



Working Holiday Visa Inquiry: Adventure Tourism Victoria's (ATV) Submission

The following paper, prepared by Adventure Tourism Victoria (ATV), is a submission into the The Working Holiday Maker program. The submission looks at the role that The Working Holiday Maker program plays in the economic and cultural development of Australia in regional and metropolitan settings. ATV has focused this submission on the costs, application grants and 2nd and 3rd year extension granting process of The Working Holiday Maker program taking into account the terms of reference from the Joint Standing Committee on Migration

This paper is wholeheartedly endorsed by Victorian Tourism Industry Council (VTIC) and Young Tourism Network (YTN), their in depth letters of support conclude this submission.

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Who is Adventure Tourism Victoria?

We are writing to you on behalf of Adventure Tourism Victoria (ATV) to outline some concerns.

We are a not-for-profit organisation representing and bringing the youth/adventure tourism market together in Victoria. We have 48 members made up of tour operators, accommodation providers, travel agents, booking platforms and attractions.

Our committee is made up of volunteers that represent these businesses. The committee is experienced and knowledgeable about this sector, and of course extremely passionate too. They work on all ATV projects in their free time and we want the best for the sector in Victoria.

We have chosen to not just come with concerns, but instead use our wealth of experience of working in this sector, to propose suggested changes and answers to these concerns.

Although we represent Victoria, we are dedicated to ensuring Australia is the number one working holiday destination for young people worldwide.

We want those working holiday makers to be ambassadors for years to come, just like generations before have.

Over the last decade, we've seen a decline in working holiday visas and we think there are a number of factors for that.

We wanted to examine the thought process of a potential WHV Maker's thoughts through their eyes, from the initial travel planning stage, to getting here, to possibly extending their stay.

Throughout this submission we will sometimes write on behalf of Lars, referring to Lars' experience in Australia on a working holiday visa. Lars is one and all of the



200,000 WHV holders that enter our country each year, in this instance he is an 18-24 year old from Northern Europe but actually he is everyone, he experiences the same challenges a Canadian would face, the lack of clarity a female backpacker from Germany comes across and the lack of employment regulation a Chilean encounters.

A Traveller's Planning Stage

Something that is key for us to remember is although Australia is a wonderful destination with some great marketing, we're in a competition. Other countries have their own government funded marketing agencies too and we need to ensure we are their number one choice at all times.

We need to make sure Australia stands out for the right reasons when it comes to the administrative challenges around obtaining a visa.

- How can we make this process as simple and seamless as possible?
- How can we make it affordable?

If Lars wants to do a working holiday and is looking at Australia, NZ and Canada with no favoured destination, which country is going to make it easy for him?

Which country is going to welcome him and value him and make him an ambassador for this country after his trip?

The less friction in this process, the better. Friction comes by the way of confusing communication and cost issues. Please read some of our points on this.

Cost and Length Of Stay

It is our desire for Australia to stand out from the crowd and it undoubtedly does as a destination. However, there also needs to be a thought for practical and financial implications in regards to a working holiday visa application

Below is a table showing NZ, Canada and the UK's offerings for corresponding Working Holiday programs:



Country	WHV Length	Price in AUD*
NZ	12m**	\$263
CANADA	24 months	\$268
UK	24 months	\$440
AUSTRALIA	12 Months	\$485

*Currency conversion as of 12/07/2020. Visa prices from AUSTRALIA, NZ, CANADA AND UK GOVERNMENT SITE

**23 months for British and Canadian citizens

The base WHV in the UK and Canada are 2 years and are still less expensive than the Australian 1-year visa offers.

Once we adjust to the equivalent price for a one year visa, we see that the Australian option is:

- \$351 more than the Canada option
- \$222 more expensive than New Zealand.
- \$265 more expensive than the UK

NZ's option even has an extra pulling power because despite it being 1 year for most countries, it offers nearly 2 (23 months) for 2 of its biggest market nations.

Australia has more to offer, and thus can charge more than competitive destinations. However, the cost vs length of stay would suggest that the current Australian product does not represent a good value for money in comparison.

Please note that the above figures are only for the Year 1 visa. Year 2 and Year 3 extensions to the WHV mean our **total visa costs have the potential to skyrocket to \$1465.**

Fees taken from https://immi.homeaffairs.gov.au/visas/getting-a-visa/fees-and-charges/current-visa-pricing/visit*



Please see the below table.

Appendix 1: Working Holiday Maker visa fees and estimated revenue

Year	Visa Fee	Increase \$	Increase %	Visa Grants
2010/11	\$235	\$5	2.20%	192,922
2011/12	\$270	\$35	14.90%	222,992
2012/13	\$280	\$10	3.70%	258,248
2013/14	\$365	\$85	30.40%	239,592
2014/15	\$420	\$55	15.10%	226,812
2015/16	\$440	\$20	4.80%	214,583
2016/17	\$440	\$0	0.00%	211,011
2017/18	\$440	\$0	0.00%	210,456
2018/19	\$440	\$0	0.00%	209,036

*Source: Letter for WHV reform submitted by Julian Ledger, YHA Australia. Department of Home Affairs WHM visas granted.

Along with other factors that we will highlight in this submission, visa costs have a real impact on the number of visas granted. In 2013/2014 the visa price increased by a huge 30.4%. Our annual number of visas granted has fallen ever since.

Australia has seen a drop of nearly 20% across just 6 years, pre-COVID19.

We recognise that visa fees are a valuable source of revenue for the Australian Government, but that revenue pales in comparison to the economic benefit each additional WHV-visitor brings.

Tourism Australia's latest findings show the average in-country spend of a working holiday visa maker is approximately \$10,400 per person.

Please see this table again but with an additional column. This column reflects the potential **LOSS** in revenue to the Australian economy based on the fall in visas from the previous year.



Appendix 2: Working Holiday Maker visa fees, visa fee revenue and estimated LOST revenue through reduction of visa uptake.

Year	Visa Fee	Increase \$	\$ Increase %	Visa Grants	Lost Visitor Revenue
2010/11	\$235	\$5	2.20%	192,922	N/A
2011/12	\$270	\$35	14.90%	222,992	N/A
2012/13	\$280	\$10	3.70%	258,248	N/A
2013/14	\$365	\$85	30.40%	239,592	\$188m
2014/15	\$420	\$55	15.10%	226,812	\$129m
2015/16	\$440	\$20	4.80%	214,583	\$124m
2016/17	\$440	\$0	0.00%	211,011	\$36m
2017/18	\$440	\$0	0.00%	210,456	\$6m
2018/19	\$440	\$0	0.00%	209,036	\$14m
2019/20	\$485	\$45	10.20%	unknown	unknown
TOTAL					\$497m

These losses represent STAGGERING amounts of lost revenue disproportionately affecting sectors such as tourism, hospitality and agriculture, as well the incalculable loss of cultural exchange.

It is also clear that it's not only the fee that has driven this drop, other destinations have taken a share of this pie. Competitive destinations offering longer visas at lower prices have made it easier for their applicants, eroding Australia's market share in inbound tourism.

Financial considerations aside, we believe there are several more minor contributing factors to this decline.

The Visa Application Process: 1st Working Holiday

Every WHV visa application needs the applicant to confirm they're able to support themselves when they arrive. This is currently set at \$5,500. ATV supports this measure but request a clearer instruction be given to applicants.

The online visa application gives the OPTION to give supporting evidence. This is not mandatory but also generally unclear. While a bank account screenshot can be



added, as can payslips, it is unclear how this is deemed by Immi and if it can result in a visa being rejected and example below:

- It's February and Lars is currently filling out a visa application, with a view to land in Australia in July.
- Currently Lars has \$4000 saved.
- By departure Lars will have more than the \$5500 available to arrive in Australia.
- Lars is given the opportunity to attach his payslips or bank account to prove his funds.
- As Lars currently has \$4000, he doesn't know if attaching documentation will HELP him, or HINDER him.
- It's not clear if showing he has \$4000 will mean he will get his visa rejected, or show he's on the right path to the \$5500.
- This is because the attachments are not MANDATORY and their worth isn't clear.

3 outcomes can come from this:

1. Lars decides this is too hard, and with the cost of the 1st and potential 2nd year visa, Australia isn't for him and he chooses another destination.
2. Lars delays his visa application until he has the money, but during this time he could also decide to go elsewhere, more risk.
3. Lars applies for the visa, but ultimately there's no clarity on how this will be processed.

Even if Lars chooses the third option, he's still not had a positive and confident start to his visa process.

Several of our members report their customers sharing stories of calling the Department of Immigration and not being given a definitive answer on what documentation is required.

The less clear it is, the less likely Australia are to close a potential visa applicant.



The value of this program to Australia's economy, including tourism, health care and agriculture sectors is invaluable. With this in mind we believe it is imperative that we eradicate any such contention points to give ourselves the best possible opportunity to secure each and every desired applicant.

The 2nd Working Holiday

Confusion Around Timeframe

The 2nd year visa is currently granted for someone that does 3 months of specified work. This can be:

- working five days a week for a continuous period of three calendar months, including on a [piecework rate](#) agreement
- working less than five days a week over a period longer than three calendar months, including on a piecework rate agreement
- working multiple short periods of work in any combination of full time, part time or on a piecework rate, which add up to the equivalent of five days a week over three calendar month

Later on [this](#) page it states that people can work full time hours for 5 days a week and have this work count as 7 days.

While this is great in theory, it also adds uncertainty due to these 2 screenshots. Each application's full-time validity is dealt with on a case-by-case basis linked to what is the normal standard practice in that industry.

To meet the three months' specified work requirement you must complete the same number of normal work days or shifts as a full-time employee in that role and industry would normally work in a three month (88 calendar day) period. You can do this in a variety of ways, for example:

Normal work days or shifts

You should agree with your employer the number of working hours, before you start work.

One single day of work is considered to be the normal number of hours per day or shift that is considered standard practice in the industry and role in which you are employed.

We totally understand this idea, as the visa covers such a plethora of industries with a multitude of practices and standard working hours. Full-time in one industry could

be classed as part-time in another or over-time in another meaning it's too broad to have one-size fits all approach.

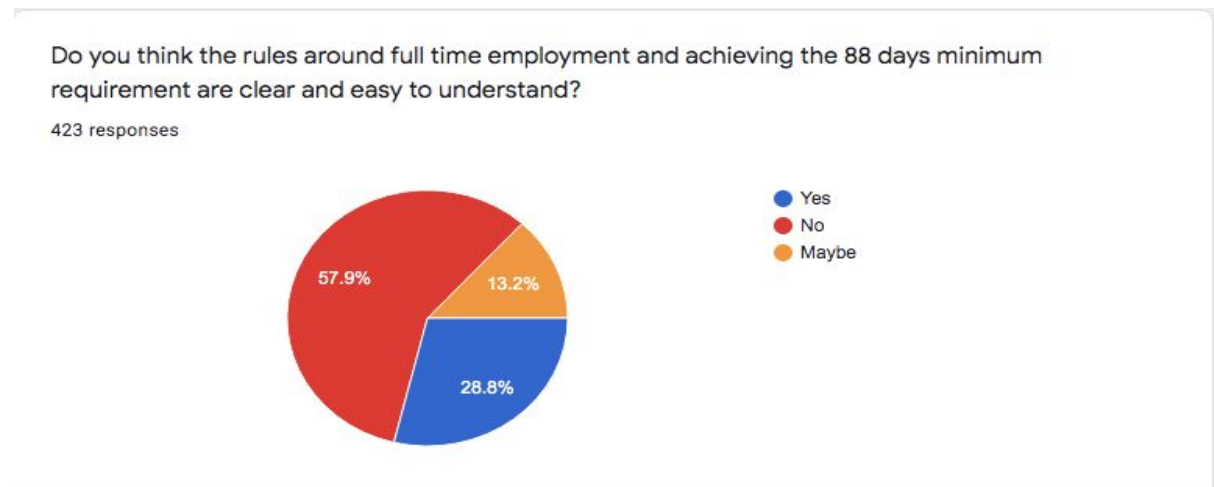
Nonetheless, what is full-time/standard practice in the industry is very unclear for a backpacker who has never worked on a farm, an orchard or a pearling vessel.

There's no indication of what industry standards are. An example of a helpful table would be:

- Fishing and Pearling: 6 hours and above.
- Tree Farming and Felling: 7 hours and above.
- Plant and Animal Cultivation: 5.5 hours and above.

This provides confusion for the applicant, the employer and of course the person working in the visa office. How do all 3 people know the normal in the industry without it being visible?

Recently ATV undertook a survey of WHV-holders and found the following:



We feel it is an issue that 57.9% of people don't find the rules of their own visa easy to understand.

Please read a testimonial from Welcome to Travel, one of ATV's members. They coordinate farm work opportunities for WHV-holders and assisted over 1,000 backpackers last year

'We had a situation where a group of our travellers worked 5x6 hour shifts in rural Victoria. This was standard full-time in this company, no-one worked more than this. The travellers asked whether this counted as 5 days, or 7 days. I was unsure as while it's standard at that company, it doesn't mean it is for the industry, but there



was no way of seeing what is standard for the industry. We thought the only thing to do was to contact the government.

Myself and 2 of the travellers in question called immigration to ask if this would be classed as full-time and if they could count these 5 days as 7 days. The government representatives gave 3 different answers of yes, no and unsure. This is an issue and makes it extremely difficult for travellers and employers to have faith in the system at present'.

Adam Ogle, Director, Welcome To Travel

On this area of the visa, it feels like there's a grey area and a traveller could feel like their fate lay in the hands of the immigration worker processing their visa that day, and their discretion to what constitutes full-time and what doesn't. This isn't a good outcome and could potentially have a negative impact on regional areas, both in terms of agriculture and tourism.

To avoid uncertainty, WHV-holders are working longer than is required:

If you worked longer than the 2nd year visa requirements (88 days), what was the main reason for this? Select 1 of the last 2 options if you worked the minimum or didn't complete the 88 days.

423 responses



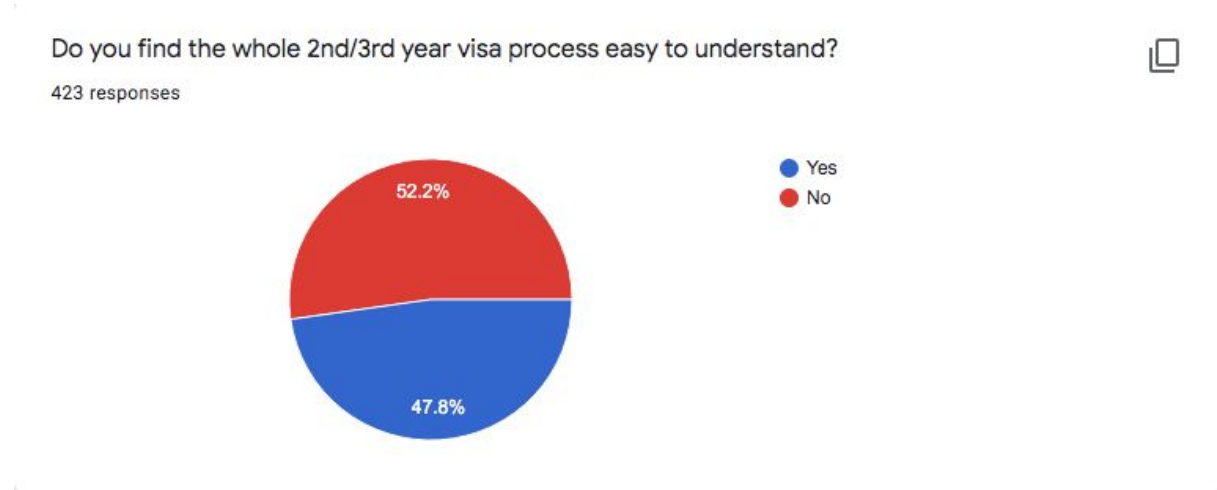
22.9%, nearly a quarter of the people surveyed answered *"I was unsure on whether some days/work counted so I worked extra to make sure I had enough"*

If this is confusing for our travellers and employers, it means it is also an issue for our other Australia ambassadors, travel agents in our target market countries. If travel agents find Australia too complex, they too will put it in the too hard basket and sell other destinations over us.

Suggestions

These examples and results would suggest that the administration aspects of the program are currently too complex for everyone involved; the employer, the traveller, travel agents and even our own government staff.

Our survey found this unsettling result:



There are at least 2 possible negative results from this.

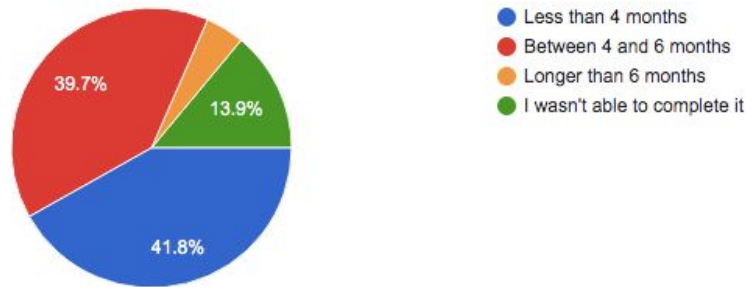
Firstly, people are working longer to ensure they have their days worked. If a traveller works 88 individual days, it means it will take 17.6 weeks, over 4 months and 33.8% of their visa to complete the 88 days. If 22.9% are unsure on how to count their days, you could even argue it would take them longer.

This is time that travellers could be spending money in the visitor economy.

This is backed up by these results showing that 58.2% of the travellers answering took more than 4 months or didn't manage to complete their specified work.

How long did it take you to complete your 3 months / 88 days?

423 responses



Secondly, there's the potential scenario that the complexity of this aspect of the program simply puts a traveller off attempting to complete this work. Someone like Lars may return home or look to take on a more affordable and attractive WHV in New Zealand to keep their once-in-a-lifetime trip alive.

Count Hours Instead of Days

We would like to propose that instead of days, we count hours. Counting hours makes it seamless for everyone involved. Everyone can count hours, in every industry.

- A standard full time working week in Australia is 38 hours. Currently, 3 months specified work is the requirement. 3 months is 13 weeks.
- 13 weeks x 8 hours = 494 hours

We propose this is rounded up to 500 hours. For Lars, knowing you would have to do 500 hours of work is incredibly simple. It's also simple for an employer, a travel agent and a government representative.

It is even possible that eligible employees could be calculated through Single Touch Payroll, without it having to be manually approved.

If we make it easy for everyone, we will create more and more ambassadors for Australia and the WHV program itself.



If a traveller (Lars) has his visa rejected despite being a good employee and going down the route that the government told him to go down, he will have ill-feeling towards Australia.

This will also mean he could potentially lose the ability to spend the money he saved whilst completing this work, in the Australian economy, another negative result for us and the system we are promoting.

Alternatively, we can simplify things and increase the retention rate.

The table below highlights the less the retention rate between 2017/2018 and 2018/2019 assuming that people apply for a second year visa the following year.

	417 Visa	462 Visa	Total
2017/2018 First Year Visa	152,622	21,667	174,289
2018/2019 Second Year Visa	31,418	5,801	43,219
Retention Rate	20.6%	26.8%	24.8%

Data from -

<https://data.gov.au/dataset/ds-dga-602f74a0-a588-4dea-ae28-0fe123cbb182/distribution/dist-dga-b3191746-1aa9-410f-b413-60ae58c8f207/details?q=working%20holiday>

417 Visa has a 20.6% retention rate while the 462 Visa has a higher retention rate, possibly due to the fact that this visa enables an extension if they work in hospitality and tourism.

Australia is one of the most desired destinations in the world to live, work and travel, so why is our retention rate so low? ATV feels the uncertainty around the farm work requirements is a key contributor to the attrition, this is backed up by the survey results.

If we increase the retention rate from 24.8% to 40% it would increase the amount of second year visas by 42,173, which would be a \$20 Million bottom line increase, if the second year visa remains at the same cost of \$485AUD or \$15 Million if the visa cost gets reduced to \$365AUD.

That is in visa costs alone, before the visitor spend is even taken into account.

The money which the working holiday makers earn in Australia would be kept in the country and dispersed nationwide if we had a higher retention rate with these travellers.

2nd Year Visa Work Accessibility and Regulation

While the issue of counting days and general process is an issue, there are also issues around the work itself.

We asked why people didn't complete their farmwork, the results are below:

If "YES", what was the main reason for not completing this work? If your previous answer was 'No', you can skip this question.

488 responses



26.2% answered 'All of the above'. When selecting this, the choices were:

If "YES", what was the main reason for not completing this work? If your previous answer was 'No', you can skip this question.

- Negative stories about farm work
- Work was harder than expected/not what expected
- I Didn't want to live in a rural location
- I didn't feel comfortable about the possibility of being exploited through conditions/pay rates
- I found the rules unclear
- I didn't know/understand how to find work that I could trust/was reputable
- All of the above



Another 28.7% answered ‘I didn’t feel comfortable about the possibility of being exploited through conditions/pay rates.

These answers, and the consequences of these people having this opinion of farmwork, without attempting to do it, are deeply concerning for our program, as well as deeply damaging to the image of this vital cultural exchange

Finding Specified Work, Pay Rates and Regulation/Accreditation

Through our research we found that more information on how to find specified work coupled with some regulation around this work were the things people would most like to see.

We asked the following question:

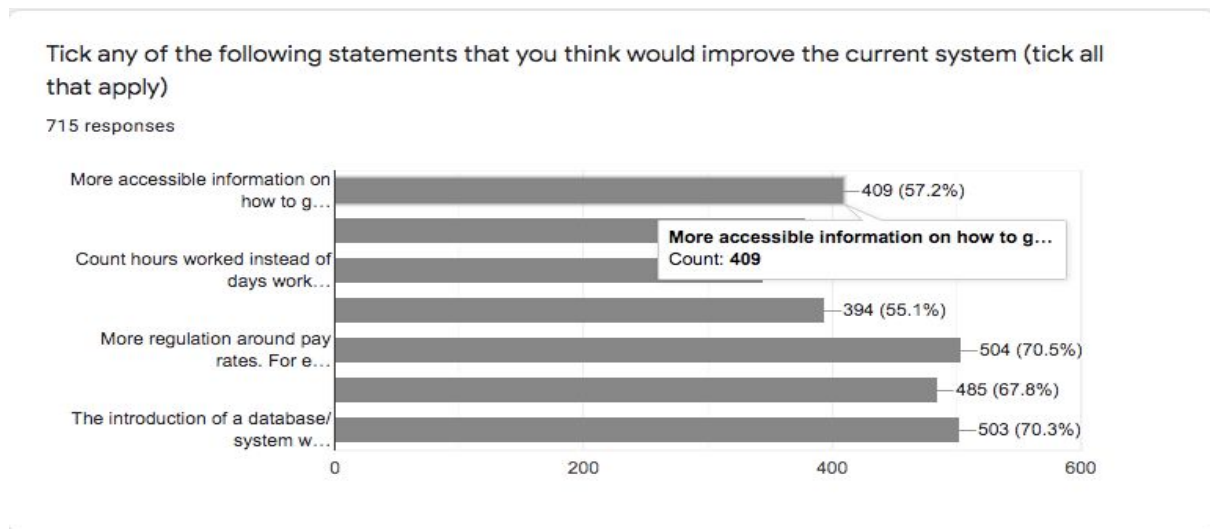
⋮

Tick any of the following statements that you think would improve the current system (tick all that apply)

Checkboxes

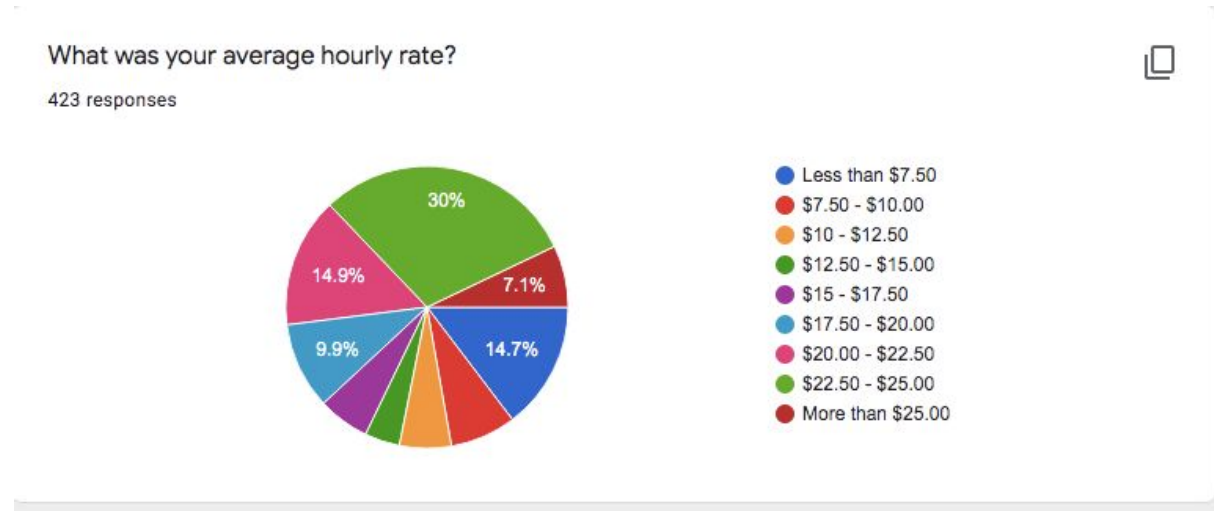
- More accessible information on how to get farm work ✕
- Better information/expectations around how long 3 months work may take to complete ✕
- Count hours worked instead of days worked. ✕
- More clarity on how to count days/what counts as 5 days/7 days ✕
- More regulation around pay rates. For example a rural work or WHV minimum hourly wage ✕
- Shorter working requirement. For example 60 days. ✕
- The introduction of a database/system whereby employers had to be regulated (by adherin... ✕

The last answer doesn’t clearly show but was ‘The introduction of a database/system whereby employers had to be regulated (by adhering to certain standards) for backpackers to work for them for their 2nd year visa. These were the results:



Pay Rates

We gathered the following data on pay rates:



Just to make that image clear:

- 14.7% earned LESS than \$7.50 per hour.
- 7.6% of people earned \$7.50-\$10 per hour.

This means more than 1 in 5 earned less than \$10 per hour

Combining other results, 38.1% earned less than \$17.50 per hour.

Suggestions

An Approved Employer List (Similar to Seasonal Workers Program)

The Seasonal Workers Program can only be undertaken if working with an employer that is part of an [approved employer list](#).

This keeps the employer accountable, makes it easy for the government to manage and gives the worker some guarantee about who they're working for.

Earlier we showed the results of a question that asked travellers to tick things they think would improve the visa process.



We asked this question again, **but this time asking them to select just one of these answers**. Basically, which is the most important thing to them.

30% chose the *regulated employers database* option.

We'd like to propose this is considered for the working holiday visa. This would mean:

- A Regulated employer list.
- To be considered for a visa extension, employees must complete their work with a regulated employer, or collection of regulated employers.
- This means an employer is unable to advertise they offer work satisfying second/third year visa requirements unless they have this accreditation.
- This would give the employee security, a sense of safety and confidence in the system.
- This would also reward reputable employers and force employers not currently meeting standards, to improve them.
- Any issues whether it be pay or working conditions could be brought up through this system.
- It also makes it easier for government to process visas

We'd also like to suggest something to help the pay-rate situation

A rural employer is in a difficult position of employing someone that won't have the necessary skill-set to work at optimal speed from day 1. This presents an issue that can go one of 2 ways:

- An employer pays the standard rate for a small fraction of the standard completed work.
- An employer pays a piece rate giving the employee an extremely low wage.

If the first option is taken, the employer loses money and runs the risk of making this slow pace for a standard rate look acceptable in their workplace.

The second option could mean the employee isn't happy and could give up the work, thus forcing the employer to look for another employee and the cycle starts again.



This is a constant balancing act and merry-go round that both travellers and employers face 365 days a year.

Why don't we help the employer by suggesting a low introductory wage for the first 2 weeks of employment?

- This takes the pressure off the employer to pay someone not yet up to a standard pace, thus costing them money.
- It also takes pressure off the worker who is struggling to meet unrealistic expectations which could force them to leave.
- This intro wage could help the rural sector save money across the board and it sets an expectation for the traveller and employer.

While it is required to look at this situation from a macro perspective, so many of the things that make up those numbers on a macro level are decided on a micro level, on the ground, by the decision our travellers and our employers are making. All of these have a knock on effect to contribute to the greater situation we find ourselves in.

So many of ATV's members are in a unique position of interacting with travellers on a regular basis. We think it is vitally important to think about these situations from the travellers perspective.

What will actually make them stay longer?

How can we contribute to making that easier?

Where we can, we need to make the system as simple as possible. We want travellers to be staying here because they experienced rural work, not endured it.

Negative employment experiences are not what we want to be known for as a destination.

Working Holiday Visa holders during Covid-19

As of July 2020 there are potentially 70,000 WHV holders still in Australia.

These 70,000 Lars' are not only potential taxpayers, but they're relied upon in several sectors, predominantly Tourism and Agriculture. With that in mind and with no visitors on the horizon (short-term) retaining as many of those 70,000 as possible should be a huge part of our agenda when we look at Australia's economic recovery through Covid-19



Please see the below articles referencing tourism and regional employment shortages and the benefits of WHV holders:

<https://www.abc.net.au/news/rural/2020-06-24/working-holiday-maker-inquiry-called-migration-inquiry-suspended/12388868>

<https://www.abc.net.au/news/rural/2020-06-23/farmers-warn-no-seasonal-workers-will-leave-fruit-to-rot/12374016>

<https://www.portnews.com.au/story/6711563/foreign-workers-turn-to-farm-jobs/?cs=9397>

<https://www.freshplaza.com/article/9201776/australian-officials-address-pending-labour-supply-shortfall/>

We have seen recently that if there is enough political will visa legislation can be introduced quickly on both humanitarian and economic grounds.

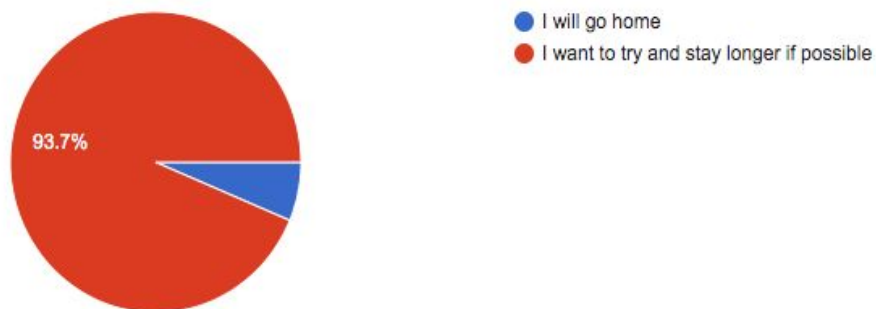
The Australian government has recently announced that up to 10,000 Hong Kong citizens already residing in Australia will have the opportunity to apply for permanent residency via a 5 year visa extension (<https://www.pm.gov.au/media/hong-kong>).

We also saw that during this Summer's bushfire crisis that changes to the WHV can be made to support those most at need with bushfire recovery

A recent survey ATV conducted during July 2020 has produced these results:

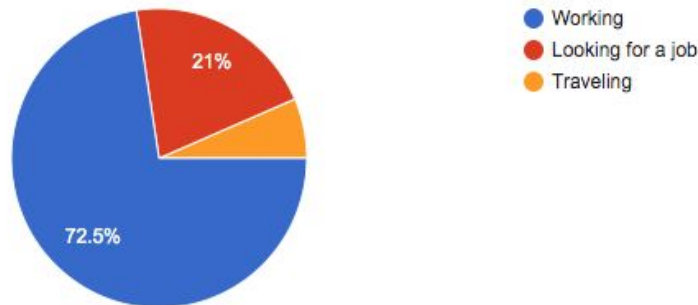
What is more applicable to you? "When my visa ends... "

1,282 responses



What are you doing now?

1,282 responses



1. People who are still living in Australia on WHVs want to stay and in some instances are unable to leave due to border restrictions
2. Industry and business that rely on the employment of WHV holders' employment and their spend need them to stay to prevent further economic ruin

We propose these suggestions to facilitate the above:

1. All WHV holders that are still in the country to be offered automatic extensions free of charge
2. Any WHV holders that reached the age limit (over 30 or 35 years depending on source country) during the pandemic and are still in Australia to have their visas extended

Recently New Zealand has introduced a similar [scheme](#) and as referenced above when Australia has the political will we can enact visa changes quickly when we want to. We propose to use the current political will that we have seen together with industry and business needs to temporarily extend WHV holders stays in Australia.

By introducing these two points we gain the following:

1. \$2 million added to the Australian economy every day that a WHV holder remains in the country *(based on \$10,400.00 per WHV spend and 70,000 WHV currently in Australia)*
2. Lars is ecstatic that Australia recognise his contribution to the country and becomes a brand ambassador for Australia for life thus converting more and more potential future WHV holders
3. The cost of fresh produce remains relatively stable as rural industries have a continuous source of employees



<https://theconversation.com/why-closing-our-borders-to-foreign-workers-could-see-fruit-and-vegetable-prices-spike-134919>

4. Tourism and hospitality industries are able to meet the growing demand as internal borders reopen and domestic tourists return
5. Cultural exchange continues between Australian communities and their adopted new residents

Further to this there are many individuals that applied for and were granted WHV's across the world whose plans to come to Australia or remain in Australia have been impacted by Covid-19. We have split these individuals into two groups:

- Those that were granted visas but were unable to travel to Australia due to border closures
- Those that had their time cut short due to covid-19 and had time remaining beyond March 1st 2020

For both of these groups we recommend a new WHM visa be offered with a start date that is set by the reopening of that WHM visa holder's source country's borders with Australia.

Restarting international tourism after Covid-19 should be done in a careful, measured and appropriate way. ATV fully endorses the measures set out in the BYTAP submission echoing the International Student Pilot program for Australian universities.

Summary

This proposal is about ensuring we give each traveller the absolute best chance of enjoying their time here, making sure they feel like they made the right choice when selecting their WHV. We want them to feel like the system did right by them.

I want to look at an absolute worst case scenario here.

The experience for Lars is potentially anything but smooth under current WHV arrangements. With current regulations, the following can occur:

- Lars chooses Australia as his destination for a WHV
- Lars pays \$495 for a WHV
- Lars is told his proof of funds isn't sufficient, despite the fact he'd have the adequate funds by the time of his departure.



- After 2 months of travelling and experiencing some incredible things Australia has to offer, Lars decides to do his 3 months of rural work to extend his stay
- Lars finds this extremely difficult due to lack of information on who's a reputable employer and who is not.
- After 2 weeks of research Lars decides to go to a working hostel in a rural town, seemingly the best way of securing work.
- It takes 2 weeks for Lars to get any work.
- Lars secures work but due to the seasonal nature of it, only does 8 days work over 8 weeks. This work was paid at an unrealistic and exploitative piece rate and Lars was paid less than \$10 an hour.
- This means 8 weeks after deciding on doing rural work, Lars has completed 8 out of 88 days.
- Lars secures a job, 5 days a week, 30 hours a week. His employer and industry class this as full-time, meaning he can count it as 7 days.
- The unclear nature of this ruling meant Lars wanted some clarity on the situation. After calling immigration twice, he still didn't feel any clearer on the situation so decided to not risk an application rejection and think it is best to count his days as 5, not 7.
- This means Lars needs to do 16 weeks at 5 days a week to get his remaining 80 days.
- Due to the lack of clarity and the fact the visa costs \$485, Lars wants to ensure he has no chance of being rejected so does another week to be safe, taking him to 93 days.
- This means Lars does 17 weeks at his full-time Job.
- 2 weeks research + 2 weeks no work + 4 weeks of patchy work + 17 weeks full-time work = 25 weeks.
- Lars' rural work process has taken nearly 50% of his maximum (52 weeks) first year working holiday visa time.
- After completing this government mandated requirement for his 2nd year, which has been underpaid, unreliable and confusing, he then has to pay \$485 to apply for his 2nd year.
- Lars' visa is then rejected because his payment at his first job (8 days work under \$10 an hour) doesn't count as his piecework agreement wasn't signed as his employer told him this wasn't necessary.
- Lars didn't know about this ruling and as a young backpacker with English as his 2nd language, didn't challenge the employer.
- Lars feels especially aggrieved as he was underpaid doing a job he is only doing to get his 2nd year visa, a process put in place by the government. He was then illegally paid doing this job and the only person being punished is him, not the employer.



- Lars has lost \$485 during the application process plus 6 months of his working holiday experience in Australia.
- Lars can appeal but this would cost \$952. He loved his time travelling but this whole process has left a bitter taste in his mouth and he decides to not spend this money appealing.
<https://www.aat.gov.au/AAT/media/AAT/Files/MRD%20documents/Factsheets/FS03-Working-Holiday-Visa-Work-Requirements.pdf>
- If Lars was also here during the times of Covid he was told to leave the country despite potentially having a job in an industry that Australians don't traditionally fill

Even if just a couple of these things happened and not all, it's still not good enough and not an acceptable way to treat our travellers that are in essence, our customers.

Our aim is for the Lars' of this world to go back to their home country and tell every person that will listen that travelling to Australia is a must-do, a rite of passage, an experience that cannot be missed. Lars won't be doing that.

Lets focus on what Australia is about. We're a welcoming, multi-cultural society with a laid back atmosphere and a feeling of mateship. That's not currently represented in the WHV process but with a few alterations, we can change that.

The current 1st to 2nd year retention rate is 24.8%. Imagine if we could improve these policies, make it clearer and make a backpacker feel like we as a country are here to help them and give them the best possible time.

If we could improve 2nd year retention, the increased revenue brought to Australia is significant.

Year	WHV grants	2nd year grants based on current 24.8% conversion rate	WHV spend per year	2nd year visa based on a 35% conversion rate (10% increase)	Additional spend back into the economy (based on \$10,400 per year)
2017/18	210,456	52193	\$10,400.00	73660	\$223,251,724.80
2018/19	209,036	51841	\$10,400.00	73163	\$221,745,388.80

The way we can fix this is with less friction and pain points than we need. The great news is some of this is simple and are things that can be easily fixed:



- Clearer application process
- Cheaper visa
- Easier 2nd year visa requirements
- Easier wordings/rules on full-time

Some will be harder:

- Regulation around employers for 2nd year visa work
- Introductory/Trainee wage for rural work

There are several different industries desperate to help you with these changes and we can't wait to be a part of this process with you.

We're looking forward to being part of those conversations and the overall process.

We hope you've found this information helpful.

Thank you very much for reading this proposal. We'd love to invite you to read several testimonials by people dependent on the WHV being successful.

Testimonials and Letters of Support

"The working holiday maker program is a right of passage for many international travellers from around the globe. Visiting Australia has been on their bucket list for a long time and I believe that we currently have a good program that provides an important cultural exchange that benefits not only the travellers visiting, but also several industries.

From personal experience of working with backpackers every day for the last 8.5 years, small changes are all that are needed. A slight reduction in cost and simplification and regulation of the second year visa requirements would be at the top of the list.

I think this inquiry is a huge positive and a chance for us to make this good program a great one. In turn this should attract more potential working holiday makers to this country, thus benefiting tourism, agriculture, hospitality and more."

Adam Ogle, Director at Welcome to Travel



“Australia as a brand and a destination is at the top of many young people’s dreams when they think about where to go in the world. However, in many instances, what is happening on the ground is very different to what is being marketed or perceived.

The WHM visa and 2nd year visa extension needs to be reviewed with a focus on increasing visa grants and extension clarity and regulation. If we could get this mix right then we have a much better chance of attracting WHMs, keeping WHM holders in the country and extending their stay and tourism dollar spend. Myself (and the industry at large) wholly welcome this inquiry and anything else that looks to boost visa grant numbers, source countries and easier or clearer access to WHM visa extensions.”

Alex Hill, General Manager at Tourism Adventure Group

“My company focuses on foreign culture exchange in Australia, bringing communities together during various events and travel across the country. I rely heavily on employing native speakers who understand and are able to explain the European culture and language. WHMers make this possible for me.

I regularly get called up by tour operators, farmers or hospitality owners to ask me if I know any European workers that are looking for a job. Business owners love the work ethic from European WHM, and on top of that the WHM is working in order to fund their travels: they are in need of the money and they are willing to do whatever it takes.

I think the program is what makes Australia so special. This country is, next to Canada & NZ, one of the most travelable countries in the world for travelers of all ages. It's a great education for youngsters to travel, and it's because of the WHM program that this is made possible. Australia is therefore partly responsible for raising the people that are forming our future.

We need to do everything in our power to encourage that. ”

Lisanna Weston - DOT Travel Hq pty ltd (known as Dutchies.travel / Germans.travel)



“Tourism throughout Victoria is in a state of shock. Fires and then Covid-19 have impacted on regional Tourism in a big way. And we need your help to survive.

I operate a small seasonal Backpacker/hostel in Torquay on the Great Ocean Road that is reliant on our summer season. This season has been seriously impacted by the fires in victoria even though we didn't have them here we lost business due to the smoke and the guest's fear of leaving their own homes. Then Covid-19 arrived causing the cancellation of the Rip Curl Pro and Drop festival. And now in Victoria we are experiencing a second peak in positive cases which has, again, meant more cancellations and less tourists

These ongoing setbacks are not helping our sector of tourism. We are reliant on the Youth market from international guests.

Please consider the assistance that you provide and to what sector of tourism, after all, the international youth market is the biggest sector spenders arriving in Australia. Perhaps also consider changing our region to accommodate Backpackers to fulfil the 88 days in Hospitality. This will at least allow our region to offer tourists the chance to stay in our area, because currently it is simply tourism only.”

Sean Kershaw , Owner at Bells Beach Backpackers



Letter of Support from the Victorian Tourism Industry Council, Page 1



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23 July 2020

03 8662 5425
info@vtic.com.au
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To whom it may concern,

RE: Inquiry into the Working Holiday Maker program

Victoria Tourism Industry Council (VTIC) is pleased to offer its support to Adventure Tourism Victoria's (ATV) Working Holiday Visa (WHV) Inquiry Submission.

With 2000 members across the state, VTIC is the peak body and leading advocate for Victoria's tourism and events industry. Our vision is for a globally competitive visitor economy, where Victoria is the leading destination for domestic and international visitors, with must-see attractions, must-do experiences, and an unrivalled calendar of major and business events.

In supporting this submission, VTIC acknowledges the significant economic and social contributions Working Holiday Visa holders make to Australia, worth approximately \$3 billion a year, and supporting jobs across regional Australia. In 2018, there were 2.3 million youth visitors to Australia who injected \$20 billion into our nation's economy.

Tourism Australia's research indicates that working holiday makers are predisposed to staying longer, they spend more and, importantly, they disperse more widely throughout the country than most other target segments.



Letter of Support from the Victorian Tourism Industry Council, Page 2

Given the current crisis, working holiday makers will play a key role in filling vacancies that will undoubtedly exist across all parts of the visitor economy once borders reopen and we can start to welcome back international visitors. This segment in particular will become critical to supporting the recovery journey for our industry.

On completion of this inquiry, Australia needs to ensure we have a competitive and streamlined WHV program that attracts a vibrant network of working holiday makers who see the value and rich experience of choosing Australia as their temporary home to work and travel.

We look forward to hearing the outcomes of this inquiry. Please feel free to contact me if I can be of any further assistance.

Your sincerely,



FELICIA MARIANI
CHIEF EXECUTIVE

Letter of Support from the Young Tourism Network, Page 1



To the Joint Standing Committee on Migration,

RE: INQUIRY INTO THE WORKING HOLIDAY MAKER PROGRAM

Young Tourism Network is pleased to provide support for Adventure Tourism Victoria's (ATV) submission regarding Working Holiday Maker Visa Holders (WHM). This segment is an underrated part of Australia's visitor economy and their visitation not only supports seasonal employment shortages in parts of regional Australia, but their subsequent visitation and expenditure supports thousands of jobs across the broad spectrum of the visitor economy in Australia.

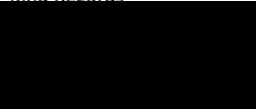
Australia's tourism industry is on its knees following COVID-19, bushfires, drought & floods, and, although international borders are likely to be closed for 12 to 24 months, it is vital to recognise the segments that are likely to return when this becomes possible. Provided adequate processes are in place, WHM Visa holders are one of the most intrepid travel types, staying longer and spending more, making them a vital source of potential income for tourism's rebound in coming years.

WHM visa holders tend to be more prone to disperse widely, and stay longer, making them an ideal segment to stimulate international expenditure across a wide array of regions in Australia. However, as ATV highlights, there are currently multiple barriers to boosting these travellers in the future. Young Tourism Network, in support of ATV advocates for the following to facilitate more WHM visa holders travelling to Australia when international borders reopen:

- Clearer application process;
- Cheaper visa in line with Australia's competitors;
- Easier 2nd year visa requirements to retain existing visa holders;

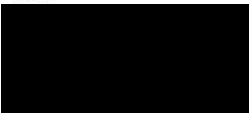
Please do not hesitate to reach out to info@youngtourismnetwork.com.au if you require more information.

Kind Regards



Hugh Fitzpatrick

Chair



Caroline Vezeau

Deputy Chair

Young Tourism Network

Letter of Support from the Young Tourism Network, Page 2



About Young Tourism Network

The Young Tourism Network (YTN) is an engaged not-for-profit incorporated association for the Victorian tourism, travel, hospitality and events industry. We're led by a passionate team of volunteers and we facilitate connections and collaboration for our members and between students and industry professionals.

YTN was established in October 2005 and formally launched to the industry in May 2006. The network, through both social and professional development events and industry alliances, aims to enhance and foster the career development and professional excellence of the people within the Victorian tourism industry.

Mission and core values

- Our mission is to foster the career development and professional excellence of students and young professionals to grow and strengthen the Victorian tourism industry.
- Our core values of contribution, collaboration, connection, learning and growth are reflected in all activities we run.

The Young Tourism Network exists to:

- Empower students, new entrants and experienced professionals to connect, learn and grow, ultimately leading to increased personal and professional development and career enhancement.
- Encourage collaboration and strengthen the relationship between the education sector and operators in the industry.

Website: <https://youngtourismnetwork.com.au/>

Email: info@youngtourismnetwork.com.au

Adventure Tourism Victoria Members

