

**New Zealand Immigration Service
Skilled Migrant Category**

**Decision paper: Selection point
23 June 2004**

1. Purpose

The purpose of this paper is to seek the General Manager's approval of the selection point for the Pool selection of 23/06/2004 in the Skilled Migrant Category (SMC).

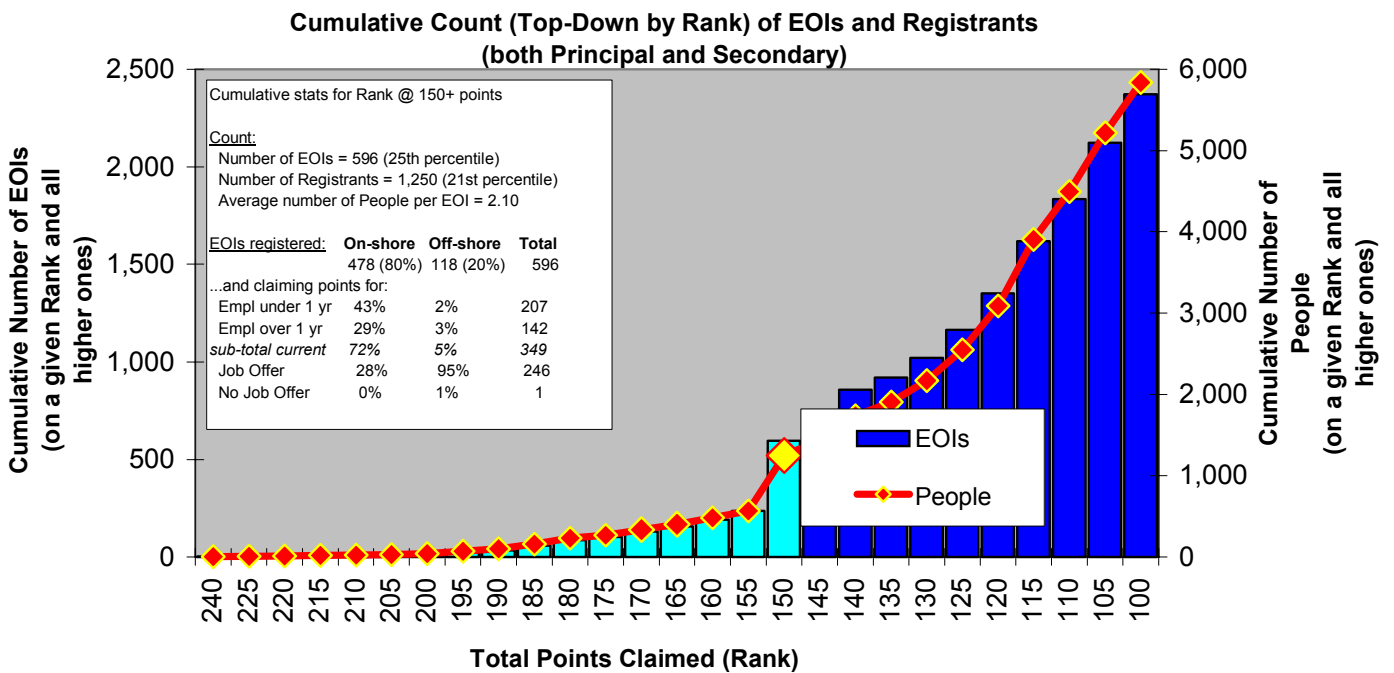
2. Recommended selection point

It is recommended that the selection point for the Pool selection of 23/06/2004 be set at 150 points. At this selection point, 596 Expressions of Interest (EOIs) will be selected, representing 1,250 people (principal and secondary applicants).

N.B. The information contained in this paper relates to a snapshot of the Pool taken on 22/06/2004. The selection will take place the next day, so the profile of the actual selection will be slightly different to what is outlined in this paper.

To aid in determining the selection point, ranks on either side of the selection point have been analysed, representing ranks of 155 and 145 points. These ranks include 237 and 687 EOIs respectively.

The following chart shows a cumulative count by rank of the EOIs / people in the Pool:



3. Analysis supporting the recommendation

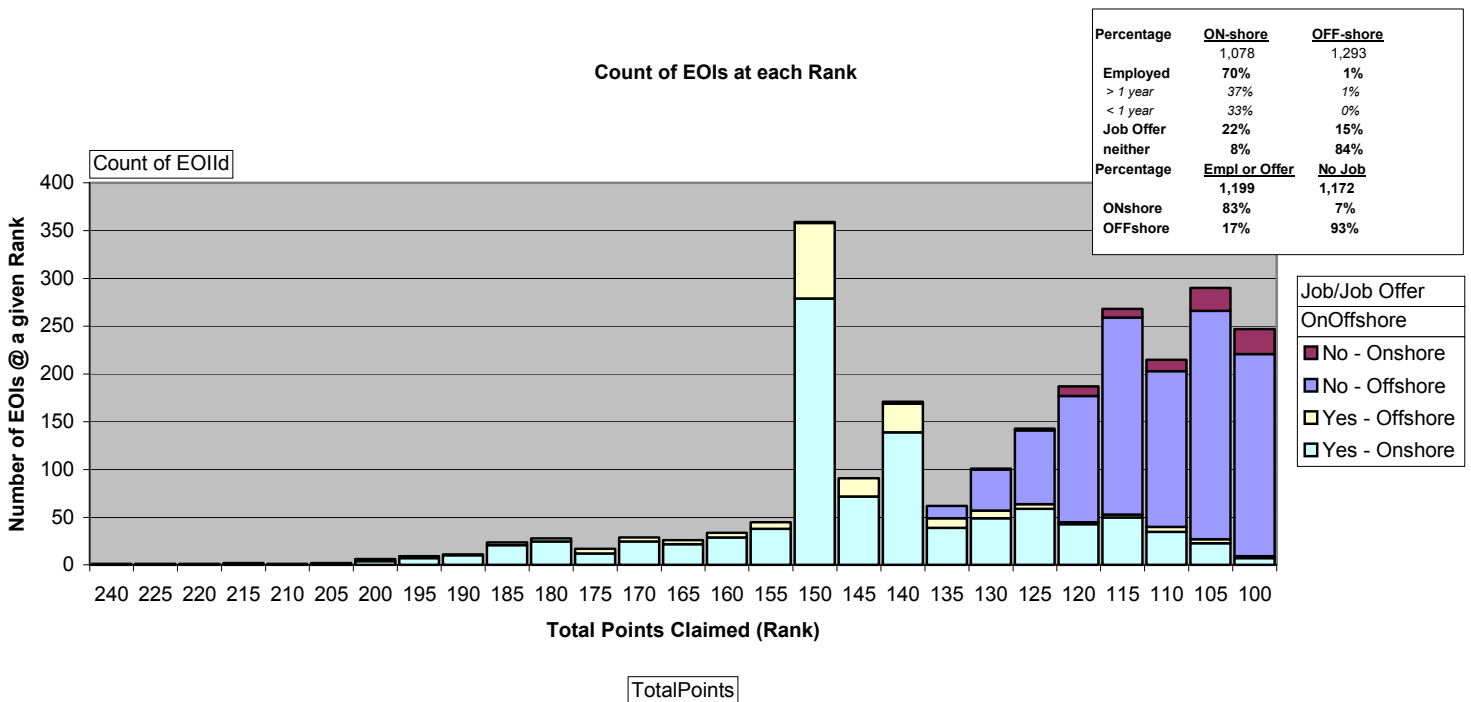
3.1. Requirements of the New Zealand Immigration Programme (NZIP)

The NZIP determines the total number of migrants to be granted residence in a year. From this, the number of application decisions required each year is derived. Decisions for the 2004/05 financial year are allocated between three streams. These are the Family, International Humanitarian and Business Skills streams. Skilled migrants take up the majority of places in the Skilled / Business stream which also includes Business and the remaining General Skills applications.

Based on the requirements of the NZIP and in line with our aim to gradually lower the selection point, it is recommended that this selection be at 150 points.

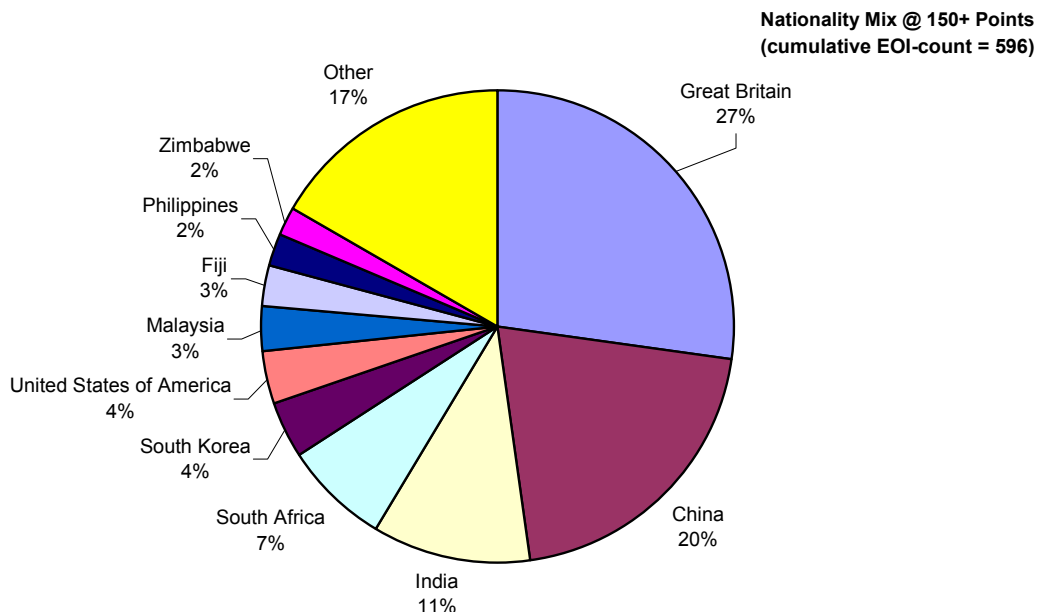
3.2. Quality of Expressions of Interest in the Pool

The following chart shows the points distribution of the Pool. It also highlights whether the applicant is onshore or offshore and whether they have a job or job offer within New Zealand.



3.3 Nationality mix

The following chart shows the nationality mix of the Pool at and above the recommended selection point.



N.B. "Other" is all nationalities that make up less than 2% of the selection.

3.4 Currency of an Expression of Interest

This provision has been amended to clarify that currency of an Expression of Interest is related to the period in which it is eligible to remain in the Pool, rather than when it may be withdrawn from the Pool.

Interim provisions for Expressions of Interest submitted to the Pool on or before 3 June 2004

Expressions of Interest submitted under the Skilled Migrant Category on or before 3 June have had an extension to the period they are available for selection, under an Interim Provision to the Skilled Migrant Category approved by the Minister of Immigration. This provision means that all Expressions of Interest submitted on or between 17 December 2003 and 3 March 2004 will remain current until 3 September 2004.

All Expressions of Interest submitted on or between 4 March 2004 and 3 June 2004 will remain current for six months from the date they were originally submitted.

3.5 Summary of factors affecting drop-off rate

The "drop-off" rate is the percentage of EOIs that will leave the system at some stage, and not proceed to an approved residence application. The following three points outline the assumptions that have been used to estimate the drop-off rate:

Risk profile	The risk profile of the selected group affects the number of EOIs that drop out at several stages of the verification, assessment and decision making processes. Based on an evaluation of the available historical information relating to risk profiles, an allowance has been made for this factor by analysing the characteristics of the Pool and adjusting the recommended number of EOIs for selection upwards.
Points verification	<p>Some applicants submitting EOIs have claimed more points than they appear to be eligible for. As a result of this, those EOIs have dropped below the selection point after points verification. These people will not be issued an Invitation To Apply at this stage.</p> <p>24% of EOIs selected have had their points decreased as a result of points verification and have been returned to the Pool. These EOIs will be available for future selections.</p> <p>For various reasons, 5.5% of EOIs selected have been declined after the points verification stage and will not be eligible for consideration at future selections.</p>
Withdrawals	We assumed there would be a number of EOIs or applications that are withdrawn at various stages in the process. This occurs because people's situations change, perhaps they are accepted for residence or entry to another country, perhaps they choose to withdraw for other reasons. We also anticipated further withdrawals around the application stage. It has not yet been possible to analyse the impact of these withdrawals because there is insufficient history to look at, so we continue to use an assumed drop-off rate based on the considerations of experienced practitioners.

3.6 Operational considerations

The following is an overview of the considerations related to the operation of the SMC process.

3.6.1 *Cautious approach to new policies and processes*

As this is a relatively new policy and process, there are still a number of uncertainties that make it difficult to estimate the volumes required to meet the NZIP. The selections so far have allowed us to establish our process and systems and we continue to build a clearer picture as to the ongoing processing requirements for SMC.

However, there is still additional information to be obtained around:

- Likely response rates from customers
- Processing times
- “Drop-off” rates relating to withdrawals, points verification and declines at different stages.

A fuller history will build up as the process continues, so we will be able to accurately report on each of these areas over time.

3.6.2 *Distribution of workload*

During our planning and process design stages we estimated where EOIs would come from, and therefore where the workload for NZIS would be distributed. We are now building a more accurate picture of the distribution of workload and the capacity of branches. We find that to date the majority of SMC EOIs selected have been from onshore applicants. This is in contrast to our previous experience with General Skills Category applicants.

3.6.3 *Workload of General Skills Category (GSC)*

There are still a significant number of GSC applications being processed. At the time of this Pool selection the majority of staff involved in processing Residence applications will still be processing GSC applications. The percentage of staff working on processing Skilled Migrant Category EOIs and applications will steadily increase over the coming months.

3.7 **Sensitivity analysis**

The following table shows a comparison of three alternative scenarios. These are the statistics if the selection point were set at the recommended level of 150 or one rank to either side – i.e. at 155 and 145 points respectively.

Selection Point	155	150	145
Number of EOIs	237	596	687
Number of People	570	1,250	1,436
Percentage Originating:-			
- Onshore	84%	80%	80%
- Offshore	16%	20%	20%
Percentage Claiming Points for:-			
- Offer of Employment	28%	41%	41%
- Current Employment under 1 year	33%	35%	35%
- Current Employment over 1 year	39%	24%	24%
- No Job or Job Offer	0%	0%	0%
Percentage Claiming Points for Employment:-			
- Outside Auckland	59%	49%	47%
- In Skill Shortage area	41%	20%	21%
- In Growth Area	19%	15%	16%
- In Identified Cluster	2%	1%	1%

3.8 Previous Selection Figures

The Pool Selections are currently in line with the NZIP. The following table shows the Pool Selection results so far.

Selection Date	Selection Point	Number of EOIs Selected	Number of Registrants Selected
9 June 2004	155	551	1262
26 May 2004	160	538	1206
12 May 2004	165	533	1312
28 April 2004	170	653	1659
14 April 2004	180	62	158
2 April 2004	180	330	879
18 March 2004	185	98	277
3 March 2004	185	255	699
18 February 2004	195	126	371