



Refugee Council
of Australia

ECONOMIC BENEFITS OF TRANSITIONING REFUGEES FROM TEMPORARY TO PERMANENT VISAS

In 2014 the Australian Government reintroduced a three-year Temporary Protection Visa (TPV) and a new five-year Safe Haven Enterprise Visa (SHEV). The SHEV was designed to encourage refugees to settle in regional areas, but it has failed to do so because of the impossible pathway requirements.

As of 30 September 2021, there are currently 18,759 refugees who are on a TPV (5,551) or SHEV (13,208). A further 3,210 people are awaiting an outcome on their application for asylum. Most live in NSW and Victoria, and countries of origin include Iran, Afghanistan, Sri Lanka and Pakistan, as shown in Appendix 1.¹

Refugees on TPVs and SHEVs are trapped in indefinite limbo. They have found to be refugees by Australia and can't return home, but they will remain indefinitely on temporary visas, unable to become Australian citizens, settle in Australia, buy houses, invest in Australia, and reunite with their family. This not only creates significant distress for people on these visas, but also prohibits them fully contributing to the Australian economy.

People currently on TPVs and SHEVs have been in Australia for between 8½ and 12 years. During this time, they have worked in various critical industries, paid taxes and adhered to Australian laws and values. They have demonstrated a strong desire to integrate into the Australian community. As they will never be able to return to their country, it makes no sense – economically or socially – to keep these people in indefinite limbo.

We propose that the Australian Government reform the visa pathway requirements to enable refugees on a TPV or SHEV to access a permanent visa. This would be in line with the approach taken by the Howard Government, which granted permanent visas to more than 9,500 refugees on TPVs between 2004 and 2007.

1 Economic benefits of providing permanent visas to refugees on TPVs and SHEVs

New research from Curtin University and Murdoch University shows that giving refugees on TPVs and SHEVs permanency will support people to settle into the community and contribute to the economy.

“Around 90% of TPV and SHEV holders are at peak earning ages (under 45), have functional English skills, and many have years of sought-after work experience as chefs, personal carers, construction workers, carpenters, builders and plumbers. However, temporary visa status prevents TPV and SHEV holders from buying their own homes, investing in their businesses and settling in Australian communities...Permanency would lead to better labour market outcomes for TPV and SHEV holders and incentivise domestic consumption and investment. Transitioning to permanent residency will deliver long-term economic returns on

¹ Data from the Department of Home Affairs (September 2021), available at <https://www.homeaffairs.gov.au/research-and-statistics/statistics/visa-statistics/live/humanitarian-program>

investment by enabling migrants to upgrade their skills, sustain and grow their own businesses, employ other workers, and integrate into their local communities... Transitioning to permanent residency will deliver long-term economic returns on investment by enabling migrants to upgrade their skills, sustain and grow their own businesses, employ other workers, and integrate into their local communities.”²

The permanent settlement of SHEV and TPV holders currently living in Australia is likely to generate around \$6.75 billion for the Australian economy over a five-year period.³ In addition, allowing SHEV and TPV holders to remain in Australia is also likely to increase total employment in Australia with around 57,233 FTE positions added to the Australian economy over a five-year period.⁴ Bringing additional family members will further increase these economic benefits, as demand for goods and services increase.

2 Pathway recommendation

In line with recommendations from Curtin University and Murdoch University,⁵ we recommend that the Australian Government allow TPV and SHEV holders to access a simplified residency pathway.

- This can be done by amending the existing Skilled Independent (Subclass 189) visa to create a stream for TPV and SHEV holders who have demonstrated a commitment and contribution to the Australian economy and society, so they can live and work in Australia permanently. An amendment has already been made to the Subclass 189 visa to meet the requirements of New Zealand citizens and from March 2022 this will be extended to Hong Kong and British National Overseas passport holders with four years’ residency in Australia.
- A TPV/SHEV stream would permit individuals to apply for permanent residence if they have worked and/or studied full-time in Australia without receiving the Centrelink Special Benefit payment for at least three years in the five years immediately before applying for the visa.
- Exemptions should exist for SHEV and TPV holders who are unable to meet this requirement due to reasons including but not limited to:
 - Inability to work due to COVID-19 pandemic;
 - Physical or mental health issues;
 - Caring responsibilities; and/or
 - Family violence.

This would enable SHEV and TPV holders to contribute to Australia’s population agenda: improving our quality of life, supporting economic growth, ensuring sustainable urban and regional growth, and encouraging community cohesion.

3 Lack of family reunion for refugees on TPVs and SHEVs

People on TPVs and SHEVs have no ability to sponsor family members. Only one small possibility for refugees on a SHEV to be able to sponsor their family is to jump through numerous visa requirements, and ultimately, gain citizenship. At the very least, these steps will take 10 years, and more likely at least 15 years. This assumes that someone is able to apply for these subsequent visas, which have very restrictive skills, education and English criteria. It also requires significant funds to afford the application fees for these visas. As such, for nearly all refugees on TPVs and SHEVs, it is practically impossible for them to be reunited with their loved ones. Many family members are trapped in war zones and facing ongoing persecution.

² John van Kooy (September 2021), *Supporting economic growth in uncertain times: Permanent pathways for Temporary Protection visa and Safe Haven Enterprise visa holders*, <https://apo.org.au/node/314128>.

³ Based on modelling from Deloitte Access Economics and Oxfam International. See https://www.oxfam.org.au/wp-content/uploads/2019/08/2019-AC-012-Families-Together_report_FA2-_WEB.pdf

⁴ Ibid.

⁵ John van Kooy (September 2021), *Supporting economic growth in uncertain times: Permanent pathways for Temporary Protection visa and Safe Haven Enterprise visa holders*, <https://apo.org.au/node/314128>.

As refugees on TPVs and SHEVs are unable to reunite with their family, they need to send significant remittances to their families living overseas, which constitutes a significant financial loss to the Australian economy.⁶

4 Savings from simplifying visa assessment process

Currently, the Department of Home Affairs is required to reassess TPV and SHEV applications every three or five years, and conduct a new refugee status determination. This is a significant drain on resources, and has created significant backlog for the Department. By transitioning refugees on TPVs and SHEVs to a permanent visa, the Department will save approximately \$300 million.⁷

There are still 3,210 temporary protection applications that have not yet been finalised. These are all applications from people who arrived in Australia in 2012 or 2013, and all of them applied for temporary protection before October 2017. This means that people have been waiting a minimum of four years and upwards of nine years for a three or five year visa. The administrative burden on the taxpayer and Government is troubling.

5 Will they take Australian jobs?

Our proposal is for people who are already living in Australia and are likely to remain in Australia forever (despite being on a temporary visa). They are already contributing to our economy. Further, research based on data from Deloitte Access Economics shows that migrants and refugees increase Australia's Gross Domestic Product (GDP) and create, rather than take away, jobs.

6 Will this reward people for arriving without a visa by boat, and will it encourage more arrivals?

Our proposal does not encourage more people to come by boat, nor does it undermine the Government's policy of Operation Sovereign Borders. Operation Sovereign Borders still remains in force and, under this policy, any boat arrival will be turned back at sea or detained offshore. As these measures remain in place, there is nothing for people smugglers to 'sell' to refugees. This proposal only affects those who are already in Australia. When the SHEV policy was introduced in 2014, the prospect of refugees on SHEVs achieving permanent visas after a qualifying period was deemed not to be a pull-factor, and our proposal does not change this.

7 Are these people law-abiding residents?

Our proposed policy is for people who have been recognised as refugees by the Australian Government. They have already been in Australia for at least 8½ years. During this time, they have been law abiding residents and upheld their obligations as per their visas (which includes abiding by a code of conduct and not breaking the law).

⁶ Ibid.

⁷ Ibid.

8 Appendix 1: Data on country of origin and state of residence for TPV and SHEV holders

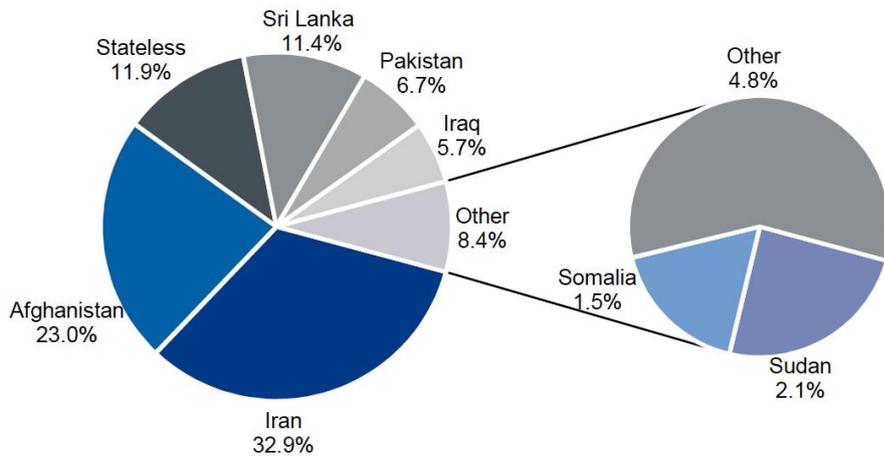


Figure 1 Country of origin for TPV and SHEV holders, September 2021

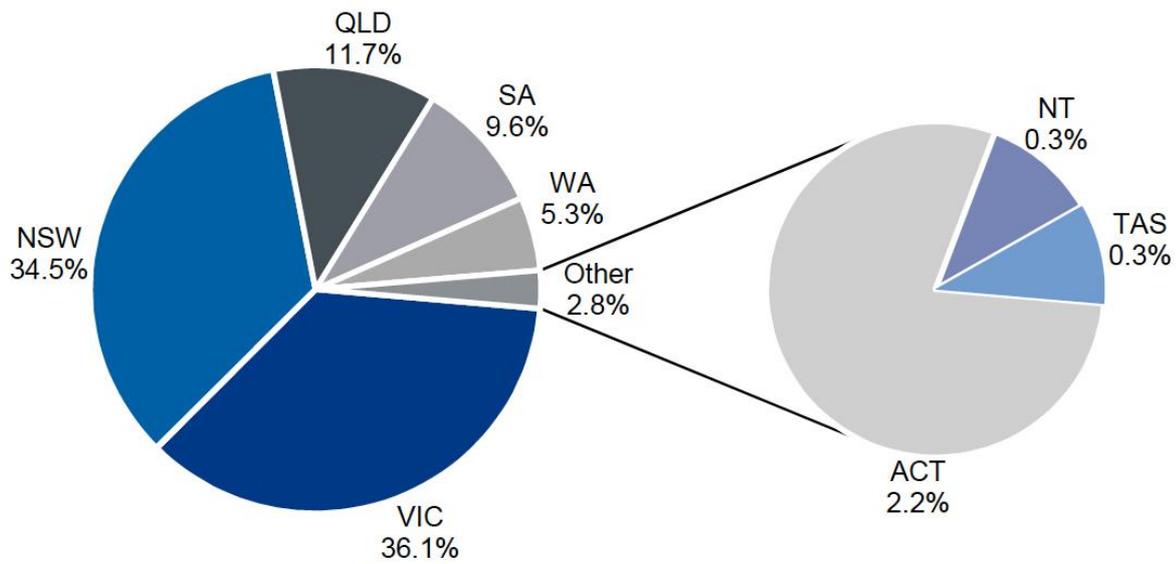


Figure 2 State of residence for TPV and SHEV holders, September 2021