

Auditor-General's overview

This report looks at how well Immigration New Zealand and other agencies support new migrants to settle and work in New Zealand.

New Zealand has long relied on migrant labour to supplement the labour force and support the economy. Today, one in four people in the workforce was born overseas. The people who choose to migrate to New Zealand help to address gaps in the health, engineering, information and technology, and other labour markets. Migrants are essential to the country's economy, so it is important for more than humanitarian reasons that they settle well.

Most skilled migrants settle well into life and work in New Zealand. Most of the skilled migrants who come to live here have job offers before arriving. Some of these skilled people first enter New Zealand as temporary migrants. Employment rates for new skilled migrants are high and remain high over the years that they stay in New Zealand.

An important aspect of settlement is that skilled migrants' families feel settled and able to make New Zealand their home. Research shows that 58% of partners of skilled migrants (secondary skilled migrants) who seek work find a job within two years of arriving.

However, secondary skilled migrants and temporary visa holders who aspire to become skilled migrants face several barriers to settlement. These barriers include getting access to services to help them settle, such as services to help them find suitable jobs and improve their English-language skills.

Immigration New Zealand – a division of the Ministry of Business, Innovation and Employment – and various other public entities provide services to help migrants to settle. In 2012/13, the total budget throughout government for services to support new migrants to settle and work was about \$17 million.

This report is part of my Office's programme of work for 2012/13 under the theme of *Our future needs – is the public sector ready?*

My staff looked at how effectively the money to support new migrants to settle and work was used. More can be achieved through better governance of how this money is spent and improved evaluation of the effect that government settlement services are having on helping new migrants to settle and work.

Immigration New Zealand has a governance role to facilitate effective settlement work throughout government to improve information-sharing, improve

consistency of services, address any service gaps, and improve the use of resources in this complex area.

Delivering and funding settlement services is complicated, and the governance structures that have been put in place are not functioning as intended. A strategic approach to the whole-of-government settlement structure has been lacking. This has limited achievement of some intended results, such as using settlement resources better throughout government and making progress in tackling barriers to migrants' settlement.

This is partly because the various stakeholders and organisations have not fully understood their roles and responsibilities and the purpose of inter-agency work. Also, better information about the effect and outcomes of the inter-agency settlement strategy and the governance structure has been needed. In my view, momentum has been lost over time, and not enough focus has been placed on the economic part of the settlement strategies and actions.

Immigration New Zealand recognises some of these deficiencies and has been improving how it provides settlement services to new migrants. There has been much research into migration, and Immigration New Zealand is starting to analyse how resources are used throughout government to address duplication or gaps in settlement services. Immigration New Zealand has made progress towards putting in place performance indicators to better measure outcomes for new migrants. Work on settlement evaluation frameworks needs to be completed, implemented, and reported on.

The former Department of Labour and Immigration New Zealand – now part of the Ministry of Business, Innovation and Employment – worked in an environment of substantial change and flux during the years that they led work on new migrant settlement. This is important to consider because the extent and nature of the organisational changes might have contributed to some of the matters we raise in this report, especially the loss of momentum and direction for the New Zealand Settlement Strategy and action plans.

The way that Immigration New Zealand approaches continual improvement, when it is supported by an improved governance model and a more integrated framework for evaluating and monitoring settlement, should enable more to be achieved from the funding available throughout government to support new migrants to settle and work.

I have made recommendations to help Immigration New Zealand better co-ordinate and target support services so that it can more effectively and efficiently support new migrants to settle well.

I thank Immigration New Zealand for co-operating with our audit. I also thank those from the other organisations involved in settling new migrants, and the people in Wellington, Lower Hutt, and Auckland who kindly shared their settlement experiences with my staff.

A handwritten signature in black ink, appearing to read 'Lyn Provost', written in a cursive style.

Lyn Provost
Controller and Auditor-General

18 November 2013

Our recommendations

Immigration New Zealand, the units it works with within the Ministry of Business, Innovation and Employment, and its government partners need to better understand the outcomes being achieved from the delivery of settlement services in reducing barriers to settlement for new migrants and improve the targeting of resources.

We recommend that Immigration New Zealand:

1. Work with its government agency partners to provide advice to the Government about an improved settlement **governance structure and approach** that supports targeting and delivering services effectively to where they are most needed. *Target time frame: by June 2014.*
2. Use the governance structure decided on to **work with government agency partners** to make better use of resources throughout government towards measurable settlement outcomes for new migrants. *Target time frame: by December 2014.*
3. Monitor and review the governance structure to ensure its ongoing effectiveness. *Target time frame: ongoing.*
4. Implement **evaluation and monitoring frameworks and outcome reporting** for whole-of-government settlement activities, including the services purchased by Immigration New Zealand, to ensure efficient and effective use of resources that meet the needs of new migrants. *Target time frame: by June 2015.*

We recommend that the Ministry of Business, Innovation and Employment:

5. Improve the **quality of information** it reports to the Government and more widely by including appropriate context information and data about principal and secondary skilled migrants and improving methods for reporting on retention. *Target time frame: by June 2014.*

We recommend that Immigration New Zealand:

6. Continue to improve **the information that it provides to potential new migrants** so that they have more realistic expectations of what life will be like in New Zealand. *Target time frame: ongoing.*
7. Use the information gathered from the migration research programme and work with other agencies to **rationalise and better target resources to overcome known barriers** to employment, and provide services needed for secondary skilled migrants and temporary work visa holders. *Target time frame: by December 2014.*