

# Fears corrupt Chinese set to rush investor visa

## EXCLUSIVE

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PRESSURE is mounting to boost scrutiny of investors trying to buy residency in Australia under the significant investor scheme after Canada tightened applications for its similar scheme.

Experts say Australia is one of

the top destinations for corrupt officials fleeing China, and with the Canadian changes there are fears the country could become a haven for white-collar criminals.

*The Australian* recently revealed the former chief of the giant Chinese utility State Grid was hiding out in Australia with millions of dollars he stole from the company. Chinese investigators have identified at least six other former officials and state company execu-

tives accused of bribery and embezzlement involving about \$1 billion.

China recently raised concerns that Australia's \$5 million significant investor visa program (recently revamped to include a \$15m "premium" investor visa) could become an easy path for criminals to escape its clutches.

The issue has been under the spotlight in Beijing since June, when state broadcaster CCTV

accused Bank of China of laundering money here. The report, since removed from all websites, mentioned Australia as a potential destination for "grey money" coming out of China via the SIV program.

Under changes to the Canadian visa scheme, private sector forensic accountants will investigate whether applicants have a criminal past or are "politically exposed".

The move comes as the Chi-

nese government moves to trap hundreds of corrupt officials who have fled to Australia and Canada and other developed countries with billions of dollars of state funds.

Trade and Investment Minister Andrew Robb defended the integrity of the visa program, administered by the Department of Immigration, saying there had not been a problem with the SIV scheme to his knowledge.

He also said Australian immigration authorities would refer cases to Chinese police if any improprieties were discovered during the mandatory security and character screening process.

"If there is any suggestion that a person has accumulated wealth through illegitimate means, all materials are referred to local authorities in the source countries; in the case of China, to the Chinese police," Mr Robb said.

As well as being a conduit for corrupt officials to flee, the SIV has been used as a carrot by unscrupulous operators in Australia to lure mainland Chinese investors into projects in Australia that have gone belly-up.

Sources told *The Australian* that investors in a collapsed golf development put in money on the assumption it would further their SIV application, only to lose out when the venture fell over. Invest-

ing in a golf course would not fall in the narrow range of approved funds for SIV visa applicants, which must be put into government bonds or similar securities.

Almost all applicants for SIVs are from China. Under SIV rules, applicants must deposit the \$5m into approved investments for four years before seeking permanent residency. Under the premium investor visa, this is cut to one year with a \$15m minimum investment.