

Making immigration work for New Zealand

New Zealand is a country built on immigration. Migrants bring to New Zealand the skills we need to grow our economy and vibrant cultures that enrich our society.

We have always welcomed migrants to our country, and will continue to do so. But in recent years our population has been growing rapidly as record numbers of migrants arrive here. This has happened without the Government planning for the impact immigration is having on our country. After nine years, National has failed to make the necessary investments in housing, infrastructure, and public services that are needed to cope with rapid population growth. This has contributed to the housing crisis, put pressure on hospitals and schools, and added to the congestion on roads.

Labour will invest in housing, infrastructure, public services, and in training New Zealanders to fill skills shortages. At the same time, we will take a breather on immigration. We will do this by making sure that work visas are not being abused to fill low-skill, low-paid jobs, while ensuring that businesses can get the skilled workers they need.

▶ Labour will:

- **Ensure that businesses are able to get genuinely skilled migrants when they need them. This will include introducing an Exceptional Skills Visa for highly skilled or talented people and introducing a KiwiBuild Visa for residential construction firms who train a local when they hire a worker from overseas.**
- **Strengthen the Labour Market Test for work visas so they are not being used for jobs Kiwis can do, and make our skills shortage lists more regional so migrants coming in under them can only live and work in areas where there is a genuine skills shortage.**
- **Require courses for international students to be high-quality, remove the ability to work for international students in low-level courses except where the work is approved as part of their study, and remove the ability to get a work visa without a job for those who have completed study below university level.**

These changes won't affect the Refugee Quota, the Pacific Quotas, Working Holiday Schemes, or the Recognised Seasonal Employer scheme, although monitoring will be increased to prevent exploitation. There will be no direct changes to family visas, although there will likely be a flow-on decrease from the other changes. No person currently in New Zealand will have their visa status changed by these decisions but new visa applications will be under the new rules. Existing students who came in good faith on the basis of the post study work visa being available will be able to access this visa but subsequent visas will be under the new rules.

In total, these changes are estimated to reduce net migration by 20,000-30,000. Without these changes there would be up to 10,000 more houses needed and up to 20,000 more vehicles on our roads annually. Our immigration system will be regularly reviewed to ensure it is functioning well.

Visa Category	Change	Consequence
Student Visa	Limiting visas and ability to work for low value courses	A fall of 6,000-10,000
Post Study Work Visa - Open	Remove work visas without a job offer for lower level qualification graduates	A fall of around 9,000-12,000
Work Visas	Regionalise the occupation list and ensure that employers hire Kiwis first	A fall of around 5,000-8,000
Estimated Reduction		20,000-30,000

While the settings for them are not being changed it is expected there will be consequential reductions in family and partner visas in the thousands as a result of these changes.

A fresh approach



Closing off backdoor immigration via study

Student visas

- ▶ **Labour will stop issuing student visas for courses below a bachelor's degree which are not independently assessed by the TEC and NZQA to be of high quality.**

Labour will also limit the ability to work while studying to international students studying at Bachelor-level or higher. For those below that level, their course will have to have the ability to work approved as part of the course.

Currently it is only assessed whether a course or provider is suitable to offer education and training. These changes will add additional consideration for courses below a bachelor's degree of whether approved courses are eligible for student visa applications and, where they are, whether the ability to work should be attached to that. MBIE will be involved in this process.

In recent years there has been a substantial increase in low-level study and reports of sham courses being used as a route to work and eventual residency. Many stories have emerged of people being exploited both in their home countries and in New Zealand by people offering study as a backdoor to residency.

Labour is focussed on our international education system delivering high-quality education that delivers a real return for New Zealand and does not put unnecessary pressure on our infrastructure. Quality education must stand on its own merits.

Making these changes is expected to reduce net migration by around 6,000 to 10,000 a year in returning the number of international students in low level courses at Private Training Establishments closer to their previous level.

These changes will not affect providers who are delivering high quality courses for international students. We do not expect them to adversely impact universities, polytechnics, or schools. We estimate our plan to introduce three years free post-school education will see domestic enrolments grow 15%, reversing the projected decline under National.

Work visas after study

- ▶ **Labour will limit the "Post Study Work Visa - Open" after graduating from a course of study in New Zealand to those who have studied at Bachelor-level or higher.**

Currently any international student who has completed a course long enough is able to apply for a one year work visa without having a job. This work visa and the prior qualification have become a loophole to gain a longer term work visa and residency.

As with the ability to work while studying, this avenue into work after study has fostered an industry of low-value courses that don't deliver real education but serve as a backdoor route for immigration. It is damaging our international reputation and places pressure on our infrastructure. Labour's proposed approach is a middle ground. It does not remove the visa entirely, as occurred in the UK in 2012.

Changing this is expected to reduce net migration by around 9,000-12,000.

Ensuring genuine skills needs are met

Since 2011/12, the number of low-skill (ANZSCO 4 and 5) work visas issued has surged from 14,000 to 22,000. For example, the number of “retail supervisor” work visas has increased from 700 to 1,700. Labour will work with firms to train New Zealanders to fill skills gaps so we don’t have to permanently rely on immigration. A developed nation should be able to train enough retail staff to meet its own needs. Immigration should be a stop-gap to meet skills shortages, not a permanent crutch.

- ▶ **Labour will make changes that preserve and enhance the ability of businesses to get skilled workers to fill real skills gaps but which prevent the abuses of the system that currently happen.**

Labour will ensure that, where there are real skills shortages, businesses will be able to get the workers they need by regionalising and rationalising skills shortage lists.

Currently, few skill shortages are regionalised. This makes it hard for a region with a skills shortage in a specific occupation to get on the list if the shortage is not nationwide. Importantly it means that work visas are issued for jobs in regions where there is not actually a shortage which puts unnecessary pressures on housing and transport infrastructure there.

Labour’s regionalised system will work with local councils, unions and business to determine where shortages exist and will require that skilled immigrants work in the region that their visa is issued for. This will prevent skills shortages in one region being used to justify work visas in another, while also making it easier for regions with specific needs to have those skills shortages met.

Where skills shortages are identified, Labour will develop training plans with Industry Training Organisations so that the need for skilled workers is met domestically in the long-term. We will invest in training through Dole for Apprenticeships and Three Years Fees Free policies.

- ▶ **For jobs outside of skills shortages lists, Labour will ensure visas are only issued when a genuine effort has been made to find Kiwi workers.**

This will involve more active enforcement of the Labour Market Test to make sure that employers have offered rates of pay and working conditions that are at least the market rate and have a plan for training people.

- ▶ **Labour will remove the Skilled Migrant Category bonus points currently gained by studying or working in New Zealand and will standardise the age points to 30 for everyone under 45.**

Currently older, higher-skilled and experienced workers from overseas are at a disadvantage to recent graduates and temporary workers already in New Zealand. This change will ensure skilled migrants are chosen on the basis of the skills and experience they offer not where they have most recently lived.

Based on the recent increases in low-skill visa numbers we expect these changes will reduce net migration by 5,000-8,000.

Additional measures

Attracting the exceptionally talented

- ▶ **Labour will introduce an Exceptional Skills Visa. This visa will enable people with exceptional skills and talents that will enrich New Zealand society – not just its economy – to gain residency here.**

It will be available to people who can show they are in an occupation on the long-term skills list and have significant experience or qualifications beyond that required (for example, experienced paediatric oncologist) or are internationally renowned for their skills or talents. Successful applicants will avoid the usual points system requirements for a Skilled Migrant Category visa and would be able to bring their partner and children within the visa. This visa will help grow high-tech new industries, meet the increasingly complex needs of the 21st Century and enrich our society. Exceptional Skills Visas for up to 1,000 people, including partners and children, will be offered every year.

KiwiBuild Visa and training Kiwis

There are 90,000 young people who are not in work or education, and the number of people in training is falling. The opportunity exists to train these young people and get them into work, rather than leaving them on benefits.

- ▶ **Labour will introduce the KiwiBuild Visa to help address the growing shortages in skilled tradespeople and facilitate Labour's KiwiBuild housing programme.**

Residential construction firms could hire a skilled tradesperson on a three-year work visa without having to meet the Labour Market Test if they pay a living wage and take on an apprentice for each overseas worker they hire. The number of places will be limited to 1,000 to 1,500 at a given time, which we expect will be additional to the construction work visas issued under the existing rules.

- ▶ **Labour will assist with the cost of the apprentices through our Dole for Apprenticeships scheme which will pay the employer the equivalent of the unemployment benefit to take on an apprentice.**

The increase in training this creates will reduce our reliance on migration and increase the productivity of the sector.

No Changes to Pacific quotas, RSE, or working holidays

- ▶ **Labour will continue to recognise the special relationships with our Pacific neighbours. There will be no cuts to the levels of Pacific quotas and the Recognised Seasonal Employer schemes.**

We will investigate ways to ensure that the Pacific Access Quota and Samoan Quota which are currently underutilised are fully met. However, there will be greater enforcement to ensure workers are not exploited.

We will not make changes to the working holidays schemes which are negotiated under bilateral agreements with other countries.

Looking after victims of war and disaster

- ▶ **Labour will increase the refugee quota to 1,500.**

This will continue Labour's proud tradition of welcoming victims of war and disaster to our shores, which extends back to taking in refugees during World War II and is just as needed today, with conflicts such as in Syria creating the largest number of displaced persons since 1945.