

Immigration Policy

New Zealand has lost more than 80,000 people heading overseas permanently in the past 12 months. That's more than 1,500 each week.

The next National Government will implement policies to both encourage Kiwis to stay in New Zealand and to attract back to New Zealand those Kiwis who have been developing their skills overseas.

Alongside this we will need good policies for attracting the additional skilled workers and immigrants New Zealand needs to fill skill gaps and grow our economy. This makes immigration policy and its implementation critically important to New Zealand's future.

National has three overriding objectives:

1. Retain skilled Kiwi workers and attract overseas Kiwis back to New Zealand.
2. Better match the skills of immigrants with the employment needs of our economy.
3. Make our immigration services world class in their efficiency and effectiveness, and restore confidence in the integrity of Immigration New Zealand.

National values the contribution migrants make to our economic development and cultural enrichment. We want a fair, transparent immigration system with effective sanctions, such as deportation, where the rules are breached.

Our policy measures will ensure New Zealand has an efficient, world-class immigration service that employers, potential immigrants, and all New Zealanders have confidence will act with integrity and produce the best outcomes for the widest range of interests in New Zealand.

National's immigration policy is written with the Immigration Bill currently before Parliament in mind. National's policy is to support this bill. Our immigration policy has been written using the terminology that will be used in immigration policy following the enactment of that legislation.

NOTE ON TERMINOLOGY:

Currently, immigrants need a visa to get into New Zealand. They also need a permit to legally stay here. The Immigration Bill combines the existing visas and permits into one streamlined visa, which gives rights of entry as well as a right to legally stay in New Zealand for a specified period of time.

I. RETAINING KIWIS AND ATTRACTING MORE HOME

As many as 800,000 Kiwis currently live abroad. We lose more than 24% of our tertiary trained workforce, the highest rate in the OECD. National wants to stem the tide and attract more of these Kiwis home.

We will need to make coming home as easy as possible. We will sort out problems experienced by Kiwis wishing to return home, such as obtaining professional registrations and bringing home an overseas-born spouse.

National will:

- Ensure tax, regulatory, and infrastructure policies make returning home an attractive prospect for highly skilled ex-pat Kiwis.
- Require Immigration New Zealand to initiate a one-stop-shop approach to servicing the needs of returning New Zealanders. All government agency requirements and paperwork will be simplified and, where possible, combined.

2. MEETING NEW ZEALAND'S SKILL NEEDS

Currently a “government knows best” approach pervades immigration policy. The government decides what kinds of skills new residents should have, while employers report that meeting seasonal and other skill needs is getting harder.

The Talented (Accredited Employers) Work Policy was a step towards meeting employers' needs. So too is the Recognised Seasonal Employer Scheme. However, better-balanced policy could make both of these schemes more effective.

Streamlining Employer Accreditation Policies to Recruit Overseas

National will:

- Streamline the procedures for qualifying employers to be “recognised” or “accredited” to recruit internationally, for both seasonal and other work requirements, where they cannot find suitable people locally.
- Make employment performance count more in the granting of residence by strengthening the Work to Residence programme.
- Require employers recruiting overseas to provide a bond, to be refunded when the recruited immigrant either leaves New Zealand in accordance with the terms of their visa, or attains residence.
- Balance the streamlined approval procedures with strengthened monitoring to ensure internationally recruited employees are not exploited.
- Ensure that employers who abuse the system have their accreditation removed and may have their ability to recruit employees from overseas in the future restricted.

Additional Measures to Meet Seasonal Skill Needs

National will:

- Retain the RSE Scheme for Pacific Nations.
- Reduce the bureaucratic barriers to being able to hire seasonal workers from countries outside the existing RSE Scheme, in cases where the RSE Scheme is unable to meet employers' needs.
- Introduce a temporary work visa for up to six months for any legal visitor to New Zealand who obtains a guaranteed seasonal job offer. Visas will be granted only where employers have made a formal commitment to Immigration New Zealand that employment will follow the granting of the temporary work visa.

The temporary work visa will be in addition to the current Working Holidays scheme which will be retained.

Accessing Higher Level Skills

National wants to ensure that highly-skilled people who have obtained qualifications here, or who have New Zealand-recognised qualifications, have the opportunity to fill skill gaps in this country. We will shift the emphasis away from the government choosing the skills of immigrants to a policy where high-level skills valued by employers are given greater focus.

We will introduce a Silver Fern Visa for those with New Zealand-recognised qualifications. Applicants will have either obtained their qualifications in New Zealand or will come from a country with which New Zealand has a visa-free agreement. Silver Fern Visas will give applicants the opportunity to make a long-term contribution to New Zealand by progressing along a staircased pathway to residence.

National will:

- Introduce a **Silver Fern Visa** to enable people with recognised tertiary qualifications to be in New Zealand for a short period of time to seek permanent employment in highly-skilled areas which are of high value to the New Zealand economy.
- Enable Silver Fern Visa holders to - for a short specified time period - undertake temporary work while seeking highly-paid permanent employment.
- Entitle **Silver Fern Visa** holders to a 24-month work visa on obtaining permanent employment.
- Enable **Silver Fern Visa** holders with a 24-month work visa to apply for permanent residence through either the Work to Residence or Skilled Migrant provisions.
- Set the conditions for the **Silver Fern Visa** as follows.
 1. The applicant must be competent in English and, in order to ensure they are undertaking highly skilled work, meet specified full-time wage requirements, and
 2. They must either:
 - (a) Have a recognised tertiary qualification, including trade qualifications, and be from a country with which New Zealand has a visa-free visitor agreement, or
 - (b) Hold a recognised tertiary qualification, including trade qualifications, from a New Zealand institution.
- Give the Minister of Immigration the power to limit the annual quota for **Silver Fern Visa** applications, in order to ensure employment opportunities for New Zealand citizens are not compromised.

In order to give New Zealand education providers a competitive edge, Silver Fern Visa holders with New Zealand-obtained qualifications will face a lower remuneration-for-work threshold than those with qualifications obtained overseas.

3. BUSINESS IMMIGRANTS

New Zealand can benefit significantly from international entrepreneurs bringing their skills, technology, capital, and international networks to our country. However, the ongoing erratic changes of recent years have seen little benefit from business immigration.

National will:

- Set realistic investment capital and English language requirements for business immigrants.
- Require approvals to better match the experience of potential business immigrants with their proposed investment in New Zealand.
- Focus the assessment of success for long-term business visa holders seeking residence in New Zealand, on job creation and export earnings.

4. RETIRED IMMIGRANTS

New Zealand has an opportunity to benefit from high net worth individuals seeking to retire or spend part of each year in this country.

National will:

- Establish a Retirement Visa for high net-worth people wishing to live in New Zealand at no cost to the taxpayer.
- Ensure Retirement Visa holders indemnify

[Continued next page.](#)

New Zealand from any health, welfare, or superannuation costs.

5. A WORLD-CLASS IMMIGRATION SERVICE

Confidence in Immigration New Zealand has been damaged by recent scandals. Compromising involvement with labour market policy has also led to confused objectives.

A new management culture is required. National wants to ensure New Zealand has a world-class immigration service focused on delivering timely world-class immigration services linked to efficient administration of citizenship.

National will:

- Review Immigration New Zealand to ensure that there are clear lines of accountability.
- Ensure there is fairness and transparency in every aspect of Immigration New Zealand's processes.
- Explore the possibility of establishing a stand-alone Department of Immigration and Citizenship, combining existing resources and functions currently within Immigration New Zealand and the Department of Internal Affairs. This outcome would only be acceptable if we could be assured it could occur within existing resources and would not lead to a rise in the number of bureaucrats.
- Strengthen settlement services by establishing a robust evaluation process to ensure their effectiveness.

Immigration Policy Backgrounder

ENCOURAGING KIWIS HOME

New Zealanders Living Abroad

In January 2007, Statistics New Zealand estimated that the size of New Zealand's expatriate community was between 500,000 and 750,000.¹ From 1 January 2007 to 31 July 2008, New Zealand suffered a further net loss of 59,102 citizens to other countries.²

In 2005, the OECD reported that 24.2% of highly skilled New Zealand graduates (i.e. persons with tertiary education) were living in other OECD countries. This was the highest rate in the OECD and compared to less than 10% of highly-skilled Australians.³

Loss of People to Other Countries

In the year ended July 2008, there were 80,872 permanent and long term (PLT) departures to other countries.⁴ This is the greatest loss of people for a year ended July since 1979⁵ (see Figure 1).

In the same July year, 45,731 (see Figure 2) people moved to Australia, including 40,971 New Zealand citizens.⁶ Both figures represent the greatest loss of people to Australia for a year ended July in recorded history.⁷

¹ Quoted in Department of Labour, *Migration Trends 2006/07*, p. 19.

² Statistics New Zealand, <http://www.stats.govt.nz/people/population/migration.htm>

³ OECD, Directorate for Employment Labour and Social Affairs, *Counting Immigrants and Expatriates in OECD Countries: A New Perspective*, 2005, p. 13. In May 2006 the Centre for Population and Urban Research at Monash University reported that 32% of New Zealand's native-born, tertiary trained population lived abroad; see *Australia's Net Gains from International Skilled Movement*, 2006, p. 25.

⁴ Statistics New Zealand, *International Travel and Migration: July 2008*.

⁵ Source: Statistics New Zealand, INFOS Database; yearly comparisons compiled by the Parliamentary Library.

⁶ Statistics New Zealand, *International Travel and Migration: July 2008*.

⁷ Source: Statistics New Zealand, INFOS Database; yearly comparisons compiled by the Parliamentary Library.

Figure 1. Migration Flows: 1978 - 2008⁵

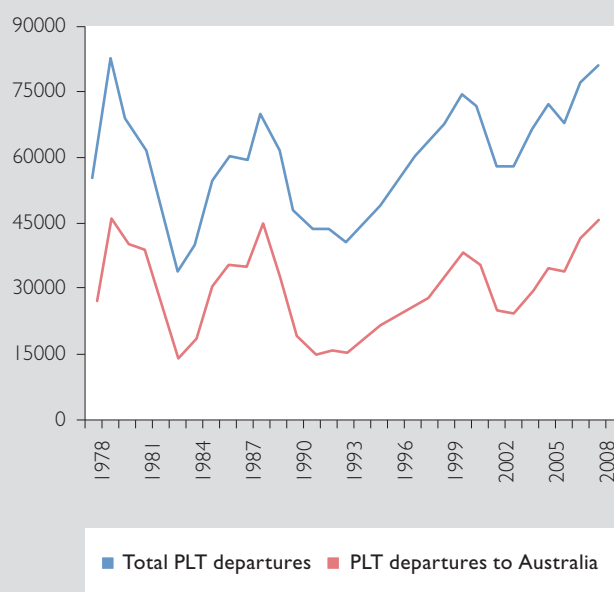
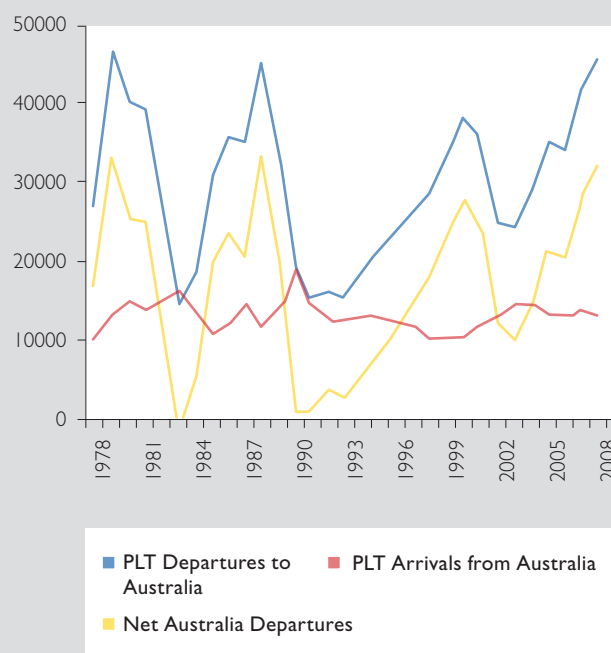


Figure 2. New Zealand - Australia Migration Flows: 1978 - 2008⁵



MEETING NEW ZEALAND'S SKILL NEEDS

Recent Trends in Skilled Immigration

New Zealand can benefit significantly from immigrants bringing their skills, technology, capital and international networks to our country. However, the changes of recent years have seen little gain in overall skilled immigration and significant losses in business and investment immigration.

Business category approval numbers have decreased steadily since reaching a peak of 4,517 in 2001/02, down to just 689 in 2007/08.⁸ The primary reason for this has been the dramatic reduction in approved investor immigrants. In 2001/02, 1,326 principal applicants were approved under the investor category, each required to bring at least \$1 million of investment into New Zealand (totalling \$1.326 billion). In 2007/08, just 28 principal applicants were approved.⁹

Streamlining Employer Accreditation Policies

New Zealand employers can apply for accreditation to offer employment to skilled workers from overseas. Once accredited, employers can offer work to non-New Zealand citizens or residents without each time having to prove there are no suitably-qualified New Zealanders available or readily able to be trained to fill the position(s). These skilled workers are employed under the Talent (Accredited Employer) Work Policy, and, after working for an accredited employer for 24 months, they can apply for residence under the Residence from Work category.¹⁰

In order to be accredited, employers must show that their business:

- Is in a sound financial position.
- Has human resource policies and processes that are of a high standard.
- Has a demonstrable commitment to training and employing New Zealanders.
- Has good workplace practices, including a history of compliance with all immigration and employment laws.

The following factors are also considered in determining whether an employer is eligible for accreditation:

- How long the business has been established as a going concern.
- The employer's relationship with their Industry Training Organisation.
- Whether the employer is a member of the Equal Employment Opportunities Employers Group.
- Whether the employer is certified by the International Organisation for Standardisation.
- How long the employer intends to maintain accreditation and how this relates to any visas and permits held by employees under the Talent (Accredited Employers) Work Policy.

As part of the evaluation process, Immigration New Zealand consults with various agencies and bodies, such as the Employment Relations and the Health and Safety Section of the Department of Labour, the Accident Compensation Corporation, unions, and other employee representatives.¹¹

⁸ Department of Labour, *Migration Trends 2006/07*, p. 65. See also <http://www.immigration.govt.nz/migrant/general/generalinformation/statistics>, RI – Residence decisions by financial year.

⁹ <http://www.immigration.govt.nz/migrant/general/generalinformation/statistics>, RI – Residence decisions by financial year.

¹⁰ <http://www.immigration.govt.nz/branch/BMBHome/employeraccreditation/>

¹¹ <http://www.immigration.govt.nz/branch/BMBHome/employeraccreditation/requirements-employeraccred.htm>

Meeting Seasonal Skill Needs

In October 2006, the Government introduced the Recognised Seasonal Employer (RSE) scheme to replace the Seasonal Work Permit (SWP) scheme, effective from April 2007. Following calls from employers and other groups for more time to meet the conditions of the RSE scheme, the SWP policy was extended until September 2007 and a Transitioning to Recognised Seasonal Employer (TRSE) policy was introduced, which is to run through to November 2009.

There are currently 5,000 places available each year under the scheme, and preference is given to workers from a select list of Pacific Island nations.¹² In 2007/08 there were 4,426 approved work applications under the RSE scheme and a further 1,599 under the TRSE scheme.¹³ Though the scheme is supported by the business community, concern has been raised that not enough workers will be available to meet seasonal needs.¹⁴

Accessing Higher-Level Skills

National's proposed Silver Fern Visa will cover highly-skilled immigrants who have obtained a recognised tertiary qualification in New Zealand, or who come from a visa-free country and obtained a recognised tertiary qualification abroad. The list of visa-free countries can be found here:

www.immigration.govt.nz/migrant/stream/visit/

¹² Countries covered by the scheme include Micronesia, Kiribati, Nauru, Palau, Papua New Guinea, Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu or Vanuatu. Fiji was removed from the list of preferred countries following the December 2006 military coup. <http://www.immigration.govt.nz/migrant/stream/work/hortandvit/rse/>

¹³ <http://www.immigration.govt.nz/migrant/general/generalinformation/statistics>, WI – Work Applications Decided.

¹⁴ For example, see Jarrod Booker, 'Fresh schemes fail to shift fears of slim pickings' New Zealand Herald, 1 January, 2008.

A WORLD-CLASS IMMIGRATION SERVICE

Confidence in Immigration New Zealand has been damaged by recent scandals, leading to external investigations by the Auditor-General and the State Services Commission. The scandals include:

- The former head of Immigration New Zealand claims to hold qualifications she did not hold.
- The former head of Immigration New Zealand continues to provide immigration assistance to family members despite being repeatedly warned not to.
- Nineteen substantiated cases of serious misconduct within the Pacific Division within three years, including theft, bribery, and fraud.
- Senior Immigration New Zealand managers telling staff to approve applications contrary to policy.
- Staff record "as instructed by ..." on applications to voice their objections to repeated breaches of Government policy. The Oughton Inquiry confirms this is not an unusual practice.
- In November 2006, the Auditor-General highlights complete absence of fraud policy within the Department of Labour and the absence of any consistent approach to breaches of departmental code of conduct.
- In June 2007, the Auditor-General releases a highly critical report into how immigration identity fraud is handled, with almost 400 cases of suspected category A and B identity fraud not even allocated for investigation.
- A Buddle Findlay investigation into the Business Migration Branch finds staff hand-picked easy applications to improve their processing statistics.

- PricewaterhouseCoopers reports that two years after the Immigration Profiling Group was set up, 90% of its staff do not have appropriate security clearance, many are inexperienced, and the unit lacked resources.
- In November 2007, video emerges of an alleged 'cash-for-jobs' scam involving international students and Immigration New Zealand staff.
- The Department of Labour initially refuses to release the Oughton Report into unlawful decision making and claims there is no need to investigate the Pacific Division.
- In June 2008, evidence emerges of a senior Immigration New Zealand manager allegedly granting residence to underpaid Indonesians working at a hotel owned by a friend of the manager.
- In June 2008, an anonymous staff member blows the whistle on staff regularly approving work permit applications without performing basic checks or supporting evidence. Also alleges managerial pressure to approve applications to keep processing numbers up.
- A Buddle Findlay investigation reveals a senior manager approved gifts to himself and approved expenses to a contractor who his wife worked with as a company director when the contractor's contract excluded any such expenses being paid.

Table I. Departmental staff numbers

Immigration New Zealand staff numbers

Year	Number of personnel
1999/00	919
2000/01	978
2001/02	1316
2002/03	1347
2003/04	1483
2004/05	1605
2005/06	1709
2006/07	1997
2007/08	1837
2008/09	2160

Source: Vote Immigration 2007/08, Vote Immigration 2008/09. Vote Immigration also contributes to the costs of staff located in the Office of the Chief Executive and the Labour Market Policy Group who work across the whole organisation. Details of these staff are not included in these figures.