PEOPLE AND PLACE

MANAGING THE 1996-1997 IMMIGRATION PROGRAM IMPLICATIONS OF RECENT DECISIONS TO CAP CERTAIN PREFERENTIAL FAMILY CATEGORIES

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On 3 July the Coalition Government announced that it would reduce the Non-Humanitarian component of its 1996-97 Immigration Program by 9,000 to 74,000.(See <u>Table 1</u>.) In addition, there was to be an increase in the Skilled component. As a consequence, a sharp cut in the family reunion intake was required, all of it targeted at the Preferential Family category (mainly spouses, fiances, parents and other minor categories listed in <u>Table 2</u>). Planning levels for this category were reduced from 50,500 in 1995-96 to 36,700 in 1996-97.

Table 1

There was a strong upward movement in the Preferential Family Category during the 1980s, then a stabilisation during the 1990s until 1995-96 when there was a dramatic increase of some 12,000 to 48,720 (slightly below the 50,500 planning level). Much of this increase was from Mainland China, but increases were also evident from other Asian source countries including Vietnam and Hong Kong. Given the likelihood of continued strong demand for family sponsorships from such countries, how could the Government hope to achieve a reduction to 36,700 in 1996-97?

One answer is that at the time of the Planning level announcements on 3 July, several potentially restrictive measures were also announced. In the case of spouses and fiances these included; an initial two year probationary visa period pending the couple establishing the bone-fides of the relationship, a two year previous co-habitation requirement for spouses sponsored on de facto marriage grounds and arequirement that sponsors be citizens. The two year Temporary visa arrangements (when implemented) will also effectively preclude spouses and fiances from gaining access to Australian welfare and educational entitlements during their first two years of residence here. In the case of parents there was a significant tightening of the Balance of Family ruling such that parents will only be able to be sponsored where more than half of the children are in Australia (previously half was sufficient).

At the time of the announcements some commentators expressed doubt that these measures would achieve the required 13,800 fall in visa numbers. The argument was that such was the interest in family sponsorship from the major source countries like China, Vietnam, Hong Kong and the Philippines (one indication being the large number of applications already in

the processing pipeline) that relatively few relatives would be put off by the proposed new sponsorship and welfare rules. Of course, any disincentive effect would depend on the passage of the relevant regulations and legislation through the Parliament - which has not yet occurred.

On 3 July the Government in effect acknowledged the point when it foreshadowed that certain Preferential Family categories for which it already held the authority to cap would be capped in 1996-97. On the 31 July the details of these caps were announced. The main visa categories affected were parents (visa category 103) which were capped at 4,900, fiances (visa category 300) capped at 1500 and Preferential Family (visa category 104 which includes aged dependent relatives, special need relative and other similarly placed relatives) which was capped at 1100. No cap was placed on spouses because the Government did not have the legislative power to put such a cap in place.

The numerical impact of the 4900 parent cap will be less severe. It will also only affect working aged parents since the Department of Immigration and Multicultural Affairs (DIMA) does not yet have the authority to cap aged parents. In 1995-96 some 7790 visas were issued to parents. DIMA is currently issuing visas to parents without reference to whether they are aged or working aged parents. However when the 4,900 cap is reached, further visas will only be issued to aged parents. Since on past experience, about a third of the visas issued are to aged parents, perhaps another one to two thousand visas will be issued to aged parents, depending on when the 4,900 cap is reached. Given the large number of working aged parents and their dependents already in the category 103 processing pipeline (over 7,000) it is likely that sponsors wishing to bring in working aged parents will face delays because of the queues resulting when DIMA stops issuing visas to them.

The cap on other Preferential Family visas will hit hard, since it will require a considerable reduction on the 1995-96 off-shore visa number.

ADDITIONAL CAPS?

Even with these caps in place DIMA is unlikely to achieve the 36,700 planning level for the Preferential Family category for 1996-97. In 1995-96 some 34,000 visas were issued (offshore and on-shore) just to spouses and fiances - strongly implying that spouse visas as well as fiance visas will also have to be capped if the Preferential Family planning level is to be achieved. Table 2 indicates the approximate level off-shore spouse visas will have to be held to if the Government is to achieve its 36,700 planning target. The number of such visas will have to fall from 22,890 in 1995-96 to around 16,300 in 1996-97. Given the large pipeline already in process and further pressure on this category as disappointed fiances applicants marry in order to avoid the fiance restrictions, it may be that this number will only be achieved by introducing a spouse cap.

Table 2

The Government implied in its 31 July statement that it may have to cap other Preferential

Family categories and that it will seek to gain Parliamentary authority to do so. To this end the Government will shortly introduce legislation seeking the power to cap all categories, including spouses and aged parents.

If the legislation is passed, the decision on an appropriate level for a spouse cap will depend on the rate of off-shore spouse applications during 1996-97. Should the prospective new regulations act as a deterrent, it may not be severe. On the other hand they may remain high, and perhaps even increase if some accelerate their applications in an attempt to complete the processing before the regulation implementing the two year temporary entry rule comes into effect,. In these circumstances, a tougher cap will have to be implemented. However, if the cap legislation is not passed, the Government will struggle to achieve its 36,700 Planning target.

Back to Back to Contents Vol. 4 No. 3

Back to People and Place Home Page

Table 2:

Visa program, Preferential Family 1996-97 and actual visas issued 1995-96[a]

	Actual	Program[b]	
	1995-96	1996-97	
Offshore			
Parents	7 , 790	7,000	
Prospective marriage	5,760	(cap in place) 1,500	
Spouse	22 , 890	16,300	
Preferential family	2,100	(cap in place) 1,100	
Dependent children & adoptees	2,430	2,700	
Interdependents	150	(cap in place) 100	
Total offshore ,	41,120,	28,700	
Total onshore	7 , 600	8000	
Total	48,720	36,700	

[[]A] DIMA, unpublished [b] Indicative estimates, DIMA

Table 1:
Migration (non-humanitarian) planning levels 1995-96 and 1996-97

Category/component	Planning level1995-96	Planning level 1996-97
Preferential family	50,500	36,700
Concessional family	7,700	8,000
TOTAL FAMILY	58,200	44,700
Employer Nom./ Labour Agreements	4,300	4,600
Business Skills	5,000	7,100
Special Talents	200	200
Independents	10,000	15,000
1 November	4,000	600
Regional Sponsored Migration		
Scheme	100	500
TOTAL SKILL	23,600	28,000
SPECIAL ELIGIBILITY	1,200,	1,300
TOTAL PROGRAMME	83,000	74,000

Source: Department of Immigration and Multicultural Affairs