

QUESTION TAKEN ON NOTICE

ADDITIONAL BUDGET ESTIMATES HEARING: 9 FEBRUARY 2010

IMMIGRATION AND CITIZENSHIP PORTFOLIO

(110) Program 1.1: Visa and Migration

Senator Humphries asked:

Permanent Skilled Migration:

- (1) The 2009-10 Budget announced a reduction in the size of the skilled stream by 25 400 places to 108 100 places. Has there been any change to this figure since it was announced in May 2009?
- (2) What has been the total number of visas granted in the skilled stream year to date?
- (3) How many outstanding applications under the skilled stream are with the Department?
- (4) Is there likely to be more applications for visas under this stream than available places?
- (5) What is the additional waiting time this Budget decision will have upon applicants under the skilled migration stream?
- (6) What is being done to manage this caseload and the expectations of visa applicants?
- (7) What rights to work, Medicare and other benefits do these applicants have while they are waiting for their applications to be decided?
- (8) How is the Department of Immigration dealing with the \$9.2 million reduction in its budget as a consequence of this measure? Have other services been affected?

Answer:

- (1) There has been no change in the size of the Skill Stream, and it remains at 108 100 places for 2009-10 Program Year.
- (2) As at 31 January 2010, 72 072 skilled visas had been granted.
- (3) As at 31 January 2010, there were 85 211 Skill Stream primary applications on hand.
- (4) In 2009-10 there will be more applications (total clients) than available places in the Skill Stream. This has also been the case in previous years.

- (5) Waiting times within the Skill Stream depend on a range of factors, such as, which skill category is being applied for, whether the applicant is nominated or sponsored, whether the application is onshore or offshore, whether the applicant has an occupation on the critical skills list.

The new priority processing arrangements announced on 8 February 2010 include these factors. Waiting times therefore vary as applications in lower priority groups are not processed until those in higher priority groups are finalised, in accordance with the priority processing direction.

Further information is available from the *Visas for migrating to Australia as a skilled person—application processing times* at:

www.immi.gov.au/about/charters/client-services-charter/visas/8.0.htm

- (6) The Department undertakes the following activities: Manages the annual Migration Program, including the Family and Skill Streams, within the parameters set by the government specifically:
1. In February 2010, 5000 places were transferred from General Skilled Migration (GSM) and 1000 places from Business Skills to the highest priority Employer Sponsored category. The total number of places in the Skill Stream remains at 108 100.
 2. New priority processing arrangements took effect from 8 February 2010 applying to the Employer Sponsored and GSM categories.
 3. The Business Skills category was capped on 18 March 2010 to limit the number of places available in the 2009-10 program year due to the pressure on planning levels.
 4. Clients and agents are kept informed of progress with applications through a variety of ways, including correspondence from the Department, contact with case officers and providing information on the Department's website in relation service standards, changes to priority processing and other program updates.
 5. The Department has written to State and Territory governments, assessing authorities and peak education industry bodies about the 8 February 2010 changes. The Department has also briefed around 1600 migration agents and 300 vocational education and training providers about the changes and their impacts.
- (7) Applicants for an onshore General Skilled Migration (GSM) visa are generally entitled to a Bridging Visa A (BVA) while they wait for their visa application to be finalised.

A BVA holder is able to live in Australia and work without restriction. BVA holders who have applied for a permanent visa are also usually able to access Medicare, although applicants are directed by the Department to Medicare to check their eligibility requirements.

- (8) The \$9.2 million reported in 2009-10 Budget Paper No. 2 (page 339) is the net impact on the Department of Immigration and Citizenship of the reduction of 25 400 places in the skill stream and an increase of 3800 places in the family stream.

The impact of the reduction of 25 400 places in the skill stream is estimated to generate savings of \$16.4 million. The savings flow from a reduction in workload activity in finalising visa applications and a reduction in the provision of settlement services for the lower number of new arrivals, specifically:

- reduced workload to finalise reduced number of visa applications (approximately \$9.0 million);
- reduced number of clients accessing initial translating and interpreting services (approximately \$3.4 million);
- reduced number of clients accessing Adult Migrant English Program services (approximately \$4.0 million); and
- reduced number of clients accessing Community Settlement Services Grants program (approximately \$20 000).

The first item, the reduction in workload to finalise a reduced number of visa applications, is being addressed through a reduction in visa processing staff in departmental offices. This reduction is achieved by redirecting surplus skill stream processing staff to other activities, such as processing applications for the additional family stream places or the additional compliance and detention case managers, both of which were measures announced in the 2009-10 Budget.

In respect of the latter three cost savings items, these services are delivered by third party service providers on a fee for service basis. The savings will be generated by a reduction in the number of clients accessing these services following the reduction in places granted in the skill stream program.