

Media factsheet

Post-study work rights for international students

August 2018

- Government consulted on changes to the post-study work rights of international students from 2- 29 June, 2018.
- Government has taken feedback into account and has now come up with the following final changes to immigration settings that come into effect on 26 November 2018:
 - to remove the employer-assisted post-study work visas at all levels;
 - to provide a one-year post-study open work visa for students studying Level 4 to 6 and non-degree Level 7 qualifications with an additional year for Graduate Diploma graduates who are working towards registration with a professional or trade body;
 - to provide a two-year post-study open work visa for students studying Level 4 to 6 and non-degree Level 7 qualifications outside Auckland provided study is completed by December 2021, at which point the entitlement for post-study work rights reverts to a one-year post-study open work visa for students studying Level 4 to 6 and non-degree Level 7 qualifications with an additional year for Graduate Diploma graduates who are working towards registration with a professional or trade body;
 - to provide a three-year post-study open work visa for degree Level 7 or above qualifications; and
 - to require international students studying Level 8 qualifications to be in an area specified on the Long Term Skills Shortage list in order for their partner to be eligible for an open work visa, and in turn the partners' dependent children to be eligible for fee-free domestic schooling.

How this affects students

- Current settings will be grand-parented, so they will not impact current post-study work visa holders or current students who are undertaking a qualification that (once completed) will meet the qualification requirements as set out in current immigrations.

Existing student visa holders

This table applies if, on 8 August 2018, you hold a student visa or your student visa application has been accepted for processing by Immigration New Zealand.

If you're currently studying in New Zealand towards a...	And...	Then on successful completion of your qualification(s) from 26 November 2018 you may be eligible for a...
Level 7 Bachelor's degree or above	you study that qualification for at least 30 weeks in New Zealand	three-year open work visa
Non-degree Level 7 qualification	you study that qualification for at least 30 weeks in New Zealand	three-year open work visa
One qualification at Level 4-6	you study that qualification for at least 60 weeks in New Zealand	three-year open work visa
Two qualifications at Levels 4-6	you study each qualification for 30 weeks in New Zealand (60 weeks in total) and the second qualification is at a higher level than the first	three-year open work visa

If you are granted a post-study work visa before 26 November 2018, you will be eligible for either a one-year open work visa, or a two-year employer-assisted work visa. After 26 November 2018, you may be eligible to have the job and employer stated on your work visa removed, so you do not have to contact Immigration New Zealand if you change jobs or employers in the future.

Existing post-study work visa holders

The following table applies if you hold a post-study work visa on 8 August 2018, or are granted a post-study work visa when these changes come into effect on 26 November 2018.

If you hold a...	Then from 26 November 2018, you may be eligible...
One-year open post-study work visa	for a further two-year open work visa
Two-year employer-assisted post-study work visa	to have the job and employer stated on your work visa removed, so you do not have to contact Immigration New Zealand if you change jobs or employers in the future. If you prefer, you can choose to keep your visa as it is.

New student visa applicants

This table applies if, on 9 August 2018, you do not hold a student visa and you **have not** had a student visa application accepted for processing by Immigration New Zealand.

If you're planning to study towards the following qualification(s)...	And...	Then on successful completion of your qualification(s) you may be eligible for a...
Level 7 Bachelor's degree qualification or higher	you study that qualification for at least 30 weeks in New Zealand	three-year open post-study work visa
Level 7 Graduate Diploma	you study that qualification for at least 30 weeks in New Zealand	one-year open post-study work visa, if you study in Auckland, and one additional year if you are working towards registration with a professional or trade body
		two-year open post-study work visa, if you study outside Auckland (excluding distance learning)*
Other non-degree Level 7 qualification	you study that qualification for at least 30 weeks in New Zealand	one-year open post-study work visa, if you study in Auckland
		two-year open post-study work visa, if you study outside Auckland (excluding distance learning)*
One qualification at Level 4-6 of a two-year duration	you study that qualification for at least 60 weeks in New Zealand	one-year open post-study work visa, if you study in Auckland
		two-year open post-study work visa, if you study outside Auckland (excluding distance learning)*
Two qualifications at Levels 4-6	you study each qualification for 30 weeks in New Zealand (60 weeks in total) and the second qualification is at a higher level than the first	one-year open post-study work visa, if you study in Auckland
		two-year open post-study work visa, if you study outside Auckland (excluding distance learning)*

* To qualify for this, you must have successfully completed your qualification(s) by 31 December 2021. If you complete your qualification(s) after that date, you may be eligible for a one-year open post-study work visa, and one additional year if you are a Graduate Diploma graduate and you are working towards registration with a professional or trade body.

- From 2022, international students who complete qualifications at Levels 4 to 6, after two years' study, or non-degree Level 7 qualifications will be eligible for:
 - a one-year post-study work visa, and
 - if they have completed a Graduate Diploma that is used for registration with a professional or trade body, an additional one-year post-study work visa.
- Students completing Level 7 degree qualifications or above will continue to be eligible for three-year post-study work visas.

Why changes to post-study work rights were needed

- International education is important to New Zealand. International education is currently New Zealand's fifth largest export earner and brings significant social, cultural and educational benefits.
- We want to ensure that international students coming to New Zealand are motivated by a great education and a great experience.
- There has been significant growth in the international education sector over the last few years, especially in below degree level qualifications. As a result, there has been a decline in the skill level of people moving from student visas through to permanent residence.
- Evidence consistently shows that those who complete study at higher levels have better employment rates and higher wages. The changes to immigration settings signal the level of skill and qualification that New Zealand wants to attract for residence, and better aligns post-study work rights with the students' investment in New Zealand.
- It is important to ensure the right settings are in place to match the skills and talents that people bring to New Zealand with the skills that employers need to grow their businesses.
- It is important that where students do have the right to work in New Zealand for a time after their studies, they are gaining relevant experience in the labour market, with some of them being able to move into longer term skilled employment if they meet requirements.

Benefits of these changes

- These immigration settings aim:
 - to ensure that post-study pathways for international students are fit-for-purpose and contribute the skills and qualifications New Zealand needs;
 - to reduce the likelihood of students being exploited by unscrupulous employers, education providers and agents;
 - to minimise losses of genuine students to the export education industry;
 - to ensure a high quality international education sector within a system that has integrity; and
 - to support Government's wider economic goal of growing the regions.

- These changes support the attraction of international students studying at higher levels while preserving a pathway to residence for those with the skills and qualifications New Zealand needs, specifically through the link between more generous post-study work rights to higher level qualifications.

Reducing the risk of exploitation

- International students can be particularly vulnerable to exploitation because of financial pressures, lack of awareness of employment rights, reluctance to report exploitation (especially as there may be immigration consequences), and the need to secure employment to facilitate a pathway to residence. Removing the employer-assisted post-study work visa will reduce the risk of exploitation.

Regional impact

- These changes include an added incentive for international students to study outside Auckland to ensure the benefits of international education are shared throughout all the regions of New Zealand. This move supports the Government's aims to lift regional investment, growth and productivity.

Impact on New Zealand's education sector

- We recognise that significant system changes can take time to fully unfold. That is why there is a three year sunset clause, to enable those parts of the sector that are most affected by the changes (Institutes of Technology and Polytechnics (ITPs) and Private Training Establishments (PTEs)) to be able to successfully transition, over time, to new immigration settings. It also supports current work underway by Tertiary Education Commission on the long-term viability of ITPs, while ensuring that Government goals for regional growth are not undermined.
- It is not possible to precisely estimate the potential change in the number of international students who choose to study in New Zealand as a result of these changes. This depends on a range of factors such as how important having post-study work rights is to a student's choice of study destination, and providers' efforts, supported by the Government, to grow the sector in a sustainable way.
- New Zealand's international education sector is affected by many variables, including what happens in source markets, the situation in competitor countries, and variables within the New Zealand's international education system. There are many factors in the decision-making process of prospective students including quality of education, safety and affordability.
- While it is difficult to estimate the likely behavioural responses, MBIE officials have estimated a drop off of first time student visas in 2019 in the range of 1,200 to 6,000. The lower-end of this range is based on the 10% drop observed after changes were made to tighten the points criteria for the Skilled Migrant Category (SMC). The upper-end of this range reflects the impact if 50% of students choose not to study as a result of changes, which is equivalent to a response five times bigger than what was observed when the changes were made to SMC.



NEW ZEALAND
IMMIGRATION

- We expect that any impact on onshore student volumes or sector value should be relatively short lived as the sector adapts to these changes to immigration settings.
- We believe that the quality of New Zealand's education system stands on its own merits and there will continue to be students who choose New Zealand for the education quality, the lifestyle and the experience.
- The changes to post-study work rights are in line with the aims of the New Zealand International Education Strategy which seeks to support the sector in striving for a sustainable, quality education offering that generates increased value to New Zealand.
- New Zealand's policy settings continue to be competitive overall in relation to our key comparator countries and more competitive for students studying a degree or above.

COMPARATIVE REGULATORY SETTINGS: NEW POST-STUDY WORK RIGHT SETTINGS

Level 4 to 6 and non-degree Level 7 qualifications

New Zealand: *Status Quo:* After 24 months of study students are entitled to a one year open work visa and then a two year employer assisted work visa.
Change: Remove two-year employer-assisted work visa and retain one-year open work visa. Graduate Diplomas in areas tied to registration are entitled to an additional year of work rights. Those outside of Auckland can get a two-year open work visa.

Australia: International students with a qualification related to an occupation in demand in the Australian labour market are usually eligible to work for 18 months in an occupation related to the qualification.

Canada: Open work visa for the same length as the qualification.

Ireland, USA and UK: No post-study work rights at sub-degree level.



Bachelor level qualifications

New Zealand: *Status quo:* After 12 months of study students are entitled to a one year open work visa and then a two-year employer-assisted work visa.
Change: Replace one-year open and two-year employer-assisted with a three-year open work visa.

Australia: Students are eligible for a work visa for two years.

Canada: Open work visa for the same length as the qualification, or three years if the qualification took two years or longer.

Ireland: Students are eligible for a 6 month open work visa.

USA: Students are eligible for a one year work visa in a role directly related to the field of study. Students who undertake study in a STEM field can apply for a two year extension to their visa.

UK: Students with a “genuine and credible” business idea can qualify for a one year visa with the possibility for renewal for a further 12 months.



Post-graduate level qualifications

New Zealand: *Status Quo:* After 12 months study entitled to a one year open work visa and then a two year employer assisted work visa.
Change: Replace one-year open and two-year employer-assisted with a three-year open work visa.

Australia: Students who have completed qualification at Level 8 or 9 are entitled to a two year work visa and those who complete Masters (Level 9) by research are entitled to three years. Level 10 entitles the student to a four year work visa.

Canada: Open work visa for the same length as the qualification, or three years if the qualification took two years or longer.

USA: Students are eligible for a one year work visa in a role directly related to the field of study. Students who undertake study in a STEM field can apply for a two year extension to their visa.

UK: Students with a “genuine and credible” business idea can qualify for a one year visa with the possibility for renewal for a further year. Students who have completed a doctorate can qualify for a one year extension to their student visa to allow them to find employment.

Ireland: Students who have completed a qualification at Level 9 or 10 are eligible for a two year open work visa. A Level 8 qualification entitles students to a one year open work visa.

