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Parliament of Australia
Joint Standing Committee on Migration
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Secretary

RE: New Inquiry into the Business Innovation and Investment Programme

We are a firm of migration lawyers practising in Brisbane since 1997 specialising in Business migration. As a result we have submitted many business visas under the old 127, 457 categories as well as the later 163, 890, 892 categories up to the current 188, 888 visas.

Discussion of committee objectives

Assess whether the BIIP's is meeting its intended objectives and if adjustments are necessary.

In our opinion the current programme is a dismal failure and not reaching any objects whatsoever.In our opinion adjustments need to made to the business innovation stream by lowering the total asset requirement from $800,000 to $500,000. By lowering the annual turnover from $500,000 to $350,000 and by lowering the 51% shareholding requirement of a business with turnover from $400,000 per year to $250,000.

In our opinion the current requirements are excessively high. The United States for instance have an EB-5 Immigrant Investor visa. This visa entitles the holder to a green card which is similar to permanent residency in Australia and after five years the holder can apply for United States citizenship. The investment requirement under this visa subclass is $1,000,000 in urban areas and $500,000 in regional areas. Regional is described as outside the boundary of any city or town having a population of 20,000 or more according to their last census unless the area is a so called targeted employment area where the government is determined that that area experiences unemployment of at least 150% of the national average unemployment rate.

Applicants under that subclass can however live anywhere in the United States and the investment can be made even in a commercial enterprise, a troubled business (defined as a business where the loss for the 12 or 24 month period is 20% or more of the troubled business net worth prior to the loss) or a capital investment can be made

which must be $1,000,000 or a qualifying investment (this is administered by local governments) within a high employment area or rural area of at least $500,000. A targeted employment area is defined as a rural area or an area experiencing unemployment of at least 150% of the national average rate.

Consider the conditions involved in the declining rates of application for the BIIP

In our view current conditions are too onerous taking the world economy as well as the policy of competitors like the USA into consideration.

Evaluate the current eligibility criteria

I refer to what has been said above. Apart from this in view of the low rate of applications the current point system should be abolished. The emphasis should rather be placed on the business history and business acumen of suitable migrants. Individuals who have a demonstrated ability to do business as evidenced by their overseas financial records and total assets generated should be encouraged to come to Australia.

Size of the current BIIP programme against the emphasis placed on other elements of the skilled stream of the migration programme

Currently in our view the BIIP programme makes a negligible contribution to the generation of economic growth and drastic changes need to be made to the programme to create a benefit to Australia and to make Australia a viable option for overseas business visa migrants.

Yours faithfully

DOLF VAN ZYL
VAN ZYL LAWYERS