

Chapter 3



Visitors and temporary residents

- More than 3.4 million Visitor visas were issued in 2009–10. This was 2.7 per cent higher than the previous year and reflects a recovery in global economic conditions.
- The Working Holiday Maker visa program experienced a decline of 5.6 per cent during 2009–10.
- Close to 270 000 Student visas were issued in 2009–10. This was the first decrease in more than a decade, and 15.8 per cent less than the record of just over 320 000 visas issued in 2008–09.
- The slow-down in the Australian economy in the wake of the global economic crisis significantly reduced demand for subclass 457 visas over the 2009–10 program year. In 2009–10, 67 980 subclass 457 visas were issued, 32.9 per cent less than in 2008–09.

Visitors and temporary residents

Introduction

Depending on the purpose and duration of their visit, people can come to Australia on either a Visitor visa or as a temporary resident.

- Visitor visas are mostly used by tourists coming to Australia for a holiday or to visit friends and relatives. They are also used by people coming for short-term business visits or pre-arranged medical treatment.
- The Temporary Residents Program allows people to come here on a temporary basis for specific purposes that result in a benefit to Australia. Temporary residents are generally required to pay taxes on income earned in Australia and they do not normally have access to welfare benefits or Medicare.

The Temporary Residents Program has four broad categories:

- Working Holiday Makers—young people holidaying in Australia with short-term work and study rights. At the end of 2009–10, Australia had reciprocal working holiday visa arrangements with 25 countries.

- Overseas Students—(or international students) are people studying full-time in registered courses in Australia on a Student visa valid for the length of their course.
- Skilled temporary residents—people mostly recruited by Australian companies who enter as temporary skilled migrants for up to four years under the Temporary Business (Long Stay) (subclass 457) visa.
- Other temporary residence—a range of temporary residence visas allowing people to come to Australia for social, cultural, international relations and training purposes.

In this chapter the objectives and level of activity of the various Visitor and temporary resident visas are discussed. This is followed by a description of Bridging visas—temporary visas issued by the Department of Immigration and Citizenship to provide non-citizens with lawful status while they finalise business with the department or with the courts regarding departmental matters. The chapter concludes with a discussion of non-compliance by visitors and temporary residents, focusing mainly on the characteristics of overstayers.

Table 3-1: Temporary Residence Program and Visitor visas issued, 2007–08 to 2009–10

Category	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10
Visitors ¹	3 609 928	3 328 112	3 416 576	2.7
Working Holiday Makers	157 607	194 103	183 161	-5.6
Overseas Students	278 184	320 368	269 828	-15.8
Skilled temporary residents ²	112 366	102 786	69 144	-32.7
Skilled Graduate visas	315	14 457	23 088	59.7
Other temporary visas	42 417	36 592	32 274	-11.8
Total³	4 200 817	3 996 418	3 994 071	-0.1

Source data: IMIRS

1. Excludes a small number of Visitor visas issued onshore to prevent double counting.
2. Includes Skilled Recognised Graduate grants (54 grants in 2008–09 and 320 grants in 2009–10)—see Chapter 1 for more information on this visa category.
3. Excludes Bridging visas to prevent double counting.

Visitors

Overview

Australia's Visitor visa program allows people to enter Australia on a short-term basis (usually up to three months) for the purpose of tourism, to visit family and friends, to undertake medical treatment or to conduct short-term business.

Visitor visas include the following types:

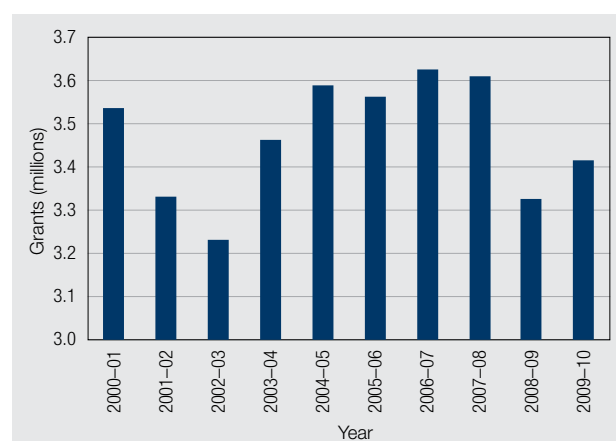
- Electronic Travel Authorities (ETAs)—replace the visa label or stamp in a passport, are available to passport holders of 33 countries and locations and allow multiple stays of up to three months. ETAs can include Visitor visas and Business visas. Visitor ETAs cater for people wanting to visit Australia for the purposes of tourism, informal study or training. Business ETAs are available for people visiting Australia to attend educational or business meetings, or undertake informal study or training.
- eVisitor visas—comprise tourist and business visas and are available online to people from the European Union. They are valid for stays of up to three months.
- Tourist visas—enable people to visit Australia as tourists or to visit family and friends. They allow stays of up to three, six or 12 months.
- Sponsored Family Visitor visas—enable Australian citizens and permanent residents to sponsor their relatives to visit Australia. It allows applicants for whom there are residual concerns regarding their intentions, to be granted a visa to visit family in Australia. A security bond—typically between \$5000 and \$15 000—may be required if there is concern the applicant may not comply with their visa conditions.
- Business (Short Stay) and Sponsored Business Visitor (Short Stay) visas—enable people to make short business trips to Australia. Like the ETA, Business Visitors and the business stream of the eVisitor visa discussed earlier, these visas allow some short-term work provided the work is highly specialised, non-ongoing and does not adversely affect employment or training opportunities, or conditions of employment of Australian citizens and permanent residents.

- Medical Treatment visas—allow people to travel to Australia for medical treatment or consultations. Comprise a short stay visa (valid for up to three months) and a long stay visa (valid for up to 12 months).
- Superyacht Crew visas—allow the crew of superyachts to work on-board these vessels in Australia for up to one year.

Visitor visa program outcomes

In 2009–10, a total of 3 416 576 Visitor visas were granted. This was an increase of 2.7 per cent on 2008–09 but 5.8 per cent less than the 2006–07 peak (Figure 3-1). It reflects a return to improved economic conditions overseas following the global economic crisis.

Figure 3-1: Offshore Visitor visa grants, 2000–01 to 2009–10



Source data: IMIRS

Table 3-2 shows the growth in eVisitor visas since their introduction in October 2008. A consequence of this, as also shown in Table 3-2, has been a decline in the number of ETAs issued.

Table 3-2: Visitor visas issued to offshore applicants by category, 2008–09 and 2009–10

Category	2008–09	2009–10	Per cent change
ETA	2 325 836	2 215 234	-4.8
eVisitor	223 324	393 647	76.3
Tourist	582 665	610 618	4.8
Sponsored Family	22 899	22 457	-1.9
Business Visitor	170 787	171 989	0.7
Medical Treatment	2 488	2 367	-4.9
Superyacht Crew	113	264	133.6
Total ¹	3 328 112	3 416 576	2.7

Source data: IMIRS

1. Includes two Tourist (Long Stay) visas which are no longer available.

The United Kingdom continued to be the main source of visitors to Australia in 2009–10 with almost 590 000 citizens—a 17.2 per cent share of all visitors. This was followed by the United States of

America with an 11.5 per cent share and Japan with 9.5 per cent. The number of visitors from Japan has been falling since the middle of the decade, and is now at half (50.1 per cent) of 2004–05 levels.

Table 3-3: Visitor visas grants—top 10 source countries, 2007–08 to 2009–10

Citizenship	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10
United Kingdom	631 902	587 072	587 122	0.0
United States of America	400 906	370 866	393 245	6.0
Japan	464 879	351 307	325 656	-7.3
People's Republic of China	260 996	231 913	243 660	5.1
Malaysia	134 819	160 019	165 156	3.2
Republic of Korea	197 449	150 619	162 432	7.8
Germany	144 852	136 616	145 677	6.6
Singapore	129 364	131 309	131 935	0.5
France	112 143	116 328	124 481	7.0
Canada	114 457	105 505	108 765	3.1
Other ¹	1 018 161	986 558	1 028 447	4.2
Total	3 609 928	3 328 112	3 416 576	2.7

Source data: IMIRS

1. Includes citizenship unknown.

Temporary residents

Working Holiday Makers

Introduction

The Working Holiday Maker (WHM) Program encourages cultural exchange and closer ties between arrangement countries by allowing young people to have an extended holiday in Australia, which they can supplement with short-term employment. The program is a strong contributor of supplementary labour for industries needing short-term or seasonal workers, such as construction, hospitality and farming.

Two types of visas are available under the program—the Working Holiday visa and the Work and Holiday visa. These visas work in similar ways. They:

- are for persons aged between 18 and 30 years at time of application
- allow a stay of 12 months from the date of initial entry to Australia

- permit up to four months study or training
- allow for up to six months work with any one employer.

Where these two visas differ most is in the eligibility requirements. The Work and Holiday visa requires applicants from outside the United States of America to have functional level English, tertiary qualifications and the support of their home government. The Working Holiday visa has no such requirements.

Another difference is that Working Holiday visas can be extended but as a rule, Work and Holiday visas cannot. Since November 2005, Working Holiday visa holders who have completed at least three months of specified work in agriculture, mining or construction in defined regions, may apply for a second Working Holiday visa.

In 2009–10, Australia had in place 19 Working Holiday and six Work and Holiday bilateral arrangements. Table 3-4 shows the year each arrangement commenced.

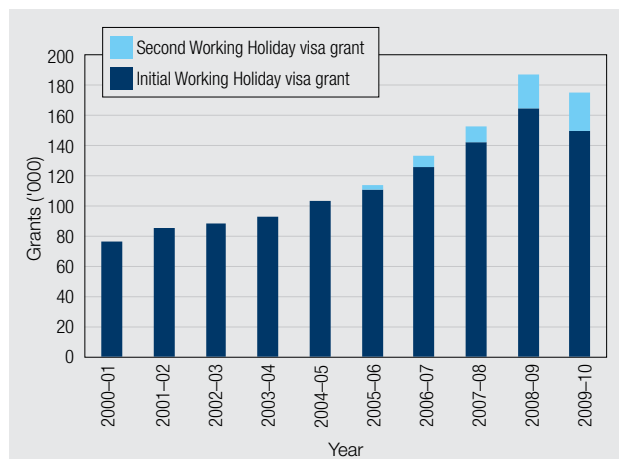
Table 3-4: Current WHM Program visa arrangements and year commenced

Working Holiday visa (subclass 417)			
Country	Commenced	Country	Commenced
United Kingdom	1975	Norway	2001
Canada	1975	Hong Kong (SAR of China)	2001
The Netherlands	1980	Finland	2002
Japan	1980	Cyprus	2002
Ireland	1985	Italy	2004
Republic of Korea	1995	France	2004
Malta	1996	Taiwan	2004
Germany	2000	Belgium	2004
Denmark	2001	Estonia	2005
Sweden	2001		
Work and Holiday visa (subclass 462)			
Thailand	2005	Chile	2006
Turkey	2007	United States of America	2007
Malaysia	2009	Indonesia	2009

Working Holiday Maker program outcomes

Over the past 10 years the WHM Program has grown strongly as more countries enter into arrangements with Australia and as overall demand increases. In 2009–10, 183 161 visas were granted under the program—more than double the level of a decade earlier (Figure 3-2). Figure 3-2 also shows the strong growth in second Working Holiday visas from 5.8 per cent of all grants in 2006–07 (the first full year of operation) to 14.4 per cent in 2009–10.

Figure 3-2: Working Holiday visa grants, 2000–01 to 2009–10



Source data: IMIRS

Note: Eligibility to apply for a second Working Holiday visa was introduced on 1 November 2005.

The vast majority of the WHM program comprised Working Holiday visas. In 2009–10, 175 739 Working Holiday visas were granted (including 25 306 second Working Holiday visas). This was a decrease of 6.4 per cent over 2008–09 when a record 187 696 Working Holiday visas were granted. This decline indicates that at the height of the global economic crisis in 2008–09, Australia—with its more benign economic conditions—may have been seen as a sanctuary to young people seeking to escape its effects in their home countries.

The top 10 source countries for 2009–10 for Working Holiday visa grants are shown in Table 3-5.

Table 3-5: Working Holiday visa grants—top 10 source countries, 2007–08 to 2009–10

Citizenship	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10
United Kingdom	34 145	40 182	37 056	-7.8
Republic of Korea	32 635	39 506	34 870	-11.7
Germany	17 438	20 319	20 880	2.8
France	11 005	16 250	18 172	11.8
Ireland	17 120	22 786	14 833	-34.9
Taiwan	6 132	9 240	10 188	10.3
Canada	8 090	8 737	8 217	-6.0
Japan	10 599	9 324	8 089	-13.2
Italy	3 568	4 632	5 481	18.3
Sweden	3 914	4 398	4 210	-4.3
Other ¹	9 502	12 322	13 743	11.5
Total	154 148	187 696	175 739	-6.4

Source data: IMIRS

1. Includes citizenship unknown which are cases where visas applicants have dual nationality and the grant of the visa has been recorded against the non-Working Holiday visa eligible nationality.

In 2009–10, 7422 Work and Holiday visas were granted, a 15.8 per cent increase over the 6407 visas granted in 2008–09. Nationals from the United States of America accounted for 84.4 per cent of visa grants in 2009–10. Unlike other countries with Work

and Holiday visa arrangements, there is no cap on the number of visas issued to nationals of the United States of America.

The source countries for 2009–10 for Work and Holiday visa grants are shown in Table 3-6.

Table 3-6: Work and Holiday visa grants, 2007–08 to 2009–10

Citizenship	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10	Program cap
United States of America	2 249	4 887	6 149	25.8	No cap
Thailand	205	197	471	139.1	500
Chile	503	747	446	-40.3	1 500
Iran ¹	461	483	139	-71.2	n/a
Indonesia	n/a	n/a	100	n/a	100
Malaysia	n/a	82	100	22.0	100
Turkey	9	11	16	45.5	100
Unknown ²	1		1	n/a	–
Total	3 428	6 407	7 422	15.8	n/a

Source data: IMIRS

1. Australia's Work and Holiday arrangement with Iran was discontinued on 30 June 2007. Grants shown include subsequent Work and Holiday visa extensions.
2. These are cases where visas applicants have dual nationality and the grant of the visa has been recorded against the non-Working Holiday visa eligible nationality.

Benefits of the Working Holiday Maker Program

Research completed by the National Institute of Labour Studies in 2009 shows that Australia derives considerable economic benefit from the WHM Program. The research found that in 2007–08, the average working holiday maker spent \$13 218 and earned \$4 756. When applied across the 134 000 working holiday makers who came to Australia in that year, this translates to expenditure of \$1.78 billion and earnings of \$0.64 billion—a net gain to the economy of \$1.14 billion. After offsetting the jobs taken by WHMs, it is estimated that this expenditure created approximately 8 500 full-time jobs in 2007–08. The research report, ‘Evaluation of Australia’s Working Holiday Maker (WHM) Program’, is available on the department’s website at www.immi.gov.au/media/research/.

Student visa program

Introduction

The Student visa program enables international students and their dependants to come to Australia for the purpose of full-time study.

Student visas are based around education sectors and include the following:

1. English Language Intensive Courses for Overseas Students (ELICOS) visas—apply to stand-alone English language courses that lead to a certificate I, II, III or IV, or that result in no formal Australian award.
2. Schools visas—cover primary or secondary school and approved secondary school exchange programs.
3. Vocational Education and Training visas—apply to Certificates I, II, III or IV (except ELICOS), diploma, advanced diploma, vocational graduate certificate or vocational graduate diploma courses.
4. Higher Education visas—apply to tertiary coursework studies (that is, Bachelor degree, associate degree, graduate certificate, graduate diploma, Higher Education diploma, Higher Education advanced diploma or Masters by coursework).

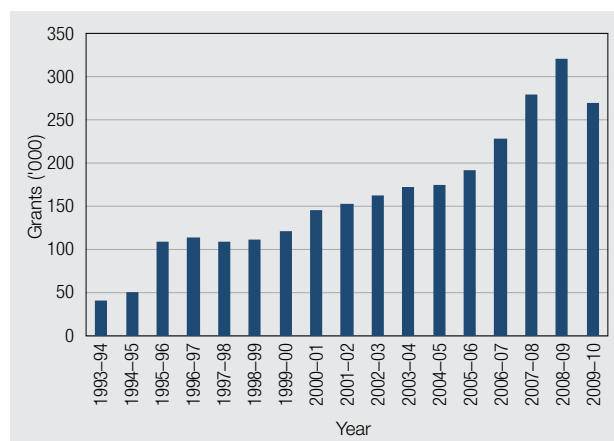
5. Postgraduate Research visas—apply to Masters by research or a doctoral degree.
6. Non-award visas—apply to non-award foundation studies, or other full-time courses or components of courses not leading to an Australian award.
7. Australian Agency for International Development (AusAID) and Department of Defence visas—apply to students sponsored by AusAID or Defence to undertake full-time courses of any type.

In addition, parents or relatives can apply for a visa to stay in Australia as the guardian of a student who is studying here. This visa is known as the Student Guardian visa.

Student visa grants

In 2009–10, 269 828 Student visas were granted to foreign nationals to enrol in full-fee paying courses in Australia. This was a decrease of 15.8 per cent on the record 320 368 visa grants in 2008–09 and, as demonstrated in Figure 3-3, was the first decrease in 12 years.

Figure 3-3: Student visa grants, 1993–94 to 2009–10



Source data: IMIRS

The reductions in grants were felt most in the vocational and higher education sectors (Table 3-7) and most pronounced for applicants from India—down 54.6 per cent on 2008–09 (Table 3-8).

Table 3-7: Student visa grants by educational sector, 2007–08 to 2009–10

Educational sector	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10
ELICOS ¹	30 545	36 721	35 261	-4.0
Schools	16 976	14 186	12 462	-12.2
VET ²	68 382	104 064	71 942	-30.9
Higher Education	130 127	133 990	118 541	-11.5
Postgraduate Research	6 935	8 354	9 301	11.3
Non-award	20 698	18 972	18 140	-4.4
AusAID ³ /Defence	4 521	4 081	4 181	2.5
Total	278 184	320 368	269 828	-15.8

Source data: IMIRS

1. English Language Intensive Courses for Overseas Students
2. Vocational Education and Training
3. Australian Agency for International Development

Table 3-8: Student visa grants—top 10 source countries, 2007–08 to 2009–10

Citizenship	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10
People's Republic of China	49 763	54 015	54 409	0.7
India	47 639	65 503	29 721	-54.6
Republic of Korea	19 350	17 594	16 367	-7.0
Thailand	11 576	13 612	11 707	-14.0
Brazil	11 096	12 609	11 444	-9.2
Malaysia	10 661	11 567	10 634	-8.1
United States of America	9 969	9 598	8 998	-6.3
Indonesia	8 246	8 756	8 684	-0.8
Vietnam	6 878	9 389	8 376	-10.8
Saudi Arabia	6 183	7 792	7 309	-6.2
<i>Other</i> ¹	96 823	109 933	102 179	-7.1
Total	278 184	320 368	269 828	-15.8

Source data: IMIRS

1. Includes citizenship unknown.

Several factors contributed to the recent decrease in student visa applications. These included: a stronger Australian dollar; the ongoing impact of the global economic crisis in some countries; increased competition in the education market; and changes to the Skilled Migration program making it more responsive to the needs of the Australian labour market. In addition, strengthened integrity checks on Student visa applications from selected student caseloads, were in part, responsible for a

sharp decrease in grants to some foreign nationals, including those from India.

Student visas may be granted offshore or onshore. Onshore grants are provided to international students applying for a further Student visa in Australia who, for example, may be changing their education provider or moving from one education sector to another.

Offshore Student visa grants

In 2009–10, the total number of offshore Student visa grants declined by 30.6 per cent compared to 2008–09. As shown in Table 3-9, this decline was felt most sharply in the Vocational Education and Training and Higher Education sectors which fell by 59.4 per cent and 24.9 per cent respectively. The Postgraduate Research and AusAID/Defence sectors posted modest increases.

The People's Republic of China overtook India as the largest source of international students from offshore with 32 103 grants in 2009–10 (Table 3-10). This rise in the rankings occurred despite an 8.6 per cent decrease in grants compared to 2008–09. India's move to second place occurred as a result of a 77.1 per cent decline in grants, from 54 574 offshore grants in 2008–09 to 12 483 offshore grants in 2009–10. Other major source countries were the Republic of Korea (8576 grants), the United States of America (8248 grants) and Malaysia (7719 grants).

Table 3-9: Offshore Student visas grants by educational sector, 2007-08 to 2009-10

Educational sector	2007-08	2008-09	2009-10	Per cent change 2008-09 to 2009-10
ELICOS ¹	25 464	29 148	25 348	-13.0
Schools	14 751	11 931	10 276	-13.9
VET ²	40 397	69 156	28 055	-59.4
Higher Education	90 746	90 859	68 247	-24.9
Postgraduate Research	4 041	5 278	5 372	1.8
Non-award	19 043	17 887	17 141	-4.2
AusAID ³ /Defence	3 975	3 665	3 801	3.7
Total	198 417	227 924	158 240	-30.6

Source data: IMIRS

1. English Language Intensive Courses for Overseas Students
2. Vocational Education and Training
3. Australian Agency for International Development

Table 3-10: Offshore Student visas grants—top 10 source countries, 2007-08 to 2009-10

Citizenship	2007-08	2008-09	2009-10	Per cent change 2008-09 to 2009-10
People's Republic of China	31 511	35 125	32 103	-8.6
India	39 015	54 574	12 483	-77.1
Republic of Korea	12 013	10 188	8 575	-15.8
United States of America	9 167	8 822	8 248	-6.5
Malaysia	8 004	8 565	7 719	-9.9
Indonesia	5 933	6 445	6 315	-2.0
Vietnam	5 648	7 720	6 212	-19.5
Brazil	6 857	7 124	5 900	-17.2
Thailand	6 709	7 806	5 578	-28.5
Germany	4 174	4 580	4 707	2.8
<i>Other¹</i>	69 386	76 975	60 400	-21.5
Total	198 417	227 924	158 240	-30.6

Source data: IMIRS

1. Includes citizenship unknown.

Onshore Student visa grants

Although the total number of Student visa grants fell by 15.8 per cent in 2009–10, the number of onshore grants increased by 20.7 per cent compared to 2008–09 (Table 3-11), indicating a significant increase in the number of people changing institution or courses. Onshore grants increased across most education sectors with the most significant increase occurring for the Vocational Education and Training sector (up by 8979 grants) and the Higher Education sector (up by 7163 grants) in 2009–10.

Across the top 10 source countries (Table 3-12), onshore grants to international students from Saudi Arabia increased the most in percentage terms (63.4 per cent higher than in 2008–09). Other large increases were to international students from India and Nepal, up 57.7 per cent and 41.6 per cent respectively. The People's Republic of China had the highest number of onshore grants with 22 306 Student visas granted, followed by India with 17 238 grants and the Republic of Korea with 7792 grants.

Table 3-11: Onshore Student visa grants by educational sector, 2007–08 to 2009–10

Educational sector	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10
ELICOS ¹	5 081	7 573	9 913	30.9
Schools	2 225	2 255	2 186	-3.1
VET ²	27 985	34 908	43 887	25.7
Higher Education	39 381	43 131	50 294	16.6
Postgraduate Research	2 894	3 076	3 929	27.7
Non-award	1 655	1 085	999	-7.9
AusAID ³ /Defence	546	416	380	-8.7
Total	79 767	92 444	111 588	20.7

Source data: IMIRS

1. English Language Intensive Courses for Overseas Students
2. Vocational Education and Training
3. Australian Agency for International Development

Table 3-12: Onshore Student visa grants—top 10 source countries, 2007–08 to 2009–10

Citizenship	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10
People's Republic of China	18 252	18 890	22 306	18.1
India	8 624	10 929	17 238	57.7
Republic of Korea	7 337	7 406	7 792	5.2
Thailand	4 867	5 806	6 129	5.6
Brazil	4 239	5 485	5 544	1.1
Nepal	2 368	3 316	4 695	41.6
Saudi Arabia	1 076	2 348	3 836	63.4
Colombia	1 985	2 471	3 356	35.8
Japan	3 595	3 367	3 127	-7.1
Malaysia	2 657	3 002	2 915	-2.9
<i>Other</i> ¹	24 767	29 424	34 650	17.8
Total	79 767	92 444	111 588	20.7

Source data: IMIRS

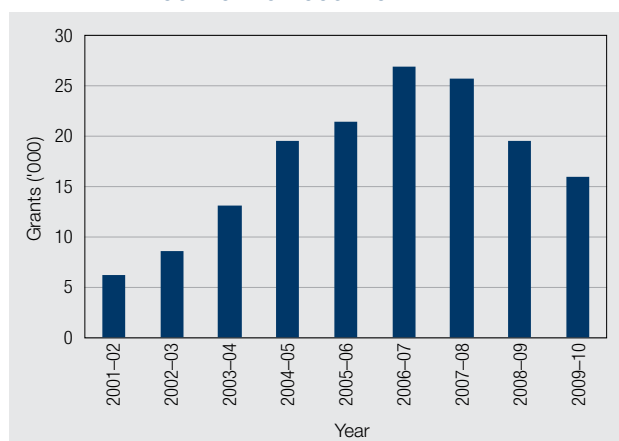
1. Includes citizenship unknown.

Student pathways to permanent residence

Student visas have been a common pathway to permanent residence in recent years. In fact since June 2001 an estimated 283 000 persons who first came to Australia as a student remained in Australia after completing their course.

As shown in Figure 3-4 the growth in the student-to-permanent residence pathway occurred between 2002 and 2007—a period that began with the easing of restrictions on onshore skilled migration applications by students and ended with the increased English language requirements for General Skilled Migration applicants. Since then the number of visas granted to international students has steadily declined.

Figure 3-4: Grants to former international students, 2001–02 to 2009–10



Source data: MPMS

Over the period 2006–07 to 2009–10 (Table 3-13) the most pronounced decline was in the granting of Skilled Independent visas, with grants for 2009–10 down 14 155 (or 69.7 per cent) on 2006–07 levels. This has occurred because of the increased points test requirements introduced in 2007 and the increased emphasis on demand-driven migration—which gave these visas lower processing priority.

Other visa categories experienced increases in growth over this same period. Most notably there was almost seven-fold growth in the granting of State and Territory Sponsored visas. The increased popularity of these visas may reflect lower points test requirements and higher processing priority.

There is also evidence that family migration is a more common pathway to permanent residence, with more than 60 per cent growth in partner visas grants between 2006–07 and 2009–10.

Table 3-13: Grants to former students—changes in composition, 2006–07 to 2009–10

Category	2006–07	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10
Employer Sponsored	464	615	1 010	1 406	39.2
Skilled Family Sponsored	2 571	3 566	2 504	819	-67.3
Skilled Independent	20 294	17 836	9 649	6 139	-36.4
Spouse	3 024	3 038	3 733	4 941	32.4
State/Territory Sponsored	337	413	2 368	2 320	-2.0
Other skilled and family	322	338	336	270	-19.6
Total	27 012	25 806	19 600	15 895	-18.9

Source data: MPMS

Skilled temporary residents

Introduction

Skilled temporary residents are generally highly skilled, have good incomes and contribute to economic growth through improved productivity and increased demand for goods and services. Furthermore the entry of managers and skilled specialists enhances Australia's ability to compete in international markets, including the markets from which the temporary residents have come.

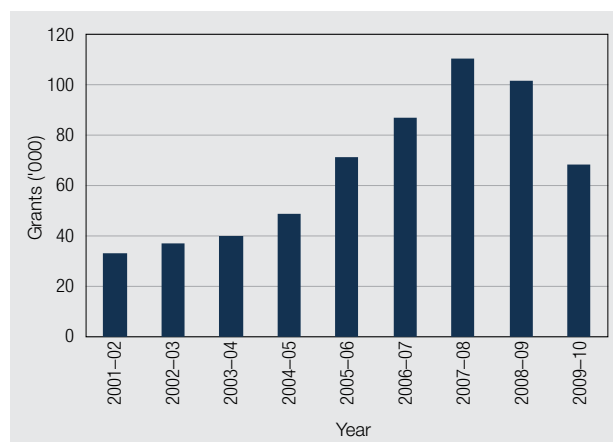
The Skilled Temporary Resident category includes specific visas for medical practitioners and educators, but is dominated by the Temporary Business (Long-Stay) visa, otherwise known as the subclass 457 visa.

Temporary Business (Long Stay)

The Temporary Business (Long Stay) (subclass 457) visa program is designed to allow skilled overseas employees to enter Australia to work in businesses operating here. The program can also be used by overseas businesses seeking to establish a branch in Australia, participate in joint ventures, transfer employees between branches or fulfil a specific contract. People on this visa can stay in Australia for up to four years on a single visa.

Subclass 457 visas are uncapped, meaning that the number of applications is entirely driven by employer demand, which is, in turn, highly responsive to prevailing economic conditions. This is illustrated in Figure 3-5 which shows the strong growth in the use of these visas in the early part of the decade followed by a softening demand for them over the 2008–09 and 2009–10 program years, in line with a slow-down in the Australian economy.

Figure 3-5: Temporary Business (Long Stay) visa grants, 2001–02 to 2009–10



Source data: IMIRS

Demand for subclass 457 visas picked up from late 2009 as business confidence returned. However, despite this increase, total 457 visa grants in 2009–10 were down almost a third on 2008–09 levels, with declines experienced in most top 10 source countries (Table 3-14).

Demand for subclass 457 visas was also strongly correlated with job vacancies—see Figure 6-1.

Table 3-14: Subclass 457 visa grants—top 10 source countries, 2007–08 to 2009–10¹

Citizenship	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10
United Kingdom	23 780	21 040	15 600	-25.9
India	15 110	14 770	11 440	-22.5
United States of America	5 920	5 560	5 310	-4.5
Philippines	9 180	9 790	4 780	-51.2
Ireland	2 770	3 130	3 370	7.7
People's Republic of China	7 310	4 970	2 910	-41.4
South Africa	9 330	9 720	2 780	-71.4
Canada	2 880	2 440	2 050	-16.0
France	2 200	1 920	1 720	-10.4
Germany	2 930	2 410	1 700	-29.5
<i>Other</i>	29 160	25 540	16 340	-36.0
Total	110 570	101 280	67 980	-32.9

Source data: IMIRS

1. Includes grants to primary applicants and dependents. Excludes a small number of visa grants to Independent Executives—figures rounded to the nearest 10.

The subclass 457 visa program is used by Australian employers in a wide variety of industries, and across a wide variety of skilled occupations, as can be seen in Table 3-15 and Table 3-16.

Table 3-15: Subclass 457 grants to Primary Applicants by sponsor industry, 2008–09 and 2009–10¹

Sponsor industry	2008–09	2009–10	Per cent change
Health care and social assistance	9 480	6 520	-31.2
Information media and telecommunications	3 990	3 780	-5.3
Construction	5 540	3 330	-39.9
Mining	4 300	2 490	-42.1
Rental, hiring and real estate services	4 620	2 150	-53.5
Education and training	2 500	2 050	-18.0
Financial and insurance services	1 950	2 040	4.6
Manufacturing	4 390	1 940	-55.8
Accommodation and food services	2 520	990	-60.7
Professional, scientific and technical	70	950	1 257.1
<i>Other</i>	11 300	8 550	-24.3
Total	50 660	34 790	-31.3

Source data: IMIRS

1. Excludes a small number of visa grants to independent executives—figures rounded to the nearest 10.

Table 3-16: Subclass 457 grants to Primary Applicants by nominated occupation, 2008–09 and 2009–10¹

Nominated occupation	2008–09	2009–10	Per cent change
Registered nurse	3 850	2 530	-34.3
Computing professionals	3 800	2 500	-34.2
Applications and analyst programmer	880	1 420	61.4
Medical practitioner in training	1 110	1 190	7.2
General medical practitioner	1 780	1 150	-35.4
Specialist managers	1 090	1 040	-4.6
Management consultant	670	880	31.3
Business and information professionals	1 930	850	-56.0
Marketing specialist	950	780	-17.9
Software designer	810	760	-6.2
<i>Other</i>	33 790	21 690	-35.8
Total	50 660	34 790	-31.3

Source data: IMIRS

1. Excludes a small number of visa grants to Independent Executives—figures rounded to the nearest 10.

As the subclass 457 visa is driven by employer demand, there has been considerable variation in the number of visas granted and the types of occupations being filled. Following a period of steady growth, there were two continuous years of substantial falls in subclass 457 visa

grants (highlighted in Table 3-17). These declines were felt most sharply in trade occupations and the professions—a decline of 8900 grants and 11 080 grants respectively between 2007–08 and 2009–10.

Table 3-17: Subclass 457 primary visa grants—major group by Australian and New Zealand Standard Classification of Occupations (ANZSCO) nominated occupation, 2007–08 to 2009–10

ANZSCO nominated occupation	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10
Managers	6 860	5 820	5 120	-12.0
Professionals	34 120	29 910	23 040	-23.0
Technicians and Trades Workers	13 690	11 360	4 790	-57.8
Other	3 390	3 580	1 830	-48.9
Total	58 050	50 660	34 790	-31.3

Source data: IMIRS

Note 1: Figures rounded to the nearest 10

Note 2: ANZSCO was introduced in the department on 1 July 2010. Applications lodged before that date using the Australian Standard Classification of Occupations 2nd Edition, have been converted to an ANZSCO code using a standard departmental mapping approved by the Australian Bureau of Statistics.

The 457 visa holder must be paid in line with Australian market salary rates to ensure they benefit from the same terms and conditions of employment as Australian residents undertaking equivalent work. The introduction of market rates was part of a package of reforms introduced from April 2009 (Box 3-1).

Box 3-1: Reforms to the subclass 457 visa program

In April 2009, the minister announced a series of changes to the subclass 457 visa designed to reduce integrity concerns. These included measures to prevent exploitation of foreign workers and safeguard employment and training opportunities for Australian workers.

The measures included replacing minimum salary levels with a requirement that employers match the market pay rates of Australian workers in the same line of work, the removal of lower-skilled occupations from the scope of the visa, with these occupations to be covered separately through formal labour agreements, an increase in the minimum level of English proficiency, and a requirement that sponsoring employers demonstrate a commitment to training their own workforce.

Sponsoring employers are also required to attest to being committed to employing local labour and having non-discriminatory employment practices. They must also demonstrate that they meet industry training benchmarks in relation to the training of Australians. This ensures that where foreign workers need to be employed due to local labour shortages, this will be alleviated in future through employer contributions to the up-skilling of Australians, which will in turn reduce dependence on foreign labour.

Additionally, the Australian Government requires all visa applicants to satisfy the criteria for grant of their visa, which means subclass 457 visa applicants must satisfy certain skills requirements. Where necessary for safety or to prevent fraud, the department requires applicants to undertake more extensive skills assessments to confirm skills claimed. Australia continues to improve skills assessment processes to provide for formal skills testing of some trade occupations. A pilot of this arrangement started on 1 July 2009 and is being extended as capacities are increased at Trades Recognition Australia.

Sponsors of subclass 457 visa holders are also monitored to ensure they comply with their legal obligations. In 2009–10, some 2546 sponsors were monitored. When a sponsor has breached their obligations, the department may issue a formal warning or impose a sanction. Sanctions include sponsorship cancellation and/or barring the sponsor from sponsoring overseas employees for up to five years.

The Business Long Stay visa is also a common pathway to permanent residence. In 2009–10, 43 390 people transitioned from a subclass 457 visa to permanent residence with 78 per cent granted a permanent employer sponsored visa (Table 3-18).

Table 3-18: Permanent and provisional grants where a subclass 457 was the last visa held, 2009–10

Visa type	Total	Per cent
Employer Nomination Scheme	25 980	59.9
Regional Sponsored Migration Scheme	7 670	17.7
Labour Agreement	80	0.2
Skilled Independent	5 570	12.8
Other Skilled	1 950	4.5
Spouse	1 890	4.4
Other Family	270	0.6
Total	43 390	100.0

Source data: MPMS and IMIRS

Note: In determining the last visa held, bridging visas have been excluded.

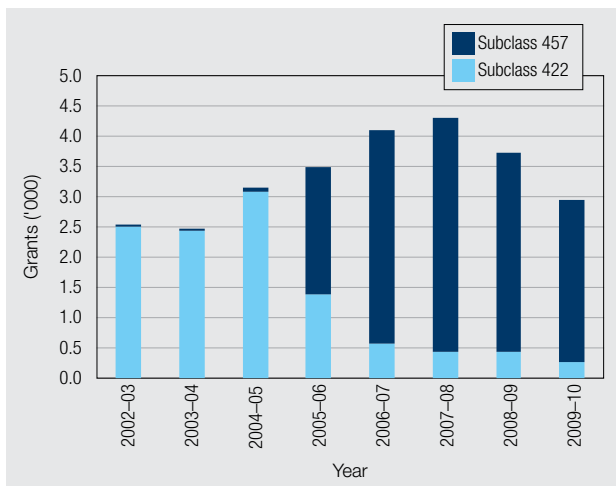
Medical Practitioner visa

This visa allows qualified general and specialist medical practitioners to work in Australia for between three months and four years.

This visa has been declining in popularity since 2004–05 and was closed at the end of the 2009–10 program year. The reason for the fall in demand is that medical practitioners have been able to access the subclass 457 visa program since 2004–05 (Figure 3-6). Compared with the medical practitioner visa, the subclass 457 visa offers the advantages of increased flexibility and more streamlined processing arrangements.

In 2009–10, only 262 visas were granted to medical practitioners and a further 777 visas to their dependants. This was a decrease of 38 per cent from the 425 visa grants to medical practitioners in 2008–09.

Figure 3-6: Subclass 422 and 457 medical practitioner visa grants primary applicants, 2002–03 to 2009–10¹



Source data: IMIRS

1. Access to subclass 457 for medical practitioners began in April 2005. Figures for subclass 457 exclude Independent Executives visa grants and are rounded to the nearest 10.

Educational visa

Following a departmental review¹ into the operation of Australia's temporary entry program, the Educational visa was phased out and repealed on 14 September 2009.

This visa was for the temporary entry of persons appointed to an academic position at an Australian educational institution (schools, technical college, research or tertiary institution).

The review found that the policy objectives of this visa could be met more effectively by the subclass 457 visa. The review report, which included measures to simplify the temporary entry visa structure, recommended that the visa be abolished.

The number of Educational visas granted has steadily declined since 2002–03, with only 35 granted in 2009–10.

Other temporary residence visas

The other temporary residence visas allow people to come to Australia to undertake activities in a range of fields with the aim of enriching social and cultural development, strengthening international relations and providing training opportunities.

A decrease in demand for many of these visas has occurred in recent years. Possible reasons include ongoing weakness in the global economy and the strength of the Australian dollar (Table 3-19).

¹ The report, *IN AUSTRALIA'S INTERESTS—A Review of the Temporary Residence Program*, was published following the department's review into the operation of Australia's Temporary Entry Program. It is available on www.immi.gov.au/media/publications/

Table 3-19: Other temporary visa grants, 2007–08 to 2009–10

Category	2007–08	2008–09	2009–10	Per cent change 2008–09 to 2009–10
Social/Cultural visas				
Investor Retirement	142	73	80	9.6
Retirement	2 189	1 208	2 107	74.4
Special Program	2 787	2 215	2 148	-3.0
Visiting Academic	3 328	2 916	1 943	-33.4
Entertainment	14 867	13 158	14 428	9.7
Sport	2 743	3 118	825	-73.5
Media and Film Staff	1 013	1 116	215	-80.7
Religious Worker	1 861	1 571	1 420	-9.6
<i>Total Social/Cultural visas</i>	<i>28 930</i>	<i>25 375</i>	<i>23 166</i>	<i>-8.7</i>
International Relations visas				
Government Agreement ¹	n/a	n/a	232	n/a
Exchange	1 356	1 191	462	-61.2
Foreign Government Agency	345	353	274	-22.4
Domestic Worker (Diplomatic or Consular)	125	138	127	-8.0
Domestic Worker (Executive)	28	8	9	12.5
Diplomatic	2 178	2 307	2 111	-8.5
<i>Total International Relations visas</i>	<i>4 032</i>	<i>3 997</i>	<i>3 215</i>	<i>-19.6</i>
Training visas				
Occupational Trainee	5 438	4 945	3 726	-24.7
Professional Development	604	557	531	-4.7
<i>Total Training visas</i>	<i>6 042</i>	<i>5 502</i>	<i>4 257</i>	<i>-22.6</i>
Total	39 004	34 874	30 638	-12.1

Source data: IMIRS

1. Introduced on 14 September 2009.

Social/Cultural visas

Social/Cultural visas allow temporary residents to take part in sporting, entertainment, academic or cultural activities. A total of 23 166 Social/Cultural visas were granted in 2009–10, a decrease of 8.7 per cent compared with the 25 375 granted in 2008–09.

Social/Cultural visas include the following categories:

Retirement and Investor Retirement visas—for the temporary residence of people who may not be eligible for permanent residence but who are self sufficient and unlikely to impose a burden on Australia's health and welfare budget.

Special Program visas—for people visiting Australia to take part in a youth exchange program or a non-commercial community-based organisation program for cultural enrichment and/or community benefit.

Visiting Academic visas—for academics whose primary purpose of stay is to observe or participate in research projects at the invitation of an Australian tertiary institution or research organisation.

Entertainment visas—for people seeking to work in the entertainment industry.

Sport visas—primarily for amateur or professional sports people who intend to participate in high-level sport in Australia. The aim of the visa is to improve the quality of a sport in Australia through participation in high-level competition and training with Australian residents.

Media and Film Staff visas—for professional staff of overseas news organisations or television/film crew producing documentaries or commercials for use outside Australia.

Religious Worker visas—for full-time religious workers, including ministers, priests and spiritual leaders, to undertake activities directly serving the religious objectives of an Australian religious organisation.

International Relations visas

International Relations visas aim to promote Australia's relations with other countries and foster goodwill. It allows persons to enter Australia who are:

- working for foreign governments
- working for organisations funded by foreign governments and international organisations
- participating in exchange or bilateral government agreements.

A total of 3215 International Relations visas were granted in 2009–10, a decrease of 19.6 per cent from the 3997 visas granted in 2008–09.

International Relations visas comprise the following categories:

Government Agreement visa (introduced in September 2009)—for persons entering Australia under certain government-to-government bilateral arrangements.

Exchange visa—for skilled persons entering Australia under exchange arrangements that give Australian residents reciprocal opportunities to work in overseas organisations.

Foreign Government Agency visa—for foreign government officials to conduct official business in Australia on behalf of their government; where the officials do not have diplomatic or official status in Australia; and for certain foreign language teachers to be employed in Australia by their home government.

Domestic Worker visas—this comprises two visas. One is for workers employed by diplomatic and consular representatives and the other is for workers employed to support executives with their representational responsibilities.

Diplomatic visa—for diplomats, consular staff and other officials accredited by the Department of Foreign Affairs and Trade.

Training visas

Training visas provide opportunities for occupational training and professional development.

Categories include:

Occupational Trainee visa—allows foreign nationals to undertake a supervised training program that is workplace-based rather than classroom-based, with an approved occupational trainee sponsor in Australia. It is designed specifically to provide an opportunity for visa holders to improve their skills within their present occupation or area of expertise.

Professional Development visa—allows for the temporary entry of groups of professionals, managers and government officials who are seeking to enhance their professional and/or managerial skills by taking part in tailored training programs designed by an Australian sponsoring organisation.

Bridging visas

The *Migration Act 1958* requires the department to detain unlawful non-citizens² and remove them from Australia. Where a non-citizen has outstanding business with the department or the courts regarding an immigration matter, Bridging visas are used to provide the person with a temporary lawful status. For example, a non-citizen may hold an appropriate Bridging visa until their application for a substantive permanent or temporary visa is finally determined.

There are seven classes of Bridging visas which are used in certain circumstances when it is not necessary to detain a non-citizen. Depending on the person's circumstances, it is possible for them to hold more than one Bridging visa, but only one will be in effect at any given time.

In general, Bridging visas are granted to people who:

- have applied (or plan to apply) in Australia for a substantive visa which can be granted while they are here and the application has not been finally determined
- have applied for an automatic Student visa cancellation to be revoked

- are seeking review of a decision to refuse or cancel a substantive visa through an administrative body such as the Migration Review Tribunal, the Refugee Review Tribunal or the Administrative Appeals Tribunal
- have made an application to the courts to review their visa
- are seeking the Minister's intervention for a more favourable outcome than they received in a review
- are in criminal detention
- are making, or are the subject of, arrangements to depart Australia.

Bridging visa A³ was the most commonly granted Bridging visa, accounting for almost 80 per cent of the 446 731 Bridging visas issued in 2009–10.

² Unlawful non-citizen—a non-citizen in Australia's migration zone who does not hold a visa that is in effect.

³ A Bridging visa A is granted where a non-citizen holds a substantive visa and they apply for another substantive visa.

Temporary visa non-compliance

This section provides an overview of people who failed to depart Australia before their visas expired. Referred to as 'overstayers', these are mainly people who arrived in Australia with valid temporary visas such as tourists, working holiday makers, students and temporary residents.

Non-return of visitors

As shown later in this chapter, around 76 per cent of overstayers arrived in Australia holding Visitor visas. The department monitors overstay numbers by using visitor non-return rate data to assess applications by different nationalities and visa subclasses.

Box 3-2: Calculating the visitor non-return rate

The visitor non return-rate is the number of visitors who arrived in Australia but did not depart prior to their visa's expiry date. The rate is calculated as a percentage of all visitor arrivals whose visas ceased during a period of time. It therefore includes people who:

- remained in Australia unlawfully (without a valid visa)
- departed Australia on an expired visa
- subsequently applied for another type of visa while in Australia, and have:
 - since departed Australia on that visa
 - remained in Australia on that visa or an associated Bridging visa.

In 2009–10 the visitor non-return rate remained low, reasonably consistent with previous years. The non-return rate across all Visitor visas was 1.4 per cent, compared with 1.3 per cent in 2008–09 and 2007–08, 1.2 per cent in 2006–07, 2005–06 and 2004–05 and 1.5 per cent in 2003–04.

Some people who overstay subsequently seek Australia's protection. In 2009–10, 2680 applications for Protection visas were made by people who arrived in Australia on Visitor visas. This was an 8.4 per cent decrease on the 2927 applications received in 2008–09. Further discussion on Protection visas is in Chapter 2—The Humanitarian Program.

Student visa compliance activity

Another major group that presented a compliance concern was the international student caseload. In 2009–10, 1993 Student visas were cancelled due to non-attendance or a failure to meet course progress requirements. Other cancellations were for reasons that did not necessarily reflect non-compliance; for example, 240 students asked that their visas be cancelled because they had completed their courses early.

In 2009–10, 6814 Student visa holders became unlawful while they were in Australia; that is, their visas expired. This equated to an unlawful rate of 1.6 per cent, more than three times higher than the 0.5 per cent rate for 2008–09.⁴

Australia's overstay population

An overstay is a person who remains in Australia after their visa has expired.

At 30 June 2010, there was an estimated 53 900 overstayers in Australia. This is a 10.6 per cent increase on the previous estimate of 48 720 at 30 June 2009 and reflects increases in net overseas migration in recent years. The number of overstayers equate to about 0.2 per cent of Australia's population with many people overstaying for a short period before departing of their own volition.

Overstayers by visa category

As shown in Table 3-20 most overstayers arrived in Australia on Visitor visas. The second largest source group was Student visa holders followed by Temporary Resident visas. A variety of visa categories accounted for the remainder.

⁴ Unlawful rate is the number of overstayers divided by the number of visas expiring in that period.

Table 3-20: Overstayers at 30 June 2010 by visa category

Category	Persons	Per cent
Visitors	41 100	76.3
Students	7 480	13.9
Temporary Resident	3 280	6.1
Other	2 000	3.7
Total	53 900	100.0

Source data: IMIRS

1. Due to known errors in overstayer data, figures are provided as an estimate only and rounded to the nearest 10, therefore the total is not the same as the sum of data presented.

Nationality of overstayers

As indicated in Table 3-21, the most common nationalities represented among overstayers were from the People's Republic of China the United States of America, Malaysia, the United Kingdom and the Republic of Korea. Appendix C has further information about overstayers.

Given the large majority of overstayers arrived on Visitor visas, the above ranking largely reflects the countries that are the major providers of visitors to Australia. For example, United States of America nationals were the second largest group of overstayers and the second largest group of visitors to Australia in that period; and the United Kingdom provided the largest number of visitors overall to Australia and is represented as the fourth largest overstayer nationality.

The situation with nationals from the People's Republic of China was different. This group accounted for 13.9 per cent of the total overstayer population but only the fourth largest nationality of all visitors to Australia. However, the People's Republic of China was the largest source of students to Australia in 2009–10.

Table 3-21: Overstayers at 30 June 2010 by citizenship

Citizenship	Persons	Per cent
People's Republic of China	7 490	13.9
United States of America	5 010	9.3
Malaysia	3 890	7.2
United Kingdom	3 470	6.4
Republic of Korea	2 570	4.8
Indonesia	2 460	4.6
Philippines	2 430	4.5
India	2 200	4.1
Thailand	1 660	3.1
Vietnam	1 550	2.9
Other	21 160	39.3
Total¹	53 900	100.0

Source data: IMIRS

1. Due to known errors in overstayer data, figures are provided as an estimate only and rounded to the nearest 10, therefore the total is not the same as the sum of data presented.

Age and sex of overstayers

At 30 June 2010 approximately 63 per cent of overstayers were male and 37 per cent female. This male-to-female ratio has remained steady over the past two years.

The largest age group of overstayers was the 41 to 50 year age cohort, followed by the 31 to 40 year age cohort. The smallest age cohort comprised children under 10 years of age.

Resolving the immigration status of overstayers

The department seeks to actively engage with overstayers to resolve their immigration status in a prompt and fair manner. While most people work with the department to resolve their status voluntarily, overstayers may also be located in the community as unlawful non-citizens. Resolution of a client's immigration status is reached through granting an appropriate visa, if the client is eligible, or through their departure from Australia.

Throughout 2009–10 the department assisted or managed the departure of 8825 people from Australia. This included the assisted voluntary returns or monitored departure of people in the community on Bridging visas as well as the removal of people (both on request and involuntarily) from immigration detention. This represented a 29.4 per cent increase on the 6818 departures in 2008–09.

A total of 10 591 compliance clients (not including irregular maritime arrivals, illegal foreign fishers or border turnarounds) had their status resolved. This was an increase of 17.3 per cent from 9028 in 2008–09. A significant contributor to this upward trend was the increase in assisted and monitored departures by people in the community on Bridging visas, from 64 per cent of total departures in 2008–09 to 84 per cent in 2009–10.