



Innovation points test for the Business Innovation and Investment Program

The Business Innovation and Investment Program commenced on 1 July 2012 and introduced some key reforms including incorporation into SkillSelect and introducing the innovation points test.

SkillSelect

SkillSelect is the new EOI skilled migration selection process that aligns the best available prospective migration candidates with the fluctuating demands of the labour market, or the needs of individual states or territories.

Applicants for the provisional Business Innovation and Investment visa must submit an expression of interest (EOI) in SkillSelect and have a points-tested pass mark of 65.

A state or territory government may then invite an applicant to apply for a visa on the basis of their EOI.

See: www.immi.gov.au/skills/skillselect/

The table below sets out the factors and points of the innovation points test.

Factor	Description	Points
Age	18–24	20
	25–32	30
	33–39	25
	40–44	20
	45–54	15
English language	Vocational or higher	5
	Proficient or higher	10
Qualifications	Australian trade certificate, Diploma or Bachelor degree or a Bachelor degree recognised by the Minister	5
	Bachelor Degree in Business, Science or Technology	10
Business experience	Greater than four years business experience	10
	Greater than seven years business experience	15
Investment experience	Greater than four years investment experience	10
	Greater than seven years investment experience	15
Financial metrics	Net business and personal assets	
	\$800 000	5
	\$1.3 million	15
	\$1.8 million	25
	\$2.25 million	35

	Business turnover	
	\$500 000	5
	\$1 million	15
	\$1.5 million	25
	\$2 million	35
Innovation	Registered patents or registered designs	15
	Evidence of trademarks	10
	Evidence of joint venture agreements	5
	Evidence of export trade	15
	Gazelle business	10
	Evidence of receipt of grants or venture capital funding	10
State or territory nomination	Special endorsement (limited places)	10

Innovation points test requirements

The innovation points test for the provisional Business Innovation and Investment (Subclass 188) is a key component of the new program. The points test gives points for various elements of human capital and business innovation. The test 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.

Under the innovation points test, points are awarded to applicants for the following general attributes:

- Age
- English language ability
- qualifications
- experience in business or investment
- net personal and business assets
- business turnover
- innovation.

Age

Applicants are eligible for points on the basis of the main applicant's age at the time of invitation.

Applicants who are aged 55 years or older may be nominated by a state or territory government agency only if their business is of exceptional economic benefit. In this circumstance, the applicant would not be eligible for points for their age under the innovation points test.

English language ability

Applicants who can demonstrate vocational English are awarded five points. To demonstrate vocational English, applicants must have an IELTS test score of at least five for each of the four test components of speaking, reading, writing and listening.

Applicants who can demonstrate proficient English are eligible to be awarded ten points. An applicant with proficient English must have an IELTS test score of at least seven for each of the four test components of speaking, reading, writing and listening.

Equivalent OET scores are also acceptable.

Qualifications

Applicants are awarded five points if, at the time of invitation, they have met the requirements for a trade qualification, diploma or bachelor degree by an Australian educational institution. Bachelor degrees from other educational institutions are also acceptable if the Minister is satisfied the institution meets a recognised standard.

Applicants are awarded ten points if, at the time of invitation, they have met the requirements for the award of a bachelor degree in business, science or technology by an Australian educational institution. Bachelor degrees from other educational institutions are also acceptable if the Minister is satisfied the institution meets a recognised standard.

Experience in business or investment

Applicants are awarded points if they have a demonstrated history of business or investment experience for a specified amount of time.

Points are awarded for years of business or investment experience gained in the years immediately before the time of invitation. The experience must be relevant to the visa stream. An applicant for the business innovation stream can only claim points for business experience, and an applicant for the investor stream can only claim points for investment experience.

Net personal and business assets

Net business and personal assets are mandatory threshold criteria that all applicants must meet. Business innovation stream applicants must have net business and personal assets of AUD800 000, and investor stream applicants must have net business and personal assets of AUD2.25 million. Points are awarded for meeting the minimum thresholds, and higher points will be awarded for greater levels of assets.

Business turnover

Business innovation stream applicants must meet the business turnover requirement of AUD500 000. There is no business turnover requirement for investor stream applicants.

Points are awarded for applicants in either stream where they have an ownership interest in one or more 'main businesses' that have a specified amount of business turnover in at least two of the four fiscal years immediately before the time of invitation.

Innovation

This component of the points test gives points for the following attributes. Applicants may be awarded points for more than one item under the innovation category of the points test, but points are awarded only once in relation to each item.

- Registered patents or registered designs
 - A registered patent is a set of exclusive rights granted by a national government to an inventor or their assignee in relation to an invention, which may be a product or a process, for a certain limited period, in exchange for public disclosure of the invention.
 - A registered design is concerned with the appearance of products if they are new and distinctive. For example, the features of shape or configuration which have been incorporated in the product or the features of pattern or ornamentation applied to a product.
 - Points are awarded when the applicant has had one or more patents or designs registered at least one year before time of invitation. The patent or design must have been used in the day-to-day activities of the main business.
- Registered trademarks
 - A trademark can be a letter, number, word, phrase, sound, smell, shape, logo, picture, aspect of packaging or any combination of these, used to distinguish goods and services of one business from those of another.
 - Points are awarded to an applicant with one or more registered trademarks registered at least one year before the applicant was invited to apply for a visa. The trademark must have been used in the day-to-day activities of the main business.
- Joint venture agreements
 - A joint venture is a commercial undertaking that has been entered into by two or more parties for the purpose of a particular activity.
 - Points are awarded when at least one of the main businesses in which the applicant has held an ownership interest and participated at a senior level in the day-to-day management of the business has operated in a formal joint venture agreement for at least one year before the applicant was invited to apply for a visa.
- Export trade
 - Points are awarded when the applicant has had an ownership interest in one or more main businesses that derive not less than 50 per cent of their annual turnover from export trade for at least two of the four fiscal years immediately before the applicant was invited to apply for a visa.
- Gazelle businesses
 - Gazelle businesses are newly established businesses experiencing rapid growth during a short period of time.

- Points are awarded when an applicant's main business has been registered for no more than five years at the time of visa invitation, and the average annualised growth in turnover has been greater than 20 per cent each year for three continuous fiscal years. The business must also have ten or more full time employees for at least one fiscal year in the same consecutive three-year period claimed for growth in turnover.
- Receipt of grants or venture capital funding for an innovative business idea
 - A government grant is monetary assistance that was provided by a government or a government agency, whether local or national, of the applicant's home country, upon specified conditions.
 - Points are awarded when the applicant has received a grant of at least AUD10 000 from a government body in the applicant's home country within four years immediately before the applicant was invited to apply for a visa. The grant must have been awarded for the purposes of early-phase start-up of a business, product commercialisation, business development or business expansion.
 - Points may also be awarded when the applicant has received venture capital funding of at least AUD100 000 within four years immediately before the time of invitation. The grant must have been awarded for the purposes of early-phase start-up of a business, product commercialisation, business development or business expansion.

Special endorsement

In a limited number of cases, a nominating state or territory government may determine that the business proposed by an applicant is of unique and important benefit to the state or territory. In these circumstances, an applicant can be awarded ten points.

Further information

For more information about the Business Innovation and Investment Program visit: www.immi.gov.au/skilled/business

Further information about SkillSelect is available on the department's website. **See:** www.immi.gov.au/skills/skillselect/