

Report Card: Working Holiday Maker (WHM) Visa Reforms compared with Victoria Tourism Industry Council recommendations to the WHM Review, 2016

VTIC's recommendations regarding the Working Holiday (subclass 417) visa		Government reforms	
1.	Reverse the decision to remove the tax-free threshold for Working Holiday Maker (WHM) visa holders.	From 1 January 2017, a 19 per cent tax rate will apply for all WHMs from their first dollar of income up to \$37,000, with ordinary marginal rates applying from \$37,001.	●
2.	Remove the six-month cap on employment to allow WHMs to spend more time with one employer, and extend the Northern Australia policy (whereby WHMs may be eligible for an extension to work beyond six months with one employer in certain industries, including tourism and hospitality) to all states and territories.	WHMs are now permitted to stay with one employer for up to 12 months as long as the second six months is worked in a different region.	●
3.	Grant a second year extension to WHMs who spend three months or more working in regional tourism and hospitality businesses (expanding eligibility beyond the traditional realms of regional agriculture and construction).	Not addressed.	●
4.	Remove the upper age limit, in line with other countries' WHM programs; or at least revise the qualifying age range from 18-30 to 18-35 years.	The age limit has been extended from 30 to 35.	●
5.	Allow multiple visa applications, one between 18-25 years of age and a second between 26-35 years of age.	Not addressed.	●
6.	Expand the program to include key international growth markets and remove need for it to be reciprocal.	Not addressed.	●
7.	Develop and implement a dedicated global youth tourism marketing campaign to counteract the detrimental effects of the proposed removal of the tax-free threshold for WHMs.	Tourism Australia has been allocated a further \$10m to put towards a global youth-targeted marketing campaign.	●
8.	Provide Tourism Research Australia with resources to undertake targeted research into the value of WHMs to the tourism industry and broader economy.	Not addressed.	●
9.	Develop sustainable long-term policies to address the labour and skills shortages in the tourism and hospitality industries and ensure supply of appropriately qualified industry professionals from the tertiary education system.	Not addressed.	●
10.	Freeze any further increases in visa fees and charges associated with this visa class, noting that the PMC already constitutes a tax on tourism.	Visa application charge reduced by \$50 to \$390; Tax on departed WHMs' superannuation to increase to 95 per cent from 1 July 2017 to support Australians in their retirement; and PMC for all departing travellers to increase \$5 from 1 July 2017.	●