

Productivity Commission

XX October 2021

**Re: Submission – Immigration, Productivity and Wellbeing Issues Paper**

Thank you for providing the opportunity for ChristchurchNZ to comment on immigration policy settings that would best facilitate New Zealand's long-term economic growth and promote the wellbeing of New Zealanders.

ChristchurchNZ is the Economic Development Agency (EDA) and Regional Tourism Organisation (RTO) for Christchurch City. ChristchurchNZ's work programmes include several collaborative initiatives to grow local education to employment talent pathways as well as attracting skilled migrants.

There are several matters we would like to be incorporated into your inquiry. We request that you consider the following matters in your investigations and considerations for policy recommendation:

ChristchurchNZ economists have forecast based on historic growth and pre-covid employment and population data that Canterbury faces an annual shortage of around 5,000 skilled and semi-skilled workers reaching a shortfall of 50,000 workers by 2030 without intervention. This number is likely now higher given Covid has significantly reduced skilled migration since early 2020.

There is clear evidence that the current (post covid) levels of migration are limiting industry growth. We believe targeted migration is essential where it enables growth sectors, with high productivity, that support decent work opportunities for New Zealanders as well as new migrants.

We recognise that more can be done through training of existing population. However, adaption of the tertiary education system will be a generational change (estimates suggest that a 10-year reform of vocational education is required to provide an appropriately skilled workforce) and migration will continue to be needed to bridge the 50,000 gap in employment needed to support industry.

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An expansion of long stay (3 year) work visas that do not have a clear path to migration should be included in the investigations (e.g. Australian 457). This could support industry growth where it will take time for the skills needed to be developed from within the New Zealand resident population.

Regional visas are used in several places, for example Canada and Australia, and have been used successfully in our region following the Canterbury earthquakes. We believe regional visas should be included in your inquiry as they may have the potential to support targeted industry needs-based migration that doesn't affect the livelihoods of kiwis.

If this causes issues with the migrant workers in the Agricultural sector that MPI move around the country to meet seasonal needs, then a two-tier system for seasonal workers could be considered.

International Education should be a key consideration in migration settings.

The current system with its degree+ focus provides a high-tech needs-based focus for skills development.

However, New Zealand has a skills shortage in many areas that do not require such a high level of educational attainment e.g. lines electricians, dairy workers, forestry workers. We believe the inquiry should consider a future system that has a broader focus including sub-degree level education that trains potential migrants through the education system as international students with the ability to pathway to employment in areas where industry cannot source the talent they need from the resident population.

In summary, we believe the results of the inquiry need to set out recommendations for migration settings that are multi-faceted, enabling and needs-based to support the growth of high productivity industries that are not able to meet their labour needs from the domestic population in a timely manner.

We look forward to providing further input once the preliminary findings and recommendations are released.

Yours sincerely,



Joanna Norris

Chief Executive Officer