

# New Zealand Labour government targets rich investors in immigration “reset”

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20 May 2021

New Zealand’s Labour Party-led government, which includes the Greens, has escalated its attacks on the working class with an impending “reset” of immigration policy to target wealthy investors while limiting entry for those classed as “low-skill” and low-wage workers.

In a May 17 speech setting out the government’s intentions for immigration, Economic Development Minister Stuart Nash said its policies would include making it harder for employers to take on workers from overseas, other than in areas of “genuine skills shortages.”

Nash, who was filling in for Immigration Minister Kris Faafoi, said once the borders fully open after COVID-19 shutdowns there will be no return to previous immigration settings. “That path is a continuation of pressures on our infrastructure, like transport, accommodation, and downward pressure on wages,” he declared. The government would “encourage employers to hire, train and upskill more New Zealanders to fill skill shortages.”

The move is in line with Labour’s 2017 immigration policy, carried through with its then-coalition partner, the right-wing anti-immigrant NZ First Party, to slash net migration—at that time around 70,000 a year—by up to 30,000 by cutting back on international students and “low skilled” workers. Labour has simultaneously kept New Zealand’s annual refugee intake at just 1,500, one of the lowest in the world.

In October 2019, Labour introduced new class-based restrictions on immigration, blocking thousands of parents from joining their adult children in New Zealand. Under changes to visa requirements, a resident or citizen must now earn over \$106,000 a year to bring one parent, or \$159,000—more than three times the median salary—to bring two. Officials estimated that 85

percent of parents on the waiting list were ineligible for residency under the new rules.

Until the border closed in March 2020, there was a policy in place to import temporary workers and fee-paying students while making it much harder for migrants to gain permanent residency. In the past decade, the number of people on temporary work visas doubled from fewer than 100,000 to more than 200,000. There was a huge increase in demand for residency, with around 80 percent of applications under the Skilled Migrant Category coming from onshore applicants.

While tightly controlled, immigration has contributed to 30 percent of the total population growth since the early 1990s. Currently one in four New Zealand residents was born abroad. Temporary migrant workers make up almost five percent of New Zealand’s labour force—the highest share compared to other OECD countries. Entire industries, such as tourism, retail, hospitality and agriculture, have become dependent on these highly-exploited workers, who have no rights to unemployment and other benefits.

COVID-19 has seen immigration grind to a halt. The country had a net migration gain of just 6,600 people last year. This has, according to Nash, given a “once-in-a-generation” chance for sweeping policy change. The “reset” threatens to force thousands of visa holders and current residents into a no-man’s land. Those targeted for restrictions are on the two lowest “skill level” bands. The only ones unaffected are low paid “fly-in-fly-out” seasonal workers from Pacific island countries.

Like governments internationally, Prime Minister Jacinda Ardern’s government is responding to the social crisis triggered by COVID-19 by scapegoating immigrants and stoking nationalism. The economy’s “reliance” on low-wage workers is presented as the

fault of immigrants, when in fact it is due to policies imposed by successive governments and trade unions, who have suppressed wages and attacked living standards over the past three decades.

On May 12 and 13 hundreds of migrants rallied in Wellington, Auckland, Christchurch and regional centres to protest their dire situation. Many have relatives who have been stranded for more than a year outside the country, separated from their families, jobs and homes. Thousands, including many designated as skilled workers, are facing delays of two years or longer after applying for residency. Those who are turning eighteen face losing their current status and becoming non-persons in the complex immigration system.

Many migrants hit back publicly at the government. Aeron Davis, a doctor who moved from London last year, told Radio NZ he feared it would take years to obtain permanent residency. His two teenage children cannot get jobs or go to university without paying exorbitant international fees. Davis fears thousands of families are similarly waiting in limbo with fewer employment rights, social benefits and less security.

The government has already created border exceptions to allow more than 200 wealthy international investors to enter the country over the next 12 months. Under the so-called Innovative Partnerships Programme and Trade and Enterprise Investor Programme, representatives from global companies are given open entry, purportedly to encourage “direct investment, job creation and skills.”

Defending the new immigration regime, Ardern said the use of migrant labour had been “a type of exploitation by some employers” and served to suppress wages, which was “unfair to migrants and New Zealander workers.”

The line was echoed by the trade union funded *Daily Blog*, which declared that “mass immigration... has undermined domestic wages, created a housing crisis and put enormous stress on our infrastructure while contributing to climate change and migration worker exploitation.” Fewer migrants “means less competition for jobs and houses for the domestic working classes,” it falsely claimed.

In fact, the move has nothing to do with eliminating rampant exploitation but is aimed at dividing workers and suppressing resistance to deepening austerity

measures. The Labour government has just imposed a three-year wage freeze across the public sector and changed industrial laws to put the trade unions at the centre of policing the lowest paid workers, including tens of thousands of non-union members, through mis-named Fair Pay Agreements.

Anti-immigrant demands have been a cornerstone of the Labour Party and the trade unions for over a century. From its founding in 1916, Labour was fiercely nationalist and stoked divisions in the working class by encouraging racism and xenophobia. Like its Australian counterpart, Labour supported what was widely known as the “white New Zealand” policy, which imposed drastic restrictions on immigration from China and other Asian countries. The restrictions remained, in one form or another, until the 1970s.

The trade unions continue to agitate against foreign workers. The Maritime Union and E t? have both used the COVID-19 pandemic to insist on protecting the jobs of New Zealanders “first.” In 2018, Unite applauded a government decision to temporarily ban migrants from working at Burger King. Last year, FIRST Union sought to divert attention from its role in defending the company in a pay dispute by criticising the government for allowing NZ Bus to bring in foreign drivers.

Anti-China rhetoric is meanwhile being stepped up to prepare the population for a looming US-led war against China. Between 2017 and 2020, Labour and the Greens were in government with the NZ First Party, which regularly demonised Chinese, Indian and Muslim immigrants. This year has seen a sharp increase in attacks against Asian immigrants, amid a propaganda offensive over Beijing’s purported “influence” in the country’s politics, businesses and academia and bogus claims that China’s Wuhan laboratory was responsible for the outbreak of COVID-19.



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