

Application rates

- 4.1 As part of the inquiry, the Committee considered the conditions involved in the decline in rates of application for the Business Innovation and Investment Programme (BIIP), in light of rates of application for the previous Business Skills Programme (BSP).
- 4.2 This chapter examines whether there was in fact a decline in application rates and the potential causes that may have contributed to any such decline.
- 4.3 Table 4.1 provides information on the number of visas lodged, granted and cancelled under the BSP in each subclass.
- 4.4 During the period of 1 July 2010 to 31 March 2014, nearly 12,000 BSP visa applications were lodged with the DIBP. Over 12,000 were granted and around 80 cancelled.

Table 4.1 Business Skills Programme Delivery

1 July 2010 – 31 March 2014			
<i>Subclasses</i>	<i>Lodged</i>	<i>Grants</i>	<i>Cancelled</i>
Business Skills Provisional visas (closed to new primary applicants)			
160	69		
161	7	73	0
162	9	9	0
163	5262	6	5
164	518	6109	30
165	665	392	0
		553	46
Business Skills Residence visas			
890	554	331	0
891	14	16	0
892	3893	3166	2
893	398	362	0
Business Skills Direct Entry Visas (Repealed on 1 July 2012)			
845	307	205	TBA
846	11	9	TBA
Business Talent 1 July 2010-1 July 2012			
132	163	177	TBA

Source Department of Immigration and Border Protection, *Submission 14*, pp. 17-18.

4.5 In its submission the Department of Immigration and Border Protection (DIBP) noted that the number of applications lodged for the BIIP visas had dropped slightly. The DIBP attributed this to increased applications prior to the start of the new programme:

A significant contributing factor to this was the considerable spike in applications for visas under the previous programme made in May and June 2012. This is consistent with our previous experience in making major changes to visa programmes will normally give rise to a sharp increase in applications prior to the date of effect and a subdued lodgement rate for an extended period after changes take effect.¹

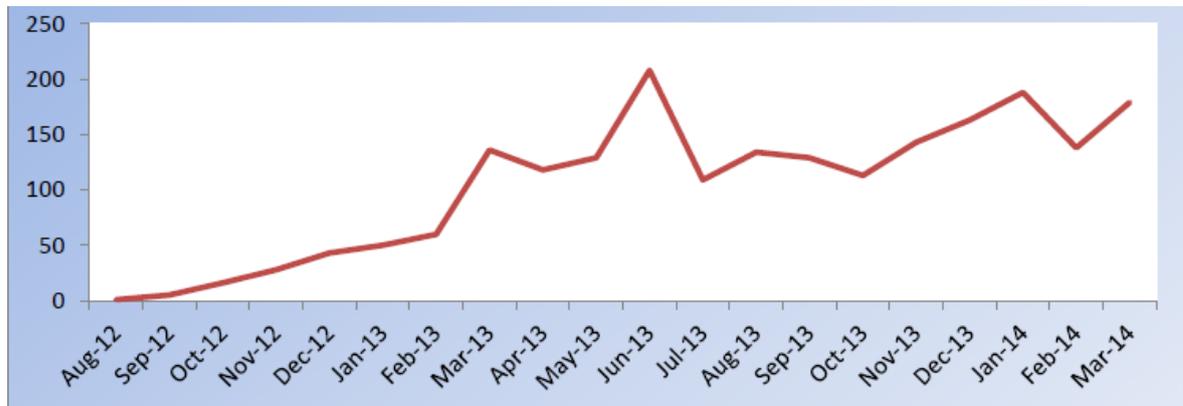
4.6 The DIBP added that since the commencement of the BIIP in July 2012, lodgements had increased overall but that it was too early to assess if the lodgement rate would return to previous levels.²

4.7 Figure 4.1 highlights that there were substantial fluctuations in the application rates since the commencement of the BIIP.

¹ Department of Immigration and Border Protection, *Submission 14*, p. 18.

² Department of Immigration and Border Protection, *Submission 14*, p. 19.

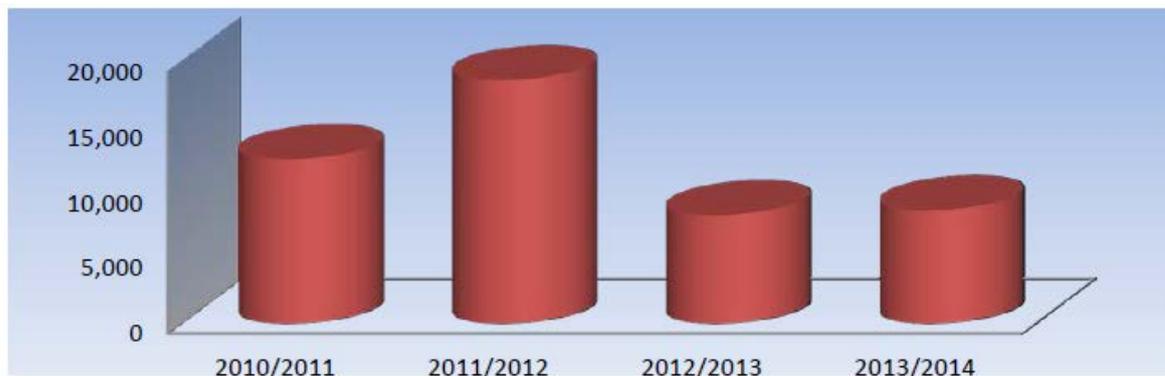
Figure 4.1 BIIP Visa application lodgements to end March 2014



Source Department of Immigration and Border Protection, Submission 14, p. 19.

4.8 Figure 4.2 below shows that there were a significant number of applications lodged in the 2011-2012 year compared with the previous year.

Figure 4.2 Business Visa Application Lodgements June 2010 to end March 2014



Source Department of Immigration and Border Protection, Submission 14, p. 19.

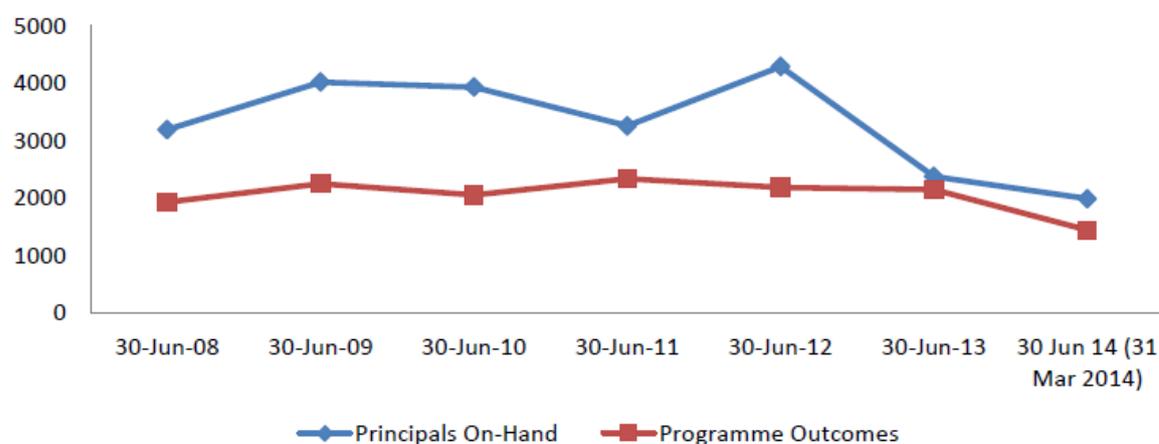
4.9 The DIBP advised that meeting future targets may be doubtful:

Delivery of the BIIP for 2013-14 will include a mix of applications lodged under the old Business Skills programme, in addition to applications lodged under the new visas. However, meeting similar targets in future years is more doubtful. At current rates of processing and with similar programme expectations, the pipeline of Business Skills applications is likely to be exhausted during either the 2014-2015 year, or in the 2015-2016 year.³

4.10 Figure 4.3 shows the decline of Business Skills applications, against the number of programme grants over recent years.

3 Department of Immigration and Border Protection, Submission 14, p. 19.

Figure 4.3 Visas granted, and remaining cases on hand



Source Department of Immigration and Border Protection, *Submission 14*, p. 20.

4.11 The DIBP also highlighted that the application rate under the previous Business Skills programme was too high to match the available places, but that the new settings under the BIIP may have reduced demand:

Should the permanent migration programme continue to plan on the delivery of a similar number of business migrants for those future years, the application rate under the BIIP will need to increase. While the application rate under the Business Skills programme generally ran too high to match the places available, leading to the build-up of a substantial pipeline of applications awaiting processing, the BIIP visa settings may have gone too far in reducing demand for business migration. Maintaining a balance between obtaining better quality applicants, and sufficient quantity to meet programme planning levels, has not yet been achieved.⁴

4.12 The DIBP, noting that it would be difficult to estimate the impact any changes would have, did suggest three options to increase demand in the BIIP:

- reducing the points test pass mark
- adjusting aspects of the points test to better reflect the attributes of the available cohort
- reducing the financial thresholds in order to allow a wider range of applicants.⁵

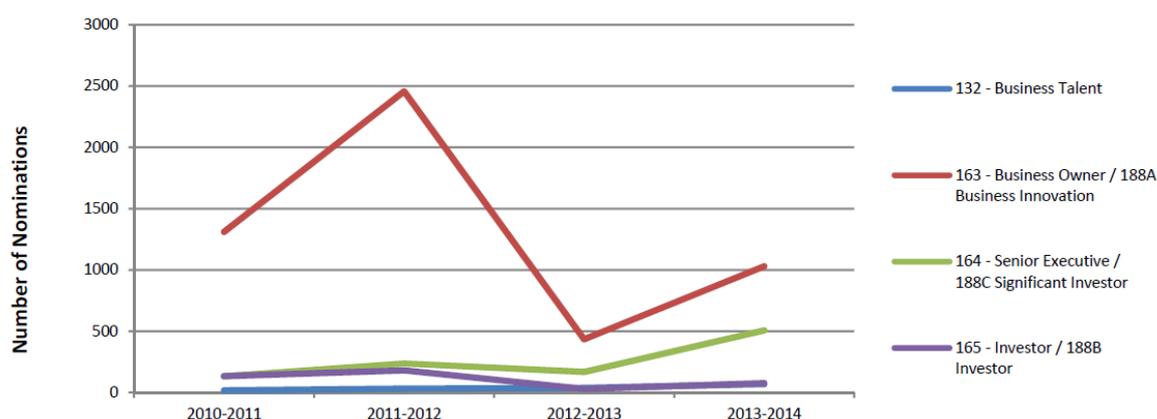
4 Department of Immigration and Border Protection, *Submission 14*, p. 20.

5 Department of Immigration and Border Protection, *Submission 14*, p. 20.

Application rates in Victoria

- 4.13 Of all the States and Territories that were engaged during this inquiry, the Victorian Department of State Development, Business and Innovation (DSDBI) were the only jurisdiction that provided statistics on the number of applicants they sponsored and the number that obtained a visa.
- 4.14 As noted in chapter 2, between the commencement of the BIIP on 1 July 2012 and 31 July 2014, the Victorian Government approved 1,822 nominations. Of those, 468 were granted a visa, 47 were rejected, 57 were withdrawn and 1,250 are pending a decision by the DIBP.⁶
- 4.15 Figure 4.4 below shows that there was a decline in nomination applications between 2011 and 2013, particularly for the 163 Business Owner and 188A Business Innovation visas.⁷

Figure 4.4 BIIP and BS Victorian Nominations



Source Victorian Department of State Development, Business and Innovation, Submission 23, p. 10.

- 4.16 The DSDBI advised that this may be attributed to higher financial thresholds, and removal of the role reversal ability where the secondary applicant becomes the primary applicant.⁸
- 4.17 Other State/Territory Government Departments, peak bodies and individuals also provided their views on factors that were perceived to have affected the application rate for the BIIP including:
- Removal of the role reversal ability
 - Lack of coordinated marketing and promotion of the BIIP
 - Lengthy processing times
 - Financial requirements and the Points test

⁶ Victorian Department of State Development, Business and Innovation, Submission 23, p. 5.

⁷ Victorian Department of State Development, Business and Innovation, Submission 23, p. 10.

⁸ Victorian Department of State Development, Business and Innovation, Submission 23, p. 10.

- Competition with other countries
- Demanding eligibility criteria.⁹

4.18 An evaluation of the eligibility criteria, including the points test and financial requirements, will be examined in chapter 5. The additional views that were perceived to have affected the application rate noted above are examined in more detail below.

Removal of the role reversal ability

4.19 The majority of States and Territories considered that the removal of the ability for the secondary applicant to become the primary applicant was a significant factor in the declining rates of application.

4.20 The Western Australian Business Migration Centre (BMC) submitted that:

The business activity should be assessed and evaluated on its ability to provide economic benefit rather than on how business operations are shared between the primary and secondary applicants.

This criteria was removed from the current BIIP with no evidence to support the rationale that businesses managed by the primary applicant are more successful than businesses managed by the secondary applicant and should be reintroduced.¹⁰

4.21 The Australian Capital Territory (ACT) Economic Development Directorate (EDD) agreed that the removal of the ability for a role reversal when applying at the permanent 888 visa was a major factor contributing to the decline in the application rate. The EDD stated:

Removing this role reversal ability has reduced the attractiveness of the provisional BIIP to overseas investors, as it is extremely unlikely that a successful business person will cease their business interests overseas (which are also the source of their assets), to operate a small business in Australia for 12 months in order to meet the permanent visa criteria.

9 Western Australian Business Migration Centre, *Submission 3*, pp. 3-4; Law Council of Australia, *Submission 8*, pp. 2-3; Tasmanian Department of Economic Development, Tourism and the Arts, *Submission 9*, p. 2; Migration Institute of Australia, *Submission 15*, pp. 8-9.

10 Western Australian Business Migration Centre, *Submission 3*, p. 3.

The Department of Immigration and Border Protection should assess the economic benefit of the Australian business activity, rather than assess how the business management is shared between the primary and secondary applicants.¹¹

- 4.22 The Tasmanian Department of Economic Development, Tourism and the Arts (DEDTA) commented that it was understandable for primary and secondary applicants to try and share the business management and workload:

It is understandable that they try to share the management workload in Australia between the primary and secondary applicants, and in many cases the original secondary applicant is in a better position to qualify for 888. This newly introduced inflexibility seems to be perceived as a challenge to many prospective applicants. Since 888 has comprehensive and quantifiable requirements such as turnover, asset transfer and employment generation, it may be reasonable to consider that meeting such requirements would be sufficient to realise the economic benefits (hence meeting the program objectives) regardless of who within the family managed the Australian business.¹²

- 4.23 Trade and Investment Queensland suggested that the contribution of the secondary applicant be recognised:

In some cases, the secondary applicant has equal or greater responsibility than the primary applicant in running the business, and as such should be recognized if the primary applicant is unable to meet permanent residency requirements in their own right.¹³

11 Australian Capital Territory Economic Development Directorate, *Submission 7*, p. 2.

12 Tasmanian Department of Economic Development, Tourism and the Arts, *Submission 9*, p. 2.

13 Trade and Investment Queensland, *Submission 12*, p. 2.

- 4.24 The Government of South Australia highlighted that the previous business skills programme allowed the secondary and primary applicants to swap roles:

The regulations of the previous Business Skills program allowed the secondary applicant on a provisional visa to apply as the primary applicant for a permanent visa. Approximately 36 per cent of secondary applicants on a provisional visa swap between these roles. The removal of swapping of roles between the provisional and permanent visa holders would have also contributed to the decline in numbers.¹⁴

- 4.25 The Government of South Australia added that a 'lack of clarity on eligibility requirements for active management and residency requirements is creating uncertainty for applicants.'¹⁵

- 4.26 New South Wales (NSW) Trade and Investment proposed that the business be evaluated on its ability to provide economic benefit:

...rather than the way in which management of the business operations is shared between the primary and secondary applicants. Evaluating the success of the business will allow a State or Territory to retain both the economic benefit of the business and the long-term benefits of the residency of BIIP families who make a genuine and substantial commitment to living in the State or Territory concerned.¹⁶

- 4.27 DSDBI agreed that the economic benefit that a business provided was valuable, stating:

The primary focus of the policy and program settings for all business migration visa streams should be on how to encourage more productive, higher value investment and business activity. Businesses should have the choice of which personnel are selected to operate the business, as long as they deliver substantial business activity.¹⁷

- 4.28 AUSA Migration & Education Service Pty Ltd (AUSA) commented that it was unreasonable to expect the primary applicant to abandon their existing business overseas and focus entirely on the Australian business, recommending that role swapping also be allowed.¹⁸

14 Government of South Australia, *Submission 16*, p. 5.

15 Government of South Australia, *Submission 16*, p. 6.

16 NSW Trade and Investment, *Submission 22*, p. 6.

17 Victorian Department of State Development, Business and Innovation, *Submission 23*, p. 13.

18 AUSA Migration & Education Service Pty Ltd, *Submission 19*, p. 3.

4.29 Registered Migration Agent, Mr John Findley, held a different perspective and did not think that it was too much to expect the primary applicant to spend time running a business in Australia:

... the main applicant in the primary application must be the main applicant, not the secondary. That means he must meet the residence requirement, which does not sound too hard – 12 months in two years – but that is half of the time he has to spend here. Most businesses are not huge; most are relatively small businesses that employ 10 to 15 people – entrepreneurs. How is the business going to run without him there? My business could not run without me on the front line. It is the same for these guys, and so he has to make a choice.¹⁹

4.30 Immigration Solutions Lawyers (ISL) spoke more broadly commenting that the residency requirements under the BIIP were not competitive internationally:

Residency is an issue. I [ISL] put on and chaired a conference in March this year to which we brought overseas immigration lawyers. They were talking about different aspects of business entrepreneurs. You really will not get the type of entrepreneur you are looking at with the residency requirements that you have now. You are going to get the ones that perhaps want their children educated here and will move that way, but Australia needs basically to have less reduction on residency and a faster tracking to citizenship, if you want to be competitive internationally.²⁰

4.31 Z5 Venture Capital agreed that it was an incentive to attach permanent residency status to an application in order to remain globally competitive.²¹ They added:

The whole concept of a permanent visa ... makes us a very attractive market for people who want to relocate from their country of birth. In that context, we have a great opportunity here to be able to fund and to bring talent and entrepreneurial skill into Australia to benefit the whole of the economy and communities in Australia. That is the thing I think we need to focus on.²²

19 Mr Findley, Shanghai Resources Pty Ltd, *Transcript*, 12 June 2014, pp. 28-29.

20 Mrs O'Donoghue, Immigration Solutions Lawyers, *Transcript*, 13 June 2014, p. 27.

21 Mr Shi, Z5 Venture Capital, *Transcript*, 13 June 2014, p. 25.

22 Mr Nelson, Z5 Venture Capital, *Transcript*, 13 June 2014, p. 25.

4.32 In its submission, the DIBP indicated that swapping of roles between the primary and secondary applicant was disallowed in 2012:

...on the basis of having established a points tested system to select high quality applicants to transfer their business skills to Australia, and we should protect the integrity of that objective by requiring the primary applicant to make a genuine commitment to the new business in Australia.²³

4.33 The DIBP did however acknowledge that there should be a focus on the residency requirements of secondary applicants and family members:

...in order for that family to anchor themselves in Australia. Families located in Australia would see children going to Australian schools and universities, and in turn taking over those businesses and moving the centre of gravity of their families' global commercial operations to this country. The programme would provide the opportunity for them to make their international family business an Australian family business.²⁴

4.34 The DIBP also noted that they had been getting feedback that the decline in application rates was partly due to the removal of the role reversal ability and that they were examining this matter.²⁵

Committee comment

4.35 The Committee notes the views made by submitters that the application rates for the BIIP have declined due to the removal of the role reversal ability.

4.36 However, the Committee has not received any empirical evidence as part of this inquiry that would support this conclusion. Australia wants to attract the best for our national interests without forgoing our standards and quality controls.

4.37 The Committee is therefore not persuaded that reverting back to the previous residency requirements under the former business skills programme is appropriate at this time.

23 Department of Immigration and Border Protection, *Submission 14*, p. 23.

24 Department of Immigration and Border Protection, *Submission 14*, p. 23.

25 Mr Wilden, Department of Immigration and Border Protection, *Transcript*, 14 May 2014, p. 4.

Lack of coordinated marketing and promotion

- 4.38 Several States and Territories also suggested expanding the marketing and promotion of the BIIP in order to attract more applicants.
- 4.39 The BMC noted that currently ‘State and Territory Governments operate their own marketing strategies in their prime markets.’²⁶ The BMC considered this approach to be fragmented and commented that they were getting very little assistance from the DIBP.²⁷
- 4.40 The BMC suggested that a coordinated marketing approach with the following elements would achieve improved results:
- Specialist Business Visa Expos coordinated by the Department of Immigration and Border Protection (DIBP) and paid for by the exhibitors in key cities in prime market countries
 - Exhibitors made up of Federal, State and Territory Governments, migration service providers and representatives of complying investments
 - Titled under an all Australia name such as “Australia – Open For Business” or similar and to stage six events over a full program year
 - As the targeted markets are high net-worth investors, the layout of the expo should be in the form of a business lounge rather than booths.²⁸
- 4.41 The DSDBI also advocated for additional marketing strategies to ‘increase awareness of Australia as a business and investor migration destination.’²⁹
- 4.42 It was their view that:
- commercially run migration expos were not effective in attracting business migrants
 - they have had some success with jointly run highly targeted events focused on skilled migrants in the UK
 - one-on-one relationship management has been the most effective marketing approach.³⁰
- 4.43 The EDD and DEDTA agreed that a coordinated marketing strategy was worthwhile. The EDD, in particular, commented that a marketing strategy could leverage the ‘Australia - Open for Business’ brand.³¹

26 Western Australian Business Migration Centre, *Submission 3*, p. 4.

27 Western Australian Business Migration Centre, *Submission 3*, p. 4.

28 Western Australian Business Migration Centre, *Submission 3*, p. 4.

29 Victorian Department of State Development, Business and Innovation, *Submission 23*, p. 5.

30 Victorian Department of State Development, Business and Innovation, *Submission 23*, p. 5.

31 Tasmanian Department of Economic Development, Tourism and the Arts, *Submission 9*, p. 2; Australian Capital Territory Economic Development Directorate, *Submission 7*, p. 3.

4.44 Trade and Investment Queensland also recommended jointly promoting the BIIP internationally with DIBP and States and Territories, adding:

...business migrants place extreme importance on speaking directly to government officials who can make decisions about the scheme. ... Queensland would support and contribute funding to a DIBP roadshow or similar that is attended by Commonwealth, State and Territory Government officials only and would be keen to investigate co-branding or similar arrangements for offshore events.³²

4.45 Trade and Investment Queensland cautioned 'a co-operative road show with business organisations, managed funds, councils and other stakeholders who seek to "leverage" the representation of government officials as a means of inferring the legitimacy of their investment products.'³³

4.46 The Government of South Australia recommended diversifying the programme in addition to gathering broader market intelligence prior to targeted promotion of the BIIP, stating:

Diversifying the program source markets through broader promotion into other potential markets such as South East Asia, India, Russia, Japan and Brazil. Consideration should be given to more diversified promotion and in-market activities in a wider number of countries than occurs currently. It is recommended that DIBP, in consultation with Austrade, gather market intelligence about expanding numbers of BIIP from other markets. If feasible, this would be followed by targeted promotions to those countries facilitated by DIBP promotion undertaken jointly with participating jurisdictions. These targeted, joint promotions would benefit from a calendar of forward planning to enable participating jurisdictions to plan for the events (Expos and the like).³⁴

32 Trade and Investment Queensland, *Submission 12*, p. 2.

33 Trade and Investment Queensland, *Submission 12*, p. 2.

34 Government of South Australia, *Submission 16*, p. 5.

- 4.47 The Northern Territory Department of Business (DoB) did not consider that the marketing and promotion of the BIIP they had undertaken had been worthwhile. The DoB advised that interest in the BIIP had been minimal even though they had allocated significant resources to working with migration agents and marketing at Australian and international events, particularly in the People's Republic of China.³⁵
- 4.48 A survey undertaken by the Migration Institute of Australia (MIA) of its members questioned whether the State and Territory Governments were promoting the BIIP effectively. The MIA noted that responses to the question were mixed:
- Some comments indicated the states and territories were doing a better job at promoting these visas than the Federal Government. Some states were better at this promotion than others. Those states that are marketing well and have the more flexible threshold requirements are receiving the majority of applications.³⁶
- 4.49 Mr Findley expressed the view that 'except for that which is undertaken privately by professional migration advisers, Australia makes little effort marketing itself to prospective immigrants'.³⁷
- 4.50 Z5 Venture Capital and the Australian Private Equity & Venture Capital Association Limited (AVCAL) agreed with the view that the Government had done little to promote the BIIP overseas.³⁸ AVCAL added:
- I think one of the recurring themes that have emerged from discussion around the industry on this is about how to lift and improve the level of awareness. To come to your question, I think there is a compelling proposition that is being put through this program, but one of the barriers identified is certainly that which relates to the awareness around that. I think that, in and of itself, would play a role in helping to better realise the objectives of the program and clearly there are a range of other considerations as well. But, as a starting point, that appears to be a very logical area to concentrate some further effort in the near future.³⁹
- 4.51 Ord Minnett Ltd suggested that Austrade assist with marketing as well as adding business migration to its key initiatives.⁴⁰
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35 Northern Territory Department of Business, *Submission 18*, p. 3.

36 Migration Institute of Australia, *Supplementary Submission 15.1*, p. 9.

37 Mr Findley, *Supplementary Submission 6.1*, p. 6.

38 Mr Shin, Z5 Venture Capital, *Transcript*, 13 June 2014, p. 20; Mr El-Ansary, Australian Private Equity & Venture Capital Association Limited, *Transcript*, 13 June 2014, p. 20.

39 Mr El-Ansary, Australian Private Equity & Venture Capital Association Limited, *Transcript*, 13 June 2014, p. 20.

40 Mr Headland, Ord Minnett Ltd, *Transcript*, 12 June 2014, p. 49.

4.52 The DIBP advised that there is currently no Federal funding allocated for promoting the BIIP internationally, advising that:

Each jurisdiction is responsible for marketing to prospective investors and each State and Territory operates their own marketing strategies. Certain industries, namely the financial services and property funds industry, also promote this programme in key international markets.⁴¹

Committee comment

4.53 The Committee is of the view that it would be more efficient to provide federal funding to market and promote Australia's entire skilled migration programme, rather than the small subset comprised of the BIIP.

4.54 However, without obtaining the appropriate evidence, it is difficult to assess the benefits of conducting a jointly administered marketing and promotion strategy, albeit that this seems to be the logical way to proceed.

4.55 The Committee therefore believes that it would be beneficial to gather broader market intelligence prior to promoting the skilled migration programme overseas.

Lengthy processing times

4.56 Another issue commonly suggested as leading to a decline in application rates is lengthy processing times for visa applicants.

4.57 The Law Council of Australia (LCA) and the Migration Alliance Inc. (Migration Alliance) suggested that lengthy processing times may have acted as a deterrent to applicants.⁴²

4.58 ISL agreed that processing applicants in a timely manner was a factor deterring potential applicants. ISL also considered that the target timeframes for finalising applications were quite long:

The targets for finalising applications were all met in 2012-2013, however the target timeframes themselves were quite long. For the onshore low-risk category 75% of applications were finalised within 11 months, and for the high-risk applications they were finalised within 22 months. For the offshore low-risk category 75%

41 Department of Immigration and Border Protection, *Supplementary Submission 14.1*, p. 6.

42 Law Council of Australia, *Submission 8*, p. 2; Mrs Allan, Migration Alliance Inc., *Transcript*, 12 June 2014, p. 19.

were finalised within 9 months, and for the high-risk category they were finalised within 28 months.⁴³

- 4.59 The MIA stated that the lengthy processing times for business visa applications in Australia was an unattractive feature.⁴⁴
- 4.60 The DoB recognised that 'the processing time has reduced over the past few years and is competitive with the processing times for migration competitors, a further reduction in processing time will boost the competitiveness of Australia's visa system internationally.'⁴⁵
- 4.61 The DoB added:
- Genuine business people and investors will consider not only what they need to do to obtain permanent residency but also choose investments and business activities that will maximise returns. Within 6-8 months investment and business opportunities can evaporate, forecasts and projections become less reliable and economic conditions can change substantially.⁴⁶
- 4.62 Mr Findley was also of the view that the processing times were too long and that it would be a competitive advantage for the migration programme to offer a quick turnaround of visa applications.⁴⁷
- 4.63 PricewaterhouseCoopers, Ord Minnett Ltd and AVCAL all agreed that there appeared to be a delay in processing times.⁴⁸
- 4.64 Z5 Venture Capital suggested that the delay in processing times, in particular for the processing centre in Hong Kong, was partly due to the number of staff engaged to process visa applications.⁴⁹
- 4.65 Mr Van Zyl also pointed out that overseas offices like Hong Kong were very slow to process applications.⁵⁰
- 4.66 AUSA suggested that Australia provide priority processing for applicants applying for permanent residence who have made a significantly larger investment:

Applicants for permanent residence who have made larger investments in Australia significantly above minimum

43 Immigration Solutions Lawyers, *Submission 13*, p. 8.

44 Migration Institute of Australia, *Submission 15*, p. 10.

45 Northern Territory Department of Business, *Submission 18*, p. 5.

46 Northern Territory Department of Business, *Submission 18*, p. 5.

47 Mr Findley, *Supplementary Submission 6.1*, pp. 9-10.

48 Mrs Zhao, PricewaterhouseCoopers, *Transcript*, 12 June 2014, p. 40; Mr Headland, Ord Minnett Ltd, *Transcript*, 12 June 2014, p. 40; Mr El-Ansary, Australian Private Equity & Venture Capital Association Limited, *Transcript*, 13 June 2014, p. 18.

49 Mr Shin, Z5 Venture Capital, *Transcript*, 13 June 2014, p. 29.

50 Mr Van Zyl, Van Zyl Lawyers, *Transcript*, 18 June 2014, p. 4.

requirements should be rewarded with priority processing for their visa applications. This would provide an incentive for greater business commitments as well as rewarding applicants who make commitments well above most other applicants.⁵¹

4.67 The Migration Alliance and the MIA also suggested offering incentives for larger investors.⁵² The MIA recommended:

...that consideration be given to offering incentives for higher levels of investment in complying businesses, eg, priority processing or fast tracked permanent residence for those applications.⁵³

4.68 The Australia British Chamber of Commerce (ABCC) highlighted that the United States and United Kingdom have premium processing visas:

...where you can pay an additional fee for a faster turnaround. Now that the subclass 400 are electronic, my migration agent colleague tells me that his are often approved in 24 to 48 hours and five days tops. That seems to be working well.⁵⁴

4.69 ISL noted that Portugal also offered a premium visa, the Golden visa, where applications will be validated within a maximum of 72 hours from the time of lodgement and approximately between 14 to 45 days for a decision.⁵⁵

4.70 While agreeing that processing times could be deterring potential applicants for applying, ISL commented that Australia does not need to compare itself with the processing times of other countries, but rather the processing times of other Australian visa subclasses:

...processing times are too long compared to other subclasses that we have in our country. So we do not need to go further and compare ourselves to other countries, there are other options for migrants to get to permanent residency much quicker and much easier.⁵⁶

4.71 In its submission, the DIBP provided some statistics on the length of time it has taken to process visa applications:

Since July 2012, under the new Business Innovation and Investment Programme, 95.5 percent of applications have been finalised within the service standard of nine months. The longest

51 AUSA Migration & Education Service Pty Ltd, *Submission 19*, p. 5.

52 Mrs Allan, Migration Alliance Inc., *Transcript*, 12 June 2014, p. 23.

53 Migration Institute of Australia, *Supplementary Submission 15.1*, p. 6.

54 Mr Amoils, Australia British Chamber of Commerce, *Transcript*, 12 June 2014, p. 10.

55 Immigration Solutions Lawyers, *Supplementary Submission 13.1*, p. 1.

56 Miss Shin, Immigration Solutions Lawyers, *Transcript*, 13 June 2014, p. 29.

time taken to grant a visa under the new Business Innovation and Investment Program is 532 days. This was for a subclass 188 visa, lodged on 26 October 2012 and granted on 11 April 2014. This delay resulted from the time taken by the applicant to fulfil the requirements of the health check.⁵⁷

4.72 The DIBP advised, however, that it was difficult to advise a ‘normal’ time frame for processing applications:

...because it depends on when they put in and at each of those stages there is flexibility. It can be quite fast if they put in an expression of interest and they already have an agent who is talking to, for example, the relevant state authority. They know applications are coming and they reach in quickly and applications are prepared early. As we see across many of our visa types, we give people natural justice to put their information together and apply. It can be done in a couple of months, but it can take six, nine or 12 months. It really does depend on the individual circumstances.⁵⁸

4.73 The DIBP added that they ‘usually find that the delays tend to be at the client end in terms of how ready they are to provide information.’⁵⁹

4.74 The Law Council of Australia agreed that processing delays were at the client end, adding:

When the SIV was first introduced there probably were delays on the part of the Australian consulate-general in Hong Kong, who were processing applications from the People’s Republic of China, simply because it was all so new. They probably were trying to digest how it worked. Initially the delays were probably from both sides, but now that the program has run for a year and a half, I would say that the delays that are occurring are more from the applicants side – for certain applicants only, from certain countries.⁶⁰

Committee comment

4.75 The Committee acknowledges that lengthy processing times may be acting as a deterrent to potential visa applicants.

57 Department of Immigration and Border Protection, *Supplementary Submission 14.1*, p. 3.

58 Mr Wilden, Department of Immigration and Border Protection, *Transcript*, 14 May 2014, p. 1.

59 Mr Wilden, Department of Immigration and Border Protection, *Transcript*, 14 May 2014, p. 2.

60 Ms Chowdhury, Law Council of Australia, *Transcript*, 25 June 2014, p. 9.

- 4.76 However, it is difficult to attribute the cause of the delays to any one issue: whether it is under-resourced visa processing staff; financial verification requirements; specific country requirements; or failure on the part of visa applicants.
- 4.77 The Committee concludes that it would be worthwhile for the DIBP to examine the options for improving application processing and service standards as part of the 2015-16 migration programme and, in particular, in its review of the skilled migration and temporary activity visa programmes.