



BRIEFING

Proposed approach to Skilled Residence (Skilled Migrant Category, Green List and Sector Agreement) review

Date:	12 December 2024	Priority:	Medium
Security classification:	In Confidence	Tracking number:	REQ-0006576

Action sought		
	Action sought	Deadline
Hon Erica Stanford Minister of Immigration	Discuss our proposed scope and approach for the Skilled Residence review.	16 December 2024

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
Polly Vowles	Manager, Immigration (Skills & Residence) Policy	04 978 3106	9(2)(a)	√
Veena Patel	Principal Policy Advisor	04 901 6190		
Sarah Parker	Policy Advisor	04 916 6016		

The following departments/agencies have been consulted

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments



BRIEFING

Proposed approach to Skilled Residence (Skilled Migrant Category, Green List and Sector Agreement) review

Date:	11 December 2024	Priority:	Medium
Security classification:	In Confidence	Tracking number:	REQ-0006576

Purpose

To seek your direction on the scope and approach for the 2025 Skilled Migrant Category and Green List review, including your preferred option to address the residence pathway gap for skilled and technical trades 9(2)(f)(iv).

Executive summary

The Skilled Migrant Category (SMC), Green List, and Sector Agreements are the primary pathways for skilled workers to gain residence in New Zealand. The SMC operates on a points-based system to address medium- to long-term skill needs, while the Green List prioritises certain high-demand occupations through fast-tracked residence options. A review of these settings is included in the current immigration work programme for 2025, as agreed by Cabinet earlier this year. The review was scheduled to commence in Q1 2025, with Cabinet decisions in Q3 2025 and implementation from Q1 2026.

We understand you wish to progress 9(2)(f)(iv) changes to address potential gaps in residency pathways for skilled tradespeople 9(2)(f)(iv), in response to concerns from multiple stakeholders. 9(2)(f)(iv)

[Redacted content]

9(2)(f)(iv)
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9(2)(f)(iv)
[Redacted content]

9(2)(f)(iv)

9(2)(f)(iv)

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Recommended action

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

- a. **Note** that a review of the Skilled Migrant Category (SMC) and Green List is on the immigration work programme for 2025, as agreed by Cabinet earlier this year, with previous planning assuming Cabinet decisions would be sought in Q3 2025 with implementation from Q1 2026.
Noted
- b. 9(2)(f)(iv)
Noted
- c. 9(2)(f)(iv)
Noted
- d. 9(2)(f)(iv)
Agree / Disagree
- e. 9(2)(f)(iv)
Discussed

9(2)(f)(iv)

h. 9(2)(f)(iv)

Noted



Polly Vowles
**Manager, Immigration (Skills and
Residence) Policy**
Labour, Science and Enterprise Group,
MBIE

Hon Erica Stanford
Minister of Immigration

..... / /

12 / 12 / 2024

Background

1. A review of the Skilled Migrant Category (SMC) and Green List is on the immigration work programme agreed by Cabinet earlier this year. The review was planned for 2025, with Cabinet decisions previously assumed to be sought in Q3 2025 and implementation from Q1 2026.
2. We understand you wish to progress 9(2)(f)(iv) changes to address potential gaps in the residency pathways for skilled tradespeople. 9(2)(f)(iv)
[Redacted]
3. 9(2)(f)(iv)
[Redacted]

The SMC and Green List provide complementary pathways to residence

1. There are two primary skilled residence pathways available in New Zealand to help individuals apply for residence based on their qualifications and work experience:
 - i. Skilled Migrant Category, and
 - ii. Green List Straight to Residence and Work to Residence pathways.
4. There are also pathways to residence for specific roles under the Care Workforce and Transport Sector agreements. Together, they provide pathways to residence for migrants either with the general skills needed to support the labour market in the medium- to long-term, or in specified occupations of national significance.
5. The application threshold of each pathway differs. The SMC has a threshold that targets individual skills (human capital), while the Green List targets occupations and sectors, with a skill threshold that is specific to that occupation.

Skilled Migrant Category

6. The SMC is New Zealand's main skilled residence policy. Its objective is to support economic growth by 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.
7. The SMC is not occupation-specific and operates on a simplified points-based system which was implemented last year. Applicants must:
 - i. **have a job or job offer in NZ:** in an ANZSCO Level 1-3 occupation and being paid at least median wage or in an ANZSCO level 4-5 and being paid at least one and a half times the median wage.
 - ii. **reach six points:** with each point roughly equivalent to one year of training/qualification or skilled work experience in NZ
 - iii. **meet one of three skill requirements:** either degree qualified or above, earning at least 1.5 x median wage, or holds regulated occupational registration that requires at least 1.75 years of training to qualify.

8. Given the changes to the Skilled Migrant Category (SMC) settings in late 2023, it is too early to fully assess their impact. These changes may take time to affect migration trends, labour market outcomes, or visa approval rates. A total of 1,328 applications were approved under the new settings (Between 4 October 2023 and 30 November 2024). We expect this to increase as people with fewer skill points start to become eligible as they gain more work experience. We have provided a list of the top 50 occupations approved under SMC, broken down by skill proxy at Annex Two. As expected, this data reflects occupations most likely to hold the highest level of qualification (e.g., university lecturer) and the highest levels of pay (e.g., finance manager).

Green List

9. The Green List was introduced in 2022. The Green List was originally designed to attract migrants in specific highly skilled, hard-to-fill occupations of high national importance. It provides a mechanism for the government to prioritise key roles and carve-out exceptions to more general settings where needed.
10. The List seeks to fast-track residence pathways for certain occupations, and consists of two tiers including:
 - a. Tier 1: A fast-tracked 'Straight to Residence' pathway that can be accessed from offshore after a relevant job offer, and
 - b. Tier 2: The 'Work to Residence' pathway that requires the migrant to work in a job for two years in New Zealand before being eligible for residence.
11. The original Green List included 85 occupations on either a Straight to Residence (STR) or Work to Residence (WTR) pathway. Since its inception a number of changes have occurred, including the addition of all regulated health roles. There are now 191 ANZSCO occupations on the current Green List. Despite the large number of ANZSCO occupations, there are a limited number of industries captured by the Green List.
12. Between September 2022 and November 2024, 11,665 Green List Straight to Residence visas were approved and between September 2023 and November 2024, a further 86 Green List Work to Residence Visas were approved. We expect Green List work to residence volumes to increase as people in those occupations complete the required two years of skilled work experience in NZ. The top 50 occupations by total applications approved via the Green List Straight to Residence pathway is provided at Annex Three. Approvals via the Green List Work to Residence pathway are provided at Annex Four.

Sector Agreements

13. The Care Workforce Sector Agreement and Transport Sector Agreement provide a work to residence (two year) pathway for a small group of mid-low skilled occupations (9 care health roles, and deck hands) as well as ship's masters. Previously truck and bus drivers were included but were removed in April 2024 as a surge in temporary migrant bus and truck drivers were deemed sufficient to meet the transport workforce shortages.
14. Between September 2023 and November 2024, 260 applications for residence via the Sector Agreement pathways have been approved. We expect volumes to increase as eligible workers complete the required two years of onshore work experience component. A breakdown of approvals by occupation is provided at Annex Four.

There is a gap in residence pathways for some key skilled and technical trades


15. A gap in residence settings was identified as part of the original policy work, but it was determined at that time that SMC settings should retain their high bar. MBIE considered that there was a small group of roles where senior workers who may be beneficial for New Zealand to retain in the longer term would be unlikely to qualify under the existing pathways. Primarily these were manufacturing roles e.g., metal fabricators, metal machinists, and steel fixers, though officials did consider it may be beneficial for highly-skilled chefs (and possibly bakers) to have a pathway. However, conversations with Hospitality NZ and the Restaurant Association (post-SMC review) highlighted that identifying a suitable threshold is challenging.¹
16. Officials advised at the time that the Green List should be used to target specific occupations of concern, rather than lowering the SMC threshold to capture those workers as this would likely also then provide a pathway to residence to people you would not be looking to target.
17. We have heard from stakeholders that the lack of a current residence pathway for some skilled tradespeople is likely to cause issues. Stakeholders have emphasised that these skills are challenging to source locally and they can play a key role in businesses, such as providing oversight of work, carrying out specialised work and training other staff. Employers consider losing these migrants will have a disproportionate impact on their businesses.
18. The roles we have been advised of are scaffolders, a number of fitter roles (e.g. fitter-turner, fitter-welder) and metal fabricators. These roles are not on the Green List (though some are the 11 roles that were deferred from being added earlier this year) and are unlikely to meet the requirements under the SMC. We are interested in understanding if there are particular roles you are concerned about.
19. Officials note that the majority of the roles raised previously are at ANZSCO level 3, meaning that migrants will be able to remain in New Zealand until at least July 2027.
20. Annex One sets out trades and trades-adjacent roles (at skill levels 3 and 4) contained within the top 200 AEWV occupations (by approval volumes).

Options for the scope and approach of the Review

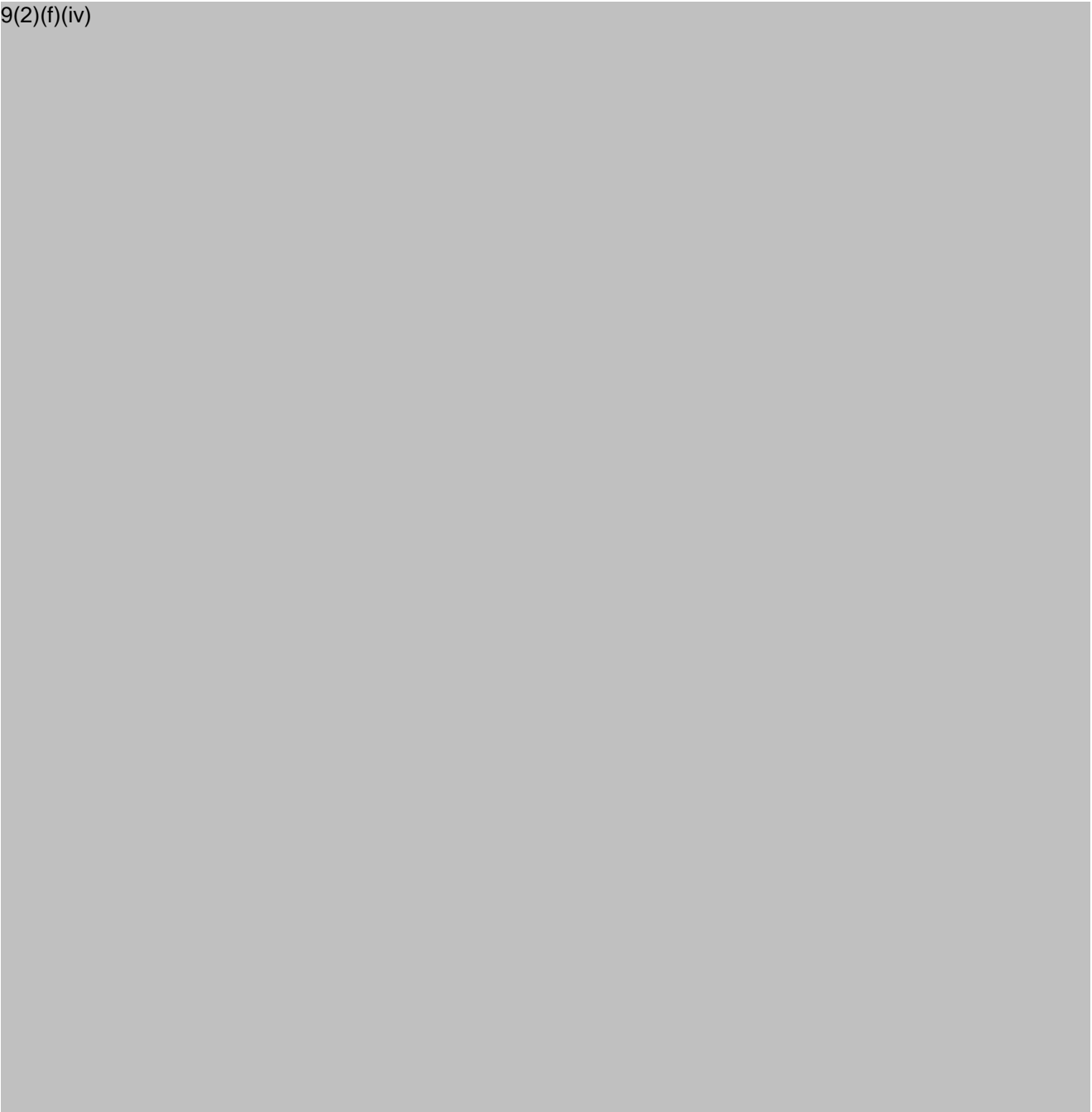
21. We understand you wish to progress 9(2)(f)(iv) changes to address the gaps in residency pathways for skilled tradespeople 9(2)(f)(iv) . 9(2)(f)(iv)

¹ Under previous settings a L4 cookery qualification + median wage was essentially the skill threshold. This was seen as one of the easiest pathways to residence (cheapest and shortest) for international students, and there were concerns that this was encouraging excess demand and non-genuine applications.


9(2)(f)(iv)



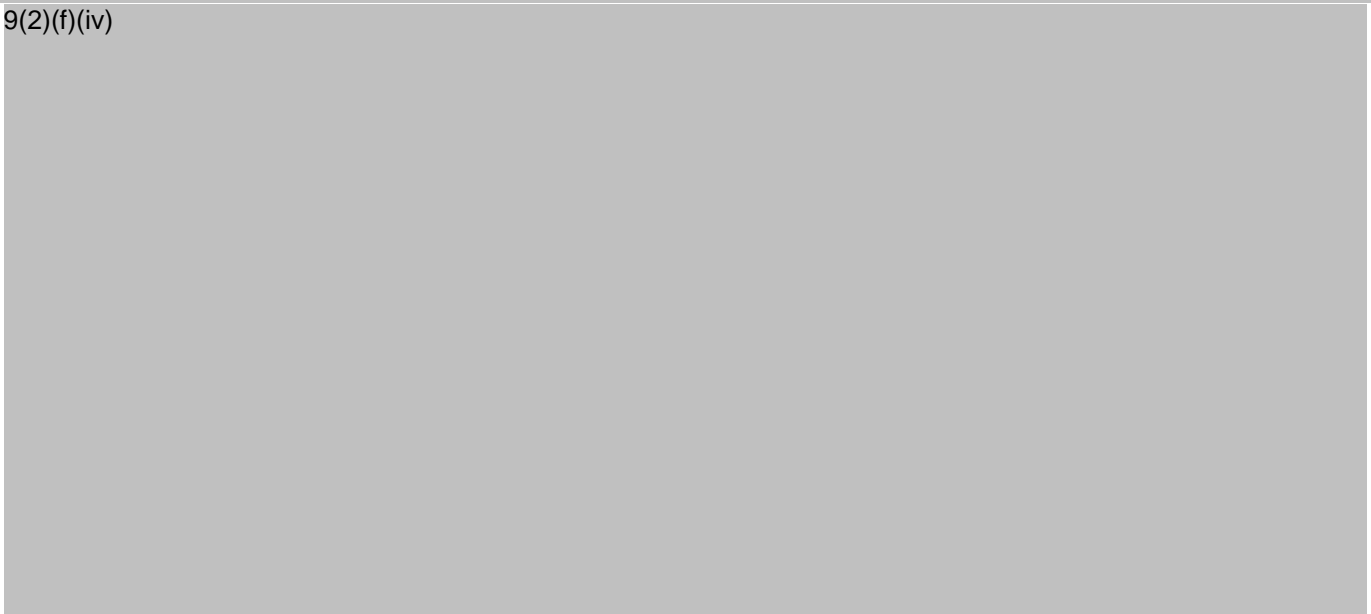
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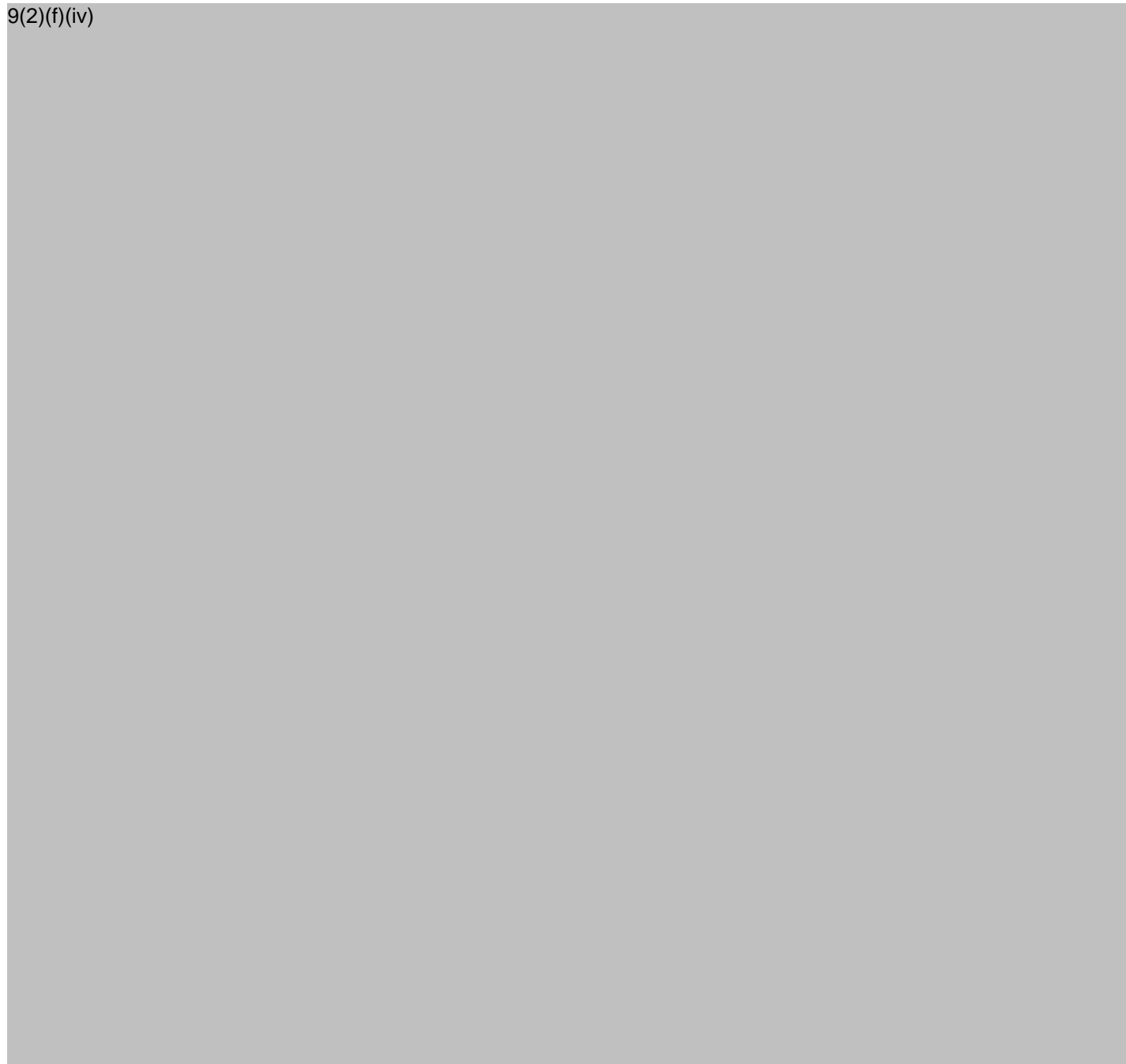


9(2)(f)(iv)



9(2)(f)(iv)





Next Steps

40. Officials will discuss this with you at the meeting on 16 December 2024.
41. Based on your decisions in this paper, officials will progress work early in the new year on your preferred approach to the 9(2)(f)(iv) changes to address gaps in residence pathways for skilled and technical trades, including further advice on the approach to consultation.
9(2)(f)(iv)

Annexes

Annex One: Top AEWV skill level 4 and 5 trades and trades-adjacent roles

Annex Two: Top 50 SMC approvals by occupation and skill proxy

Annex Three: Top 50 Green List Straight to Residence approvals by occupation

Annex Four: Green List and Sector Agreement Work to Residence approvals by occupation

Annex One: Top AEWV skill level 4 and 5 trades and trades-adjacent roles

Attached separately

Annex One: Top AEWV skill level 4 and 5 trades and trades-adjacent roles

AEWV Ranking	ANZSCO Code	Occupation	Total AEWV approvals	Residence pathway
2	331212	Carpenter (Skill Level 3)	4618	SMC registration
13	332211	Painting Trades Worker (Skill Level 3)	1830	
22	322311	Metal Fabricator (Skill Level 3)	1306	
26	821712	Scaffolder (Skill Level 4) **	1166	
27	321212	Diesel Motor Mechanic (Skill Level 3)	1160	Green List and SMC registration
29	331211	Carpenter and Joiner (Skill Level 3)	1121	SMC registration
30	321211	Motor Mechanic (General) (Skill Level 3)	1113	Green List and SMC registration
32	341111	Electrician (General) (Skill Level 3)	995	Green List and SMC registration
33	322313	Welder (Skill Level 3)	974	
36	323213	Fitter-Welder (Skill Level 3)	927	
42	821713	Steel Fixer (Skill Level 4)	752	
43	399999	Technicians and Trades Workers nec (Skill Level 3)	729	
45	342414	Telecommunications Technician (Skill Level 3)	689	Green List
51	721111	Agricultural and Horticultural Mobile Plant Operator (Skill Level 4)	611	
52	333211	Fibrous Plasterer (Skill Level 3)	608	
54	323211	Fitter (General) (Skill Level 3)	596	
57	342111	Airconditioning and Refrigeration Mechanic (Skill Level 3)	550	
58	721211	Earthmoving Plant Operator (General) (Skill Level 4)	537	Green List
62	324111	Panelbeater (Skill Level 3)	507	
63	333411	Wall and Floor Tiler (Skill Level 3)	484	
66	324311	Vehicle Painter (Skill Level 3)	436	
71	711999	Machine Operators nec (Skill Level 4)	372	
75	333212	Solid Plasterer (Skill Level 3)	357	SMC registration
76	322211	Sheetmetal Trades Worker (Skill Level 3)	355	
79	334111	Plumber (General) (Skill Level 3)	344	Green List and SMC registration
82	721214	Excavator Operator (Skill Level 4)	325	Green List
89	333311	Roof Tiler (Skill Level 3)	289	SMC registration
93	711211	Industrial Spraypainter (Skill Level 3)	266	
95	332111	Floor Finisher (Skill Level 3)	258	
96	342313	Electronic Equipment Trades Worker (Skill Level 3)	253	
103	342211	Electrical Line Mechanic / Electrical Linesworker (Skill Level 3)	236	SMC registration
106	394111	Cabinetmaker (Skill Level 3)	227	
108	321111	Automotive Electrician (Skill Level 3)	226	Green List
109	323214	Metal Machinist (First Class) (Skill Level 3)	225	
116	362213	Landscape Gardener (Skill Level 3)	203	
123	333111	Glazier (Skill Level 3)	188	
126	712111	Crane, Hoist or Lift Operator (Skill Level 3)	186	
132	312112	Building Associate (Skill Level 2)	178	Green List
135	323212	Fitter and Turner (Skill Level 3)	169	
137	821411	Building Insulation Installer (Skill Level 4)	166	
143	839413	Wood and Wood Products Factory Worker (Skill Level 4)	151	
145	331111	Bricklayer (Skill Level 3)	142	SMC registration
152	362211	Gardener (General) (Skill Level 3)	127	
154	899415	Tyre Fitter (Skill Level 4)	124	
156	821711	Construction Rigger (Skill Level 3)	123	
167	721311	Forklift Driver (Skill Level 4)	114	
172	331213	Joiner (Skill Level 3)	107	SMC registration
178	331112	Stonemason (Skill Level 3)	100	
184	821412	Home Improvement Installer (Skill Level 4)	94	
193	839412	Sawmill or Timber Yard Worker (Skill Level 4)	86	
196	721999	Mobile Plant Operators nec (Skill Level 4)	82	
199	899411	Motor Vehicle Parts and Accessories Fitter (General) (Skill Level 4)	82	
4	351411	Cook (Skill Level 4) **	3837	
6	351311	Chef (Skill Level 2)	3628	
19	451111	Beauty Therapist (Skill Level 3)	1433	
35	391111	Hairdresser (Skill Level 3)	945	
39	411611	Massage Therapist (Skill Level 2)	841	
44	351111	Baker (Skill Level 3)	722	
99	351211	Butcher or Smallgoods Maker (Skill Level 3)	249	
171	711611	Sewing Machinist (Skill Level 3)	107	

Key	Description
	Already has a residence pathway
	Paused Green List role (April 2024)
**	Moving to ANZSCO Level 3 under NOL updates

Annex Two: Top AEWV skill level 4 and 5 trades and trades-adjacent roles

Attached separately

Annex Two: Top 50 SMC approvals by occupation and skill proxy (9 October 2023 to 30 November 2024)

Rank	ANZSCO code	Occupation	Income	Qualification	Registration	Total
1	242111	University Lecturer	5	109	9(2)(a)	115
2	241111	Early Childhood (Pre-primary School) Teacher	0	41		44
3	511112	Program or Project Administrator	9(2)(a)	29		32
4	261313	Software Engineer	5	24		30
5	551211	Bookkeeper	0	23	6	29
6	131112	Sales and Marketing Manager	18	8	0	26
7	221111	Accountant (General)	0	17	8	25
8	224412	Policy Analyst	9(2)(a)	22	0	25
9	225113	Marketing Specialist		23	0	24
10	261111	ICT Business Analyst	5	18	0	23
11	234313	Environmental Research Scientist	0	22	0	22
12	261312	Developer Programmer	0	22	0	22
13	132211	Finance Manager	13	9(2)(a)	5	20
14	224999	Information and Organisation Professionals nec	9(2)(a)	16	0	17
15	224711	Management Consultant		13	9(2)(a)	16
16	233211	Civil Engineer		15	0	16
17	133111	Construction Project Manager	9	6	0	15
18	132511	Research and Development Manager	9(2)(a)	11	0	15
19	242211	Vocational Education Teacher (Aus) / Polytechnic Teacher (NZ)	0	15	0	15
20	223112	Recruitment Consultant	0	12	9(2)(a)	13
21	111111	Chief Executive or Managing Director	13	0	0	13
22	224712	Organisation and Methods Analyst	9(2)(a)	10	9(2)(a)	13
23	241213	Primary School Teacher	0	9		13
24	111211	Corporate General Manager	11	9(2)(a)	0	12
25	261314	Software Tester	0	12	0	12
26	224311	Economist	0	11	9(2)(a)	12
27	249111	Education Adviser	9(2)(a)	11	0	12
28	313112	ICT Customer Support Officer	0	11	0	11
29	241411	Secondary School Teacher	0	11	0	11
30	139999	Specialist Managers nec	8	9(2)(a)	0	10
31	261211	Multimedia Specialist	8		0	10
32	141111	Cafe or Restaurant Manager	0	9	9(2)(a)	10
33	142111	Retail Manager (General)	0	10	0	10
34	232611	Urban and Regional Planner	0	10	0	10
35	261311	Analyst Programmer	0	10	0	10
36	521211	Secretary (General)	0	9	0	9
37	261112	Systems Analyst	0	9	0	9
38	233214	Structural Engineer	0	9	0	9
39	234211	Chemist	0	9	0	9
40	232411	Graphic Designer	9(2)(a)	7	0	8
41	135112	ICT Project Manager		9(2)(a)	9(2)(a)	8
42	233999	Engineering Professionals nec		7	0	8
43	223111	Human Resource Adviser	0	8	0	8
44	225111	Advertising Specialist	9(2)(a)	6	0	8
45	234514	Biotechnologist	0	8	0	8
46	233512	Mechanical Engineer	0	8	0	8
47	321212	Diesel Motor Mechanic	0	0	8	8
48	141311	Hotel or Motel Manager	0	7	0	7
49	133611	Supply and Distribution Manager	9(2)(a)	5	0	7
50	311411	Chemistry Technician	0	7	0	7

Annex Three: Top 50 Green List Straight to Residence approvals by occupation

Attached separately

Annex Three: Top 50 Green List Straight to Residence approvals by occupation

Rank	ANZSCO code	OccupationDescription	2022 (from Sep)	2023	2024 (to Nov)	Total
1	254412	Registered Nurse (Aged Care)	9(2)(a)	467	1028	1496
2	254418	Registered Nurse (Medical)	5	630	763	1398
3	254415	Registered Nurse (Critical Care and Emergency)	9(2)(a)	308	439	749
4	254424	Registered Nurse (Surgical)	0	250	351	601
5	261313	Software Engineer	41	276	166	483
6	241411	Secondary School Teacher	0	0	421	421
7	312212	Civil Engineering Technician	38	181	130	349
8	254423	Registered Nurse (Perioperative)	9(2)(a)	135	193	329
9	233211	Civil Engineer	33	132	122	287
10	253112	Resident Medical Officer	20	122	145	287
11	221213	External Auditor	0	113	148	261
12	233213	Quantity Surveyor	20	142	96	258
13	252511	Physiotherapist	0	67	165	232
14	133111	Construction Project Manager	14	97	116	227
15	254425	Registered Nurse (Paediatric)	0	88	119	207
16	233512	Mechanical Engineer	11	89	72	172
17	233214	Structural Engineer	11	93	52	156
18	254422	Registered Nurse (Mental Health)	0	47	93	140
19	254413	Registered Nurse (Child and Family Health)	0	50	87	137
20	233311	Electrical Engineer	5	60	69	134
21	135112	ICT Project Manager	18	50	53	121
22	234711	Veterinarian	8	46	65	119
23	261312	Developer Programmer	6	69	41	116
24	234212	Food Technologist	8	51	49	108
25	253111	General Practitioner	6	44	47	97
26	254421	Registered Nurse (Medical Practice)	0	34	59	93
27	254499	Registered Nurses nec	0	30	63	93
28	261211	Multimedia Specialist	21	38	31	90
29	135199	ICT Managers nec	10	46	32	88
30	133112	Project Builder	7	45	34	86
31	233999	Engineering Professionals nec	8	49	27	84
32	251211	Medical Diagnostic Radiographer	0	26	55	81
33	254417	Registered Nurse (Disability and Rehabilitation)	0	35	46	81
34	262112	ICT Security Specialist	8	44	29	81
35	234313	Environmental Research Scientist	11	35	26	72
36	311213	Medical Laboratory Technician	0	16	56	72
37	221214	Internal Auditor	0	18	52	70
38	234611	Medical Laboratory Scientist	9(2)(a)	30	31	64
39	233212	Geotechnical Engineer		28	28	60
40	312312	Electrical Engineering Technician		24	34	60
41	312412	Electronic Engineering Technician		27	31	60
42	252411	Occupational Therapist	0	21	35	56
43	272511	Social Worker	0	17	35	52
44	261314	Software Tester	9(2)(a)	30	19	51
45	233513	Production or Plant Engineer		23	23	50
46	252312	Dentist	0	21	28	49
47	311211	Anaesthetic Technician	0	13	36	49
48	272311	Clinical Psychologist	9(2)(a)	21	25	48
49	253211	Anaesthetist		20	18	42
50	252711	Audiologist	0	18	21	39

Annex Four: Green List and Sector Agreement Work to Residence approvals by occupation

Attached separately

Annex Four: Green List and Sector Agreement Work to Residence approvals by occupation

Green List Work to Residence

ANZSCO Code	Occupation	2023 (Since Oct)	2024 (to Nov)	Total		
241111	Early Childhood (Pre-primary School) Teacher	9(2)(a)	40	43		
121313	Dairy Cattle Farmer		10	11		
241213	Primary School Teacher	0	7	7		
341111	Electrician (General)	9(2)(a)	5	6		
321211	Motor Mechanic (General)	0	5	5		
241411	Secondary School Teacher	0	9(2)(a)			
342414	Telecommunications Technician	0				
321212	Diesel Motor Mechanic	0				
442111	Prison Officer	0				
241311	Middle School Teacher (Aus) / Intermediate School Teacher (NZ)	0				
312112	Building Associate	0				
334111	Plumber (General)	0				
	No Occupation in data	0				
	TOTAL					86

Sector Agreement Work to Residence

ANZSCO Code	Occupation	2023 (since Oct)	2024 (to Nov)	Total
423111	Aged or Disabled Carer	9(2)(a)	93	96
423313	Personal Care Assistant		72	74
733111	Truck Driver (General)		64	67
411311	Diversional Therapist	0	6	6
411715	Residential Care Officer	0	9(2)(a)	
423312	Nursing Support Worker	0		
411512	Kaiawhina (Hauora) (Maori Health Assistant)	0		
411712	Disabilities Services Officer	1		
733114	Tanker Driver	0		
	No Occupation in data	0		
	TOTAL	9		