

Immigration Update: December 2017

Dear all,

As we approach the end of yet another year, I thought it might be useful to look at some of the key highlights and developments for INZ during 2017.

I have really enjoyed the opportunity to meet so many people within the tourism and hospitality sectors over the course of the year – both during my trips to various parts of the country, and at industry events.

I hope that all of you have a very merry Christmas and a happy New Year - I look forward to continuing the discussion in 2018!

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1. Key developments / highlights

- **May:** China nationals become eligible for <u>5-year multiple entry visitor visas</u> (after you click on this link, please scroll down for information in English).
- August: new Essential Skills work visa and Skilled Migrant Category residence visa policies are introduced.
- November: <u>major changes to INZ's processing office network</u> announced. This will see the establishment of a new organisational model focussed on delivering faster, more accurate and consistent visa decision-making. It will also specialise visa processing by customer sector such as business, education and tourism, consolidate visa processing to fewer, strategically chosen sites and introduce a new leadership model.

The personal highlight for me this year was having the opportunity to collaborate with Hospitality New Zealand, Tourism Industry Aotearoa and Restaurant Association on a series of immigration events hosted around the country in **September** and **October**. The main focus of these events was to ensure that employers were well informed about the significant changes in August to Essential Skills and Skilled Migrant Category policies.

These events were attended by around 400 business owners, management staff, and recruitment consultants, as well as regional representatives and industry training bodies in Queenstown, Christchurch, Nelson, Wellington, Rotorua, Hamilton and Auckland.

INZ's *tourism and hospitality sector employers guide* was provided to all attendees at these events. An electronic version is now available, and is attached with this newsletter.





2. Q and A

Below are three of the main issues (and associated questions) that came my way during the course of these events:

Question 1 - consistency: There seems to be a lack of consistency in the way INZ approaches the processing of work visa applications. This creates uncertainty for employers and makes it harder to plan ahead. Specifically, some employers are concerned that people making decisions outside of NZ may lack sufficient understanding of the NZ labour market, employment agreements, and employment law. Further, there is the concern that the occupational classifications listed in ANZSCO are not "fit for purpose" for many tourism and hospitality sector jobs, as ANZSCO does not include an accurate description of many in-demand roles, and some jobs are not listed at all. Given these issues, what can INZ do to improve the consistency and clarity of its decision-making?

Answer:

New organisational model

In the future, once INZ's new organisational model has been rolled out, all work visa processing will be carried out in New Zealand by our Manukau, Porirua and Christchurch offices. It is anticipated that this concentration of work visa processing across a tighter network of INZ offices will enable greater product specialisation and expertise which will improve the accuracy, consistency and timeliness of decisions.

<u>ANZSCO</u>

Since 2008 INZ has used ANZSCO to check the skill levels of jobs and the qualifications and/or experience needed to work in those jobs.

- What is ANZSCO? The Australia and New Zealand Standard Classification of Occupations (ANZSCO) provides a basis for the standardised collection, analysis and dissemination of occupation data for Australia and New Zealand. It was first released in 2006, then revised by the Australian Bureau of Statistics and Statistics New Zealand in 2009 and 2013. A further revision is planned for mid-2018.
- Why ANZSCO? It is the only sufficiently comprehensive occupation classification system currently available to INZ. Prior to this, INZ did not have access to a standardised occupation classification system. This made it very difficult for immigration officers to assess the skill levels associated with different occupations/industries in a robust, consistent manner.
- Why not take an industry-by-industry approach? While INZ acknowledges the limitations of ANZSCO, adopting an industry-by-industry approach to occupation classification runs the risk of a lack of consistency between each of the various occupational frameworks developed by each industry group. These inconsistencies would most likely lead to added visa processing complexity for INZ, and potentially unsatisfactory immigration outcomes.
- So where to from here? The key question is how to retain the good aspects of ANZSCO, while looking to ensure that it can be applied in a way that is more "fit for purpose" from a sectoral point of view. To this end, INZ is working jointly with Tourism Industry Aotearoa, Hospitality New Zealand and the Restaurant Association to develop a framework, designed to help both visa processing officers and employers to more readily determine the ANZSCO "best matches" for key in-demand tourism and hospitality occupations. This will hopefully lead to more decision-ready applications being submitted, and faster/more consistent visa decisions being made by INZ. It is anticipated that initial work on this framework will be complete by March 2018.



Question 2 - timeliness: Processing timeframes associated with work visas are currently too long, often longer than those published on the INZ website (e.g. online work visa application processing time is 23 days). What is INZ doing to improve this situation?

Answer: In the short-term, INZ will be publishing clearer information on visa processing timeframes on our website. This is part of a package of changes designed to make immigration-related information easier to find and use from an employer's perspective. Other improvements to INZ's website will see: 1) better guidance for employers on the most appropriate type of work visa depending on their situation and needs, 2) clearer information on the type of evidence the employer will need to supply, depending on which type of visa he/she decides to support. It is anticipated that these new website functions will be available from early 2018.

Over the next 18 months, INZ will establish a new organisational model, consolidating visa processing around five customer streams: Business, Education, Tourism, Community and Specialist. The objective is for INZ to be more customer-centric, efficient and responsive, improve timeliness, accuracy and consistency in decision-making.

Once this new model is in place, all work visa processing will be carried out onshore by specialist teams in New Zealand.

INZ will provide regular updates on what these changes mean from an employer's perspective, as we transition towards this new way of working,

Question 3 – upskilling migrant staff: People in lower-skilled employment on Essential Skills (ES) visas are currently limited to 3 years before they need to upskill, change visa, or leave New Zealand. How can people on lower-skilled ES be upskilled by their employer without breaching their visa conditions (i.e. that limits their employment to a specific job or occupation)?

Answer: Section U2.5a (when a student visa is not required) of INZ's operational manual states that a student visa or variation of conditions is not required for work visa holders to undertake any programme of study, or other training, authorised by their employer as part of their employment. What this means is that employers are entitled to provide any training required by their staff on lower-skilled Essential Skills visas as part of their employment, without these staff needing to change their visa.

Higher duties or periods of cover/upskilling that occur and do not alter the applicant's substantive role are acceptable from an INZ perspective. If, however, an ES visa holder starts doing so many higher-skilled tasks that their role more closely matches a different occupation, then they should apply for a variation of conditions to their current visa, or for a new work visa.

Any lower-skilled ES staff members applying for a new work visa in relation to a higher-skilled role, and who have previously undergone staff training delivered by their employer, will need to supply a copy of the training programme in support of their visa application.

This issue is referenced on our website: https://www.immigration.govt.nz/new-zealand-visas/apply-fora-visa/tools-and-information/work-and-employment/employment-skill-bands/common-skill-bandquestions



3. Visitor visas

China

Over the past 12 months – December 2016 to November 2017 – our China offices have approved visitor visas for 391,456 applicants¹, with an overall approval rate of 94%. The majority of these applications have been decided within 5 calendar days – INZ currently processes nearly 80% of Chinese visitor visas within this timeframe.

2017 has seen rapid acceleration in the shift to individual General Visitor Visas (GVVs) and away from ADS group visas. For the 12-month period to November 2017, INZ approved GVVs for 221,532 Chinese nationals, compared with just 143,448 ADS pax.²

In May 2017, **5-year duration multiple entry visas** were made available to Chinese nationals applying for general visitor visas – this would appear to have helped to incentivise greater uptake of this type of visa.

Other visa required markets

The number of visas processed for visitors from other key visa required markets has also continued to grow, with an increase in the number of visitor visas issued in **India**, **Indonesia Philippines**, and **Vietnam**.



Approved visitor visas: INZ-India, Thailand, Indonesia, Philippines and Vietnam, 12 months to November

¹ 372,976 applicants were approved visitor visas by INZ's China offices during the same period last year.

² Last year 179,080 Chinese nationals were approved GVVs, and 169,650 people approved ADS visas.



Tourism Industry Partnerships

INZ's Tourism Industry Partnership (TIP) programme was one of the initiatives identified during the 2012 China Market Review, commissioned by the Minister of Tourism and undertaken by the Ministry of Business, Innovation and Employment with a joint industry/government expert advisory group.

The first of INZ's tourism industry partnerships was established with China Southern Airlines in November 2012, and since then a number of other TIPs have been established with airlines, travel agencies and financial institutions.

The purpose of this programme is to provide a streamlined visa application process for premium members belonging to these organisations.

Overall, the number of people applying for visas through one of INZ's TIPs continues to grow.

| Financial Year | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 ³ |
|--------------------------|---------|---------|---------|---------|---------|----------------------|
| Number of TIP applicants | 237 | 570 | 1,901 | 7,944 | 10,703 | 5,009 |

For more information about our TIP programme, please click <u>here</u>.

4. Work visas

The number of work visas issued by Immigration New Zealand, and frequently supported by tourism and hospitality employers, has continued to grow.



Work visas approved by INZ, 12 months to November

³ for the period 01 July to 18 December 2017.



However, following several years of uninterrupted growth, the number of **Working Holiday visas** issued by INZ has reduced over the past few months.

| | Month of November 2017 | % change | Year to November 2017 | % change |
|----------------|------------------------|----------|-----------------------|----------|
| France | 1,019 | -1.4% | 10,112 | -1% |
| Germany | 1,103 | -5.6% | 14,220 | -9.9% |
| United Kingdom | 1,202 | -1% | 13,951 | +0.9% |
| United States | 460 | -30.9% | 5,114 | -2% |
| Canada | 323 | +9.3% | 3,196 | +10.7% |
| Korea | 0 | -100% | 3,119 | +9.2% |
| Japan | 240 | +11.3% | 2,599 | -12.6% |
| Italy | 219 | -2.3% | 2,088 | +4.2% |
| Ireland | 154 | +0.6% | 1,776 | +3.4% |
| Netherlands | 138 | -19.7% | 1,652 | +2.6 |
| Other | 1,020 | -15% | 15,369 | -0.4% |
| Total | 5,878 | -6.6% | 73,196 | -0.8% |

Working Holiday Visas issued by INZ: "top 10" source countries

*note: Korea is the only capped WHV scheme on this list.

5. Residence visas - Skilled Migrant category

Over the past 12 months – December 2016 to November 2017 – INZ has approved residence visas for 20,363 **Skilled Migrant Category** applicants and their families, with an overall approval rate of 81%. Around half of these applications are currently being decided within 3 months and more than 80% within 6 months.

During the same period during the previous year, INZ approved 25,065 Skilled Migrant Category visas, with an approval rate of 84%.

For more information on current work and SMC visa trends, please refer to our monthly *tourism and hospitality data and insights report* (the November 2017 edition is attached).