Australian Government

Department of Immigration and Border Protection

Submission to Productivity Commission's Tourism Research Project on Australia's International Tourism Industry

people our business

Submission to Productivity Commission's Tourism Research Project on Australia's International Tourism Industry

The Department of Immigration and Border Protection (the department) welcomes genuine international visitors and is committed to supporting the growth of the tourism sector while maintaining high levels of immigration integrity.

This submission provides an overview of Australia's visitor visa programme, the changing environment in which it operates and how the department is responding to the demands of high growth in the tourism sector.

Summary

The department seeks to provide a world class visitor visa framework which facilitates timely access and entry for genuine visitors while ensuring border security and programme integrity.

In recent years we have seen unprecedented growth in visitor visa applications, particularly from 'new' markets in Asia. Over the 5 year period from 1 July 2009 to 30 June 2010, the number of visitor visas granted has risen by 15.8% (from 3 447 727 to 3993 406).

Of particular note is the rapid growth in Visitor visa grants to Chinese nationals, which increased by 124% over the same 5 year period (from 246 370 to 551 999). In 2013-14, China became the largest source country for visitor visa grants for the first time, followed by the United Kingdom (548 663).

In terms of percentage growth in Visitor visa grants from 2012-13 to 2013-14, grants for Malaysian nationals increased by 23.9%, HKSAR by 18.9%, Taiwan by 17.4%), China by 16.1%, Singapore by 14.3% and India by 13.4%, reflecting a growing and increasingly affluent middle class in Asia.

At current growth rates, it is anticipated that by 2018, one million applications per annum will be received from Chinese nationals wishing to visit Australia.

Going forward, the challenge is to promote our competitive advantage in the international tourism market, while maintaining a balance between facilitation of the growing numbers of genuine tourists and preventing misuse of our visa programmes. The department is positioning itself to manage this unprecedented growth through a range of initiatives, including the progressive expansion of online lodgement across the globe.

The department is committed to working with key stakeholders to support growth in the tourism sector and welcomes feedback and suggestions on how to improve our visa products and services.

Australia's visitor visa framework

The Visitor visa programme supports the continued growth of the Australian tourism industry, international trade and commerce, and the needs of the Australian community. The programme is designed to facilitate the entry of genuine tourists, business visitors and family visitors, while minimising non-return rates and breaches of visa conditions.

The principles governing the entry of visitors are that they must genuinely intend to visit Australia temporarily and leave Australia on or before the date their visa ceases. Visitor visa holders are not permitted to engage in work while in Australia, but may study onshore for up to 3 months. To be granted a visa, visitors must also be able to demonstrate that they have adequate means to support themselves during their visit.

The Visitor visa programme can be divided into two categories - Tourism and Business Visitor:

- **Tourism** may include a holiday or recreation, or visiting family and friends.

- **Business Visitor** activities may include making general business or employment enquiries; investigating, negotiating, entering into or reviewing a business contract; activities relating to official government to government visits; participation in a conference, trade fair or seminar unless there is payment for participation.

The Visitor visa programme is facilitated through three visa subclasses: the Electronic Travel Authority (ETA) (Subclass 601), eVisitor (Subclass 651) and Visitor (Subclass 600) visa.

- The **ETA** (subclass 601) visa enables passport holders from 34 countries and regions to make short-term tourism and business visits. It is available online or through travel agents and attracts a $20 service fee. The ETA provides a 12-month validity, multiple entry visa, with a stay of up to 3 months from the date of each entry. The ETA was introduced in 1996 and, given subsequent advances in technology and changes in the nature of global travel, the Department is not considering expansion at this time.

- **eVisitor** (subclass 651) is based on arrangements negotiated with the European Union (EU). It is available via a free online service and provides eligible European tourists and business visitors with a 12-month validity, multiple entry visa that allows a stay of up to three months.

- The standard **Visitor visa** (subclass 600) costs $130 and provides 12 month validity, multiple entries and a 3 month stay. It contains four streams: Tourist; Sponsored Family (which requires sponsorship by a family member); Business Visitor; and Approved Destination Status (for organised tour groups from China by approved travel agents). All nationalities can lodge by paper and global online lodgement is being rolled out progressively. As of 23 November 2014, passport holders of 197 countries are eligible to lodge online.

More detailed information regarding the Visitor visa framework is at Attachment A.

A summary of the top five countries for Visitor visa grants since 2009-10 is at Attachment B. In addition, the Department publishes comprehensive statistical report on the Visitor visa programme on a quarterly basis, available on the Department's website at: http://www.immi.gov.au

Processing times

Australia's processing times are generally on-par, or better than those of similar competitor countries. Of the 1 872 832 Visitor visa applications decided in 2014-15 to 30 November 2014:

- 83.3 percent were finalised in 1 to 5 days; and
- 90.2 percent were finalised in less than 10 days.

Care should be taken when comparing processing times with other countries as, from an individual's perspective, delays may occur for a range of reasons including submission of an incomplete application. Additionally, other countries have a range of requisites, including a face to face interview requirement.

Maintaining integrity – visa conditions

Visitor visa holders are subject to a number of conditions they must adhere to while in Australia. These conditions, defined in legislation, are designed to ensure that visa holders use the visitor visa programme as intended. These conditions include:

No work – Visitor visa holders are not permitted to engage in work while in Australia, to ensure that people coming to Australia to work are subject to the correct scrutiny and oversight provided through Australia's existing work visa frameworks. This condition also complements the requirement for visitor visa applicants to have adequate means to support themselves during the period of their intended stay in Australia.

For business visitors, the relevant condition permits 'business visitor' activities but prohibits the visa holder from otherwise engaging in work in Australia.

Must not remain in Australia beyond the visa period – this condition is mandatory on sponsored family stream visas and is designed to impress on the sponsor the need for the visa holder to abide by the period of stay authorised by the visa. If a visa holder does not abide by this condition, any security lodged in respect of that visa may be forfeited.

Must not remain in Australia for more than 12 months in any 18 month period – this condition is discretionary and helps maintain the integrity of the visitor visa programme and the genuine temporary stay requirement.

Other conditions may be applied to certain cohorts of visitor visa holders. For example, the Visitor visa has mandatory conditions relating to minors that are designed to protect the best interests of the child and guard against trafficking/exploitation.

Visitor visa programme reform

On 23 March 2013, a number of significant changes were made to Visitor visas as part of the Australian Government's Visa Simplification and Deregulation (VSD) project.

The aim of the VSD project was to reduce the number of visas to more closely focus on the broader purpose of entry and to provide greater clarity and consistency for clients, stakeholders and departmental staff.

As part of these changes, work rights were removed from the visitor visa programme, achieving significant simplification benefits. A new dedicated visa, the Temporary Work (Short Stay Activity) (Subclass 400) visa was created to provide a clear pathway for clients seeking to engage in non-ongoing, short term specialist work.

The ETA, eVisitor and Visitor visas continue to allow 'business visitor' activities, including making general business and employment enquiries, attending conferences, negotiating and reviewing business contracts and making official government to government visits.

This change to the visitor visa framework resulted in a simpler visa structure, which benefited clients and streamlined the process of assessing visitor visa applications.

Ongoing innovation in visa services

The department recognises the need for continuous improvement to remain competitive and maintain integrity in this high volume, fast growing and always changing market. Our key goals in the Visitor visa programme are to:

- improve processing efficiency and speed;

- make the application process more accessible and convenient for clients;

- keep a focus on caseload integrity, particularly organised fraud; and

- ensure Australia's visitor visa services are considered by stakeholders and clients alike to be the most efficient among our key competitor countries.

To manage past and future growth in the Visitor visa programme, the Department has introduced a range of innovations to assist with efficient processing.

Unlike many other competitor countries, Australia allows passport-free applications and visa label-free travel. This means that travellers do not have to visit an immigration office to provide their passport, or to obtain a visa label.

The department has also recently reviewed and reduced certain documentary requirements for Chinese travellers to help streamline the application process. As a result, we have reduced two document checklists, each of four pages in length, to one checklist which for most applicants is only one page.

The department will continue to pursue improvements to facilitate the easy movement of people with as little 'red-tape' as possible, while maintaining visa programme integrity. The ongoing challenge is to balance the need to facilitate the entry of large volumes of genuine tourists with the need to prevent misuse of the visa programme.

Online lodgement

The department is committed to expanding the availability of online lodgement facilities globally.

Since the introduction of online lodgement for the Visitor (Subclass 600) visa in March 2013, passport holders of 197 countries or regions have become eligible to apply online. While there are a number of complex system dependencies, the department is aiming to have this service available for all nationalities by the end of 2015.

Due to the high volume of visitor applications from China, the department is carefully managing the rollout of online lodgement for this market through a staged approach. A pilot of online lodgement commenced on 1 December 2014 for certain low risk cohorts from China and the first visas have been granted. Pending an evaluation of the pilot, and subject to the capacity of departmental systems, online lodgement will be progressively expanded and will eventually be available to individual Chinese applicants.

Background to the visitor visa programme

There are two categories within the Visitor visa programme: Tourism and Business Visitor

- Tourism may include a holiday or recreation or visiting family and friends
- Business Visitor activities may include making general business or employment enquiries; investigating, negotiating, entering into or reviewing a business contract; activities relating to official government to government visits; participation in a conference, trade fair or seminar unless there is payment for participation.

Visitor visa products (600, 601, 651)

Visitor (Subclass 600)
- Four (4) streams: Tourist, Sponsored Family, Business Visitor and Approved Destination Scheme (organised tour groups from the People's Republic of China)
- Standard product is 12 month validity, 3 month stay, multiple entry
- All nationalities eligible to lodge by paper.
- All nationalities eligible to lodge Tourist Stream applications online while onshore if they hold a substantive visa at time of application.
- Phased rollout of offshore online lodgement (197 nationalities as of 23 November 2014).
- $130 VAC for offshore clients
- $335 VAC for onshore clients. An additional subsequent temporary application charge of $700 may also be required based upon an applicant's individual visa history.
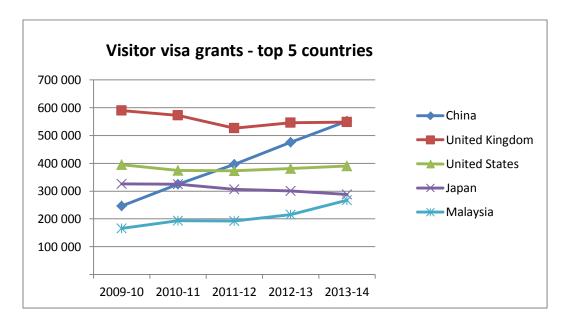- Documentary evidence required

ETA (Subclass 601)
- The Electronic Travel Authority (ETA) (Subclass 601) program was introduced in 1996 and has not been expanded in over a decade. Given subsequent advances in technology and changes in the nature of global travel, expanding access to the ETA program is not being considered.
- ETA is for people who want to visit Australia for holidays, tourism, recreation, visiting family and/or friends or for business visitor purposes.
- 12 month validity, multiple entry, with 3 month stay from date of each entry
- Eligibility: Nationals of Andorra, Austria, Belgium, Brunei, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong (SAR), Iceland, Italy, Japan, Liechtenstein, Luxembourg, Malaysia, Malta, Monaco, Norway, Portugal, Republic of San Marino, Singapore, South Korea, Spain, Sweden, Switzerland, Taiwan, The Netherlands, United Kingdom – British Citizen, United Kingdom- British National (Overseas), United States, Vatican City.
- Nil VAC – a service charge of $20 applies
- An ETA is electronically linked to a travel document (i.e. No visa label)
- No documentary evidence required
- Most cases are auto-granted (ie finalised within 12 hours)

eVisitor (Subclass 651)
- eVisitor is based on arrangements which Australia has negotiated with the European Union (EU). Extension of the eVisitor programme is not being considered outside of the EU.
- The eVisitor visa is for people who want to visit Australia for tourism or business visitor purposes.
- 12 month validity, multiple entry, with 3 month stay from date of each entry
- eVisitor is for European Union (EU) nationals and certain European passport holders
- There is no VAC and no Service Fee
- No documentary evidence required but can be requested
- Most cases are auto-granted (ie finalised within 12 hours), depending on risk profiling

Visitor visa grants – top 5 countries

Visitor visa grants - top 5 countries

Legend: China, United Kingdom, United States, Japan, Malaysia