



Australian Government

Australian Government response to the
Joint Standing Committee on Migration report:
Business Innovation and Investment Programme

March 2017

Background

The Business Innovation and Investment Programme (the Programme) was introduced on 1 July 2012 and included in the *SkillSelect* expression of interest (EOI) database to facilitate the matching of prospective migrants with state or territory government nomination. The Programme aims to attract skilled and experienced business owners, senior executives and investors to Australia with the assets and desire to migrate to Australia on the basis of entering into business or investment activity.

On 18 March 2014, the then Minister for Immigration and Border Protection, the Hon Scott Morrison MP, asked the Joint Standing Committee on Migration (the Committee) to inquire into and report on the Programme, excluding the Significant Investor Visa stream.

In March 2015, the Committee handed down its report. The report included one recommendation for the Government to consider.

Committee's recommendation

The Committee recommended that the Department of Immigration and Border Protection examine the Programme as part of the 2015-16 Migration Programme Survey (the Survey) and in its Skilled Migration and Temporary Activity (SMTA) visa review. The Committee asked that the Department examine the:

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

Australian Government response

The Government appreciates the time taken by the Committee in undertaking its inquiry into the Programme.

In principle, the Government supports the Committee's recommendation to review the Programme. However, rather than the Committee's recommendation to review the programme as a part of the Survey and the SMTA visa review, the Government will undertake a separate review of the Programme. This approach will allow for a more targeted and comprehensive analysis of the Programme.

A review separate from the Survey or SMTA visa review is preferred for the following reasons:

- The Survey conducted by the Department annually is intended to draw out the Australian public's views on the optimal size and composition of the permanent migration programme.
- The Survey does not solicit views about the policies of individual visa categories. The instances where the Programme is mentioned in the Survey relate to questions about which components of the migration programme should be increased or decreased as part of determining the size of the total programme. As such, it is not an appropriate avenue to test the suitability and attainability of the objectives of a given visa programme.
- A separate review of the Programme is better placed to identify and implement changes required to support the Australian economy.

Review of the Programme

The Committee asked that the Government examine specific aspects of the Programme in the recommended review.

1. Suitability and attainability of the objectives set for the Programme

The review will clarify the objectives of the Programme, and the visa settings which underpin it. Any resulting recommendations will be put to the Government for consideration.

2. Role the state and territory governments play in administering the Programme

The Government will review the role of the state and territory governments in sponsoring business migrants and ensuring that the skills and economic value of business migrants is optimal.

The review will examine whether the current system adequately balances the risks and benefits of the programme and the division of responsibilities between the States and Territories and the Commonwealth.

3. Data collection

The Government recognises that more targeted data should be obtained from State and Territory Governments in order to properly evaluate and report on the suitability of the programme.

While this will be subject of further discussions with the State and Territory Governments, the review will develop a forward working plan for monitoring and evaluating the programme.

4. Promotion and marketing of the Programme

The Government agrees that the Programme requires promotion and marketing to ensure it targets innovative and successful business people to migrate to Australia. The Government continues to promote the Programme and adapt its promotional activities to ensure Australia remains internationally competitive as a destination for innovative talent and investment.

5. Application processing and service standards

The Government notes the Committee's recommendation to examine options for improving application processing times and service standards. As noted by the Committee, it is difficult to attribute the cause of delays in processing to any

one issue, including whether these delays are due to under-resourcing in the Department or failure on the part of the visa applicant.

Processing times and service standards are regularly reviewed and informed by feedback from the Department's processing network, applicants and external stakeholders.

6. Role swapping

The Government agrees with the Committee's observation that a decline in applicant rates may be attributed to the removal of the ability for "role swapping" among primary and secondary applicants for the permanent visa.

On 1 July 2015, role swapping was reintroduced for the Programme (excluding SIV and PIV), to allow the primary applicant for the provisional visa to be the secondary applicant for the permanent visa and the secondary applicant for the provisional visa to be the primary applicant for the permanent visa. This enables visa holders with established businesses in their home country to maintain their business offshore and have their spouse or de facto partner run their Australian business, thereby increasing the flexibility of the Programme.

7. English language requirements

A minimum English language threshold is one of the factors that will be considered as part of the review. The age threshold for applicants will also be considered.

8. Innovation points test

The innovation and investment points test will be reviewed.

9. Attracting investment in regional Australia, graduates, early-stage entrepreneurs, and venture capitalists

The Programme settings recognise that business owners and investors may be the best judge of where to invest, including in regional Australia.

While visa settings facilitate the entry of talented or skilled migrants to Australia, other factors will also contribute to a potential migrant's decision to choose Australia. In this context, the Department will work closely with other government agencies to ensure the Programme visa settings are appropriately supportive of broader policy directions.