



**THE HON ALEX HAWKE MP
MINISTER FOR IMMIGRATION, CITIZENSHIP,
MIGRANT SERVICES AND MULTICULTURAL AFFAIRS**

Ref No: MC21-051858

Mr Ken O'Dowd MP
Chair
Standing Committee on Petitions
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Dear Mr O'Dowd

Thank you for your correspondence of 22 November 2021 enclosing Petition EN3366, with 13,271 signatures, concerning Family and Parent visas. I appreciate the time you have taken to bring this matter to my attention.

Family migration is an important element of Australia's migration system, allowing Australian citizens and permanent residents to reunite with their family members and contributing to stronger social cohesion outcomes.

It has been the long-standing practice of successive governments to manage the orderly delivery of Migration Program outcomes against planning levels. The Australian Government sets the size and composition of the Migration Program each year through the Government's Budget process following consultations with state and territory governments, business and community groups and the wider public.

On 15 November 2021, the Department of Home Affairs published a request for public submissions as part of the 2022-23 Migration Program planning process on its website at: <https://www.homeaffairs.gov.au/help-and-support/how-to-engage-us/consultations/australias-22-23-migration-program>. The period for submissions has now closed.

Following the public consultations, the permanent Migration Program is set with Australia's immediate and longer-term economic and social needs in mind. Immigration policy has enduring effects on many dimensions of Australian life. Getting the policy settings right is critical to maximising community wellbeing.

The relative merits of any policy needs to be assessed against a broader context that takes into account all the relevant dimensions of societal wellbeing, including issues around Parent visas which are complex because:

- the economic outcomes of immigrant parents are typically poor. They tend to have low integration into the labour market largely due to their older ages and, in some cases, poorer than average English-language proficiency. This means lower income (and income tax) than other immigrants;

- immigrant parents are at stages of their lives when they make considerable claims on the aged care, health and social security systems, which must be met through taxpayer funds; and
- immigrant parents can make valuable social contributions to their families, but these mainly benefit the family members themselves rather than the broader social contributions made by other immigrants.

For example, the Contributory Parent visa charge of just under \$50 000 meets only a fraction of the fiscal costs for the annual intake of contributory parent visa holders. As stated by the Productivity Commissioner in the Migrant Intake into Australia - Productivity Commission Inquiry Report Overview & Recommendations- No. 77, 13 April 2016, overall, the cumulated lifetime fiscal costs (in net present value terms) of a parent visa holder in 2015-16 is estimated to be between \$335 000 and \$410 000 per adult, which ultimately must be met by the Australian community.

The Productivity Commissioner found that reflecting their average older age and lower labour market engagement, the parent visa stream makes considerable demands on Australia's health, aged care and social security system, while not making many fiscal contributions through taxes paid. The contributory parent visa charge recognises the high expected net fiscal costs of parents. However, at its current level, it is only a small portion of these expected costs. Accordingly, most of the costs must be borne by the community as a whole, whereas many of the benefits accrue to the sponsors and the parents themselves.

Historically, Australia's permanent Migration Program has had a distribution of two-thirds Skill and one-third Family visas since 2005-06.

In 2020-21, in response to the impacts of COVID-19 pandemic, the proportion of the Family stream was expanded. The restriction on the number of places allocated Parent visas was designed to ensure that priority in the family stream category was given to partners and dependent child applicants. This aligned with the current Australian Government's policy intentions during the pandemic, the need to give priority to certain applications, and to manage the size and composition of the Migration Program.

On 11 May 2021, the Government announced as part of the Budget, that the overall Migration Program settings would continue into 2021-22. This maintains an expanded Family stream, with priority in the Family stream category given to immediate family members who are partner and dependent child applicants. Further, the impact of the COVID-19 pandemic on visa applicants is being continually monitored, and visa settings reviewed to respond to the global challenges posed by COVID-19.

In the 2021-22 Migration Program year, there are 4,500 Parent visa places available, being 900 places for Parent & Aged Parent visas and 3,600 places for Contributory Parent visas. Once this number is reached, no more visas will be granted in the migration program year.

Outside the Migration Program, there are 15,000 places each financial year for parents of Australian citizens, Australian permanent residents and eligible New Zealand citizens to apply for the Sponsored Parent (Temporary) visa, which allows parents to reunite with their children temporarily for up to 3 or 5 years in Australia.

In the interest of equity for visa applicants who apply for a Parent visa in the Migration Program, all visa applications are assessed in lodgement date order. If the visa application meets the initial visa criteria, the visa application is placed in a queue. Visa applications are released from the queue for finalisation in queue date order. There are no provisions to consider compelling and compassionate reasons to expedite one Parent visa application over another as it may disadvantage other applicants who may be in similar or more compelling circumstances.

Processing times for Parent visas are impacted by a range of factors, including the number of places the Government allocates to a program each year, and the level of demand for each visa category. High volumes of Parent visa application lodgements, which for a number of years exceeded annual migration planning levels set by successive Governments, have impacted on processing times.

Additionally, the COVID-19 pandemic has significantly affected the availability of key assessment services (such as medical checks). This has impacted applicants' ability to meet visa criteria, and disrupted the Department's visa processing services. This has had the flow on effect of increasing processing times.

The time taken to process visa applications can also vary according to the individual circumstances of each case. The quality and completeness of applications, applicants' responsiveness to requests for information, and the complexity often involved in assessing 'genuineness of relationship', character, health and security requirements, can influence processing times.

The Australian Government appreciates that the limited number of places for these visas each year may be disappointing for some members of the community. Ultimately, the Migration program must strike the right balance between sustainable family reunion and maximising Australia's longer term economic growth and prosperity.

Your representation and the concerns raised will be taken into account as future policy settings on this issue are considered as previously outlined above. However, increasing the number of places for Parent visa may have significant cost implications and would need to be considered by the Government in the context of budget decisions and the current economic climate.

Thank you for bringing Petition EN3366 to my attention.

Yours sincerely

ALEX HAWKE

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