

## **EXPLANATORY STATEMENT**

### *Migration Regulations 1994*

#### **INDUSTRY ASSOCIATIONS AND MEMBERSHIP LEVELS**

##### **(Paragraph 132.232(3)(a) and (b))**

1. This Instrument is made under paragraph 132.232(3)(a) and (b) of Schedule 2 to the *Migration Regulations 1994*.
2. Paragraph 132.232(3)(a) of Schedule 2 to the Regulations provides that a criterion for the Venture Capital Entrepreneur stream of the Subclass 132 (Business Talent) visa is that the Australian company is a member of an industry association or similar body specified by the Minister in an instrument in writing.
3. Paragraph 132.232(3)(b) of Schedule 2 to the Regulations provides that the Australian company holds a category of membership of the industry association or similar body specified by the Minister in an instrument in writing.
4. The purpose of the Instrument is to specify the industry associations and membership levels that a company must have if they have entered into an arrangement with the visa applicant to provide the applicant with venture capital.
5. The Instrument operates to specify the industry association or similar body that the Australian company (who has entered into a legally enforceable agreement with the visa applicant for venture capital funding), must be a member of and the category of membership they must have.
6. Consultation was undertaken before the Instrument was made with a wide range of Commonwealth Government Departments, State/Territory Government Departments, representative peak bodies for Migration Agents and the legal profession, and other relevant organisations.
7. The Office of Best Practice Regulation was consulted and has advised that a Regulatory Impact Statement is not required (OBPR Reference 2011/13095).
8. Under section 44 of the *Legislative Instruments Act 2003* the Instrument is exempt from disallowance and therefore a Human Rights Statement of Compatibility is not required.

9. The Instrument, IMMI 12/052 commences on 1 July 2012 immediately after the commencement of the *Migration Amendment Regulation 2012 (No. 2)*.