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Increases to retirement age: impact on residence eligibility

The New Zealand Government announced on 6 March 2017 the intention to begin progressively raising the age of superannuation in 20 years' time (from 1 July 2037) from 65 to 67. Increased life expectancy, longer lasting health and sustainability of the superannuation system were cited as reasons for this policy.

Importantly however, on the subject of residents, the Government has also advised that in order to be able to claim superannuation benefits in the future residents will be expected to have been resident in New Zealand for 20 years prior, rather than the current requirement of 10 years.

This is a clear warning signal for all prospective migrants that an adjustment to the maximum age for eligibility under the Skilled Migrant Category (and other employment based work to residence policies) is coming. It would not be fair or appropriate to have a group of residents contributing to a New Zealand superannuation scheme and not being able to receive that benefit when they reach retirement age.

The current maximum age for securing residence under the SMC is 55, meaning that currently, by the time successful applicants retire at 65, these individuals are eligible for their superannuation. Therefore, with a 20 year adjustment to eligibility, the maximum age to secure residence under the SMC and work to residency policies will be reduced to 45 (like Australia).

If you are or will in the short to medium term be entering the age bracket of 45+ (but



less than 56), you may wish to look at securing residence sooner rather than later. There has been no clear signal as to when this inevitable policy change will be made, but there is a current review of the SMC underway.

Essential Skills in Demand Lists Reviewed

The Ministry of Business, Innovation and Employment (**MBIE**) has reviewed and made changes to the Long Term Skill Shortage List (**LTSSL**) and the Immediate Skill Shortage List (**ISSL**).

The annual review has seen particular skills added, removed or moved between the lists, depending on local labour market needs and the need to compete internationally for skilled workers.

Applicants for residence under the Skilled Migrant Category (**SMC**) should pay close attention to the LTSSL updates, which will apply to Expressions of Interest (**EOI**) already made. For those already in the SMC Pool, this will involve checking that they remain eligible for the points claimed in their EOI. Only those already selected from the Pool or holding an Invitation to Apply (**ITA**) prior to 27 February 2017, will be unaffected by the updates.

The following occupations have been removed from the LTSSL:

- Registered Nurse (Aged Care) (note - moved to the ISSL list below)
- Registered Nurse (Critical Care and Emergency)
- Registered Nurse (Medical)
- Registered Nurse (Perioperative)
- Ship's Engineer
- Ship's Master
- Ship's Officer

The occupations of Registered Nurse (Mental Health) and Upholsterer have been removed from the ISSL, although the following occupations have been added:

- Bricklayer for Auckland/Upper North Island only
- Cabler (Data and Telecommunications) for all regions
- Composite Technician for all regions
- Floor Finisher for Auckland/Upper North Island and Waikato/Bay of Plenty



only

- Registered Nurse (Aged Care)
- Stonemason for Auckland/Upper North Island only
- Telecommunications Cable Jinter for all regions
- Telecommunications Technician (c)

Please note that the removal of occupations from these lists does not necessarily mean you may no longer to qualify for a work visa or residency visa based on that occupation. Similarly, an occupation on this list does not automatically guarantee that a work or residency visa will be issued. If you are uncertain seek advice.

For further information or assistance with emigration please contact the Lane Neave Lawyers on + 64 3 379 3720 or email liveinnewzealand@laneneave.co.nz.



Your First Source For Business Advice

All on board: supporting partners of migrants to New Zealand

Making the decision to uproot your lives and move far away to settle in a remote island nation at the bottom of the world is a brave one. The move can be seen as a great adventure - bringing a couple or family together - or it can prove a strain on a relationship. There are great opportunities however, for partners of skilled migrants in New Zealand, and the huge majority find the settlement experience a rewarding one.

Emigrating is a financial and emotional risk, and the logistics can be overwhelming. There can be pressures from home – such as the guilt of leaving disappointed elderly parents who may feel left behind and distressed at being separated from their grandchildren. A trailing partner might be leaving behind a good job in his or her home country and this may lead to resentment and frustration. Having honest and open conversations while planning a move is essential. If all involved are on the same page, and willing to be flexible and open to new experiences, it will be a much more positive settlement journey. Once in New Zealand, there is support for partners of primary work visa applicants to settle into their new community, find employment, and/or explore volunteer opportunities. An excellent way to make new friends in the local area is to be proactive, e.g. join the school PFA (Parents and Friends' Association), a [local book club](#), or a residents' association. Volunteering provides an excellent opportunity to feel part of a community, meet new (like-



minded) friends, and generally help out a cause. It can also help build up a curriculum vitae, provide exposure to New Zealand culture, and even lead to paid work down the line. This is a good option for those migrants whose work visa does not specify an employer. There are more tips for partners on settling in on the [New Zealand Now website](#).

A 2013 government report into the outcomes for partners in New Zealand states that “one of the primary reasons given by migrant partners for migrating to New Zealand was for a better future for their children.” There is information available to new migrants about New Zealand’s educational system on the New Zealand Now website, and a tool to find local schools via the [Ministry of Education](#). Schools in New Zealand encourage parents to be actively involved, and if one partner is not currently in full-time work, it can be hugely rewarding to assist with school events and activities.

Partners of skilled migrants can, of course, find employment that matches their skills, qualifications and experience. It is not uncommon however, for a partner of a skilled migrant to find a job that is unrelated to their original career, but nevertheless opens up new opportunities. Recruitment companies, and websites like [SEEK](#) and [Trade Me Jobs](#) are good places to start looking for a job. Alternatives to these are services like the [Connecting Canterbury Employers and Newcomers’ Skills programme](#) in Christchurch. Here, the Migrant Employment Coordinator assesses qualifications, professional experience, and skills, and matches the partner with relevant employers. She also offers advice and guidance with understanding employer expectations, and New Zealand workplace culture and communication. Similar programmes are available in Wellington and Auckland. Other options for finding employment are listed on the New Zealand Now website.

There is no doubt that, while emigrating is exciting and rewarding, it can prove a strain on relationships. If migrants need advice or help with their relationship during the settling in period, there is information available via New Zealand Now. The huge majority of partners find that the settlement journey, while challenging at times, is a positive one. They too arrive as migrants, and are considered just as valuable, and welcomed into their new Kiwi community, as the principal visa applicant.

Lisa Burdes is the Skilled Migrant Business Advisor at the Canterbury Employers’ Chamber of Commerce. The Chamber offers free settlement support and resources to employers of migrants in Canterbury. This service is fully funded by Immigration New Zealand (INZ). If you have questions about living and working in New Zealand, you can visit <http://www.newzealandnow.govt.nz>, email your query to newmigrantinfo@mbie.govt.nz or ring the INZ Contact Centre on +64 9 914 4100.



Skills and Employment hub extended

Immediately the Christchurch earthquake of 2011, the Canterbury Skills and Employment Hub was set up as a one-stop-shop, to help employers in Canterbury access workers and newly graduating trainees from the Canterbury region and across New Zealand.

The Hub also streamlines the labour market test process for immigration applications where employers cannot find New Zealand staff.

Due to the success of the Hub, the initiative has been extended for a further two years until June 2018. This is seen as a positive for Canterbury and Christchurch based employers, as there remains a great need for skilled and semi skilled staff to ensure the anchor projects, along with more traditional requirements of any modern city, are met.

Infra structural requirements across the country's regions, especially Auckland, Wellington and Christchurch, including Kaikoura post their recent seismic event, are still short of the necessary skills to ensure New Zealand's continued development.

Enterprise Recruitment & People offer an obligation free appraisal of foreign candidates chances of securing employment, through out New Zealand. We are always on the look out and search for quality candidates in all fields but most especially: Information technology – both Software Development and Hardware / Infra Structural Management; Construction Specialists, Civil specialists, including most Trades.

Enterprise Recruitment and People has a national presence. We remain interested in providing obligation free advice to offshore candidate's about their chances of securing employment in New Zealand.



Bank of New Zealand

Economic growth leads to more people coming, less leaving

On average over the past 10 and 20 year periods New Zealand's population has grown by 1.2% per annum. Net migration inflows have averaged 15,000 per annum over the past 20 years and 23,000 over the past ten years. In the year to January the net migration gain was a record 71,305 which equates to a large 1.5% population boost.

To achieve the same sort of net gain in the United States the net inflow would need to be almost five million people! For the UK the inflow would be almost one million people. The actual US net migration gain over the past year was near 1.25 million and for the UK 335,000.

The NZ net gain of 71,305 reflects a gross inflow of 128,000 set against a gross outflow of 57,000. Traditionally New Zealand has a highly churning population and on average over the past 20 years each year 1.6% of the population leaves and 2% equivalent comes in. This means that even modest changes in each of the two flows can produce a large change in the net flow.

Back in 2012 when the country suffered a net migration loss of 1,000 people the gross inflow was much lower than the latest 128,000 at just 85,000 and the outflow was much higher than the latest 57,000 at 86,000.

So over the past four years we can see that the net migration boom has developed as a result of an extra 43,000 people coming in and 29,000 fewer leaving. A lot of the turnaround has been driven by fewer Kiwis going to seek their fortunes in Australia and more coming back. Over 2012 the net outflow to Australia was 39,000. Now it is a net gain of 1,300 people. Much of the rest of the 72,000 turnaround since 2012 reflects 9,000 more students, 3,000 more people on residence visas, and 29,000 extra work visas.

Will this situation continue? And in particular, is it likely that as we head into New Zealand's next general election on September 23 there will be enough of an easing in net flows to placate candidates calling for immigration cutbacks?



If we look at the recent pattern of monthly numbers we can see the underlying trend is running higher than the actual annual total of just over 71,000 at about 75,000. So perhaps over the next three months at least the annual number will continue to rise. And even after that the chances are that if no further rises occur, not much if any of a decline will be registered.

This is because even though economic growth rates are rising slightly in many other countries, the growth rate in New Zealand is already high near 3% and the labour market is exceptionally strong. Businesses are crying out for staff across a wide range of sectors.

For instance, there are not enough builders to construct the houses, apartments, bridges and office buildings which people want to erect. There are not enough hospitality staff to meet the needs of the booming tourism sector. In fact across all non-farm businesses a net 36% of employers say they cannot find skilled staff and a net 19% say they cannot find unskilled staff.

This means Kiwis already in New Zealand are unlikely to be feeling they need to travel offshore to seek their fortunes and many of the one million already overseas will be feeling it could be a good idea to go back.

Heading into the general election migration numbers are likely to still be at or near record levels. As a result of negotiations to form a coalition one party traditionally opposed to large migrant inflows is likely to demand, and get, a tightening up of migration rules. Thus the incentive for anyone contemplating shifting to New Zealand is to get the ball rolling on the approval process sooner rather than later – especially given data showing a firm lift in applications from the United States since the US Presidential election of late-November.

Tony Alexander, Chief Economist, Bank of New Zealand

BNZ Migrant Banking can assist you with opening an account pre arrival via a simple online application at www.bnz.co.nz/movingtonewzealand or contact the team on +64 9 976 6318 or email bnzmigrant.banking@bnz.co.nz



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