GOING FOR GROWTH

Developing Talent Update

SEPTEMBER 2025



Developing Talent

Businesses thrive when they can tap into a workforce equipped with the skills to drive innovation and growth. Individuals thrive when they have the skills and qualifications to secure fulfilling and ongoing employment. The Government is actively investing in ensuring New Zealand's skills and education system is again world-class – so all students and workers can get strong foundations in literacy, numeracy, and learning skills. The Government is also ensuring that our immigration system complements the domestic skills pipeline, attracting the talented and skilled people needed to drive long-term business performance.

Since *Going For Growth* began, the Government has built on earlier progress to deliver a further ten actions that include:

- investing in **Teaching the Basics Brilliantly** to reverse the long-term decline in student achievement through the provision of additional school-based teaching resources and focused training.
- investing to support job seekers under 25, including those with health conditions or disabilities, move into
 employment, education or training rather than go on or stay on a benefit.
- refining the **Accredited Employer Work Visa** to reduce compliance and costs for business and address unacceptable levels of migrant exploitation.
- introducing **two new residence pathways** to help employers attract and retain skilled migrant workers and boost the economy in turn with changes to be implemented in mid-2026.

Responding to the needs of businesses

The Government is actively listening to the business community to understand their needs. Businesses have told us they want the New Zealand education system to be more effective in preparing individuals with the skills they need. To this end, the Government is consulting with the public on proposals to replace NCEA with new national qualifications. The intent is to make sure our qualifications:

- are credible, easy to understand and internationally comparable, and
- support high-quality, coherent learning programmes.

Business also wants improved vocational pathways, effective training programmes, and speedier visa processes for people with critical skills. The actions set out in *Going For Growth* respond to these challenges. Together, these actions are growing the number of skilled people in New Zealand and supporting their pathways into the workforce.



The Prime Minister, Education Minister and Economic Growth Minister with students.

Case Studies

New Skilled Residence Pathways to Boost Economic Growth

Recently announced changes to New Zealand's Skilled Migrant Category (SMC) introduce two new residence pathways to attract and retain skilled migrants to support economic growth:

• Skilled Work Experience Pathway: For migrants with at least five years of relevant skilled work experience, including two years in New Zealand earning at least 1.1 times the median wage. This helps retain experienced workers, particularly in high-demand sectors like manufacturing and construction.

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 Trades and Technical Pathway: For migrants with a relevant Level 4+ qualification and four years of postqualification skilled work experience, including 18 months in New Zealand earning at or above the median wage. This supports skilled trades and technician roles, many of which play a critical role in regional economies.

Additional eligibility restrictions will apply to some occupations, with details to be released before the pathways open in mid-2026. An estimated 3,500–9,000 skilled migrants could benefit from these new pathways in the first year.

Other SMC changes include increased points for New Zealand university-level qualifications, making it faster for international graduates to gain residency. For example, a New Zealand Bachelor's degree holder now needs only one year of skilled work experience, down from three.

Refining the Accredited Employer Work Visa

Immigration settings have been changed to attract the right migrants to fill critical skills and labour gaps. The Accredited Employer Work Visa – our main temporary work visa that allows migrants to live and work in New Zealand for three to five years, with a job offer from an accredited employer – now has faster processing times, with more flexibility and lower administrative costs for businesses that are hiring.

The changes to the Visa, announced in December 2024 and implemented throughout 2025, have provided much needed support to employers. Federated Farmers described the changes as "a significant step forward" and noted that their concerns had been listened to, and that they are "big changes that will have a meaningful impact for the upcoming farming season, particularly during busy periods like calving and lambing".

For example, farmers employing migrants as dairy farm workers now face dramatically reduced processing times, from an average of 83 working days in December 2023 to an average of 15 working days in March 2025. The Visa now also provides employers with the flexibility to pay workers an appropriate wage for their level of skills and experience.

Investing in Teaching the Basics Brilliantly

Teachers are now benefitting from government investments in teacher training, specialist staff, guidance, and classroom resources that will transform how our children learn to read.

Structured literacy is being implemented through Years 0-8 and professional learning and development has been provided to more than 23,000 teachers.

New teaching and learning resources for mathematics and Pāngarau are providing teachers with greater clarity, structure, and support. Almost 2,000 schools have received these resources, with teachers reporting improved clarity and a shift to focusing on core mathematical ideas in greater depth.

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Through these actions, the Government is investing heavily to reverse the long-term decline in student achievement.



 $Supporting\ our\ students\ with\ more\ structured\ literacy\ resources,\ Education\ Minister\ and\ student\ pictured.$

Investing in Supporting Young People Under 25 Years Off Benefit and into Employment, Education and Training

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The Government has invested in community-based job coaches for up to 10,000 young people on a benefit to support them into work. Job coaches hold young people accountable in achieving their plans to get back into work, education or training. To further incentivise young people into work, eligible clients who find work with the support of their job coach and remain off the benefit for 12 months will receive a \$1,000 bonus payment.

Case management support has expanded for the wider benefit population, with places increasing from 60,000 to 70,000, including 6,000 18-24-year-old clients in phone-based case management. Case managers work with young people to help them into employment by assessing their needs, setting goals and providing practical help, such as getting an up-to-date CV or a driver's licence.

The Government is also tightening access to Jobseeker Support and the Emergency Benefit for single, unemployed 18- and 19-year-olds by introducing a parental assistance test. This change will strengthen financial incentives to encourage young people into employment, education or training.

Through these actions the Government is investing to reduce the number of young people on the benefit.



Construction worker, New Zealand. Photo credit: Truestock.

Government's Actions

As well as the ten new actions delivered since February in the Developing Talent part of *Going For Growth*, a further thirteen are underway. These include new initiatives to accelerate progress on supporting people into employment.



Delivered

Delivered since February 2025

- Improved school attendance through tailored approaches to addressing the underlying causes of absence.
- Completed Phase 1 of the **Attendance Action Plan,** including the daily publication of attendance data, the introduction of updated attendance codes during Term 1 2025, and the rollout of a behaviour change campaign.
- Allocated nearly \$123 million over four years for the delivery of a new attendance service and almost \$17 million to support and strengthen frontline attendance services, aiming to reduce chronic absence and lift overall attendance rates.
- Commenced investment in new teacher resources and support services, backed by \$271 million over four years from Budget 2025.
- Made the largest investment into learning support in more than 20 years to support Kiwi kids to better
 thrive at school, including expanding the early intervention service, which includes 900,000 additional
 teacher aide hours by 2029.
- Implemented changes to the Accredited Employer Work Visa to make it easier for employers to hire skilled
 migrants. Changes include amending the labour market test so that employers can self-declare that they
 have advertised with the Ministry of Social Development, removing the requirement to pay the median wage,
 and speeding up processing while strengthening protections against exploitation.
- Announced a **Parent Boost** visitor visa to incentivise skilled migrants to choose New Zealand, by making it easier for parents of New Zealand citizens and residents to visit New Zealand.
- Announced **new residence pathways** to help employers attract and retain skilled migrant workers with changes to be implemented in mid-2026.
- Introduced Individual Employment Plans to help job seekers overcome barriers to work.
- Implemented **new tools and requirements** to ensure job seekers stay on track with their obligations and engage more frequently with the Ministry of Social Development.

Delivered prior February 2025

- Implemented more regular reporting of school attendance figures to get more students into school and learning.
- Introduced better training and more tools to support teachers in reading, writing and maths.
- Introduced structured literacy and mathematics teaching to raise achievement in schools.
- Introduced a requirement for one hour of reading, writing and maths every day in schools.
- Opened the first **charter schools** to provide more choice and diversity in the school system, allowing students to learn in ways that are specific to their needs.
- Launched the **Māori Education Action Plan** to support higher achievement by Māori students in schools and kura, by aligning actions with reporting on attendance and achievement targets and other education reports. This provides an evidence-base upon which we can draw when considering what works for Māori learners.
- Introduced a **Traffic Light System** to help job seekers understand what is required of them and keep track of their obligations while they are receiving a benefit.

Underway

New actions since February 2025

- Began a **targeted review of youth support programmes to tackle persistent disadvantage** focusing on key life stages where timely interventions can improve employment outcomes.
- Began establishing **10 new Polytechnics and 8 Industry Skills Boards** to better meet the needs of local communities, industries and the economy.
- Commenced development of a **new Tertiary Education Strategy** to define long-term strategic direction and priorities for the sector.
- Started public consultation on the future of NCEA to explore how to make school qualifications more credible and coherent.

Actions underway prior to February 2025

- Removing **red tape in Early Childhood Education** to make it more accessible, affordable and effective.
- Beginning the implementation of **Teaching the Basics Brilliantly**, a multi-year strategy to provide more teacher resources, services and support to improve access and consistency in primary and secondary school around testing and delivery of tailored support.
- Implementing next steps in the **attendance action plan**, including a step system to set out requirements and expectations for parents, schools and the Ministry of Education to get students in school.
- Creating a more **responsive vocational education and training** system to better meet the needs of students, industry and the economy by moving decision making back to regions, more closely aligned to the people it supports.
- **Tightening Jobseeker Support eligibility for single 18-19-year-olds** through the introduction of a parental assistance test to support young people into education, training or employment.
- Implementing **community job coaches for up to 10,000 young job seekers** to support them to overcome barriers to obtaining sustainable employment.
- Introducing bonus payments to incentivise eligible young job seekers to stay off a benefit for at least 12 months and enter employment.
- Implementing the **Employment Investment Strategy 2025-2028** to guide investment in the Ministry of Social Development's employment products and services.
- Ensuring **immigration settings** attract the right migrants, including announcing two new seasonal work visa pathways to be implemented in December 2025.

If you want more on *Going For Growth* including this pillar and why it is key for economic growth see: **www.goingforgrowth.govt.nz**

goingforgrowth.govt.nz

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