

Immigration and education system under siege

Opportunistic individuals ranging from Nigerian drug dealers to Indian students are gaming an under-resourced immigration system to obtain New Zealand visas, according to intelligence reports. Teuila Fuatai reports.

In 2015, 27 Indian students who were enrolled at a business course with the Nelson Marlborough Institute of Technology became pregnant.

As they were all from the same postgraduate diploma programme, the women and their multiple pregnancies raised alarm bells among immigration officials.

In an intelligence report from the Ministry of Business, Innovation and Employment, the pregnancies were identified as a “risk trend” among postgraduate international students wanting to speed up the process of obtaining work visas, and/or permanent residency.

The report, one of two obtained by Newsroom, examined the practice of international postgraduate students “downgrading their programmes of study” once in the country. It looked at student visa application data from January 2015 to March this year.

Tellingly, it said “many students studying in New Zealand are likely studying solely for the purpose of gaining residence”.

It also illustrated a double-edged challenge for immigration officials when dealing with international students. Students often applied for a higher level of study to gain entrance to the country “because they perceive it will increase their chances of an approval”. In addition to this, international postgraduate students also had a high financial value to education providers, likely providing “strong incentives” to admit students who marginally meet academic entry requirements.

And while the report found a relatively small number of postgraduate students had downgraded (2.1 percent or 424 students) over the three year period provided, it showed the year-on-year figures to be on the rise. By March, 30 downgraders had already been identified this year.

“The continuation of this trend risks undermining the integrity of the immigration system and reputation of the New Zealand export education market,” the report warned.

Focusing on specific education providers, international postgraduate students attending Otago Polytechnic, Massey University and the Auckland University of Technology were found to be at the highest risk for downgrading. The most popular courses for downgraders were found to be postgraduate diplomas in business, and business and administration, at

Massey University, the Auckland Institute of Studies, and the University of Canterbury, respectively.

In the case of Nelson's 27 pregnant Indian students, it indicated that at least eight of the women's partners stayed in New Zealand to work while the women returned to India to give birth. The report said while those students did not technically downgrade their study course, their actions were a "consistent trend in applicants attempting to minimise the time spent on student visas, and maximise work visa rights".

A "deep dive sample" of the data, which looked at 111 downgraders in the two years to July 2017, found the majority of downgraders were from India (46 percent) and China (40 percent).

The second MBIE intelligence report looked at major problems associated with relationship fraud and partnership visas. It painted a bleak picture of the status quo, with six main factors ranging from resourcing issues at Immigration NZ, tougher requirements in the skilled migrant category, to illegal documents from applicants identified as contributing to fraud in partnership visa applications.

Those gaming the system come from a "variety of demographics". According to the report, they have likely included members of a Nigerian drug network, Vietnamese nail salon workers, company directors and rejected refugee and asylum seekers from Australia, Manus Island and Nauru.

"Motivations for engaging in partnership fraud vary from gaining entry to New Zealand for work or economic purposes, to the purpose of engaging in criminal activity, including drug trafficking, human trafficking, or people smuggling," it said. "Partnership visa criteria is likely to be perceived by those with the latter motivations as having the lowest thresholds and cost to illegitimately gain entry to New Zealand."

In a case last year, the report identified 16 Christchurch-based Asian brothel operators who had partnership visas. "A realistic possibility exists that these women moved to New Zealand seeking residency and found an easily-obtained source of income through the sex industry," it said.

In 2015, five Nigerian men were arrested for the importation of methamphetamine. All had partnership visas. "INZ assesses these partnerships were entered into fraudulently to facilitate criminal activity. One of the New Zealand supporting partners has known gang connections". Information also showed "partnership fraud is fairly sophisticated as the Nigerians were willing to pay for the females to visit them in Malaysia - some had children".

Other cases of likely partnership fraud detailed in the report involved restaurant owners, individuals in the horticulture industry and partners of students.

A section of the report was dedicated to operations within Immigration New Zealand. It acknowledged the performance objectives for immigration officers made close scrutiny of visa applications difficult.

It also pointed out that shortfalls at that stage of the immigration process meant problems were then passed onto other parts of the system, making things worse in the longer-term.

Each year, the Government hauls in about \$200 million in visa application and residence fees. Latest figures from MBIE show about \$155 million was earned in fees in the 10 months to March 31.

“Immigration branches are also required to ensure 90 percent of temporary visa applications are decided within 25 working days. The targets disincentivise IOs [immigration officers] from questioning documentation provided, requesting additional evidence, or conducting higher levels of verification”.

“Reducing the opportunity of scrutinising risk indicators at the visa application stage for the purpose of timeliness measures has implications for maintaining the integrity of the immigration system. The impacts of failing to identify fraud at the visa stage are transferred to other parts of the immigration system, including investigations and compliance, where fraud is more difficult to identify and resolve.”

Notably, approval rates for partnership category visas have been consistently high - with more than 90 percent of applications approved. While the rate suggests partnership visas are a “low risk visa stream”, the report also said “anecdotal information has long suggested fraud and abuse of partnership category visas is endemic and increasing”.

A pilot project set up in April last year also proved tougher scrutiny of partnership visa applications exposed more cases of fraud.

The ‘high-risk partnership team’ focused on applications for temporary visas - identified as high-risk for fraud. Target objectives for immigration officers were removed, and a senior immigration officer was involved in “looking for risk factors the automated triage risk system” failed to identify. “For example, documentation quantity and quality, consistency between declarations made in previous applications and the current application, and nationality/age/gender profiles known to be higher risk based on the [senior officer’s] experience”.

The team “declined 40 percent of applications assessed, suggesting that when higher levels of scrutiny are placed on a partnership application, higher levels of the failure to meet requirements are uncovered”.

Applications processed by the high-risk partnership team took four times longer to process than Immigration NZ’s visa processing targets.

Immigration NZ responded to Newsroom’s request for comment after this article was published.

General Manager Nicola Hogg acknowledged the ongoing challenge in balancing “humanitarian and social” objectives, alongside security and integrity in the immigration system.

“Getting policy settings right across the immigration system so that they adjust and balance the various objectives optimally and effectively is a challenge which requires ongoing monitoring and review.”

On the verification process around partnership visa applications, Hogg said flagged applications were expected to take longer to decide.

In the past eight years, 1361 allegations about relationship fraud have been made to INZ. “A total of 49 cases were investigated, but a range of actions were taken in the remaining cases, such as referral to other parts of INZ for decisions on visas,” she said.

“It should be stressed that most relationships are genuine and can be approved with a minimum of fuss but a minority will fabricate, manipulate or exaggerate a relationship in order to obtain a visa to come to or remain in New Zealand.”

Extra resources had also been “earmarked for risk and verification” around partnership visa processing.

When commenting on downgrading postgraduate students, Hogg said Immigration NZ worked “closely” with agencies like NZQA and Education New Zealand to tackle fraud in the student visa market.

“The right settings have to be in place to better match the skills and talents that people bring to New Zealand and the skills that employers need to grow their businesses.”

“As a result the Government has launched a consultation with proposals for changes to post-study work rights for international students,” she said.

MBIE were unable to comment on the reports before Newsroom’s publication deadline.