



Increase selected non-student visa charges	
Party:	The Coalition
<p>Summary of proposal:</p> <p>The proposal would increase Visa Application Charges (VAC) for selected non-student visas.</p> <p>The proposal would commence on 1 July 2025.</p>	
<p>Additional information (based on further advice provided):</p> <p>The VAC would increase by 10% for the following non-student visas:</p> <ul style="list-style-type: none">• Permanent Skilled visas• Visitor visas• Working Holiday visa• Work and Holiday visa• Training visa• Temporary Activity visa• Temporary Work (Short Stay Specialist) visa.	

Costing overview

The proposal would be expected to increase the fiscal and underlying cash balances by around \$484 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in VAC revenue.

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.

The costing is highly sensitive to the assumption that there would be no behavioural response to the proposal. This is based on the lack of evidence of significant responses to similar visa fee increases in the past. Further, there remains uncertainty around projections of future visa applicant numbers, which could be influenced by a range of factors including geopolitical developments, global economic conditions, and changes in Australian migration policy settings.

Table 1: Increase selected non-student visa charges – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	109.0	118.0	127.0	130.0	484.0
Underlying cash balance	109.0	118.0	127.0	130.0	484.0

(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.

- There would not be a behavioural response in visa lodgements, including bringing forward applications prior to the policy commencement date to avoid the increased visa fees.
 - Analysis of past visa fee increases has not shown any significant change in the number of visas lodged in response to fee increases.
- The regular Consumer Price Index (CPI) indexation would apply to visa application charges in addition to the one-off increases under the proposal.
- The ratio of primary to secondary applicants, and the proportion of the cohort that would need to pay a second instalment of visa fees, would be consistent over the period to 2035-36 and estimated based on a visa application charge costing model provided by the Department of the Treasury at the 2024-25 Budget.

Methodology

The revenue impact was estimated as the difference of VAC fees under the proposal compared to the current VAC fee forecast, multiplied by the projected number of visa application lodgements over the medium term.

- Consistent with the current VAC policy, VAC prices under the baseline were indexed to the CPI, and second instalments of visa fees where applicable were not indexed.
- The Department of Home Affairs provided projections of the number of visa lodgements over the forward estimates as at the 2025-26 Budget. These figures were projected over the medium term.

Financial implications were rounded consistent with the PBO's rounding rules.¹

Data sources

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

Department of Home Affairs, [Visa fees and charges](#), accessed 28 May 2025.

The Department of Home Affairs provided projections of visa lodgments over the forward estimates as at the 2025-26 Budget, as at 28 May 2025.

The Department of the Treasury provided a VAC costing model as at the 2024-25 Budget.

¹ <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Attachment A – Increase selected non-student visa charges – Financial implications

Table A1: Increase selected non-student visa charges – Fiscal and underlying cash balances (\$m)^(a)

	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
Revenue													
<i>Visa application charges</i>	109.0	118.0	127.0	130.0	133.0	137.0	140.0	144.0	147.0	151.0	154.0	484.0	1,490.0
Total (excluding PDI)	109.0	118.0	127.0	130.0	133.0	137.0	140.0	144.0	147.0	151.0	154.0	484.0	1,490.0

(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.

Table A2: Increase selected non-student visa charges – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	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
<i>Fiscal balance</i>	2.4	7.6	13.3	19.6	26.4	33.6	41.3	49.5	58.3	67.8	77.9	42.9	397.7
<i>Underlying cash balance</i>	1.8	6.3	11.9	18.1	24.7	31.8	39.4	47.5	56.1	65.4	75.4	38.1	378.4

- (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 glossary².
- (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.

² [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au/)