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# INZ Tourism & Hospitality Data and Insights

February 2018

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# Work and Residence Visas: Key Occupations

## Chefs

		Feb-17		Feb-18		YOY decided
		# decided	% approved	# decided	% approved	% change
Visa						
work visa	Essential skills	224	83	159	87	-29%
	Post study employer assisted	38	97	38	100	NC
	Variation of conditions	72	90	124	86	+72%
	Long term skill shortage	18	67	28	86	+56%
	Approved in principle	6	100	3	67	-50%
<b>TOTAL:</b>		<b>358</b>	<b>85</b>	<b>352</b>	<b>88</b>	<b>-2%</b>
residence visa	Skilled migrant	73	92	21	95	-71%

## Café/restaurant managers

		Feb-17		Feb-18		YOY decided
		# decided	% approved	# decided	% approved	% change
Visa						
work visa	Essential skills	85	80	68	90	-20
	Post study employer assisted	34	100	26	88	-24
	Variation of conditions	48	92	54	100	+13
	<b>TOTAL:</b>	<b>167</b>	<b>87</b>	<b>148</b>	<b>93</b>	<b>-11</b>
residence visa	Skilled migrant	47	94	38	74	-19

## Cooks

		Feb-17		Feb-18		YOY decided
		# decided	% approved	# decided	% approved	% change
Visa						
work visa	Essential skills	41	80	40	80	-2
	Post study employer assisted	2	100	0	0	--
	Variation of conditions	8	88	12	83	+50
	Approved in principle	6	50	9	78	+50
	<b>TOTAL:</b>	<b>57</b>	<b>79</b>	<b>61</b>	<b>80</b>	<b>+7</b>
residence visa	Skilled migrant	11	100	5	100	-55

## Key Insights

- **Chefs:** strong drop in Essential Skills application volumes partially offset by strong increases in other work visa types (particularly Variation of Conditions visas). Large reduction in the number of Skilled Migrant residence visa applications. Overall approval rates are however up YoY.
- **Café and Restaurant Managers:** similar work visa trend to *Chefs*. Total application volumes down compared to last year, however approval rates are up. Skilled Migrant application volumes and approval rates also down.
- **Cooks:** similar to last year in Essential Skills application volumes and approval rates. Volume of Skilled Migrant application remains low while Approved in Principle and Variation of Conditions rates are up.

# Work and Residence Visas: Key Occupations

## Key Insights

### Hotel service managers

		Feb-17		Feb-18		YOY decided
		# decided	% approved	# decided	% approved	% change
Visa						
work visa	Essential skills	22	100	14	86	-36
	Post study employer assisted	9	100	3	100	-67
	Variation of conditions	7	100	3	100	-57
	<b>TOTAL:</b>	<b>38</b>	<b>100</b>	<b>20</b>	<b>90</b>	<b>-47</b>
residence visa	Skilled migrant	8	88	9	67	+13

### Hotel/Motel managers

		Feb-17		Feb-18		YOY decided
		# decided	% approved	# decided	% approved	% change
Visa						
work visa	Essential skills	14	86	7	71	-50
	Post study employer assisted	4	100	4	100	NC
	Variation of conditions	2	100	8	88	+300
	<b>TOTAL:</b>	<b>20</b>	<b>90</b>	<b>19</b>	<b>84</b>	<b>-5</b>
residence visa	Skilled migrant	5	100	8	75	+60

### Retail supervisors

		Feb-17		Feb-18		YOY decided
		# decided	% approved	# decided	% approved	% change
Visa						
work visa	Essential skills	79	90	85	93	+8
	Post study employer assisted	35	74	20	85	-43
	Variation of conditions	26	100	28	93	+8
	<b>TOTAL:</b>	<b>140</b>	<b>88</b>	<b>133</b>	<b>92</b>	<b>-5</b>

- **Hotel Service Managers:** work visa volumes have all decreased a lot compared to last year. Approval rates remain high. A slight increase in number of Skilled Migrant residence visa applications but with a decrease in approval rates.
- **Hotel/Motel Managers:** A decrease in both Essential Skills applications and approval rates. However, there has been an increase in Variation of Conditions visa applications. Skilled Migrant application numbers have also gone up, although with a drop in approval rates.
- **Retail Supervisors:** increase in volumes and approval rates for Essential Skills . Post Study Employer Assisted visa applications have dropped, but with an increase in approval rates. Variation of Conditions remain the same with high approval rates.

### THEMES

#### Work visas

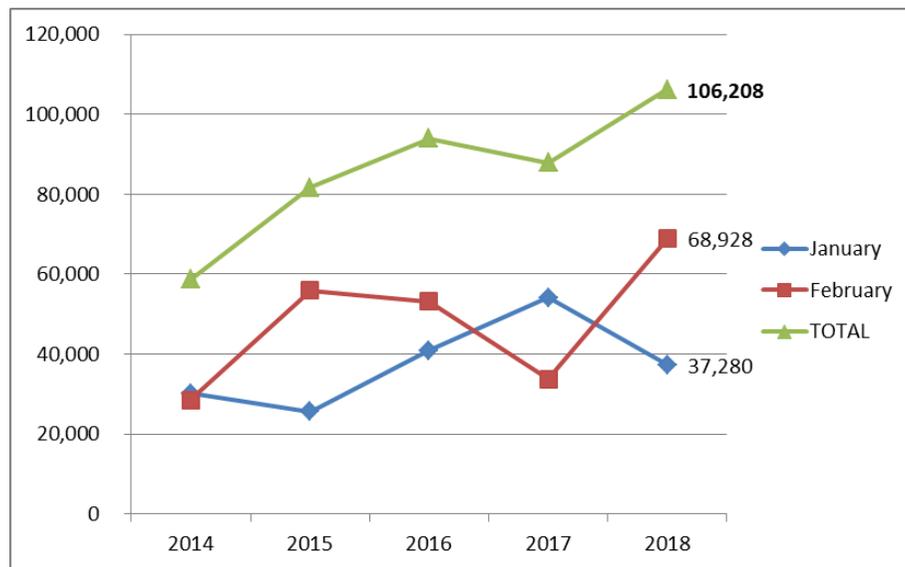
- Overall, work visa application volumes are lower YoY but with an increase in approval rates across most occupations:
- **Essential Skills** volumes stronger for: *Retail Supervisors*
- Essential Skills weaker for: *Chefs, Café/Restaurant Managers, Cooks, Hotel Service Managers and Hotel/Motel managers*
- **Post Study Employer Assisted** volumes weaker for: *ALL* with strong decreases (excluding Hotel/Motel Managers and chefs with no change)
- **Variation of Conditions** stronger for: *ALL*, with strong increases (excluding Hotel Service Managers)
- **Long Term Skill Shortage** is only available for Chefs and is up 56% YoY.
- **Approved in Principle** is rarely used.

#### Residence visas

- Relatively strong YoY reductions in terms of application volumes re-Skilled Migrant category, particularly for Chefs, Cooks and Café/Restaurant Managers.

# Spotlight on... Chinese New Year

China Arrivals – trend over the past five years (months of January and February)



Chinese New Year	2014	2015	2016	2017	2018	Change 2017-18	
						Number	Percent
January	30,128	25,680	40,848	54,096	37,280	-16,816	-31%
February	28,496	55,968	53,152	33,728	68,928	35,200	104.4%
<b>TOTAL</b>	<b>58,624</b>	<b>81,648</b>	<b>94,000</b>	<b>87,824</b>	<b>106,208</b>	<b>18,384</b>	<b>21%</b>

## Key Insights

- Chinese New Year-related arrivals (covering the two month period January and February, given variance of CNY dates each year) have increased each year over the past 5 years (excepting 2017) – going from **58K** in 2014 to **106K** in 2018.
- The amount of time that the “typical” Chinese New Year traveller spends in NZ during the CNY holiday period has increased significantly – from 25% of visitors staying in NZ for 8-14 days in 2014, to 50% in 2018 (see the below table).

The “typical” Chinese New Year visitor....	% of total Chinese CNY visitors	
	2018 (February)	2014 (January)
flew direct to NZ (rather than via Australia)	71%	61%
was here on holiday	83%	78%
<b>stayed in NZ for 8 to 14 days</b>	<b>51%</b>	<b>27%</b>
was from Shanghai, Beijing or Guangdong	51%	50%
was aged 25 to 54	58%	60%

# Working Holiday Visa

	Month of February 2018	% change	Year to February 2018	% change
Germany	592	-8%	14,041	-10%
United Kingdom	1,066	-1%	13,759	-1%
France	614	-8%	10,072	-2%
United States	386	+3%	5,186	+2%
Canada	220	+2%	3,207	+9%
Korea	0	--	3,118	+9%
Japan	218	-15%	2,551	-8%
Italy	156	+16%	2,160	+6%
Ireland	105	-20%	1,731	-2%
Netherlands	92	-12%	1,630	-3%
Other	314	-77%	11,401	NC
Total	3,763	-24%	68,856	-2%

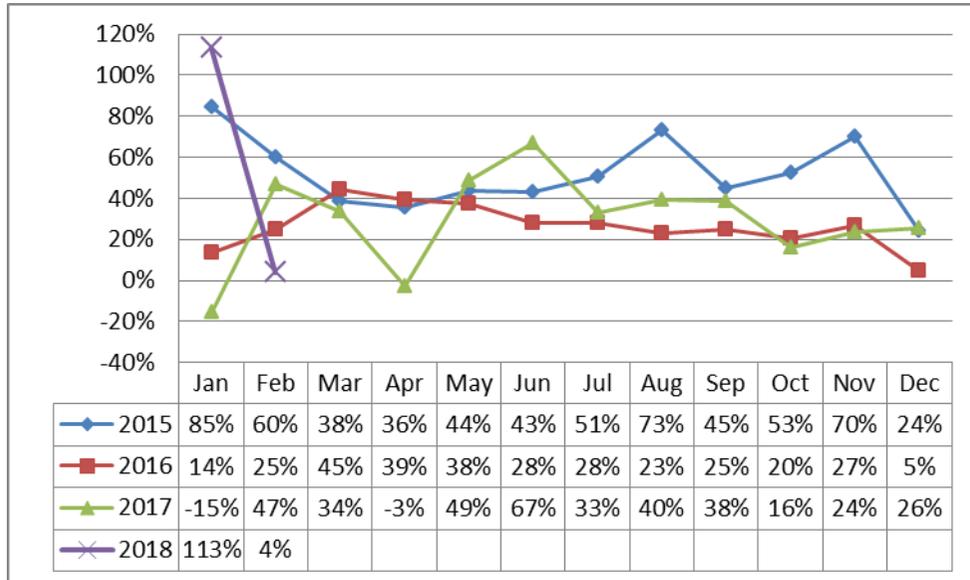
## Key Insights

- Small drop in the number of WHV applicants YTD (however, down 24% for the month of February 2018).
- Increase in WHV applications for *Italy*, *United States* and *Canada* schemes (note: Korea scheme is capped, hence no applications received this month)
- Large decrease in *Other* is due to a system fault in the Malaysia scheme during the month of January 2017 (re-opened in February 2017, hence the decrease this month).
- Significant (double digit) drop for *Ireland*, *Netherlands* and *Japan* markets in particular. Also drops for *Germany* and *France* schemes.

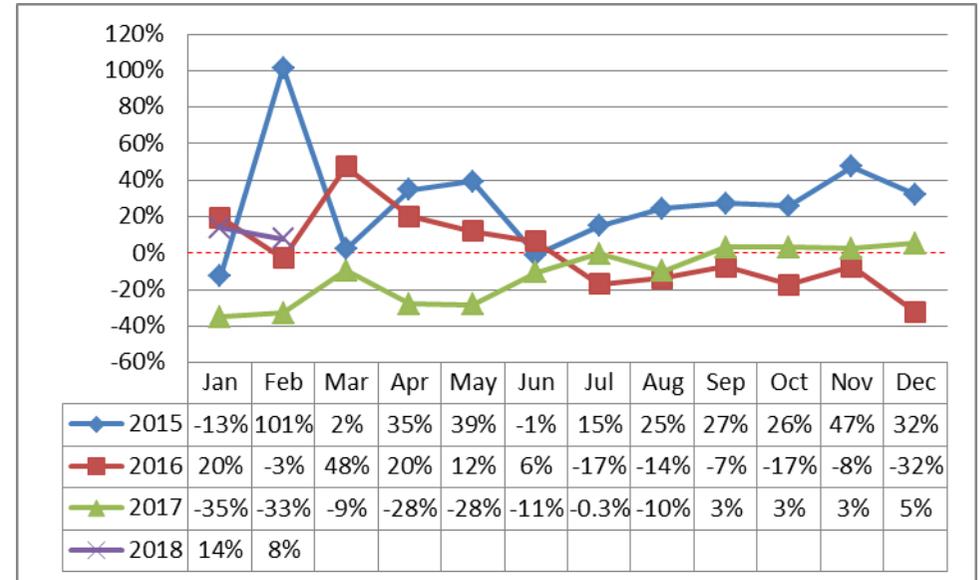
# China Visitor Visa

## For month of February

February											
	2014	%	2015	%	2016	%	2017	%	2018	%	% change 17 vs 18
<b>General Visitor Visa</b>	4,578	41	7,329	36	9,167	42	13,457	61	14,046	60	+4%
<b>ADS</b>	6,553	59	13,198	64	12,823	58	8,618	39	9,333	40	+8%
<b>TOTAL</b>	<b>11,131</b>		<b>20,527</b>		<b>21,990</b>		<b>22,072</b>		<b>23,379</b>		<b>+6%</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

- Minimal growth (in absolute and percentage terms) for **General Visitor Visas** in February, with a **4% YOY** increase. This is the lowest rate of growth we have seen for February in the last five years.
- ADS** remains comparatively weak with a slight YOY increase.

# China visitor arrivals

## for month of February

- The 104% increase in Chinese visitor arrivals for February was driven, in large part, by very strong arrival numbers from *Guangdong* province (up by 283% YoY) and *Shanghai* (up 156%)
- Length of stay continues to increase. Chinese visitors typically spent one extra day in New Zealand this February, compared with February last year (an average of 10.1 days in 2018, compared with 8.9 days in 2017).
- The cohort of Chinese visitors staying in NZ for 8-14 days continues to be fast growing (up 214.7% in February and up 25.1% YoY), and, **for the very first time, has overtaken 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 *Guangdong*, *Tianjin* and *Sichuan* have experienced strong growth over the past 12 months – visitor volumes increasing by 28.3%, 23.5% and 20.6% respectively for the year ending February.
- The volume of Chinese nationals flying to NZ via all recorded ports of flight rose significantly YoY for February – in particular from *Hong Kong*, *Beijing* and *Singapore*.

### China visitor - statistics

	% change in visitor arrivals: month of February 2018	% change in visitor arrivals: YTD	% change <u>holiday</u> visitor arrivals: YTD	Median length of stay: month of February 2018 (last year)	Median length of stay: YTD (last year)
<b>China</b>	<b>104.4%</b> (68,928)	<b>8.3%</b> (436,256)	<b>9.2%</b> (331,376)	<b>10.1</b> (8.9)	<b>8.2</b> (7.4)
Beijing	<b>62.6%</b> (9,184)	<b>2.8%</b> (55,942)	<b>2.8%</b> (43,712)	<b>10.5</b> (9.0)	<b>8.9</b> (8.2)
Shanghai	<b>155.7%</b> (12,480)	<b>5%</b> (64,464)	<b>3.1%</b> (52,512)	<b>10.8</b> (9.8)	<b>9.8</b> (9.6)
Guangdong	<b>283.1%</b> (13,792)	<b>28.3%</b> (66,064)	<b>30.1%</b> (52,112)	<b>9.7</b> (9.2)	<b>8.9</b> (9.1)

## China visitor – Length of stay

Length of Stay	Month of February 2018	% change	Year to February 2018	% change
1-3 days	10,960	19.3	134,304	-1.4
4-7 days	9,216	66.0	70,336	5.4
<b>8-14 days</b>	<b>34,848</b>	<b>214.7</b>	<b>135,296</b>	<b>25.1</b>
15-21 days	8,096	187.5	36,464	2.2
22+ days	5,808	13.8	59,856	6.7

## China visitor – Province of residence

Province of Residence	Number of visitors: YE February 2018	% increase: YE February 2018 vs 2017
Guangdong	66,064	28.3
Shanghai	64,464	5.0
Beijing	55,952	2.8
Zhejiang	24,336	-0.8
Jiangsu	21,392	3.6
Sichuan	19,312	20.6
Shandong	12,288	11.3
Liaoning	10,208	2.1
Fujian	7,632	-21.8
Tianjin	7,232	23.5

## China visitor – closest port of flight

Airport	Pax	% change
Hong Kong	14,816	272
Shanghai	11,376	92
Guangzhou	11,024	81
Beijing	4,864	179
Sydney	4,800	32
Melbourne	4,784	46
Brisbane	4,272	10
Singapore	2,800	661
Shenzhen	2,272	78

# 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.