



The Administration of the Immigration Program

22 March 2019

Purpose of this background paper

1. This paper has been produced to help external stakeholders understand how the Department of Home Affairs administers Australia's Immigration Program, complementing existing publicly available sources. The paper outlines how the combined factors of **large scale growth in the movement of people across borders** and the **changing threat environment** over the past two decades have necessitated a shift in approach to the administration of the Immigration Program to ensure it continues to support Australia's security economic and social cohesion objectives now and into the future.

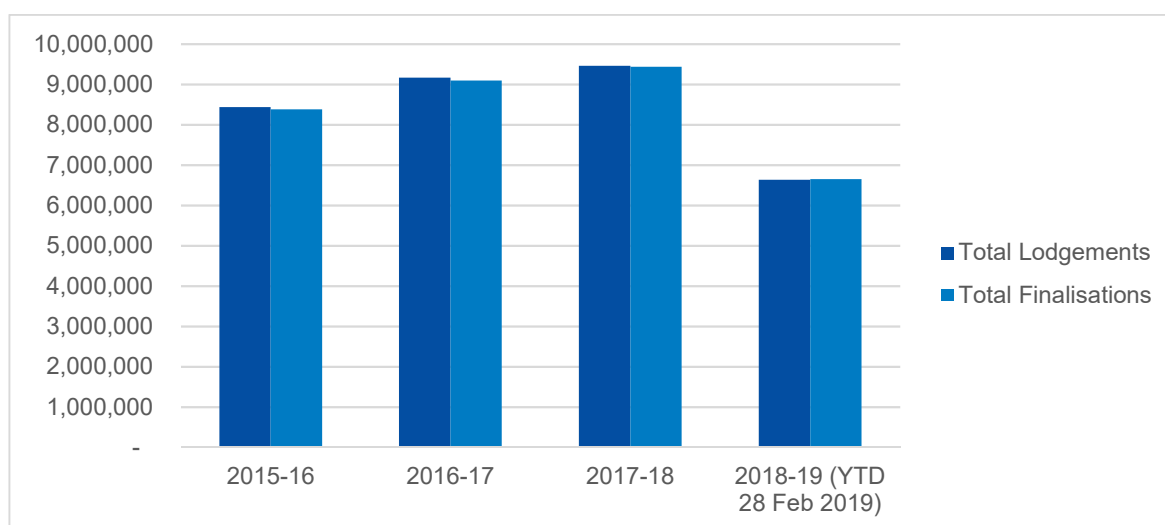
Introduction

2. Immigration is central to our national story. From a population of around 7 million people after the Second World War to more than 25 million people in 2019, the Immigration Program has played a core role in our nation building. The Immigration Program comprises temporary visas, the Migration Program and the Humanitarian Program.
3. Effective administration of the Immigration Program is central to maintaining Australia's sovereignty, economic prosperity, community safety and its place as one of the most peaceful, united and culturally diverse countries in the world. Our people-to-people links provide tremendous opportunities and benefits to Australia and helps to shape the perception of Australia around the world.
4. Since the dismantling of the White Australia policy in the early 1970s, Australia's Immigration Program has been based around a universal, non-discriminatory visa system, which focuses on the contribution a person can make to Australia rather than where they are from. Australia enjoys high levels of social cohesion and broad public support for its Immigration Programs. This is in part based around confidence in well-managed migration.
5. Administration of the Immigration Program involves dual, but equally important and complementary, objectives:
 - to attract and facilitate the entry and stay of those who legitimately seek to visit, study, work in roles that aren't able to be filled locally, or which would build our national capability and increase competitiveness or to migrate; and
 - to prevent entry or stay by those who disguise their true identity or intentions or otherwise pose a risk to the security or safety of our community or to our national interest.
6. The systems, processes and capabilities required to achieve effective facilitation, counter threats and mitigate risk must be as dynamic as the changing global environment the Department of Home Affairs operates in.

Responding to Australia’s increased connection to the world and the movement of people

7. The department of state charged with the responsibilities for the administration of the Immigration Program—which has existed in various guises since 1945—has long had to manage volume growth as the number of people seeking to come to Australia has historically increased. Innovation and technology has become increasingly important for the Department to expand its capacity to process the large numbers of migrants and travellers to Australia and respond to increased public expectation for digital government services.
8. In response to pressure to make international travel easier, in 1996 the Department introduced the Electronic Travel Authority (ETA) system. This system removed the need for paper application forms and allowed an electronically stored authority to immediately issue visas permitting entry to Australia for visitors from 33 eligible nationalities deemed to be ‘low risk’. This system collected very little information about the applicant and relied on a single watch-list of persons and travel documents of concern called the Movement Alert List (later Central Movement Alert List). Provided the individual had a valid passport from an eligible nationality, fell within pre-determined parameters and there was no adverse match to the Movement Alert List, an ETA was automatically system-granted.
9. Since that time, the Department has continued to innovate to enable greater and more facilitated client access, rolling out service delivery partner arrangements that provide assisted visa applications lodgement services in many locations around the world and offering expanded online visa application lodgement channels. More recent online applications have collected more information from applicants to support better risk assessment.
10. The total number of non-humanitarian visa applications lodged by people seeking to enter or remain in Australia has grown markedly in recent years. From 2015-16 to 2017-18 visa application lodgements in the temporary and permanent visa programs have increased by 1.0 million or 12.1 per cent. In 2018-19, the Department is expecting to receive over 9.7 million visa applications ([Figure 1](#) refers).
11. Despite this growth, the Department has achieved greater levels of productivity, finalising more applications each year by encouraging the up-take of online lodgement (which reduces manual data entry) continually improving systems and processes and increasingly consolidating visa processing into ‘hubs’ that are able to achieve improved efficiency, consistency and integrity outcomes. As at 28 February 2019, over 95 per cent of all visa applications are lodged electronically. Online lodgement has been expanded to China and India, two of Australia’s largest markets.

Figure 1: Total visa lodgements and finalisations: 2015-16 to 2018-19 YTD (28 February 2019)



Note: growth pattern for lodgements and grants is expected to continue for the remainder of 2018-19.

12. The sections that follow, provide additional information on some of the key visa programs administered by the Department.

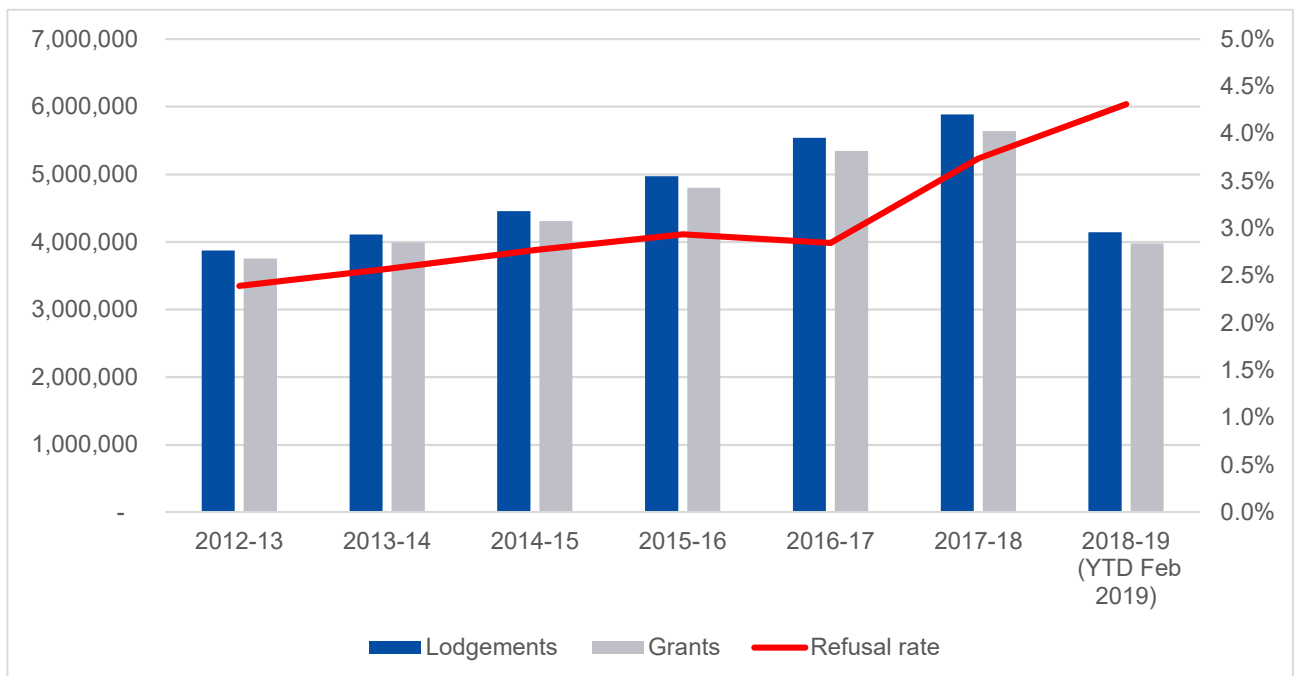
Temporary visas

Visitors

13. Australia's economy benefits significantly from tourism; generating jobs, investment and growth in communities throughout Australia. Tourism has the potential to be a key sector which is projected for growth within the Australian economy. International visitors spent a record \$43 billion in the year to September 2018, with tourists from China contributing \$11.5 billion—well above their pro-rata share by sheer numbers. For these reasons, the Department places a heavy focus on working across Government to position Australia's tourism industry at the forefront globally, and a critical part of that is our work to ensure processing times remain low, without compromising on integrity or community safety.

14. In 2007-08, the Department finalised 3.72 million visitor visa applications. By 2017-18, this had grown to 5.87 million visa finalisations, more than a 57 percent increase in volume in just ten years, with 32 per cent of that growth occurring in the past three years ([Figure 2](#) refers). This growth has been managed while responding to changing patterns of caseload risk and maintaining competitive processing times. Refusal rates for visitor visas to Australia have increased from 1.6 per cent in 2007-08 to 4.3 per cent in 2018-19 to 28 February 2019, as a result of better information being available to our decision makers. More information about the capabilities the Department has invested in to achieve these improved outcomes are detailed in the *Detecting Threats in the Immigration Program* section of this paper below.

15. [Figure 2](#): Visitor visa program trends: 2012-13 to 2018-19 YTD (28 February 2019)



Note: growth pattern for lodgements and grants is expected to continue for the remainder of 2018-19.

Students

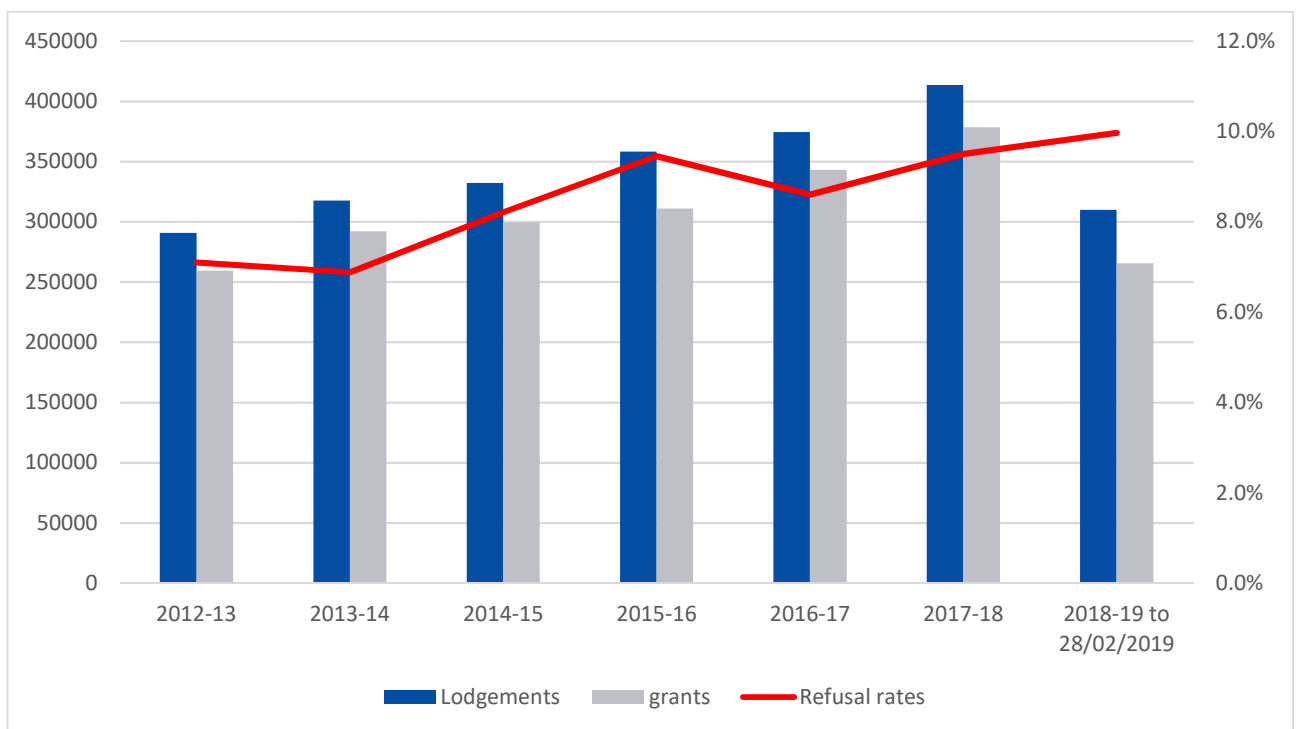
16. Australia's international education, training and research sectors also make a significant economic, social and cultural contribution to Australia, to our foreign policy interests and to individual communities. The Department has facilitated continuing growth in the international

education sector, and the student visa program has been growing steadily from 2011-12.

In 2017-18, a record 378,292 Student visas were granted, surpassing the previous peak reached in 2016-17 of 343,035. The last time the program was of this scale was in 2008-09 when 319,632 Student visa were granted. However, unlike the peak in 2008-09, which featured unsustainable levels of higher risk growth and collapses in a number of education providers, the current growth is based upon a foundation of a joined up and responsive risk framework and processes across Government. Grants to applicants outside Australia reached 234,110 in 2017-18, just short of the previous peak of 226,898 in 2008-09 ([Figure 3](#) refers).

17. There is no cap on student visas and the demand for visas depends on a number of factors including quality, reputation and cost of Australia's international education, marketing, value of the Australian dollar and other variables. The variation in the refusal rate largely reflects changing patterns of risk within the cohorts applying for student visas over time and informs the risk rating and subsequent assessment of all applications.

Figure 3: Student visa program trends: 2012-13 to 2018-19 YTD (28 February 2019)



Note: growth pattern for lodgements and grants is expected to continue for the remainder of 2018-19.

Bridging visas

18. Bridging visas are an important tool that enable the Department to maintain a non-citizen's lawful status while they stay in Australia for a range of legitimate purposes. This includes maintaining lawful status in the community while a person is:

- in an application process for a visa to extend their stay in Australia, or where they seek to temporarily travel overseas during the process;
- appealing a decision made to refuse their visa application, either at merits review or by a court;
- making arrangements to depart Australia.

19. The number of bridging visa holders in Australia has increased in recent years, from 92,874 as at 31 December 2013 to 188,773 as at 31 December 2018. Increased packaged product

offerings—such as a university packaging English, a preparation course and a subsequent degree course—have increased the number of bridging visa holders as each new course requires a subsequent visa application and grant of that visa is dependent on the successful completion of the previous package element. A significant number of student visa holders are also applying for a Temporary Graduate Work visa after completing their academic study. A proportion of temporary visa holders apply for a further temporary visa (such as a second working holiday visa, where they have undertaken qualifying work in regional areas). Some skilled temporary visa holders apply to stay permanently in Australia. Illegal maritime arrivals and protection visa applicants that are awaiting resolution of their protection claims or have sought to appeal those decisions are also generally granted a bridging visa in association with those matters.

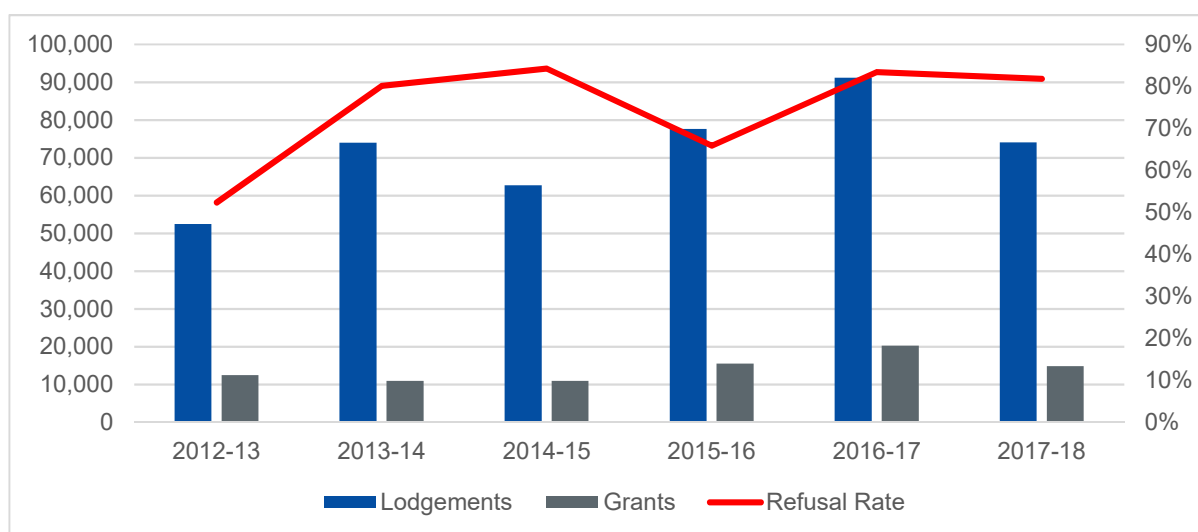
Migration Program

20. The permanent Migration Program has three primary streams: a **skill stream**, a **family stream** and a **special eligibility stream**. Thus the program improves the productive capacity of the economy through skilled labour; allows Australian citizens and Australian permanent residents to reunite with close family members; and provides visas for those in special circumstances that do not fit into other streams, including former residents. There is also an uncapped child stream. The planning level for the Migration Program is set by the Government each year. Becoming a permanent resident of Australia is a significant step and provides access to many services and benefits in Australia. Notably, since 2015, the planning level has been treated as a **ceiling** rather than a target. This ensures that standards are not lowered to meet an overall number.
21. In 2017-18, while overall finalisations have remained similar and productivity has increased compared to 2016-17, processing times were longer and refusals have been higher than in past years due to **high levels of fraud** within some caseloads, applications from people with **complex individual circumstances** and an increased number of **poor quality applications** that do not meet the requirements to be granted a permanent visa. In the lead up to changes being made by the Government to the threshold criteria for grant in the skilled program, as usually happens when there is a change to strengthen requirements, there was an atypical increase in applications in certain categories as applicants sought to pre-empt and avoid new requirements. **Total refusals increased by 46.2 per cent in 2017-18, while withdrawals increased by 17 per cent over the previous year.**
22. While it is too early to accurately forecast the end-year Migration Program outcome for 2018-19, the Department expects finalisations will remain similar to those in 2017-18. While the quality of the skilled pipeline is gradually improving, and the Department is focussed on identifying and lifting out regional and accredited sponsor supported applications for priority processing, a considerable number of applications that present fraud and other risks remain. The Department will take the time it needs to check the claims made in these applications. The refusal rate for 2018-19 as at 28 February 2019 for the Regional Sponsored Migration Scheme and Employer Nomination Scheme was 38.5 per cent and 13.3 per cent respectively. For the General Migration Scheme the refusal rate was 4.0 per cent.

Humanitarian Program - offshore

23. Australia has also been one of the world's most generous contributors to international refugee resettlement efforts, successfully settling more than 880,000 refugees and others in humanitarian need since the end of the Second World War. At present, about 30 countries offer permanent resettlement places to people in humanitarian need through managed and annual programs. Australia is consistently ranked among the world's top permanent resettlement countries. The number of applications for offshore humanitarian visas the Department receives each year is far greater than available visas, even though the base program has grown by over 36 per cent over the past few years and a special additional program of 12,000 places for people displaced by conflict in Iraq and Syria was delivered between 1 July 2015 and 21 March 2017 (Figure 4 refers). The Department has continued to deliver the Humanitarian program in line with planning levels set by the Government each year.

Figure 4: Offshore Humanitarian Program trends: 2012-13 to 2017-18



Humanitarian program - onshore

24. In line with Australia's international *non-refoulement* obligations, any non-citizen who enters Australia can seek Australia's protection by lodging a protection visa application. There has always been a small proportion of people who arrive on temporary visas who subsequently seek Australia's protection. Of the 30.96 million temporary visas granted between 1 July 2015 and 28 February 2019, 75,000 people subsequently claimed protection. This represents approximately 0.24 per cent of total temporary visa grants, which is low in the context of the changing pattern of arrivals to Australia (Threat and Risk environment section of this paper refers).

25. Maintaining the integrity of Australia's protection system is of utmost importance to the Department. Individuals have different motives for claiming protection. In the Department's experience and that of many other western countries, while some claim protection because they genuinely fear they will face significant forms of harm if they were to return to their home country, many make applications for other purposes, such as to pro-long their stay in Australia or to access the labour market or because of the better life opportunities our country affords comparatively. Over 90 per cent of protection visa decisions made in 2017-18 were refusals.

26. The Department continuously works to detect, disrupt and respond to fraud, pattern claims and other attempts to undermine the integrity of the Immigration Program. More information on the methods and tools deployed to address integrity issues are detailed in the Detecting Threats in the Immigration Program section of this paper below.

Threat and risk environment

27. The threat and risk environment as it applies to the Immigration Program has changed dramatically over the past 20 years.
28. The mass mobility of growing middle classes in emerging economies, through cheaper and more accessible air travel, has meant some groups—who would never have possessed the means to come to Australia previously—are now seeking to travel here. For example, visitors from the UK, Japan, USA, South Korea and Germany made up around 51 per cent of total visitor grants in 2007-08. By 2017-18, this had dropped to 36 per cent. In contrast, China, India and Indonesia grew from 11.4 per cent of the total visitors to 23.6 per cent—914,089 more visa grants—over the same period. This has changed the risk profile and processing required within the visitor caseload.
29. While the increasing movement of people globally brings with it many benefits to Australia, it also brings with it new threats to our security.
30. Approximately 70 per cent of significant serious and organised crime targets that impact Australia are either based offshore or have strong offshore links. Transnational organised crime networks continue to seek to embed themselves into legitimate supply chains to obfuscate their activities or to exploit visa arrangements for human trafficking and exploitation, drug or weapons importation, illegal labour and other nefarious purposes. Their methods continue to evolve, including the masking of activities using encrypted communications and use of professional facilitators.
31. The constantly changing face of terrorism presents as the paramount concern. Terrorist actors, ideologues, financiers, recruiters, and on-line supporters—to name but a few of the entities within this ever-evolving matrix—all take advantage of easier international travel arrangements and streamlined visa processes.
32. There have been growing attempts by some foreign governments or their proxies to engage in foreign interference to undermine Australia's sovereignty, values and national interests, through covert, deceptive and clandestine means. Our institutions of democracy, research and education sectors, the media and our culturally and linguistically diverse communities are all vulnerable to this type of activity. This includes attempts to subvert visa arrangements to advance these purposes.
33. The world is facing the highest level of forcibly displaced people ever, generating continued border risks as people seek to travel both legally and illegally to destinations where they can live in peace and safety, like Australia. A proportion of these individuals carry no reliable documentation that can be used to verify their identity.

Detecting threats within the Immigration Program

34. While facilitating growth in important temporary and permanent visas that support the economy, and managing strong humanitarian and family programs, the Department is maintaining a proactive posture that assumes some individuals looking to enter Australia—or their facilitators—will attempt to exploit vulnerabilities within the immigration system, for individual benefit or to do harm to Australia.
35. The changing threat and risk environment for the immigration program has made broad, nationality based assessment of risk with very limited pre-border risk assessment for certain cohorts—the historical ETA model—no longer appropriate.
36. More granular and nuanced assessment of the risk posed by individual visa applicants—irrespective of nationality—is required, supported by targeted intelligence and greater checking capability. This approach is not only intended to respond to the emerging threats and risks we

face today but also underscores the non-discriminatory nature of Australia's immigration program.

Lifting of Intelligence capability support to the Immigration Program

37. Prior to July 2015, Australia's immigration intelligence capability was immature, split across a range of agencies and dispersed individual teams, and did not inform a joined-up response to risks across the apply, decide, travel, stay and depart continuum. Visa decisions were made within segments of different organisations predominantly through the prism of assessing the risk of immigration non-compliance with the *Migration Act 1958*, in the absence of a joined up threat lens and without, in many cases, the benefit of intelligence held by other intelligence and law enforcement agencies. For example, decision-making by former Immigration officers overseas, former Customs officers at the border, and Immigration visa and compliance officers in Australia was undertaken on different systems, and lacked a coherent approach to an individual. The Department lacked robust mechanisms to detect and assess individuals who may present a threat to Australia.
38. Today, the Department is developing a full-spectrum border intelligence capability to support the management of the Immigration Program.
- At the strategic level, intelligence capability routinely assesses migration-related threats and systemic vulnerabilities that threaten the integrity of the Immigration Program, including in relation to visa fraud and non-compliance, criminality, exploitation of labour, and human trafficking.
 - At the operational and tactical level, intelligence directly supports the Immigration Program through a network of intelligence analysts integrated with operational teams and specialist enforcement and investigative capabilities. This intelligence is particularly focused on targeting serious and organised crime and serious and deliberate non-compliance.
 - An increasing spectrum of risks and proposed treatments are captured within visa and border processing systems and provided to relevant decision-makers for consideration and action.

Case Study

Convergences of threat manifesting in one domain are now leading to discoveries in other domains. Recently, the discovery of a traveller suspected of importing illicit drugs across the border led to the immediate discovery and disruption of a large, sophisticated imposter syndicate exploiting multiple temporary visa programs through identity and passport fraud to conceal adverse immigration histories. Agile responses by the Department and the Australian Border Force led to pre-border profiles being deployed quickly in both the visa and traveller domains. This level of immediate cross-domain analysis, threat identification and response would not have been possible previously, which focused immediate efforts on specific domains, and demonstrates the power of a more robust and joined up border-intelligence effort.

Biometrics and Integrity screening in the Immigration Program

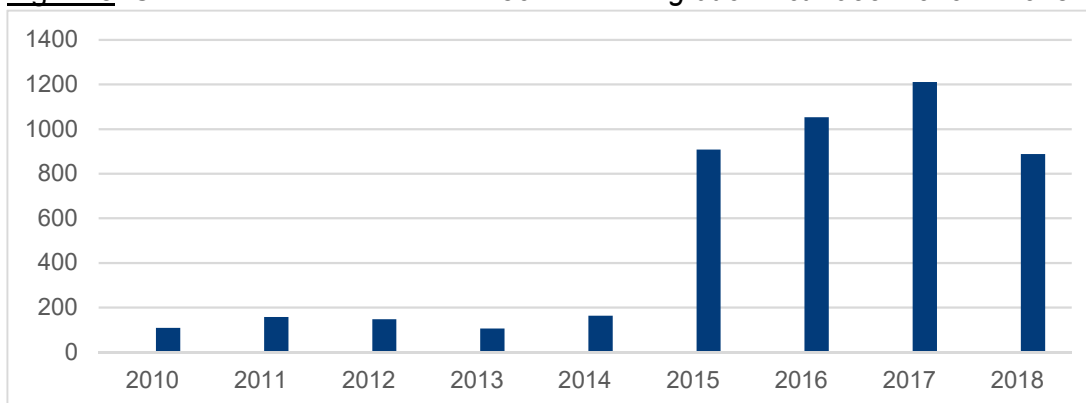
39. Over the past 10 years, the Department has increased its use of biometrics to facilitate legitimate trade and travel, and protect our border and our community from threats, including criminal activity and terrorism. Australia collects biometrics from visa applicants in Australia and in 46 countries to detect persons of concern. The millions of biometrics collected from applicants are checked against Departmental holdings – with higher risk cohorts checked against and law enforcement data holdings, and against the data holdings of our Migration 5 (M5) partners (Canada, New Zealand, the United Kingdom and United States) using a Secure Real Time Platform.

40. Intelligence sharing with law enforcement agencies and Five Eyes partners has strengthened since the establishment of the Department of Home Affairs resulting in over 3,000 persons confirmed or suspected of transnational serious and organised crime being added to watch-lists to ensure any visa applications by these individuals are individually scrutinised.
41. Over the past three years, the Department has established new integrity capabilities that are increasingly leveraging new information sources previously not available to visa and citizenship decision-makers to detect individuals who are involved in activities that are of national security concern or against the law. The capabilities which have been built enable us to hone our focus on individuals of concern, and intensively research their history and behaviour to assess whether they may present a threat.

Delivering improved immigration integrity and community protection outcomes

42. As a result of the greater use of biometrics, the leveraging of intelligence and other new information sources domestically and internationally, and through the deployment of new capabilities and tools, the Department has successfully detected and responded to thousands of cases of visa and identity fraud, as well as serious criminality and security concerns. These outcomes are reflected in the increased visa refusal volumes depicted in Figures 2, 3 and 4 above).
43. At the other end of the immigration program, 1440 instances of potential identity fraud have been detected over the past few years among permanent visa holders applying for Australian Citizenship and within the same caseload, 144 individuals were detected who didn't disclose serious criminal conduct. These cases will now be considered for possible visa cancellation.
44. The Department's first priority is ensuring the safety and security of Australians. All non-citizens granted a visa must meet, and continue to meet, the character requirements set out in the *Migration Act 1958*. There are strong provisions under the Act to refuse or cancel a visa where a person is found not to be of good character. All visitors to Australia are expected to obey Australian laws and satisfy the character requirements of the Act.
45. Through increased collaboration with law enforcement partners and the introduction of mandatory cancellation powers, the Department has also cancelled more visas on character grounds than ever before. From December 2014 to 31 January 2019, visa cancellation decisions under section 501 of the Act increased by over 700 per cent when compared to the previous four year period with around 4200 visas cancelled, including 78 murderers, 168 rapists, 319 child sex offenders and 213 Outlaw Motorcycle Gang members, associates or organised crime figures ([Figure 5](#) refers). Non-citizens who have had their visa cancelled are subject to immigration detention and removal from Australia.

Figure 5: Cancellations under section 501 of the *Migration Act 1958*: 2010 to 2018



Maturing of the administration of the Immigration Program in the years ahead

46. The number of people crossing Australia's borders is expected to grow to reach nearly 50 million by 2020. And in the decade ahead, we anticipate the threats and risks we face today will continue to evolve. In administering the Immigration Program going forward, the Department will continue to develop and advance the systems, processes and capabilities required to achieve effective facilitation while also enhancing our threat and risk mitigation as the environment changes.
47. Over the short to medium term, the Department anticipates a continued focus on building its capabilities, through working closely with industry, domestic agencies within and beyond the Home Affairs Portfolio and international partners, in the following areas:
 - Identification of emerging threats and vulnerabilities in the Immigration Program at the earliest possible point and using this information to develop and deploy predictive models and profiles that prevent the entry of those who would seek to undermine the intent of the Immigration Program or cause harm to our community and our national interests.
 - Further automation of manual processing activities and consolidation and connection of fraud, criminality risk and security threat information from an expanded range of sources to support real time decision making and recurrent risk checking.
 - Biometrics collection to anchor identity at the earliest possible point, together with advanced matching and validation capabilities.
 - Increasing quality and consistency of decision-making through enhanced vocational training for visa decision makers, application of a single, global business processing model, better real time reporting for immigration program managers, a more integrated model of quality assurance and regular operational practice reviews.
 - Other initiatives to improve the client experience for genuine travellers and migrants.
48. Importantly, we apply a 'golden rule' of accountability: no adverse visa decision is ever made by a machine. If a person is denied a visa, it will be denied by a departmental officer based on their risk and security assessment. The officer might be prompted and assisted by the latest technology and automated analytical tools, but it is a person who will be the decision-maker.