

IRU's response to the Government's National Innovation and Science Agenda

Submission 3: Supporting innovation through visas: The Entrepreneur visa

The Innovative Research Universities (IRU) supports the Government's National Innovation and Science Agenda, with its 24 useful measures to transform Australia's approach to innovation. The challenge ahead is for all involved to respond positively to the new incentives, raising the level of industry driven research and increasing investment in bringing research outcomes to market.

IRU will contribute to the development of the Strategy, looking to ensure that programs will encourage investor action without stifling opportunities through overly strict rules or exclusion of potential future activities.

1. The Entrepreneur visa

This strand of NISA focuses on changing the visa system to attract more entrepreneurial and research talent from overseas. Currently there is no clear pathway for non-Australian entrepreneurs to establish businesses in Australia. In aiming to fill this gap, this proposal goes in the right direction. That said, the questions outlined in the discussion paper point to a rather restrictive interpretation of who would be eligible to apply for this visa. A flexible approach, as outlined below, would be more effective in achieving NISA's and hence the government's aims.

In parallel to the Entrepreneur visa, within this NISA strand, the government will promote pathways to permanent residency for postgraduate research graduates with science, technology, engineering and mathematics (STEM) and information and communications technology (ICT) qualifications. The government should extend the Entrepreneur visa option to students already in Australia helping them to make the transition to entrepreneurship.

2. Flexibility of approach

An enabling rather than a restrictive approach should be applied in the details of the implementation while making sure that all due diligence from an immigration perspective is adhered to. There are several areas where the proposed options are too restrictive.

- The Entrepreneur visa will be available to individuals who have obtained capital backing from a third party to develop entrepreneurial ideas in Australia. As it stands, the availability of capital has more clout than the actual potential talent that the Entrepreneur visa is meant to attract. To achieve its stated aim of encouraging innovation:
 - the definition of third parties, should not be as restrictive as the current Business Innovation and Investment Programme (BIIP) which currently requires nomination from a state or territory government. Other institutions, such as universities, should be able to nominate potential entrepreneurs; and
 - the capital backing should not be so high that it excludes potential investors such as family members.
- If a successful Entrepreneur visa applicant is successful in other business ventures in the timeframe (but the original idea for which the Entrepreneur visa was obtained has failed), grant of permanent residence should still be considered rather than the applicant being automatically disqualified. The test should be that the original proposal was pursued and that the other ventures meet the expectations of the program. This would be consistent with a crucial change the Government wishes to make, that failure in innovation should not bring penalties that discourage involvement in innovative companies.

- Pre-empting the sectors where successful business ventures could materialise is counter to the innovative approach NISA is seeking to promote. It is reasonable for the program to target areas considered a priority, such as Science, Technology, Engineering and Mathematics (STEM) and Information Communications Technology (ICT), but the Entrepreneur Visa should not be restricted to these sectors. The better approach is to exclude those few areas such as residential real estate development as suggested in the discussion paper, which do not need further development.

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3. Increasing the synergy between international education and visa policy

In his media release launching the consultation on the new Entrepreneur visa, the Industry, Innovation and Science Minister Christopher Pyne spoke of the intention to “retain those educated and talented people, who have come to Australia and developed their knowledge base during their time in this country.” This is a sensible approach.

As the IRU has argued in its [response to the National Strategy for International education](#), there should be a closer synergy between international education and visa policy. Currently international education policy and meeting Australia’s longer term economic and social needs are allowed to operate distinctly.

International students who are in Australia should, subject to the requirements of the Entrepreneur visa, be able to propose to remain in Australia as entrepreneurs.

As mentioned earlier, NISA already goes some way towards bridging this gap between international education policy and migration policy by promoting permanent residency pathways to postgraduate STEM and IT research graduates.

The Entrepreneur visa could be a means for international students who have already built extensive links within the country to make the transition to entrepreneurship.

Maximise the potential of the Entrepreneur visa by using it as a means of encouraging talent already in Australia to make the transition to entrepreneurship.

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