

Visa rules excluding entrepreneurs

Claims migration points test not geared for business

A skilled worker visa program designed to increase entrepreneurial talent and diversify business expertise in Australia has been criticised for setting its eligibility requirements too high.

Parliament's Migration Committee is inquiring into the Business Innovation and Investment Programme (BIIP), which has been running since 2012.

The program has several objectives, including to generate employment, increase Australian exports, encourage innovation and competition, and develop links with international markets.

The committee is investigating whether the program is meeting its objectives and if the eligibility criteria, which include a points test, are effective in selecting suitable migrants.

In its submission to the inquiry, the Law Council of Australia said feedback it has received from applicants suggests the eligibility criteria are excluding applicants who would otherwise be suitable business people or investors.

For example, an applicant may meet all the criteria except for their age, or fail the points test.

"The government may therefore wish to consider whether adding these additional requirements and the resultant complexity is really necessary," it said.

The Law Council said while the BIIP has been viewed positively both here and overseas, enthusiasm for and support of the program have not resulted in its success.

Liana Allan of the Migration Alliance told the committee at a public hearing she believes the selection criteria deter good candidates. "One of the key criteria in the BIIP has been a very stringent English language test" she said. "There would have been suitable applicants but unfortunately, because they could not meet the points test and the English language test for some of the criteria they were locked out."



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In another submission, Trade and Investment Queensland has called for the points test to be removed.

"The points test is a successful tool when assessing the skills and abilities of an individual, however it does not translate into assessing business acumen," it said.

"It is not an appropriate method to determine a business skills qualification where the core factors are in non-personal areas such as business turnover and assets."

The Australian Private Equity and Venture Capital Association (AVCAL) said migrant entrepreneurs play a significant role in contributing to job creation, tax revenue and innovation.

"We do not believe it to be an overstatement to say that the potential impact of foreign-born entrepreneurs in building an innovation-based economy can be extraordinary and game-changing," it said in its submission.

The association believes the current rules set the bar too high for foreign entrepreneurs because they would have to be sufficiently successful and well-known to an Australian venture capital investor to secure the required investment.

"AVCAL supports the programme's objective to attract overseas entrepreneurs with a successful track record to set up innovative high-growth businesses in Australia," it said.

"In AVCAL's view, however, Australia would also benefit from immigration policies that build up the pool of entrepreneurial talent in Australia from the start-up level upwards."

In its submission to the inquiry, the Department of Immigration and Border Protection said it was expected that the application rate may drop.

"Several factors play a part in this reduction," it said.

"Having raised the visa thresholds deliberately to improve the quality of applicants, it was expected that the application rate would be lower.

"Other contributing factors include the new points test." ■

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