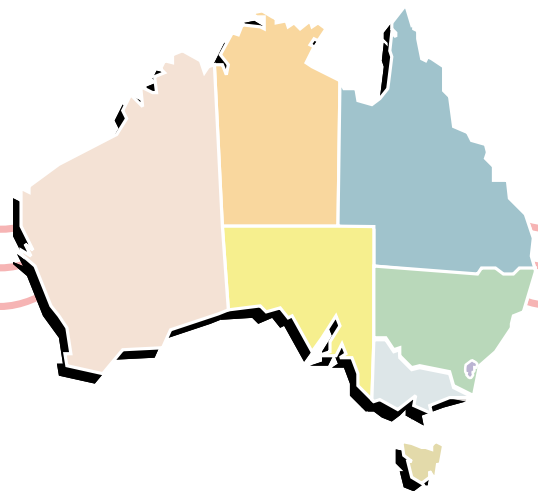


Chapter 4

Temporary Entry

- 3.5 million visitor visas (including business visitors) were issued in 2000–01, up by 9.7 per cent on 1999–2000 and generating an estimated 12 per cent of our export earnings.
- The overall growth in visitor visas issued is particularly significant given that a number of key markets are still recovering from the Asian economic downturn.
- Major tourism markets such as the PRC, Indonesia, Thailand and India experienced strong growth in 2000–01.
- A record number of over 146,500 visas were granted to overseas students in 2000–01.
- In 2000–01 the main source of overseas students was the PRC, followed by the USA.
- Overseas student revenue was estimated at \$3.7 billion in 2000.
- Over 76,500 people were granted working holiday maker visas to Australia in 2000–01, up by about 3 per cent on 1999–2000.
- Long stay temporary business resident visas increased by 15.7 per cent in 2000–01. Around 30 per cent are employed in the ICT industry.



Temporary Entry

Temporary Entry Program

The temporary entry program allows people from overseas to come to Australia on a temporary basis for specific purposes which result in some benefit to Australia.

Temporary entrants are required to pay taxes on any income earned in Australia, they do not generally have access to social welfare benefits or Medicare and they must meet Australia's health and character requirements.

Temporary entrants form a significant and increasing proportion of the total number of people in Australia at any one time, as is the growing trend world-wide. Long-term temporary entrants (those here for twelve months or more) are counted as part of Australia's resident population.

Types of Temporary Entrant

There are five broad groups of temporary entrants.

Visitors - caters mostly for tourists either here for a holiday or visiting friends and relatives. A small number of people come to Australia for pre-arranged medical treatment. The Electronic Travel Authority (ETA) now accounts for 85 per cent of all tourist and short-term business visas issued worldwide. The ETA replaces the visa label or stamp in a passport.

Overseas Students - caters for people who wish to undertake full-time study in registered courses in Australia. The program aims to streamline entry arrangements and facilitate visa issue where there is a low risk that students will overstay or otherwise abuse their visa conditions.

Working Holiday Makers (WHM) - there are reciprocal WHM arrangements with twelve countries. These arrangements ensure young Australians are also offered similar opportunities for cultural understanding through working holidays overseas.

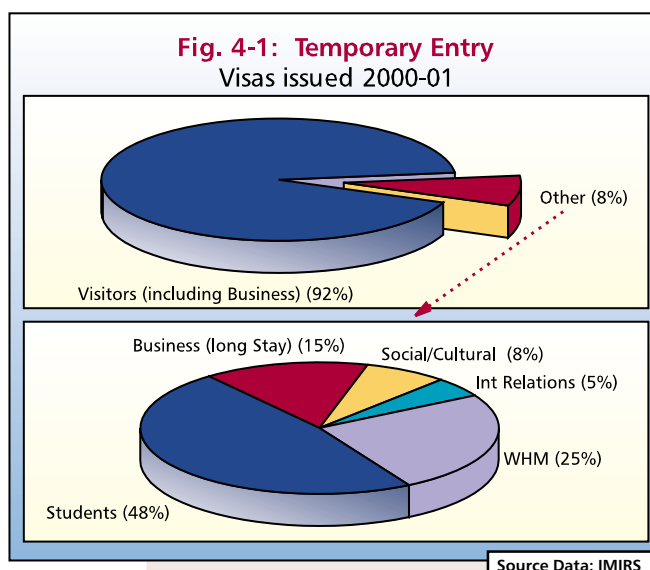
Business - there are two types of temporary business entrants. People whose primary purpose for making a short trip to Australia is business related enter on a Business visitor visa (short stay).

Those who are recruited by Australian companies as skilled key personnel, and those who wish to establish a business in Australia, enter as Temporary Business Residents for periods of stay up to 4 years. This form of temporary entry enables businesses to sponsor skilled people overseas to fill positions that cannot be filled locally and to introduce new technology. It also attracts overseas business people to establish or join businesses in Australia, bringing investment and new ideas.

Other Temporary Visas - there is also a range of other temporary residence visas designed to allow overseas people to come to Australia for a variety of social and cultural, economic and international relations purposes.

In 2000–01, a total of 3,847,240 Temporary Entry visas were granted of which the vast majority, some 3,540,506 were Visitors (including business visitors). Working Holiday Makers (76,576 visas) and Overseas Students (146,577 visas) accounted for 72.8 per cent of the remaining temporary entrants. The number of Temporary Entry visas rose by 9.3 per cent compared to 1999–2000 driven mainly by the 9.3 per cent increase in the number of visitor (including business) visas issued.

Fig. 4-1: Temporary Entry Visas issued 2000-01



Source Data: IMIRS

Visitors

Visitor Numbers

Australia has experienced significant growth in the number of overseas visitors coming for holidays and business in recent years, with a record 4.9 million overseas visitors arriving in Australia in 2000–01. In particular growth has been strong from Australia's Asia-Pacific neighbours with strong economic growth in many Asian markets reflected in strong growth in visitor numbers from the PRC, Korea and Thailand. Despite recent political and economic instability in Indonesia and weaker economic recovery in Japan, numbers from those markets continue to grow strongly compared to arrivals during 1999–2000.

In 2000–01 Australia issued 3,540,506 visitor visas (including business visitor visas) for persons seeking to visit friends and relatives, undertake tourism, have pre-arranged medical treatment, or conduct business. This is a 9.7 per cent increase over the 3,227,039 visitor visas issued in 1999–2000, part of which can be attributed to the Sydney Olympics.

Fig. 4-2: Visitor Visa Grants (excl. Business Visitors)

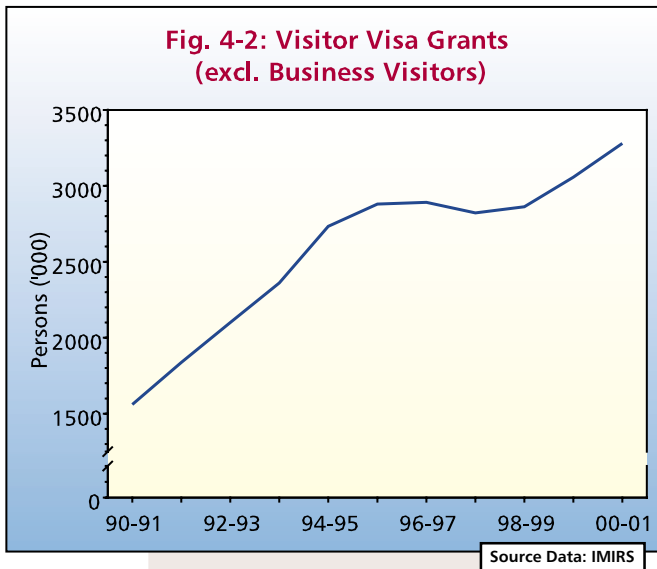
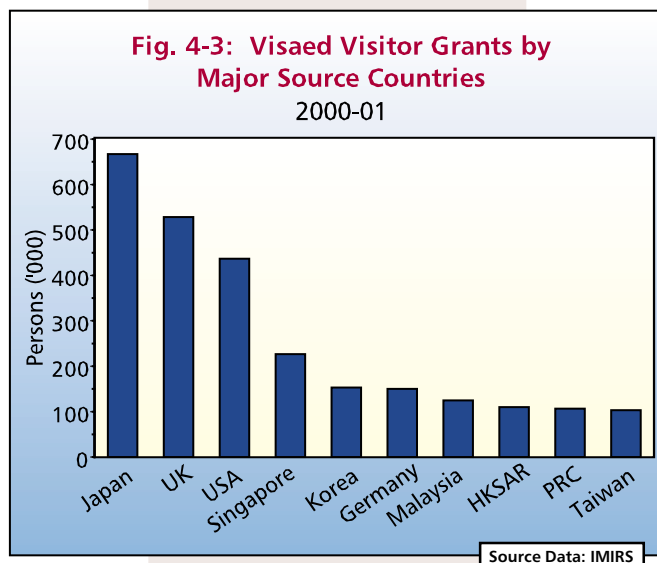


Fig. 4-3: Visaed Visitor Grants by Major Source Countries 2000-01



Additionally, there has been strong growth in the number of visitor visas granted in the USA with 436,298 issued in 2000–01, compared to 373,686 visas issued in 1999–2000 (17 per cent increase). The number of visitor visas issued in the United Kingdom in 2000–01 was 528,554 compared to 457,043 issued in 1999–2000 (16 per cent increase). The number of visas issued in the PRC over the previous two program years has increased significantly from 78,671 to 106,531 in 2000–01 (35 per cent increase).

The overall growth in visitor visas issued is particularly significant given that a number of key markets are still recovering from the Asian economic downturn. There were 666,909 visitor visas granted in Japan in 2000–01 compared to 650,255 in 1999–2000 (3 per cent increase). Despite the downturn in its economy, visitor visa grants increased in Indonesia from 52,915 visas in 1999–2000 to 62,237 visas in 2000–01 (23 per cent increase). Visitor visa grants also grew in Thailand reflecting that economy's recent recovery, with 61,835 visas granted in 2000–01, up from 53,094 in 1999–2000 (16 per cent increase). India also showed strong growth with 34,655 visas issued compared to 29,394 issued in 1999–2000 (18 per cent increase).

The Australian Tourist Commission (ATC) has identified a number of “key emerging markets” for Australian tourism promotion activity. These markets are the PRC, India, the Gulf States of Saudi Arabia and the United Arab Emirates, Argentina, Brazil and South Africa. In each of these markets, the ATC has developed enhanced marketing plans, and is working in partnership with key travel trade networks (including airlines and travel agents) to enhance Australia's profile as an attractive holiday and business destination.

DIMIA is working closely with the ATC to identify opportunities for the provision of enhanced visitor visa processing arrangements in these markets while ensuring that integrity issues are addressed. In 2000–01 strong visitor visa growth was experienced by the PRC (106,531 - up 35 per cent from 1999–2000), India (34,626 - up 17.8 per cent), Brazil (9,317 - up 33.7 per cent), and South Africa (41,838 - up 9.8 per cent). Two key emerging markets that experienced slight growth only were United Arab Emirates (14,123 - up 2.1 per cent) and Argentina (8,789 - up 3.2 per cent).

Major Source Countries

Japan continued to be the largest source country of overseas visitor visas with 18.8 per cent of the visitor market. The United Kingdom (14.9 per cent) and the USA (12.3 per cent) remain the second and third largest contributors of visitor visas issued respectively. The next highest number of visitor visas issued were in Singapore (226,626), Korea (152,988), Germany (150,084), Malaysia (124,777) and HKSAR (110,114).

Non-return Rate of Visitors

The non-return rate is the percentage of people who enter Australia on visitor visas and, on the date after their visa expires, are still in Australia, whether on another visa, on a Bridging visa or unlawfully.

Some people attempt to obtain a Visitor visa with an intention of remaining in Australia beyond the length of stay permitted by their visa. The extent to which visitors from different countries do actually depart within the timeframe of their visitor visa is relevant feedback to overseas posts in deciding future visitor visa applications.

In 2000–01, the global average non-return rate fell from 2.4 per cent to 2.2 per cent. Of particular note has been the continued reduction in the non-return rate for visitors from a range of countries, including emerging tourism markets, such as India, the PRC, South Africa and Brazil. The non-return rate for visitors travelling on ETAs rose slightly during 2000–01.

Countries with the lowest non-return rates included Japan (0.4 per cent of 696,771 arrivals who had a visa expire in 2000–01), Singapore (0.7 per cent of 188,154) and Taiwan (0.97 per cent of 118,879).

Of the key emerging markets, India's non-return rate fell from 7.0 per cent in 1999–2000 to 5.6 per cent in 2000–01. Similarly, the PRC's non-return rate fell from 8.3 per cent in 1999–2000 to 4.1 per cent in 2000–01, and Brazil's rate fell from 9.4 per cent to 6.4 per cent. The non-return rate in all other emerging market countries remained relatively constant between 1999–2000 and 2000–01.

Visitor Visa Refusals

All visitor visa applicants are required to meet criteria prescribed in migration legislation before a visitor visa can be granted. Visitor visa legislation and policy seeks to strike a balance between assisting and encouraging the entry of genuine visitors, and protecting Australia by refusing entry to those people who seek to enter Australia to work illegally or breach visitor visa conditions in some way.

When deciding whether an applicant intends a genuine visit, delegated decision-makers must take into account such factors as the applicant's personal circumstances, their employment and financial situation (including their ability to support themselves in Australia without working), and any other matters that may impact on their desire to depart Australia at the conclusion of their visit.

In 1998–99 the refusal rate for visitor visas world-wide was 2.5 per cent. This rate fell to 2.3 per cent in 1999–2000 and fell again in 2000–01 to 2.2 per cent. This drop occurred despite continued growth in the number of visas granted during the same period.

Fig. 4-4: Highest(a) Visitor Non-Return Rates by Country of Citizenship

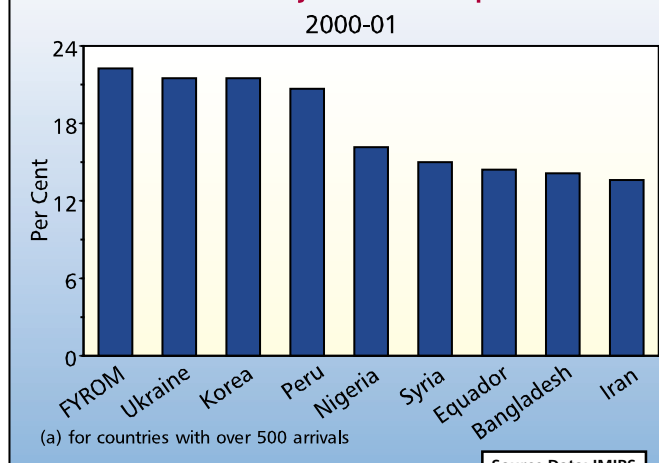
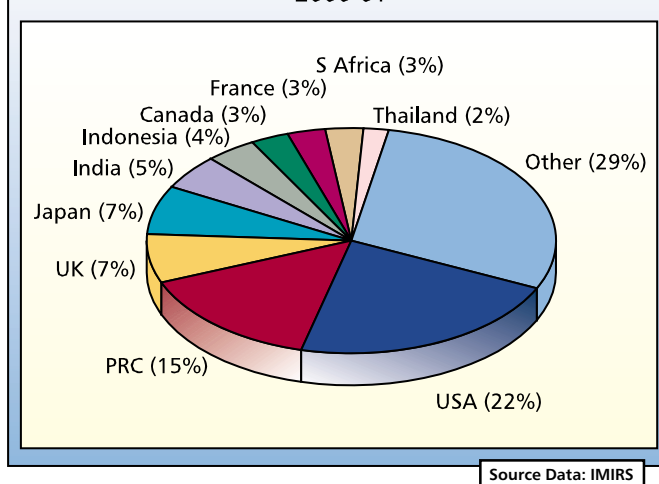


Fig. 4-5: Business Visitors by Country of Citizenship



In the emerging markets of the PRC and India in particular, the refusal rates for the 2000–01 program year were 11.1 per cent and 11.9 per cent respectively. The refusal rates in these markets are anticipated to decline in the near future as the non-return rate for each country continues to fall.

Business Visitors

The Business Visitor visa provides for people to enter Australia for up to three months for business purposes. It is designed for people transacting business, attending business meetings or pursuing business investment opportunities consistent with their overseas business operations, or undertaking short term highly skilled project work.

In 2000–01, a total of 260,957 Business Visitor visas were granted. This was 11.1 per cent higher than the 234,825 visas granted in 1999–2000. The largest number was issued to citizens of the USA (57,302), followed by the PRC (39,293), the United Kingdom (18,271), Japan (18,193) and India (12,159).