



## COVERSHEET

<b>Minister</b>	Hon Andrew Little	<b>Portfolio</b>	Immigration
<b>Title of Cabinet paper</b>	Cyclone Response: Immigration options	<b>Date to be published</b>	10 November 2023

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
August 2023	Cyclone Response: Immigration options	Office of the Minister of Immigration
16 August 2023	Cyclone Response: Immigration options DEV-23-MIN-0171 Minute	Cabinet Office
17 February 2023	Cyclone Response Workforce Demands and Potential Immigration Responses	Ministry for Business, Innovation and Employment
17 February 2023	Immigration response to Cyclone Gabrielle – supporting A3	Ministry for Business, Innovation and Employment
21 February 2023	Immigration options to support the response to the early 2023 extreme weather events	Ministry for Business, Innovation and Employment
24 March 2023	Aide Memoire - Recovery Visa	Ministry for Business, Innovation and Employment
20 April 2023	Next steps for the Recovery Visa	Ministry for Business, Innovation and Employment
5 May 2023	Update on Cyclone Response Immigration Options	Ministry for Business, Innovation and Employment
31 May 2023	Draft Cabinet paper: Cyclone Response – Immigration options	Ministry for Business, Innovation and Employment
9 August 2023	Material to support your item at Economic Development Committee on 16 August: Cyclone response – Immigration options	Ministry for Business, Innovation and Employment

### **Information redacted**

**YES / NO** (please select)

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld to maintain the privacy of natural persons and to protect the free and frank expression of opinions.



## BRIEFING

### Draft Cabinet paper: Cyclone Response – Immigration options

<b>Date:</b>	31 May 2023	<b>Priority:</b>	High
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	2223-3997

Action sought		
	Action sought	Deadline
Hon Michael Wood <b>Minister of Immigration</b>	<b>Agree</b> to undertake Ministerial consultation on the attached draft Cabinet paper.	6 June 2023
Hon Rachel Brooking <b>Associate Minister of Immigration</b>	<b>Copy</b> attached for your information	N/A

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Lee Gerrard	Acting Manager, Immigration Policy (Skills and Residence)	04 830 7396	✓
Rachel Carruthers	Senior Policy Advisor	04 830 7379	

The following departments/agencies have been consulted
The Treasury, the Department of Prime Minister and Cabinet, and the Ministry of Social Development.

Minister's office to complete:

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Notes

Withdrawn

Comments



## BRIEFING

### Draft Cabinet paper: Cyclone Response – Immigration options

<b>Date:</b>	31 May 2023	<b>Priority:</b>	High
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### Purpose

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To provide you with the draft Cabinet paper: *Cyclone Response – Immigration options* for ministerial consultation.

### Recommended action

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The Ministry of Business, Innovation and Employment recommends that you:

- a **Note** on 10 May 2023 MBIE officials provided you with advice on closing the Recovery Visa and options for tailored immigration pathways for workers for the rebuild phases [2223-3717 refers]  
*Noted*
- b **Note** officials have prepared the attached draft Cabinet paper (Annex One) to reflect your feedback on that advice  
*Noted*
- c **Agree** to proceed with the following short list of occupations to be added to the Construction and Infrastructure Sector Agreement:  
Driller's Assistant (821912)  
Earthmoving Labourer (821113)  
Earthmoving Plant Operator (General) (721211)  
Linemarker (721912)  
Machine Operators n.e.c (711999)  
Mechanic's Assistant (899916)  
Road Traffic Controller (899923)  
*Agree / Disagree*
- d **Agree** to circulate the draft Cabinet paper to your Ministerial colleagues by 6 June 2023, for feedback by 13 June  
*Agree / Disagree*

**Note** the final Cabinet paper is to be lodged on 15 June, for consideration by the Cabinet Economic Development Committee on 21 June and Cabinet on 26 June.

*Noted*

Privacy of natural persons

Lee Gerrard  
**Acting Manager, Immigration Policy (Skills  
and Residence)**  
Labour, Science and Enterprise, MBIE

Hon Michael Wood  
**Minister of Immigration**

31 / 05 / 2023

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## Context

1. In response to the weather events in February 2023, Cabinet agreed to establish an extreme weather event recovery visa [DEV-23-MIN-0014].
2. We recently provided you advice on options to close the Recovery Visa and provide further tailored immigration pathways for workers for the rebuild phases following Cyclone Gabrielle (2223-3717 refers). You agreed, based on that briefing and a subsequent note, that:
  - the Recovery Visa will be closed;
  - onshore Recovery Visa holders will be able to apply for a three-month extension to support their transition to another work visa, they plan to continue working in New Zealand; and
  - the Construction and Infrastructure Sector Agreement (full list of current roles is at **Annex Two**) will be expanded to include further roles likely to be needed in the rebuild, meaning migrants will be able to be recruited for these roles at a lower wage threshold of \$26.69 per hour.
3. A draft Cabinet paper outlining this proposal is attached at **Annex One**, to circulate for ministerial consultation subject to any changes you may wish to make.

## Feedback received

4. We have discussed the proposal with sector and union representatives, and agency colleagues. The primary point of tension relates to the expansion of the occupations on the Construction and Infrastructure Sector Agreement.
5. Civil Contractors New Zealand (CCNZ) have provided an extensive list of occupations to be included, noting that labour demand in these roles is expected to rise as the rebuild ramps up. The Amalgamated Workers Union New Zealand **Free and frank opinions** oppose adding occupations to the sector agreement to reduce the required wage rate. **Free and frank opinions**
6. The Ministry of Social Development and the Treasury both expressed concern that expanding the list of roles on the Sector Agreement could displace New Zealanders, and prefer waiting until the labour needs to support the rebuild are clearer.
7. The Treasury also noted their concern with the decision to refund successful applicants of the Recovery Visa extension. They acknowledged that the rationale for the initial visa being free was to facilitate an immediate labour market surge for the cyclone response, but do not agree with the rationale for the extension. They noted that while Immigration New Zealand (INZ) has been able to find underspends which could fund the extension, funding this will be a trade-off against other priorities in the immigration sector.

## Options for additions to the Construction and Infrastructure Sector Agreement

8. If you wish to proceed with expanding the list of roles on the Sector Agreement, there are two possible lists of occupations that could be included:

Short list	Long list
Driller's Assistant (821912)	Cement and Concrete Plant Worker (839911)
Earthmoving Labourer (821113)	Concrete Pump Operator (712915)
Earthmoving Plant Operator (General) (721211)	Concrete (821211)
Linemarker (721912)	Driller's Assistant (821912)
Machine Operators not elsewhere classified (n.e.c) (711999)	Earthmoving Labourer (821113)
Mechanic's Assistant (899916)	Earthmoving Plant Operator (General) (721211)

Road Traffic Controller (899923)	Linemarker (721912)
	Loader Operator (721216)
	Machine Operators n.e.c (711999)
	Mechanic's Assistant (899916)
	Mobile Plant Operators n.e.c (721999)
	Railway Track Plant Operator (721914)
	Railway Track Worker (821611)
	Road Roller Operator (721915)
	Road Traffic Controller (899923)
	Stationary Plant Operators n.e.c (712999)
	Stone Processing Machine Operator (711114)
	Truck Driver (General) (733111)
	Truck Driver's Offsider (891112)
	Backhoe Operator (721212)
	Bulldozer Operator (721213)
	Excavator Operator (721214)
	Grader Operator (721216)
	Paving Plant Operator (721913)

9. Most of the roles on the above lists were suggested by CCNZ, with the short list being a prioritised version of the long list per CCNZ's advice.
10. If you wanted to add the long list of occupations to the Sector Agreement, we would recommend some minor amendments to the list provided by CCNZ:
  - a. Removing 'Labourers not elsewhere classified (n.e.c)', as this description covers a lot of roles outside the construction and infrastructure sector.<sup>1</sup> This would mean that some construction labourer roles will need to pay at or above the median wage (currently \$29.66) to recruit migrants for the role. The impact of this is mitigated as there are other labourer roles already on the list (e.g., a builder's labourer, a drainage/sewage/stormwater labourer) – the roles currently on the Sector Agreement are attached at **Annex Two**.
  - b. Adding Backhoe, Bulldozer, Excavator and Grader operator roles: these roles feature on the Green List alongside the Earthmoving Plant Operator (General) and Loader Operator roles. All six roles are treated interchangeably for the purposes of the Green List, as there is significant overlap between the roles in New Zealand. Adding them to the long list would ensure consistency of approach. It is also reasonable to assume that the already-acknowledged labour shortage in these roles which warrants their inclusion on the Green List will expand with the rebuild, and that this demand will be across skill levels (including roles paid below the median wage).
  - c. Adding Paving Plant Operator: this is a roading role that is similar to those proposed by CCNZ and has been included to ensure there is no gap in labour supply.
11. If you would like to pursue additions to the Construction and Infrastructure Sector Agreement, we recommend limiting additions to those on the short list. The labour needs to support the rebuild are still some months away from being fully understood, and each addition to the list does risk displacing New Zealanders from employment opportunities. We have not had the opportunity, nor is the information yet available, to thoroughly analyse how sizable a risk this is, so recommend limiting additions as much as possible until that work can be undertaken.

<sup>1</sup> Including Bowling Alley Attendant, Clothes Sorter, Grip, Racecourse Barrier Attendant, Stagehand, Studio Hand, and a Swimming Pool Serviceperson, per the Australian and New Zealand Standard Classification of Occupations (ANZSCO) description for this role.

12. We also recommend two minor amendments to the short list provided by CCNZ:
  - a. removing 'Labourers not elsewhere classified (n.e.c)' for the same reasons noted in paragraph 10(a); and
  - b. removing 'Drainage, Sewerage and Stormwater Labourer' as it is already on the Construction and Infrastructure Sector Agreement.
13. High level analysis has been undertaken to determine the existing demand (based on the number of people issued an AEWV under each occupation) and current market rate (via a tool developed for MBIE which uses publicly available data from 2022) for the occupations we recommend you add, and is included in the table below:

Occupation	Number of AEWVs issued at or above median wage (July 2022 to May 2023)	National median hourly rate (2022)
Driller's Assistant (821912)	0	\$28.51
Earthmoving Labourer (821113)	34	\$27.68
Earthmoving Plant Operator (General) (721211)	304	\$26.29
Linemarker (721912)	0	\$26.16
Machine Operators not elsewhere classified (711999)	178	\$25.85
Mechanic's Assistant (899916)	29	\$23.96
Road Traffic Controller (899923)	6	\$22.57

14. All occupations on the list above appear to relatively low skilled and low earning, with a wide range of people in these occupations coming through the AEWV to work in New Zealand. With this in mind, it's difficult to predict what impact providing a below median wage pathway will have on the supply of migrant labour in these roles.
15. Furthermore, the Sector Agreement applies nationally – there is no way of guaranteeing migrants entering under the Sector Agreement will be coming to work on the rebuild. Further consideration of possible mitigations would need a better understanding of the rebuild labour demand, which is still some time from being confirmed.
16. We have drafted the Cabinet paper at Annex One on our recommendation that you agree to propose the short list of additions.

## Next steps

17. Subject to any changes you request, the attached Cabinet paper is ready for circulation to your Ministerial colleagues. We are proposing the below timings for taking this paper to Cabinet:

Action	Timing
Draft paper circulated for shortened Ministerial consultation	Tuesday 6 June
Ministerial responses due	Tuesday 13 June
Lodgement	Thursday 15 June
Cabinet Economic Development Committee	Wednesday 21 June
Cabinet	Monday 26 June

18. This timeline does only allow for one week of Ministerial consultation, to allow Cabinet decisions by end of June. This is necessary to ensure transfers of identified 2033/23 underspends in the Recovery Visa are accounted for by the end of the 2023 financial year.

## **Annexes**

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Annex One: Draft Cabinet paper 'Cyclone Response – Immigration options'

Annex Two: Roles already on the Construction and Infrastructure Sector Agreement



# Annex One: Draft Cabinet paper ‘Cyclone Response – Immigration options’

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Free and frank opinions

## Annex Two: Roles already on the Construction and Infrastructure Sector Agreement

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Metal Fabricator (322311)
Welder (322313)
Fitter (General) (323211)
Fitter-Welder (323213)
Painting Trades Worker (332211)
Fibrous Plasterer (333211)
Solid Plasterer (333212)
Wall and Floor Tiler (333411)
Airconditioning and Refrigeration Mechanic (342111)
Bricklayer (331111)
Builder's Labourer (821111)
Carpenter (331212)
Carpenter and Joiner (331211)
Landscape Gardener (362213)
Drainage, Sewerage and Stormwater Labourer (821112)
Roof Tiler (333311)
Glazier (333111)
Plumber's Assistant (821114)
Roof Plumber (334115)
Painting Trades Worker (332211)
Floor Finisher (332111)
Stonemason (331112)