

Summary of Submission by Belong Aotearoa to The Productivity Commission on 'Immigration, productivity and wellbeing: Issues paper'.

Immigration settings guided by the Treaty alongside clear pathways to residence, decoupling visas to individual employers, and access to support, are key to intergenerational wellbeing

Submission

Belong Aotearoa has a network of over 70,000 people who belong to and/or are supporting diverse ethnic communities from a variety of migrant backgrounds. This network was started under its previous name Auckland Regional Migrant Services. In over 17 years of operation, we are a leading organisation around understanding and responding to the needs of migrant communities.

Immigration NZ current settings have enabled many in our communities to come to our shores through different visa types on offer however it isn't without difficulties. Through our extensive network, evaluations, and research we have identified several challenges and barriers that stem from unclear, inconsistent, and shifting immigration settings that highlight lack of transparency in process, restrictive visa conditions and fluctuating settings pre and during the pandemic. Our immigration settings have lacked a guiding strategic purpose and vision, and instead have become a grab-bag of tactical sugar hit policies.

We envision immigration settings that create the environments where people's talents, skills, culture, and unique experiences are fully realised in a way that connects opportunities with people and that enables the whole of New Zealand to flourish.

As such we believe the overall objectives for the immigration systems should be:

- 1) Improving Aotearoa's social, natural, physical/financial, and human capital that increases our depth of connectivity with the world for the purpose of growing our economic, cultural, and social standing in the global community and bringing prosperity to NZ.
- 2) Strategic clarity on the who, why, how, and how many migrants Aotearoa needs in the short (now), medium (2-5 year) and long term (5+ year).
- 3) Efficiency by design. Speed and clarity. So that the experience of being a migrant, and the experience of New Zealanders is carefully considered.

Citizen wellbeing is a central ethos of this government that made news worldwide, for offering a difference to the traditional narrow focuses of contemporary Western governments. One that recognised that unless we take care of the wellbeing of our people,

holistically, we as a nation will not be moving forward together but instead creating deep disparities in our nation that will have a flow on effects.

In the consideration of trade-offs between the different factors that contribute to wellbeing, the focus should be on what has the greatest potential for comprehensive wellbeing and is intergenerational. Sometimes settings are created to meet immediate needs without the foresight of how it will impact beyond economic and financial capital. Much of that is yet still predicated on faith in orthodox economic ideology, rather than learned experience and evidence of the results.

Ultimately, the systems and policies created that fail to centre people, wellbeing, and sustainability, are doomed to fail or to cause unwanted spill over effects. In this submission, beyond our recommendations we welcome the opportunity to work alongside and support the commission and the Minister of Immigration, to provide the unique insights, extensive experience, and research we have, to help ensure our immigration settings are reflective of the opportunities and challenges New Zealand has today and in the future.

A well thought-out and clear immigration strategy is not just good for migrants but rather enormously net-beneficial for New Zealand.

The Treaty of Waitangi and Te Ao Māori

1. In what ways should the Crown honour the Treaty of Waitangi in developing and applying immigration policy? What changes are needed to policy or implementation?

As a partner, it's important that the Crown consult, before, during and after policy setting, with Iwi and tāngata whenua across the country.

The rights of Māori to Tino rangatiratanga sovereignty should also be prioritised. Māori should lead responses to immigration issues and policy decisions rather than just 'participate' in the conversation. It is important to further explore how Māori view their roles in welcoming and integrating migrants to New Zealand, and to identify new forms of partnership.

Tāngata whenua need to be at the table throughout the development and application of policy and not consulted after its framework has already been formed. Policy should be co-designed with tāngata whenua, to the benefit of Māori, immigrants and to all New Zealand.

It might be fair to ask the question – did anyone consult with tāngata whenua before allocating the role of reviewing the immigration policy settings to the Productivity Commission?

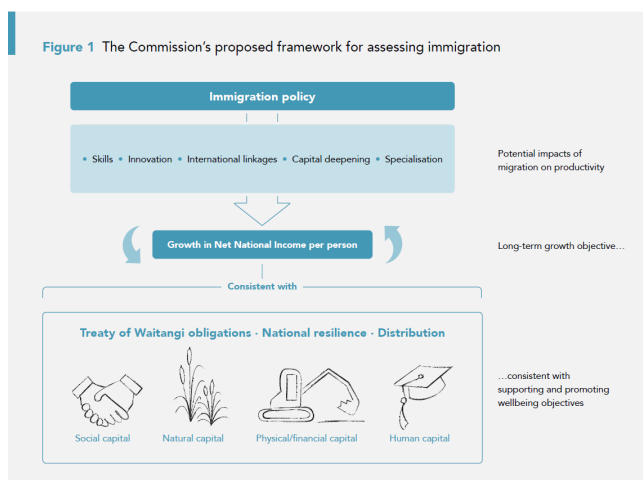
9. Which concepts within Te Ao Māori, or Māori perspectives or values, are most applicable to immigration policy and why? What would or should including these concepts, perspectives or values mean for immigration policy?

Tāngata whenua should be asked, with their voices prioritised and centred for this.

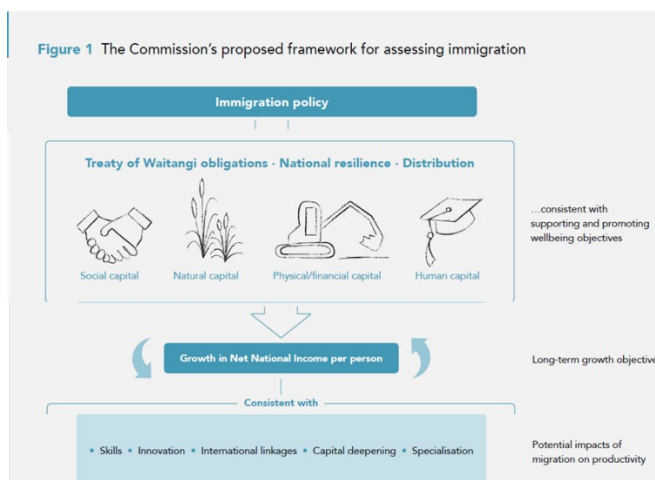
Immigration, productivity, and wellbeing

2. Is the Commission’s proposed framework a useful way of thinking about the immigration system for this inquiry? What changes would you make?

The framework needs to be flipped to make social, natural, physical/financial, and human capital as the top consideration to immigration policy that then leads to skills, innovation, international linkages, capital deepening and specialisation. If the framework is around how best can policy improve capital in those four areas, then you’re looking at a policy that is not only responsive to communities and situations of today, but also of the future.



New framework:



3. What should the overall objectives for the immigration system be?

There is complexity that underlies this and thus it is difficult to achieve all objectives through the lens of productivity only. For example, family reunification/parent and partner visas are not designed with productivity impact in mind – however without these visas it is highly unlikely “productive” immigrants would consider residency in New Zealand a viable, let alone desirable option.

The objectives of immigration should be shaped from the Treaty and its principles whereby immigration objectives are supportive of humanitarian, social and economic objectives that enable a thriving nation.

4. How should the Commission consider trade-offs between the different factors that contribute to wellbeing? Should there be some bottom lines that cannot be traded off at all?

Wellbeing needs to be the focus, and if it truly is, there should be no need for trade-offs.

Trade-offs tend to focus on the short-term response, and have wider ranging and often unforeseen, negative spill-over effects in the long term.

At the margins, where trade-offs are possibly required to be made, an underlying principle of being guided by the human needs of migrants rather than the productivity needs of the economy would be one way of de-risking the long-term impacts.

5. Through which channels has immigration contributed to New Zealand's productivity growth? What evidence is there of this impact?

All the channels identified in Figure 2 contribute to New Zealand's productivity growth (Capital Deepening, International Linkages, Innovation and Diffusion, Specialisation, Critical Skills).

Our Belonging Through Employment Internship initiatives for partners of skilled migrants was informed by Ministry of Business, Innovation and Employment (MBIE) data that secondary applicants experience poorer employment outcomes and the Office of the Auditor-General - Immigration NZ: Supporting new migrants to settle and work (2013) report found secondary applicants' successful settlement improves retention rates for principal skilled applicants and the whole family. This is critical for skills retention particularly in a time of economic recovery. This highlights not only the contribution these channels have around employment but also the importance of secondary migrant channels that positively impact principal migrant applicants.

Beyond productivity and the numbers related to migrants, it is also about the people behind the numbers and the richness they bring culturally, socially, and economically to NZ. The government needs to focus on removing the barriers to success in this country (e.g., being socially inclusive, harnessing the unique skills of migrants and the positive impact they have on the social fabric of Aotearoa NZ etc.)

6. Are there other channels for immigration to impact productivity growth that the Commission should consider?

A key channel to productivity is around education.

The pathway for international students is incomplete and not part of the current immigration system. International students are seen only from their economic contribution but there needs to be a pathway that promotes productivity that retains nationally trained migrants that have international connections.

Looking at the existing channels, there needs to be an expansion on the international linkages. This is around multinational companies and looking into how we facilitate the exchange of labour across borders, that sees skills exchange extend beyond the film industry or RSE workers to where it has been practiced previously.

In addition, in the immigration channel that is around creating increased global interconnectivity, we need to support our long-standing efforts to increase exports, aiming for over 30% of GDP. New Zealand companies will benefit directly from the networks that immigrants bring with them from global markets. There remains a challenge of integration and belonging into New Zealand society that immigrants face. Rectifying this will go a long way towards realising the potential of these global networks

7. Are there barriers to migrants fully contributing to New Zealand's productivity growth?

Yes, such as:

- Visa conditions and uncertain pathways to residency visas for temporary work visa holders: This uncertainty impacts mental wellbeing and is stressful for both individuals and families.
- Connected to visa conditions, is also the processing time and cost for visa applications. There is visa application backlog that adds to this stress and anxiety that is a barrier to migrants fully contributing.
- Without clear pathways, restrictive visa conditions, and delays in processing, employers also less likely to employ migrants, that further contributes to the barriers and a deadlock.
- Wages are one criterion that helps determine visa eligibility but also impacts how able migrants can contribute as well. Having a decent living wage is essential to accessing essentials to create a solid foundation from which migrants can fully contribute.
- Wage thresholds are also used as a measure of productivity however certain sectors with these 'productive' wages are limited to residents.
- The type of work impacts particularly around the hours of employment. Permanent employment enables access to longer term visas however many communities struggle to find employment and with additional requirements from employers to prove a citizen/resident cannot fill the job.
- The lack of accessible pathways to bring family and partners due to current eligibility settings. This inability to reunite family and partners to migrants in New Zealand hinders the sense of belonging and ability to fully settle and thus contribute.
- Housing is also a barrier across Aotearoa, as it is inaccessible to many, and the quality of many rentals are unfit for purpose.
- Racism and prejudice in society and in employment that is not actively addressed by public sources of power and influence.
- Employment in sectors that dilute and undervalue the skills and capabilities of the migrant, due to poor recruitment behaviour on behalf of New Zealand employers.
- Lack of cultural capability across New Zealand employers.
- Lack of understanding of visa types and processes among employers.
- Experiences of racism and discrimination in looking for work.
- Undervaluing of overseas qualifications and experience.
- Skills mismatch, an underutilisation of skills (i.e., many migrants are highly skilled but often work in jobs that don't match their skills). We've heard these stories shared anecdotally many times and previously through our volunteer programme.
- Slow productivity and wage growth, high levels of income inequality, slow technological growth etc.

8. Which factors matter most for assessing the impact of immigration on wellbeing? How can they best be measured?

The factors that matter most are:

- Wages: Decent wages are needed as this is a key requirement to access long-term visas.
- Permanent Employment: This provides stability and enables access to long-term visas.
- Residency: Ensuring there are clear pathways for migrants gives clarity around the process and requirements. There is a need to set realistic eligibility criteria reflective of the different sectors migrants exist in.
- Family Resettlement: Wellbeing is more than just financial stability but also the social connections we have here and abroad.
- Integration: How well are newcomers integrated into existing networks and systems? Do they become isolated upon arrival?

Immigration policy design

13. Would there be benefit in requiring the Government to publicly announce its policy objectives for the immigration system? How often should the Government be required to make such a statement?

Yes, as it provides transparency but also accountability. How often this happens should be determined on a significance scale that triggers certain communications, like those held by regional government around consultations that measure:

- Number of people affected and degree of affect
- Likelihood of wide public interest
- Impact on governing body to deliver other responsibilities and objectives
- Impact on services provided
- Degree to which decisions/objectives can be reversed

The government should make this statement every time there is a policy change.

14. How should New Zealand's special relationship with Pacific Island nations be reflected in immigration policy?

It should reflect a similar relationship we have with Australia that allows the free movement of its people between nations, that recognises not only the contribution of Pacific migrants to New Zealand for several decades but also the ongoing relationship we have with Pacific Island nations. In addition, we could also adapt a similar relationship seen in Europe, with intra-Europe migration, where you have people migrating to other countries within Europe. The Free Movement in Europe allowed for citizens of different European countries to move between other European countries for a certain period without being subject to any conditions or formalities other than the requirement to hold a valid identity card or

passport. This enabled people to travel, live and work within Europe and it promoted growth, inclusion, and productivity.

Migrants and settlement

10. What does the “successful settlement” of migrants mean to you, and what are the barriers to achieving it?

Successful settlement means people have access to employment and other opportunities that help them be financially, socially, and culturally secure and connected so they feel a sense of belonging.

The barriers to achieving this:

- Lack of support and funding to support settlement that bridges the gaps of language, culture, and community.
- Lack of recognition of migrants already in the country, shown by a lack of pathways to residency and the underemployment of migrants. It's also around reciprocating the investment migrants have had to New Zealand's economy.
- Definitions of migrant visa categories that labels certain jobs as lower or unskilled but however are still important for our country and often where gaps are.
- The governments high income threshold requirements when employing immigrants, limits their opportunities to settle as it is such a large financial burden for employers and may act as a deterrent to employ them long term or at all.

11. Do you think prospective migrants are given enough information to make long-term decisions and settle successfully? What other information could help, and how could their access to this information be improved?

No, the focus has been on showcasing New Zealand to prospective migrants which will tend to show the positives of living, working, and playing in New Zealand, particularly when the skills being sought have been promoted as jobs being available. This isn't the reality for many communities. Additional information that could support their decision:

- What the pathways to residency are
- Costs of living here and average income based on industry which could be extended to industries
- Connection to forums from migrants that highlights key things to know that may also highlight key actions prospective migrants could do to help them if they do choose to migrate
- Key rights around employment and tenancy/housing

These would help provide a good understanding of not just employment in New Zealand but of the lifestyle too.

Obligations on employers

14. Currently, most employers have an obligation to prioritise the New Zealand labour force before recruiting temporary migrants. Do you agree with this obligation? Why or why not?

Yes, but it depends on the industry and the needs of specific industries. The market assessments of what skills are needed and the skills gaps, need to be reviewed more frequently. There is a delay between this assessment, and it being published, which creates a false idea of our job market and work opportunities.

Many people who have come with skills identified by Immigration NZ as skills shortages still cannot find employment as the gap either does not exist anymore or the barriers to employment put up by employers are too high. Sometimes a priority is placed on New Zealand's existing labour even if not fully skilled which has an impact on productivity as we are not utilising a higher level of expertise and skills that has been developed internationally, to the benefit of New Zealand.

Many migrants already in the country are being overlooked, due to the prioritisation of New Zealand labour combined with visa delays, so there should not be an obligation but a greater focus to utilise the migrant labour already in New Zealand.

15. If not, are there alternative obligations employers should have if they wish to recruit temporary migrant workers?

Not alternative obligations but just to enforce the current employment conditions New Zealand has. Enforcement is key.

16. What evidence, if any, should employers have to provide to prove they have made sufficient efforts to recruit New Zealanders?

Current settings around evidence are suitable as it is important to grow skills in New Zealand labour force, as immigrants should not always be making up for poor skills creation in different sectors.

Skills shortages

17. Previously, ANZSCO has been used to define “high” and “low”-skilled jobs. Should immigration policy differentiate between “high” and “low”-skilled jobs? Is there a better way of defining skill levels?

No, it shouldn't.

The differentiation should be based on need, the demand for jobs and skills. For example, currently a “low” skilled job may have high demand and importance to New Zealand productivity, but not be acknowledged as such.

Migrants who are here classed as in “low”-skilled jobs that have previously been work unwanted or underrepresented by New Zealand residents/citizens, have shifted to a narrative of “essential workers” during COVID lockdowns and a key part to ensuring the safety and recovery of all. However, these jobs are on the lower range of wages and so has simultaneously been asked to leave; leaving huge gaps particularly in the health sector where the need for workers is high.

We acknowledge that wages other than minimum wages are not set by government but stress that wages should not reflect productivity but instead their contribution. We acknowledge the one-off pathway to residency visa, is helping create this pathway for many but it is as stated, it is for a limited time.

18. What is the best way to identify workforce or skills shortages?

To collate information across recruitment agencies and websites that keep a live track on skills and workforce shortages. In addition, talk directly with the industry and academic institutions concerned on a regular basis. Talking to the representative associations but also individual companies or organisations will help identify workforce or skills shortages.

19. Prior to the pandemic, was the current system working effectively to address skills shortages while prioritising the employment of New Zealanders and ensuring the wages and conditions of New Zealand workers were not undermined? What evidence can you provide?

No. The evidence is this review taking place and its scope.

Investors and entrepreneurs

20. How successful have the Investor or Entrepreneur category visas been to date in generating value for New Zealand? How could this value be increased?

This has been a mixed bag. Investors need investible propositions first – what type of investment has been made to create these? And has it worked?

Secondly, bringing those with a high degree of bias to the capital: labour ratio towards the capital side does not create the type of value-added creativity we need here. It's the labour that enables the productivity boost.

21. How should immigration policy acknowledge the fact that investment and entrepreneurship are inherently risky and that some efforts will not succeed?

The policy should not ensure permanent residency just for the investment, particularly as not all will be a success.

22. What criteria (if any) do you think should apply to investor visas in terms of: level of investment, type of investment, duration of investment and obligations to New Zealand?

The levels are sufficiently high enough. The type of investment needs to stay focused on green/brown/grey field and digital opportunity only, or global/export opportunity enablement. The duration is for the long term (10+ years) and the obligations will be to be a tax resident in New Zealand for all New Zealand activities.

23. What criteria (if any) should apply to migrants wanting to establish or buy a business in New Zealand? How often should the business be reviewed against these criteria?

There should be a requirement to employ New Zealanders, to be a tax resident in NZ, and to have a Board that has at least one New Zealand based independent Director.

Students

24. Are the current criteria for obtaining post-study work rights satisfactory? What criteria should be added or removed (and on what basis)?

No. The criteria should have a clearer pathway for residency after their considerable investment in NZ

25. To what extent should international students have rights to work in New Zealand?

They should be allowed to work as it works complimentary to their studies as it allows them to build on their learnings in real context through the ability to work. An extension to allowable hours that currently are at 20 hours, particularly with those in tertiary level education that have long periods of leave in between.

However, alongside this would be a requirement that only provides this for certain degrees and education establishments, that is reflective of their education commitment and curriculum that feeds into New Zealand productivity and current needs. This would need to operate alongside conditions that ensure education providers meet certain requirements that showcase the legitimacy and credibility of qualifications and certifications to the long-term needs of New Zealand.

26. Should visa applicants who have gained a New Zealand qualification receive a special preference for residence?

Yes, as it creates a pathway that acknowledges their initial contribution in the form of international education fees and enables them to apply their learnings more permanently to New Zealand. The qualification needs to be of long-term skills shortage in NZ.

27. Should there be any restrictions on the kinds of sectors or occupations students can work in during or after study? Why, or why not?

No, given the wide range of areas of study that students are enrolled in. Putting restrictions reduces the ability to learn through lived experience in those sectors. Their focus is to study and to create artificial barriers like this, whilst they study is counterproductive.

28. Should the level or nature of qualifications that students are studying affect work rights during or after study? Why, or why not?

Yes, both level and nature. Those studying in long term skills shortage areas should be credited.

Working holidays

29. What should the objectives of working holidays schemes be (e.g., fill temporary labour shortages, enhance international connections, encourage reciprocal overseas work opportunities for New Zealanders, attract longer-term migrants)? How well are the current schemes delivering on these objectives?

Working Holiday visas are for cultural and social exchange. Work is done for the purpose of survival, not for career nor for visa pathways as such the objectives we support are:

- Fill temporary labour shortages
- Enhance international connections
- Encourage reciprocal overseas work opportunities for New Zealanders

We acknowledge as well that working visas can attract longer term migrants, to which many have then go onto secure longer term work visas from this visa.

30. Do you think the number and set of countries New Zealand has agreed working holiday schemes with is set at the right level?

No, it is very Anglo-Saxon so we should open to Asian and African Subcontinents. It would be good to see the numbers across the eligible countries incoming, and review countries.

Partners, parents, and families of migrants

31. What are the barriers that partners of migrant's face in finding work?

Our Belonging Through Employment Internship initiative for partners of skilled migrants identified several barriers to employment, including:

- Overseas qualifications and experience not recognised or undervalued (including when dealing with recruitment agents)
- Experiences of racism in searching for work.
- Lack of local experience
- Lack of a local professional networks
- Lack of employer understanding of visas and visa requirements (particularly for people on work visas)
- Having a gap in your CV such as due to raising a family

32. Should the immigration system give more weight to the skills and employability of partners? Are there other factors that should be given more weight?

Yes. Partners are an integral part to helping migrants (primary applicants) to be productive and settle fully as they encourage long-term settlement and investment into all areas. Factors that should be included and given more weight is around language skills and age.

Our Belonging Through Employment Internship initiative for partners confirmed that many partners are skilled migrants in their own right and are an underutilised talent pool.

33. Do immigration settings for family visas (e.g., parents, dependent children) have a material impact on a migrant's decisions to come to and stay in New Zealand?

Yes, many migrants already in New Zealand who are unable to bring their family to New Zealand have and are considering leaving New Zealand despite their long-term visa status and the lives they've created here. The inability to bring family members impacts wellbeing, and splits migrants' resources who will be providing for both their life here in NZ and for their family overseas. This will impact migrants' decision to come to New Zealand without clear pathways for families to reunite.

Other ways for New Zealand to source skills and talent

34. What more can immigration policy do to attract specialist “high-impact” people? What other complementary policy changes might be needed?

Addressing New Zealand government procurement policy to support local businesses to thrive – and employ and consider exporting.

Immigration policies to be created alongside people with lived experience to include diverse perspectives and worldviews. The policy is aimed at migrants and yet fails to include migrants in the formation of policies to get a comprehensive policy that meets the needs of New Zealand and migrants.

35. What effect has access to migrant labour had on training, job conditions and technology adoption by firms? What other factors explain firm practices? How can the Government support firms to change their practices?

It has created a poor internship culture. Most jobs are advertised at the senior level – but very few junior roles. Senior roles are taken up by migrants often as they have the skills and experience firms are looking for – yet firms are unwilling to develop locally.

We do acknowledge however that recent research has suggested New Zealand firms were not making the most of leading technologies and that global best practices did not flow swiftly into the economy, the report said.

Compared with other developed countries, New Zealand firms were capital-shallow, meaning that workers had relatively limited equipment to work with, the report noted. Government could invest in these areas to help support firms to change practices so that they are utilising to the fullest, the extensive skills migrants have.

36. How responsive to skills gaps is the education and training system? Are there policy changes that could improve its responsiveness?

The education system in NZ is based on factory-work frameworks to teach and assess. Rather we should be fuelling the creativity and critical thinking capabilities. The government needs to respond to the needs of people outside of the classroom; that combines industries and formal education to coordinate. For example, investing into apprenticeships and similar opportunities.

37. How can New Zealand best leverage the diaspora to enhance productivity growth?

Greater support in-market through MFAT to coordinate the local network of New Zealanders.

Population growth and migration volumes

38. Which costs and benefits of population growth are most important? Why?

No Comment

39. What policy changes could help increase the benefits and reduce the costs of population growth?

No comment

40. Could or should the Government use immigration policy (e.g., visa conditions to settle in specific places) to ease pressures in some regions? If so, what would be the best way?

No comment

41. Should the Government regulate the numbers of people given permanent residence? How and why?

No comment

42. Should the Government regulate the total number of people with temporary work rights? How and why?

No, it shouldn't regulate but focus on renewals for permanent roles held.

It is temporary so there is already a defined period so doesn't need to regularly total number of temporary workers.

43. If the Government does regulate volumes of permanent residents or temporary migrants, what should it be trying to achieve (e.g., stabilising population, managing pressures on housing and infrastructure demand)? How feasibly can the Government achieve these goals through immigration policy?

There needs to be investment into opportunities for inclusion, that has inclusion being a key feature in policy that speaks to the wider needs such as culture needs of migrants and New

Zealand. So, if the government does regulate, it should be based upon wellbeing and ability to continue investing into inclusion. Where the government reviews if it's able to support the current migrant volumes to be adequately supported. Just as organisations invest in maintaining customers by building loyalty, understanding that it costs less to look after existing customers than to recruit, the government should also ensure that they are able to effectively support and maintain their current migrant volumes.