

QUESTION TAKEN ON NOTICE

ADDITIONAL ESTIMATES HEARING: 13 FEBRUARY 2012

IMMIGRATION AND CITIZENSHIP PORTFOLIO

(AE12/233) Program 1.1: Visa and Migration

Senator Cash (L&CA written) asked:

In relation to the Additional Estimates statements, I refer to Table 1.2 which sets out agency measures since the budget.

- a. What does the capital measure for visa pricing transformation provide for? What project or funding is this for?
- b. Is there a contract for the provision of this capital measure? Who is it with? How long is it for?
- c. Why is the funding \$9.2 million in 2011-12 and then \$24.5 million in 2012-13, dropping to \$3.8 million in 2013-14?
- d. What are the deliverables in each of those years?
- e. Is this funding related to the dramatic increase in revenue measures identified in table 1.2? In what way? Please provide details of how it is related.
- f. Is it related to any other revenue measure?

Answer:

a. The capital measure for visa pricing transformation provides for the building of a new multi-dimensional visa pricing capability in the Department's financial management information system, software licenses, integration with the Department's other information technology systems, and expansion of e-Business, including online payment service, online products, web server capacity, website re-design, online account and digitization.

b. There is no overarching contract for the provision of this capital measure. The work is being completed internally and includes the use of specialist IT contractors engaged by the Department.

c. The higher amounts of funding in 2011-12 and 2012-13 are due to the majority of the systems development work occurring in these financial years. The lower amount of funding in 2013-14 and beyond reflects ongoing minor capital enhancement costs.

d. The new visa pricing arrangements are being implemented in three phases – 1 January 2012, 1 July 2012 and 1 July 2013.

Phase one was implemented on 1 January 2012 and included base Visa Application Charge (VAC) increases for a number of visa subclasses and a decrease of 5 per cent in the base VAC for student visa applications.

In phase two, and subject to legislative change, a charge for visa labels is proposed from July 2012, and a CPI adjustment will also be made to some subclasses.

In phase three, charges will apply from July 2013 to paper based applications where an alternate online application option exists; each visa applicant in a combined visa application in lieu of a single charge per application; and applications for longer duration 457 visas and subsequent onshore temporary visa applications.

e. Yes. The upfront investment is required to commence work on the IT systems, and business changes, and improve client information over a 12-18 month timeframe. To implement the visa pricing measure, the department will build a more targeted visa pricing system which is supported by improved online lodgement and payment services instead of the largely paper based system currently in operation. Changes are required to systems and business processes; web and paper information products need to be updated; an online pricing calculator is required for use by clients and staff; and staff training and supporting documentation is also necessary.

f. This measure is not related to any other revenue measure.