the number of over-55s has tripled.<sup>6</sup> Inexperienced younger travellers are more likely to get into legal or financial trouble. Older travellers are more likely to face health problems.<sup>7</sup>



Source: ABS, Overseas arrivals and departures, December 2013

Adventure travel and extreme sports tourism that are more likely to cause injury or death are becoming more common.<sup>8</sup> Travellers are visiting more exotic, unusual, geographically remote, and sometimes politically unstable destinations.<sup>9</sup> The fastest-growing destinations, such as India, Sri Lanka, Thailand, Indonesia, Vietnam, and China<sup>10</sup> are also places where consular work can be more challenging because of fewer and less sophisticated local services.

<sup>4</sup> 1136 arrests, 1247 deaths and 1372 hospitalisations in 2012-13, *ibid.*, p 135.

<sup>5</sup> DFAT, *Submission to Senate Standing Committee on Foreign Affairs, Defence and Trade, Inquiry into the kidnapping of Australian citizens overseas*. 2011, p 1-2.

<sup>6</sup> Australian Bureau of Statistics, ABS feature article: International movements 2011-12, in 3401.0 - Overseas arrivals and departures 2012.

<sup>7</sup> Interviews with senior DFAT consular officials, 31 October 2011.

<sup>8</sup> Wilton Park, *Contemporary consular practice: trends and challenges*, conference report, <https://www.wiltonpark.org.uk/conference/wp1258/>, 3-5 September 2013, p 2.

<sup>9</sup> The Hon. Kevin Rudd MP Minister for Foreign Affairs, *Remarks at launch of Smartraveller III, Sydney International Airport*. 25 November 2011; H. G. Parry, *The modernization of consular services: leveraging technology within a new concept of operations: the Canadian experience*. Ottawa, WorldReach Software Corporation, 2004.

<sup>10</sup> See ABS data, December 2013.

In an average year, DFAT provides general welfare and guidance in over 20,000 consular cases.<sup>11</sup> According to experienced consular officials, these cases are becoming increasingly complex and demanding.

In addition to its growing workload, DFAT has also managed a series of major consular crises in the last decade, including the 2002 Bali bombings,<sup>12</sup> the Boxing Day tsunami in 2004,<sup>13</sup> the Lebanon crisis in 2006,<sup>14</sup> terrorist attacks in Mumbai in 2010, and in 2011, uprisings in the Middle East, earthquakes in New Zealand and the tsunami and nuclear disaster in Japan. Some of these crises have necessitated evacuations of thousands of Australians.<sup>15</sup>

## **2) Increasing numbers of dual and multiple citizens**

With globalisation has also come an increasing prevalence of expatriate and dual citizen arrangements,<sup>16</sup> with around one million Australians living overseas at any one time.<sup>17</sup> When crisis strikes, whether natural or man-made, it is harder for residents to uproot and leave. In the years since 2002, when Australia first allowed dual citizenship, it has provided the same level of assistance to its citizens regardless of whether they are also citizens of other countries, even in the country of their other residence or citizenship. Issues such as where citizens pay tax, their usual country of residence, where they vote, and their access to services by virtue of their other nationality, have not to date factored into Australia's determination of whether to provide consular assistance.<sup>18</sup> This high dual-citizen and expatriate population adds a further layer of complexity to an already overburdened consular service.

## **3) Rising expectations and political intervention: the vicious consular cycle**

While there is a huge range in the type and seriousness of consular cases, some fundamental trends are nonetheless evident: expectations of what our diplomats can or should do for distressed travellers overseas are climbing, and in some cases becoming more unrealistic. Most foreign ministries can cite numerous examples of consular requests that illustrate a rising degree of unreasonable reliance on government to solve petty consular problems – some even publish them on their websites.<sup>19</sup>

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<sup>11</sup> DFAT annual reports, 2001-2 to 2012-13; based on a 5 year rolling average.

<sup>12</sup> DFAT, *Annual Report 2002-2003*. Barton, 2003, p 3, 126.

<sup>13</sup> DFAT, *Annual Report 2004-2005*. Barton, 2005, p 146.

<sup>14</sup> DFAT, *Annual Report 2006-2007*. Barton, 2007, p 9.

<sup>15</sup> For example, 5,000 evacuated from Lebanon in 2006, DFAT, *Annual Report 2006-2007*. Barton, 2007, p 9.

<sup>16</sup> Australian Citizenship Council 2000, *Australian citizenship for a new century*. February 2000, p 65

<sup>17</sup> Minister for Foreign Affairs, *Remarks at launch of Smartraveller III, Sydney International Airport*

<sup>18</sup> Wilton Park, *Contemporary consular practice* conference report, p 5.

<sup>19</sup> For example, see Foreign and Commonwealth Office, *'Hello British Embassy. my jam won't set, can you help?'*, 12 August 2009: <http://www.fco.gov.uk/en/news/latest-news/?view=News&id=20686393>; also Jordana Divon, *Consular officials reveal oddest requests from Canadians*. Yahoo News, 31 December 2011: <http://ca.news.yahoo.com/blogs/dailybrew/consular-officials-reveal-oddest-requests-canadians-abroad-150909940.html>.

### Requests and queries received by DFAT and its consular emergency service:<sup>20</sup>

- “Could DFAT feed my dogs while I’m away?”
- “Will the sand in Egypt upset my asthma?”
- “How much spending money should my cousin bring with him on his visit to Australia?”
- “My daughter has been offered a job in Thailand. Do you keep statistics on average expat salaries in Thailand?”
- “I haven’t heard from my friend for 3 years, I’m worried about him and I also want his motor cycle out of my garage”
- One couple, boarding a free evacuation flight, asked if they would receive frequent flyer points

Age and experience, among a range of factors, will impact on how a traveller deals with crises or responds to unexpected problems. Many travellers cope with difficulties overseas without seeking government help. But anecdotal evidence, like that in the table above, points to a growing sense of entitlement among some travellers. The fact that fewer Australians take out travel insurance than travellers from comparable countries also suggests that the issue of personal responsibility needs to be addressed.<sup>21</sup> While recent reports indicate insurance rates may be improving, and DFAT has strongly focused its *smartraveller* communication to achieve this, the insurance levels amongst males and younger travellers remain low.<sup>22</sup> And the growing incidence of Australians overseas demanding that government intervene in their cases no matter how trivial, foolhardy or avoidable their predicament, would seem at odds with a national culture that prides itself on resilience and resourcefulness.<sup>23</sup>

The problem is compounded by the fact that media attention on prominent cases tempts politicians to override departmental protocols and consular service charters to provide higher levels of attention and service, bidding up the level of service Australians expect when they encounter trouble overseas.

In some instances, genuinely difficult circumstances have induced a particular reaction by government and created a new norm for consular service that is difficult to sustain. For example, following the effective responses to the Bali bombings and the Lebanon crisis, the Gillard government buckled to public pressure to provide government airlifts during the Bangkok airport protests, in circumstances where travellers were inconvenienced but not in

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<sup>20</sup> Email communication, DFAT, 17 January 2013.

<sup>21</sup> Estimates range from 50% to 62% insured, in comparison with Britain’s 85%. Australian travellers run the risk of not purchasing travel insurance. *1Cover Direct Insurance blog*, 21 February 2012: <http://www.1cover.com.au/blog/201102/travel-insurance/advice/australian-travellers-run-the-risk-of-not-purchasing-travel-insurance.html>; email advice from Australian Federation of Travel Agents, 24 July 2012; advice from senior officer, Consular Directorate, FCO.

<sup>22</sup> 49% 18-30 year-olds insured, 55% males insured, 73% overall insured: Woolworths Insurance, *Woolworths Travel Insurance helps Aussies take cover these holidays*, 11 February 2014, [http://www.woolworthslimited.com.au/page/The\\_Newsroom/Latest\\_News/Woolworths\\_Travel\\_Insurance\\_helps\\_Aussies\\_take\\_cover\\_these\\_holidays/](http://www.woolworthslimited.com.au/page/The_Newsroom/Latest_News/Woolworths_Travel_Insurance_helps_Aussies_take_cover_these_holidays/).

<sup>23</sup> For example, the ‘bar mat mum’ incident in 2009 in Alex Oliver, *Consular conundrum*, p 3.

danger.<sup>24</sup> During the mass protests and violence in Cairo in early 2011, the government anticipated public demand in the face of a volatile situation and offered “a jumbo a day for as long as it’s needed” to bring Australian tourists home.<sup>25</sup> These episodes potentially create a ‘moral hazard’ by discouraging Australians from assuming personal responsibility and making their own arrangements to leave danger zones early, in the expectation that they will be rescued expeditiously by their government should trouble arise.<sup>26</sup> Some are taking trips to crisis zones and ignoring travel warnings altogether.<sup>27</sup>

Sometimes, however, these rising expectations are created not by crises over which governments have no control, but by acts of political expediency, driven by often hyperbolic media attention given to particular consular incidents. This becomes a vicious cycle: public expectations, already high and sometimes unrealistic, are stoked by media attention and the political temptation to provide ever-increasing levels of consular service.

While there are numerous examples of this under successive governments, the case of the 14-year old boy (dubbed by the media “the Bali boy”), arrested in Bali for buying a small amount of marijuana in a street deal, illustrates the issue. The then Foreign Minister, responding to intense media coverage, became heavily involved and the Prime Minister personally interceded to speak to the boy on the telephone.<sup>28</sup> This type of high-level political intervention is clearly unsustainable.

## **2) Diminishing means**

As the Lowy Institute has observed in successive reports,<sup>29</sup> the chronic under-resourcing of Australia’s foreign service has made the growing consular load even more unmanageable. With increasingly scant resources, the intensive and unpredictable consular workload threatens other, arguably more important, areas of DFAT’s work, and strains the rational conduct of Australia’s diplomacy.

DFAT’s overseas network – those staff at the front line of the consular effort when a crisis hits – shrank by over 30 per cent between 1987 and 2013.<sup>30</sup>

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<sup>24</sup> Anne Hyland, When the going gets tough Aussie travellers whine. *The Australian Financial Review*, 13 December 2008.

<sup>25</sup> Brendan Nicholson and John Lyons, 'Plane a day' set for Cairo. *The Australian*, 2 February 2011.

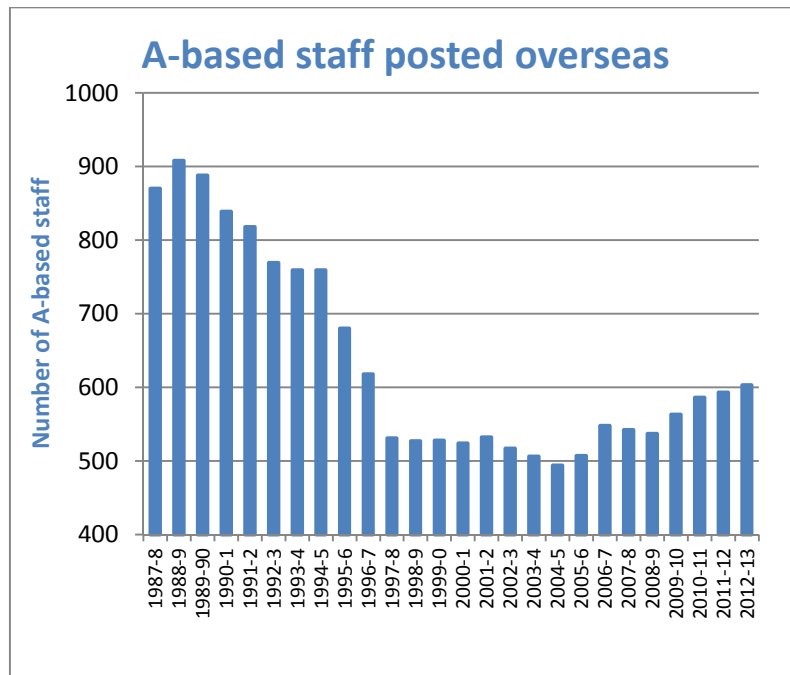
<sup>26</sup> Hugh White, *Looking after Australians overseas*, Policy Brief, Lowy Institute for International Policy, 2007, p 10.

<sup>27</sup> Australian tourists defy Egypt travel warnings despite protests against President Mohamed Morsi, news.com.au, 3 July 2013.

<sup>28</sup> Andrew Bolt, Ego wrestle between PM and Rudd on Bali teen, *Herald Sun*, 12 October 2011: <http://www.heraldsun.com.au/opinion/ego-wrestle-between-pm-and-rudd-on-bali-teen/story-e6frfhqf-1226164323894>.

<sup>29</sup> *Diplomatic deficit, Diplomatic disrepair, and Consular conundrum*.

<sup>30</sup> See Oliver and Shearer, *Diplomatic disrepair*, p viii, updated with latest resourcing figures from *DFAT Annual Report 2012-2013*, p 184.



Source: DFAT annual reports

Although the government sector as a whole flourished, growing nearly 60 per cent between 1997 and 2013, DFAT staffing remained virtually unchanged.<sup>31</sup> As a proportion of government expenditure, DFAT’s allocation almost halved over the last decade.<sup>32</sup> Despite this, the former government failed to prioritise DFAT’s budget situation compared with that of other government departments which had done far better in those booming conditions.<sup>33</sup> Budget pressure on DFAT continued in 2012-13, with Dennis Richardson, then DFAT secretary, acknowledging cuts of a further 100-150 staff positions in the 2012-13 financial year.<sup>34</sup>

Adding to those budget pressures, twenty-eight consecutive years of so-called ‘efficiency dividends’, by which the Commonwealth Budget has automatically imposed savings of between one and four per cent per annum on DFAT, have “exhausted opportunities for reprioritisation and efficiency gains”.<sup>35</sup> Unlike some agencies, including Defence, DFAT has never been exempted from absorbing these mandatory budget cuts.<sup>36</sup>

<sup>31</sup> DFAT staffing increased 6% between 1997 and 2013; data from Commonwealth Budget, Budget paper No. 1, Statement 6, and equivalent budget papers from 2000-1 to 2011-12.

<sup>32</sup> Oliver and Shearer, *Diplomatic disrepair*, pp 7-10.

<sup>33</sup> Dennis Richardson, Transcript, *Parliamentary Joint Committee on Foreign Affairs, Defence and Trade, Australia’s overseas representation*, 10 February 2012, p 2; Foreign Minister Bob Carr, *Estimates (Proof Committee Hansard). Senate Foreign Affairs, Defence and Trade Legislation Committee*, 30 May 2012, p 13; and see Alex Oliver, *Rebuilding Australia’s diplomatic network ... when circumstances allow*, <http://www.lowyinterpreter.org/post/2012/10/30/Repairing-Australiae28099s-diplomatic-network-e280a6-when-circumstances-allow.aspx>.

<sup>34</sup> *Senate Estimates*, 30 May 2012, p 12.

<sup>35</sup> DFAT, *Incoming government brief prepared for the Minister for Foreign Affairs*, September 2010, p 154, in Oliver and Shearer, *Diplomatic disrepair*, p 10.

<sup>36</sup> Nicholas Horne, *The Commonwealth efficiency dividend: an overview*, Parliamentary Library, 13 December 2012, [http://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/BN/2012-2013/EfficiencyDividend#\\_Toc343007816](http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BN/2012-2013/EfficiencyDividend#_Toc343007816), pp 8-9.

Pressures on DFAT resources flow through to its consular operations. After 2006, when the Howard government boosted consular funding in response to crises such as the Bali bombing and the Asian tsunami crisis, consular staffing levels at DFAT stagnated, with only 15 full positions in 2011 dedicated to consular work across all of Australia's 95 overseas missions, two positions fewer than there were five years earlier despite the consular workload increasing by 60 per cent over the same period.<sup>37</sup> Other strategies, like the employment of (far less expensive) local staff in a host country, pose problems. In times of stress in a foreign place, a citizen seeks a familiar face and accent behind the consulate counter, not a locally employed staff member from the country in which they are experiencing distress.<sup>38</sup>

The net result is that when consular crises strike, DFAT is forced to manage them by "robbing Peter to pay Paul".<sup>39</sup> Because of the importance of assisting Australians in distress overseas, in consular emergencies additional staff are flown in from another post or from Canberra, and diverted from other diplomatic tasks or policy development.<sup>40</sup> Other national priorities are therefore neglected.<sup>41</sup>

All of this comes at a time when Australia's international circumstances are undergoing rapid and profound transformations. Australia is dealing with a rising China and the implications for its relationship with the United States. The global economy is struggling, new international players are emerging, and potential new conflicts are looming in our neighbourhood. Australia has assumed new global responsibilities with a seat on the UN Security Council and chairmanship of the G20 in 2014. At a time when DFAT has multiple priorities, the department's responsibilities are being compromised by the diversion of scant resources to consular work.

#### **4) International comparisons**

In preparing the policy brief *Consular Conundrum*, I visited the consular sections and bureaux of other, 'like-minded' foreign ministries in the United States, Canada, the United Kingdom, the Netherlands, and New Zealand. This and other research has highlighted that Australia's consular challenges are mirrored in those other nations, though in most cases their ministries of foreign affairs are better resourced and their overseas networks far more

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<sup>37</sup> as at late 2011; DFAT, *Submission by the Department of Foreign Affairs and Trade to the Joint Standing Committee on Foreign Affairs, Defence and Trade, Inquiry into Australia's Overseas Representation*. 20 January 2012, p 18-19.; Minister for Foreign Affairs, *Remarks at launch of Smartraveller III, Sydney International Airport*

<sup>38</sup> Giorgio Porzio, Consular assistance and protection: an EU perspective. *The Hague Journal of Diplomacy* 3 (1) 2008, p 95; Donna Hamilton, *The transformation of consular affairs: the United States experience*. Discussion paper in diplomacy 116. The Hague, Netherlands Institute of International Relations 'Clingendael', 2009, p 15; Maaïke Okano-Heijmans, *Change in consular assistance and the emergence of consular diplomacy*. Clingendael Diplomacy Papers no. 26. The Hague, Netherlands Institute of International Relations 'Clingendael', 2010, p 17; interviews with senior Canadian consular officials April 2011.

<sup>39</sup> Dennis Richardson, DFAT Secretary, *Senate Estimates*. 24 February 2011, p 28.

<sup>40</sup> Oliver and Shearer, *Diplomatic disrepair*, p 12

<sup>41</sup> White, *Looking after Australians overseas*, 2007

comprehensive than Australia's.<sup>42</sup> The British High Commissioner to Australia noted in 2011 that:

*“we [the UK] face ever-rising demands as more and more of our citizens go overseas and travel to more and more exotic locations. And so, the demand for our consular support, whether it involves terrorism incidents or natural disasters seems to grow exponentially. As a foreign ministry, if you do badly, you get criticised. But if you handle a crisis well, it simply raises — ups the ante by raising expectations next time.”*<sup>43</sup>

With at least 240 missions, Britain's diplomatic footprint is one of the largest in the world.<sup>44</sup> Australia's overseas diplomatic network is one of the smallest in the developed world.<sup>45</sup> While only 11 other nations in the world have larger economies, only 11 nations spend more on defence and only 10 have higher official development assistance budgets,<sup>46</sup> Australia's diplomatic network in 2011 ranked just 25<sup>th</sup> of 34 nations in the OECD and was the smallest diplomatic network of all of the G20 nations.<sup>47</sup>

### **5) Australia's inadequate diplomatic footprint**

The millions of trips Australians take annually are spread broadly across the globe's 195 nations. By comparison, the 95 Australian diplomatic and consular missions which serve Australians' consular needs are located in only 76 countries. Many of those missions are 'small' posts with fewer than four Australia-based staff, and they are severely constrained in their ability to carry out core diplomatic activities in addition to the growing administrative and consular burdens.<sup>48</sup> As the then Secretary of DFAT observed in 2012, “relative to Australia's size and our global interests and regional priorities, the department's resources are thinly spread.”<sup>49</sup>

In an analysis of the distribution of diplomatic missions in Australia's network in 2011, we found that Australia was dramatically underrepresented in the powerhouse region of North Asia (including China and South Korea) and in South East Asia.<sup>50</sup> Even where the

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<sup>42</sup> See Wilton Park, *Contemporary consular practice* conference report; Oliver and Shearer, *Diplomatic disrepair*, pp 2, 6, 24.

<sup>43</sup> Question by British High Commissioner Paul Madden, Richardson, *DFAT: who are we and what do we do? Speech for the Lowy Institute Distinguished Speakers Series, National Portrait Gallery, Canberra.*

<sup>44</sup> Oliver and Shearer, *Diplomatic disrepair*, p 2; The Foreign and Commonwealth Office, January 2012 [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/32884/about-fco.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/32884/about-fco.pdf).

<sup>45</sup> Oliver and Shearer, *Diplomatic disrepair*, pp 2-3.

<sup>46</sup> World Bank, World development indicators database, *Gross domestic product 2012*, 17 December 2013; The International Institute for Strategic Studies, *The Military Balance 2013*, p 41; OECD Statistics, [http://www.oecd-ilibrary.org/development/development-aid-net-official-development-assistance-oda\\_20743866-table1](http://www.oecd-ilibrary.org/development/development-aid-net-official-development-assistance-oda_20743866-table1).

<sup>47</sup> In terms of number of missions; Oliver and Shearer, *Diplomatic disrepair*, pp 2-3.

<sup>48</sup> Oliver and Shearer, *Diplomatic disrepair*, p 4.

<sup>49</sup> Secretary's Review, *DFAT Annual Report 2011-12*, p 5.

<sup>50</sup> Andrew Shearer, Fergus Hanson and Alexandra Oliver, *Submission to the Joint Standing Committee on Foreign Affairs, Defence and Trade Inquiry into Australia's overseas representation*, 30 November 2011, pp 9-11, [http://www.aph.gov.au/parliamentary\\_business/committees/house\\_of\\_representatives\\_Committees?url=jfad/overseas%20representation/subs.htm](http://www.aph.gov.au/parliamentary_business/committees/house_of_representatives_Committees?url=jfad/overseas%20representation/subs.htm), p 10-11.



concentration of DFAT missions was highest – in Europe – they still covered a bare 50 per cent of the countries of Europe.<sup>51</sup> And though eight of the top ten travel destinations for Australians are in North, South and South East Asia, only a quarter of Australia’s diplomatic missions are located there.<sup>52</sup>

Australia has only two posts in Indonesia (Jakarta and Denpasar), and only one in Thailand (Bangkok). Yet Indonesia and Thailand are the third and fourth most popular destinations for Australian travellers (with nearly 1 million trips per annum to Indonesia and over 600,000 trips to Thailand).<sup>53</sup>

Thailand recorded the highest number of Australian deaths in 2012, with 123 families assisted with the task of repatriating or dealing with remains.<sup>54</sup> Thailand also ranks second-highest of all destinations when the number of Australian deaths, arrests and detentions are consolidated. As noted in the *Issues paper*, foreign criminal cases involving Australians consume a disproportionate amount of the resources of our overseas posts, making the case for a new consulate in Phuket even stronger.<sup>55</sup>

In evidence to the Joint Standing Committee Inquiry on Australia’s overseas representation in 2012, Dennis Richardson, then DFAT Secretary, acknowledged that Australia’s diplomatic representation was “underdone” in China and in Africa, and argued the need for consular representation in Phuket. In response to questioning during the inquiry, DFAT then submitted a list of priority new posts if funding were to be made available, which included Phuket, Kazakhstan, Mongolia and Senegal.<sup>56</sup>

## Recommendations

Like many other ministries of foreign affairs, DFAT has put considerable effort into encouraging travellers to assume more responsibility, and in attempting to ‘manage down’ their expectations of what their governments will and won’t do to assist them when they encounter difficulties overseas.<sup>57</sup> There are numerous examples of this in consular ‘service charters’ and government travel websites, including DFAT’s own *Consular Services Charter*.<sup>58</sup>

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<sup>51</sup> Joint Standing Committee on Foreign Affairs, Defence and Trade (JSCFADT), *Australia’s overseas representation – Punching below our weight?*, October 2012, p 16.

<sup>52</sup> See Appendix, Table 1; JSCFADT, *Australia’s overseas representation – Punching below our weight?*, October 2012, p 16.

<sup>53</sup> Shearer, Hanson and Oliver, *Submission to Inquiry into Australia’s overseas representation*, 30 November 2011, pp 9-11.

<sup>54</sup> See Appendix, Table 2; DFAT consular case breakdown, data provided by DFAT, April 2013.

<sup>55</sup> DFAT, *Consular Strategy 2014-15, Issues paper*.

<sup>56</sup> DFAT, *Supplementary submission to the Inquiry on Australia’s overseas representation*, 19 March 2012.

<sup>57</sup> Interviews with consular officials of the State Department, DFAIT Canada, FCO and Netherlands Foreign Ministry; White, *Looking after Australians overseas*, p 12.

<sup>58</sup> e.g. Foreign Affairs and International Trade Canada, *Consular Services 2012*:

<http://travel.gc.ca/about/assistance/consular>; Foreign and Commonwealth Office, *When things go wrong: sick or injured abroad* 2012: <http://www.fco.gov.uk/en/travel-and-living-abroad/when-things-go-wrong/sick-injured>; Department of Foreign Affairs and Trade, *Smartraveller: Consular Services Charter*: <http://www.smartraveller.gov.au/services/consular-services-charter.html>.

DFAT's revamped travel website smartraveller.gov.au, its simplified travel advisories, its Facebook page, and iPhone app which provides tailored travel notifications for particular destinations, are all initiatives moving in the right direction.

The reality is, however, that the bureaucrats' rule-book will continue to be thrown out of the window regularly and haphazardly by governments seeking to display a muscular approach on consular services to impress domestic audiences. Rather than rely entirely on the risk- and expectation-management approach, other solutions need to be found.

**a) Boost funding to relieve stresses on other DFAT functions and resource consular work properly**

A quarter of a century of efficiency dividends has exhausted DFAT's ability to find further savings.<sup>59</sup> If the Department is to continue to provide, and the Government continues to direct that it provides, the sort of consular service to which Australian citizens have become accustomed, additional funds for those services must be found. These could be raised as follows:

- Government should impose a small levy, fee or 'premium' to permanently augment the consular funding pool as recommended in the 2012 Joint Standing Committee report on Australia's overseas representation.<sup>60</sup> This could be levied either on the cost of a passport (as was done on a one-off basis in 2006)<sup>61</sup> or on the cost of an airline ticket. The amount need not be large: the UK already imposes a £15 consular 'premium' on every passport application.<sup>62</sup> In the Netherlands, every trip booked through a travel agent incurs a small €2.50 fee<sup>63</sup> which covers the cost of repatriation and holiday losses in a crisis;
- if no levy or consular fee is imposed, then DFAT should implement a system of charging for consular services:
  - a) Consular services (in addition to notarial services which already attract fees) should be charged according to a fixed scale of service fees or on an hourly basis.<sup>64</sup>
  - b) At the very least, travellers who do not heed official travel warnings should be required to reimburse government for the cost of assistance provided to them in a crisis, including evacuation costs, while allowing for extenuating circumstances on a case-by-case basis. This system could be imposed via the

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<sup>59</sup> Department of Finance and Deregulation Commonwealth of Australia, *Report of the review of the measures of agency efficiency* March 2011, p 13; Dennis Richardson, *Estimates (Proof Committee Hansard). Senate Foreign Affairs, Defence and Trade Legislation Committee, 30 May 2012*, p 12.

<sup>60</sup> JSCFADT, *Australia's overseas representation*, Recommendation 12, p 72.

<sup>61</sup> Minister for Foreign Affairs, *Overseas consular and crisis response - strengthening assistance to Australians*.

<sup>62</sup> Foreign and Commonwealth Office, *Consular Services annual report 2008/09*. London, FCO, 2009, p 8.

<sup>63</sup> *Calamity Fund: Guarantee*: <http://www.calamiteitenfonds.nl/calamiteitenfonds/index.asp?uid=2>.

<sup>64</sup> Ann Harrap, *Making Australians fit for travel*, in *The Interpreter* 2013, <http://www.lowyinterpreter.org/post/2013/04/02/Making-Australians-fit-for-travel.aspx>, 2 April 2013.

Australian Taxation Office, or alternatively, passport renewal could be withheld until payment is received.

- c) Australians who access consular services when they encounter difficulty overseas should be charged for those services (again, allowing for extenuating circumstances on a case by case basis) if they have taken out no, or inadequate, travel insurance.
- Government should redirect revenue back to DFAT from the 190,000-plus notarial services it performs annually in its embassies, consulates and offices. These include witnessing, authenticating and certifying documents, with fees from around \$20 to \$60 for each service. DFAT has no claim on this income despite having generated it: the funds are currently returned to consolidated government revenue. This income should be returned to DFAT in a dedicated stream specifically to bolster funding for consular services;
- Finally, Government should exempt DFAT from the Commonwealth Government's efficiency dividend. This would allow DFAT additional funds on a sustainable basis to boost staffing and open new posts to serve both consular and diplomatic demands in priority locations such as Phuket and Eastern Indonesia.

***b) Open new posts to address inadequate diplomatic and consular footprint***

Numerous government reports have reinforced the recommendations made by the Lowy Institute in its own reports on Australia's *Diplomatic deficit* that Australia's overseas network has been run down and is ill-prepared to meet the needs of an increasingly globalised nation. The Joint Standing Committee on Foreign Affairs, Defence and Trade, the Australia in the Asian Century White paper, as well as the Coalition's pre-election foreign affairs policy have all acknowledged the mismatch between Australia's international interests and the state of its diplomatic network.<sup>65</sup>

The Australian Government must urgently address the under-resourcing of the Department of Foreign Affairs in upcoming budgets to assist it in rebuilding its overseas network to a level consistent with Australia's needs and interests in this globalised century. Priority should be given to opening new posts in the areas identified in the Parliamentary Inquiry report on Australia's overseas representation.<sup>66</sup> Some of these priority posts were identified primarily to meet pressing consular demand (such as Phuket), others to provide diplomatic representation in emerging centres of influence and economic opportunity (such as Eastern Indonesia, Central Asia and Africa). Expanding Australia's diplomatic representation will achieve a better balance between its consular work and its other diplomatic responsibilities and opportunities, and assist in building a properly functioning international network.

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<sup>65</sup> JSCFADT, *Australia's overseas representation*; Australian Government, *Australia in the Asian Century*, White Paper, October 2012, p 254; The Liberal-National Coalition, *The Coalition's policy for foreign affairs*, September 2013, p 7.

<sup>66</sup> JSCFADT, *Australia's overseas representation*, pp 45-46.

**c) Review the scope and refine the direction of consular services**

The rising demand and constrained resources for consular services necessitate a restructuring of the delivery of consular services. In particular:

- There is scope for limiting consular services for dual citizens when in the country of their other citizenship, where they are normally resident and in which they pay taxes.<sup>67</sup> In extenuating circumstances, such as the risk of death penalty, assistance can be determined on a case-by-case basis.
- The levels of consular assistance, particularly in cases of arrest and detention, could be adjusted in countries in which legal systems and local services are of similar nature, standard and structure to those in Australia. In this way, the relatively large number of Australian detainees in the United States, for example, would be given less assistance (for example, fewer regular visits in prison, attendance at only the most serious court cases) than those in Thailand, China, Indonesia or other nations with high rates of Australian incarcerations overseas.<sup>68</sup>

**d) Review opportunities for organisational and resourcing innovation**

As outlined in *Consular conundrum*, any funding boost for DFAT should be accompanied by an examination of DFAT's consular processes and structures to ensure that existing and any new resources are used to maximum effect. For example, DFAT should re-examine its current 'one size fits all' approach to crisis contingency planning, which ties up resources by not being tailored to the scale and nature of potential crises and risk profile of particular locations.

It should also explore more innovative approaches to the recruitment of consular staff. The U.S. Department of State, for example, is trialling lateral recruiting options for limited non-career consular employees with existing language skills. These offer cost savings both in reducing short-term posting costs (like language training) and lowering the longer-term investment in permanent employees.

To share some of the consular load, Australia already cooperates with Canada in a reciprocal arrangement where each provides certain services to the other's citizens at a limited number of locations. Leaving aside the cases which require individualised attention from Australian consular officers, there are avenues for other types of consular cooperation with Australia's consular partners (New Zealand, Canada, the US and the UK), such as collaboration on emergency evacuations.

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<sup>67</sup> Wilton Park, *Contemporary consular practice* conference report, 2013, p 5.

<sup>68</sup> Appendix, Table 3.

### e) *Manage expectations and refine DFAT's consular messaging*

DFAT should amplify its efforts to manage public expectations of the services it can and will provide to travellers:

- DFAT needs to communicate more extensively on all available media platforms, and incorporate social media more effectively in its campaigns to reach a younger demographic which is increasingly sourcing information from non-traditional media. DFAT's iPhone application, which provides simplified and tailored travel advisories, should be replicated for Android phones. While software development can be costly, other nations have managed such costs in innovative ways, for example, by holding competitions for amateur software developers.
- Strenuous attempts should be made to broaden the distribution and awareness of the *Consular Services Charter* in which DFAT outlines the services which it can and cannot provide.
- DFAT should review its travel registration system. The current system, which allows registration online, is unwieldy and complicated, despite a recent overhaul (although the phone app registration is simpler). Prompted by low registration rates due to privacy concerns, and deterred by low-quality information from systems failing to filter out-of-date data, some countries are abandoning their registration systems altogether. Compulsory registration could be replaced by a 'just in time' registration which operates only during crises.<sup>69</sup> Consequently, DFAT should shift focus from 'registration' to 'insurance' in its messaging.
- The initial modestly-funded 4-year *smartraveller* campaign should be refined to focus more on traveller insurance, adequate planning and appropriate behaviour than on registration, with campaign funding boosted so that communication can be maintained year-round, concentrating on peak holiday periods.<sup>70</sup>
- DFAT's travel advisories, while improved, could be streamlined further. There is a large amount of 'boilerplate' information in most advisories, often obscuring more relevant, important messaging.

Since the media is often a contributor to inflated public expectations of government service in consular matters, DFAT should devise specific programs to engage the media on consular issues.

### **Conclusion**

DFAT's review of its consular strategy is timely and welcome. It comes at a time when Australians' perceptions of the services government can provide overseas seem to have grown to a point where they expect that the full suite of welfare services will extend to

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<sup>69</sup> Wilton Park, *Contemporary consular practice* conference report, p 3.

<sup>70</sup> Minister for Foreign Affairs, *Remarks at launch of Smartraveller III, Sydney International Airport, 2011.*

across the globe no matter where they go or how they behave. Government must address these unrealistic expectations. More importantly, though, it must also address the ability and fitness of DFAT and Australia's overseas network to provide an appropriate level of consular service, without neglecting the other functions that are crucial to the rational and effective management of Australia's international interests.

## APPENDIX

**Table 1: Top 10 travel destinations for Australians, 2013**

|    |                          | <b>Trips</b> |
|----|--------------------------|--------------|
| 1  | New Zealand              | 1179700      |
| 2  | United States of America | 945600       |
| 3  | Indonesia                | 944800       |
| 4  | Thailand                 | 628500       |
| 5  | China                    | 403800       |
| 6  | Singapore                | 360000       |
| 7  | India                    | 240400       |
| 8  | Vietnam                  | 225800       |
| 9  | Hong Kong                | 225700       |
| 10 | Japan                    | 198100       |

Source: Australian Bureau of Statistics, 3401.0 Overseas arrivals and departures, December 2013

**Table 2: Assistance in cases of deaths of Australians overseas: 2011-12 – ranked by number of deaths**

|    |              | <b>Deaths</b> |
|----|--------------|---------------|
| 1  | Thailand     | 123           |
| 2  | Philippines  | 88            |
| 3  | Vietnam      | 67            |
| 4  | Indonesia    | 64*           |
| 5  | USA          | 62            |
| 6  | Greece       | 62            |
| 7  | Hong Kong    | 46            |
| 8  | Germany      | 42            |
| 9  | China        | 34            |
| 10 | UK           | 32            |
| 11 | PNG          | 32            |
| 12 | Cambodia     | 28            |
| 13 | Italy        | 26            |
| 14 | NZ           | 25            |
| 15 | Malaysia     | 20            |
| 16 | Lao PDR/Laos | 19            |
| 17 | Lebanon      | 18            |
| 18 | Turkey       | 17            |
| 19 | India        | 17            |
| 20 | France       | 17            |

\*39 in Bali. Source: Consular case breakdown, data provided by DFAT, April 2013

**Table 3: Arrest and detention breakdown: 2011-12 – ranked by total number of arrests/detentions**

|    |             | <b>Arrest</b> | <b>Detention</b> | <b>Total<br/>arrest/<br/>detention</b> |
|----|-------------|---------------|------------------|--|
| 1  | USA         | 177           | 43               | 220                                    |
| 2  | Thailand    | 69            | 17               | 86                                     |
| 3  | China       | 45            | 40               | 85                                     |
| 4  | Hong Kong   | 66            | 8                | 74                                     |
| 5  | Indonesia   | 39            | 23               | 62                                     |
| 6  | UAE         | 57            | 5                | 62                                     |
| 7  | NZ          | 28            | 20               | 48                                     |
| 8  | Vietnam     | 10            | 33               | 43                                     |
| 9  | Philippines | 39            | 1                | 40                                     |
| 10 | Lebanon     | 29            | 11               | 40                                     |
| 11 | Japan       | 33            | 7                | 40                                     |
| 12 | Singapore   | 34            | 3                | 37                                     |
| 13 | UK          | 21            | 10               | 31                                     |
| 14 | Cambodia    | 16            | 15               | 31                                     |
| 15 | Canada      | 25            | 5                | 30                                     |
| 16 | Spain       | 22            | 6                | 28                                     |
| 17 | Greece      | 12            | 9                | 21                                     |
| 18 | Turkey      | 20            | 1                | 21                                     |
| 19 | Fiji        | 19            | 1                | 20                                     |
| 20 | Germany     | 13            | 5                | 18                                     |