

5 May 2017

The Government has recently announced a number of proposed changes to immigration policy:

- Changes to the requirements for the Essential Skills Work Visa.
- Changes to the requirements for the Skilled Migrant Residence Visa.

Proposed implementation of a one-off pathway to residence for migrant workers in the South Island later this month.

Skilled Migrant Category Residence Visa Changes

In October 2016 the Government:

- Increased the number of points required to obtain a Skilled Migrant visa
- Tightened the rules in relation to evidence of English language ability for applicants under that category.

On 14 August 2017 the Government plans to introduce further changes with two new remuneration thresholds. The first will be set at the New Zealand median income, currently \$48,859 per year or \$23.49 per hour, and the second at 1.5 times the New Zealand median income, currently \$73,299 per year or \$35.24 per hour.

Currently, the Australian and New Zealand Standard Classification of Occupations (**ANZSCO**) is used to determine applicants' skill levels. Under the proposed changes, the following remuneration requirements will be added:

- Applicants who earn less than the median income will not be classified as skilled and will not be able to claim points for their employment, regardless of the ANZSCO Skill Level of their occupation.
- Applicants who earn more than 1.5 times the median income will automatically be classified as skilled, regardless of their ANZSCO Skill Level.
- Applicants with remuneration at, or above, \$97,718 per year or \$46.98 per hour, will be able to claim bonus points.

The proposed changes include other amendments to the points allocation system:

- The same number of points will be awarded for an offer of skilled employment and for current skilled employment.
- More points will be available for work experience.
- Applicants will be able to claim points for skilled work experience in ANZSCO skill level 1, 2 and 3 occupations.
- Applicants will be able to claim points for skilled New Zealand work experience of 12 months or more.
- Points available for recognised level 9 or 10 post-graduate qualifications (Master's degrees and Doctorates) will increase.
- Points for people aged 30 – 39 years will increase.
- Applicants will only be able to claim points for a partner's qualification if it is a recognised Bachelor's level degree or higher or a recognised post-graduate (level 9 or higher) qualification.

- Applicants will no longer be able to claim points for:
 - a. skilled employment;
 - b. work experience and qualifications in identified Future Growth Areas;
 - c. qualifications in an area of absolute skills shortage;
 - d. close family support in New Zealand.

Publication of further details is expected in June.

Essential Skills Work Visa Changes

The Government is proposing to apply the new remuneration thresholds not only to permanent migrants, but also to temporary migrants. Under its proposed changes, income will be the main determinant of the skill level of an applicant for an Essential Skills work visa. Where there is a disparity between an applicant's expected remuneration and the job description, the applicant will be required to justify this with evidence of his or her work experience and qualifications. Under the proposed changes:

- Holders of Essential Skills work visas whose income does not meet the first threshold – “lower-skilled” migrants – will be allowed to spend a maximum of three years in New Zealand, after which the Government is proposing a one-year stand down period before those people can apply for another lower-skilled Essential Skills work visa.
- Partners and children of Essential Skills work visa holders will be able to come to New Zealand on visitor visas but will only be able to obtain a work visa if they meet the requirements in their own right.
- Measures will be introduced to better align visa duration with labour demand for seasonal work; that is, the length of the visa will need to match the length of the season.

Further information, including the discussion document and details about making a submission on the intended changes to the Essential Skills work visa framework, can be found at: <http://www.mbie.govt.nz/info-services/immigration/consultations/proposed-changes-to-immigration-policy-settings-suite-of-proposed-changes-essential-skills-visa>. Submissions close on 21 May, final decisions are expected in July, and implementation is expected in August.

South Island Contribution Visa

The Government has announced a new one-off pathway to residence for migrants on Essential Skills work visas (and their families) who have been employed on Essential Skills work visas in the South Island for more than five years. Under the new policy;

- Eligible migrants will be granted a Work to Residence temporary visa.
- This would make them eligible for residence after two years provided they remain in the same industry and region.
- Their resident visa will be conditional upon them remaining in the same region for a further two years.
- Applicants under the new policy must be aged 55 years or younger and meet health and character requirements, but each application will be decided on a case-by-case basis and there will be some flexibility for those applicants whose work has required them to spend some time in the North Island.

The new policy is expected to come into effect on 22 May and to allow applications for a year after the effective date.

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