The Fair Initiative

Submission to the Productivity Commission on Immigration
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Background

The Fair Initiative (www.fair.nz) is a new think tank and advocacy initiative that grew from the community of current migrants in Aotearoa New Zealand. We will research and advocate on a range of areas – immigration is obviously a clear concern for us given our shared background as migrants. We also intend to work on issues around (sustainable) housing; child poverty; inequality; international development and mental health. This submission represents some thoughts and ways forward for immigration to Aotearoa New Zealand.

The Fair Initiative is independent and non-partisan.

Summary and Introduction

The Fair Initiative welcomes a new perspective on immigration to Aotearoa New Zealand. We believe that there has been little real policy work on immigration in the last few decades, and that what policy there is has been far too responsive to negative headlines about migration, and to seeing migrants as the chief cause of New Zealand’s problems.

This submission looks at elements of sections two, three and four of the Productivity Commission’s Issues Paper. Specifically, we focus on migration’s contribution to productivity and the experience of migrants in New Zealand’s immigration system (section 2 in the issues paper); immigration and the labour market, how the immigration system is managed and how New Zealand can access the skills it needs for the future (section 3 in the issues paper) and immigration and population changes (section 4 in the issues paper). The Fair Initiative considers housing and infrastructure to be key cross-cutting themes and so we spend some time discussing them as well. We also consider retention of current migrants and the integration of new migrants to Aotearoa New Zealand issues that have largely been overlooked and so we suggest how that might happen more effectively in the future.

We take the view that populism is a dangerous path to tread. Recent migrants to Aotearoa New Zealand have been blamed for all sorts of ills – from lack of housing, to escalating house prices, to lack of job security, poor pay and even for the lack of investment in our transport infrastructure. One can see why ‘blaming the other’ is an easy way to avoid asking hard questions about a lack of investment in infrastructure over the last thirty or forty years – but it’s lazy politics, and it can be very difficult to row back.

Immigration, Productivity and Wellbeing

This section will focus on housing and immigration and immigration and the labour market – specifically in the areas of healthcare, education and construction & transport.

On housing and immigration, analysis of government data shows that migration to Aotearoa New Zealand did not cause the current housing crisis, and that preventing non-residents from purchasing a house did not have any impact on house prices that have continued to rise in the wake of the ban – house price inflation is currently running at about 20-25% annually. There were other factors that have had a much greater impact on escalating house prices, chiefly lack of supply but also very low interest rates, lending rules and quantitative easing. Most of all,
continuing to see houses as investments first and homes second has been hugely disruptive to our right to decent housing.

On the labour market we reflect on the role migration has played and will continue to play in a few key areas: healthcare, education and construction & transport. We take these areas as proxies for the labour market more generally. We discuss the ageing of our population and what this will mean for migration in the future.

**Housing and immigration**

Aotearoa New Zealand is in the midst of a housing crisis. Successive governments have not invested enough in building affordable (state) housing; renting is widespread but precarious; and the housing market has come to be a proxy for the overall wellbeing of New Zealand’s economy.

*New Zealand doesn’t have an economy: it has a housing market with bits tacked on.*

The concept that the housing market is ‘too big to fail’ has been hugely problematic. Generations have been locked out of purchasing a home and have remained reliant on poor quality rental housing, with few guarantees. Meanwhile, the lucky few who own multiple properties have seen the value of that investment skyrocket, especially over the last 5 years. The Labour-led coalition first elected in 2017 promised to fix this, but has so far only tinkered around the edges, refusing to introduce a capital gains tax which may have helped, and failing to build the significant numbers of new houses that the country needs just to keep up.

The key issue to tackling house prices in New Zealand is a lack of supply – but instead of addressing that, Government instead decided to take a leaf out of NZ First’s playbook and blame migrants for buying up property as investment. The result, in 2018, was the Overseas Investment Amendment Act, which banned foreign nationals without residence status from buying a home. At the time, much was made of how this would ‘take the heat’ out of the housing market, but it was perhaps less clear to some how this new policy would affect migrants seeking to call Aotearoa New Zealand home. At the time, residence from the Skilled Migrant Category took approximately 9 months to process, with expressions of interest for the skilled migrant category being pulled from the pool every two weeks if they met the points threshold – but since then it has ballooned to almost 3 years. That ‘queue before a queue’ – the Expression of Interest process – has been frozen since March 2020, and so it’s become more and more difficult for those migrants hoping to settle here to buy a home. That forces them to compete with relatively less well-off New Zealanders in the rental market. In many places it has become

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extremely difficult for people to find a rental property. And did the ban on foreign ownership have any impact on house prices? The data says it did not.2

As the graph shows, the increase in house prices did not stop or reduce after the foreign ownership ban came into force – the upward trend continued, and if anything became even more pronounced from the end of 2019. Unexpectedly, the advent of Covid-19 did also not put much of a dent in median house prices. A report commissioned by the NZ Initiative ‘The Need to Build’3 finds that not only will we need somewhere between 15,000 and 29,000 new houses built every year between 2019 and 2060 just to meet current demographic predictions – but that doesn’t include the current undersupply of around 40,000 houses. Interestingly, in terms of migration, the report also shows that house prices in Aotearoa New Zealand have increased by 171% between 2000 and 2019, compared to by just 11% for the same period in Germany. Germany’s net migration rate over that period was 3.24%, and New Zealand’s was 4.33% - higher, but clearly not enough to explain the difference in house price increases.4,5

All of this points to two things – first, that the major issue with housing in Aotearoa New Zealand is one of supply and that tinkering around the edges of demand will not make a difference in the current housing crisis; and that secondly singling out foreign ownership for the housing crisis was both materially and morally wrong. It fed into a larger narrative at the time that continues – that many of Aotearoa New Zealand’s problems can be blamed on immigration, and, unfortunately, by extension, on migrants themselves. The housing crisis can in fact only be

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2 Graph showing median house prices nationally and in 4 centres across Aotearoa New Zealand between Oct 2014 and Jun 2021. Data from Interest.co.nz
4 Ibid
5 https://www.macrotrends.net
solved by building many more houses, and combining that with some form of capital gains tax to discourage mass purchase of housing as an investment alone.

**Immigration and the job market**

Much of the discussion and what policy has recently emerged around immigration to Aotearoa New Zealand has focused on the idea that migrants – and in particular, migrants who are at the lower end of the pay scale (unfortunately often referred to as ‘low-skilled’) – are ‘taking the jobs’ of New Zealanders. As with the idea that migrants are to blame for the housing crisis, this idea might be a vote winner but is also patently false. The figures below showing two types of work visa holder numbers (work to residence visas and essential skills visas) and unemployment rate along the same timeline show that both types of work visa holders increased between 2012 and 2021, with a marked increase before a flattening out of work to residence visas from early 2017. At the same time, the unemployment rate fell sharply, despite a temporary rise around the time of the first COVID-19 lockdown in NZ.

![Diagram showing Work to residence visa holders, 2012 – 2021](image-url)
At the time of writing, Aotearoa New Zealand has an unemployment rate of 4%. That is both historically low and far lower than other countries in the OECD. For contrast – the current unemployment rate in the US is 5.8% (May 2021, latest figures available) and in the Eurozone it is 8%. The point here is that there isn’t a great deal of unemployment in Aotearoa New Zealand – it’s probably possible to make a case for this being as low as can be expected, given that 100% unemployment is unlikely in modern economies. When you consider this, the idea that migrants who are here (or even, those who would like to come back, such as post-study work visa holders) are ‘stealing jobs’ seems ridiculous. The reality is – migrants are needed because

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Aotearoa New Zealand doesn’t have a working population large enough to service its economy. The next section will look at our workforce in a little more detail.

There is another argument often put forward for severely restricting migration – that migration pushes down wages. The idea is that, because migrants may work for less than the native-born population, the availability of migrants means employers will choose them over the native-born population because they are cheaper. However, research shows that this is not a valid argument either.

The IMF has published a number of pieces of research around the idea that migration offers more positives than negatives to advanced economies, even if it has been at times politically unpopular. This is as true for so-called ‘highly skilled’ migration as it is for so-called ‘lower-skilled’ migration. ‘Highly-skilled’ migration brings diverse talent and expertise which may be in short supply - such as doctors, IT workers, engineers. But lower-paid migrants fill essential occupations for which the native-born population is in short supply; when migrants fill lower-paid jobs the native-born population tends to move into higher-paid jobs where they have an advantage because of their knowledge of language and/or working culture; and in what is known as the ‘nanny effect’ migrants often support the return of native-born women to the workforce after they have children – by providing housekeeping and childcare services.

The Institute of Public Policy Research (IPPR) in the UK found that contrary to common perception, it was the contracting of the population in the North East of the UK that led to drops in wages and increased unemployment. They also found that the sectors that relied most heavily on lower paid migrants were precisely those that would find it difficult to increase wages if that was the only way to attract local workers (hotels and restaurants and food manufacturing were those sectors in the UK). Finally, they suggest that where companies employ migrant workers in order to drive down costs, such as with Sports Direct in the UK, it is a symptom rather than a cause of a dysfunctional labour market.

The Migration Observatory at the University of Oxford found a small negative impact on wages at the low-earning part of the spectrum in the short term, that evens out in the longer term, and the impact of migration at the mid-earning and higher earning part of the spectrum is positive. The IMF found that migration increases the average income per person across all levels of earners.

Finally, research by Motu specifically on the Aotearoa New Zealand context found that:

7 The Fair Initiative disputes the idea that work can be ‘low-skilled’. All work requires learning of some description and skill of some description. We prefer the term ‘low-paid’ work, and will refer to ‘low-paid’ work throughout the remainder of this submission.
9 Ibid.
11 Ibid
12 Ibid
13 https://migrationobservatory.ox.ac.uk/resources/briefings/the-labour-market-effects-of-immigration/
14 Jaumotte, F, Ibid.
Regardless of the model being estimated, we find little evidence that immigrants negatively affect either the wages or employment opportunities of the average New Zealand born worker. However, we find some evidence that increases in the number of high-skilled recent migrants have small negative impacts on the wages of high-skilled New Zealand-born workers, which are offset by small positive impacts on the wages of medium-skilled New Zealanders.\textsuperscript{15}

Anyone reading this will note – there seems to be little consensus. Does migration have a negative impact on wages? It appears not to, at least in the longer term. And in the New Zealand context specifically, there doesn’t appear to be a correlation between immigration and lower wages at the lower end of the spectrum, while this is often the argument for restricting migration here.

It seems to us at least that this argument is pure populism – provide people who are suffering due to government policy stasis over generations with an easy person to blame – the recent migrant. The trouble is, because there’s little if any truth to the idea that migrants are to blame for low incomes and lack of housing, severely restricting migration as the current government appears to be attempting to do will make little if any difference to people who have struggled. To say nothing of the damage to the social fabric that happens when we single out a group as to blame for all of society’s problems – not to put too fine a point on it, that’s where the seeds of genocide are sown.

Aotearoa New Zealand’s workforce and projected workforce

Migration is a traditionally a way of augmenting the native-born workforce – whether that’s simply providing the numbers of people needed to keep economies ticking over; or whether it’s providing particular skills to the economy that are not available from the native-born population. Looking at immigration from a migrant’s perspective – there are many reasons that people may want to move away from the land where they were born to settle elsewhere. It may be that they are escaping to safety (in the case of refugees) or it may be that they are seeking better (or different) job or educational opportunities, or it may be just that they have developed an affinity for a particular country and wish to make it their home.

For the ‘receiving’ country, there are benefits outside of just the economy to migration, among them the richness to cultural life that migrants bring. It is often said of the UK that chicken tikka masala is the national dish – that certainly wasn’t the case before migration of people from the Indian Subcontinent that started from the late 1950s. Aotearoa New Zealand is a more interesting, more diverse place too than it was in 1950.

That said, immigration is typically considered through the lens of increasing or augmenting the workforce. This section of the submission will consider that in more detail – briefly looking at the

\textsuperscript{15} \url{https://www.motu.nz/our-research/population-and-labour/migration/the-impact-of-immigration-on-the-labour-market-outcomes-of-new-zealanders/}
immigrant workforce in healthcare (nurses and doctors), education (teachers) and transportation and trades (construction and associated skills and transport and warehousing).

**Healthcare**

The Covid-19 pandemic that continues has starkly highlighted the importance of a strong health workforce. Although Aotearoa New Zealand has a comparable number of doctors and nurses to other OECD countries (NZ has 3.6 doctors per 1,000 people, Australia has 3.7, as does the EU; and NZ has 12.4 nurses per 1,000 people, while Australia has 12.6 and the US has 14.5)\(^{16}\), Aotearoa New Zealand has two huge issues with its nursing workforce in particular. Historically, almost half of the nursing workforce has come from overseas\(^ {17}\); and we have an aging nursing workforce, with 46.3 being the median age of nurses in Aotearoa New Zealand.\(^ {18} \)\(^ {19}\) Nurses are a mobile workforce, because they are in high demand globally. Nurses who qualify in New Zealand may be attracted overseas because of better pay and working conditions; and nurses who qualify overseas may be attracted here for a better lifestyle or better pay and conditions. The large proportion of migrant nurses in New Zealand, coupled with impending shortages of nurses given the large proportion due to reach retirement age in the next 10-15 years indicates that if anything, we need to do more to retain the migrant nurses we have.

In 2018, migrant doctors (‘international medical graduates’) made up 42.7% of registered doctors in New Zealand\(^ {20}\). That was a slight drop in percentage compared to previous years, but it’s a number that’s remained relatively consistent for a long period. On a positive note, recent figures show that New Zealand is getting better at retaining the doctors it trains – but as with the nursing workforce, we continue to ‘lose’ many of our trained doctors to Australia, the UK, Canada and Ireland. And also similar to nurses – it appears we are not very good at retaining our migrant doctors. In particular, doctors from OECD countries don’t tend to stay too long here – between a quarter and a third of doctors from the US and the UK who register here have left after 2 years working in New Zealand.\(^ {21}\) As with many other sectors, the New Zealand Nurses Organisation notes that our biggest problem with migrant workers is retaining them.\(^ {22}\) And yet, especially since the Labour-led government was elected in 2017 – and started bringing in policies to deter and reduce migration – we appear to be doing everything we can

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\(^{16}\) All data World Bank, data.worldbank.org

\(^{17}\) New Zealand Nurses Organisation


\(^{18}\) Ibid

\(^{19}\) We note the current position of the NZNO opposes migration of nurses to Aotearoa New Zealand, but this appears to be because they take the view that we need to nourish our own workforce, ensuring that salaries and working conditions are better and similar to other countries. The Fair Initiative takes the view that nurses as critical workers should have significantly higher wages, but that in the medium term we will continue to need migrant nurses, and we should ensure higher wages and better conditions for them too. Retaining and developing our health workforce matters – for native-born and migrant health workers alike.


\(^{21}\) Ibid

\(^{22}\) New Zealand Nurses Organisation, Ibid.
to lose the migrant health workforce we have. This is short-sighted at best, and will certainly lead to reduced health outcomes, increased waiting times and higher mortality rates in the medium term. That would be true even without a pandemic that shows no signs of going anywhere. At a time when what we actually need to be doing – and even more so in the wake of the Delta variant of Covid-19 – which is increasing our ICU and hospital capacity, and bringing on board the staff to do that, likely from overseas - to continue with policies that prevent our migrant health workforce from settling here and making it home is simply bizarre.

**Education**

Workforce shortages in the education sector are not as immediately obvious as those in the health sector during a pandemic, but they remain an issue for Aotearoa New Zealand. A search on 19th September on the Education Gazette revealed there are 1,366 vacancies for teachers in Aotearoa. There are 306 vacancies for ECE teachers, 467 for primary, and 593 for secondary. MBIE predicts that between 2023 and 2028, Aotearoa New Zealand will need an additional 8,790 teachers, and at current rates we have 3,325 individuals graduating with a teaching qualification each year. As with nursing, the workforce is ageing, with a median age for teachers of 44, and 35% of the teaching workforce aged 50 or above.

As with nurses, some of the issue with the teaching workforce could undoubtedly be tackled by better pay and career progression opportunities, but also as with nurses, it’s hard to escape the reality that our education workforce will remain reliant on migration for some time to come. Population data indicates that in the 5 years to 2019, New Zealand brought in an average of 2,725 teachers a year, offering many of them a grant of NZ $ 5,000 to emigrate here. Unfortunately, as with other sectors, migrant teachers have been affected by the closed border, with teachers strongly represented among the group of split migrant families. It must be tough beyond belief to spend your day educating children when you’ve been apart from your own for over 18 months – and particularly when sportpeople and entertainers have preferential access to MIQ facilities.

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27 [http://infoshare.stats.govt.nz/ViewTable.aspx?pxID=e812c88d-56ab-46ca-8fe7-2ae3a5bfcd63](http://infoshare.stats.govt.nz/ViewTable.aspx?pxID=e812c88d-56ab-46ca-8fe7-2ae3a5bfcd63)
Transport and Construction

We have chosen this final combined sector because the jobs in this area are described by some as ‘low skilled’ – perhaps in contrast to ‘highly-skilled’ doctors, nurses and teachers. Given the housing shortage mentioned above, it’ll come as no surprise to the reader that the construction industry is near the top of industries where the workforce is predicted to grow. Combined with transport and warehousing, MBIE predicts a growth of over 75,000 workers in the period 2018 – 2028. 30

There is already a huge workforce shortage in construction – the Workforce Information Platform indicates that there are currently 77,257 too few workers to complete planned construction across Aotearoa.31 With MBIE predicting a growth in the number of construction workers of 48,600 in the period 2018 – 2028, it’s clear that migration will need to play a part in fulfilling our construction needs. There’s irony in the fact that the biggest need for construction workers is in residential construction32 – but with current rules in place the vast majority of migrant workers building those new houses won’t be able to buy them.

Assessing the performance of the immigration system

It would be fair to say that current migrants to Aotearoa New Zealand who wish to make this their home are universally negative about the experience of the immigration system here. Whether they are stuck in the residence backlog and waiting two years for their visas to be processed, or whether they are in the ‘queue before the queue’ (the Expression of Interest or EoI pool); whether they are split from family by the closed border that only allows citizens, residents and some entertainers in; or if they are prevented from returning to New Zealand on post-study work visas, despite having paid many thousands of dollars to study here – it would be difficult to find a migrant who is satisfied with immigration policy or INZ at the moment. In most places, and Aotearoa New Zealand is no exception, migrants who are unhappy with the system don’t really have anywhere to turn – the Human Rights Commission and the Ombudsman are both prevented from getting involved in immigration matters. And so, frustration builds – in Facebook groups such as Migrants NZ, with 54,000 members33 and Reunite Families NZ34 migrants find community and sympathy for the horrible place they’ve been left in by the failures of Aotearoa’s Immigration policy and practice. The stories one can read are heartbreaking: dads missing their children’s birthdays, husbands separated from wives, people who’ve invested everything, financially and emotionally in making this place home finally giving

32 Workforce Information Platform, ibid.
33 Migrants NZ Facebook Group: https://www.facebook.com/groups/migrantsnz
34 https://www.facebook.com/groups/reunitefamiliesnz/
up and leaving. Petitions are signed, protests are held, and submissions are made to select committee. Members of the Fair Initiative have been involved in all of them.

In this section, we will look at how this frustration has played out for current migrants, who – if they are in a position to – are seeking to find somewhere more welcoming for their skills in vast numbers.

**Losing our current migrants – how many and why**

In late July 2021, the Fair Initiative ran a survey in the current migrant community (via Migrants NZ) to find out how many were considering leaving Aotearoa New Zealand, and if they were considering leaving, what their reasons were. Some charts follow from the data we gathered.

Most of the 2500 people who responded came here from India, closely followed by South Africa, the Philippines and the UK. The large majority were right in their most productive years – 57% were aged 25-34, with the next biggest group being 35-44 (27.6%). Respondents worked in various fields – from Architecture/Engineering/Construction (16.7%) to IT (13.4%) and healthcare workers (9.6%) Smaller groups worked in hospitality, agriculture and retail.

The data also shows they primarily work in relatively well-paid jobs, as the majority are paying income tax in the range of $10,000 - $15,000 (30.9%) and $15,000-$25,000 (22.8%) Over half of

35 All questionnaire data can be found here: https://forms.gle/M8ebDLrZ41je6Re7
the respondents therefore earn between $57,000 and $103,500 per year. Some are on lower incomes – with 13.8% paying less than $10,000 in income tax per year, while some are on even higher incomes, earning up to $135,000 per year and paying up to $35,000 in income tax. All of this belies the idea that the majority of migrants are low paid. From this data at least, a clear majority are paid significantly over the minimum wage.

We asked respondents to say why they had chosen to move here. For the majority, it was the idea that Aotearoa New Zealand would provide either a better life/work balance than their home country, a better family life or childhood for their children, or better safety and security. A significant number also moved here because of the beauty and culture of Aotearoa New Zealand.

The real purpose behind the questionnaire though was to find out what respondents’ experiences of immigration in recent times was. And this data was quite startling:

![Chart showing responses to immigration considerations](https://www.paye.net.nz/calculator/)

This chart alone demonstrates some of the frustration with immigration settings felt by current migrants here. 82.2% have considered moving away from here while waiting for residence. To reiterate – these are migrants currently living and working here. They are eligible for residence under current settings, either through the work to residence system or the skilled migrant residence stream. They are committed to life here, part of the communities where they live and paying significant amounts of income tax.

We asked those migrants who responded in the affirmative to this question to give their primary reason for having considered moving away. 30.2% responded that they considered leaving Aotearoa New Zealand because of lack of certainty about their future here, and a further 20.7% said it was because residence takes too long. What this tells us is that the level of uncertainty about immigration settings – lack of communication from the two most recent Ministers for Immigration, coupled with constant changes to visa settings and most importantly

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36 Calculations done at paye.net.nz [https://www.paye.net.nz/calculator/](https://www.paye.net.nz/calculator/)
37 Questionnaire data: [https://forms.gle/M8ebDLrRZ41je6Re7](https://forms.gle/M8ebDLrRZ41je6Re7)
the indefinite suspension of the Expression of Interest pool and the massive backlog of residency applications have combined to make the process of really making Aotearoa New Zealand home hugely off-putting to our current migrants.

Just prior to submission, we learned that an announcement on the many issues around residence was forthcoming, and that it would be quite broad, potentially alleviating the suffering of quite a large number of current migrants. We will obviously applaud that if it happens, with the obvious proviso that INZ needs to be appropriately resourced to deal with any additional people in the residence queue, whether they are in the priority queue or not. Adding more people to the queue should not mean that the process takes even longer than it does at the moment – this would not be a real solution. Coupled with that we would recommend either making a fairly rapid transition to online processing of residence visas or moving the processing of residence visas away from Auckland, where the lockdowns that are more frequent than in other parts of the country have hampered speedy processing of visas.

Most importantly, whatever is announced we need to ensure migrants don’t face similar issues in the future.

We also asked which country migrants had considered moving to if they left Aotearoa New Zealand: the majority – 58.2% - responded Canada – not a surprise given that Canada has been in the news in recent months for offering immediate residence status to new migrants, as well as pathways to residence for existing migrants that did not qualify previously. That was followed by Australia at 15.7%. Canada does seem to be ahead of the game here: The Fair Initiative believes that with ageing populations and lower fertility rates, most OECD countries are going to need to increase immigration in the next few years, even just keep their economies ticking along, to say nothing of paying for longer retirements. Canada clearly wants to get ahead of the rush as the world starts to reopen in the wake of Covid-19. For current migrants here, it’s really all about residency settings: of those who had considered leaving here for another country, just under 70% responded it was because those other countries offered either quicker, easier or clearer pathways to residence.

Our last question was around what migrants would like to see changing here. And again, it’s all about quicker, easier and clearer pathways to residence:

The second most popular answer was ‘the rules that apply to residence should apply until I get residence’. This refers to people who have been affected by changes to residency settings once they are already living and working here, and links to the responses to previous questions around lack of certainty for people’s futures being a key reason for migrants considering leaving.

Preparing for a future Aotearoa New Zealand

In this section we will put forward our thoughts for how immigration here needs to change in order to respond better to both the needs of this country but also to the needs of migrants themselves. Broadly, we suggest that there is a need for a proper population growth and geographical settlement policy – and that getting to that requires a truly national conversation about who we are and who we want to be. We suggest that all new migrants who wish to remain living in Aotearoa attend classes in te Reo Maori and Maoritanga to enable them to integrate better. We need to re-think migration entirely – if we accept that we need some population growth through migration – and the Fair Initiative believes this will be necessary – then we can’t look to migrants as merely a source of new tax revenue and boosted growth figures. We desperately need a fit-for-purpose infrastructure and investment policy that matches population growth with investment in the socio-economic structures that support those gains.

40 All questionnaire data: https://forms.gle/M8ebDLrRZ41je6Re7
The future

Migration was – and is – a question of choices. That's why it grates when those who really don’t need access to Aotearoa – such as entertainers and sports people – are given priority access to MIQ over reuniting families, or allowing citizens to return to be with their families after a bereavement. Clearly, the pandemic has added a whole new layer to some difficult questions about who can come to Aotearoa and who can stay. It has forced us to ask questions about who we are – is kindness as important as some politicians claim? Are immigrants only here to bolster the economy or do they do more? Do we want to be a society that welcomes the migrants we need to have and makes them part of this country, or do we want the kind of two-tier society Bernard Hickey remembers Singapore being? What kind of population can Aotearoa New Zealand sustain, and perhaps more importantly, what size of population does it want to maintain? Do we owe anything to migrants who come here seeking to make it home? Should manaakitanga apply to our migrant communities as well? How do we manage the integration of indigenous and newer cultures? How do we do all of that through a Te Tiriti lens?

What has become abundantly clear is that the way we’ve done things before is not how we can continue to do them: migrants have been (and felt) hard done by with all the changes to long term stability and residence being applied retroactively, and more recently by limits to their movement as a result of border closures and policies around who can access MIQ; native-born New Zealanders may feel threatened by what feels like a large number of people who look and behave differently to them; Maori may feel that migration is a kind of new colonialism, taking again from this land; and migrants may want but lack the means to integrate properly. So, how do we start doing things differently?

The Fair Initiative proposes two broad areas for work: a long-term population policy; and a proper way of integrating all new arrivals here – whether they are convention or quota refugees, students or ‘highly-skilled’ migrants. That starts with a public education campaign of the kind we’ve seen be so effective in the Covid-19 response – necessary to alleviate the ‘fear of the other’ that is so prevalent in much of the discourse around immigration, and which is so harmful to us all.

A population policy needs to look at what kind of country we see ourselves becoming over the next 50 – 100 years. Developing a population policy is not the kind of decision that can be taken behind closed doors by politicians and experts. It needs to brought out into the open, supported so it doesn’t become another way of bashing migrants, but transparent, and that comes to a conclusion most of us can respect, even if we don’t always agree.

In 2018, the UK did something similar specifically related to immigration – it was called ‘The National Conversation’ and was supported by British Future and Hope Not Hate. The result of engaging with 19,951 people in over 130 meetings in 60 locations across the UK was not just a

41 https://thespinoff.co.nz/business/20-08-2021/bernard-hickey-were-flying-blind-into-our-population-future/
43 http://nationalconversation.uk/
report with recommendations to the Government, but a genuinely honest conversation about immigration, it’s place in the UK and its future. To start knocking down some of the myths about immigration and to start to rebuild a lost trust in the political process we are all part of was huge. The Fair Initiative proposes developing a population policy for Aotearoa New Zealand using this methodology.

A population policy obviously ties in to what kind of workforce we need, and MBIE has done some work on those figures, which we’ve alluded to above. But it’s not about just that – because migrants who stay will have children, who will know only here as home, and who will have the freedom to become whatever they want when they grow up, whether that’s following in a parent’s footsteps and becoming a doctor, or building houses or caring for our national parks.

It also ties in to the greying of our population, and the low birth rate. Superannuation has been affordable because the number of people living in retirement for a long period was always low in comparison to the number of people in the workforce and paying taxes. But those figures aren’t fixed: like most ‘developed’ countries, Aotearoa New Zealand has an ageing population. Where in the 1950s, the average woman in New Zealand had 4 children, it’s now fewer than 244, and we are living longer too – a girl born in 2014 can now expect to live to 93! So – more years at the end of life not working, and at the same time, fewer young people finishing school and joining the workforce which is what pays for the longer retirement (through taxation). There’s no need to be a mathematician to know that this doesn’t add up. The only way to support an ageing population through a longer retirement is to have more people at the other end contributing through work and taxation. That’s achieved either by a higher birth rate – something difficult for government to have an influence on; or by migration. The alternative means accepting that our generous superannuation scheme will need to change, or we will all need to pay more of our income in taxes.

Clearly, if we accept increased migration for the reasons outlined above – workforce shortages and the ageing population, that means ensuring that infrastructure keeps pace. One of the most common things one hears when advocating for migrants is that our hospitals/schools/roads/housing sector can’t cope. It’s obvious that infrastructure can’t stand still in the face of population growth, wherever that population growth comes from. So, a population policy needs to factor in an infrastructure policy that keeps pace with projected population growth.

It also needs to factor in an update to the existing Employment Strategy. We need to be clear as to how Aotearoa New Zealand can start producing more of its own teachers, doctors, nurses and other roles that migrants currently fill. And if we are really concerned about unemployment or lack of opportunity for people who were born here, then our social security system needs to link up properly with our skills system – surely the only way out of long-term unemployment is by working with those affected to discover their interests and strengths, and then matching those to needs in the job market. Penalizing people or forcing them to attend a targeted number of job interviews for jobs they have no interest in doing and that they wouldn’t excel at is pointless.

and soul-destroying. That’s a huge undertaking of course and quite separate from migration, but it’s an important part of the picture too.

Looking at the figures above, if Aotearoa New Zealand wants to become somewhere people to choose to move to once again, it has some significant work to do on ensuring that people who make the decision to move feel welcomed and are offered stability. To be clear, we are not really talking here about migration on very temporary bases such as the RSE scheme or the working holiday scheme. Those who come here with the intention of settling should be able to count on their applications for residency being processed in an efficient and timely manner – particularly now that there is such an emphasis on ‘approval ready’ applications being submitted. There really is no reason it should take in excess of a year to decide a residence application if INZ only accepts applications which have their paperwork in order. In order to facilitate speeding up of processing, INZ must shift to online and electronic residency applications, as it does for tourist visas.

Importantly – we need to be very clear that changes to residence eligibility should not be applied retroactively any longer. It takes a significant investment in time and money for migrants to make the move here. They need to be able to do that in the knowledge that the rules that apply when they arrive in New Zealand will continue to apply until their residence application is decided. We have heard talk of migration ‘levers’ being pulled to explain these retroactive changes, but this is an issue of long-term planning. It is not just to burden migrants with this failure to plan. With a clear long-term population plan in place, this should no longer be necessary.

We can’t overestimate the importance of integrating new arrivals. Currently, the only major group that receives any sort of support integrating into Aotearoa New Zealand is quota refugees – those refugees that come as part of the quota New Zealand has agreed with the UN. They are supported to learn language and culture as well as supported in finding work and housing. Their need is obvious, they may well have had to leave the country of their birth suddenly and so need significant support settling in. However, we argue that support on learning the languages and culture of Aotearoa New Zealand needs to be rolled out to all new arrivals. In particular, learning te Reo Maori and Maoritanga will help newcomers truly become a part of this country – and will ensure the heritage of Aotearoa New Zealand is preserved. This means that those applying for visas which could end in residency applications, especially temporary work visas should be required to attend subsidized classes in te Reo Maori and Maoritanga. This leads us to our next point – the relationship between international education and migration.

It would be fair to say that international education has been a mixed blessing for Aotearoa New Zealand. On the one hand, we have done a very good job of attracting students here, with related benefits through fees and discretionary spending for individual institutions and society at large. However, we have often achieved high rates of international students choosing New Zealand by appearing to offer them pathways to residence. This does need to be adjusted – the situation we find ourselves in now, with many thousands of former students who technically have the right to live and work here on post-study work visas being stranded overseas due to border closure is avoidable. This ties in to a population policy too – if we know we need X IT systems engineers over the next 10 -15 years, and we know that we will need to import some of them, we also know that places to study IT systems engineering should be in some way related to that need – and that those who can come here to study in excess of that number should not be promised a pathway to residence if the reality is that they are not
required by the economy. That’s not to say that they have no chance of settling here, but that it should be clear it is not a given if it is not. For institutions that will mean some adjustment in the quality and types of courses offered to overseas students. It may mean tying places to study here to an undertaking to return to one’s own country after studying. That said, the suggestion above for a need for Te Reo Maori and Maoritanga classes for those arriving and intending to stay offers institutions that have relied on international students the possibility of a new revenue stream – as of course does distance learning.

Conclusion

This submission has covered a broad range of public policy related to migration. We have set out how migration is not to blame for the housing crisis, and how we need to massively increase supply of affordable, sustainable housing and start looking at houses as homes rather than investments if we want to fix it. We have looked at the labour market and shown how migration has been key to filling gaps in several areas, from healthcare to construction, and how it will continue to be needed in the medium term, because we simply aren’t at a point where we can function as a society and an economy without migrants, and because our population is ageing. We have shown how damaging it is, for individual migrants and for our society when we take the populist route of blaming migrants for problems caused by generations of underinvestment in public services and housing. We have reflected on the near universally negative view of immigration policy and practice held by current migrants to Aotearoa New Zealand – a position that is as we speak forcing migrants who wanted to make this their home to leave – and giving prospective migrants to these shores little reason to choose here over other countries that will value them more.

The way forward suggested by the Fair Initiative would, we believe, result in a migration system that fits better with what Aotearoa needs to become the country it wants to be. It would ensure we get the skills we need, and increase the richness of our cultural life as well as our ability to innovate. It would be fairer to our migrant communities, and ensure that those who choose to make this wonderful place home are really able to do so. It seeks to leave no one behind, to ensure that the starting point for it all is Te Tiriti and honouring and respecting our indigenous peoples. We will conclude with a reminder to look to one of our most famous proverbs in remembering who our future immigration policies will affect:

*He aha te mea nui o te ao*

*He tangata, he tangata, he tangata*

*What is the most important thing in the world?*

*It is the people, it is the people, it is the people*

The Fair Initiative, September 2021.