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TRANSITION TO PERMANENT RESIDENCE

Jobs Outcomes of Work Permit Holders



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PURPOSE OF THIS REPORT

This report assesses the employment outcomes of former work permit holders who were granted permanent residence status through the Skilled Migrant Category. The report investigates whether these former work permit holders work in jobs that use their skills and experience.

BACKGROUND

One of the greatest issues facing New Zealand is its ability to attract and retain talented people as a means of facilitating economic growth.

The objective of New Zealand's immigration policy is to contribute to economic growth by enhancing the overall level of human capability in New Zealand, encouraging enterprise and innovation, and fostering international links, while contributing to social cohesion. This objective is achieved by selecting a broad mix of migrants on the basis of their skills and experience or their family links to New Zealand or both.

Most people who are not New Zealand citizens and who wish to stay indefinitely in New Zealand must have residence permits to stay in New Zealand.

A large proportion of New Zealand's permanent residents were originally temporary migrants who were granted permits or visas to reside in New Zealand for a limited period. In 2008/09, 81 percent of people approved for permanent residence had previously held a temporary permit.¹ Of those, 59 percent had previously held a work permit. In this way, temporary migration has become a major source of talent for New Zealand.

The Department wants to understand:

- the work experiences and outcomes of those who transition from temporary to permanent residence
- whether these migrants work in jobs that use their skills and experience.

SURVEY METHODOLOGY

The Living in New Zealand survey was conducted between 1 October 2007 and 5 February 2008.

The survey population comprised temporary migrants who had been on work and/or study permits and who had been granted permanent residence status through the Skilled Migrant Category from 3 July 2006 to 31 August 2007.

¹ Department of Labour (2010) *Migration Trends and Outlook 2008/09*. Wellington: Department of Labour. <http://dol.govt.nz/publications/research/migration%2Doutlook%2D200809>.

Of the 3,490 permanent residents who responded to the survey, 2,403 had had work permits. This report looks at those residents who had been granted only a work permit (that is, this report does not include permanent residents who had been granted both work and study permits).

Most respondents came from the United Kingdom/Irish Republic (38 percent), South Africa (16 percent), South East Asia (14 percent), and the Rest of Europe (10 percent).²

Two-thirds (65 percent) of respondents were male and 35 percent were female.

Most respondents were aged 25–44 years, with only small proportions younger than 25 years and older than 44 years.

Three-quarters of respondents rated their English as excellent and 21 percent rated their English as good.

Most respondents had first come to New Zealand and had their first work permit issued in 2004, 2005, or 2006 and had decided to apply for permanent residence in 2005, 2006, or 2007. Most respondents had held a labour market tested or work to residence work permit.

FINDINGS

The experiences of work permit holders who transitioned to permanent residence as skilled migrants were largely positive. Almost all were working full time and in a high-skill occupation. For most, the original job they had in New Zealand was the same job in which they were still employed as permanent residents.

Most former work permit holders agreed or strongly agreed that:

- they were using their skills or experience
- they were treated fairly by their employer
- their job was a good match for their qualifications.

Most former work permit holders who had changed jobs found jobs that gave them more opportunities for further qualifications and where they were more likely to be satisfied.

When looking for work in New Zealand, 21 percent felt not enough work was available for someone with their skills or experience, there was not enough suitable work (10 percent) or that their skills and experience were not accepted by New Zealand employers (7 percent).

² The 'Rest of Europe' comprises countries in Europe other than the United Kingdom/Irish Republic. The countries included in each region are listed in the Appendix.

Current employment

Most former work permit holders who transitioned to permanent residence worked full time for wages or salary.

Eighty-nine percent of former work permit holders were currently working full time for wages or salary.³

Only small proportions of former work permit holders:

- worked in their own business (5 percent)
- worked part time for wages or salary (2 percent)⁴
- were students (1 percent)
- were unemployed and looking for work (1 percent).

Most former work permit holders were still working in their original New Zealand job.

Two-thirds (67 percent) of former work permit holders were still working in the original job they had obtained in New Zealand.

Certain groups of former work permit holders were more likely than others to still be employed in their original job. For example, former work permit holders from South Asia or aged 45 years and over were most likely to be still employed in their original job (Figure 1 and Figure 2).⁵ In comparison, people living in Christchurch or former work permit holders from Other countries were least likely to be still employed in their original job (Figure 3 and Figure 1).⁶ Although not significant, those with work to residence permits were more likely to be still working in their original jobs than those who had had other types of work permits (Figure 4).

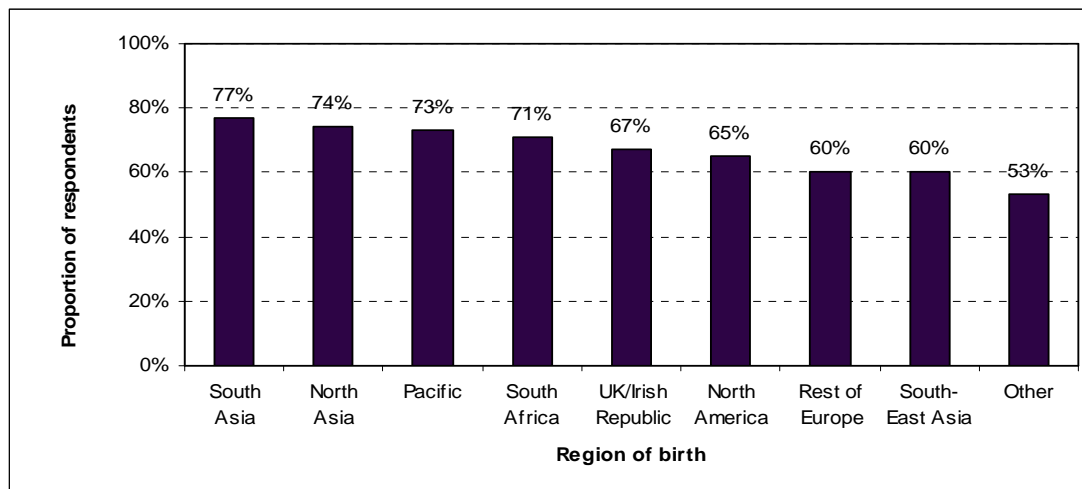
³ 'Full time' is defined as 30 hours or more paid work per week.

⁴ 'Part time' is defined as less than 30 hours paid work per week

⁵ The countries included in each region are listed in the Appendix.

⁶ 'Other' means the group Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Egypt, Ghana, Iran, Iraq, Israel, Jordan, Kenya, Lebanon, Mauritius, Malawi, Mexico, Namibia, Nigeria, Oman, Palestine, Peru, Saudi Arabia, Tajikistan, Trinidad and Tobago, Turkey, Uruguay, Venezuela, Zambia, and Zimbabwe. The countries included in each region are listed in the Appendix.

Figure 1: Former work permit holders still employed in their original job by region of birth (n = 1898)



Note: The countries included in each region are listed in the Appendix.

Figure 2: Former work permit holders still employed in their original job by age (n = 2068)

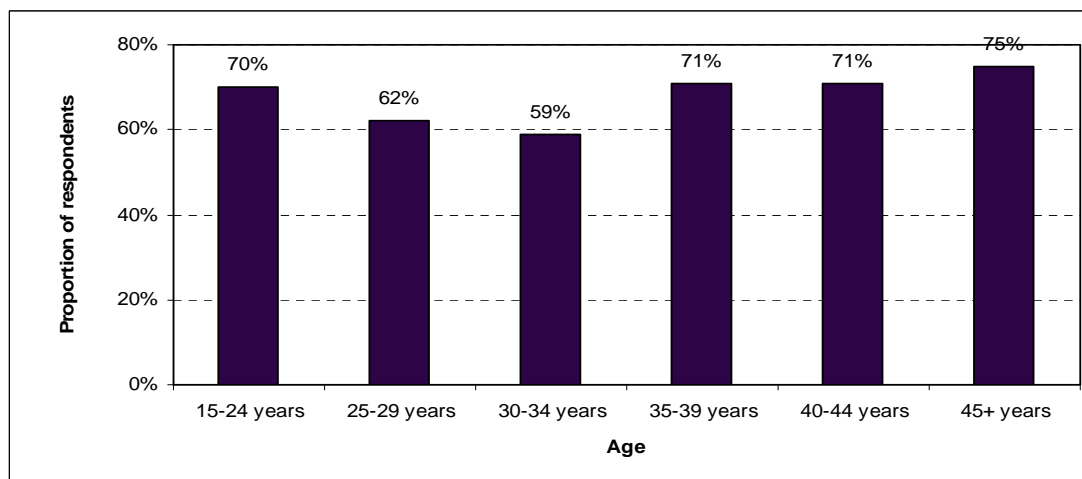


Figure 3: Former work permit holders still employed in their original job by location (n = 2004)

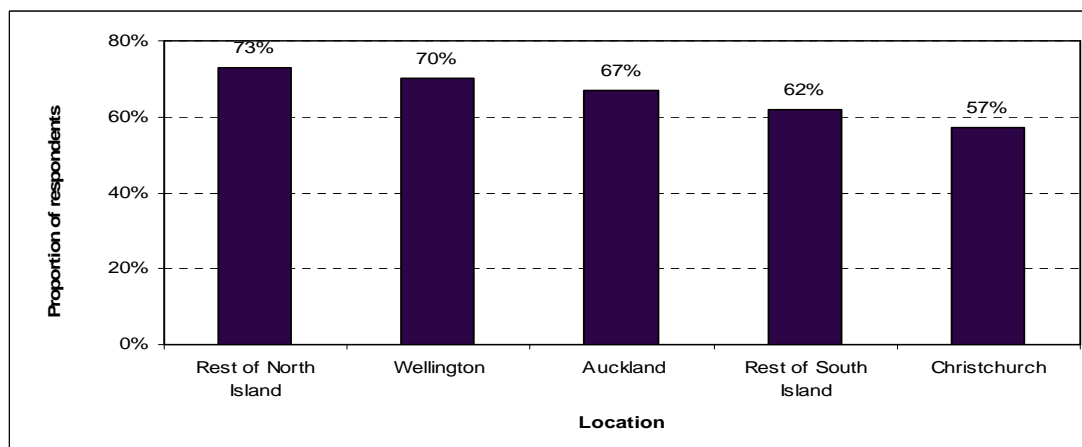
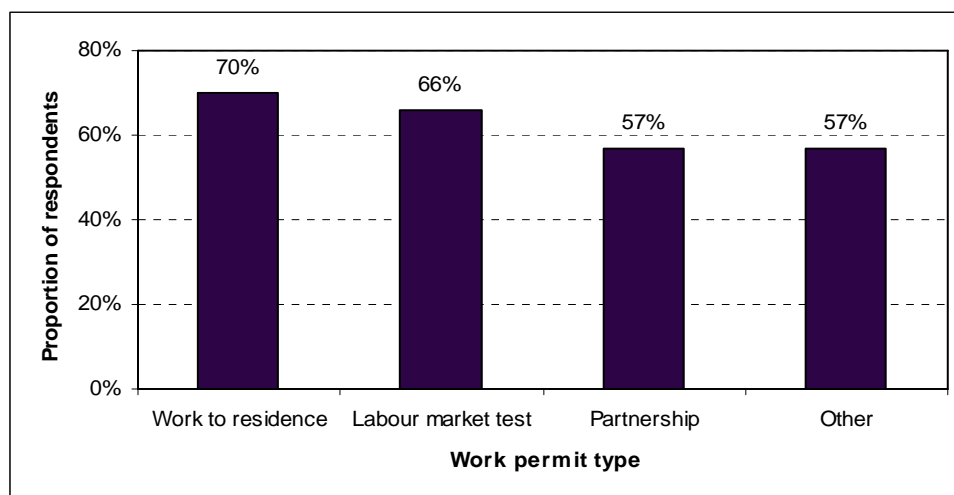


Figure 4: Former work permit holders still employed in their original job by work permit type (n = 1843)



Note: 'Other' includes the permits issued under the Working Holiday Scheme and specific purposes permits.

A labour market test is carried out to establish that there are no suitable New Zealand citizens or residents who can take up the work on offer or readily be trained to do the work on offer. If this is established, the migrants may be approved for a work permit (e.g. Essential Skills).

Of former work permit holders who were no longer working in their original job:

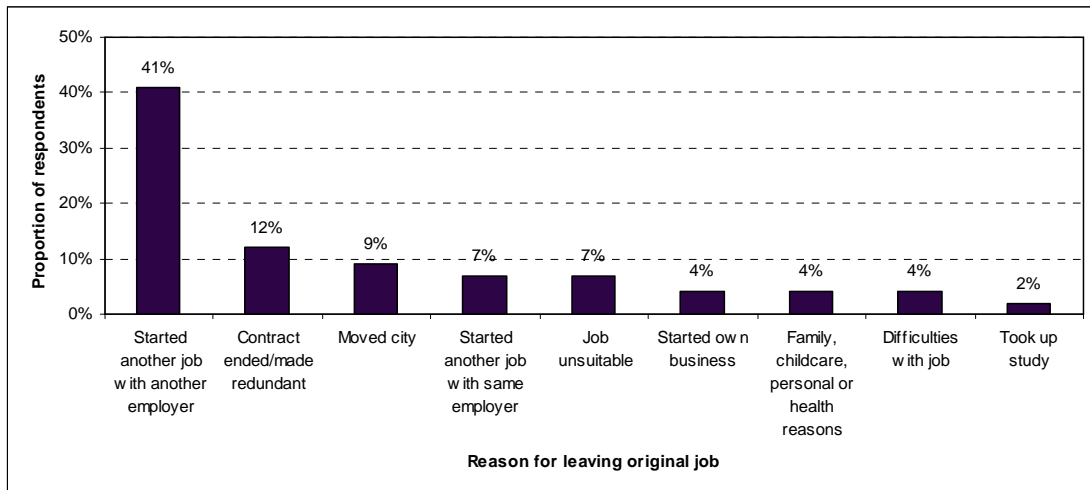
- 81 percent were working full time for wages or salary
- 7 percent were working in their own business
- 3 percent were unemployed and looking for work.

The most common reasons former work permit holders gave for leaving their original job were work-related reasons rather than settlement-related reasons.

The most common reasons former work permit holders gave for leaving their original job were that they had started another job with another employer or their contract had ended or they have been made redundant (Figure 5).

Less common reasons former work permit holders gave for leaving their original job included the job not being suitable, starting a business, or having difficulties with the job.

Figure 5: Former work permit holders' reasons for leaving original job (n = 671)



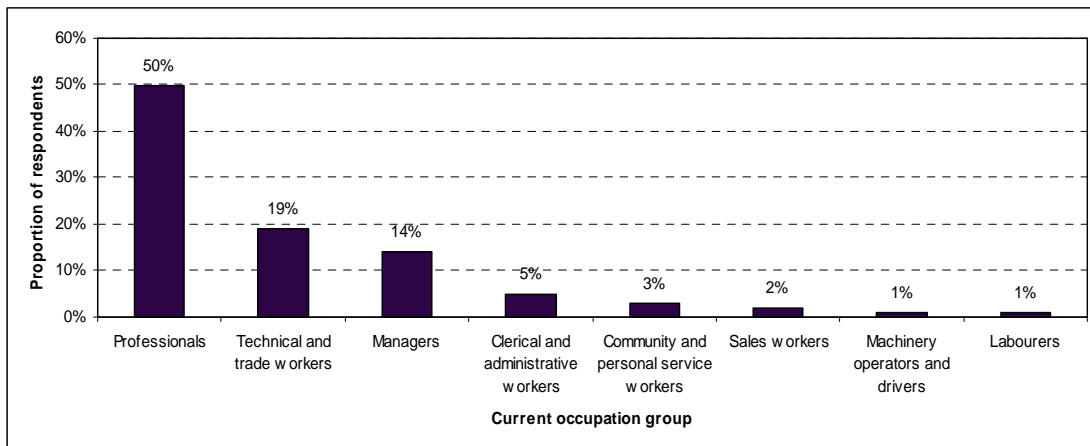
Occupation

Most common occupation groups

Most former work permit holders worked in high-skilled occupation groups.

The top three occupation groups of former work permit holders were professionals, technical and trade workers, and managers (Figure 6).

Figure 6: Former work permit holders' by current occupation group (n = 1,938)



Some former work permit holders were more likely to work in certain occupations. For example, women and people living in Wellington were more likely to be working in a professional role (Figure 7 and Figure 8). People from the Pacific or South Africa and people who had been on a labour market tested work permit were more likely to be working as technical and trade workers (Figure 9 and Figure 10).

Figure 7: Former work permit holders by occupation group by sex (n = 1936)

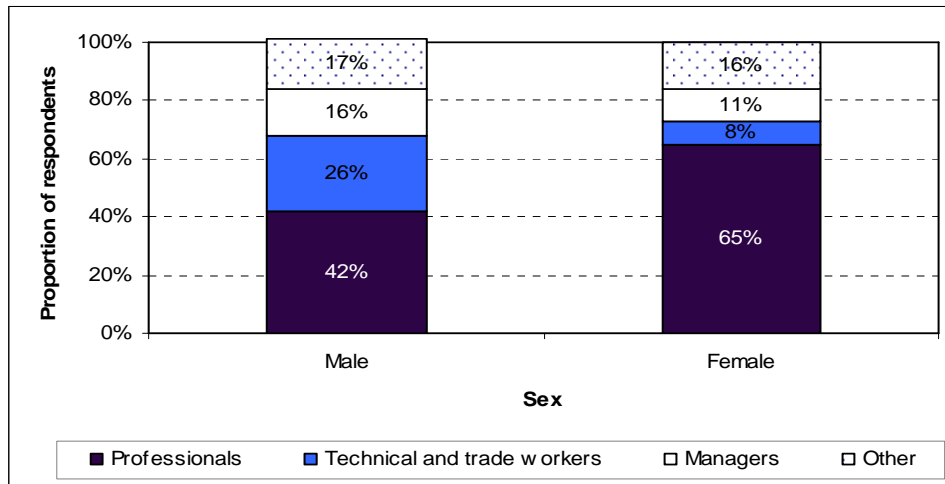


Figure 8: Former work permit holders by occupation group by location (n = 1888)

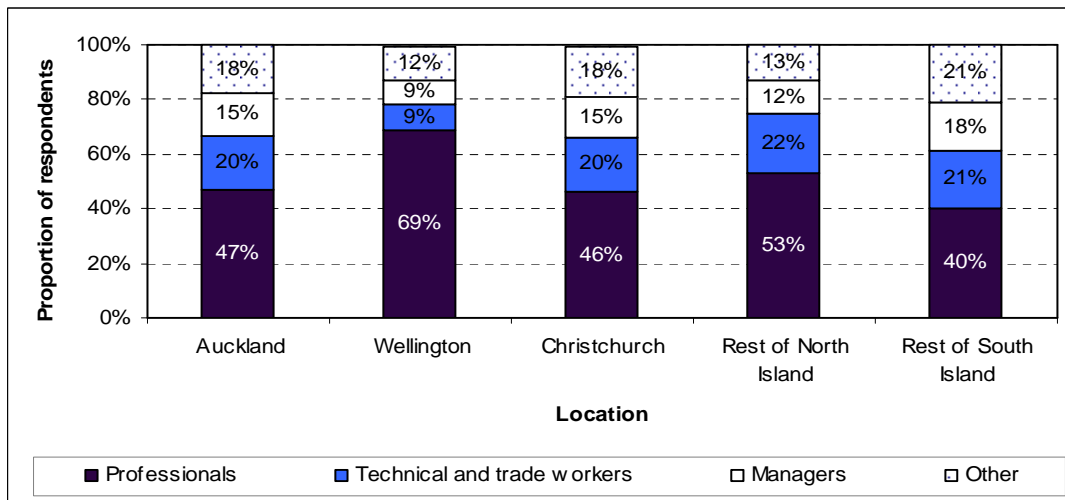
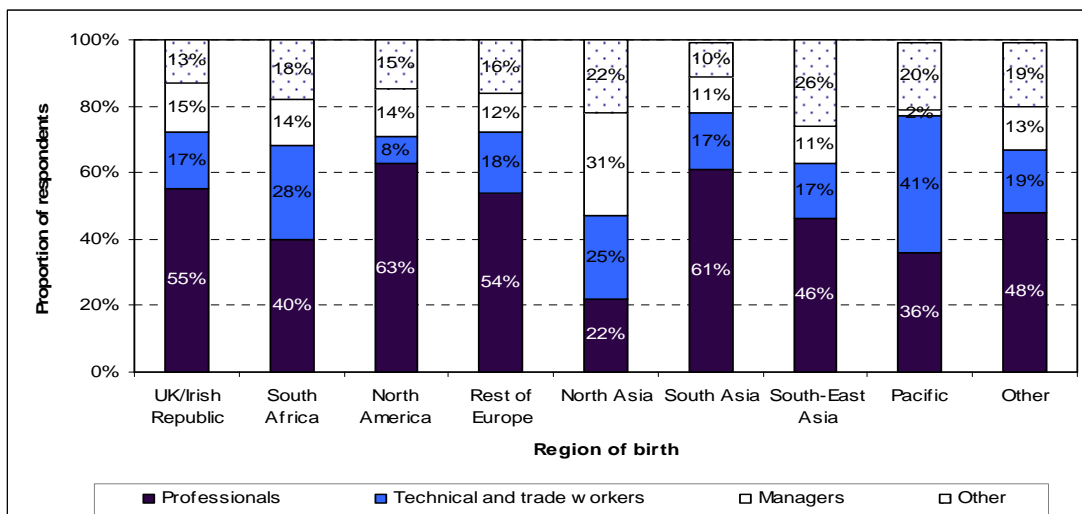
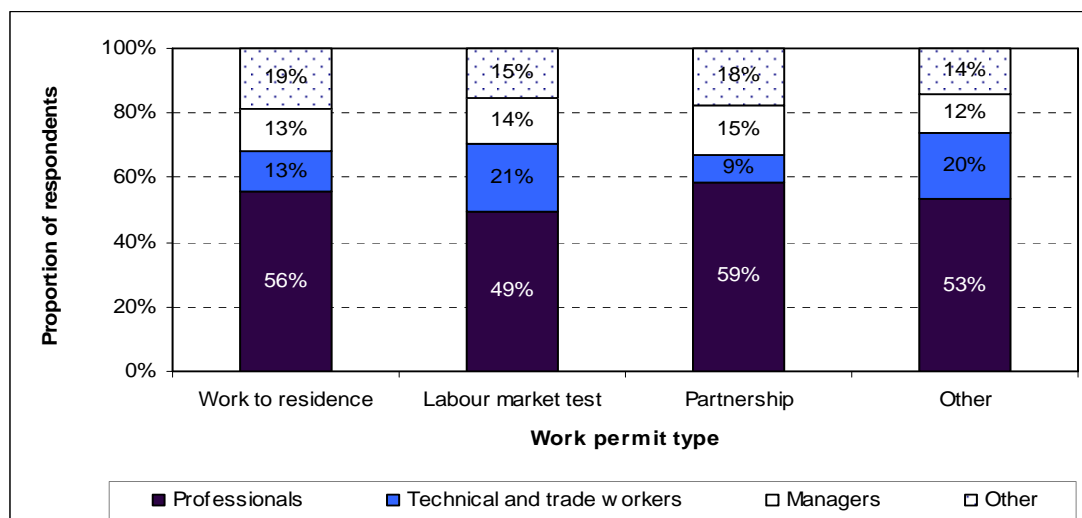


Figure 9: Former work permit holders by occupation group by region of birth (n = 1840)



Note: The countries included in each region are listed in the Appendix.

Figure 10: Former work permit holders by occupation group by work permit type (n = 1938)



Note: 'Other' includes the permits issued under the Working Holiday Scheme and specific purposes permits.

A labour market test is carried out to establish that there are no suitable New Zealand citizens or residents who can take up the work on offer or readily be trained to do the work on offer. If this is established, the migrants may be approved for a work permit (e.g. Essential Skills).

Changes in occupation group between original and current jobs

Most former work permit holders who had worked in a professional occupational group stayed in the same occupation group when they changed to their current job (Table 1). Those in other occupation groups were more likely to have changed group with many moving to a managerial or professional occupation group.

Table 1: Former work permit holders' changes in occupation group between original and current job

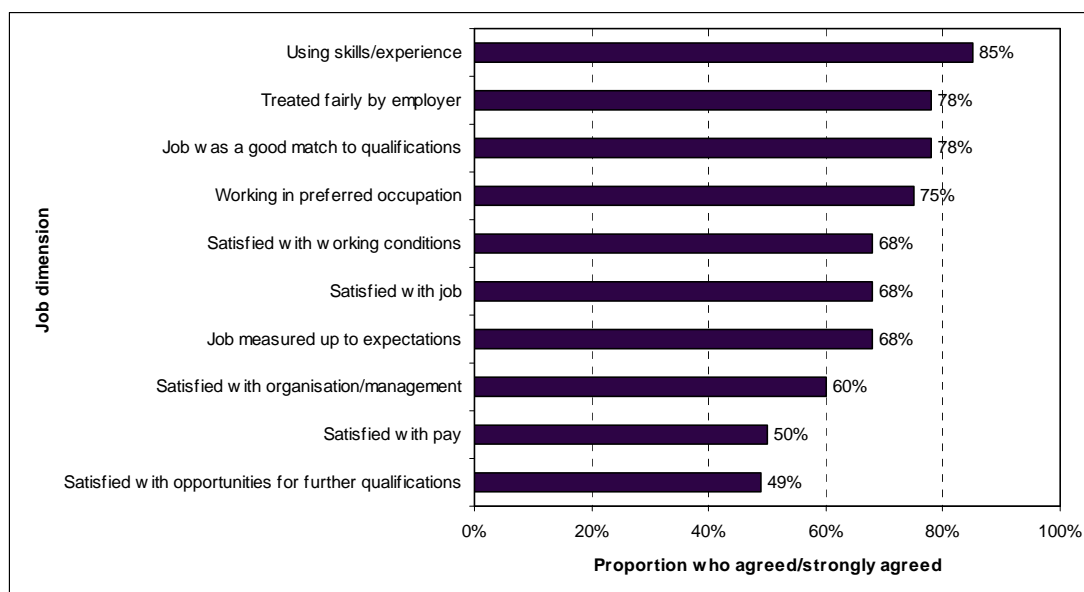
Occupation group in original job	Occupation group in current job							
	Manager	Professional	Technical and trade worker	Community and personal service worker	Clerical and administrative worker	Sales worker	Machinery operator and driver	Labourer
Manager	53%	14%	4%	4%	11%	9%	0%	3%
Professional	5%	85%	3%	0%	2%	2%	0%	0%
Technical and trade worker	8%	18%	61%	3%	1%	3%	4%	1%
Community and personal service worker	16%	36%	3%	22%	6%	7%	1%	1%
Clerical and administrative worker	22%	52%	0%	0%	20%	2%	2%	0%
Sales worker	22%	28%	9%	6%	16%	13%	0%	0%
Machinery operator and driver	0%	55%	18%	0%	9%	0%	18%	0%
Labourer	18%	28%	23%	5%	8%	4%	1%	7%

Perceptions of employment

Most former work permit holders had positive perceptions of employment in New Zealand.

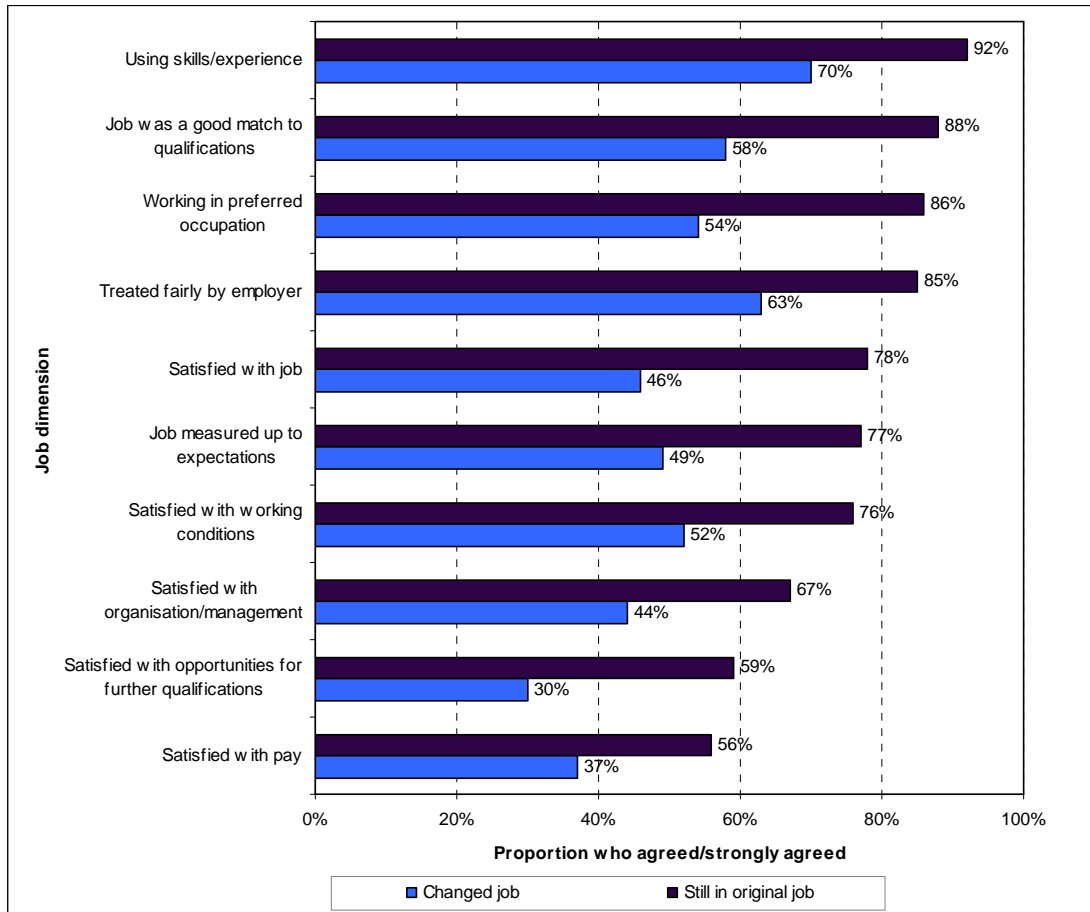
Most former work permit holders agreed or strongly agreed that in their original job in New Zealand they used their skills or experience, were treated fairly by their employer, and their job had been a good match for their qualifications. In comparison, former work permit holders were less satisfied about their opportunities for further qualifications and their pay (Figure 11).

Figure 11: Former work permit holders' perceptions of original job (n = 2,066)



Unsurprisingly, former work permit holders who were still working in their original job in New Zealand rated their original job more positively compared with those who had left their original job (Figure 12).

Figure 12: Former work permit holders perceptions' of original job by those who were still working in original job and those who had changed jobs (n = 2,066)

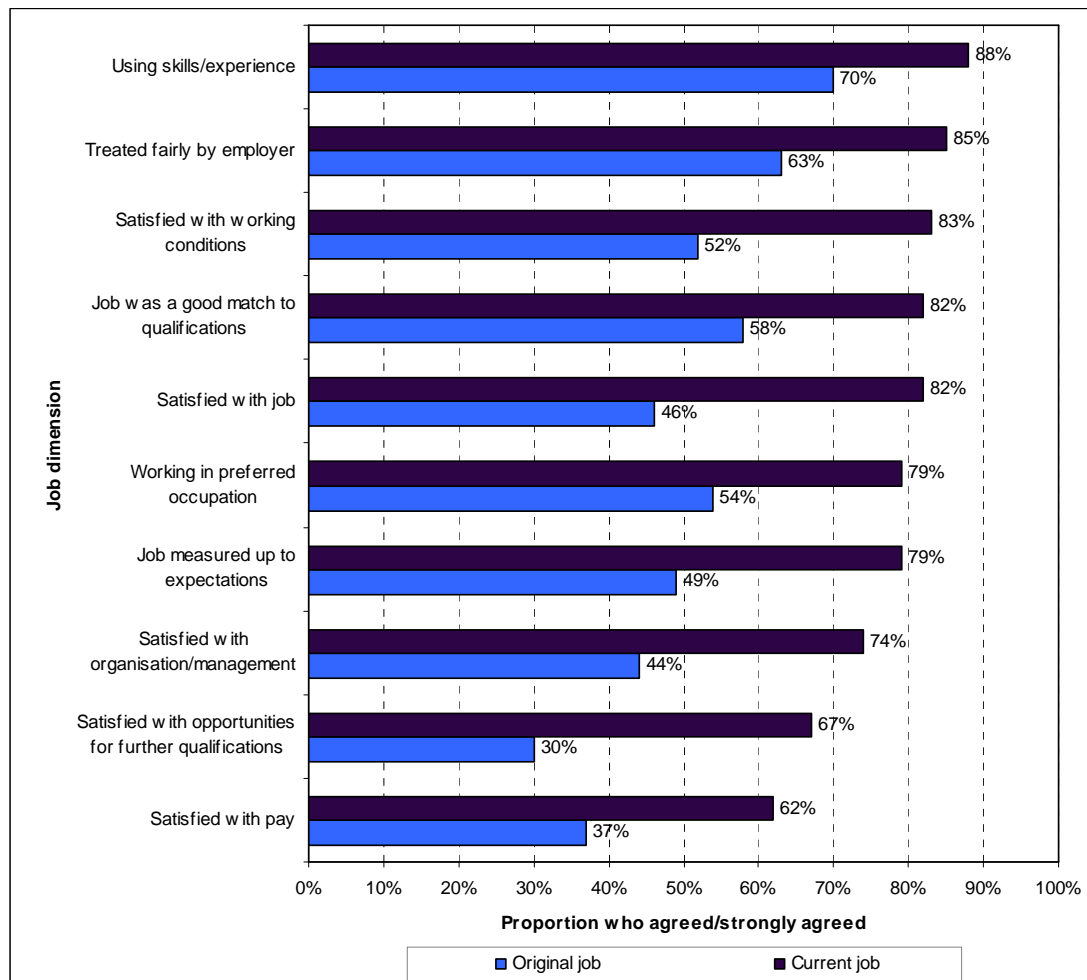


Former work permit holders who had changed jobs had much more favourable perceptions of their current jobs than their original jobs.

Former work permit holders felt in their current jobs compared with their original jobs, they were more likely to be satisfied with their opportunities for further qualifications, with their jobs, with their working conditions, with their organisation or management, and to feel their job measured up to their expectations (Figure 13).

These changes in perceptions suggest job mobility is positive for former work permit holders who are less satisfied with their original job in New Zealand. Changing jobs gave former work permit holders higher levels of satisfaction and more benefits such as more opportunities to gain further qualifications.

Figure 13: Perceptions of original job compared with current job for former work permit holders who have changed jobs (n = 688)



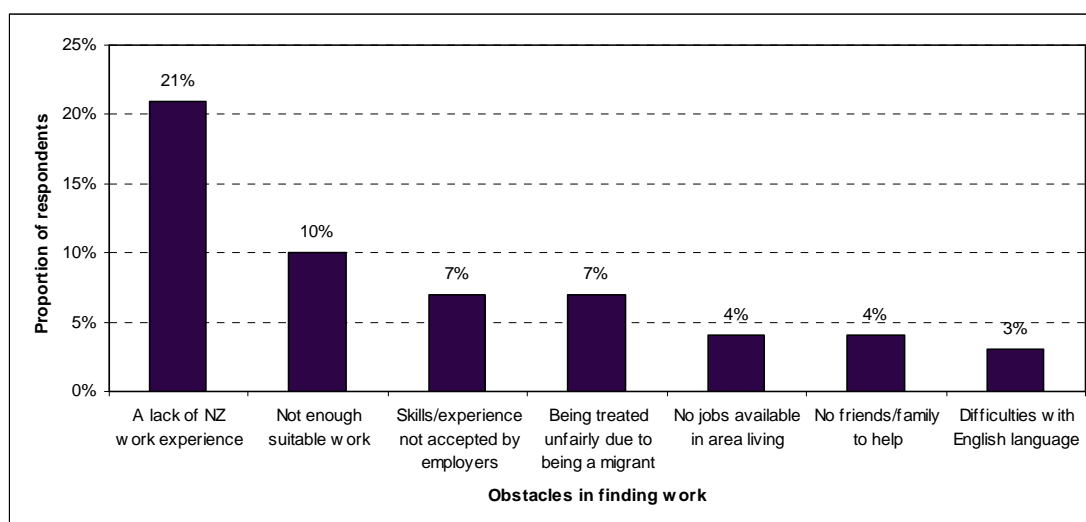
Obstacles to finding work in New Zealand

When finding work in New Zealand, a lack of New Zealand work experience most affected former work permit holders.

Six out of 10 former work permit holders had not experienced any obstacles in finding work in New Zealand.

For those who had experienced obstacles, the most common was a lack of New Zealand work experience (Figure 14). Only a small proportion reported not enough suitable work being available for someone with their skills or experience, their skills or experience not being accepted by New Zealand employers, or being treated unfairly due to being a migrant.

Figure 14: Obstacles to finding work for former work permit holders (n = 2,215)



Some former work permit holders were more likely than others to report problems getting work in New Zealand. Those from South-East Asia were more likely to report as obstacles a lack of New Zealand work experience and their skills and experience not being accepted by New Zealand employers. Difficulties with the English language were a particular obstacle for those from North Asia.

On the other hand, former work permit holders from the United Kingdom/Irish Republic were generally less likely to report obstacles finding work compared with those from other regions.

Those who were issued with a partnership or work to residence permit were more likely to report that a lack of New Zealand work experience was an obstacle to finding work than those issued with another type of work permit.

CONCLUSIONS

These findings suggest the employment outcomes of work permit holders who transition to permanent residence as skilled migrants are largely positive. Most believed:

- they were working in jobs that used their skills and experience
- the jobs they were working in were a good match for their qualifications
- they were in their preferred occupations.

APPENDIX: COUNTRIES IN EACH REGION

Table 2: Countries included in each region

Region	Countries in region
United Kingdom/Irish Republic	Great Britain, Ireland
South Africa	South Africa
North America	Canada, United States of America
Rest of Europe	Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Finland, France, Germany, Hungary, Iceland, Italy, Lithuania, Macedonia, Malta, Netherlands, Norway, Poland, Portugal, Romania, Russia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine, Yugoslavia
North Asia	China, Hong Kong, Japan, South Korea, Taiwan
South Asia	Bangladesh, India, Maldives, Nepal, Pakistan, Sri Lanka
South East Asia	Cambodia, Indonesia, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam
Pacific	Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga, Vanuatu
Other	Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Egypt, Ghana, Iran, Iraq, Israel, Jordan, Kenya, Lebanon, Mauritius, Malawi, Mexico, Namibia, Nigeria, Oman, Palestine, Peru, Saudi Arabia, Tajikistan, Trinidad and Tobago, Turkey, Uruguay, Venezuela, Zambia, Zimbabwe

