

## Health Requirement Review

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**From:** [REDACTED]  
**Sent:** Sunday, 5 November 2023 5:24 PM  
**To:** Health Requirement Review  
**Subject:** Submission on discussion paper on Review of Australia's visa Significant Cost Threshold (SCT)

Hi,

I would firstly like to appreciate this initiative to review the SCT pertaining to health and community costs when assessing eligibility for visas for Australia.

I would like to share the below matters which I believe as important to take into consideration:

### 1- Link to economics

While I understand one of the goals is to ensure 'adequate availability' of medical services for Australian citizens and existing residents, nevertheless, when computing a \$ threshold as a 'criteria' for assessing what impact a new comer prospective visa applicant will have on Australian medical system, one should also net off the potential benefits they bring.

For e.g., in case of skilled PR, they would be contributing significantly to Australian economy. Usually, PR holders bring a lot of cash with them to Australia to help with initial costs of housing, car, furniture/appliances etc. The incoming cash stimulates economic activity. Additionally, their future earnings helps pay taxes (these are the very taxes used to run medical system) and also the spending continues to stimulate economy. Students similarly contribute via university fees, cheap labour, direct and indirect taxes. Elderly parents of PR holders and naturalised citizens provide spending benefits, provide child care, provide support to both parents to continue working and continue contributing to Australian economy. We should consider the economic benefits to be deducted from a \$ criteria in order to see '**net**' rather than 'gross' health and community costs.

### 2- Medical insurance

Another point linked to \$ threshold and criteria is that students as well as many parents arriving on visit visa, TR or PR, are either required to, or voluntarily hold a sufficient medical cover. The govt. can consider making it mandatory so that the 'costs' to the medical system are reduced. Prospective applicants would rather pay a few hundred dollars more to get insurance and be able to come to Australia instead of being denied a chance to be in Australia.

### 3- Parents' visa

Australia has 'aged' parents visa. Additionally, the normal contributory and non-contributory visas have long processing times (12 years and >30 years, respectively). It is entirely likely that a healthy applicant, but the time the application is assessed for visa issuance after 12 years, may develop a medical condition. The visa itself is extremely expensive, the contributory visa costs >\$50,000 and a \$10,000 bond. Despite paying such high costs to cover health and community costs to Australia, they may still be denied a visa due to SCT which is illogical. Why would immigration require \$50,000 for a visa and then refuse it saying your estimated medical cost is \$51,000 or \$52,000 for e.g.? Also, a 55-60 year parent, waits 12 years for a visa, gets it at 72, would probably not even be alive for long enough to keep a 10year criteria for calculating SCT. I strongly recommend for parents visit visa, parents temporary visa, parents contributory and non-contributory PR, aged parents PR, etc., there should be exemptions as below:

- 1- Make obtaining medical insurance mandatory, even if on PR
- 2- Increase SCT threshold to at least \$150,000 to \$200,000
- 3- Use 5 year as with other visas, instead of 10 year (given that most parents of recent immigrants are from China, India, Pakistan, Asian countries where life expectancy is not that high anyway)

4- Deduct the economic benefits of their expenditure, as well as the cost of \$50,000+ paid for the visa, from their expected health/community cost, when comparing with SCT.

Alternatively, it may be considered to not apply any SCT for parents visa

4- **Children born in Australia.** For children born in Australia or Outside Australia, but to Australian TR or PR holders, visa may be granted without applying any SCT at all.

Matters (3) and (4) above are of extreme importance. Application of SCT ends up in breaking families, dashing hopes of children to reunite with their elderly parents, or forcing parents to move out of Australia if their children don't get visa due to SCT issue. If you can't do for all TR/PR holders, at least for the PR holders, remove the SCT application for parents/children of PR holders. This is very crucial.

Australia is built on immigration. And immigration continues to drive growth in Australia. It is imperative to expand medical capabilities to cater to existing population and incoming migrants, rather than unfairly denying visas to children/parents of PR holders.

You may apply SCT to students, TR holders, new PR applicants (but taking into account a higher SCT, and net off economic benefits from the health/community costs before comparing with SCT). But provide exemption from SCT to children/parents of PR/citizens.

Regards

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