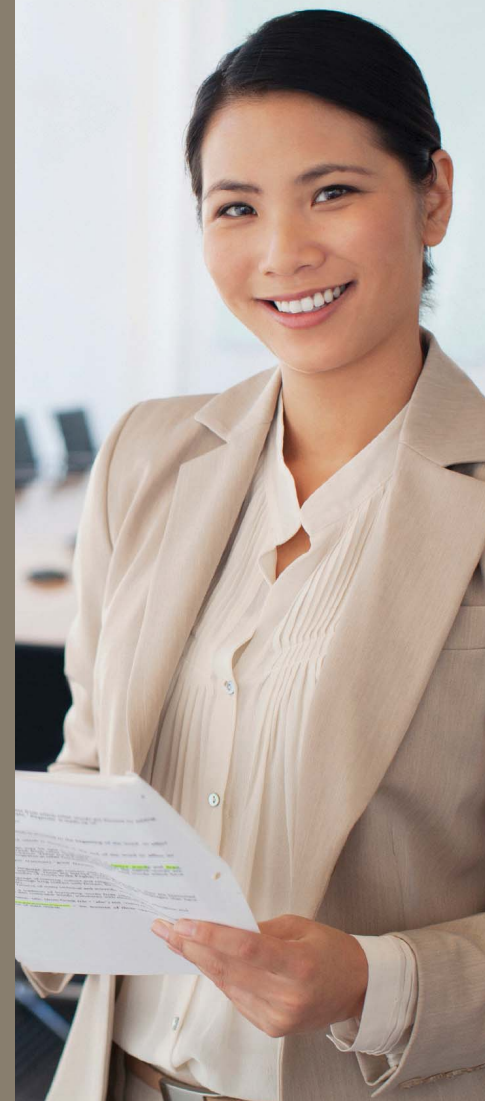




Immigration
New Zealand:
Supporting new
migrants to settle
and work





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Immigration New Zealand: Supporting new migrants to settle and work

This is an independent assurance
report about a performance audit
carried out under section 16 of the
Public Audit Act 2001.

November 2013

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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.*

Part 1

Introduction

- 1.1 In this Part, we describe:
- why we did our audit;
 - the scope of our audit;
 - how we carried out our audit; and
 - the structure of this report.

Why we did our audit

- 1.2 We carried out a performance audit to look at how effectively Immigration New Zealand supports new migrants to settle and work in the two to five years after they arrive. Settling effectively allows people to successfully contribute to New Zealand's future economic growth and prosperity.

The importance of new migrants to the economy and our future needs

- 1.3 New Zealand has relied on labour migration to support the economy for many years. Compared with other Organisation for Economic Co-operation and Development (OECD) countries, New Zealand has high inflows and outflows of people. One in four people in New Zealand's workforce was born overseas. In 2010, about one in seven people born in New Zealand lived overseas. Most of these people had migrated permanently to Australia. Since the late 1990s, a loss of about 259,000 New Zealanders has been offset by a gain of 384,000 migrants, to produce a net gain of 125,000 people.
- 1.4 Research by Immigration New Zealand's Migration Research, Evaluation and Analysis Team shows that most new migrants who gain residency under the Skilled Migrant Category successfully gain employment and settle well. However, some new migrants struggle to find work and find some aspects of settlement challenging. Appendix 1 describes the various visa categories for people to migrate to New Zealand, including the Skilled Migrant Category.
- 1.5 In 2012/13, we carried out a series of performance audits under the theme of *Our future needs – is the public sector ready?* This theme focused on how public entities prioritise their work, acquire necessary capabilities and skills, and use information to address future needs. This audit's focus on the importance of new migrants to the future of the economy supports this theme.

The scope of our audit

- 1.6 Immigration New Zealand is part of the Ministry of Business, Innovation and Employment (MBIE). It has been responsible for leading and co-ordinating efforts throughout government to support the settlement of new migrants since 2004.

- 1.7 We looked at how effectively Immigration New Zealand has led, co-ordinated, and worked together with government agencies to deliver settlement services that support new migrants to settle and work in New Zealand. Our audit focused on efforts to support new migrants (principal and secondary¹ skilled migrants and holders of temporary work visas) to settle and work during the initial settlement period (two years for Immigration New Zealand's settlement work and up to five years for other departmental settlement programmes).
- 1.8 We looked at the effectiveness of the settlement support services and programmes that Immigration New Zealand purchases.
- 1.9 Our specific lines of enquiry were:
- How effectively does Immigration New Zealand lead the whole-of-government approach to support new migrants to settle and work by collaborating with and co-ordinating other agencies?
 - How effectively has Immigration New Zealand assessed settlement outcomes through evaluation, monitoring, and reporting?
 - How effectively does Immigration New Zealand use the information it has to prioritise resources to support new migrants to settle and work in New Zealand and fully contribute to the economy?

Continual organisational change

- 1.10 When assessing performance towards intended outcomes, we consider changes that may affect the context of the work under way.
- 1.11 The former Department of Labour and Immigration New Zealand – now part of the Ministry of Business, Innovation and Employment (MBIE) – worked in a context of substantial change and flux during the years that they led work helping new migrants to settle. This is important to consider because the extent and nature of change that the organisation has undergone might have contributed to some of the matters raised in this report, especially the loss of momentum and direction for the New Zealand Settlement Strategy (Settlement Strategy) and action plans.
- 1.12 Since 2009, the organisational context continued to be marked by changes focusing on improvements for Immigration New Zealand, beginning with the work on an Immigration New Zealand change programme. An immigration service delivery change model was officially launched in March 2012. Immigration New Zealand's Vision 2015 is focused on better service delivery and includes the following three main objectives:
- ensure that New Zealand has the skills it needs for economic transformation;

1 Secondary skilled migrants are the partners and dependent children of principal skilled migrants (see Appendix 1). However, for the purposes of this report, references to secondary skilled migrants are references to secondary skilled migrants of working age.

- provide confidence that New Zealand's borders are secure; and
- ensure that the settlement of migrants and refugees is fast, effective, and co-ordinated.

1.13 The Immigration New Zealand change programme is already making headway in the improvements needed for better migrant settlement support.

What we did not cover

1.14 Our audit focused on the post-arrival support for new migrants during the initial settlement period. We did not look in any detail at services to attract migrants. However, where relevant, we refer to pre-arrival information that Immigration New Zealand provides to migrants, specifically information that ensures that new migrants have realistic expectations of life in New Zealand.

1.15 Although we do not focus specifically on holders of temporary visas, our audit considered that many aim to gain permanent residency through the Skilled Migrant Category and that barriers to settlement might affect this group during and after the transition from temporary work visa holder to skilled migrant.

1.16 Settlement support services and programmes for new migrants who are refugees and for family-sponsored migrants were outside the scope of our audit.

1.17 Our audit does not include international comparisons. Global comparisons of skilled migration outcomes are rare because of the inherent challenges of securing matched data.

How we carried out our audit

1.18 We reviewed documents and files that MBIE (Immigration New Zealand, the Migrant Research, Evaluation and Analysis Team, and other relevant parts of MBIE) and other public entities involved in settlement support provided to us.

1.19 We interviewed nearly 100 stakeholders from other public entities that support settlement of new migrants; settlement service providers from Wellington, Auckland, Whangarei, Dunedin, and Invercargill; and others (university faculty members and staff at the OECD in Paris) researching new migrant settlement. We interviewed MBIE staff in Wellington and Auckland.

1.20 We asked MBIE staff and their service providers to work with us to set up workshops with new migrants to inform our audit work. We held workshops with new migrants in Wellington, Lower Hutt, and Auckland to gain an understanding of migrants' experiences in settling and working in New Zealand and in receiving settlement services. Forty-two new migrants attended these workshops. Although we recognise that this is a small sample and it is not intended to be representative

of new migrants throughout New Zealand, we used these comments, along with other research and evidence gathered in the audit, to prepare our findings. We acknowledge that a range of factors might affect the opinions expressed in these workshops.

Structure of this report

- 1.21 Part 2 sets out some of the indicators of how well migrants settle and work in New Zealand.
- 1.22 Part 3 describes Immigration New Zealand's settlement support role, how those activities are funded, and settlement support activities.
- 1.23 Part 4 looks at Immigration New Zealand's effectiveness in leading and co-ordinating governance for settlement work throughout government to achieve the intended objectives of the Settlement Strategy.
- 1.24 Part 5 assesses Immigration New Zealand's responsibilities for evaluating and reporting on settlement outcomes.
- 1.25 Part 6 looks at how effectively Immigration New Zealand has targeted resources to address the known barriers to settlement.
- 1.26 Throughout the report, we include short quotes from a selection of people who we spoke to during our audit.

Part 2

Settlement facts and figures

- 2.1 In this Part, we set out some of the indicators of how well migrants settle and work in New Zealand.

Most new migrants find work and settle well

- 2.2 Most principal skilled migrants apply for residency under the Skilled Migrant Category while living in New Zealand on a temporary work visa and already have a job or job offer. The Skilled Migrant Category requires an applicant to have a skilled job in New Zealand (defined as all skill level 1, 2, 3 jobs in the Australian and New Zealand Standard Classification of Occupations).
- 2.3 In 2011/12, 87% of principal skilled migrant applicants were approved within New Zealand, and 99% of those had a job offer or current skilled employment in the country. Not surprisingly, principal skilled migrants have high employment rates. Recent Immigration New Zealand and Statistics New Zealand research shows that, in 2011, 84.5% of principal skilled migrants who had lived in New Zealand for up to two years were working, and 78.6% of those who had lived here for two to five years were working.
- 2.4 The employment outcomes for principal skilled migrants are an indication that the Skilled Migrant Category policy and visa system meet the intended employment outcomes.
- 2.5 High-level settlement indicators are also positive. In 2011, 90% of principal and secondary skilled migrants indicated that they were satisfied with life in New Zealand and 92% indicated that they would recommend New Zealand to others. Other data gathered by MBIE show settlement experiences at more specific levels. This data is useful information for settlement service design and targeting resources to have the most effect for new migrants.

Settlement barriers for secondary skilled migrants and holders of temporary work visas

- 2.6 Secondary skilled migrants are important for achieving the goals of settlement support and the Government's economic agenda. Secondary skilled migrants received about half of the skilled migrant visas granted in 2011/12. About half of those secondary skilled migrants were more than 20 years old and, therefore, might seek employment.

- 2.7 MBIE's research shows that how well secondary new migrants settle affects the principal skilled migrant and whether the family decides to stay in New Zealand in the first few years after arriving.

It is important to promote positive settlement outcomes not only for the principal applicant, but for other members of the principal applicant's family. The successful settlement of the whole migrant family is integral to New Zealand's ability to attract and retain the migrants needed to contribute to the country's growth and diversity.²

- 2.8 However, it is not realistic to expect that secondary skilled migrants will experience the same employment outcomes as principal skilled migrants within the same period after arriving in New Zealand. This is because, when they enter the country, secondary skilled migrants do not have to meet the same employment criteria as principal skilled migrants. MBIE's settlement strategies and corporate performance framework are designed to improve settlement outcomes for skilled migrants and their families. Paragraphs 2.9-2.15 show how secondary skilled migrants might benefit from services to help them overcome the barriers that they experience in settlement.
- 2.9 Research shows that secondary skilled migrants have less positive settlement outcomes. In 2011, 58.3% of secondary skilled migrants who had lived in New Zealand for up to two years were working, and 63.3% of those who had lived here for two to five years were working. However, not all secondary skilled migrants were seeking jobs. The 2011 migrant survey results (see Figure 1) indicate that secondary skilled migrants face several barriers to settling into life in New Zealand and gaining employment.

Figure 1
Differences in the settlement experiences of principal and secondary skilled migrants, 2010 and 2011

Immigration Survey Monitoring Programme		
Migrant Survey Indicators – Skilled Migrants (2010 and 2011)	Principal	Secondary
Occupation matched their skills/qualifications	84%	62%
Satisfied with their job	83%	73%
Difficulty in finding work	21%	37%
Level of salary or wages better than expected	15%	12%
Level of salary or wages worse than expected	36%	38%
Ability to get a job better than expected	22%	20%
Ability to get a job worse than expected	25%	39%
Cost of living better than expected	11%	15%

² Immigration New Zealand (2009), *New Faces, New Futures: New Zealand* Chapter 7, page 116, available at Immigration New Zealand's website, www.immigration.govt.nz.

Immigration Survey Monitoring Programme		
Migrant Survey Indicators – Skilled Migrants (2010 and 2011)	Principal	Secondary
Cost of living worse than expected	47%	55%
Quality of housing better than expected	18%	14%
Quality of housing worse than expected	41%	46%

Source: Immigration Survey Monitoring Programme, Migrant Survey Indicators – Skilled Migrants (2010 and 2011).

- 2.10 The results of the 2011 migrant survey show that, of those migrants who were working or looking for work, a higher proportion of secondary skilled migrants than principal skilled migrants had difficulty finding work. A lower proportion found work matching their skills/qualifications and were satisfied with their work. This highlights that, for some secondary skilled migrants, not being able to get a suitable job makes it more difficult to settle in New Zealand.
- 2.11 The survey showed that many secondary and principal skilled migrants considered the cost of living and the quality of housing in New Zealand to be worse than expected. This might reduce successful settlement.
- 2.12 A Department of Labour study of new migrants who entered New Zealand in 2004/05 showed that a small proportion of principal and secondary skilled migrants indicated dissatisfaction with their jobs. The study tracked settlement outcomes up to three years later. Figure 2 outlines the results after 18 months.

Figure 2
Skilled migrants' reasons for dissatisfaction with main job 18 months after migration, 2004-05

Reasons for dissatisfaction with main job	Principal	Secondary
Inadequately using skills or experience	51%	37%
Not employed in preferred occupation	18%	27%
Pay too low	51%	59%
Wanted more hours of work	8%	22%

Source: Department of Labour (2005) Longitudinal Immigration Survey New Zealand 2004-05 at 18 months after migration.

- 2.13 Most skilled migrants apply for permanent residence while holding temporary work visas. MBIE recognises that the economic and social effect of temporary migrants can be significant. Migration Research indicates that temporary work visa holders experience barriers to settling in New Zealand.

- 2.14 Although temporary work visa holders have more recently been able to access settlement services provided by Immigration New Zealand, they do not have access to other settlement support services such as job search services or subsidised English for Speakers of Other Languages (ESOL) tuition important in supporting them to overcome barriers to settlement. Work is under way to address this known service gap.
- 2.15 The major barriers to finding work and settling that continue to challenge some new migrants include:
- lack of work experience;
 - some employers' being reluctant to employ new migrants;
 - getting information on life in New Zealand to help establish realistic expectations before they arrive;
 - the lack of settlement services for temporary work visa holders; and
 - the lack of availability and targeting of settlement services for secondary skilled migrants.

Part 3

Immigration New Zealand's settlement support role, funding, and activities

3.1 In this Part, we set out:

- Immigration New Zealand's settlement support role;
- how settlement services throughout government are funded; and
- Immigration New Zealand's settlement support activities.

Immigration New Zealand's settlement support role

3.2 The Settlement Strategy was put in place in 2004 and updated in 2006. The Cabinet approval for the Settlement Strategy established Immigration New Zealand's role as lead agency for new migrant settlement. The Settlement Strategy established:

- a settlement secretariat in Immigration New Zealand;
- funding for settlement support programmes throughout government;
- a Settlement National Action Plan (the Action Plan) to guide the national implementation of the Settlement Strategy, which included actions that Immigration New Zealand was responsible for leading and supporting; and
- evaluation and reporting requirements for the Action Plan and for funded programmes.

3.3 The Action Plan and the Auckland settlement action plan were approved in 2006. The Wellington settlement action plan was set up in 2008. After these action plans were set up, plans and governance structures have been updated and changed. Appendix 2 provides an overview of the main events related to settlement support throughout government since 2004.

Settlement objectives

3.4 Various documents have specified Immigration New Zealand's objectives and given clear direction about how it should support the settlement of new migrants. These objectives include:

- The high-level economic goal set for the whole-of-government New Zealand Settlement Strategy in 2006, which highlights the need for a collaborative approach throughout the public sector to achieve this goal, is:

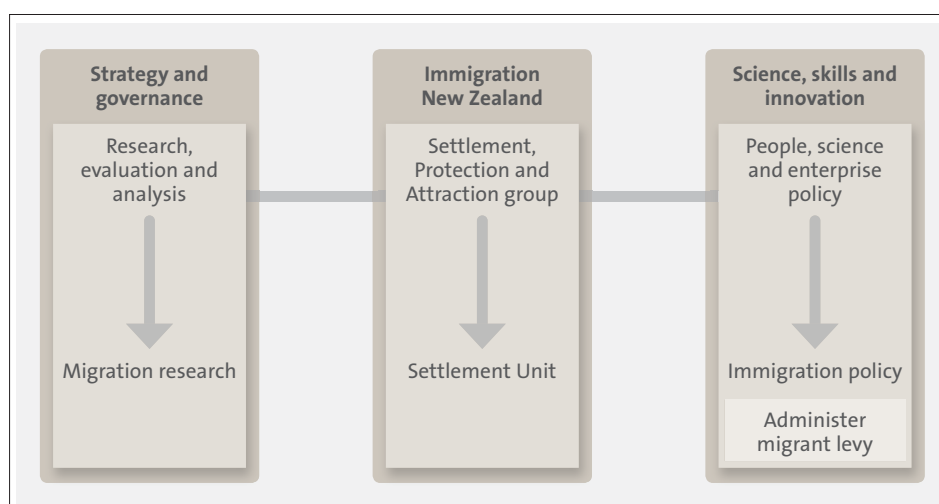
New Zealand's economic transformation is supported by the contributions of migrants and refugees and their ability to realise their personal aspirations by: accessing appropriate education and employment; utilising their skills, knowledge and qualifications.

- MBIE's 2012-15 Statement of Intent includes a relevant outcome that "the best people are brought to New Zealand" and an intermediate outcome that "migrants settle and work".
- The "Safe and Skilled Workplaces" work stream, led by MBIE within the Government's Business Growth Agenda, has a target that, "by 2016, 85% of skilled migrants will be employed in a job that matches their skills and qualifications".

Settlement organisation

3.5 MBIE carries out its migrant settlement role through three main business units, as shown in Figure 3.

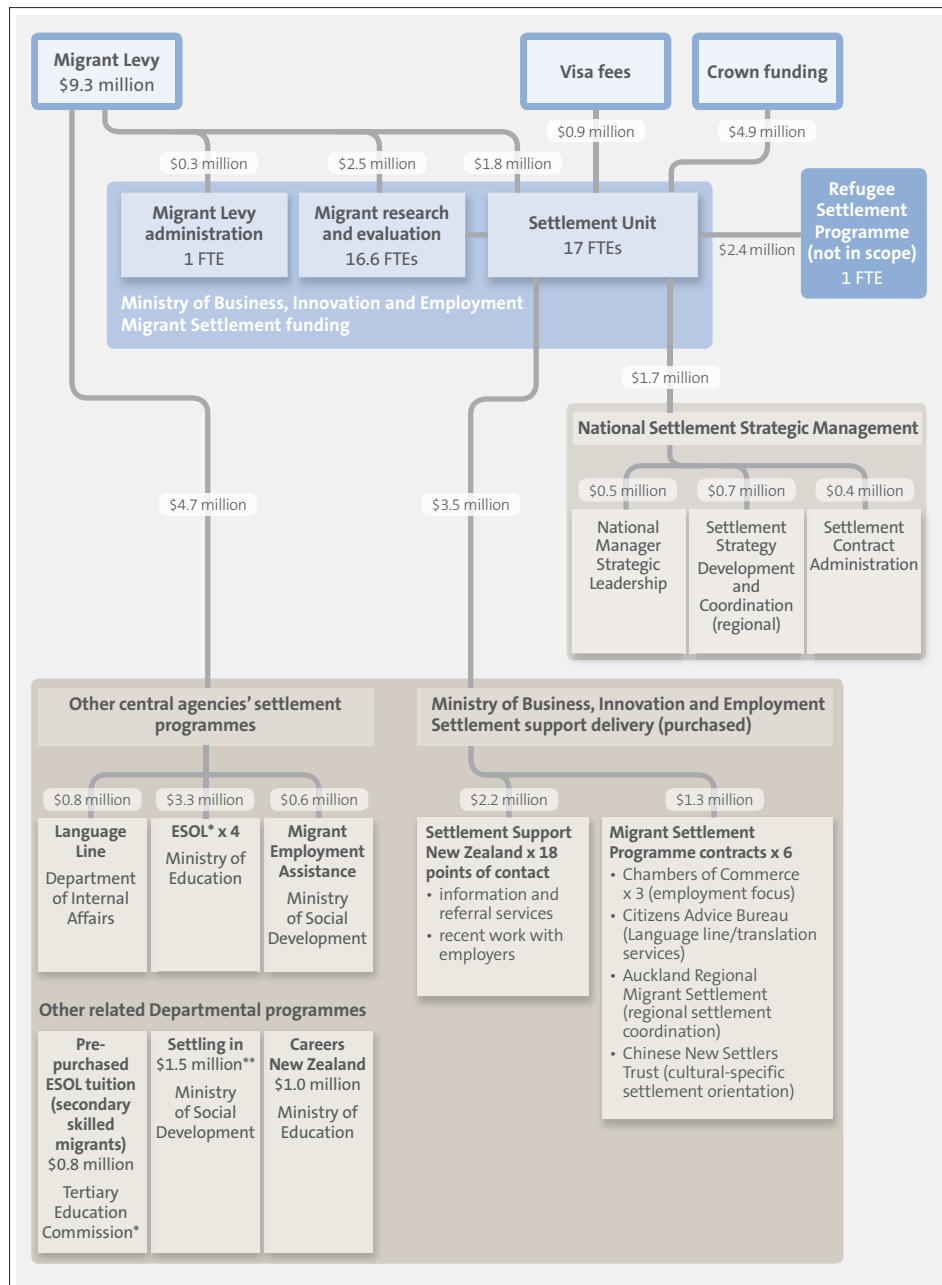
Figure 3
Organisational structure of new migrant settlement work at the Ministry of Business, Innovation and Employment



Source: Adapted from Ministry of Business, Innovation and Employment Organisational Chart (November 2012).

- 3.6 The Settlement Unit, within the Settlement, Protection and Attraction group of Immigration New Zealand, is the main business unit responsible for new migrant settlement. The Settlement Unit's 2012/13 business plan indicates that its role in leading the migrant settlement sector is based on the Settlement Strategy. The Settlement Unit, which is intended to contribute to the retention of high-value migrants and their families, works towards the objective of supporting migrants to settle and work so that they maximise their contribution to New Zealand.
- 3.7 The Settlement Unit is not responsible for providing settlement services to help new migrants find work. Those types of settlement services are delivered by other agencies, as outlined in Figure 4 and Appendix 4. The Settlement Unit's work supporting new migrants to get suitable jobs is provided more indirectly through its role leading and co-ordinating national and regional settlement strategies. The Settlement Unit leads work within the Action Plan intended to overcome employment barriers that new migrants experience, as discussed in Part 5. Therefore, Immigration New Zealand's ability to lead, co-ordinate, and work in partnership with other agencies is important for achieving employment and economic outcomes.

Figure 4
Complexity of settlement services funding throughout government, 2012/13



* The Tertiary Education Commission has a total of \$21 million in its budget for community adult education including ESOL programmes that the Migrant Levy allocation adds on to for similar programmes.

** Annual funding for Settling In was reduced to \$500,000 in 2013/14.

3.8 Appendix 3 shows the framework for the Settlement Unit's work. The Unit's work includes:

- leading and co-ordinating settlement support throughout government, including the national and regional strategies;
- providing customised information and targeted services to new migrants and their families to enhance their ability to settle and stay in New Zealand; and
- helping employers to use and retain the skills and talents of new migrants.

3.9 The Immigration Policy Group, part of MBIE's Science, Skills and Innovation group, administers applications from public entities for Migrant Levy funding (see paragraph 3.17) and the review processes for those applications. It also works on policy matters associated with new migrant settlement.

3.10 The Migration Research, Evaluation and Analysis Team, located within the Strategy and Governance part of MBIE, is funded by the Migrant Levy. The Migration Research, Evaluation and Analysis Team carries out migration research, evaluation, and policy work. The Migration Research Programme is intended to contribute directly to ongoing service improvement and help the Government to respond to skill deficiencies.

3.11 Because the structure for MBIE is relatively new, we cannot comment on how effectively the groups within MBIE work together. However, we consider that the Migration Research, Evaluation and Analysis Team and the Settlement Unit need to be more integrated than they have been. Integrating more would improve how Immigration New Zealand's evaluates and reports on how effective settlement services are. The Settlement Unit's latest business plan identifies this need.

How settlement services are funded

3.12 Figure 4 shows the complexity of the funding streams for the various activities and agencies involved in settlement support throughout government. Appendix 4 describes the various agencies, settlement support services, and programmes outlined in Figure 4.

3.13 Most migrants are charged a levy of \$310 when they are granted residence. The Migrant Levy funds:

- programmes that help migrants to settle; and
- research into settlement matters and the effects of immigration.

3.14 In 2012/13, the Migrant Levy provided \$6.5 million towards settlement support programmes throughout government. The programmes funded through the Migrant Levy have mostly remained the same since 2007. Appendix 5 shows how Migrant Levy funding has been allocated between 2008/09 and 2012/13 and how it is intended to be used.

Immigration New Zealand's settlement support activities

Leading and co-ordinating new migrant settlement support

- 3.15 Several government agencies provide services to new migrants, and many service providers are contracted to government agencies, including service providers contracted through the Settlement Unit. It is a complex landscape, which is why the Government set up the Settlement Strategy to effectively co-ordinate the work and resources throughout government. Immigration New Zealand has been funded to lead and co-ordinate settlement support work since 2004. The Settlement Unit provides sector leadership to agencies and regions to support settlement responsiveness and maximise the contribution that migrants make to New Zealand.
- 3.16 The Settlement Unit's 2012/13 budget was \$7.6 million. The Settlement Unit comprises 18 full-time equivalent (FTE) positions. The Settlement Unit's budget includes allocations for leading and co-ordinating settlement support throughout government. These allocations are \$0.7 million and seven FTEs for the settlement strategy, and \$0.5 million and four FTEs for the national manager. A small proportion of the national manager budget (\$40,000) is allocated for work on services for refugees and for operational management of the Settlement Unit. As outlined in Figure 4, the Settlement Unit's budget includes \$2.4 million and one FTE for its refugee work.
- 3.17 MBIE's Immigration Policy Group oversees the administration of the Migrant Levy and reports to the Minister of Immigration on how the Migrant Levy is used. Immigration Policy also has a role in providing advice to Cabinet on the Migrant Levy, making recommendations on who gets charged the Levy, how the funds are to be used, and assessment criteria for funding applications. Immigration Policy staff have administered the Migrant Levy in keeping with the process agreed by Cabinet in 2007, which specified that any remaining uncommitted revenue be held in a memorandum account.
- 3.18 As the agency responsible for leading and co-ordinating the New Zealand Settlement Support Strategy and action plans, Immigration New Zealand has several roles and accountabilities, as outlined throughout this report. Our expectations for this audit are based on the roles and accountabilities that Immigration New Zealand has based on Cabinet approvals for:
- the Settlement Strategy;
 - national and regional action plans;
 - the Settlement Secretariat's work; and

- what Immigration New Zealand has said it would do to achieve the settlement objectives and outcomes it identifies in its statements of intent, business plans, and other public documents.
- 3.19 Cabinet approvals for the national and regional settlement strategy emphasised that settlement leadership throughout government was more than collaboration and sharing information. Settlement leadership is intended to result in better use of resources and measurable and tangible improvements in settlement outcomes.
- 3.20 Immigration New Zealand lacks the authority to direct other public entities in how to deliver settlement services or how to use funding provided for settlement support. Immigration New Zealand does have that authority for the settlement services that it purchases through contracts. Our audit work looked for evidence of effective Immigration New Zealand leadership aimed at achieving the objectives set out in the Settlement Strategy in collaboration with other public entities.
- 3.21 In our view, leading settlement support throughout government to achieve the intended outcomes requires skills, capabilities, and processes to work with stakeholders in identifying the problems or barriers to achieving settlement outcomes, developing shared solutions, and steering a process to seek approval where needed to implement resolutions or changes needed. Immigration New Zealand's leading and co-ordinating role includes evaluating and reporting progress towards the objectives set out for the Settlement Strategy, the action plans, and its own settlement work.

Providing settlement support services

- 3.22 The Settlement Unit purchases and oversees national, regional, and local settlement services.
- 3.23 Settlement Support New Zealand is an Immigration New Zealand initiative that provides a local point of contact for new migrants. Eighteen initiatives provide local settlement information and referrals that support settlement where migrants live. In 2011, Settlement Support New Zealand began working with employers and workplaces to increase awareness of the factors that increase the retention of migrants. Vote Immigration funds these services and the Settlement Unit budget for these services was \$2.2 million in 2012/13.
- 3.24 The Settlement Unit purchases core settlement services to help new migrants during their first two years in New Zealand. These services include contracts with Chambers of Commerce to support employers in recruiting and retaining migrant employees, and multilingual information and advice provided through the

Citizens Advice Bureau. They are funded mainly by the Migrant Levy. In 2012/13, the Settlement Unit budget for these services was \$1.3 million.

Researching migration outcomes

- 3.25 The Migrant Levy fully funds the Migration Research, Evaluation and Analysis Team, which carries out a programme of research and evaluation on migrant settlement outcomes, with the aim of enhancing knowledge of, and influence decision-making about, immigration and settlement systems. The budget for this was \$2.5 million in 2012/13.
- 3.26 The Migration Research, Evaluation and Analysis Team is responsible for research and evaluation to help understand how well the immigration system is functioning in terms of settlement outcomes for migrants, their families, their employers, and society and the economy in general.

Part 4

Co-ordinating the governance of settlement support throughout government

- 4.1 In this Part, we discuss how effectively Immigration New Zealand has co-ordinated the governance of settlement support throughout government to achieve the intended results working together with other public entities.
- 4.2 To assess how effectively Immigration New Zealand co-ordinates the governance of the settlement support strategy throughout government, we looked into:
- whether the settlement governance structure was put into effect as intended and has achieved the intended outcomes;
 - whether the roles and responsibilities of the various organisations involved in the governance groups were clearly understood;
 - how effectively Immigration New Zealand has co-ordinated the governance of settlement support throughout government to achieve the objectives of having a whole-of-government strategy set out in the Settlement Strategy and regional strategies; and
 - what outcomes have been achieved by investing resources for a whole-of-government approach.

Summary of our findings

- 4.3 Immigration New Zealand has narrowly interpreted its role in co-ordinating the governance of settlement support throughout government. This has been a missed opportunity to use the governance structures put in place to make more progress towards some of the specified objectives for the Settlement Strategy. The governance arrangements have not worked as intended, and Immigration New Zealand has not used them as fully as it could have to provide clear governance and leadership.
- 4.4 The Settlement Strategy and regional strategies were designed to help co-ordinate settlement services throughout government agencies for new migrants. Since 2009, priorities have changed to settlement and achieving better outcomes for refugees. As a consequence, progress on the national settlement strategy has not been the main focus. This has affected delivering desired outcomes for new skilled migrants. During our audit, Immigration New Zealand was considering options for co-ordinating governance and leadership throughout government to help make strategic governance work for new migrants more effective.

- 4.5 Settlement Support New Zealand staff told us that sharing information about settlement activities and matters throughout government that has happened through the current settlement governance structures has been of value. However, the national and regional settlement structure has not been put into effect and sustained to achieve the intended results over time. Organisations working with Immigration New Zealand on settlement support share this view.
- 4.6 The purpose of the Settlement Strategy, and supporting regional strategies, in co-ordinating settlement support activities has been unclear to those involved. There are also strong indications of some duplication of settlement services and resourcing. Better information about settlement support resourcing is needed to effectively and efficiently use and co-ordinate settlement support resources.

Recommendation 1

We recommend that Immigration New Zealand 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.*

Recommendation 2

We recommend that Immigration New Zealand 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.*

Recommendation 3

We recommend that Immigration New Zealand monitor and review the governance structure to ensure its ongoing effectiveness. *Target time frame: ongoing.*

Expectations of Immigration New Zealand

What is expected of Immigration New Zealand's work co-ordinating settlement and governance

- 4.7 A fundamental part of the Settlement Strategy was a whole-of-government approach to settlement support. Immigration New Zealand received funding to co-ordinate the governance structure and provide leadership for settlement support throughout government specifically to:
- address the lack of co-ordination and sharing of information between public entities working on settlement support;
 - address the lack of consistency in settlement support services;
 - enhance settlement outcomes for new migrants;
 - evaluate and report on settlement outcomes achieved; and
 - work with partners to use public resources more efficiently.
- 4.8 We spoke to Immigration New Zealand staff, reviewed documents and research reports, and considered the views that stakeholders have about how effectively Immigration New Zealand leads settlement support. We spoke with staff from various central and local government organisations and non-government organisations who have worked with MBIE to support migrants' settlement.

Immigration New Zealand's roles and accountabilities co-ordinating the governance of settlement support throughout government

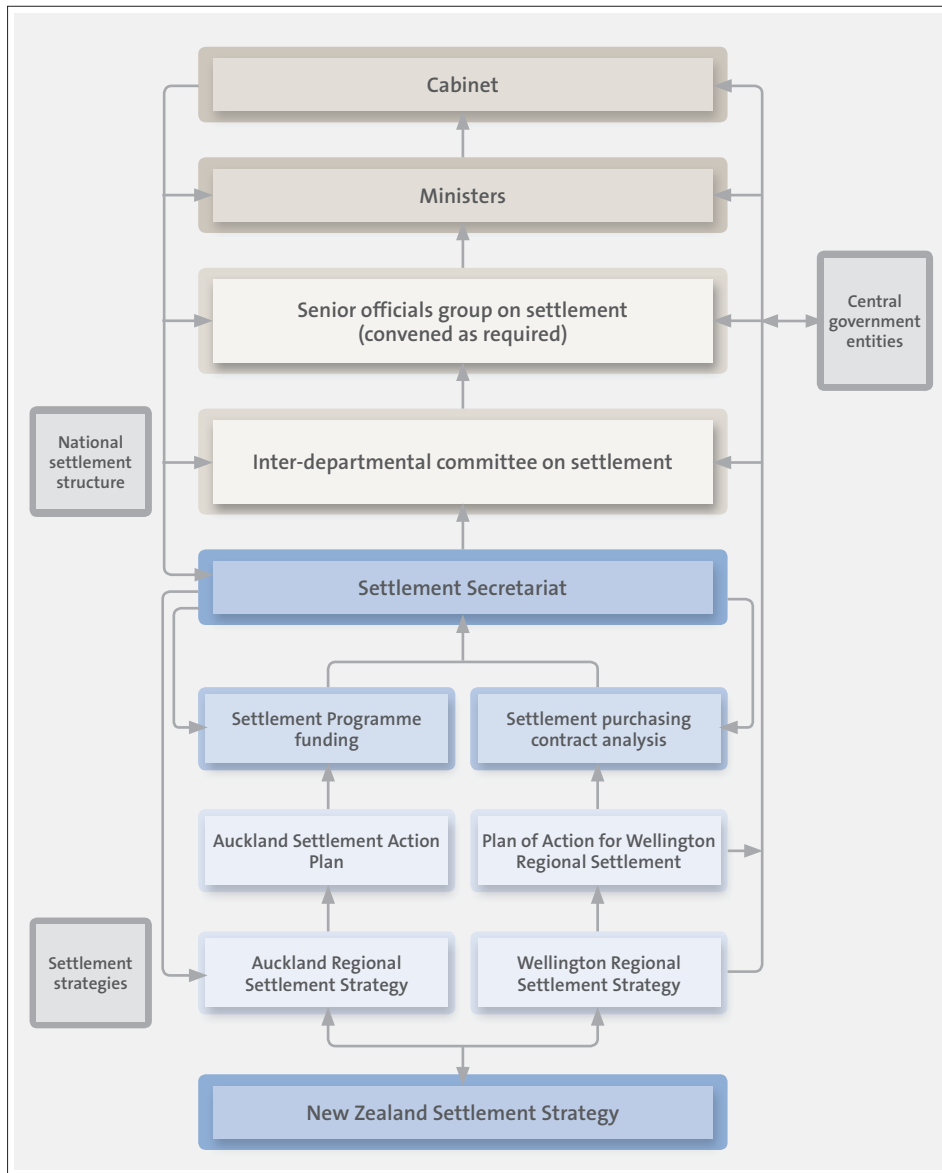
- 4.9 In 2006, Cabinet gave Immigration New Zealand, then part of the Department of Labour, the role of leading the development and implementation of the Settlement Strategy and the Auckland Regional Settlement Strategy (the Auckland Strategy) and the governance structures to support the national and regional action plans. This role was given to Immigration New Zealand to address a lack of co-ordination and information-sharing between central government, local government, and other stakeholders, and to use collaboration to lead a coherent approach to settlement and focus on achieving outcomes. Immigration New Zealand was also given evaluation and reporting responsibilities, which we discuss in Part 5.

- 4.10 One of the main objectives of having a whole-of-government strategy and a national settlement secretariat was to make the most of resources to achieve settlement outcomes and to address the service gaps and duplication of effort. The national and regional action plans were intended to bring about tangible and measurable results through well-designed and executed action plans and bring an enhanced strategic focus to the Settlement Strategy.
- 4.11 In our view, Immigration New Zealand had an enabling role that required it to exercise strong and effective governance to bring about collaboration and co-ordination between agencies, including by seeking clarification and direction from decision-makers, where needed and opportune, to make progress and achieve the intended outcomes. Immigration New Zealand interpreted its role as being more limited in that it did not have authority to direct other agencies.

Governance structure not used as effectively as it could have been

- 4.12 In 2004, the Settlement Strategy established Immigration New Zealand's role as lead agency for migrant settlement. After a period of consultation, the 2006 Action Plan was developed to strengthen the co-ordination of inter-agency engagement with the Settlement Strategy. Cabinet reconfirmed the Department of Labour's role in leading the development and implementation of the Settlement Strategy and the Auckland Strategy through the national governance structure for overseeing the settlement strategies and the associated action plans (see Figure 5).
- 4.13 In May 2008, Cabinet approved the 2008-2013 Wellington Regional Settlement Strategy (the Wellington Strategy), which included 33 activities under seven strategy goals, known as the Plan of Action for the Wellington Regional Settlement.

Figure 5
National structure for new migrant settlement



4.14 The Settlement Unit surveyed representatives of inter-agency groups between 2005/06 and 2008/09. In the remainder of Part 4, we discuss results from the annual surveys along with other sources of evidence gathered for this audit.

How Immigration New Zealand co-ordinates settlement governance throughout government

- 4.15 Immigration New Zealand's interpretation of its role and responsibilities for co-ordinating the governance of settlement support throughout government differs from the expectations for this work that we found in documents, as described in paragraphs 4.9-4.11.
- 4.16 Immigration New Zealand interpreted its leadership and co-ordination responsibilities as requiring the authority to direct other organisations and be accountable for their activities. This is a narrow interpretation and misses the opportunity for a more enabling approach through governance. Our broader interpretation is that Immigration New Zealand's role is to provide effective governance and enable strong leadership.
- 4.17 In our view, Immigration New Zealand could have better facilitated decision-making about achieving the best settlement outcomes through the collective, well-targeted efforts of the agencies involved, based on good information about outcomes and evaluating settlement services. Immigration New Zealand could have made better use of opportunities to make recommendations and seek direction where needed and as opportunities presented themselves (for example, on how the change in priority to refugee settlement affected progress with the Settlement Strategy).
- 4.18 In our view, Immigration New Zealand's narrow interpretation of its role contributed to limiting the effectiveness of the governance structures put in place. The governance structures have not operated as intended, and Immigration New Zealand has not used them as fully as it could have to provide clear governance and enable strong leadership. This has been a missed opportunity to achieve more progress towards some of the specified objectives for the Settlement Strategy.

New Zealand was good at recruiting migrants, but poor in assisting with settlement. Compared with Australia or Canada, support systems and structures for new migrants were lacking here.

**Professor Paul Spoonley,
Massey University**

Effectiveness of the National Settlement Structure

- 4.19 The approved Settlement Strategy and action plans included details on a National Settlement Structure. As outlined in the approval proposal, the purpose of the National Settlement Structure was to address the lack of co-ordination and information-sharing between central government, local government, and other stakeholders. The National Settlement Structure was intended to foster collaboration to encourage a strategic view. It was also intended to lead a coherent approach between agencies, encourage the flow of information, identify gaps in service provision, and seek solutions without duplication.

- 4.20 Approval for the settlement structure included a requirement for Immigration New Zealand to carry out evaluations every year to assess whether the national structure and associated committees were achieving the intended goals. Annual reviews of the structure for the Settlement Strategy were carried out until 2008/09.
- 4.21 The Settlement Secretariat did not carry out any further reviews of the governance structure because the groups have not met to discuss work on the Settlement Strategy since 2009. Therefore, reporting on the National Structure, the Settlement Strategy, and action plans stopped in 2009.
- 4.22 The remainder of Part 4 focuses on Immigration New Zealand's work leading and co-ordinating the implementation of the Settlement Strategy and its governance structure as approved by Cabinet. We focus on two phases of Immigration New Zealand's work:
- the first phase to 2009 when the governance structure was active; and
 - the period after 2009, including the activities that Immigration New Zealand worked on towards achieving settlement outcomes within the Settlement Strategy.

Immigration New Zealand's stakeholders value information-sharing and networking

- 4.23 One of the objectives of the whole-of-government settlement strategy was to improve information-sharing between government agencies and non-governmental organisations involved in settlement support.
- 4.24 Stakeholders in the national and regional settlement strategies told us that it was of value to be part of the settlement network established by the national governance structure. As a result, they were more aware of settlement support work throughout the sector.

Unclear roles, responsibilities and purpose of the New Zealand Settlement Strategy

- 4.25 Immigration New Zealand's 2006/07 and 2007/08 reviews of the National Settlement Structure found that the roles and responsibilities of participants in the Senior Officials' Group and Interdepartmental Committee on Settlement were unclear. A PricewaterhouseCoopers review in 2010 found that participants did not understand their roles and responsibilities.
- 4.26 We also found lack of clarity about roles and responsibilities. Many stakeholders we spoke to were not clear about the purpose of the governance groups or the

Settlement Strategy, the role and purpose of the Settlement Strategy, or whether the Settlement Strategy remained relevant.

- 4.27 The Settlement Unit told us that, since 2007/08, there has been only one overall governance group for implementing the Settlement Strategy. We understand that, since 2009, the same members of the governance group continued to work on the refugee strategy. However, their meetings did not sustain a focus on the Settlement Strategy and there has been no reporting on the Settlement Strategy and Action Plan since 2009.

More effective governance arrangements needed, and progress towards achieving the Settlement Strategy's outcomes limited since 2009

- 4.28 In our view, Immigration New Zealand needed to put more effective governance arrangements in place to make better progress in achieving the intended results for the whole-of-government settlement work. The governance work was not sustained, which made it less effective.

- 4.29 Central and local government representatives involved in the national and regional settlement strategies told us that progress on the Settlement Strategy and regional strategies has stalled. Several representatives involved in the settlement work said that they were unclear about the strategies' current status. Stakeholders told us that agency representatives had become disengaged because the whole-of-government settlement structure has not been maintained and lacks purpose. Some told us that they were frustrated at not knowing the status of the strategies and various inter-agency settlement groups. The results of Immigration New Zealand's reviews of the National Settlement Structure support these comments.

The development of the NZSS was incredibly time consuming and difficult to get agreement [on]... We are not meeting up any more because the focus has been on refugees ... There is no cross-government working group; it fell off the radar.

Central government representative

- 4.30 In 2009, developing a refugee strategy was one of the actions within the Settlement Strategy as well as other actions that were yet to be completed. The focus on preparing the refugee strategy hindered other work on the Settlement Strategy.
- 4.31 However, we found no evidence of Immigration New Zealand seeking clarification about its role leading and co-ordinating the Settlement Strategy, which was a missed opportunity. By seeking clarification, Immigration New Zealand might have been more able to continue to co-ordinate a more effective governance structure and focus on delivering agreed priorities and retain the commitment and understanding of stakeholders and partners.
- 4.32 Several stakeholders told us that Immigration New Zealand did not show enough leadership to achieve results through the governance structure. The 2007/08

review of the National Settlement Structure supported these views. In that review, stakeholders indicated that the Settlement Secretariat's work on co-ordinating the whole-of-government settlement governance structure needed to improve. Immigration New Zealand and some other staff at MBIE told us that they were aware that leading and co-ordination needs to improve.

How effectively the National Settlement Structure met objectives

- 4.33 There were several useful reviews of the National Settlement Structure. These reviews included questions about the effectiveness of the governance arrangements in meeting the intended purpose and objectives. We discuss results from the surveys related to our audit questions in paragraphs 4.35-4.43. Although some respondents commented positively about some aspects of the way the governance groups work, there are signs that improvements were needed.
- 4.34 The Senior Officials' Group was set up in May 2005 and stopped meeting after 2006. The Group's purpose is to provide strategic direction, share information, co-ordinate the work of public entities, support regional settlement strategies, and increase awareness of connections between regional and national work on settling migrants.
- 4.35 In April 2006, an Interdepartmental Committee on Settlement was set up. This committee was intended to include officials working in operational aspects of migrant settlement and refugee resettlement initiatives. The committee was set up to co-ordinate preparing and putting into effect settlement policy and services. Meetings were intended to provide the opportunity for sharing information and joint planning so that public entities could deliver settlement services effectively.
- 4.36 In 2006/07, a review invited 77 representatives to answer a survey, with 22 responding (a response rate of 29%). Immigration New Zealand provided us with data that shows that, when asked "How well has the Senior Officials' Group met its purpose?", a little more than half the respondents answered "Neither well nor poor".³ A further third of respondents answered "Well" to the same question. Less than a fifth of respondents answered "Poor".
- 4.37 Members of the Senior Officials' Group reported in Immigration New Zealand's 2006/07 review of the National Settlement Structure that they need to understand the group's role and purpose within the National Settlement Structure for it to be effective. The 2006/07 review noted that the Senior Officials' Group had been in recess since 2006 and that some of the members considered that the group had "wound down" because it needed a clearer mandate and that the intention was to restart the group when the Settlement Secretariat was

³ The survey questions and results were included in Department of Labour (2007), *Evaluation of the National Settlement Structure*. Respondents had a choice of five answers: "Very well", "Well", "Neither well nor poor", "Poor", and "Very poor".

staffed appropriately. The 2006/07 review indicated a need to clarify roles and responsibilities and the status of the group.

- 4.38 In the same year, respondents indicated a more positive view when asked: “How effectively has the Interdepartmental Committee met its objectives for migrant settlement and refugee resettlement?”. Most respondents answered “Well” or “Very well”, and a little under a fifth of the responses were neutral.
- 4.39 In 2007/08, 36 representatives were invited to fill in a similar survey, with 17 responding (a 47% response rate). This time, when asked “How effectively has the Interdepartmental Committee met its objectives for migrant settlement and refugee resettlement?”, almost half the respondents answered “Poor”. A third answered “Well” or “Very well”. Slightly more than a fifth were neutral, answering “Neither well nor poor”.
- 4.40 The 2007/08 review identified that inconsistent participation by members of the Interdepartmental Committee on Settlement led to a lack of clarity of purpose, which led to a lack of ownership. In turn, this may have reinforced inconsistent participation.
- 4.41 Some respondents considered the information-sharing enough, while others suggested that a review of the purpose and the structure of the Interdepartmental Committee on Settlement was needed because the objectives of the meetings had not been met.
- 4.42 More broadly, the 2007/08 review looked at about how well the National Settlement Structure was meeting its purpose and objectives. Immigration New Zealand told us that when asked how well the National Settlement Structure “is meeting its purpose and objectives”, most respondents replied “Well”.
- 4.43 In 2008/09, a third review of the National Settlement Structure was carried out. We cannot make direct comparisons to the results from previous years because the survey design and questions were changed. Also, only seven people answered the survey and Immigration New Zealand is unable to verify how many were invited to take part, so the response rate cannot be identified to confirm the validity of the results. Of the seven respondents to the 2008/09 survey, Immigration New Zealand indicates that six agreed that the Interdepartmental Committee on Settlement was effective in meeting objectives and all seven respondents agreed that the National Settlement Structure was meeting its objectives.
- 4.44 Stakeholders involved in settlement support told us that:
- communication within the settlement governance structure needed to improve;

- information needed to be streamlined;
- they needed more time to review papers; and
- meetings needed to be more effectively facilitated.

Progress has been more limited on the Settlement Strategy and Action Plan since 2009

- 4.45 Since 2009, the Settlement Unit's strategy leadership work has focused on preparing the refugee resettlement strategy to get its work more in line with the Government's priorities for refugees. Although preparing a refugee strategy was one of the actions within the national settlement strategy for new migrants and the Government approved Immigration New Zealand's proposal to prepare the refugee strategy, this change in focus has affected the progress of the Settlement Strategy since 2009.
- 4.46 Although some progress has been made, we consider that several of the Settlement Strategy actions have not been completed since 2009. We outline this in more detail in Part 5.
- 4.47 Immigration New Zealand has acknowledged that improvements are needed to refocus and improve the effectiveness of the Settlement Strategy. It has identified that it is necessary to "strengthen INZ leadership of migrant and refugee settlement throughout government and non-government sectors within New Zealand".⁴ The Settlement Unit's 2010/11 and 2011/12 business plans indicated an intention to "refresh" the Settlement Strategy and action plan. In 2011, Settlement Unit staff prepared a proposal to make the settlement governance arrangements more effective. However, this proposal was not acted on.
- 4.48 Immigration New Zealand prepared the refugee strategy between 2009 and 2011, and sought Cabinet approval in 2011. This might have been an opportunity for Immigration New Zealand to clarify what the Government wanted it to do with Settlement Strategy and action plans.
- 4.49 However, we found no evidence of Immigration New Zealand seeking clarification about its role leading and co-ordinating the Settlement Strategy through that Cabinet process, and a proposal for an amended governance framework was not part of the Cabinet paper for the refugee strategy. We consider this a missed opportunity to clarify Immigration New Zealand's role in the Settlement Strategy and address any resourcing or implementation matters related to continuing to lead and co-ordinate the Settlement Strategy and action plans.
- 4.50 Although we find that the missed opportunity to get clarity has had a negative effect on progressing the Settlement Strategy, Action Plan, and the National

4 Attraction and Retention Framework, 8 September 2011 Briefing to the Minister of Immigration.

Settlement Structure, Immigration New Zealand has advanced work for new migrants.

- 4.51 Immigration New Zealand prepared the Attraction and Retention Framework in 2011. This framework defines how Immigration New Zealand will facilitate the attraction and retention of high-value migrants in New Zealand. It is too early to tell how effectively this strategy is being put into effect because it is being rolled out. As part of supporting migrants to settle and work, Immigration New Zealand highlighted the need to strengthen how it leads migrant and refugee settlement throughout the government and non-government sectors.
- 4.52 Immigration New Zealand has progressed work to improve the information it provides to new migrants through websites as well as focusing on working with employers to overcome barriers that new migrants face in finding and settling into work (see Part 5). Although this work does not replace the need for an integrated whole-of-government strategy for new migrants' settlement and the objectives of the Settlement Strategy and the Settlement Secretariat as was intended, we acknowledge progress in these aspects.

Leading and co-ordinating regional strategies more effectively

- 4.53 The Auckland Strategy was prepared in 2006 and put into effect in 2007. The Wellington Strategy and action plan were launched in 2008.

Auckland Regional Settlement Strategy

- 4.54 According to the Auckland Strategy, settlement in Auckland is important for achieving New Zealand's economic goals. Auckland has broad and complex arrangements for Immigration New Zealand to co-ordinate and lead. Document reviews and evidence we collected from stakeholders involved in the Auckland Strategy indicate that co-ordination and leadership provided by Immigration New Zealand has not been effective in delivering a co-ordinated approach to settlement services in Auckland.
- 4.55 It is not clear whether there are enough resources and capability to deliver the Auckland Strategy. Because such a large proportion of new migrants initially settle in Auckland, several stakeholders and some staff we spoke with questioned whether Immigration New Zealand had enough resources (budget and staffing) in place to ensure that it had the capability to manage such a complex and important regional strategy.
- 4.56 Our interviews with Immigration New Zealand staff and other stakeholders involved in migrant settlement in Auckland indicated that many had concerns about how effectively the Auckland Strategy had been managed. Stakeholders

told us that it is unclear what the Auckland Strategy has achieved other than raising awareness and getting organisations to collaborate more.

- 4.57 In March 2012, Auckland Council commissioned a research project looking into services provided to migrants and refugees. The research was based on comments by 90 people from organisations that receive funding for settlement work from central government, Auckland Council, philanthropic organisations, and other sources. The report indicated that settlement services in Auckland need to be better co-ordinated.

Ongoing change limits Auckland Strategy's effectiveness

- 4.58 Since 2007, when the Auckland Strategy and action plan were launched, a lot of time and resources have been focused on consulting on, reviewing, and updating the strategy, governance structures, and action plans. The creation of Auckland Council was notable in this. This repeated review and renewal of processes has probably diverted attention and resources from achieving results.

- 4.59 As a part of the review, Immigration New Zealand settlement staff consulted members of the Auckland Strategy Strategic Leadership Group in 2011. The Group's members called for a clearer "value proposition" and a new approach that would be able to show what difference was being made for improved regional settlement outcomes. When we carried out our audit, the new proposed governance structure for the Auckland Strategy and action plan work streams were in the early stages of being put into effect. It is too early for us to comment on the effect of the revised strategic approach and action plans.

Reporting [on the Auckland Strategy] stopped in 2011. No one explained why. We were not asked for reports any more. People dropped off as they weren't required to present or participate. There was a lot of chaos in terms of meeting dates which were frequently changed.

Governance group representative

- 4.60 Although the 2007 Auckland Strategy and action plan have not been formally evaluated, Immigration New Zealand settlement staff reviewed and reported on their first implementation in 2008. The report to Immigration New Zealand's senior executives identified three gaps. These were:
- not completing a monitoring framework;
 - "insufficient integration across workstrands"; and
 - "a lack of resources behind workstrand efforts".
- 4.61 The report said that the effect of these three gaps was "stalled actions and loss of impetus in key areas".
- 4.62 In 2009, Immigration New Zealand approved a new medium-term implementation framework for the Auckland Strategy and second action plan

(2009-14). However, midway through 2010, the Auckland Strategy chairpersons identified that the governance structure was not working at the right level to support the framework and began another review.

Settlement outcomes in Auckland cannot be identified because of lack of evaluation framework

- 4.63 Because there is no evaluation framework and performance reporting of the Auckland Strategy, we cannot identify evidence or information about what Immigration New Zealand's work on settlement support in the Auckland region has achieved.
- 4.64 Settlement Unit staff identified the lack of an evaluation monitoring framework in 2008. To address this lack, the Migration Research, Evaluation and Analysis Team started to prepare an Auckland Settlement Monitoring and Evaluation Framework. However, this was not completed, and staff told us that a decision was made to discontinue work on it because it was no longer fit for purpose. Although we recognise the challenges of preparing and putting into effect an evaluation framework for a complex, multi-party strategy, this was a part of MBIE's role and was needed to show the value of the work towards achieving settlement outcomes.

Wellington Regional Settlement Strategy

- 4.65 The Settlement Secretariat's management of the Wellington Strategy has not been effective, resulting in a lack of clarity about mandate, the roles and responsibilities of members, and what outcomes have been achieved.
- 4.66 Groups that support the Wellington Strategy include:
- the Strategy Leadership Group;
 - the Newcomers Advisory Group; and
 - the Working Group of Action Leaders.
- 4.67 A member of the Settlement Unit and a local government representative co-chair the Wellington Strategy. The chief executive of Hutt City Council has recently replaced the chief executive of Porirua City Council as the local government co-chairperson.
- 4.68 As a part of our audit, we interviewed central and local government representatives involved in the Wellington Strategy. They expressed an interest in seeing reporting of outcomes achieved rather than reporting against individual milestones.
- 4.69 An independent review of the Wellington Strategy carried out in 2010 confirmed a lack of focus on outcomes. The review indicated that people struggled to identify

what settlement outcomes had been achieved. Further to this, the review said that:

... the focus remains on monitoring the individual actions within the [action plan] and the extent of progress against individual milestones. As a consequence, the [Settlement Support Leadership Group] does not grapple with bigger questions such as: what outcomes are being achieved; are the actions still relevant; are there any gaps; does anything need to change?

- 4.70 The independent review also found that the distinctions between the groups and how they inter-relate were not clear. Feedback in the review questioned the effectiveness of the Settlement Secretariat's leadership.
- 4.71 Immigration New Zealand is aware of the need to strengthen its "leadership of migrant and refugee settlement across government and non-government sectors" as identified in its 2011 Attraction and Retention Strategy Framework. When this audit was being carried out, Immigration New Zealand had contracted another review of the Auckland Strategy and Wellington Strategy to identify ways to make its work co-ordinating the governance of settlement support with regional stakeholders more effective.

It's a busy playing field – everybody, every agency seems to be offering something. There is quite a bit of overlap and duplication. For example, in delivering workshops to migrants in the area, there is a lack of local co-ordination, bombarding a small number with ad hoc events, initiatives – not a great use of resources.

Service provider, Wellington region

Using resources for settlement support better

- 4.72 There are strong indicators of potential duplication of services and resources at national and regional levels, and work has started to identify and address this.
- 4.73 One of the main objectives of having a whole-of-government strategy for settlement support was to make the most of resources to achieve settlement outcomes. As outlined in Part 2 and Figure 5, there are many complex funding streams and programmes for settlement support. We found strong indications that some services and resources for settlement support are duplicated. Several stakeholders who work with Immigration New Zealand on settlement support in the regions told us that events held by Settlement Support New Zealand can often be similar in nature to other events held by other organisations in the same area within a similar period. In a recent external review of the Settlement Support New Zealand delivery model, Settlement Support New Zealand co-ordinators reported that the replication of services and duplication of meetings with similar people from different organisations was a problem.

Information to inform efficient and effective targeting of resources not available

- 4.74 One of the intended outcomes of having a national settlement secretariat and national strategy was to better use public resources. We expected that Immigration New Zealand would have:
- prioritised having good information about resources for settlement support throughout government to effectively lead and co-ordinate the settlement strategy and oversee the review and administration of the Migrant Levy; and
 - shown leadership and worked proactively with other stakeholders to rationalise and better target resources to achieve settlement outcomes.
- 4.75 However, Immigration New Zealand does not have a clear understanding of the public resources being used to support new migrants. Better financial information would help Immigration New Zealand target resources more effectively.

Work under way to prepare a common funding framework

- 4.76 There has been a positive change during the past year, and Immigration New Zealand has re-engaged the Settlement Strategy stakeholders to discuss a common framework for funding settlement services and activities throughout government.
- 4.77 In 2013, progress has been made to clarify whether duplication of services is a problem. In February 2013, the Settlement Unit held a meeting with some of the central government organisations involved in settlement work to discuss a “Common Funding Framework”. This is intended to:
- ... focus effort on delivering value to Government and to migrants, clarify current perceptions about funding overlaps, enable broader understanding of settlement gaps and provide broader transparency for the funding of settlement services going forward.*
- 4.78 Meeting attendees reported that:
- ... the Group thought that sharing information on their current settlement funding had been a worthwhile exercise, and identified some potential areas of overlap and opportunities for future collaboration.*
- 4.79 Although we acknowledge that the work to prepare a more integrated approach to funding settlement work throughout government is a positive step, we expected that Immigration New Zealand would have prioritised this work early in its work leading and co-ordinating the national and regional strategies to ensure that the objectives of better use of resources was achieved.

Part 5

Evaluating, monitoring, and reporting on settlement outcomes

- 5.1 In this Part, we look at the responsibilities that MBIE has for evaluating and reporting on settlement outcomes based on expectations laid out in:
- Cabinet papers for the Settlement Strategy;
 - approvals for Migrant Levy funding for the Migration Research, Evaluation and Analysis Team; and
 - Immigration New Zealand’s business plans and other corporate documents.

Summary of our findings

- 5.2 MBIE has made progress towards preparing and putting into effect various parts of a settlement evaluation and monitoring framework. The information it gathers about settlement indicators and outcomes has improved and will continue to improve as work progresses on the Integrated Data Infrastructure project with Statistics New Zealand.
- 5.3 We found that Immigration New Zealand has not yet put in place the integrated settlement evaluation and monitoring framework for the whole-of-government Settlement Strategy, including links to the national and regional action plans as set out in the approved 2006 Cabinet proposal for the Settlement Strategy. Because of this, reporting on the Settlement Strategy and action plans has not been able to show what “measurable and tangible settlement outcomes” the Settlement Strategy and associated action plans have achieved. The Migration Research, Evaluation and Analysis Team has not carried out the evaluation of the Migrant Levy-funded initiatives throughout government that was needed.
- 5.4 Since 2008, Immigration New Zealand has progressed work on an evaluation and monitoring framework for the settlement services that it purchases and provides to new migrants, which was ready to be put into effect in 2012/13. Although it took a long time to prepare and finalise the framework, this work should improve the information that the Settlement Unit can report on for settlement services and programmes and possible links to settlement outcomes for new migrants.
- 5.5 The Settlement Unit has contracted several reviews of the settlement services and programmes that it is responsible for as it tries to improve effectiveness. These reviews have resulted in identifying where improvements are needed, and changes have been put into effect as a result of the Settlement Unit’s approach to continual improvement.
- 5.6 The Settlement Unit is responsible for leading and co-ordinating the Settlement Strategy, the national and regional action plans, and the National Settlement

Structure. It does not report on the results of its work against annual business plans. This makes it difficult to identify what has been achieved towards the Settlement Strategy objectives.

- 5.7 Improvements are needed for some of the settlement indicators that MBIE reports.

Recommendation 4

We recommend that Immigration New Zealand implement **evaluation and monitoring frameworks and outcome reporting** for whole-of-government settlement activities, including the services purchased by Immigration New Zealand, to ensure effective and efficient use of resources that meet the needs of new migrants. *Target time frame: by June 2015.*

Recommendation 5

We recommend that the Ministry of Business, Innovation and Employment 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.*

What we expected from integrated settlement evaluation, monitoring, and reporting

- 5.8 We expected that Immigration New Zealand would have met intended objectives set out for the Settlement Strategy related to evaluation and reporting on settlement outcomes. This included putting in place an integrated settlement evaluation and monitoring framework and reporting on work towards the Settlement Strategy objectives and goals. Specifically, we expected that Immigration New Zealand's evaluation and reporting would incorporate measures and results from four parts of the Settlement Strategy:
- national and regional action plans;
 - government programmes funded by the Migrant Levy;
 - settlement support services and programmes Immigration New Zealand purchases and provides to new migrants; and
 - the Settlement Unit's progress towards its objective to "support migrants to settle and work" and the objectives of the Settlement Strategy.

- 5.9 As a part of the Settlement Strategy, Immigration New Zealand was responsible for setting in place evaluation frameworks and reporting processes for the national and regional settlement working groups and the action plans.
- 5.10 Other agencies that receive funding for providing settlement support services have been responsible for evaluating the services that they deliver. The Settlement Unit's governance role included collating and reporting on those programme evaluations. The Department indicated it would:
- ...coordinate the development of an over-arching evaluation framework focussed on settlement outcomes for migrant and refugees....and include the identification of medium and high-level indicators that may be used to understand settlement outcomes and the contribution of the Settlement Strategy in supporting good settlement outcomes. The development of these will incorporate the identification of data needs and an assessment of the adequacy of current monitoring information.*
- 5.11 In 2007/08, the Settlement Unit's Business Plan indicated that:
- ...as the agency with the lead in coordinating the implementation and development of the New Zealand Settlement Strategy, DoL will ensure that proposed interventions to support good settlement outcomes are clear about their objectives and about how they will be measured and evaluated. The Strategy's evaluation framework needs to ensure that any evaluation of specific interventions is linked to an overall assessment framework of their impact on the Strategy's goals.⁵*
- 5.12 The Settlement Unit's Business Plan also specified that:
- ... this comprehensive evaluation framework still needs to be implemented. We intend this to be addressed as part of the Settlement National Action Plan with funding from the Migrant Levy.⁶*
- 5.13 We expected that these evaluation frameworks would have been completed and implemented to ensure that the intended objectives of better use of resources throughout government for settlement support and a clear and measurable assessment of settlement outcomes showing the contribution of interventions under the Settlement Strategy were achieved.
- 5.14 As noted in Part 2, the Settlement Unit is responsible for:
- leading the Settlement Strategy;
 - co-ordinating how the Settlement Strategy is put into effect;
 - the Settlement Strategy's governance structure; and
 - purchasing the delivery of some settlement support services for new migrants.

5 Settlement Unit 2007/08 Business Plan, page 17, paragraph 4.13.

6 Settlement Unit 2007/08 Business Plan, page 17, paragraph 4.13.

- 5.15 The Migration Research, Evaluation and Analysis Team is responsible for research and evaluation to help understand how the immigration system works in terms of settlement outcomes for migrants, their families, their employers, and society and the economy in general.⁷

Slow but now improving evaluation and reporting of settlement outcomes need to be integrated

- 5.16 Immigration New Zealand has made progress setting up various parts of a settlement evaluation framework to show indications of successful settlement. Some settlement outcome measures have been put in place. Improvements in data gathering to indicate progress towards improved settlement for new migrants has been made as a result of work led by the Migration Research, Evaluation and Analysis Team.
- 5.17 Several reports, programmes, and surveys are used to monitor migration trends and report against the main measures and outcomes in the corporate statement of intent. The Migration Research, Evaluation and Analysis Team has produced migration trend monitoring reports since 2000/01. These reports summarise indicators of annual migration trends together and provide some in-depth research.⁸ These reports enable Immigration New Zealand to monitor trends and patterns of migration and to highlight trends, including global migration trends, and what implications there might be for New Zealand.
- 5.18 The former Department of Labour developed the Longitudinal Information Survey New Zealand of migrants who were approved for residence between 2004 and 2005. This was self-reported information based on interviews that took place six months, 18 months, and 36 months after migrants had gained permanent residence in New Zealand. This provided Immigration New Zealand with a rich source of information on the employment outcomes and labour market integration of permanent residents in New Zealand. This data is becoming dated.
- 5.19 The Immigration Survey Monitoring Programme, which was piloted in 2009 and has been running since, is designed to gather information every year from service users (migrants, employers, and community stakeholders) providing information about new migrants' settlement experiences, views from employers and the community about matters related to new migrants' settlement and work in New Zealand, and satisfaction with the services that Immigration New Zealand provides.⁹ Results from the programme are used to track the main measures that are part of MBIE's reporting, including in the statement of intent and annual

⁷ Ministry of Business, Innovation and Employment briefing (21 February 2013), *Immigration policy, service support, research and evaluation work programme*, page 3.

⁸ The reports are available at the former Department of Labour's website, www.dol.govt.nz.

⁹ The report is available at the former Department of Labour's website, www.dol.govt.nz.

reports. These measures are designed to provide service improvement information and be able to benchmark improvements over time.

- 5.20 Client satisfaction with settlement services has been measured every year since 2011 through a survey carried out by an external provider. These client satisfaction surveys, based on the Common Measurement Tool, are administered to newcomers who access settlement services.
- 5.21 The Migration Research, Evaluation and Analysis Team also regularly collates benefit data as a way of identifying employment patterns of Immigration New Zealand's clients.
- 5.22 MBIE has plans to improve migrant performance outcome measures through the Integrated Data Infrastructure project that Statistics New Zealand is leading. This project will integrate data gathered from Immigration New Zealand through various visa streams, the Inland Revenue Department (on employment), and the Ministry of Social Development (on the use of benefits). The project is a notable achievement because it should provide better information about settlement outcomes data and better reporting in the future. Although it is too early to tell, this data is expected to improve MBIE's performance monitoring and reporting in the future by providing evidence-based outcome data and more opportunity for trend analysis because it includes data about various migrant visa categories, use of benefits, and income since 1998.
- 5.23 An integrated settlement evaluation and monitoring framework is needed to show what has been achieved through Immigration New Zealand's co-ordination of whole-of-government settlement work and the settlement services it delivers. As a result of insufficient reporting for the Settlement Strategy, the national and regional action plans, and the Settlement Unit, it is difficult to identify links between these and achieving settlement outcomes.
- 5.24 The former Department of Labour was to co-ordinate the overall development of evaluation work on the national strategy, focused on settlement outcomes for migrants and refugees.
- 5.25 Until 2009, Immigration New Zealand reported progress on the Settlement Strategy and the Action Plan. Reporting was of milestones achieved against the Action Plan, which is different than the type of reporting that an evaluation and monitoring framework would have provided by linking work to progress achieving measurable settlement outcomes.
- 5.26 Immigration New Zealand staff identified the lack of an evaluation framework for the Auckland Strategy in 2008 as a priority needing to be addressed to make clear what was being done towards achieving settlement outcomes. This work has not

been progressed since then because the focus has been on revising the Auckland Strategy and its structure.

- 5.27 The 2010 review of the Wellington Strategy showed that focusing on reporting on milestones was at the expense of considering settlement outcomes. We are aware that Immigration New Zealand was having another review of the Wellington Regional Settlement Strategy carried out during our audit. That new review might help identify ways to improve evaluation and reporting practices.
- 5.28 The approved Cabinet paper for the Settlement Strategy in 2006 specified that evaluations of the individual programmes and initiatives within the settlement strategy would be prepared by the lead organisations. The Settlement Unit was tasked with collating and reporting information from evaluations of Budget 2004 initiatives.¹⁰ The Settlement Unit did not complete this and indicated to us that it did not think it was responsible for reporting on other settlement programme evaluations. Since the Settlement Strategy and the Settlement Unit have been in place, there has been no whole-of-government analysis of how effective settlement services are or any rationalisation of settlement support funding, which was a part of the purpose of having a Settlement Secretariat and, in our view, was needed.
- 5.29 Our audit also looked for reporting that might link the work of the Settlement Unit and the activities outlined in its business plans to progress towards achieving settlement outcomes. In our view, the Settlement Unit needs to develop and implement better reporting to be able to show the results of work towards the Settlement Strategy objectives and goals.

Better reporting on Migrant Levy funded cross-government settlement support is needed

Immigration New Zealand needs to improve some reporting methods to evaluate results

- 5.30 In 2007/08, the Migration Research, Evaluation and Analysis Team received a further \$500,000 to:
- ... evaluate Migrant Levy funded initiatives ... The results will be used to inform future funding of settlement services through the Migrant Levy, and the investment in settlement services more generally.¹¹*
- 5.31 The Migration Research, Evaluation and Analysis Team used this funding to prepare an evaluation and monitoring framework for the settlement services that it purchases and oversees because this was a priority in their view. The Migration Research, Evaluation and Analysis Team did not evaluate programmes funded by

¹⁰ Settlement Division Strategic Plan 2006/07 – 2008/09, pages 10-11.

¹¹ Cabinet paper.

the Migrant Levy throughout government as it was intended it do to inform future decisions about how best to use the Migrant Levy funding.

5.32 The reporting requirements for Migrant Levy funding do not assess what outcomes have been achieved. The application process for Migrant Levy funding is detailed and requires the applicant to estimate what will be achieved with the requested funding. However, the reporting requires information only on whether funding was spent as intended. It does not include any outcome reporting requirements, which is needed to assess effectiveness.

5.33 Immigration New Zealand needs better information on settlement support funding throughout government. In March 2012, Immigration New Zealand submitted a proposal to the Cabinet Economic Growth and Infrastructure Committee for allocations of Migrant Levy funding. Immigration New Zealand's proposal showed overlaps between agencies:

... agencies could take a more collaborative approach to produce savings and efficiencies ... better use could be made of each others' avenues for providing information to migrants [and] a whole-of-Government overview of funding for migrant settlement and research was needed to inform future migrant levy allocations.

5.34 As discussed in Part 3, when this audit was under way, the Settlement Unit started to meet with the staff from other public entities working on new migrant settlement to discuss funding.

Evaluation and monitoring of Immigration New Zealand's settlement services is being improved

5.35 Various parts of an evaluation and monitoring framework for the Settlement Unit's settlement services were put into effect between 2008 and 2011. The last part of the framework, an outcomes framework, was completed in 2013. The evaluation and monitoring framework should improve the Settlement Unit's ability to report on the results of settlement services and programmes and identify possible links to settlement outcomes in the future.

5.36 Between 2008 and 2011, the Migration Research, Evaluation and Analysis Team developed an evaluation and monitoring framework for the settlement services that MBIE purchases. The framework included:

- an intervention logic for the settlement services purchased by MBIE;
- preparing a good practice matrix to help service providers to assess how well they work compared with international good practice;
- processes for providers to report feedback;

- carrying out client satisfaction surveys; and
 - local network surveys for Settlement Support New Zealand.
- 5.37 A drawback of the good practice matrix is that it has no option for less-than-acceptable practice, leading to a positive bias in service providers' self-evaluation. Results from these surveys and service providers' self-assessments are reported every year.
- 5.38 In 2011, the Migration Research, Evaluation and Analysis Team handed the evaluation and monitoring framework over to the Settlement Unit. At that time, the outcomes framework, which was a main part of the evaluation and monitoring framework, had not been completed. However, the outcomes framework was completed in 2013 by an external contractor and should enable service providers to monitor and report outcomes as programmes are delivered.
- 5.39 The Settlement Unit has focused on continuous improvement of its settlement services by ordering several programme reviews of the settlement services that it purchases and provides to new migrants in an effort to provide those services more effectively.
- 5.40 Immigration New Zealand has reviewed its settlement services and programmes over the years in an effort to improve their effectiveness. For example, reviews have been carried out on Settlement Support New Zealand in 2007, a review of the services the Settlement Unit purchases in 2010, and in 2011 a review of the delivery model for Settlement Support New Zealand was carried out. The Settlement Unit has used these reviews to make its settlement services more effective and efficient.

Reporting of migrant settlement outcomes needs to improve

- 5.41 High-level performance outcome reporting needs to be improved. Immigration New Zealand needs to take care when reporting performance data to ensure that it is accurate.
- 5.42 Our audit looked into the performance outcomes that Immigration New Zealand reports to the public. High-level performance outcomes that Immigration New Zealand reports on include:
- economic contributions that migrants provide compared to New Zealand-born citizens;
 - retention rates of migrants; and
 - the percentage of new migrants working at a level they are qualified to work.

- 5.43 In our view, Immigration New Zealand needs to improve how it reports data about performance so that the public receives a more accurate interpretation of how the data relates to Immigration New Zealand's work on new migrant settlement.
- 5.44 Immigration New Zealand needs to provide more context and explanation when reporting on the economic contributions of migrants compared to New Zealand-born citizens. Further information about the differences between migrant and New Zealand populations is needed to avoid over-emphasising the economic benefits of migrants compared to New Zealand-born citizens.
- 5.45 Immigration New Zealand needs to address methodological issues with the way retention data is gathered and reported on. Using cumulative retention rates over extended periods of time (1998-2011) portrays an over-optimistic picture of retention. Tracking retention rates within the initial settlement period of between two to five years would provide a more valid data set to assess the effect of recent efforts to retain migrants. MBIE has found that there is a lack of international data and there are no precise comparable figures to benchmark retention rates against.
- 5.46 Immigration New Zealand reports the percentage of principal skilled migrants whose work matches their skills and qualifications but does not report on this target for secondary skilled migrants. Settlement work relates to both principal skilled migrants and their partners. Therefore, in our view, Immigration New Zealand needs to report results for both principal and secondary skilled migrants to provide a more balanced picture of the effect of new migrant settlement support.
- 5.47 Part 6 discusses some of the barriers that new migrants face in settling and finding work and how Immigration New Zealand's work has helped to overcome those barriers.

Part 6

Barriers to settlement for some new migrants

- 6.1 In this Part, we discuss how effectively Immigration New Zealand has targeted resources to overcome the barriers that some new migrants experience when settling into life in New Zealand and finding work. In particular, we look at the barriers that Immigration New Zealand's work on the Action Plan was intended to address, including:
- the reluctance of some employers to employ new migrants;
 - getting information on life in New Zealand to help set realistic expectations before migrants arrive;
 - gaining employment and enhancing employment outcomes;
 - the availability and targeting of settlement services to secondary skilled migrants; and
 - providing temporary work visa holders with access to settlement services.

Summary of our findings

- 6.2 Immigration New Zealand has made some good progress reducing barriers to settlement. These include better engagement with, and advice and information to, potential employers of new migrants. Information to new migrants has also improved, particularly through access to online information and pre-arrival information.
- 6.3 However, improvements are needed in the accuracy of information, using information collected to target limited resources to where they are most needed, and to further improve the access to services for all new migrants.

Recommendation 6

We recommend that Immigration New Zealand 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.*

Recommendation 7

We recommend that Immigration New Zealand 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.*

Addressing some employers' reluctance to employ new migrants

- 6.4 Immigration New Zealand is working with employers to improve employment outcomes for new migrants.
- 6.5 One recent improvement is that Immigration New Zealand has placed more emphasis on working with employers to support successful settlement outcomes. Because some barriers that new migrants experience stem from employers' attitudes or lack of awareness of how to work well with new migrant employees, this is a positive change.
- 6.6 Based on various research reports and on the findings from our audit, it is clear that there are issues with some employers' reluctance to employ new migrants. This reluctance affects new migrants' settlement experiences and their employment opportunities.
- 6.7 The Human Rights Commission's recent reports indicate that migrants are more likely than non-migrants to experience racial discrimination in the workplace.¹² New migrants who attended our workshops also raised this issue. Also, several stakeholders who work on settlement support told us that they have observed that employers' reluctance to hire migrants and workplace discrimination are the main challenges for migrants.
- 6.8 Some stakeholders told us that having an accent seems to be a barrier to employment, even if a migrant's English proficiency is high. Research has found that "job seekers who speak English with a non-Anglo-Saxon accent have larger hurdles to surmount in obtaining employment in New Zealand than those who speak English without such accents".¹³
- 6.9 Migrants told us that the pressure to find a job is stressful and frustrating when they consider that they left behind good job opportunities elsewhere. They end up feeling that New Zealand employers do not want them.
- 6.10 Immigration New Zealand's 2011 *Purchasing Strategy for Settlement Services* reflects an increased focus on settlement information services tailored to

It has been suggested that there is a need to put people into placements. This helps the migrant get experience and understand a New Zealand workplace. Interesting effect was that if [you] put [a] migrant into a workplace with an employer who was reluctant to employ migrants, after three months quite often that attitude would change.

An academic

12 Human Rights Commission (2013), *Race Relations in 2012*, pages 89-90, available at www.hrc.co.nz and Human Rights Commission (2012), *Caring Counts: Report of the Inquiry into the Aged Care Workforce*, pages 103-111 (see especially pages 107-108 on work visas and discrimination), available at www.hrc.co.nz.

13 Anne Henderson (2003) 'English Language Proficiency and Migrant Employment,' an oral presentation at the New Directions: New Settlers: New Challenges: Building and Enhancing Communities Seminar, Wellington in April 2003, cited in Human Rights Commission (2004), *Human Rights in New Zealand Today*, page 311.

employers and the workplace.¹⁴ Immigration New Zealand funds chambers of commerce to:

- connect employers with prospective migrant staff;
- survey employer attitudes and their practices in hiring migrants; and
- help employers to retain migrant staff.

6.11 In 2011/12, there was funding for one-off programmes to build employers' understanding of the relationship between good settlement outcomes, migrant staff retention, and organisational productivity. The May 2012 *New Kiwis Employer Survey* of 592 businesses identified communication and work culture issues. Immigration New Zealand developed workplace resources to address these issues. These resources include the *Employer Toolkit*, published in 2012, which highlights the different communication styles between cultures that can lead to incorrect first impressions.¹⁵

6.12 Other examples of Immigration New Zealand's work on focusing on working with employers include:

- A Guide for Newcomers, published as a companion to the *Employer Toolkit*;
- *Work talk*, which is an interactive Internet site that builds on the *Employer Toolkit* that was developed in collaboration with Victoria University of Wellington to help new migrants understand communication in the New Zealand workplace;¹⁶ and
- Immigration New Zealand's online employer hub, which was developed in response to the PricewaterhouseCoopers review and provides resources and tools to help employers recruit and retain migrant staff and provides practical advice on how employers can help migrants and their families to settle in as quickly as possible – this online employer hub includes several employer-focused resources (such as the *Employer Toolkit*).

6.13 Information for some groups of new migrants is also improving. Immigration New Zealand, along with industry partners, developed a *Guide for dairy farmers employing migrant dairy workers* (2012). This guide recognises, among other matters, the need to raise awareness of what being a good employer means. The guide covers recruiting migrant workers, preparing for their arrival, what to do when migrants arrive, how to relate to migrant staff, where to go for more help,

14 Immigration New Zealand (2011) *Purchasing Strategy for Settlement Services*, mentioned at www.dol.govt.nz. "It should be noted that New Zealand's *Purchasing Strategy for Settlement Services* outlines an increased focus on services tailored to employers and the workplace, online settlement resources and tools, the provision of information specifically geared towards sectors and employers which rely on migrant staff, Settlement Support New Zealand support for employers and workplaces, and ensuring migrants are matched to the skills New Zealand requires."

15 The *Employer Toolkit* is available at New Zealand Immigration's website, www.immigration.govt.nz.

16 The *Work talk* website is worktalk.immigration.govt.nz.

challenges that migrant workers face, accommodation, and a checklist. There is also a guide for migrants working on dairy farms. This is a good example of collaborative working to provide much needed information for both migrants and employers.

- 6.14 Immigration New Zealand's engagement with employers includes surveys, employer seminars, and employer newsletters. Immigration New Zealand is carrying out more work with an employer focus and is planning and researching an online resource for employers to help employers with migrant settlement and retention.

Further improvements to pre-arrival information to support successful settlement and online access

- 6.15 In 2006, as well as the need for better employment information, the Settlement Strategy identified the need to provide better information to migrants on life in New Zealand to help them to have realistic expectations before arriving in the country.
- 6.16 In the Settlement Strategy, Immigration New Zealand was given responsibility for improving pre-arrival employment information for migrants. Immigration New Zealand has made progress on this action point. Another area of work included in the Settlement Strategy was to improve pre-arrival information for migrants to help set realistic expectations before they arrive. Although improvements have been made, Immigration New Zealand needs to improve this information further. The Action Plan's action point 1.1 requires Immigration New Zealand to:

Develop improved pre-arrival employment-related information for adult applicants in all immigration categories (i.e., principal and secondary applicants in the Skilled Migrant Category, the Family Sponsored and International/ Humanitarian streams). This work will ensure that there are appropriate pathways to employment related services in New Zealand.

Immigration New Zealand's 2009 progress report to the Minister highlighted its achievements towards this action point:

A new publication titled "Welcome to New Zealand" was produced to provide information that newcomers are likely to need upon arrival in New Zealand, and during initial settlement, including information on employment. It is distributed through Immigration New Zealand branches.

The Auckland Chamber of Commerce is contracted by the Department to provide a website "NewKiwis" which has over 5,500 jobseekers actively registered to connect with NZ employers and work opportunities.

6.18 The information that new migrants receive could more fully and accurately inform them about settling in New Zealand.

6.19 The Migration Research, Evaluation and Analysis Team's Immigration Survey Monitoring Programme provides useful information about new migrants' early settlement experiences. Although this was not always positive, it does enable MBIE to provide better information to new migrants and direct resources.

6.20 The Migration Research, Evaluation and Analysis Team's Immigration Survey Monitoring Programme surveyed adult migrants who held temporary work visas or permanent residence visas for the skilled/business and family visa categories. Temporary migrants were surveyed in the six months after they had arrived or been granted their visas. Permanent residence visa holders were surveyed in the 12 months after they had arrived or been granted their visas.

6.21 The research shows that a significant number of migrants expressed disappointment about economic factors after arriving in New Zealand. For example:

- the cost of living was worse than expected for 47% of skilled principal skilled migrants and 55% of secondary skilled migrants;
- the quality of housing was worse than expected for 41% principal skilled migrants and 46% of secondary skilled migrants;
- the level of salary or wages was worse than expected for 36% of principal skilled migrants and 38% of secondary skilled migrants; and
- their ability to get a job was worse than expected for 25% of principal skilled migrants and 39% of secondary skilled migrants.

[On] Immigration New Zealand's website, they listed the minimum amount of money you need to survive in New Zealand. This is grossly understated. Reality is vastly different.

New migrant, Wellington region

6.22 We held workshops with new migrants in the Auckland and Wellington regions. Forty-two people from various visa streams attended. Although this is a small sample and not a formal representation of new migrants in New Zealand, the comments we received are in line with the Migration Research, Evaluation and Analysis Team's findings. The new migrants told us that their expectations regarding gaining local work experience, finding a job within their profession or qualification, and the quality and availability of housing were not met, which made settlement a challenge.

6.23 Immigration New Zealand's Attraction and Retention Framework indicates that setting realistic expectations and managing these expectations is important to effective retention. We recognise that Immigration New Zealand is improving

how it provides services and information to potential migrants as a part of its immigration change programme.

Improving online access for new migrants

- 6.24 Immigration New Zealand has two websites that support the Attraction and Retention Framework – the New Zealand Now and Settlement websites.¹⁷ New Zealand Now is a marketing website mainly targeting people overseas who are considering moving to New Zealand to live and work. Analysis of use of New Zealand Now between 1 July 2012 and 30 June 2013 shows that there were:
- 1,341,179 visits to the New Zealand Now site, from 1,048,605 unique browsers.
 - 50,856 views of the “Comparable living costs” page and 44,997 views of the “Choice of housing options” page.
 - 393,377 page views for the “great job opportunities” page on New Zealand Now – this page was the most viewed page on the site, ahead of the “Work in NZ” page (367,209) and the site’s home page (305,112).
- 6.25 The Settlement website mainly targets migrants who are in New Zealand and links through to other sites. Analysis of the site’s use between 1 July 2012 and 30 June 2013 shows that there were:
- 208,708 visits to the Settlement site, from 161,392 unique browsers.
 - 27,994 visits to the *Money* section, 9176 of which were views of the Cost of living page, and 8581 linked from this section to information about money on external sites.
 - 36,019 visits to the *Somewhere to live* section, 1935 of which linked to information about housing and related problems on external sites.
 - 97,566 visits to the *Employment in New Zealand* section, 17,606 of which were to the *Getting a job* page, and 21,387 links through to information about employment in New Zealand on external sites.

Resources can be better targeted at programmes to reduce barriers to employment

- 6.26 Employment outcomes for new migrants are one of the most fundamental factors in successful settlement and for achieving the Government’s economic objectives. Under the Action Plan’s action point 1.3, Immigration New Zealand is to:
- Identify practical measures, in partnership with other organisations, to reduce migrants’ barriers to employment and enhance their employment outcomes.*
- 6.27 As noted by the Migration Research, Evaluation and Analysis Team’s work, finding work is one of the most important factors in migrants settling well. Migrants finding work is the main driver to achieving the outcome of addressing gaps in

¹⁷ The New Zealand Now website is www.newzealandnow.govt.nz. The Settlement website is www.ssnz.govt.nz.

the labour market and, therefore, supporting the Government's economic agenda. Because of how important it is that new migrants find work, we expected that Immigration New Zealand would have prioritised supporting new migrants to overcome barriers to employment.

- 6.28 Settlement services that focus on overcoming barriers to employments are in demand. We acknowledge Immigration New Zealand's recent change to working with employers to help address some employment barriers. However, employment barriers remain a problem for some skilled migrants and holders of temporary work visas.
- 6.29 The new migrants who attended our workshops expressed frustration over barriers to employment, including:
- Voluntary work in New Zealand is often not recognised by New Zealand employers and many migrants are unable to secure a job without New Zealand work experience.
 - It is difficult for new migrants to gain local work experience that matches their skills and qualifications, and to connect with professional/sector networks.
 - There is inconsistency between qualifications that are recognised by the New Zealand Qualifications Authority and those recognised by employers. Stakeholders told us that qualifications not being recognised was a barrier to settlement.
- We need internships to get a job that you are qualified for. Test us out. This is missing.*

New migrant

Mentoring is a proven, valuable and effective mechanism.

Service provider
- 6.30 Many stakeholders from central and local government and non-governmental organisations working in a range of settlement support roles (senior managers to service delivery) told us of service gaps in supporting migrants to overcome barriers to employment. These service gaps include a lack of:
- one-to-one job search advice and career services;
 - workplace mentoring that links migrants with the appropriate industry contacts, work experience opportunities, and feedback; and
 - English-language provision for temporary work visa holders to support them to work and transfer to the Skilled Migrant Category.
- 6.31 Stakeholders told us that employers' attitudes could often change for the better after they had worked with new migrants in temporary work experience and mentoring programmes. Stakeholders told us that workplace preparation support and mentoring programmes are valuable and effective mechanisms that help new migrants to achieve employment goals. Stakeholders said that there were not enough of these programmes to meet demand.

6.32 Immigration New Zealand is not responsible for delivering settlement services to help new migrants find work. Its role in supporting new migrants achieve employment aspirations is through leading and co-ordinating settlement support, working collaboratively with government organisations, and working on the Settlement National Action Plan.

6.33 In our view, Immigration New Zealand has not completed work with partners on action point 1.3 to identify ways to overcome employment barriers. Immigration New Zealand staff told us that they considered this action point to be finished and did not continue work on it. A 2009 draft progress report to the Minister highlighted that there was:

... a lack of nationwide consistency in the availability of employment services which include the key identified elements of: volunteer job mentors, work experience opportunities, and specialised migrant recruitment services.

Gaps exist in the services [of] some providers. The one-to-one careers services have been discontinued. This could impact the ability of skilled migrants' partners to attain meaningful employment, which would reduce ... migrant retention rates.

Service provider, Southland

6.34 Immigration New Zealand's report identified problems that needed to be addressed to achieve this action point. We consider that further action is needed to address the problems identified in Immigration New Zealand's report to achieve better outcomes.

6.35 Two Migration Research, Evaluation and Analysis Team reports in 2008 and 2012 show that the most common barriers for migrants who find it difficult to find work were a lack of New Zealand work experience and a lack of positions for someone with their skills or experience.

6.36 Another indicator of the demand for migrant employment support services is found in Settlement Support New Zealand's Annual Report to June 2012. This states that most inquiries to Settlement Support New Zealand were about employment – mostly about finding work, for which Settlement Support New Zealand provides referral information.

6.37 Some migrant employment support programmes are able to show migrant employment outcomes. These include the Ministry of Social Development's migrant employment assistance programme, the University of Victoria's workplace communication for skilled migrants programme, and OMEGA's mentoring programme.¹⁸ Employment assistance services and programmes have not been prioritised

18 OMEGA stands for Opportunities of Migrant Employment in Greater Auckland. OMEGA was created "to see the greater Auckland region prosper by fully engaging the contributions of skilled immigrants, and by helping bring an end to workplace skill shortages". See OMEGA's website at www.omega.org.nz.

6.38 Migrants told us that there is a need for services to address known employment barriers. We were unable to analyse all the employment-related services available to new migrants to confirm whether demand exceeds supply. However, we note that the proportion of all the funding available through the Migrant Levy and the Settlement Unit's budget for employment support services and/or programmes is small and that demand for these services is unmet.

The New Kiwis course at Auckland Chamber of Commerce was fantastic for CV writing. Follow up support also excellent. I did interviews with them. They send emails every week. Follow up for jobseekers very good.

New migrant, Auckland

6.39 Only 6.3% of Migrant Levy funding is targeted towards employment support services. In 2012/13, \$0.6 million, or 6% of the \$9.3 million, of Migrant Levy funding was dedicated towards the only employment assistance programme (see Appendix 4). Of the Settlement Unit's 2012/13 budget of \$7.6 million, \$3.5 million is for purchasing settlement services. Of that \$3.5 million, \$2.2 million is for Settlement Support New Zealand regional co-ordinators (who provide information and refer clients to other agencies but do not provide service delivery programmes), \$1.3 million is available for additional settlement contracts, and \$0.4 million is dedicated to contracts that focus on employment outcomes for new migrants (which are delivered through the Auckland, Wellington, and Canterbury Chambers of Commerce).

6.40 We acknowledge that the Settlement Unit has more recently begun to focus on working with employers to address some of the employment barriers that new migrants face.

Resources can be better targeted to reduce barriers for secondary migrants and temporary work visa holders

Secondary skilled migrants experience challenges in settling and finding work

6.41 Secondary skilled migrants experience barriers to settling and working, and there is a service gap in supporting them to achieve their employment goals.

6.42 Secondary skilled migrants are important to achieving the goals of settlement support and the Government's economic agenda. Secondary skilled migrants made up about half of the skilled migrant visas granted in 2011/12, and about half of those secondary skilled migrants were over the age of 20. Although the Action Plan actions that Immigration New Zealand was responsible for leading do not refer specifically to secondary skilled migrants, the Settlement Strategy proposal noted the importance of secondary skilled migrants and that they experience lower employment outcomes. Successful settlement of secondary skilled migrants affects retention rates for principal skilled migrants and the whole family.

6.43 The Migration Research, Evaluation and Analysis Team's migrant survey results for 2010 and 2011 show that of those secondary skilled migrants working or looking for work, 40% indicated that they found it difficult to find work in New Zealand and that their ability to get a job was worse than they had expected. The survey results also show that, in 2011, almost a third of secondary skilled migrants employed indicated that their occupation did not match their skills and qualification levels.

I thought that a meet and greet would be set up on arrival to swap stories and details and hang out with others in the same situation. Rather than sitting alone and isolated in flat.

Secondary skilled migrant, Wellington

6.44 It is not realistic to expect that secondary skilled migrants experience the same employment outcomes as principal skilled migrants within the same period after arriving in New Zealand. This is because, when they enter the country, secondary skilled migrants do not meet the same employment criteria as principal skilled migrants.

6.45 Immigration New Zealand has not focused on supporting secondary skilled migrants. Although it is difficult to gauge what employment outcomes are realistic to expect for secondary skilled migrants within the initial settlement period, it is realistic to expect that the Settlement Unit's work focuses on how to support secondary skilled migrants to settle and find suitable work to meet New Zealand's economic objectives and to increase the likelihood of retention of the skilled migrant family, including the principal skilled migrant.

6.46 In 2010, an external review of Immigration New Zealand's purchasing of settlement services indicated the need for more support for secondary skilled migrants. The migrants who attended our workshops and stakeholders we interviewed told us that they found support for secondary skilled migrants to be lacking. They also told us that, because of how important secondary skilled migrants are to retention, better targeting of settlement support towards secondary skilled migrants is needed.

Problem here [is] people will wrap support around principal skilled migrant, but will take little notice of fact that they have a partner at home.

Central government representative

6.47 Immigration New Zealand's research on migrant settlement experiences supports stakeholders' comments about the importance of secondary skilled migrants to retention:

It is important to promote positive settlement outcomes not only for the principal applicant, but for other members of the principal applicant's family. The successful settlement of the whole migrant family is integral to New Zealand's ability to attract and retain the migrants needed to contribute to the country's growth and diversity.

6.48 MBIE's corporate performance framework reflects this lack of focus on secondary skilled migrants. MBIE's reporting of results for skilled migrants does not include settlement results for secondary skilled migrants. As we noted in Part 3, the skilled migrant results would be less positive if they included secondary skilled migrant results.

Limited settlement support services for temporary work visa holders

6.49 Expanding settlement support services to temporary work visa holders has been a problem since the Settlement Strategy started in 2006. However, Immigration New Zealand was working on this problem during our audit. Under the Action Plan's action point 1.2, Immigration New Zealand is to:

Provide advice about the whole-of-government benefits and costs for the provision of settlement related services such as career advice, employment-readiness programmes and ESOL tuition to temporary permit holders and their accompanying families.

6.50 A high percentage of skilled migrants have temporary work visas before gaining permanent residency. However, temporary work visa holders do not pay the Migrant Levy and do not have access to most settlement services available to skilled migrants.

6.51 Immigration New Zealand's 2009 Action Plan progress report indicates this action is "in progress".

6.52 In 2010, a review of the purchase of settlement services by Immigration New Zealand recommended that:

... the Department should also investigate whether settlement services purchased for permanent residents should also become available for holders of temporary visas and permits ... it may speed up the overall settlement cycle to offer settlement services to holders of temporary visas and permits.

6.53 Temporary visa holders have not had access to many of the settlement support services available to skilled migrants, such as English-language training and employment assistance. Although it has been a long time since 2006, a proposal on this matter is included in a broader proposal on immigration fees, which Cabinet is likely to consider in late 2013.

Appendix 1

Migrant visa streams

There are two types of migration to New Zealand:

- permanent migration; and
- temporary migration.

Permanent migration to New Zealand

People who wish to migrate permanently to New Zealand must apply through the New Zealand Residence Programme, which has four streams:

- Skilled/Business Stream;
- Uncapped Family Stream;
- Capped Family Sponsored Stream; and
- International/Humanitarian Stream.

Each New Zealand Residence Programme stream has several categories and target ranges for the number of approved applicants. The Government has approved the New Zealand Residence Programme for three years to 2013/14, with a target range for that period of between 135,000 and 150,000 places.

In 2011/12, about 40,000 people were approved for residence. This was almost the same as in the previous financial year.

The Skilled/Business Stream

This stream has most approved places, with between about 81,000 and 90,000 places. In 2011/12, about 20,000 residence approvals were made under this stream. This number has been decreasing since 2008/09.

The Skilled/Business Stream comprises the:

- Skilled Migrant Category;
- Residence from Work Category; and
- Business Immigration Policy.

The Skilled Migrant Category

This is the main category in the Skilled/Business Stream. In 2011/12, Skilled Migrant Category (Skilled Migrant Category) approvals accounted for 47% (about 19,000) of all residence approvals and 92% of all Skilled/Business Stream approvals.

The introduction of the Skilled Migrant Category in 2003 represented a change from the passive acceptance of residence applications to the active recruitment

of the skilled migrants that New Zealand needs. The Skilled Migrant Category is a points-based policy that allows people to gain permanent residence in New Zealand if they have the skills, qualifications, and experience to contribute economically and socially.

The principal applicant is the main person assessed against the policy criteria. Secondary applicants include the partners and dependent children of the principal applicant. In 2011/12, principal applicants accounted for half of all people approved under the Skilled Migrant Category, which has been the norm for the last few years. About half of secondary applicants under the Skilled Migrant Category in 2011/12 were aged under 20.

Temporary migration to New Zealand

Temporary visas are subject to date, event, or time limitations. Temporary migration policies include the:

- visitor policy;
- work policy;
- student policy; and,
- limited visa policy.

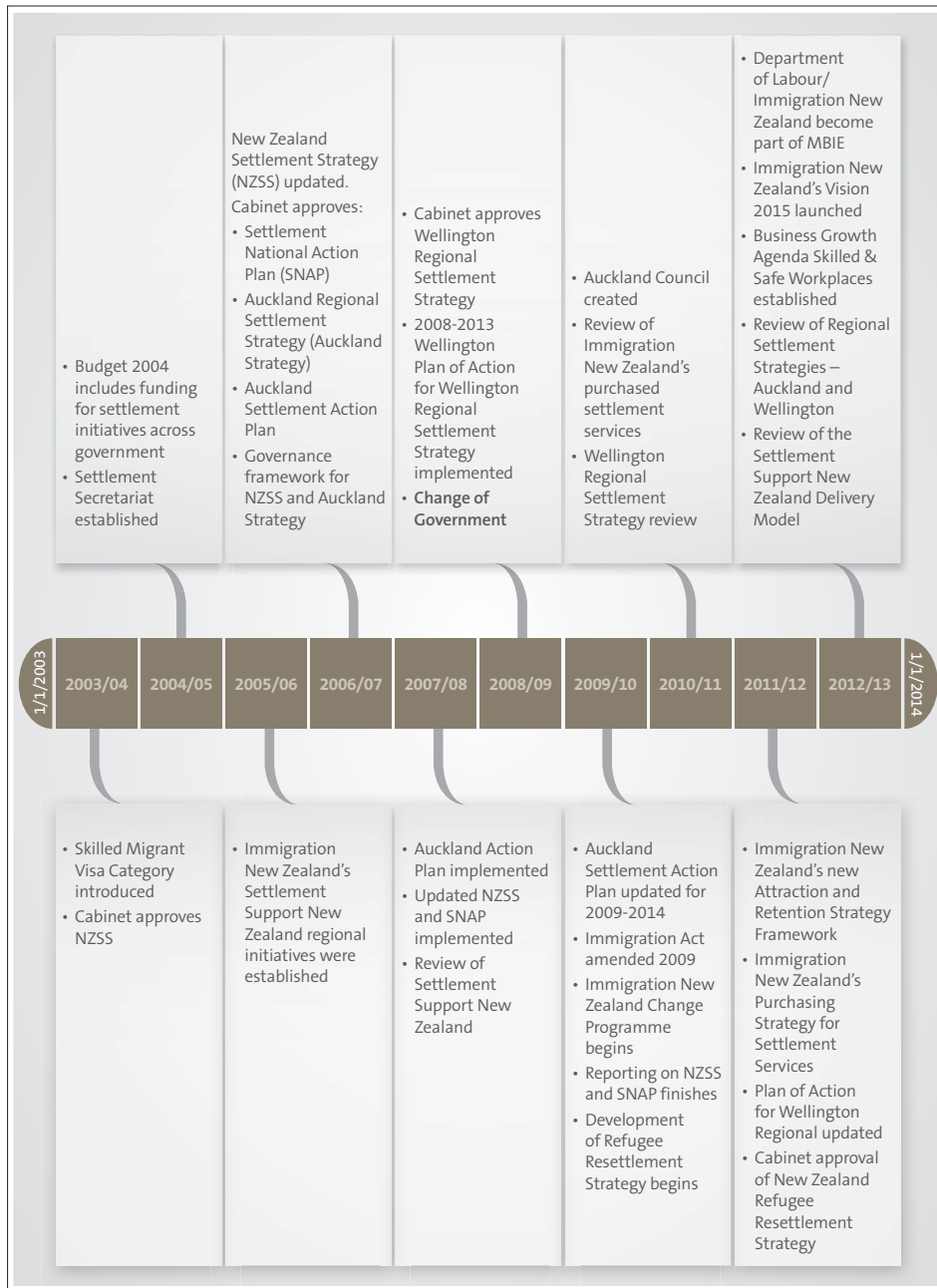
In 2011/12, 1.45 million people were granted a temporary visitor, student, or work visa on their arrival in New Zealand.

It is more likely that, having participated in New Zealand society, international students and temporary workers will settle well and contribute positively to the country. Research shows that 86% of Skilled/Business Stream applicants granted residence in 2011/12 had previously held a temporary visa. Of those, 71% had most recently held a work visa. About one in three temporary workers were granted a permanent residence visa within five years of their first work visa.

The number of migrants arriving to New Zealand for work or study during the last decade has grown quickly. However, this growth rate varies between visa categories. In 2011/12, about 138,000 people were granted a work visa, an increase of 2% from 2010/11.

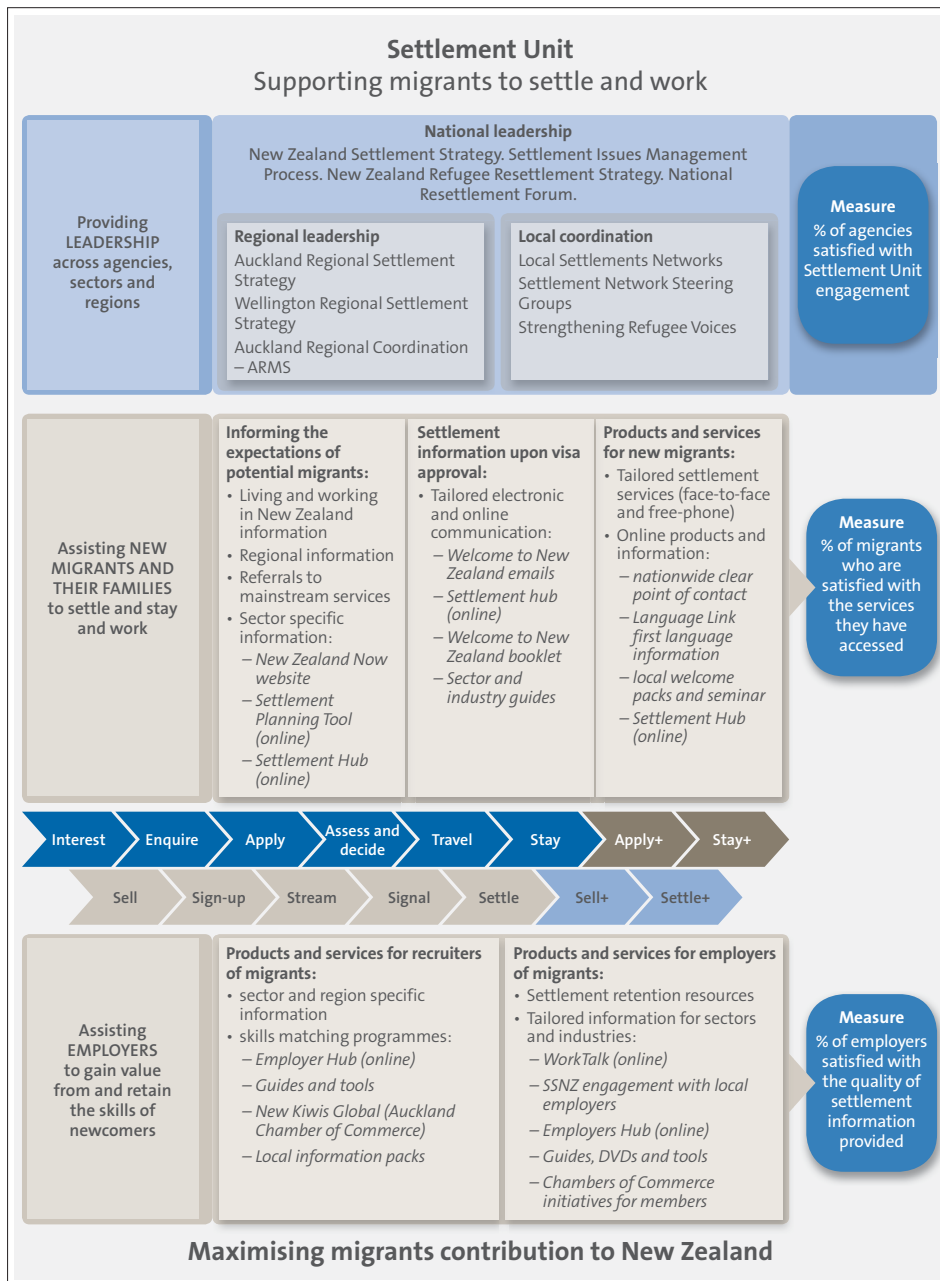
Appendix 2

Timeline of main events in planning for the settlement of new migrants



Appendix 3

The Settlement Unit's framework for supporting migrants to settle and work



Source: Provided by Immigration New Zealand, 2012.

Appendix 4

Settlement support services and programmes 2012/13

Ministry of Business, Innovation and Employment – Migrant settlement funding

Vote Immigration – Core settlement services, \$1.8 million

Immigration New Zealand uses \$1.3 million of Migrant Levy funding and other revenue to purchase settlement services that are intended to help new migrants during their first two years in New Zealand. If new migrants settle quickly into workplaces and communities, they are more able to fully contribute their skills, innovation, and capital to the economy. The Settlement Unit allocates a portion of this Migrant Levy funding to preparing and co-ordinating regional settlement strategies.

Settlement Unit – Settlement Support New Zealand initiative, \$2.2 million

The Settlement Unit purchases and monitors Settlement Support New Zealand using Crown funding. Settlement Support New Zealand provides a clear local point of contact for assisting new migrants around New Zealand. Eighteen local initiatives have been set up to provide local settlement information and referrals that support settlement where migrants live. In 2011, Settlement Support New Zealand began working with employers and workplaces to increase awareness of factors that increase the retention of migrants.

Settlement Unit – Migrant Settlement Programme contracts

Settlement programmes are one-year contracts funded by the Migrant Levy.

Chambers of Commerce, \$0.4 million

Immigration New Zealand funds chambers of commerce (in Auckland, Wellington and Canterbury) to help employers attract, identify, and connect with prospective migrant staff, to survey employers' attitudes and how they hire migrants, and to help employers to retain migrant staff.

Citizens Advice Bureau (Language Link), \$0.5 million

Language Link provides a multilingual information and advice service for new migrants to access appropriate information and advice in their language. Language Link also supports Settlement Support New Zealand co-ordinators who need help overcoming language barriers when providing their services.

Auckland Regional Migrant Services, \$0.3 million

Auckland Regional Migrant Services is funded to address regional settlement information issues that it identifies through a regional newcomers' forum and in collaboration with sector stakeholders. Three of these regional co-ordination

of settlement information activities are included in the Auckland Regional Settlement Action Plan.

Chinese New Settlers Services Trust, \$0.06 million

The Chinese New Settlers Services Trust provides Chinese and Korean new migrants with orientation and settlement information workshops on topics relevant and specific to them in Auckland.

Vote Immigration – Migrant Research Programme, \$2.5 million

Migrant Levy funding from this allocation is aimed at contributing towards research and evaluation activities that enhance knowledge of, and influence decision-making about, immigration and settlement systems. The Migration Research, Evaluation and Analysis Team in the Strategy and Governance group of MBIE is responsible for these activities.

Vote Immigration – Levy administration, \$0.3 million

Levy administration is an allocation to enable MBIE to administer the Migrant Levy on behalf of the Crown. This allocation pays for services such as the collection of the levy, administering and reporting on the memorandum accounts and annual allocations, administering the allocation process, and preparing all related ministerial briefings and Cabinet papers.

Other central organisations settlement programmes – Migrant Levy funding

Vote Internal Affairs – Language Line, \$0.8 million

Language Line provides a real-time telephone interpreting service to the Government and organisations providing core front-line services. Language Line helps migrants and refugees gain access to government services and information.

Vote Education – English for Speakers of Other Languages for adults, \$0.4 million

This initiative is intended to help in the settlement of adult migrants through English language tuition delivered by English Language Partners New Zealand (ELPNZ) with funding allocated by the Tertiary Education Commission. ELPNZ is a national community-based provider of English for Speakers of Other Languages (ESOL) tuition. It operates from 23 locations and a national office. The initiative is available for adult migrants with permanent residence who are trying to settle in New Zealand. However, the Tertiary Education Commission's 2011 contract with ELPNZ required that these learners were not job seekers and have not pre-purchased English-language training. The requirement that learners cannot look for jobs has been removed.

Vote Education – English for Speakers of Other Languages professional development, \$0.2 million

This appropriation funds professional development programmes targeted at teachers, language assistants, bilingual tutors, and teacher aides working in schools to support ESOL programmes for migrant learning English. This initiative provides for a senior advisor to ensure that programmes and resources are appropriately targeted to meet the needs of migrant students and their teachers. This is outside the scope of our audit.

Vote Education – English for Speakers of Other Languages resources, \$0.2 million

This Migrant Levy allocation is intended to contribute towards the objective

... to improve English language and literacy learning and achievement, and equip all NZ students with the necessary literacy and language knowledge and skills to be successful throughout schooling and as citizens.

The funding is specifically aimed at students from migrant and refugee backgrounds. It achieves this by contributing to the provision of materials for parents of students from migrant and refugee backgrounds and for professional support for teachers of these students. This is outside the scope of our audit.

Vote Education – English for Speakers of Other Languages in schools, \$2.5 million

This programme is an ongoing contribution towards the costs of ESOL in the compulsory school sector. The programme consists of intensive support for learning English, intended to prepare and help migrant students for participation in mainstream classroom programmes. This is outside the scope of our audit.

Vote Social Development – Migrant employment assistance, \$0.6 million

Migrant Employment Assistance provides funding for projects that work with recognised migrant communities to develop the skills needed to access the labour market. The main aim of the services is to help migrants and migrant communities to learn skills to find jobs. The services support learning skills to support access to the labour market where support through Work and Income services is not available.

Other related programmes

Careers New Zealand – \$1.0 million

Careers New Zealand has been provided with an annual baseline transfer of \$1.0 million to work with migrants and refugees by helping them with careers advice and information since 2004/05. The original purpose of this funding was to provide migrants (including refugees) with tailored career and labour market information and guidance through a combination of group events and one-

on-one help. In line with changes to Careers New Zealand's strategic direction, services to migrants and refugees are now provided mainly through their website and 0800 contact centre, and through working with organisations that support migrants and refugees.

Ministry of Social Development – Settling In programme, \$1.5 million

The Ministry of Social Development has a time-limited allocation of \$1.5 million for the Settling In programme. As of 2013/14, funding for the Settling In programme is \$500,000 a year. Settling In was set up in 2004 and is administered by Family and Community Services (a service line of the Ministry of Social Development). Settling In has a focus on social matters and services and in 2012/13 operates in 14 locations around New Zealand. It works closely with refugee and migrant communities to address social needs that the communities have identified.

Tertiary Education Commission – Pre-purchased English for Speakers of Other Languages, \$0.8 million

Working age secondary skilled migrants are required to have some English-language skills or pre-purchase English-language tuition before arriving in New Zealand. The fees paid for this pre-purchased English-language tuition are administered by the TEC on behalf of Immigration New Zealand under TEC's English for Migrants programme. The programme is aimed at enabling migrants to take English language courses, helping them settle into communities and work.

Tertiary Education Commission – Adult Community Education, from a total pool of \$21 million

The Tertiary Education Commission's Adult Community Education fund provides ESOL through ELPNZ, which also provides ESOL through funding from the Migrant Levy, the other relevant source of funding that the Tertiary Education Commission administers. The purpose of the Adult Community Education fund is to provide adults with community-based education, foundation skills, and pathways into other learning opportunities that meet identified community learning needs. This is the base funding that the Adult ESOL Migrant Levy funding of \$400,000 builds on.

Appendix 5

How the Migrant Levy is used

Government organisations with an interest in immigration and settlement-related matters can bid for Migrant Levy funding. The assessment criteria for funding proposals make it clear that:

Successful settlement outcomes encourage migrants to remain in New Zealand and to make a positive and long-term contribution to the economy and society. Consequently research and settlement initiatives funded by migrant levy allocations need to support new migrants, those who have been in New Zealand for less than five years, to optimise their potential contribution ... (See Migrant Levy Funding Review and Proposed Allocations for 2012/13, March 2012, EGI (12) 37, Appendix Three, Part A, page 13.)

The table on the following page provides an overview of how the Migrant Levy has been distributed since 2008/09.

MIGRANT LEVY FUNDING 2008/09 – 2012/13						
Vote	Initiative	2008/09 \$000	2009/10 \$000	2010/11 \$000	2011/12 \$000	2012/13 \$000
IMMIGRATION NEW ZEALAND FUNDING						
Immigration	Migrant research programme	2,473	2,473	2,313	2,253	2,453
Immigration	Core settlement services	1,780	1,780	1,780	1,780	1,780
Immigration	Levy administration	629	629	422	422	310
Immigration	LisNZ survey/research	707	694	714	200	-
Sub-total Immigration Funding		5,589	5,576	5,229	4,655	4,543
PROGRAMME FUNDING – OTHER DEPARTMENTS						
Statistics NZ	LisNZ survey/research	650	250	150	-	-
Internal Affairs	Language line	669	743	790	790	833
Education	ESOL for adults	426	426	426	426	426
Education	ESOL in schools	2,460	2,460	2,460	2,460	2,460
Education	ESOL professional development	400	400	400	400	222
Education	ESOL resources	-	-	-	-	177
Social Development	Migrant employment assistance	782	782	782	782	587*
Sub-total Other Departments		5,387	5,061	5,008	4,858	4,705
Contestable Settlement Initiatives		1,649	616	571	768	-
Total Migrant Levy Funding		12,625	11,253	10,808	10,281	9,248

Source: Department of Labour Annual Report to June 2012, pages 123 and 124.

*Having at first failed to fulfil assessment criteria for funding for the first half of 2012/13, the migrant employment assistance initiative's funding was reduced to \$196,000 for the first half of 2012/13. A later Migrant Levy review reassessed this initiative, which received \$391,000 in funding for the second half of 2012/13.

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- Effectiveness and efficiency of arrangements to repair pipes and roads in Christchurch Earthquake Commission: Managing the Canterbury Home Repair Programme
- Using the United Nations' Madrid indicators to better understand our ageing population
- Annual Report 2012/13
- Using development contributions and financial contributions to fund local authorities' growth-related assets
- Commentary on *Affording Our Future: Statement on New Zealand's Long-term Fiscal Position*
- Annual Plan 2013/14
- Learning from public entities' use of social media
- Inquiry into Mayor Aldo Miccio's management of his role as mayor and his private business interests
- Managing public assets
- Insuring public assets
- Evolving approach to combating child obesity
- Public sector financial sustainability
- Education for Māori: Implementing *Ka Hikitia – Managing for Success*
- Statement of Intent 2013–2016
- Central government: Results of the 2011/12 audits
- Health sector: Results of the 2011/12 audits
- Transport sector: Results of the 2011/12 audits

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