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## Immigration New Zealand: Supporting new migrants to settle and work

Progress in responding to  
the Auditor-General's  
recommendations



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## Introduction

- 1.1 In 2013, we published a report on a performance audit we carried out of how well the Ministry of Business, Innovation and Employment (the Ministry), through Immigration New Zealand, and other agencies were supporting new migrants to settle and work in New Zealand.<sup>1</sup>
- 1.2 Our audit focused on the support available to new migrants in the two to five years after they arrive in New Zealand. We looked at the effectiveness of settlement support services and whether they were achieving the desired results. This article reports on the progress the Ministry has made in making improvements in response to the seven recommendations in our 2013 report.
- 1.3 New Zealand continues to place importance on attracting skilled migrants to meet labour and skill shortages. In 2014/15, 24,274 people gained New Zealand residency as a skilled migrant.<sup>2</sup> Research by the Ministry shows that most skilled migrants stay in New Zealand long term, and that the number staying has been steadily increasing. To ensure that these migrants settle well in New Zealand, it is important that Immigration New Zealand and its partners maintain the focus on and momentum of the work they are doing. This is so they do not lose sight of their objectives to support migrants to settle and work. It is also important that value for money is achieved through the targeting and impact of resources used to help migrants settle.

## Our 2013 findings and recommendations

- 1.4 We found that Immigration New Zealand had narrowly interpreted its role in coordinating the governance of settlement support throughout government. The governance structure had not worked as intended, and it was not being used as effectively as it could be to make best use of resources.
- 1.5 There was slow progress towards implementing a settlement evaluation and monitoring framework. Because of this, the Ministry could neither show, nor report on measurable settlement outcomes achieved by the settlement services offered to new migrants.
- 1.6 We recommended 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 1)

1 *Immigration New Zealand: Supporting new migrants to settle and work*, <http://www.oag.govt.nz/2013/new-migrants>.

2 Ministry of Business, Innovation and Employment, *Migration Trends and Outlook 2014/15*, Wellington, page 42.

- 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 2)
- Monitor and review the governance structure to ensure its ongoing effectiveness. *Target time frame: ongoing.* (Recommendation 3)
- 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.* (Recommendation 4)

1.7 We recommended that the Ministry:

- 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.* (Recommendation 5)

1.8 We also recommended 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 6)
- 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.* (Recommendation 7)

## Summary of progress since 2013

1.9 The Ministry, through Immigration New Zealand, has made good progress in making improvements by:

- focusing and strengthening the leadership of migrant settlement with a new migrant settlement strategy and governance arrangements;
- developing and implementing a monitoring and outcome reporting framework for whole-of-government settlement activities;
- working with its partners to identify and develop new settlement services to fill gaps in current services;
- strengthening its regional approach; and
- communicating better about where new migrants can access information about settlement services.

1.10 The progress made so far looks promising but it is too early to say how settlement outcomes of new migrants have been affected – in particular, whether the barriers faced by secondary skilled migrants<sup>3</sup> and temporary work visa holders have been reduced. The effect on settlement outcomes of the new governance arrangements and monitoring and outcome reporting framework should become clearer over time.

1.11 The Ministry needs to keep monitoring, and reporting on the effectiveness of settlement services. This is to ensure that resources are targeted where they are most needed, and that the settlement needs of new migrants are met.

### **Renewed focus on migrant settlement and integration**

1.12 Cabinet approved the Migrant Settlement and Integration Strategy (the new Strategy) and new governance arrangements in July 2014. The new Strategy focuses on migrants' economic contribution to New Zealand as well as their social well-being.

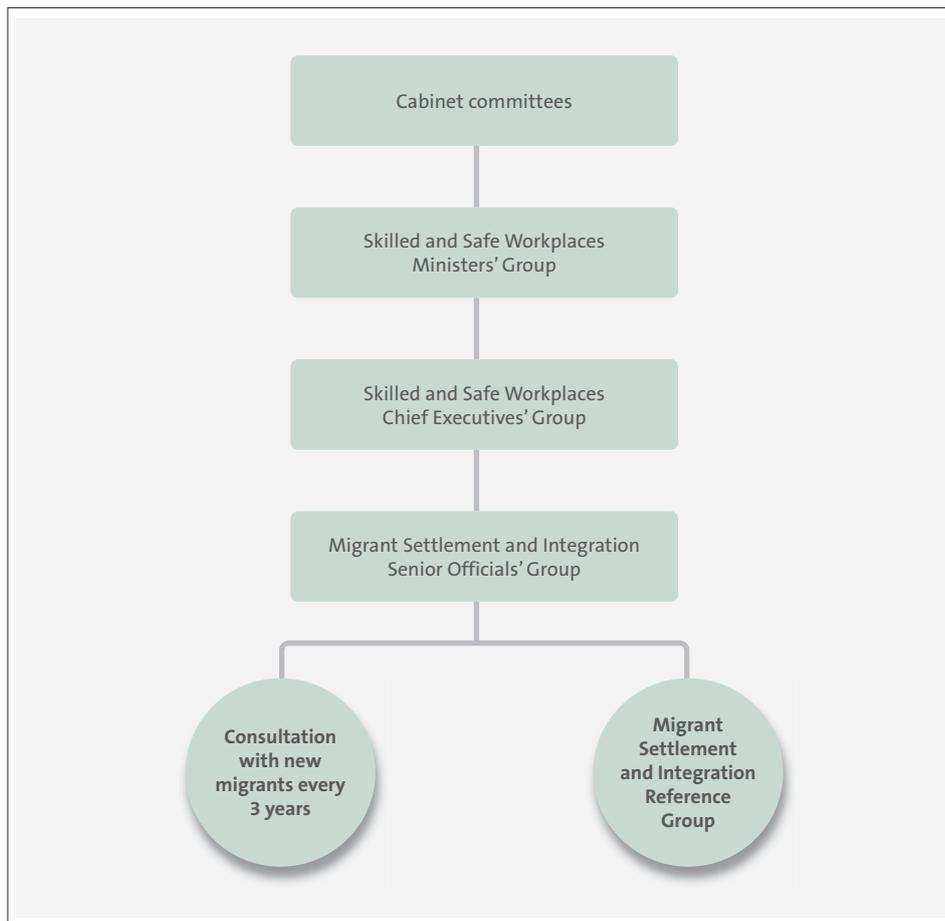
1.13 The new Strategy also reinforces Immigration New Zealand's leadership role in whole-of-government settlement services, including the development of settlement-related policy and the delivery of settlement services.

### **New governance arrangements**

1.14 Figure 1 shows the new governance arrangements that were put in place in July 2014.

<sup>3</sup> Secondary skilled migrants are the partners and dependent children of principal skilled migrants. For the purposes of this article, references to secondary skilled migrants mean secondary skilled migrants of working age.

**Figure 1**  
**Migrant Settlement and Integration Strategy's new governance arrangements**



Source: Ministry of Business, Innovation and Employment.

- 1.15 The Ministers' Group provides ministerial oversight of the new Strategy. The Chief Executives' Group is responsible for the strategic governance of the new Strategy and for monitoring its implementation against success indicators.
- 1.16 The Senior Officials' Group is responsible for cross-government leadership on the new Strategy's priorities and annual work plans. The Senior Officials' Group also monitors quarterly the progress of the new Strategy's annual work plans. The Senior Officials' Group is supported by a Reference Group that helps identify the new Strategy's priorities.

- 1.17 Early signs suggest there is now better collaboration between agencies. The governance arrangements are designed to prioritise and target resources to where they are most needed. However, the structure is fairly new and more time is needed for it to become embedded.
- 1.18 The Senior Officials' Group also needs to understand its governance role better, in order to sustain cross-government efforts to target and prioritise resources. Leadership from the Senior Officials' Group is also important for maintaining focus on the new Strategy's objectives.
- 1.19 Participation in inter-agency groups needs time and commitment from people throughout government – whose priorities will often differ. This means that membership of these groups can change, especially if the groups involve senior staff. The changing membership could pose a risk to the effectiveness of the governance structure. Immigration New Zealand is managing this risk by making sure that new members are updated on the work to date.
- 1.20 Immigration New Zealand is now monitoring the effectiveness of the new governance arrangements and should continue to do so. Continued monitoring should ensure that the structure and approach supports the targeting of resources towards measurable settlement outcomes for new migrants.

### **Better reporting on settlement outcomes**

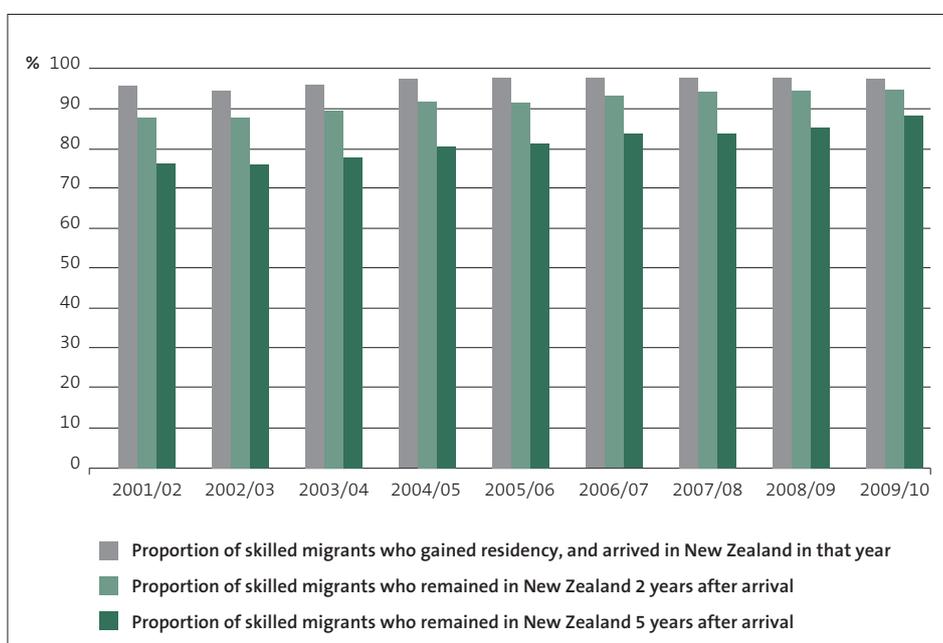
- 1.21 Immigration New Zealand and its partners have developed an outcomes framework for the new Strategy. The framework has five outcomes and 16 success indicators which cover employment, education and training, English language, and health and well-being.
- 1.22 Immigration New Zealand and its partners have started collecting baseline data for each of the success indicators. Using the baseline data, Immigration New Zealand has produced the first dashboard report on the new Strategy's success indicators. However, it is too early to determine whether the new Strategy has led to better settlement outcomes for new migrants. Immigration New Zealand needs to keep reporting these indicators so that there is a more accurate picture of migrant settlement outcomes.

### **Reporting on retention rates**

- 1.23 The Ministry has improved how it reports on retention rates. Its annual Migration Trends and Outlook report now includes trend data for two- and five-year retention figures. Data on the transition and retention of migrants is also published online.

1.24 Figure 2 shows that the retention rates for skilled migrants over the initial settlement period of between two and five years after they arrive in New Zealand is high and is improving.

**Figure 2**  
Retention rates of skilled migrants in the two to five years after gaining residency, by year



Source: Ministry of Business, Innovation and Employment.

Note. Migrants are in New Zealand if they are not “long term absent” which is defined for a permanent migrant as absent from New Zealand for six months or longer. The retention rates for skilled migrants who arrived after 2009/10 are excluded because they have not been in New Zealand for five years.

### Linking migration data using the Integrated Data Infrastructure

1.25 The Ministry has used Statistics New Zealand’s Integrated Data Infrastructure’s linked migration data to examine labour market outcomes for specific categories of migrants.<sup>4</sup>

1.26 Under the new Strategy, the Ministry is monitoring the proportion of principal and secondary skilled migrants whose occupations in New Zealand match their skills and qualifications. In 2014, 84% of principal skilled migrants reported that they have work that matches their skills and NZ-ready qualifications. For secondary skilled migrants, 61% reported that they have work that matches their skills and

<sup>4</sup> The Integrated Data Infrastructure draws together information from multiple organisations. This data can be matched with education outcomes and tax data to provide a better view of migrant outcomes. Data sets include health, education, immigration administration, borders, and migrant survey data.

NZ-ready qualifications. This suggests that there may be opportunities to improve the integration of secondary skilled migrants into the New Zealand labour market.

- 1.27 Since 2015, labour market outcomes for principal skilled migrants by region have been published. Data is available on the occupations and industries where principal skilled migrants have received job offers. For example, in 2014/15, the three occupations most frequently offered to principal skilled migrants in Auckland were: ICT support technicians, chefs, and software and applications programmers.<sup>5</sup> Regional employment rates for NZ-born citizens are also available for comparison against migrants. This means that better regional information is available about the contribution skilled migrants make to the New Zealand economy.

### **Room for further improvement**

- 1.28 There is still room to further improve the reporting of success indicators related to the settlement of skilled migrants. Many indicators do not include measurable targets. For example, one indicator of employment outcome is an increasing proportion of employed principal and secondary applicants whose occupations in New Zealand match their skills and NZ-ready qualifications. However, the indicator does not yet include a target for the increased proportion.
- 1.29 In our 2013 report, we discussed the need for more information about the differences between migrant and New Zealand-born populations to help interpret the settlement experiences of new migrants more accurately. For example, one measure of health and well-being in the new Strategy is “increased proportion of recent migrants are enrolled in a primary health organisation”. This measure would be more meaningful if there was information on what the same statistic is for the New Zealand population.
- 1.30 Immigration New Zealand also needs to ensure that the different definitions of “recent migrants” used to report on settlement outcomes are made clear and are understood. This is to prevent any misinterpretation of the settlement experiences of new migrants who have been in New Zealand for different lengths of time. The surveys and data collections used to report on settlement outcomes capture different groups of recent migrants. For example, the 2013 census defines “recent migrants” as migrants who have been in New Zealand for less than five years. However, the New Zealand General Social Survey defines “recent migrants” as migrants who have been in New Zealand for 12 years or less.
- 1.31 For a more comprehensive picture of labour force trends, regional reports on migration and labour force trends could include the employment outcomes of secondary skilled migrants.

<sup>5</sup> Occupations are based on those defined in the Australian and New Zealand Standard Classification of Occupations (ANZSCO).

1.32 In 2015, Immigration New Zealand's funded settlement programmes were independently reviewed. The review found that each programme's links to the new Strategy need to be strengthened. Immigration New Zealand needs to clearly determine how each programme contributes to the outcomes sought for secondary skilled migrants and temporary work visa holders, including how its success will be measured. Immigration New Zealand is working with service providers on this. It is crucial that Immigration New Zealand works quickly and effectively to determine how settlement-related programmes and activities contribute towards meeting the needs of new migrants.

### **Better targeting of resources**

1.33 Immigration New Zealand and its partners have identified priority groups, and gaps in settlement services. The new Strategy's priority groups include secondary skilled migrants and temporary work visa holders.

1.34 Temporary work visa holders did not have access to most settlement services when we did our audit in 2013 because they did not pay the Migrant Levy. In December 2015, the Immigration Levy (the levy) replaced the Migrant Levy. This would allow future settlement services to target both skilled migrants and temporary work visa holders. We note that while more new migrants now pay the levy, this does not necessarily mean there will be additional funding for settlement services. This is because the levy can be used to fund other Immigration New Zealand functions.<sup>6</sup>

1.35 Using the new governance arrangements, opportunities to better target resources were identified. Changes were proposed to the range of settlement services available. Four new initiatives to be implemented in 2016 were identified to address gaps in current settlement services and to achieve the new Strategy's outcomes:

- A one-to-one mentoring service in Auckland that aims to support new migrants to gain and retain meaningful employment. This service is provided by Careers New Zealand and includes post work placement support.
- New Zealand Police to expand the ethnic safety patrols beyond Auckland, to Christchurch and Wellington.
- Immigration New Zealand and the Tertiary Education Commission to develop an online assessment and referral tool to direct new migrants to providers of local English for Speakers of Other Languages programmes. This is targeted in Auckland due to the large number of providers located there.
- A social media campaign by the Human Rights Commission to address casual racism and discrimination against migrants.

<sup>6</sup> The new Immigration Levy funding arrangements are expected to be introduced from the 2017/18 financial year. This is because Migrant Levy funding allocations were rolled over from 2015/16 to 2016/17.

- 1.36 Under the new governance arrangements, gaps and services to reduce barriers to employment were identified. For example, Immigration New Zealand, the Tertiary Education Commission, and the Ministry of Education would consider developing a programme for migrants who are proficient in English, but need help to develop the high-level language skills sought by employers. This programme would target regions with large migrant populations, and is expected to be considered in the 2017/18 funding round.
- 1.37 To reduce communication barriers with new migrants, Immigration New Zealand is developing a new guide that outlines tips for communicating with new migrants more effectively. It is expected to be published in June 2016.
- 1.38 Immigration New Zealand is also realigning the services it funds, and other Immigration Levy-funded programmes, to cater for the new Strategy's priority groups. This includes Immigration New Zealand's contracts with Chambers of Commerce, and the Ministry of Social Development-funded Migrant Employment Assistance programme. These realignments are expected to take place ahead of the 2017/18 funding round.
- 1.39 In October 2014, Immigration New Zealand created eight regionally-based Relationship Manager roles. Part of their job is to give employers settlement and employment advice, with the aim of strengthening the support to employers, councils, and new migrants in the regions. The Relationship Managers also provide retention and planning advice to promote business growth. A July 2015 survey found that these new roles had improved the Ministry's relationships with employers and community groups in the regions. However, a small group of those surveyed considered that it was too early to assess the impact of the Relationship Manager roles.

### **Improving the information new migrants receive**

- 1.40 Immigration New Zealand has improved the way it provides settlement information. New migrants can now access settlement information through:
- free phone and email services provided by Immigration New Zealand's contact centre;
  - face-to-face referral services provided by the Citizens Advice Bureau throughout New Zealand; and
  - a refreshed settlement information website ([www.newzealandnow.govt.nz](http://www.newzealandnow.govt.nz)) that includes regional settlement information and information targeted at partners of skilled migrants. A New Zealand Now Facebook page and an employer webpage in the Immigration New Zealand website are also used to share information.

- 1.41 When new migrants are granted a visa, they now receive a series of settlement information emails spread over 5 weeks after they arrive in New Zealand. The first email, for example, has information about tax implications on overseas income and where to go to get an IRD number.
- 1.42 The Guide for Migrant Dairy Farm Workers has been updated with new information gathered from migrant dairy workers and their employers. The updated guide includes common words and phrases used in New Zealand farms and information on the New Zealand rural lifestyle.
- 1.43 The resources provided by Immigration New Zealand have an element of “helping the migrants to help themselves”. These resources aim to provide a potential new migrant with information to help them to move to, and adjust to life in, New Zealand.
- 1.44 Some information provided to new migrants could be improved. For example, the estimated cost of visiting the local GP could be provided as a range, to reflect the varying costs in different parts of New Zealand.
- 1.45 Immigration New Zealand is monitoring the use of the New Zealand Now website and Facebook page. It is also monitoring the service providers it funds. A survey by Immigration New Zealand suggests that migrants are satisfied when they seek information from the Citizens Advice Bureau. Most migrants surveyed would also recommend the service to others. It is important that Immigration New Zealand continues to review the effectiveness of the provision of settlement information, to ensure that resources are targeted where they are most needed.

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- Response to query about Housing New Zealand’s procurement processes
- Reflections from our audits: *Governance and accountability*
- Draft annual plan 2016/17
- Local government: Results of the 2014/15 audits
- Department of Conservation: Prioritising and partnering to manage biodiversity – Progress in responding to the Auditor-General’s recommendations
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- Principles for effectively co-governing natural resources
- Governance and accountability for three Christchurch rebuild projects
- Central government: Results of the 2014/15 audits
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