

Parents in New Zealand's Family Sponsorship Policy: A Preliminary Assessment of the Impact of the 2012 Policy Changes

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Abstract

In July 2012 a radically different system for selecting parents under New Zealand's policies relating to family sponsorship of immigrants came into operation. This paper assesses the impact of the new selection system on approvals for residence of parents from eight countries that together account for just over two-thirds of all parents admitted over the decade from July 2003 to June 2013. The policies that applied to admission of parents during that decade are reviewed, and have particular reference to the shift towards a stronger economic focus on the costs and benefits of a migration policy stream. The two-tier selection system creates two quite different sets of opportunities for family reunification amongst immigrants in New Zealand which are determined primarily by wealth of parents and sponsors. A possible long-term unintended consequence of these different sets of opportunities is the emergence of two classes of New Zealand citizens: those who will have an opportunity to have their parents living in New Zealand and those who will not have this opportunity for many years, if ever, because of the way the selection system works.

On 10 May 2012, the Minister of Immigration gave notice of a significant change in the capped family-sponsored migrant categories within the New Zealand Residence Programme (NZRP).¹ Minister Guy announced that the “parent, adult child and sibling” categories within the family-sponsored stream of residence policy would close and be replaced from 1 July 2012 with a new selection process for parents and a requirement for adult children and siblings to seek entry

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for residence under other streams, especially those for skilled and business migrants. No further applications for residence by parents, adult children and siblings were accepted between May and July 2012, although applications received to May continued to be processed.

In the year ended 30 June 2012, 5708 applications for residence under the policy applying to parents, adult children and siblings until May were approved. This was 479 more than the number approved in the year ended 30 June 2011 (5,229). The mix within the stream was also relatively consistent over the two years - 77 percent parents and 23 percent adult children and siblings in 2011, compared with 81 percent parents and 19 percent adult children and siblings in 2012.² The number of parents approved for residence (4601) in the year ended 30 June 2012 was the largest annual intake for any year during the preceding decade, even though the total number approved for the three capped categories (5708) was slightly less than the number approved in the year ended 30 June 2006 (5876).

During the year ended 30 June 2013 the number of parents (including grandparents) approved for residence declined by 16.5 percent – from the record high in 2012 to 3840. Of the 2012/13 total, slightly more than half (1991) had applied under the policy in place to May 2012; the balance (1849 or 48.2 percent) had been approved under the policy introduced on 1 July 2012. The numbers admitted under the adult child (127) and sibling (434) categories in the year ended 30 June 2013 were much lower than in the preceding year and were all applications that had been received by May 2012. As noted above, these two categories of adults no longer have a special place in New Zealand's immigration policy. The combined number of adult children and siblings admitted to 30 June 2013 (561) was just over half the number admitted in the previous June year (1107).

The net effect of these changes has been a decline by just under 30 percent in the number of approvals for residence by parents, adult children and siblings over the previous year – from 5708 down to 4401. This is the lowest number approved in these three categories during the previous decade, after the highest number for the decade was recorded in the year ended June 2012. The new selection system for parents is having the desired effect of reducing the number of parents admitted, although the share of all residence approvals in the capped parent, adult child and

sibling categories was marginally higher in 2012/13 (14.7 percent) than it had been in the previous year (14.1 percent) because of a fall in total approvals from 40,448 to 38,961. This was the lowest number of approvals for residence since the year ended 30 June 2004 when the 'Expression of Interest' (EOI) system of selection for skilled migrants was first introduced (Bedford et al. 2010). In the case of parents, however, their share of all residence approvals in the year 2012/13 (9.9 percent) was smaller than it had been in the preceding year (11.4 percent).

In this paper we undertake a preliminary analysis of the impact of the introduction of a new policy governing selection for residence of parents of migrants in New Zealand. The analysis will look at the numbers approved for entry from eight countries that have consistently provided more than 60 percent of the migrants approved for residence each year since the EOI selection system for skilled migrants came into operation in December 2003 (Bedford et al., 2010). These include three countries in Asia – the People's Republic of China (hereafter referred to as China), India, and the Republic of Korea (hereafter referred to as Korea) – the United Kingdom (UK), South Africa, and three Pacific Island countries – Fiji, Samoa and Tonga.

In the next section we outline the new two-tier system for parent approvals introduced in July 2012, which privileges the selection of migrants (or their sponsors) who have lifetime assets/resources to cover the costs of their residence in New Zealand. This is followed with some reflections on the impact of the new selection system on parents from different source countries joining their families in New Zealand with reference to trends during the decade 2003/04 to 2012/13.

The final section links the findings to debates in two wider contexts: a) futures for migrant families in welfare states with ageing populations, a topic that received attention at the International Metropolis Conference held in Finland between 9 and 13 September 2013³ and b) futures for families from one of New Zealand's dominant sources of skilled migrants, China, which has a culture that has always placed great emphasis on filial piety and where a law has recently been passed requiring children to visit their parents each year.⁴

The Two-Tier Selection System for Migrants seeking Residence as Parents

On 1 July 2012 a new selection system for migrants seeking approval for residence in New Zealand under the capped parent category came into force. Modelled on the very successful two-stage system that was introduced for skilled-migrant selection in December 2003, people seeking entry under the parent category are required to submit an EOI before they make formal application to enter the country. EOIs must be submitted with reference to criteria applying to two tiers of entry: tier 1 (which always has priority and currently has a queue of applications awaiting assessment of around 18 months) and tier 2 (which has low priority and already has a waiting time for assessment estimated to be up to seven years).⁵

Unlike the system that applies to skilled migrants, where EOIs stay in the pool for a maximum of three months, in the case of the parent category EOIs can stay in the pool for an extended period of time. They are considered strictly in order of date of entry into the pool, and EOIs that meet the requirements of tier 1 will always be assessed before any of those submitted under tier 2 criteria. Applications that were submitted before 16 May 2012 under the previous parent category policy are selected after eligible tier 1 EOIs have been considered and before any tier 2 EOIs are assessed. The queue for these 'old policy' applications is estimated to be five years.

Once an EOI has been selected from the pool and checked by Immigration New Zealand staff, the submitter may be invited to lodge an application for residence. Those invited to apply have a maximum of four months to lodge an application after which the invitation lapses. At the time of application extensive documentation is required to validate the claims made in the EOI. Following verification of the claims made in the EOI, and depending on the applicant being able to demonstrate that they do meet the requirements of the parent category, the application may be approved in principle. Residence may be granted once the conditions applying to the financial support required for tiers 1 and 2, and any other conditions specified in the approval in principle, have been met.

In addition to the usual good health and good character requirements, those seeking residence under the parent category must

meet the requirements of one of the two tiers (see below) as well as having an adult child who is a New Zealand citizen or permanent resident and who is an eligible sponsor, a reasonable standard of English (defined further in the *Parent Category Guide*), and no dependent children. Sponsors have to have been resident in New Zealand for at least three years and must agree to support their parents for at least five years, including reimbursing the Ministry of Social Development for any benefit paid to their parents during this time (Cabinet Policy Committee, POL (07) 160, 21 May 2007, p. 4). It was agreed by Cabinet on 16 May 2011 that the sponsorship term would be extended to ten years once the Immigration Act (2009) is amended (Cabinet, CAB Min (11) 19/11, 16 May 2011, p. 2).

The key requirements for tiers 1 and 2 are as follows:

Tier 1: The applicant must meet one of the following requirements:

- 1) a guaranteed lifetime gross minimum income (in September 2013, NZ\$27,203 per annum or \$39,800 if a spouse or partner is included), or
- 2) bring at least NZ\$500,000 of settlement funds to New Zealand, or
- 3) have a sponsoring child (or their partner) with a gross income of at least NZ\$65,000 per annum or a combined gross income of NZ\$90,000.

Tier 2: The applicant must meet both of the following requirements:

- 1) have a sponsoring adult child who meets a minimum gross income figure (NZ\$33,675 in September 2013) and,
- 2) if the applicant has other adult children, they must be living lawfully and permanently resident outside the country the applicant comes from.

A major difference between tiers 1 and 2, and a significant departure from the 'centre of gravity' principle that has underpinned family reunification since the major review of immigration policy in August 1986 (Burke, 1986), is that parents seeking entry under tier 1 may have any number of adult children living in the country they are migrating from while those seeking entry under tier 2 cannot have any adult children living in the country in which the parent is living lawfully and permanently. In both cases the centre of gravity principle has been abandoned, but with very different meanings and consequences for parents seeking entry under the two tiers.

The situation that has applied since July 2012 has created two distinct classes of parents, compared with the previous policy where all parents seeking entry had to meet the same set of criteria (including a minimum income for sponsors from May 2007). Those who can afford to meet the much higher income/asset thresholds of tier 1 have priority over all other applications by parents, including those whose applications had been submitted under the policy that applied until May 2012. Those applying under tier 1 also do not have to meet any requirement relating to the residence of any other adult children they have had. On the other hand, those who apply under tier 2 have a lower priority than those applying under tier 1 or those in the queue under the previous policy, and they have to meet a completely different test with regard to any other adult children they may have.

For the first time in the history of New Zealand's family sponsorship policies, income/wealth of parents and/or sponsors has become the defining selection criterion. For the first time in the history of New Zealand citizenship two classes of immigrant families exist: those where parents have a reasonable chance of joining their immigrant adult children who have become New Zealand citizens (tier 1 applicants), and those where parents will have very little chance, if ever, of joining their immigrant adult children who have been New Zealand citizens for many years (tier 2 applicants). This significant differentiation in prospects for adult immigrants to have their parents join them at some stage as residents in New Zealand represents a major departure from the objective of family sponsorship policies articulated in the August 1986 immigration policy review. Between August 1986 and May 2007, the sole objective of family sponsorship immigration policy was "to strengthen families and communities" (Burke, 1986)

In his *Review of Family Sponsorship Policies* for Cabinet early in 2007, the Minister of Immigration (Hon. David Cunliffe) recommended, amongst other things, the addition of a further objective for family sponsorship policy, namely "to contribute to New Zealand's economic transformation and social development". He observed that: "While the [family] stream performs an important social role, it is critical that policies also be considered through an economic lens" (Cunliffe, 2007, p. 6). This "economic lens" was further defined and refined by the Minister of Immigration (Hon. Jonathan Coleman) in a paper (*Proposed Changes to*

Immigration Family Policies) for Cabinet's Domestic Policy Committee early in 2011 in which he proposed a refocusing of parent policy "to better support the attraction and retention of skilled migrants" (Coleman, 2011, p. 1). He went on to observe that "Parents sponsored by high-contributing sponsors, or who bring a guaranteed income or funds, will have high priority for New Zealand residence. They will also have more flexible eligibility criteria and reduced processing times" (Coleman, 2012, p. 1).

In May 2011 Cabinet approved the introduction, from July 2012, of the two-tier parent policy in order to enhance competitive advantage in attracting and retaining high-contributing migrants while at the same time increasing positive outcomes from non-economic-focused residence policies (CAB Min (11) 19/11, p. 1).

Until the major changes to family sponsorship policy, introduced by Cunliffe as part of his Immigration Change programme in May 2007, there had been no specific cap on the numbers of parents, adult children and siblings, although the overall family sponsorship stream had had a notional ceiling of 30 percent of all residence approvals during a given year since 2001. The creation of two sub-streams within the family-sponsorship stream in 2007 was a deliberate attempt to prioritise the entry of overseas-born partners and dependent children, especially of returning New Zealanders (Cunliffe, 2007, p. 8). The relatively low workforce participation of many adult children and siblings, by comparison with migrants admitted under the skilled migrants category, and the much higher levels of benefit dependency amongst the older parent-category-were documented in some detail in Cunliffe (2007).

The savings in health and superannuation costs anticipated by the changes introduced in 2007 were quite substantial. In the background paper prepared for the Cabinet Policy Committee in May 2007, it was estimated that "the net savings in benefit expenditure at current rates from the proposal to extend sponsors' support of parents from two to five years would be \$16.163 million per annum" (Cabinet Policy Committee, POL (07) 160, p. 2). In a Department of Labour report to Minister Coleman entitled *A Comprehensive Overview of Family-Sponsored Migration* (09/87071, 30 September 2009, p. 8), it was argued, with reference to data on costs by age and gender in 2007/08, that

Even when based on the lowest level of superannuation (\$519.72 per fortnight) parent migrants can cost \$100,000 each in superannuation

over their lifetime. Combining this figure with potential health costs means each parent migrant can equate to around \$200,000.

It was also noted that:

New Zealand has social security agreements with many countries (in particular the United Kingdom and Ireland), which means that New Zealand does not carry the full costs associated with some migrants' superannuation. ... Ministry of Social Development data indicate that overall around 10 percent of New Zealand pensions are offset by overseas contributions (Department of Labour, 2009, p. 8).

While it cannot be denied that health and welfare costs linked with immigration of older migrants have been rising in recent years, especially as increasing shares of older migrants come from countries that do not have comprehensive superannuation schemes and where there is no tradition of health insurance, the shift towards a more deliberate focus on the fiscal rather than the social benefits of family sponsorship in 2007 has entailed some significant trade-offs. The two most obvious ones are firstly a weakening of the foundation objective of family sponsorship to strengthen families and communities, and secondly a differentiation between groups of New Zealand citizens (locally born versus immigrant) in terms of opportunities for having parents living in the country. Both of these trade-offs have been exacerbated by the changes recommended by Coleman (2011) and implemented in July 2012.

In the next section we review some of the effects policy changes have had on numbers of parents approved for residence in New Zealand from different source countries with reference to the decade 1 July 2003 to 30 June 2013, the decade during which Immigration New Zealand pioneered the two-stage Expression of Interest/Invitation to Apply (EOI/ITA) system for applications for residence in the skilled-migrant category. Most of the parents who enter New Zealand are parents of migrants who gain permanent residence via the skilled-migrant category. Since the major policy changes in the mid-1980s, the sources of migrants have become much more diverse, with increasing proportions coming from countries that have no tradition of state-sponsored comprehensive superannuation or health/medical insurance (Spoonley and Bedford, 2012). This diversity in flows of migrants transitioning to residence in New Zealand via the skilled-migrant category has, inevitably, generated a growing diversity in the sources and welfare needs of parents – a trend that can only continue to become more prominent as migrants admitted

under the 'economic' stream advance in age and assume increasing responsibility for supporting their parents either in their home countries or, if their parents can get admitted as migrants via the parent category, in New Zealand.

Parents in the New Zealand Residence Programme, 2003/04 to 2012/13

Between July 2003 and June 2013, 444,071 people were approved for residence under New Zealand's Residence Programme (NZRP). Just over two-thirds (67.2 percent) of these approvals were for people from eight countries: China, India and Korea (24.7 percent), the UK and South Africa (29.4 percent) and Fiji, Samoa and Tonga (13 percent) (Table 1). Within this total, 148,068 people were admitted in the family sponsorship stream (33 percent of all residence approvals). In common with the total for residence approvals, just over two-thirds of the family-sponsored migrants were admitted from the eight countries, and these approvals accounted for 33 percent of all residence approvals from those eight countries.

Table 1: Approvals for residence by nationality and migrant stream/category, 1 July 2003–30 June 2013

Nationality	Total	Family			% approvals		% Residents approved
	Approvals	Sponsorship	PACS	Parents	Parents	% Parents approved	
<i>Asia</i>							
China	57,726	28,155	15,421	12,318	21.3	32.5	13.0
India	38,515	16,053	7703	5819	15.1	15.3	8.7
Korea	13,502	3012	893	627	4.6	1.7	3.0
Sub-total	109,743	47,220	24,017	18,764	17.1	49.5	24.7
% Asia 3	24.7	31.9	46.8	49.5	..	..	..
<i>Pacific</i>							
Fiji	27,403	10,989	5648	3300	12.0	8.7	6.2
Samoa	20,433	8649	1390	963	4.7	2.5	4.6
Tonga	10,019	4625	1577	1018	10.2	2.7	2.3
Sub-total	57,855	24,263	8615	5281	9.1	13.9	13.0
% Pacific 3	13.0	16.4	16.8	13.9	..	..	..
<i>Other</i>							
UK	94,366	22,371	6591	5707	6.0	15.0	21.3
Sth Africa	36,256	5184	2805	2226	6.1	5.9	8.2
Sub-total	130,622	27,555	9396	7933	6.1	20.9	29.4
% other 2	29.4	18.6	18.3	20.9	..	..	..
Total 8 countries	298,220	99,038	42,028	31,978	10.7	84.3	67.2
% residen approvals	100.0	33.2	14.1	10.7	..	..	..
Total all countries	444,071	148,068	51,313	37,919	8.5	100.0	100.0
% residen approvals	100.0	33.3	11.6	8.5	..	..	..
% from 8 countries	67.2	66.9	81.9	84.3	..	..	..

Data source:

Excel spreadsheet R1 Residence (accessed between 2007 and 2013) from <http://www.immigration.govt.nz/migrant/general/generalinformation/statistics>,

Note: PACS is Parent, adult child and sibling stream.

Of the 148,068 approvals in the family-sponsored stream, 51,313 (35 percent) were in the capped parent, adult child and sibling categories (PACS). In the case of the eight countries, the share of family-sponsored migrants in the capped sub-stream was higher (42 percent), and the eight countries accounted for 82 percent of the total parents, adult children and siblings admitted during the decade (Table 1). Of the 51,313 in the capped sub-stream of family-sponsored migrants, 37,919 (74 percent) were in the parent category (which also included grandparents). The great majority of these parents (84 percent) were from the eight countries, and they accounted for 76 percent of the total numbers of parents, adult children and siblings approved for residence from these countries during the decade.

In the case of migrants approved for residence from the three Asian and three Pacific countries their shares in the family-sponsored stream, the capped sub-stream of parent, adult child or sibling, and the parent category were all higher than their equivalent shares of residence approvals during the decade (Table 1). Just under 50 percent of the parent-category approvals had come from China, India and Korea compared with just under a quarter of the residence approvals. The share of parent approvals from the three Pacific countries (13.9 percent) was only marginally greater than their share of all residence approvals (13 percent), whereas the share of parent approvals from the UK and South Africa (20.9) was almost 10 percent lower than their share of residence approvals (29.4 percent) (Table 1).

There are major variations between countries in the percentage of residence approvals during the decade that were parents. Just over a fifth (21.3 percent) of all Chinese migrants approved for residence were parents, significantly higher than the percentages from the other two Asian sources listed in Table 1 (India, 15.1 percent and Korea 4.6 percent). There were also major differences in the shares of parents in migrants from the Pacific approved for residence: Fiji had the largest share (12 percent), followed by Tonga (10.2 percent) while parents from Samoa comprised only 4.7 percent of their residence approvals. Migrants approved for residence under the Samoan Quota (a category included in the international stream) reduced the significance of parent approvals in this case. The two most consistent parent shares over the decade as a whole were found in the residence approvals from the UK and South Africa – 6.0 and 6.1 percent respectively,

both well below the average of 10.7 percent for the eight countries and 8.5 percent for all sources of residents between July 2003 and June 2013.

Between 2003/04 and 2006/07 – the year in which the parent, adult child and sibling categories were capped, a minimum-income requirement for sponsors was introduced and the length of time a migrant sponsor would have to support their parents without access to benefits was increased – the average number of Chinese approved under the parent-category was 829 per annum (Table 2). During the following five years to June 2012, before the two-tier parent category selection system became operational, the average number of parents who were citizens of China approved per year increased significantly to 1463. In the 12 months to June 2013 it was even larger, at 1684, double the average number admitted in the period before the Cunliffe policy amendments (Table 2). No other country's parent-category intake experienced this pattern of growth during the decade (Table 2). The other two Asian countries both had marked decreases in numbers of parents approved once the cap and the income thresholds for sponsors came into effect during 2007.

Table 2: Average numbers of residence approvals in three policy periods, 2003/04 – 2012/13

Nationality	Pre-capped	Capped	Two-tier	% change	
	03/04-06/07	07/08-11/12	2012/13	04/07-08/12	08/12-12/13
<i>Asia</i>					
China	829	1463	1684	76.5	15.1
India	693	541	344	-21.9	-36.4
Korea	83	54	25	-34.9	-53.7
<i>Pacific</i>					
Fiji	314	357	261	13.6	-26.8
Samoa	161	59	24	-63.0	-59.6
Tonga	181	54	24	-70.3	-55.4
<i>Other</i>					
UK	577	538	710	-6.7	32.0
South Africa	220	213	279	-3.2	30.9
Total 8 countries	3058	3279	3351	7.3	2.2
Total all countries	3682	3871	3840	5.1	-0.8

Data source: See Table 1.

The variability in impact of the policy changes that came into effect in 2007 and 2012 on migration of parents from different countries cannot be explored in detail here, but three interrelated factors have worked to favour entry of parents from some countries more than others. The first is the imposition of a minimum-income threshold for sponsors in 2007 and the requirement to support those they sponsored for five years rather than two – this favoured sponsors who had been approved for residence in New Zealand as skilled migrants. They had to have jobs reaching the minimum income threshold for sponsorship of parents in order to meet the skilled-migrant entry criteria. The main policy constraint inhibiting their ability to bring in parents subsequently was the ‘centre of gravity’ principle. That is, if they had more brothers and sisters living in the country in which their parents were usually resident, they could not satisfy a key requirement of policy relating to entry of parents. The situation changed in 2012 when this constraint was removed for those who could meet one of the asset/income thresholds for entry under tier 1.

The two groups in Table 2 who had the greatest difficulty meeting the minimum income threshold, the longer sponsorship period and the centre of gravity principle under the 2007 policy, and the asset/income thresholds required to meet tier 1 criteria from July 2012 were the citizens of Samoa and Tonga. Very small proportions of Samoans and Tongans are approved for residence in the skilled and business migrant stream. The great majority (more than 90 percent in most years) are admitted in the family sponsorship and international streams (Bedford, 2008). The Samoan Quota, which has been in operation since the late 1960s, and the Pacific Access Category (PAC) quota for Tongans, which was introduced in 2002, have been the major routes for migrants seeking work-related permanent residence in New Zealand from these two countries in recent years. Both the Quota and the PAC require those selected under their ballot systems to have confirmed offers of continuing employment that will generate annual incomes that meet or exceed a specified minimum threshold and ensure they can cover the costs of supporting those they sponsor without access to welfare benefits. Sustaining this work and income has often been a challenge for Pacific migrants and meeting the income threshold for sponsoring parents under the 2007 policy changes has not been easy.

An equally significant constraint facing many migrants from Samoa and Tonga has been meeting the centre of gravity principle because

of their preference for larger families. The changes that came into effect in July 2012 in the criteria for both tiers 1 and 2 did not favour parent migration from Samoa and Tonga. The asset/income thresholds in tier 1 were more challenging than those that applied under the 2007 policy, and the requirement under tier 2 that all of the parents' children were living offshore was much more difficult to meet in larger Polynesian families. The fact that this latter requirement did not apply under tier 1 did not assist Samoans and Tongans wishing to sponsor the migration of their parents to New Zealand – the higher asset/income thresholds were very difficult to meet in a migrant group that was heavily dependent on relatively low income jobs and welfare benefits. The other Pacific group in Table 2, Fijian citizens, were faced with similar issues relating to the centre of gravity principle, but because a much higher proportion had entered under the skilled and business-migrant categories, more of them were in a better position to meet the income threshold introduced in 2007 and the income/asset thresholds that apply for tier 1 entry.

A third factor that has had a variable impact on parent migration over the past decade, and which is much more difficult to quantify than the impacts of income/asset thresholds, sponsorship periods and the centre of gravity principle, is the variation in levels of interest amongst parents of migrants from different countries and cultures in moving to New Zealand to join their adult migrant children. While a duty of care for parents by their children is widespread across different cultures, there is no general model for how this will be achieved. In countries with comprehensive social welfare systems, it is common for universal pension schemes to supplement family support for older generations. In countries without such schemes and with significant shares of their populations deriving their livelihoods from primary production, larger families are often the norm and parents often prefer to remain active participants in their familiar cultural and physical settings rather than moving into very different settings in their old age.

In the case of the three Asian groups in Table 2, this factor undoubtedly has had some impact on the different patterns of parent migration for citizens of China, India and Korea. The strong tradition of filial piety amongst Chinese (Ho and Bedford, 2008; Liu, 2010; Li, 2011), coupled with the legacy of the one-child family policy, has meant that support for ageing parents often requires either frequent visits and support

from their migrant child, or the parents' moving to the country where their child is resident. The continued high proportion of Chinese parents admitted during the three periods shown in Table 2 is a reflection of these socio-cultural contextual factors. In the cases of the patterns of parent migration for citizens of India and Korea, two significant factors are the absence of the legacy of a one-child policy and a choice by many older Indians and Koreans to stay in their own societies, often with some support from resident children and their families. Although there has been no specific study of the demand for residence in New Zealand by parents from different countries, anecdotal evidence suggests that for many, access by parents to a visitor's visa in order to maintain physical contact with adult children and their families in New Zealand is more important than access to permanent residence per se. This was recognised by officials and the Minister of Immigration in the 2007 review of family-sponsorship policies and a new provision for multiple-entry visas for parents was introduced late in 2007.⁶

Citizens of Samoa and Tonga experienced the most pronounced declines in parent approvals for residence during the decade (Table 2). They were affected by the income thresholds for sponsors introduced in 2007 and would not have qualified for entry under tier 1 criteria after July 2012. Fijian citizens did not fare so badly, mainly because a significant number of migrants from Fiji since the military coups in 1987 have been Indians entering via the skilled and business-migrant stream, many of whom would have sought approval to bring their parents to New Zealand following further coups in 2000 and 2006.

The UK and South Africa had different patterns again. There were smaller numbers of parent arrivals on average per year from both countries after 2007 (Table 2). However, there was a recovery after the introduction of the two-tier policy – parents and sponsors from these countries were better placed to meet the income criteria in tier 1 and to benefit from the relaxation of the centre of gravity requirement for members of the migrant sponsor's immediate family, especially their brothers and sisters.

Approvals for Residence under the New Policy, 1 July 2012 – 30 June 2013

Of the eight nationality groups considered in this analysis, citizens of China have been least affected by the policy changes in terms of average numbers of approvals for entry each year. When the approvals under the policy introduced in July 2012 are considered separately, it can be seen that their share of all people approved for entry under tier 1 criteria (39.8 percent) is quite a bit smaller than their share of the approvals between 1 July 2012 and 30 June 2013 under the previous policy (47.5 percent) (Table 3). Shares of Indian and Korean parents approved under tier 1 also fell relative to those whose applications had been lodged under the previous policy. Fiji citizen parents showed a slight increase (7.0 percent) under tier 1 compared with previous policy approvals (6.6 percent) while those for Tonga and Samoa citizens fell (Table 3). The big winners under the new two-tiered parent selection system were citizens of the UK and South Africa – their shares of tier 1 approvals were markedly higher than their shares of parents approved under the previous policy. There were no approvals of tier 2 EOIs during the 12 months ended 30 June 2013 because of pressure on the capped parent category from tier 1 EOIs and the backlog of previous policy applications. This accounts for the absence of any approvals under the new policy criteria from Tongans during the 2012/13 year.

Table 3: Residence approvals for parents, new and previous policies, July 2012- June 2013

Nationality	Previous			% Previous		
	Tier 1	Policy	Total	% Tier 1	Policy	% total
<i>Asia</i>						
China	735	946	1681	39.8	47.5	43.8
India	75	269	344	4.1	13.5	9.0
Korea	6	19	25	0.3	1.0	0.7
<i>Pacific</i>						
Fiji	129	132	261	7.0	6.6	6.8
Samoa	10	14	24	0.5	0.7	0.6
Tonga	0	24	24	0.0	1.2	0.6
<i>Other</i>						
UK	492	218	710	26.6	10.9	18.5
South Africa	211	68	279	11.4	3.4	7.3
Total 8 countries	1658	1690	3348	89.7	84.9	87.2
Total all countries	1849	1991	3840	100.0	100.0	100.0

Data source: As for Table 1.

Statistics published on the selections from the parent category pool each quarter show that Chinese citizens consistently accounted for more than 40 percent of the total EOIs selected for preliminary verification to determine whether invitations to apply for residence would be issued. (Note that selection from the pool does not guarantee an invitation or a subsequent approval to enter for residence). The shares of EOIs selected for UK citizens fell from 28 percent in August 2012 to 12 percent in May and August 2013 (Table 4), the shares from South Africa on the five selection dates ranged between 10 and 11 percent, while those for Indians and Fijians rose in most years. Amongst the 'Others' category, which ranged from 11 to 17 percent across the selections, the Philippines, Russia and Malaysia featured consistently as sources of 1 to 3 percent of EOIs selected, with Canada, the USA and Korea appearing periodically at 1 percent.

Table 4: Quarterly selection statistics, parent category, August 2012- August 2013

Data relating to selection	Selection date					Total
	08/12	11/12	02/13	05/13	08/13	
Total EOIs	595	1669	962	1092	1026	5344
Total people included	1001	2763	1612	1830	1713	8919
% Principal applicants by nationality						
China	43	43	44	47	43	44
UK	28	16	13	12	12	16
Sth Africa	10	11	10	10	11	10
India	6	9	10	9	11	9
Fiji	2	5	6	7	7	5
Others	11	16	17	15	16	15

Data source: New Zealand Residence Policy Quarterly Selection Statistics, Parent Category.

The translation of EOIs to residence approvals during the 2012/13 year for principal applicants (PIs) who submitted applications from the countries shown in both Tables 3 and 4 was highest for UK, South African and Fijian citizens, and lowest for Chinese and Indian citizens (Table 5). In column 1 of Table 5, the numbers of PIs recorded in the Immigration New Zealand database for residence approvals during the year ended June 30 2013 are shown for the five nationalities for whom numbers of EOIs submitted during the year can be estimated from the quarterly returns on selections from the tier 1 pool during the year (August and November 2012, February and May 2013).⁷ The estimates of EOIs submitted by PIs from the five countries that were selected from the pool are shown in column 2 of Table 5. The percentages of EOIs selected that translated into approvals during the 2012/13 year are shown in column 3 of Table 5.

Table 5: Translation of EOIs to approvals, July 2012-June 2013

Nationality	EOIs selected	Tier 1 approvals	% approved
China	1910	411	21.5
UK	690	302	43.8
South Africa	448	142	31.7
India	380	54	14.2
Fiji	230	85	37.0
Others	660	138	20.9
Total	4318	1132	26.2

Data source: See Tables 4 (EOI selected) and 1 (approvals)

When interpreting the percentages in Table 5, it should be kept in mind that there are several steps to be negotiated between the time an EOI is submitted and the time a residence approval is obtained. The first hurdle is getting an invitation to apply for residence – before this is sent the submitter of the EOI must verify that they remain interested in applying for residence via the parent category. Once the invitation has been sent the prospective applicant has four months to get a full proposal to Immigration New Zealand. When this application has been checked and the conditions of tier 1 entry have been met residence may be approved. The applicant will have 12 months to take up the residence offer.

Given the number of steps to be completed and the times allowed for processing the applications by immigration staff, as well as for responding by the applicant, a significant number of the EOIs selected between August 2012 and May 2013 would not have reached the approval stage by 30 June 2013. This accounts for the relatively low percentage of EOIs selected during the four draws between August 2012 and May 2013 being processed through to residence approval – just over a quarter (26 percent) of the selected EOIs had translated into residence approvals by 30 June 2013. Much higher percentages of approvals were found for the UK (44 percent), South Africa (32 percent) and Fiji (37 percent) than for China (22 percent) and India (14 percent) (Table 5). It was more difficult for applicants or their sponsors from the latter two countries to meet the assets/wealth threshold than many of those from the UK and South Africa. There could also have been reluctance on the part of some Chinese and Indian parents to make a firm decision to migrate to New Zealand – what had seemed to be a good idea at the time the EOI was lodged would have needed greater consideration once the invitation to apply was received.

As Table 6 shows, just under two-thirds (65.3 percent) of all principal applicants who were approved for residence under tier 1 were aged 60 years or more, a higher share than was found for the principal applicants approved under the old policy (57.5 percent). There were quite marked variations across the eight countries with regard to the share of their approvals for residence of PIs aged 60 years or more. Those aged 60 years or more made up less than 50 percent of the PIs from China and Fiji but more than 80 percent of those from the UK and South Africa. In some countries there were smaller proportions of parents aged 60 years or more selected under tier 1 than was the case for those selected under the old policy (e.g. China, Samoa and South Africa), while in others the reverse applied (e.g. India and the UK). The UK, South Africa and Fiji had larger numbers of parent PIs approved under tier 1 criteria than under the old policy, whereas China, India, Korea, Samoa and Tonga had smaller numbers approved (Tonga had no parents approved under tier 1 during the 2012/13 year).

Table 6: Age of principal applicant parents approved, July 2012–June 2013

Nationality	Total PI approved		% aged 60+	
	Tier 1	Old policy	Tier 1	Old policy
<i>Asia</i>				
China	411	504	38.2	40.9
India	54	143	83.3	61.5
Korea	4	12	75.0	75.0
<i>Pacific</i>				
Fiji	85	74	56.5	50.0
Samoa	6	9	66.7	77.8
Tonga	0	11	0.0	81.8
<i>Others</i>				
UK	302	134	90.4	90.3
South Africa	142	45	83.8	91.1
8 countries	1004	932	64.6	55.6
All countries	1132	1114	65.3	57.5

Data source: See Table 1

Discussion and Conclusions

It is clear from this analysis of the two-tier selection system that is in place for parents seeking to join their immigrant children in New Zealand that some shifts are occurring in the composition of those approved for residence under the parent category. Given that the new selection system has only been operating for 12 months, and also the lengthy gap between submission of an EOI and final approval of residence, it is impossible to be certain about transmission rates. Nevertheless, in the 2012/13 year a greater number of applicants from the UK and South Africa cleared the various stages required for approval than did those from the two large Asian sources of immigrants. The tier 1 selections also resulted in a higher proportion of parents aged 60 years or more being invited to apply for residence than was the case with applicants approved under the old policy, although this was not a consistent pattern across all countries, as shown in Table 6.

While it is too early to draw any definitive conclusions about the impact of the policy changes in May 2012 on migration in the parent category, the evidence from the first year of operation of the two-tier system does appear to support the concerns of leaders in New Zealand's Pacific communities that family reunification was going to become much more difficult for them under the new selection system. If it is going to take five years to clear the backlog of applications under the policy that was in force until May 2012 (and this is the estimate that Immigration New Zealand has published in its documentation on application for residence by parents) then it could be 2017 before any tier 2 EOIs are considered for selection. To date, all tier 1 EOIs submitted each quarter have been selected for consideration – they have first priority every quarter. The remaining places in the parent category have been filled by applications under the previous policy. Immigration New Zealand is very clear in its *Parent Category Guide* that the waiting time for consideration of tier 2 applications could be seven years (Immigration New Zealand, 2012, 4). This will inevitably create stress for migrant families and their parents who cannot meet the criteria for entry under tier 1.

Coping with demand for family reunification has become a major challenge for most Western democracies that have social welfare systems that provide for some support for older members of the population. The

cost of this support is met through a mix of tax-payer funded contributions and superannuation schemes linked with employment or investment in forms of insurance. As the share of older residents in the population increases as a result of structural and numerical ageing the welfare (including health care) costs rise. Addressing the fiscal challenges of population ageing is proving to be one of the most difficult and contentious areas of policy formulation in many welfare societies. A relatively easy target in this context is managing the flow of older people into the population through immigration policy. This is achieved by age limits on applications for entry as skilled migrants (55 years in New Zealand; 45 years in Australia) as well as restrictions on numbers of parents of migrants who can be admitted in any given year. Notwithstanding these restrictions, it is widely acknowledged in the same welfare societies that family care for older members remains the preferred route to ensuring well-being in ageing populations.

There is also extensive debate in several migrant source countries about the well-being of family members who are left behind when migrants leave to work and take up residence overseas. This is not the place for a review of this debate, but it can be noted in concluding this preliminary analysis of the recent New Zealand data on parent migration that on 1 July 2013 a legal amendment in China came into force that requires children to visit and keep in touch “often” with their ageing parents or face being sued (see note 4 below). While some Chinese living in New Zealand have dismissed this as a symbolic gesture rather than something Chinese resident overseas need to be concerned about, it is suggestive of the increasing concern, globally, about the well-being of older generations.

The less discussed, but very obvious implication of New Zealand’s two-tier selection system for migrant parents is that it has the potential to create two classes of citizens in New Zealand: those who will be able to live in this country with their parents and those who will not be able to do so. The different criteria for selection under tier 1 and tier 2, especially as these relate to the residence of the siblings of the migrant who might wish to sponsor his or her parents for residence in New Zealand, will impact differentially on the major sources of migrants. The most negatively affected will be one of our largest immigrant populations and their descendants – those from our neighbouring Pacific countries. This is an ironic outcome given that migration from some Pacific countries has

always had a special and privileged place in New Zealand's immigration policy since the 1950s.

New Zealand has a distinctive place in the OECD countries in terms of the rights it affords migrants, especially the right to participate fully in civil society through voting in local body and national elections as soon as permanent residence status is obtained. It would be unfortunate if long-standing citizens, who have contributed many years of their labour to work for New Zealand-based employers and paid taxes accordingly, found themselves in a position where they could not meet the criteria for sponsoring ageing parents who needed their support in New Zealand during the latter years of their lives. After all, this is a privilege that all New Zealand-born citizens have irrespective of their assets and the numbers of brothers and sisters that they have.

Notes

1 The changes announced on 10 May 2012 were detailed in several releases that were accessed on the web on 12 May at:

- <http://www.immigration.govt.nz/migrant/general/generalinformation/qanda/familycategorychanges.htm>
- <http://www.immigration.govt.nz/migrant/general/generalinformation/qanda/parentchanges.htm>
- <http://www.immigration.govt.nz/migrant/general/generalinformation/qanda/sibadchildchanges.htm>

The policy changes are detailed in the Cabinet Domestic Policy Committee paper, "Changes to Immigration Policies", dated 9 May 2011, and in the Cabinet Minute (CAB Min (11) 19/11), dated 16 May 2011. The current version of the policy relating to the parent category that came into force on 1 July 2012 can be found on the Immigration New Zealand website (www.immigration.govt.nz), *Parent Category Guide*, document number INZ 1209.

2 Unless otherwise stated, the statistics on residence approvals for parents and other categories of migrants come from Excel spreadsheet R1 Residence ("People included on residence applications decided, by nationality and financial year of decision"), available at the Immigration New Zealand website.

<http://www.immigration.govt.nz/migrant/general/generalinformation/statistics/> (accessed at various times between 2007 and 2013).

- 3 International Metropolis Conference, Tampere, Finland “The new mobility: managing growth, security and social justice”, 9-13 September, 2013. Three workshops addressed issues confronting migrant families, specifically: 30 “Family migration: fulfilling the gap between law and social processes”, 36 “Gender and family migration in Europe: legal, political and social dimensions”, and 51 “Immigrant families, well-being and social justice: cross-national perspectives” (www.metropolis2013.fi).
- 4 On 1 July 2013 the Associated Press, in an article entitled “China to require children to visit ageing parents as elderly care poses a problem for nation”, observed that some new wording in legislation relating to elderly Chinese had come into force. The amended legislation requires children to visit and keep in touch with elderly parents “often” or risk being sued. <http://www.nydailynews.com/life-style/health/chinese-law-require-children-visit-elderly-parents-article-1.1386891> (accessed 4 July 2013)
- 5 Details of the application procedures for migrants seeking entry under the Parent Category are contained in Immigration New Zealand’s (2012) Parent Category Guide, INZ 1207, which can be accessed at www.immigration.govt.nz. The current queues for EOIs in the tier 1, tier 2 and previous policy categories are summarised in a brief summary entitled “Parent of New Zealand resident or citizen” at www.immigration.govt.nz/migrant/stream/live/parent (accessed 29 May 2013).
- 6 In August 2007 a multiple-visit visa for parents and grandparents was agreed and the new policy came into effect in November 2007. This visa enables multiple visits to New Zealand over a three year period. On each visit the visa holder is permitted to stay a maximum of six months, with an aggregated maximum stay of 18 months during the three-year period of the visa. Applicants are required to undertake health screening. (p. 2, ‘Appendix A, in the Department of Labour’s report to Minister Jonathan Coleman “A Comprehensive Overview of Family-Sponsored Migration”, 30 Sept, 2009.
- 7 Immigration New Zealand’s Quarterly Selection Statistics contain summary information on the total numbers of EOIs selection from the pool and the total number of people these EOIs cover (i.e. numbers of principle and secondary applicants). There is also a graphical representation of the top nine nationalities of the PIs submitting EOIs plus a residual category for all other nationalities. To derive an estimate of the actual numbers of PIs submitting EOIs from the countries listed in the graph the percentages are converted back to proportions and applied to the total number of EOIs submitted during the quarter. Each EOI represents a PI. The numbers of EOIs for each country are estimates as the percentages have been rounded up to whole numbers in the quarterly returns – the actual numbers are not published.

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