



Future direction of the immigration system: overview

CABINET PAPER (March 2017)

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have been made consistent with provisions of the Official Information Act.**

Office of the Minister of Immigration

Chair, Cabinet Economic Growth and Infrastructure Committee

Future direction of the immigration system: overview

Purpose

- 1 This paper provides an overview of, and supporting information for, the following Cabinet papers:
 - a. Paper A: *Report back on remuneration thresholds for migrants under the Skilled Migrant Category*
 - b. Paper B: *A pathway to residence for long-term temporary migrant workers in the South Island*
 - c. Paper C: *Review of temporary work visa settings.*
- 2 Together these papers seek agreement to changes to the immigration system to improve the skills that migrants bring to New Zealand and mitigate any risks to the labour market and wider economy.

Executive Summary

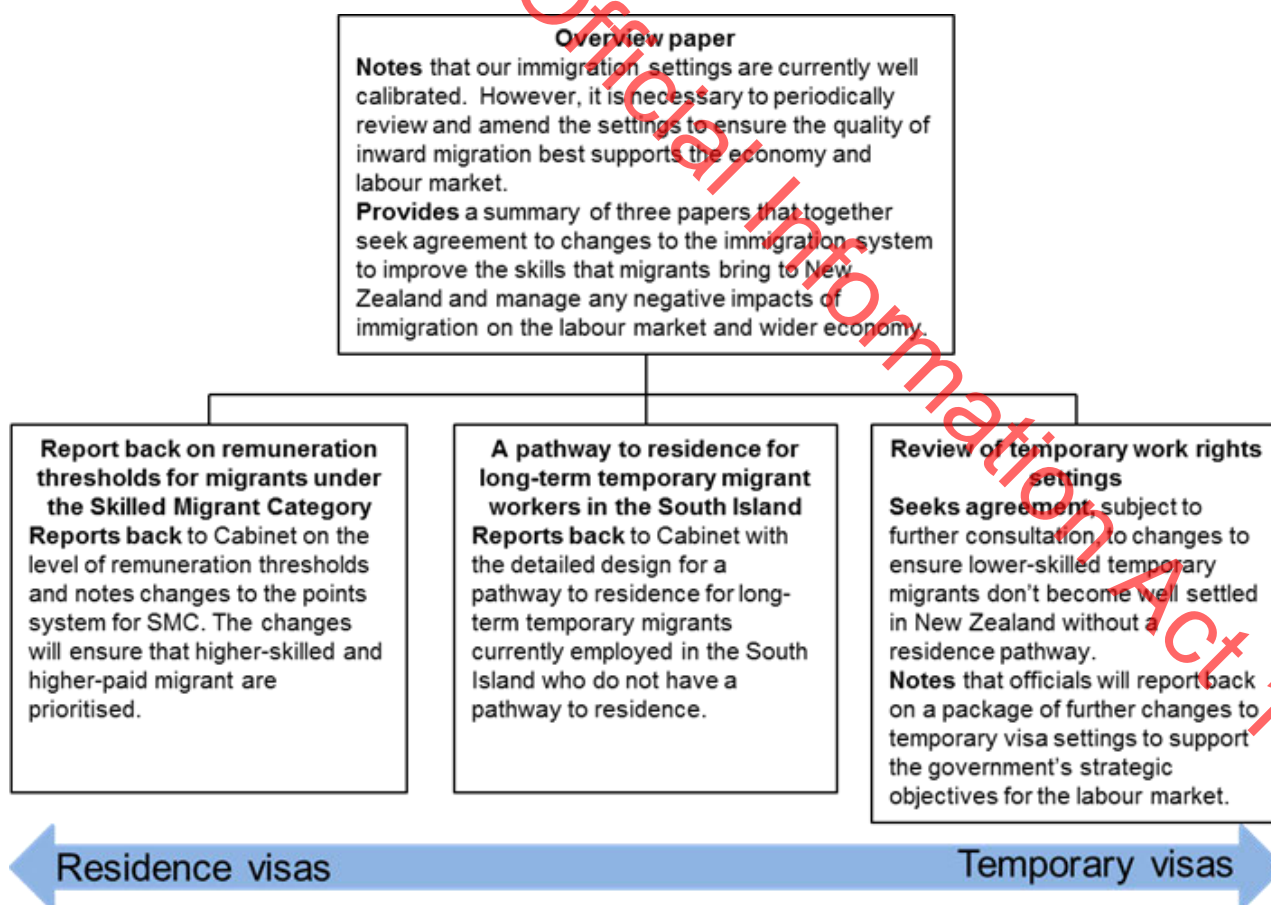
- 3 Strong economic growth, the turnaround in the net migration of New Zealanders and our reputation as a favoured destination for study and working holidays means New Zealand is experiencing high levels of net migration. In general, our immigration settings are well calibrated to ensure both permanent and temporary migrants make a positive impact on the economy. However, it is necessary to periodically review and amend settings to ensure the quality of inward migration best supports the economy and the labour market. I am therefore taking a suite of papers to Cabinet to improve outcomes from migrant labour in New Zealand. A summary of the suite of papers is provided in Figure One below.
- 4 The changes proposed are designed to improve the quality of both temporary and permanent labour migration. They are not intended to materially reduce the number of migrant workers in New Zealand, and are not expected to have a significant impact on the labour market as a whole.
- 5 Despite media and public concerns about high levels of net migration, that growth is largely driven by a historically low net loss of New Zealand citizens and increases in working holiday makers (who are an important contributor of labour in high growth industries such as tourism and horticulture) and in international education, our fifth largest export earner. The visa categories not materially driving net migration are Residence (most applicants are already onshore and the residence programme is managed by a planning range) and temporary Essential Skills Work Visas, the numbers of which are considerably lower than the rate of approvals ten years ago.
- 6 However, within the Essential Skills visa policy there are a number of industries increasingly reliant on overseas labour and a growing number of these workers are here for a considerable period without a plausible pathway to residence.

7 The three papers:

- Introduce remuneration thresholds in the assessment of Skilled Migrant Category Residence Visa by introducing an additional component to determine whether employment is skilled;
- Deliver on the Government’s previously announced plan to provide a pathway to long-term Essential Skills Visa holders in the South Island who have no pathway to residence under other categories;
- Amend the criteria and conditions for temporary Essential Skills visas to enable industries and firms with genuine labour shortages to continue to access the international labour market while at the same time reduce the risk that those visa holders without a pathway to residence do not remain long-term.

8 MBIE officials will closely monitor the impacts of the suite of changes, in particular application volumes for the two visa categories being amended and for possible ‘displacement’ to other visa categories, and through regular engagement with BusinessNZ and other industry groups. Officials will report to the Minister of Immigration on these impacts and on whether any adjustments are necessary, such as raising or lowering the selection level for SMC (refer CAB-16-MIN-0500), or returning to Cabinet to revise the definition of skilled employment for one or both policies.

Figure One: Summary of the suite of papers



Previous Cabinet discussions

- 9 In May 2015, Cabinet agreed to a work programme [EGI Min (15) 11-7] to develop and apply a more strategic approach to the immigration system focused on:
- the contribution of immigration to the labour market
 - the attraction, selection and integration of investor and entrepreneur migrants, and
 - facilitating the entry of visitors, whilst more efficiently managing risk.
- 10 I have subsequently taken papers to Cabinet on *b* (changes to investor categories will be implemented by May 2017) and *c* (changes have been implemented). I am now seeking Cabinet's agreement to a suite of papers that seek to maximise the labour market contribution of immigration. The issues addressed in the accompanying papers around both the quality and quantity of immigration have also been considered by Cabinet in the context of discussions on Auckland infrastructure issues [STR-16-MIN-0004] and decisions on the New Zealand Residence Programme [CAB-16-MIN-0500].
- 11 Cabinet also agreed in the New Zealand Residence Programme paper that I would report back on reviews of parent and partnership categories by the middle of 2017.

Current immigration and labour market context

Objectives and impacts of the immigration system

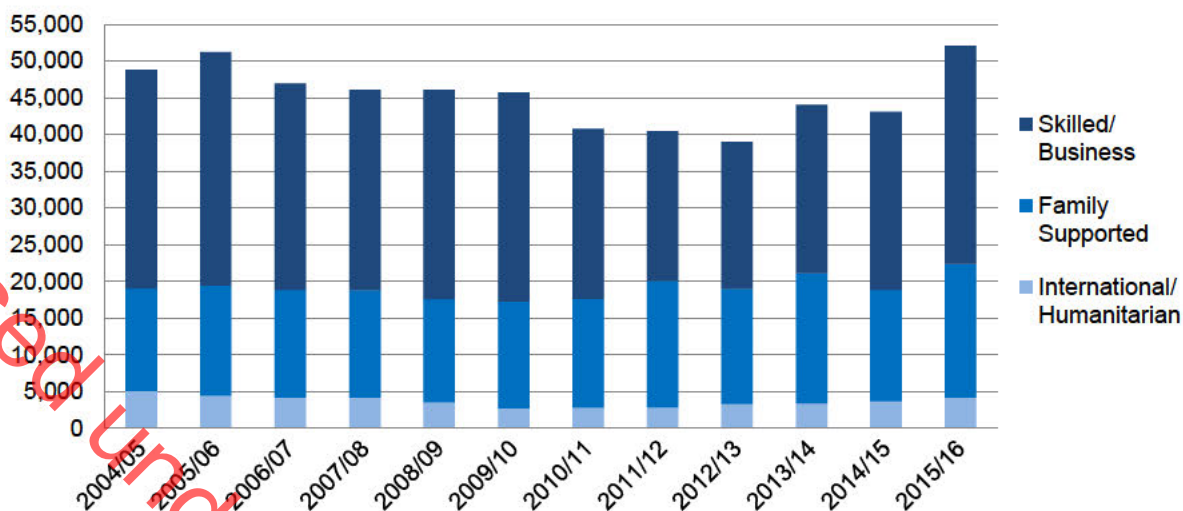
- 12 The Government uses the immigration system to facilitate a number of specific, and sometimes unrelated, objectives. These include: building the skill level of the workforce, filling skill shortages, encouraging investment, growing export markets, supporting foreign relations goals, implementing humanitarian commitments, and enabling New Zealanders to form and maintain families.
- 13 The New Zealand evidence on the macroeconomic impacts of immigration is consistent with international evidence suggesting that immigration has a positive impact on GDP per capita. With the exception of refugees and parents, migrants tend to be more fiscally positive than the New Zealand-born population.
- 14 Migrants can have both positive and negative labour market impacts. In higher-skilled and higher-wage sectors (e.g. ICT and construction), migrants can complement New Zealand workers and help to address genuine skill shortages. However, in industries characterised by lower-skilled jobs and lower wages, migrants could have negative impacts on the Government's long-term labour market objectives if they substitute for New Zealand workers. While the risk is recognised there is no evidence that this is occurring.

Summary of the immigration system

- 15 There are a large number of visa categories which support various specific objectives (e.g. family reunification, labour market, foreign relations). Visa categories are generally split into residence visas, which allow the holder to remain permanently in New Zealand and access health, welfare and other benefits; and temporary visas, which allow a temporary stay in New Zealand generally for a certain purpose, such as to work, study or visit.
- 16 The New Zealand Residence Programme (NZRP) regulates the number of residence visas that can be granted across its three streams (skilled/business, family and international/humanitarian). Cabinet agreed in September 2016 to the current NZRP planning range of 85,000 to 95,000 people from 1 July 2016 to 30 June 2018. In practice, most people granted residence in New Zealand (more than 70 per cent) transition from a temporary visa and are granted residence while in New Zealand. Although fluctuations in demand for residence visas over recent years have been reflected in fluctuations in numbers

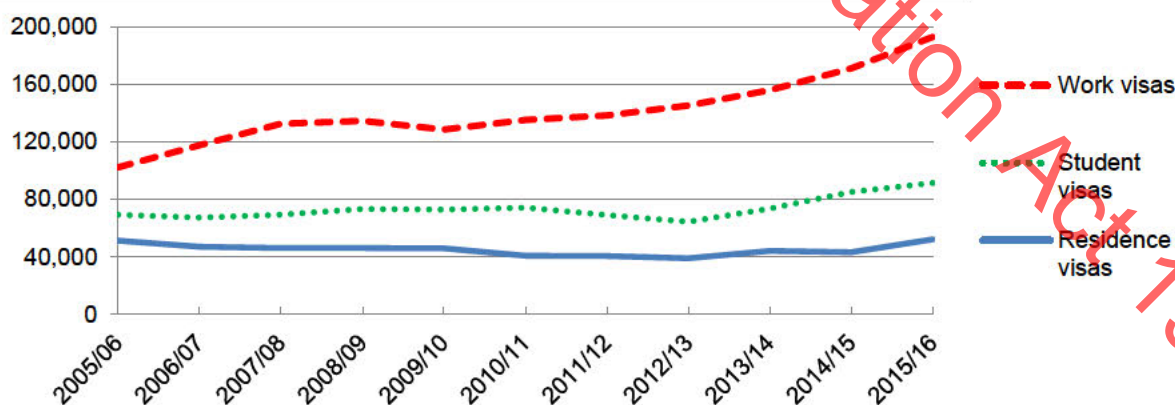
approved annually, the NZRP means the government has control of maximum numbers. Figure Two shows the annual residence approvals in recent years.

Figure Two: Annual residence visa approvals and stream proportions 2004/05 – 2015/16



- 17 Figure Two shows that the International and Humanitarian categories are relatively stable. Family category visas have increased by around 25%. The Skilled/Business Categories have rebounded strongly after reductions in recent years coincident with the economic downturn, with indications that demand will remain high. Cabinet approved changes to the New Zealand Residence Programme in 2016 (specifically in Skilled Migrant and Parent Category visas) to manage demand within the planning range agreed.
- 18 Unlike residence categories, there is no set planning range for temporary visas. While some individual categories are capped, in general the number of temporary visa approvals mirror demand (i.e. employer demand for labour or foreign demand for our education system or tourism). In 2015/16, 193,000 people were granted work visas and a further 91,000 were granted student visas. Many temporary migrants seek to transition to residence. Over time, around 30 per cent of international students studying at tertiary level (five years after completing their studies) and around 40 per cent of temporary workers (three years after their first work visa, excluding working holiday makers and seasonal workers) transition to residence.

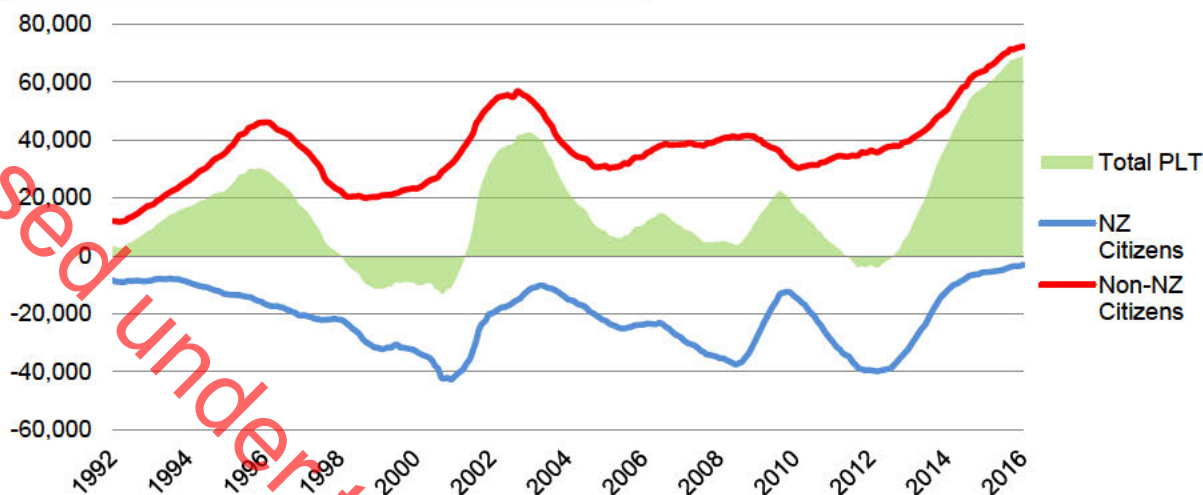
Figure Three: People granted work, student and residence visas, 2005/06 – 2015/16



- 19 The current high levels of net migration (Figure Four below) are largely driven by a historically low net loss of New Zealand citizens (especially to Australia) which cannot be easily influenced by the Government and historically high levels of inward migration of foreign nationals (mostly temporary visa holders). The NZRP does not strongly influence net

migration as most NZRP places are filled by people on temporary visas who are already in New Zealand and therefore are not counted in net migration figures when they get residence. Increased demand for goods and services from population growth driven by net migration has supported New Zealand's GDP growth (although the impact on GDP per capita has been smaller).

Figure Four: Net PLT for New Zealand, 1991 – present



Current issues with the status quo

20 New Zealand has one of the highest per capita inflows of migrants in the OECD. In general our current immigration system supports these flows well. However, it is necessary to periodically review and amend settings to ensure the quality of inward migration best supports the economy and the labour market. The papers in this suite seek to ensure high quality outcomes from migrant labour in New Zealand.

The growth in temporary visas has put pressure on the residence programme...

21 Increased numbers of temporary visas in recent years has led to pressure on the upper end of the skilled and family streams in the NZRP as temporary migrants seek to transition to residence (for example, post-study work visas for international students increased 60 per cent in 2015/16). There were 52,000 Residence approvals in 2015/16 and numbers were forecast to go above 56,000 in 2016/17. As a result, in September 2016 Cabinet agreed (inter alia) to short-term changes to the Skilled Migrant Category (SMC) to manage numbers (raising the selection point level to 160, up from 140 or 100 with a job offer) and longer-term changes to reduce demand and improve the skill composition.

...and the skill level of migrants under the SMC has declined over time

22 The relative skill level of SMC migrants has gone down in recent years. Relatively lower-skilled and lower-paid occupations such as retail managers, café and restaurant managers, chefs and ICT support technicians were four of the top five occupations in 2015/16. We have seen an associated drop in earnings of SMC migrants. Twenty seven per cent of SMC migrants approved in 2012/13 earned less than \$40,000 in their first year after being granted residence. There has been a 10 per cent drop in the median earnings of SMC migrants from 2003 to 2013 (not inflation adjusted).

There has been significant growth in demand for temporary visas for lower-skilled and lower-paid jobs...

23 The share of jobs held by temporary migrants across all sectors has increased. In particular, we have seen strong increases in their employment in lower-paid sectors such as the

primary, hospitality and tourism, retail trade and support services sectors. While the impacts of an increasing long-standing supply of temporary migrants to such sectors are difficult to quantify, an adjustment in settings now will ensure the Government's long term labour market strategy continues to function well, including by:

- a. Increasing the attractiveness to employers of New Zealanders, including beneficiaries and school leavers.
- b. Incentivising employers to invest more in training, and/or offering better wages and/or terms and conditions.
- a. Increase incentives to shift to potentially more productive business models, and avoid the embedding of business models reliant on lower-skilled temporary workers.

...and this has created a pool of people who can stay here long-term but do not have a pathway to residence

24 Residence policies are focused on higher-skilled, family and humanitarian migrants. However, there is currently no limit on how long temporary migrants in lower-skilled jobs can remain here on temporary visas, provided a labour market test is met for each visa. There is a pool of long-term temporary migrants in lower-skilled occupations of around 3,200 migrants plus their families across New Zealand (likely to be around one to one and a half secondary migrants for every principal applicant) who do not have a pathway to residence under current settings. More than half of these workers are in the South Island, which reflects the fact that, in general, South Island regions have lower unemployment rates than North Island regions.

25 Allowing lower-skilled and lower-paid workers to stay here indefinitely without a residence pathway has a number of impacts on those workers, their families and the businesses they work for, including:

- temporary migrant families in our regions are well settled here and may have lost ties with their home country but who could be required to leave New Zealand at any time if a new visa application is declined (Cabinet have agreed to a one-off pathway to residence in the South Island but an enduring policy change is still necessary),
- uncertainty in businesses planning for future labour needs given the regular requirement to support visa renewals, and
- potentially reducing the incentives on employers to consider employing and investing in training for domestic workers.

Paper A: Report back on remuneration thresholds for migrants under the Skilled Migrant Category

Context

26 The SMC is the main labour market-focused residence category. It is a points-based system and makes up around 50 per cent of the residence programme. In September 2016, in the face of high demand for places under the SMC that threatened to exceed the planning range for the residence programme Cabinet:

- agreed, in the short-term, to raise the selection level to 160 points
- noted that the Minister of Immigration would adjust the selection level as necessary to manage the achievement of the overall NZRP planning range, and
- agreed to longer-term changes to improve the skill composition of SMC by realigning the points (for example, more points would be awarded for work experience and higher salaries) and introducing remuneration thresholds in order for points to be awarded for an applicant's skilled job.

- 27 The Minister of Immigration was invited to report back on the level of the proposed remuneration thresholds. Paper A, which seeks agreement to the remuneration thresholds, was considered by Cabinet on 20 December 2016. As a result Cabinet requested that:
- the proposals be discussed further with the Minister of Finance and the Minister for Tertiary Education, Skills and Employment, and
 - a revised submission be submitted to Cabinet on 24 January 2017 which includes further information on the planning range for the New Zealand Residence Programme, the recent decisions by Cabinet on changes to the Skilled Migrant Category, and the progress to date [CAB-16-MIN-0714].
- 28 The information requested by Cabinet is provided in this overview paper from paragraph 40 below.

Issue definition

- 29 The SMC point system (i.e. how points are awarded) is designed to rank potential SMC migrants in order of skill level (i.e. the most valuable skills should be ranked higher). Once migrants are ranked the selection point level is designed to be adjusted based on demand to select the quantity of migrants needed to meet the NZRP.
- 30 However, as previously noted, the demand for places under the SMC has been growing, and the relative skill levels of applicants have not been prioritised as well as they could be. Increasing the selection level to 160 points has resolved the quantity issue in the short term and officials expect that the NZRP planning range will be achieved over the two years. However, there is still an opportunity to improve the quality of applicants.
- 31 By adjusting the current points system settings, the increased demand for places will enable New Zealand to prioritise the most skilled migrants. The current points system, designed in the mid-2000s, can be further improved to ensure the best applicants are ranked highest.
- 32 Since the selection point level was raised in October 2016, the top five occupations have remained the same. Lower-paid migrants in occupations where there is no skill shortage continue to gain residence. Some higher-paid migrants in skill shortage occupations do not gain the number of points required to qualify for residence. Retail or café and restaurant managers have been less affected than other groups of migrants. Construction trades occupations appear to have been the most affected by the increased selection level (for example, 86 per cent fewer carpenters are being selected since the increase). There has also been a reduction (although smaller) in the number of highly skilled ICT workers.

Proposals

- 33 The paper proposes two remuneration thresholds that would:
- a. prevent points being claimed for jobs that are currently considered skilled under ANZSCO but that are paid below the New Zealand median earnings (\$48,859 annually), and
 - b. allow points to be claimed for jobs that are not currently considered skilled under ANZSCO but are paid at or above 1.5 times the New Zealand median earnings (\$73,299 annually).
- 34 The paper also notes that I have agreed a series of changes to realign the points system to improve the skill composition of the SMC. These points changes are not sufficient, without the introduction of remuneration thresholds, to achieve the desired rebalancing of the quality of SMC migrants in the medium term.

Impacts of the remuneration thresholds

The changes would ensure higher-skilled and higher-paid migrants are prioritised and the NZRP planning range is met

35 As a package, these changes would tilt the SMC back towards higher-skilled and higher-paid migrants – some of whom are missing out under the current 160 points criteria. Lower-paid migrants who do not meet the remuneration threshold would not have enough points to be selected and would therefore not be ranked above higher-skilled, higher-paid migrants.

36 The changes would reduce the number of migrants scoring above 160 points. If deemed necessary, the NZRP would still be able to be met by adjusting the selection level down. An adjustment to the selection mark could be made by the Minister of Immigration at some time after the changes are implemented in July 2017 (once there is better information about the impacts on people's point scores).

The occupation mix would move from retail and hospitality towards health, ICT and engineering

37 The changes would impact on the occupational composition of the SMC. There is likely to be an increase in the proportion of SMC migrants in higher-paid and higher-skilled industries such as health, ICT and engineering. The changes are also likely to benefit construction trade occupations, most of which pay above the threshold. Many applicants in lower-paid sectors (such as retail and hospitality), which currently make up a large proportion of the SMC, would not get enough points to qualify. SMC migrants in Auckland would be more affected than migrants in other regions as they tend to earn less.

The impact on former international students would be more strongly felt by graduates with lower-level qualifications

38 Former international students made up 45 per cent of the SMC in 2015/16. As SMC migrants, they tend to earn lower incomes than other SMC applicants¹. A large proportion of former students is likely to still be earning below the proposed threshold three years after graduating (the period of post-study work visas), and would need more time before being able to apply for SMC. Those with higher-level qualifications would be less affected, particularly those with post-graduate qualifications.

39 The international student market is sensitive to immigration policy changes so in the short-term the remuneration threshold may have an impact on the number of international students coming to New Zealand. However, in the longer term, it should incentivise students to choose qualifications at higher levels and in fields of study more closely aligned to skill shortages. This would both increase the export education value for New Zealand (as those courses tend to cost more and take longer) and support better labour market outcomes once they get residence through SMC.

Further information on the NZRP planning range and relationship with changes to the SMC

40 The most recent NZRP estimates are based on the inflows of SMC Expressions of Interest (EOIs) selected since the selection level was increased and the number of actual residence approvals to January 2017. If the higher selection level remains for the course of the two-year NZRP and nothing else changes, officials estimate that the NZRP would come in within the two-year planning range (see Table One, and also 'status quo' in Table Two below). There would be a higher number of SMC approvals in the first year due to the number of applications on hand before the selection level was raised to 160 points.

¹ Even controlling for other factors (such as age and experience), former students' earnings are lower than skilled migrants who have overseas qualifications. Former international students' salaries do increase over time but there is an earnings gap compared to New Zealand graduates for most levels and fields of study that does not reduce over time.

Table One: estimated NZRP approvals by stream based on a 160 point selection level (no other changes)²

	2016/17	2017/18	Proportions
SMC	25,600	15,100	55%
Other skilled/business	3,600	3,600	
Family – capped	2,000	2,000	36%
Family - uncapped	13,500	13,500	
International / Humanitarian	4,000	4,000	9%
Annual total	48,700	38,200	
NZRP total	86,900		100%

- 41 The number of EOIs selected has reduced by around 55 per cent since the change to the higher selection level of 160 points. The reduction is smaller than that forecast before the change took effect (then expected to be up to 70 per cent).

Impact of the proposed SMC changes on the NZRP

- 42 The proposed SMC remuneration threshold and the changes to the points system already agreed to (detailed at Annex One of Paper A) will also lead to a reduction in the number of EOIs being selected and enable the planning range to be met.
- 43 When they are implemented in July 2017, the proposed changes will benefit some migrants who have more experience and higher salaries (e.g. skilled ICT roles, and construction trades) who may score more points than before. However, overall the changes are expected to reduce the number of points scored by applicants because:
- we are removing points that do not reflect positive labour market outcomes, meaning there are fewer points available overall, and
 - applicants who do not meet the remuneration thresholds would not get points for skilled employment in New Zealand.
- 44 The selection level will be revised in light of these changes and impacts, and be set by the Minister of Immigration at the appropriate level to select the right number of applicants to meet the NZRP.
- 45 Table Two below summarises the impacts of the proposed lower threshold.

² These numbers, with the exception of SMC, are estimates based on previous years' approvals. The main variability in the NZRP is likely to come from the number of SMC approvals. The SMC projections are based on previous conversion rates from EOIs into approved SMC applications. It is possible that the conversion rates may drop. Uncapped Family (Partnership and dependent child) inflows have been growing but approvals are likely to be constrained by processing capacity. The scheduled policy review of uncapped family may affect numbers

Table Two: Summary of the impacts of the key choices for the SMC paper on lower salary threshold (to prevent points being claimed for lower-skilled, low-paid jobs)

	Impact on the NZRP	Impact on the skill composition of SMC	Impact on industries
Status quo (no remuneration threshold)	If the selection level remains at 160 points the NZRP can be achieved.	No impact. Applicants in lower-paid occupations (where there is no skill shortage) continue to be selected ahead of higher-paid migrants in skill-shortage occupations.	Most industries are affected by the 160 selection mark, but in general retail and hospitality are less affected than construction trades. Some highly-skilled ICT workers would continue to miss out.
Recommended lower threshold option : one common remuneration threshold – based on NZ median FTE earnings	The selection level (currently 160 points) would be revised downwards in the future to achieve the NZRP.	Strong positive impact. Applicants in lower-paid, less skilled occupations are ranked lower. Applicants in higher-skilled, higher-paid occupations are selected first, and overall economic outcomes of SMC migrants improve. .	<p>The occupation mix would change from lower-paid industries such as retail, accommodation and hospitality to higher-paid industries such as health, ICT and engineering.</p> <p>Well-paid professionals in traditionally 'low-paid occupations' (i.e. chefs, hospitality managers) can still come under the SMC.</p> <p>Former international students would be strongly affected particularly those with sub-degree qualifications. The extent to which this change will affect future enrolments is difficult to quantify. In the long-term it would support the new focus on quality over quantity.</p>

Paper B: A pathway to residence for long-term temporary migrant workers in the South Island

Context

46 In July 2015, Ministers with power to act agreed, subject to further policy design, to the development of a pathway to residence for long-term temporary migrants currently employed in the South Island (pathway policy). The Minister of Immigration was invited to report back to Cabinet with the detailed design of the policy.

Issue definition

47 There are around 1,600 long-term temporary migrants (plus their families) in lower-skilled jobs who are well-settled in the South Island, are contributing to their communities and are meeting genuine labour market needs. The pathway policy is aimed at this small pool of long-term temporary migrants who are meeting genuine regional labour market needs but have no pathway to residence.

Proposals

48 Temporary migrants who have worked in the South Island on Essential Skills visas for at least five years would be granted an initial work to residence temporary visa which would make them eligible for residence after two years, provided they stay in the same industry and region. The subsequent residence visa would then be subject to conditions requiring them to stay in that region for a further two years.

49 The pathway policy would be a time-limited pathway for those people who are already well-settled in the South Island and would not apply to future cohorts. These migrants would become eligible for residence in two years, so they will need to be factored into the next NZRP from 2018/19 onwards.

Impacts

50 The pathway policy would provide a one-off solution for a cohort of temporary migrants who have already made a commitment to New Zealand, while maintaining the current policy position that, in general, only higher-skilled labour migrants should be granted residence. It would not resolve the overarching issue that other current and future cohorts of migrants would be able to stay long-term with no pathway to residence (provided the current labour market test continues to be met every 12 months). That issue is addressed by the accompanying paper *Review of temporary work visa settings*.

Paper C: Review of temporary work visa settings**Context**

51 The recently released Skilled and Safe Workplaces chapter of the Business Growth Agenda stated that the Government would review temporary work rights settings to improve the long-term labour market contribution of temporary labour migration. In the NZRP paper in September 2016, Cabinet noted that officials would report back on further changes to temporary work visa settings in the context of the South Island pathway proposals.

Issue definition

52 Temporary migrants are an important short-term source of labour and skills where those skills are not immediately available in the local labour market. Approvals for the number of temporary migrants in lower-skilled and lower-wage jobs and industries have decreased compared to the rate ten years ago, but the pool of temporary migrants who have been here for long periods has increased. An adjustment to the temporary labour migration settings will ensure that the Government's wider labour market objectives continue to be met, including encouraging employers to employ and train New Zealand workers or consider changes to higher productivity business models.

Proposals

53 The paper presents two phases of proposals. Phase one seeks agreement, subject to further consultation, to changes to temporary visa settings to ensure that lower-skilled temporary migrants and their families cannot stay here indefinitely without a pathway to residence. The proposals include:

- introducing a maximum duration of three years for lower-skilled Essential Skills visa holders to remain in New Zealand
- restricting the ability for lower-skilled Essential Skills visa holders to bring their children and partners, except on visitor visas
- introducing remuneration levels to determine the skill level of an Essential Skills visa holder (and their associated visa conditions), and
- reinforcing that Essential Skills visas may only be granted for the period for which the employment is offered, including making explicit how this applies to seasonal work.

54 The paper also notes that officials will report back on a package of further changes to temporary visa settings to support the government's strategic objectives for the labour market.

Impacts

55 The changes will not prevent firms from accessing temporary migrants where there is a genuine skill or labour shortage. However, they will prevent lower-skilled temporary workers from staying here long-term when they have no pathway to residence. This will make it more

attractive to recruit and train domestic workers. This may shift employer behaviour at the individual firm, industry or regional level.

Consultation

56 The following agencies have been consulted on the suite of papers and their views have been incorporated: the Department of Internal Affairs, the Ministry of Education, the Ministry of Foreign Affairs and Trade, the Ministry of Health, the Ministry for Primary Industries, the Ministry of Social Development, the Treasury, Education New Zealand, the Tertiary Education Commission, and the New Zealand Qualifications Authority. The Department of Prime Minister and Cabinet was informed.

Financial, Human Rights, Legislative and Regulatory Implications

57 This paper has no financial, human rights, legislative and regulatory implications. The substantive papers in this suite will address any further implications.

Recommendations

58 It is recommended that Cabinet Economic Growth and Infrastructure Committee:

1. **note** that this paper provides an overview of the immigration system and current trends in immigration and the labour market, and
2. **note** that this paper provides an summary of three accompanying Cabinet papers:
 - 2.1 *Report back on remuneration thresholds for migrants under the Skilled Migrant Category*
 - 2.2 *A pathway to residence for long-term temporary migrant workers in the South Island; and*
 - 2.3 *Review of temporary work visa settings.*

Authorised for lodgement

Hon Michael Woodhouse
Minister of Immigration



Cabinet Economic Growth and Infrastructure 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.

Future Direction of the Immigration System: Overview

Portfolio Immigration

On 8 March 2017, the Cabinet Economic Growth and Infrastructure Committee:

- 1 **noted** that the paper under EGI-17-SUB-0016 provides an overview of the immigration system and current trends in immigration and the labour market;
- 2 **noted** that the paper under EGI-17-SUB-0016 also provides an summary of three accompanying papers:
 - 2.1 *Report Back on Remuneration Thresholds for Migrants under the Skilled Migrant Category* [EGI-17-SUB-0015];
 - 2.2 *A Pathway to Residence for Long-Term Temporary Migrant Workers in the South Island* [EGI-17-SUB-0014];
 - 2.3 *Review of Temporary Work Visa Settings* [EGI-16-SUB-0013].

Janine Harvey
Committee Secretary

Hard-copy distribution: (see over)

Present:

Hon Steven Joyce (Chair)
Hon Gerry Brownlee
Hon Simon Bridges
Hon Amy Adams
Hon Michael Woodhouse
Hon Nathan Guy
Hon Judith Collins
Hon Maggie Barry
Hon Paul Goldsmith
Hon Louise Upston
Hon Nicky Wagner
Hon Mark Mitchell
Hon Jacqui Dean

Officials present from:

Officials Committee for EGI
Treasury
Ministry of Business, Innovation and Employment
Ministry of Education

Hard-copy distribution:

Minister of Immigration

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