

EXPLANATORY STATEMENT*Migration Regulations 1994***AREAS OF WORK AND KINDS OF WORK – SPECIFIED SUBCLASS 462 WORK****2016/097***(regulation 1.15FA)*

1. Instrument IMMI 16/097 is made under regulation 1.15FA of the *Migration Regulations 1994* (the Regulations) for the purposes of the definition of ***specified Subclass 462 work*** in regulation 1.03 of the Regulations.
2. The purpose and operation of the Instrument is to specify the kinds of work and the areas of Australia applicable under the definition of ***specified Subclass 462 work*** to an applicant wanting to apply for a second Subclass 462 (Work and Holiday) visa. This Instrument incorporates changes to the Regulations as a result of the *Migration Legislation Amendment (2016 Measures No. 4) Regulation 2016*.
3. Consultation was undertaken with the Office of Northern Australia and with industry stakeholders through the Tourist Visa Advisory Group before the Instrument was made. The Northern Australian taskforce, which was based in the Department of the Prime Minister and Cabinet, also undertook extensive consultation in developing the White Paper as a whole.
4. The Office of Best Practice Regulation (OBPR) has advised that a Regulatory Impact Statement is required (OBPR Reference 19212) for the proposal: Establishing a second Work and Holiday (subclass 462) visa initiative for northern Australia to support tourism and agriculture. The prepared statement is at **Attachment A** to this Explanatory Statement.
5. Under section 10 of the *Legislation (Exemptions and Other Matters) Regulation 2015*, the Instrument is exempt from disallowance and therefore a Statement of Compatibility with Human Rights is not required.
6. The Instrument commences immediately after the commencement of the *Migration Legislation Amendment (2016 Measures No. 4) Regulation 2016*.

Attachment A**SHORT-FORM REGULATION IMPACT STATEMENT**

Name of department/agency: Department of Immigration and Border Protection (DIBP)

OBPR reference number: **19212**

Name of proposal: Establishing a second Work and Holiday (subclass 462) visa initiative for northern Australia to support tourism and agriculture.

Summary of the proposed policy and any options considered:

Work and Holiday (subclass 462) visa holders who undertake three months (88 days) work in the tourism or agriculture in northern Australia will acquire eligibility for a second Work and Holiday visa.

This will create an incentive encouraging Work and Holiday visa holders to perform tourism or agriculture work in northern Australia during their stay, thereby assisting the industry with its short term seasonal labour needs and also encouraging increased tourism visitation to the region.

What are the regulatory impacts associated with this proposal? Explain

The Department expects the proposal to result in a relatively minor increase of regulatory burden in the form of an increased number of Work and Holiday (subclass 462) visa applications from participants.

What are the regulatory costs associated with this proposal? Explain and quantify.

As there is expected to be an increase in the total number of Work and Holiday (subclass 462) visa applications as a result of the proposal, there will be a notional increase in regulatory cost associated with the time taken to complete these additional visa applications.

Based on participation rates in the existing second Working Holiday (subclass 417) visa initiative, which is similar in nature to the Work and Holiday proposal, it is expected that around one in every five Work and Holiday participants will acquire a second Work and Holiday visa. As there were 10,214 Work and Holiday visas were granted in 2013-14, this would translate to approximately 2,000 new Work and Holiday visa applications as a direct result of the proposal.

We therefore calculate the regulatory costs of this proposal to be \$29,000 per annum. This costing has been assessed and agreed by the Office of Best Practice Regulation (OBPR) under the Regulatory Burden Management Framework, and is quantified in the regulatory burden and cost offset estimate table below.

Regulatory burden and cost offset estimate table:

Average annual regulatory costs (from business as usual)				
Change in costs (\$ million)	Business	Community organisations	Individuals	Total change in cost
Total, by sector	\$0	\$0	\$0.029	\$0.029

Average annual regulatory costs (from business as usual)				
Cost offset (\$ million)	Business	Community organisations	Individuals	Total, by source
Agency	\$0	\$0	(\$0.679)	(\$0.679)
Are all new costs offset?				
<input checked="" type="checkbox"/> Yes, costs are offset <input type="checkbox"/> No, costs are not offset <input type="checkbox"/> Deregulatory—no offsets required				
Total (\$0.029 – \$0.679) (\$ million) = (\$0.65)				

What are the offsets for the regulatory costs associated with this proposal?

The department proposes to use the reduction in regulatory burden of \$679,000 per annum from the continuing expansion of online lodgement for visitor visas in China and India (OBPR ID 19031) to fully offset this regulatory cost.