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# INZ Tourism & Hospitality Data and Insights

April 2018

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# Work and Residence Visas: Key Occupations

## Chefs

		Apr-17		Apr-18		YOY decided
	Visa	# decided	% approved	# decided	% approved	% change
work visa	Essential skills	164	67	189	86	+15%
	Post study employer assisted	47	96	72	97	+53%
	Variation of conditions	69	88	105	88	+52%
	Long term skill shortage	20	45	14	79	-30%
	Approved in principle	3	67	0	67	--
	<b>TOTAL:</b>	<b>303</b>	<b>81</b>	<b>380</b>	<b>88</b>	<b>+25%</b>
residence visa	Skilled migrant	66	85	19	89	-71

## Café/restaurant managers

		Apr-17		Apr-18		YOY decided
	Visa	# decided	% approved	# decided	% approved	% change
work visa	Essential skills	73	84	122	84	+67
	Post study employer assisted	42	83	71	90	+69
	Variation of conditions	26	96	41	93	+58
	<b>TOTAL:</b>	<b>141</b>	<b>86</b>	<b>234</b>	<b>87</b>	<b>+66</b>
residence visa	Skilled migrant	45	78	38	100	-16

## Cooks

		Apr-17		Apr-18		YOY decided
	Visa	# decided	% approved	# decided	% approved	% change
work visa	Essential skills	40	78	75	80	+88
	Post study employer assisted	1	100	2	100	+100
	Approved in principle	6	83	7	71	+17
	Variation of conditions	6	100	9	100	+50
	<b>TOTAL:</b>	<b>53</b>	<b>81</b>	<b>93</b>	<b>82</b>	<b>+75</b>
residence visa	Skilled migrant	17	88	2	100	-88

## Key Insights

- **Chefs:** drop in Long Term Skill Shortage application volumes offset by a relatively strong increase in Variation of Conditions, Post Study Employer Assisted and Essential Skills visas. Large reduction in the number of Skilled Migrant residence visa applications. Overall approval rates are mostly up YoY.
- **Café and Restaurant Managers:** total application volumes are up compared to last year, with strong increases across all visas. Approval rates are also relatively similar to last year. Skilled Migrant application volumes are down slightly.
- **Cooks:** Essential Skills application volumes and approval rates are up compared to last year. Volume of other work visa application types remain low but with small increases. As a result, total work visa application volumes are up compared to last year. However, Skilled Migrant residence visas application numbers have dropped.

# Work and Residence Visas: Key Occupations

## Key Insights

### Hotel service managers

		Apr-17		Apr-18		YOY decided
Visa		# decided	% approved	# decided	% approved	% change
work visa	Essential skills	15	93	20	85	+33
	Post study employer assisted	6	100	15	100	+150
	Variation of conditions	1	100	8	100	+700
	<b>TOTAL:</b>	<b>22</b>	<b>95</b>	<b>43</b>	<b>93</b>	<b>+95</b>
residence visa	Skilled migrant	16	94	8	88	-50

### Hotel/Motel managers

		Apr-17		Apr-18		YOY decided
Visa		# decided	% approved	# decided	% approved	% change
work visa	Essential skills	8	75	16	100	+100
	Post study employer assisted	7	86	12	92	+71
	Variation of conditions	2	100	4	100	+100
	<b>TOTAL:</b>	<b>17</b>	<b>82</b>	<b>32</b>	<b>97</b>	<b>+88</b>
residence visa	Skilled migrant	16	94	6	83	-63

### Retail supervisors

		Apr-17		Apr-18		YOY decided
Visa		# decided	% approved	# decided	% approved	% change
work visa	Essential skills	74	91	144	88	+95
	Post study employer assisted	47	68	44	82	-6
	Variation of conditions	21	86	34	91	+62
	Approved in Principle	7	100	17	100	+143
	<b>TOTAL:</b>	<b>149</b>	<b>83</b>	<b>239</b>	<b>88</b>	<b>+60</b>

- **Hotel Service Managers:** work visa volumes remain low but with relatively strong increases across all visa types. Approval rates remain high. Numbers of Skilled Migrant residence visa applications have halved with a slight decrease in approval rates.
- **Hotel/Motel Managers:** Again, there are increases across all work visa applications with higher approval rates. Skilled Migrant application numbers have dropped and there is also a drop in approval rates.
- **Retail Supervisors:** A large increase in volume for Essential Skills visas and approval rate is also up. Post Study Employer Assisted visa applications have dropped slightly, but with an increase in approval rates. Variation of Conditions and Approved in Principle applications have increased with high approval rates. No Skilled Migrant applications.

#### THEMES

##### Work visas

- Overall, work visa application volumes and approval rates have seen strong increases YoY across all occupations:
- **Essential Skills** volumes stronger for: *ALL occupations*.
- **Post Study Employer Assisted** volumes stronger for: *ALL occupations* apart from *Retail Supervisors*
- **Variation of Conditions** stronger for: *ALL occupations*
- **Long Term Skill Shortage** is only available for *Chefs* and is down 30% YoY.
- **Approved in Principle** is rarely used.

##### Residence visas

- Relatively strong YoY reductions across all occupations in terms of application volumes re Skilled Migrant category.

# Spotlight on...Chefs

What has been the impact of the recent Essential Skills (work visa) and Skilled Migrant Category (residence visa) policy changes, in terms of visa application numbers and other characteristics?

## ESSENTIAL SKILLS WORK VISA: CHEFS

Number of applications	2015	2016	2017	2018 (Jan to Apr)
Essential skills applications	2,697	2,842	2,673	896
Approval rate	90%	88%	86%	90%

ES % split by region	2015	2016	2017	2018 (Jan to Apr)
Auckland	44%	43%	42%	36%
Waikato	4%	4%	5%	6%
Wellington	8%	9%	8%	9%
Canterbury	11%	10%	9%	10%
Otago	9%	10%	10%	15%

## SKILLED MIGRANT CATEGORY RESIDENCE VISA: CHEFS

Number of applications	2015	2016	2017	2018 (Jan to Apr)
SMC applications	1,115	933	594	93
Approval rate	85%	88%	85%	90%

## Key Insights

### Essential Skills

- So far in 2018, chefs are the second largest occupation by volume (behind Dairy Cattle Farm Worker) associated with Essential Skills applications.
- Main story for Essential Skills over the past few years is “steady as she goes”. Application volumes have remained roughly the same, as have approval rates.
- However, 2018 has seen a shift away from Auckland with a higher proportion of ES applications relating to employment in other regions – particularly Otago.

### Skilled Migrant Category

- Chefs are the fifth largest occupation by volume so far in 2018.
- However policy changes (increase to the points threshold, and introduction of income requirements) enacted over the past two years appear to have had an impact on application volumes. There has been large drop in the number of Chef-related SMC applications processed by INZ, although approval rates remain high at 90%

# Spotlight on...Café or Restaurant Managers

What has been the impact of the recent Essential Skills (work visa) and Skilled Migrant Category (residence visa) policy changes, in terms of visa application numbers and other characteristics?

## ESSENTIAL SKILLS WORK VISA: CAFÉ/REST. MGRS

Number of applications	2015	2016	2017	2018 (Jan to Apr)
Essential skills applications	1,023	1,077	995	436
Approval rate	96%	95%	92%	95%

ES % split by region	2015	2016	2017	2018 (Jan to Apr)
Auckland	46%	46%	45%	43%
Waikato	5%	5%	5%	6%
Wellington	12%	14%	15%	12%
Canterbury	10%	9%	8%	10%
Otago	5%	7%	6%	7%

## SKILLED MIGRANT CATEGORY RESIDENCE VISA: CAFÉ/REST MGRS

Number of applications	2015	2016	2017	2018 (Jan to Apr)
SMC applications	619	561	508	169
Approval rate	80%	84%	78%	86%

## Key Insights

### Essential Skills

- Café and Restaurant Managers are the fifth largest occupation by volume so far in 2018.
- Again, the main story for Essential Skills over the past few years is “steady as she goes”. Application volumes have remained roughly the same (*although YoY volumes are looking strong so far in 2018*), as have approval rates.
- 2018 has seen a slight shift away from Auckland with a marginally higher proportion of ES applications relating to employment in other regions.

### Skilled Migrant Category

- Café and Restaurant Managers are the second largest occupation by volume so far in 2018.
- The Skilled Migrant Category story is one of consistency in terms of application volumes and approval rates. Policy changes (*increase to the points threshold, and introduction of income requirements*) enacted over the past two years appear to have had limited impact with application volumes steady YoY and approval rates having increased to 86%.

# Working Holiday Visa

	Month of April 2018	% change	Year to April 2018	% change
Germany	562	-5%	13,867	-11%
United Kingdom	814	-14%	13,562	-3%
France	572	+2%	10,065	-2%
United States	341	-1%	5,239	+1%
Canada	173	-1%	3,205	+7%
Korea	--	--	3,078	+6%
Japan	218	+2%	2,535	-5%
Italy	113	-4%	2,164	+6%
Ireland	116	-3%	1,690	-5%
Netherlands	94	+42%	1,665	-2%
Other	949	+8%	11,424	+2%
Total	3,952	-2%	68,494	-2%

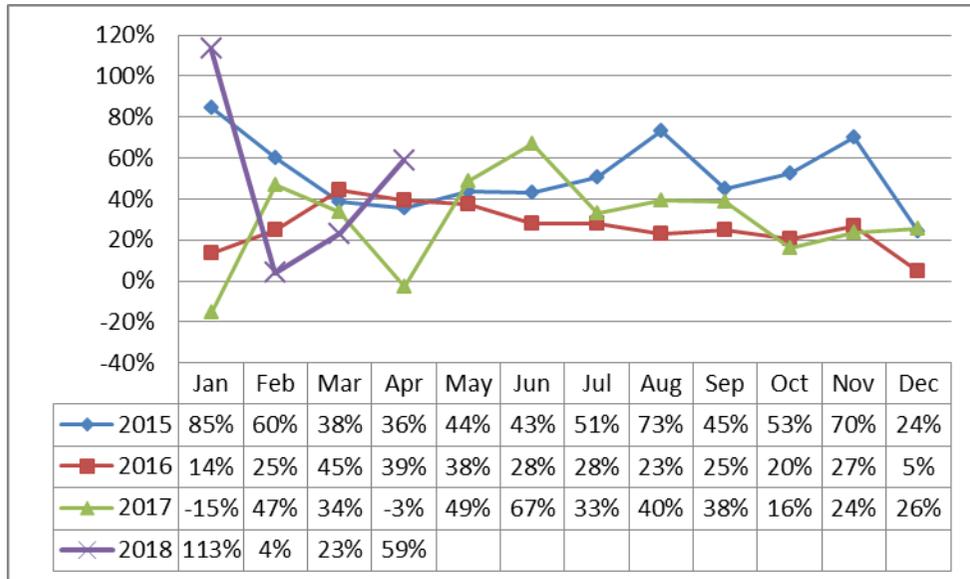
## Key Insights

- Small 2% drop in both the number of WHV applicants YTD and for the month of April 2018.
- Increase in WHV applications in April for *The Netherlands*, *France* and *Japan* schemes (note: *Korea* scheme is capped, hence no applications received this month)
- Significant (double digit) drop for *United Kingdom* in particular. Also drops for *Germany*, *United States*, *Canada*, *Italy* and *Ireland* schemes.

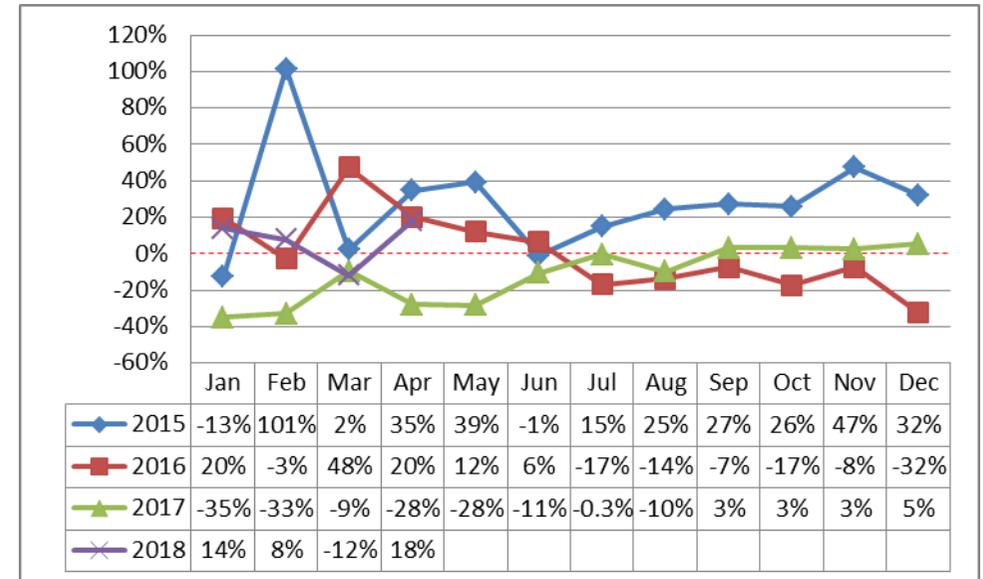
# China Visitor Visa

## For month of April

	2014	%	2015	%	2016	%	2017	%	2018	%	% change 17 vs 18
<b>General Visitor Visa</b>	5,496	31	7,459	31	10,393	34	10,114	41	16,096	49	+59%
<b>ADS</b>	12,310	69	16,586	69	19,965	66	14,486	59	17,086	51	+18%
<b>TOTAL</b>	<b>17,806</b>		<b>24,045</b>		<b>30,358</b>		<b>24,600</b>		<b>33,182</b>		<b>+35%</b>



Graph 1: approved GVV people – YOY monthly percentage change 2015 to 2018



Graph 2: approved ADS people – YOY monthly percentage change 2015 to 2018

### Key insights

- Strong growth (in absolute and percentage terms) for **General Visitor Visas** in April, with a **59% YOY** increase. This is the highest rate of growth we have seen for April in the last five years.
- **ADS** remains comparatively weak (volumes )but with a YOY increase of **18%**.

# China Visitor Arrivals

## for month of March

- The 18.2% increase in Chinese visitor arrivals for April was driven by arrivals from *Shanghai* (up by 13.6% YoY) and *Guangdong* province (up 10%)
- Length of stay remains steady. Chinese visitors typically spent slightly less time in New Zealand this April, compared with April last year (an average of 6.8 days in 2018, compared with 7 days in 2017).
- The cohort of Chinese visitors staying in NZ for 8-14 days continues to be growing (up 27.3% in April and up 26.9% YoY), and, **remains strong against the number of very short stay (1-3 days) visitors typically associated with shopping tour groups**. Up until now, “very short stay” visitors have comprised the largest individual Chinese visitor segment over any given 12 month period. This is a great development for a market that not so long ago was dominated by short stay tour groups.
- The volume of visitors from *Henan*, *Sichuan* and *Guangdong* have experienced strong growth over the past 12 months – visitor volumes increasing by 38.9%, 29% and 27% respectively for the year ending April.
- The volume of Chinese nationals flying to NZ via *Coolangatta* and *Shanghai* rose significantly YoY for April, while volumes flying to NZ via *Sydney* and *Shenzhen* have decreased.

### China visitor - statistics

	% change in visitor arrivals: month of April 2018	% change in visitor arrivals: YTD	% change <u>holiday</u> visitor arrivals: YTD	Median length of stay: month of April 2018 (last year)	Median length of stay: YTD (last year)
<b>China</b>	<b>18.2%</b> (46,464)	<b>11.1%</b> (444,864)	<b>13.6%</b> (339,952)	<b>6.8</b> (7.0)	<b>8.2</b> (7.7)
Beijing	<b>-10.7%</b> (4,528)	<b>0.9%</b> (54,976)	<b>1.8%</b> (43,232)	<b>8.3</b> (7.4)	<b>9.2</b> (8.2)
Shanghai	<b>13.6%</b> (6,016)	<b>11.1%</b> (66,512)	<b>9.9%</b> (54,400)	<b>9.3</b> (9.4)	<b>9.8</b> (9.6)
Guangdong	<b>10.0%</b> (7,216)	<b>27.0%</b> (67,840)	<b>29.6%</b> (53,680)	<b>8.8</b> (8.3)	<b>8.9</b> (9.0)

## China visitor – Length of stay

Length of Stay	Month of April 2018	% change	Year to April 2018	% change
1-3 days	15,392	10.6	132,944	-0.7
4-7 days	9,952	37.9	74,560	16.7
8-14 days	13,936	27.3	140,528	26.9
15-21 days	3,568	16.8	36,928	5.9
22+ days	3,616	-13.1	59,904	5.2

## China visitor – Province of residence

Province of Residence	Number of visitors: YE April 2018	% change: YE April 2018 vs 2017
Guangdong	67,840	27.0
Shanghai	66,512	11.1
Beijing	54,976	0.9
Zhejiang	24,752	5.9
Jiangsu	21,312	-0.6
Sichuan	20,208	29.0
Shandong	12,896	21.8
Liaoning	10,624	6.4
Fujian	7,920	-12.4
Henan	7,536	38.9

## China visitor – closest port of flight

Airport	Pax	% change
Shanghai	9,024	35.6
Hong Kong	6,768	27.0
Guangzhou	5,504	-2.8
Melbourne	5,424	29.4
Sydney	4,576	-14.4
Brisbane	3,968	10.7
Coolangatta	3,232	61.6
Beijing	2,208	-1.4
Shenzhen	1,824	-6.6

# Glossary of terms – work visa categories

- [Essential skills work visa](#)
  - The Essential Skills category is a temporary work visa category designed to allow employers to recruit overseas workers where shortages mean that no suitable New Zealanders are available or trainable. The length of the visa depends on whether the job is lower-skilled, mid-skilled or higher-skilled.
- [Post study – employer assisted visa](#)
  - This visa is for recent graduates who have successfully completed their qualification in New Zealand. To apply, the candidate needs to have an offer of full-time work in the same area as their qualification. If granted this visa, it may provide a pathway to later apply for residence under NZ's Skilled Migrant Category.
- [Variation of conditions visa](#)
  - Temporary visas such as work, student or visitor visas are granted with conditions telling the candidate what they are allowed to do while on the visa. These conditions can be things like working in a particular job or studying at a particular education provider. If the visa conditions no longer match their circumstances, the migrant may apply to change their conditions. This is called a variation of conditions. However, in some situations, a new visa may need to be applied for instead.
- [Long term skill shortage visa](#)
  - This visa offers a pathway to New Zealand residence. To apply, the candidate will need to have the specified work experience, qualifications and occupational registration to work in an occupation on NZ's Long Term Skill Shortage List, and an offer for work in that occupation. If the migrant continues working in that occupation in New Zealand for 2 years, they can apply for residence.
- [Approved in principle](#)
  - Being approved in principle means an employer can hire multiple migrant workers without repeating the labour market test. Employers can employ as many migrants as approved in their approval in principle. Employers can employ migrants for between 12 months and 5 years, depending on skill level, making recruitment planning easier.