

# THE NEW SETTLER

PATHWAYS TO NEW ZEALAND LTD – PRIVATE & CORPORATE IMMIGRATION SPECIALISTS

## Danny Lee - US Amateur Champion & World #1



In our last New Settler we introduced Pathways client Danny Lee who was then ranked as the world's number 7 amateur golfer. Now the whole world knows about Danny following his sensational wins in the Western Open and the USA Amateur Championship, at an age younger than Tiger Woods. Danny is now the world's top amateur golfer and will play in 3 of golf's Major Championships next year - including alongside Tiger Woods in the US Open.

Danny was granted New Zealand citizenship last month in Rotorua and now holds a NZ passport. This month Danny will be playing in the Singapore Open, Hong Kong Open and the Australian Masters.

Congratulations Danny we are all proud of you!!

## A National Government!



Last weekend's election has returned a National Government and we now wait with interest to see the influence of the new Government on immigration policy and on the administration of Immigration New Zealand. We also await the appointment of the new Minister of Immigration given that the previous frontrunner Dr Lockwood Smith may no longer be in the running...

We do not expect to see any significant change in the Immigration Programme which sets the annual target for residence approvals at just below 50,000 people a year. Similarly we do not see a need for any change in the operation of the main Skilled Migrant residence category which is functioning successfully and efficiently.

The National Party [immigration policy](#) was released on 4 September.

National have advocated for the separation of the Immigration Service from the Department of Labour and this is something we believe would be supported by the industry. Immigration is not only about contributing to employment but is also about family, population, the economy, business & investment, border security and culture and it has been challenging at times to achieve a 'good fit' of such a wide cross-section of interest areas within the Department of Labour.

It is concerning that a reduction in family based immigration appears to be a possible area of focus. Although National has announced plans for a "Retirement Visa" the detail and parameters applying to such a policy may prove challenging and onerous - the devil is always in the detail!

The main motivating factors for people migrating to New Zealand are very often family or lifestyle. Although people may not directly apply under the various family reunification policies the reality is that many who apply under the skilled migrant or work-to-residence policies do so in the knowledge and with the intention that their family will be able to later join them. New Zealand cannot realistically compete for, and financially recognise, the skills which are in international demand and it is very often the added component of family or lifestyle which sways these people to choose NZ. The country needs every competitive advantage it can muster if it is to attract and retain the skilled migrants it desires and needs. It would be unwise for any Government to underestimate the real contribution the family component makes in many migrants decisions to choose NZ. Some change is necessary to make the existing family-based policies more sustainable but more lateral thought is required as to how best to align these policies to NZ's best long term advantage.

National have also announced it will set "realistic investment capital and English language requirements" for business investors. The current active investor policy requires a minimum of NZ\$2.5 million to be invested over 4 years and applicants must also have a reasonable level of English. A more flexibly policy would be welcomed by the industry and the opportunity to develop a migrant focussed infrastructure bond programme to invest in key infrastructural works has, at least in our view, real merit. Such a programme could also attach itself to other immigration categories and not be confined only to business investors.

National will, hopefully, recognise the fact that business and investor immigration in particular have the potential to make a significant and early contribution to NZ's economic recovery and that priority should be placed in this area.

## Migrant Movements

NZ Herald 22/10/08

'Immigration has also fallen to its lowest level in nearly seven years. In the year to September, the country gained only 4400 migrants - down from 8300 last year'. It should be appreciated this statistic is obtained by comparing the arrival and departure cards completed at NZ airports. The net figure is the difference between those stating they either intend to be in NZ for the next 12 months or they intend to be out of the country for 12 months. While this methodology is able to give an indication of trends it does not reliably quantify migrant gains or losses. For example there are now less international students coming to NZ to study long term and this impacts on the above statistic but has nothing to do with long term migration. The number of people being approved permanent residence each year remains consistently at just under 50,000 people a year. Interestingly, an article in the NZ Herald of 7 October noted that almost 77,000 people left Australia in 2007/08 of whom 14,000 came to New Zealand - so it is not all one way traffic!

## Residence Review Board

The RRB, an independent judicial body responsible for deciding on appeals against declined residence applications, has recently released its annual report. During the year the Board issued 381 decisions of which 171 (45%) appeals were successful in one way or another including 118 (31%) where the decision of Immigration NZ was incorrect. This is an improvement on the previous year (37%). Immigration NZ made a total of 51,000 residence decisions in the year to June 2008 which included 5,000 decline decisions.

## Essential Skills Work Policy - ANZSCO

It is in the interests of employers considering the employment of an overseas worker to consult with the Australian & New Zealand Standard Classification of Occupations - [ANZSCO](#). This is now the key reference guide for Immigration NZ in assessing/comparing employment titles and tasks and the prerequisite work experience and/or qualifications that are required to undertake employment in the position offered. If an applicant is offered a position they will be required to evidence they satisfy the ANZSCO requirements as part of their work visa/permit application.

ANZSCO also classifies all employment roles into Skill Levels. All positions at Skill Level 4 and lower, that are not on a Skill Shortage List, must be labour market tested by Immigration NZ seeking confirmation from WINZ that there are no NZers available or who could be trained to undertake the work offered.

It can be in an employers interests to consult a professional immigration adviser to assist with aligning employment documentation with immigration criteria to facilitate more efficient visa processing.

## Migrant Tax Exemption

New migrants and returning New Zealanders can benefit from a tax exemption on their foreign income which has been in effect, but little known, since April 2006. This exemption can save new migrants several thousand \$ on income they may previously have declared to the NZ IRD as 'Overseas Income' as well as on ongoing income. The exemption lasts for four years (or a maximum of 49 months) from the day the new migrant became a NZ tax resident. To be eligible for the exemption a person:

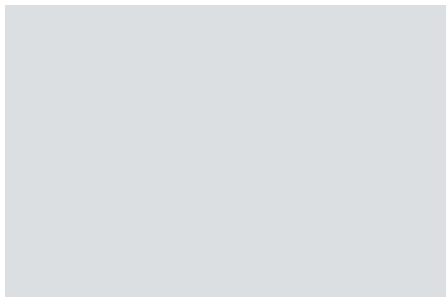
- must have become a tax resident in New Zealand on or after 1 April 2006, or

Thanks to:

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for bringing this matter to our attention.  
Please contact Fraser for more information.

- must not have been a New Zealand tax resident at any time in the past 10 years prior to their arrival date.
- can only claim for one exemption period
- or their partner cannot receive Working for Families Tax Credits while being tax exempt from foreign income



## Credit Crisis - what effect on immigration?

As in the normal household the current credit crisis will cause intending migrants to carefully review their personal situation and plans and the security of existing employment may have a higher weighting in any decisions than what may have previously been the case.

Tourism numbers are already falling and as a consequence the number of people who may originally arrive as tourists and then later convert their permits to become a worker or student will also fall. There are already signs that Immigration New Zealand are adopting a more conservative approach to the issuing of work permits, particularly in lower skilled occupations although recent policy changes have also contributed. It is likely to become more difficult for existing work permit holders in such occupations to renew their work permits and this may lead to an increase in the number of overstayers.



Conversely we could see an increase in the numbers of ex-pats returning to NZ with their overseas born families and relocation companies have already experienced an upturn in such business.

Interestingly immigration received much of the "blame" for the rapid increase in house prices in NZ even though it was an international trend. There is still significant demand for people to migrate to New Zealand and immigration has the potential to take a leading role in stimulating the economy. However, this would require policies to be "refocused" less on employment (to protect jobs for NZers) and more towards investment, business and possibly home buying as a transitional measure.

NZ has a significant advantage over many of its competing migrant countries with its ability to move quickly and flexibly in introducing and amending policies which could advantage it in challenging times. Unfortunately immigration has not been recognised or utilised as such an opportunity in the past by our decision makers so we await with interest the deliberations of the new National Government!

## Richard re-elected Chairman of NZAMI

Pathways Managing Director, Richard Howard, was recently re-elected for a second term as Chairman of the NZ Association for Migration & Investment Inc. The NZAMI is the industry organisation representing some 160 professional immigration advisers and others with an interest in immigration matters.



## Pathways becomes Global Footprints member



Global Footprints is a new national initiative providing a one-stop-shop for new migrants relocating to New Zealand.

The initiative is an ideal fit for Pathways as we are immigration specialists and do not compromise our core business focus and expertise by branching into other associated areas (eg; employment, housing, foreign exchange etc). Instead we refer clients to experts in their fields. Global Footprints is a free web-

based contact centre allowing migrants direct access to a range of valuable support services from proven industry professionals including leading providers like Air New Zealand (Travel), The National Bank (Banking) & UK Pension Transfers (Pensions).

Each of the twelve Global Footprint partners is a market leader in its field of expertise and Pathways is proud to be selected as the Global Footprints immigration partner.

## Adviser Licensing



Immigration Advisers are now being licensed. The Immigration Advisers Licensing Act 2007 makes it illegal for anyone in NZ to give immigration advice after 4 May 2009 unless they are licensed or exempt from licensing (lawyers are exempt). To date less than 30 advisers have been licensed and Pathways was the first company to have multiple licensed advisers - Richard Howard & Heidi Thompson.

## Migrant Expo / Seminars

Over the past 3 months Pathways held immigration seminars in Cambridge and at the University of Waikato for prospective and new migrants. Pathways also featured with a stand at the Waikato Migrant Expo in August.



## Get it right .... first time!!

We trust you have found the information in this newsletter of interest. If you wish clarification of any matter, or indeed have any immigration query, please do not hesitate to contact any of our friendly professionals. You will find we are always available and willing to share our knowledge. The priority with any immigration application - get it right .... first time!!

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