



Department of Immigration and Multicultural Affairs

**Submission to the
Productivity Commission's
Cost Recovery Inquiry**

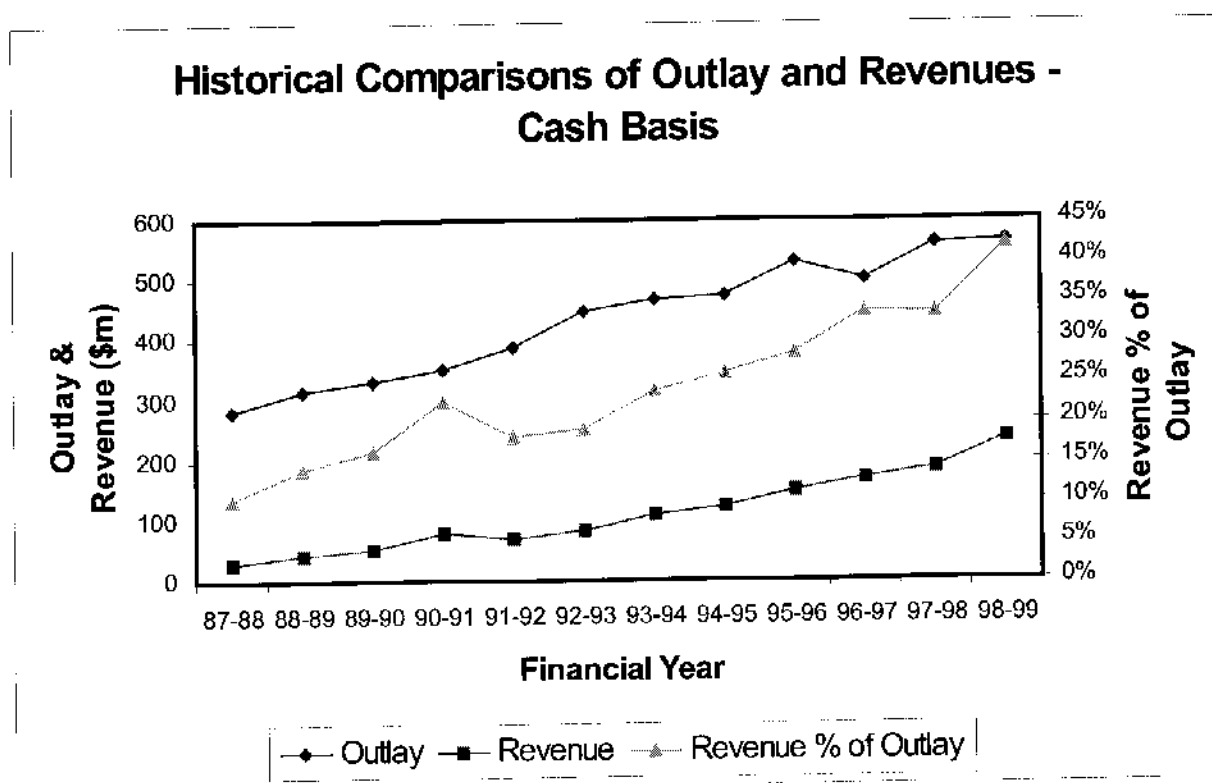
November 2000

Department of Immigration and Multicultural Affairs
Submission to the Productivity Commission Inquiry in to Cost Recovery

This Submission covers the activities of the Department of Immigration and Multicultural Affairs (DIMA). It also covers other revenues from charges imposed under the migration and related legislation and received by the Migration Review Tribunal (MRT) and the Refugee Review Tribunal (RRT) within the same Portfolio.

DIMA's revenue contribution

2. Since the early 1990's there has been a significant increase in "user-pays" revenue where it has been possible to identify a specific user of services. This policy has offset budgetary requirements for the Department's increased service delivery capacity, as well as rationalising demand on its services.
3. This trend can be seen in the increased revenue level for DIMA, both in absolute terms and for revenue as a percentage of total operating expenses. In 1987-88, revenue reported by DIMA amounted to some \$28m, or 10% of DIMA's total annual outlays of \$280m. By 1998-99, the revenue effort was \$236.2m, or 42% of the total outlays of \$562m.
4. The following chart reflects this trend in cash terms over the 12 years since 1987-88.



5. The change in Government accounting from a cash to accruals basis has resulted in a rebasing of the series from 1994-95. Further details and accrual revenue figures since 1994-95 are shown in Appendix A.

DIMA's Revenues by Category/Type

6. The revenue reported for DIMA in 1999-2000 from what could be described as "user pays" was \$225m. The revenue relates to the following broad classes:

	\$m
Visa application charges (including 2 nd instalments for AMEP)	204.3
Citizenship fees and charges	8.5
Translating and Interpreting Service (TIS)	7.0
Migration agents registration fees	1.8
Miscellaneous charges	3.6
Total	225.2

7. The revenue classified as Miscellaneous charges relates to a collection of many small-value activities – sale of publications, contribution of staff to overseas rent, motor vehicles and the like. The amount raised from each of these activities is relatively minor and there are no significant policy issues that warrant further discussion.
8. Of the other four items, DIMA considers only revenue from TIS activities is of a true cost recovery nature. Revenue from the other three classes may generally be described as being on a "user pays" basis – that is, the applicant for a visa pays a charge rather than the charge being levied on the Australian taxpayer generally. In recent times, most of these charges have received authority from Commonwealth taxing powers. The charge applies irrespective of whether the application is approved, withdrawn or rejected.
9. DIMA also reports as revenue:
- **fines** from airlines for bringing people to Australia without the appropriate travel documentation; and
 - assurance of support **bonds**.

These two revenue categories are not cost recovery activities and are outside the scope of the Inquiry (page 11 of the Commission's Issues Paper refers).

10. The *Migration Act 1958* provides for migration agents to be registered with the Migration Agents registration Authority (MARA). Agent registration fees are receipted to the Consolidated Revenue Fund, and subsequently appropriated to MARA. A brief outline of this item is provided at Attachment C.
11. The *Migration Act 1958* also provides for visa applicants in some circumstances to seek a review of decisions made under the Act. These appeals are heard by the MRT and the RRT. Review application revenues received in 1999-2000 were:

MRT – review application fees	\$7.4m
RRT – post decision fees	\$4.3m

These revenues are also classified as non-tax revenues and are also raised under the taxing powers of the Commonwealth. They are discussed further in Appendices D and E.

Visa application charges (including 2nd instalment)

12. DIMA's visa charges, which are the preponderate source of revenue in the Portfolio, are classified as non-tax revenues (which are raised using the taxing powers of the Commonwealth), and derive their authority from the migration and related legislation. Relevant issues in considering the cost recovery status of these revenues are:
- the revenues are paid to the Consolidated Revenue Fund and are not accessed by DIMA;
 - DIMA's annual budget funding is not directly conditional upon these revenues being received; and
 - the visa charge levied at the time of application is not derived from the cost of processing the application and it applies whether the application is approved, withdrawn or rejected.
13. A more comprehensive discussion of the status of these charges, and the history of the change from cost recovery to non-tax revenue, is provided at Appendix B.
14. Administering the lawful entry and stay of people in Australia is a core function of Government. DIMA has no direct competitors in delivering this outcome. However, in setting the rate of visa application charge, DIMA must be aware of the impact the rate of charge may have on Australia's competitive position in attracting visitors/migrants as compared to the rest of the world. Research by DIMA suggests that peoples' preferences to migrate to Australia are not driven by the level of Australia's migration charges.

Citizenship fees and charges

15. Permanent residents born outside Australia and who have generally resided in Australia for at least two years are offered the opportunity to become Australian citizens. This is to enable them to participate more fully in Australian society. Applications for citizenship and other related citizenship services attract a fee.
16. Charging for Citizenship matters is provided for in the *Australian Citizenship Regulations* made pursuant to the *Australian Citizenship Act 1948*.
17. Revenue from Citizenship fees amount to only some \$8m a year. The cost of providing Citizenship services is estimated to cost \$21m a year.
18. A sample of individual charges is provided below. A comprehensive list of charges is included at Appendix B1.
- | | |
|---|-------|
| Application for grant of Australian Citizenship | \$120 |
| Concessional rate | \$20 |
| Application for declaratory/evidence of Citizenship | \$55 |
19. A full list of Citizenship fees is contained in the charges list at Appendix B1
20. All revenues from Citizenship fees are paid into the Consolidated Revenue Fund (CRF). DIMA's level of funding from the Budget is not conditional on the level of these charges.

Translating and Interpreting Service (TIS)

21. TIS provides three language related services:

- translating;
- telephone interpreting; and
- on-site (face-to-face) interpreting

22. TIS operates from three offices – in Sydney, Melbourne and Perth. Clients access telephone interpreting via a 1300 number (24 hour access). The majority of clients are Commonwealth/State/Territory/local Government agencies and, to a lesser extent, private businesses and organisations. These clients are charged for the services provided. TIS services are also provided free of charge to non-English speaking individuals for medical related services. These services are charged to an internal (DIMA) client (effectively an internal charging arrangement within DIMA). Typically, it represents some 25% of TIS' workload.

23. There are a number of other language service providers in Australia. Four State/Territory Governments (NSW, Victoria, SA and NT) operate a translating and interpreting service. There is also a number of private translating and interpreting service providers listed in the Yellow Pages.

24. Charging for TIS services is an administrative arrangement without legislative authority. The Minister for Immigration and Multicultural Affairs approves the imposition and quantum of fees under his executive power derived from section 61 of the Constitution.

25. In 1999-2000, the full operating costs (including corporate overheads) for TIS were estimated at \$24.5m. Total revenue earned from cost recovery amounted to \$11.7m (or 48% of costs). Revenue from external clients amounted to \$7.5m (64% of revenue) and from internal (DIMA) clients was \$4.2m (36%). This high level of internal clients in 1999-2000 was directly related to Australia's safehaven activities in that year. The long term ratio of external charging to internal charging is 85% : 15%.

26. All revenue collected from TIS fee charging is deposited to DIMA's departmental bank account (a component of CRF), and is "appropriated" to DIMA's departmental expenses appropriation via DIMA's section 31 agreement with DOFA.

27. TIS employs 21 people around Australia to maintain the accounts receivable/accounts payable functions. The cost of maintaining these accounts is estimated at \$1.5m a year.

28. TIS's Community Service Obligations (CSO) are twofold:

a) *Comprehensive service provision*

TIS provides a nation wide 24 hour a day, 7 day a week universal service covering 105 languages. Other language and translation service providers service a much narrower range of languages, and operate over limited hours and in limited physical locations. Services that cannot be delivered by a private service provider are always referred to TIS and, except in very few circumstances, TIS must deliver no matter what the cost.

- Prices for TIS services are loosely aligned with the prices charged by other language service providers, irrespective of the language or location.

- The additional cost of providing this far more comprehensive service is borne by TIS as a CSO.
- This CSO is assessed to cost TIS operations approximately \$6m to \$7m a year.

b) Provision of free services

TIS charges for every service provided. Services to other government agencies and businesses are charged direct to that client. Services for non-English speaking individual migrants/refugees and non-profit community organisations are provided free to the client (within Government approved guidelines – eg medical practitioners using this service must have a Medicare provider number). Billing for these free services is charged internally to another Branch within DIMA, and is paid by that Branch as a CSO. The cost of this component of the CSO is estimated at between \$3m and \$4m a year.

29. The CSO aspects of TIS means that it is essential for a service to be available on demand. TIS therefore does not have any empirical evidence of the price/demand relationship of its services. The provision of fee-free services is regulated somewhat by the Government guidelines, however the provision of telephone interpreting services is limited only by the number of TIS operators taking calls out of the three TIS offices at any one time.

Other Issues

30. There are a number of issues relating to the revenue collection that impact on the way DIMA delivers or charges for services. It may be appropriate for the Commission to consider these further in the Inquiry. Two such matters are described below.

a) Charges for third party service delivery

31. In recent times, an increasing number of Government services to the public are being contracted out for delivery by third party service providers. In some cases, the service provider charges for the service even though the service is free of Government charges to the third party and may involve the blind accessing of Government systems and databases to deliver the service.

b) Handling of cash and setting the price on services

32. DIMA's revenue is characterised by large volume/small value transactions received over the counter in DIMA's State and Regional offices in Australia and overseas. Approximately 68% of these transactions are in cheque and cash, with 24% by credit card and 8% as a direct transfer credit to DIMA's account.
33. DIMA encourages payments by credit card, however the clients typically prefer paying in cheque/cash. Receiving cash creates security considerations for DIMA, is inefficient and actually costs DIMA money.

DIMA Contacts

34. The contact for this Submission is Bernie Hackett on (02) 6264 2273.

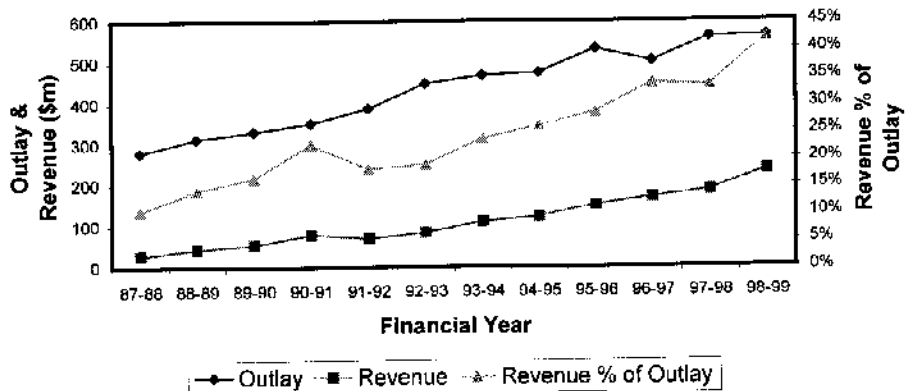
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Submission to the Productivity Commission Inquiry into cost recovery of government agencies

Historical Comparison of Outlay and Revenue - Cash Basis

	87-88 Actual \$ Mil	88-89 Actual \$ Mil	89-90 Actual \$ Mil	90-91 Actual \$ Mil	91-92 Actual \$ Mil	92-93 Actual \$ Mil	93-94 Actual \$ Mil	94-95 Actual \$ Mil	95-96 Actual \$ Mil	96-97 Actual \$ Mil	97-98 Actual \$ Mil	98-99 Actual \$ Mil
Outlay	280.482	313.775	331.075	351.149	387.950	448.505	468.594	474.566	531.252	501.711	560.328	562.595
Revenue	28.907	44.071	53.735	78.671	89.608	84.435	110.448	122.792	150.735	168.912	186.308	236.268
Revenue % of Outlay	10.31%	14.05%	16.23%	22.40%	17.94%	18.83%	23.57%	25.87%	28.37%	33.67%	33.25%	42.00%

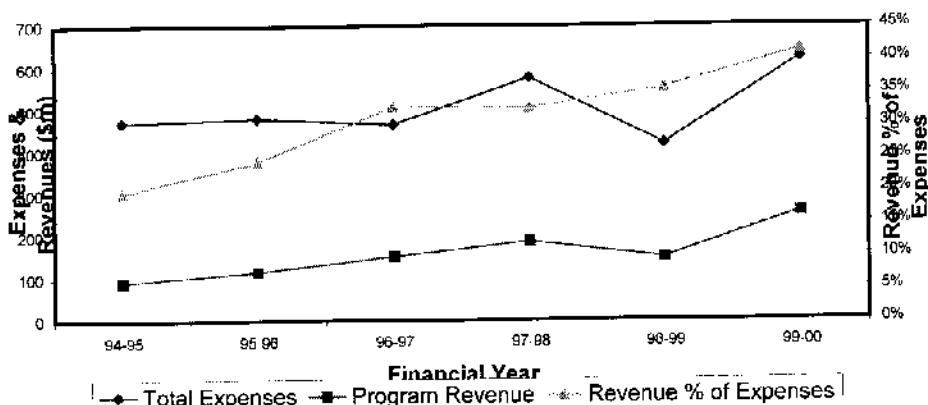
Historical Comparisons of Outlay and Revenues - Cash Basis



Historical Comparison of Expenses and Revenue - Accrual Basis

	94-95 Actual \$ Mil	95-96 Actual \$ Mil	96-97 Actual \$ Mil	97-98 Actual \$ Mil	98-99 Actual \$ Mil	99-00 Actual \$ Mil
Total Expenses	472.191	481.165	486.893	577.566	419.679	623.099
Program Revenue	92.583	116.983	152.575	187.496	149.112	257.101
Revenue % of Expenses	19.61%	24.31%	32.68%	32.46%	35.63%	41.26%

Historical Comparison of Expenses and Revenue - Accrual Basis



Submission to the Productivity Commission Inquiry into cost recovery of government agencies

Activity - Visa Application Charges (VAC) (including 2nd instalment for AMEP)

Description: Australia maintains a universal non-discriminatory visa system. Non-residents cannot enter or remain in Australia without a current valid visa. There is a charge to apply for a visa in most non-humanitarian cases.

Authority for charging: Visas are issued under the authority of the *Migration Act 1958*. The authority for charging for visas flows from the *Migration (Visa Application) Charge Act 1997*.

Financial aspects Total revenue in 1999-2000 received from immigration fees and charges as reported in DIMA's financial statements, was \$204.3m. The total operating expenses of DIMA over the same period were \$723.1m.

The rate of charge for individual visas varies considerable. A sample of rates is provided below (a comprehensive list of rates is at Appendix B1).

Business skills application	\$3100 (plus English charge if applicable)
Partner (prospective marriage)	\$1075
Temporary residence	\$150
Visitor – onshore applications	\$150
Visitor – offshore applications	\$60
Electronic Travel Authority	nil
New Zealand resident	nil

All revenues from VACs are paid into the Consolidated Revenue Fund (CRF). DIMA's level of funding from the Budget is not conditional on, and is in no way influenced by, the level of these charges.

A VAC is only refundable under very limited circumstances and is not refunded if a visa application is refused or withdrawn.

2nd instalment (notionally for accessing the Adult Migrant English Program (AMEP))

The AMEP gives newly arrived migrants and humanitarian entrants access to English language education soon after arrival in Australia. Clients receive tuition in a competency based curriculum which helps them to develop the language and literacy skills they need to participate in the community.

AMEP is available to all recently arrived migrants and humanitarian entrants who are assessed as not having functional English. The service is provided free of charge. However, a charge via a second instalment of the visa charge is imposed on certain visa applicants who are assessed as not having functional English. Those entrants under the Family and Humanitarian stream are exempt from this charge .

Prior to 1 May 1997, a charge (the English Education Charge) was imposed under the *Immigration Education Charge Act 1992*. About this time, this charge was subsumed in the Visa Application Charge (VAC) which derived authority from the

Migration (Visa Application Charge) Act 1997. This charge reflected a move away from the "fee for service" regime to a tax being imposed on those who were assessed as not having functional English. The VAC is charged in two instalments – the first instalment that covers the basic application charge and a second instalment which includes provision to tax holders of certain visa categories who are assessed as not having functional English.

Total revenue from AMEP charges in 1999-2000 was approximately \$6.8m.

The individual rates of charge range from \$4,555 to \$2,275, dependent on the visa class being applied for.

The cost to DIMA of providing the service is estimated at \$90m a year. This equates to about \$5,370 per participant for the 510 hours of tuition available under the program.

Total revenue received is paid to CRF, and is not available for DIMA.

Charging for AMEP services was introduced in 1993. The rate of charge has been indexed by movements in the CPI since then. In 1996, the Government sought to reduce the net cost of the AMEP to the Commonwealth Budget by seeking a further contribution from participants of the AMEP. However, legislative changes to effect this change were rejected by the Senate.

VACs – non-taxation revenue under taxing powers versus cost recovery

Before 1996, VACs were largely based on the estimates of the full or part cost of processing applications for the various migration services. By 1996 there was some concern over the viability of this charging regime:

- Some of the charges for migration services may have exceeded the cost of providing those services. Because of the complex nature of processing and the diversified range of activities undertaken by DIMA processing staff, it was not always possible to readily determine the actual cost to process each type of visa.
- With the diversity of services provided (due to the non-homogenous client base) and the relatively standard rates charged, there was not always a direct correlation between the amount of the charge and the amount of effort, and therefore the cost to DIMA, to process the application. For example, some applications for business migration may be processed with minimal effort while other may take months.
- The courts tend to take a narrower view of cost recovery than, say, would be generally accepted in the private sector. In this regard, its view of appropriate costs were less broad than the methodology adopted by DIMA.
- The administrative effort in managing cost recovery under several pieces of legislation was becoming unwieldy.

To resolve these concerns, in 1996 the Government introduced legislation to confirm the authority for imposing migration charges under a single piece of taxation legislation. Charges for virtually all visa applications are now covered by the *Migration (Visa Application Charge) Act 1997*.

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APPENDIX

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Department of Immigration and Multicultural Affairs

Form



Charges — September 2000

990i

THIS INFORMATION FORM is a guide to charges (in Australian dollars) for visas and services from 1 July 2000. Payment must accompany your application and is generally not refunded if the application is unsuccessful. In Australia charges are payable by electronic funds transfer (EFTPOS), or credit card. Overseas, the post will tell you the amount and method of payment.

TEMPORARY VISA — application charges

Visitor

- offshore: \$60
- onshore
 - Short stay - up to 3 months \$150
 - Long stay - up to 1 year \$170
- Electronic Travel Authority (ETA) nil

Medical treatment

Offshore

- visa valid for stay of up to 3 months and travel for up to 1 year nil
- visa valid for stay of more than 3 months and/or for travel of more than 1 year \$35

Onshore

- Temporary business entry Short stay - up to 3 months (offshore) \$60
- Long validity - ETA \$60
- Long stay - 3 month-4 years \$150

Sponsorship charge

- application for pre-qualified business sponsor status (valid initially for 2 years) \$3105
- renewal of pre-qualified business sponsor status (for 1 year) \$1035
- standard business sponsor status application (including applications from overseas businesses not operating in Australia) nil
- business nomination from pre-qualified business sponsor nil
- business nomination from standard business sponsor (including overseas businesses) \$215

Temporary residence

Cultural/social — on/offshore

- satisfies requirements for subclass 411 visa - offshore nil
- onshore \$150

- satisfies specific requirements in regulations nil

Offshore:

- 11 or more applications, lodged together - \$1475
- fewer than 11 applications - each application \$150
- domestic worker, expatriate, family relationship \$150
- retirement, supported dependant \$150
- educational \$150
- working holiday \$150
- medical practitioner \$150
- sports people, entertainers \$150

Extended eligibility (offshore)

- on form 918 lodged overseas \$110

Prospective marriage, partner \$1075

Student

offshore

- approved schemes nil
- other cases \$290

onshore

- approved schemes nil
- application for permission to work \$50
- application for permission to change education provider \$120
- application for permission to change education provider where the provider cannot provide the course nil
- other cases \$290

Bridging

- bridging visas A, C, D, E nil
- bridging visa B \$55

Other

- border, confirmatory, diplomatic, transit nil
- emergency nil

Temporary residence (non business) sponsorship

- fewer than 11 applications - each application \$215
- 11 or more applications lodged together \$2135

Evidence of permanent residence

- Application for evidence of resident status \$70

APEC Business travel card

- Application for the APEC Business Travel Card \$140

Return documents for Australian permanent residents

- Resident return visa
 - application in Australia* \$65
 - application outside Australia \$80

Application for replacement evidence of resident return visa

- lodged in Australia* \$55
- lodged overseas \$65

* Usually available 'on the spot' when paying with cash, credit card or EFTPOS

Return document for Australians travelling on foreign passports

- lodged in Australia
 - child \$110
 - adult \$175
- lodged overseas
 - child \$175
 - adult \$230

PERMANENT VISA — application charges

- Migration or Grant of residence in Australia
 - Migration Booklet \$10

All applicants for migration/grant of permanent residence must pay a visa application charge - see the table overleaf for details. Those who applied prior to 1 November 1998 should see earlier versions of this form.

DIMA enquiry line

— 131 881 —

for the cost of a local call.

This number available in Australia only.

Outside Australia, please contact the

nearest Australian mission.

Our home page address is:

www.immi.gov.au

<<<<<<<<< In Australia — pay by electronic funds transfer (EFTPOS), or credit card. >>>>>>>>

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Visa class	Skill matching fee	1st instalment	(primary applicant has less than functional English)	2nd instalment (spouse/child over 18 has less than functional English)	(health costs)	(skill matching)
Lodged overseas						
Spouse/Partner, Prospective marriage, Child and Interdependent Partner		\$1075				
Parent, Remaining relative, Aged dependent		\$1075			\$960	
Carer* and Orphan relative (onshore/offshore)		\$660			\$960	
Skilled-Australian sponsored and Skilled - Independent		\$1075		\$2275		
Skill matching	\$150			\$2275		\$1075
Employer nomination***, RSMS and Labour agreement*** M		\$1075	\$4555	\$2275		
Business skills		\$3100	\$4555	\$2275		
Distinguished talent, Former resident		\$1075	\$2275	\$2275		
Dependent child** (445)		\$110				
Lodged in Australia						
Spouse/Partner, Interdependent Partner and Child †		\$1595				
Prospective marriage spouse †		\$660				
Aged parents, Remaining relative and Aged Dependent Relative		\$1595				
Confirmatory (Residence)‡					\$960	
Employer nomination, Labour agreement and Distinguished talent RSMS		\$1595				
Business skills		\$3100				

<<<<<<<<< In Australia — pay by electronic funds transfer (EFTPOS), or credit card. >>>>>>>>>

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- * A delegated officer may waive the second instalment of the application charge for a Carer applicant where he/she is satisfied that payment of the charge would cause severe financial hardship.
- ** This visa class applies to the offshore dependent children of persons who hold temporary spouse or interdependency visas.
- *** Excluding Religious Workers
- ¶ For persons deemed to apply for RSMS under regulation 2.08C - 1st instalment is nil and 2nd instalment is \$1,075.
- ◆ There are a number of technical exceptions for these classes:
 - Applicants who applied for a Prospective marriage spouse visa before 1 November 1996 pay a lesser amount of \$660
 - Applicants for a Prospective marriage spouse visa who hold a subclass 300 visa granted on the basis of an invitation to make a further application after refusal of a class 8C application lodged

- before 1 November 1996 pay a lesser charge of \$660
- Applicants for a spouse visa who hold a transitional Extended Eligibility Temporary Visa (EETV) and have not yet applied for a permanent visa pay a lesser charge of \$185
- Applicants for a spouse visa, who entered as fiances, married their sponsor while their visa was valid and whose visas have ceased, pay a lesser charge of \$660
- Applicants for a spouse visa who hold a class TO visa, married the person who sponsored them as a prospective spouse, and seek to remain in Australia permanently on the basis of that marriage pay a lesser charge of \$520
- Applicants for a Spouse or Interdependency visa who hold a Dependent Child Visa do not pay a visa application charge.

- ‡ Applicants for a Confirmatory visa who are holders of a subclass 773 border visa are required to pay a visa application charge (first instalment) of \$120.

The first instalment or skill matching fee is paid at the time of application and must be paid in order for an application to be valid.

The second instalment of the visa application charge:

- may have more than one component
- is payable only by some applicants who have already met most criteria for grant of a visa, and
- is payable immediately before the grant of a visa.

Where the 2nd instalment of the visa application charge relates to English language proficiency, the charge will only apply where the primary or secondary applicant has been assessed as having less than a functional level of English.

Employer nomination

Fee paid by nominating employer

In addition to the charges set out in the table, employers who lodge nominations under the Employer Nomination class pay a charge of \$285.

Humanitarian program applications

Applications lodged offshore under the humanitarian program are not subject to charges.

Applications lodged onshore for Protection visas attract a visa application charge of \$30

- An exception is made for applicants who are in immigration detention but not immigration cleared. They pay no charge.

Adult Migrant English Program (AMEP)

User charging applies to AMEP English tuition. A flat annual administrative charge is required for the following Australian residents who arrived in Australia after 1 July 1991 and applied to:

- migrate before 1 January 1993
- change their resident status before 1 January 1993
- migrate after 1 January 1993 and were issued with a visa before 1 March 1993
- change their resident status after 1 January 1993 and were granted permanent residence before 1 March 1993

The charge is also payable by holders of 'gazetted' temporary visas.

The annual charge is:

- classroom or distance learning students \$280
- informal learning, (home tutor scheme or individual learning centres) \$60

The annual administrative charge is only payable by persons who are not liable to pay the visa application charge. Exemption from payment of the charge exists under some circumstances.

Assurance of support bond

In certain migrant visa subclasses an assurance of support is a requirement which must be met prior to visa grant. An assurance covers the principal applicant and other family members included in the application.

In some cases, persons providing an assurance of support are required to lodge a refundable bond in Australia with the Commonwealth Bank of:

- principal applicant \$3500
- other family members included in the application who must be covered by a bond \$1500

Lodging a bond with the bank

The Commonwealth Bank will provide a bank guarantee to cover the assurance of support bond. It is the only bank approved to provide this service.

The bank charges a fee for each bond to cover the cost of establishing and managing the bond. As the charge is not part of the bond, it is non-refundable. The bank does, however, offer a discount where two bonds are lodged at the same time by one person.

Currently, the charge is \$150 for the first bond and \$50 for the second, a total of \$200.

The bond operates as a term deposit. The bank guarantees to pay to the Australian Government any amount (up to the limit of the bond) redeemable by the Government under the assurance of support agreement.

An initial period of 30 months is set for the bond. This represents the two years the assurance is in effect (from date of arrival in Australia, or approval to remain in Australia) plus six months to cover the period between lodging the bond, approving the application, visa issue and travel to Australia.

<<<<<<<<< In Australia — pay by electronic funds transfer (EFTPOS), or credit card. >>>>>>>>>

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If bonds are required, the assurer should take the DIMA letter requesting the bond, the bond amount and the administrative fee to any branch of the Commonwealth Bank in Australia.

For applications assessed in Australia, the assurer, after the bond is lodged, will need to give the original documents of the bank guarantee - acknowledgement of term deposit and assurance of support - to the DIMA office where the assurance of support was lodged.

For applications assessed overseas the assurer will need to send an authorised true copy of the bank guarantee - acknowledgement of term deposit and assurance of support - to the applicant.

Release of the bond

Only Centrelink can authorise release of the bond. After two years the assurer should ask the nearest Centrelink office to release the bond money (less any claims by Centrelink).

A bond may be released (less Centrelink claims) before two years if the person for whom the bond was paid:

- does not travel to Australia before cancellation or expiry of the visa
- withdraws their visa application
- is not accepted for permanent entry to, or stay in, Australia, or
- dies within the period of the assurance of support.

Australian police records check

Form 1101 *Consent to obtain personal information* is used where applicants for temporary or permanent residence have spent 1 year or longer in Australia. The charge is \$34 payable by cheque, money order or bank draft to:
Australian Federal Police
Criminal History Branch
Locked Bag No 1
WESTON ACT 2611

Review

Application for appeal against Migration Act decisions

- review by Migration Review Tribunal (MRT) \$1400
- review by Refugee Review Tribunal (RRT) nil
 - post decision charge (RRT) for unsuccessful applicants \$1000
- review by Administrative Appeals Tribunal (section 501 decisions) \$505

Charges may be waived in cases of severe financial hardship of the review applicant. MRT and AAT charges will be refunded if the decision is favourable or if the review application was invalid.

Medical review charge - MRT

Additional charge for another opinion by a Medical Officer of the Commonwealth at review stage \$330

Citizenship

Current charges are specified in the regulations made under the Australian Citizenship Act 1948.

- application for declaratory/evidentiary certificate of Australian citizenship \$55
- application for grant of Australian citizenship \$120
- application for resumption of Australian citizenship \$65
- application for registration of a child under 18 as an Australian citizen by descent \$110
 - additional children, where applications lodged simultaneously \$65
- application for registration as an Australian citizen by descent for a person born between 26 January 1949 and 15 January 1974 \$110
- concession for applicants for Australian citizenship who are recipients of age, wife, disability support, age service and invalidity service pensions; partner, mature age and mature age (partner) allowance \$20

There is no charge for citizenship for former British child migrants who came to Australia between 22 September 1947 and 31 December 1967 under the British child migrant scheme.

Freedom of Information (FOI)

FOI charges vary according to the nature of the service provided. In some cases they may be waived. Indicative charges are below. Details of the range of FOI charges are available on request

- application for access to documents under FOI Act \$30
- application for internal review of a decision \$40

Translating/interpreting service (TIS)

Commonwealth and State departments and authorities and private businesses are subject to TIS charges which vary according to the service. Indicative charges are below. The full range of charges is available from TIS — telephone 131 450 and the DIMA web page — http://www.immi.gov.au/settlement/tia_charges.pdf

Telephone Interpreting

- per 15 minutes, standard hours* \$10.80
- per 15 minutes, after hours** \$17.35

On-site Interpreting

- first one and a half hours, standard hours* \$70.45
- each extra half hour \$16.25
- first one and a half hours, after hours** \$112.75
- each extra half hour \$26.00
- * Standard hours are 8 am-6 pm, Monday-Friday
- ** After hours are 6 pm-8 am Monday-Friday, Saturdays, Sundays and public holidays.

Document translations

- \$39.00 per 100 words (jobs less than 500 words)
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Migration Agents Registration Authority (MARA)

From 21 March 1998, the Migration Agents Registration Authority took responsibility for the registration of migration agents. MARA's address is:
PO Box K366
HAYMARKET NSW 1240
☎ (02) 9211 4744
Fax (02) 9211 8212

Registration fees can not be paid at DIMA offices.

<<<<<<<< In Australia — pay by electronic funds transfer (EFTPOS), or credit card. >>>>>>>>

Migration agents registration fee

Description - Businesses and individuals must pay a registration fee to register and trade as a migration agent. This is a regulatory function undertaken by the Migration Agents Registration Authority (MARA).

Authority

The *Migration Agents Registration Application Charges Act 1997* imposes a charge on individuals making an application for registration. The registration fee is paid to the Consolidated Revenue Fund (CRF). The Act sets an upper limit on the level of the registration charge, while the actual fee levels are laid out in the *Migration Agents Registration Application Charge Regulation 1998*.

The *Migration Act 1958*:

- appoints the Migration Institute of Australia Limited as the Migration Agents Registration Authority; and
- appropriates moneys collected as registration fees from the CRF for payment to the Institute.

Financial Issues

Revenue from registration fees are estimated at \$1.8m in 2000-01.

The total amount received by MARA is paid into the CRF, but is subsequently appropriated and paid to the Institute.

The level of fees is endorsed by the Parliamentary Secretary (Immigration and Multicultural Affairs) and subsequently set in Regulations which are disallowable by Parliament. There are currently four fee levels for 2000-01:

-	Agents who charge fees	- initial registration	\$1,085
		- repeat registration	\$870
-	Agents who do not charge fees	- initial registration	\$160
		- repeat registration	\$105

The registration fee is not refundable even if the application is rejected.

The registration fee is subject to GST. The fee is a regulatory charge specified in Australian law and therefore could have been nominated for exemption under sec 81-5 of the GST legislation. However, to be consistent with the registration of professionals in other self-regulating industries, the exemption was not sought.

Move to industry self regulation

The Government's policy is for the immigration advice industry to become self regulating. The current arrangement with the Institute managing the statutory responsibilities of MARA is seen as an intermediate stage on the path towards industry self regulation.

Regulation of the migration advice industry has undergone significant change in the last decade. Prior to 1992, the industry had been subject to only minimal regulation. Following amendments to the Migration Act in 1989, decision-making on migration applications became more complex and there were increasing consumer complaints about migration agents. Full Government regulation under the Migration Agents Registration Scheme (MARS) was introduced in 1992 as a result of parliamentary concerns about the need to protect consumers seen as vulnerable to exploitation.

Statutory self-regulation, introduced in 1998, aimed to move the industry towards self-regulation whilst maintaining the consumer protection elements of the Government regulation scheme. A full assessment of the industry's capacity for self-regulation will be made before moving to that arrangement.

Other issues

MARA's core activities are registration and repeat registration of agents and the investigation of complaints against them. While complaints are made against only 6% of agents, they are virtually all fee-charging agents, with minimal complaints against non-fee charging agents.

The current fees structure has been in place since 1998. The level of the fees largely reflect historical factors and MARA's expected annual operating costs. The Government agreed in 1999 that decisions on registration fee levels should be informed by the results of a review of MARA's operating costs to ensure that the regulation costs borne by the industry are appropriate.

Migration Review Tribunal (MRT) charging for review of decisions

Description The MRT provides independent merits review of certain administrative decisions of DIMA. The MRT's clients are, in the main, applicants for certain classes of visas whose applications have been refused or cancelled. The MRT operates from three registries – in Melbourne, Sydney and Canberra. It also has registries in Brisbane, Adelaide and Perth for which the Administrative Appeals Tribunal (AAT) provides administrative support.

Application for MRT review are charged an application fee of \$1,400. The fee will be refunded if the decision under review is set aside or varied by the MRT. Applicants are not required to pay the application fee if they are in immigration detention because they have been refused a bridging visa or if they have had a bridging visa cancelled. Also, applicants can apply for fee waiver on the grounds of severe financial hardship. Some 5.4% of applicants have their fees waived.

Authority for charging

The authority for charging an application fee is provided in sec 347 of the *Migration Act 1958*. The level of application fee is set by *Migration Regulation 4.13*.

Financial aspects

The MRT collected approximately \$7.4m in application fees in 1999-2000, of which some \$1.5m was refunded to successful applicants (leaving a net revenue of some \$5.9m).

The MRT's annual operating expenses in 1999-2000 was \$11.728m.

The application fees are treated as Administered revenue. They are paid to the Consolidated Revenue Fund and the MRT cannot access them. The MRT's operational budget is determined independently of the fees revenue.

The cost to process each application has been estimated at approximately \$2,800 in 1999-2000.

Other issues

History of cost recovery – the Tribunal has charged a fee of \$1,400 per review since its commencement on 1 June 1999. Its predecessor organisations similarly charged fees which were established through the Migration Regulations.

Community Service Obligation – the reviews that the MRT provides are essentially a Community Service Obligation. The MRT is mandated to ensure decisions in relation to certain visa classes are correct and preferable. However, the application of a fee does avoid frivolous applications and offsets the cost to the taxpayer for unsuccessful applicants.

Refugee Review Tribunal (RRT) charging for review of decisions

Description - Individuals who are not successful in their application to DIMA for a protection visa are able to seek further consideration by having their application considered by the RRT. If the consideration by the RRT is unsuccessful, the applicant is liable for a \$1,000 post-decision fee.

No fee is payable where the application is successful (that is, the RRT sets aside the original protection application and remits the application to DIMA for further consideration of Australia's protection obligations to the applicant). Also, a fee is refundable if a court subsequently refers an application back to the Tribunal for reconsideration.

Authority for charging

The authority for the RRT's post-decision charge is provided in sec 412 of the *Migration Act 1958*. *Migration regulation 4.13* sets the level of the fee at \$1,000 and provides for the fee to be payable after the Tribunal's decision is notified to the applicant.

Financial considerations

The RRT reported revenue from post decision fees of \$4.3m in 1999-2000. However, the level of fee payment is extremely low, with a provision for doubtful debts of some 90% of the revenue estimate. Actual cash receipts against this revenue was only \$0.7m in 1999-2000 and the write off expense was \$3.3m .

The RRT's operating expenses in 1999-2000 were \$17.9m.

The post decision fees are treated as Administered revenues. They are paid to the Consolidated Revenue Fund and the Tribunal cannot access them. The Tribunal's operational budget is determined independently of the fees revenue.

The cost to process each application has been estimated at \$2,800 in 1999-2000.

Other Issues

Community Service Obligation – the reviews that the RRT provides are a Community Service Obligation. The RRT is mandated to ensure decisions in relation to certain visa classes are correct and preferable.