
The Parliament of the Commonwealth of Australia

Report of the Inquiry into the Business Innovation and Investment Programme

Joint Standing Committee on Migration

March 2015
Canberra

© Commonwealth of Australia 2015

ISBN 978-1-74366-234-2 (Printed version)

ISBN 978-1-74366-235-9 (HTML version)

This work is licensed under the Creative Commons Attribution-NonCommercial-NoDerivs 3.0 Australia License.



The details of this licence are available on the Creative Commons website: <http://creativecommons.org/licenses/by-nc-nd/3.0/au/>.



Contents

Foreword	vii
Membership of the Committee	ix
Terms of reference	xi
List of abbreviations	xiii
List of recommendations	xv
1 Introduction	1
Conduct of the inquiry	1
Structure of the report	2
2 Background	3
The Business Skills Programme.....	3
Structure of the Business Skills Programme	4
Review of Business Skills Programme	5
Business Innovation and Investment Programme	6
Programme objectives	6
Visa subclasses	6
Visa application process	8
Eligibility criteria	9
Application rates for the Business Innovation and Investment Programme.....	19
Source of applicants.....	22
Business and investment proposals by applicants	23
Dispersal of business innovation and investment migrants.....	25

Size of the migration programme	26
Size of the Business Innovation and Investment Programme	27
Committee Comment	30
3 Meeting objectives	33
Economic objectives of the programme	35
Committee comment.....	39
4 Application rates	43
Application rates in Victoria.....	47
Removal of the role reversal ability.....	48
Committee comment.....	52
Lack of coordinated marketing and promotion	53
Committee comment.....	56
Lengthy processing times.....	56
Committee comment.....	59
5 Eligibility criteria.....	61
Innovation Points Test.....	61
Committee comment.....	67
Financial criteria.....	67
Committee comment.....	72
Other eligibility requirements	73
English language requirements.....	73
Early-stage entrepreneurs.....	74
Attracting graduates	75
Attraction of investment in regional Australia	76
Committee comment.....	79

Appendix A: List of submissions	81
Appendix B: List of exhibits	83
Appendix C: List of public hearings	85
Canberra, Wednesday, 14 May 2014.....	85
Sydney, Thursday, 12 June 2014.....	85
Sydney, Friday, 13 June 2014.....	86
Canberra, Wednesday, 18 June 2014.....	87
Canberra, Wednesday, 25 June 2014.....	87
Canberra, Wednesday, 16 July 2014	87
Canberra, Wednesday, 27 August 2014	87
Appendix D: Summary of the main criteria for visas under the Business Skills Programme	89
Independent Provisional (temporary) Visas	89
Business Owner (Subclass 160)	89
Senior Executive (Subclass 161)	89
Investor (Subclass 162)	90
State/Territory Sponsored Provisional (temporary) Visas	90
State/Territory Sponsored Business Owner (Subclass 163)	90
State/Territory Sponsored Senior Executive (Subclass 164).....	90
State/Territory Sponsored Investor (Subclass 165).....	91
Independent Permanent Visas	91
Established Business in Australia (Subclass 845).....	91
Business Owner (Subclass 890)	91
Investor (Subclass 891)	92
State/Territory Sponsored Permanent Visas	92
Regional Established Business in Australia (Subclass 846).....	92
State/Territory Sponsored Business Owner (Subclass 892)	92
State/Territory Sponsored Investor (Subclass 893).....	93
Business Talent visa (subclass 132)	93

LIST OF TABLES

Table 2.1	Permanent Skilled visa processing performance against the service standards	9
Table 2.2	Innovation Points Test	18
Table 2.3	Business Innovation and Investment Programme Delivery.....	19
Table 2.4	Number of applicants sponsored by the Victorian Government and visa status	21
Table 2.5	Victoria – proposed businesses for nominees from 1 July 2012 - 31 July 2014.....	24
Table 2.6	Intended business location of BIIP nominees	26
Table 4.1	Business Skills Programme Delivery	44

LIST OF FIGURES

Figure 4.1	BIIP Visa application lodgements to end March 2014.....	45
Figure 4.2	Business Visa Application Lodgements June 2010 to end March 2014.....	45
Figure 4.3	Visas granted, and remaining cases on hand.....	46
Figure 4.4	BIIP and BS Victorian Nominations	47



Foreword

For over two hundred years, Australia has been a destination for migrants who have often travelled vast distances and overcome significant challenges in the hopes of establishing a better life for themselves and their families. Migrants provide a substantial contribution across all facets of Australian life: economic, social and cultural.

The goal of Australia's migration programme is to meet Australia's economic and social needs through building the economy, shaping society, supporting the labour market and reuniting family.

The Business Innovation and Investment Programme is designed to meet those needs by attracting high quality investors and entrepreneurs to invest in Australia. It is important to encourage the creation of genuine and sustainable business opportunities that will generate economic growth, benefiting both the Australian economy and workforce.

With an increasingly important economic objective, the Committee held the view that it would be beneficial to inquire into the programme and assess its effectiveness.

However, the Committee faced a number of challenges during the course of its inquiry which impacted on its ability to address its terms of reference.

Most notably was the distinct lack of empirical evidence. As the programme is administered by the Federal Department of Immigration and Border Protection and each State and Territory Government, the Committee invited the Governments to provide submissions and attend public hearings. However, the information, and in particular the data provided by the Governments was limited and furnished little evidence that the programme was actually meeting any of its objectives.

Other challenges included the exclusion of a key component of the programme (the Significant Investor Visa stream); the contradictory nature of the recommendations made by the various stakeholders; the relatively short timeframe from when the programme commenced in its current form to the commencement of this inquiry; and the announcement by the Government that it would expand the Significant Investor Visa, task Austrade to become a nominating entity for the visa, conduct a survey on the 2015-16 migration programme as well as undertake a review of the skilled migration and temporary activity visa programmes.

The Committee therefore recommends that the Department of Immigration and Border Protection examine the programme as part of the 2015-16 migration programme survey and in its reviews of the skilled migration and temporary activity visa programmes with a focus on the:

- suitability and attainability of the objectives set for the BIIP;
- role that States and Territories have in administering the BIIP and, specifically, the accountability of these jurisdictions and whether the programme should instead be solely administered by the Commonwealth;
- means of collecting data at the State and Territory level, its dissemination to the Department and evaluation;
- promotion and marketing of the programme;
- application processing and service standards;
- removal of the ability for the secondary applicant to become the primary applicant;
- English language requirements;
- innovation points test; and
- attracting investment in regional Australia, graduates, early-stage entrepreneurs, and venture capitalists.

The Committee would like to sincerely thank all of the stakeholders, peak bodies, organisations and individuals for their time, effort and resources to make submissions and appear at public hearings. I would also like to thank my hard working colleagues on the Committee.

Mrs Louise Markus MP
Chair



Membership of the Committee

Chair Mrs Louise Markus MP

Deputy Chair Ms Maria Vamvakinou MP

Members Senator Chris Back (*from 26/6/14*)

Mr Craig Kelly MP

Senator Sam Dastyari

Mr Craig Laundry MP

Senator Sean Edwards

Hon Matt Thistlethwaite MP

Senator Sarah Hanson-Young

Mr Tony Zappia MP

Senator John Williams (*until 26/6/14*)

Committee Secretariat

Secretary	Mr Jerome Brown
Inquiry Secretary	Mr Paul Zinkel
Research Officers	Mr Nathan Fewkes Ms Vanessa Wong
Administrative Officers	Mrs Dorota Cooley Ms Karen Underwood



Terms of reference

The Joint Standing Committee on Migration shall inquire into the Business Innovation and Investment Programme (BIIP), excluding the Significant Investor Visa stream.

The inquiry shall:

- Assess whether the BIIP is meeting its intended objectives and if any adjustments are necessary.
- Consider the conditions involved in the decline in rates of application for the BIIP, in light of rates of application for the previous Business Skills Program.
- Evaluate the current eligibility criteria, with particular regard to the operation of the BIIP points test, and its effectiveness in selecting suitable migrants.
- Weigh the size of the current BIIP programme against the emphasis placed on other elements of the skilled stream of the migration programme in generating economic growth.



List of abbreviations

ABCC	Australia British Chamber of Commerce
ACT	Australian Capital Territory
AUSA	AUSA Migration & Education Service Pty Ltd
AVCAL	Australian Private Equity and Venture Capital Association
BIIP	Business Innovation and Investment Programme
BMC	Western Australian Business Migration Centre
BSP	Business Skills Programme
DEDTA	Tasmanian Department of Economic Development, Tourism and the Arts
DIBP	Department of Immigration and Border Protection
DoB	Northern Territory Department of Business
DSDBI	Victorian Department of State Development, Business and Innovation
EDD	ACT Economic Development Directorate
EOI	Expression of Interest
GACIC	German-Australian Chamber of Industry and Commerce

IPT	Innovation Points Test
ISL	Immigration Solutions Lawyers
LCA	Law Council of Australia
MIA	Migration Institute of Australia
Migration Alliance	Migration Alliance Inc.
MPR	Migration Programme Report
NSW	New South Wales
NT	Northern Territory
PIV	Premium Investor Visa
SEZs	Special Economic Zones
SIV	Significant Investor Visa
UDV	United Dairy farmers of Victoria



List of recommendations

5 Eligibility criteria

Recommendation 1

The Committee recommends that the Department of Immigration and Border Protection examine the Business Innovation and Investment Programme (BIIP) as part of the 2015-16 migration programme survey and in its reviews of the skilled migration and temporary activity visa programmes. The reviews should focus on the:

- suitability and attainability of the objectives set for the BIIP;
- role that States and Territories have in administering the BIIP and, specifically, the accountability of these jurisdictions and whether the Programme should instead be solely administered by the Commonwealth;
- means of collecting data at the State and Territory level, its dissemination to the Department and evaluation;
- promotion and marketing of the Programme;
- application processing and service standards;
- removal of the ability for the secondary applicant to become the primary applicant;
- English language requirements;
- innovation points test; and
- attracting investment in regional Australia, graduates, early-stage entrepreneurs, and venture capitalists.