



18 November 2022

Skilled Migrant Review
Ministry of Business, Innovation and Employment

Email: SkilledMigrantReview@mbie.govt.nz

Kia ora kou tou

RE FUTURE OF THE SKILLED MIGRANT CATEGORY

Thank you for the opportunity to provide feedback on the proposed new settings for the Skilled Migrant Category residence visa.

Engineering New Zealand (formerly IPENZ) is New Zealand's professional home for engineers. We are New Zealand's strongest and most influential voice on engineering issues, with more than 23,000 members who want to help shape the public policy agenda and engineer better lives for New Zealanders.

In forming this submission, Engineering New Zealand worked closely with our industry partner ACE New Zealand (the Association of Consulting and Engineering New Zealand) - a firm-based membership association representing over 240 consulting and engineering firms. Engineering New Zealand supports ACE New Zealand's submission on the future of the skilled migrant category. We refer MBIE to the useful data on skill shortages that are highlighted in ACE New Zealand's submission.

Engineering New Zealand is supportive of the proposed changes to the Skilled Migrant Category residence visa. However, we do have concerns regarding the proposed stand-down period and request MBIE reconsider this proposal in favour of visa extensions for migrants that do not meet residency criteria after three years. This will support industry continuity and productivity.

Engineering New Zealand would value the opportunity to be involved in ongoing conversations on immigration. If we can be of additional support, please do not hesitate to contact us.

Ngā mihi

Dr Richard Templer FEngNZ
Chief Executive

Submission on Consultation document – Future of the Skilled Migrant Category

Supporting information and responses to consultation document questions

Rationale for making changes to the Skilled Migrant Category						
<p>We are proposing changes to attract and retain migrants with the medium- to long term skills New Zealand needs. The changes are designed to align with the Immigration Rebalance and give more certainty to migrant workers and their families.</p> <p>Please refer to pages 10-12 of the consultation document for a detailed explanation of the rationale for making changes to the Skilled Migrant Category.</p>						
1	<p><i>Do you agree with what the proposed changes to the Skilled Migrant Category are seeking to achieve?</i></p>					
	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	
	To align with the Immigration Rebalance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	To give more certainty to migrants and employers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	To improve processing times	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	To reduce immigration and labour market risks	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<i>Why/Why not?</i>					
	<p>Overall, we support the proposed changes and the clarity they provide. We do note that the proposed system is biased towards academic qualifications as a point of entry. This may be a problem for some parts of the engineering profession, notably engineering technicians (Level 6 Diploma) and technologists (Level 7 Degree) who do not have professional registration. It will also be a problem for associated professions (Building Information Modelling and other 3D design roles for example). These roles are critical for the engineering profession and industry and significant shortages are already seen in these roles.</p>					

	<p>We note that the points for the 'skilled work in NZ category' counters the heavy focus on qualification and support this in the future points system. To this end it is our view that overall, the proposed changes will support the attraction of more engineers into New Zealand.</p>
2	<p><i>Are there any other issues or opportunities that we should consider?</i></p>
	<p>With significant labour shortages already being experienced by the engineering sector, we support the continued strengthening of immigration settings (as outlined in this proposal).</p>
<p>Simplified points system</p>	
	<p>The key proposal is to introduce a new, simplified points system. It focuses on granting residence to people who can fill medium- to long-term skill needs that would be hard, or take time, to fill from the domestic labour market, even under the right conditions.</p> <p>Please refer to pages 13-15 of the consultation document for a detailed explanation of the proposed changes to the Skilled Migrant Category points system.</p>
3	<p><i>Do you agree with the proposed skill threshold, i.e. equivalent to six years of formal training and/or skilled experience?</i></p>
	<p><input type="checkbox"/> Strongly agree</p> <p><input checked="" type="checkbox"/> Agree</p> <p><input type="checkbox"/> Neither agree nor disagree</p> <p><input type="checkbox"/> Disagree</p> <p><input type="checkbox"/> Strongly disagree</p>
	<p><i>Why/Why not?</i></p>
	<p>See comments above. Overall, we support the proposed threshold of six years of formal training and/or skilled experience.</p>
4	<p><i>Do you agree that a points system using a range of skills proxies is a clear, fair way to assess Skilled Migrant Category applications?</i></p>
	<p><input type="checkbox"/> Strongly agree</p> <p><input checked="" type="checkbox"/> Agree</p> <p><input type="checkbox"/> Neither agree nor disagree</p> <p><input type="checkbox"/> Disagree</p> <p><input type="checkbox"/> Strongly disagree</p>
	<p><i>Why/why not?</i></p>

As above, it is our view that MBIE have done a good job in designing the future points system and it is our view that it proxies a clear, fair way of entry for migrant engineers.

5 *Do you have any other comments on this section?*

No.

Managing the flow of migrants into New Zealand

Under the proposed new settings, there will be no cap and all eligible applications can be processed annually. This relies on setting an appropriate skill level to help manage demand. The settings will be monitored and adjustments may be made if the number of approvals is higher (or lower) than expected.

Please refer to pages 15-17 of the consultation document for a detailed explanation of the proposals for managing migrant flows.

6 *Do you agree with the proposed approach to managing migrant numbers?*

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Why/why not?

It is our view that the proposed approach of removing the cap will support optimal processing of eligible applications. We do however ask for transparency with industry on the performance of the immigration system. We also ask for the development of a Government Policy Statement (GPS) on Immigration, as advised by the Productivity Commission's report *Immigration – Fit for the Future*.

It is our view that industry should be regularly consulted with regularly about visa categories, including the Skilled Migrant visa.

7 *Do you have any other comments on this section?*

No.

People who are not eligible for residence

We are proposing to apply the stand-down period requirement to all migrants who do not meet the eligibility criteria for residence. The stand-down would mean that after a maximum period of three years on an Accredited Employer Work Visa, people must spend at least 12 months outside New Zealand. This is to avoid the risks to migrants of becoming well-settled in New Zealand without the rights and protections that come with residence.

	Please refer to pages 17 and 18 of the consultation document for a detailed explanation of the proposal for stand-down requirements.
8	<i>Do you agree with the proposal to apply the stand-down period, to reduce the risks associated with migrants becoming well-settled without a realistic pathway to residence?</i>
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<i>Why/why not?</i>
	It is our view that the stand-down period would not help to address key skilled shortages in New Zealand, and that it would negatively impact on the productivity of industry. We ask MBIE to reconsider this position and support extended visas for individuals in critical industries who do not meet the eligibility criteria for residency.
9	<i>Do you have any other comments on this section?</i>
	No.
Special conditions for people in specified occupations	
	<p>We are proposing to introduce special requirements for people in specified occupations, including some roles in retail and hospitality, to manage immigration and labour market risks while granting residence to highly skilled people in these occupations.</p> <p>Please refer to pages 20 and 21 of the consultation document for a detailed explanation of the proposal to introduce special conditions for people in specified occupations.</p>
10	<i>Do you agree with having a higher wage threshold for people in specified higher-risk occupations?</i>
	<input type="checkbox"/> Strongly agree <input type="checkbox"/> Agree <input checked="" type="checkbox"/> Neither agree nor disagree <input type="checkbox"/> Disagree <input type="checkbox"/> Strongly disagree
	<i>Why/why not?</i>
	Engineering New Zealand is not in a place to comment on the changes proposed for the hospitality industry, however we are supportive of the movement away from ANZSCO to the proposed future points system and the Green List.
11	<i>Do you have any other comments on this section?</i>
	No.

Simplified points system in depth

We are proposing to introduce a simplified points system that sets a clear, fair, and transparent eligibility threshold for skilled residence.

Points: **6 points**

Claim from one skill category

NZ Professional Registration		OR	Qualification		OR	High Income		+ Skilled work in NZ*	
NZ Professional Registration (≥6 years training/work experience)	6		Level 10 (PhD)	6		3 x Median Wage	6	3 years	3
NZ Professional Registration (≥5 years training/work experience)	5		Level 9 (Master's)	5		Migrants earning 2 x Median Wage already have a two year pathway to residence under the Highly Paid Residence Visa		2 years	2
NZ Professional Registration (≥4 years training/work experience)	4		Level 8 (Honours, Post-grad Diploma)	4			1 year	1	
NZ Professional Registration (≥3 years training/work experience)	3		Level 7 Degree (Bachelor's degree)	3		1.5 x Median Wage	3		

*Skilled work means ANZSCO 1-3 occupations at 1 x median wage or ANZSCO 4-5 occupations at 1.5 x median wage

Please refer to pages 22-25 of the consultation document for a detailed explanation of the structure of the simplified points system.

12 *Is the simplified points system easy to understand?*

Yes

No

13 *Do you think that the number of points allocated for professional registrations is fair?*

Yes

No

Why/why not?

It is our view that the simplified points system will support increased uptake of skilled engineers into New Zealand. As New Zealand has a critical shortage of engineers, we are supportive of the changes proposed.

14 *Do you think that the number of points allocated for qualifications is fair?*

Yes

No

Why/why not?

Please see comments above.

15 *Do you think that the number of point points allocated for income is fair?*

	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<i>Why/why not?</i>
	Please see comments above.
16	<i>Do you think that the points are balanced between the three different skill categories?</i>
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<i>Why/why not?</i>
	Please see comments above.
17	<i>How could we improve the simplified points system?</i>
	Please see above.
18	<i>Do you have any other comments on this section?</i>
	No.
Final thoughts	
19	<i>Do you have any other comments in relation to the proposed changes to the Skilled Migrant Category that are not covered above?</i>
	<p>As above, overall, we are supportive the changes proposed by MBIE. It is our view that the changes proposed, together with the Green List, will support increased immigration of engineers into New Zealand. For engineering technicians, technologists, and other associated professionals, we are supportive of the qualification + income + skilled work in New Zealand combination and believe this will support the retention of those skills that are critical to the profession and industry.</p> <p>As highlighted above, we are concerned by the proposed stand-down period and consider this to be harmful. We ask MBIE to reconsider this proposal in favour for options for visa extensions to support industry.</p> <p>Engineering New Zealand would value the opportunity to be involved in ongoing conversations as MBIE works through the immigration rebalance. If we can be of additional support, please do not hesitate to contact us.</p>
Submitter information	
20	<i>Personal information</i>

	Name	Richard Templer
	Email address	Richard.Templer@engineeringnz.org
	Phone number	+64 21 22 000 50
21	<i>What is your immigration status?</i>	
	<input checked="" type="checkbox"/> NZ citizen <input type="checkbox"/> Resident/Permanent Resident visa holder <input type="checkbox"/> Temporary visa holder <input type="checkbox"/> Offshore	
	<i>Other (please specify)</i>	
22	<i>Are you making a submission on behalf of a business or organisation?</i>	
	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (please tell us your business/organisation)	
	Engineering New Zealand	
23	<i>What type of business or organisation are you representing?</i>	
	<input type="checkbox"/> Private business <input checked="" type="checkbox"/> Industry organisation <input type="checkbox"/> Union <input type="checkbox"/> NGO (e.g. migrant community representative/group)	
	<i>Other (please specify)</i>	
24	<i>What sector/division best describes your place of work or the work of the business/organisation you are representing?</i>	
	Engineering profession and associated industries.	
25	<i>Are you a Licensed Immigration Adviser or immigration lawyer?</i>	

	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
26	<i>In which region are you or the business/organisation you are representing based?</i>
	All of New Zealand.
27	<i>Are you happy for MBIE to contact you if we have questions about your submission?</i>
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
28	<i>Privacy</i>
	<input type="checkbox"/> Please tick this box if you do not wish your name or contact details above to be included in any information about submissions that MBIE may publish.
29	<i>Do you have any objection to the release of any information provided in this survey</i>
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<i>If yes, please indicate which parts you consider should be withheld, together with the reasons for withholding the information.</i>