



Migration Institute
of Australia

SUBMISSION

2019-20 Pre Budget Submission



Migration Institute of Australia

The Migration Institute of Australia (MIA) was established in 1992 as the professional association for Registered Migration Agents. Through its public profile the Institute advocates the value of migration, thereby supporting the wider migration advice profession, migrants and prospective migrants to Australia.

The Institute operates as a company limited by guarantee and complies with all Australian Securities and Investments Commission (ASIC) requirements. Under its Constitution it is not empowered to pay any dividends. The MIA and its elected office bearers are guided by the legal framework set out in the Corporations Act 2001, the MIA Constitution and Rules, the Corporate Governance Statement and Board Charter.

MIA Members hold a further responsibility to their clients and the Australian community to abide by ethical professional conduct and to act in a manner which at all times enhances the integrity of the migration advice profession and the Institute. MIA Members are bound by both the MIA Members' Code of Ethics and Practice, which sets the profession's standards of behaviour, and the statutory Code of Conduct of the Office of the Migration Agents Registration Authority (MARA).

Dear Senator Seselja

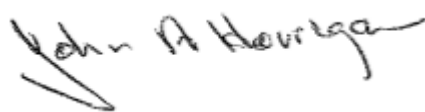
The Migration Institute of Australia (MIA) welcomes the opportunity to provide this submission regarding the priorities of the 2019-20 Federal Budget.

The MIA congratulates the Government on its success in returning the 2019-20 Budget to surplus, the record of strong economic growth that allowed this and for the Government's promise to guarantee the essential services on which Australians rely.

The MIA believes that Australia's migration program is a vital factor in the strength and prosperity of Australia and that the 2019-20 Federal Budget should ensure that the immigration function of the Department of Home Affairs is sufficiently funded to enable it to efficiently and effectively perform its functions.

The recommendations in this submission are designed to enhance the ability of the Department to provide efficient services and programs, to support consumer protection and support employers who depend on migration programs to provide sufficient workforces to allow the Australian economy to grow and prosper.

Yours faithfully,

A handwritten signature in black ink that reads "John A Hourigan". The signature is written in a cursive style with a large, sweeping initial 'J'.

John Hourigan
National President
Migration Institute of Australia

1 February 2019

MIA Recommendations

The MIA provides the following recommendations for consideration in the development of the 2019-20 Federal Budget:

MIA Recommendation 1

The MIA recommends that funding for the Department of Home Affairs immigration functions be increased in the 2019-20 Federal Budget.

MIA Recommendation 2

The MIA recommends that increased funding be allocated to the Department of Home Affairs in the 2019-20 Federal Budget to specifically reduce the processing times for employer sponsored temporary and permanent visa applications.

MIA Recommendation 3

The MIA recommends that increased funding be allocated to the Department of Home Affairs 2019-20 in the Federal Budget to specifically increase the number of places available for family visa applicants, particularly Partner, Parent and Carer visas.

MIA Recommendation 4

The MIA recommends that specific increased funding be allocated to the Department of Home Affairs in the 2019-20 Federal Budget to specifically provide increased Humanitarian places in the migration program.

MIA Recommendation 5

The MIA recommends that increased funding be allocated to the Department of Home Affairs in the 2019-20 Federal Budget for the specific purpose of prosecuting those providing immigration advice without registration and in breach of the Migration Act 1958.

MIA Recommendation 6

The MIA recommends that visa application fees and charges be maintained at current levels.

MIA Recommendation 7

The MIA recommends that visa charges be set at reasonable levels and that the revenue from these fees and charges be directed to the Department of Home Affairs immigration functions to improve service provision.

MIA Recommendation 8

The MIA recommends that any increases in application fees and charges be distributed equally across all visa classes.

MIA Recommendation 9

The MIA recommends that the Nomination Training Contribution Charge of the Skilling Australians Fund, be levied as a second application charge, once the nomination application has been assessed and is to be granted.

Funding for the Department of Home Affairs

Australia's migration programme is vital to Australia's economy remaining strong and prosperous. The work of the Department of Home Affairs in policy-making and visa application processing is crucial to the success of the migration program. Government funding of the immigration function of the Department of Home Affairs must be adequate to allow to efficiently and effectively perform its functions.

There are lengthy delays in many areas of visa application processing. These delays are often to the detriment of Australian businesses trying to sponsor employees and Australian permanent residents and citizens trying to sponsor family members. This causes great stress to partners and families who are separated.

The MIA warned in previous Pre Budget submissions that insufficient funding of the immigration function would have the negative effects on the migration program and this has been confirmed over this last and previous financial years. The following adverse impacts continue to be evident:

- client service provision by the Department has suffered and there are few meaningful communication channels available with the Department of Home Affairs
- visa processing waiting periods are at all time highs and service standards are unacceptable. In the current migration program year, direct entry employer sponsored skilled visa service standards have increased to almost 12 months. Partner visa service standards have increased for offshore permanent partner applications to 19-39 months and onshore permanent applications to 20-26 months. Parent visa processing service standards are no longer even published on the Department of Home Affairs website
- an increasing and high level of jurisdictional error continues to be observed. Poorly trained case officers are pushed to make quick decisions and lack in-depth knowledge of migration legislation. Poor decision-making resulting from lack of resources impacts on the integrity of visa programmes, and has increased the burden on the Administrative Appeals Tribunal, Migration and Refugee Division

- the Migration and Refugee Division of the Administrative Appeals Tribunal is funded to review 19,000 cases per year. In the previous financial year, the MRD received 38,000 applications for review. This has obviously doubled the waiting period for review cases to be decided.

The Federal Budget allocation to the Department of Home Affairs immigration function must be increased, to enable it to be run efficiently, to allow adequate training of processing and policy officers, to reduce visa processing service standards and to allow an acceptable level of service to be provided to its clients.

The Federal Budget allocation to the Administrative Appeals Tribunal, Migration and Refugee Division must be increased to reduce the waiting time for review decisions.

MIA Recommendation 1

The MIA recommends that funding for the Department of Home Affairs immigration function be increased in the 2019-20 Federal Budget.

Increased funding for specific purposes

Apart from a general funding increase, the Department of Home Affairs requires increased funding for the following specific purposes:

- to reduce processing timeframes for employer sponsored temporary and permanent visa applications, to meet the business needs of Australian companies
- to increase the number of places available, to address the excessively long queues for family visa applicants, particularly Partner, Parent and Carer visas
- to increase the number of places in the Humanitarian stream of the migration program to enable Australia to assist more of the ever-growing number of refugees world-wide
- to prosecute those providing immigration advice without registration and in breach of the Migration Act 1958. The MIA is extremely concerned about the amount of poor quality unregistered immigration assistance being provided, both onshore and offshore, which is a danger to consumers.

MIA Recommendation 3

The MIA recommends that specific increased funding be allocated to the Department of Home Affairs in the 2019-20 Federal Budget to reduce the processing timeframes for employer sponsored temporary and permanent visa applications.

MIA Recommendation 4

The MIA recommends that specific increased funding be allocated to the Department of Home Affairs in the 2019-20 Federal Budget to increase the number of places available for family visa applicants, particularly Partner, Parent and Carer visas.

MIA Recommendation 5

The MIA recommends that specific increased funding be allocated to the Department of Home Affairs in the 2019-20 Federal Budget to provide increased Humanitarian places in the migration program.

MIA Recommendation 6

The MIA recommends that specific increased funding be allocated to the Department of Home Affairs in the 2019-20 Federal Budget to provide increased funding for the purpose of prosecuting those providing immigration advice without registration and in breach of the Migration Act 1958.

Application Fees and Charges

The MIA believes that application fees and charges are now unacceptably high in some visa classes and target those with least ability to meet these fees. Sponsorship of partners and families, particularly for humanitarian visa holders, has become almost impossible to afford. These applicants should not be unfairly burdened to bolster the Consolidated Revenue coffers.

While the MIA does not support any increase in visa application fees and charges, any future increases must be equitably distributed across all visa classes, rather than targeting specific visa classes, as previously occurred with the doubling of partner visa application fees.

MIA Recommendation 7

The MIA recommends that visa application fees and charges be maintained at current levels.

MIA Recommendation 8

The MIA recommends that visa charges be set at a reasonable level and that the revenue from these fees and charges be directed to the Department of Home Affairs immigration functions to improve service provision.

MIA Recommendation 9

The MIA recommends that any increases in application fees and charges be distributed equally across all visa classes.

Skilling Australians Fund – National Training Contribution Charge

The Skilling Australians Fund (SAF) was enacted by Commonwealth legislation on 12 August 2018. The SAF imposes a National Training Contribution Charge (NTCC) on all employer sponsored nominations of both temporary and permanent overseas workers.

The NTCC for temporary visas is levied at \$1200 *per year* of sponsorship for businesses turning over less than \$10 million and \$1800 *per year* for those with a \$10 million or more turnover. For permanent employer sponsored applications the NTCC is levied as a single payment of \$3000 and \$5000 respectively for those business turnovers.

The NTCC is collected on behalf of the Department of Education and Training (DET) which administers the SAF through the Department of Home Affairs online nomination system. The NTCC is charged when the nomination application is lodged and before it is assessed.

If the employer nomination application is refused, there are very limited avenues to apply for a refund of the NTCC. In effect, an employer nomination application may be refused for very minor reasons, such as failure to upload a document or even processing officer error, and the NTCC will not be refunded.

Freedom of Information Request – FA 19/01/00339 reveals that 2,026 temporary visa nomination applications have already been refused between 14 August and 31 December 2018. This equates to a loss of over \$7 million dollars by Australian businesses. Losses that impact most severely on small businesses.

The retention of the NTCC funds by DET for refused applications is akin to the 'charging for no service' practices identified in the recent Australian Banking Royal Commission.

To address this unconscionable retention of the NTCC, the MIA recommends that the charge be collected as a second application charge, once the nomination is about to be approved. Precedent exists for this in other visa processes, for example, applicants without functional English language skills are levied with a second visa application charge once the application has been assessed and when the visa is about to be approved.

MIA Recommendation 10

The MIA recommends that the Nomination Training Contribution Charge of the Skilling Australians Fund, be levied as a second application charge, once the nomination has been assessed and is to be granted.