

Background

- 2.1 Business migration to Australia formally commenced in 1981, with the business skills class of visas introduced as part of the Business Skills Programme (BSP) in 1992.¹
- 2.2 The BSP was reviewed in 2003 and again in 2010-11 and was eventually superseded by the Business Innovation and Investment Programme (BIIP) on 1 July 2012.²
- 2.3 The following chapter provides a brief background on the previous BSP and the BIIP, including the programmes objectives, eligibility criteria and Innovation Points Test (IPT), the application rate, and the size of the BIIP.

The Business Skills Programme

- 2.4 The BSP, which preceded the BIIP, had the objective of increasing the economic value of skilled migration and to enhance Australia's national innovation system. In its submission, the Department of Immigration and Border Protection (DIBP) stated that the BSP sought to:
 - ...enable successful business owners and investors to invest or enter into business in Australia and contribute to the growth of Australia's economy.³
- 2.5 The DIBP added that, at that time, the BSP was:

1 Department of Immigration and Border Protection, *Submission 14*, Attachment B, p. 3.

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

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

...a niche category within Australia's skilled migration programme distinct from general skilled migration and the employer sponsored visa categories in that it directly creates business, and visa holders become business owners, rather than supporting existing businesses and industries at risk of skill shortages with a supply of skilled employees.⁴

Structure of the Business Skills Programme

- 2.6 The BSP had 13 subclasses of visas consisting of both temporary and permanent visas. Applicants could either independently apply for the visas or could seek sponsorship from a State or Territory Government.⁵
- 2.7 Except for the Business Talent visa (subclass 132), which provided a direct pathway to permanent residence, each visa subclass was generally the first stage towards a permanent visa under the BSP.⁶
- 2.8 The temporary visas available at the time were:
- Business Owner (subclass 160) visa
 - Senior Executive (subclass 161) visa
 - Investor (subclass 162) visa
 - State/Territory Sponsored Business Owner (subclass 163) visa
 - State/Territory Sponsored Senior Executive (subclass 164) visa
 - State/Territory Sponsored Investor (subclass 165) visa.⁷
- 2.9 Applicants who satisfied the requirements of the provisional visa over the four years could then proceed to the second stage and apply for one of the permanent visas under the programme, which included:
- Established Business in Australia (subclass 845) visa
 - Business Owner (subclass 890) visa
 - Investor (subclass 891) visa
 - State/Territory Sponsored Regional Established Business in Australia (subclass 846) visa
 - State/Territory Sponsored Business Owner (subclass 892) visa
 - State/Territory Sponsored Investor (subclass 893) visa
 - Business Talent (subclass 132) visa.⁸

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

5 Department of Immigration and Border Protection, *Submission 14*, Attachment A, p. 1.

6 Department of Immigration and Border Protection, *Submission 14*, Attachment A, pp. 1-4.

7 Department of Immigration and Border Protection, *Submission 14*, Attachment A, pp. 1-4.

8 Department of Immigration and Border Protection, *Submission 14*, Attachment A, pp. 1-4.

- 2.10 Details on the various requirements of the subclasses of visas under the BSP are set out in Appendix D.

Review of Business Skills Programme

- 2.11 As noted above, the then Department of Immigration and Citizenship conducted a review of the BSP in 2010-2011 following the global financial crisis to 'ensure that the strategic objectives of the programme could be met in a changed business environment.'⁹
- 2.12 Another factor considered under the review was the concern that provisional business visas may have stifled risk-taking and innovation as migrants would act conservatively to secure permanent visas.¹⁰
- 2.13 The review recommended a number of reforms including reducing the number of visa subclasses from thirteen to three by removing independently nominated visas, under-used visas and absorbing separate visas as streams under a single visa subclass.¹¹
- 2.14 With regard to the changes made on 1 July 2012, the DIBP argued that there were a number of benefits for rationalising the programme including:
- simplified visa options for new business migrants
 - better economic outcomes from higher threshold criteria
 - reduced costs to administer the programme
 - State and Territory sponsorship facilitates a more targeted migration intake
 - a more streamlined programme for possible incorporation into the Skilled Migrant Selection Model
 - a significant contribution towards visa simplification and deregulation. The proposed restructure would result in a large reduction of Business Skills visas and contribute substantially to the fifty per cent target reduction.¹²
- 2.15 The three visa subclasses that formed the BIIP were the Business Talent (Permanent) (subclass 132) visa; Business Innovation and Investment (Provisional)(subclass 188) visa and Business Innovation and Investment (Permanent)(subclass 888) visa.¹³
- 2.16 The following section provides some additional information on the reforms and the three visa subclasses under the BIIP.

9 Department of Immigration and Citizenship, 'Fact Sheet: Frequently Asked Questions Reforms to the Business Skills Program July 2012', p. 1.

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

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

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

13 Department of Immigration and Border Protection, *Submission 14*, Attachment B, p. 2.

Business Innovation and Investment Programme

Programme objectives

- 2.17 In its submission, the DIBP pointed out that the strategic priority of the BIIP is 'to attract high quality investors and entrepreneurs to invest in Australia.'¹⁴
- 2.18 In addition, the submission highlights that the objectives of the BIIP are to:
- generate employment
 - increase the export of Australian goods and services
 - increase the production of goods and services in Australia
 - introduce new or improved technology
 - increase competition and commercial activity
 - develop links with international markets
 - increase the dispersal of business migrants across Australia through State and Territory government nomination.¹⁵
- 2.19 A number of peak bodies and individuals put forward the view that the BIIP was not meeting its objectives. Chapter three examines whether the objectives of the BIIP are being met.

Visa subclasses

- 2.20 Under each of the visa subclasses there are a number of streams with different requirements for the applicant to meet. The three visa subclasses and their streams are:
- Business Talent (Permanent) (subclass 132) visa
 - ⇒ Significant Business History stream
 - ⇒ Venture Capital Entrepreneur stream.
 - Business Innovation and Investment (Provisional)(subclass 188) visa
 - ⇒ Business Innovation stream
 - ⇒ Investor stream
 - ⇒ Significant Investor stream
 - ⇒ Business Innovation Extension stream
 - ⇒ Significant Investor Extension stream.

14 Department of Immigration and Border Protection, *Submission 14*, p. 17.

15 Department of Immigration and Border Protection, *Submission 14*, p. 8.

- Business Innovation and Investment (Permanent)(subclass 888) visa
 - ⇒ Business Innovation stream
 - ⇒ Investor stream
 - ⇒ Significant Investor stream.¹⁶
- 2.21 The BIIP maintains some similarities with the BSP. The Business Talent visa subclass was kept as a direct channel to permanent residence. While the two Business Innovation and Investment visa subclasses remained a two-stage process toward permanent residence. Eligible migrants are first granted the provisional 188 visa subclass and on satisfaction of certain business and investment requirements, they are eligible to apply for the permanent 888 visa subclass.¹⁷
- 2.22 However there were also a number of notable changes to the programme. The BIIP became a State or Territory nominated programme with the removal of independent applications. The DIBP stated that this enabled States and Territories to attract the appropriate business people and skills to facilitate economic growth and address development needs of their jurisdictions.¹⁸
- 2.23 A number of additional key changes were made to the programme as part of the reforms. These changes included:
- Recommendations of the review and the BIIP application process were incorporated in the SkillSelect database¹⁹
 - Financial and asset thresholds were increased²⁰
 - The Venture Capital Entrepreneur stream was introduced to bring ‘foreign entrepreneurial expertise to Australia’s national innovation system’²¹
 - The IPT was introduced as a key component of the provisional 188 visa subclass²²

16 Department of Immigration and Border Protection, *Submission 14*, Attachment B, p. 2.

17 Department of Immigration and Border Protection, *Submission 14*, p. 8.

18 Department of Immigration and Border Protection, ‘Fact Sheet 27 – Business Migration’, viewed on 17 October 2014, <<https://www.immi.gov.au/media/fact-sheets/27business.htm>>. The State and Territory nomination process is discussed later in this chapter.

19 Department of Immigration and Border Protection, *Submission 14*, p. 3; SkillSelect is an online service where applicants can lodge expressions of interest (EOIs) and visa applications. SkillSelect manages the skilled migration programme and facilitates State or Territory sponsorship by matching expression of interests with the priorities and requirements set by each jurisdiction.

20 Department of Immigration and Border Protection, *Submission 14*, p. 10.

21 Department of Immigration and Border Protection, *Submission 14*, p. 11.

22 Department of Immigration and Border Protection, *Submission 14*, p. 11.

- The ability for role reversal between the primary and secondary applicants was also eliminated under BIIP.²³

2.24 As a result of the changes, the process for individuals wanting to apply for a BIIP visa were also amended.

Visa application process

2.25 For the most part, there is a common process for applying for each BIIP visa subclass and its separate stream.

2.26 Applicants must first lodge an Expression of Interest (EOI) on the SkillSelect database. As part of the EOI, the applicants must indicate the visa they are applying for as well as their preferred States or Territories.²⁴

2.27 States and Territories then review the relevant EOIs against their own nomination criteria and select applicants that they are willing to nominate.²⁵

2.28 The nomination is communicated to the DIBP and an invitation is sent out to the applicant to make a full application for one of the visa subclasses on SkillSelect. Then the DIBP considers the application at one of its two assessment locations in either Hong Kong or Adelaide.²⁶

2.29 Applicants may be required to attend an interview; however the DIBP indicated that this is rarely necessary.²⁷ Once an assessment is completed, the DIBP will either grant a visa or reject the application.

2.30 At their appearance before a public hearing, the DIBP remarked that 95.5 per cent of applications are finalised within the service standard of nine months.²⁸

2.31 Table 2.1 provides some additional detail on the length of time the DIBP takes to process permanent skilled visas.

23 Department of Immigration and Border Protection, *Submission 14*, p. 23; Under the BSP, the secondary applicant at the provisional visa stage could swap to become the primary applicant at the permanent visa stage. This allowed flexibility between the applicants for the day-to-day management of the business interest in Australia and fulfilment of the visa criteria.

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

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

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

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

28 Department of Immigration and Border Protection, *Supplementary Submission 14.1*, p. 3; The DIBP's annual report for 2013-14 provides some more detail on the grant rate of the visa subclasses in the BIIP (see Table 2.1).

Table 2.1 Permanent Skilled visa processing performance against the service standards

Category	Onshore		Offshore	
	Low-risk ²⁹	High-risk ³⁰	Low-risk	High-risk
Business innovation and investment—business skills (subclass 132)				
Target for subclass 132	75% finalised in 11 months	75% finalised in 22 months	75% finalised in 9 months	75% finalised in 28 months
Result	100.0%	100.0%	100.0%	98.9%
Business innovation and investment—provisional (subclass 188)				
Target for subclass 188	75% finalised in 11 months	75% finalised in 22 months	75% finalised in 9 months	75% finalised in 28 months
Result	77.3%	100.0%	76.4%	100.0%
Business innovation and investment—permanent (subclass 888)				
Target for subclass 888	75% finalised in 11 months	75% finalised in 22 months	75% finalised in 9 months	75% finalised in 28 months
Result	N/A	100.0%	N/A	100.0%

Source Department of Immigration and Border Protection, *Annual Report 2013-14*, pp. 55-56.

Eligibility criteria

2.32 When making the application, there are a number of common eligibility criteria across the various visa subclasses under the BIIP. These include:

- health requirements
- character requirements
- applicant/s must not have any outstanding debts to the Australian Government at the time of application³¹
- applicant/s are required to sign the Australian Values Statement.³²

2.33 Health and character requirements apply to all of the applicant's dependent family members regardless of their migration status. Details on the health³³ and character³⁴ requirements are listed on the DIBP website.

29 The terms 'Low risk' and 'High risk' indicate whether passport holders are eligible to apply for an Electronic Travel Authority (ETA). Low risk applies to nationals from countries which issue ETA eligible passports.

30 See footnote above.

31 Department of Immigration and Border Protection, 'Business Innovation and Investment (Provisional) visa (subclass 188)', viewed on 7 October 2014, <<http://www.immi.gov.au/living-in-australia/values/statement/short/>>.

32 Department of Immigration and Border Protection, 'Australian Values Statement - Temporary', viewed on 7 October 2014, <<http://www.immi.gov.au/living-in-australia/values/statement/short/>>.

33 Department of Immigration and Border Protection, 'Health requirement', viewed on 7 October 2014, <<http://www.immi.gov.au/allforms/health-requirements/>>.

- 2.34 The following section provides a brief summary of the eligibility requirements of each visa subclass and their respective streams.

The Business Talent (Permanent) (subclass 132) visa

- 2.35 The Business Talent visa provides a direct path to permanent residence for migrants who desire to start or develop an existing business in Australia.³⁵
- 2.36 The Business Talent visa has two streams:
- Significant Business History stream
 - Venture Capital Entrepreneur stream.

Significant Business History stream

- 2.37 This stream is open to applicants who have a bona fide interest in doing business in Australia, can meet minimum thresholds for assets, have a proven business history and can show capacity and the ability to run a business successfully in Australia.
- 2.38 In addition to the general health and character requirements outlined above, to meet the requirements for this stream, the applicant, the applicant's partner or both combined must:
- Have a bona fide and realistic intention to own and manage a business in Australia
 - Have \$1.5 million in net business assets that are legally acquired and can be transferred to Australian within two years after the visa is granted
 - In two of the four years immediately before the application
 - ⇒ Have total net assets of at least \$400,000 as ownership interest in one or more qualifying businesses
 - ⇒ Have at least \$3 million in total annual turnover in one or more of the main businesses

34 Department of Immigration and Border Protection, 'Character and police certificate requirements', viewed on 7 October 2014, <<http://www.immi.gov.au/Visas/Pages/188.aspx>>.

35 Department of Immigration and Border Protection, 'Business Talent (Permanent) visa (subclass 132)', viewed on 7 October 2014, <<http://www.immi.gov.au/Visas/Pages/132.aspx>>.

⇒ Ownership of at least: 51 per cent of a business with less than \$400,000 turnover per year; 30 per cent of a business with more than \$400,000 turnover per year or 10 per cent of a publicly listed company.³⁶

2.39 Generally, the applicant must also be less than 55 years of age however this can be waived with State or Territory support.³⁷

Venture Capital Entrepreneur stream

2.40 This stream is open to applicants who have entered into a formal agreement with a member of the Australian Venture Capital Association Limited to secure at least \$1 million in funding³⁸ for a 'start-up phase, product commercialisation, business development or expansion of a high value business idea in Australia.'³⁹

2.41 In its submission, the DIBP stated that the objective of the venture capital stream is to bring 'foreign entrepreneurial expertise to Australia's national innovation system.'⁴⁰

2.42 The DIBP reported that as of 12 May 2014, only one applicant had applied for this visa under the BIIP.⁴¹

The Business Innovation and Investment (Provisional) (subclass 188) visa

2.43 This visa is the first stage towards permanent residence being granted under visa subclass 888.

2.44 There are three streams under this visa subclass

- Business Innovation stream
- Investor stream
- Significant Investor stream.

36 Department of Immigration and Border Protection, *Submission 14*, p. 8. and Department of Immigration and Border Protection, 'Business Talent (Permanent) visa (subclass 132)', viewed on 8 October 2014, < <http://www.immi.gov.au/Visas/Pages/132.aspx>>.

37 Department of Immigration and Border Protection, *Submission 14*, p. 8. and Department of Immigration and Border Protection, 'Business Talent (Permanent) visa (subclass 132)', viewed on 8 October 2014, < <http://www.immi.gov.au/Visas/Pages/132.aspx>>.

38 Department of Immigration and Border Protection, *Submission 14*, p. 8. and Department of Immigration and Border Protection, 'Business Talent (Permanent) visa (subclass 132)', viewed on 8 October 2014, < <http://www.immi.gov.au/Visas/Pages/132.aspx>>.

39 Department of Immigration and Border Protection, *Submission 14*, p. 11.

40 Department of Immigration and Border Protection, *Submission 14*, p. 11.

41 Department of Immigration and Border Protection, *Submission 14*, p. 11.

- 2.45 There are common thematic requirements across the three streams. To meet these requirements, the applicant must:
- Generally, be less than 55 years old
 - Have a proven, successful business history or investment record
 - Have no involvement with unacceptable business or investment activities
 - Have a bona fide and realistic commitment to reside, own and manage the business or investment in the State or Territory that nominated the applicant.⁴²

However there are different requirements for the applicant to meet under each stream.

Business Innovation stream

- 2.46 Applicants applying for the Business Innovation stream must meet the following eligibility requirements:⁴³

- Score at least 65 on the innovation points test [described below]
- For two of the four fiscal years immediately before application, have owned interest in an established business or businesses that had at least \$500,000 turnover in each of those years
- Owned at least one of the following percentage of the nominated main business
 - ⇒ 51 per cent, if the business has a turnover of less than \$400,000 per year
 - ⇒ 30 per cent, if the business has a turnover of \$400,000 or more per year
 - ⇒ 10 per cent, if the business is a publicly listed company.

If the nominated business provides professional, technical or trade services, the applicant must have spent no more than half the time providing those services as opposed to general management of the business.⁴⁴

42 Department of Immigration and Border Protection, 'Business Innovation and Investment (Provisional) visa (subclass 188)', viewed on 8 October 2014, <<http://www.immi.gov.au/Visas/Pages/188.aspx>>.

43 Department of Immigration and Border Protection, 'Business Innovation and Investment (Provisional) visa (subclass 188)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/188.aspx>>.

44 Department of Immigration and Border Protection, 'Business Innovation and Investment (Provisional) visa (subclass 188)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/188.aspx>>.

The applicant, applicant's partner or both combined must also have total net assets of \$800,000 that are available to be transferred to Australia within two years of the visa being granted.⁴⁵

Investor stream

2.47 This stream is open to applicants who have a proven investment record and have a bona fide commitment and capacity to make an investment in Australia.

2.48 To meet the requirements of this stream, the applicant must:

- Show at least three years of direct management experience
- Have a bona fide commitment to continue the business and investment activity in Australia after the original investment has matured
- Have a bona fide intention to live in the State or Territory of the investment for at least two years
- Score at least 65 on the innovations points test.⁴⁶

2.49 The applicant, the applicant's partner or both combined must:

- For at least one of the five fiscal years preceding the application, have directly managed
 - ⇒ An interest of at least 10 per cent in a business owned by either or both parties; or
 - ⇒ At least \$1.5million investment owned by either or both parties; and
- Have at least \$2.25 million in net business, investment and personal assets that are available for transfer to Australia within two years of the visa being granted
- Make a designated investment of \$1.5 million to be held for at least four years in the nominating State or Territory.⁴⁷

Significant Investor stream

2.50 The Significant Investor stream has a higher threshold for investment than the Investor stream. The trade-off is a lower and more flexible requirement to live in Australia during the period of the provisional visa. The innovations points test does not apply to this stream.

45 Department of Immigration and Border Protection, 'Business Innovation and Investment (Provisional) visa (subclass 188)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/188.aspx>>.

46 Department of Immigration and Border Protection, *Submission 14*, p. 9.

47 Department of Immigration and Border Protection, 'Business Innovation and Investment (Provisional) visa (subclass 188)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/188.aspx>>.

- 2.51 To meet the requirements of the stream, the applicant, the applicant's partner or both combined must have net assets of \$5 million for the applicant to invest and hold continuously for at least four years in:
- Commonwealth, State or Territory government bonds
 - Eligible managed funds; or
 - Direct investment into private Australian proprietary companies that operate a business and in which the applicant has ownership interest.⁴⁸
- 2.52 The applicant must also have a bona fide and realistic commitment to:
- Continue the investment in Australia after it has matured
 - Reside in the nominating State or Territory
 - Live in Australia for at least 160 days over the provisional visa's four year period.⁴⁹
- 2.53 The applicant and all members of the applicant's family over the age of 18 must also indemnify the Commonwealth against any action arising from loss from the complying investment.

The Business Innovation and Investment (Permanent)(subclass 888) visa

- 2.54 This visa is open to applicants who have fulfilled the requirements of the provisional subclass 188 visa and seek to progress to this permanent residence visa.⁵⁰
- 2.55 The applicant's evidence in respect of health and character requirements, State or Territory nomination and their bona fide commitment to maintain business or investment in Australia remain relevant considerations in the assessment for this visa subclass.⁵¹
- 2.56 The applicant is not required to submit a new expression of interest and does not have to be invited to apply.⁵²

48 Department of Immigration and Border Protection, *Submission 14*, p. 15.

49 Department of Immigration and Border Protection, 'Business Innovation and Investment (Provisional) visa (subclass 188)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/188.aspx>>.

50 Department of Immigration and Border Protection, 'Business Innovation and Investment (Permanent) visa (subclass 888)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/888.aspx>>.

51 Department of Immigration and Border Protection, 'Business Innovation and Investment (Permanent) visa (subclass 888)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/888.aspx>>.

52 Department of Immigration and Border Protection, 'Business Innovation and Investment (Permanent) visa (subclass 888)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/888.aspx>>.

- 2.57 On grant of this visa, the applicant can stay in Australia indefinitely, continue to manage business and investments in Australia, work, study, enrol in Medicare, sponsor relatives for permanent residence, apply for Australian citizenship if eligible and travel to and from Australia for five years from the date the visa is granted.⁵³

Business Innovation stream

- 2.58 To meet the requirements of the Business Innovation stream, the applicant must:
- Have obtained an Australian Business Number for the nominated businesses
 - For the two years immediately before the application
 - ⇒ Have had and continue to have ownership interest and a direct and continuous management role in an operating main business
 - ⇒ Have submitted Business Activity Statements to the Australian Tax Office.
 - For the year immediately before the application
 - ⇒ Have had an annual turnover of at least \$300,000 from the nominated business
 - ⇒ Have owned at least one of the following percentages of the main business
 - 51 per cent, if the business has a turnover of less than \$400,000 per year
 - 30 per cent, if the business has a turnover of \$400,000 or more per year
 - 10 per cent, if the business is a publicly listed company.⁵⁴
- 2.59 The applicant, the applicant's partner or both combined must also show that in the year immediately preceding the application that they achieved at least two of the following requirements:
- Earned a net value of business assets of \$200,000 in the nominated businesses
 - Have a net value of personal and business assets of at least \$600,000 in Australia

53 Department of Immigration and Border Protection, 'Business Innovation and Investment (Permanent) visa (subclass 888)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/888.aspx>>.

54 Department of Immigration and Border Protection, 'Business Innovation and Investment (Permanent) visa (subclass 888)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/888.aspx>>.

- Employed at least the equivalent of two full-time employees in the nominated businesses who are not family members and are Australian citizens, permanent residents or holders of valid New Zealand passports.⁵⁵

Investor stream

- 2.60 To meet the requirements of this visa, the applicant must satisfy the residence and investment requirements, being:
- The applicant must have been in Australia and held the provisional visa for at least two of the four years immediately before the application
 - The applicant, the applicant's partner or both combined must have held the complying investment with the nominating Australian State or Territory for at least four years.⁵⁶

Significant Investor stream

- 2.61 To meet the requirements of this stream, the applicant must have stayed in Australia for:
- 160 days in the past four years as a holder of the Significant Investor stream visa
 - 240 days in the past six years as a holder of the Significant Investor extension stream visa
 - 320 days in the past eight years as a holder of the Significant Investor extension stream visa.⁵⁷
- 2.62 The applicant, the applicant's partner or both combined must also show that they have:
- Held the complying investments continuously for at least four years of the provisional visa
 - Managed a business under the private Australian company in which the applicant has made the investment, if applicable.⁵⁸

55 Department of Immigration and Border Protection, 'Business Innovation and Investment (Permanent) visa (subclass 888)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/888.aspx>>.

56 Department of Immigration and Border Protection, 'Business Innovation and Investment (Permanent) visa (subclass 888)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/888.aspx>>.

57 Department of Immigration and Border Protection, 'Business Innovation and Investment (Permanent) visa (subclass 888)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/888.aspx>>.

58 Department of Immigration and Border Protection, 'Business Innovation and Investment (Permanent) visa (subclass 888)', viewed on 1 October 2014, <<http://www.immi.gov.au/Visas/Pages/888.aspx>>.

Innovation Points Test

- 2.63 The IPT was introduced in July 2012 as part of the reforms which established the BIIP.⁵⁹ It is a key component of the provisional subclass 188 visa and its streams. The requirements of the IPT are set out in Schedule 7A of the *Migration Regulations 1994*.
- 2.64 The DIBP stated that the points test was adopted as a mechanism to potentially increase the quality of the business applicants entering the BIIP.⁶⁰ They added:
- A combination of the points test and objective measures of business performance, should be an effective method for selecting a better standard of business migrant.⁶¹
- 2.65 On its website, the DIBP stated that the IPT also includes:
- ...objective measures of business performance. It aims to select innovative entrepreneurs who will transfer their skills to Australia and diversify our existing pool of business expertise.⁶²
- 2.66 The IPT is a standardised assessment of the applicant's personal attributes and business history. Points are awarded on the basis of various factors on a sliding scale including: age, English language ability, qualifications, experience in business or investment, net personal business assets, business turnover, and innovation. Higher points are accrued where the applicant falls under more desirable brackets under each of the factors.⁶³
- 2.67 Table 2.2 lists the elements of the IPT and the number of points awarded for each criteria.

59 Department of Immigration and Border Protection, 'Innovation points test for the Business Innovation and Investment Program', viewed on 28 October 2014, <http://www.immi.gov.au/skilled/business/_pdf/innovation-points-test.pdf>.

60 Department of Immigration and Border Protection, *Submission 14*, p. 11.

61 Department of Immigration and Border Protection, *Submission 14*, p. 11.

62 Department of Immigration and Border Protection, 'Innovation points test for the Business Innovation and Investment Program', viewed on 28 October 2014, <http://www.immi.gov.au/skilled/business/_pdf/innovation-points-test.pdf>.

63 Department of Immigration and Border Protection, 'Innovation points test for the Business Innovation and Investment Program', viewed on 28 October 2014, <http://www.immi.gov.au/skilled/business/_pdf/innovation-points-test.pdf>.

Table 2.2 Innovation Points Test

Factor	Description	Points
Age	18 – 24 years	20
	25 – 32 years	30
	33 – 39 years	25
	40 – 44 years	20
	45 – 54 years	15
	55 and older	0
English Language	Vocational English: IELTS 5 on each of the four components of speaking, reading, listening and writing	5
	Proficient English: IELTS 7 or OET score B on each of the four components of speaking, reading, listening and writing	10
Qualifications	Australia trade certificate, Diploma or Bachelor degree or a bachelor degree by an Australian education institute; or A bachelor qualification recognised by an education institution of a recognised standard	5
	Bachelor degree in business, science or technology by an Australian institution; or a bachelor qualification by an education institution of a recognised standard	10
Special endorsement	The nominating State or Territory government agency could decide that your proposed business is of unique and important benefit to the State or Territory where the nominating government agency is located	10
Financial assets	Net business and personal assets of you, your partner or you and your partner combined in each of the preceding two years of at least:	
	\$800,000	5
	\$1.3 million	15
	\$1.8 million	25
	\$2.25 million	35
Business turnover	Annual turnover in your main business during a period of at least two years of the preceding four fiscal years of at least:	
	\$500,000	5
	\$1 million	15
	\$1.5 million	25
	\$2 million	35
Business Innovation stream only	You have held one or more businesses before you were invited to apply for the visa for:	
Business experience	Not less than four years within the preceding five years	10
	Not less than seven years within the preceding eight years	15

Investor stream only	Eligible investment of at least \$100,000 held for:	
Investment experience	At least four years before the time of invitation to apply for the visa	10
	At least seven years before the time of invitation to apply for the visa	15
Business innovation qualifications	Evidence of registered patents or registered designs	15
	Evidence of trademarks	10
	Evidence of joint venture agreements	5
At the time of invitation to apply for the visa:	Evidence of export trade	15
	Evidence of ownership interest in a gazelle business	10
	Evidence of receipt of grants or venture capital funding	10
State or Territory nomination	Special endorsement (limited places)	10

Source Department of Immigration and Border Protection, 'Business Innovation and Investment (Provisional) visa (subclass 188) – Points test', viewed on 23 October 2014, <<http://www.immi.gov.au/Visas/Pages/188.aspx?tab=3>>.

2.68 An examination of the IPT and the views provided by submitters on its effectiveness as a measure of business acumen are considered in chapter 5.

Application rates for the Business Innovation and Investment Programme

2.69 The DIBP provided statistics on three visas under the current BIIP, noting that there was limited data for subclass 888 as not enough time had elapsed since the reforms for 188 migrants to progress to the permanent visa.⁶⁴ These statistics are included in Table 2.3.

Table 2.3 Business Innovation and Investment Programme Delivery

Subclass	Streams	2012-2013		2013-2014 (to 31 March 2014)	
		Lodged	Granted	Lodged	Granted
132 Business Talent (Direct Entry)	Significant Business History	97	15	144	57
	Venture Capital Entrepreneur	0	0	1	0
188 BII (Provisional)	Business Innovation	429	46	739	342
	Investor	54	2	73	16
	Significant Investor	306	4	466	170
888 BII (Permanent)	Business Innovation	5	0	11	12

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

64 Department of Immigration and Border Protection, *Submission 14.1*, p. 5

- 2.70 The DIBP's 2013-14 Annual Report stated that a total of '6,150 places were granted in the BII programme in the 2013-14 reporting period.'⁶⁵
- 2.71 The DIBP's 2013-14 Migration Programme Report (MPR), however, stated that 6,160 places were granted in the 2013-14 reporting period.⁶⁶
- 2.72 The MPR also states that while the demand for places in the BIIP increased over the 2013-14 reporting period, the number of clients within the BIIP has decreased:
- Demand for places in this category increased by over 125 per cent in 2013-14, with over 7,380 applications made. Just over 7,180 clients remain in the pipeline, a decrease of 12.6 per cent (or just over 1,030 applications) over the 2013-14 programme year.⁶⁷
- 2.73 Of those 6,160 places, 3,628 were targeted at state-specific and regional migration.⁶⁸
- 2.74 A number of States and Territories also provided some evidence on the application rates in each of their jurisdictions.
- 2.75 According to the Government of South Australia, Victoria sponsored about 70 per cent of the national BIIP grants in 2013-14.⁶⁹
- 2.76 Evidence from the Victorian Department of State Development, Business and Innovation (DSDBI) showed that 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.⁷⁰ The number of applicants sponsored by the Victorian Government and their visa status is listed in Table 2.4.

65 Department of Immigration and Border Protection, *Annual Report 2013-14*, p. 54.

66 Department of Immigration and Border Protection, *2013-14 Migration Programme Report*, p. 15.

67 Department of Immigration and Border Protection, *2013-14 Migration Programme Report*, p. 10.

68 Department of Immigration and Border Protection, *2013-14 Migration Programme Report*, p. 15.

69 Government of South Australia, *Submission 16*, p. 2.

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

Table 2.4 Number of applicants sponsored by the Victorian Government and visa status

	Victorian Government's Nomination's Approved	DIBP Visa Decision			
		<i>Granted</i>	<i>Rejected</i>	<i>Withdrawn</i>	<i>Pending</i>
132 – Business Talent	118	25		11	82
188A – Business Innovation	1,587	430	45	42	1,070
188B – Investor	112	12	2	4	94
888A – Business Innovation	5	1			4
Grand Total	1,822	468	47	57	1,250

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

2.77 While not as detailed as the statistics provided by the DSDBI, New South Wales (NSW) Trade and Investment provided some information on its BIIP application rates, stating that:

- Since 1 July 2012, 104 applicants have been nominated under BIIP, excluding the Significant Investor Visa
- From 2010-2014, 433 migrants on the provisional business visa applied to NSW for nomination for permanent visas.⁷¹

2.78 The Northern Territory (NT) reported that there have been no applications seeking its nomination under the current programme.⁷² Tasmania and the Australian Capital Territory (ACT) commented that their intakes from the BIIP were 'very small'⁷³ and 'not significant in comparison to other jurisdictions'.⁷⁴

2.79 In its submission, the DIBP noted that the number of applications lodged for the BIIP visas had dropped slightly.⁷⁵ Submitters' views on the possible cause for the decline in the application rate for the BIIP is examined in chapter 4.

71 New South Wales Trade and Investment, Submission 22, p. 1.

72 Northern Territory Department of Business, Submission 18, p. 5.

73 Tasmanian Department of Economic Development, Tourism and the Arts, Submission 9, p. 1.

74 Australian Capital Territory's Economic Development Directorate, Submission 7, p. 1.

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

Source of applicants

- 2.80 Evidence appears to suggest that China is the dominant source country for applicants of the BIIP. The Government of South Australia reported that nationally, 74.5 per cent of all business migrants who successfully acquired the permanent visa during the six months to December 2013 were from China.⁷⁶
- 2.81 Similar figures are reflected in statistics provided by the Government of Victoria. Chinese applicants dominated across the Business Talent visa and both stages of the Business Innovation and Investment visa. The DSDBI reported that:
- From 1 July 2012 and 31 July 2014, 97 per cent of 132 visa stream nominees were from China. In relation to the 188A and 188B visas, the top five source countries were as follows:
- China: 79 per cent
 - Iran, Islamic Republic of: 8 per cent
 - Vietnam: 2 per cent
 - Pakistan: 2 per cent
 - Malaysia: 2 per cent.⁷⁷
- 2.82 The DIBP stated that a 'large proportion of the caseload for the programme currently comes from countries such as China and Iran'.⁷⁸
- 2.83 Commenting on the Significant Investor Visa at a public hearing, the DIBP remarked that 92 per cent of applicants were from China, with small numbers from the United States, South Africa, Malaysia, and the United Kingdom.⁷⁹
- 2.84 China is a major source country for the entire migration programme. The DIBP 2013-14 Migration Programme Report states that the three largest source countries are India, China and the United Kingdom:
- India was Australia's largest source country of migrants with an outcome of 39,026 places or 23.1 per cent of the total 2013-14 Migration Programme. The second and third largest source countries were China with 26,776 places and the United Kingdom with 23,220 places.

76 Government of South Australia, *Submission 16*, p. 4.

77 The Victorian Department of State Development, Business and Innovation, *Submission 23*, p. 9.

78 The Department of Immigration and Border Protection, *Submission 14*, p. 21.

79 Mr Wilden, Department of Immigration and Border Protection, *Transcript*, 14 May 2014, p. 8.

The outcome for India decreased by 2.6 per cent from 40,051 places in 2012–13 to 39,026 places in 2013–14. The outcome for China fell by 2.0 per cent from 27,334 to 26,776 places, and the outcome for the United Kingdom increased by 7.0 per cent from 21,711 to 23,220 places.⁸⁰

Business and investment proposals by applicants

- 2.85 The DIBP was not able to provide any statistics on the favoured businesses or investments of migrants under the BIIP, noting that ‘departmental systems record limited information on the nature of enterprises that business migrants buy into or establish in Australia.’⁸¹
- 2.86 However, the Victorian DSDBI was able to provide a breakdown of proposed businesses under the BIIP for its State (see Table 2.5). Between 1 July 2012 and 31 July 2014 a total of 1,587 Business Innovation and Investment visa applicants nominated to establish businesses in Victoria. A majority of those businesses nominated by those applicants were in retail (51%), followed by the service industry (15%) and the trade export industry (10%).⁸²
- 2.87 During the same period, a total of 118 Business Talent visa applicants nominated to establish businesses within the manufacturing industry (20%), primary industry (11%) and hospitality (8%) being the most popular amongst applicants.⁸³

80 Department of Immigration and Border Protection, *2013-14 Migration Programme Report*, p. 3.

81 The Department of Immigration and Border Protection, *Supplementary Submission 14.1*, p. 5.

82 The Victorian Department of State Development, Business and Innovation, *Submission 23*, p. 8.

83 The Victorian Department of State Development, Business and Innovation, *Submission 23*, p. 8.

Table 2.5 Victoria – proposed businesses for nominees from 1 July 2012 - 31 July 2014

	<i>Proposed Business Type</i>	<i>Number</i>	<i>%</i>	
188A – Business Innovation	Other Services	1	0%	
	Accommodation and Food Services	1	0%	
	Unknown	3	0%	
	Primary Industry	14	1%	
	Trade	17	1%	
	Manufacturing	58	4%	
	Trade Import	67	4%	
	Wholesale Trade	108	7%	
	Hospitality	115	7%	
	Trade Export	161	10%	
	Service	232	15%	
	Retail Trade	810	51%	
		<i>Subtotal 188A – Business Innovation</i>	<i>1587</i>	
188B - Investor	<i>Not applicable</i>	112		
132 – Business Talent	Investment (non-passive)	1	1%	
	Trade Import	1	1%	
	Other Services	3	3%	
	Retail Trade	3	3%	
	Wholesale Trade	7	6%	
	Hospitality	9	8%	
	Trade Export	13	11%	
	Primary Industry	14	12%	
	Manufacturing	24	20%	
	Service	43	36%	
		<i>Subtotal 132 – Business Talent</i>	<i>118</i>	
	Grand Total		1817	

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

2.88 NSW, Queensland and the NT provided general comments on sectors that they favoured. NSW Trade and Investment remarked that it has Industry Action Plans for:

The digital economy, professional services, international education and research, ...the creative industries and manufacturing, and is developing one for agriculture.⁸⁴

84 New South Wales Trade and Investment, *Submission 22, p. 4.*

- 2.89 Trade and Investment Queensland reported that it encouraged businesses within agriculture, tourism, infrastructure, construction, resources and education sector for nominations to visa subclass 188.⁸⁵
- 2.90 The NT Government gives favourable consideration to business or investment activities that will benefit its three-hub economy which is focussed on:
- Mining and energy
 - Tourism and international education
 - Primary industries and fisheries/food exports.⁸⁶
- 2.91 Since the commencement of the BIIP, the Federal, State and Territory ministers responsible for trade and investment have agreed to five national investment promotion priorities in the following sectors:
- Food and agribusiness
 - Resources and energy
 - Major Infrastructure
 - Tourism
 - Advanced manufacturing, services and technologies.⁸⁷

Dispersal of business innovation and investment migrants

- 2.92 The DIBP could not provide statistics on the dispersal of BIIP migrants.⁸⁸ However, the Victorian DSDBI was able to provide detailed data on the intended location of businesses to be established under BIIP, whether it be in metropolitan areas or regional areas in the State. Between 1 July 2012 and 31 July 2014 a total of 1,817 applicants indicated that they would establish businesses in Victoria with 1,758 of those businesses located in metropolitan areas and 56 in regional areas.⁸⁹
- 2.93 Table 2.6 provides further information on the intended business location of BIIP nominees.

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

86 Northern Territory Government, 'Northern Territory nomination Business Innovation & Investment visa guidelines', viewed on 20 October 2014, <<http://www.australiasnorthernterritory.com.au/Working/bsm/business/Pages/innovation-investment.aspx>>.

87 Australian Trade Commission, *Submission 11*, p. 1.

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

89 The Victorian Department of State Development, Business and Innovation, *Submission 23*, p. 7.

Table 2.6 Intended business location of BIIP nominees

	<i>Metro</i>	<i>Regional</i>	<i>% Regional</i>	<i>Unknown</i>	<i>Total</i>
132 – Business Talent	110	8	7%	0	118
188A – Business Innovation	1537	47	3%	3	1587
188B – Investor	111	1	1%	0	112
Grand Total	1758	56	47	3	1817

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

Size of the migration programme

2.94 The total national migration programme is set at 190,000 places for 2014-2015 and consists of two major streams (Skill and Family) and one smaller stream (Special Eligibility).⁹⁰

2.95 The purpose of each stream is as follows:

- The Skill stream attempts to manage the economic and the labour market needs
- The Family stream aims at reuniting Australians with their immediate family members overseas
- The Special Eligibility stream allows previous permanent residents who have maintained close ties with Australia to return permanently.⁹¹

2.96 Out of the total number of places available:

- the Skill stream accounted for 67.7 per cent, delivering 128,550 places
- the Family stream accounted for 32 per cent, delivering 60,885 places
- the Special Eligibility stream accounted for 0.3 per cent, delivering 565 places.⁹²

2.97 The Skilled stream, of which the BIIP is a part, 'allows for the entry of skilled workers who are sponsored by employers in Australia as well as skilled workers who qualify independently based on their skills and other attributes.'⁹³

90 Department of Immigration and Border Protection, *Setting the Migration Programme for 2015-16 – Discussion paper*, p. 5.

91 Department of Immigration and Border Protection, *Setting the Migration Programme for 2015-16 – Discussion paper*, p. 5.

92 Department of Immigration and Border Protection, *Setting the Migration Programme for 2015-16 – Discussion paper*, p. 5.

93 Department of Immigration and Border Protection, *Setting the Migration Programme for 2015-16 – Discussion paper*, p. 5.

2.98 The DIBP, in its discussion paper for the 2015-16 migration programme, states that the Skill stream is designed to help address the medium and long term labour market as well as the States and Territories economic needs:

This stream helps to address medium term labour market needs through employer sponsored migration, where migrants come to specific jobs. The long term labour market needs are addressed through points tested skilled migration that selects migrants based on their highly skilled attributes to ensure labour market success on their arrival in Australia. State/territory and regional nominated migration, which is also a points tested skilled migration, helps the states and territories respond to varying regional and economic needs through supplementing the labour force in key industries and regions.⁹⁴

2.99 The Skill stream is comprised of five categories: Employer Sponsored (including regional sponsored), Skilled-Independent, State/Territory and Regional Nominated, Business Innovation and Investment Programme, and Distinguished Talent. The Employer Sponsored and Skilled-Independent categories are the two largest components delivering 47,250 places and 44,990 places respectively.⁹⁵

Size of the Business Innovation and Investment Programme

2.100 By comparison, the BIIP is a niche category in the Skill stream and even more so within the national migration programme. As noted above, in the 2013-14 reporting period, 6,160 BIIP places were granted.⁹⁶ The planning levels for 2013-14 and 2014-15 set by the DIBP are 7,260.⁹⁷

2.101 This constitutes 5.6 per cent of the Skill stream and 3.8 per cent of the overall migration programme.⁹⁸

2.102 In its submission, the DIBP commented that there was a 'minor downward revision in the Skill stream...to ease pressure on the domestic labour.'⁹⁹

94 Department of Immigration and Border Protection, *Setting the Migration Programme for 2015-16 – Discussion paper*, p. 6.

95 Department of Immigration and Border Protection, *Setting the Migration Programme for 2015-16 – Discussion paper*, p. 5.

96 See paragraph 2.69.

97 Department of Immigration and Border Protection, *Setting the Migration Programme for 2015-16 – Discussion paper*, p. 5.

98 Department of Immigration and Border Protection, *Setting the Migration Programme for 2015-16 – Discussion paper*, p. 5.

99 Department of Immigration and Border Protection, *Submission 14*, p. 17.

The DIBP reported that 700 places were shifted from the Skills stream to the Family stream as:

...a natural consequence of some years of high levels of skilled migration and increasing global mobility among Australians and the international community.¹⁰⁰

- 2.103 Of those 700 places, 140 places were taken from the BIIP program. The DIBP explained that this reduction allowed the programme to 'refocus and target the highest quality migrants' and was in response to 'slightly lower demand for the programme following the reforms in 2012.'¹⁰¹
- 2.104 The majority of States and Territories called for a greater emphasis on the BIIP in the overall migration programme.
- 2.105 The BMC recommended increasing the BIIP's planning level to 10 per cent of Australia's migration programme.¹⁰²
- 2.106 The ACT Economic Development Directorate (EDD) recommended removing the upper limit on the planning level altogether.¹⁰³
- 2.107 The Northern Territory Department of Business submitted that the BIIP had the potential to generate more economic growth per applicant than other elements of the Skilled stream and agreed with the view that the BIIP should not be capped. They added, however, that 'there is a much more limited pool of quality business persons and investors who would qualify for the BIIP.'¹⁰⁴
- 2.108 The Tasmanian Department of Economic Development, Tourism and the Arts remarked that they would like to see the planning levels of the BIIP expanded.¹⁰⁵
- 2.109 NSW Trade and Investment supported the call to increase numbers in the BIIP noting that 'applicants have a significant impact on the economy and the businesses in which they invest.'¹⁰⁶

100 Department of Immigration and Border Protection, *Submission 14*, p. 17.

101 Department of Immigration and Border Protection, *Submission 14*, p. 17.

102 Western Australian Business Migration Centre, *Submission 3*, p. 6.

103 Australian Capital Territory Economic Development Directorate, *Submission 7*, p. 4.

104 Northern Territory Department of Business, *Submission 18*, p. 8.

105 Tasmanian Department of Economic Development, Tourism and the Arts, *Submission 9*, p. 3.

106 NSW Trade and Investment, *Submission 22*, p. 7.

- 2.110 Trade and Investment Queensland indicated that they ‘would prefer to see a reduction in places from the Independent Skill stream as the independent migration scheme allows a migrant to enter the country without necessarily using the skills and experiences on which they were originally nominated.’¹⁰⁷
- 2.111 The Government of South Australia commented that the BIIP will have a lesser economic impact due to its size in comparison with the general Skilled Migration stream.¹⁰⁸ They considered that the emphasis placed on the BIIP was about right. They added:
- Rather than addressing the size of the program, the focus of policy changes should be on making the program more effective through encouraging younger business migrants with a greater focus on local investment and employment generation.¹⁰⁹
- 2.112 The view of other submitters to this inquiry ranged from some suggesting that the BIIP be expanded and others suggesting that the programme remain unchanged, as follows.
- 2.113 The Law Council of Australia said that they would support any Government measures to ‘broaden the BIIP and revise the eligibility requirements to ensure a greater level of uptake by applicants.’¹¹⁰
- 2.114 The Migration Institute of Australia recommended that the BIIP be made a larger component of the Skilled Migration Stream.¹¹¹
- 2.115 Mr Findley, a registered migration agent, suggested making only minor changes to the Business Skills visa program and other skilled worker programmes, stating:
- We urge that the only changes to the Business Skills visa program or other skilled worker programmes, are to make the process simpler, and to improve the visa application processing times, to cut the waiting period from 18 months to 2 months.¹¹²
- 2.116 The United Dairy farmers of Victoria argued that the BIIP should remain unchanged and urged the government to continue the BIIP in its current form.¹¹³

107 Trade and Investment Queensland, *Submission 12*, p. 3.

108 Government of South Australia, *Submission 16*, p. 7.

109 Government of South Australia, *Submission 16*, p. 7.

110 Law Council of Australia, *Submission 8*, p. 3.

111 Migration Institute of Australia, *Submission 15*, p. 12.

112 Mr Findley, *Supplementary Submission 6.1*, p. 8.

113 United Dairy farmers of Victoria, *Submission 20*, p. 7.

Committee Comment

- 2.117 The Committee notes that the objective of the BIIP is to target high-quality business migrants to contribute to Australia's economic growth by filling gaps in the national innovation system and agreed investment promotion priorities.
- 2.118 The Committee also notes the five national investment promotion priorities in the areas of food and agribusiness; resources and energy; major infrastructure; tourism; and advanced manufacturing, services and technologies.
- 2.119 Based on the limited evidence received for this inquiry, it appears as though the majority of applicants establish or invest in businesses that are in either the retail, service or manufacturing industries.
- 2.120 In addition, the vast majority of businesses or investments made as part of the BIIP are in metropolitan areas.
- 2.121 The Committee acknowledges that the States and Territories receive an economic benefit from the modest number of BIIP visa holders residing in their jurisdictions.
- 2.122 However, based on the evidence, it is difficult to conclude that the programme meets any of the following key objectives:
- increase the export of Australian goods and services
 - increase the production of goods and services in Australia
 - introduce new or improved technology
 - develop links with international markets
 - increase the dispersal of business migrants across Australia through State and Territory government nomination.
- 2.123 The Committee questions whether the BIIP is effective in attracting high-quality business migrants to fill Australia's innovation requirements.
- 2.124 The Committee also notes the announcement by the Government on 14 October 2014 that it will expand the significant investor visa programme.¹¹⁴
- 2.125 The announcement stated that changes to the programme, which would take effect during 2014-15 will include:
- streamlining and speeding up visa processing, further promoting the programme globally and strengthening integrity
-

114 The Hon. Tony Abbott MP, Prime Minister, The Hon. Andrew Robb AO MP, Minister for Trade and Investment, The Hon. Scott Morrison MP, Minister for Immigration and Border Protection, 'Enhancing Significant Investor Visa programme', Joint Media Release, 14 October 2014, p. 1.

measures, to increase the attractiveness of investing and settling in Australia while ensuring Australia's interests are protected

- aligning the criteria for eligible investments with the Government's national investment priorities. The investment eligibility criteria will be determined by Austrade in consultation with key economic and industry portfolios
- introducing a Premium Investor Visa (PIV), offering a more expeditious, 12 month pathway to permanent residency than the SIV, for those meeting a \$15 million threshold
- tasking Austrade to become a nominating entity for the SIV [Significant Investor Visa] (complementing the current State and Territory governments' role as nominators) and to be the sole nominating entity for the PIV.¹¹⁵

2.126 In addition, the Committee notes that the DIBP is conducting a survey on the 2015-16 migration programme as well as undertaking a review of the skilled migration and temporary activity visa programmes.¹¹⁶

2.127 The Committee is of the view that it would be worthwhile for the DIBP to examine how best to achieve the objectives of the BIIP as part of the 2015-16 migration programme survey and, in particular, in its reviews of the skilled migration and temporary activity visa programmes.

115 The Hon. Tony Abbott MP, Prime Minister, The Hon. Andrew Robb AO MP, Minister for Trade and Investment, The Hon. Scott Morrison MP, Minister for Immigration and Border Protection, 'Enhancing Significant Investor Visa programme', Joint Media Release, 14 October 2014, p. 1.

116 Department of Immigration and Border Protection, 'Discussion papers', viewed on 22 October 2014, <<http://www.immi.gov.au/pub-res/Pages/discussion-papers/overview.aspx>>.