



New agricultural visa	
Party:	The Coalition
Summary of proposal: The proposal would reinstate the Agriculture Visa. The proposal would start on 1 July 2025.	
Additional information (based on further advice provided): The proposal has 2 components: <ul style="list-style-type: none"><li>• <b>component 1:</b> reinstate the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO) measure <i>Australian Agriculture Visa</i><sup>1</sup> and cap the total number of workers in Australia at any one time at 8,000 per year ongoing</li><li>• <b>component 2:</b> reverse any funding associated with the October 2022-23 Budget measure <i>Enhancing the Pacific Australia Labour Mobility Scheme (PALM)</i><sup>2</sup> in year 2 of the proposal. The PALM Vietnam stream would be moved back to the Agriculture Visa.</li></ul> The proposal would start on 1 July 2025 for implementation with the Agriculture Visa to start on 1 July 2026.	

## Costing overview

The proposal would be expected to increase the fiscal and underlying cash balances by around \$122 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in administered revenue, partially offset by an increase in administered and departmental expenses.

A slight difference between the budget balances reflects timing differences in social services payments that PALM visa holders and their families are eligible for.

The proposal would be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

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<sup>1</sup> *Australian Agriculture Visa measure:* The Government will provide \$87.2 million over 4 years from 2021-22 (and \$23.4 million per year ongoing from 2025-26) to introduce the Australian Agriculture Visa (AgVisa) scheme to respond to workforce shortages in the agricultural and primary industry sectors. [myefo-2021-22](#) page 231.

<sup>2</sup> *Enhancing the Pacific Australia Labour Mobility Scheme measure:* The Government will provide \$67.5 million over 4 years from 2022-23 (and \$12.4 million per year ongoing from 2025-26) to expand and enhance the Pacific Australia Labour Mobility (PALM) scheme. [Budget October 2022-23 Budget Paper No. 2](#) page 111.

The financial implications of the proposal are highly sensitive to assumptions around the speed of program implementation and costs to reinstate it, the take-up rate of the scheme by migrant workers and agricultural sector employers.

**Table 1: New agricultural visa – Financial implications (\$m)<sup>(a)(b)</sup>**

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-4.4	40.2	42.0	43.9	<b>121.7</b>
Underlying cash balance	-4.4	40.1	41.9	43.8	<b>121.4</b>

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

## Key assumptions

The Parliamentary Budget Office (PBO) has made the following assumptions in costing this proposal.

- Departmental costs to set up the Agricultural Visa program would be incurred in 2025-26 for the implementation of the proposal to enable commencement on 1 July 2026.
- All necessary legislation, memorandums of understanding, and administrative arrangements would be in place to enable applications under the scheme to begin on 1 July 2026.
- Over the medium term, departmental expenses would grow in line with Wage Cost Index (WCI) 3, administered expenses and visa application charge revenue would grow in line with Consumer Price Index (CPI). Tax revenue would grow consistent with the growth of annualised average weekly earnings.
- An increase in the visa cap would result in a proportional reduction or increase of expenditure (departmental and administered costs) and revenue.
- The program would be fully subscribed, meaning that 8,000 Agriculture visas would be granted each year.
- The existing PALM Vietnam stream, to be moved back to the Agriculture Visa, would be in addition to the 8,000 Agriculture visas and would have no impact on the fiscal and underlying cash balances as the estimates are already included in the Budget base line.
- The proposal would not reduce migration under other visa streams or have any broader impacts on wages or employment.

## Methodology

Departmental and administered expenses allocated to relevant entities and revenue collected by the Australian Taxation Office and the Department of Home Affairs were calculated using the 2021-22 MYEFO measure *Australian Agricultural Visa* and the 2022-23 October Budget measure *Enhancing the Pacific Australia Labour Mobility Scheme*, and grown over time in line with the relevant indexation factor as specified in *Key assumptions*.

The impact of the policy over the medium term was calculated by projecting the financial impacts of the *Australian Agricultural Visa*, and reversing the impacts of the PALM.

Departmental funding has been allocated in 2025-26 to enable the Department of Foreign Affairs and Trade and the Department of Home Affairs to commence preparation for the implementation of the

proposal on 1 July 2026. This amount was based on the first year departmental cost to set up the *Australian Agricultural Visa*.

Financial implications were rounded consistent with the PBO's rounding rules.<sup>3</sup>

## Data sources

The Department of Finance provided the estimates figures for the 2021-22 MYEFO measure *Australian Agricultural Visa* and the 2022-23 October Budget measure *Enhancing the Pacific Australia Labour Mobility Scheme*.

Commonwealth of Australia (2021) *2021-22 Mid-Year Economic and Fiscal Outlook*, Commonwealth of Australia.

Commonwealth of Australia (2022) *October 2022-23 Budget*, Commonwealth of Australia.

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025*, Commonwealth of Australia.

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<sup>3</sup> <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

## Attachment A – New agricultural visa – Financial implications

**Table A1: New agricultural visa – Fiscal balance (\$m)<sup>(a)</sup>**

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
<b>Revenue</b>													
<i>Administered revenue</i>	-	68.7	71.1	73.7	76.3	79.0	81.7	84.6	87.6	90.6	93.8	213.5	807.1
<b>Total – revenue</b>	-	68.7	71.1	73.7	76.3	79.0	81.7	84.6	87.6	90.6	93.8	213.5	807.1
<b>Expenses</b>													
<i>Administered expenses</i>	-	-20.3	-20.8	-21.3	-21.8	-22.4	-23.0	-23.5	-24.1	-24.7	-25.3	-62.4	-227.2
<i>Departmental expenses</i>	-4.4	-8.2	-8.3	-8.5	-8.7	-8.9	-9.1	-9.3	-9.6	-9.8	-10.0	-29.4	-94.8
<b>Total – expenses</b>	-4.4	-28.5	-29.1	-29.8	-30.5	-31.3	-32.1	-32.8	-33.7	-34.5	-35.3	-91.8	-322.0
<b>Total (excluding PDI)</b>	-4.4	40.2	42.0	43.9	45.8	47.7	49.6	51.8	53.9	56.1	58.5	121.7	485.1

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

**Table A2: New agricultural visa – Underlying cash balance (\$m)<sup>(a)</sup>**

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
<b>Receipts</b>													
<i>Administered revenue</i>	-	68.7	71.1	73.7	76.3	79.0	81.7	84.6	87.6	90.6	93.8	213.5	807.1
<b>Total – receipts</b>	-	68.7	71.1	73.7	76.3	79.0	81.7	84.6	87.6	90.6	93.8	213.5	807.1
<b>Payments</b>													
<i>Administered expenses</i>	-	-20.4	-20.9	-21.4	-21.9	-22.5	-23.0	-23.6	-24.2	-24.8	-25.4	-62.7	-228.1
<i>Departmental expenses</i>	-4.4	-8.2	-8.3	-8.5	-8.7	-8.9	-9.1	-9.3	-9.6	-9.8	-10.0	-29.4	-94.8
<b>Total – payments</b>	-4.4	-28.6	-29.2	-29.9	-30.6	-31.4	-32.1	-32.9	-33.8	-34.6	-35.4	-92.1	-322.9
<b>Total (excluding PDI)</b>	-4.4	40.1	41.9	43.8	45.7	47.6	49.6	51.7	53.8	56.0	58.4	121.4	484.2

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

**Table A3: New agricultural visa – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)<sup>(a)(b)</sup>**

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
<b><i>Fiscal balance</i></b>	-0.1	0.7	2.5	4.5	6.7	9.1	11.7	14.5	17.5	20.8	24.4	7.6	112.3
<b><i>Underlying cash balance</i></b>	-0.1	0.5	2.1	4.0	6.2	8.5	11.1	13.8	16.8	20.0	23.5	6.5	106.4

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary<sup>4</sup>.

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

<sup>4</sup> [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au)