

**New Zealand Immigration Service
Skilled Migrant Category**

**Decision paper: Selection point
26 May 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 26/5/2004 in the Skilled Migrant Category (SMC).

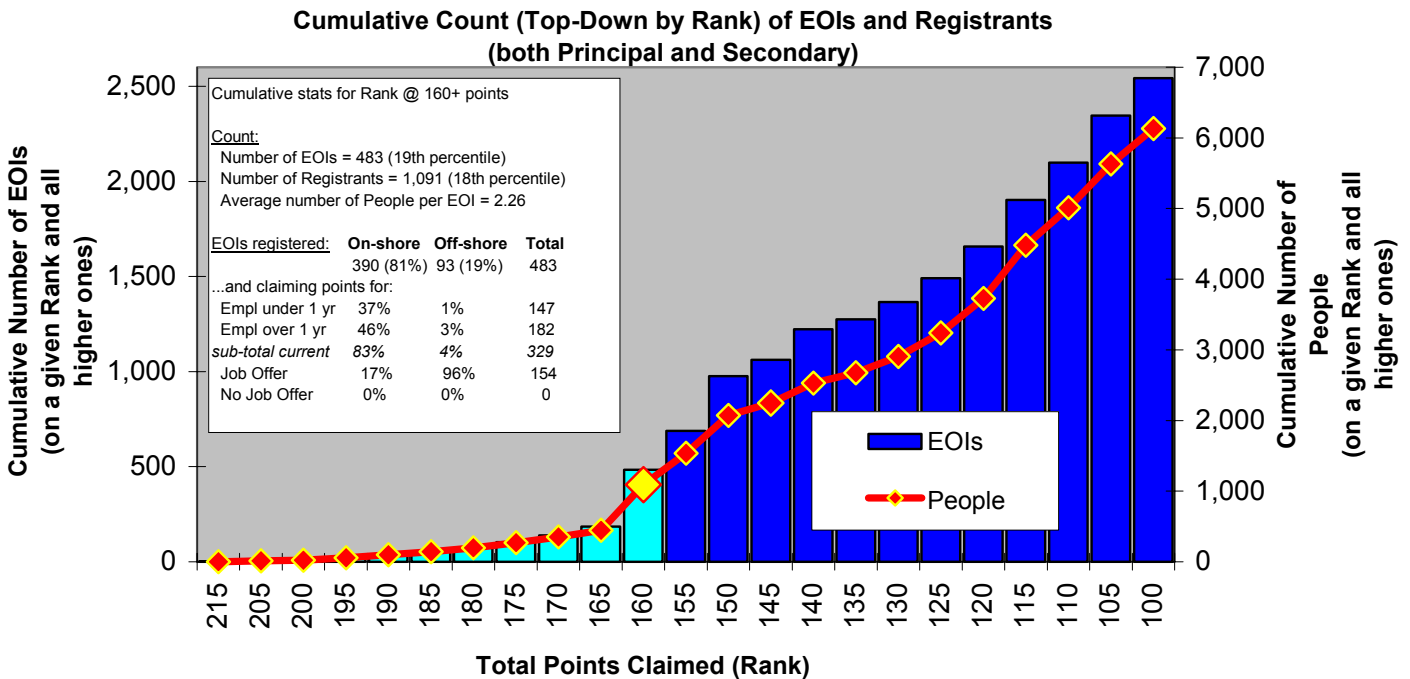
2. Recommended selection point

It is recommended that the selection point for the Pool selection of 26/05/2004 be set at 160 points. At this selection point, 483 Expressions of Interest (EOIs) will be selected, representing 1,091 people (principal and secondary applicants).

N.B. The information contained in this paper relates to a snapshot of the Pool taken on 25/05/2004. 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 165 and 155 points. These ranks include 184 and 688 EOIs respectively.

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



3. Analysis supporting the recommendation

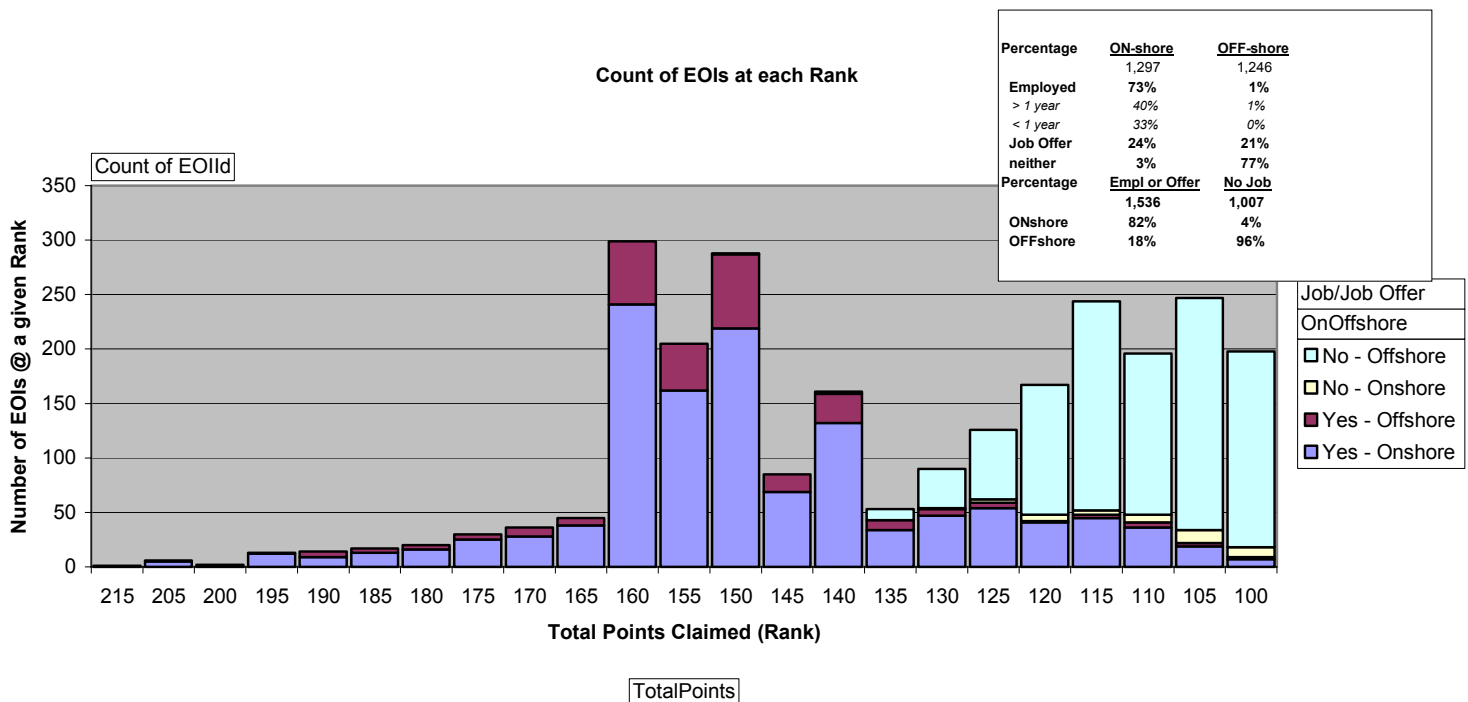
3.1. Requirements of the New Zealand Immigration Programme (NZIP)

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. The majority of decisions for the 2003/04 financial year have been allocated to customers who applied under the Interim General Skills Category (IGSC) before November 2003. The remaining decisions will be filled by the SMC.

As part of this process and in line with our aim to gradually lower the selection point, it is recommended that this selection be at 160.

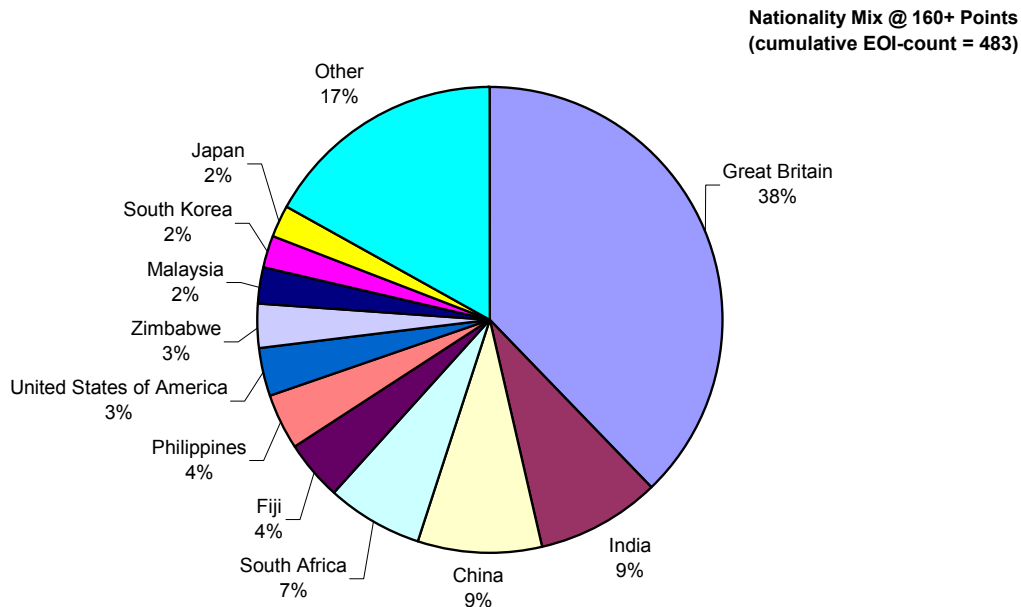
3.2. Quality of Expressions of Interest in the Pool

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 will have 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 not be withdrawn from the Pool before 3 September 2004.

All Expressions of Interest submitted on or between 4 March 2004 and 3 June 2004 will not be withdrawn from the Pool until six months from the date they were originally submitted.

The quality and number of Expressions of Interest submitted into the Pool since the Skilled Migrant Category came into effect have been very high, meaning we have not been able to select as many Expressions of Interest in the first months of the new Category as we would have liked. This interim measure aims to give these individuals the opportunity for their Expression of Interest to be selected, without having to submit another Expression of Interest.

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 EOI for selection upwards.

A number of EOIs from previous Pool selections were determined to contain deliberately false and/or misleading information. These EOIs will not result in an Invitation to Apply and will not be available for future Pool selections. The drop-off rate due to these factors has been approximately 4.5%.

Points verification Approximately 27% of people 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. However, their EOIs will be available for future selections, based upon their revised point scores.

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 first selections have allowed us to test our process and systems and we are building a clearer picture as to the 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
- End-to-end testing of new processes and systems
- Reinforcement of the comprehensive staff training already undertaken.

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

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 160 or one rank to either side – i.e. at 165 and 155 points respectively.

Selection Point	165	160	155
Number of EOIs	184	483	688
Number of People	446	1,091	1,536
Percentage Originating:-			
- Onshore	81%	81%	80%
- Offshore	19%	19%	20%
Percentage Claiming Points for:-			
- Offer of Employment	26%	32%	34%
- Current Employment under 1 year	29%	30%	32%
- Current Employment over 1 year	45%	38%	34%
- No Job or Job Offer	0%	0%	0%
Percentage Claiming Points for Employment:-			
- Outside Auckland	69%	65%	54%
- In Skill Shortage area	46%	29%	26%
- In Growth Area	17%	16%	14%
- In Identified Cluster	1%	1%	1%