
Immigration Research Programme

New Zealand Work Policy: Meeting talent, skill and labour needs

March 2004



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**New Zealand Work Policy:
Meeting talent, skill and labour needs**

New Zealand Immigration Service

March 2004

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1 Executive Summary

1.1 INTRODUCTION

The overarching objective of work permit policy is to contribute to New Zealand's capacity base. This objective is underpinned by principles which provide access to global skills and knowledge for both employers and for industries and which also complement the Government's education, training, employment and economic development policies.

This research aimed to describe trends which have been identified with work permits that require a labour market test, and to provide information useful for a review of work policy.

1.2 FOCUS OF THE RESEARCH

The research describes trends in the numbers and types of work permits granted for skill and labour shortages and to recruit talented individuals between 1997/1998 and 2002/2003. A labour market test is used to determine that no suitable New Zealand workers are available to do the job a work permit applicant has been offered. There are a number of ways that a labour market test can be administered, ranging from having an occupation on a shortages list to checking with the Ministry of Social Development that there was a shortage for that occupation. These are further described in the report. Once a labour shortage has been established, an applicant is required to meet specified criteria, which may include ensuring that the applicant is suitably qualified for the work offered. Other work permits such as those granted for working holidays, and to the spouses and partners of New Zealanders and asylum seekers are granted for other reasons, and are not included in this research.

The research examined a number of the characteristics of work permit holders during the 2002/2003 year, and identifies characteristics of employers accredited through Talent Visa policy in 2002/2003. Some comparisons between the occupational trends of work permit holders and those of New Zealand workers are made. The focus of the research was on the following work permit types:

- General;
- Business – Long Term ;
- Business – Short Term;
- Japanese Interpreter;
- Machinery Installers/Service;
- Medical and Dental Personnel;
- Specialist Skills;
- Talent Visa (Accredited Employers and Arts, Culture and Sports) and;
- Priority Occupation List.

1.3 BACKGROUND

On 29 April 2002, three new "work to residence" policies were introduced which focused on facilitating the growth needs of New Zealand. At the same time, adjustments were made to the largest component of work permits, the General work permit. To be granted a General work permit, applicants must usually have an offer of employment in an occupation that is included in the current Occupational Shortages List (OSL) which is maintained by the New Zealand Immigration Service (NZIS). The OSL is a list of occupations in shortage in one or

more of the main regions in New Zealand. General work permits can also be granted through five other General sub-categories.

The work-to-residence policies introduced were:

- Talent Visa (Accredited Employers) which allows employers who have been accredited to recruit directly from overseas without the worker having to undergo a labour market test;
- Talent Visa (Arts, Culture and Sports) which allows individuals with an international reputation in a cultural or sporting field to be granted a Talent Visa; and
- Priority Occupations List (POL) work permits which are occupations deemed to be in “absolute shortage”, that is, where there is ongoing and sustained lack of skilled workers in New Zealand.

Each of the work to residence policies has corresponding “residence from work” policies. They were designed to streamline the entry of people whose skills are in demand in New Zealand and to provide a path to residence for skilled migrant workers.

1.4 OBJECTIVES

In brief, the research objectives were:

- To describe trends in the number of work permits issued since 1997 by permit criteria;
- To identify work permit holders in 2002/2003 by occupation, region, age, nationality, number of work permits and the number of people who were granted work permits and who went on to become residents;
- To describe employers accredited through Talent Visa policy by their industry type, annual turnover, number of years in business and regional distribution;
- To identify the occupations of work permit holders, identify which were in areas of skill shortage, and to compare these with the occupations of New Zealand workers;
- To identify the industries work permit holders were employed in and compare these with the industries of New Zealand workers;
- To examine the injury risk of industries employing work permit holders.

1.5 METHODOLOGY

A variety of quantitative methods were used. Immigration databases were queried to obtain information about work permit holders and their occupations. Most of the data was obtained by extraction from the NZIS’s Immigration database. Other data was obtained by file studies, for example, to obtain information on the characteristics of Accredited Employers, the files of all those employers who were accredited by the Employer Accreditation Unit in 2002/2003 were examined. To compare the work-related characteristics of work permit holders with those of New Zealand workers, material produced by Statistics New Zealand (SNZ), such as outputs from the Household Labour Force Survey and the Census of Population and Dwellings, was used. A survey of 200 randomly selected work permit applications was also undertaken. The survey results were used to obtain industry data and also to estimate risk of injury in the industries employing work permit holders.

1.6 LIMITATIONS

The main limitation was that only 59 percent of the work permit holders of interest had an occupation captured by the Immigration database. While most of the of the analyses were

based on information for the period 1997/1998 to 2002/2003, occupation data reported covered the 2003 calendar year. The date ranges of SNZ data was often not compatible with those used in the research. Industry information was collected by means of a survey and consequently is subject to sampling error.

1.7 WORK PERMITS GRANTED BETWEEN 1997/1998 AND 2002/2003

The total number of individuals who held one or more work permits between 1997/1998 and 2002/2003 was 73,397. There was a substantial growth of individuals granted such permits each year over this period. In 1997/1998, 11,856 individuals were issued these work permits; by 2002/2003 the corresponding figure had increased to 23,196. The information reported refers to individuals by year. An individual was counted only once per year regardless of the number of work permits they had held in a given year.

The most frequently recorded criteria of work permits granted over the six-year period was in the General category at 86 percent of total individuals, followed by Medical and dental personnel at almost 8 percent and Business-Short Term at 2 percent. Sixty-two percent of the work permits issued during the six-year period were granted to males, and 38 percent to females.

Great Britain remained the largest source country over the six-year period although significant numbers of applicants have come from other OECD (Organisation for Economic Co-operation and Development) countries such as Japan and the United States of America.

1.8 THE CHARACTERISTICS OF WORK PERMIT HOLDERS

1.8.1 NATIONALITY

Great Britain was the source of more work permit applicants than any other country at 21 percent of the total in 2002/2003. The next most numerically significant nationalities were: Japan at 12 percent; the United States of America at 9 percent; South Africa at 7 percent and India at 6 percent.

1.8.2 THE NUMBER OF WORK PERMITS HELD

The majority of work permit holders were granted only one work permit per year. In 1997/1998 77 percent held only one permit in that year. By 2002/2003 the corresponding percentage had dropped slightly to 71 percent. By way of contrast, the number of applicants granted two permits for the year 1997/1998 was 18 percent and by 2002/2003 this figure had increased to 24 percent. The total number of work permit holders granted two or more work permits also grew, from 23 percent in 1997/1998 to 29 percent in 2002/2003.

1.8.3 CONVERSION TO RESIDENCE OF WORK PERMIT HOLDERS

Of those people granted work permits in 1997/1998, 9 percent had converted to residence in the same year and by 2002/2003, 41 percent of the cohort had become New Zealand residents. Smaller proportions of subsequent cohorts have converted to residence. Conversion tended to peak in the second year and then tail off. However, the numbers converting to residence have risen, which reflects the continuing increase in the number of work permit holders. Talent Visas and POL policies now explicitly draw the link between working in New Zealand on a temporary permit and becoming a permanent resident.

1.8.4 AGE

Three quarters of the individuals granted labour market tested work permits in 2002/2003 were aged between 20 and 39 years.

1.8.5 REGIONAL DISTRIBUTION

Larger numbers of work permit holders were employed in the Auckland region than in any other area. Forty-one percent of work permit holders were employed in Auckland, while 10 percent worked in each of Canterbury, Wellington and Otago. Seven percent worked in the Waikato.

1.8.6 THE OCCUPATIONS OF WORK PERMIT HOLDERS

The largest occupational grouping of work permit holders in the 2003 calendar year was Professionals which accounted for 28 percent of the total. Service and sales workers were the next largest group at 27 percent, followed by Technicians and Associate Professionals (13 percent), Trades Workers (11 percent), Agriculture and Fishery Workers (9 percent), Legislators, Administrators and Managers (7 percent), Plant and Machinery Operators and Assemblers (3 percent), Clerks (2 percent) and Elemental and Residual (1 percent). Consistent with the trend over the last six years, the majority (69 per cent) of work permit holders in 2002/2003 were male.

1.8.7 THE OCCUPATIONS OF WORK PERMIT HOLDERS COMPARED WITH THOSE OF NEW ZEALAND WORKERS

There was some variation in the distribution of workers in the two groups with New Zealand workers inevitably being more evenly distributed among the various occupations. A greater proportion of work permit holders were employed in Professional occupations than New Zealand workers. Work Permit holders were also more highly represented in the Technicians and Associate Professionals group and in the Sales and Service Workers group. Occupations in which work permit holders were under represented in comparison with New Zealand workers were in the Legislators, Administrators and Managers, and Clerks groups.

1.9 EMPLOYERS ACCREDITED THROUGH TALENT VISA POLICY

1.9.1 THE INDUSTRIES AND REGIONS OF ACCREDITED EMPLOYERS

Since April 2002 employers have had the option of applying to become an “Accredited Employer” under the Talent Visa Policy. This policy allows employers to supplement their New Zealand workforce through the recruitment of talented non-New Zealand workers. Employers are required to meet certain criteria such as being in a sound financial position, having high quality human resources processes and policies, a commitment to training New Zealanders and a record of compliance with immigration and employment legislation. Employees must be offered a salary of \$45,000 or more.

A total of 207 employers were accredited in 2002/2003. Sixty percent of the employers were located in the Auckland region, 11 percent in Wellington, 9 percent in Canterbury, 4 percent in Waikato, 2 percent in Southland/Otago and 14 percent in Other regions. The Manufacturing industry contained the largest number of accredited employers at 25 percent of the total across all regions. Property and Business Services followed at 23 percent, then

Retail Trade at 9 percent and Construction and Agriculture, Forestry and Fishing, each of which comprised 7 percent of the total

1.9.2 ACCREDITED EMPLOYERS BY NUMBER OF EMPLOYEES, 2002/2003

A range of small to medium-sized enterprises featured along with a number of larger enterprises. Forty-one percent (83) of accredited employers employed between 1 and 39 staff members, whereas the 28 larger enterprises, which employed between 850 and 19,001 staff, accounted for 13 percent of the total. The medium sized businesses (between 40 and 350 staff members) accounted for 37 percent. However, it appears that when compared with the size of New Zealand enterprises, a good proportion of larger companies are seeking accreditation, which was the policy intent.

1.9.3 ACCREDITED EMPLOYERS BY ANNUAL TURNOVER AND REGION, 2002/2003

The lowest annual turnover of accredited employers was \$5,757 and the highest was \$1.838 million per annum. Thirty percent of accredited employers had annual turnovers up to \$3.49M (8 percent had a turnover of less than \$500,000); 26 percent had turnovers between \$3.5 million and \$39.9 million; 20 percent had turnovers between \$40 million and \$149.9 million and 23 percent had annual turnovers of \$150 million or greater.

1.9.4 ACCREDITED EMPLOYERS BY YEARS IN BUSINESS AND REGION, 2002/2003

The number of years that employers accredited had been in business, ranged from less than 1 year to 162 years. Many of the businesses were relatively new, just under half (49 percent) of accredited employers had been in business for periods of less than 1 year to 14 years. The single largest grouping of years in business was 5 to 9 years (23 percent of the total).

1.10 KEY LABOUR MARKET TESTS: OSL, POL AND CASE MADE BY EMPLOYER

The OSL was the most frequently recorded labour market test accounting for almost a third of all tests. When assessed with the definition of skilled employment derived from the Skilled Migrant Category¹, 54 percent of work permit holders had occupations classified as being in skilled employment. The remainder are assumed to be filling more general labour shortages.

1.11 INDUSTRIES OF WORK PERMIT HOLDERS AND RISK OF INJURIES

In general, work permit holders tended to be employed in industries with a lower incidence of injuries than did New Zealand workers. Thirty-two percent of work permit holders were employed in the top five most injury-prone industries. In comparison 59 percent of New Zealand workers were employed in these industries.

1.12 CONCLUSION

The main aim of this research was to provide information about trends in the use of work permits. To this end, trends in the numbers of work permits granted between 1997/1998 and 2002/2003 were described; permit criteria were examined as were the characteristics of work permit holders. The research also provided information on employers accredited through Talent Visa policy and work permit holders working in areas of skill shortage. Each of the major areas of research is commented on briefly below.

¹ The Skilled Migrant Category is the main Skilled Immigration Policy for residence in New Zealand.

Trends in the number of work permits since 1997 by permit criteria

The total number of individuals who had held a work permit between 1997/1998 and 2002/2003 was 73,397. The number of work permits granted to individuals each year doubled between 1997/1998 (11,856) and 2002/2003 (23,196). There was also substantial growth in the total number of work permits granted during this period, from 15,287 in 1997/1998 to 31,097 in 2002/2003. In general, the increase in people granted work permits reflects both a growing shortage of skilled workers and perhaps also a growing willingness of employers to alleviate shortages by recruiting offshore. Great Britain remained the largest source country over the six-year period.

Conversion to Residence of permit holders

There was a steady uptake of residence by work permit holders. Of the 11,254 people granted work permits in 1997/1998, 9 percent had converted to residence in the same year. By 2002/2003, 41 percent of the cohort had become New Zealand residents. Although smaller *proportions* of subsequent cohorts have converted to residence, the actual numbers of people converting has increased. Conversion tended to peak in the second year and then tail off. Talent Visa and POL policies now explicitly draw the link between working in New Zealand on a temporary permit and becoming a permanent resident.

The Occupations of work permit holders compared with those of New Zealand workers

There was an over representation of work permit holders in certain occupations compared with New Zealand workers, the most notable of these being in the Professional category. Twenty-eight percent of workers were classified as Professionals, compared with 14 percent of New Zealand workers, while 54 percent had occupations compatible with the definition of skilled employment derived from the Skilled Migrant Category (SMC) policy. These findings suggest that the work permit policy has been contributing to New Zealand's requirements in areas where skilled and trained professionals are required, although, it is likely that labour market shortages as well were being filled.

Talent Visa (Accredited Employers)

Accredited employers covered a range of small, medium and larger-sized enterprises. Annual turnover figures reflected this pattern. Of the 207 employers who were accredited during the year, almost 60 percent were located in the Auckland region. The number of years that accredited employers had been in business ranged from under 1 year to 162 years. Many of the companies were relatively new enterprises with just under half (49 percent) having been in business for periods of less than 1 year to up to 14 years.

Injury Risk in the Industries of Workers

In general, work permit holders tended to be employed in industries with a lower incidence of injuries than New Zealand workers and they were less represented in the more injury-prone industries.

Areas of actual skill shortage

As mentioned above, the research indicated that work permit holders were working in areas of both skill and labour market shortages. Assessed against the SMC criteria 54 percent of the work permit holders had occupations classified as skilled employment. It was also noted that the sizeable "other" categories probably contained work permit holders filling both skill and labour shortages.

2 Introduction and Background

2.1 INTRODUCTION

The main purpose of this research was to assess some of the trends and outcomes of New Zealand's work permit policy. A labour market test is used to determine that no suitable New Zealand workers are available to do the job a work permit applicant has been offered. There are a number of ways that a labour market test can be administered, ranging from having an occupation on a shortages list to checking with the Ministry of Social Development that there was a shortage for that occupation. Once a labour shortage has been established, the applicant is required to meet specified criteria, which may include ensuring that the applicant is suitably qualified for the work offered. Other work permits are granted on the basis of a family relationship with a New Zealand resident, working holiday schemes, and for asylum seekers, and are not included in this research.

The research identified trends, patterns and issues pertaining to work permits and permit holders and also examined employers accredited through the Talent Visa (Accredited Employers) policy. The scope of the research was limited to data captured on immigration databases, supplemented with information from Statistics New Zealand.

A labour shortage is a mismatch between the supply of people with particular skills and the demand for people with those skills. Some work permits may be issued to address skill shortages, others to address more general labour shortages and still others to attract talented individuals. Work permits allow employers to fill vacancies for which no suitable New Zealand residents can be found. A number of different work permits have been developed to assist with filling New Zealand's shortages. They consist of the following criteria: General, Talent Visa (Accredited Employers and Arts, Culture and Sports), Priority Occupations List (POL), Business-long term, Business-short term, Japanese interpreters and Machinery installer/servicers. General is the main work permit criteria.¹

To qualify for a General work permit, applicants must usually have an offer of employment in an occupation that is included in the current Occupational Shortages List (OSL), which is maintained by the New Zealand Immigration Service (NZIS). The OSL is a list of occupations in shortage in one or more of the main regions in New Zealand. General work permits can also be granted through five other General sub-categories. These are:

- applicants with specialist skills;
- applications based on offers of employment from an employer with an approval in principle from the NZIS to recruit non-New Zealand workers;
- applications based on applicants' evidence of employment in New Zealand with supporting documentation from the New Zealand employer;
- Ministers of religion, missionaries and members of religious orders; and
- the crew of chartered foreign fishing vessels.

2.2 BACKGROUND

The objective of work permit policy is to contribute to developing New Zealand's capacity base. This objective is underpinned by the principle that work policy should facilitate the

¹ Unless otherwise specified, 'permit' is used throughout this report to denote both permits and visas. In the NZIS's operational reporting, an application is said to be finalised when either a visa is issued to an offshore applicant, or a permit is issued to an onshore applicant. When a person arrives at a New Zealand border with a visa they are issued with a corresponding permit – which is not counted again.

access of New Zealand employers and industry to global skills and knowledge while complementing the Government's education, training, employment and economic development policies. Work policy should also facilitate a transition between skilled temporary workers and residence. The purpose of work policy is primarily to facilitate the entry of highly skilled workers through a streamlined labour market test. Policies, such as those outlined above, help New Zealand to meet particular or seasonal skill needs which cannot be met from within New Zealand. At the same time there is a requirement to protect employment opportunities for New Zealand citizens and residents.

Prior to April 2002, in addition to the standard General policy, there were over 20 distinct policies through which work permits could be granted. These included, for example, Medical and dental personnel, Halal slaughtermen and University lecturers.

On 29 April 2002, a number of changes to work permit policy were made. These included streamlining the General criteria by closing, for example, the Medical and dental personnel, University lecturers, Research and post-doctoral fellows and Halal slaughtermen criteria. Certain of the policies disappeared entirely while others, such as Medical and dental personnel, were moved to the Priority Occupations List (POL) or the Occupational Shortages List (OSL). These are lists drawn up by the NZIS in consultation with a number of Government and non-government organisations. The POL lists specific occupations where there are sustained and ongoing shortages of skilled workers and is derived from the OSL. An employer is able to recruit a non-New Zealand worker without the need for any other type of labour market test, provided the occupation is on one of these two lists.

A new and significant category of work permit was also introduced – the work to residence policy. This type of work permit consists of three policies:

- Talent Visa (Accredited Employers);
- Talent Visa (Arts, Culture and Sports); and
- Priority Occupations List

The Talent Visa (Accredited Employers) policy allows certain employers to more easily recruit highly talented/skilled workers from overseas. An accredited employer can offer jobs to non-New Zealand residents or citizens without having to establish that there are no suitable New Zealand workers available to fill the positions. To be accredited, an employer must meet criteria which include being in a sound financial position, having a high standard of human resource policies and processes, having good workplace practices, a commitment to training New Zealanders and also having a record of compliance with immigration and employment legislation. Migrants eligible for a Talent Visa (Accredited Employers) must be aged 55 years or under and have an offer of employment for at least 24 months with a minimum base salary of \$45,000. Applicants must also meet the standard health and character requirements.

Talent Visa (Arts, Culture and Sports) enables major New Zealand cultural and sport organisations to sponsor talented individuals who have an exceptional record of achievement and are still active in their chosen field. Organisations need to give reasons that the applicant's presence in New Zealand would enhance the qualities of New Zealand's accomplishments by their participation in a given field of art, sport or culture. Principal applicants applying for a Talent Visa (Arts, Culture and Sports) must be aged 55 years or under, be sponsored by an organisation as described above, have an internationally recognised talent and be still prominent in their chosen field.

The POL lists specific occupations where there are sustained and ongoing shortages of skilled workers and is derived from the OSL. The POL allows suitably qualified and experienced workers to be offered jobs on the list without the employers having to demonstrate that no suitable New Zealand workers are available.

After working in New Zealand for two years, applicants through these three policies can apply for residence through the “residence from work” category. The criteria for residence are the same as those when applying for a permit. That is, applicants must have ongoing employment with a salary of at least \$45,000 per annum and meet health and character requirements. It is almost two years since the introduction of these three new policies and although it may be too soon to determine any sustained trend, this research examined patterns which have been identified so far.

2.3 RESEARCH OBJECTIVES

This research examined the characteristics of past and recent holders of labour market tested work permits and made comparisons between the occupations and industries of work permit holders and New Zealand workers. The focus of the research was on: people granted General Work permits; work to residence policies (Talent Visa and the POL); and the employers of Talent Visa holders. The following are the explicit objectives of the research:

1. To describe trends in the number of work permits issued since 1997, by permit criteria.
2. To identify work permit holders in 2002/2003 by: occupation; regions in New Zealand; demographic characteristics; number of work permits held; and the number of people granted work permits who went on to become residents.
3. To compare the occupations of principal applicants granted General work permits against the OSL to determine whether the occupations are in actual areas of skill shortage.
4. To compare the occupations of principal applicants granted POL work permits against the Priority Occupations List to judge whether the occupations are in absolute shortage.
5. To identify the number of individuals holding a series of General work permits.
6. To compare the proportions of work permit holders working in each occupation with the proportions of New Zealand workers in the same occupations to determine whether there is any clustering of occupations.
7. To describe the characteristics of employers accredited and provide information about: the types and number of employees recruited; the employers’ industries; their annual turnover; and age of businesses.
8. To determine the injury risk profiles of occupations in which large proportions of work permit holders work.

2.4 METHODOLOGY

To meet the research objectives, a variety of quantitative techniques were employed. Extensive use was made of NZIS databases in describing the characteristics of skilled migrants over time and the assessment of occupations against the OSL and POL. The NZIS database information was also compared with industry, occupation and injury data produced by Statistics New Zealand.

To collect data not directly accessible from the Immigration database, two files studies were undertaken. The first examined the characteristics of Accredited Employers through Talent Visa policy, during 2002/2003 and included information about employers':

- industry;
- number of Talent Visa approvals;
- number of employees;
- years in business; and regional location.

The second file study surveyed 200 randomly selected work permit applications approved in 2002/2003. The applications were accessed via AMS and information about the industries work permit holders were employed in was extracted.

Information about work permits granted between 1997/1998 and 2002/2003 was extracted from a copy of the NZIS Trends database.¹ To compare the work-related characteristics of work permit holders with those of New Zealand workers, use was made of material produced by Statistics New Zealand, such as outputs from the Household Labour Force Survey and the Census of Population and Dwellings. In most instances the data reported is of the number of individuals in any one year rather than the number of permits issued. One individual may have had more than one permit (and/or occupation) in a year, but only their first is counted.

2.5 LIMITATIONS

Information about occupations was only available for 59 percent of work permits granted in the 2003 calendar year. There were a number of incompatible date ranges. The majority of the analyses were based on information pertaining to the 2002/2003 financial year, however the occupation data derived from the Immigration database was for the 2003 calendar year, while the corresponding SNZ data was derived from the 2001 Census of Population and Dwellings. The findings of the AMS survey had sampling errors (ranging from +/-3% to +/-7%), which need to be considered when interpreting information relating to the industries work permit holders were employed in. The dynamic nature of the Immigration database means results of queries differ over time leading to total figures varying in some sections.

2.6 STRUCTURE OF THE REPORT

Apart from this introduction the report contains the following sections:

- Trends in the number of work permits granted since 1997/1998 by permit criteria;
- The characteristics of work permit holders in 2002/2003;
- The degree to which the occupations of work permit holders were in areas of actual skill shortage;
- The characteristics of employers accredited through the Talent Visa policy in 2002/2003;
- The risk of injury in industries employing work permit holders;
- Conclusions; and finally
- Appendices giving information on work policy in more detail.

¹ The "Trends" database is used to produce the annual *Trends in Residence Approvals* series and contains a subset of data from the Immigration database.

3 Trends in the Number of Permits Granted

3.1 NUMBER OF WORK PERMIT HOLDERS AND PERMITS GRANTED

This section describes the number of work permits granted from 1997/1998 to 2002/2003, that is, from July 1997 to June 2003. Much of the information refers to individuals by year - an individual was counted only once per year regardless of the number of work permits they had held in a given year. The same approach was used to calculate the total number of work permit holders during the six-year period starting in 1997/1998 and ending at 2002/2003 - an individual was counted once only, even if they had been granted other work permits over a number of years.

In total, 73,397 individuals had held a work permit at some time between 1997/1998 and 2002/2003. There was a substantial growth of individuals granted such permits each year over this period. In 1997/1998, 11,856 individuals were issued work permits; by 2002/2003 the corresponding figure had increased to 23,196.

Table 3.1 shows that after a 4 percent decline in 1998/1999 the number of individuals granted work permits increased in each of the subsequent financial years - by 20 percent in 1999/2000, 18 percent in 2000/2001, 16 percent in 2001/2002 and 24 percent in 2002/2003. Also shown are the total number of work permits issued (people may hold more than one permit in any one year) and the mean number of permits granted to individuals each year. The growth in work permit numbers mirrors that of individuals granted work permits. In 1997/1998 a total of 15,287 permits were issued and by 2002/2003 the annual number had increased to 31,097. The number of individuals holding one or more work permits in 2002/2003 was 105 percent greater than in 1997/1998, while the total number of work permits in the same interval rose by 103 percent. It is of note that the mean number of permits per individual by year remained constant at 1.3.

Table 3.1 Work permits by holders and number of permits, 1997/1998 to 2002/2003

Year	Individuals ¹		Permits ²		Permits per Individual ³
	Number	Annual Percent Change	Number	Annual Percent Change	
1997-1998	11,856		15,287		1.3
1998-1999	11,361	4.2%	14,954	-2.2%	1.3
1999-2000	13,621	19.9%	17,613	17.8%	1.3
2000-2001	16,065	17.9%	20,951	19.0%	1.3
2001-2002	18,645	16.1%	24,528	17.1%	1.3
2002-2003	23,196	24.4%	31,097	26.8%	1.3

1. The number of individuals granted a work permit in each year.

2. The number of work permits granted each year.

3. The average number of work permits individuals held each year.

Figure 3.1 provides a graphical representation of the increases in the number of individuals granted work permits per year, compared with the number of all work permits issued per year.

Figure 3.1 Work permits by holders and number of permits issued, 1997/1998 to 2002/2003

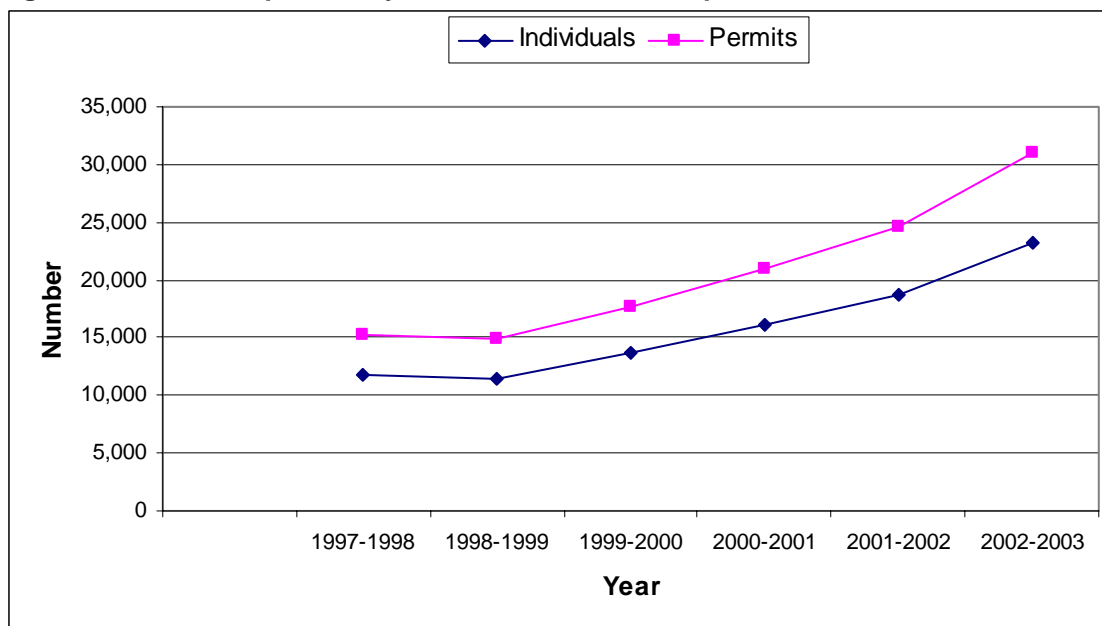


Table 3.2, below, gives totals for the entire six-year period from 1997/1998 to 2002/2003. During this period, 73,397 individuals held one or more work permits. The number of work permits issued totalled 124,430. The mean number of permits per person was 1.6, indicating that certain individuals held a series of work permits over the six-year period.

Table 3.2 Work permits by holders and total number of permits

	Number	All Permits	Average number of Permits per Person
Total 1997/1998-2002/2003¹	73,397	124,430	1.6

1. The 1997/1998 to 2002/2003 total refers to individuals rather than the number of permits in this period. If an individual had more than one work permit in any of the years between 1997/1998 and 2002/2003 they were counted once only.

3.2 CATEGORIES OF WORK PERMITS AND CRITERIA

Again, it should be noted that the following analysis is of individuals issued a work permit and that they are counted only once during the period 1997/1998 to 2002/2003. As seen in Table 3.3, General was the most frequently recorded criteria of work permits granted during this period. Between 1997/1998 and 2002/2003, 86 percent (63,398) of individuals' initial work permits were General.¹ Medical and dental personnel were the second most frequently issued permits at almost 8 percent (5,734) of the total followed by Business – Short Term at 2 percent (1,608).

Almost two-thirds (62 percent) of the work permits were issued to males. There was some gender variation from the overall proportions amongst the specific criteria; for example, 58 percent of Medical and dental criteria permits were granted to females as were 72 percent of Japanese interpreter criteria permits.

¹ Since individuals are counted only once in this period, it is possible, although unlikely, that some individuals' subsequent work permits were other than General.

Table 3.3 Work permit holders by criteria and gender, 1997/1998 to 2002/2003 ¹

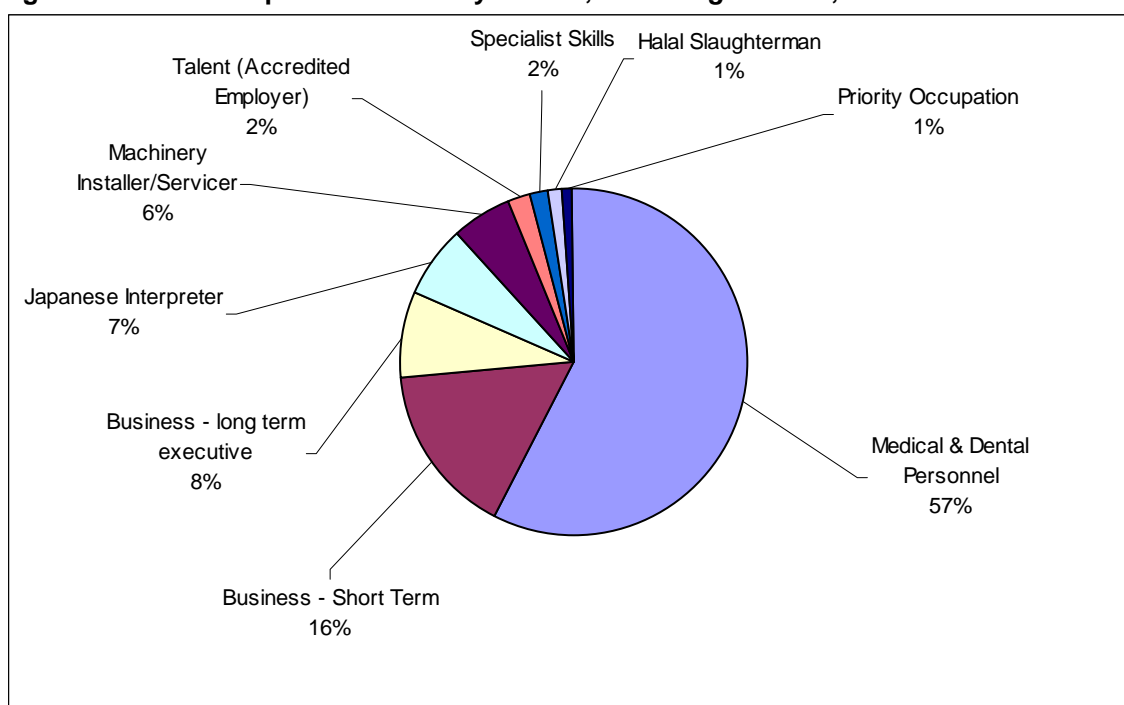
Criteria	Females		Males		Total	
	Number	Percent	Number	Percent	Number	Percent
General	23,565	84.0%	39,829	87.8%	63,398	86.4%
Medical & Dental Personnel	3,377	12.0%	2,357	5.2%	5,734	7.8%
Business - Short Term	337	1.2%	1,270	2.8%	1,608	2.2%
Business - long term executive	110	0.4%	688	1.5%	798	1.1%
Japanese Interpreter	491	1.8%	194	0.4%	686	0.9%
Machinery Installer/Service	23	0.1%	536	1.2%	559	0.8%
Talent (Accredited Employer)	35	0.1%	180	0.4%	215	0.3%
Specialist Skills	69	0.2%	115	0.3%	184	0.3%
Halal Slaughterman	-	0.0%	118	0.3%	118	0.2%
Priority Occupation	44	0.2%	53	0.1%	97	0.1%
Total ²	28,051	100%	45,340	100%	73,397	100%
Gender Total Percentages		38%		62%		100%

1. This table analyses individuals rather than the number of permits issued. If an individual was issued with more than one work permit during the period 1997/1998 to 2002/2003, they were only counted once. An individual is counted against the first permit criteria they were issued with, even if subsequently they had a different permit criteria.

2. This total excludes 6 individuals whose gender was not known.

Figure 3.2 provides a breakdown of work permit criteria which excludes General permits. The following were the largest of the remaining criteria: Medical and dental personnel, Business-Short Term, Business – Long Term Executive, Japanese interpreter and Machinery installers/servicers.

Figure 3.2 Work permit holders by criteria, excluding General, 1997/1998 to 2002/2003



The following Table 3.4 describes criteria by year allowing patterns over the period to become apparent. Note that policy changes in April 2002 streamlined work permit criteria and led to the observed increase in General criteria and the corresponding decrease in other criteria such as Medical and dental personnel. POL and Talent Visa work permits were introduced at this time.

The table shows that General criteria was the single largest grouping over each of the six years between 1997/1998 and 2002/2003. The category size fluctuated between 82 and 86 percent between 1997/1998 and 2001/2002 before rising to 96 percent in 2002/2003. The second largest grouping, Medical and dental personnel grew from 8 percent to 12 percent in 2000/2001 but the percentage declined sharply following the revision of the General criteria. Medical and dental personnel are now included on the OSL, if required.

Table 3.4 Work permits by criteria and year, 1997/1998 to 2002/2003¹

Criteria	1997-1998		1998-1999		1999-2000		2000-2001		2001-2002		2002-2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
General	10,100	85.2%	9,323	82.1%	11,213	82.3%	13,371	83.8%	16,034	86.0%	22,207	95.6%
Medical & Dental Personnel	901	7.6%	1,076	9.5%	1,610	11.8%	1,935	12.1%	1,870	10.0%	13	0.1%
Business - Short Term	328	2.8%	491	4.3%	336	2.5%	239	1.5%	252	1.4%	94	0.4%
Business - Long Term Executive	267	2.3%	208	1.8%	173	1.3%	134	0.8%	121	0.6%	74	0.3%
Japanese Interpreter	139	1.2%	109	1.0%	122	0.9%	137	0.9%	149	0.8%	133	0.6%
Machinery Installer/Service	89	0.8%	114	1.0%	121	0.9%	98	0.6%	106	0.6%	104	0.4%
Halal Slaughterman	32	0.3%	40	0.4%	46	0.3%	44	0.3%	45	0.2%		0.0%
Priority Occupation									4	0.0%	112	0.5%
Talent (Accredited Employer)									1	0.0%	279	1.2%
Talent (Arts, Culture and Sports)											36	0.2%
Specialist Skills									63	0.3%	180	0.8%
Total	11,856	100.0%	11,361	100.0%	13,621	100.0%	15,958	100.0%	18,645	100.0%	23,232	100.0%

1. This table analyses individuals per year rather than the number of permits issued. If a person had more than one work permit per year they were counted only once.

4 Characteristics of Work Permit Holders

4.1 INTRODUCTION

This section examines in more detail the characteristics of those granted work permits in 2002/2003. The section begins with a description of the nationalities of work permit holders between 1997/1998 and 2002/2003 and goes on to provide analyses of the number of work permits held by year, the conversion to residence by year and the age groups and regional distribution of work permit holders during 2002/2003. The occupations of work permit holders are compared with those of New Zealand workers and then the top ten of each of the major New Zealand Standard Classification of Occupations (NZSCO) occupation groups are described.

4.2 NATIONALITY

Great Britain was the source of more work permit holders over the six-year period than any other country. Table 4.1 shows that a fifth of all work permits in 2002/2003 were issued to applicants from Great Britain. The next most numerically significant nationalities were: Japan; the United States of America; South Africa and India. One quarter of approvals (23 percent) were for nationalities outside the top ten nationalities.

Table 4.1 Work permit numbers by top 12 nationalities, 1997/1998 to 2002/2003¹

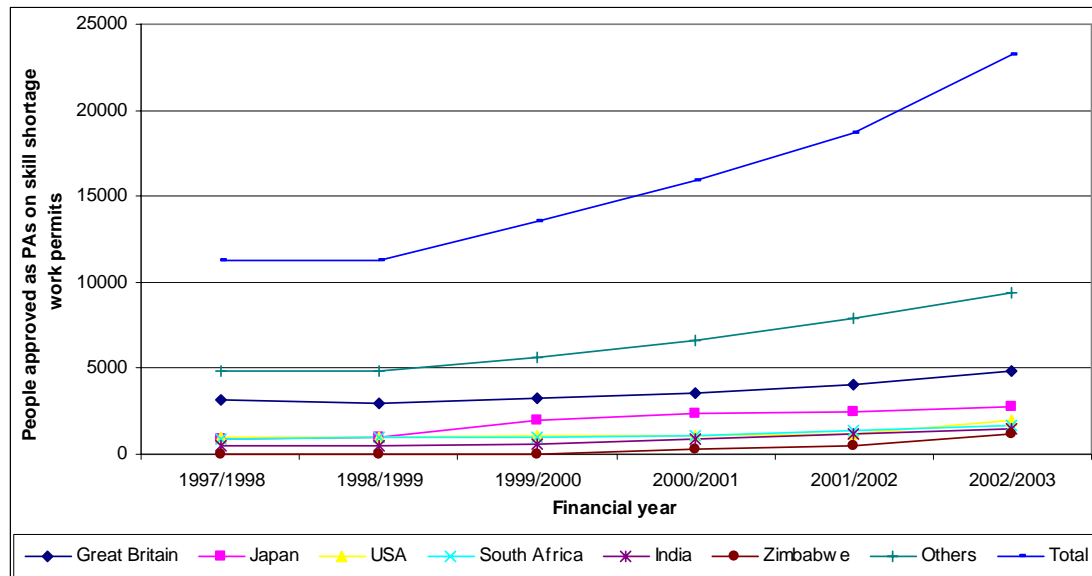
Country	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003	Percentage 2002/2003
Great Britain	3,188	2,926	3,218	3,590	4,015	4,807	21%
Japan	847	969	1,992	2,415	2,430	2,721	12%
USA	949	1,032	1,101	1,074	1,198	1,964	8%
South Africa	845	989	1,032	1,046	1,399	1,702	7%
India	540	515	599	888	1,174	1,492	6%
Zimbabwe	12	18	27	269	520	1,146	5%
China	561	289	257	564	795	1,078	5%
South Korea	167	140	213	286	383	779	3%
Fiji	483	367	483	656	774	638	3%
Thailand	208	388	415	522	657	569	2%
Canada	722	566	472	417	478	553	2%
Germany	363	298	309	468	525	526	2%
Others	2,370	2,780	3,468	3,730	4,283	5,225	23%
Total	11,255	11,277	13,586	15,925	18,631	23,200	100%

* This table analyses individuals rather than the number of permits issued. If a person had more than one work permit in any year, they were counted only once. Source: *Trends in Residence Approvals – 2002/2003, Volume 3*

¹ The work permit holder totals vary slightly in this section due to the differing dates on which they were extracted from the Immigration database.

Figure 4.1, below, shows the trends for the top six, and all other, countries. Consistent growth in numbers is evident after the 1998/1999 financial year.

Figure 4.1 Work permits – number of principal applicants granted work permits in top six countries 1997/1998 to 2002/2003



Source: *Trends in Residence Approvals – 2002/2003, Volume 3*

4.3 NUMBER OF WORK PERMITS HELD BY INDIVIDUALS BY YEAR

The majority of work permit holders were granted only one work permit per year, although over time there has been an increase in the proportion having two or more permits in a single year. In Table 4.2 it can be seen that in 1997/1998 the majority of applicants (77 percent) held one permit for that year. By 2002/2003 the corresponding percentage had dropped slightly to 71 percent. Accounting for most of this change was the number of applicants granted two permits. For the year 1997/1998, 18 percent held two permits and by 2002/2003 this figure had increased to 24 percent.

Table 4.2 Work permit holders by the number of permits granted in a year

Number of Work Permits	1997 -1998 Percent	1998 -1999 Percent	1999 - 2000 Percent	2000 - 2001 Percent	2001- 2002 Percent	2002 - 2003 Percent
1	77.2%	74.9%	75.7%	74.2%	73.6%	71.2%
2	17.9%	19.7%	19.7%	21.1%	21.8%	24.1%
3	3.5%	3.6%	3.2%	3.2%	3.1%	3.3%
4	1.3%	1.6%	1.2%	1.2%	1.3%	1.3%
5	0.1%	0.2%	0.2%	0.2%	0.1%	0.2%
6	0.1%	0.1%	0.1%	< 0%	< 0%	< 0%
7	< 0%	< 0%	< 0%	< 0%	< 0%	< 0%
8		< 0%		< 0%	< 0%	< 0%
10					< 0%	< 0%
12						< 0%
Total	100%	100%	100%	100%	100%	100%
Total Number	11,820	11,321	13,613	15,920	18,628	23,216

Source: NZIS Business Information Branch as at 2 November, 2003.

4.4 CONVERSION TO RESIDENCE

Table 4.3, below, shows the number of work permit holders who converted to residence.² Of the 11,254 people granted work permits in 1997/1998, 9 percent had converted to residence in the same year. By 2002/2003, 41 percent of the cohort had become New Zealand residents. Smaller proportions of subsequent cohorts are converting to residence. The conversion has fallen from 24 percent at the end of the second financial year for the 1997/1998 cohort to 18 percent for the 2001/2002 cohort. However, the actual numbers of people converting have risen, reflecting the large increase in people holding these work permits over time. An interesting pattern was evident, conversion tended to peak in the second year after the granting of work permits and then diminish gradually over time.

Table 4.3 Cumulative totals of work permit holders' conversion to residence by year of first permit and year of residence approval, 1997/1998 to 2002/2003

Year Approved for Residence	Year Permit was granted											
	1997/1998		1998/1999		1999/2000		2000/2001		2001/2002		2002/2003	
	N	%	N	%	N	%	N	%	N	%	N	%
1997/1998	1,029	9%										
1998/1999	2,700	24%	1,154	10%								
1999/2000	3,752	33%	2,900	26%	1,358	10%						
2000/2001	4,267	38%	3,824	34%	3,050	22%	1,527	10%				
2001/2002	4,479	40%	4,188	37%	3,918	29%	3,309	21%	1,420	8%		
2002/2003	4,662	41%	4,414	39%	4,415	32%	4,473	28%	3,414	18%	1,643	7%

Total principal applicants approved for work permits in each year					
11,254	11,276	13,586	15,925	18,621	23,198

² The total permit number for each year in these tables is the number of people identified when this analysis was first completed. Because of the dynamic nature of the immigration databases, these numbers differ slightly from the numbers presented in Tables 4.1 and 4.2, which were produced earlier.

4.5 AGE

Table 4.4 shows that just over three-quarters of the individuals granted work permits were aged between 20 and 39 years with equal proportions aged 20 to 29, and 30 to 39 years. The next largest group were aged between 40 and 44 years.

Table 4.4 Work permit holders' age, 2002/2003¹

Age Group	Number	Percent
Under 16	18	< 1%
16 to 19 years	307	1%
20 to 29 years	8,850	38%
30 to 39 years	8,913	38%
40 to 44 years	2,375	10%
45 to 49 years	1,420	6%
50 and over	1,572	7%
Grand Total	23,455	100%

¹ There were 4 work permit holders with missing age data, they were excluded from the table above.

4.6 REGIONAL DISTRIBUTION

Table 4.5 shows that of those work permit holders with a specified region of employment (63 percent), almost 80 percent worked in one of top five regions. Forty-one percent were employed in Auckland, 10 percent worked in Wellington, Canterbury and Otago, while 7 percent were employed in Waikato.

Table 4.5 Work permit holders by region of employment, 2002/2003¹

Region	Number	Percent
Auckland	6,058	41%
Wellington	1,504	10%
Canterbury	1,502	10%
Otago	1,451	10%
Waikato	1,008	7%
Hawkes Bay	679	5%
Bay of Plenty	447	3%
Northland	256	2%
Southland	210	1%
Taranaki	204	1%
Marlborough	197	1%
Nelson	146	1%
Wanganui	107	1%
West coast	41	0%
East Coast	4	0%
Wairarapa	4	0%
Coromandel	1	0%
Central Plateau	1	0%
Other	899	6%
	14,719	100%

¹ The region of employment of 8,740 work permit holders was not recorded and were excluded from the above table.

4.7 THE OCCUPATIONS OF WORK PERMIT HOLDERS AND COMPARISONS WITH THE OCCUPATIONS OF NEW ZEALAND WORKERS

In this section the occupations of labour market tested work permit holders are examined. First, a high-level aggregation of occupations is provided and compared with the occupations of New Zealand workers. Second, tables describing the top ten specific occupations in each of the major NZSCO occupation groups are presented. It is important to re-state that only 59 percent of work permit holders had their occupations recorded in the Immigration database.

It can be seen in Table 4.6 that Professionals was the single largest occupational grouping of work permit holders. A close second, in terms of size, was Sales and Service Workers, which was followed by: Technicians and Associate Professionals; Agriculture and Fishery Workers; Plant and Machinery Operators and Assemblers; Trades Workers; Legislators, Administrators and Managers; Clerks; and Elemental and Residual Workers.

It is evident in Table 4.6 that a greater proportion of work permit holders were employed in Professional occupations than New Zealand workers. Work Permit holders were also over represented in the Technicians and Associate Professionals group and in the Sales and Service Workers group. Occupations in which work permit holders were under represented compared with New Zealand workers were in the Legislators, Administrators and Managers, and Clerks group.

Table 4.6 Work permit holders and New Zealand workers by occupation, 2003 calendar year and 2001 Census of Population and Dwelling¹

Occupation	Work Permit Holders		New Zealand Workers	
	Total	Percent	Total	Percent
Legislators, Administrators and Managers	919	7%	216,366	13%
Professionals	3,960	28%	239,616	14%
Technicians and Associate Professionals	1,835	13%	190,674	11%
Clerks	228	2%	216,471	13%
Service and Sales Workers	3,689	27%	242,508	14%
Agriculture and Fishery Workers	1,237	9%	137,484	8%
Trades Workers	1,521	11%	145,296	8%
Plant and Machine Operators and Assemblers	428	3%	144,015	8%
Elemental Workers and Residual	91	1%	100,638	6%
Total	13,908	100%	1,633,068	100%

Source: The Immigration database as at 10/02/2004; Statistics New Zealand *Census of Population and Dwellings, 2001*

1. This data, and that in subsequent tables, is again of individuals counted once in the 2003 year. If they had two work permits only the first was counted and included in this analysis.

The most common occupations are shown in Table 4.7. It can be seen that the top five occupations were: Travel Attendant, Chef, Registered Nurse, Fruit Grower, Worker, and Tour and Travel Guide. Of the ten occupations, Registered Nurse and Secondary School Teacher were the only occupations classified as Professional. Four of the top ten were classified as Service and Sales Workers (Travel Attendant, Chef, Tour and Travel Guide, Tour Guide). Only 34 percent of all occupations appeared in the top ten list and the greatest percentage was 8 percent. These findings suggest that work permit holders hold a wide and diverse range of specific occupations, especially in the Professional grouping.

Table 4.7 The top ten occupations of work permit holders, all 5 digit level occupations combined, 2003 calendar year

Occupation	Number	Percent
Travel Attendant	1,180	8%
Chef	1,049	8%
Registered Nurse	618	4%
Fruit Grower, Worker	393	3%
Tour and Travel Guide	383	3%
Motor Mechanic	287	2%
Secondary School Teacher	283	2%
Dairy Farmer, Dairy Farm Worker	211	2%
Tour Guide	191	1%
Electrician	151	1%
Other	9,162	66%
Total	13,908	100%

4.8 THE TOP TEN SPECIFIC OCCUPATIONS IN EACH MAJOR GROUP

The following tables show the top ten occupations within each of the high-level occupational classifications. Some brief comments are included.

4.8.1 LEGISLATORS, ADMINISTRATORS AND MANAGERS

Sales and/or Marketing Manager, General Manager, Information Technology Manager and Restaurant or Tavern Manager were the top four occupations of work permit holders in this category. As can be seen in Table 4.8, almost half of the work permit holders were classified as “Other” indicating that a wide range of occupations were included in the category.

Table 4.8 Legislators, administrators and managers: top ten occupations, 2003 Calendar year

Occupation	Total	Percent
Sales and/or Marketing Manager	95	10%
General Manager	81	9%
Information Technology Manager	54	6%
Restaurant or Tavern Manager	53	6%
Office Manager	34	4%
Project Manager	33	4%
Retail Manager	30	3%
Chief Executive and/or Managing Director	30	3%
Restaurant Manager	29	3%
Administration Manager	26	3%
Other	454	49%
Total	919	100%

4.8.2 PROFESSIONALS

As seen in Table 4.9, there was much diversity in the occupations of work permit holders classified as Professionals. This is evidenced by both the large size of the “Other” category and the low percentages of the top ten occupations. Medical occupations formed the largest component of the top ten occupations, with Teaching and lecturing being the next largest grouping. Registered Nurse and Secondary School Teacher were the top two specific occupations.

Table 4.9 Professionals: top ten specific occupations, 2003 calendar year

Occupation	Total	Percent
Registered Nurse	618	16%
Secondary School Teacher	283	7%
Resident Medical Officer	132	3%
Staff Nurse	129	3%
General Practitioner	116	3%
University and Higher Education Lecturer and/or Tutor	113	3%
Computer Applications Engineer	90	2%
Accountant	82	2%
Teacher of English to Speakers of Other Languages	79	2%
Primary School Teacher	70	2%
Other	2,248	57%
Total	3,960	100%

4.8.3 TECHNICIANS AND ASSOCIATE PROFESSIONALS

In the Technicians and Associate Professionals group there was also a considerable range in the types of occupations – two-thirds had “Other” occupations. The top three occupations were Computer Programmer, Sports Coach or Trainer and Physiotherapist.

Table 4.10 Technicians and Associate Professionals: top ten specific occupations, 2003 calendar year

Occupation	Total	Percent
Computer Programmer	104	6%
Sports Coach or Trainer	80	4%
Physiotherapist	72	4%
Graphic Designer	58	3%
Occupational Therapist	57	3%
Computer Systems Technician	53	3%
Computer Support Technician	51	3%
Administration Officer	48	3%
Other Engineering Technician	43	2%
Mechanical Engineering Technician	43	2%
Other	1,226	67%
Total	1,835	100%

4.8.4 CLERKS

As might be expected, few work permit holders were classified as Clerks. Accounts Clerk was the occupation of more work permit holders than any other in this group. Clerks - generally regarded as a less skilled occupation - constituted the smallest high-level grouping, if Elemental Workers and Residual are excluded.

Table 4.11 Clerks: top ten specific occupations, 2003 calendar year

Occupation	Total	Percent
Accounts Clerk	29	13%
Hotel and/or Motel Receptionist	25	11%
Researcher	22	10%
Secretary	14	6%
Research Assistant	13	6%
Information Clerk and Other Receptionist	10	4%
Receptionist	9	4%
Finance Clerk	8	4%
Gaming Dealer	8	4%
Personal Assistant	7	3%
Other	83	36%
Total	228	100%

4.8.5 SERVICE AND SALES WORKERS

As can be observed in Table 4.12, the Service and Sales Workers group contained an assortment of disparate occupations ranging from Tour and Travel Guides and Chefs to Police Officers and Hairdressers. Almost half of the occupations were related to travel and or tourism, while just under a third were Chefs or Cooks.

Table 4.12 Service and Sales Workers: top ten specific occupations, 2003 calendar year

Occupation	Total	Percent
Travel Attendant	1,180	32%
Chef	1,049	28%
Tour and Travel Guide	383	10%
Tour Guide	191	5%
Sales Assistant	101	3%
Police Officer	69	2%
Cook	65	2%
Waiter	61	2%
Hairdresser	58	2%
Care Giver	41	1%
Other	491	13%
Total	3,689	100%

4.8.6 AGRICULTURE AND FISHERY WORKERS

Fruit Grower, Dairy Farmer, Grape Grower and/or Wine Maker, and Orchard Worker were the top four occupations in this grouping. Almost a third of the occupations in this group were Fruit Grower, while a little under a quarter of the total occupations in this grouping were dairy farm workers or managers of some description.

Table 4.13 Agriculture and Fishery Workers: top ten specific occupations, 2003 calendar year

Occupation	Total	Percent
Fruit Grower, Worker	393	32%
Dairy Farmer, Dairy Farm Worker	211	17%
Grape Grower and/or Wine Maker, Worker	147	12%
Orchard Worker	134	11%
Dairy Farm Manager	45	4%
Dairy Farm Worker	31	3%
Horse Trainer, Groom or Stable Hand	27	2%
Field Crop Grower and Related Worker	17	1%
Dairy Farmer	17	1%
Vineyard Worker	14	1%
Other	201	16%
Total	1,237	100%

4.8.7 TRADES WORKERS

The top three trades occupations were Motor Mechanic, Electrician and Fitter and Welder.

Table 4.14 Trades Workers: top ten specific occupations, 2003 calendar year

Occupation	Total	Percent
Motor Mechanic	287	19%
Electrician	151	10%
Fitter and Welder	86	6%
Fitter and Turner	74	5%
Carpenter and/or Joiner	60	4%
Plumber	49	3%
Baker	47	3%
Carpenter	47	3%
Diesel Mechanic	38	2%
Cabinet Maker	38	2%
Other	644	42%
Total	1,521	100%

4.8.8 PLANT AND MACHINERY OPERATORS AND ASSEMBLERS

Sewing Machinist was the largest specific occupation in this group. Following were Ship Crew Member, General Welder and Heavy Truck or Tanker Driver.

Table 4.15 Plant and Machinery Operators and Assemblers: top ten specific occupations, 2003 calendar year

Occupation	Total	Percent
Sewing Machinist	120	28%
Ship Crew Member	47	11%
General Welder	19	4%
Heavy Truck or Tanker Driver	15	4%
Aluminium Joiner	14	3%
Slaughterman	10	2%
Welder and Flame-Cutter	9	2%
Roofer	9	2%
Other Food Products Processing Machine Operator	6	1%
Woodworking Machinist	5	1%
Other	174	41%
Total	428	100%

4.8.9 ELEMENTAL WORKERS AND RESIDUAL

Table 4.16 shows the elemental and residual occupations. There were very few recorded as being employed in these types of occupations. It should be noted that 959 records classified as “Not Stated” have been removed from this classification to provide a more accurate representation of the proportions of people. The top four occupations were Hotel Porter, Apprentice/ Trainee, Food Packer and Team Leader.

Table 4.16 Elemental Workers and Residual: top ten specific occupations, 2003 calendar year

Occupation	Number	Percent
Hotel Porter	15	16%
Apprentice/Trainee	12	13%
Food Packer	7	8%
Team Leader (No Further Information)	7	8%
General Labourer	5	5%
Building Caretaker	4	4%
Cleaner	4	4%
Commercial Cleaner	4	4%
Packer	4	4%
Technician	4	4%
Other	25	27%
Total	91	100%

4.9 THE INDUSTRIES EMPLOYING WORK PERMIT HOLDERS AND COMPARISONS WITH THOSE OF NEW ZEALAND WORKERS

In this section the industries in which work permit holders were employed are examined and then compared with those of New Zealand workers. It should be noted that the findings relating to work permit holders' industries of employment were derived from a survey of 200 work permit applications accessed via AMS. In consequence the data is subject to sampling error (ranging from +/- 3% to +/- 7%) and to minimise this only very simple breakdowns are presented.

Table 4.17, below, shows that Other Services was the industry grouping that employed more work permit holders than any other. This is the effect of the new industrial coding system which resulted in a number of industries being included in the "Other Services" industry, notably the industry in which the highest number of work permit holders were employed: Cultural and Recreational Services (see Footnote 2 to Table 4.17) so a direct comparison cannot be made. However it can be seen in Table 4.17 that in some other industries work permit holders had comparable rates of employment with New Zealand workers, for example in: Agriculture, Forestry and Fishing, Transport, Storage and Communications, Health and Community Services and in Education.

Considerably fewer work permit holders were employed in the Wholesale and Retail Trade and Manufacturing industries compared with New Zealand workers.

Table 4.17 Skill shortage work permit holders and New Zealand workers by industry, 2002/2003 (n = 200)¹

Industry	Work Permit Holders	Percent	New Zealand Workers (000s)	Percent
Wholesale & Retail Trade	17	9%	431.6	23%
Manufacturing	13	7%	284.5	15%
Business & Financial Services	13	7%	253.9	13%
Other Services ²	39	20%	206.0	11%
Health & Community Services	22	11%	169.8	9%
Agriculture, Forestry & Fishing	18	9%	159.5	8%
Education	13	7%	147.8	8%
Construction	5	3%	129.3	7%
Transport, Storage & Communication	11	6%	107.4	6%
Not Specified	49	25%	3.0	0.2%
Total³	200	100%	1,892.8	100%

1. ANZSIC: Australia and New Zealand Standard Industrial Classification.

2. Other Services include the two categories: Mining; and Electricity, Gas and Water and therefore differs from figures published in the HLFS. Because of the change from NZSIC to ANZSIC, Cultural and Recreational Services the largest SSWP group is also included here.

3. Totals exclude the categories: Electricity, Gas and Water and therefore differ from figures published in the HLFS.

5 Work Permit Holders' Occupations and Actual Areas of Skill Shortage

5.1 INTRODUCTION

One of the key objectives of the research was to determine whether the work permit holders were working in areas of actual shortage. Data for this section was sourced from the Immigration database and covered the 2003 calendar year. In total 68,568 individuals were granted work permits during that year. Of this total, 23,459 applications were subject to a labour market test and of these 13,908 had an occupation recorded. Those work permit holders who were subject to other criteria included individuals on working holidays, the spouse/partner of New Zealand residents and asylum seekers.

Following this introduction is a section describing the labour market test as applied to work permits for the 2003 calendar year, then some definitions of skill shortages and labour market shortages are explored. The definitions are then applied to the occupation data presented earlier in Table 4.6 and the results are discussed.

5.2 THE LABOUR MARKET TEST APPLIED TO WORK PERMIT HOLDERS, 2003 CALENDAR YEAR

Table 5.1 shows the labour market tests for work permit approvals in the 2003 calendar year. The OSL was the most frequently recorded labour market test accounting for almost a third of all tests. Following were Case Made by Employer, Other Labour Market Tests, Ministry of Social Development Checks, the POL and Business Policy. There was a large "Other" group." A number of "Other" work permit applications were checked on the Immigration database and some patterns of interest emerged. For example, the labour market test was waived for many of the applications. Some were waived because the application was for a special purpose or event, while others were waived as a result of the applicant having an occupation on the OSL or POL, a case made by an employer, or an offer of employment from an accredited employer. This information suggests that undercounts of grounds such as the OSL, POL and Talent Visas have been occurring.

Table 5.1 The labour market tests of work permits, 2003 calendar year

Labour Market Test	Number	Percent
Occupational Shortages List	4,232	30%
Case Made by Employer	2,472	18%
Other Labour Market Tests	1,427	10%
Ministry of Social Development check	1,414	10%
Priority Occupations List	857	6%
Business Policy	76	1%
Other	3,430	25%
Total	13,908	100%

5.3 DEFINITIONS

It is important to note the distinction between work permit holders filling skill shortages and those filling more general labour market shortages. However, selecting reliable indicators for distinguishing the two is inherently difficult. For the purposes of this research two methods were used.

The first was to use a definition derived from the recently introduced Skilled Migrant Category (SMC), which is the main Skilled Immigration Policy (to obtain residence in New Zealand). The policy defines skilled employment as work in occupations in certain Major Groups (and selected sub-major groupings) of the New Zealand Standard Classification of Occupations 1999 (NZSCO99). These are:

- Legislators, Administrators and Managers;
- Professionals;
- Trades workers; and
- Technicians and Associate Professionals (selected specific occupations).

The second method was to examine the grounds for which work permits were granted. Where the labour market test of an application was POL, or OSL, then the applicant was classified as having skilled employment. It is likely, however, that using this method, people filling both skill and labour market shortages would be identified.

5.4 SMC SKILLED EMPLOYMENT OCCUPATIONS

In total, 54 percent (or 7,503 of 13,908) of the work permit holders (with occupations recorded in the Immigration database) had occupations classified as “skilled employment” according to the SMC definition. As can be seen in Table 5.2, Professionals was the largest group, accounting for just over half of the total number of work permits and were followed by Trades Workers, Selected Technicians and Associate Professionals and Legislators, Administrators and Managers. Working with this as a definition of skilled employment, 46 percent of the work permits were to meet more general labour market shortages.

Table 5.2 Work permit holders in SMC skilled employment, 2003 calendar year

Occupation	Number	Percent
Professionals	3,960	53%
Trades Workers	1,521	20%
Selected Technicians and Associate Professionals	1,103	15%
Legislators, Administrators and Managers	919	12%
Total	7,503	100%

5.5 OSL AND POL

In the 2003 calendar year, 36 percent of work permits were granted to applicants with either OSL or POL recorded as their labour market test. Table 5.3 shows that of those with OSL or POL occupations, over half were Professionals, with smaller proportions of Trades Workers and Selected Technicians and Associate Professionals.

Table 5.3 Work Permit Holders with Occupations on the OSL, POL, 2003 calendar year

Occupation	OSL n	POL n	Total n	Percent
Legislators, Administrators and Managers	76	16	92	2%
Professionals	2,041	644	2,685	53%
Technicians and Associate Professionals	536	114	650	13%
Clerks	6		6	0%
Service and Sales Workers	480	2	482	9%
Agriculture and Fishery Workers	197	2	199	4%
Trades Workers	784	76	860	17%
Plant and Machine Operators and Assemblers	110	3	113	2%
Elemental Workers and Residual	2		2	0%
Total	4,232	857	5,089	100%

5.6 DISCUSSION

As mentioned earlier, the main purpose of this section was to determine the extent to which work permit holders were filling skill shortages as opposed to labour market shortages. While the difficulty distinguishing skill from labour market shortages was acknowledged, using the definition derived from the occupation-based SMC policy, 54 percent of those granted work permits in 2003 were classified as having skilled employment and consequently were likely to be filling areas of skill shortage.

The labour market test also provided an indication of the level of skills being filled. In total, 36 percent of work permit applications had grounds classified as OSL or POL, which suggests that these people were filling occupations deemed by the NZIS, in consultation with industry groups and others, as being in shortage in New Zealand. It should also be noted that there were substantial "Other" categories and it is probable that work permit holders thus classified would also be filling areas of shortage as defined by the OSL or POL.

6 Employers Accredited through the Talent Visa Policy

6.1 INTRODUCTION

The focus of this section is on the characteristics of employers accredited through Talent Visa policy in 2002/2003. Since April 2002 employers have had the option of applying to become an “Accredited Employer”. Accreditation allows employers to supplement their New Zealand workforce through the recruitment of talented non-New Zealand workers. To be accredited, employers are required to meet certain criteria including being in a sound financial position, having high quality human resources processes and policies as well as a commitment to training New Zealanders and a record of compliance with immigration and employment legislation.

A total of 207 employers were accredited during the 2002/2003 year. They demonstrated a considerable diversity in terms of industry, size of business, number of years in business and annual turnover.

6.2 INDUSTRIES OF ACCREDITED EMPLOYERS

Table 6.1 shows that almost 60 percent of the employers accredited in 2002/2003 were located in the Auckland region. Manufacturing was the single largest industry group at 25 percent of the total across all regions. Property and Business Services followed at 23 percent, then Retail Trade at 9 percent and Construction and Agriculture, Forestry and Fishing at 7 percent respectively of the total.

Table 6.1 Employers Accredited by industry type and region, 2002/2003¹

Industry	Auckland		Other regions		Total	
	Number	Percent	Number	Percent	Number	Percent
Manufacturing	33	27%	18	21%	51	25%
Property and Business Services	31	25%	17	20%	48	23%
Retail Trade	13	11%	5	6%	18	9%
Construction	10	8.1%	5	6%	15	7%
Agriculture, Forestry and Fishing	2	2%	12	14%	14	7%
Accommodation, Cafes and Restaurants	5	4%	4	5%	9	4%
Wholesale Trade	6	5%	2	2%	8	4%
Communication Services	4	3%	4	5%	8	4%
Government Administration and Defence	2	2%	5	6%	7	3%
Education	2	2%	5	6%	7	3%
Health and Community Services	4	3%	2	2%	6	3%
Transport and Storage	5	4%	-	-	5	2%
Cultural and Recreational Services	2	2%	2	2%	4	2%
Finance and Insurance	2	2%	1	1%	3	1%
Electricity, Gas and Water Supply	-	-	2	2%	2	1%
Personal and Other Services	2	2%	-	-	2	1%
Total	123	100.0%	84	100%	207	100%
Percent of total	59%		41%		100%	

1. NZSIC 1987

6.3 ACCREDITED EMPLOYERS BY NUMBER OF EMPLOYEES, 2002/2003

It might be considered that the larger, well-established companies would make more use of accreditation as a way of recruiting offshore employees. However this is not entirely the case. Small, recently formed companies were also recruiting offshore through the Talent Visa policy. As can be seen in Table 6.2, 41 percent of accredited employers employed between 1 and 39 staff in total, whereas in the 28 larger enterprises, 13 percent of employers had between 850 and 19,001 staff. Medium sized businesses (between 40 and 350 staff members) accounted for 37 percent of accredited employers. By way of comparison, 35 percent of all New Zealand enterprises employed between 1 and 9 people, 33 percent employed between 10 and 49 people, 11 percent employed 50 to 99 people and 21 percent employed 100 or more people. These comparative figures tend to support the notion that larger companies would seek accreditation more than smaller enterprises.

Table 6.2 Accredited employers by number of employees, 2002/2003

Number of Employees	Number of Employers	Percent
1 to 9	28	14%
10 to 19	20	10%
20 to 39	35	17%
40 to 79	24	12%
80 to 199	26	13%
200 to 349	25	12%
350 to 499	12	6%
500 to 849	9	4%
850 to 4,499	19	9%
4,500 to 19,001	9	4%
Total	207	100%

6.4 ANNUAL TURNOVER OF ACCREDITED EMPLOYERS

The lowest annual turnover of accredited employers was \$5,757 and the highest \$1.838 million. The turnover figures of accredited employers were not particularly high in many instances. For example, aggregating the figures of Table 6.3, over page, it can be seen that 30 percent of accredited employers had annual turnovers up to \$3.49M (8 percent had a turnover of less than \$500,000); 26 percent had turnovers between \$3.5 million and \$39.9 million; 20 percent had turnovers between \$40 million and \$149.9 million and 23 percent had annual turnovers of \$150 million or greater.

Table 6.3 Accredited employers by annual turnover, 2002/2003

Turnover	Auckland		Other Regions		Total	
	Number	Percent	Number	Percent	Number	Percent
\$0 to \$499,999	10	8%	6	7%	16	8%
\$500,000 to \$999,999	7	6%	4	5%	11	5%
\$1,000,000 to \$1,499,999	5	4%	6	7%	11	5%
\$1,500,000 to \$2,499,999	9	7%	3	4%	12	6%
\$2,500,000 to \$3,499,999	8	7%	5	6%	13	6%
\$3,500,000 to \$5,499,999	8	7%	5	6%	13	6%
\$5,500,000 to \$9,999,999	12	10%	2	2%	14	7%
\$10,000,000 to \$19,999,999	8	7%	5	6%	13	6%
\$20,000,000 to \$39,999,999	9	7%	6	7%	15	7%
\$40,000,000 to \$59,999,999	8	7%	5	6%	13	6%
\$60,000,000 to \$99,999,999	3	2%	8	10%	11	5%
\$100,000,000 to \$149,999,999	11	9%	7	8%	18	9%
\$150,000,000 to \$549,999,999	7	6%	7	8%	14	7%
\$550,000,000 and over	2	2%	6	7%	8	4%
Not Stated	16	13%	9	11%	25	12%
Total	123	100%	84	100%	207	100%

6.5 ACCREDITED EMPLOYERS' NUMBER OF YEARS IN BUSINESS

The number of years that employers accredited in 2002/2003 had been in business ranged from less than 1 year to 162 years. Table 6.4 shows, however, that many of the businesses were relatively new. Twelve percent had been in business for 4 years or less and just under half (49 percent) of accredited employers had been in business for periods of less than 1 year to 14 years. The single largest grouping of years in business was 5 to 9 years, which equated to 23 percent of the total.

Table 6.4 Accredited employers by number of years in business and region, 2002/2003

Years in Business	Auckland		Other regions		Total	
	Number	Percent	Number	Percent	Number	Percent
0 to 4 Years	18	14.6%	7	8.3%	25	12.1%
5 to 9 Years	27	22.0%	20	23.8%	47	22.7%
10 to 14 Years	17	13.8%	13	15.5%	30	14.5%
15 to 29 Years	24	19.5%	8	9.5%	32	15.5%
30 to 59 Years	15	12.2%	17	20.2%	32	15.5%
60 to 99 Years	9	7.3%	5	6.0%	14	6.8%
100 Years and over	7	5.7%	8	9.5%	15	7.2%
Not Known	6	4.9%	6	7.1%	12	5.8%
Total	123	100.0%	84	100%	207	100%
Percent of Total	59.4%		40.6%		100%	

7 Injury Risk in the Industries of Workers

7.1 INDUSTRIES OF WORK PERMIT HOLDERS AND RISK OF INJURIES

The purpose of this section is to examine the extent to which work permit holders were employed in industries with high incidences of workplace injuries. Table 7.1 features work-related injuries resulting in compensation for workers by industry, and the proportion of work permit holders and New Zealand workers employed in those industries. In general, work permit holders tended to be employed in industries with a lower incidence of injuries. For example, 32 percent of work permit holders were employed in the top five most injury-prone industries. In comparison, 59 percent of New Zealand workers were employed in these industries.

Table 7.1 Work-related injuries resulting in weekly compensation payments by industry, 2001/2002

Industry	Injuries		Work Permit Holders		New Zealand Workers (000)	
	Number	Percent	Number	Percent	Number	Percent
Manufacturing	6,084	26%	13	7%	284.5	15%
Agriculture, Forestry & Fishing	3,675	16%	18	9%	159.5	8%
Construction	2,782	12%	5	3%	129.3	7%
Wholesale & Retail Trade	2,347	10%	17	9%	431.6	23%
Transport, Storage & Communication	1,556	7%	11	6%	107.4	6%
Health & Community Services	1,394	6%	22	11%	169.8	9%
Other Services ²	1,165	5%	39	20%	206.0	11%
Business & Financial Services	1,036	4%	13	7%	253.9	13%
Education	371	2%	13	7%	147.8	8%
Not Specified	1,756	8%	49	25%	3.0	0.2%
Total	23,210	100%	200	100%	1,892.8	100.0%

8 Conclusion

The main aim of this research was to provide information about trends in the use of labour market tested work permits and about Talent Visas. To this end, trends in the numbers and groups of work permits granted between 1997/1998 and 2002/2003 were described. Permit criteria were also examined over the same period as were the characteristics of work permit holders. The research also provided information about employers accredited through Talent Visa policy and work permit holders working in areas of skill shortage. Each of the major areas of research is summarised briefly below.

Trends in the number of work permits since 1997 by permit criteria

The total number of individuals who had held one or more work permit between 1997/1998 and 2002/2003 was 73,397. In this period there was substantial growth in the number of work permits granted to individuals each year as evidenced by the doubling of the figures between 1997/1998 (11,856) and 2002/2003 (23,196). There was a similar increase in the total number of work permits granted annually during this period - from 15,287 in 1997/1998 to 31,097 in 2002/2003.

There are likely to be a number of reasons for the increase in people granted work permits. In general, the trend reflects a growing shortage of skilled workers and also perhaps an increasing willingness of employers to alleviate shortages by recruiting offshore. It is notable that Great Britain remained the largest source country over the six-year period. Significant numbers also came from other OECD countries, such as, Japan and the United States of America.

Number of work permits held

The majority of work permit holders were granted only one work permit per year. In 1997/1998 the majority of applicants (77 percent) held one permit for that year, by 2002/2003 this percentage diminished slightly to 71 percent. In contrast, the number of applicants granted two permits for the year 1997/1998 was 18 percent, and by 2002/2003 was 24 percent. Overall, the proportion of work permit holders granted two or more work permits in a single financial year also grew, from 23 percent in 1997/1998 to 29 percent in 2002/2003.

Conversion to residence of work permit holders

Of those who were granted work permits in 1997/1998, 9 percent had converted to residence in the same year. By 2002/2003, 41 percent of this cohort had become New Zealand residents. Slightly smaller proportions of subsequent cohorts have converted to residence, although actual numbers of people converting have risen, reflecting the general increase in the number of work permits. Conversion tended to peak in the second year after a work permit was granted and then tail off. The Talent Visas and POL policies now explicitly draw the link between working in New Zealand on a temporary permit and becoming a permanent resident.

Occupations of work permit holders compared with those of New Zealand workers

There was an over representation of work permit holders in certain occupations compared with New Zealand workers. The most prominent of these being the Professional grouping – 28 percent of work permit holders were classified as Professionals, compared with 14 percent of New Zealand workers. This finding

indicates that the work permit policy has been contributing to New Zealand's requirements in areas where highly skilled and highly trained workers are required. The Service and Sales Workers category (at 27 percent) contained the second largest number of work permit holders, which seemed anomalous since specific occupations in the category do not currently appear in the OSL. There are, however, several explanations for the size of this group. First, it is a highly aggregated classification containing an array of occupations ranging from Tour and Travel Guides through Police Officers to Chefs and Hairdressers. Second, some of these occupations had previously been in the OSL, and a significant number of Sales and Service workers had *Case Made by Employer* as their labour market test.

Compared with New Zealand workers, in addition to the Professionals group, work permit holders were also more highly represented in the Technicians and Associate Professionals group and in the Sales and Service Workers group. Occupations in which work permit holders were under represented in comparison with New Zealand workers were in the Legislators, Administrators and Managers, and Clerks occupational classifications.

Areas of actual skill shortage

One of the objectives of the research was to determine whether the occupations of work permit holders were in areas of actual skill shortage. The research found that 54 percent had occupations equating with the SMC definition of skilled employment. By this definition of skilled employment, less than half of the occupations filled by these work permit holders would be categorized as filling less skilled or 'general' labour market shortages.

The labour market tests of 36 percent of work permit holders had OSL or POL recorded as their labour market test. A number of "Other" work permit applications were checked on AMS and some patterns of interest emerged. For example, the labour market test was waived for many of these applications. Some were waived because the application was for a special purpose or event, while others were waived as a result of the applicant having an occupation on the OSL or POL, a Case Made by Employer, or an offer of employment from an accredited employer. This information suggests that undercounts of grounds such as the OSL, POL and Talent Visas have been occurring. That 46 percent of these work permit holders could be classified as not having skilled employment (by the SMC definition) suggests labour shortages as well as skill shortages were being filled. However, further work is required to refine the meaning of "skilled occupation."

Talent Visa (Accredited Employers)

A wide range of businesses were accredited. Forty-one percent of accredited employers had between 1 and 39 employees, while 13 percent of employers had between 850 and 19,001 staff. Annual turnover figures reflected this pattern - 30 percent of accredited employers had annual turnovers in the range \$0 to \$3,499,999; 26 percent had turnovers between \$3,500,000 and \$39,999,999; and 4 percent had annual turnovers of \$550,000,000 or greater.

Of the 207 employers accredited during the 2002/2003 year, almost 60 percent were located in the Auckland region. In total 25 percent of employers were engaged in Manufacturing, 23 percent in Property and Business Services and 9 percent in Retail.

The number of years that accredited employers had been in business ranged from under 1 year to 162 years. Many of the companies were relatively new enterprises with just under half having been in business for periods of less than 1 year to up to 14 years.

Injury risk in the industries of workers

In general, work permit holders tended to be employed in industries with a lower incidence of injuries than New Zealand workers. They were less represented in the more injury-prone industries. While 32 percent of work permit holders were employed in the top five most injury-prone industries, 59 percent of New Zealand workers were employed in these industries. Note that this research has excluded work permits for which there is no labour market test.

On the whole, the findings of this research suggest that these work permit policies are clearly filling both skill and more general labour shortages. However, the distinction between skill and labour market shortages remains to be more tightly defined.

Appendix A: Work Policy in More Detail

General

General work policy contributes to the overall work policy objective by allowing New Zealand employers to recruit temporary workers from overseas to meet particular or seasonal worker shortages that cannot be met from within New Zealand, while protecting employment opportunities for New Zealand citizens and residents.

To be issued with a work visa or granted a work permit under General work policy applicants must:

- provide an offer of employment in an occupation that is included on the current Occupational Shortages List issued by the NZIS; or
- provide an offer of employment from a New Zealand employer who has a current approval in principle from the NZIS for the recruitment of the applicant(s); or
- provide an offer of employment and a supporting case from a New Zealand employer establishing that there are no New Zealand citizens or residents suitably qualified by training and experience who are available.

Occupational Shortages List

The Occupational Shortages List (OSL) is a list of identified occupations in which there is a recognised shortage of skilled workers in New Zealand. Applicants for work permits with job offers for occupations on the OSL do not need to be labour market tested. The list is centrally held and compiled six-monthly by the Employers' Accreditation Unit (EAU) and draws on a range of information sources including government organisations, industry groups, unions and data derived from business and labour market surveys. The OSL also takes regional information into account and is used as a basis for the Priority Occupations List (POL).

Talent Visa (Accredited Employers)

The Talent Visa (Accredited Employers) policy allows employers to apply for accreditation to enable them to offer jobs to non-New Zealand residents or citizens without having to establish that no suitable New Zealand workers are available to fill positions. For an employer to be accredited they must meet certain criteria including being in a sound financial position, having a high standard of human resource policies and processes, good workplace practices and a history of compliance with immigration and employment legislation. The objective of accreditation is to supplement the New Zealand workforce through the recruitment of non-New Zealand resident or citizen workers whose talents are required by the employer.

Migrants eligible for a Talent Visa (Accredited Employers) must be aged 55 years or under, have an offer of employment for at least 24 months with a minimum base salary of \$45,000. Applicants must also meet the standard health and character requirements. After working in New Zealand for 24 months, applicants can apply for residence through the residence from work category. The criteria for residence are almost identical to the Talent Visa policies. Namely, applicants must have ongoing

employment with a salary of at least \$45,000 per annum, and meet health and character requirements.

Talent Visa (Arts, Culture and Sports)

The Talent Visa (Arts, Culture and Sports) enables major New Zealand cultural and sport organisations to sponsor talented individuals who have an exceptional record of achievement and are still active in their chosen field. Organisations wishing to sponsor a talented principal applicant submit a form to the NZIS stating reasons the applicant's presence in New Zealand would enhance the qualities of New Zealand's accomplishments and participation in a given field of art, sport or culture. The sponsoring organisations must also agree to support the individual in New Zealand, if necessary. Principal applicants applying for a Talent Visa (Arts, Culture and Sports) must be aged 55 years or under, be sponsored by an organisation as described above and have an internationally recognised talent and be still prominent in their chosen field.

Talent Visa (Art, Culture and Sports) holders can apply for residence after they have been actively involved in their chosen field for a period of 24 months; will continue to be involved and are still prominent. Applicants must also be sponsored by an organization of national repute and have not accessed welfare assistance.

Sponsors of people applying for residence from Talent Visas (Arts, Culture and Sports) must provide a statement of support for the applicant and provide reasons for which the applicant's presence in New Zealand will continue to enhance the quality of New Zealand's accomplishments in the applicant's field of art, sport or culture. The sponsor must also undertake to ensure that the applicant has suitable accommodation and income for the first 24 months of the applicant's residence.

Priority Occupations List

The Priority Occupations List (POL) lists specific occupations where there are sustained and ongoing shortages ('absolute shortage') of skilled workers and is derived from the OSL. NZIS compiles the POL six monthly, in consultation with various government organisations, industry groups and unions. The policy allows suitably qualified and experienced workers to be offered jobs on the list without the employers having to demonstrate that no suitable New Zealand workers are available. Such migrants can be approved for residence after 24 months of employment in a POL occupation in New Zealand.