



COVERSHEET

Minister	Hon Michael Wood	Portfolio	Immigration
Title of Cabinet paper	Immigration Rebalance: Proposals for International Students	Date to be published	2 August 2022

List of documents that have been proactively released

Date	Title	Author
April 2022	Immigration Rebalance: Proposals for International Students	Office of the Minister of Immigration
13 April 2022	Immigration Rebalance: Proposals for International Students SWC-22-MIN-0073 Minute	Cabinet Office

Information redacted

YES

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Some information has been withheld for the reason of Confidential advice to Government.



Cabinet Social Wellbeing Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Immigration Rebalance: Proposals for International Students

Portfolio **Education / Immigration**

On 13 April 2022, the Cabinet Social Wellbeing Committee:

Background

- 1 **noted** that in July 2021, Cabinet agreed to a rebalance of immigration settings that would pursue a lower overall volume of migrants and a better mix of temporary and skilled migrants, compared to the pre-COVID-19 trajectory (the Rebalance) and invited the Minister of Immigration to report back on international student settings [CAB-21-MIN-0279];
- 2 **noted** that the pre-COVID-19 sustained growth of international students was a significant contributor to the pool of lower skilled and lower paid workers the Rebalance is seeking to address, and changes to immigration settings for international students are key to achieving the Rebalance aims;
- 3 **noted** that for the purposes of the Rebalance, non-degree level provision refers to provision at Levels 1 through 7 on the New Zealand Qualifications Framework (excluding degrees at Level 7);

Changes to post-study work rights for non-degree students

- 4 **agreed** that eligibility for post-study work rights at non-degree Level 7 and below will be limited to students who study in areas of labour market need as identified by the government;
- 5 **agreed** to use the residence green list as an initial, tightly-focused list where relevant non-degree qualifications directly leading to these roles are eligible for post-study work rights;
- 6 **noted** that 20 of the 56 roles on the green list have direct non-degree level pathways as follows:
 - 6.1 Construction Project Manager;
 - 6.2 Project Builder;
 - 6.3 12x specific engineering roles;
 - 6.4 Civil Engineering Technician;

- 6.5 Electrical Engineering Technician;
 - 6.6 Secondary School teacher;
 - 6.7 Early Childhood (Pre-primary School) Teacher;
 - 6.8 Automotive Electrician;
 - 6.9 Diesel Motor Mechanic;
- 7 **approved** the relevant non-degree level qualifications (set out in Appendix Two under SWC-22-SUB-0073) as eligible for post-study work rights for the above 20 roles;
- 8 **agreed** that the mechanism for identifying qualifications eligible for post-study work rights be reviewed in 12 months to take account of work currently underway that will support better and broader identification of skills with respect to labour market need;
- 9 **authorised** the Minister of Immigration in consultation with the Minister of Education to refine and review the list of qualifications eligible for post-study work rights consistent with the policy approach set out in the paper under SWC-22-SUB-0073;
- 10 **agreed** that post-study work visas aligned with non-degree qualifications allow for work only in an occupation relevant to the qualification;

Other changes to post-study work rights settings

- 11 **agreed** that the duration of post-study work rights will mirror the duration of study undertaken in New Zealand except for Master's and PhD students who will retain the current setting of three years;
- 12 **agreed** to remove the ability to apply for a second post-study work visa;
- 13 **noted** that:
- 13.1 students studying at non-degree level outside labour market need will retain in-study work rights, but will not receive post-study work rights
 - 13.2 while they may be able to transition to other visas at the completion of their study, work options will be more limited by broader system changes being introduced through the Immigration Rebalance;

No change to in-study work rights for non-degree study

- 14 **noted** that while options were considered to further limit non-degree level study to address the immigration and economic risks, no further restrictions are proposed at this time, with broader Rebalance changes making the pathway to work for many non-degree level students more restricted;
- 15 **directed** Ministry of Business, Innovation and Employment and Ministry of Education officials to closely monitor international student study trends particularly at non-degree, and review access to non-degree study if behaviour indicates this study continues to attract people seeking entry for work rather than education;

Changes to living costs requirements

- 16 **agreed** to increase living costs requirements for all international students to the rates as follows, with these rates to be reviewed every three years to adjust for cost-of-living changes:
- 16.1 \$20,000 for tertiary and English language students (prorated for courses less than 36 weeks); and
- 16.2 \$17,000 for students in compulsory education (Years 1-13) (prorated for courses less than 36 weeks);
- 17 **agreed** that all international students will be required to pay tuition fees of one year or the first programme (whichever is the shorter) upfront and therefore prove living costs upfront rather than semester by semester;
- 18 **agreed** that the minimum funds required when applying for a post-study work visa will be equivalent to three months of living costs (based on the new rate and any subsequent adjustments);

Ongoing monitoring

- 19 **noted** that agencies will carry out further work to monitor changes in demand as a result of these proposals;
- 20 **agreed** that agencies review the impact of these changes in the longer-term and report back to Cabinet in due course.

Rachel Clarke
Committee Secretary

Present:

Rt Hon Jacinda Ardern
Hon Grant Robertson
Hon Kelvin Davis
Hon Dr Megan Woods
Hon Chris Hipkins
Hon Carmel Sepuloni (Chair)
Hon Andrew Little
Hon Nanaia Mahuta
Hon Poto Williams
Hon Damien O'Connor
Hon Kris Faafoi
Hon Peeni Henare
Hon Dr Ayesha Verrall
Hon Priyanca Radhakrishnan

Officials present from:

Office of the Prime Minister
Ministry of Business, Innovation and Employment
Officials Committee for SWC