



23 December 2021

New Zealand Productivity Commission

Wellington

LETTER OF SUPPORT: BusinessNZ Submission on Preliminary Findings of Immigration – Fit for the Future Report.

The Wellington Chamber of Commerce and Business Central (the Chamber) writes to express our full support for BusinessNZ’s submission on the preliminary findings and recommendations on the Immigration – Fit for the Future Report (the report)

The Chamber has been the voice of business in the Wellington region for 165 years, since 1856, and advocates policies that reflect the interests of the business community in both the city and region, and the development of the region’s economy as a whole. The Chamber advocates the views of its members and obtains that view through regularly surveying members.

We are a business membership association, representing around 3,600 members and their interests throughout Central New Zealand (Gisborne to Taranaki and down to Nelson). Our organisation also delivers ExportNZ to Wellington, Hawke’s Bay, and the Central region.

The Chamber joins BusinessNZ in its support for the significant economic and social contribution that immigration makes to the fabric of New Zealand society. We welcome initiatives to streamline and simplify our immigration system – to make employment easier and New Zealand a more welcoming place for people of all nationalities and backgrounds.

The report is correct to see immigration as an important part of how we meet not just our labour market needs, but the needs of our wider economy as we adapt to 21st century technology.

Our members, and the wider Central New Zealand business community continue to struggle to find skilled staff in the current environment, with a shortage of skilled labour being the single biggest issue for nearly half of all respondents in our [latest business confidence survey](#). It is the single largest barrier to business in our region, and immigration is the best tool we have for addressing the challenge.

The Government continues to reinforce a view that it is not planning to allow migration to return to pre-pandemic trends either, unlike the Australian government. Growing our talent at home is a great idea, but it can take three years minimum to train up a tradesperson. The

reality is the demand is now. No business uses immigration as the first port of call for workers – it is expensive, can be unreliable, and difficult. Immigration is good for New Zealand – our years of high economic growth have been supported by migration across all skill levels and supports strong social and cultural links. New Zealand is a multi-cultural country that prides itself on manaakitanga, and the recent immigration policy direction set out by the Government concerningly signals the opposite.

We endorse in full the submission made by BusinessNZ on the report, and highlight our support for the following points:

- The report's findings that immigration **does not reduce wages** are correct. Instead, immigration is a useful tool for growing the economy and creating opportunity for everyone. Without the skills, productivity improvements and economic growth brought to New Zealand by immigrants, fewer jobs will be created, and we will be poorer as a country.
- The belief immigration must be slowed to address New Zealand's infrastructure deficit is not only wrong, but the reverse is true. Infrastructure will be helped by high numbers of immigrants who grow our economy and improve the government finances. We support the recommendation that the report takes this into account.
- We have experienced an immigration shock due to the Covid-19 pandemic and subsequent border closures, which is testing the resilience of our immigration system and labour market. The best response is to offer certainty for migrants on work visas who have been in New Zealand throughout the pandemic, and offer opportunities to resume migration once the borders open.

New Zealand should be open for business, should welcome migrants to our shores and should create a welcoming environment that is easy for immigrants and their perspective employers to navigate. Doing so will make us socially vibrant, economically productive, and a better place to live.

Thank you for the opportunity to submit on the proposal, we look forward to continuing to offer feedback on the report.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Simon Arcus', with a stylized flourish at the end.

Simon Arcus

Chief Executive

Wellington Chamber of Commerce & Business Central