

## **QUESTION TAKEN ON NOTICE**

### **ADDITIONAL ESTIMATES HEARING : 08 February 2016**

#### **IMMIGRATION AND BORDER PROTECTION PORTFOLIO**

##### **(AE16/153) - Working Holiday Visas - Programme 2.3: Visas**

Senator Carr, Kim (L&CA) written:

Please provide a table showing WHV applications and approvals for each month from January 2013 to present, broken down by visa subclass.

How many WHV visas were (a) applied for and (b) granted in each of 2013, 2014 and 2015 respectively?

Has the rate of application changed since 12 May 2015 until now, compared to the same period the prior year? Have applications increased or decreased? By what quantity and percentage?

The July 2015 DIBP report shows WHV maker applications fell by over 10,000 last year. Why was this? (p.10)

The report shows almost 13,000 fewer WHV visas were granted in 2014-15 compared to (p.18). What does the Department attribute as they key factors in this drop?

How does the Department anticipate demand for WHV visas will change as a result of the proposed backpacker tax?

Where are WHV processed and how many FTE staff are engaged in this work? Please provide a list showing country, location or office, level, and role.

Has this number changed since 12 May 2015? By how many staff members? Why?

Was the department consulted on the WHV tax changes before their announcement on Budget night 2015? If yes, what was the nature of the consultation?

Has the Minister made any representations to the Treasury in relation to the potential impact on demand for WHV or expenditure as a result of this measure? If so, what was the nature of the representations?

Has department undertake any modelling on demand for WHV visas as a result of this change? How will the department be monitoring demand? Where will this information be published?

What information does the Department collect about earnings of Working Holiday visa holders?

What is the average earnings per working holiday maker? Please provide as much detail as possible.

What is the average length of stay of working holiday visa holders (broken down by subclass)

What is the average processing time for working holiday visa holder applications?

What is the grant rate for working holiday visa applications?

*Answer:*

*Please provide a table showing WHV applications and approvals for each month from January 2013 to present, broken down by visa subclass.*

The Working Holiday Maker (WHM) programme is made up of the Working Holiday visa (subclass 417), including both first and second Working Holiday visas, and the Work and Holiday visa (subclass 462).

The number of WHM visa applications lodged by calendar month from 1 January 2013 to 29 February 2016 is provided in the following tables:

Month	Working Holiday (subclass 417) visa lodgements - 1 January 2013 to 29 February 2016											
	2013			2014			2015			2016		
	First	Second	Total	First	Second	Total	First	Second	Total	First	Second	Total
Jan	17,211	3,811	<b>21,022</b>	15,119	4,450	<b>19,569</b>	15,588	3,930	<b>19,518</b>	14,014	3,563	<b>17,577</b>
Feb	14,690	3,663	<b>18,353</b>	12,913	4,016	<b>16,929</b>	12,151	3,333	<b>15,484</b>	12,135	2,997	<b>15,132</b>
Mar	16,255	3,580	<b>19,835</b>	13,026	4,166	<b>17,192</b>	14,231	3,390	<b>17,621</b>			
Apr	15,055	3,361	<b>18,416</b>	12,238	3,382	<b>15,620</b>	12,686	3,005	<b>15,691</b>			
May	15,711	3,577	<b>19,288</b>	12,998	3,581	<b>16,579</b>	13,131	3,141	<b>16,272</b>			
Jun	16,300	3,418	<b>19,718</b>	13,777	3,399	<b>17,176</b>	15,062	3,224	<b>18,286</b>			
Jul	20,110	3,465	<b>23,575</b>	16,766	3,526	<b>20,292</b>	15,808	3,053	<b>18,861</b>			
Aug	22,264	5,324	<b>27,588</b>	17,475	4,139	<b>21,614</b>	16,408	4,576	<b>20,984</b>			
Sep	17,877	4,218	<b>22,095</b>	17,446	4,541	<b>21,987</b>	16,256	3,950	<b>20,206</b>			
Oct	16,960	4,552	<b>21,512</b>	15,418	4,372	<b>19,790</b>	14,510	3,946	<b>18,456</b>			
Nov	13,990	4,003	<b>17,993</b>	13,325	3,522	<b>16,847</b>	12,520	3,351	<b>15,871</b>			
Dec	12,354	3,503	<b>15,857</b>	12,461	3,260	<b>15,721</b>	11,493	3,028	<b>14,521</b>			
<b>Total</b>	<b>198,777</b>	<b>46,475</b>	<b>245,252</b>	<b>172,962</b>	<b>46,354</b>	<b>219,316</b>	<b>169,844</b>	<b>41,927</b>	<b>211,771</b>	<b>26,149</b>	<b>6,560</b>	<b>32,709</b>

Work and Holiday (subclass 462) visa lodgements - 1 January 2013 to 29 February 2016				
Month	2013	2014	2015	2016
Jan	712	898	1,166	1,091
Feb	604	734	885	890
Mar	814	856	1,083	
Apr	773	847	949	
May	834	860	1,017	
Jun	714	825	1,008	
Jul	904	1,006	2,050	
Aug	1,114	1,183	1,583	
Sep	887	977	1,387	
Oct	894	991	2,265	
Nov	791	942	2,007	
Dec	755	1,060	1,616	
<b>Total</b>	<b>9,796</b>	<b>11,179</b>	<b>17,016</b>	<b>1,981</b>

The number of WHM visa applications granted by calendar month from 1 January 2013 to 29 February 2016 is provided in the following tables:

Working Holiday (subclass 417) visa grants - 1 January 2013 to 29 February 2016													
Month	2013			2014			2015			2016			
	First	Second	Total	First	Second	Total	First	Second	Total	First	Second	Total	
Jan	20,391	3,339	<b>23,730</b>	15,464	4,142	<b>19,606</b>	14,938	3,260	18,198	13,362	2,748	<b>16,110</b>	
Feb	14,735	3,130	<b>17,865</b>	12,792	3,707	<b>16,499</b>	12,140	3,253	15,393	11,493	2,985	<b>14,478</b>	
Mar	16,240	3,710	<b>19,950</b>	13,049	3,592	<b>16,641</b>	13,900	3,558	17,458				
Apr	14,877	3,330	<b>18,207</b>	11,856	3,433	<b>15,289</b>	12,816	2,711	15,527				
May	16,019	2,908	<b>18,927</b>	13,009	3,668	<b>16,677</b>	12,737	2,804	15,541				
Jun	15,712	3,334	<b>19,046</b>	13,618	2,978	<b>16,596</b>	14,586	3,320	17,906				
Jul	20,068	3,142	<b>23,210</b>	16,505	3,380	<b>19,885</b>	16,367	3,119	19,486				
Aug	20,825	4,249	<b>25,074</b>	17,138	3,779	<b>20,917</b>	16,170	3,428	19,598				
Sep	19,803	3,236	<b>23,039</b>	17,576	4,236	<b>21,812</b>	16,482	3,394	19,876				
Oct	16,963	5,093	<b>22,056</b>	15,533	4,299	<b>19,832</b>	14,338	4,019	18,357				
Nov	13,876	5,018	<b>18,894</b>	13,070	3,325	<b>16,395</b>	12,109	2,784	14,893				
Dec	12,105	3,692	<b>15,797</b>	12,552	3,414	<b>15,966</b>	11,381	2,576	13,957				
<b>Total</b>	<b>201,614</b>	<b>44,181</b>	<b>245,795</b>	<b>172,162</b>	<b>43,953</b>	<b>216,115</b>	<b>167,964</b>	<b>38,226</b>	<b>206,190</b>	<b>24,855</b>	<b>5,733</b>	<b>30,588</b>	

Work and Holiday (subclass 462) visa grants - 1 January 2013 to 29 February 2016				
Month	2013	2014	2015	2016
Jan	775	917	1,156	1,169
Feb	597	791	1,009	933
Mar	702	822	1,058	
Apr	771	780	941	
May	844	821	897	
Jun	682	822	1,042	
Jul	741	909	1,338	
Aug	1,085	1,113	1,823	
Sep	1007	1045	1,346	
Oct	934	940	2,272	
Nov	732	962	1,618	
Dec	762	910	2,186	
<b>Total</b>	<b>9,632</b>	<b>10,832</b>	<b>16,686</b>	<b>2,102</b>

*How many WHV visas were (a) applied for and (b) granted in each of 2013, 2014 and 2015 respectively?*

The total number of WHM visas lodged and granted by subclass and calendar year is provided in the following table:

Calendar year	2013	2014	2015
(a) WHM lodgement numbers	255,048	230,495	228,787
(b) WHM grant numbers	255,427	226,947	222,876

*Note: Applications may not be finalised be within the same reporting period.*

*Has the rate of application changed since 12 May 2015 until now, compared to the same period the prior year? Have applications increased or decreased? By what quantity and percentage?*

The number of WHM applications lodged from 12 May 2015 to 8 February 2016 was 173,432. This compares to 177,780 applications lodged in the same period of the previous year, which represents a 2.4 per cent decrease.

*The July 2015 DIBP report shows WHV maker applications fell by over 10,000 last year. Why was this? (p.10). The report shows almost 13,000 fewer WHV visas were granted in 2014-15 compared to (p.18). What does the Department attribute as they key factors in this drop?*

The current decline in the number of WHM visa application lodgements and grants follows an unprecedented period of growth over most of the previous decade, peaking in 2012-13. This growth was in part driven by the Global Financial Crisis as Australia's economy was less affected than other countries.

The international tourism market is highly complex and competitive, with many factors potentially influencing demand for different destinations. Academic year schedules, fluctuating economic and labour market conditions both in Australia and in our partner countries and a falling Australian dollar are factors that play a role in influencing demand for WHM visas.

*How does the Department anticipate demand for WHV visas will change as a result of the proposed backpacker tax?*

- The WHM visa programme allows an extended holiday in Australia, with the opportunity to work to supplement travel funds. Work is not intended to be the primary purpose of the visa.
- Decisions about whether to have a working holiday in Australia are driven by a range of factors, economic and otherwise, making it difficult to anticipate the impact of the backpacker tax.

- People might be influenced by tourism marketing campaigns, or they might have friends and family here.
- The income tax rate on any work they do here is only one economic factor for WHM visa holders. They will also consider factors including the relative economic conditions in their home country and Australia, such as the unemployment rate, comparative wage differences and exchange rates.

*Where are WHV processed and how many FTE staff are engaged in this work? Please provide a list showing country, location or office, level, and role. Has this number changed since 12 May 2015? By how many staff members? Why?*

In February 2016, there were 36.6 full time equivalent (FTE) staff attributed to processing WHM visa applications in Australia. There were around 13 FTE staff based in Cairns, 15 in Hobart and 8 in Perth. This compares to 48.6 FTE staff attributed to WHM processing in May 2015, consisting of around 15 FTE staff in Cairns, 25 in Hobart and 8 in Perth.

Visa processing teams generally consist of a senior officer, usually at the Executive Level 1 classification, overseeing staff at the APS3, APS4, APS5 and APS 6 levels. Individual staff within teams may process visas across a number of visa programmes and subclasses.

Staffing volumes fluctuate quite markedly according to seasonal demand and application rates, the need to transfer staff to other visa processing teams as necessary and natural attrition due to staff leaving the Department, the cessation of temporary contracts and pending recruitment.

A small proportion of WHM applications are processed overseas. However, given the breadth of visas processed offshore, the Department cannot breakdown overseas staffing levels by visa subclass.

*Was the department consulted on the WHV tax changes before their announcement on Budget night 2015? If yes, what was the nature of the consultation?*

Yes, the Department was consulted on the Working Holiday Maker tax measures prior to their announcement on Budget night 2015.

*Has the Minister made any representations to the Treasury in relation to the potential impact on demand for WHV or expenditure as a result of this measure? If so, what was the nature of the representations?*

No.

*Has the department undertaken any modelling on demand for WHV visas as a result of this change?*

No modelling has been undertaken by the Department.

*How will the department be monitoring demand? Where will this information be published?*

The Department monitors the number of WHM visa applications lodged throughout each programme year. Statistics and reports on the WHM visa programme, including visa lodgement and grant data, are published on the Department's website at <http://www.border.gov.au/about/reports-publications/research-statistics/statistics/visit-australia>.

*What information does the Department collect about earnings of Working Holiday visa holders? What is the average earnings per working holiday maker? Please provide as much detail as possible.*

The Department does not collate information on earnings by Working Holiday visa holders during their stay in Australia.

*What is the average length of stay of working holiday visa holders (broken down by subclass)*

The average length of stay of WHM visa holders by subclass where the visa expired in 2014-15 is provided in the following table:

<b>Visa type</b>	<b>Average length of stay</b>
Working Holiday (subclass 417)	286 days
Work and Holiday (subclass 462)	196 days

*What is the average processing time for working holiday visa holder applications?*

The median processing times for WHM visas by subclass in 2014-15 are provided in the following table:

<b>Visa type</b>	<b>Average processing time</b>
Working Holiday (subclass 417)	<1 calendar day
Work and Holiday (subclass 462)	2 calendar days

*What is the grant rate for working holiday visa applications?*

The grant rates for WHM visas by subclass in 2014-15 are provided in the following table:

<b>Visa type</b>	<b>Grant rate</b>
Working Holiday (subclass 417)	98.6 per cent
Work and Holiday (subclass 462)	98.3 per cent